

MIGHTY CRAFT LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 622 810 897 (“MCL”)

EXPLANATORY STATEMENT

Capitalised terms used in this Explanatory Statement have the meanings defined in the Glossary in Schedule 2, unless the context requires otherwise or unless a term has been defined in the text of the Explanatory Statement, and a word importing the singular includes the plural (and vice versa).

1. PURPOSE OF THE EXPLANATORY STATEMENT

1.1 This Explanatory Statement contains information about:

- (a) An application (**Section 444GA Application**) made by the Deed Administrators in the Supreme Court of New South Wales seeking an order (**Section 444GA Order**) for leave pursuant to section 444GA of the Corporations Act to transfer all of the MCL Shares to PURE or its nominee as part of a deed of company arrangement entered into in respect of MCL on 4 September 2024 (**DOCA**);
- (b) the steps that you need to take if you wish to appear at the Court hearing in respect of the Section 444GA Application, which has been listed for a final hearing at 10:00am AEDT on 11 December 2024; and
- (c) the effect of the DOCA on you as a Shareholder, in order to assist you in deciding whether to take action in respect of the Section 444GA Application.

1.2 Enclosed with this Explanatory Statement are copies of the following documents:

- (a) an Independent Expert's Report prepared by the Expert, which contains an independent valuation of the MCL Shares;
- (b) the DOCA;
- (c) Administrators' Section 75-225 Report to Creditors;
- (d) Originating Process filed by the Deed Administrators in relation to the Section 444GA Application; and
- (e) the Affidavit of Liam Healey, one of the Deed Administrators, filed in support of the Section 444GA Application;
- (f) Orders made by the Supreme Court of New South Wales on 8 November 2024 in connection with the Section 444GA Application (**Procedural Orders**).



- 1.3 The Section 444GA Application has been listed for final hearing at 10:00am AEDT on 11 December 2024 before the Supreme Court of New South Wales, 184 Phillip Street, Sydney NSW 2000.
- 1.4 If you wish to appear at the final hearing and /or oppose the Section 444GA Application, you may do so by filing with the Court, and serving on the Deed Administrators and the Australian and Securities Investments Commission (ASIC), a notice of appearance in the prescribed form indicating the grounds of opposition by 5:00pm AEDT on 6 December 2024. You may also apply to be joined as a respondent to the Section 444GA Application by no later than 5:00pm AEDT on 6 December 2024.
- 1.5 **Shareholders should consider the Independent Expert's Report in full before deciding whether to take any action in relation to the Section 444GA Application. If you are in any doubt as to the action you should take, you are recommended to obtain your own personal legal or financial advice from your legal or other professional adviser(s).**
- 1.6 A copy of the Explanatory Statement (including the Independent Expert's Report) has been provided to ASIC prior to the issuance of this Explanatory Statement. Neither ASIC nor any of its officers take any responsibility for the contents of this Explanatory Statement.

2. OVERVIEW OF MCL AND THE MCL GROUP

- 2.1 MCL is an Australian public company which was incorporated on 13 November 2017. It was admitted to the official list of ASX on 17 December 2019.
- 2.2 MCL has 368,219,614 ordinary shares on issue and 2,140 shareholders.
- 2.3 The MCL Shares were suspended from trading on the ASX on the 22 July 2024. With effect from close of trading on 28 August 2024, MCL was removed from the official list of the ASX.
- 2.4 The closing price for MCL Shares on the last trading day before suspension was \$0.005.
- 2.5 MCL is the ultimate holding company of 15 wholly-owned subsidiaries (as set out in Schedule 1) forming the MCL Group. A diagram setting out the corporate structure of the MCL Group (**Group Structure**) is set out on page 28 of the Administrators' Section 75-225 Report (see Attachment 3).
- 2.6 The MCL Group had, since its inception, made several investments in various businesses in the hospitality and craft beverage industries. However, more recently, it had divested its interests in most of these businesses.
- 2.7 As at the Appointment Date, the MCL Group, among other interests:
 - (a) owns and operates a boutique distillery business in Kangaroo Island, South Australia, known as "Kangaroo Island Spirits" or "Kangaroo Island Distillery";
 - (b) holds a minority shareholding in Better Beer Holdings (which, via its wholly owned subsidiary Better Beer Co, owns the local beer brand "Better Beer"); and
 - (c) owns a majority share in Seven Seasons, another boutique distillery business known as "Seven Seasons". Seven Seasons operates an indigenous spirits manufacturing distillery business.



- 2.8 As at the Appointment Date, the primary operating entities of the MCL Group include:
- (a) MCL;
 - (b) Mighty Craft Operations Pty Ltd, which was the primary operating entity for the MCL Group's wholesale sales and distribution business, housed inventory, operating assets and all operational key stakeholder contracts / agreements;
 - (c) Mighty Craft People and Services Pty Ltd which was the primary employing entity; and
 - (d) Kangaroo Island Distillery Pty Ltd which operates the Kangaroo Island Spirits distillery and hospitality venue business.
- 2.9 The remaining 12 wholly-owned direct or indirect subsidiaries of MCL are either dormant / non-trading companies or subject to strike-off action.
- 2.10 The Group Structure also includes the interests in Seven Seasons, Better Beer Holdings and Better Beer Co, none of which are in any form of external administration as at the date of this Explanatory Statement.

3. ADMINISTRATION OF MCL

- 3.1 On 22 July 2024 (**Appointment Date**), Quentin Olde and Liam Healey were appointed as joint and several administrators (**Administrators**) of MCL and the 15 wholly-owned subsidiaries comprising the MCL Group by the directors of each company in the MCL Group pursuant to section 436A of the Corporations Act. At Section 3.10 of the Administrators' Section 75-225 Report to Creditors, the Administrators have summarised the explanations provided to them by the directors as to the reasons for the appointment.
- 3.2 PURE provided MCL (as borrower) with a secured term facility for the purposes of funding (amongst other things) working capital, inventory and general corporate purposes for the MCL Group. PURE holds twenty-two security interests, registered across eleven of the sixteen companies in the MCL Group including MCL, Mighty Craft Beer and Mighty Craft Spirits Plus. The other secured debt having been discharged, the security held by PURE is now first ranking (save that there is a dispute between the Whisky Development Syndicate Ltd and PURE as to their respective security interests in certain whisky stock). PURE's security is taken under a General Security Deed between PURE and the relevant companies in the MCL Group dated 24 September 2020 (**GSD**). The GSD secures moneys advanced by PURE pursuant to the Facility Agreement. As at the Appointment Date, PURE was owed approximately \$23.086 million comprising a principal debt of \$20 million and the balance comprising interest, default interest and unpaid fees.
- 3.3 On 2 August 2024, the Administrators also entered into a funding agreement with PURE which was effected by an amendment to the Facility Agreement. The additional funding provided by PURE enabled the Administrators to discharge a secured debtor finance facility owed to another secured creditor (Moneytech), preserve agreements with key suppliers and meet the ongoing operational costs of the MCL Group's business during the administration period. A corollary of the further funding made available to the Administrators was that the amount of PURE's secured debt increased to approximately \$27.916 million comprising a principal debt of \$24.83 million and the balance comprising interest, default interest and unpaid fees as at the date of this Explanatory Statement.



- 3.4 The Administrators' preliminary view, as set out in Section 7.5 of the Administrators' Section 75-225 Report to Creditors, is that each company in the MCL Group was likely solvent until it became unlikely that a proposed merger with Better Beer Holdings (or an alternate transaction), as described in Section 4 below, could be achieved to restructure the MCL Group's capital structure and transition to sustainable trading. As the Administrators understand that directors of the companies in the MCL Group moved quickly to appoint the Administrators once the directors formed the view that the proposed merger with Better Beer Holdings was unlikely to be achieved, the Administrators' preliminary view is that the MCL Group is likely to have only been momentarily insolvent in July 2024 immediately preceding the Administrators' appointment. Further details in relation to the solvency review performed by the Administrators can be found in Schedule 5 of the Administrators' Section 75-225 Report to Creditors.

4. SALE PROCESS AND FORMULATION OF THE DOCA

- 4.1 In the 12 months prior to the appointment of the Administrators, MCL had engaged advisers including KPMG, Jarden and Canaccord to undertake various divestment and recapitalisation processes of the businesses operated by the MCL Group (see Section 3.9 and 5.4 of the Administrators' Section 75-225 Report to Creditors for a summary outline of the steps taken).
- 4.2 These steps included:
- (a) KPMG undertaking a divestment campaign in respect of various group assets. The assets sold via this process are set out in Table 5 of the Administrators' Section 75-225 Report to Creditors;
 - (b) Jarden (unsuccessfully) running a secondary share sale of MCL Group's minority interest in Better Beer Holdings' shares; and
 - (c) Canaccord undertaking a capital raising roadshow in respect of a proposed reverse takeover by and merger with certain "Better Beer" entities (including Better Beer Holdings or Better Beer Co) to be followed by an equity capital raising. Although feedback was mostly positive the reverse takeover required the consent of PURE. Agreement with PURE could not be reached as the steps involved did not align with PURE's level of acceptable risk in relation to a return of capital prior to the proposed capital raise.
- 4.3 Following their appointment, the Administrators considered whether a comprehensive realisation process of the businesses and assets of the MCL Group companies (either as a going concern or on a piecemeal basis) would achieve the best outcome for creditors.
- 4.4 Ultimately, and having regard to the steps taken prior to the appointment of the Administrators, the Administrators did not undertake a separate asset realisation or sale campaign for the following reasons:
- (a) PURE has a first ranking security interest over substantially all of the assets of the companies in the MCL Group, securing a debt of circa \$28 million;
 - (b) interested parties would require PURE to release its security. PURE had however advised that it would not agree to release its security unless its secured debt was discharged in full;



- (c) based on the Administrators' review of the previous processes undertaken, a sale process in the current market was likely to produce underwhelming bids and unlikely to produce bids that were capable of acceptance by PURE.
- 4.5 Instead, the Administrators sought opportunities for a restructure of the MCL Group. As discussed in Section 5.4 of the Administrators' Section 75-225 Report, 21 interested parties made enquiries of the Administrators. The Administrators informed all potential interested parties that a sale or recapitalisation opportunity would only be considered if the relevant bids or proposals would achieve a return that was at least equivalent to the total of PURE's secured debt. The Administrators did not receive any substantiated offers that met this criterion.
- 4.6 The Administrators therefore formed the view that it was unlikely that a prolonged process or an extension of the administration period to undertake an extended sale/recapitalisation campaign would have resulted in a materially better outcome for creditors, primarily due to the funding constraints faced by the Administrators.
- 4.7 Following discussions with PURE, on 19 August 2024 the Administrators received a proposal from PURE with respect to the companies in the MCL Group (**DOCA Proposal**). The DOCA Proposal provided for a single deed of company arrangement to be entered into on a pooled basis.
- 4.8 In Section 10 of the Administrators' Section 75-225 Report (and in Schedule 6), the Administrators set out the estimated returns to creditors under (1) a liquidation scenario; and (2) on the basis that the companies in the MCL Group enter into a deed of company arrangement consistent with the DOCA Proposal. A side by side analysis is set out in Table 22 on page 87 of the Administrators' Section 75-225 Report. In the Administrators' opinion, in a liquidation scenario, the non-priority unsecured creditors would not receive any dividend, but under the DOCA Proposal scenario it was estimated that these creditors would receive between 0.5 cents per dollar to 0.9 cents per dollar. Therefore, in both scenarios it was expected that unsecured creditors would not be paid in full.
- 4.9 As a result of that analysis, the Administrators concluded that the DOCA Proposal provided a higher, more certain and timelier return for all unrelated unsecured creditors compared to liquidation. The Administrators therefore recommended that creditors resolve for each of the companies in the MCL Group to vote in favour of the DOCA Proposal.

5. KEY INFORMATION IN RELATION TO THE DOCA

Overview

- 5.1 At the Second Meetings, the creditors of each of the companies in the MCL Group resolved in favour of the DOCA Proposal and that the Administrators be appointed as the Deed Administrators.
- 5.2 The DOCA was executed by all parties to it on 4 September 2024 and it is intended that on Completion (as defined in the DOCA), all claims of creditors of each of the companies in the MCL Group that arose on or prior to the Appointment Date (except for the Excluded Claims, as defined in the DOCA), will be extinguished and transferred to the Creditors' Trust to be paid from the Creditors' Fund in the order of priority set out in the Creditors' Trust Deed.
- 5.3 The DOCA contemplates that as part of Completion of the DOCA, and on the condition that the Court makes the Section 444GA Order, the Deed Administrators will transfer all of the MCL Shares to PURE or its nominee, free and clear of any encumbrances.



Conditions to Completion of the DOCA

- 5.4 Completion of the DOCA is conditional upon the satisfaction of certain Conditions, including:
- (a) the Deed Administrators obtaining ASIC Relief (see section 7 below);
 - (b) the Deed Administrators obtaining the Section 444GA Order;
 - (c) PURE obtaining a written consent / waiver of the shareholders of Better Beer Holdings (excluding it and Mighty Craft Beer) in connection with the change of control that will arise if PURE or its nominee acquires the MCL Shares or any other company that directly or indirectly controls Mighty Craft Beer;
 - (d) the Deed Administrators obtaining, if required by PURE, any order from the Court which has the effect of preventing or enforcement of, and/or releasing or discharging any security interest granted by any of the companies in the MCL Group; and
 - (e) the provision of any release of a security interest granted by any of the companies in the MCL Group as required by PURE.
- 5.5 These Conditions must be satisfied on or before the CP Satisfaction Date, or such later date agreed to by PURE and the Deed Administrators.

Other Key Terms

- 5.6 The DOCA includes the following key terms:
- (a) at Completion, in addition to the transfer of the MCL Shares to PURE, the following steps will occur (inter-dependently, consecutively and to the maximum extent possible simultaneously):
 - (i) the Creditors' Trust Deed will be executed and become effective;
 - (ii) the DOCA Contribution (as defined in the DOCA) is to be transferred by PURE to the Deed Administrators to transfer to the Creditors' Trust to create the Creditors' Fund; and
 - (iii) the Deed Administrators will effect a transfer of the shares held by Mighty Craft Spirits Plus in Kangaroo Island Distillery Pty Ltd to PURE or its nominee;
 - (b) with effect from Completion, all claims of creditors of each of the companies in the MCL Group that arose on or prior to the Appointment Date except for the Excluded Claims (as defined in the DOCA) will be extinguished and transferred to the Creditors' Trust (**Trust Creditors**). Trust Creditors whose claims are admitted will only be entitled to be paid from the Creditors' Fund in the order of priority set out in the Creditors' Trust Deed. The Creditors' Fund will comprise the DOCA Contribution payable by PURE;
 - (c) with effect from the date of the DOCA, control and stewardship of the companies in the MCL Group has been shared between the directors of the MCL Group from time to time and the Deed Administrators, such that the directors of the companies in the MCL Group are responsible for the day-to-day management of the companies in the



MCL Group to the exclusion of the Deed Administrators, provided that the Deed Administrators retain all requisite management control and access considered necessary or reasonable to perform their role as Deed Administrators. On Completion, the Deed Administrators will retire and full control of the companies in the MCL Group will revert to the directors appointed by PURE in accordance with the DOCA; and

- (d) the secured debt owed to PURE by the companies in the MCL Group will be reduced as nominated by PURE.

6. INDEPENDENT EXPERT'S REPORT

- 6.1 As noted above, the Section 444GA Application has been commenced by the Deed Administrators in the Supreme Court of New South Wales seeking leave of the Court pursuant to section 444GA of the Corporations Act for the transfer of the MCL Shares to PURE or its nominee for nil consideration.
- 6.2 Under subsection 444GA(3) of the Corporations Act, the Court may only grant leave to transfer the MCL Shares to PURE or its nominee if it is satisfied that the transfer would not unfairly prejudice the interests of the Shareholders.
- 6.3 The Deed Administrators intend to rely on the Independent Expert's Report when addressing the issue of unfair prejudice before the Court. The Independent Expert's Report will be relied upon by the Deed Administrators for the purpose of the Section 444GA Application and also for the purpose of applying for ASIC Relief. See Attachment 1 for a full copy of the Independent Expert's Report.
- 6.4 The Expert was engaged to provide an independent opinion on whether the proposed transfer of MCL Shares to PURE or its nominee for nil consideration would unfairly prejudice the Shareholders. This involved the Expert valuing the MCL Shares on the liquidation value of the business of the Company as a whole (see ASIC regulatory guide 111.77). Where there is a residual business that could be sold, the Expert is to consider the value of that business and not just the assets and other undertakings that comprise that business interest. The valuation date used by the Expert in the assessment was 31 August 2024 (**Valuation Date**).
- 6.5 Shareholders (and their advisers and any other interested parties) should read the Independent Expert's Report carefully and in its entirety. By way of summary, the key findings of the Expert, as set out in Independent Expert's Report, are as follows:
 - (a) MCL has a material net asset deficiency of between \$18,856,000 - \$28,533,000 (see the valuation summary at Section 7.1 of the Independent Expert's Report); and
 - (b) in the Expert's opinion, Shareholders' residual equity in MCL has no value on a liquidation basis.

7. SECTION 444GA APPLICATION

Overview

- 7.1 The Section 444GA Application has been filed in the Supreme Court of New South Wales. A copy of the Originating Process and supporting Affidavit filed by the Deed Administrators are provided as Attachments 4 and 5 of this Explanatory Statement, respectively.
- 7.2 On 8 November 2024, the Court made the Procedural Orders pursuant to which:



- (a) a timetable was set for the preparation of the matter for final hearing, which includes the dates by which any interested person (including any Shareholder who wishes to oppose the Section 444GA Application) must file with the Court and serve on the Deed Administrators and ASIC a notice of appearance in the prescribed form and indicating the ground of opposition, and/or apply to be joined as a respondent to the Section 444GA Application, being no later than 5:00pm AEDT on 6 December 2024; and
 - (b) the final hearing date and time was set for 10.00am AEDT on 11 December 2024.
- 7.3 A copy of the Procedural Orders is provided as Attachment 6 of this Explanatory Statement.
- 7.4 If you wish to appear at and/or oppose the Section 444GA Application at the final hearing, you will need to file with the Court and serve on the Deed Administrators and ASIC a notice of appearance in the prescribed Court form and indicate your grounds of opposition by no later than 5:00pm AEDT on 6 December 2024.
- 7.5 The Deed Administrators will accept service of any appearance:
 - (a) By post at Allen Overy Shearman Sterling, Level 25, 85 Castlereagh Street, Sydney NSW 2000 (Attention: David Walter / Heather Sandell); or
 - (b) By email to david.walter@aoshearman.com / heather.sandell@aoshearman.com.

Important Dates

- 7.6 We draw your attention to the following key dates in relation to the Section 444GA Application:

Event	Date
Notice of appearance and grounds of opposition to be served by any Shareholder (or other interested person) seeking to appear at the hearing of the Section 444GA Application	6 December 2024
Hearing date for the Section 444GA Application	11 December 2024
Proposed date for the transfer of MCL Shares	13 December 2024

- 7.7 The dates, including the proposed hearing date, may be subject to any further directions made by the Court.

What will happen if the Section 444GA Order is not made?

- 7.8 The Section 444GA Order is one of the Conditions (see section 5.4 above) to Completion of the DOCA.
- 7.9 If the Section 444GA Order is not obtained and PURE does not waive it as a Condition to Completion by the CP Satisfaction Date (or such later date agreed to by PURE and the Deed Administrators), Completion will not occur and the DOCA will be terminated. Each of the



companies in the MCL Group will then proceed into liquidation. PURE may elect to purchase such assets and assume such liabilities of the businesses of certain members of the MCL Group as it elects, on terms consistent with the economic benefits and outcomes intended for PURE, the Deed Administrators and the creditors under the DOCA.

Effect of the Section 444GA Order on Shareholders

- 7.10 If the Section 444GA Order is made and the DOCA is fully implemented, all of your shares in MCL will be transferred by the Deed Administrators to PURE (or its nominee) and you will not receive any money or form of consideration in connection with such share transfer.

8. ASIC RELIEF

- 8.1 As MCL is a company with more than 50 members, the ASIC Relief will be required to permit the MCL Shares to be transferred to PURE or its nominee without breaching the takeover restriction in section 606 of the Corporations Act.

- 8.2 The Deed Administrators have engaged with ASIC by providing a copy of this Explanatory Statement (in draft) along with additional information relevant to the relief being sought.

9. WHAT DO YOU NEED TO DO NOW?

- 9.1 Shareholders (and their advisers and any other interested parties) should read this Explanatory Statement (including the documents referred to in this Explanatory Statement) in its entirety before making a decision regarding whether or not to take any action in relation to the Section 444GA Application.

- 9.2 Please note that this Explanatory Statement does not constitute financial product advice and has been prepared without reference to the investment objectives, financial situation, taxation position or particular needs of any and every Shareholder. Whether or not to take any action in relation to the DOCA or in respect of the Section 444GA Application is a decision for each individual Shareholder and may depend, amongst other things, on an assessment of the relevant Shareholder's individual financial circumstances. Accordingly, as the professional, financial, legal and taxation consequences of such a decision may be different for each particular Shareholder, each Shareholder should seek professional financial, legal and taxation advice before making a decision.

10. YOUR RIGHTS AS SHAREHOLDERS

- 10.1 If you have any concerns, objections or questions in relation to the section 444GA process, please contact the Deed Administrators as soon as possible by emailing mightycraft@ankura.com.

- 10.2 Shareholders have the right to provide the Deed Administrators with their views on the hearing in relation to the section 444GA orders. The Deed Administrators will notify the Court of any submissions they receive from shareholders. If you want the Deed Administrators to provide your views to the Court in this manner, please do so in writing by emailing mightycraft@ankura.com no later than 5 business days before the final hearing so that the Deed Administrators have time to notify the Court. Your submissions should include details of the substantive basis for your concerns or objections.

- 10.3 If you wish to appear in Court to oppose the section 444GA application, you must file with the Court and serve on the Deed Administrators an appearance, in the prescribed form. The



appearance is a simple document that contains the person's address and service details (including whether they are legally represented). It puts the Court and the Deed Administrators on notice that a person wishes to participate in the final hearing. The person does not need to provide substantive submissions and affidavit evidence at the time of entering an appearance. The current deadline for filing an appearance is 5:00pm AEDT on 6 December 2024. The Deed Administrators' address for service is c/- Allen Overy Shearman Sterling, Level 25, 85 Castlereagh Street, Sydney, NSW 2000 (attention: David Walter and Heather Sandell) or David.walter@aoshearman.com and Heather.sandell@aoshearman.com.

- 10.4 If you do not enter an appearance by the deadline of 5:00pm AEDT on 6 December 2024, the Court may determine that you are not entitled to be heard at any subsequent hearings.
- 10.5 If you are in any doubt as to the action you should take in regard to the section 444GA process, you are recommended to obtain your own personal legal or financial advice from your legal or other professional adviser(s).

11. WHAT INFORMATION IS AVAILABLE TO ASSIST YOU?

- 11.1 To assist you in deciding whether to take any action in relation to the Section 444GA Application, this Explanatory Statement attaches copies of the following documents:
 - (a) Independent Expert's Report as Attachment 1;
 - (b) DOCA as Attachment 2;
 - (c) Administrators' Section 75-225 Report to Creditors as Attachment 3;
 - (d) Originating Process filed by the Deed Administrators in relation to the Section 444GA Application as Attachment 4; and
 - (e) Affidavit of Liam Healey filed in support of the Section 444GA Application as Attachment 5; and
 - (f) Procedural Orders as Attachment 6.
- 11.2 Should you have any queries regarding this Explanatory Statement, the Independent Expert's Report, the Section 444GA Application or the Procedural Orders, please email mightycraft@ankura.com.

Liam John Healey
Deed Administrator



Schedule 1 – List of companies in the MCL Group

Entity (all Subject to Deed of Company Arrangement)	ACN
Mighty Craft Limited	622 810 897
A.C.N 603 372 210 Pty Ltd (formerly Jetty Road Brewery Pty Ltd)	603 372 210
Hidden Lake Pty Ltd	638 906 877
Kangaroo Island Distillery Pty Ltd	154 811 355
Mighty Craft Operations Pty Ltd	120 464 182
Mighty Craft People and Services Pty Ltd	630 181 458
Mighty Craft Beer Pty Ltd	630 181 298
Mighty Craft Export Pty Ltd	634 458 647
Mighty Craft Investments Pty Ltd	630 181 994
Mighty Craft Nominees Pty Ltd	630 181 118
Mighty Craft Spirits Plus Pty Ltd	638 905 272
Mighty Craft Venues Pty Ltd	636 694 785
Mighty Hunter Valley Pty Ltd	638 584 737
Mismatch Brewing Company Pty Ltd	124 048 504
MK Wine Solutions Pty Ltd	121 468 997
The Hills Distillery Pty Ltd	608 717 335



Schedule 2 -Glossary of terms

Administrators' Section 75-225 Report	The report to creditors of each of the companies in the MCL Group prepared by the Administrators in accordance with section 75-225 of the <i>Insolvency Practice Rules (Corporations) 2016</i> dated 5 September 2022 as annexed to this Explanatory Statement as Attachment 3
ASIC Relief	ASIC granting an exemption pursuant to section 655A of the Corporations Act from the application of section 606 of the Corporations Act in connection with the proposed transfer of the MCL Shares to PURE or its nominee
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Better Beer Co	Better Beer Company Pty Ltd ACN 652 336 822
Better Beer Holdings	Better Beer Holdings Pty Ltd ACN 633 621 173
Canaccord	Canaccord Genuity Group
Completion	Completion has the meaning given to it in the DOCA
Conditions	The conditions set out in clause 4.1 of the DOCA
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Court	has the meaning given to it in s 58AA of the Corporations Act and where applicable, means the Supreme Court of New South Wales
CP Satisfaction Date	has the meaning given to that term in the DOCA, extended by agreement to 13 December 2024.
Creditors' Fund	The Creditors' Fund to be created by the Creditors' Trust Deed
Creditors' Trust Deed	The creditors' trust deed to be executed by the companies in the MCL Group and the Deed Administrators in substantially the form set out in Schedule 6 to the DOCA at Completion
Deed Administrators	Quentin James Olde and Liam John Healey in their capacities as joint and several deed administrators of each company in the MCL Group
DOCA	The deed of company arrangement entered into between the MCL Group, PURE and the Administrators on 4 September 2024 annexed to this Explanatory Statement as Attachment 2



Expert	Leadenhall Corporate Advisory Pty Ltd ABN 11 114 534 619
Explanatory Statement	This document
Facility Agreement	The document entitled 'Facility Agreement' between, among others, MCL and PURE dated 24 September 2020 as amended from time to time
Independent Expert's Report	The report by the Expert as described in section 5 and as annexed to this Explanatory Statement as Attachment 1
Jarden	Jarden Australia Pty Limited
KPMG	KPMG Financial Advisory Services (Australia) Pty Ltd
MCL	Mighty Craft Limited (Subject to Deed of Company Arrangement) ACN 622 810 897
MCL Group	MCL and the companies listed in Schedule 1
MCL Shares	The issued share capital of MCL
Mighty Craft Beer	Mighty Craft Beer Pty Ltd (Subject to Deed of Company Arrangement) ACN 630 181 298, a company in the MCL Group
Mighty Craft Spirits Plus	Mighty Craft Spirits Plus Pty Ltd (Subject to Deed of Company Arrangement) ACN 638 905 272, a company in the MCL Group
PURE	Pure Asset Management Pty Ltd ACN 616 178 771
Second Meetings	The second meetings of creditors of each company in the MCL Group held concurrently on 26 August 2024 in accordance with section 439C of the Corporations Act
Section 444GA Application	The application by the Deed Administrators pursuant to section 444GA of the Corporations Act as described in section 6
Seven Seasons	Seven Seasons Pty Ltd ACN 638 584 862
Shareholders	The shareholders of MCL as at the date of the Explanatory Statement

Attachment 1 – Independent Expert’s Report

MIGHTY CRAFT LIMITED

VALUE OF SHAREHOLDER'S EQUITY

INDEPENDENT EXPERT'S REPORT AND FINANCIAL SERVICES GUIDE
3 OCTOBER 2024



3 October 2024

The Administrators
Mighty Craft Limited (Administrators Appointed)
Level 8, 333 George Street
Sydney NSW 2000

Dear Directors,

Independent Expert's Report for Mighty Craft Limited (Administrators Appointed)

1. Introduction

Mighty Craft Limited ("**Mighty Craft**") operated as a craft beverage accelerator, investing in craft beverage businesses by providing capital and industry knowledge to accelerate growth. On 22 July 2024, Quentin Olde and Liam Healey ("**Administrators**") were appointed as joint and several Administrators of Mighty Craft and 15 wholly owned subsidiaries of Mighty Craft ("**together referred to as the Mighty Craft Group**") pursuant to Section 436A of the Corporation Act 2001 (Cth) ("**the Act**").

Since their appointment, the Administrators have, with the financial support of Pure Asset Management Pty Ltd ("**PURE**") the primary secured creditor, continued to trade the Mighty Craft business which, following a number of divestments that occurred prior to appointment of Administrators, is primarily comprised of:

- ◆ Services provided under the Better Beer Solutions Agreement ("**Solutions Agreement**")
- ◆ The Kangaroo Island Distillery ("**KI Distillery**")

In addition to these remaining operating businesses, the Mighty Craft group owns a 25.5% interest in Better Beer, a 65% interest in Seven Seasons Pty Ltd ("**Seven Seasons**") and various rights and obligations under a number of contract whisky distilling and offtake agreements.

At the second concurrent meeting of creditors of the Mighty Craft Group held on 26 August 2024, the Administrators recommended that the creditors of the Mighty Craft Group should resolve to accept a pooled Deed of Company Arrangement ("**DOCA**") proposal put forward by PURE. Completion of the DOCA requires the approval of an application under Section 444GA of the Act ("**Section 444GA Application**") to transfer all shares in Mighty Craft to PURE and/or its nominee and discharge any other security interest granted by the Mighty Craft Group as nominated by PURE. If the Section 444GA Application is not approved, the DOCA will not proceed, and it is likely that the Mighty Craft Group will enter liquidation.

Further details of the proposed share transfer are set out in Section 1 of our detailed report.

2. Purpose of the report

Pursuant to Section 444GA(3) of the Corporations Act, the Court may only approve a transfer of shares by the administrator of a deed of company arrangement if it is satisfied that the proposed share transfer will not '*unfairly prejudice the interests of members of the company*'. As per *Regulatory Guide 111: Content of Expert Reports* ("**RG111**") issued by ASIC, the courts consider that a proposed share transfer under Section 444GA will not unfairly prejudice the interest of members of the company if the shareholders equity in question has no residual value.

A transfer of shares that will result in a person's voting power in a public company increasing from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%, is prohibited by Chapter 6 of the Act ("**Chapter 6**"), except in certain circumstances.

Pursuant to the DOCA, PURE will acquire 100% of the Mighty Craft shares. Accordingly, to enable the transfer of Mighty Craft shares to PURE under section 444GA of the Act, the purchaser needs to obtain relief from ASIC from the operation of the takeover's provisions contained in Chapter 6.

As a result, the Administrators have engaged Leadenhall Corporate Advisory Pty Ltd (“**Leadenhall**”) to prepare an independent expert report setting out whether, in our opinion, the residual equity in Mighty Craft Limited has any value. We understand that this report will be tendered to the Court and ASIC in support of the Section 444GA Application and Chapter 6 relief applications respectively.

3. Evaluation

In accordance with RG111, we have determined whether the shareholders equity in Mighty Craft has any residual value by assessing the value of Mighty Craft using a net asset approach on a liquidation basis. A summary of our assessed net asset position of Mighty Craft on 31 August 2024 is set out in the table below:

Table 1: Valuation Summary

\$'000	Low	High
Assets		
Cash	2,375	2,375
Accounts receivable	2,700	2,800
Inventory (other than KI and Seven Seasons)	600	800
PP&E (other than KI Distillery)	25	25
25.5% interest in Better Beer	13,976	17,001
100% interest in KI Distillery	2,000	5,000
65% interest in Seven Seasons	750	1,000
Solutions Agreement with Better Beer	-	-
WDS contract distilling and offtake agreements	-	-
Recoveries from voidable transactions	-	-
Total assets	22,426	29,001
Liabilities		
Secured debt (PURE)	(23,086)	(23,086)
PURE funding of administrators	(3,750)	(3,750)
Administrator trading commitments	(4,131)	(4,131)
Trading losses over three month orderly realisation	(300)	-
Employee entitlements	(1,396)	(1,219)
Administrators approved but unpaid fees to date	(399)	(399)
Future liquidation costs	(1,800)	(1,500)
Asset realisation costs	(699)	(510)
ATO debt	(8,897)	(8,897)
Unsecured creditors	(2,602)	(1,765)
Contingent liability (WDS offtake agreements)	(3,900)	(2,600)
Total liabilities	(50,959)	(47,857)
Net liabilities	(28,533)	(18,856)
Value of shareholders' residual equity	nil	nil

Source: the Administrators and Leadenhall analysis

Further detail in relation to our valuation approach and assumptions are included in Sections 6 and 7 of our detailed report.

In our opinion, shareholders' residual equity in Mighty Craft Limited has no value. This opinion is supported by our valuation analysis set out in Section 7 of our detailed report that shows Mighty Craft has a substantial net asset deficiency.

Yours faithfully



Richard Norris
Director



Katy Lawrence
Director

*Note: All amounts stated in this report are in Australian dollars unless otherwise stated.
Tables in this report may not add due to rounding.*

LEADENHALL CORPORATE ADVISORY PTY LTD

ABN 11 114 534 619

Australian Financial Services Licence No: 293586

FINANCIAL SERVICES GUIDE

Leadenhall Corporate Advisory Pty Ltd ("**Leadenhall**" or "**we**" or "**us**" or "**our**" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

Financial Services Guide

In providing this report, we are required to issue this Financial Services Guide ("**FSG**") to retail clients. This FSG is designed to help you to make a decision as to how you might use this general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

Financial Services We are Licensed to Provide

We hold Australian Financial Services Licence 293586 which authorises us to provide financial product advice in relation to securities (such as shares and debentures), managed investment schemes and derivatives.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product. Our report will include a description of the circumstances of our engagement and the party who has engaged us. You will not have engaged us directly but will be provided with a copy of the report because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial service licensee authorised to provide the financial product advice contained in that report.

General Financial Product Advice

The advice produced in our report is general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that We May Receive

We charge fees for providing reports. These fees will be agreed with the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis. Leadenhall is entitled to receive a fixed fee of \$40,000 (excl. GST) for preparing this report. This fee is not contingent upon the outcome of the Section 444GA application.

Except for the fees referred to above, neither Leadenhall, nor any of its directors, consultants, employees or related entities, receive any pecuniary or other benefit, directly or indirectly, for or in connection with the provision of this report.

Remuneration or Other Benefits Received by our Employees, Directors and Consultants

All our employees receive a salary. Our employees are eligible for bonuses which are not based on the outcomes of any specific engagement or directly linked to the provision of this report. Our directors and consultants receive remuneration based on time spent on matters.

Independence

At the date of this report, Leadenhall and its related entities do not have, and have not had within the previous two years, any business or professional relationship with Mighty Craft or its related entities. In addition, Leadenhall and its related entities do not have any financial or other interest in the Mighty Craft or its related entities that could reasonably affect its ability to provide an unbiased opinion in relation to the Section 444GA application. We therefore consider ourselves to be independent for the purpose of this engagement, in accordance with *Regulatory Guide 112: Independence of Experts*.

Referrals

We do not pay commissions or provide any other benefits to any person for referring clients to us in connection with the reports that we are licensed to provide.

Complaints Resolution

As the holder of an Australian Financial Services Licence, we are required to have a system in place for handling complaints from persons to whom we have provided reports. All complaints must be in writing, to the following address:

Leadenhall Corporate Advisory Pty Ltd
GPO Box 1572
Adelaide SA 5001

Email: office@leadenhall.com.au

We will try to resolve your complaint quickly and fairly and will endeavour to settle the matter within 14 days from the time the matter is brought to our attention.

If you do not get a satisfactory outcome, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution services that are free to consumers and can be contacted as follows:

Website: www.afca.org.au

By post: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Compensation Arrangements

Leadenhall holds professional indemnity insurance in relation to the services we provide. The insurance cover satisfies the compensation requirements of the Corporations Act 2001.

3 October 2024

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1 THE PROPOSED SHARE TRANSFER

1.1 Background

Mighty Craft was established in November 2017 under the brand name 'Founders First'. The aim of the business was to invest in local, early-stage, Australian craft beverage companies to help accelerate growth. Mighty Craft has made several investments in various craft beverage and hospitality businesses. However, recently most of these investments have been divested in order to reduce the debt burden of the company. Despite this divestment process, and the implementation of other turnaround strategies, a combination of declining economic conditions and high levels of debt led to the directors of Mighty Craft placing the company into Voluntary Administration.

1.2 Administration process

On 22 July 2024, Quentin Olde and Liam Healey were appointed as joint and several Administrators of Mighty Craft and 15 wholly owned subsidiaries of Mighty Craft pursuant to Section 436A of the Act. As noted above, prior to the appointment of the Administrators, Mighty Craft had divested most of its investments. Since their appointment, the Administrators have, with the financial support of PURE the primary secured creditor, continued to trade the remaining Mighty Craft business which is primarily comprised of:

- ◆ Services provided under the Better Beer Solutions Agreement
- ◆ The Kangaroo Island Distillery

In addition to these remaining operating business, the Mighty Craft Group owns a 25.5% interest in Better Beer, a 65% interest in Seven Seasons and various rights and obligations under a number of contract whisky distilling and offtake agreements.

At the second concurrent meetings of creditors of the Mighty Craft Group held on 26 August 2024, the Administrators recommended that the creditors of the Mighty Craft Group should resolve to accept a pooled DOCA proposal put forward by PURE. The key terms of the DOCA are summarised below:

- ◆ All of the Mighty Craft Group entities that are subject to voluntary administration are pooled under the DOCA Proposal
- ◆ All of the shares in KI Distillery and Mighty Craft will be sold to PURE and/or its nominee as interconditional and sequential transactions. The consideration for the Kangaroo Island shares is \$5.5 million which will be offset against a secured loan owing to PURE. The consideration for the Mighty Craft shares is the balance of the secured loan owing to PURE (less the Kangaroo Island consideration and a continuing secured debt amount to be nominated by PURE prior to completion of the DOCA).
- ◆ PURE will make the following contributions to a creditors' trust which will be administered by the Administrators:
 - **Costs Cap:** an amount agreed in writing between the Administrators and PURE in respect of the administrators fees and expenses.
 - **Priority Employee Amount:** the amount agreed in writing between the Administrators and PURE in respect of employees of the Mighty Craft Group terminated prior to completion (to the extent those claims would have been entitled to be paid in priority to the payment of other unsecured claims under Section 433 and Section 556(1)(e), (g) or (h) of the Corporations Act.
 - **Ex gratia sum:** of \$100,000.

Completion of the DOCA requires the approval of an application under Section 444GA of the Act to transfer all of the shares in Mighty Craft to PURE and/or its nominee and discharge any other security interest granted by the Mighty Craft Group as nominated by PURE. If the Section 444GA Application is not approved, the DOCA will not proceed and it is likely that the Mighty Craft Group will enter liquidation.

2 SCOPE

2.1 Purpose of the report

Court Approval of the Section 444GA Application

Pursuant to Section 444GA(3) of the Corporations Act, the Court may only approve a transfer of shares by the administrator of a deed of company arrangement if it is satisfied that the proposed share transfer will not *'unfairly prejudice the interests of members of the company'*. RG 111 issued by ASIC, notes that the courts consider that a proposed share transfer under Section 444GA will not unfairly prejudice the interest of members of the company if the shareholders equity in question has no residual value. We understand that the Administrators therefore intend to tender this report to the Court as evidence in support of the Section 444GA Application.

We have read the Federal Court of Australia's *Expert Evidence Practice Note (GPN-EXPT)*, which contains a copy of the Harmonised Expert Witness Code of Conduct and agree to be bound by it. The opinions stated in this report are based wholly, or substantially on specialised knowledge arising from training, study and experience in the field of business valuation. We have made all inquiries which we believe are appropriate and no relevant matters of significance have, to our knowledge, been withheld from the Court.

ASIC Relief

A transfer of shares that will result in a person's voting power in a public company increasing from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%, is prohibited by Chapter 6 of the Act, except in certain circumstances.

Pursuant to the DOCA, PURE will acquire 100% of the Mighty Craft shares. Accordingly, to enable the transfer of Mighty Craft shares to PURE under section 444GA of the Act, the purchaser needs to obtain relief from ASIC from the operation of the takeover's provisions contained in Chapter 6. We understand that PURE intends to provide this report to ASIC in support of its application for ASIC Relief.

Information to Shareholders

We understand this report is also to be included in the Explanatory Statement to be sent to Shareholders advising them about the Section 444GA Application.

2.2 Basis of evaluation

RG111 provides guidance on the preparation of experts' reports. RG111 requires experts to assess the value of a shareholders' residual equity on the basis that the company is in administration. Furthermore, RG111 also states that, consistent with the approach of the courts, an expert should generally value shareholders' residual equity in a company under administration on a 'winding up' or 'liquidation' basis where that is the likely or necessary consequence of the transfer of shares not being approved.

As the Mighty Craft Group has insufficient funds to continue to operate if the companies were handed back into the control of the directors, we consider that liquidation is the likely outcome if the transfer of shares under the 444GA Application is not approved. As such we have adopted a liquidation basis of value, which is defined by the 2025 International Valuation Standard 102: Bases of value as:

"The amount that would be realised when an asset or group of assets are sold from a liquidation sale, with the seller being compelled to sell as of a specific date. Liquidation value can be determined under two different premises of value:

- (a) An orderly transaction with a typical marketing period, or*
- (b) A forced transaction with a shortened market period*

For the reasons discussed in Section 5, we have assumed a forced liquidation as that is the likely consequence of the transfer of shares not being approved by the court.

3 CRAFT BEER INDUSTRY

3.1 Market overview

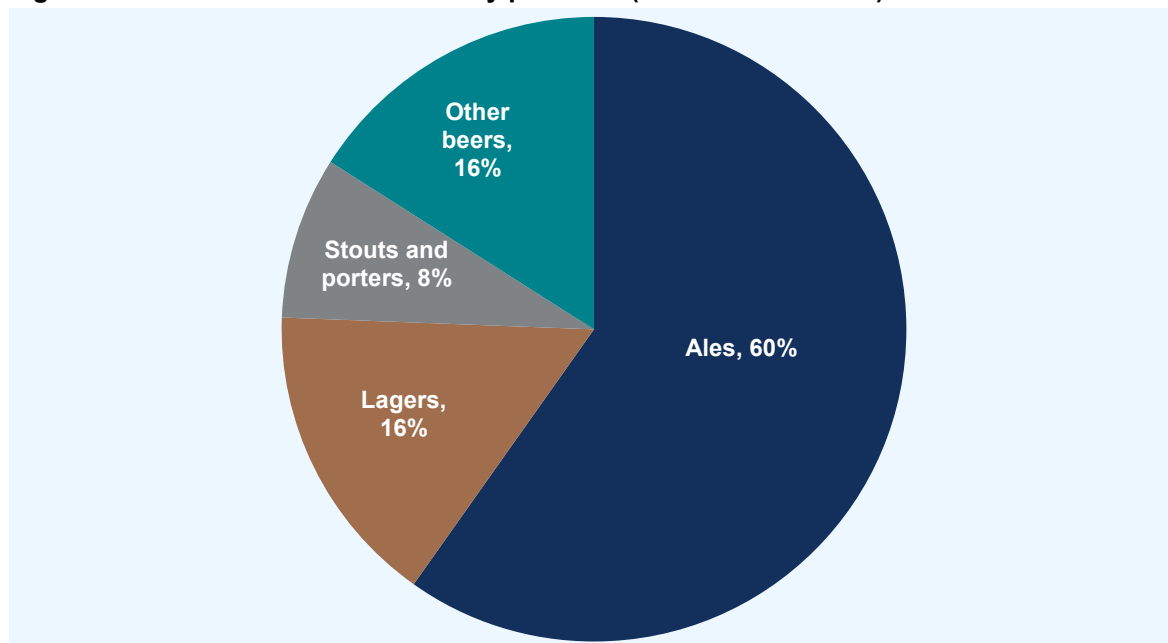
The craft beer industry in Australia has experienced significant growth and transformation over the past decade, reflecting a broader global trend towards artisanal and premium beverages. Characterised by its innovation and dedication to quality, the Australian craft beer sector is now a prominent part of the country's beverage landscape. The industry comprises more than 600 independent breweries with revenues totalling \$1.0 billion for the year 2022-23¹. Industry revenue grew at a compound annual growth rate ("CAGR") of approximately 4.1% in the five years to June 2023².

Recently, the Australian craft beer industry has experienced difficulties with the number of brewery closures, sales and voluntary administrations increasing since the start of the calendar year 2024. This has been due to a combination of increased input prices and softer demand on the back of the cost-of-living pressures driven by high interest rates and inflation.

3.2 Products

Whilst the craft beer industry is experimenting with new products, revenue is dominated by ales as shown in the figure below.

Figure 1: Australian craft beer industry products (% of revenue FY23)



Source: IBISWorld

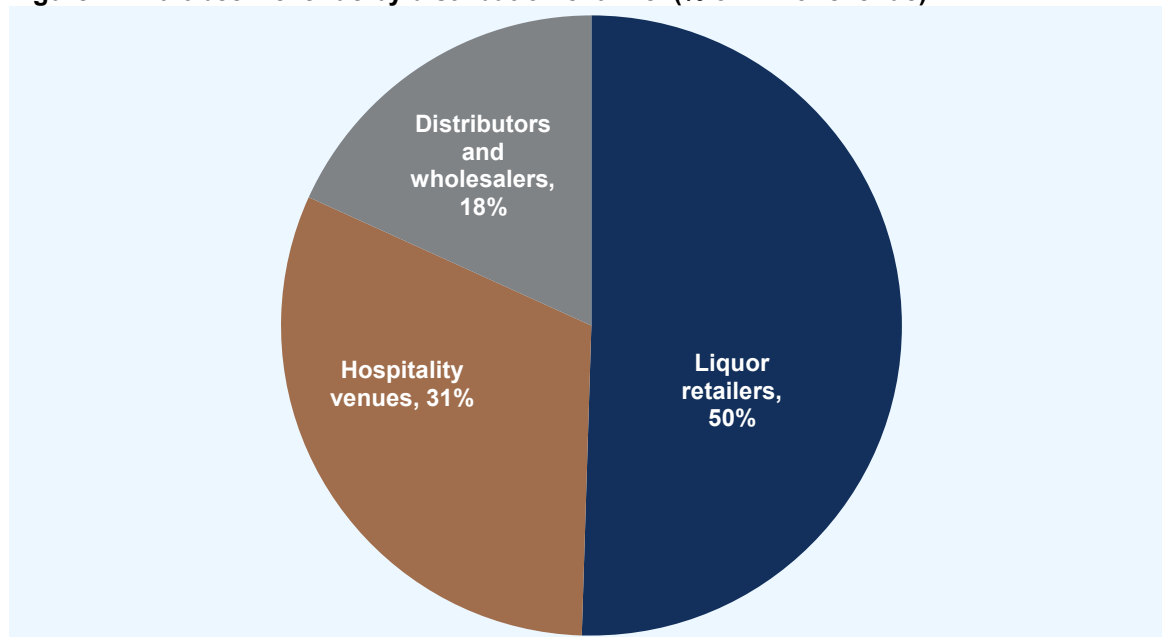
¹ IBISWorld

² Ibid

3.3 Distribution channels

Products are sold via specific distribution channels being the key markets for manufacturers.

Figure 2: Craft beer revenue by distribution channel (% of FY23 revenue)



Source: IBISWorld

Craft beer producers can sell direct to liquor retailers such as Dan Murphy's and Liquorland. However, managing distribution channels can be difficult for smaller producers who may sell their products to distributors that manage sales into both domestic and international retail channels. In addition, craft brewers can sell directly to hospitality venues including pubs, bars, restaurants and brewpubs. Whilst the hospitality segment is lucrative because selling beer in kegs is cost effective (saving on packaging and transport costs), smaller craft breweries struggle to gain a strong foothold in this market because of the dominance of Asahi and Lion.

3.4 Competition

The craft beer market in Australia was initially dominated by new independent brewers. However, as the market grew, large incumbent multinational brewers started acquiring smaller craft brewers. In 2023, the market share of the four largest companies was 82.4%, with the three largest brewers being Asahi, Lion/Kirin and Coopers accounting for over 75% of industry revenue³.

The rest of the market is highly fragmented with a variety of players of different sizes ranging from small locally based microbreweries to larger regional operators. Additionally, operators in related markets like Endeavour Group, owner of Dan Murphy's liquor stores, and Coles, operator of Liquorland, Vintage Cellars and First Choice Liquor, are trying to enter the craft beer market, having released their own white-label beers with craft-like packaging.

3.5 Regulation

The Australian government imposes excise taxes on alcohol content above 1.15% by volume with rates being indexed twice a year to keep up with inflation. As of August 2024, the excise duty rates are⁴:

- ◆ Packaged beer (not exceeding 3.5% alcohol by volume): \$53.59 per litre of alcohol
- ◆ Packaged beer (exceeding 3.5% alcohol by volume): \$57.94 per litre of alcohol
- ◆ Draught beer (not exceeding 3.5% alcohol by volume): \$34.07 per litre of alcohol
- ◆ Draught beer (exceeding 3.5% alcohol by volume): \$37.42 per litre of alcohol

³ IBISWorld

⁴ Australian Taxation Office

Since July 2021, the excise refund cap was increased from \$100,000 to \$350,000 per year benefiting smaller breweries who can receive full remission of any excise they pay up to the annual cap. Additionally, Goods and Services Tax of 10% is applied to the final prices after the excise duty.

3.6 Outlook

Economic, manufacturer and consumer-driven factors have recently resulted in adverse trading conditions. In the first half of 2023 alone, 35 Australian craft breweries went into insolvency, nearly as many as for the entirety of 2022⁵. The second half of 2023 and early 2024 saw further receivership and administration announcements. The recent decline in the craft beer market, in particular for smaller independent brewers, is due to a wide range of factors including:

- ◆ Rapid growth of the craft beer sector which saw the number of independent breweries in Australia expand to approximately 700 enterprises (including those that subcontract manufacturing) in 2021. This put Australia in line with the largest craft brewery market in the world, the UK, which has one brewery per 37,000 people⁶. During the Covid-19 pandemic, the large number of craft brewers were supported by purchasers who were receiving government subsidies (JobKeeper and JobSeeker) and had fewer options for discretionary spending whilst travel and access to hospitality venues were restricted. At the same time, government subsidies and tax stays meant breweries could operate profitably, with arguably fewer costs, at a time when consumer demand was high.
- ◆ Post Covid, consumer spending on craft beer began to fall, normal tax payments resumed, and cost of goods, transport and shipping increased exponentially. In addition, consumer on-premise visitation failed to return to pre-Covid levels.
- ◆ More recently, cost of living pressures caused by inflation and earlier than forecast interest rate rises have led to consumers reducing discretionary spending, including on craft beers which often command a premium price.
- ◆ There has also been an increase in alternatives to craft beers including seltzers, a growing range of ready-to-drink spirits products ("**RTD**") as well as locally manufactured gin, whisky and bourbon. The growth in no and low alcohol alternatives has also been significant.

The above factors will likely mean that craft beer brands backed by major multinational will have a distinct competitive advantage going forward as pricing, marketing and distribution will have a greater impact on success. To compete, independent brewers need to focus on increasing brand recognition by focussing on points of difference to effectively compete in a constrained market going forward.

