



BROO Limited

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ASX Announcement

Broo enters contract to sell Ballarat property

Broo Limited (ASX: BEE) ("**Company**") advises that its wholly owned subsidiary, Broo Brewery Pty Ltd (**Broo Brewery**), has entered into a contract of sale of real estate with Bentley Property Group for the sale of its property asset located at 2 Liberator Drive, Mitchell Park, Victoria 3355 ("**Ballarat Property**").

Broo Brewery originally acquired the Ballarat Property in 2017 as a site for future development of a brewery.

However, in August 2020 the Company signed a contract brewing agreement with CUB Pty Ltd, Australia's largest beer producer (*refer ASX announcement 12 August 2020*). This contract brewing arrangement with CUB provides the Company with significant brewing capacity to meet increased distribution and sales demand for the Company's beer products.

The Company has determined at this stage to focus on the outsourced production of its beer products through CUB and allocating funds towards marketing and distribution of its products, rather than seeking to allocate and raise the substantial levels of capital required for development of its own brewery at the Ballarat Property.

Bentley Property Group is a Ballarat based property investment and development company. The sale of the Ballarat Property is for \$7.5m and such sale is conditional upon approval by Development Victoria of the sale and an appropriate agreement being entered between Development Victoria and Bentley Property Group under section 49 of the *Development Victoria Act 2003* (Vic) within 60 days. A section 49 Agreement provides for conditions concerning the use or development of the land and can include such matters as development timeframes and minimum number of full-time employees to be engaged on the developed land.

Settlement of the sale of the Ballarat Property is scheduled to occur on the earlier of 90 days from day of sale or 60 days from obtaining Development Victoria approvals.

The Company will provide a further update on the progress of the sale of the Ballarat Property in due course.

This announcement has been authorised for release by Kent Grogan, CEO.

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Broo Ltd

Further Information

For further information, please contact the Company on + 61 (3) 5984 2222.

About Broo Ltd

Broo Ltd is a unique Australian beer company that distinguishes itself from competitors through strong brands, company ethos, unique marketing platform and quality beer products. The Company is primarily focused on the production, marketing and sale of Broo Premium Lager.