



AUSTRALIAN VINTAGE LTD

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ASX RELEASE

13 September 2013

AUSTRALIAN VINTAGE ANNOUNCES SUCCESSFUL COMPLETION OF THE INSTITUTIONAL COMPONENT OF ITS CAPITAL RAISING WITH STRONG INVESTOR SUPPORT

Australian Vintage Limited ('AVL' or 'the Company') (ASX: AVG) today announced the successful completion of the \$17.7 million institutional component of its accelerated pro-rata 3 for 5 entitlement offer ("**Institutional Entitlement Offer**") and the \$8.4 million institutional placement ("**Placement**"). The Institutional Entitlement Offer and the Placement form part of the Company's \$41.8 million capital raising announced on 11 September 2013.

The net proceeds of the capital raising will be used to reduce the Company's debt, strengthen the balance sheet and reduce gearing. On a pro forma basis, AVL's gearing (Debt: Equity) will fall from 59% to approximately 37% following the capital raising.

The Institutional Entitlement Offer and Placement received very strong support from both existing shareholders and new institutional investors and was significantly oversubscribed. Bell Potter Securities was Sole Lead Manager of the Institutional Placement and Underwriter of the Institutional Entitlement Offer.

The Company's Chief Executive Officer Neil McGuigan said: "We are delighted with the outcome of this offer and the support shown by existing and new institutional shareholders. The fact that the offer was oversubscribed demonstrates the positive attitude investors have in the Australian wine industry and, in particular, in AVL's ability to build global brands and to make wines that over deliver at any price point. The proceeds from the equity raising will assist in significantly reducing the Company's gearing and the cost of its debt funding."

AVL shares will recommence trading with effect from the opening of the market on Friday, 13 September 2013.

Commencement of the Retail Entitlement Offer

The retail component of the capital raising (the '**Retail Entitlement Offer**') will open on Thursday, 19 September 2013 and close at 5.00pm (Sydney time) on Thursday, 3 October 2013.

Eligible Retail Shareholders will be able to subscribe for 3 new shares for every 5 AVL shares held at the record date of 7.00pm (Sydney time) on Monday, 16 September 2013, at the same price as the Institutional Entitlement Offer (\$0.42 per new share).

The Retail Entitlement Offer will raise approximately \$15.8 million.

Eligible Retail Shareholders can choose to take up their Entitlement in whole, in part, or not at all. A copy of the Offer Booklet and a personalised Entitlement and Acceptance Form for the Retail Entitlement Offer will be mailed to Eligible Retail Shareholders on Thursday, 19 September 2013.

The Offer Booklet is an important document and Eligible Retail Shareholders should read it carefully (including the risk factors outlined in the capital raising investor presentation included in the Offer Booklet) in assessing the investment opportunity. Any Eligible Retail Shareholders who wish to acquire new AVL shares under the Retail Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised Entitlement and Acceptance Form which will accompany the Retail Offer Booklet.

Timetable

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| Institutional Entitlement Offer Opens | Wednesday, 11 September |
| Institutional Entitlement Offer Closes | 10.00am Sydney time, Thursday, 12 September |
| Ordinary Shares Recommence Trading | Friday, 13 September |
| Record Date to Determine Entitlements | 7.00pm Sydney time, Monday, 16 September |
| Retail Entitlement Offer Opens | Thursday, 19 September |
| Institutional Settlement Date | Thursday, 19 September |
| Institutional Trading Date | Friday, 20 September |
| Retail Entitlement Offer Closes | 5.00pm Sydney time, Thursday, 3 October |
| Retail Entitlement Offer Settlement Date | Thursday, 10 October |
| Retail Allotment Date | Friday, 11 October |
| Retail Trading Date | Monday, 14 October |

Shareholder Information

Retail Shareholders should contact the AVL Shareholder Information Line on 1300 298 715 (local call within Australia) or +61 3 9415 4182 (from outside Australia) between 8.30am and 5.30pm (Sydney time) during the Retail Offer period if they have any questions.

ENDS

Further information

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