⁵ <https://www.thedrinksbusiness.com/2023/11/craft-brewery-closures-reflect-impact-of-rising-cost-pressures/>

⁶ <https://www.brewersjournal.info/craft-beer-surge-top-ten-countries-to-get-a-beer-this-st-patricks-day/#:~:text=The%20largest%20craft%20beer%20producer,U.S.%20and%2016%20in%20Germany>

4 ALCOHOLIC SPIRITS INDUSTRY

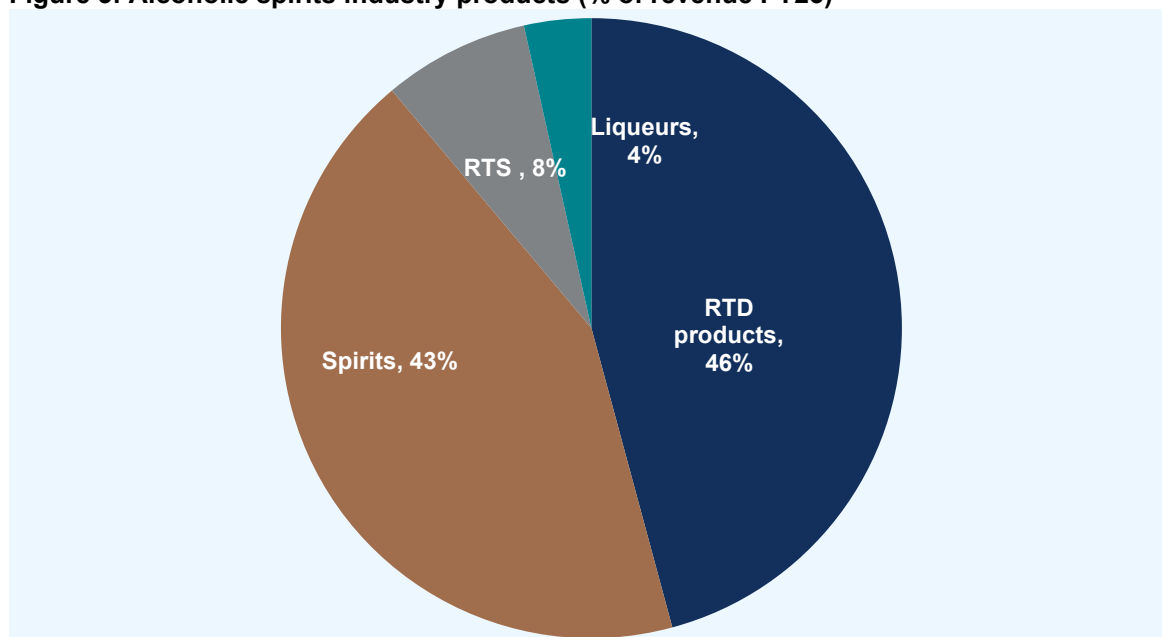
4.1 Market Overview

The alcoholic spirits industry in Australia purchases ingredients such as grapes, sugar and malt which it then ferments and distils to produce spirit beverages including vodka, gin, whisky and liqueurs. Industry revenue has grown by a CAGR of 0.3% over the last five years to reach a forecast \$2.5 billion in FY24 (including an expected fall of 1.5% in FY24)⁷. The decline in FY24 is driven by a combination of high inflation and a weaker economic environment. Whilst growth in the overall industry has been subdued in recent years, the craft distillery scene in Australia has experienced significant growth.

4.2 Products

The industry is dominated by its main products spirits and ready-to-drink products ("RTD"). In recent years, ready-to-serve products ("RTS") have been gaining in popularity whilst liqueurs remain a niche product.

Figure 3: Alcoholic spirits industry products (% of revenue FY23)



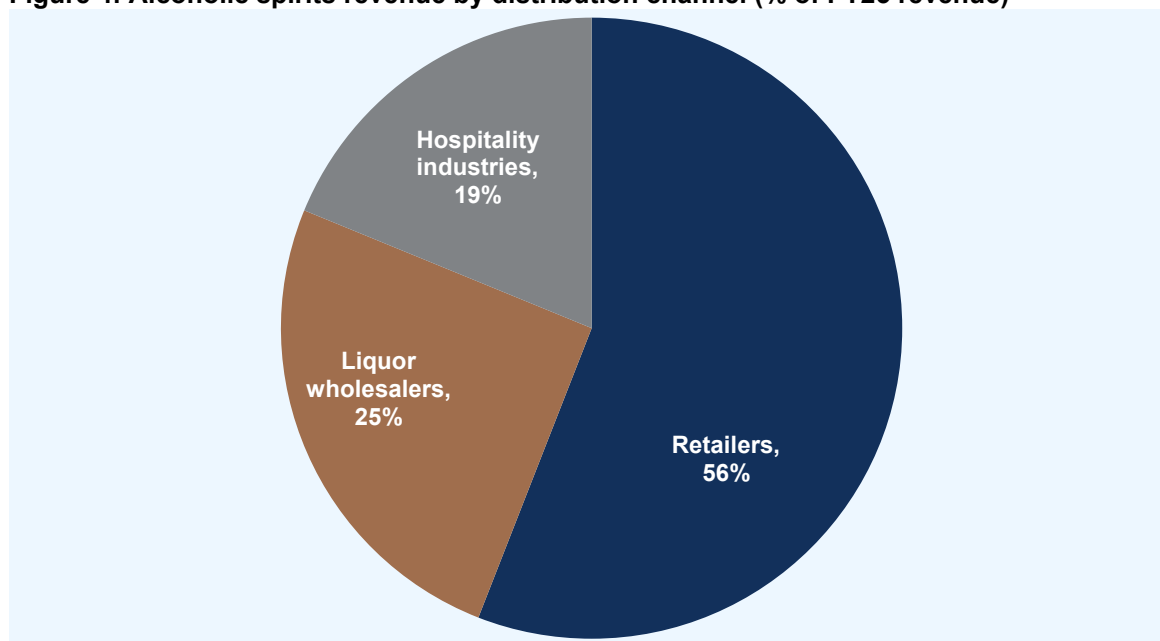
Source: IBISWorld

4.3 Distribution channels

Products are sold via three distribution channels being the key markets for manufacturers as set out in the figure below.

⁷ IBISWorld

Figure 4: Alcoholic spirits revenue by distribution channel (% of FY23 revenue)



Source: IBIS World

Larger spirits manufacturers are increasingly bypassing wholesalers to sell directly to retailers. As a result, sales made directly to retailers have increased as a percentage of industry revenue over the last five years. However, the trend bypassing wholesalers has been somewhat offset by a growing number of craft distillers entering the market that are too small to establish their own distribution channels directly with retailers and venues. The hospitality distribution segment declined substantially during the Covid-19 pandemic and due to cost of living pressures, sales via this distribution channel have not recovered to pre-pandemic levels.

4.4 Competition

The major players in the industry are Diageo Australia, Coca-Cola Europacific Partners and Asahi Holdings, having a combined market share of 62%. Demand for locally produced spirits has increased over the past years limiting the trend toward concentration in the industry. A general trend towards health consciousness has resulted in a growing number of non-alcoholic beverages that have a similar taste to popular alcoholic beverages. This has increased the level of competition in the market.

4.5 Regulation

The Australian Government imposes an excise tax on spirits in Australia. As of August 2024, the excise tax is \$103.89 per litre of alcohol with the amount being indexed twice a year to keep up with inflation. Spirit manufacturers can receive an excise tax rebate of up to \$350,000 per year. These businesses must pass the still ownership test in order to be eligible but are excluded if they are a RTD manufacturer that uses imported spirits.

4.6 Outlook

Premiumisation of products and new craft distillers are driving growth in the spirit manufacturing industry which has experienced difficult trading conditions in recent years due to increased cost of living pressures fuelled by rising inflation. Going forward, industry experts expect easing cost-of-living pressures to positively affect demand and lower inflationary effects on manufacturing inputs. As a result, the spirit industry is expected to grow moderately over the next five years by a CAGR of 1.5%, although craft distillers may experience higher growth.

5 PROFILE OF MIGHTY CRAFT GROUP

5.1 Background

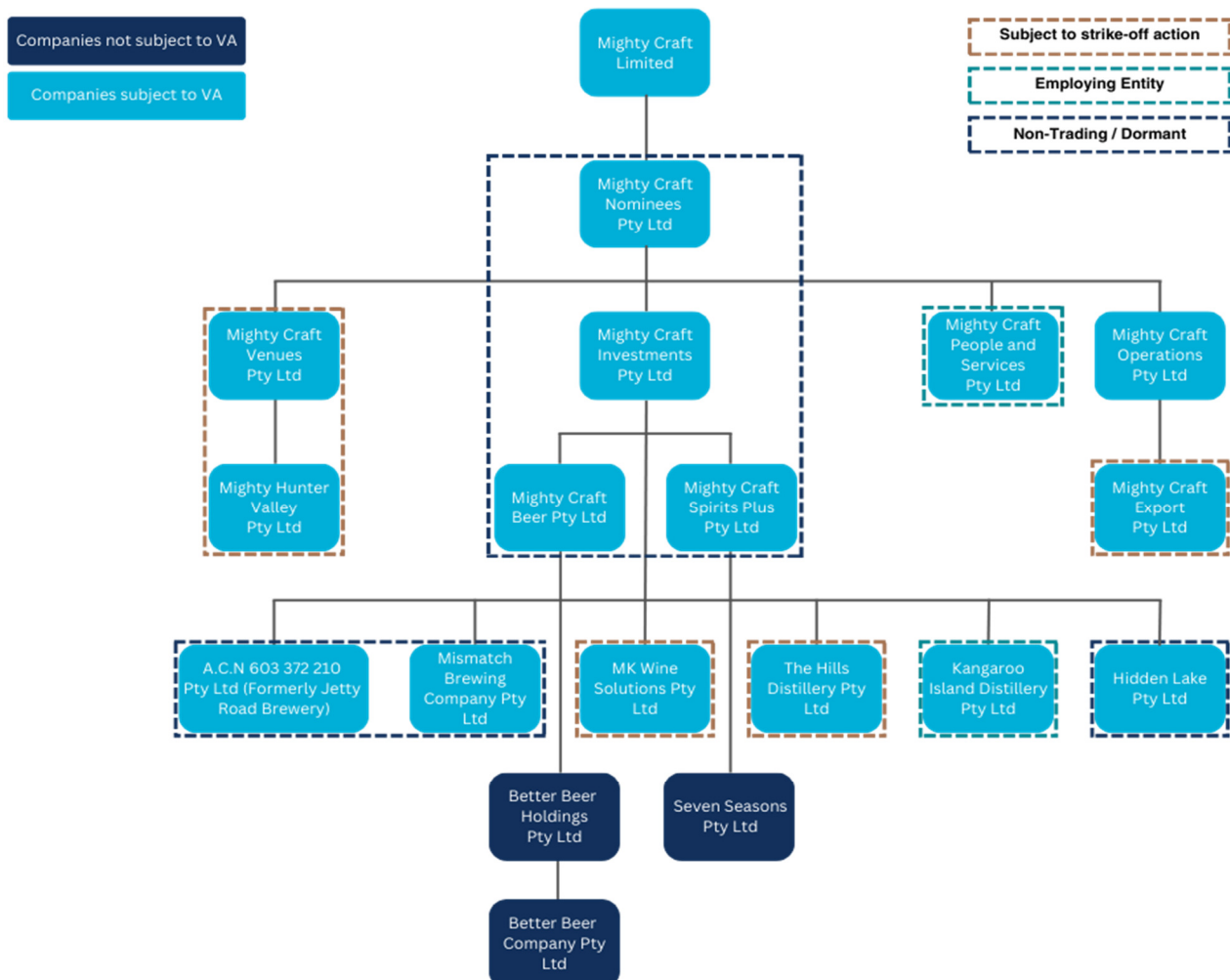
Founded in November 2017 as “Founders First”, the Mighty Craft Group operated as a craft beverage “accelerator” investing in early-stage craft beverage and distillery businesses. On 17 December 2019, the Group was listed on the ASX to raise capital to invest in craft beverage businesses alongside their founders, providing capital and sales and marketing, supply chain management and operational expertise. The Group rebranded from Founder First to “Mighty Craft” in 2020.

Recently, the Mighty Craft Group has divested a number of investments in order to reduce its debt. Despite this divestment process, and the implementation of other turnaround strategies, a combination of declining economic conditions and high levels of debt led the directors of Mighty Craft to place the company into Voluntary Administration.

5.2 Current Mighty Craft Group structure

The figure below sets out the Mighty Craft Group structure as at the date of the Administrators’ appointment, 22 July 2024.

Figure 5: Mighty Craft Group as at 22 July 2024



In respect of the Mighty Craft Group as set out above:

- ◆ Mighty Craft Operations Pty Ltd (“**Mighty Craft Operations**”) and Kangaroo Island Distillery Pty Ltd (“**KI Distillery**”) are the Mighty Craft subsidiaries that were still operating businesses on the date the Administrators were appointed. Mighty Craft Operations provided sales and distributions services to Better Beer Holdings Pty Ltd (“**Better Beer**”), Seven Seasons Pty Ltd (“**Seven Seasons**”) and KI Distillery. KI Distillery produces Gin and operates a cellar door hospitality venue on Kangaroo Island in South Australia. Further information in respect of the operating businesses is provided below.
- ◆ Mighty Craft People and Services Pty Ltd was the primary employing entity of the Mighty Craft Group and employed 26 people on the date the Administrators were appointed.
- ◆ A number of the entities that were dormant or subject to strike of action at the time of the Administrators’ appointment had sold their operating businesses/assets for the purposes of reducing the debt burden of the Mighty Craft Group.
- ◆ Mighty Craft Beer Pty Ltd owns a 25.5% stake in Better Beer, a fast-growing beer company. Further information in respect of Better Beer is set out below.
- ◆ Mighty Craft Spirits Plus owns a 65% interest in Seven Seasons, a boutique spirits manufacturer focused on the use of sustainably harvested native ingredients.

5.3 Overview of the remaining operations and assets

As noted above, the majority of the investments held by the Mighty Craft Group were sold prior to the appointment of Administrators. We have set out below an overview of the remaining assets and operations of the Mighty Craft Group.

Better Beer – Shareholding (25.5%)

Mighty Craft Group has a 25.5% interest in Better Beer. Better Beer is an Australian beer company co-founded by Matt Ford and Jack Steele who form the comedy duo “The Inspired Unemployed” and Nick Cogger from Torquay Beverages (previously a Mighty Craft investee company). Launched in 2021, Better Beer aimed to create a healthier alternative to traditional beers by removing carbohydrates and sugar to create a lower calorie beer.

According to Better Beer, it has since become the second-largest independently owned beer brand in Australia. In 2022, Better Beer expanded into the New Zealand Market partnering with DB Breweries Limited which is a subsidiary of Heineken Asia MTN Pte. Ltd.

The current shareholders of Better Beer are set out in the table below:

Table 2: Shareholders of Better Beer

Shareholder	No. of shares held	% substantial ownership
Mighty Craft Beer Pty Ltd	1,165,707	25.5%
Matts Happiness Pty Ltd	1,051,672	23.0%
Jacks Happiness Pty Ltd	1,051,672	23.0%
Nicholas Andrew Cogger	837,037	18.3%
PURE Asset Management Pty Ltd	342,935	7.5%
Joseph and Shelley Davenport	123,457	2.7%
Total shareholding	4,572,480	100.0%

Source: Mighty Craft

Better Beer – Solutions Agreement

On 10 December 2021, Better Beer and Mighty Craft Operations entered into a Solutions Agreement whereby Mighty Craft Operations would exclusively provide a suite of tailored services to Better Beer which may include sales, distribution and logistics services in Australia and New Zealand. This initial agreement was revised and replaced on 30 June 2023, although the services to be exclusively provided by Mighty Craft Operations to Better Beer remained the same. The initial term of the Solutions Agreement was for five years starting on 30 June 2023.

Under the Solutions Agreement, Mighty Craft Operations agrees the production schedule with Better Beer and its contract manufacturer, Casella Family Brands Pty Ltd and its subsidiaries (“**Casella**”). Mighty Craft purchases finished product from Better Beer, the product is dispatched by Casella and distributed, primarily through an exclusive agreement with Endeavour Group, by Mighty Craft Operations. Mighty Craft Operations is entitled to a commission on each unit sold (e.g. a flat fee of \$2.10 per case for two of Better Beer’s most popular products).

In order to preserve the value of Mighty Craft’s interest in Better Beer, the Administrators have continued to operate the Solutions Agreement (including the payment of a pre-appointment debt owed to Better Beer) with the financial support of PURE. However, we understand that Mighty Craft is in the process of transferring the distribution role to Casella, whilst other activities are being brought in house by Better Beer.

Kangaroo Island Distillery

Mighty Craft Group owns KI Distillery (also known as KI Spirits), a distillery business and open cellar door venue with 6 employees (both full-time and part-time) and several casual employees. KI Spirits was included in the asset divestment program initiated by the Mighty Craft Group prior to the appointment of the Administrators. However, no offer capable of acceptance was received. Prior to the appointment of Administrators, Mighty Craft Group was in discussions with PURE to acquire KI Spirits for \$5 million via a waiver of its equivalent debt.

The administrators have continued to trade the KI Spirits business since their appointment.

Seven Seasons – Shareholding (65%)

Mighty Craft Group has a 65% interest in Seven Seasons which operates an indigenous spirits manufacturing distillery business known for its unique products such as Green Ant Gin, Bush Apple Gin and Native Yam Vodka. The native ingredients used in the products produced by Seven Seasons are sustainably sourced from a majority indigenous owned company associated with the Seven Seasons founder, Daniel Motlop.

Prior to the appointment of the Administrators, Mighty Craft Group would assist Seven Seasons with working capital management (including payroll), purchased Seven Seasons’ stock at agreed prices for on-sale and managed wholesale sales, marketing and distribution. The Administrators were not able to facilitate the continuation of these arrangements.

Mighty Craft Group’s interest in Seven Seasons was included in the divestment campaign but no acceptable offers were received. Just prior to the appointment of the Administrators, we understand that one of the existing Seven Seasons shareholders had offered \$1 million to purchase Mighty Craft Group’s interest in Seven Seasons subject to ongoing due diligence, with no term sheet in place and certainly not in a form of being accepted. Shortly after the appointment of the Administrators, the proposed purchaser’s solicitor engaged with the Administrators and raised concerns around potential risks, including reputational impact, and sought a reduction in the purchase price. To date, the Administrators have not been able to progress the sale.

Whisky Development Syndicate LTD (“WDS”) Agreements

Between March and April 2022, a number of Mighty Craft Group entities entered into agreements with WDS which had the effect of WDS providing funding for the distilling and ageing of whisky (contract distilling agreements) and, once aged, the purchase of the whisky by the Mighty Craft Group entities at an agreed price (offtake agreements). The agreements comprised the following:

- ◆ WDS Product Contract Distilling Agreements between The Hills Distillery Pty Ltd, Hidden Lake Pty Ltd, KI Spirits and Seven Seasons (collectively “**Contract Distilling Entities**”) and WDS dated 31 March 2022.
- ◆ Whisky Offtake Agreements (between WDS and the Contract Distilling Entities) dated 5 April 2022.

- ◆ Storage, Handling, Insurance, Quality Assurance and Reporting Agreement (between WDS and Mighty Craft Operations) dated 4 May 2022.

The above agreements are collectively referred to as the WDS Agreements. When the WDS agreements were entered into, it was expected that each of the Mighty Craft Group entities subject to the Whisky Offtake Agreements would buy the finished whisky to bottle and sell under their existing brand names. However, subsequently the business and brands of Hills Distillery and Hidden Lake were sold.

We note that shortly after their appointment, the Administrators were contacted by both WDS and solicitors acting for WDS. In that correspondence, WDS asserted title to the whisky stock. Subsequently, the Administrators were contacted by solicitors acting for PURE who asserted that the whisky stock is subject to PURE's security interest. We understand the PURE and WDS have engaged in discussions and the title to the whisky stock remains unresolved between them.

5.4 Financial performance

The audited statements of financial performance for the financial years ("FY") ended 30 June 2021, 30 June 2022 and 30 June 2023 together with the unaudited statements for FY2024 are set out in the table below.

Table 3: Mighty Craft's financial performance (consolidated)

\$'000	FY21	FY22	FY23	FY24
Revenue	29.3	68.6	96.1	81.9
Share of profits	(0.1)	(0.6)	(0.3)	(0.3)
Other income	2.1	2.7	0.3	(2.3)
Fair value gain on recognition of associate	-	-	30.2	-
Revenue	31.3	70.7	126.4	79.3
Total cost of sales	(17.4)	(43.3)	(66.1)	(66.4)
Gross margin	13.9	27.4	60.3	13.0
<i>Gross margin %</i>	<i>44%</i>	<i>39%</i>	<i>48%</i>	<i>16%</i>
Operating expenses				
Employee benefits expense	(16.6)	(21.8)	(23.2)	(15.2)
Equipment hire and maintenance	(0.5)	(0.8)	(0.6)	(0.4)
Legal and professional fees	(3.1)	(3.3)	(1.8)	(0.7)
Selling and marketing expenses	(1.9)	(4.1)	(6.3)	(1.2)
Admin	(2.2)	(3.3)	(3.4)	(5.9)
Share-based payments	(0.3)	(1.2)	(1.2)	0.2
Loss on extinguishment of financial liability	-	(1.2)	-	-
Fair value loss on derivative liability	-	-	(2.3)	-
Impairment of assets and goodwill	-	(3.0)	(4.4)	(41.3)
Loss on disposal of associate	-	-	-	(2.2)
Other expenses	(1.6)	(2.3)	(2.8)	(2.0)
Total operating expenses	(26.1)	(41.0)	(45.9)	(68.7)
EBITDA	(12.2)	(13.6)	14.3	(55.7)
Depreciation and amortisation expense	(1.7)	(3.7)	(3.4)	(2.1)
EBIT	(13.9)	(17.3)	11.0	(57.9)
Interest income	-	-	-	-
Interest expenses	(1.6)	(2.6)	(5.2)	(6.6)
Loss before tax	(15.5)	(19.9)	5.8	(64.4)
Income tax benefit / (expense)	-	(0.5)	(0.0)	(0.1)
Loss after tax	(15.5)	(20.4)	5.8	(64.5)

Source: Mighty Craft

In relation to the historical financial performance of Mighty Craft set out above:

- ◆ Revenue shown is inclusive of assets held for sale. The majority of revenue was generated through wholesale distribution channels. Further revenue was generated through the Group's venue and hospitality businesses. The increase in revenue between FY21 and FY23 was primarily driven by the performance of Better Beer wholesale sales. Revenue declined in FY24 due to the divestment of a number of Group assets.
- ◆ The fair value gain on recognition of an associate relates to Mighty Craft's interest in Better Beer. Prior to FY23 Mighty Craft indirectly held an interest in Better Beer through its investee company Torquay Beverages. This investment was restructured in FY23 resulting in a direct interest in Better Beer.
- ◆ Gross margin declined substantially in FY24 primarily as a result of poor trading conditions including inflation and rising costs of production as well as the greater contribution of low margin products such as craft beer.
- ◆ After excluding fair value gains and impairment expenses, Mighty Craft has accumulated operating losses over the four years to FY24. This was primarily due to the early-stage nature of a number of its investments as well as insufficient scale in the distribution operations to support the fixed cost base.
- ◆ Due to the divestment activity undertaken from July 2023, there was a substantial increase in impairment expenses in FY24 as the sale price or expected realisable value of assets was less than their carrying values.

5.5 Financial position

The audited statements of financial position as at 30 June 2021, 30 June 2022 and 30 June 2023 together with the unaudited statements as at 30 June 2024 are set out in the table below.

Table 4: Mighty Craft's financial position (consolidated)

\$'000	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
Current assets				
Cash	4.3	3.7	3.7	0.2
Receivables	3.2	4.5	4.9	2.0
Inventory	5.9	9.7	6.7	0.5
Other current assets	1.0	4.7	0.9	0.3
Assets held for sale	-	10.2	11.0	10.3
Total current assets	14.3	32.8	27.2	13.3
Non-current assets				
Non-current receivables	0.3	0.3	0.1	-
Inventories	-	1.3	2.7	0.7
Financial assets	5.6	5.1	0.2	-
Property, plant and equipment	12.5	13.3	11.0	0.0
Intangible assets	7.9	46.6	47.1	0.9
Investments	3.1	2.5	32.1	24.2
Right-of-use assets	13.6	10.7	13.9	2.2
Other non-current assets	0.4	0.8	1.1	0.6
Total non-current assets	43.4	80.5	108.1	28.5
Total assets	57.6	113.3	135.3	41.8
Current liabilities				
Payables	(9.3)	(11.6)	(20.4)	(14.2)
Current borrowings	(0.1)	(0.2)	(0.1)	(19.2)
Lease liabilities	(0.4)	(1.1)	(1.0)	(0.3)
Current tax	-	(0.6)	-	-
Current provisions	-	(0.7)	(0.4)	(0.3)
Other current liabilities	(1.4)	(3.2)	(1.4)	(0.4)
Liabilities associated with held for sale assets	-	(7.0)	(6.7)	(3.6)
Total current liabilities	(11.2)	(24.4)	(30.1)	(38.0)
Non-current liabilities				
Non-current borrowings	(6.7)	(14.2)	(16.4)	-
Non-current provisions	-	(0.1)	(0.1)	-
Lease liabilities	(13.9)	(11.6)	(15.4)	(2.6)
Derivative financial instruments	-	(2.8)	(6.0)	-
Other non-current liabilities	(0.1)	(0.1)	(0.2)	(0.1)
Total non-current liabilities	(20.6)	(28.8)	(38.0)	(2.7)
Total liabilities	(31.8)	(53.2)	(68.1)	(40.7)
Net assets	25.8	60.1	67.2	1.2

Source: Mighty Craft Group

In relation to the historical financial position of Mighty Craft Group set out above:

- ♦ The Group's asset position, which is largely comprised of cash, receivables, Property plant and equipment and inventories, substantially reduced throughout the period due to increased divestment activity and a corresponding decline in the Group's revenue base.

- ◆ In an effort to restructure the business Mighty Craft Group initiated a sales campaign for non-core investments. The assets associated with these investments have been recorded under assets held for sale with corresponding liabilities recorded under liabilities associated with held for sale assets.
- ◆ Mighty Craft Group's borrowings increased year on year due to the increased financing needs of its loss-making operations.

6 VALUATION METHODOLOGY

6.1 Available valuation methodologies

To estimate the fair market value of Mighty Craft Group we have considered common market practice and the valuation methodologies recommended in RG 111. There are a number of methods that can be used to value a business including:

- ◆ The discounted cash flow method
- ◆ The capitalisation of future maintainable earnings method
- ◆ Asset based methods
- ◆ Analysis of share market trading
- ◆ Industry specific rules of thumb

Each of these methods is appropriate in certain circumstances and often more than one approach is applied. The choice of methods depends on several factors such as the nature of the business being valued, the return on the assets employed in the business, the valuation methodologies usually applied to value such businesses and availability of the required information. A detailed description of these methods and when they are appropriate is provided in Appendix 2.

6.2 Selected methodology

In selecting an appropriate valuation methodology to determine the residual value of the Mighty Craft equity we have considered the following:

Table 5: Consideration of methodologies

Method	Considerations	Approach
Discounted cash flow	<ul style="list-style-type: none"> ◆ Mighty Craft is a holding company and has no significant operations. As such a discount cash flow methodology is not appropriate. 	Not considered
Capitalisation of earnings	<ul style="list-style-type: none"> ◆ Mighty Craft is a holding company and has no significant operations. As such a capitalisation of earnings approach is not appropriate. 	Not considered
Asset based methods	<ul style="list-style-type: none"> ◆ Mighty Craft is an investment holding company. The value of investment holding companies is derived from their underlying investments. ◆ Mighty Craft is in administration. The potential outcomes are to execute the DOCA, enter liquidation or return the Mighty Craft Group to the control of the directors. As there are insufficient funds to continue operating the Mighty Craft Group, returning control to the directors is not expected to be a viable option. As such the only alternative to the proposed DOCA is liquidation. ◆ Based on the above a net asset approach on a liquidation basis is the most appropriate approach. 	Selected
Share trading	<ul style="list-style-type: none"> ◆ Mighty Craft has been delisted and we do not consider the share price prior to the appointment of the Administrators reasonably reflects the current value of a Mighty Craft share. 	Not considered

When applying an asset based approach, it may be necessary to adopt different valuation approaches to value each of the underlying assets. In respect of Mighty Craft, we have adopted the following valuation approaches for the key assets:

- ◆ **25.5% interest in Better Beer:** Better Beer is an early stage high growth beer brand. A discounted cash flow approach is most reliable when valuing early stage companies where reasonably reliable cash flow forecasts are available. In this instance we have been provided with a cash flow forecast for Better Beer for the period FY25 to FY28 which we can use as the basis of a discounted cash flow analysis. Accordingly, we have selected a discounted cash flow approach as our primary methodology for valuing Mighty Craft's interest in Better Beer. We have also conducted an analysis of implied revenue multiples as a high level cross-check.
- ◆ **100% interest in KI Distillery:** prior to the appointment of the Administrators, Mighty Craft appointed advisors to run a sale campaign for all of Mighty Craft Group's spirit assets, including the KI Distillery. This campaign resulted in the receipt of four non-binding indicative offers and one verbal offer. We consider that, given the extensive marketing campaign that was conducted (which resulted in the sale of a number of other Mighty Craft investments) the offers received reflect the market value range of KI Distillery. We have therefore adopted a market approach for the valuation of KI Distillery.
- ◆ **65% in Seven Seasons:** similar to KI Distillery, Mighty Craft's 65% interest in Seven Seasons was the subject of a sales campaign prior to the appointment of the Administrators. This campaign resulted in one offer. Given there was only one offer, we have considered a capitalisation of earnings cross-check in addition to assessing value based on a market approach.

7 VALUATION

7.1 Summary

We have assessed the residual value of the Mighty Craft equity using the net asset on a liquidation basis approach, as summarised in the table below.

Table 6: Valuation Summary

\$'000	Low	High
Assets		
Cash	2,375	2,375
Accounts receivable	2,700	2,800
Inventory (other than KI and Seven Seasons)	600	800
PP&E (other than KI Distillery)	25	25
25.5% interest in Better Beer	13,976	17,001
100% interest in KI Distillery	2,000	5,000
65% interest in Seven Seasons	750	1,000
Solutions Agreement with Better Beer	-	-
WDS contract distilling and offtake agreements	-	-
Recoveries from voidable transactions	-	-
Total assets	22,426	29,001
Liabilities		
Secured debt (PURE)	(23,086)	(23,086)
PURE funding of administrators	(3,750)	(3,750)
Administrator trading commitments	(4,131)	(4,131)
Trading losses over three month orderly realisation	(300)	-
Employee entitlements	(1,396)	(1,219)
Administrators approved but unpaid fees to date	(399)	(399)
Future liquidation costs	(1,800)	(1,500)
Asset realisation costs	(699)	(510)
ATO debt	(8,897)	(8,897)
Unsecured creditors	(2,602)	(1,765)
Contingent liability (WDS offtake agreements)	(3,900)	(2,600)
Total liabilities	(50,959)	(47,857)
Net liabilities	(28,533)	(18,856)
Value of shareholders' residual equity	nil	nil

Source: the Administrators and Leadenhall analysis

7.2 Valuation analysis

In determining the value of Mighty Craft, we have conducted valuation analysis as at 31 August 2024. We have assumed that the assets of Mighty Craft would be realised on a liquidation basis over a three-month period. Our valuation analysis in respect of each of the assets and liabilities identified in the summary table set out in section 7.1 is set out below.

7.2.1 Cash

As at 31 August total cash of \$2.4 million was held by Mighty Craft Group entities, as summarised in the table below:

Table 7: Cash balance of Mighty Craft Group

Entity	Cash balance (\$'000)
Mighty Craft Operations Pty Ltd	2,274.6
Mighty Craft Limited	1.0
Mighty Craft People and Services Pty Ltd	56.5
Kangaroo Island Distillery Pty Ltd	43.1
Total	2,375.1

Source: the Administrators

7.2.2 Accounts receivable

The Administrators have provided an accounts receivable ledger as at 31 August 2024. A summary of the aged receivables is set out in the table below:

Table 8: Aged receivables as at 31 August 2024

Age	Amount outstanding (\$'000)
Less than 90 days	2,470.0
91 to 180 days	334.6
181+ days	309.9
Total	3,114.5

Source: the Administrators

We have assumed the following in relation to recoverability of accounts receivable on a liquidation basis:

- ◆ Invoices less than three months old are recoverable in full
- ◆ Invoices between three and six months old have a recoverability rate of between 70% and 80%
- ◆ Invoices more than six months old have a recoverability rate of between 10% and 20%

Based on the above we have assessed the value of account receivable to be in the range of \$2.7 million to \$2.8 million.

7.2.3 Inventory (other than KI Distillery and Seven Seasons)

The Administrators have provided an inventory listing as at 28 August 2024 (the closest available date to 31 August 2024). The inventory list excludes inventory held by the KI Distillery and Seven Seasons businesses that had not yet been sold to the Mighty Craft Group for distribution (as this inventory will be reflected in the assessed value of these businesses).

As at 28 August, the book value of inventory, at cost, was \$0.94 million. We have assumed the following in relation to the realisable value of inventory over a three month liquidation period:

- ◆ Better Beer, Kangaroo Island and Seven Seasons branded products can be realised at 80% to 100% of their cost price as these brands could still be distributed through existing distribution channels.
- ◆ Stock from other brands (remaining stock from brands that have been divested) can be realised at 30% to 50% of cost price as these would need to be sold to discount retailers or auctioned.

Based on the above, we have assessed the value of inventory to be in the range of \$0.6 million to \$0.8 million as summarised in the table below.

Table 9: Realisable value of inventory as at 31 August 2024

Brand	At cost (\$'000)	Realisable value (\$'000)	
		Low	High
Better Beer	451.9	361.5	451.9
Kangaroo Island	96.5	77.2	96.5
Seven Seasons	93.4	74.7	93.4
Other	293.8	88.1	146.9
Total	935.6	601.6	788.7

Source: the Administrators

7.2.4 PP&E other than KI Distillery

The directors of Mighty Craft reported to the Administrators that Mighty Craft had no property, plant and equipment other than that utilised in the operations of KI Distillery. We expect the Mighty Craft has some office equipment that could be realised by a liquidator and as such have included a nominal amount for \$25,000 for plant and equipment (noting the value of the KI Distillery plant and equipment is considered separately as part of the KI Distillery value).

7.2.5 Better Beer – Shareholding (25.5%)

In determining the value of Mighty Craft's interest in Better Beer using a discounted cash flow analysis, we considered the following factors:

- ◆ Projected cash flows for Better Beer
- ◆ An appropriate discount rate
- ◆ Terminal value beyond the projected cash flow period
- ◆ Net debt
- ◆ The value of any surplus assets or non-operating liabilities
- ◆ Discounts for lack of control and marketability

Our analysis of each of the above factors is set out in detail in Appendix 5. As a result of this analysis, we have assessed the value of Mighty Craft's interest in Better Beer to be in the range of \$14.0 million to \$17.0 million.

7.2.6 KI Distillery

KI Distillery was acquired in March 2020 for \$1.5 million. In early 2021, KI Distillery was developed with a \$500,000 South Australian Government grant and a \$3 million commitment from Mighty Craft.

In February 2023, Mighty Craft engaged KPMG Financial Advisory Services (Australia) Pty Ltd ("KPMG") to advise on the divestment of three assets (Jetty Road, Hills Cider and Mismatch Brewing). In September 2023, the divestment engagement was expanded to include 78 degrees, Seven Seasons, KI Distillery, Lot 100 and Slipstream. The divestment process elicited a number of non-binding indicative offers for KI Distillery, however none of these offers progressed to a binding sale agreement prior to the appointment of the Administrators.

The table below summarises the information we considered in determining the value of Mighty Craft's 100% interest in KI Distillery on a liquidation basis.

Table 10: Generated offer in the divestment process

Offer	Date	Structure	Price (\$'000)
Non-binding indicative offer 1	29/05/2024	All upfront cash, share sale	1,600
Non-binding indicative offer 2	6/03/2024	All upfront cash, asset sale	5,000
Non-binding indicative offer 3	20/02/2024	All upfront cash, share sale	2,200
Non-binding indicative offer 4	22/12/2023	All upfront cash, asset sale	4,500 to 5,000
Verbal offer 1	n/a	All upfront cash, asset sale	4,000
Directors Report on Company Activities	30/07/2023	Estimate of value of assets	3,830
PURE - DOCA	n/a	Reduction of secured debt	5,500
Administrators EOI email (offers over)	12/08/2024	Minimum PURE would release security for	4,500

Source: the Administrators

Having regard to the generated offers, we consider the value of Mighty Crafts 100% interest in KI Distillery to be in the range of \$2.0 million to \$5.0 million.

7.2.7 65% interest in Seven Seasons

Mighty Craft's 65% interest in Seven Seasons was included in the sales process run by KPMG which failed to produce any acceptable offers from prospective buyers. Separate to the KPMG sales process, an offer of \$1 million was received from one of Seven Seasons other shareholders, however, final sale terms were not agreed before the appointment of the Administrators. The Administrators engaged with the potential buyer in an effort to execute a sale at the offer price of \$1 million. Subsequently, the potential buyer notified the Administrators that due the risk and reputational impact of the Administration process, the buyer is not willing to proceed at the original price but may consider putting forward an offer at a lower price.

In assessing the value of a 65% interest in Seven Season on a liquidation basis we have considered the following factors:

- ◆ The Seven Seasons brand is uniquely associated with the personal and cultural identity of the founder, Daniel Motlop. Mr Motlop is also involved with the company that exclusively supplies traditional indigenous ingredients to Seven Seasons. As such, Mr Motlop has a greater degree of influence over the success of the Seven Seasons business than a typical minority shareholder. This would likely reduce the value of Mighty Craft's 65% interest.
- ◆ The sales process run by KPMG did not elicit any offers.
- ◆ If Mighty Craft was wound up, it is unlikely that an expedited realisation process would result in an offer in excess of the only offer received to date.

Based on the above, we have assessed the value of Mighty Craft's 65% interest in Seven Seasons to be in the range of \$0.75 million to \$1 million. The implied EBITDA multiple is commercial in confidence, however, we note that it is in the range of the EBITDA multiples achieved on the sale of other Might Craft investments prior to appointment of the Administrators.

7.2.8 Solutions Agreement with Better Beer

As detailed in Section 5.3, at the time of the Administrators appointment Mighty Craft was the exclusive distributor of Better Beer under the Solutions Agreement. In assessing whether any value could be realised from the Solutions Agreement in a liquidation scenario, we have considered the following:

- ◆ The Administrators undertook an assessment of the historical profitability of the Solutions Agreement which indicated that the Solutions Agreement was not profitable.
- ◆ We have been advised that Better Beer is in advanced negotiations with Casella, the contract manufacturer of Better Beer, to take over distribution of Better Beer.
- ◆ Although the Administrators have continued to perform Mighty Craft's responsibilities under the Solutions Agreement, this has primarily been to support the Better Beer business so as to not prejudice that value of Mighty Craft's interest in Better Beer which may have substantially declined if Better Beer was unable to distribute product for a period of time.

On the basis of the above, we have determined that the Solutions Agreement has no realisable value.

7.2.9 WDS Offtake Agreements

As detailed in Section 5.3, at the time the Administrators were appointed a number of Mighty Craft controlled entities were parties to offtake agreements with WDS. In assessing whether any value could be realised from the Offtake Agreements in a liquidation scenario, we have considered the following:

- ◆ There is significant uncertainty as to whether the offtake agreements could be validly assigned to another party for consideration by a liquidator.
- ◆ PURE have asserted a security interest over the WDS whisky stock. It is uncertain what the impact may be on the offtake agreements if PURE's security interest is recognised.
- ◆ We have been advised by an industry participant that current pricing for bulk whisky stock is between \$10 and \$15 per litre (towards the lower end for large volumes) which is lower than the offtake price in the offtake agreements. This is supported by the proof of debt submitted by WDS which states *"Selling the whisky outside of the Whisky Offtake Agreements (if practical to do so) will be at prices materially lower than as initially contemplated in the Whisky Offtake Agreements."* As such, even in the absence of any legal impediment, it is likely that the offtake agreements are uneconomic and therefore have no realisable value.

On the basis of the above, we have determined that the offtake agreements have no realisable value.

7.2.10 Recoveries from voidable transactions

The Administrators report dated 19 August 2024 includes an analysis of possible voidable transactions and their assessment that they have not identified any likely voidable transactions. We have confirmed with the Administrators that the position on voidable transactions has not changed. As such we have not prescribed any value to potential recoveries from voidable transactions.

7.2.11 Secured debt and secured creditor funding to the Administrators

The administrators have advised that they received a proof of debt from PURE in the amount of \$23.1 million. This amount includes accrued interest and other default interest and charges. In addition to the pre-appointment loan balance, PURE has also provided funding of \$3.75 million to the Administrators to continue to operate parts of the Mighty Craft business (in particular the distribution arrangements for Better Beer). This funding has been fully drawn down by the Administrators.

7.2.12 Administrators trading commitments

Throughout the course of the Administrator process, the Administrators have incurred liabilities associated with the trading of the businesses of the Mighty Craft Group that continue to operate. The table below sets out a summary of the Administrators' estimated unpaid trading liabilities as at 31 August 2024.

Table 11: Summary of Administrators unpaid trading liabilities

Creditors	\$'000	Notes
Better Beer	3,688.6	August 2024 liability (excluding GST)
Trade creditors	55.0	Estimated commitments for key trading suppliers
Employees	57.7	Accrued wages estimate
ATO (Excise)	60.6	Estimate based on trading to 31 August
ATO (GST)	(18.9)	Estimated refund position to 31 August
ATO (PAYG)	115.9	Estimate based on wages paid and accrued to 31 August
Superannuation / Payroll tax / Workers Comp	87.2	Estimated position at 31 August
Other commitments including insurance	84.6	Estimated position at 31 August
Total	4,130.7	

Source: the Administrators

7.2.13 Trading losses over assumed realisation period

The Administrators have provided a high-level summary of net operating losses over the administration period. This shows trading losses of approximately \$100,000 per month. At the high end of the valuation we have assumed break even over the liquidation period which may be achievable, depending on the timeframe for the transfer of Better Beer distribution to Casella.

7.2.14 Employee entitlements

The administrators have prepared a calculation of employee entitlements in a liquidation scenario which we have reviewed and consider reasonable. The lower liability in the high scenario assumes that KI Distillery employee liabilities are transferred to a new owner.

7.2.15 Administrators approved but unpaid fees

As at 31 August 2024, the Administrators had accrued unpaid approved fees of \$0.40 million.

7.2.16 Future liquidation costs

The Administrators report dated 19 August 2024 includes an estimate of \$1.66 million for liquidation fees if the DOCA was not approved. On this basis we have adopted a range of \$1.5 million to \$1.8 million for liquidation costs.

7.2.17 Asset realisation costs

Given the relatively small size of KI Distillery and the interest in Seven Seasons, we have assumed that the liquidators would run an expression of interest campaign to sell these assets and that the realisation costs are included in the future liquidation costs (this is supported by the breakdown of estimated liquidation fees by entity which allocates the highest amount to KI Distillery).

Given the potential realisable value of the interest in Better Beer, we have assumed that a liquidator would appoint specialist advisors to sell this asset. In our experience, advisors typically charge a fee of 3% to 5% of the sale price. This results in a cost of realisation of between \$0.5 million and \$0.7 million.

7.2.18 ATO Debt

The ATO has submitted proofs of debt totalling \$8.9 million. This is consistent with the directors' assessment of the amount owing by the Mighty Craft Group to the ATO.

7.2.19 Unsecured creditors

The Administrators have provided a detailed listing of all unsecured creditors which separately records the book value and value of proof of debts received. The unsecured creditor amount excludes:

- ◆ Amounts owed to the ATO (this is considered separately above).
- ◆ A proof of debt received from Better Beer as this debt was paid by the Administrators post appointment.
- ◆ Proofs of debt received from WDS as the potential liability associated with the WDS Agreements is assessed separately below.

Based on the above we have assessed the value of unsecured creditor claims to be in the range of \$1.8 million to \$2.6 million. The lower end of the range includes only proofs of debt received, whilst the upper end of the range includes both proofs of debt and the book value of unsecured creditor liabilities for which proofs of debt have not been received.

7.2.20 Contingent liability (WDS Offtake Agreements)

As detailed in Section 5.3, a number of Mighty Craft Group entities are parties to a whisky offtake agreement which obligates them to purchase matured whisky from WDS at an agreed price. WDS has submitted proofs of debt against the Whisky Offtake Agreement counterparties as well as Mighty Craft Operations which guaranteed to step into the shoes of any of the Mighty Craft Group entities that were unable to complete on the offtake arrangements. The WDS claim is for \$6,542,333 being the total amount due under the offtake agreements, although the claim notes there is a possibility that an alternative buyer could be found for the finished whisky but that this would likely be at a substantially reduced price.

Based on our discussions with industry participants, we expect that WDS may be able to recover between 40% and 60% of the offtake agreement price if it was to sell the matured whisky in bulk (noting that market prices may change between now and mid 2025 being the expected maturation date of the whisky). On this basis we have assessed the value of the WDS liability to be between \$2.6 million and \$3.9 million.

7.2.21 Other considerations

There are possible tax consequences associated with the realisation of the remaining assets of Mighty Craft. Any tax liability would only increase the net asset deficit and as such we have not engaged an expert to quantify the potential tax liability. Further, it is possible that historical tax losses may be available to offset all, or part of, any tax liability associated with the realisation of assets. As the utilisation of tax losses would likely be limited to the offset of any gain, we have also not attempted to quantify the value of historical tax losses.

8 EVALUATION

In our opinion, shareholders' residual equity in Mighty Craft Limited has no value. This opinion is supported by our valuation analysis set out in Section 7 that shows Mighty Craft has a material net asset deficiency.

APPENDIX 1: GLOSSARY

Term	Meaning
Administrators	Quentin Olde and Liam Healey
AIFRS	Australian equivalent to international financial reporting
Ankura	Ankura Consulting (Australia) Pty Ltd
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited
AUD	Australian Dollar
Better Beer	Better Beer Company Pty Ltd
Better Beer Solutions Agreement	Agreement between Mighty Craft Operations and Better Beer to distribute products of Better Beer
CAGR	Compound Annual Growth Rate
CAPM	Capital Asset Pricing Model
Casella	Casella Family Brands Pty Ltd and its subsidiaries
Chapter 6	Chapter 6 of the Corporations Act
Contract Distilling Entities	The Hills Distillery Pty Ltd, Hidden Lake Pty Ltd, Kangaroo Island Distillery Pty Ltd and Seven Seasons Pty Ltd
Corporations Act	The Corporations Act 2001
DOCA	Deed of Company Arrangement
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Endeavour	Endeavour Group Ltd
Fair market value	The price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms' length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts
FOS	Financial Ombudsman Service
FSG	Financial Services Guide
FY	Financial year
IBIS World	IBIS World Pty Ltd
IPO	Initial public offering
Item 7	Item 7 of Section 611 of the Corporations Act
Jetty Road	Jetty Road Brewery Pty Ltd
KI Distillery	Kangaroo Island Distillery Pty Ltd
KPMG	KPMG Financial Advisory Services (Australia) Pty Ltd
Leadenhall	Leadenhall Corporate Advisory Pty Ltd
Lot 100	Lot 100 Pty Ltd
Mighty Craft	Mighty Craft Pty. Ltd
Mighty Craft Group	Mighty Craft and its subsidiaries
Mighty Craft Operations	Mighty Craft Operations Pty Ltd
NPAT	Net profit after tax
P / E	Price to Earnings
PBT	Profit before tax
PURE	Pure Asset Management Pty Ltd
RG111	Regulatory Guide 111: Content of Expert Reports
RG74	Regulatory Guide 74: Acquisitions Approved by Members
RTD	Ready-to-drink spirits products
RTS	Ready-to-serve products

Term	Meaning
Section 444GA Application	Application under Section 444GA of the Corporations Act
Section 606	Section 606 of the Corporations Act 2001
Seven Seasons	Seven Seasons Pty Ltd
US	United States of America
USD	US Dollar
WACC	Weighted Average Cost of Capital
WDS	Whisky Development Syndicate LTD
WDS Offtake Agreements	Agreement between WDS and Mighty Craft Group to offtake the whisky for a pre-arranged price.

APPENDIX 2: SOURCES OF INFORMATION

In preparing this report, we have relied on the following information:

- ◆ Report by Administrators pursuant to: Section 75-225 of the Insolvency Practice Rules (Corporations) 2016, dated 19 August 2024.
- ◆ Estimate of the trading losses over an assumed realisation period provided by the Administrators
- ◆ Various company records provided by the Administrators, including (but not limited to):
 - Historical financial statements for entities within the Mighty Craft Group.
 - Solutions Agreement with Better Beer.
 - WDS Agreements.
 - Calculation of the employee entitlements of Mighty Craft Group.
 - Documentation regarding the divestment campaign by KPMG including emails and Board documents.
 - Shareholder Agreements for KI Distillery, Seven Seasons and Better Beer.
 - Financial forecast model for Better Beer.
 - Inventory lists as at 28 August 2024.
 - Accounts receivables as at 31 August 2024.
 - Cash balances as at 31 August 2024 for entities within the Mighty Craft Group.
- ◆ Discussions with Ankura and Andrew Syme, Chief Financial Officer of Mighty Craft.
- ◆ Industry reports including IBISWorld Industry Reports and other publicly available information.

APPENDIX 3: VALUATION METHODOLOGIES

In preparing this report we have considered valuation methods commonly used in practice and those recommended by RG 111. These methods include:

- ◆ The discounted cash flow method
- ◆ The capitalisation of earnings method
- ◆ Asset based methods
- ◆ Analysis of share market trading
- ◆ Industry specific rules of thumb

The selection of an appropriate valuation method to estimate fair market value should be guided by the actual practices adopted by potential acquirers of the company involved.

Discounted cash flow method

Description

Of the various methods noted above, the discounted cash flow method has the strongest theoretical standing. It is also widely used in practice by corporate acquirers and company analysts. The discounted cash flow method estimates the value of a business by discounting expected future cash flows to a present value using an appropriate discount rate. A discounted cash flow valuation requires:

- ◆ A forecast of expected future cash flows
- ◆ An appropriate discount rate

It is necessary to project cash flows over a suitable period of time (generally regarded as being at least five years) to arrive at the net cash flow in each period. For a finite life project or asset this would need to be done for the life of the project. This can be a difficult exercise requiring a significant number of assumptions such as revenue growth, future margins, capital expenditure requirements, working capital movements and taxation.

The discount rate used represents the risk of achieving the projected future cash flows and the time value of money. The projected future cash flows are then valued in current day terms using the discount rate selected.

The discounted cash flow method is often sensitive to a number of key assumptions such as revenue growth, future margins, capital investment, terminal growth and the discount rate. All of these assumptions can be highly subjective sometimes leading to a valuation conclusion presented as a range that is too wide to be useful.

Use of the discounted cash flow method

A discounted cash flow approach is usually preferred when valuing:

- ◆ Early stage companies or projects
- ◆ Limited life assets such as a mine or toll concession
- ◆ Companies where significant growth is expected in future cash flows
- ◆ Projects with volatile earnings

It may also be preferred if other methods are not suitable, for example if there is a lack of reliable evidence to support a capitalisation of earnings approach. However, it may not be appropriate if:

- ◆ Reliable forecasts of cash flow are not available and cannot be determined
- ◆ There is an inadequate return on investment, in which case a higher value may be realised by liquidating the assets than through continuing the business

Capitalisation of earnings method

Description

The capitalisation of earnings method is a commonly used valuation methodology that involves determining a future maintainable earnings figure for a business and multiplying that figure by an appropriate capitalisation multiple. This methodology is generally considered a short form of a discounted cash flow, where a single representative earnings figure is capitalised, rather than a stream of individual cash flows being discounted. The capitalisation of earnings methodology involves the determination of:

- ◆ A level of future maintainable earnings
- ◆ An appropriate capitalisation rate or multiple.

A multiple can be applied to any of the following measures of earnings:

- ◆ **Revenue** – most commonly used for companies that do not make a positive EBITDA or as a cross-check of a valuation conclusion derived using another method.
- ◆ **EBITDA** - most appropriate where depreciation distorts earnings, for example in a company that has a significant level of depreciating assets but little ongoing capital expenditure requirement.
- ◆ **EBITA** - in most cases EBITA will be more reliable than EBITDA as it takes account of the capital intensity of the business.
- ◆ **EBIT** - whilst commonly used in practice, multiples of EBITA are usually more reliable as they remove the impact of amortisation which is a non-cash accounting entry that does not reflect a need for future capital investment (unlike depreciation).
- ◆ **NPAT** - relevant in valuing businesses where interest is a major part of the overall earnings of the group (e.g. financial services businesses such as banks).

Multiples of EBITDA, EBITA and EBIT are commonly used to value whole businesses for acquisition purposes where gearing is in the control of the acquirer. In contrast, NPAT (or P/E) multiples are often used for valuing minority interests in a company.

The multiple selected to apply to maintainable earnings reflects expectations about future growth, risk and the time value of money all wrapped up in a single number. Multiples can be derived from three main sources. Using the guideline public company method, market multiples are derived from the trading prices of stocks of companies that are engaged in the same or similar lines of business and that are actively traded on a free and open market, such as the ASX. The merger and acquisition method is a method whereby multiples are derived from transactions of significant interests in companies engaged in the same or similar lines of business. It is also possible to build a multiple from first principles.

Use of the capitalisation of earnings method

The capitalisation of earnings method is widely used in practice. It is particularly appropriate for valuing companies with a relatively stable historical earnings pattern which is expected to continue. This method is less appropriate for valuing companies or assets if:

- ◆ There are no suitable listed company or transaction benchmarks for comparison
- ◆ The asset has a limited life
- ◆ Future earnings or cash flows are expected to be volatile
- ◆ There are negative earnings or the earnings of a business are insufficient to justify a value exceeding the value of the underlying net assets

Asset based methods

Description

Asset based valuation methods estimate the value of a company based on the realisable value of its net assets, less its liabilities. There are a number of asset based methods including:

- ◆ Orderly realisation
- ◆ Liquidation value
- ◆ Net assets on a going concern basis
- ◆ Replacement cost
- ◆ Reproduction cost

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the company may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis method estimates the market values of the net assets of a company but does not take account of realisation costs.

The asset / cost approach is generally used when the value of the business' assets exceeds the present value of the cash flows expected to be derived from the ongoing business operations, or the nature of the business is to hold or invest in assets. It is important to note that the asset approach may still be the relevant approach even if an asset is making a profit. If an asset is making less than an economic rate of return and there is no realistic prospect of it making an economic return in the foreseeable future, an asset approach would be the most appropriate method.

Use of asset based methods

An asset-based approach is a suitable valuation method when:

- ◆ An enterprise is loss making and is not expected to become profitable in the foreseeable future
- ◆ Assets are employed profitably but earn less than the cost of capital
- ◆ A significant portion of the company's assets are composed of liquid assets or other investments (such as marketable securities and real estate investments)
- ◆ It is relatively easy to enter the industry (for example, small machine shops and retail establishments)

Asset based methods are not appropriate if:

- ◆ The ownership interest being valued is not a controlling interest, has no ability to cause the sale of the company's assets and the major holders are not planning to sell the company's assets
- ◆ A business has (or is expected to have) an adequate return on capital, such that the value of its future income stream exceeds the value of its assets

Analysis of share trading

The most recent share trading history provides evidence of the fair market value of the shares in a company where they are publicly traded in an informed and liquid market. There should also be some similarity between the size of the parcel of shares being valued and those being traded. Where a company's shares are publicly traded then an analysis of recent trading prices should be considered, at least as a cross-check to other valuation methods.

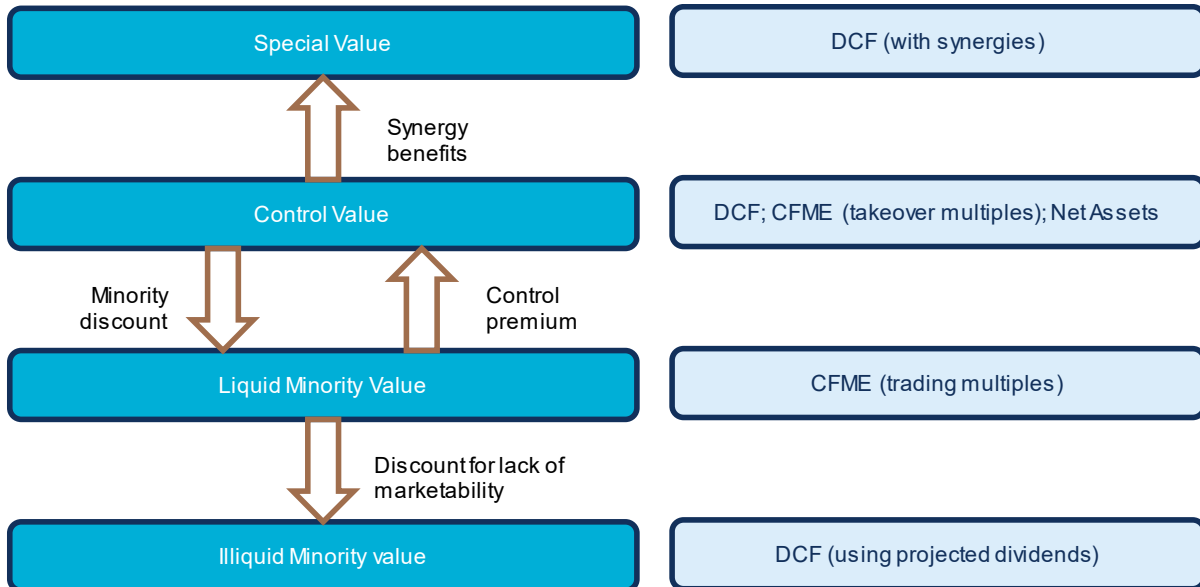
Industry specific rules of thumb

Industry specific rules of thumb are used in certain industries. These methods typically involve a multiple of an operating figure such as eyeballs for internet businesses, numbers of beds for hotels etc. These methods are typically fairly crude and are therefore usually only appropriate as a cross-check to a valuation determined using an alternative method.

APPENDIX 4: LEVELS OF VALUE

Background

When valuing a company there are various conceptual levels of value that can be determined depending on the method selected and the assumptions applied. These levels are highlighted in the diagram below. It is important to be aware of the level of value determined by any valuation technique and to ensure that it is consistent with the subject of the valuation.



The key differences between these levels of value are the control premium and the discount for lack of marketability. The opposite of a control premium is a minority discount (also known as a discount for lack of control). These are discussed further in:

- ◆ Appendix 8 Control Premium
- ◆ Appendix 9 Marketability

Each of these levels of value and the valuation techniques for deriving them are discussed below. It is also possible to determine the value at any of the levels by starting at a different level of value and then applying the relevant discounts and/or premiums to obtain the required level of value. For example, an illiquid minority value could be determined by using a discounted cash flow method to determine a control value and then deducting an appropriate minority discount and a discount for lack of marketability.

Special value

The highest level of value is referred to as special value. This is the value of a company to a particular purchaser, where that purchaser is able to enjoy benefits of owning the company that are not available to other potential owners. Special value is not typically observed as a buyer would not benefit its own shareholders if it paid the full amount of special value in a transaction. However, in contested takeover situations transactions often take place at a price that is higher than the stand-alone control value, meaning the value of some synergies is paid by the bidder to the target's shareholders. The definitions of Fair Market Value specifically excludes any special value.

Special value can be estimated using a discounted cash flow analysis. This analysis would include the expected synergy benefits in the forecast cash flows.

Control value

The next level of value is the stand-alone control value. This represents the value of the whole of an entity, without considering any potential synergy benefits. The benefits of controlling an enterprise are discussed further in Appendix 8. A control value can be determined using one of the following approaches:

- ◆ Discounted cash flow (using free cash flow to the business or to equity)
- ◆ Capitalisation of earnings, using multiples for comparable transactions
- ◆ Capitalisation of earnings, using multiples derived from first principles (analogous to a discounted cash flow)
- ◆ A net asset based approach

It is possible that transactions involving comparable entities include some element of payment for synergies. Thus, using multiples determined by this method may provide a valuation that is higher than a stand-alone control value. It is therefore necessary to consider the nature of the buyer and the details of the transaction before accepting a comparable transaction as evidence of a control value.

Liquid minority value

This is the most frequently observed level of value as it is consistent with market trading on public exchanges. It can be determined directly by the application of the capitalisation of maintainable earnings, where the multiple used is determined based on market prices of comparable companies.

Illiquid minority value

This represents a minority holding in a private company. Such a stake can be difficult to sell and often offers little ability to influence the operations of the business. This level of value is mostly commonly estimated by reference to a higher level of value and the application of discounts. However, it can be estimated directly either by considering comparable transactions involving similar assets or the application of a discounted cash flow analysis based on expected cash flows to the minority owner. In some cases the shareholders' agreement can restrict the transfer and sale of shares to third parties which increases the applicable discount.

APPENDIX 5: VALUATION OF 25.5% INTEREST IN BETTER BEER

The key factors considered in our valuation of Mighty Craft's 25.5% interest in Better Beer are set out below.

Projected Cash flows

We were provided with a projected income statement for Better Beer for the period FY25 to FY28 prepared by Better Beer and Mighty Craft Group management ("**The Better Beer Model**"). We have built our own cash flow model for Better Beer based on the assumptions contained in The Better Beer Model, adjusted as appropriate (including extending the model for an additional year). Our model includes a projected statement of financial position to ensure cash flow is modelled reliably.

The detailed projections are not included in this report due to commercial sensitivity. We note that Better Beer is a private company and that the information we have received is more detailed than what would typically be available to a minority shareholder due to the close commercial relationship between Mighty Craft and Better Beer.

A summary of the key assumptions underpinning the financial projections are set out in the table below.

Item	Assumption	Rationale
Revenue	<ul style="list-style-type: none"> ♦ Volume: volumes are forecast on a per product basis by sales channel. Beer sales by volume (litres) is forecast at a 39% CAGR over the period FY22 to FY28. The highest growth in volume is forecast in FY25 which coincides with the expiry of the exclusive sales agreement with Endeavour Group and the launch of two new products. 	<ul style="list-style-type: none"> ♦ Revenue: whilst revenue growth is higher than the forecast industry average of 6% per annum in the five years to 2028, we don't consider this to be unreasonable since: <ul style="list-style-type: none"> • Better Beer is a relatively new brand that has a proven track record of increasing market share. • Whilst there are risks associated with the expiry of the exclusive sales agreement with Endeavour, it opens up a larger market, (approx. 40% of packaged beer sales are through independent retailers whilst Coles and Endeavour combined have approx. 60%⁸) • Some of the revenue growth is from the introduction of new products in FY25 which account for about 12.5% of litres sold over the forecast period.
	<ul style="list-style-type: none"> ♦ Price: price is forecast on a per product basis by sales channel. Forecast price increases are generally between 3% and 5% per annum (reducing over the forecast period) 	
Gross Margin	<ul style="list-style-type: none"> ♦ Gross margin is forecast to improve in FY25 and remain relatively steady for the remainder of the projection period. 	<ul style="list-style-type: none"> ♦ A decrease in production costs is included as part of the agreement to transfer distribution to Casella. The forecast gross margin is in line with the forward agreement with Casella, which we understand is expected to be executed by the end of September 2024.
Operating expenses	<ul style="list-style-type: none"> ♦ Marketing: marketing expenses are forecast to increase by approximately \$0.5 million per annum. 	<ul style="list-style-type: none"> ♦ Marketing: as brand awareness grows it is reasonably to assume that marketing expenses as a percentage of revenue will decrease.
	<ul style="list-style-type: none"> ♦ Employee costs: employee costs are forecast to increase by 46% reducing to 5% per annum from FY27 onwards. 	<ul style="list-style-type: none"> ♦ Employee costs: the significant increase in FY25 is driven the in housing of some of the functions previously performed by Mighty Craft. Going forward, Better Beer is relatively

⁸ Are Australia's Big Brewers and retailers abusing their market power, 8 September 2023 (Are Australia's Big Brewers and retailers abusing their market power? (brauwelt.com))

	<ul style="list-style-type: none"> ◆ Distributor charges: despite the sales growth the forecast increase in distributor charges in FY25 is minimal while from FY26 onwards growth is relatively in line with volume growth. ◆ Freight charges: other than FY25, freight charges grow approximately in line with revenue growth. ◆ Other operating expenses: are forecast to grow at 5% per annum. 	<p>scalable as all production and distribution is outsourced.</p> <ul style="list-style-type: none"> ◆ Distributor charges: the relatively minimal growth in FY25 is due to the new distribution agreement with Casella which has more favourable pricing than the previous agreement. Thereafter, growth in distribution costs is in line with volume growth which we consider to be reasonable. ◆ Freight charges: historically the majority of freight charges have been borne by Endeavour and this was reflected in the wholesale price paid by Endeavour. With the end of the exclusive sales agreement with Endeavour, freight charges are now included as an operating expense. ◆ Other operating expenses: other operating expenses are relatively fixed and therefore we consider slightly higher than inflationary growth to be reasonable.
Capex and Depreciation	<ul style="list-style-type: none"> ◆ We have assumed annual capex and depreciation of \$50,000. 	<ul style="list-style-type: none"> ◆ Given the capital light nature of the business (outsourced manufacturing), we consider capital expenditure is only required for small items like replacement of office equipment.
Tax	<ul style="list-style-type: none"> ◆ We have applied a corporate tax rate of 30%. ◆ For the purpose of our DCF analysis, a notional tax expense is calculated on EBIT as the current gearing of the business (reflected in interest expense) is not relevant to our assessment of enterprise value. 	<ul style="list-style-type: none"> ◆ The tax rate applied is in line with the Australian corporate tax rate for businesses with turnover in excess of \$50 million.
Working Capital	<ul style="list-style-type: none"> ◆ We have assumed accounts receivables days of 36, inventory days of 6 and payables days of 30. 	<ul style="list-style-type: none"> ◆ Given the nature of its operations, Better Beer has relatively limited working capital which is primarily comprised of accounts receivables, inventory and trade payables. ◆ The assumption for inventory days is in line with historical inventory turnover. ◆ The assumption for payables days is in line with management's current working capital policy. ◆ We note that cash flows associated with movement in working capital are relatively immaterial. As such, alternative assumptions, within a relatively wide range, would not have a material impact on the valuation.
Other Balance Sheet Movements	<ul style="list-style-type: none"> ◆ We have forecast other liabilities to be 2% of total expenses. 	<ul style="list-style-type: none"> ◆ We consider this a reasonable approach to forecasting balance sheet movements. ◆ We note that cash flows associated with movements in other balance sheet items are relatively immaterial.

New Zealand

- ◆ We have assumed distribution in New Zealand will cease from FY25
- ◆ The contract Brewer in New Zealand has given notice that it will not renew the contract and the business is forecast to have a negative EBITDA contribution across the forecast period.

Discount rate

In determining an appropriate discount rate, we have considered the relative riskiness of the forecast cash flows and the typical rates of return required by investors for investment with similar risks to Better Beer. As Better Beer is an early stage, high growth, company we have focused our analysis on the returns required by investors who typically invest in these types of businesses.

The most comprehensive data set on expected rates of return for start-up and early stage companies is produced annually by the Graziadio School of Business in the Pepperdine Private Capital Markets Report. The Pepperdine survey investigates, for each private capital market segment, the important benchmarks that must be met in order to qualify for each particular capital type, how much capital is typically accessible, what the required returns are for extending capital in today's economic environment, and outlooks on demand for various capital types, interest rates, and the economy in general. The report collates information collected from a range of industry participants including lenders, private equity groups, venture capital firms, angel investors, investment bankers, business brokers and business appraisers.

Our analysis has focused on the rates of return required by venture capital and private equity investors as this is the most likely source of funding for early stage companies generating revenue but have not historically generated positive earnings. The table below set out results of the 2024 Pepperdine Capital survey (conducted in January 2024).

Table 12: Expected rates of return of investors in early stage companies

Investor	Rates of Return		
	1st quartile	Median	3rd quartile
Private Equity (\$1 million EBITDA)	22.0%	25.0%	30.0%
Private Equity (\$5 million EBITDA)	20.5%	20.5%	23.0%
Private Equity (\$10 million EBITDA)	20.0%	20.5%	21.5%
Venture Capital (early stage)	21.8%	25.5%	29.3%
Venture Capital (expansion)	21.8%	23.0%	25.5%

Source: Pepperdine Private Capital market Project: Capital Markets Report 2024, Graziadio School of Business

In respect of the above we note the following:

- ◆ Whilst the survey is based on data collected in the United States, we consider that expected rates of return would be similar internationally in developed countries for companies at similar stages of development.
- ◆ The expected rates of return are presented on a pre-tax basis. However early stage companies are often loss making, or have historical tax losses, which means pre-tax and post-tax returns are more closely aligned.
- ◆ We consider Better Beer is most analogous to the Private Equity \$5 to \$10 million EBITDA (based on the FY25 forecast) and the Venture Capital expansion stage.
- ◆ Better Beer has some specific risk associated with the expiration of the exclusive sales agreement with Endeavour, the transition of distribution arrangements with Casella and the reliance on the brands association with the Inspired Unemployed.

After considering the above we have selected a discount rate of 18% to 20% (nominal, post-tax, WACC) to apply to the projected cash flows.

Terminal value

The terminal value represents the value of the cash flows beyond the projection period. Terminal values are calculated based on the expected long-term growth rate of future cash flows. We have applied a terminal growth rate of 4% which is higher than the mid-point of the target inflation band for Australia as it is expected that Better Beer will be able to maintain above inflation growth for a number of years beyond FY29.

Surplus Cash

The surplus cash balance of Better Beer as at 31 August 2024 was \$378,548.

Surplus assets and non-operating liabilities

To get from a business (or enterprise) values (as calculated in our DCF analysis) to an equity (or share) value it is necessary to allow for non-operating assets and liabilities. These can be:

- ◆ Surplus assets: asset held by a company that are not utilised in its business operations.
- ◆ Other non-operating liabilities: other liabilities (i.e. not debt) of a company that are not directly related to its current business operations.

Based on discussions with the Administrators, we have not identified any surplus assets or non-operating liabilities of Better Beer.

Discounts for lack of control and marketability

Background

The value of a controlling interest is not the same as the value of a minority stake, on a per share basis. Controlling interests offer the holder the ability to do many things that the holder of a minority interest cannot. For this reason, the value of a controlling interest is usually higher than the pro-rata value of a non-controlling minority interest. This difference is known as a Discount for Lack of Control ("**DLOC**") and is the reverse of a control premium. A controlling interest in a business is also relatively liquid, or marketable, as is a minority interest in a listed company. However, a minority interest in a private company is less marketable than a similar interest in a listed company, leading to a lower value. This difference is known as a Discount for Lack of Marketability ("**DLOM**").

Valuation methods

There are three general methods to determine the value of a minority interest in a private company:

- ◆ Indirectly by reference to the value of a controlling interest, for example determined using a discounted cash flow analysis. A DLOC and a DLOM are then deducted from the initial control value derived.
- ◆ Indirectly by reference to the value of a liquid minority interest, for example derived from the capitalisation of earnings using listed company benchmarks. A DLOM is then deducted from the initial liquid minority value derived.
- ◆ Directly by applying an appropriate discount rate to the expected cash low accruing to the minority interest holder (usually dividends or distributions).

We have applied the first approach to determine the controlling and minority interest values in Better Beer. We generally prefer the first two approaches because there is a greater amount of directly observable evidence to support the inputs required for these approaches than for the third approach. The choice between the first and second approach depends on the valuation method selected as the starting point for the analysis. We have therefore assessed a suitable DLOC and DLOM to apply to the valuation of a 25.5% interest in Better Beer as discussed below.

Discount for lack of control

Factors affecting the appropriate level of DLOC are discussed fully in Appendix 8. In selecting a discount to apply to our valuation of a 25.5% interest in Better Beer we have considered the following factors:

Table 13: Factors impacting DLOC

Factors indicative of a higher DLOC	Factors indicative of a lower DLOC
<ul style="list-style-type: none"> ◆ We understand that two of the other shareholders have other combined business interests and as such may vote as a block. However, their combined total interest is 46%, with the right to appoint two directors, which is not sufficient to pass an ordinary resolution. ◆ Better Beer is not currently paying dividends. 	<ul style="list-style-type: none"> ◆ Mighty Craft has the largest shareholding in better beer at 25.5% (the next largest are two shareholders with 23% each) ◆ Mighty Craft has the ability to block a special resolution. ◆ There is a shareholders' agreement which allows for Mighty Craft to appoint one director (there is a maximum of four directors). ◆ The shareholders agreement includes drag along and tag along provisions.

The generally observed range of 20% to 40% for control premiums equates to a DLOC range of 17% to 29%. After considering the generally observed range, we have selected a DLOC of 5% to 10% for a 25.5% interest in Better Beer. We consider it reasonable that the selected range is outside of the generally observed range because the observed range of control premiums is based on trading in much smaller minority interests.

Discount for lack of marketability

Factors affecting the appropriate level of DLOM are discussed fully in Appendix 9. In selecting a discount to apply to our valuation of a 25.5% interest in Better Beer we have considered the following factors.

Table 14: Factors impacting DLOM

Factors indicative of a higher DLOM	Factors indicative of a lower DLOM
<ul style="list-style-type: none"> ◆ Whilst the 25.5% interest is the largest shareholding block, it is likely unattractive to private equity investors who typically require a controlling stake. ◆ As part of a capital raising process for Better Beer, the Mighty Craft stake was offered for sale. Ultimately a buyer was not found. However, now that Better Beer and Mighty Craft relationship has been unwound, potential investors may assess that the risk profile of Better Beer has been lowered. 	<ul style="list-style-type: none"> ◆ Better Beer has experienced significant growth since establishment with the potential for high growth in the future. ◆ The interest being valued is the largest shareholding block. ◆ There are extensive drag along and tag along rights included in the shareholders agreement. ◆ Better Beer has intentions of completing an initial public offering in the short to medium term.

The generally observed range for a DLOM is 10% to 40%. Given the size of the shareholding, the growth profile of the business and the potential near term liquidity event, we consider that a DLOM at the low end of the range is appropriate. As such we have applied a DLOM of 10%.

Equity value of 25.5% interest

The table below sets out our assessment of the value of a 25.5% interest in Better Beer.

Table 15: Equity value of Mighty Craft's 25.5% interest

	Low	High
Calculated enterprise value on a control basis	67,285	77,601
Surplus assets	-	-
Non-operating liabilities	-	-
Surplus cash	379	379
Assessed equity value on a control basis	67,663	77,979
Mighty Craft share of 25.5%	17,254	19,885
DLOC of 5% to 10%	(1,725)	(994)
Equity value on a liquid minority basis	15,529	18,891
DLOM of 10%	(1,553)	(1,889)
Equity value on a illiquid minority basis	13,976	17,001

Source: Leadenhall analysis

Cross-checks

Recent trading in Better Beer shares

On 12 June 2024, Mighty Craft agreed to sell a 7.5% share in Better Beer to PURE, thus reducing Mighty Crafts interest in Better Beer from 33% to 25.5%. The 7.5% interest in Better Beer was paid in consideration for the termination of a royalty deed between Mighty Craft and PURE that required Mighty Craft to pay a royalty on sales of Better Beer to PURE. The 7.5% interest was valued at \$6.1 million. This transaction implies an equity value for Better Beer (on an illiquid minority basis) of \$83.1 million (implied value of a 25.5% interest of \$20.7 million).

Whilst the Better Beer value implied by this transaction is higher than our assessed value, we do not consider this to be unreasonable since:

- ◆ The transaction was not an arm's length transaction
- ◆ The transaction occurred at a time when other capital raising activities were being considered by Better Beer. As such, it was in the interests of shareholders to execute the transaction at a price that would be supportive of a higher value in capital raise negotiations.
- ◆ The value is similar to the high end of our assessed enterprise value range which implies that sale price may not have included a DLOC or DLOM.

Book value of Better Beer Interest

After a restructuring of the Better Beer ownership in 2023, Mighty Craft recognised the value of its then 33% interest in Better Beer at approximately \$31.4 million (implying a \$24.2 million value for a 25.5% interest). We have reviewed the internal valuation memo prepared by Mighty Craft to support the book value and note the following:

- ◆ Revenue and EBITDA were materially higher than current expectation as it seems that the full benefit of growth opportunities was included in the cash flow. In particular, significant growth was forecast in the on-premise market which is dominated by large incumbents, CUB and Lion.
- ◆ Forecast gross margin is materially higher than current expectations. Although it is not clear what the cause of this is, our discussions with management indicate that current gross margin assumptions are appropriate.
- ◆ No DLOC or DLOM has been applied to the valuation.

Based on the above, we consider that book value was based on cash flows that adopted unrealistically high growth assumptions and as such it is not unreasonable that our assessed value is lower than the book value of Mighty Crafts interest in Better Beer.

Implied EBITDA multiple

We have calculated the current (FY25) and forecast (FY26) EBITDA multiple implied by our the mid-point of our assessed enterprise value for Better Beer. We have not presented these calculations as they are commercial in confidence. However, we note that the implied multiples for Better Beer are within the range of the comparable trading companies after considering size and growth. In particular, the EBITDA multiples of the most comparable company, Good Drinks Australia Limited, are relatively consistent with the implied Better Beer multiples.

Conclusion

Based on the analysis above, we have assessed the value of Mighty Craft's 25.5% interest in Better Beer to be in the range of \$14.0 million to \$17.0 million.

APPENDIX 6: COMPARABLE COMPANY TRADING MULTIPLES

Table 16: Comparable companies – earnings and revenue multiples

Table 10: Comparable companies' earnings and revenue multiples								
Company	Country	Market Cap (A\$m)	EBITDA multiple		Revenue multiple		EBITDA margin	Revenue growth
			Current	Forecast	Current	Forecast		
Brewery companies								
Anheuser-Busch InBev SA/NV	Belgium	185,212	8.5x	8.0x	2.9x	2.8x	35%	5%
Heineken N.V.	Netherlands	83,282	10.0x	9.4x	2.2x	2.1x	22%	4%
Carlsberg A/S	Denmark	29,148	9.9x	9.3x	2.1x	2.0x	21%	4%
Asahi Group Holdings, Ltd.	Japan	28,675	10.0x	9.5x	1.4x	1.4x	14%	4%
China Resources Beer (Holdings) Company Limited	Hong Kong	22,917	11.1x	9.8x	2.7x	2.5x	24%	16%
Molson Coors Beverage Company	United States	21,927	8.1x	8.0x	1.7x	1.7x	21%	1%
Kirin Holdings Company, Limited	Japan	17,226	8.5x	8.1x	1.1x	1.1x	13%	5%
The Boston Beer Company, Inc.	United States	5,553	13.8x	12.1x	1.6x	1.6x	12%	2%
Royal Unibrew A/S	Denmark	5,070	11.4x	10.7x	2.0x	1.9x	17%	15%
Sapporo Holdings Limited	Japan	4,763	16.4x	15.5x	1.3x	1.3x	8%	3%
Shepherd Neame Limited	United Kingdom	201	9.8x	9.5x	1.4x	1.3x	14%	8%
Good Drinks Australia Limited	Australia	42	10.2x	7.7x	0.8x	0.7x	8%	3%
Kyckr Limited	Australia	26	n/a	n/a	n/a	n/a		
Average			10.1x	9.3x	1.7x	1.6x		
Median			10.0x	9.4x	1.6x	1.6x		

Source: CapitalIQ as 31 August 2024

Table 17: Comparable companies – business descriptions

Company	Description
Anheuser-Busch InBev SA/NV	Anheuser-Busch InBev SA/NV produces, distributes, exports, markets, and sells beer and beverages.
Asahi Group Holdings, Ltd.	Asahi Group Holdings, Ltd., together with its subsidiaries, manufactures and sells alcoholic beverages, soft drinks, and food products in Japan, Europe, Oceania, and Southeast Asia.
BHB Brauholding Bayern-Mitte AG	BHB Brauholding Bayern-Mitte AG, together with its subsidiaries, engages in the brewery business in Germany.
Carlsberg A/S	Carlsberg A/S produces and sells beer and other beverage products in Denmark, China, the United Kingdom, and internationally.
China Resources Beer (Holdings) Company Limited	China Resources Beer (Holdings) Company Limited, an investment holding company, manufactures, distributes, and sells beer products in Mainland China.
Good Drinks Australia Limited	Good Drinks Australia Limited engages in manufactures, markets, and distributes beer, cider, and other beverages in Australia.
Kirin Holdings Company, Limited	Kirin Holdings Company, Limited engages in food and beverages, pharmaceuticals, and health science businesses.
Molson Coors Beverage Company	Molson Coors Beverage Company manufactures, markets, and sells beer and other malt beverage products under various brands in the Americas, Europe, the Middle East, Africa, and the Asia Pacific.
Royal Unibrew A/S	Royal Unibrew A/S provides beer, soft drinks, malt beverages, energy drinks, cider/ready to drink, juice, water, and wine and spirits.
Sapporo Holdings Limited	Sapporo Holdings Limited engages in alcoholic beverages, foods and soft drinks, restaurants, and real estate businesses in Japan and internationally.
Shepherd Neame Limited	Shepherd Neame Limited engages in the brewing and packaging of beer in the United Kingdom and internationally.
The Boston Beer Company, Inc.	The Boston Beer Company, Inc produces and sells alcohol beverages primarily in the United States.

Source: CapitalIQ

APPENDIX 7: COMPARABLE TRANSACTIONS

Table 18: Comparable transaction multiples

Target	Acquirer	Date	Stake acquired	Enterprise value (EV)	EV / EBITDA	EV / Revenue	EV / litres
Little Creatures	Lion	Jun-12	64%	382	18.9x	4.4x	41.0x
Pirate Life	CUB	Nov-17		80		3.5x	26.7x
Matso's Broome	Good Drinks Australia	Jun-18	100%	16	7.0x		
Balter	CUB	Dec-19		200	n/a	5.8x	43.5x
Fermentum	Lion	Sep-21		500	20.0x	5.0x	29.4x
Jetty Road	Mighty Craft	Dec-21		10		1.0x	10.0x
Average					15.3x	3.9x	30.1x
Median					18.9x	4.4x	29.4x

Source: Leadenhall analysis, Mighty Craft

APPENDIX 8: CONTROL PREMIUM

Background

As discussed above, the difference between the control value and the liquid minority value of a security is the control premium. The inverse of a control premium is a minority discount (also known as a discount for lack of control). A control premium is said to exist because the holder of a controlling stake has several rights that a minority holder does not enjoy (subject to shareholders agreements and other legal constraints), including the ability to:

- ◆ Appoint or change operational management
- ◆ Appoint or change members of the board
- ◆ Determine management compensation
- ◆ Determine owner's remuneration, including remuneration to related party employees
- ◆ Determine the size and timing of dividends
- ◆ Control the dissemination of information about the company
- ◆ Set strategic focus of the organisation, including acquisitions, divestments and any restructuring
- ◆ Set the financial structure of the company (debt / equity mix)
- ◆ Block any or all of the above actions

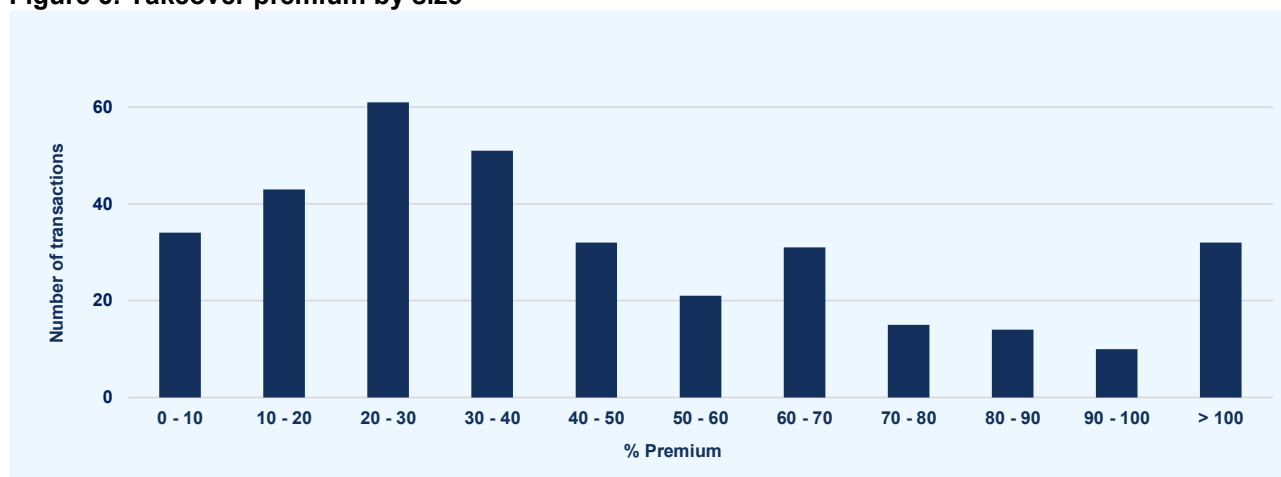
The most common approach to quantifying a control premium is to analyse the size of premiums implied from prices paid in corporate takeovers. Another method is the comparison between prices of voting and non-voting shares in the same company. We note that the size of the control premium should generally be an outcome of a valuation and not an input into one, as there is significant judgement involved.

Takeover Premiums

Dispersion of premiums

The following chart shows the spread of premiums paid in takeovers between 2012 and 2021. We note that these takeover premiums may not be purely control premiums, for example the very high premiums are likely to include synergy benefits, while the very low premiums may be influenced by share prices rising in anticipation of a bid.

Figure 6: Takeover premium by size



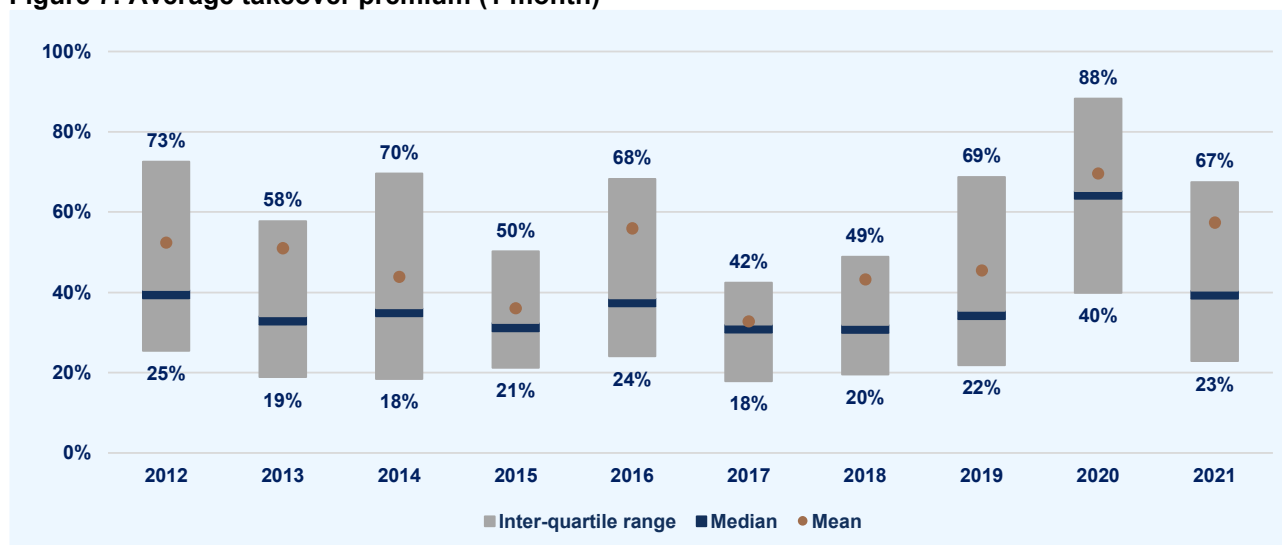
Sources: S&P Capital IQ, Leadenhall analysis

This chart highlights the dispersion of premiums paid in takeovers. The chart shows a long tail of high premium transactions, although the most common recorded premiums are in the range of 20% to 40%, with approximately 65% of all premiums falling in the range of 0% to 50%.

Premiums over time

The following chart shows the average premium paid in completed takeovers compared to the price one month before the initial announcement.

Figure 7: Average takeover premium (1 month)



Sources: S&P Capital IQ, Leadenhall analysis

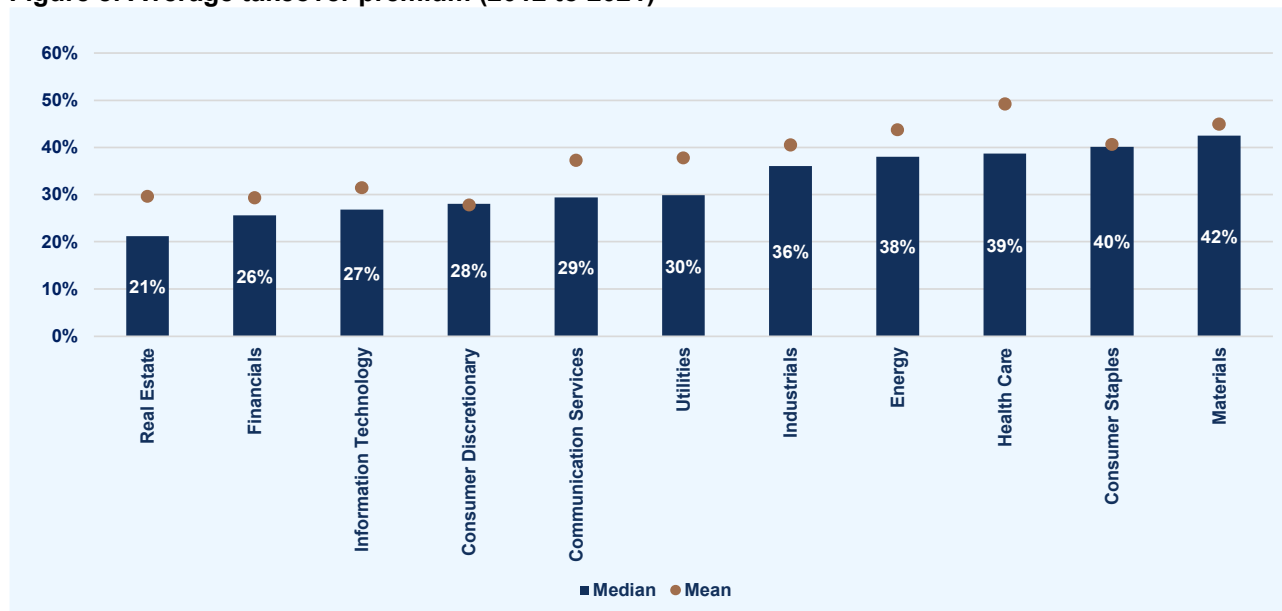
Note: The average premiums presented above exclude transactions with implied control premiums below zero and transactions which we consider to be outliers.

The chart indicates that while premiums vary over time, there is no clearly discernible pattern. The mean is higher than the median due to a small number of high premiums.

Premiums by industry

The following chart shows the average takeover premium by industry, compared to the share price one month before the takeover was announced. Most industries show an average premium of 20% to 40%.

Figure 8: Average takeover premium (2012 to 2021)



Sources: S&P Capital IQ, Leadenhall analysis

Note: The average premiums presented above exclude specific transactions with implied control premiums below zero or over 100% which we consider to be outliers.

Key factors that generally lead to higher premiums being observed include:

- ◆ Competitive tension arising from more than one party presenting a takeover offer.
- ◆ Favourable trading conditions in certain industries (e.g. recent mining and tech booms).
- ◆ Significant synergistic special or strategic value.
- ◆ Scrip offers where the price of the acquiring entity's shares increases between announcement and completion.

Industry Practice

In Australia, industry practice is to apply a control premium in the range of 20% to 40%, as shown in the following list quoting ranges noted in various independent experts' reports.

- ◆ Deloitte - 20% to 40%
- ◆ Ernst & Young - 20% to 40%
- ◆ Grant Samuel - 20% to 35%
- ◆ KPMG - 25% to 35%
- ◆ Lonergan Edwards - 30 to 35%
- ◆ PwC - 20% to 40%

The range of control premiums shown above is consistent with most academic and professional literature on the topic.

Alternative View

Whilst common practice is to accept the existence of a control premium in the order of 20% to 40%, certain industry practitioners (particularly in the US) disagree with the validity of this conclusion. Those with an alternate viewpoint to the fact that very few listed companies are acquired each year as evidence that 100% of a company is not necessarily worth more than the proportionate value of a small interest. Those practitioners agree that the reason we see some takeovers at a premium is that if a company is not well run, there is a control premium related to the difference in value between a hypothetical well run company and the company being run as it is.

Impact of Methodologies Used

The requirement for an explicit valuation adjustment for a control premium depends on the valuation methodology and approach adopted and the level of value to be examined. It may be necessary to apply a control premium to the value of a liquid minority value to determine the control value. Alternatively, in order to estimate the value of a minority interest, it may be necessary to apply a minority discount to a proportional interest in the control value of the company.

Discounted cash flow

The discounted cash flow methodology generally assumes control of the cash flows generated by the assets being valued. Accordingly, such valuations reflect a premium for control. Where a minority value is sought a minority discount must therefore be applied. The most common exception to this is where a discounted dividend model has been used to directly determine the value of an illiquid minority holding.

Capitalisation of earnings

Depending on the type of multiple selected, the capitalisation of earnings methodology can reflect a control value (transaction multiples) or a liquid minority value (listed company trading multiples).

Asset based methodologies

Asset based methodologies implicitly assume control of the assets being valued. Accordingly, such valuations reflect a control value.

Intermediate Levels of Ownership

There are a number of intermediate levels of ownership between a portfolio interest and 100% ownership. Different levels of ownership/strategic stakes will confer different degrees of control and rights as shown below.

- ◆ 90% - can compulsory purchase remaining shares if certain conditions are satisfied
- ◆ 75% - power to pass special resolutions
- ◆ 50% - gives control depending on the structure of other interests (but not absolute control)
- ◆ 25% - ability to block a special resolution
- ◆ 20% - power to elect directors, generally gives significant influence, depending on other shareholding blocks
- ◆ < 20% generally has only limited influence

Conceptually, the value of each of these interests lies somewhere between the portfolio value (liquid minority value) and the value of a 100% interest (control value). Each of these levels confers different degrees of control and therefore different levels of control premium or minority discount.

50%

For all practical purposes, a 50% interest confers a similar level of control to holdings of greater than 50%, at least where the balance of the shares is listed and widely held. Where there are other significant holders, such as in a 50/50 joint venture, 50% interests involve different considerations depending upon the particular circumstances.

Strategic parcels do not always attract a control premium. In fact, if there is no bidder, the owner may be forced to sell the shares through the share market, usually at a discount to the prevailing market price. This reflects the fact that the sale of a parcel of shares significantly larger than the average number of shares traded on an average day in a particular stock generally causes a stock overhang, therefore there is more stock available for sale than there are buyers for the stock and in order to clear the level of stock available, the share price is usually reduced by what is referred to as a blockage discount.

20% to 50%

Holdings of less than 50% but more than 20% can confer a significant degree of influence on the owner. If the balance of shareholders is widely spread, a holding of less than 50% can still convey effective control of the business. However, it may not provide direct ownership of assets or access to cash flow. This level of holding has a strategic value because it may allow the holder significant influence over the company's management, possibly additional access to information and a board seat.

<20%

Holdings of less than 20% are rarely considered strategic and would normally be valued in the same way as a portfolio interest given the stake would not be able to pass any ordinary or special resolution on their own if they were against the interests of the other shareholders. Depending on the circumstances, a blockage discount may also apply.

As explained above, the amount of control premium or minority discount that would apply in specific circumstances is highly subjective. In relation to the appropriate level of control premium, Aswath Damodaran notes "the value of controlling a firm has to lie in being able to run it differently (and better)". A controlling shareholder will be able to implement their desired changes. However, it is not certain that a non-controlling shareholder would be able to implement changes they desired. Thus, following the logic of Damodaran and the fact that the strategic value of the holding typically diminishes as the level of holding decreases, the appropriate control premium for a non-controlling shareholder should be lower than that control premium for a controlling stake.

Key Factors in Determining a Reasonable Control Premium

Key factors to consider in determining a reasonable control premium include:

- ◆ **Size of holding** – Generally, larger stakes attract a higher control premium
- ◆ **Other holdings** – The dispersion of other shareholders is highly relevant to the ability for a major shareholder to exert control. The wider dispersed other holdings are, the higher the control premium
- ◆ **Industry premiums** – Evidence of premiums recently paid in a given industry can indicate the level of premium that may be appropriate
- ◆ **Size** – medium sized businesses in a consolidating industry are likely to be acquired at a larger premium than other businesses
- ◆ **Dividends** – a high dividend pay-out generally leads to a low premium for control
- ◆ **Gearing** – a company that is not optimally geared may attract a higher premium than otherwise, as the incoming shareholder has the opportunity to adjust the financing structure
- ◆ **Board** – the ability to appoint directors would increase the control premium attaching to a given parcel of shares. The existence of independent directors would tend to decrease the level of premium as this may serve to reduce any oppression of minority interests and therefore support the level of the illiquid minority value
- ◆ **Shareholders' agreement** - the existence and contents of a shareholder's agreement, with any protection such as tag along and drag along rights offered to minority shareholders lowers the appropriate control premium.

APPENDIX 9: MARKETABILITY

Introduction

Non-controlling interests in unlisted companies generally sell at a discount to the price of comparable listed securities. This difference is known as the discount for lack of marketability ("DLOM") or liquidity discount. It arises because investors place a significant value on liquidity – the ability to sell an investment quickly at a reasonable price. DLOMs generally fall in the range between 10% and 40%. However, there are circumstances where the appropriate discount could be significantly in excess of 40%.

Evidence for DLOM

Restricted stock studies

Many US companies with publicly traded stocks also issue shares that are subject to resale and transfer restrictions (restricted stock). These shares are identical to the publicly traded shares in all respects except for the lack of registration and the restrictions on trading. There have been many studies that compare the prices of restricted stock transactions to the public market trading prices of the freely traded securities on the same day. As the shares are identical in every respect except for their trading status, the difference is solely due to the illiquidity or lack of marketability of the restricted stock. The following table, compiled by John Stockdale, Sr., summarises a number of such studies.

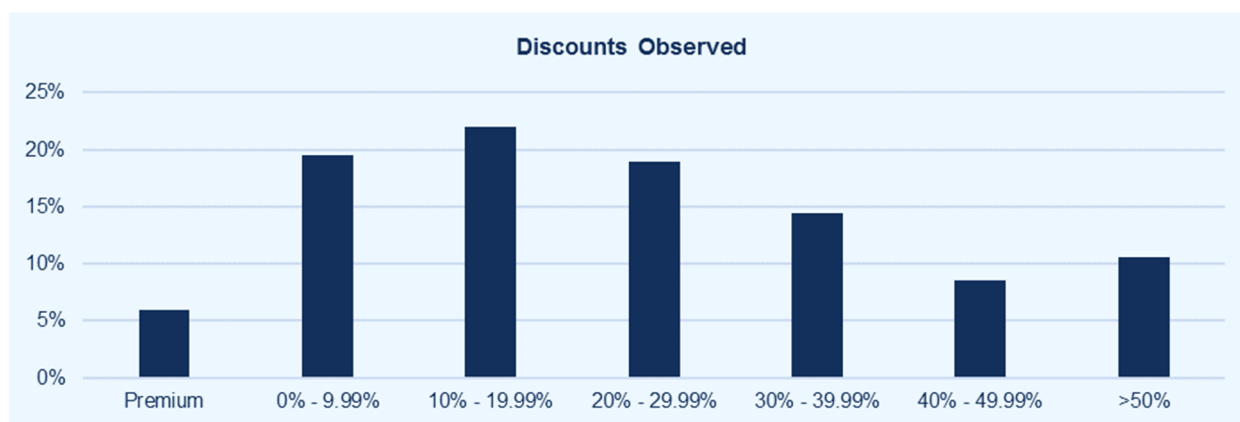
Study	Period	Number of companies	DLOM	
			Mean	Median
SEC Institutional Investor	1966 – 1969	398	24%	-
Gelman	1968 – 1970	89	33%	33%
Moroney	1968 – 1970	145	36%	33%
Maher	1969 – 1973	34	36%	33%
Trout	1968 – 1970	60	34%	-
Standard Research Consultants	1978 – 1982	28	-	45%
Johnson & Racette	1967 – 1973	86	34%	-
Williamette Management Associates	1981 – 1984	33	-	31%
Wruck – Registered	1979 – 1984	36	-4%	2%
Wruck – Unregistered	1979 – 1984	37	14%	12%
Silber	1981 – 1988	69	34%	-
Hertzel & Smith	1980 – 1987	106	20%	13%
Management Planning Inc.	1980 – 1995	49	28%	29%
Johnson	1991 – 1995	72	20%	-
Columbia Financial Advisers	1996 – 1997	23	21%	14%
Columbia Financial Advisers	1997 – 1998	15	13%	9%
Bajaj, Dennis, Ferris & Sarin	1990 – 1995	88	22%	21%
FMV database	1980 – 1997	243	23%	21%
FMV database	1997 – 2007	311	21%	16%
FMV database	2007 – 2008	43	9%	6%
Finnerty	1991 – 1997	101	20%	16%
Wu	1986 – 1997	301	9%	20%
Barclay, Holderness & Sheehan	1979 – 1997	594	19%	17%
Trugman Associates	2007 – 2008	80	18%	14%

Source: BVR's Guide to Discounts for Lack of Marketability, John Stockdale, Sr.

The more recent studies tend to show a smaller level of discount due to the Securities and Exchange Commission ("SEC") relaxing the conditions attached to restricted stock as follows:

- ◆ In 1990 the SEC allowed trading among qualified investors holding restricted stock. This appears to have reduced the discount in restricted stock transactions, as none of the studies after this change found a mean or median discount greater than 22%, while many of the earlier studies reported figures in excess of 30%.
- ◆ In 1997 the SEC reduced the holding period for restricted stock from two years to one year. This had a limited impact on the discount for restricted stock transactions, as shown by the 2% reduction in the mean discount from the transactions in the FMV database.
- ◆ In 2008 the holding period was further reduced from one year to six months. Observed discounts were notably lower after this change, with both relevant studies finding a mean discount below 20%. This highlights the importance of expected time to realisation in assessing a suitable DLOM.

Restricted stock studies generally show a positively skewed distribution. This is perhaps best illustrated by the following summary of six separate studies, collated by Stockdale:



Source: *BVR's Guide to Discounts for Lack of Marketability*, John Stockdale, Sr.

Restricted stock studies have some limitations; in particular they tend to involve relatively small and risky firms; and the individual discounts observed are widely dispersed (although mostly in the range of 0% to 50%). Also, the restrictions typically relate to an escrow period which is not directly comparable with a lack of marketability, where the security can be transferred at any time if a willing buyer can be found.

Pre-IPO studies

Pre-IPO studies attempt to quantify the DLOM by comparing share prices in IPO transactions with transaction prices in the same shares prior to the IPO. The data available to us from these studies is US based, with two of the most widely referenced studies summarised in the following tables:

Time between transaction and IPO	DLOM	
	Mean	Median
0-30 days	30%	25%
31-60 days	40%	38%
61-90 days	42%	43%
91-120 days	49%	50%
121-153 days	55%	54%

Source: *BVR's Guide to Discounts for Lack of Marketability*, John Stockdale, Sr.

As with the restricted stock studies, these studies show the importance of expected time to realisation. A potential caution with pre-IPO studies is the issue of sample bias, in that only companies that achieved an IPO are included. It is possible that such companies are those that have been successful over the period between the benchmark transaction and the IPO date, possibly overstating the impact of illiquidity, particularly where the time between the benchmark transaction and the IPO is relatively long.

Event studies

Event studies consider the abnormal return on a stock around a specific event such as a listing or delisting. Two such studies are discussed briefly below.

Sanger and McConnell studied the excess returns to stocks moving from over-the counter ("OTC") trading to a listing on the New York Stock Exchange over the period 1966 to 1977. The study computed an average DLOM of 20.4% before the introduction of NASDAQ in 1971, and 16.9% thereafter. It is important to note that the study does not consider the element of DLOM that should exist between a private company compared to one listed for OTC trading.

In 2003 Abbott studied the returns from stocks that delisted from NASDAQ during the period 1982 to 2001. The study identified an average DLOM of 18%. Abbott also identified three factors affecting the size of DLOM:

- ◆ **Market value** – the larger the company, the smaller the DLOM.
- ◆ **Cumulative return** – the higher the return (including dividends) before the event, the smaller the resulting DLOM.
- ◆ **Volume** – the larger the turnover of shares in the market, the smaller the DLOM.

Other studies

Various other studies have been performed, with results generally consistent with those presented in this appendix. However, we consider the studies referred to above to be more reliable. Some examples of other studies undertaken include:

- ◆ **Listed Private Equity** - in these studies a comparison is made between the market price of listed private equity investments and their net asset value. However, this difference would include the discount for lack of control as well as the DLOM. Further, the base value (book value of net assets) is an opinion provided by management or consultants, and so may not be reflective of market value. These studies do highlight an important issue which is that the level of DLOM changes significantly over time.
- ◆ **Bid-Ask Spread** - these studies analyse the bid-ask spread of listed companies. They measure relative illiquidity among listed companies and so are not necessarily a good indication of DLOM for private companies. A bid-ask spread study by Damodaran highlighted that spread decreases when:
 - revenue increases
 - companies are profitable as opposed to loss making
 - cash as a % of value increases
 - trading volume increases
- ◆ **Private company transactions** - these studies compare the prices paid in minority transactions involving private companies with a base price representing the value on a liquid basis. The problem with such studies is determining a base price for comparison to the transaction price. A 1975 survey by H Calvin Coolidge used net asset value as a base price, which he believed was reasonable for the asset intensive companies in the study, which resulted in a mean DLOM of 36%, with the median DLOM also 36%.
- ◆ **Surveys** - for example the Pepperdine survey found a median DLOM of 20% for private equity and venture capital investors. However, only 5% of these investors responded that they would make an investment without suitable investor protection such as shareholder agreements, buy/sell agreements and employment agreements. This is not always representative of the circumstances of the company for which a DLOM is to be determined.

Quantitative Models

Various quantitative models for determining DLOM have been developed. At present these models have many limitations, typically including:

- ◆ The models proposed to date do not generally fit the observed data well.
- ◆ Many of the models require inputs, such as volatility or time horizon to realise an investment, which are unknown for most of the circumstances where we need to apply a DLOM.
- ◆ A number of models move from subjectively determining an overall DLOM, to subjectively determining a number of other factors, leading to a DLOM that appears more scientific than it actually is.

Factors impacting DLOM

Several studies have sought to identify factors affecting DLOM and if possible to quantify that impact. The studies to date identified a number of key factors, however there is insufficient evidence to point to any specific numerical relationships between the factors impacting DLOM and the level of DLOM itself, thus after evaluating how the relevant factors apply to the specific circumstances, we are left with a subjective judgement of what an appropriate DLOM should be. The key factors identified are listed below.

Factor	Smaller DLOM (< 20%)	Larger DLOM (>30%)
Size		
Revenue	Higher	Lower
Market value	Higher	Lower
Financial Stability		
Rate of return - profitability	Higher	Lower
Earnings stability	Stable	Volatile
Financial distress	Low risk	High risk
Market / Book value	Low	High
Financial Markets		
Interest rates	Low	High
Volatility	Low	High
Company structure		
Non-executive directors	Many	Few
Block size	Large	Small
Other holdings	Fragmented	Large blocks
Time to sale	Short	Long
Shareholder rights		
Shareholders agreement	Extensive	None
Tag along / drag along rights	Extensive	None
Right to appoint director(s)	Extensive	None
Restrictions on transferability	None	Severe
Expected disposal period		
Exit intentions of majority	Short term	None
Potential buyers of block	Many	One or none
Other		
Industry	The relationship between industry and DLOM is inconclusive from empirical studies. However, it may be the case that at certain points in time industries that are in demand with investors would experience relatively lower DLOMs than other industries.	
Dividends	It is often suggested that the payment of dividends reduces DLOM. While this is intuitively appealing, after adjusting for size and financial strength, empirical studies have failed to find a significant relationship between dividends and DLOM.	
Complexity of group	A complex group structure may not be appealing to investors. However, this factor should not be double counted, if it has been taken into account in determining a control value, eg. through the discount rate applied.	

Note: 'Higher' and 'Lower' refer to the market as a whole and not specifically to the comparable companies (if any) used to determine a base value. Thus, to allow for factors such as size or earnings stability in determining suitable base value and then in assessing the DLOM to be applied would not be double counting.

The list of factors highlighted above, is a general indication of the main factors to be considered in determining a DLOM. However, the selection of a DLOM remains a subjective issue. It is important to ensure factors that have been considered in selecting a base (pre-DLOM) value are not double counted when applying the DLOM. In this regard allowing for size in the DLOM and for example the discount rate is NOT double counting, as the observed DLOM % for transactions involving smaller companies is higher than for larger companies. It is also important to remember that in a given set of circumstances one single factor can outweigh several contradictory factors, for example the existence of a savoy clause¹ in a shareholders' agreement may outweigh many other factors, leading to a very low DLOM.

Note 1: A savoy clause allows one party to a joint venture to nominate a price, at which the other party can choose to sell its own interest or buy out the proposing party's interest.

APPENDIX 10: QUALIFICATIONS, DECLARATIONS AND CONSENTS

Responsibility and purpose

This report has been prepared for Mighty Craft for the purposes of assessing the residual value of Mighty Craft's equity. Leadenhall expressly disclaims any liability, whether for our negligence or otherwise, if the report is used for any other purpose or by any other person.

Reliance on information

In preparing this report we relied on the information provided to us by Mighty Craft and the Administrators being complete and accurate and we have assumed it has been prepared in accordance with applicable Accounting Standards and relevant national and state legislation. We have not performed an audit, review or financial due diligence on the information provided. Drafts of our report were issued to the Administrators for confirmation of factual accuracy.

Prospective information

To the extent that this report refers to prospective financial information, we have considered the prospective financial information and the basis of the underlying assumptions. The procedures involved in Leadenhall's consideration of this information consisted of enquiries of Mighty Craft and the Administrators personnel and analytical procedures applied to the financial data. These procedures and enquiries did not include verification work nor constitute an audit or a review engagement in accordance with Australian Auditing Standards, or any other standards. Nothing has come to our attention as a result of these enquiries to suggest that the financial projections for Mighty Craft and Mighty Craft owned investments, when taken as a whole, are unreasonable for the purpose of this report.

We note that the forecasts and projections supplied to us are, by definition, based upon assumptions about events and circumstances that have not yet transpired. Actual results in the future may be different from the prospective financial information of Mighty Craft and the Mighty Craft owned investments referred to in this report and the variation may be material, since anticipated events frequently do not occur as expected. Accordingly, we give no assurance that any forecast results will be achieved. Any future variation between the actual results and the prospective financial information utilised in this report may affect the conclusions included in this report.

Market conditions

Leadenhall's opinion is based on prevailing market, economic and other conditions as at the date of this report. Conditions can change over relatively short periods of time. Any subsequent changes in these conditions could impact upon the conclusion reached in this report.

As a valuation is based upon expectations of future results it involves significant judgement. Although we consider the assumptions used and the conclusions reached in this report are reasonable, other parties may have alternative expectations of the future, which may result in different valuation conclusions. The conclusions reached by other parties may be outside Leadenhall's preferred range.

Qualifications

The personnel of Leadenhall principally involved in the preparation of this report were Katy Lawrence, BCom., CA, GradDipAppFin, CA BV Specialist, Richard Norris, BA (Hons), FCA, M.App.Fin, F.Fin, Andrew Steere, BBus, CA, MCom, Grad Dip App.Fin. and Tanja Senanayake, ACCA, Dipl.-Kffr. (M.App.Fin, B.Comm).

This report has been prepared in accordance with "APES 225 – Valuation Services" issued by the Accounting Professional & Ethical Standards Board and this report is a valuation engagement in accordance with that standard and the opinion is a Conclusion of Value.

Independence

Leadenhall has acted independently of Mighty Craft and the Administrators. Compensation payable to Leadenhall is not contingent on the conclusion, content or future use of this report.

Attachment 2 – DOCA

Arnold Bloch Leibler

Lawyers and Advisers

Execution version

Deed of Company Arrangement – Mighty Craft Group

Each entity listed in Schedule 1

Quentin James Olde and Liam John Healey

PURE Asset Management Pty Ltd

ACN 616 178 771

in its capacity as trustee for The Income and Growth Fund ABN 80 976 293 282



Arnold Bloch Leibler

Level 21, 333 Collins Street
Melbourne Victoria 3000 Australia

Level 24, Chifley Tower, 2 Chifley Square
Sydney NSW 2000 Australia

Deed of Company Arrangement – Mighty Craft Group

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Deed of Company Arrangement – Mighty Craft Group

Details

Date	4 September 2024
Parties	<p>Each entity listed in Schedule 1(each a Deed Company and together the Deed Companies)</p> <p>Quentin James Olde and Liam John Healey in their capacity as joint and several administrators of this Deed (Deed Administrators) of C/- Ankura Consulting (Australia) Pty Ltd, Level 8, 333 George Street, Sydney NSW 2000</p> <p>Pure Asset Management Pty Ltd ACN 616 178 771 in its capacity as trustee for The Income and Growth Fund ABN 80 976 293 282 (Proponent) of Level 2, 7 Bligh Street, Sydney NSW 2000</p>
Background	<p>A On 22 July 2024, Quentin James Olde and Liam John Healey (Administrators) were appointed as joint and several administrators of each of the Deed Companies pursuant to section 436A of the Corporations Act.</p> <p>B The Proponent has proposed a deed of company arrangement in respect of each of the Deed Companies pursuant to the term sheet issued by the Proponent to the Administrators dated 19 August 2024, as set out in Schedule 7 of the Report to Creditors (DOCA Proposal).</p> <p>C On 26 August 2024, at the duly convened second meetings of the respective Creditors of each of the Deed Companies, it was resolved pursuant to section 439C(a) of the Corporations Act that by those respective Creditors that the Deed Companies each execute a deed of company arrangement in accordance with the DOCA Proposal (Section 439C Resolutions).</p> <p>D Each Deed Company, the Deed Administrators and the Proponent have agreed to execute this Deed to give effect to the Section 439C Resolutions.</p> <p>E The Deed Administrators have consented to be the administrators of this Deed.</p> <p>F Subject to the terms of this Deed, this Deed:</p> <p>(a) binds all Creditors of each Deed Company, in accordance with section 444D of the Corporations Act and also binds each Deed Company and its Officers and Members in accordance with section 444G of the Corporations Act;</p> <p>(b) will result in the transfer of all of the MCL Shares in accordance with clause 6.2 of this Deed; and</p>



-
- (c) will result in the transfer of all of the KI Shares in accordance with clause 6.3 of this Deed.
-

This deed witnesses as follows:

1 Definitions and interpretation

1.1 Definitions

In this document, unless expressly provided otherwise:

Accounts Receivable means amounts payable to any Deed Company in respect of work or services provided by a Deed Company to customers up to Completion and which were invoiced by a Deed Company on or before Completion.

Accrued Revenue means work or services provided by a Deed Company to customers up to Completion which at Completion have not yet been invoiced.

Administration Debt means any:

- (a) debt referred to in section 443A(1) of the Corporations Act which was incurred by the Administrators during the Administration Period;
- (b) liability to the Commissioner of Taxation referred to in section 443BA(1); and
- (c) other debts or liabilities referred to in section 443D(aa) of the Corporations Act,
- (d) in respect of which the Administrators are entitled to be indemnified under section 443D of the Corporations Act or otherwise at law or in equity.

Administration Period means, in respect of the Deed Companies, the period of time commencing on the Appointment Date of the Deed Companies and concluding on the Commencement Date.

Administrators means Quentin James Olde and Liam John Healey in their capacities as joint and several voluntary administrators of the Deed Companies.

Appointment Date means 22 July 2024.

ASIC means the Australian Securities and Investments Commission.

ASIC Relief means such exemptions and modifications from Chapter 6 of the Corporations Act, granted by ASIC pursuant to section 655A of the Corporations Act as are necessary to permit the transfer of the MCL Shares to the Proponent (or its nominee/s) as contemplated by this Deed.

Asset Sale	means the sale of assets of the Deed Companies to the Proponent (or its nominee/s) pursuant to the Asset Sale Agreement.
Asset Sale Agreement	means an asset sale and purchase agreement on terms consistent with the economic benefits and outcomes intended for the Proponent, the Deed Administrators and the Creditors under this Deed and the DOCA Proposal.
ASX Waiver	means any waiver that PURE and the Administrators agree is required from the ASX in connection with the transfer of the MCL Shares and the transactions contemplated by this Deed.
BB Shareholders Agreement	means the document entitled 'Shareholders Agreement' in relation to Better Beer Holdings between Better Beer Holdings, Mighty Craft Beer and others dated 30 June 2023, as amended from time to time.
BBH Shareholders	means any person who, by reason of sections 9 and 231 of the Corporations Act, is a 'member' of Better Beer Holdings.
Better Beer Consent	means the written consent of the BBH Shareholders (excluding the Proponent and Mighty Craft Beer), in a form satisfactory to the Proponent, whereby the BBH Shareholders irrevocably waive any rights, claims, or entitlements arising from or in connection with any change of control, default event, or any other event triggered under the BB Shareholders Agreement as a consequence of any transaction that results in the Proponent (or its nominee/s) acquiring, whether directly or indirectly, the legal or beneficial ownership or control of the shares in MCL, or any other entity that directly or indirectly controls Mighty Craft Beer, including as contemplated by this Deed.
Better Beer Holdings	means Better Beer Holdings Pty Ltd ACN 633 621 173.
Bonus Scheme	has the meaning given to that term in the Report to Creditors.
Business	means the business of the Deed Companies.
Business Day	means a day on which banks are open for general banking business in Sydney, New South Wales (not being a Saturday, Sunday or public holiday).
Claim	<p>means any claim, cost, damages, debt, income, expense, tax, royalty, liability, loss, obligation, allegation, suit, action, demand, cause of action, proceedings, penalty (civil, criminal or otherwise), order or judgment of any kind however calculated or caused, howsoever arising in law or equity or under statute against the Deed Companies, and whether direct or indirect, future, contingent, consequential, incidental or economic, the circumstances giving rise to which occurred or arose before the Appointment Date, and includes (without limitation):</p> <p>(a) any claim of any kind whatsoever under a Pre-Administration Contract including without limitation any claim for damages or loss in connection with a Deed</p>

	<p>Company's failure to comply with or perform, or the termination of, a Pre-Administration Contract;</p> <p>(b) any claim that in a winding up of a Deed Company would be a subordinated claim for purposes of section 563A of the Corporations Act;</p> <p>(c) any residual unsecured claim held by a Secured Creditor following realisation of its Security;</p> <p>(d) any debt or claim provable in a winding up of a Deed Company under section 553 of the Corporations Act; and</p> <p>(e) without limiting (a) above, any warrant, option or similar instrument issued by a Deed Company in respect of any of the MCL Shares or the KI Shares,</p> <p>save that a Claim does not include an Excluded Claim.</p>
Commencement Date	means the date this Deed is executed by all Parties to it.
Competing Proposal	means any proposal or transaction which, if completed, would mean a person (other than the Proponent or any associate of the Proponent) would acquire all or part of the Businesses, or all or part of the issued share capital in any Member.
Completion	means the Business Day after the CP Satisfaction Date but before the End Date and at a time that each of the Completion Steps have occurred.
Completion Steps	means the completion steps contained in clause 5.2(c) of this Deed.
Conditions	means the conditions precedent contained in clause 4.1 of this Deed.
Continuing Contracts	means the contracts specified in Schedule 2 and any other contract agreed in writing between the Deed Administrators and the Proponent to be a 'Continuing Contract' at or prior to Completion.
Continuing Employees	means those Employees who were employed by a Deed Company as at the Commencement Date and who remain Employees as at Completion, including those Employees set out in Schedule 3.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Costs	includes costs, charges, fees, government charges, taxes and expenses, including those incurred in connection with advisers, incurred in connection with the performance of the Administrators' and Deed Administrators', obligations and responsibilities under the Corporations Act and this Deed during

	the Administration Period and the Deed Period and includes any Administration Debt.
Costs Cap	means, for the purposes of clause 11.1 of this Deed, an amount agreed in writing by the Deed Administrators and the Proponent from time to time on account of the Administrators' and Deed Administrators' Remuneration and Costs.
Court	has the same meaning as "Court" in s 58AA of the Corporations Act.
CP Satisfaction Date	means 30 November 2024, unless otherwise extended by agreement of the Proponent and the Deed Administrators (which must not be unreasonably withheld).
Creditor	means any person who has a Claim against a Deed Company.
Creditors' Fund	means the Creditors' Fund created by the Creditors' Trust Deed.
Creditors' Trust	means the creditors' trust to be established under the Creditors' Trust Deed.
Creditors' Trust Deed	means the trust deed to be entered into between the Creditors' Trust Parties substantially in the form of that contained in Schedule 6.
Creditors' Trust Parties	means: <ul style="list-style-type: none"> (a) the Deed Companies; (b) the Deed Administrators; and (c) the Trustees.
Deed	means the deed of company arrangement set out in this instrument for each Deed Company, as varied from time to time.
Deed Period	means the period commencing on the Commencement Date and ending on the Termination Date.
Director	has the meaning ascribed to that term in section 9 of the Corporations Act.
DOCA Proposal	has the meaning given to it in paragraph B of the Background.
DOCA Contribution	means the amount that is the sum of: <ul style="list-style-type: none"> (a) the Costs Cap; (b) to the extent not already paid in accordance with clause 6.5(b), the Priority Employee Amount; and (c) the Ex Gratia Sum, less any Working Capital Amounts paid in accordance with clause 6.9(b).
Employee	means any person who was an employee of the Deed Companies at or prior to the Appointment Date and any person whose debt or claim would, in a winding up of the company, be

	payable in priority to other unsecured debts and claims in accordance with paragraphs 556(1)(e), (g) or (h) or sections 560 or 561 of the Corporations Act.
End Date	means 3 Business Days after the date each of the Conditions are satisfied or waived (as applicable) in accordance with this Deed.
Enforcement Process	has the meaning given to that term in section 9 of the Corporations Act.
Ex Gratia Sum	means \$100,000.
Excluded Claim	means: <ul style="list-style-type: none"> (a) the Proponent's Claims in respect of the Residual Secured Debt; (b) Claims under the Continuing Contracts; and (c) Claims of Continuing Employees in their respective capacity as an Employee.
GST	has the meaning given in the GST Act.
GST Act	means the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Independent Expert Report	means, in relation to the Section 444GA Order, the report from Leadenhall Corporate Advisory Pty Ltd setting out its expert opinion as to the value of the MCL Shares on a liquidation basis in accordance with the requirements of ASIC Regulatory Guide 111 Content of Expert Reports.
Insolvency Practice Rules	means the <i>Insolvency Practice Rules (Corporations) 2016</i> (Cth), as amended from time to time.
Insolvency Practice Schedule	means the <i>Insolvency Practice Schedule (Corporations)</i> at Schedule 2 to the Corporations Act.
KI Consideration	means an amount equal to \$5,500,000 less the KI Residual Amount.
KI Residual Amount	means an amount nominated by the Proponent at any time prior to Completion on account of the Secured Moneys in respect of KI.
KI Share Transfer	has the meaning given to it pursuant to clause 6.3.
KI Shares	means all of the right, title, and interest in the issued shares of KI, including any and all legal and beneficial ownership, voting rights, dividends, and any other rights and entitlements attached to those shares.
Lessor	means any person who is the legal owner of property in the possession of the Deed Companies as at the Appointment Date that is leased or hired by the Deed Companies.

MCL	means Mighty Craft Limited ACN 622 810 897.
MCL Share Transfer	has the meaning given to it pursuant to clause 6.2.
MCL Shares	means all of the right, title, and interest in the issued shares of MCL, including any and all legal and beneficial ownership, voting rights, dividends, and any other rights and entitlements attached to those shares.
MCL Residual Amount	means an amount nominated by the Proponent at any time prior to Completion on account of the Secured Moneys in respect of any Deed Company (other than KI).
Member	means any person who, by reason of sections 9 and 231 of the Corporations Act, is a 'member' of the Deed Companies.
Mighty Craft Beer	means Mighty Craft Beer Pty Ltd ACN 630 181 298.
Officer	means any person who, by reason of section 9 of the Corporations Act, is an 'officer' of the Deed Companies.
Owner	Any person who is the legal owner of property used or occupied by, or in the possession of, the Deed Companies as at the Appointment Date.
Parties	means the Deed Companies, the Deed Administrators and the Proponent and "Party" means any one of them.
Pre-Administration Contracts	means each contract to which a Deed Company is a party (other than the Continuing Contracts).
Pre-Administration Contracts Notice	means the notice substantially in the form set out in Schedule 4 to be issued by the Deed Administrators immediately prior to issuing notice of effectuation of this Deed under clause 7.3(b).
PPSA	means the <i>Personal Property Securities Act 2009</i> (Cth).
Prescribed Provisions	means the provisions set out in Schedule 8A to the Regulations.
Priority Employee Amount	means an amount agreed in writing between the Deed Administrators and the Proponent in respect of the Employees (other than the Continuing Employees) to the extent such debt or claim would, in a winding up of the company, be payable in priority to other unsecured debts and claims in accordance with paragraphs 556(1)(e), (g) or (h) or sections 560 or 561 of the Corporations Act.
Property	<p>means any legal or equitable estate or interest (whether present or future and whether vested or contingent) in real or personal property of any description of the Deed Companies and includes:</p> <ul style="list-style-type: none"> (a) a thing in action; and (b) "PPSA retention of title property" (as that term is defined in section 51F of the Corporations Act).

PURE Facility	means the facility agreement dated 20 September 2020 between the Proponent, the Deed Companies and others, as amended from time to time, including as most recently amended by deed dated 2 August 2024.
PURE Reduction Amount	means an amount equal to the difference between: <ul style="list-style-type: none"> (a) the balance of the Secured Moneys owing to the Proponent immediately prior to Completion; and (b) the sum of the KI Consideration and the Residual Secured Debt.
Regulations	means the Corporations Regulations and the Insolvency Practice Rules.
Release Order	means an order of a Court in relation to a Security granted by a Deed Company as nominated by the Proponent, made pursuant to section 444F and/or section 447A of the Corporations Act and/or section 90-15 of the Insolvency Practice Schedule which has the effect of preventing the enforcement of, and/or releasing or discharging the relevant Security.
Remuneration	means the remuneration payable to the Administrators and Deed Administrators for acting as: <ul style="list-style-type: none"> (a) the administrators of the Deed Companies under Part 5.3A of the Corporations Act; and (b) the Deed Administrators of the Deed Companies under this Deed.
Report to Creditors	means the report to Creditors of the Deed Companies dated 19 August 2024 published by the Administrators.
Residual Secured Debt	means the aggregate of the KI Residual Amount and the MCL Residual Amount.
Section 439C Resolution	has the meaning given in paragraph C of the Background.
Section 444GA Order	means an order of a Court granting leave to the Deed Administrators to transfer the MCL Shares pursuant to section 444GA(1)(b) of the Corporations Act free from all Security.
Secured Creditor	means any Creditor holding Security over any property of a Deed Company securing all or any part of the Creditor's Claim.
Secured Moneys	has the meaning given to that term in the PURE Facility.
Security	means a mortgage, charge, pledge, lien, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, and any other encumbrance, security agreement or arrangement in favour of any person, including any 'security interest' (as that term is defined in section 12 of the PPSA).

Security Release	means the release of any Security granted by the Deed Companies as nominated by the Proponent (other than any release under a Release Order).
Settlement Sum	means \$10.
Spirits Plus	means Mighty Craft Spirits Plus Pty Ltd ACN 638 905 272.
Termination Date	means the date that this Deed is terminated pursuant to either clause 7.1 or 7.2 of this Deed.
Trust Creditor	means a Creditor who has a Claim except to the extent that that Claim is an Excluded Claim.
Trustees	has the meaning given to it in clause 15.1(c).
WDS Arrangements	means all contractual arrangements between Whisky Development Syndicate Pty Ltd ACN 635 023 862 and MCL, KI or any other Deed Company, including in relation to the distilling, storage, handling, insurance, quality assurance, and off-take of whisky and related products.

1.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this Deed:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement, deed or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (e) a reference to “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association, an authority or any other entity or organisation;
- (f) a reference to a particular person includes the person’s executors, administrators, liquidator, successors, substitutes (including persons taking by novation) and assigns;
- (g) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (h) a reference to “law” includes common law, principles of equity and legislation (including regulations);
- (i) a reference to a payment incorporates a reference to that payment being made without set-off, deduction or counterclaim;

- (j) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (k) a reference to “regulations” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (l) an agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and each of them individually;
- (m) a warranty, representation, covenant or obligation given or entered into by 2 or more persons binds them individually only and not jointly;
- (n) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually;
- (o) a reference to any thing (including an amount) is a reference to the whole and each part of it;
- (p) a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (q) if a party must do something under this Deed on or by a given day and it is done after 5.00pm on that day, it is taken to be done on the next Business Day; and
- (r) if the day on which a party must do something under this Deed is not a Business Day, the party must do it on the next Business Day.

1.3 Inconsistency

- (a) If there is any inconsistency between the provisions of this Deed and the Corporations Act, the Regulations, the Insolvency Practice Schedule, or the Insolvency Practice Rules, this Deed prevails to the extent permitted by law.
- (b) If there is any inconsistency between this Deed and the constitution of a Deed Company or any other obligations binding on a Deed Company, then this Deed prevails to the extent of that inconsistency, and all persons bound by this Deed agree to sign all documents and do all things necessary to remove such inconsistency.

1.4 Business Days

Except where otherwise expressly provided, if the day on or by which any act, matter or thing is to be done as required by this Deed is a day other than a Business Day, that act, matter or thing will be done on the immediately succeeding Business Day.

1.5 Bar to claims

Subject to section 444D of the Corporations Act, this Deed may be pleaded and tendered by:

- (a) the Deed Companies or the Deed Administrators against any person having or asserting a Claim released, discharged and extinguished by clause 14.3; and
- (b) the recipient of any release or covenant contained in this Deed,

as an absolute bar and defence to any legal proceeding brought or made at any time in respect of a claim, release or covenant as the case may be.

1.6 Prescribed Provisions

The Prescribed Provisions are deemed to be incorporated in and form part of this Deed, save that to the extent of any inconsistency between the terms of this Deed and the Prescribed Provisions, the terms of this Deed will prevail.

1.7 Required provisions

To the extent that the Corporations Act requires any provision to be included in this Deed which is not expressly included in this Deed, such provision will be deemed to be included in this Deed.

1.8 Deed components

This Deed includes any Schedule.

2 Operation of this Deed

2.1 Execution by all parties

- (a) For the purposes of section 444A(4)(e) of the Corporations Act, this Deed is subject to and conditional on:
 - (i) the Section 439C Resolution being passed in respect of the Deed Companies;
 - (ii) the execution of this Deed by each person named as a Party to it.
- (b) If, as a result of clause 2.1(a), this Deed has not come into full force and effect on or prior to the expiration of 15 Business Days (or such further period as the Court allows) after the Section 439C Resolution is passed, then this Deed will terminate automatically.

2.2 Commencement Date

Subject to clause 2.1(a), this Deed will commence and take effect on the Commencement Date.

2.3 Interim effect

To the extent that a person would be bound by this Deed if it had already been executed, the person must not, at any time after the Section 439C Resolution is passed but before this Deed is executed, do anything inconsistent with the terms of this Deed, except with the leave of the Court.

2.4 Termination

This Deed continues until it is terminated in accordance with this Deed.

3 Objective and effect

3.1 Objective

The purpose and objective of the arrangements set out in this Deed, amongst other matters, are to:

- (a) provide creditors of the Deed Companies with a better return than they would otherwise be expected to receive if the Deed Companies were immediately placed into liquidation;
- (b) maximise the chance of the Deed Companies, or as many of them as possible, continuing in existence;
- (c) to establish the Creditors' Trust for the benefit of Creditors;
- (d) facilitate the sale of all of the shares in KI and MCL to PURE and/or its nominee as inter-conditional and sequential transactions;
- (e) minimise administration holding costs and reduce further advisor fees;
- (f) provide for a continuation of the moratorium which commenced on the appointment of Administrators; and
- (g) conclude the administration of the Deed Companies and this Deed as efficiently as practicable.

3.2 Effect of the Deed on Officers of the Deed Companies

- (a) Subject to clause 5, the Directors of the Deed Companies will remain in office throughout the Deed Period unless they resign or are removed by the Deed Administrators in accordance with this Deed.
- (b) For the avoidance of doubt, the Directors of each Deed Company will not take any step to wind up the Deed Companies except with the written approval of the Deed Administrators.
- (c) While they remain Directors of any Deed Company, the respective Directors of the Deed Companies will not be relieved of their statutory duties as Directors of the Deed Companies and for the avoidance of doubt, the Deed Administrators will not be responsible for such statutory obligations during the Deed Period.
- (d) During the Deed Period, the Directors of the Deed Companies must:
 - (i) co-operate with and assist the Deed Administrators in the performance and exercise by the Deed Administrators of their obligations and powers under this Deed;
 - (ii) perform their obligations pursuant to the Deed; and
 - (iii) not act inconsistently with the terms and objects of this Deed.

3.3 Effect of this Deed on Members

- (a) Until this Deed terminates, any Member, and any Creditor holding any Security over any MCL Shares (other than the Proponent) must not without the prior written consent of the Deed Administrators deal with, or attempt to deal with any MCL Shares or KI Shares or exercise shareholder rights over any MCL Shares or KI Shares in a way that is contrary to this Deed or the purpose of the Deed.
- (b) The Deed Administrators must not, and must not allow:
 - (i) the MCL Shares, KI Shares or shares of any other Deed Company to be transferred or otherwise dealt with other than in accordance with this Deed; or
 - (ii) further MCL Shares or KI Shares or shares of any other Deed Company of any class to be issued.

4 Conditions to Completion

4.1 Conditions

Completion is conditional upon all of the following events taking place to the satisfaction of the Proponent (being the **Conditions**):

- (a) execution of this Deed by each person named as a Party to it;
- (b) execution of the Creditor's Trust Deed by each person named as a Party to it;
- (c) the Proponent obtaining the Better Beer Consent;
- (d) the Deed Administrators obtaining the ASX Waiver;
- (e) the Deed Administrators obtaining the ASIC Relief;
- (f) the Deed Administrators obtaining the Independent Expert Report;
- (g) the Deed Administrators obtaining the Section 444GA Order;
- (h) the Deed Administrators obtaining any Release Order as required by the Proponent; and
- (i) the provision of any Security Release as required by the Proponent.

4.2 Obligations to satisfy conditions and transparency

- (a) To the extent it is within the relevant Party's control, each Party must use reasonable endeavours to ensure that the Conditions are satisfied as soon as possible after the Commencement Date.
- (b) On and from the Commencement Date, the Parties must respond promptly to all reasonable requests for information from any other Party in relation to the status and expected timing for satisfaction of the Conditions.

4.3 Benefit and waiver of conditions

The Conditions are for the benefit of the Proponent and non-satisfaction of those conditions may only be waived (if capable of waiver) with the written consent of the Proponent to the Deed Administrators.

4.4 Consequence of non-satisfaction of the Conditions

(a) Subject to clause 4.4(b), if:

- (i) one or more of the Conditions is not satisfied or waived by the CP Satisfaction Date; or
- (ii) the Deed Administrators and the Proponent are of the opinion that one or more of the Conditions are incapable of being satisfied by the CP Satisfaction Date:

then:

- (iii) the Parties will cease to be bound by this Deed on and from the CP Satisfaction Date and will have no liability under it; and
- (iv) the Deed Administrators must convene a meeting of the Creditors to determine the future of the Deed Companies.

(b) In circumstances where the Proponent has reason to believe that the Conditions are not capable of satisfaction or that Completion cannot otherwise be effected before the CP Satisfaction Date, the Proponent may request an extension of the CP Satisfaction Date from the Deed Administrators for consideration (acting reasonably).

(c) In circumstances where the extension of the CP Satisfaction Date in clause 4.4(b) is not provided:

- (i) the parties will cease to be bound by this Deed on and from that date and will have no liability under it; and
- (ii) the Deed Administrators must convene a meeting of the Creditors to determine the future of the Companies.

4.5 Period of operation

For the purposes of section 444A(4)(f) of the Corporations Act, once this Deed has come into operation, it will continue in operation until the Termination Date.

5 Deed Period and Completion

5.1 Operation of the Deed Companies during the Deed Period

(a) Upon the steps in clause 5.2(a) becoming effective and subject always to clause 5.1(b) below and clause 3 above, during the Deed Period the Parties agree that the respective Directors of the Deed Companies will be responsible for the day-to-day management and administration of the Deed Companies' Business, Property and affairs to the exclusion of the Deed Administrators.

- (b) During the Deed Period, further to clause 3 above, the Deed Administrators will have all requisite management control and access in respect of the Deed Companies as the Deed Administrators consider to be necessary or reasonable for the purposes of the Deed Administrators performing their role and discharging their obligations under and in respect of this Deed and their conduct of the administration of the Deed Companies.

5.2 Resignation and appointment of Directors

- (a) On and with effect from the Commencement Date:
 - (i) all of the Directors and Officers of the Deed Companies (other than Grant Peck) shall be removed by the Deed Administrators, including:
 - (A) Sean Andrew Ebert;
 - (B) Katrina Susan McNamara; and
 - (C) Jodie Hannaford; and
 - (ii) the following persons shall be appointed by the Deed Administrators as Directors of each Deed Company (subject to receipt by the Deed Administrators of duly executed consents to act from each such person):
 - (A) Michael Henshaw;
 - (B) Timothy Callan; and
 - (C) Grant Peck.
- (b) The Proponent may notify the Deed Administrators of any further persons that it wishes to appoint or remove as directors or officers of the Deed Companies during the Deed Period.
- (c) At any time after the Commencement Date, the Deed Administrators must:
 - (i) deliver to the Proponent duly executed removals of any directors or officers of the Deed Companies nominated by the Proponent in a form satisfactory to the Proponent (acting reasonably); and
 - (ii) take all such actions as are reasonably necessary to appoint or remove the Proponent's nominated Directors or Officers (including in relation to the appointment under clause 5.2(a)) as Directors or Officers of the Deed Companies in accordance with the Proponent's written directions (subject to receiving duly executed consents to act).
- (d) Any Director or Officer the subject of a removal notice prepared by the Deed Administrators must do all things required by the Deed Administrators to effect their removal from office.

6 Completion

6.1 Completion and Completion steps

- (a) Completion will occur in accordance with this clause 6.
- (b) The Completion Steps in this clause 6 will occur in the following order:
 - (i) inter-dependently, consecutively and to the maximum extent possible simultaneously:
 - (A) the Trust Deed is executed by the Creditors' Trust Parties and becomes effective;
 - (B) the DOCA Contribution is transferred by the Proponent to the Deed Administrators in accordance with clause 6.5 of this Deed;
 - (C) the DOCA Contribution is transferred by the Deed Administrators to the Trustees in accordance with clause 6.5 of this Deed;
 - (D)
 - (1) the Deed Administrators provide the KI Share Transfer to the Proponent in accordance with clause 6.3 of this Deed; and
 - (2) the Deed Administrators provide the MCL Share Transfer to the Proponent in accordance with clause 6.2 of this Deed; and
 - (E) the Deed Administrators issue the Pre-Administration Contracts Notice to the Proponent in accordance with clause 6.7 of this Deed.
- (c) The Parties acknowledge and agree that the Completion Steps are inter-dependent. If one Completion Step does not occur, then the other Completion Steps are not to occur (and are to be taken as having not occurred).
- (d) Completion must occur forthwith after the CP Satisfaction Date, and in any event on or before the End Date.

6.2 MCL Share Transfer

On Completion, the Deed Administrators must:

- (a) pursuant to the Section 444GA Order, transfer the MCL Shares to the Proponent (or its nominee/s), free and clear of any encumbrances, by delivering to the Proponent a duly completed share transfer form, executed on behalf of the Members of MCL, pursuant to the Section 444GA Order; and
- (b) enter, or procure the entry of, the name of the Proponent (or its nominee/s) in the share register in respect of all MCL Shares transferred to the Proponent (or its nominee/s) in accordance with this Deed,

(MCL Share Transfer).

6.3 KI Share Transfer

- (a) Subject to clause 6.3(b), on Completion, the Deed Administrators must:
 - (i) transfer the KI Shares to the Proponent (or its nominee/s), free and clear of any encumbrances, by delivering to the Proponent a duly completed share transfer form, executed on behalf of Spirits Plus; and
 - (ii) enter, or procure the entry of, the name of the Proponent (or its nominee/s) in the share register in respect of all MCL Shares transferred to the Proponent (or its nominee/s) in accordance with this Deed,

(KI Share Transfer).

- (b) The Proponent may, at its election (in its absolute discretion) and on two Business Days' notice to the Deed Administrators, complete the KI Share Transfer at any time prior to Completion (**Alternative KI Share Transfer**) such that, on and from completion of the Alternative KI Share Transfer, this clause 6.3 will be deemed to be performed.

6.4 Entry into the Creditors' Trust Deed

On Completion, the Creditors' Trust Parties must enter into the Creditor's Trust Deed.

6.5 Payment of the DOCA Contribution

- (a) Subject to this clause 6.5, on Completion, the Proponent must pay the DOCA Contribution to the Deed Administrators.
- (b) The portion of the DOCA Contribution comprised of the Priority Employee Amount may (in the absolute discretion of the Proponent) be paid by the Proponent to the Deed Administrators for payment to the Employees at any time prior to Completion and, for the avoidance of doubt, on and from the date such payment is made, the DOCA Contribution to be made by the Proponent will be deemed to be reduced by an amount equal to the Priority Employee Amount.
- (c) The amount payable by the Proponent under clause 6.5(a) may be increased (in the absolute discretion of the Proponent) by agreement between the Proponent and the Deed Administrators (such agreement not to be unreasonably withheld).
- (d) Subject to this clause 6.5, on Completion the Deed Administrators must transfer the DOCA Contribution (less any amounts already distributed by them to Employees in respect of Priority Employee Amounts in accordance with this Deed) to the Trustees to be held in and as the Creditors' Fund.

6.6 Trust Creditors' Available Assets

The only property that is available to pay the Trust Creditors' Claims is the assets of the Creditors' Fund, being the DOCA Contribution.

6.7 Pre-Administration Contracts Notice

- (a) Prior to Completion, the Proponent shall provide to the Deed Administrators written notice of the Pre-Administration Contracts.

- (b) At Completion, the Deed Administrators must issue the Pre-Administration Contracts Notice to relevant Creditors as set out in the written notice contemplated by (a) above.

6.8 Employees

- (a) The Administrators and the Deed Administrators acknowledge and agree by reference to the facts available to them at the date of this document that no amounts are payable to Employees with respect to the Bonus Scheme.
- (b) Notwithstanding clause 6.8(a) above, the Proponent agrees, as a contingent obligation, to fund additional amounts in addition to (or in excess of) the Priority Employee Amount to the Creditors' Trust (any such amount being an **Employee Top-up Amount**) that would be payable in a winding up of the Deed Companies in priority to other unsecured debts and claims, to any person who was an employee of the Deed Companies at or before the Appointment Date, in accordance with paragraphs 556(1)(e), (g), or (h), or sections 560 or 561 of the Corporations Act, provided that any Employee Top-up Amount must:
 - (i) constitute an Admitted Claim in accordance with the Creditors' Trust Deed; and
 - (ii) be paid from the Creditors' Fund in accordance with clause 5.1(a)(ii) of the Creditors' Trust Deed.
- (c) On and from Completion, the Deed Company that is the employer of the Continuing Employees will remain liable for the entitlements of any Continuing Employee that accrued prior to or after the Appointment Date.
- (d) Notwithstanding any other provision of this Deed, for the purposes of section 444DA of the Corporations Act, any Employee (other than a Continuing Employee) will retain a priority in respect of the Priority Employee Amount consistent with the Corporations Act until Completion in respect of the assets of the Deed Companies under the Deed Administrators' control, and thereafter, in respect of the assets of the Creditors' Fund in an amount not exceeding the Priority Employee Amount.

6.9 Working Capital Amounts

- (a) The Parties acknowledge and agree that at Completion (and in the case of amounts referenced in clause 6.9(a)(ii) below, at and from Completion):
 - (i) any cash on hand for the Deed Companies at Completion; and
 - (ii) Accounts Receivable and Accrued Revenue generated by the Administrators or Deed Administrators when trading on the Deed Companies between the Appointment Date and Completion,
 (the amounts in clauses 6.9(a)(i) and 6.9(a)(ii) being the **Working Capital Amounts**), will remain assets of the Deed Companies for the benefit of the Proponent.
- (b) The Proponent may (in its absolute discretion) direct the Administrators or the Deed Administrators to, and the Administrators or the Deed Administrators must, transfer any Working Capital Amounts to the Creditors' Trust to form part of the Creditors' Fund to be administered under the Creditors Trust Deed.

- (c) On and from the date such payment described in clause 6.9(b) is made, the DOCA Contribution will be deemed to have been reduced by an amount equal to the Working Capital Amounts so transferred.

7 Termination of this Deed

7.1 Termination on effectuation of Deed

The Deed will terminate immediately after Completion, unless terminated earlier.

7.2 Termination on failure of Deed

This Deed will continue in operation until the happening of any one of the following events:

- (a) the Conditions are not satisfied by the CP Satisfaction Date or where the CP Satisfaction Date is not extended by agreement between the Parties or otherwise in accordance with clause 4.4(b);
- (b) subject to clause 7.5, Completion does not occur on or before the End Date (or where the End Date is not extended by agreement between the Parties);
- (c) the Court makes an order terminating this Deed under section 445D of the Corporations Act; or
- (d) by a resolution of the Creditors passed at a meeting convened pursuant to section 445F of the Corporations Act.

7.3 Effect of Termination

Upon termination in accordance with clause 7.1:

- (a) any cause of action or liability (including any Claim) of the Deed Companies against each Director and Officer is immediately and irrevocably released;
- (b) the Deed Administrators will lodge with ASIC a notice of termination of this Deed in accordance with ASIC form 5056 (or such other relevant form as required by ASIC);
- (c) control and stewardship of the Deed Companies shall revert to its directors appointed in accordance with clause 5.2; and
- (d) the Deed Administrators will retire.

7.4 Consequences of Termination of this Deed for non-performance

Upon termination of the Deed under clause 7.2, unless the Deed Administrators consider it appropriate to convene a further meeting of Creditors pursuant to Division 75-10 of the Insolvency Practice Schedule to consider a variation of the Deed:

- (a) the Deed Companies will be taken to have passed special resolutions under section 491 of the Corporations Act that the Deed Companies be voluntarily wound up and that, subject to the approval of the Proponent, the Deed Administrators be the Deed Companies liquidators; and

- (b) the Deed Companies will be wound up.

7.5 Asset Sale

If Completion does not occur by the End Date, the Proponent may elect to complete the Asset Sale Agreement (except that the End Date shall be extended by 10 Business Days).

7.6 Previous operation of this Deed preserved

In accordance with section 445H of the Corporations Act, subject to any orders of the Court and the terms of this Deed, the termination or avoidance, in whole or in part, of this Deed does not affect the previous operation, or the accrued rights, duties and obligations of the Deed Companies and the Deed Administrators under this Deed.

8 Appointment of Deed Administrators

8.1 Appointment

For the purposes of section 444A(4)(a) of the Corporations Act, the Administrators are appointed joint and several administrators of this Deed.

8.2 Acceptance of appointment

The Deed Administrators:

- (a) are registered liquidators and are not disqualified from acting as administrator of this Deed;
- (b) accept the appointment as administrators of this Deed; and
- (c) consent to act as administrators of this Deed during the Deed Period or until the Deed Administrators retire or are removed from office in accordance with this Deed or the Corporations Act.

8.3 Role and obligations of Deed Administrators

- (a) This Deed will be administered by the Deed Administrators who have the powers, functions and duties conferred on the Deed Administrators by this Deed and the Corporations Act.
- (b) The Deed Administrators will be obliged to:
 - (i) give effect to the terms of this Deed; and
 - (ii) do all acts, matters and things, and sign all necessary documents as may be reasonably necessary for the purposes of this Deed.

8.4 Deed Administrators are agent

In exercising the powers conferred by this Deed and carrying out the duties arising under this Deed, each Deed Administrator is only acting in the capacity as and is taken to act as agent for and on behalf of the Deed Companies.

8.5 Joint and several

The rights, powers and privileges of the Deed Administrators may be exercised by them jointly or individually.

9 Resignation and removal of Deed Administrators

9.1 Deed Administrator's termination or death

- (a) The appointment of a Deed Administrator may be terminated by a resolution at a meeting of Creditors held in accordance with this Deed.
- (b) In the event of the death of a Deed Administrator or in the event of their appointment being terminated in accordance with this Deed, the co-Deed Administrator (or, if there is no co-Deed Administrator, the Creditors by resolution) will have the power to appoint a substitute administrator or administrators to carry out their duties.

9.2 Deed Administrator's resignation

Any Deed Administrator may resign at any time by giving not less than 28 days' prior written notice to each of the Parties unless that resignation would result in there being no remaining Deed Administrator in which event the Deed Administrator must:

- (a) assign to a replacement deed administrator nominated by the Proponent the Deed Administrators' rights, title and benefit under this Deed; and
- (b) do all things reasonably necessary to effect the assignment referred to in clause 9.2(a).

10 Deed Administrator's powers

10.1 Powers

For the purposes of administering this Deed, the Deed Administrators have the following powers:

- (a) all the powers set out in paragraph 2 of Schedule 8A of the Regulations, provided that the Deed Administrators must not, without the prior written consent of the Proponent:
 - (i) bring an application for the winding up of a Deed Company;
 - (ii) exercise any of the powers set out in items (za), (zb), (zc) or (ze) of paragraph 2 of Schedule 8A of the Regulations; or
 - (iii) except in the ordinary course of business of the Deed Company, exercise any of the powers set out in items (h) or (s) of paragraph 2 of Schedule 8A of the Regulations;
- (b) to remove from office a Director or company secretary of a Deed Company;

- (c) to appoint a person as a Director of a Deed Company, whether to fill a casual vacancy or not;
- (d) to perform any function and exercise any power that a Deed Company or any of their Officers could perform or exercise if a Deed Company was not subject to this Deed;
- (e) to transfer the MCL Shares in accordance with the Section 444GA Order;
- (f) to transfer the KI Shares in accordance with this Deed;
- (g) to do anything that is incidental to exercising a power set out in this clause 10.1; and
- (h) to do anything else that is necessary or convenient for the purpose of administering this Deed.

10.2 Calling for proofs of debt

The Deed Administrators may exercise any of the powers conferred on the Trustees under the Creditors' Trust Deed for the purpose of commencing the process for the adjudication of Claims and making of distributions under the Creditors' Trust Deed, which exercise will be treated for all purposes under the Creditors' Trust Deed as if those powers had been exercised by the Trustees after the commencement of the Creditors' Trust.

10.3 Solicitors, advisers and consultants

Subject to clause 11.2:

- (a) the Deed Administrators may engage the services of their partners, employees, directors, officers, contractors, advisers, delegates, solicitors and consultants to assist them in the performance or exercise of their duties, obligations, responsibilities and powers under this Deed; and
- (b) the Deed Administrators may delegate their powers under this clause 10 including by way of appointing agents and authorising such agents to act on behalf of the Deed Administrators or the Deed Company.

10.4 Creditors' meetings

The Deed Administrators may convene a meeting or meetings of Creditors at any time, and except to the extent (if any) they are excluded or modified by or are inconsistent with the terms of this Deed, Division 75 of Part 3 of the Insolvency Practice Rules applies, with such modifications as are necessary, to meetings of Creditors held under this Deed as if references to the 'external administrator' or chairperson, as the case may be, were references to the Deed Administrators.

10.5 Reporting

Except as required by law, the Deed Administrators are not required to report to Creditors. However, the Deed Administrators will advise all Creditors of the date of the termination of this Deed and may, in their absolute discretion, otherwise report to Creditors during the Deed Period at such times as the Deed Administrators consider

appropriate and on matters which the Deed Administrators consider ought to be brought to the attention of Creditors.

10.6 Access to Records

The Deed Administrators, may at any time inspect and take copies of the books and records of the Deed Company at no cost, and the Deed Company authorise the Deed Administrators and Trustees and their staff to enter the Deed Company's premises on any Business Day between the hours of 9:00 am and 5:00 pm with no less than 24 hours' notice, for the purpose of conducting such an inspection and for the purpose of doing anything necessary or desirable in the exercise of their powers and discretions and the performance of their duties, obligations and responsibilities as Deed Administrators under this Deed, including to take photocopies or images of any books and records for that purpose.

11 Remuneration

11.1 Remuneration and costs

- (a) Subject to clause 11.2, the Administrators and the Deed Administrators are entitled to:
 - (i) payment of Costs; and
 - (ii) receive in accordance with Division 60 of the Insolvency Practice Schedule their Remuneration on the basis of the time spent by the Administrators and Deed Administrators (as the case may be) themselves or any of their partners, employees, directors, officers, contractors, advisers, authorised agents or delegates in the performance of services in connection with or in relation to the administration of the Deed Company under Part 5.3A of the Corporations Act and this Deed and such time will be charged at the Administrators' and Deed Administrators' standard rates, from time to time, for work of that nature by the firm of which the Administrators and Deed Administrators are partners or employees.
- (b) The Deed Administrators acknowledge that their Remuneration and Costs will only be paid from the Creditors' Fund.
- (c) The Administrators and the Deed Administrators' Remuneration and Costs referred to in this clause 11 and all other costs shall be reimbursed and/or paid out of the Creditors' Fund. The Administrators' and the Deed Administrators (whether or not they are still acting in either capacity) can request the Trustees to draw such amounts from the Creditors' Fund from time to time.

11.2 Cap on Remuneration and Costs

The Administrators and the Deed Administrators' Remuneration and Costs referred to in this clause 11 must not, without approval by the Court or the Proponent, exceed the Costs Cap.

12 Liabilities of Deed Administrators

12.1 No personal liability

Subject to the Corporations Act and to the maximum extent permitted by law, the Deed Administrators will not be personally liable for:

- (a) any debts incurred or any claims, demands, actions, loss, damage, costs, charges, expenses or liabilities caused by any act, omission or default by or on behalf of the Deed Administrators in administering this Deed or exercising their duties and obligations under this Deed;
- (b) any debts incurred or any claims, demands, actions, loss, damage, costs, charges, expenses or liabilities caused by any act, omission or default by or on behalf of a Deed Company; or
- (c) any debts incurred or any claims, demands, actions, loss, damage, costs, charges, expenses or liabilities suffered or sustained or incurred by any directors, officers or respective Creditors of a Deed Company, except any loss or damage occasioned by the actual fraud or wilful misconduct of the Administrators, the Deed Administrators, or their representatives (as applicable).

12.2 Indemnity

The Deed Administrators and Administrators (whether or not they are still acting in either capacity) are entitled to be indemnified by the Deed Companies until Completion, and after Completion from the Creditors' Fund in respect of:

- (a) all debts, liabilities, actions, suits, proceedings, accounts, claims, damages, awards and judgments whatsoever arising out of or in any way connected to the administration of the Deed Company or their role as Administrators or Deed Administrators and incurred or sustained in good faith and without negligence;
- (b) any amount which the Administrators or Deed Administrators are, or but for the transactions contemplated by this Deed would be, entitled to be indemnified out of the assets of the Deed Company for, in accordance with the Corporations Act, at law or in equity, including any amounts payable pursuant to section 443A, section 443B or section 443BA of the Corporations Act;
- (c) any debts, liabilities, damages, losses and remuneration to which the statutory indemnity under section 443D of the Corporations Act applies;
- (d) any amount for which the Administrators and Deed Administrators are entitled to exercise a lien at law or in equity on the property of the Deed Company;
- (e) the Administrators' and Deed Administrators' Remuneration and Costs, up to the Costs Cap; and
- (f) all debts, liabilities, actions, suits, proceedings, accounts, claims, damages, awards and judgments arising out of or in the course of the Deed and incurred or sustained in good faith and without negligence.

12.3 Indemnity not to be affected or prejudiced

The indemnities under clause 12.3 will not:



- (a) be affected, limited or prejudiced in any way by any irregularity, defect or invalidity in the appointment of the Administrators or Deed Administrators and extends to cover any actions, suits, proceedings, accounts, liabilities, claims and demands arising in any way out of any defect in the appointment of the Administrators or Deed Administrators or defect in the approval or execution of the Deed or otherwise; or
- (b) affect or prejudice all or any rights that the Administrators or Deed Administrators may have against the Deed Company or any other person to be indemnified against the Costs and liabilities incurred by the Administrators or Deed Administrators in the performance of, or incidental to, any of the powers or authorities conferred on the Administrators or Deed Administrators by this Deed or otherwise.

12.4 Satisfaction of Claims

The Administrators and Deed Administrators are entitled to exercise the Administrators' and Deed Administrators' right of indemnity conferred by clause 12.3 whether or not the Deed Administrators have paid or satisfied the Claims.

12.5 Administrators' and Deed Administrators' lien

Until Completion, the Deed Administrators and Administrators (whether or not they are still acting in either capacity) are entitled to exercise a lien over the Deed Company assets for all amounts in respect of which they are entitled to an indemnity from the Deed Company under clause 12.3 of this Deed and otherwise at law and equity.

12.6 Priority

The Administrators' and Deed Administrators' right of indemnity under clause 12.3 and their lien under clause 12.5 have priority over the claims of any Creditor or all Creditors generally.

12.7 Statutory liability and indemnity

Nothing in this Deed will affect or limit the operation of Subdivision B of Division 9 of Part 5.3A of the Corporations Act, which is to apply with all necessary modifications to the Administrators' voluntary administration of the Deed Companies and Deed Administrators' subsequent administration of this Deed.

13 Application to Court

- (a) If any unforeseen circumstances arise that are not contemplated by the Deed, the Deed Administrators may, with the written approval of the Proponent, apply to the Court for directions.
- (b) No person bound by the Deed (other than the Deed Administrators or the Proponent) may make any application to the Court in relation to any matter arising under the Deed unless at least 5 Business Days' prior notice in writing has been given to the Deed Administrators and the Proponent. The notice must give particulars of the proposed application.

14 Moratorium and release

14.1 Binding effect of Deed

This Deed binds:

- (a) in accordance with its terms, the parties to this Deed; and
- (b) all other persons who, pursuant to the Corporations Act, are bound by the terms of this Deed, including:
 - (i) each Creditor;
 - (ii) the Officers and Members;
 - (iii) any Secured Creditor, Owner or Lessor that voted in favour of the Section 439C Resolution; and
 - (iv) any person so ordered by the Court under section 444F of the Corporations Act or otherwise.

14.2 Moratorium

- (a) Subject to clause 14.2(b), during the Deed Period a Creditor may not, in relation to that Creditor's Claim:
 - (i) make or concur in an application for an order to wind up the Deed Companies;
 - (ii) proceed with such an application (referred to in (i) above) made before this Deed became binding on such person;
 - (iii) begin, revive or continue or take any further steps in any action, suit, mediation or proceeding against any Deed Company or in relation to any of its property (with the leave of a Court and in accordance with such terms (if any) as a Court imposes);
 - (iv) begin, revive or continue or take any further steps in respect of any Enforcement Process in relation to any Deed Company's property (with the leave of a Court and in accordance with such terms (if any) as a Court imposes);
 - (v) commence, continue or take any additional step in any arbitration or Court proceeding against any Deed Company or to which the Deed Company is a party;
 - (vi) exercise any right of set-off or defence, cross-claim or cross action to which that Creditor would not have been entitled had any Deed Company been wound up on the Appointment Date;
 - (vii) take any action whatsoever to seek to recover any part of its Claim from any Deed Company; or
 - (viii) otherwise enforce any right it may have or acquire against any Deed Company.

- (b) Notwithstanding clause 14.2(a) or any other term of this Deed, the moratorium described in clause 14.2(a) does not restrict or otherwise prevent the Proponent from taking enforcement action; which, for the avoidance of doubt, is expressly permitted.
- (c) For the purposes of this clause 14.2(a), "property" includes property used or occupied by, or in the possession of, the Deed Companies except if the Administrators have issued a notice under section 443B of the Corporations Act in relation to that property.

14.3 Release upon Completion

Subject to clause 14.6, each Creditor agrees that on Completion, its Claims (other than any Excluded Claims) are extinguished and irrevocably released.

14.4 Execution of all necessary documents

Each Creditor must, if required by the Deed Administrators, execute and deliver to the Deed Administrators such form of acknowledgement or release of any Claim as reflects the release and discharge of that Claim pursuant to clause 14.3.

14.5 Bar to Creditors' Claims

Subject to section 444D of the Corporations Act, this Deed may be pleaded by the Deed Companies or the Deed Administrators against any Creditor as an absolute bar and defence to any Claim to the extent that a Deed Company's liability has been released and discharged in relation to that Claim pursuant to clause 14.3.

14.6 Conversion of Claims

- (a) Subject to clause 14.6(b), the Deed Administrators and the Creditors agree that, upon all Claims being released pursuant to clause 14.3, each Trust Creditor who had a Claim, will be entitled to make a claim against the Creditors' Fund, in accordance with the Trust Deed, which is equal in amount to their released Claim.
- (b) On and from Completion, the Proponent agrees:
 - (i) to reduce the amount of its Claim in respect of the PURE Facility by the PURE Reduction Amount; and
 - (ii) without limiting clause 14.6(d), the Proponent will not prove (as a Claim in respect of the Creditors' Trust) in respect of the Residual Secured Debt.
- (c) Any debts or liabilities incurred by the Deed Companies during the Deed Period for which:
 - (i) the Administrators have personal liability under sections 443A or 443B of the Corporations Act; and
 - (ii) remains unpaid at Completion,
 will be satisfied from the Creditors' Fund in accordance with the Trust Deed.

- (d) A Creditor is not entitled to make a claim against, participate in or receive any distribution from, the Creditors' Fund in respect of an Excluded Claim.

14.7 Secured Creditors

- (a) Other than as expressly provided for under this Deed, this Deed will not release any Security held by Secured Creditors in respect of any Claim.
- (b) Subject to clause 14.7(c), each Secured Creditor who voted in favour of the Section 439C Resolution will be subject to the restrictions in clause 14.2.
- (c) The restrictions in clause 14.2 will cease to apply to a Secured Creditor who voted in favour of the Section 439C Resolution if this Deed terminates prior to Completion for any of the reasons set out in clause 7.2 of this Deed.

14.8 Secured Claims of Owners and Lessors

An Owner or Lessor who votes in favour of the resolution to approve this Deed:

- (a) waives any event of default or breach by the Deed Companies of any agreement to which the Deed Companies and the Owner or Lessor is a party which occurred on or prior to Completion or which may occur during the Deed Period, insofar as the relevant event of default or breach would entitle the Owner or Lessor to terminate the agreement or take possession of or otherwise recover the property the subject of the agreement;
- (b) consents to any change in control, ownership or practical influence of a Deed Company or its Property that may occur on or after Completion; and
- (c) must permit any Deed Company to have continued and uninterrupted use, occupation and possession of the property the subject of such an agreement unless and until:
 - (i) the surrender of the agreement by the Deed Company to the Owner or Lessor on terms agreed to by the Deed Company and the Owner or Lessor; and
 - (ii) the termination of the agreement by the Deed Companies,

whichever occurs first.

14.9 No release

- (a) Other than in respect of the reduction referred to in clause 14.6(b), and notwithstanding any clause in this Deed or the provisions of section 444D of the Corporations Act, the Proponent's Claims in respect of the PURE Facility will not be released, impacted or otherwise compromised in any way by this Deed other than strictly in accordance with this Deed.
- (b) An Excluded Claim will not be extinguished or otherwise released in any way by this Deed.

14.10 Preservation of rights

Notwithstanding any other clause in this Deed or the provisions of section 444D of the Corporations Act, the Proponent will be at liberty at any time, including during the currency of this Deed, to fully “enforce” (as that term is defined in section 9 of the Corporations Act) its Security.

15 Creditors' Trust and Creditors' Fund

15.1 Establishment of Creditors' Trust

- (a) On or before Completion, the Creditors' Trust Parties will enter into the Creditors' Trust Deed.
- (b) The Deed Companies authorise the Trustees of the Creditors' Trust to enter into the Creditors' Trust Deed and the Settlement Sum will be paid to settle the Creditors' Trust.
- (c) The trustees of the Creditors' Trust will be the Deed Administrators and any other persons nominated by the Deed Administrators with the approval of the Proponent from time to time (**Trustees**).
- (d) The Creditors' Trust Deed will create the Creditors' Fund for the benefit of Creditors.

15.2 Creditors' Fund

- (a) The Creditors' Fund will comprise the DOCA Contribution.
- (b) For the purposes of section 444A(4)(b) of the Corporations Act, the Creditors' Fund is the only property of Deed Companies available to pay Admitted Claims and the Property does not form part of the Creditors' Fund.
- (c) The Deed Administrators will hold the Creditors' Fund on trust for the benefit of the persons entitled to those funds in accordance with the Creditors' Trust Deed.
- (d) The Deed Administrators will apply the Creditors' Fund in accordance with the Creditors' Trust Deed in their capacity as Trustees.

16 Tax

16.1 Interpretation

The Parties agree that:

- (a) except where the context suggests otherwise, terms used in this clause 16 have the meanings given to those terms by the GST Act (as amended from time to time);
- (b) any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 16;

- (c) unless otherwise expressly stated, all consideration to be provided under any other provision of this Deed is exclusive of GST. Any consideration that is specified to be inclusive of GST must not be taken into account in calculating the GST payable in relation to a supply for the purpose of this clause 16;
- (d) a reference to the GST payable by an entity or the input tax credit entitlements of an entity will include a reference to the GST payable or input tax credit entitlements of the representative member of any GST group to which that entity may belong;
- (e) a reference to something done (including a supply made) by a party includes a reference to something done by any entity through which that party acts; and
- (f) if any value added tax, goods and services tax or other similar tax is payable pursuant to a law of another jurisdiction on any supply made under or in connection with this Deed, then the provisions of this clause 16 apply as if references to a word or expression defined in the GST Act were to the corresponding concepts in the law of that other jurisdiction.

16.2 Reimbursements and similar payments

Any reimbursement or similar payment required to be made under this Deed that is calculated by reference to a cost, expense, or other amount paid or incurred will be limited to the total cost, expense or amount less the amount of any input tax credit to which an entity is entitled for the acquisition to which the cost, expense or amount relates plus an amount calculated in accordance with clause 16.3 where applicable.

16.3 GST payable

If GST is payable in relation to a supply made by a party (**Supplier**) under or in connection with this Deed then the party providing consideration for the supply (**Recipient**) must pay an additional amount to the Supplier equal to the amount of GST payable in relation to the supply at the same time as the other consideration is to be provided for that supply.

16.4 Tax invoice

The Supplier must issue a valid tax invoice to the Recipient for any taxable supply it makes under this Deed, except where the Recipient is required to issue the tax invoice.

16.5 Variation to GST payable

If the GST payable in relation to a supply made under or in connection with this Deed varies from the additional amount paid by the Recipient under clause 16.3 then the Supplier must promptly issue an adjustment notice to the Recipient and will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient. Any payment, credit or refund under this clause is deemed to be a payment, credit or refund of the additional amount payable under clause 16.3.

17 Notices

17.1 How to give a notice

A notice, consent or other communication under this Deed is only effective if it is:

- (a) in writing and addressed to the person to whom it is to be given; and
- (b) either:
 - (i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or
 - (ii) sent in electronic form (such as email).

17.2 When a notice is given

A notice, consent or other communication that complies with this clause 17 is regarded as given and received:

- (a) if it is delivered or sent by email:
 - (i) by 7.00pm (local time in the place of receipt) on a Business Day - on that day; or
 - (ii) after 7.00pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day,

(in each case unless the sender receives an automated message that delivery failed); or

- (b) if it is sent by mail:
 - (i) within Australia - 6 Business Days after posting; or
 - (ii) to or from a place outside Australia -10 days after posting.

17.3 Address for notices

- (a) The particulars for delivery of notices are initially:

Deed Administrators

Address: C/- Ankura Consulting (Australia) Pty Ltd, Level 8, 333 George Street, Sydney NSW 2000

Email: quentin.olde@ankura.com liam.healey@ankura.com and luke.pittorino@ankura.com

Attention: Quentin James Olde and Liam John Healey

Proponent

Address: Level 2, 7 Bligh Street, Sydney NSW 2000

Email: tim@puream.com.au and mike@puream.com.au

Attention: Tim Callan and Mike Henshaw

- (b) Each party may change its particulars for delivery of notices by notice to each other party.

18 Exclusivity and non-solicitation

From the Commencement Date to the end of the Deed Period, the Deed Companies and the Deed Administrators must not, without the prior written consent of the Proponent, directly or indirectly:

- (a) solicit, initiate or encourage any offer, proposal, or discussions by any third party to make a Competing Proposal;
- (b) participate in any negotiations or discussions or provide any information to any person with respect to any inquiry, expression of interest, offer or proposal by any person to make a Competing Proposal;
- (c) accept or enter into, or offer to accept or enter into, any agreement, arrangement or understanding regarding a Competing Proposal; or
- (d) disclose any non-public information about the business or affairs of the Deed Companies to a third party (other than a government agency or as required by law or regulation) for the purpose of obtaining or soliciting a Competing Proposal.

19 General

19.1 Meetings

Meetings of Creditors or any committee of inspection may be convened by the Deed Administrators from time to time in accordance with the Prescribed Provisions, the Corporations Act and the Regulations.

19.2 Variation

- (a) Subject to the provisions of the Corporations Act, this Deed may only be varied:
 - (i) by a resolution passed at a meeting of the Creditors convened in accordance with Division 75 of the IPS, but only if the variation is not materially different from a proposed variation set out in a notice of meeting; and
 - (ii) with written agreement of the Parties.
- (b) Nothing in any variation of this Deed shall limit the operation of sections 445D and 445E of the Corporations Act.

19.3 Assignment

Rights arising out of or under this Deed are not assignable by a party, except if the assignor is required to make the assignment pursuant to clause 9.2(a) or makes the assignment with the prior written consent of the other Parties.

19.4 Further assurances

Each party and each person bound by this Deed must, at its own expense, do all things and execute all documents necessary to give full effect to this Deed and the transactions contemplated by it.

19.5 Governing law and jurisdiction

This Deed is governed by the law in force in New South Wales. The parties submit to the non-exclusive jurisdiction of the Courts in and of the State of New South Wales and any Court which may hear appeals from those Courts.

19.6 Severance

If any part of this Deed is or becomes illegal, ineffective, invalid or unenforceable, that part will be severed from this Deed and that severance will not affect the effectiveness, validity or enforceability of the remaining part of this Deed.

19.7 Survival of clauses

Despite any other provision of this Deed, clauses 1 (*Definitions and interpretation*), 7 (*Termination of this Deed*), 11 (*Remuneration*), 12 (*Liabilities of Deed Administrators*), 14 (*Moratorium and release*), 16 (*Tax*), 17 (*Notices*) and 19 (*General*) survive the termination of this Deed.

19.8 Waiver

The non-exercise of or delay in exercising any power or right of a party does not operate as a waiver of that power or right, nor does any single exercise of a power or right preclude any other or further exercise of it or the exercise of any other power or right. A power or right may only be waived in writing, signed by the Parties to be bound by the waiver.

19.9 Counterparts

- (a) This Deed may be executed in any number of counterparts.
- (b) All counterparts, taken together, constitute one and the same instrument.
- (c) A party may execute this Deed by signing any counterpart.
- (d) Without limitation, the Parties agree that their communication of an offer or acceptance of this Deed, including exchanging counterparts, may be by any electronic method that evidences each Parties' execution of this Deed.

19.10 Creditor's power of attorney

Each Creditor irrevocably appoints each of the Deed Administrators jointly and severally as its attorney to execute any document to give effect to the releases in clause 14.4.

19.11 Company's power of attorney

- (a) The Deed Companies irrevocably appoint each of the Deed Administrators severally as its attorney in accordance with the power of attorney in Schedule 5

to exercise or refrain from exercising (in the Deed Administrators' sole and absolute discretion) any and all of the Deed Companies' rights or powers in relation to or in connection with their rights, title and interests in all the property of the Deed Companies.

- (b) The Deed Companies shall make, do and provide all things and documents reasonably necessary to give proper effect to this Deed, including all things as necessary to procure registration of the powers of attorney referred to in clause 19.11(a).

19.12 Joint Parties

If two or more parties are included within the same defined term in this Deed:

- (a) liability of those parties under this Deed is a joint liability of all of them and a several liability of each of them;
- (b) a right given to those parties under this deed is a right given severally to each of them; and
- (c) a representation, warranty or undertaking made by those parties is made by each of them.

19.13 Costs

- (a) Each party must pay its own costs of negotiating, preparing and executing this Deed.
- (b) The Administrators' costs of and incidental to the preparation and execution of this Deed are taken to be costs, charges and expenses incurred by the Deed Administrators in connection with or incidental to the administration of this Deed.

19.14 Stamp duty

The Proponent must pay all stamp duties and any related interest, fines and penalties in respect of this Deed, and must indemnify each other party against any liability arising from failure to comply with this clause 19.14.

19.15 Accumulative rights

The rights, power and remedies provided by this Deed are accumulative and do not exclude any rights, powers, authorities, discretions or remedies provided by law.

19.16 Time

Time is of the essence of this Deed in all respects.

19.17 Entire agreement

This Deed contains everything that the Parties have agreed on in relation to the matters it deals with. No party can rely on an earlier document, or anything said or done by another party before this Deed was executed.

19.18 Further cooperation

Each party must do anything (including executing a document) another party reasonably requires in writing to give full effect to this Deed.

19.19 Relationship of the Parties

This Deed does not create a partnership, agency, fiduciary or any other relationship, except the relationship of contracting parties.

Schedule 1 Deed Companies

Name of entity	ACN/ABN	Address for Service of Notice
Mighty Craft Ltd (in administration)	ACN 622 810 897 ABN 13 622 810 897	Quentin James Olde and Liam John Healey C/- Ankura Consulting (Australia) Pty Ltd Level 8, 333 George Street, Sydney NSW 2000 quentin.olde@ankura.com liam.healey@ankura.com
Mighty Craft Nominees Pty Ltd (in administration)	ACN 630 181 118 ABN 39 630 181 118	As above.
Mighty Craft Venues Pty Ltd (in administration)	ACN 636 694 785 ABN 17 636 694 785	As above.
Mighty Hunter Valley Pty Ltd (in administration)	ACN 638 584 737 ABN 70 638 584 737	As above.
Mighty Craft Investments Pty Ltd (in administration)	ACN 630 181 994 ABN 37 630 181 994	As above.
Might Craft Spirits Plus Pty Ltd (in administration)	ACN 638 905 272 ABN 33 638 905 272	As above.
Kangaroo Island Distillery Pty Ltd (in administration)	ACN 154 811 355 ABN 78 154 811 355	As above.
Mighty Craft Beer Pty Ltd (in administration)	ACN 630 181 298 ABN 66 630 181 298	As above.
Mighty Craft People and Services Pty Ltd (in administration)	ACN 630 181 458 ABN 15 630 181 458	As above.
Mighty Craft Operations Pty Ltd (in administration)	ACN 120 464 182 ABN 99 120 464 182	As above.
Mighty Craft Export Pty Ltd (in administration)	ACN 634 458 647 ABN 86 634 458 647	As above.
Mismatch Brewing Company Pty Ltd (in administration)	ACN 124 048 504 ABN 26 124 048 504	As above.
MK Wine Solutions Pty Ltd (in administration)	ACN 121 468 997 ABN 75 121 468 997	As above.
The Hills Distillery Pty Ltd (in administration)	ACN 608 717 335 ABN 25 608 717 335	As above.

Hidden Lake Pty Ltd (in administration)	ACN 638 906 877 ABN 13 638 906 877	As above.
A.C.N 603 372 210 Pty Ltd (in administration) (previously Jetty Road Brewery Pty Ltd)	ACN 603 372 210 ABN 61 603 372 210	As above.

Schedule 2 Continuing Contracts

- 1 Better Beer Shareholders Agreement.
- 2 Better Beer Solutions Agreement.
- 3 Employment contracts for Continuing Employees.
- 4 All contracts to which KI is a party other than the WDS Arrangements.
- 5 All IT and related software contracts.
- 6 All contracts between any Deed Company and Freight Hub.

Schedule 3 Continuing Employees

- 1 Cameron Buckland
- 2 Adam Buchta
- 3 Jovita D'Souza
- 4 Remy Hammond
- 5 All persons employed by Kangaroo Island Distillery Pty Ltd ACN 154 811 355 as at the Appointment Date

Schedule 4 Pre-Administration Contracts Notice

By Email

[Address]

Dear Sirs,

1. This notice is given for the purposes of the Deed of Company Arrangement made in relation to Mighty Craft Ltd (subject to deed of company arrangement) (**DOCA**). Terms defined in this notice have the meanings set out in the DOCA.
2. This notice concerns the Pre-Administration Contracts under the DOCA.
3. By this notice, we as Deed Administrators confirm for the purposes of the DOCA that all Pre-Administration Contracts known to the Administrators have been terminated or otherwise that counterparties to those Pre-Administration Contracts have been notified that the Company will cease to comply with, and will not perform its obligations under, and treat the Pre-Administration Contracts at an end.

Yours sincerely

[Deed Administrators' sign-off]



Schedule 5 Form of company power of attorney

THIS POWER OF ATTORNEY is made on the date of the DOCA (as defined below).

by

Each entity listed in **SCHEDULE 1** of the DOCA
(together, the "**Grantor**")

1 Appointment

The Grantor appoints Quentin James Olde and Liam John Healey of C/- Ankura Consulting (Australia) Pty Ltd, Level 8, 333 George Street, Sydney NSW 2000 ("**Attorney**") to be its several attorneys in its own capacity.

2 Definitions

"**DOCA**" means the deed of company arrangement executed by the Grantor and to which this Power of Attorney is attached as a schedule.

"**Document**" has the meaning given in the Schedule to this Power of Attorney.

"**Law**" means any law whether that law arises under statute or common law or pursuant to any act, statutory instrument, regulation, order, ordinance, rule, by law, proclamation, control, permit, approval, licence, notice or directive of any authority or otherwise.

"**Transaction**" means any exercise by the Attorneys in their capacity as Deed Administrators of the Grantor under the DOCA, of the Grantor's rights or powers in relation to or in connection with its property.

"**Transaction Documents**" means the documents listed as 1, 2, 3 and 4 in the Schedule to this Power of Attorney.

3 Authorisation

(a) The Grantor authorises the Attorney to:

(i) **execute any Document**

execute, sign, seal, deliver, accept, endorse and acknowledge any Document;

(ii) **perfect and amend any Document**

perfect or amend (materially or otherwise) any Document as the Attorney sees fit in its absolute discretion, to give effect to the Transaction. This includes making alterations, additions, deletions or corrections to any Document, completing blank spaces in any Document and making changes to the parties;

(iii) **other acts**

give directions and instructions regarding the Documents and the Transaction (including authorising the distribution of any Document and the receipt or payment of funds) and to otherwise perform any other act or do any thing contemplated by a Document or which the Attorney in its absolute discretion considers necessary or desirable to give effect to any Document or the Transaction or which is necessary or incidental to the effective exercise of the powers granted to the Attorney under this Power of Attorney; and

- (b) The Grantor specifies that the powers granted in clause 3(a) may be exercised prior to and following settlement of the Transaction.

4 Exercise of power

The Attorney:

- (a) may exercise its powers under this Power of Attorney in the name of the Grantor or in the name of the Attorney and as the act of the Grantor;
- (b) may exercise its powers under this Power of Attorney even if the Attorney benefits from the exercise of those powers, or is in any way connected to or interested in (or connected with any person or entity who is a party to, connected with or interested in) the Transaction; and
- (c) may appoint or remove any substitute or delegate or sub-attorney.

5 Ratification

- (a) The Grantor:
 - (i) will allow, ratify and confirm any act lawfully undertaken by the Attorney in exercise of its powers under this Power of Attorney;
 - (ii) indemnifies the Attorney against all claims, demands, loss, damage, costs, expenses or liabilities which the Attorney may incur or may become liable for wholly or partly due to or arising from the lawful exercise of its powers under this Power of Attorney; and
 - (iii) may revoke this Power of Attorney by notice in writing to the Attorney.
- (b) The Attorney will promptly on execution and delivery of this Power of Attorney properly register and stamp this Power of Attorney in all jurisdictions in which it must be registered and stamped in order to ensure its validity and enforceability.

6 No implication

The execution of a Document by the Attorney does not imply:

- (a) any warranty on the part of the Attorney as to the Attorney's authority to act or as to the validity of this Power of Attorney; or
- (b) any assumption of personal liability by the Attorney in executing any of the Documents.

SCHEDULE – DOCUMENTS

Any document relating to, or arising from, the sale, lease, licence, transfer, disposal or any other dealing in respect of all the property of the Grantor, including:

- 1 contracts of sale
 - 2 leases;
 - 3 any pre-sale, pre-tenancy or other disclosure notices or statements of whatsoever nature or description as may be required under or for the purposes of any Law;
 - 4 transfers of land;
 - 5 any document, agreement, deed, instrument, undertaking, notice, letter, certificate or form which is ancillary, incidental or related to, or contemplated by any Transaction Document (including any notices required by statute in relation to the Transaction); and
 - 6 any document which the Attorney determines (in its absolute discretion) to be necessary or
 - 7 desirable in relation to the Transaction,
- (**“Document”**).

Schedule 6 MCL Creditor's Trust Deed



MCL Creditors' Trust Deed

Each entity listed in Schedule 1

Quentin James Olde and Liam John Healey



Arnold Bloch Leibler

Level 21, 333 Collins Street
Melbourne Victoria 3000 Australia

Level 24, Chifley Tower, 2 Chifley Square
Sydney NSW 2000 Australia

MCL Creditors' Trust Deed

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MCL Creditors' Trust Deed

Details

Date	2024
Parties	Each entity listed in Schedule 1 (each a Deed Company and together the Deed Companies)	
	Quentin James Olde and Liam John Healey in their capacity as joint and several administrators of this Deed (Deed Administrators) of C/- Ankura Consulting (Australia) Pty Ltd, Level 8, 333 George Street, Sydney NSW 2000	
	Quentin James Olde and Liam John Healey in their capacity as trustees of this Deed (Trustees) of C/- Ankura Consulting (Australia) Pty Ltd, Level 8, 333 George Street, Sydney NSW 2000	
Background	A	On the Appointment Date, Quentin James Olde and Liam John Healey were appointed as administrators of the Deed Companies pursuant to Part 5.3A of the Corporations Act.
	B	At a meeting held on 26 August 2024 and convened pursuant to section 439A of the Corporations Act, the Creditors of the Deed Companies resolved that the Deed Company execute the DOCA proposed under section 444B(2)(b) of the Corporations Act.
	C	On _____, the Deed Administrators, the Deed Companies and the Proponent executed the DOCA pursuant to section 444B(2)(b) of the Corporations Act.
	D	The DOCA provides for the establishment of a Creditors' Trust for the benefit of the Admitted Creditors. The Settlement Sum will be transferred to the Trustees to settle the Trust in accordance with clause 15.1(b) of the DOCA.
	E	The Deed Companies and the Trustees enter into this Deed as contemplated by the DOCA in order to facilitate a distribution by the Trustees to the Trust Creditors in their capacity as beneficiaries of the Trust Fund.

This deed witnesses as follows:

1 Definitions and interpretation

1.1 Definitions

In this Deed, terms defined in the DOCA have the same meaning when used in this Deed unless otherwise defined in this Deed or otherwise required by the context or the subject matter, and:



Administrators	means Quentin James Olde and Liam John Healey in their capacities as joint and several voluntary administrators of the Deed Companies.
Admitted Claim	means the Claim of any Trust Creditor admitted by the Trustees after adjudication in accordance with clause 8 of this Deed.
Admitted Creditor	means a Creditor with an Admitted Claim.
Costs	includes costs, charges, fees, government charges, taxes and expenses, including those incurred in connection with advisers, incurred in connection with the performance of the Trustees obligations and responsibilities under the Corporations Act and this Deed during the Administration Period and the Deed Period.
Costs Cap (Trustees)	means, for the purposes of clause 13.1 of this Deed, an amount agreed in writing by the Trustees and the Proponent from time to time on account of the Trustees' Remuneration and Costs.
Deed	means this creditors' trust deed, as amended from time to time.
Dividend	means any amount paid to a Trust Creditor in respect of that creditors' Admitted Claim.
DOCA	means the Deed of Company Arrangement dated _____, executed by the Deed Companies, the Deed Administrators and the Proponent.
Employee Creditor	means an Employee (other than a Continuing Employee) with a Priority Claim.
Final Dividend	means the last Dividend payment to be made by the Trustees to any Trust Creditor under this Deed.
Priority Claim	means a Claim of an Employee that would have been entitled to priority over the Claims of other unsecured creditors, pursuant to section 556(1), section 560 or section 561 of the Corporations Act, if the Deed Companies had been wound up and the winding up was taken to have commenced on the Appointment Date.
Remuneration	means the remuneration payable to the Trustees under this Deed.
Trust Termination Date	means the date on which the Trust terminates in accordance with clause 15.1 or clause 15.3 of this Deed.
Trust	means the trust created by this Deed.
Trust Creditor's Claim	means a Claim of a Trust Creditor.
Trust Fund	means the fund contemplated by clause 3 of this Deed.
Trustee Act	means the <i>Trustees Act 1925</i> (NSW).

1.2 Interpretation

In this deed:

- (a) headings are for convenience only and do not affect interpretation; and
 - (i) words have the meaning given them by Part 1.2 of the Corporations Act;
 - (ii) and unless the context indicates a contrary intention:
- (b) an obligation or a liability assumed by, or a right conferred on, 2 or more persons binds or benefits them jointly and severally;
- (c) the expression "person" includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes a substituted or an additional trustee;
- (e) a reference to a document (including this deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to a statute includes its delegated legislation and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (g) words importing the singular include the plural (and vice versa), and words indicating a gender include every other gender;
- (h) a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this deed, and a reference to this deed includes all schedules, exhibits, attachments and annexures to it;
- (i) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) the expression "includes" in any form is not a word of limitation; and
- (k) a reference to "\$" or "dollar" is to Australian currency.

1.3 Headings

Headings are used for convenience only and do not affect the interpretation of this Deed.

1.4 Inconsistency with Corporations Act or Regulations

If there is any inconsistency between the provisions of this Deed and the Corporations Act, Regulations, the Insolvency Practice Schedule or the Insolvency Practice Rules, in each case as incorporated into this Deed by reference, this Deed prevails to the extent permitted by law.

1.5 Other inconsistencies

If there is any inconsistency between the provisions of this Deed and the constitution of any Deed Company or any other obligations binding on a Deed Company, then the provisions of this Deed will prevail to the extent of the inconsistency, and all persons bound by this Deed agree to sign all documents and do all things necessary to remove such inconsistency, the costs of which shall be borne by that Deed Company.

1.6 Business Days

Except where otherwise expressly provided, if the day on or by which any act, matter or thing is to be done as required by this Deed is a day other than a Business Day, such act, matter or thing shall be done on the immediately succeeding Business Day.

2 Commencement of this Deed

The Trust will come into effect and the Deed Administrators will act as Trustees pursuant to the terms of this Deed immediately upon Completion occurring.

3 The Trust Fund

3.1 Trust Fund

The Trust Fund will comprise:

- (a) the following property which is to be transferred to the Trustees after Completion in accordance with clause 6 of the DOCA:
 - (i) the Settlement Sum; and
 - (ii) the DOCA Contribution; and
- (b) such interest as may be earned on the Trust Fund.

4 Declaration of Trust

4.1 Declaration

The Trustees acknowledge and declare that they will hold the Trust Fund on trust for the Trust Creditors on the terms of this Deed.

4.2 Name of the Trust

The trust constituted by this Deed will be called the MCL Creditors' Trust.

4.3 Objects of the Trust

The Trustees shall receive and hold the Trust Fund on trust for the benefit of the Trust Creditors and will distribute the Trust Fund in accordance with the terms of this Deed.

5 Distribution of the Trust Fund

5.1 Distribution

- (a) Provided that each Trust Creditor has an Admitted Claim, the Trust Fund will be available for distribution to the Trust Creditors as follows:
 - (i) first, to:
 - (A) the Administrators and the Deed Administrators, for their "Remuneration" and "Costs" (as those terms are defined in the DOCA); and
 - (B) the Trustees, for their Remuneration and Costs;
 - (ii) second, to Employee Creditors, in an amount not exceeding the amount the debt or claim would, in a winding up of the company, be entitled to priority to other unsecured debts and claims in accordance with paragraphs 556(1)(e), (g) or (h) or sections 560 or 561 of the Corporations Act; and
 - (iii) third, any balance to the Admitted Creditors.
- (b) Notwithstanding any other provision of this Deed, for the purposes of section 444DA of the Corporations Act and clause 5.1(a)(ii), any Claims of Employee Creditors will retain a priority in respect of the assets of the Trust Fund at least equal to that which they would have been entitled to if the property of the relevant Deed Company had been applied in accordance with sections 556, 560 and 561 of the Corporations Act.
- (c) The Trustees may distribute the Trust Fund in one or more instalments at such times as determined by the Trustees in their absolute discretion, including making distributions (whether interim or final) under any subclause of this clause 5.1 in advance of any other subclause of this clause 5.1 on the basis that the Trustees have retained sufficient funds to ensure that any payments to be made under a subclause of this clause 5.1 with a higher priority may be made when the time comes to do so.
- (d) No distributions will be made in respect of a Claim of a Creditor unless the Creditor's Claim is an Admitted Claim.

5.2 Postponement

Should proceedings be brought by any person in respect of the distribution of the Trust Fund, the Trustees may (with the approval of the Proponent) postpone the payment of any entitlement until determined by the Trustees.

5.3 Unclaimed Moneys

In the event that the Trustees, for any reason, are unable to locate a Trust Creditor, or if any cheque sent by the Trustees to an Admitted Creditor has not been presented within 6 months, then:

- (a) the Trustees shall stop payment of such cheque;

- (b) the moneys represented by such stopped cheque or held by the Trustees on behalf of the Admitted Creditor shall be paid to ASIC; and
- (c) the provisions of sections 544(1) and 544(3) of the Corporations Act will apply, with such modifications as are necessary to such payment, as if references in those sections to 'liquidator' were references to the 'Trustees'.

6 Trustees' duties and powers

6.1 Trustees' duties

The Trustees must:

- (a) collect, sell or otherwise realise the property held on trust (including, to avoid doubt, any causes of action forming part of the Trust Fund), to the extent and in a manner the Trustees believe is appropriate; and
- (b) distribute the Trust Fund in accordance with clause 5.1 of this Deed.

6.2 Trustees' powers

- (a) Without limiting the Trustees' powers under the Trustee Act or under any law with respect to trustees, for the purpose of performing their duties under this Deed, the Trustees have all of the rights, powers, discretions and remedies granted by law to the Trustees including the power to:
 - (i) to the extent that they have not done so already in their capacity as Deed Administrators, determine the Claims of Creditors and admit or reject Claims to proof in accordance with the terms of this Deed;
 - (ii) administer and distribute the Trust Fund in accordance with the terms of this Deed;
 - (iii) sell, reinvest or otherwise deal with the assets of the Trust Fund;
 - (iv) perfect title in any assets of the Trust Fund;
 - (v) insure any assets of the Trust Fund;
 - (vi) at any time, call meetings of the Creditors for the purpose of considering the variation or termination of this Deed in accordance with the provisions of this Deed;
 - (vii) ensure that the obligations of the Deed Companies and the Proponent under the DOCA and this Deed are fulfilled, and to take such legal proceedings or other steps as the Trustees think fit to enforce those obligations;
 - (viii) fulfil the Trustees' obligations under this Deed;
 - (ix) enforce compliance with the terms of this Deed and the DOCA;
 - (x) make interim or other distributions of the Trust Fund;

- (xi) appoint agents to do any business or attend to any matter or affairs of the Trust that the Trustees are unable to do, or that it is unreasonable to expect the Trustees to do, in person;
- (xii) appoint solicitors, accountants or other professionally qualified persons to assist the Trustees;
- (xiii) compromise any Claim on such terms as the Trustees see fit;
- (xiv) enforce compliance with the terms of this Deed;
- (xv) accept the transfer of any shares, stocks, debentures, debenture stock, annuities, bonds, obligations or other securities of whatever nature that may at any time be transferred to the Trustees;
- (xvi) to enter upon or take possession of the Trust Fund and to collect and distribute revenue or income from or interest on the Trust Fund and exercise any rights or powers to any part of the Trust Fund;
- (xvii) to bring, prosecute and defend any claim, action, suit or proceeding, which power includes the power to bring and defend any claim, counter-claim, set-off, action, suit or proceeding, to enforce any right, claim or cause of action that forms part of the Trust Fund, and to that end:
 - (A) to issue or accept service of any writ, summons or other legal process and to appear or be represented in any court and before all wardens, magistrates or judicial or other officers as the Trustees think fit and to commence or defend and conduct any action or other proceeding in any court of justice in relation to the Trust Fund and any claim, proceeding or action forming part of the Trust Fund and to prosecute, discontinue, compromise, stay, terminate or abandon that proceeding or action as the Trustees see fit;
 - (B) to appoint any solicitor and/or counsel to prosecute or defend in those proceedings as the Trustees see fit; and
 - (C) to take any other lawful ways and means for the recovery or getting in any of the Trust Fund;
- (xviii) to convene and hold meetings of the Creditors for any purpose as the Trustees see fit;
- (xix) to permit any person authorised by the Trustees to operate any account in the name of the Trust;
- (xx) to do all acts and execute in the name of and on behalf of the Trust all deeds, receipts and other documents;
- (xxi) to draw, accept, make or endorse any bill of exchange or promissory note in the name of or on behalf of the Trust;
- (xxii) subject to the Corporations Act, prove in the bankruptcy, winding up of or under any scheme of arrangement entered into by, or deed of company arrangement executed by, any contributory or debtor of the Trust;

- (xxiii) to bring or defend an application for the vesting or winding up of the Trust;
 - (xxiv) to report to Creditors from time to time;
 - (xxv) do anything that is incidental to exercising a power set out in this clause 6.2 of this Deed;
 - (xxvi) pay amounts from the Trust Fund for which an indemnity exists under clause 14 of this Deed; and
 - (xxvii) do anything else that is necessary or convenient for administering the Trust.
- (b) Without limiting the Trustees' powers under any law with respect to trustees or otherwise, the Trustees may deal with the property comprising the Trust Fund in any manner as if the Trustees were the legal and beneficial owners of that property, and may also exercise any power in respect of the property comprising the Trust Fund and the Trustees' functions under this Deed as the Deed Administrators are or were entitled to exercise under the terms of the DOCA.
- (c) Without limiting sub-clauses 6.2(a) and 6.2(b) of this Deed:
- (i) the Trustees also have, with respect to the property comprising the Trust Fund, all of the powers set out in paragraph 2 of Schedule 8A of the Regulations, with all modifications as are necessary to give effect to this Deed as if:
 - (A) the Trust were a company subject to a deed of company arrangement; and
 - (B) the Trustees were the deed administrators of that deed;
 - (ii) save to say that the Trustees will not be required to comply with clause 10 of Schedule 8A of the Regulations; and
 - (iii) the Trustees may appoint any person to manage the property comprising the Trust Fund on terms determined by the Trustees.

6.3 Exercise of discretion and powers

- (a) The Trustees may exercise any discretion under this Deed in the Trustees' absolute and unfettered discretion.
- (b) The Trustees shall not be required to give any reason for the exercise of, or failure to exercise, any of the Trustees' powers.
- (c) None of the Trustees' powers shall limit the generality of any other of the Trustees' powers, and the Trustees shall have the power to do anything the Trustees consider incidental to any of the Trustees' powers.

7 Perpetuity period

Notwithstanding any other provision of this Deed, each:

- (a) interest in property; and
- (b) Trustee's power over or in connection with property,

created or granted by this Deed that, but for this provision, might vest, take effect, or be exercisable, after the expiry of 80 years commencing on the date of this Deed, but which has not vested or taken effect by that date:

- (c) will vest or take effect on the last day of that period; and
- (d) is exercisable only on or before the last day of that period.

8 Claims, Entitlements and Payments

8.1 Admissibility of Claims

- (a) Upon this Deed being settled, and in accordance with clause 14.6 of the DOCA, each Claim of a Trust Creditor against the Deed Companies will convert to, and become, a claim against the Trust Fund under this Deed, equal in amount to the Trust Creditor's entitlement to a distribution in respect of the Trust Creditor's released Claim in accordance with clause 5.1 of this Deed.
- (b) Interest will not accrue or be payable on any Admitted Claim.

8.2 Trustees' discretion

The Trustees may, in their absolute discretion:

- (a) call for proofs of debt or Claim;
- (b) admit all or part of a Claim;
- (c) reject all or part of a Claim; or
- (d) pay any Admitted Claim,

in accordance with the provisions of this Deed.

8.3 Determination of Claims

- (a) Any costs or expenses incurred by a Trust Creditor in asserting a Claim under this Deed (including any application under clause 8.3(g)) will be borne by that Trust Creditor and will not form part of that Trust Creditor's Claim under this Deed.
- (b) Subdivisions A, B, C and E of Division 6 of Part 5.6 of the Corporations Act apply to the admission of Claims under this Deed as if references to the 'liquidator' were references to the 'Trustees' and references to 'winding up' were references to this Deed, and with such other modifications as are necessary to give effect to

this Deed, except to the extent that those provisions are varied or excluded expressly or impliedly by this Deed.

- (c) Regulations 5.6.37, 5.6.39 to 5.6.43 (inclusive), 5.6.44 to 5.6.53 (inclusive) and 5.6.55 to 5.6.72 (inclusive) of the Regulations shall apply to this Deed and to the Trustee as if the references to the 'liquidator' were references to the 'Trustees' and references to 'winding up' were references to this Deed, and with such other modifications as are necessary to give effect to this Deed, except to the extent that those provisions are varied or excluded expressly or impliedly by this Deed.
- (d) The Trustees may make interim distributions of trust property under this Deed.
- (e) The Trustees may make any distribution by cheque or by electronic funds transfer to a bank account nominated by the relevant Trust Creditor.
- (f) The Trustees must declare and distribute trust property under this Deed as soon as practicable after the Trust comes into effect under clause 4.1. However, subject to clauses 8.3(b) and 8.3(c), the Trustees have an absolute and unfettered discretion as to the admission of Claims, and the amount and timing of the distribution of the trust property in payment of Admitted Claims.
- (g) Where the Trustees propose to reject a Claim (whether in part or in full) the Trustees shall send a notice to the Creditor informing the Creditor of the proposed rejection and giving the party 14 days within which to make an application to the Court to determine the questions relating to the Claim.
- (h) The Trustees are entitled to rely upon any steps and determinations made by the Deed Administrators for the purposes of this clause in respect of whether a claim asserted for the purposes of claiming under this Deed is an Admitted Claim, together with any information and proofs or particulars of debt provided to the Administrators or Deed Administrators.

8.4 Abandonment of Claims

A Trust Creditor will have abandoned, and will be taken for all purposes to have abandoned, all Claims and all other entitlements (if any) in the Trust Fund:

- (a) which are not the subject of a proof lodged with the Deed Administrators or the Trustees in the form required by the Trustees prior to the declaration of a Final Dividend; or
- (b) which have been rejected by the Trustees and which are not the subject of any appeal or application to the Court within the time allowed under clause 8.3(g).

8.5 Discharge of Claims

- (a) All persons having a Claim must accept their Admitted Claims under this Deed (if any) in full satisfaction and complete discharge of all debts, liabilities or claims which they have or claim to have against the Trustees or the Trust Fund, and each of them will, if called upon to do so, execute and deliver to the Trustees, such forms of release of any such claim as the Trustees require.
- (b) The Trustees must take all steps reasonably required by the Proponent to obtain such releases from any Trust Creditors nominated by the Proponent.

8.6 Extinguishment of Claims

Payment by the Trustees to a Trust Creditor of an amount declared by the Trustees, in accordance with this Deed, to be a Final Dividend under the Trust (even if the amount of the payment is nil) shall:

- (a) constitute a full and final discharge of the obligations of the Trustees to the Creditor under the Trust; and
- (b) extinguish all claims which the Trust Creditor has, or might have, against the Trustees and the Trust Fund.

8.7 Bar

After distribution of the Final Dividend from the Trust Fund, the Trustees may plead this Deed in bar to any claim the subject of clause 8.6.

8.8 Excluded Claims

No Creditor is entitled to participate in or receive any distribution from the Trust Fund in respect of an Excluded Claim.

9 GST on Claims

9.1 Definitions

Words and expressions used in this clause 9 which are defined in the GST Act have the same meaning in this clause.

9.2 GST credits on Claims which have been or will be claimed by the Deed Company

To the extent that input tax credits on Admitted Claims have been or will be claimed by the Deed Companies, the Parties agree and acknowledge that following the payment of distributions to those Admitted Creditors by the Trustees from the Trust Fund, the Deed Companies by its Directors will be responsible for making any adjustment required by the provisions of the GST Act insofar as those adjustments relate to those Admitted Claims and Practice Statement PS LA 2012/1 (GA) will be applied by the Deed Companies to calculate the impact of those adjustments.

9.3 GST credits for Administration Debts and Deed Administrators' Costs

To the extent that:

- (a) an input tax credit is available in respect of an Administration Debt or a Deed Administrators' Cost; and
- (b) neither the Administrators nor the Deed Administrators are able to claim that input tax credit because it is attributable to a tax period that arises after the date on which the GST registration of the Administrators or the Deed Administrators ends,

then, the Parties agree and acknowledge that a Deed Company is responsible for claiming that input tax credit.

9.4 GST credits during operation of Trust

The Parties agree and acknowledge that to the extent that an input tax credit is available in respect of any Trustees' Costs which is incurred and paid for by the Trustees during the operation of the Trust, the Trustees (acting in their capacity as Trustees of the Trust) will be responsible for the claiming those input tax credits.

10 Books and records

10.1 Access by Trustees

The Trustees will have the power to access all books and records of the Deed Company for the purposes of fulfilling their obligations under this Deed.

10.2 Deed Company's obligation

The Deed Company must provide the Trustees with all requested access to the Deed Company's books and records in its possession for the purposes of the Trustees' compliance with their obligations under this Deed at no cost (including the right to take copies of such books and records).

11 Meetings of Admitted Creditors

11.1 Convening meetings by Trustees

The Trustees may at any time convene a meeting of Trust Creditors, and except to the extent (if any) they are excluded or modified by or are inconsistent with the terms of this Deed, Division 75 of Part 3 of the Insolvency Practice Rules applies, with such modifications as are necessary, to meetings of the Trust Creditors as if references to the 'external administrator' or chairperson, as the case may be, were references to one or more of the Trustees.

11.2 Convening meetings at the request of Admitted Creditors

The Trustees must convene a meeting of Trust Creditors if so requested in writing by a Trust Creditor or Trust Creditors the value of whose Admitted Claims is not less than 25% of the value of the total of the Admitted Claims.

11.3 Manner of convening meetings

- (a) The Trustees may convene a meeting of Trust Creditors at any time in accordance with paragraph 75-10 of the Insolvency Practice Schedule and will be required to convene such a meeting when required to do so under paragraph 75-15 of the Insolvency Practice Schedule, in each case as incorporated into this Deed by reference under clause 11.1 above.
- (b) The Insolvency Practice Rules, Insolvency Practice Schedule and the Corporations Regulations applicable to creditors meetings in a liquidation will apply to any meeting of the Creditors of the Deed Company with such modifications as are necessary.

11.4 Right of Trust Creditors to attend meetings

Trust Creditors who have been paid the full amount of their entitlements under this Deed will no longer be entitled to attend and participate in meetings of Admitted Creditors.

11.5 Instructions from Trust Creditors

In the exercise of the Trustees' powers, the Trustees:

- (a) may (if they see fit), but are not obliged to, seek from the Trust Creditors at a meeting convened in accordance with this clause 11 of this Deed, instructions, including (without limitation) approval in respect of variations to the terms of this Deed;
- (b) may, but shall not be obliged to, have regard to the instructions (if any) given by the Trust Creditors at a meeting so convened; and
- (c) in the absence of instructions given by the Trust Creditors at a meeting so convened, do what is, in the Trustees' opinion, in the best interests of Creditors.

11.6 Variation of Deed

This Deed may be varied:

- (a) with the consent of the Trustees by a resolution passed at a meeting of Trust Creditors by a majority of Trust Creditors (in value) attending the meeting, but only if the variation is not materially different from the proposed variation set out in the notice of that meeting and provided that the variation does not materially prejudice the interests of any class of Trust Creditors without the approval of a majority (in value) of that class of Trust Creditors attending the meeting; or
- (b) by the Court upon application of any of the Trust Creditors or the Trustees pursuant to the Trustee Act.

12 Limitation of Liability

12.1 Exclusion of liability

- (a) Each Trustee, including his or her partners and employees, is not personally liable for any loss, damages, costs or expenses which may be occasioned to any trust property under this Deed (including the Trust Fund) or to any person by:
 - (i) the exercise of any discretion or power conferred by this Deed or by law on the Trustees, or any delay or failure to exercise any of those discretions or powers;
 - (ii) any breach of duty or trust, unless it is proved to have been committed, made or omitted in fraudulent bad faith by the Trustees, partner or employee; or
 - (iii) any disclosure by the Trustees of any document, matter or thing relating to the Trust, the Trust Fund or any Trust Creditor.

- (b) The recourse of any person against the Trustees in their capacity as trustees of the Trust, insofar as it is not excluded by sub-clause 12.1(a) of this Deed above, shall be limited to, and may only be satisfied from, the balance of the Trust Fund from time to time.
- (c) All persons claiming any interest in the Trust Fund must be treated as taking it with and subject to notice of the protection conferred by this clause 12.

12.2 Proceedings against co-trustee

The Trustees are not bound to take any proceeding against a co-trustee for any breach or alleged breach of trust committed by the co-trustee.

12.3 Reliance on advice

Where the Trustees act in reliance upon the advice of any solicitor or barrister instructed on behalf of the Trust obtained in relation to the interpretation of the provisions of this Deed or any document or statute or any matter concerning the administration of the Trust, the Trustees are not liable to any person in respect of any act done or omitted to be done by the Trustees in accordance with the advice.

12.4 Conflicts

All powers and discretions of the Trustee may be exercised notwithstanding that any person being a partner, employee or related party of the Trustee is a beneficiary or may have been a beneficiary or has a direct, indirect or personal interest (in whatever capacity) in the manner of, or as a result of exercising such power or discretion or may benefit directly or indirectly as a result of any such power or discretion.

13 Remuneration

13.1 Remuneration of Trustees

- (a) Subject to clause 13.2, the Trustees:
 - (i) are to be remunerated at the usual rates charged by Ankura from time to time in respect of any work done by the Trustees, and any partner or employee of the Trustees, in connection with:
 - (A) the exercise of their powers and discretions and performance of their duties, obligations and responsibilities as Administrators and/or Deed Administrators, even though that remuneration has not been approved by the Creditors pursuant to Division 60 Subdivision B of the Insolvency Practice Schedule;
 - (B) the calling for and adjudicating upon proofs of Claims;
 - (C) the distribution of the Trust Fund; and
 - (D) the exercise of their powers and discretions and performance of their duties, obligations and responsibilities as Trustees under this Deed, and
 - (ii) acknowledge that the Trustees' Costs, including costs, charges and expenses (including those incurred in connection with advisers) incurred

in connection with the foregoing, including any stamp duty payable by them in respect of this Deed, will be payable from the Trust Fund.

- (b) The Trustees' Remuneration and the Trustees' Costs referred to in this clause 13.1 and all other costs shall be reimbursed and/or paid out of the Trust Fund. The Trustees shall be entitled to draw such amounts from the Trust Fund from time to time. For the avoidance of doubt, where the Trustees are liable to pay GST in respect of any taxable supply (within the meaning of the GST Act) they make under this Deed, the Trustees are entitled to recover an additional amount equal to the amount of that GST liability from the Trust Fund (subject always to clause 13.2).

13.2 Costs Cap (Trustees)

The Trustees' Remuneration and Costs referred to in this clause 13 must not, without approval by the Court or the Proponent, exceed the Costs Cap (Trustees).

13.3 Acknowledgement

The Parties acknowledge that the Trustee's Remuneration as referred to in clause 13.1(a)(i) includes remuneration and costs incurred by the Trustees in connection with or as a result of their duties, obligations and responsibilities as Administrators and/or Deed Administrators.

14 Indemnity

14.1 Scope of indemnity

The Trustees are entitled to be indemnified out of the Trust Fund for all actions, suits, proceedings, accounts, claims and demands arising out of or relating to this Deed which may be commenced, incurred by or made on the Trustees by any person and against all costs, charges and expenses incurred by the Trustees in respect of them, provided that the Trustees shall not be entitled to an indemnity in respect of any liabilities or demands to the extent that the indemnification contravenes the Corporations Act or the Trustee Act.

14.2 Continuing indemnity

This indemnity will take effect on and from the date of this Deed and will be without limitation as to time and will operate notwithstanding the removal of the Trustees (or any of them) and the appointment of any new trustee or the termination of the Trust for any reason.

14.3 Indemnity not to be affected or prejudiced

The indemnity under this clause will not:

- (a) be affected, limited or prejudiced in any way by any irregularity, defect or invalidity in the appointment of the Trustees and will extend to all actions, suits, proceedings, accounts, liabilities, claims and demands arising in any way out of any defect in the appointment of the Trustees, the approval, execution or amendment of this Deed, or otherwise; and
- (b) affect or prejudice all or any rights that the Trustees may have against any other person to be indemnified against the costs, charges, expenses and liabilities

incurred by the Trustees incidental to the exercise or performance of any of the powers or authorities conferred on the Trustees by this Deed or otherwise.

14.4 Trustees' lien

The Trustees will be entitled to exercise a lien over the Trust Fund for all amounts in respect of which they are entitled to an indemnity from the Trust Fund.

15 Termination

15.1 Termination of the Trust

This Trust will terminate and the Trustees shall resign as soon as reasonably practicable, on the earlier of:

- (a) distribution of the Final Dividend from the Trust Fund; or
- (b) upon the expiry of the perpetuity period referred to in clause 7 of this Deed.

15.2 Meeting to consider variation or termination of the Trust

The Trustees must convene a meeting of Trust Creditors to consider a resolution to vary this Deed or terminate this Trust if:

- (a) at any time prior to the termination of this Trust, the Trustees determine that it is no longer practicable or desirable to continue to implement or carry out this Deed; or
- (b) the Court so orders.

15.3 Termination of the Trust by Court order or resolution of Admitted Creditors

- (a) This Trust will terminate if:
 - (i) a Court so orders; or
 - (ii) the Trust Creditors pass a resolution terminating this Trust at a meeting duly convened pursuant to clause 11 of this Deed or clause 15.2 of this Deed.
- (b) In the event the Trust terminates, the Trustees will apply to the Court for directions to be formulated in their sole discretion, depending on the relevant circumstances that have arisen at the time.

15.4 Report to Trust Creditors

Upon a meeting being convened pursuant to clause 11 of this Deed or clause 15.2 of this Deed, the Trustees must send to each Trust Creditor prior to the meeting a report as to the state of affairs of the Trust accompanied by such financial statements as the Trustees thinks fit. The report must include:

- (a) a statement explaining the circumstances which have caused the Trustees to convene the meeting pursuant to clause 15.2 of this Deed; and

- (b) a statement that the Trust will be terminated if the Trust Creditors so resolve.

15.5 Previous operation of this Deed preserved

The termination or avoidance, in whole or in part, of this Trust does not affect the efficacy of any act done prior to the termination or avoidance.

16 Resignation

A Trustee may resign at any time by giving not less than five (5) Business Days prior written notice to the Deed Company, unless the resignation would result in there being no remaining Trustees, in which event the Trustees must convene a meeting of Admitted Creditors in accordance with clause 11 of this Deed for the purpose of nominating a replacement trustee.

17 General

17.1 Governing law

This Deed is governed by the law in force in New South Wales.

17.2 Waiver

The non-exercise of or delay in exercising any power or right of a party does not operate as a waiver of that power or right, nor does any single exercise of a power or right preclude any other or further exercise of such power or right or the exercise of any other power or right. A power or right may only be waived in writing, signed by the party to be bound by the waiver.

17.3 Severability

If any provision in this Deed is invalid under the law of any jurisdiction:

- (a) it is to be read down, if possible, such that it is enforceable to the extent that it is not invalid; or
- (b) failing that, it is to be severed from this Deed to the extent of the invalidity, without affecting the remaining provisions of this Deed; and
- (c) it should not affect the validity or enforceability of that provision or the other provisions of this Deed in any other jurisdiction.

17.4 Counterparts

- (a) This Deed may be signed in any number of counterparts and exchanged by email or other electronic means, and all those counterparts taken together constitute one and the same instrument.
- (b) An executed counterpart sent by email or other electronic means to a party is deemed to be a validly executed and exchanged counterpart as if it were the original.

17.5 Stamp duty and GST

All stamp duty and GST payable on or in respect of this Deed or the transactions contained in this Deed may be paid out of the Trust Fund.

17.6 Entire Deed

Save that this Deed should be read together with the DOCA, this Deed is the sole and entire memorandum and agreement between the Parties to this Deed regarding the matters the subject of it. It supersedes any prior understandings, deeds, agreements, conditions and representations relating to those matters whether oral or written, express or implied.

17.7 Further action to be taken at each party's own expense

Each party must, at its own expense, do all things and execute all documents necessary to give full effect to this Deed and the transactions contemplated by it.

17.8 Assignment

Unless expressed otherwise, rights arising out of or under this Deed are not assignable by a party without the prior written consent of the other parties.

17.9 Creditor's Power of Attorney

Each Admitted Creditor irrevocably appoints each of the Trustees jointly and severally as its attorney to execute any document to give effect to the releases in clause 8.5.

17.10 Costs

Each party must pay its own costs of negotiating, preparing and executing this Deed.

17.11 Survival

Despite any other provision of this Deed, clauses 1, 9, 12, 13, 14 and 17 survive the termination of this Deed.

18 Notices

18.1 How to give notices

- (a) Any notice to a party under the provisions of this Deed is valid and effective if delivered personally, by courier or e-mail, to or, if given by registered mail, postage prepaid, addressed to, the details for that party specified in clause #19.3 and is deemed to have been given on the date of delivery personally or by courier or e-mail if so delivered prior to 5:00 pm (Sydney time) and otherwise on the next calendar day, or on the fifth Business Day after such letter has been mailed, as the case may be.
- (b) Any notice provided for in this Deed may be waived in writing by the party entitled to receive such notice, either before or after the event.
- (c) A notice in connection with this Deed must be:

- (i) in writing in English; and
- (ii) signed by the party or its agent.
- (d) Where two or more persons comprise a party, notice to or by one is effective notice to and by all.

18.2 Change of details

- (a) A party may at any time change its contact details by notice to each other party.
- (b) If details are so changed, this clause applies as if those changed details were set out in in the 'Parties' section of this Deed.

Schedule 1 Deed Companies

Name of entity	ACN/ABN	Address for Service of Notice
Mighty Craft Ltd (in administration)	ACN 622 810 897 ABN 13 622 810 897	Quentin James Olde and Liam John Healey C/- Ankura Consulting (Australia) Pty Ltd Level 8, 333 George Street, Sydney NSW 2000 quentin.olde@ankura.com liam.healey@ankura.com
Mighty Craft Nominees Pty Ltd (in administration)	ACN 630 181 118 ABN 39 630 181 118	As above.
Mighty Craft Venues Pty Ltd (in administration)	ACN 636 694 785 ABN 17 636 694 785	As above.
Mighty Hunter Valley Pty Ltd (in administration)	ACN 638 584 737 ABN 70 638 584 737	As above.
Mighty Craft Investments Pty Ltd (in administration)	ACN 630 181 994 ABN 37 630 181 994	As above.
Might Craft Spirits Plus Pty Ltd (in administration)	ACN 638 905 272 ABN 33 638 905 272	As above.
Kangaroo Island Distillery Pty Ltd (in administration)	ACN 154 811 355 ABN 78 154 811 355	As above.
Mighty Craft Beer Pty Ltd (in administration)	ACN 630 181 298 ABN 66 630 181 298	As above.
Mighty Craft People and Services Pty Ltd (in administration)	ACN 630 181 458 ABN 15 630 181 458	As above.
Mighty Craft Operations Pty Ltd (in administration)	ACN 120 464 182 ABN 99 120 464 182	As above.
Mighty Craft Export Pty Ltd (in administration)	ACN 634 458 647 ABN 86 634 458 647	As above.
Mismatch Brewing Company Pty Ltd (in administration)	ACN 124 048 504 ABN 26 124 048 504	As above.
MK Wine Solutions Pty Ltd (in administration)	ACN 121 468 997 ABN 75 121 468 997	As above.
The Hills Distillery Pty Ltd (in administration)	ACN 608 717 335 ABN 25 608 717 335	As above.

Hidden Lake Pty Ltd (in administration)	ACN 638 906 877 ABN 13 638 906 877	As above.
A.C.N 603 372 210 Pty Ltd (in administration) (previously Jetty Road Brewery Pty Ltd)	ACN 603 372 210 ABN 61 603 372 210	As above.

Signing Page

EXECUTED as a deed

Deed Companies

EXECUTED by **MIGHTY CRAFT LIMITED**)
ACN 622 810 897 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by **MIGHTY CRAFT**)
NOMINEES PTY LTD ACN 630 181 118)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



EXECUTED by MIGHTY CRAFT VENUES)
PTY LTD ACN 636 694 785)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by MIGHTY HUNTER VALLEY)
PTY LTD ACN 638 584 737)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



EXECUTED by MIGHTY CRAFT)
INVESTMENTS PTY LTD ACN 630 181 994)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by MIGHTY CRAFT SPIRITS)
PLUS PTY LTD ACN 638 905 272)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



EXECUTED by **KANGAROO ISLAND**)
DISTILLERY PTY LTD ACN 154 811 355)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by **MIGHTY CRAFT BEER PTY**)
LTD ACN 630 181 298 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



EXECUTED by MIGHTY CRAFT PEOPLE)
AND SERVICES PTY LTD ACN 630 181)
458 (ADMINISTRATORS APPOINTED) by)
being signed sealed and delivered on its)
behalf by one of its duly appointed joint and)
several Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by MIGHTY CRAFT)
OPERATIONS PTY LTD ACN 120 464 182)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



EXECUTED by **MIGHTY CRAFT EXPORT**)
PTY LTD ACN 634 458 647)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by **MISMATCH BREWING**)
COMPANY PTY LTD ACN 124 048 504)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



EXECUTED by **MK WINE SOLUTIONS PTY**)
LTD ACN 121 468 997 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

.....
Signature of witness

.....
Signature of Administrator

.....
Name of witness (print)

.....
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

.....
Address of witness (print)

EXECUTED by **THE HILLS DISTILLERY**)
PTY LTD ACN 608 717 335)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

.....
Signature of witness

.....
Signature of Administrator

.....
Name of witness (print)

.....
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

.....
Address of witness (print)

EXECUTED by **HIDDEN LAKE PTY LTD**)
ACN 638 906 877 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

EXECUTED by **A.C.N. 603 372 210 PTY**)
LTD ACN 603 372 210 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

Signature of witness

Signature of Administrator

Name of witness (print)

Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



Trustees

SIGNED, SEALED AND DELIVERED by)
LIAM JOHN HEALEY in his capacity as)
trustee of this Deed in the presence of:)
)
)

Signature of witness

Signature of **LIAM JOHN HEALEY**

Name of witness (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

SIGNED, SEALED AND DELIVERED by)
QUENTIN JAMES OLDE in his capacity as)
trustee of this Deed in the presence of:)
)
)

Signature of witness

Signature of **QUENTIN JAMES OLDE**

Name of witness (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



Deed Administrators

SIGNED, SEALED AND DELIVERED by)
LIAM JOHN HEALEY in his capacity as joint)
and several Administrator of each Deed)
Company in the presence of:)
)

Signature of witness

Signature of **LIAM JOHN HEALEY**

Name of witness (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)

SIGNED, SEALED AND DELIVERED by)
QUENTIN JAMES OLDE in his capacity as)
joint and several Administrator of each Deed)
Company in the presence of:)
)

Signature of witness

Signature of **QUENTIN JAMES OLDE**

Name of witness (print)

Level 8, 333 George Street, Sydney NSW
2000

Address of witness (print)



Signing Page

PROPONENT

EXECUTED by PURE ASSET)
MANAGEMENT PTY LTD (ACN 616 178)
771) in its capacity as trustee for The)
Income and Growth Fund (ABN 80 976)
293 282):)

DocuSigned by:

C0ABB0BC9C37171...
Signature of director

MIKE HENSHAW
Name of director (print)

DocuSigned by:

E565909CBC0443A...
Signature of director

TIM CALLAN
Name of director (print)

DEED COMPANIES

EXECUTED by MIGHTY CRAFT LIMITED)
ACN 622 810 897 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by MIGHTY CRAFT)
NOMINEES PTY LTD ACN 630 181 118)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AEE0E04540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by MIGHTY CRAFT VENUES)
PTY LTD ACN 636 694 785)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AEE0E04540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by MIGHTY HUNTER VALLEY)
PTY LTD ACN 638 584 737)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by MIGHTY CRAFT)
INVESTMENTS PTY LTD ACN 630 181 994)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by MIGHTY CRAFT SPIRITS)
PLUS PTY LTD ACN 638 905 272)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by KANGAROO ISLAND)
DISTILLERY PTY LTD ACN 154 811 355)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by MIGHTY CRAFT BEER PTY)
LTD ACN 630 181 298 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by MIGHTY CRAFT PEOPLE)
AND SERVICES PTY LTD ACN 630 181)
458 (ADMINISTRATORS APPOINTED) by)
being signed sealed and delivered on its)
behalf by one of its duly appointed joint and)
several Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by MIGHTY CRAFT)
OPERATIONS PTY LTD ACN 120 464 182)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E04540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by MIGHTY CRAFT EXPORT)
PTY LTD ACN 634 458 647)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E04540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by MISMATCH BREWING)
COMPANY PTY LTD ACN 124 048 504)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E015401
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by MK WINE SOLUTIONS PTY)
LTD ACN 121 468 997 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E015401
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by THE HILLS DISTILLERY)
PTY LTD ACN 608 717 335)
(ADMINISTRATORS APPOINTED) by being)
signed sealed and delivered on its behalf by)
one of its duly appointed joint and several)
Administrators in the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

EXECUTED by HIDDEN LAKE PTY LTD)
ACN 638 906 877 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E01540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



EXECUTED by A.C.N. 603 372 210 PTY)
LTD ACN 603 372 210 (ADMINISTRATORS)
APPOINTED) by being signed sealed and)
delivered on its behalf by one of its duly)
appointed joint and several Administrators in)
the presence of:

DocuSigned by:
Luke Pittorino
9A29A66F26E74E1
Signature of witness

DocuSigned by:
Liam John Healey
CE859AE0E04540A
Signature of Administrator

LUKE PITTORINO
Name of witness (print)

LIAM JOHN HEALEY
Name of Administrator (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



DEED ADMINISTRATORS

SIGNED, SEALED AND DELIVERED by)
LIAM JOHN HEALEY in his capacity as joint)
and several Administrator of each Deed)
Company in the presence of:)
)

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Liam John Healey
CE869AEE01840A
Signature of LIAM JOHN HEALEY

LUKE PITTORINO
Name of witness (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)

SIGNED, SEALED AND DELIVERED by)
QUENTIN JAMES OLDE in his capacity as)
joint and several Administrator of each Deed)
Company in the presence of:)
)

DocuSigned by:
Luke Pittorino
9A29A66F26F74F1
Signature of witness

DocuSigned by:
Quentin James Olde
47G030339E4E46D
Signature of QUENTIN JAMES OLDE

LUKE PITTORINO
Name of witness (print)

Level 8, 333 George Street, Sydney NSW
2000
Address of witness (print)



Attachment 3 – Administrators' Section 75-225 Report to Creditors



Mighty Craft Group (all Administrators Appointed)

Report by Administrators pursuant to:

Section 75-225 of the Insolvency Practice Rules (Corporations) 2016

Administrators:

Quentin Olde and Liam Healey

Dated:

19 August 2024



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APPENDICES

Appendix A – Notice of Creditors' Meetings

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Schedule of Companies in Administration

Company Name	ACN	Business Names / Trading Names
Mighty Craft Limited (" MC Limited ")	ACN 622 810 897	
Mighty Craft Nominees Pty Ltd (" MC Nominees ")	ACN 630 181 118	
Mighty Craft Venues Pty Ltd (" MC Venues ")	ACN 636 694 785	
Mighty Craft Investments Pty Ltd (" MC Investments ")	ACN 630 181 994	
Mighty Craft Spirits Plus Pty Ltd (" MC Spirits ")	ACN 638 905 272	
Kangaroo Island Distillery Pty Ltd (" KI Spirits ")	ACN 154 811 355	Kangaroo Island Spirits, Kangaroo Island Distillery, KI Spirits
Mighty Craft Beer Pty Ltd (" MC Beer ")	ACN 630 181 298	
Mighty Craft People and Services Pty Ltd (" MC People ")	ACN 630 181 458	Mighty Craft
Mighty Craft Operations Pty Ltd (" MC Operations ")	ACN 120 464 182	
Mighty Craft Export Pty Ltd (" MC Export ")	ACN 634 458 647	
Hidden Lake Pty Ltd (" Hidden Lake ")	ACN 638 906 877	
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd) (" Jetty Road ")	ACN 603 372 210	
Mismatch Brewing Company Pty Ltd (" Mismatch Brewing ")	ACN 124 048 504	
Mighty Hunter Valley Pty Ltd (" MH Valley ")	ACN 638 584 737	
The Hills Distillery Pty Ltd (" Hills Distillery ")	ACN 608 717 335	
MK Wine Solutions Pty Ltd (" MK Wine ")	ACN 121 468 997	



Glossary

Term	Description
Act	Corporations Act 2001
Administrators	Quentin Olde and Liam Healey in their capacity as joint and several administrators of the Companies.
ALLPAAP	All present and after-acquired property
Ankura	Ankura Consulting (Australia) Pty Ltd (including staff members)
ARITA	Australian Restructuring Insolvency & Turnaround Association
ASIC	Australian Securities and Investment Commission
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
Bank SA	Bank of South Australia – subsidiary of Westpac Banking Corporation Ltd
Better Beer	Health-conscious beer brand products. May refer to either interest in Better Beer Holdings or Better Beer Co.
Better Beer Holdings	Better Beer Holdings Pty Ltd - parent holding company of Better Beer Company Pty Ltd.
Better Beer Co	Better Beer Company Pty Ltd - 100% owned subsidiary of Better Beer Holdings. Owns the Better Beer brand and assets.
Board	The committee or board of non-executive directors of the Mighty Craft Group which governs and monitors the business, affairs and operations.
Bonus Scheme	Retention bonus scheme entered into between certain employees of the Group and Mighty Craft during 2023.
Casella	Casella Family Brands – Better Beer’s production partner
Canaccord	Canaccord Genuity Group
CBA	Commonwealth Bank of Australia Limited
CEO	Chief Executive Officer – Grant Peck
CFO	Chief Financial Officer – Andrew Syme
Companies	The sixteen (16) entities subject to the appointment of Administrators on 22 July 2024 and listed on page 6 of this Report. The “Company” means any one of entities.
Directors	Elected/Appointed persons in relation to each of the Companies to manage the entities’ affairs – Mr. Grant Peck and Mr. Andrew Syme.
DOCA	Deed of Company Arrangement
DOCA Proponent	PURE
DOCA Proposal	The DOCA Proposal received by the Administrators with respect to the Companies as detailed at Section 9 of this Report.
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation



Term	Description
EDG	Endeavour Group Ltd – key retail sales customer of Mighty Craft and Better Beer
ERV	Estimated Realisable Value
FEG	Fair Entitlements Guarantee Scheme
First Meetings of Creditors	The first meeting of creditors for the Companies that was held on 1 August 2024, pursuant to Insolvency Practice Rule 75-80.
Former Director	Katie McNamara (stepped down on 12 July 2024 from the Board and Management)
FY	Financial Year
Group / Mighty Craft Group	The Mighty Group of Companies – comprising sixteen (16) entities subject to the appointment of Administrators on 22 July 2024 and listed on page 6 of this Report. The “Company” means any one of entities.
GSA	General Security Agreement dated 19 June 2020 between the relevant Group companies and Moneytech.
GSD	General Security Deed dated 24 February 2020 between the relevant Group companies and PURE.
Hidden Lake	Hidden Lake Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
Hills Distillery	The Hills Distillery Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
Insolvent Trading Claim	Claim available to liquidators of a company that the directors of a company have breached their duties under Sect. 588G of the Corporations Act.
Inspired Unemployed	Social media influencers and comedians from New South Wales - Matt Ford and Jack Steele. Co-founded the Better Beer brand with Nick Cogger.
IPR	Insolvency Practice Rules (Corporations) 2016
Jarden	Jarden Australia Pty Limited
KI Distillery / KI Spirits	Kangaroo Island Distillery Pty Ltd trading as "Kangaroo Island Spirits", "Kangaroo Island Distillery", and "KI Spirits" (one of the 16 Mighty Craft entities subject to the voluntary administration)
KPMG	KPMG Financial Advisory Services (Australia) Pty Ltd
Management	Executive leadership team of the Mighty Craft Group including but not limited to the CEO, CFO, General Manager of Finance, Sales & Marketing Director, People & Change Director, General Counsel, Business Development & Governance Manager.
Mismatch	Mismatch Brewing Company Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Beer	Mighty Craft Beer Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Export	Mighty Craft Export Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)



Term	Description
MC Investments	Mighty Craft Investments Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Limited	Mighty Craft Limited (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Nominees	Mighty Craft Nominees Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Operations	Mighty Craft Operations Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC People	Mighty Craft People and Services Pty Ltd trading as Mighty Craft (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Spirits Plus	Mighty Craft Spirits Plus Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MC Venues	Mighty Craft Venues Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
MH Valley	Mighty Hunter Valley Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
Mighty Craft / Mighty Craft Group	The Mighty Group of Companies – comprising sixteen (16) entities subject to the appointment of Administrators on 22 July 2024 and listed on page 6 of this Report. The “Company” means any one of entities.
Mighty Moonee	The Mighty Moonee Ponds gastropub venue formerly owned and operated by the Group.
MK Wine	MK Wine Solutions Pty Ltd (one of the 16 Mighty Craft entities subject to the voluntary administration)
Moneytech	Moneytech Finance Pty Ltd (and its associated entities)
NES	National Employment Standards
Non-Operating Entities	The non-operating or dormant companies within the Mighty Craft Group - MC Nominees, MC Venues, MC Investments, MC Spirits, MC Beer, MC Export, Hidden Lake, Jetty Road, Mismatch Brewing, MH Valley, Hills Distillery and MK Wine.
NPAT	Net Profit After Tax
NPBT	Net Profit Before Tax
Operating Entities	The entities that either operate and/or actively transact as part of the day-to-day operations of the Mighty Craft Group - MC Limited, MC Operations, MC People, and KI Spirits.
PMSI	Purchase Money Security Interest
PPS	Personal Property & Securities
PPSR	Personal Property & Securities Register
PURE	PURE Asset Management Pty Ltd
PURE Funding Agreement	On 2 August 2024, the Administrators executed an amended version of the existing Facility Agreement between the Group entities and PURE. The agreement was entered into to secure additional funding for the Voluntary



Term	Description
	Administrations of the Group, including but not limited to; settling the payout on a debtor financing facility owed to another secured creditor of the Group (Moneytech Finance Pty Ltd) and meeting other essential operating expenses relevant to the Administrations.
RBA	Running Balance Account – maintained with the ATO
Report	This report, prepared pursuant to Section 75-225 of the IPR.
ROCAP	Report on Company Activities and Property.
Royalty Deed	Royalty agreement between PURE, MC Operations and MC Limited which granted PURE the right to receive royalty fees based on % of Better Beer sales. This agreement was later terminated in May 2024 in exchange for 7.5% stake in Better Beer Holdings.
Royalty Transaction	The transaction between Mighty Craft and PURE, whereby the Royalty Deed was terminated in consideration for the transfer of Mighty Craft's 7.5% Better Beer shareholding
RTO	Reverse-Takeover proposed by Mighty Craft, to effect a merger between Better Beer and Mighty Craft which would result in Better Beer being an ASX listed entity.
Sparkke	Sparkke Group Holdings Pty Ltd – Mighty Craft formerly owned business.
Sauce Brewing Co.	Sauceco brewery venue business formerly owned and operated by the Group.
Second Meetings of Creditors	Meetings of the creditors of the Companies to be virtually held at 2:00pm on Monday, 26 August 2024.
Solutions Agreement	An agreement executed between MC Operations and Better Beer Company Pty Ltd on 30 June 2023, whereby Mighty Craft would be the exclusive provider of sales, distribution and logistics services of Better Beer products in Australia and New Zealand.
SVC	SVC Limited – Geneva based family office which advanced a bridging loan to the Group.
Uncommercial Transaction	A transaction which is an 'uncommercial transaction' pursuant to Section 588FB of the Act.
Unfair Preferences	A transaction which is an 'unfair preference' pursuant to Section 588FA of the Act.
VA	Voluntary Administration
WDS	Whisky Development Syndicate Pty Ltd
WDS Agreements	Commercial agreements entered into between Mighty Craft Group entities (and subsidiaries) and WDS as detailed in this Report
WHS	Work, Health and Safety



Section 1: Introduction

1.1 Overview

The Mighty Craft group owned and operated a national portfolio of various craft beer and distillery businesses in Australia, comprising sixteen (16) entities now subject to the voluntary administration appointment. The companies that the Voluntary Administrators have been appointed to, are collectively referred to herein as “**Mighty Craft**”, the “**Group**”, or the “**Companies**”.

Mighty Craft was initially set up and branded as “Founders First” in November 2017 as an Australian based craft beverage “accelerator” investing alongside founders of local early-stage craft beverage and distillery businesses. The Group’s primary objective was to accelerate growth in these businesses whilst achieving scale, through the provision of capital and management expertise, maximising brand awareness through enhancement of sales and marketing, and improving supply chain and operational efficiencies.

Since its inception, Mighty Craft has made several investments in various businesses in the hospitality and craft beverage industries. Recently, however, most of these businesses have since been divested. As of the date of appointment, the Group is a minority shareholder of the Better Beer Holding Company Pty Ltd (which owns the local beer brand “Better Beer”), owns and operates a boutique spirits distillery on Kangaroo Island in South Australia (known as “Kangaroo Island Spirits / Kangaroo Island Distillery”), and owns a majority share of another boutique distillery business known as “Seven Seasons”.

Further detail on the Group’s business, property and affairs is detailed at Section 3.

1.2 Appointment of Administrators

On 22 July 2024, Quentin Olde and Liam Healey were appointed as Administrators to the Companies by the Directors of the Companies pursuant to Section 436A of the Act.

1.3 Objective of Voluntary Administration

Pursuant to Section 435A of the Act, the objective of a voluntary administration is to provide the business, property and affairs of an insolvent company to be administered in a way that:

- Maximises the chances of the company, or as much as possible of its business, continuing in existence; or,
- If it is not possible for a company or its business to continue in existence, results in a better return to a company’s creditors and members than would result from an immediate winding up.

Further information on the Administrators’ actions, strategy and trade on period is detailed at Section 5.

1.4 First Meetings of Creditors

The first meetings of creditors of the Companies pursuant to Section 436E of the Corporations Act 2001 (Cth) (the **Act**) were held on Thursday, 1 August 2024. We confirm that at the meetings:

- No nominations were received to replace the Administrators and, accordingly, we remained Administrators of the Companies;
- Creditors did not resolve for any committees of inspection to be formed for the Companies; and
- The Administrators provided an update on the administrations of the Companies to creditors.



1.5 Purpose of the Report and Second Meeting of Creditors

Pursuant to Section 75-225 of the IPR, the purpose of the Report is to inform creditors about the business, property, affairs and financial circumstances of the Companies and to provide a statement to creditors and give reasons for our opinion with respect to the following matters:

- Whether, in the Administrators' opinion, it would be in creditors' interests for the Companies to execute a DOCA; or
- Whether, in the Administrators' opinion, it would be in creditors' interests for the Administration of each of the Companies to end and control of the Companies be returned to the Directors; or
- Whether, in the Administrators' opinion, it would be in creditors' interests for the Companies to be wound up.

A DOCA proposal has been received by the Administrators with the details of the proposal outlined in Section 9 of the Report. As detailed in Section 11, it is the Administrators' opinion that it is in the best interest of creditors to resolve for the Companies to execute a DOCA in the form of the DOCA Proposal received. Further information on the Administrators' opinion and the options available to the Companies are detailed at Section 11.

The Second Meetings of Creditors are convened for:

Time: 2.00pm

Date: Monday, 26 August 2024

Place: Virtual Meeting Only: see Section 13 for details on obtaining the link

Further information on the Second Meetings of Creditors is detailed at Section 13 and Appendix A.

1.6 Preparation of the Report on a group basis

The Administrators consider the most appropriate way for this Report to be presented to creditors is on a group basis for the following reasons:

- The affairs and operations of the Companies are intermingled to an extent that presenting information on a group basis provides creditors with the most complete understanding of the Companies' operations, financial position and performance, financial difficulties, and reasons for the appointment of the Administrators to each of the Companies. The affairs and operations of the Companies are intermingled in numerous ways including the following:
 - The Companies were treated and assessed as a consolidated group for income tax and financial reporting purposes;
 - The Group companies were governed by a common board of non-executive directors ("**Board**"), noting Grant Peck became executive chairman from 1 July 2024.
 - As at the date of appointment, the Group had two (2) major secured lenders, being PURE Asset Management Pty Ltd ("**PURE**") and Moneytech Finance Pty Ltd and its associated entities ("**Moneytech**"). Both secured creditors had all-present-and-after-acquired-property ("**ALLPAAP**") security interests registered across multiple companies within the Group which were jointly and severally guaranteed by those companies. A deed of priority was also established between PURE and Moneytech to determine the ranking of priorities and limits between them. Further particulars regarding the secured creditors are detailed in Section 3 below.



- The Group's head office personnel which oversee the management, finance, sales, administration and human resources functions for the Group, were employed by one of the Group companies, being Mighty Craft People and Services Pty Ltd ("**MC People**").
- Employees involved in the operation and management of the distillery business on Kangaroo Island were employed by Kangaroo Island Distillery Pty Ltd ("**KI Spirits**"); and
- A matrix of intercompany accounts exists between the Companies.
- The books and records indicate that transactions were regularly made as required between the Companies with intercompany loans and various transactions recorded in the accounts of the Group;
- Most of the Companies (15 of the 16) share a common director, with only one (1) company within the Group with a different director, being the Chief Financial Officer ("**CFO**") of the Group;
- The DOCA Proposal received by the Administrators has been offered on a pooled basis; and
- Preparation of sixteen (16) separate creditors' reports would increase the costs of the administrations without providing any additional benefits to creditors.

It should be noted that whilst the Report has been primarily prepared on a group basis, some key financial analyses, aspects of the solvency analysis, and the estimated outcome for creditors of the Companies has also been presented on an individual company basis within the Report to allow creditors of the respective Companies to assess their individual position. In addition, the resolutions put to creditors at the meeting are for each individual company comprising the Group.

1.7 Glossary

A glossary of defined terms used in this report is detailed at the start of this Report.

1.8 Disclaimer

This report is based on financial and other information located in the books and records provided by the Directors. The books and records received to date have been reviewed for reasonableness, however this does not constitute an audit of the information supplied.

We have no reason to doubt the information contained in this Report. The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. Except where otherwise stated, we reserve the right to alter any conclusions reached on the basis of any changed or additional information which may become available to us between the date of this report and the date of the Second Meeting of Creditors.

Neither the Administrators, Ankura nor any employee thereof undertakes responsibility in any way whatsoever to any person in respect of any errors in this Report arising from incorrect information provided to the Administrators.

This report is not for general circulation or publication, nor is it for reproduction or any other use other than to assist creditors in evaluating their positions. The Administrators do not assume nor accept any responsibility for any liability or loss sustained by any creditor or any other party as a result of the circulation, publication, reproduction or any other use of this Report.

Creditors must seek their own independent legal advice as to their rights on the possible liquidation of the Companies.



1.9 Declaration of Independence, Relevant Relationships and Indemnities

The Administrators assessed their independence prior to their appointment and established that they were not aware of any reasons that would prevent them from accepting the appointment as Administrators of the Companies.

A Declaration of Independence, Relevant Relationships and Indemnities (“**DIRRI**”) was provided to creditors in the Administrators’ first circular to creditors dated 24 July 2024.

On 8 August 2024, the Administrators lodged updated DIRRI forms with ASIC. A copy of the updated DIRRI was circulated to creditors on 8 August 2024. The DIRRI was required to be updated due to the Administrators executing an amendment deed to the Group’s existing facility agreement with PURE, the senior secured creditor of the Group on 2 August 2024 (“**PURE Funding Agreement**”). The funding would enable the Administrators to discharge a debtor finance facility owed by the Group to a secured creditor (Moneytech Finance Pty Ltd) and meet the ongoing operational costs of the Group’s business during the administration period and preserve the status quo.

The details of the funding agreement entered into with PURE are outlined in Section 3.3 below. As disclosed in the initial DIRRI and the updated DIRRI, the Administrators are not aware of any reasons that would prevent them from accepting the appointment as Administrators of the Companies.



Section 2: Executive Summary

Key Issue	Summary	Report Section
What is the purpose of this Report?	<p>The purpose of the Report is to inform creditors about the business, property, affairs and financial circumstances of the Companies and Group, and to provide a statement to creditors and give reasons for our opinion with respect to the following matters:</p> <ul style="list-style-type: none">▪ Whether, in the Administrators' opinion, it would be in creditors' interests for the Companies to execute a Deed of Company Arrangement ("DOCA"); or▪ Whether, in the Administrators' opinion, it would be in creditors' interests for the Administration to end and control of the Companies be returned to the Directors; or▪ Whether, in the Administrators' opinion, it would be in creditors' interests for the Companies to be wound up. <p>The Report is designed to provide creditors with sufficient information to allow them to make an informed decision when voting on resolutions about the future of the Companies at the Second Meetings of Creditors.</p>	1.5
Why has the Report been prepared on a group basis?	<p>The affairs and operations of Mighty Craft are intermingled to an extent that presenting information on a group basis provides creditors with the most complete understanding of the Companies' operations, financial position and performance, financial difficulties, and reasons for the appointment of the Administrators. We also note that the Mighty Craft operated as a consolidated group on the ASX and was assessed as a consolidated group for income tax purposes. Moreover, there were several ALLPAAP security interests registered over the Group's assets.</p> <p>Where appropriate, presentation of financial information and analysis has also been provided on an individual company basis to provide creditors with the most useful information. Further details regarding the preparation of the Report in Section 1.6 herein.</p>	1.6



Key Issue	Summary	Report Section
Why did the Directors appoint administrators?	<p>We understand that prior to the Administrators' appointment, the Group was receiving safe harbour advice pursuant to Section 588GA of the Act and that a significant component of the Group's safe harbour restructuring plan was to implement a reverse-takeover with Better Beer. However, this proposal ultimately could not be agreed upon by the senior secured lender, PURE, in its proposed form.</p> <p>As such, Mighty Craft's business, with its significant level of debt (and despite undergoing a series of recent divestments) could not be sustained. This was also the case for Jetty Road (as one of the Group companies) as it relied on funding from the Mighty Craft Group. Accordingly, the Directors resolved to appoint Administrators to the Group. The Administrators also consider that the following factors led to the Group's failure:</p> <ul style="list-style-type: none">▪ Continuing net losses – despite many acquisitions and investments, as well as growing revenue, the Group failed to produce a net profit due to its high cost-base.▪ High debt levels – limited the Group's ability to raise further capital and increased financing costs.▪ Loss on sale of divestments – most of the business sales failed to produce any material gains/profits, with its proceeds primarily used to reduce its debt position.▪ External economic pressures, including impacts of COVID-19, raw materials costs, and lower consumer spending.▪ Taxation debts – due to the underwhelming outcomes of the Group's divestment process and the failure of the Better Beer reverse-takeover, the ATO's debts (approximately \$8 million under payment arrangements) could not be settled. Additionally, particularly with the excise debts, the Group did not qualify for certain excise concessions.	3
What is the status of the Companies?	<p>The businesses of the Companies continue to trade under the control of the Administrators with efficient control measures in place.</p> <p>At the outset of the appointment, the Administrators continued operations whilst undertaking an urgent assessment of the Groups' business, property, affairs and operational/trading requirements.</p>	5



Key Issue	Summary	Report Section
Administrators' actions and strategy	<p>The Administrators took the view that maintaining the operations of the business where possible whilst regularly engaging with the deed proponent and senior secured creditor, PURE, regarding funding requirements and a restructuring proposal, would offer the best opportunity for the Companies to be restructured in a viable manner. Some of the key actions undertaken by the Administrators include:</p> <ul style="list-style-type: none">▪ Attendance and inspection at key locations including KI Spirits venue on Kangaroo Island.▪ Comprehensive review of the Group's existing cashflow and preparing a revised VA cashflow (including modelling multiple scenarios).▪ Actively engaged with Better Beer to maintain existing arrangements and preserve the value of Mighty Craft's interest in Better Beer.▪ Dealing with transaction matters concerning businesses such as Lot 100 and Seven Seasons.▪ Conducting interviews with key staff and Directors, comprehensive review of books and records, undertaking extensive analysis into the Companies' affairs, history and its financial position and performance.▪ Actively engaged with key stakeholders including the secured creditors PURE, Moneytech, 3rd party logistics providers and beverage producers.▪ Regular engagement and liaison with suppliers and service providers (software providers, 3rd party logistics providers, producers) regarding ongoing trading arrangements to ensure continuation of business in ordinary course and minimise disruptions where possible.▪ Investigating WDS purported title over whisky stock vis à vis PURE's ALLPAAP security interests.▪ Negotiated and reached agreements with landlords for trading agreements for the period of the Administration for continuing locations (primarily storage and vacant premises relating to licenses not in use but maintained).▪ Ongoing discussions with PURE regarding restructuring / DOCA proposal.	5



Key Issue	Summary	Report Section
Likely outcome in a Liquidation scenario	<p>Should the Companies be placed into Liquidation, it is likely that the following would occur:</p> <ul style="list-style-type: none"> ▪ Cessation of operations with all staff being made redundant in short order and MC Operations ultimately being unable to service the Solutions Agreement (leading to its termination). ▪ PURE would likely appoint receivers to the relevant Companies of the Group (that are subject to PURE's security interests) to realise the Group's assets resulting in additional costs. ▪ Piecemeal realisations of the Group's key assets including KI Spirits and the shareholdings in Better Beer and Seven Seasons, impacting value. ▪ Negative impact on the value of the Group's shareholding in Better Beer given that the Solutions Agreement would cease to operate in its current form, impacting the supply, sales and distribution of Better Beer product to customers (and therefore impacting the Better Beer brand). ▪ KI Spirits would cease to operate and the property, plant and equipment, brand and inventory would be sold in a "shutdown" scenario, impacting realisable values. ▪ Inventory at third party locations (such as FreightHub) would need to be dealt with (either collected or stored with a realisation program put in place), creating additional costs. ▪ Likely dispute and drawn-out litigation with respect to the whisky associated with the pre-appointment arrangements with WDS. ▪ Significant Liquidator costs (including Liquidator fees and other costs such as legal fees) to attend to the above. <p>As detailed below and at Section 7 (Investigations), there are likely nil recoveries in Liquidation with respect to potential insolvent trading claims and voidable transaction claims.</p> <p>The likely returns to the differing classes of creditors in a Liquidation scenario are detailed below.</p>	10 11
Administrators' Investigations	<ul style="list-style-type: none"> ▪ The Administrators have conducted preliminary investigations into the Companies' business, property and affairs. ▪ We have also conducted a preliminary review on insolvency and a review of potential recoveries that might be available if the Companies are placed into liquidation. 	6 & 7
What was the date of insolvency?	<p>The preliminary view is that Group is likely to have only been insolvent in July 2024 shortly prior to the Administrators' appointment.</p> <p>We note that this view is preliminary only. Further comprehensive investigations would be undertaken by a liquidator, if appointed.</p>	7 & Schedule 5



Key Issue	Summary	Report Section
Potential Voidable Transactions	It is our preliminary view that there are no potential recoveries available to a liquidator of the Companies with regards to voidable transactions. Notwithstanding, further investigations would be conducted if a liquidator were to be appointed.	7
Potential Offences committed by the Directors	It is our preliminary view that there is no evidence of offences having been committed by the Directors. Notwithstanding our preliminary view and assessment, further investigations may be conducted if a liquidator were to be appointed. Moreover, we understand that in the context of potential insolvent trading claims, the Administrators understand that the Directors may be eligible for safe harbour protection.	7
DOCA Proposal	<p>We confirm that a DOCA Proposal has been received. It is our view that the creditors of the Companies should resolve to accept the DOCA Proposal. Key features of the DOCA Proposal include:</p> <ul style="list-style-type: none"> ▪ It provides for a pooling of the Companies and involves a Creditors' Trust. ▪ PURE is the DOCA Proponent and the Administrators would be the Deed Administrators (and Trustees of the Creditors' Trust). ▪ Employees (priority creditors) are expected to either continue in employment with their respective employing entity or, if they are made redundant, receive their entitlements in full in a more certain and timelier fashion than Liquidation. ▪ Unsecured creditors will receive a return on claims. In Liquidation, it is anticipated that unsecured creditors will receive nil. <p>The purpose of the DOCA Proposal is to:</p> <ul style="list-style-type: none"> ▪ Provide creditors of the Companies with a better return than they would otherwise be expected to receive if the Companies were immediately placed into liquidation; ▪ Maximise the change of the Companies, or as many of them as possible, continuing in existence; ▪ Facilitate the sale of all of the shares in Kangaroo Island and MCL to PURE and/or its nominee as interconditional and sequential transactions; ▪ Minimise administration holding costs and reduce further advisor fees; ▪ Provide for a continuation of the moratorium which commenced on the appointment of Administrators; and ▪ Conclude the administration of the Companies and the DOCA as efficiently as practicable. <p>There are also a number of risks with respect to the DOCA Proposal (including a Creditors' Trust) which are further explained at Section 9.</p>	9



Key Issue	Summary	Report Section
What is the estimated outcome for creditors?	<p>Employees (Priority Creditors)</p> <p>The DOCA Proposal provides certainty to both continuing and non-continuing employees regarding entitlements and amounts owed, in particular:</p> <ul style="list-style-type: none"> ▪ Employees that continue with Mighty Craft will be retained in employment with their leave liability and length of service-maintained throughout and post DOCA; and ▪ Employees that are made redundant will be paid all of their entitlements in full. We note that this does not include amounts that were subject to the Bonus Scheme as detailed at Section 8. <p>In Liquidation, there is likely insufficient assets in KI Spirits and MC People to pay priority employee entitlements in full. <u>As such, employees would need to access the Fair Entitlement Guarantee (which is subject to caps and certain limits).</u></p> <p>Unsecured Creditors</p> <p>All unsecured creditors would receive more under the DOCA Proposal than they would in liquidation:</p> <ul style="list-style-type: none"> ▪ DOCA Proposal: Unsecured creditors are currently estimated to receive between 0.5c/\$ to 0.9c/\$ in each of the Companies. ▪ Liquidation: All unsecured creditors will likely receive a nil return in each of the Companies. 	10
Remuneration	Information about the Administrators' remuneration and proposed resolutions is detailed at Appendix D.	12 & Appendix D
What do the Administrators recommend creditors vote for at the Second Meetings of Creditors?	It is our opinion it is in creditors' interests to resolve for the Companies to execute a DOCA in the form of the DOCA Proposal received as this will result in a better, timelier and more certain return to creditors of the Companies than would be achieved if the Companies were wound up.	11
Details of the Second Meetings of Creditors	<p>Date: Monday, 26 August 2024</p> <p>Time: 2.00pm (Sydney)</p> <p>Address: <u>Virtual meeting – see Section 13 on how to obtain link</u></p>	13



Section 3: Business, Property and Affairs

3.1 Statutory Information

Enclosed at Schedule 1 is a tabular summary of statutory information for each of the Companies, including:

- Company name
- Australian Company Number (ACN)
- Date registered
- Registered office
- Directors and secretary
- Shareholders

3.2 Registered Security Interests

The Personal Property Securities Register (PPSR) discloses the following security interests registered against the Companies.

Table 1: PPSR Registration Summary at Appointment

Entity Name	All PAAP	Other goods	Motor vehicle	Financial property - Currency	Trade mark - No IP	Account - Intangible Property	Total
MC Limited	2	53	-	-	2	-	57
MC Nominees	2	-	-	-	-	-	2
MC Venues	2	-	-	-	1	-	3
MC Investments	2	-	-	-	-	-	2
MC Spirits	2	-	-	-	-	-	2
KI Distillery	2	7	1	-	2	-	12
MC Beer	4	-	-	-	-	-	4
MC People	2	1	-	-	-	-	3
MC Operations	4	16	-	-	2	2	24
MC Export	2	-	-	1	-	-	3
Hidden Lake	1	3	-	-	-	-	4
Jetty Road	1	2	-	-	-	-	3
Mismatch Brewing	-	5	2	-	-	-	7
MH Valley	1	3	-	-	-	-	4
Hills Distillery	-	1	1	-	-	-	2
MK Wine	-	1	1	-	-	-	2
Grand Total	27	92	5	1	7	2	134

Source: PPSR and ASIC Searches conducted by Dye & Durham

The Administrators wrote to each entity with a registered security interest on the date of appointment and requested that they provide details of their security interests and the amounts currently outstanding. A summary of the responses received to date from the various secured parties are outlined in Schedule 2.



3.3 PURE Security Interests

As at the date of appointment, PURE held twenty-two (22) security interests registered across eleven (11) of the sixteen (16) Companies, including twelve (12) All-Present-and-After-Acquired Property security interests (with no exceptions) (“**ALLPAAP**”).

The Administrators make the following further comments in relation to PURE’s security interests and historical dealings with the Group:

- PURE’s registered security interests are established by a General Security Deed dated 24 September 2020 (“**GSD**”), which acts to secure the repayment of a financing facility granted to the Group pursuant to the Facility Agreement dated 24 September 2020. Since the inception of PURE’s Facility Agreement and GSD, the Facility Agreement was amended and restated six (6) times (prior to the appointment of the Administrators) to accommodate changes including the accession and release of specific entities as guarantors respectively (following Mighty Craft’s acquisition and divestment activity), and various waivers and forbearances of certain events of default.
- PURE’s ALLPAAP security interests provide a first-ranking priority security over the entirety of the relevant Companies’ assets and business operations (except for MC Operations owing to Moneytech’s security interests explained below).
- On 22 July 2022, PURE entered into a Royalty Deed with MC Operations and MC Limited, whereby PURE would receive royalty fees every quarter based on a percentage of the sales of “Better Beer” branded products. In May of 2024, the Royalty Deed was terminated in exchange for Mighty Craft’s 7.5% stake in Better Beer (“**Royalty Transaction**”).
- Prior to our appointment, the PURE team and their advisors, were working with Mighty Craft to implement a reverse-takeover (“**RTO**”) with Better Beer in relation to the business and its secured finance facilities. Further details regarding this attempted RTO are detailed in Section 3.9 below.
- The Administrators have regularly liaised with PURE throughout the course of the administrations for the purposes of securing funding for the Group’s business and formulating a DOCA or restructuring proposal.
- On 24 July 2024, the Administrators provided PURE with a signed consent under Section 440B of the Act which grants PURE the ability to appoint a receiver for the purpose of realising the secured assets.
- PURE have submitted a claim in the administration for \$23.086m as of 22 July 2024 (in respect to the 11 entities subject to their security), comprising the principal debt of \$20m, and the balance of ~\$3.086m relating to interest, default interest, unpaid royalties and unpaid legal fees.
- As mentioned above in Section 1.9 and in further detail in Section 5.5 below, on 2 August 2024, the Administrators entered into a funding agreement with PURE, the senior secured creditor of the Group. The funding agreement was an amendment to the existing facility. The funding would enable the Administrators to discharge a secured debtor finance facility owed by certain Companies to Moneytech, preserve agreements with key suppliers (Better Beer), and meet the ongoing operational costs of the Group’s business during the administration period. Further particulars of the Moneytech security interests are disclosed in the section below.



3.4 Moneytech Security Interests

As at date of our appointment, Moneytech held twenty-two (22) security interests registered across 12 of the 16 Companies, including eleven (11) ALLPAAP security interests.

The Administrators make the following further comments in relation to Moneytech's security interests and historical dealings with the Group:

- Moneytech's registered security interests were established by a General Security Agreement dated 19 June 2020 ("GSA"), which acted to secure the repayment of a debtor finance facility (of initially \$2.5m, potentially increasing to \$5m) granted to the Group (via 11 grantors within the Group).
- A deed of priority was also established between Moneytech and PURE, granting Moneytech first-ranking priority over the property of MC Operations (initially up to a limit of \$5m) and second-ranking priority across all other entities' property within the Group. In December 2022, the limit of the Moneytech facilities increased to \$8m, resulting in a correspondence increase to the limit subject to their priority over PURE.
- Following discussions between the Administrators, Moneytech and PURE regarding the continued use of the Moneytech debtor finance facility, an agreement was reached between the Administrators and PURE to discharge the remaining debtor finance facility owing to Moneytech. This would ensure that Moneytech's first ranking general security over the Group's priority was discharged and so that the Group would no longer rely on the debtor finance facility for working capital and avoid incurring additional fees and interest charged by Moneytech on the use of the facility. Further details regarding the administrators' engagement with Moneytech are summarised in Section 5.5 below.
- On 8 August 2024, following the Administrators' execution of the PURE Funding Agreement, the Moneytech facility was paid out (net ~\$848k outstanding at the time) by the Administrators utilising funding from PURE.

3.5 Historical Operations and Management of the Group

Mighty Craft was originally incorporated as "Founders First" in November 2017. On 17 December 2019, the Group made its debut on the Australian Securities Exchange ("ASX") with a clear strategy as a craft beverage "accelerator", to invest in craft beverage businesses alongside their founders, providing capital, sales and marketing, supply chain management, and operational expertise. On 5 November 2020, it formally re-branded as 'Mighty Craft' following the approval of a special resolution at its Annual General Meeting.

Since its listing, Mighty Craft experienced rapid growth through various capital raising initiatives and strategic acquisitions in the craft beverage sector. However, the Group encountered significant financial challenges and market disruptions including the COVID-19 pandemic, rising debt, and key management changes. To manage these challenges, the Group gradually sold off parts of its portfolio, including its craft beverage brands, hospitality venues, and brewery and distillery businesses.

At its peak, the Group operated as many as eight (8) venues and managed fourteen (14) brands within its portfolio. The primary source of the Group's revenue came via its wholesale sales channels, which included key customers and partners such as Endeavour Group, Coles, ALM and Paramount Liquor.

Currently, the Group holds a 25.5% share in the "Better Beer" beer business (as well as being the exclusive distributor and wholesaler for Better Beer), a 65% share in the native distillery business Seven



Seasons and retains complete ownership of the boutique distillery and open cellar door business located on Kangaroo Island, KI Distillery / KI Spirits.

Further particulars of the respective backgrounds of each of the companies in the Group are summarised in Section 3.7, whilst further details regarding the other entities not subject to the voluntary administration are set out in Section 3.8.

3.6 Timeline of key events

Key events in the history of the Group - as provided by Management, the Directors of the Companies, together with information extracted from public ASX announcements, are detailed in Table 2 below.

Table 2: Mighty Craft Group – Timeline of Key Events

Date	Description of Event
November 2017	<ul style="list-style-type: none"> Founders First was incorporated and began operating as a craft beverage accelerator.
Late 2017	<ul style="list-style-type: none"> First investment (minority stake) in the Jetty Road Brewery based in the Mornington Peninsula, Victoria.
Early 2019	<ul style="list-style-type: none"> Invests in the Foghorn Brewhouse based in Newcastle, New South Wales.
October 2019	<ul style="list-style-type: none"> Invests in the Sauce Brewing Co based in Marrickville, New South Wales.
November 2019	<ul style="list-style-type: none"> Invests in Slipstream Brewing Company based in Yeerongpilly, Queensland. Invests in the Ballistic Beer Co (10%) based in Brisbane, Queensland.
December 2019	<ul style="list-style-type: none"> Listed on ASX, raising ~\$15.8m from the Initial Public Offering (“IPO”) Invests in the Sparkke Change Beverage Company based in Adelaide, South Australia.
2019-2020	<ul style="list-style-type: none"> Continued investing in its portfolio businesses. Formed the “Indie Craft Collective”, a national sales team responsible for driving sales of all portfolio brands into the wholesale trade across Australia.
February 2020	<ul style="list-style-type: none"> Acquired leasehold craft brewery business in the Hunter Valley, New South Wales, Potters Brewery and Brasserie for \$1.5m, rebadged as “the Mighty Hunter”.
Early 2020	<ul style="list-style-type: none"> Acquired leasehold craft brewery business in Moonee Ponds, Victoria (~\$1m). Increases investment and ownership in Jetty Road and Slipstream.
March 2020	<ul style="list-style-type: none"> COVID-19 pandemic led to venue closures impacting earnings. Acquires Kangaroo Island Distillery / KI Spirits for \$1.5m.
June 2020	<ul style="list-style-type: none"> Enters into debtor financing facility with Moneytech with an initial limit of \$2.5m.
August 2020	<ul style="list-style-type: none"> Reported first full year results as a listed business with strong revenue of \$9.8m (and growth of +131%), but a material loss of \$8.8m due to high fixed costs.



Date	Description of Event
	<ul style="list-style-type: none"> Partnered with Chris Malcolm to purchase and rebrand 68 barrels of whisky stock from Nant Distillery (later announced in September 2021 as “Hidden Lake”)
September 2020	<ul style="list-style-type: none"> Took on \$7.5m finance facility with PURE and granting first ranking security across the assets of Mighty Craft. Completed \$7.5m equity raise, including a share purchase plan.
November 2020	<ul style="list-style-type: none"> Shareholders approve a special resolution at its Annual General Meeting to change the listed company’s name from “Founders First” to “Mighty Craft”.
Early 2021	<ul style="list-style-type: none"> Developed Kangaroo Island Distillery with \$500k South Australian government grant and \$3m commitment. Increased shareholding in Sparkke brand.
June 2021	<ul style="list-style-type: none"> Acquired Adelaide Hills Group (Mismatch Brewing, Hills Cider, Adelaide Hills Distillery) for \$47m, comprising \$27m cash and \$20m scrip.
July 2021	<ul style="list-style-type: none"> Announcement of a low carb full strength beer brand known as “Better Beer” launch via partnership with Torquay Beverage Company and Inspired Unemployed.
August 2021	<ul style="list-style-type: none"> Reported FY21 revenue of \$29.3m but increased EBIT loss of \$13.9m. Removed earnings guidance given the ongoing impact of COVID.
October 2021	<ul style="list-style-type: none"> Official launch of Better Beer brand Announced \$5.8m placement to accelerate whisky strategy and provide working capital.
December 2021	<ul style="list-style-type: none"> Increased ownership in Jetty Road to 100% through an all-scrip deal.
March 2022	<ul style="list-style-type: none"> Announced Whisky Development Syndicate to distill new whisky and sell to WDS; effectively a funding mechanism which increased the Group’s debt level but provided the opportunity to build whisky brands.
June 2022	<ul style="list-style-type: none"> Increased debt facility with Pure Asset Management to \$20m, including execution of royalty agreement with PURE on Better Beer sales, whereby PURE would receive a royalty of 1% in addition to 8.5% interest.
July 2022	<ul style="list-style-type: none"> Signs binding agreement with DB Breweries to introduce Better Beer brand into the New Zealand market.
August 2022	<ul style="list-style-type: none"> Reported FY22 revenue of \$62.6m but poor earnings with EBIT loss of \$14.3m.
September 2022	<ul style="list-style-type: none"> Exited relationship with Sparkke, acquired Whitmore Pub as part of the exit deal. Existing Chairman Robin Levison stepped down and Non-Executive Director of the Board, Mr. John Hood appointed as interim Chairman.
January 2023	<ul style="list-style-type: none"> One of Mighty Craft’s early investments (the Ballistic Beer Company) falls into voluntary administration. Mighty Craft was a 10% shareholder.
February 2023	<ul style="list-style-type: none"> Engaged KPMG to advise on the divestment of its businesses (Jetty Road, Hills Cider and Mismatch).



Date	Description of Event
March 2023	<ul style="list-style-type: none"> Stuart Morton resigned as director and agreed to step down from the management team. Katie McNamarra was appointed to the board of directors. Completed a placement of \$5.2m to strengthen the balance sheet and invest in growth for Better Beer. The raise target of \$8m was not met.
April 2023	<ul style="list-style-type: none"> Further appointments of non-executive directors to the board with Katie McNamara and Trevor O'Hoy.
May 2023	<ul style="list-style-type: none"> Further appointment of Chris Malcolm to the Board of Directors as Non-Executive Chair.
June 2023	<ul style="list-style-type: none"> Mighty Craft CEO and MD Mark Haysman announces resignation. The Board appoints Jess Lyons as acting Chief Executive Officer.
July 2023	<ul style="list-style-type: none"> The Board announces strategic review to assess its options (including the potential divestment of its stake in Better Beer) given the debt levels and sliding share price. Announces sale of Jetty Road for \$3m.
August 2023	<ul style="list-style-type: none"> Reported FY23 revenue of \$82.5m but continued poor earnings Bridging loan finance of \$5m approved by the Board with Geneva-based family office, SVC Limited ("SVC"), to undertake its divestment strategy.
September 2023	<ul style="list-style-type: none"> Updated engagement with KPMG to advise on the divestment of further businesses (including 78 Degrees, Seven Seasons, KI Spirits, Lot 100 and Slipstream). Confirmed first payment arrangement with the Australian Taxation Office ("ATO") to defer a lump sum payment of its outstanding taxation debts at the time of c.\$8m (relating to business activity statement liabilities and excise) to January 2024 conditional upon the results of the Group's divestment program.
October 2023	<ul style="list-style-type: none"> Announces sale of Hills Cider business for \$3m and Mighty Moonee Ponds for \$350k.
November 2023	<ul style="list-style-type: none"> Mighty Craft shareholders vote against re-election of Chris Malcolm to its Board and removed as Chair.
December 2023	<ul style="list-style-type: none"> Grant Peck appointed as Chair of the Board.
February 2024	<ul style="list-style-type: none"> Sells Slipstream business for \$850k.
April 2024	<ul style="list-style-type: none"> Announces sale of 78 Degrees and Mismatch Brewery for \$7.2m. Proceeds used to pay down SVC debt facility.
June 2024	<ul style="list-style-type: none"> Grant Peck appointed executive Chair and Katie McNamara resigning.
July 2024	<ul style="list-style-type: none"> Announced sale of Lot 100 for \$1.5m. Proceeds used to pay out the SVC facility. Proposed Better Beer and Mighty Craft merger / RTO negotiations break down. Quentin Olde and Liam Healey appointed as Joint and Several Administrators.

Source: Management and Directors of the Companies, Books and Records of the Companies



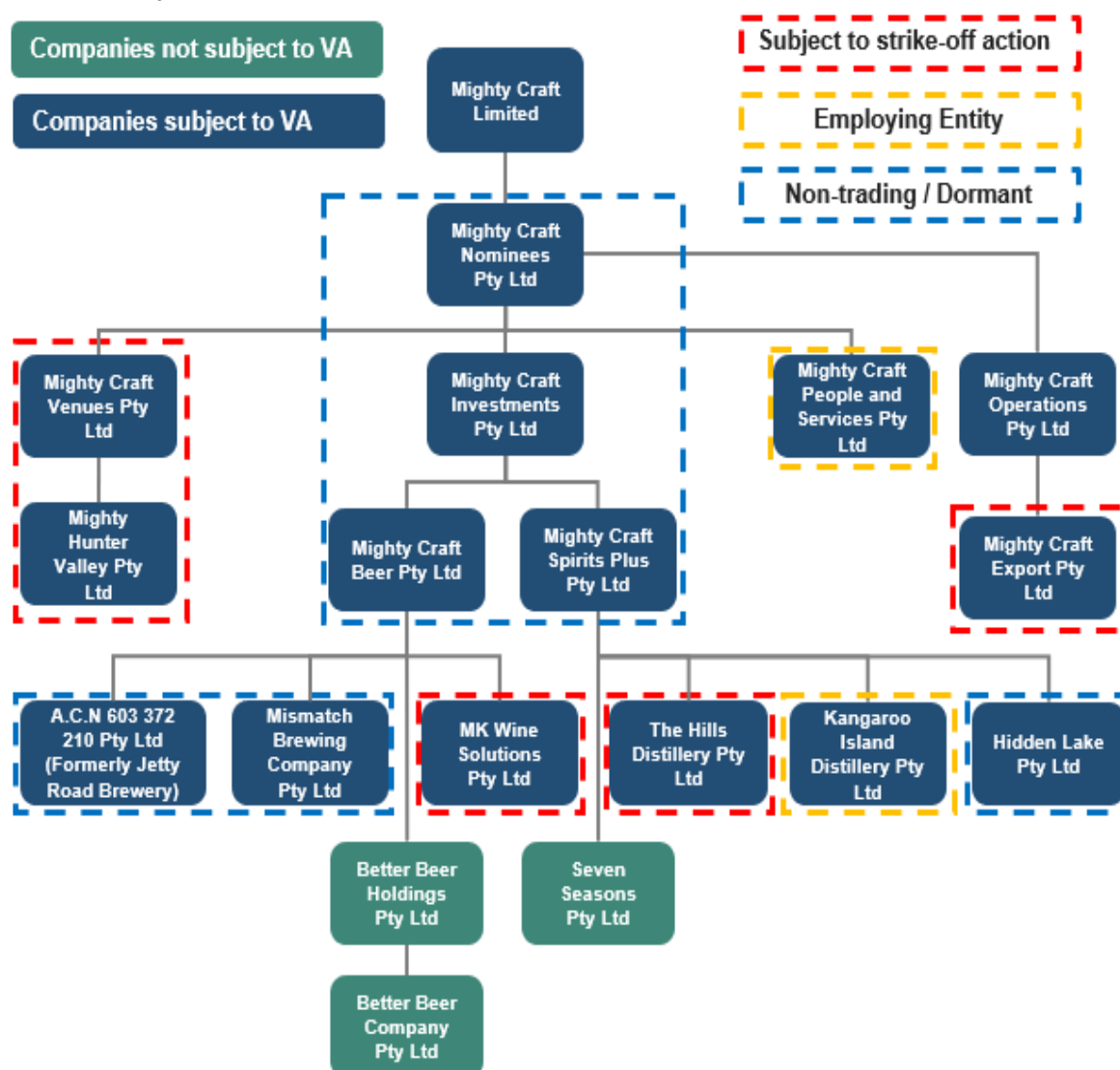
The Administrators make the following general comments on the timeline of key events.

- The Group experienced several periods of expansion and growth as it acquired and invested in a range of distillery / brewery businesses, craft beverage brands as well as hospitality venues.
- Like many other businesses in the consumer discretionary and hospitality sectors, Mighty Craft was adversely affected by the economic impacts of the COVID-19 pandemic due to the lockdown and travel restrictions experienced nationally though most of 2020 and into 2021.
- In the aftermath of COVID-19, the Group underwent a series of capital and debt raising events including entering into a finance agreement with PURE (becoming its senior secured lender), but also helped launch the now popular domestic beer brand, Better Beer.
- Following years of reported losses and rising debt, Mighty Craft implemented several management changes and gradually divested and sold off parts of its portfolio in an attempt to reduce its debt. However, these efforts proved largely ineffective, and eventually appointing voluntary administrators became the most viable option.



Chart 1: Group Structure

A comprehensive chart summarising the wider Mighty Craft Group structure including associated entities not subject to Administration is shown in Chart 1 below:



Source: Management and Directors of the Companies and ASIC Searches conducted on Dye & Durham



3.7 Overview of Companies

A brief description of the Companies in the Group is detailed in Table 3 below, together with the security details.

Table 3: Overview of Companies subject to Voluntary Administration

Entity	Description	Employees on Appt.	PURE Security	Moneytech Security
MC Limited	<ul style="list-style-type: none"> Listed holding parent company of the Group. Party to various commercial agreements. 	-	✓	✓
MC Nominees	<ul style="list-style-type: none"> Wholly owned subsidiary of Mighty Craft Limited. Holds all downstream shareholdings of the rest of the Group. 	-	✓	✓
MC Venues	<ul style="list-style-type: none"> Dormant, subject to Strike-Off Action. Formerly the holding entity for the hospitality businesses. 	-	✓	✓
MC Investments	<ul style="list-style-type: none"> Dormant, owns 100% of Mighty Craft Spirits Plus Pty Ltd and Mighty Craft Beer Pty Ltd. The holding entity for all Group investments. 	-	✓	✓
MC Spirits	<ul style="list-style-type: none"> Holds 100% interest in KI Spirits and Hidden Lake Pty Ltd, as well as a 65% interest in Seven Seasons Pty Ltd (not subject to administration). Formerly the holding entity for the Mighty Craft spirits businesses. 	-	✓	✓
KI Spirits	<ul style="list-style-type: none"> Distillery and hospitality venue business trading as “KI Spirits” 	17	✓	✓
MC Beer	<ul style="list-style-type: none"> Holds 25.5% interest in Better Beer Holding Co. Formerly the holding entity for the Mighty Craft beer businesses. 	-	✓	✓
MC People	<ul style="list-style-type: none"> Primary employing entity of the Group. 	26	✓	✓
MC Operations	<ul style="list-style-type: none"> Primary operating entity for the Group's wholesale sales and distribution business - housed inventory, operating assets and all operational key stakeholder contracts/agreements. 	-	✓	✓
MC Export	<ul style="list-style-type: none"> Dormant entity, subject to Strike-Off Action. Group entity was created to facilitate export operations. 	-	✓	✓
Hidden Lake	<ul style="list-style-type: none"> Dormant entity. Subject to commercial agreements involving the production of whisky. Originally formed to house the 'Hidden Lake' whisky business. 	-	✓	✗
Jetty Road	<ul style="list-style-type: none"> Dormant - former operating business was sold prior to the Administrators' appointment. Formerly the manufacturing and hospitality entity for Jetty Road brewery business. 	-	✗	✓



Entity	Description	Employees on Appt.	PURE Security	Moneytech Security
Mismatch Brewing	<ul style="list-style-type: none"> ▪ Dormant - former operating business sold prior to the Administrators' appointment. ▪ Formerly the manufacturing entity for the Mismatch brewing business. 	-	✗	✗
MH Valley	<ul style="list-style-type: none"> ▪ Dormant entity, subject to Strike-Off Action. ▪ Formerly the entity for the Mighty Hunter Valley hospitality business. 	-	✗	✓
Hills Distillery	<ul style="list-style-type: none"> ▪ Dormant entity, subject to Strike-Off Action. ▪ Subject to commercial agreements involving the production of whisky. ▪ Formerly the manufacturing entity for the Hills Distillery business. 	-	✗	✗
MK Wine	<ul style="list-style-type: none"> ▪ Dormant entity, subject to Strike-Off Action. ▪ Formerly the manufacturing entity for the Hills Cider business. 	-	✗	✗

Source: Management, Directors of the Companies and ASIC Searches conducted on Dye & Durham

We make the following comments with respect to the Companies and the Group:

- Due to the number of acquisitions and investments made by Mighty Craft, the structure of the Group is complex, and its affairs are intermingled.
- Five (5) of the sixteen companies in the Group were undergoing strike-off action as of the date of appointment. We understand that prior to our appointment, these companies were in the process of being wound down and deregistered with ASIC as they met the relevant conditions for voluntary deregistration. All five (5) entities formerly operated businesses of the Group that were either eventually sold or divested by Mighty Craft. Further details regarding the pre-appointment sale transactions are disclosed in Section 3.9 and Section 4 below.
- MC Operations and MC People primarily oversee the head office functions – management, finance, sales and human resources all sit and operate within these entities.
- There are multiple intercompany loans between the companies within the Group as a result of regular intragroup transaction activity.
- Due to the PURE and Moneytech general registered security interests, the Companies within the Group were subject to cross-guarantees.



3.8 Companies not Subject to Voluntary Administration

As these entities are not subject to administration, the Administrators have not conducted detailed investigations into the affairs of these businesses and the descriptions are based exclusively on ASIC details and information and records provided by Management and the Directors of the Companies. A summary of these entities is detailed in Table 4 below.

Table 4: Overview of Companies not subject to Voluntary Administration

Group entity – Investment / Relationship	Description
MC Spirits – holds a 65% shareholding of Seven Seasons Pty Ltd (“ Seven Seasons ”)	<ul style="list-style-type: none"> Seven Seasons operates an indigenous spirits manufacturing distillery business, which includes products Green Ant Gin, Bush Apple Gin, and Native Yam Vodka. Prior to the appointment of the Administrators, Mighty Craft was in the process of selling its 65% stake in Seven Seasons with a conditional agreement made to an existing shareholder of Seven Seasons (and founder) for \$1m. Further particulars of Seven Seasons and the Seven Seasons sale are detailed in Section 4.4 below.
MC Beer – holds a 25.5% shareholding of Better Beer Holdings Pty Ltd (“ Better Beer Holdings ”)	<ul style="list-style-type: none"> Better Beer Holdings is the parent holding company of Better Beer Company Pty Ltd (“Better Beer Co”), which owns the Better Beer brand (all assets and intellectual property) and produces the Better Beer range of products (low carb, health-conscious beer). We note that Mr Andrew Syme (director of Jetty Road) is also one of the directors of Better Beer Holdings. In October 2021, Mighty Craft launched the low carb beer brand “Better Beer” together with Torquay Beverage Company and the Inspired Unemployed’s Matt Ford and Jack Steele. Immediately since its launch, Better Beer rapidly grew (achieving ~\$50m revenue in the first 15 months) with its popular zero-carb attributes and slick marketing which primarily appealed to the younger millennial demographic. Better Beer employs a capital-light model partnering with key parties including: <ul style="list-style-type: none"> Casella Family Brands (“Casella”) – selectively partnered with Casella for its production, leveraging Casella’s strong manufacturing facilities, infrastructure, scalability and expertise whilst maintaining control and ownership over the product development process. Endeavour Group (“EDG”) – EDG is the primary distribution and sales partner in Australia, whereby Better Beer is currently sold exclusively through retail channels including Dan Murphy’s, BWS and EDG’s network of hotels. DB Breweries / Heineken – the exclusive distribution and sales partner in New Zealand. Originally, MC Beer owned a 33% stake in business. In May 2024, MC Beer transferred its 7.5% stake in Better Beer Holdings to PURE in exchange for terminating the Royalty Deed.



Group entity – Investment / Relationship	Description
	<ul style="list-style-type: none"> On 30 June 2023, Mighty Craft entered into an agreement with Better Beer Co (“Solutions Agreement”) to be the exclusive provider of sales, distribution and logistics services of its products in Australia and New Zealand. Further details regarding Better Beer and its relationship with Mighty Craft are set out in Section 4.2 below.

Source: Management and Directors of the Companies, Books and Records of the Companies, Investor Presentations, Information Memorandums

3.9 Mighty Craft Portfolio – Recent Activity & Status

As described in the above sections, Mighty Craft, as a craft beverage “accelerator”, undertook a series of acquisitions and divestments of various craft beverage brands, and brewery, distillery and hospitality venue businesses.

Following its strategic review around July 2023, the Group engaged in further divestment activity. The material transaction/sale processes that Mighty Craft were involved with are below.

Better Beer – Secondary Share Sale

Since around March 2023, Jarden Australia Pty Limited (“**Jarden**”) commenced an extensive capital raising process for Better Beer which, following the Board’s announcement of a strategic review in July 2023, was subsequently run parallel to a secondary share sale of existing shares (i.e. Mighty Craft’s minority stake). This process was run until at least September 2023 and did not yield any firm offers.

Multiple Assets – Divestment Campaign

In late February 2023, Mighty Craft engaged KPMG Financial Advisory Services (Australia) Pty Ltd (“**KPMG**”) to undertake a divestment campaign of several assets. In September 2023, the campaign was expanded to include further assets following the Board’s announcement of a strategic review. Several assets included in the campaign were sold by KPMG, however, some of the businesses were also sold via Mighty Craft’s own network.

Better Beer - Reverse-Takeover

In late 2023, the Group proposed to undertake a restructuring plan which involved a reverse-takeover (“**RTO**”) with Better Beer to deleverage. The Administrators understand that this was a key component of the Group’s safe harbour restructuring plan. However, the plan also required the mutual consent of its senior secured lender, PURE (as well as Better Beer). The Group’s proposed RTO involved the following steps (broadly):

- Mighty Craft complete divestment of assets, resulting in a shell company.
- Better Beer to merge with the shell company via scrip to create a new entity.
- New entity undertakes \$30-\$45m equity raising to repay debt and provide sufficient working capital for the new entity to pursue growth strategy.

Canaccord Genuity Group (“**Canaccord**”) was engaged by Mighty Craft to undertake a capital raising roadshow of the proposed merger (RTO) of Better Beer and Mighty Craft. Feedback following the roadshow appeared to be mostly positive, with various institutional investors considering capital support.



Eventually, the RTO could not proceed as a consensual agreement between the parties could not be reached, primarily as the proposed steps involved did not align with PURE's level of acceptable risk in relation to a return of capital prior to the proposed capital raise.

Group Portfolio Summary

The table below summarises the brands and businesses owned by Mighty Craft in the last two (2) years prior to the date of appointment, including those that were involved in the above-mentioned transaction processes.

Table 5: Summary of Businesses / Investment Transactions

Business Subsidiary / Investment	Transaction Dates		Current Status
	Purch.	Sold	
Mighty Moonee	Jan-20	Jul-23	Brewery venue business. Sold via KPMG's sale process.
Jetty Road	Late-17*	Sep-23	Brewery venue business. First acquired minority interest in 2017. Following which, further shares were purchased by Mighty Craft since with 100% eventually acquired in December 2021. Sold via KPMG's sale process.
Brogans Way	Nov-19	Mar-24	Mighty Craft formerly held 45% stake in the distillery business, before it was sold back to the co-owner and founder in March 2024.
Momentum Food & Wine	Jul-19	N/A	Legacy acquisition made when Group was known as Founders First. Now MC Operations.
Sauce FNQLD	Oct-19	N/A	Venue business based in Cairns. Mighty Craft had a minority investment. The venue closed in July 2023 as no investors (including Mighty Craft) were prepared to inject further funds post-COVID.
SauceCo	Oct-19	Oct 2023	Brewery venue business. Mighty Craft was a passive investor. Non-core portfolio asset of Mighty Craft which was sold back to the original owner.
Hills Cider	Jul-21	Dec-23	Sold via KPMG's sale process.
Emu Bay	Apr-21	Feb-24	Sold by Mighty Craft team (via internal contacts).
Slipstream	Nov-19	Feb-24	Sold via KPMG's sale process.
Mighty Hunter Valley	Feb-20	Mar-24	Sold by Mighty Craft team (via internal contacts).
Ballistic Beer Co	Jul-21	N/A	Ballistic entered VA in January 2023. In March 2023, creditors voted to accept a DOCA whereby Mighty Craft received ~\$8k as a dividend on their convertible note debt of \$53,000 (face value).
Foghorn	Mar-19	May-24	Sold by Mighty Craft team (via internal contacts).
78 Degrees	Apr-20	Jun-24	Sold via KPMG's divestment process.
Mismatch	Jul-21	Jun-24	Sold via KPMG's sale process.
Lot 100	Jul-21	Jul-24	Sold via KPMG's sale process.



Business Subsidiary / Investment	Transaction Dates		Current Status
	Purch.	Sold	
Sparkke Group Holdings Pty Ltd (“Sparkke”)	Nov-19	N/A	As part of the consideration paid for the acquisition of Mismatch, the Group agreed to cancel its shareholding in Sparkke.
Seven Seasons	Apr-20	N/A	<p>Mighty Craft retain 65% of Seven Seasons. Asset was included as part of KPMG divestment program.</p> <p>However, one of the existing shareholders of Seven Seasons indicated a commitment to pay \$1m for Seven Seasons just prior to the VA (via Mighty Craft’s own internal network). This sale did not complete owing to the complications of the VA and additional conditions proposed by the purchaser post-VA.</p>
Torquay Beverage Company	Aug-20	N/A	Former Better Beer holding company. This entity was involved in a restructure which was eventually sold. Entity currently undergoing strike-off action with ASIC.
KI Spirits	Feb-20	N/A	Asset was included as part of KPMG divestment program. Received several offers, none were capable of serious consideration.
Better Beer	Jul-21	N/A	<p>Secondary Share Sale</p> <p>Mighty Craft’s Better Beer stake was part of a secondary share sale offering to the market which was run parallel to a capital raise undertaken by Jarden for Better Beer commencing late-2022 to around late-2023. No material offers were made.</p>
	Jul-21	Jun-24	<p>Royalty Transaction</p> <p>As disclosed in Section 3.3 above, in exchange for the early termination of the Royalty Deed (which was equivalent to ~\$6m), Mighty Craft sold its 7.5% stake in Better Beer to PURE.</p>
	Jul-21	N/A	<p>RTO</p> <p>As disclosed above, the Group’s RTO with Better Beer could not proceed on the proposed terms as it was not acceptable to all parties involved.</p>
<p><i>*Approximate time of purchase of initial stake. Controlling stake was acquired June 2019. 100% acquired December 2021</i> <i>Source: Management and Directors of the Companies, ASX announcements</i></p>			



A timeline summary of the transactions undertaken by the Group prior to the Administrators' appointment are detailed in Section 3.6 herein. Further, the Administrators' review of the respective completed transactions is summarised in Section 4 below.

3.10 Decision to Appoint Administrators

Directors' explanations

The Directors have provided the following explanations as to the background of the Companies. For the purposes of the Report, we have reproduced the explanations provided by Mr Andrew Syme and Mr Grant Peck respectively (collectively, the “**Directors**”) in a complete and unedited form. Accordingly, the Administrators make no representations as to the factual accuracy of the statements below.

1. Grant Peck

“I was appointed a director of Mighty Craft Limited (MCL) and Chairman in late November 2023, following the previous Chairman’s removal by majority vote at the AGM. I have subsequently been appointed director of all wholly owned subsidiaries of MCL, except for Jetty Road Brewery Pty Ltd.

In July 2024, following the end of the then CEO’s fixed term contract, I assumed the Executive Chairman role.

The business in November 2023, at the time of my appointment;

- was carrying unsustainable debt associated with acquisitions made through the last 3-4 years and difficulties associated with balancing overheads and pandemic complicated slowdowns in expected growth; and*
- had a degree of misalignment of strategic direction, with shareholders, debt holders and business partners not aligned to the chosen restructure course.*

The Board at that time had clearly identified the urgent need to divest businesses to pay down debt.

Following alignment conversations with major stakeholders in December 2023, the divestment program was accelerated. However, this program was now suffering from significantly reduced asset values associated with poor market conditions in the craft alcohol and on-premise venue market.

The successful restructure and survival of the business, and the preservation of inherent asset values relied on continued and significant divestments as well as the realisation of the major value prescribed to the successful investment in Better Beer.

From late 2023, the company’s view on Better Beer started to shift. Rather than selling the entire stake to pay down debt, the thinking shifted to how to best maximise the value in Better Beer for shareholders.

The company had engaged KPMG and the directors personally engaged K&L Gates to assess both the restructuring options and obtain advice on the Safe Harbour provisions.

The view from KPMG and K&L Gates was the company qualified for Safe Harbour protection given the restructuring plans in place and that, if successful, would result in a better outcome for creditors and shareholders.

The restructuring options were

- a reverse takeover (RTO) with Better Beer, RTO with Better Beer and retain Seven Seasons,*



- *sell Better Beer and focus on Spirits or*
- *place the company into Administration.*

The Board's view at the time was that an RTO with Better Beer offered the best outcome for all stakeholders, and this was the preferred path.

Whilst the divestments proceeded, values obtained were in the most part well below prices originally paid, and significant debt retirement was ultimately going to need to rely on a successful outcome in respect of the RTO.

Market and Investment community support for the Better Beer brand and position remained strong, and this asset provided opportunity to raise capital to support growth as well as retire debt.

Any outcome in respect of Better Beer, needed support from the Better Beer partners, and the company's senior debt provider, Pure Asset Management, to roll through the time and funding associated with a capital raise process, as well as the confidence of the external investment community.

The process of gaining support from stakeholders to this outcome took significant time and effort, but unfortunately no agreement could be reached.

Without this final step, the debt carried by the company relative to the residual business was unlikely to be a sustainable position, and I as sole director made the decision to place MCL and each of the wholly owned subsidiaries of MCL, except for Jetty Road Brewery Pty Ltd, into voluntary administration and appoint Ankura on 22 July 2024 to best consider the future alternative structures and the ultimate outcomes for the businesses and assets of MCL.

This step was announced via the ASX on Monday 22 July 2024."

2. Andrew Syme

"Jetty Road Brewery Pty Ltd (ACN 603 372 210) was placed into administration of July 22, 2024. I (Andrew Syme) was the sole director of Jetty Road at the time it was placed into Administration and CFO of the broader Mighty Craft Group.

Originally the entity held the Jetty Road business, including the brewery and storage leaseholds in Dromana (12-14 Brasser Ave, Dromana VIC 3936) and venue in Lorne (84 Mountjoy Parade, Lorne 3232). The entity is a 100% owned subsidiary of the broader Mighty Craft Group, noting the listed entity and 100% owned subsidiaries were also placed into administration on the 22 of July 2024. At the time of administration, the Jetty Road entity was largely dormant.

The business and Dromana leaseholds were sold to a third party as part of the Mighty Craft divestment program. The only liability left within the company was the Lorne leasehold, which had been sublet to a third party. There was no day-to-day business that existed at the time of administration. There was a net outflow of cash given the difference between the headlease and the sub-lease and the company relied entirely upon the Mighty Craft Group to fund this shortfall. Without funding from the Mighty Craft Group, the business could not meet its debts as and when they fell due, which left the director no alternative decision but to place the company into administration when the broader Mighty Craft Group was placed into administration on the 22 July 2024."

Based upon the available records and our investigations into the Companies' business affairs to date, the Administrators consider that the explanations provided by the Directors for the decline in the businesses appear to be accurate. Additionally, the Administrators also consider the following factors for the Companies' failure as relevant:



- Continuing net losses – despite many business acquisitions and investments and growing revenue, the Group failed to produce a net profit due to its high cost-base.
- Loss on sale of divestments – the sale of its businesses failed to produce any material gains/profits with its proceeds primarily used to reduce its debt position.
- The lockdown and travel restrictions caused by the COVID-19 pandemic – caused widespread economic pressures and negatively impacted the consumer and hospitality sectors in particular.
- The broader craft beer market in Australia in particular has negatively impacted due to rises in raw material costs, excise tax increases and a drop in household spending due to rises in living costs.
- High debt levels - restricting the Group's ability to raise further capital and increased financing costs.
- Taxation debts – due to the underwhelming outcomes of the Group's divestment process and the failure of the Better Beer reverse-takeover, the ATO's debts (approximately \$8 million under payment arrangements) could not be settled. Additionally, particularly with the excise debts, the Group did not qualify for certain excise concessions.

3.11 Directors' Reports

The Directors of the Companies provided the Administrators with their completed copy of the Report on Company Activities and Property ("**ROCAP**") form for each of the Companies on 30 July 2024.

A summary of the figures (estimated asset value / outstanding amount) as disclosed in the ROCAPs of the Companies by the Directors, and the Administrators' determination of the estimated realisable values based on a continued realisation scenario in the ordinary course ("**ERV**") are tabled at Schedule 3.

Please find our summarised comments with respect to the Directors' Report and the material components in the table below.

Table 6: Administrators' Comments on Directors' Reports

Directors' Report – the Companies	
Assets	Administrators' Comments
Cash & Equivalents	<ul style="list-style-type: none"> ▪ Mr. Peck disclosed cash balances in the ROCAPs of the Companies relating to CBA transaction accounts with MC Limited (c. \$20k), MC Operations (c.\$37k), MC People (c. \$8k) and KI Distillery (c.\$31k). Shortly following our appointment, these balances were swept into each of the respective Group entities' Administration accounts, with only immaterial differences relating to the timing of receipts. ▪ There were no cash balances disclosed in the ROCAPs for the other twelve (12) companies in the Group. This was consistent with the Administrators' bank account searches which only revealed the accounts disclosed by Mr. Peck. ▪ Additionally, Mr. Peck disclosed three (3) CBA term deposit accounts maintained by MC Operations (c.\$28k) and MC Limited (\$25k) and MC People (c.\$56k), as bank guarantees. The term deposit accounts are held as security in favour of the landlords for; a storage premises rental bond in Lorne, an office space rental bond in Adelaide, and the makegood/fit-out of a former Group venue in Adelaide. The



Directors' Report – the Companies

	<p>Administrators do not consider these amounts as being recoverable, as the claims from the respective landlords exceed the respective bank guarantee amounts.</p> <ul style="list-style-type: none"> ▪ KI Distillery also maintained a bank account with Bank SA which was used for depositing cash sales via its open cellar door store. However, the Bank SA account had a nil balance as at the date of our appointment. Throughout the Administration, we preserved the use of the Bank SA account for cash deposits due to the accessibility of the Bank SA branch vis à vis the KI Spirits venue. The Administrators conducted sweeps of this account into the Administrators' controlled account on a weekly basis. ▪ The Administrators also note that a balance of \$500k was disclosed in the MC Operations ROCAP as "Other Assets". This amount relates to a fixed reserve amount which was required under the debtor finance facility agreement with Moneytech and held in Moneytech's controlled account as effective security for use of the facility. For consistency, this has been classified as a cash equivalent. The Administrators note that the reserve amount of \$500k was used towards reducing the outstanding balance in conjunction with the funding from PURE used to discharge the facility as described in Section 3.4 above.
Accounts Receivable	<ul style="list-style-type: none"> ▪ Mr. Peck's ROCAPs disclosed an accounts receivable balance of c.\$361k owing to KI Distillery and c. \$3.3m owing to MC Operations. ▪ KI Distillery (c.\$360k) – consists of trade debtors including drinks retailers, hotels, restaurants and other hospitality businesses. Additionally, MC Operations account for c.\$350k of the accounts receivable balance for stock sold by KI Distillery to MC Operations. As this amount is owed by a Group entity that is insolvent and subject to the VA, we do not anticipate this balance as being recoverable. However, the Administrators do anticipate the balance of unrelated receivables being collected in the ordinary course. ▪ MC Operations (c. \$3.2m) – comprises trade debtors including EDG (c.\$1.9m) hotels, resorts, liquor stores, sports bars, hospitality venues and lifestyle venues. ▪ Due to its reputable customer base, the Administrators consider that a high proportion of recorded receivables balance are likely to be collected in the ordinary course as a result of continued trading during the VA (High – 90% / Low - 80% estimated recovery rate).
Inventory	<ul style="list-style-type: none"> ▪ Mr. Peck's ROCAPs disclosed inventory balances of c.\$976k for KI Distillery and c. \$655k for MC Operations. Mr. Peck has assessed the realisable asset values for inventory as equivalent to cost. ▪ KI Distillery (c.\$976k) – inventory comprised of raw materials, work-in-progress, finished goods, and other packaging inventory. ▪ MC Operations (c.\$655k) – inventory comprised of finished goods stored with 3rd party logistics and freight suppliers, and some merchandise stock. ▪ The Administrators have assessed the ERV amounts based on their experience with insolvent companies and liquidating inventory. Accordingly, the following ERV's have been applied: High – 100%, Low – 90% (noting inventory was recorded at cost).
Related Party Loans	<ul style="list-style-type: none"> ▪ Only one related party loan was recorded in the ROCAP for MC Limited (c. \$15.2k) owed by Mismatch Brewing Company for on-charged insurance premiums. ▪ As this intercompany loan relates to an insolvent entity that is subject to the administration of the Group, we do not consider this balance to be recoverable.



Directors' Report – the Companies

	<ul style="list-style-type: none"> ▪ The Administrators also note that the Directors have classified most related party debts within the unsecured creditors section (as trade payables). Further particulars regarding the related party payables are outlined in the relevant section below. ▪ Based upon the Administrators' review of the books and records, there are several intragroup loans/payables/receivables that exist as of the date of appointment between the Group companies, due largely to the Group's intermingled affairs and regular intragroup transaction activity. Further details regarding these intercompany accounts are outlined below in Section 6.8.
Plant & Equipment (P&E)	<ul style="list-style-type: none"> ▪ The ROCAP for KI Distillery discloses a P&E balance of c. \$1.3m relating to the distillery and cellar door P&E (c.\$1.2m), as well as furniture and fixtures (c. \$67k). ▪ The Administrators have engaged expert asset auction agents, Slattery Advisory, to undertake an independent desktop valuation of the P&E, and further note that the realisable values would be impacted by the cost of recoveries and condition of the assets. ▪ The Administrators' ERV amounts are based on the independent desktop valuations provided by Slattery (High - \$1.17m based on est. market value / Low - \$356k based on est. auction value).
Investments	<p>The ROCAPs disclose a total of c.\$28.8m of investments held by the Group including the following:</p> <ul style="list-style-type: none"> ▪ MC Spirits – directly holds 100% of shares in Hidden Lake and Hills Distillery (\$1 each), a 65% shareholding in Seven Seasons (c.\$761k) and 100% shareholding of KI Spirits (c.\$3.83m). ▪ MC Beer – directly holds a 25.5% shareholding in Better Beer Holdings, which is the parent company of Better Beer Co. Mr. Peck has assigned a value to this investment of (c. \$24.2m). ▪ The Administrators consider the ERV of the Better Beer investment as unknown. However, as detailed below in Section 5.4, we know that via Jarden's extensive process involving the sale of the Better Beer shareholding failed to produce any firm bids capable of acceptance. Additionally, as described in Section 3.3 above, the Group's 7.5% shareholding was sold to PURE on May 2024 in exchange for the termination of the Royalty Deed (comparable to ~\$6m termination costs), valuing the total Better Beer (100%) shareholding at approximately \$80m (or \$20m for 25%). Further details regarding this transaction are detailed in Section 3.3 herein. ▪ In respect to MC Spirits' shareholding – the Administrators consider the investment in KI Spirits as nil due to PURE's overarching ALLPAAP security over the asset. However, the 65% shareholding in Seven Seasons has been set at: high - \$750k and low - \$500k. This assessment is based upon the sale process run by KPMG prior to our appointment which did not yield any bids via the process. Eventually, it was proposed by an existing Seven Seasons shareholder to buy out Mighty Craft Spirit's 65% share for \$1m (although the sale did not finalise). We note the purchaser also attempted to re-negotiate with the Administrators post-appointment regarding a reduction of the initially agreed sale price of \$1m. ▪ For the respective shareholdings that relate to wholly owned shares held within the Group with no assets (i.e. except for KI Spirits), they have been recorded as a nominal amount of \$1. The Administrators have assessed the ERV of these Group companies with no assets as nil due to their VA status.



Directors' Report – the Companies	
Land/ Real Property	<ul style="list-style-type: none"> ▪ The ROCAPs disclose a total of c.\$2.55m of real property owned by KI Distillery, comprising freehold land (c. \$550k) and freehold buildings (c. \$1.9m). ▪ The Administrators consider the ERV of the freehold land and buildings (as standalone fixed assets) as: High – 90%, Low – 80% of the recorded values. We understand that these particular assets are generally difficult to value, noting the unique existing use of the land (distillery and venue) and mixed fixture features (distillery shed, open cellar door venue area, tasting room, residential property / home-office). As such, we have applied a conservative estimate based on the disclosed values.
Other Assets	<ul style="list-style-type: none"> ▪ The Directors did not disclose any intangible assets (such as intellectual property, trademarks & patents, or goodwill) in the ROCAP forms. However, we note that the following assets are recorded in the Group's financial records as of the date of appointment: ▪ MC Operations – goodwill of c.\$797k. ▪ MC People – software development cost c. \$1.06m ▪ MC People – Trademarks & patents c. \$1.5k (amortised written down value) ▪ The Administrators believe that the recorded intangible assets are unlikely to be realised for any material value.
Liabilities	
Bank Debt	<ul style="list-style-type: none"> ▪ Bank debts relating to CBA credit card facilities owed by KI Distillery (c. \$2.9k) and MC People (c. \$34.9k) were disclosed in the ROCAP forms.
Secured Creditors	<ul style="list-style-type: none"> ▪ Mr. Peck disclosed PURE's secured debt of c. \$22m in the ROCAP for MC Limited only. However, and as disclosed in Section 3.3 above, the Administrators are aware that ten (10) other Group entities are also subject to PURE's ALLPAAP security due to being joint and several guarantors with the debt totaling c. \$23m (including accrued interest and other default interest and charges). ▪ As discussed in Section 3.3 of this Report, PURE have submitted a formal proof of debt claim of \$23.086m across 11 of the 16 Group companies. ▪ Mr. Peck also disclosed a secured debt owed by MC Operations to Moneytech of c. \$2.8m relating to the debtor finance facility. However, as disclosed above in Section 3.4, the Administrators discharged Moneytech's secured debtor finance facility on 2 August 2024 with the assistance of funding from PURE. ▪ Further details regarding the PPS registrations and secured creditor responses are summarised herein in Section 3.2.
Employee Entitlements	<p>The ROCAPs disclose a total of c.\$385k in outstanding employee entitlements across the Group, relating to the following two (2) entities:</p> <ul style="list-style-type: none"> ▪ KI Spirits - c.\$62k owing to 18 employees comprising unpaid wages, annual leave and superannuation. ▪ MC People - c.\$323k owing to 27 employees including c. \$2.9k owing to two (2) related party employees and comprising unpaid wages, annual leave and superannuation. <p>The Administrators consider the employee entitlements position as follows:</p> <ul style="list-style-type: none"> ▪ High – based on the estimated entitlements value as of the date of appointment ▪ Low – based on an estimated redundancy scenario for all staff.



Directors' Report – the Companies	
	<ul style="list-style-type: none"> Further details regarding the Administrators' assessment of the employee entitlements position are summarised in Section 8 below.
Statutory Liabilities	<p>The Directors disclosed c.\$9.98m in statutory liabilities in their respective ROCAPs across the Group, including:</p> <ul style="list-style-type: none"> KI Spirits – debts owing to ATO (c. \$57k) and the Revenue SA (c. \$2.9k). MC People - \$3.87m owing to the ATO with c.\$105k owing to various state revenue departments (NSW, VIC, QLD, SA). MC Operations - c. \$5.35m owing to the ATO, and c. \$2k owing to Govt. of SA. Mismatch Brewing - c.\$576k owing to the ATO, and c. \$5k owing to SA Revenue Office. <p>The Administrators are aware of statutory liabilities totaling c.\$9m including the following submitted ATO proofs of debt claims:</p> <ul style="list-style-type: none"> KI Spirits – excise debt of c. \$21.3k owing to the ATO. MC Operations – excise debt of c. \$4.22m and Running Balance Account (“RBA”) deficit debts c.\$478k owing to the ATO. MC People – RBA deficit debts of c. \$3.6m owed to the ATO. Mismatch Brewing – excise debt of c. \$578k owed to the ATO. <p>We understand that the majority of these taxation debts were previously subject to payment arrangements with the ATO. Further details regarding the payment arrangements are outlined in Section 7 and Schedule 5 herein.</p>
Unsecured Creditors	<p>The Directors have disclosed a total of c. \$7.8m of unsecured creditors across the Group (excl. statutory liabilities).</p> <p>However, as of the date of appointment, the Administrators are aware of c. \$8.9m of unsecured creditors across the Group (excluding any duplication of claims made across multiple Group entities such as the contingent claims by WDS totaling c.\$6.5m across 4 entities, and related party creditors outside of the Group totaling c.\$76k). For intragroup related party debts/payables, we have assessed the ERV as nil. Some of the Group creditor positions are outlined as follows:</p> <ul style="list-style-type: none"> MC Limited – c. \$934k owing to ordinary unsecured creditors. KI Distillery – c.\$2.05m owing to ordinary unsecured creditors. MC People - c.\$62k owing to ordinary unsecured creditors including c.\$16k owing to related parties. MC Operations - c.\$6.9m to ordinary unsecured creditors including c.\$6.5m to WDS, and \$72k to related parties. Mismatch – c. \$195k owing to ordinary unsecured creditors including c.\$53.5k owing to related parties. MC Venues – c. \$254.4k owing to ordinary unsecured creditors. MH Valley – c. \$1.18k owing to ordinary unsecured creditors. Hidden Lake – c. \$2.4m owing to ordinary unsecured creditors. Hills Distillery – c. \$1.52m owing to ordinary unsecured creditors. Jetty Road – c.\$425k owing to ordinary unsecured creditors <p>As mentioned above, included within the abovementioned unsecured creditor total of c.\$8.9m, are WDS's submitted claims totaling c. \$6.5m across four (4) of the Group companies that were subject to the WDS offtake agreements (MC Operations, Hills</p>



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Distillery, KI Distillery and Hidden Lake). The claim against MC Operations reflects the sum of estimated claims made against each of the other relevant entities subject to WDS's offtake agreements.

The respective claims are based on the estimated value of the whisky at maturity once bought back by the relevant Mighty Craft companies. However, they appear to be contingent debts as they are based on the outcome of a future event, with that future event being the estimated volumes of whisky bought back at agreed prices at maturity (est. ~2026). We also note that WDS have registered PPS interests against the Group companies, which appear to relate to the whisky work-in-progress stock produced and stored by the Group subject to the WDS Agreements. Further details regarding WDS are summarised in Section 4.6 below.

Source: Directors Report on Company Affairs, Books and Records of the Companies, Proof of Debt forms



Section 4: Position on Appointment

The position of the Group on appointment resulted in the Administrators being required to deal with several critical matters concerning the Group's remaining interests, as well as legacy issues stemming from recent transactions and divestments.

A summary of these matters is provided in the following subsections.

4.1 Better Beer – Shareholding

Upon appointment, MC Beer held a 25.5% shareholding in Better Beer.

As noted earlier, MC Beer formerly held a 33.0% shareholding in Better Beer however completed the Royalty Transaction in June 2024 which saw its holding reduce to 25.5% at that point in time.

Based on the records reviewed, it appears that MC Beer has never received a dividend from Better Beer. MC Operations however is a party to the Solutions Agreement (detailed below) which involves, amongst other things, managing Better Beer's sales and distribution network and interfacing directly with Casella regarding ongoing production requirements.

4.2 Better Beer – Solutions Agreement

The most recent version of the Solutions Agreement was entered into between MC Operations and Better Beer on 30 June 2023 (after an original agreement was entered into between the parties on or around 10 December 2021). Further, a deed of amendment to the Solutions Agreement was executed on 12 July 2024.

The salient terms of the Solutions Agreement are as follows:

- Fixed term of five (5) years.
- Mighty Craft appointed as the exclusive provider of Better Beer sales, distribution and logistics services for Australia and New Zealand.
- Mighty Craft will pay Better Beer for product invoices within 15 days after the end of month.
- Mighty Craft is entitled to a commission on each unit sold (either a flat fee or percentage on the price sold to customers) to customers (noting Endeavour Group has exclusive retail rights to Better Beer until 30 September 2024).

Based on the mechanics and our review of the Solutions Agreement, the commissions enjoyed by Mighty Craft represent a minimal margin on the sale prices achieved to Endeavour Group owing to the commission structure in place (for example, a flat fee of \$2.10 per unit for two (2) of Better Beer's most popular products).

By way of illustrative example, we have reviewed the performance of the Solutions Agreement since January 2024 on a monthly basis below with respect to Endeavour Group (being Mighty Craft's major customer of Better Beer product owing to its exclusive retail rights).

**Table 7: Solutions Agreement Performance – Endeavour Group**

Item (\$, ex GST)	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
MC Operations Revenue	3,317,067	4,732,680	4,344,355	3,322,821	3,908,699	2,540,782
Payment to Better Beer	3,126,848	4,465,763	4,101,168	3,143,491	3,678,288	2,402,349
MC Operations Margin	190,219	266,917	243,187	179,330	230,411	138,434
<i>MC Operations Margin %</i>	<i>5.7%</i>	<i>5.6%</i>	<i>5.6%</i>	<i>5.4%</i>	<i>5.9%</i>	<i>5.4%</i>

Source: Solutions Agreements – Signed 30 June 2023, provided by Management and Directors of the Companies

Based on our understanding of the payments required from Better Beer to Casella with respect to the above, it appears that Better Beer enjoyed (and continues to enjoy) the vast majority of the margin of the sale prices achieved by Mighty Craft to Endeavour Group (and other customers).

Based on our review of the revenue achieved from the Solutions Agreement and the broader cost base of the Mighty Craft business upon appointment, the Solutions Agreement was likely unprofitable to Mighty Craft. That said, the Solutions Agreement provided Mighty Craft the exclusive rights to sell and distribute Better Beer which could be considered of value.

Noting that Mighty Craft has an interest in protecting the value of its Better Beer shareholding, the Administrators sought to maintain the existing Solutions Agreement with Better Beer. If the Solutions Agreement was allowed to be repudiated, it would likely cause damage to the Better Beer brand and potentially increase claims against Mighty Craft itself (for non-performance).

As such, on 15 August 2024, and with the support of additional funding from PURE, the Administrators made payment of Better Beer's outstanding invoices totalling c.\$4m payable pursuant to the Solutions Agreement.

Further details regarding the Administrators' actions during the appointment are detailed in Section 5 below.

4.3 KI Distillery

As disclosed in Section 3.9 above, the distillery business and open cellar door venue, KI Spirits, was included in the KPMG divestment campaign that spanned over twelve (12) months. The campaign did not yield an offer capable of acceptance with multiple non-binding bids falling short of perceived market value.

We understand that just prior to our appointment, PURE was prepared to purchase KI Spirits for \$5m (via waiver of its equivalent debt). Although some legal documentation was prepared, it was not meaningfully progressed.

On appointment, the Administrators sought to maintain the business of KI Spirits and continued trading in the ordinary course whilst securing the assets and site, preserved existing booking systems, as well as ensuring the continuation of all online and cellar door sale operations as normal.

Further details regarding the Administrators' actions during the appointment are detailed in Section 5 below.

4.4 Seven Seasons – Proposed Sale

The Administrators note that prior to their appointment, there was an existing arrangement between Mighty Craft and Seven Seasons, whereby Mighty Craft would regularly fund Seven Season's working capital requirements including payroll costs.



Additionally, Mighty Craft would purchase Seven Seasons stock at agreed prices for on-sale and managed wholesale sales, marketing and distributions.

As detailed in Section 3.9 above, Seven Seasons was also included in KPMG's divestment campaign but failed to generate any material offers. Just prior to the appointment, we understand that one of the existing shareholders had offered \$1m to Mighty Craft to buy out Mighty Craft's 65% shareholding.

By mid-July 2024, it appears that the sale contract was drafted with primary terms informally agreed upon including the \$1m (ex GST) purchase price. We understand that the proposed purchaser was working through final due diligence and contract review at the time of the Administrators' appointment.

Shortly after appointment, the proposed purchaser's solicitor engaged with the Administrators raising concerns around potential risks including reputational impact and as such, sought a reduction in the purchase price.

Additionally, further ancillary issues were raised by an adviser to one of the existing shareholders of Seven Seasons regarding legal implications of an existing shareholder's agreement and the default of the Mighty Craft entity (due to its VA status).

Despite our best efforts to progress the sale for the price initially contemplated, the potential sale has not meaningfully progressed following disengagement from the other parties.

As such, the Administrators maintained its 65% interest in Seven Seasons but in light of the limited funding available and circumstances of the VA, were unable to facilitate Mighty Craft's usual arrangement to fund working capital requirements of Seven Seasons (including payroll costs payable by Seven Seasons during the Administration).

4.5 Post Transaction Matters

As detailed earlier in this Report, Mighty Craft undertook a series of divestments in the months leading to our appointment as Administrators.

Upon appointment, there were several post-completion matters outstanding across some of these divestments such as:

- 78 Degrees and Mismatch – various obligations regarding the relevant Mighty Craft entity regarding payments to be made, performance of repair work and assignment of contracts.
- Lot 100 – various obligations regarding the relevant Mighty Craft entity regarding payments to be made, facilitation of transport of purchased stock and other performance obligations.
- Lorne Lease – while not a post-completion matter, Mighty Craft remained as tenant to the Lorne Lease after the sale of Jetty Road prior to our appointment.

The Administrators have been dealing with the relevant stakeholders on the above matters, including advising those stakeholders of the impact of the VA on the above.

4.6 Whisky Development Syndicate Pty Ltd (WDS)

WDS is a party to various agreements with certain Mighty Craft entities in relation to the purchase, storage and sale of certain whisky. WDS is an entity that exists outside of the Mighty Craft Group.

A brief summary of the history of Mighty Craft's interactions with WDS is below:



- On March 2022, Mighty Craft announced the WDS initiative which involved WDS raising \$10m to boost whisky production using Mighty Craft's production and capacity capabilities.
- This initiative was seen to address the working capital challenge posed by the three (3) to five (5) year maturation period of whisky before it can be eventually sold. The partnership with WDS was seen to enable Mighty Craft to enhance asset utilisation, recover overheads, and build its whisky reserves as well as the provision of upfront capital.
- The commercial agreements entered into between the Group and WDS comprise the following:
 - WDS Product Contract Distilling Agreements (between WDS and Hills Distillery, Hidden Lake and KI Spirits, as well as Seven Seasons) dated 31 March 2022.
 - Whisky Offtake Agreements (between WDS and contract distilling entities mentioned above) dated 5 April 2022.
 - Storage, Handling, Insurance, Quality Assurance and Reporting Agreement (between WDS and MC Operations) dated 4 May 2022.
 - Deed of Variation of the Storage, Handling, Insurance, Quality Assurance and Reporting Agreement (between WDS and MC Operations) dated 19 July 2023 (collectively, the “**WDS Agreements**”).
- As part of the WDS Agreements between the Group and WDS (and its investors), Mighty Craft would issue warrants to investors (convertible to MC Limited shares), with the Group receiving the initial funding required to produce and distil the whisky in the long term.
- Upon maturation of the whisky, WDS agreed to offer Mighty Craft the right to purchase the whisky product at an agreed price which would see WDS investors achieve a return of 12-14% (established via the Whisky Offtake Agreements mentioned above). We understand that the whisky stock is not expected to mature until 2026.
- According to the agreements established between WDS and Mighty Craft, WDS retain title in the whisky assets throughout the production, handling and maturation process until they are purchased by Mighty Craft upon maturity.
- Further, WDS had registered PPSR interests in July 2023 against the relevant Group companies in respect to the whisky work-in-progress stock.

On appointment, we reviewed the barrel registers for stock relating to the WDS Agreements which is summarised below:

Table 8: Summary of Whisky by Location – WDS Agreements

Brand	Legal Entity	No. Barrels	Location	3rd Party Site?
78 Degrees	The Hills Distillery Pty Ltd	139	FreightHub, Hendon, SA	✓
Hidden Lake	Hidden Lake Pty Ltd	333	White Label Distillery, Tasmania	✓
Kangaroo Island	Kangaroo Island Distillery Pty Ltd	206	Campbell St, Kangaroo Island, SA	✓
Seven Seasons	Seven Seasons Pty Ltd	76	FreightHub, Hendon, SA	✗
Total		754		

Source: Inventory lists provided by Management and Directors of the Companies



Shortly after appointment, the Administrators were contacted by both WDS and solicitors for WDS. In that correspondence, WDS asserted title to the whisky stock and the WDS Agreements were provided to us.

Subsequently, we were contacted by solicitors acting for PURE who asserted that the whisky stock was subject to PURE's security interest.

Since then, we have instructed our solicitors to review the WDS Agreements in the context of the current status of the whisky stock (noting that some stock is held at KI, third party logistic providers and a contract distiller). Our solicitors subsequently wrote to both PURE and WDS (by their solicitors) regarding this matter. We understand PURE and WDS have subsequently engaged in discussions. This matter remains ongoing.



Section 5: Administrators' Actions to Date

5.1 Actions upon Appointment

Immediately upon appointment, the Administrators took control of the assets and operations of the Group, and commenced an urgent review and assessment of the Companies' affairs which included the following:

- Active engagement with key stakeholders including but not limited to:
 - PURE – funding requirements and formulating a viable restructuring proposal.
 - Better Beer – to stabilise existing arrangement and preserve status quo.
 - Moneytech – payout and discharge of the debtor financing facility and arrangement of regular account sweeps.
 - Seven Seasons – dealing with sale progression (and shareholder) issues and ongoing operational matters.
 - Management – communications of VA process, ongoing trading requirements, cashflow forecasting assistance, and investigations.
 - Third party logistics providers – minimising business disruption and ensuring ongoing freight, storage and transport of wholesale inventory to key customers.
- Coordinated and held meetings and interviews with the Directors, key staff and the executive leadership team of Mighty Craft.
- Took control of the books and records of the Group (including engaging with key software service providers and accessing digital records of the Group) with the assistance of Mighty Craft staff.
- Prepared an administration scenario styled cashflow forecast to determine the trading requirements of the business on a streamlined go-forward basis in the context of the voluntary administration (including modeling scenarios with and without Moneytech's debtor finance facility).

5.2 Work Undertaken to Date

The steps taken by the Administrators' have been designed to preserve the assets and businesses of the Group to allow the best opportunity for the Companies to be restructured in a viable manner. A full summary of work undertaken by the Administrators is detailed in the remuneration report attached at Appendix D. The key work undertaken by the Administrators since appointment include the following:

- **Engagement with PURE** – significant engagement with PURE including the provision of funding required to maintain status-quo and explore restructuring options.
- **Engagement with Moneytech** – significant engagement with Moneytech to ensure eventual discharge of debtor finance facility, monitor debtor collections and redirect debtor collections to accounts controlled by Administrators.



- **Engagement with Better Beer** – significant engagement with Better Beer in conjunction with PURE and Management to maintain compliance with Solutions Agreement, including management of sales and distribution and payment of outstanding Better Beer invoices.
- **Statutory tasks** – including lodgements with ASIC and the ATO, notification of relevant statutory bodies, insurance coverage, reviewed requirement to renew Work, Health and Safety (“WHS”) assessment for KI Spirits and establishing and maintaining bank accounts.
- **Site attendance & security** – attendance and inspection at KI Spirits venue on Kangaroo Island. Secured KI Spirits plant and equipment and inventory on hand. Ensured WHS compliance and maintenance of distilling equipment and machinery.
- **Seven Seasons** – dealing with sale progression (and shareholder) issues and ongoing operational matters.
- **Post-transaction matters** – dealing with post-transaction issues relating to Lot 100, Mismatch Brewing and the Lorne Lease.
- **Engaged valuer** – engaged an independent asset valuer to provide a desktop appraisal of the P&E.
- **CBA engagement** - communicated with pre-appointment banker, CBA, to secure access to existing company funds and to ensure efficient and regular sweeps/transfer of funds into accounts maintained for the voluntary administrations.
- **Cash flow monitoring** – undertaking a comprehensive review of the Group’s existing cashflow and with the assistance of the Mighty Craft finance team, preparing a revised cashflow for the purpose of the Voluntary Administrations (including modelling multiple scenarios). Ongoing monitoring and updating of the cash flow during the administration.
- **Landlord agreements** – negotiated and reached agreements with landlords for trading agreements for the period of the Administration for continuing locations (primarily storage and vacant premises not in use but maintained).
- **Communication with the Directors and Management** – conducted numerous discussions with the Directors and key management personnel for various operational, financial and investigational matters.
- **Statutory tasks** – including lodgements with ASIC and the ATO, notification of relevant statutory bodies (including state government departments, state liquor departments), insurance coverage, Work, Health and Safety (“WHS”) review, and establishing and maintaining bank accounts.
- **Securing books and records** – collaborated with staff and third parties to extract and obtain all books and records, software and email data as at appointment.
- **Convene Creditors’ Meeting** – issued the Initial Report to Creditors on 24 July 2024, convening and holding the first meeting of creditors on 1 August 2024.
- **Supplier communications** – Regular engagement and liaison with suppliers and service providers (software providers, 3rd party logistics providers, producers) regarding ongoing trading arrangements to ensure continuation of business in ordinary course and minimise disruptions where possible.
- **Legal matters** – dealing with solicitors in respect to whisky stock subject to WDS Agreements and obtaining advice regarding employee bonus retention schemes.



- **Investigations** – conducting interviews of key staff and Directors, comprehensive review of books and records, undertaking extensive analysis into the Companies’ affairs, history and its financial position and performance.
- **Expressions of Interest** – fielding incoming enquiries from interested parties and recording in register.
- **Media** - responding to media enquiries as and when required.
- **Responding to creditors’ enquiries** – regularly dealing creditors and responding to incoming creditor enquiries regarding various matters including operations, creditor meetings, proof of debt submissions, etc.
- **Funding Agreement** – arranged funding from the major secured lender, PURE, which would enable the Administrators to continue operating the business, preserving its value, and allow for a potential DOCA/restructure proposal to be made and considered.
- **DOCA / Restructure** – held discussions with PURE (and their advisors) regarding a DOCA or restructuring proposals. Considered other actions necessary in order to facilitate a possible restructuring plan for the Group and/or a deed of company arrangement.
- **Reporting to creditors** – preparing this Report, including preparation for the Second Meetings of Creditors.

5.3 Site & Operations Summary

As of the date of appointment, the Group’s head office functions primarily operated remotely or from shared working spaces based in Hawthorn, Victoria. The Group’s only remaining operating business outside of its wholesale sales channels, was KI Spirits, which operated as a freehold business on Kangaroo Island.

A summary of the relevant sites is outlined in the table below:

Table 9: Summary of Mighty Craft sites on appointment

Entity	Location	Description / Status
MC Limited MC Operations MC People	<ul style="list-style-type: none"> ▪ Fullarton Road, Adelaide SA 	<ul style="list-style-type: none"> ▪ Leased office space ▪ Liquor production and sales licence attached to this premise. ▪ Administrators have negotiated with the landlord extended tenure during the administration period.
	<ul style="list-style-type: none"> ▪ Cato St, Hawthorn, Victoria 	<ul style="list-style-type: none"> ▪ Former leased office space that was initially subleased in April 2023. ▪ MC Limited head lessee position was assigned in August 2023 which included paying 3 months’ rent. Landlord is a creditor for the unpaid net rent.
	<ul style="list-style-type: none"> ▪ Creative Cubes – Hawthorn, Victoria 	<ul style="list-style-type: none"> ▪ Shared office workspace ▪ The Administrators negotiated continued use of the space until end of August, forfeiting bond.
Kangaroo Island	<ul style="list-style-type: none"> ▪ 856 Playford Highway, Cygnet River SA (Kangaroo Island) 	<ul style="list-style-type: none"> ▪ 100% freehold interest owned by Kangaroo Island Distillery Pty Ltd – Distillery and cellar door venue. ▪ Liquor production and sales licence, excise license attached to premise. ▪ Operations maintained by the Administrators.



Entity	Location	Description / Status
	<ul style="list-style-type: none"> Kingscote, SA (Kangaroo Island) 	<ul style="list-style-type: none"> Leased storage warehouse for storage of whisky and gin stock. Bonded warehouse with an excise licence and permissions attached to the premise. Administrators have negotiated with the landlord extended tenure
Jetty Road	<ul style="list-style-type: none"> Mountjoy Parade, Lorne, VIC 	<ul style="list-style-type: none"> Leased premises formerly used for one of Mighty Craft's venue businesses, Jetty Road. Jetty Road was formerly the head lessee of the Lorne premise and subleased it to a third party, the Clam Club. On 29 July 2024, the Administrators disclaimed Jetty Road's interest in the lease. The landlord is a creditor of Jetty Road for unpaid net rent.

Source: Management and Directors of the Companies, Lease Agreements contained within Books and Records of the Companies

5.4 Considerations in the Realisation of Group Assets

The Administrators considered whether a comprehensive realisation process of the businesses and assets of the Companies (either as a going concern or on a piecemeal basis) would achieve the best outcome for creditors. An asset realisation or sale campaign was not undertaken during the administration period for the following reasons:

- As outlined in Section 3.3 above, PURE's first ranking security interest is registered over substantially all the assets of the Companies (11 of 16 Group companies that are subject to PURE's security over the assets of the Group).
- The Administrators considered it unlikely that a sale to a third party could be achieved in the circumstances of PURE's first-ranking security particularly following PURE's advice noting that they would not agree to release their security interests unless their debt was discharged in full. As such, it was considered that the benefits of conducting a comprehensive sale campaign were unlikely to outweigh the likely costs.
- Based on a review of the books and records relating to the Group's involvement in several divestment and recapitalisation processes previously undertaken, the Administrators formed the view that a sale process in the current market, particularly for consumer-sector based assets, was likely to produce underwhelming bids or bids that were capable of acceptance by the secured creditor, PURE. Our view on the market sentiment also appeared to be line with the perspectives shared by KPMG on June 2024 to the Group's Board following the divestment program outlined in the below table.
- Table 10 below summarises the key details of the transaction processes undertaken within the twelve (12) months prior to the Administrators' appointment.

Table 10: Summary of pre-appointment capital raising / divestment processes

Advisor	Asset/(s)	Asset/(s) Sold	Process Duration	Comments
KPMG	<ul style="list-style-type: none"> Jetty Road Hills Cider Mismatch Lot 100 	<ul style="list-style-type: none"> Jetty Road Hills Cider 78 Degrees 	Feb 23 to June 24	As disclosed in Section 3.9 above, KPMG was engaged by Mighty Craft to undertake a divestment campaign.



Advisor	Asset/(s)	Asset/(s) Sold	Process Duration	Comments
	<ul style="list-style-type: none"> 78Degrees Slipstream Emu Bay KI Spirits Seven Seasons 	<ul style="list-style-type: none"> Slipstream Mismatch 		Based on a file note prepared by KPMG for the purpose of documenting the sale process considerations for the Board in June 2024, it was noted that the level of buyer interest, offers received and final sale prices realised for the assets was less than originally anticipated due to poor market conditions, pricing and deterioration of buyer sentiment in the sector.
Jarden	Better Beer (33% at the time)	-	Mar-23 to Sep-23 (approx.)	As disclosed in Section 3.9 above, Jarden ran an extensive process (primarily driven by Better Beer) to undertake a capital raise for Better Beer vis à vis a secondary sale of existing shares (i.e. Mighty Craft's stake). Despite significant outreach to a range of parties – we understand that there was no firm bid that was capable of acceptance.
Canaccord	Better Beer / Mighty Craft (RTO/merger)	-	Jan-24 to Jun-24 (approx.)	As disclosed in Section 3.9 above, Canaccord was engaged to undertake a capital raising roadshow of the proposed merger of Better Beer and Mighty Craft, seeking a significant capital raise of between \$30-\$45m. Feedback post roadshow appeared positive with multiple institutional investors indicating potential support. Ultimately, the RTO could not complete due to the inability to execute a consensual agreement with PURE regarding its requirement to fund working capital prior to the proposed capital raise.

Source: Management and Directors of the Companies, Board Reports, ASX announcements, File Notes for Board Reports, advisor information memorandums and other investor marketing collateral.

- In this regard, and noting the foregoing, the Administrators consider that a market sale process was extensively explored for investment and sale opportunities prior to our appointment with undesirable results. As such, the Administrators instead sought options for a restructure of the Companies, including engaging with PURE, which have extensive background knowledge of the business of the Group noting its historical involvement and support for the business since September 2020.
- However, the Administrators note that during the VA, several parties made enquiries regarding the assets. Table 11 below summarises further details regarding parties that expressed an interest in relation to either a restructuring proposal, a recapitalisation, or a sale of assets.



Table 11: Summary of Interested Parties

Type of Party	No.
Strategic / Trade	10
Financial / Investment	10
Other	1
Total	21

Source: The Administrators

During the appointment, the Administrators reached out to each of the interested parties to advise them that a sale or recapitalisation opportunity would only be considered by PURE if the relevant bids or proposals would achieve a return that was at least equivalent to their ALLPAAP secured debt over the assets of the Group totalling c.\$23m. As of the date of drafting this Report, the Administrators have not received any substantiated offers that would be considered to satisfy PURE's outstanding debt.

Further, the Administrators are not of the view that a prolonged process or an extension of the administration period to undertake an extended sale/recapitalisation campaign would have resulted in a materially better outcome for creditors. This is primarily due to the funding constraints which were encountered by the Administrators during the first week of the VA. Accordingly, the injection of funds via PURE was necessary to preserve the business and its operations. Funding of the speed and quantum provided by PURE would likely not have been achievable.

5.5 Operations During VA Period

As disclosed above in Section 5.1 above, the Administrators continued trading the businesses of the Group during the VA whilst undertaking an urgent assessment of the Companies' funding and operating requirements. This was undertaken to preserve the value of Mighty Craft's business, which primarily revolved around its relationship with Better Beer. Further particulars regarding the Administrators actions concerning the operations of Mighty Craft are outlined below:

- **Stabilisation of Better Beer** – Regular engagement with key supplier Better Beer was necessary to maintain and preserve the function of the Solutions Agreement as well as the key downstream customers such as the Endeavour Group.
- **Cash Flow Modelling** - Multiple cash flow scenarios were modelled to track the likely scenarios involving the Moneytech debtor finance facility. The Administrators determined that the debtor finance facility was not required to be maintained during the administration period due to forecasted debtor collections and avoidance of financing costs (fees and interest).
- **PURE Funding** - As previously mentioned, the Administrators entered into the PURE Funding Agreement which would allow the Administrators to continue meeting the required operating costs of the businesses of Mighty Craft including required terms of the Better Beer Solutions Agreement. The funding was also used to discharge Moneytech's debtor finance facility.
- **Supplier Engagement** – early engagement and negotiations with key suppliers including 3rd party logistics providers and software service provider were critical to maintain the status-quo of the Group's business and minimise disruption as much as possible in the context of the voluntary administration.

A summary of our receipts and payments by company is enclosed within our remuneration reports at Appendix D. We note that these are cash receipts and payments only, and do not reflect the total commitments, provisions or accruals of the Companies during the administration period.



5.6 Cost Reduction Measures

The Administrators implemented several cost reduction measures since the appointment, including:

- Disclaiming the Jetty Road Lorne lease and negotiating with other landlords regarding reduction of rent or partial rent-free periods during the VA tenure.
- Working with Management to limit and reduce costs where applicable, including cancellation of non-critical systems and software applications and other excess costs.
- Undertaking a staff rationalisation assessment leading to the termination of four (4) senior management staff that were surplus to requirements of the business. The assessment involved an analysis of the current business position vis à vis the circumstances of the VA, including the remaining assets and dealings, and the business being managed by the Administrators and their staff.

5.7 Restructure of Business / DOCA Proposal

Following multiple discussions and regular engagement between the Administrators and PURE, a draft DOCA proposal was submitted by PURE to the Administrators on 19 August 2024.

The key terms of this DOCA proposal are contained within Section 9 and the DOCA proposal itself is enclosed at Schedule 7.



Section 6: Historical Financial Performance and Position

6.1 Books and Records

We have utilised the books and records of the Companies, and the wider Group where available, to undertake a review on the historical financial performance and position of the Companies.

Section 286 of the Act requires that a company must keep written financial records that:

- Correctly record and explain its transactions and financial position and performance; and
- Would enable true and fair financial statements to be prepared and audited.

Financial records must be kept for seven (7) years after the transactions covered by the records are completed.

Failure to maintain books and records may give rise to a presumption of insolvency pursuant to Section 588E of the Act. This presumption may be relied upon by a liquidator in an application against a director for insolvent trading and other actions for recoveries pursuant to Part 5.7B of the Act.

Group Financial Records

The Administrators note that general purpose financial statements were prepared for MC Limited (as the listed parent entity of the consolidated group including subsidiaries) in accordance with Australian Accounting Standards since its introduction as a publicly listed entity in December 2019 as required under the Act.

The Group's general purpose financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board and have been independently audited in accordance with Australian Auditing Standards.

Management of Financial Records

We understand that the Group's finance team had implemented robust financial management practices to ensure accurate monthly reporting for the Board and on an ad hoc basis. We note the material systems and procedures managed by the finance team as follows:

- Oracle NetSuite ERP software was used for its wholesale distribution and head office entities.
- Transactional / venue companies across the Group used the Xero accounting software.
- At month-end, the divisional accountants would close their respective Group entities' books and present results. Following which, corporate journals and consolidation/elimination processes would be completed.
- The Group's senior finance team then reviews and collates the monthly reporting files for the consolidated and individual Group entity results.
- The CFO undertakes the final review before the results and reporting decks are circulated to the executive leadership team as part of the monthly reporting cycles.

Based upon the foregoing, it is the Administrator's initial view that the Companies have prima facie complied with Section 286 of the Act.



6.2 Basis of Review

As detailed above, we consider it appropriate to review the Companies' position and performance primarily on a consolidated or group basis, due to the following characteristics:

- Essentially, the Group comprises of:
 - Operating companies – MC Limited, MC Operations, MC People, and KI Spirits (“**Operating Entities**”). Aside from MC Limited (being the listed holding entity), and MC People (being the employing entity for the head office and administrative functions), MC Operations and KI Spirits generated revenue through its respective operations to fund the operations of the Group.
 - Non-operating or dormant companies – MC Nominees, MC Venues, MC Investments, MC Spirits, MC Beer, MC Export, Hidden Lake, Jetty Road, Mismatch Brewing, MH Valley, Hills Distillery and MK Wine (“**Non-Operating Entities**”).
- The Group companies were governed by a common Board.
- The Group's senior secured lender, PURE, held first ranking security interests across the Group.
- The Group had intermingled affairs and operations, and regularly conducted transactions between each other – this includes working capital support and intercompany transaction activity. Further details of the intercompany loans are set out in Section 6.8 below.

While we have conducted this review primarily on a consolidated basis, we have also included the profit and loss and balance sheet statements of the primary individual Companies within the below sections, in addition to further detailed reports at Schedule 4 of the Report.



6.3 Historical Financial Performance

We have reviewed the historical financial performance of the Group based on the books and records of the Group, which is summarised in the table below:

Table 12: Group – Historical Profit and Loss

Mighty Craft Group - Financial Performance				
\$000	FY21	FY22	FY23	FY24
Revenue	29,284	68,574	96,081	81,867
Cost of Sales	(17,407)	(43,288)	(66,118)	(66,381)
Employee Benefits	(16,552)	(21,817)	(23,203)	(15,221)
Hire & Maintenance	(469)	(752)	(556)	(437)
Legal & Professional	(3,052)	(3,271)	(1,828)	(713)
Sales & Marketing	(1,940)	(4,101)	(6,275)	(1,244)
Occupancy	(1,341)	(1,704)	(1,922)	(1,709)
Travel & Conveyance	(289)	(592)	(848)	(276)
Share Based Payments	(256)	(1,197)	(1,173)	248
General & Administration	(2,211)	(3,315)	(3,430)	(5,876)
EBITDA (Basic)	(14,233)	(11,463)	(9,272)	(9,742)
Profit/(Loss) from Associates	(147)	(588)	(256)	(265)
Other Income	2,134	2,677	316	(2,256)
Impairment	-	(2,982)	(4,384)	(41,271)
Accounting Gains/(Losses)	-	(1,230)	27,910	(2,180)
EBITDA (Adjusted)	(12,246)	(13,586)	14,314	(55,714)
Depreciation & Amortisation	(1,679)	(3,704)	(3,353)	(2,135)
Finance Costs	(1,576)	(2,633)	(5,154)	(6,579)
NPBT	(15,501)	(19,923)	5,807	(64,428)
Tax	-	(487)	(20)	(83)
NPAT	(15,501)	(20,410)	5,787	(64,511)

Source: The Group's annual reports for FY22 and FY23, and the draft FY24 management accounts which we understand are unaudited

We make the following comments with respect to the historical financial performance of the Group:

- The annual reports distinguish the financial performance of the Group's continued operations from their discontinued operations, which relate to certain entities that the Group has divested during the relevant reporting period. We have prepared a consolidated profit & loss summary of both continued and discontinued operations to provide a holistic view of the Group's historical performance and allowing for a more consistent and comprehensive analysis.
- Additionally, "EBITDA (Basic)" and "EBITDA (Adjusted)" are customised line items used for the purpose of displaying our analysis of the Group's operating performance for this Report.
- The primary source of the Group's revenue was generated through its wholesale sales channels (c.80% in FY24). The Group also generated its revenue through the Group's venue and hospitality businesses.



- The Group experienced an increase in sales revenue throughout the end of FY periods reviewed, going from \$68.6m in FY22 to \$96.1m in FY23. This increase was primarily driven by the performance of the Better Beer wholesale sales (c.60% of total sales in FY24).
- Due to the divestment activity undertaken from July 2023, there was a substantial increase in the impairment expense item from \$4.4m in FY23 to \$41.2m in FY24 due to impairment write-downs following reclassifications of a number of businesses into businesses “held for sale”. The impairment write-down or expense relates to the determination of the fair values of those businesses which are based on the binding offers, or in the absence of binding offers, the expected sale proceeds based on non-binding offers and discussions with interested parties. Essentially, the carrying values of those particular businesses on the Group’s statement of financial position exceeded what the market determined to be the value of those businesses at the time of the sale or sale processes.
- The Group’s consolidated gross margin declined during the period of review, with a noticeably large deterioration from 31.2% in FY23 to 18.9% at FY24. We understand that macroeconomic pressures, including inflation and rising production costs, as well as reliance on selling a high proportion of lower-margin products such as craft beer contributed to a decline the Group’s gross margin efficiency.

In addition to the Group profit and loss above, we have included summaries of profit and loss statements for each of the Companies at Schedule 4.

6.4 Historical Financial Position

We have reviewed the historical financial position of the Group based on the books and records of the Group, which is summarised overleaf:



Table 13: Group – Historical Balance Sheet

Mighty Craft Group - Balance Sheet				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash & Cash Equivalents	4,255	3,737	3,654	168
Trade and Other Receivables	3,183	4,489	4,927	2,007
Inventories	5,859	9,690	6,731	548
Other Current Assets	961	4,655	890	289
Assets Held for Sale		10,186	10,972	10,275
Total Current Assets	14,258	32,757	27,174	13,287
Non-Current Assets				
Receivables	305	305	105	-
Inventories	-	1,259	2,673	679
Investments	3,089	2,501	32,087	24,161
Financial Assets at Fair Value	5,647	5,141	162	-
P&E	12,522	13,290	11,030	4
Right-of-Use Assets	13,592	10,714	13,897	2,186
Intangible Assets	7,873	46,550	47,072	906
Other Non-Current Assets	350	776	1,076	610
Total Non-Current Assets	43,378	80,536	108,102	28,546
Total Assets	57,636	113,293	135,276	41,833
Current Liabilities				
Trade and Other Payables	9,270	11,649	20,436	14,212
Borrowings	144	234	85	19,193
Employee Benefits	1,158	1,053	907	298
Lease Liabilities	406	1,115	1,038	267
Provisions	-	1,264	391	261
Other Current Liabilities	201	2,105	455	147
Liabilities Held of Sale	-	7,023	6,742	3,605
Total Current Liabilities	11,179	24,443	30,054	37,983
Non-Current Liabilities				
Borrowings	6,667	14,195	16,350	-
Employee Benefits	97	105	166	85
Lease Liabilities	13,880	11,648	15,447	2,609
Provisions	-	69	84	-
Derivative Financial Instruments	-	2,755	5,967	-
Total Non-Current Liabilities	20,644	28,772	38,014	2,694
Total Liabilities	31,823	53,215	68,068	40,677
Net Assets	25,813	60,078	67,208	1,156
Equity				
Issued Capital	48,942	104,062	108,985	109,085
Retained earnings / (Accumulated Losses)	(25,657)	(48,998)	(43,237)	(108,846)
Investment Revaluation Reserve	-	344	(3,134)	(3,235)
Share-Based Payments Reserve	2,004	2,973	4,036	3,717
Non-Controlling Interest	524	1,697	558	435
Total Equity	25,813	60,078	67,208	1,156

Source: The Group's annual reports for FY22 and FY23, and the draft FY24 management accounts which we understand are unaudited



We make the following comments with respect to the historical financial position of the Group:

- The Group's asset position, which is largely comprised of cash, trade and other receivables, P&E and inventories, has noticeably reduced throughout the period reviewed due to increased divestment activity and a subsequent decrease in the Group's revenue base.
- The Group's cash position significantly deteriorated from \$3.7m as at the period ended 30 June 2023 to \$168k as at the period ended 30 June 2024, reflecting the Group's diminishing trading performance and the timing of divestments.
- The increase in the investments position from \$2.5m for the period ended 2022 to \$32.1m for the period ended 30 June 2023 is attributable to the restructure of the MC Beer's shareholdings to a 33% direct equity stake of Better Beer Holdings Co. on 30 June 2023. Shortly prior to our appointment in June 2024, MC Beer executed a royalty buy out with PURE of 7.5%, which saw its shareholding reduce to 25.5% at that point in time.

In addition to the Group balance sheet above, we have included summaries of balance sheets for each of the Companies at Schedule 4.

6.5 Bank Accounts

Upon appointment, the Administrators notified known banks and financial institutions seeking, *inter alia*, a restriction on all debit transactions and the transfer of all funds held into the bank accounts maintained for the administrations.

As of the date of appointment, the Group maintained five (5) transactional bank accounts in total. A summary of the Group's accounts is detailed in the table below:

Table 14: Bank Account Summary

Company	Bank Account Details
KI Spirits	<ul style="list-style-type: none"> ▪ One (1) CBA account – main transaction account for day-to-day operating payments/receipts including venue receipts.
	<ul style="list-style-type: none"> ▪ One (1) Bank SA account – main transaction account for day-to-day operating payments/receipts and wages and salaries payments to staff.
MC Limited	<ul style="list-style-type: none"> ▪ One (1) CBA account – main transaction account for day-to-day operating payments/receipts and intercompany transfers/transactions.
MC Operations	<ul style="list-style-type: none"> ▪ One (1) CBA account – main transaction account for day-to-day operating payments/receipts and intercompany transfers/transactions.
MC People	<ul style="list-style-type: none"> ▪ One (1) CBA account – main transaction account for day-to-day operating/receipts and wages and salaries payments to staff.

Source: Management and Directors of the Companies, Administrators notification to banks

6.6 Finance Facilities

As disclosed in Section 3, the Group maintained various financial products and banking facilities which are secured and/or were critical to the Group's ongoing liquidity and working capital management. These finance facilities and products utilised by the Group are summarised in the table below.



Table 15: Primary Financing Facilities

Company	Bank / Institution	Facility Details
MC Limited	PURE	<p>Facility Agreement</p> <ul style="list-style-type: none"> MC Limited first secured a \$7.5m debt facility with PURE in August 2020 for the purpose of working capital requirements and growth acceleration funds. The facility is secured by a General Security Deed giving PURE first-ranking security over the Group's assets and operations. As discussed in Section 3.3, the Facility Agreement was amended and restated six (6) times prior to the appointment of the Administrators to accommodate changes in the Group's structure and operations, including acquisitions, divestments and the forbearance of events of default. PURE executed a Royalty Deed with the Group in June 2022 as part of a \$20m increase to the debt facility, which allowed for quarterly royalties on Better Beer sales. The Royalty Deed was subsequently terminated in May 2024 in return for 7.5% of Better Beer shares.
MC Operations	Moneytech	<p>Debtor Finance Facility</p> <ul style="list-style-type: none"> A debtor financing facility was secured with Moneytech in 2020, which allowed for MC Operations to draw down on invoices initially up to a limit of \$2.5m with the ability to increase to \$5m based on sales growth. The facility was financed against the MC Operation's debtor invoices and was a major source of liquidity for the funding of operations. The facility was secured by a General Security Agreement, which acted to secure the repayment of the debtor finance facility. A Deed of Priority was also established between PURE and Moneytech. This permitted Moneytech first ranking priority over the property of MC Operations and second ranking priority to PURE over the property of the other entities' property in the Group. The facility was increased to \$8m at the end of 2022 and a new Deed of Priority was signed with PURE that increased the security carve out to \$8m for MC Operations. Following discussions between the administrators, Moneytech and PURE regarding the continued use of the Moneytech debtor finance facility, an agreement was reached between the administrators and PURE to discharge the remaining debtor finance facility owing to Moneytech.



Company	Bank / Institution	Facility Details
MC Limited	SVC	Bridging Loan <ul style="list-style-type: none"> MC Limited sourced a bridging funding loan of \$5m from a Geneva based family office in August 2023, which included a 25% interest rate and 6-month loan term for the purpose of bridging a working capital funding gap whilst the Group undertook a strategic review and divestment process. Following the initial 6-month term loan, the SVC facility agreement was amended allowing an extension of \$2.5m of the loan until August 2024 The facility appears to have been paid out in full shortly prior to our appointment with the proceeds from the sale of Lot 100.

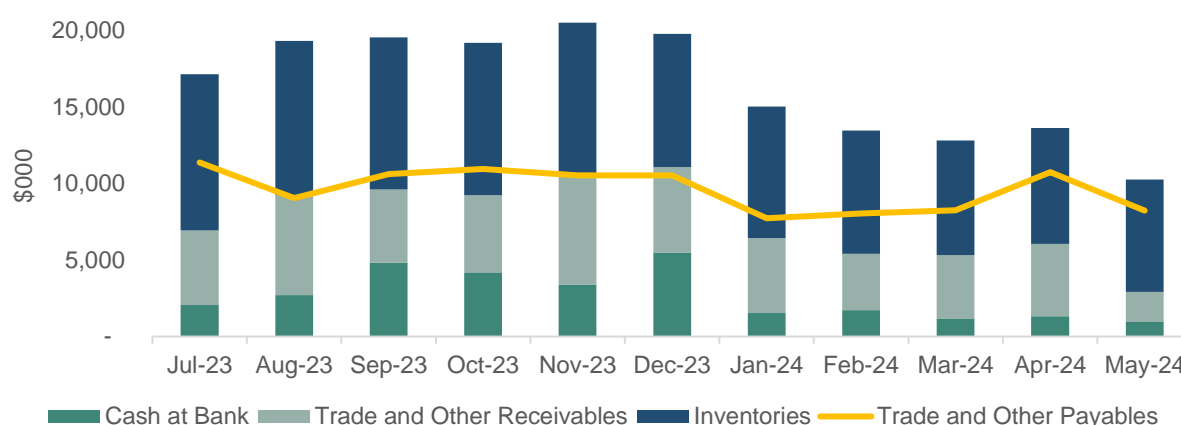
Source: Management and Directors of the Companies, facility documentation, Board Reports, and Book and Records of the Companies

6.7 Historical Cash and Liquidity Position

In addition to reviewing the Group's financial performance and position, we have analysed the key elements of the Group's liquidity including their respective functions and history. To this end, we have undertaken a holistic assessment of the historical liquidity position, including the primary sources of the Group's cash and the flow of funds.

The chart below is a graphical representation of the Group's liquidity position for the period from July 2023 to May 2024.

Chart 2: Liquidity (Cash, Receivables, Inventory and Payables Position from July 2023 to May 2024)



Source: Mighty Craft Forecast Model - Group Financials (Actuals as at May 2024)

We make the following comments in respect to the above table:

- The Group's cash balance includes the bank account balances held by the Group and some related entities not subject to the administration.
- The Group's cash position for the period of review highlights the Group's reduced cash position as at the date of our appointment, owing to increasing levels of debt with SVC and PURE.



- Whilst the Group's trade payables decreased during the period of review, the trade and other receivables position also declined due to a decrease in the Group's revenue base as certain businesses were divested.

6.8 Intercompany Loans

As discussed in Section 1.6 the affairs and operations of the Companies are significantly intermingled, involving the regular payment of funds between the Companies.

Provided below is a summary of the intercompany loans between the Group companies present as at the date of appointment.

Table 16: Summary of Intercompany Loans as at 30 June 2024

Entity	# of Receivable Loans	Value (\$)	# of Payable Loans	Value (\$)
MC Limited	12	45,465,336.97	4	308,515.70
MC Nominees	1	5,883.19	0	-
MC People	11	323,696.93	3	44,350,510.55
MC Investments	4	611,126.91	0	-
MC Operations	4	29,913,978.92	8	22,392,914.43
MC Export	1	321,466.78	2	1,074,524.95
MC Spirits	2	32,459,422.42	2	5,704,212.38
MC Beer	0	-	4	36,287,888.47
MH Valley	0	-	2	7,615.29
KI Spirits	0	-	0	-
Jetty Road	0	-	0	-
Hidden Lake	0	-	0	-
Mismatch Brewing	2	1,381,538.78	0	-
Total	37	110,482,450.90	25	110,126,181.77

Source: Balance Sheet from NetSuite management reports as at 30 June 2024

We make the following comments in relation to intercompany loans:

- The transactions between Group entities were recorded in the NetSuite management accounts as "Intercompany Loan Payables".
- We understand that certain entities were supported through Group loans that were required to meet certain obligations, such as MC Operations funding the salaries and wages payments of MC People and Services employees.
- Our investigations indicate that no formal loan agreements were in place to govern interest, term, amortisation or repayment arrangements.



Section 7: Investigations

7.1 Introduction

A key role of the Administrators is to investigate the Group's business, property, affairs and financial circumstances to determine whether any offences under the Act, or other relevant legislation, may have transpired and to determine if any recoveries from insolvent trading, voidable transactions, or other claims could be pursued by the Liquidators (if appointed) for the benefit of creditors.

These investigations are important as they:

- provide context to the Group's financial position and explain their conduct leading to the Administrators' appointment;
- inform the likely return to creditors from a liquidation of the Group, including whether there are any liquidator recovery (or other) actions that could potentially be pursued for the benefit of creditors if the Liquidators are appointed;
- enable the Administrators to form an opinion and make a recommendation to creditors about the future of the Group; and
- allow creditors to fully consider the Administrators' recommendations and assess and compare a DOCA proposal (if received), given the acceptance of a DOCA proposal avoids liquidation and forgoes the prospects of potential liquidator recovery actions (which can only be pursued if the Group enters liquidation).

To assist creditors, ARITA has issued an "Offences, Recoverable transactions and Insolvent trading" information sheet providing general information for creditors about insolvent trading and voidable transactions. This information sheet is available from the ARITA website (https://www.arita.com.au/ARITA/Insolvency_help/Insolvency_explained/Insolvency_and_creditors.aspx).

7.2 Investigations Undertaken

The Administrators have undertaken the following investigations regarding the Companies' business, affairs and financial circumstances:

- held discussions with the Directors, Management and key staff;
- obtained, reviewed and considered the Directors' ROCAPs;
- identified, reviewed, reconstructed (where required) the Companies' management accounts, and analysed financial information;
- accessed the Group's financial management/accounting software (including NetSuite and Xero) and undertook an analysis of the Management Accounts;
- reviewed the Group's electronic records to understand material transactions and events;
- undertaken searches of publicly available information; and
- obtained and reviewed other ad hoc information regarding the Group's business, property and affairs.



7.3 Books and records

The Administrators investigations are based heavily on the Group's books and records which comprise both physical and electronic records. The books and records have been secured by the Administrators to inform future liquidator investigations and recovery actions, if applicable.

Section 286 of the Act requires that a company must keep written financial records that:

- correctly record and explain its transactions and financial position and performance; and
- enable true and fair financial statements to be prepared and audited.

Financial records must be kept for seven years after the transactions covered by the records are completed.

Failure to maintain books and records may give rise to a (rebuttable) presumption of insolvency pursuant to Section 588E of the Act. This presumption may be relied upon by a liquidator in an application against a director for insolvent trading and other actions for recoveries pursuant to Part 5.7B of the Act.

The Administrators' preliminary view is that the books and records of the Group are 'typical' for a business of its size and nature, adequately explain its transactions and financial position and performance, would allow true and fair financial statements to be prepared and there are no major deficiencies.

Accordingly, the Administrators consider it is unlikely any 'bookkeeping' offences under Section 286 of the Act have occurred or could be established.

7.4 Solvency

Section 95A of the Act specifies that a company is solvent if, and only if, it is able to pay all of its debts as and when they become due and payable. A company that is not solvent is insolvent.

Establishing insolvency is a complex exercise, is generally subject to conjecture and involves a degree of time and expense to be incurred before a claim is made, with further costs and delay generally required to pursue the claim through to a resolution. Broadly there are two main tests for solvency being:

- **Cash Flow Test** - which is an assessment of the ability of a company to meet its debts when they fall due from funds available to it having regard to own financial resources but also its ability to borrow funds, realise assets or raise capital.
- **Balance Sheet Test** - which is primarily focused on the total value of assets against the total value of liabilities and whether there is a net surplus or deficiency.
- **Indicators of Insolvency** - there are also several generally accepted indicators of insolvency which should be considered as part of any solvency assessment. However, these indicators must be considered in light of all of the commercial realities are not definitive evidence of insolvency or an insolvency 'checklist'.

Attached at Schedule 5 is a document outlining our preliminary analysis of the Group's solvency position.

7.5 Group (in)solvency

Whether the Group (or individual group entities) is insolvent and, if so, when it became insolvent has been a key focus of the Administrators' investigations, as it impacts whether:



- the Directors have committed an offense by allowing the Group to continue to trade whilst insolvent and, if so, whether there is a potential insolvent trading claim that could be pursued by the Liquidators (if appointed) for the benefit of creditors;
- there are any other potential insolvent transactions (such as unfair preferences, uncommercial transactions, unfair loans, unreasonable director related transactions or creditors defeating dispositions) that could be pursued by the Liquidators (if appointed) for the benefit of creditors.

Having regard to all commercial realities, particularly those listed below, the Administrators' preliminary view is that the Group, and each individual Group entity, was likely solvent until it became unlikely that the Better Beer merger (or an alternate transaction) could be achieved to restructure the Group's capital structure and transition to sustainable trading. This is largely a subjective (rather than financial or objective) assessment.

The Administrators understand the Directors moved quickly to appoint the Administrators once they formed the view the Better Beer RTO/merger was unlikely to be achieved. Therefore, their preliminary view is that Group is likely to have only been insolvent momentarily in July 2024, immediately preceding the Administrators' appointment.

The key commercial realities and factors informing this view are as follows:

- Due to the structure of the Group, the reliance on one another company for particular aspects of the business, and the cross collateralisation of its financing facilities it is appropriate to consider the solvency of the Companies collectively, as opposed to individually.
- In May 2023, the Group undertook a board restructure to address feedback from various stakeholders including, inter alia, net losses after tax of \$15.5 million and \$20.4 million which were incurred in FY21 and FY22 respectively. Shortly thereafter, the incoming board commenced a strategic review process which culminated in a revised multi-track strategy to i) restructuring the cost base of the Group, ii) amortise debt through an expanded asset divestment program and iii) optimise the Group's corporate structure.
- Whilst the Group had longstanding ATO arrears, the aged portion of this debt was subject to payment arrangements which deferred most of this debt on more than three (3) occasions. The ATO agreed to forbear the debts on the basis that the sale proceeds from the Group's proposed divestments (and subsequently, the proposed RTO) would be sufficient to discharge the outstanding debts. We understand that current (i.e. within due dates) amounts were generally maintained and the ATO was generally supportive of the Group's restructuring plans. Further particulars of our review of these forbearance arrangements are summarised in Schedule 5.
- Throughout FY24 the Group made significant progress in implementing this strategy including completing a cost reduction program, developing and implementing a divestment strategy (including completing a number of divestments) and progressing wider plans transitioning the group to an appropriate capital structure and sustainable trading profile via a merger with a Better Beer.
- Despite the Group's limited ability to raise equity capital in the equity markets since at least March 2023 (evident upon the Group's last capital raise of ~\$5m in March 2023), there appeared to be debt support in the form of PURE, Moneytech and SVC.



- The Group was supported by its primary financier (PURE) as evidenced by the Deeds of Amendment (PURE's Facility Agreement was amended 6 times prior to appointment), which sought to establish the release of secured divestment proceeds from various transactions to support the Group's working capital position, provision of covenant/default waivers, general forbearance and provision of direct working capital support to support temporary liquidity events.
- Throughout the Group's strategic review process, and notwithstanding its failure to complete, PURE was regularly engaged with Mighty Craft's Management to progress the proposed Better Beer RTO steps.
- Notwithstanding that the Group's operations have been generally loss making for several years and the Group has been experiencing liquidity constraints for at least the past six (6) months, the Group's short term cash flow forecasts demonstrate potential cash runway to implement the Group's restructuring plans. To the extent there were periods of tighter liquidity forecasted, the Group appeared to have identified various contingencies to navigate these periods and was generally able to do so which indicates they were temporary liquidity challenges as opposed to endemic insolvency.
- The Group's balance sheet reports a net asset position of at least c.\$49m through to December 2024. Thereafter the net asset position declined to range of c.\$6.0m to c.\$13.0m, following a c.\$40.9m impairment of assets in December 2023.
- The Group generally maintained net current assets within a range of c.\$5.0m to c.\$10.0m and current ratio (current assets divided by current liabilities) of at least 1.0 times since at least July 2022. There were periods where net current assets fell below this range and current ratio approached 1.0, however, these periods appear to be temporary and generally improved within one (1) to two (2) months.
- We understand that the Directors obtained safe harbour advice from appropriately qualified entities, which involved the active pursuit of the Better Beer RTO as part of the Group's safe harbour restructuring plan.
- Ultimately in July 2024, the Directors formed the view that it was unlikely that the merger with Better Beer could be completed, and the Administrators were appointed shortly thereafter.

7.6 Insolvent Transactions

Notwithstanding that the Group is only considered to have been insolvent for a short period, the Administrators have undertaken preliminary investigations over the entire duration over which insolvent transactions could potentially be pursued for the benefit of creditors if the Companies are placed into liquidation.

Unfair Preferences (Section 588FA)

The Administrators have undertaken a preliminary review of all payments during the six (6) month relation back period which may constitute unfair preference payments pursuant to Section 588FA of



the Act. All payments made by the Companies over this period appear to relate to ordinary operating items such as payroll, rent and routine supplier payment runs and do not appear to meet the criteria of unfair preferential payments.

If the Companies are wound up and subject to the date of their insolvency (if applicable), the appointed Liquidators will undertake further detailed investigations in this respect and pursue any economically viable claims for the benefit of creditors.

Uncommercial Transactions (Section 588FB)

The Administrators have undertaken a preliminary review of the two (2) year (four (4) year for related parties) relation back period for potential uncommercial transactions pursuant to Section 588FB of the Act. No transactions which appear to satisfy the criteria of an uncommercial transaction have been identified over these time horizons.

If the Companies are wound up and subject to the date of their insolvency (if applicable), the appointed Liquidators will undertake further detailed investigations in this respect and pursue any economically viable claim identified for the benefit of creditors.

Unfair Loans (Section 588FD)

The Administrators have undertaken a preliminary review of the period since the date of the Companies' respective incorporations for unfair loans which could potentially be pursued pursuant to Section 588FD of the Act. No loans which appear to satisfy the criteria of an unfair loan have been identified over this time horizon.

If the Companies are wound up and subject to the date of their insolvency (if applicable), the appointed Liquidators will undertake further detailed investigations in this respect and pursue any economically viable claim identified for the benefit of creditors.

Unreasonable Director Related Transactions (Section 588FDA)

The Administrators have undertaken a preliminary review of the four (4) year period over which unreasonable director related transactions could potentially be pursued pursuant to Section 588FDA of the Act. No transactions with the Directors have been identified over this time horizon which appear to meet the criteria of an unreasonable director related transaction.

If the Companies are wound up and subject to the date of their insolvency (if applicable), the appointed Liquidators will undertake further detailed investigations in this respect and pursue any economically viable claim identified for the benefit of creditors.

Creditor-defeating disposition (Section 588FDB)

The Administrators have undertaken a preliminary review of the period since the date of the Companies' respective incorporations for creditor-defeating dispositions which could potentially be pursued pursuant to section 588FDB of the Act. No dispositions over this time horizon have been identified which appear to meet the criteria of a creditor defeating disposition.

If the Companies are wound up and subject to the date of their insolvency (if applicable), the appointed Liquidators will undertake further detailed investigations in this respect and pursue any economically viable claim identified for the benefit of creditors.



Circulating security interest created within 6 months before relation-back day (Section 588FJ)

Based on their preliminary review, the Administrators have not identified any circulating security interests registered over the Companies' assets within the 6 months before the relation-back day which may be voidable in the event the Companies are wound up. However, further investigations may be undertaken if the Companies are placed into Liquidation.

Transactions to defeat employee entitlements (Section 596AB)

The Administrators have not identified any transactions that would constitute a transaction to defeat employee entitlement. However, further investigations may be undertaken if the Companies are placed into Liquidation.

Insolvent Trading (Section 588G)

A director has a positive duty to prevent a company incurring debts whilst insolvent. A director liable for insolvent trading may be required, pursuant to Section 588M of the Act, to pay to the insolvent company damages equivalent to the amount of the unpaid debts incurred during the time they were a director, and the company was insolvent.

However, there are several defences to an insolvent trading claim, including if the director:

- had reasonable grounds to expect (and expected) that the company was solvent (and would remain so) at the time the debt was incurred;
- was relying on information provided by a competent and reliable person who was responsible for providing information as to the solvency of the company;
- did not take part in the management of the company at that time because of illness or a similar 'good reason'; and
- took all reasonable steps to prevent the company from incurring the debt. This can include appointing a voluntary administrator at the appropriate time.

Further, directors may also be exempt from insolvent trading if they qualified for safe harbour protection under Section 588GA of the Act which, subject to certain legibility criteria, provides statutory relief from insolvent trading for directors attempting to restructure or turnaround a company to achieve a better outcome than an immediate liquidation or administration.

The Administrators have considered the potential for an insolvent trading claim against the Directors in respect of the Companies pursuant to Section 588M of the Act and on balance consider that there is unlikely to be a commercially viable insolvent trading claim to pursue in liquidation for the following reasons:

- The duration over which it appears the Group was insolvent is likely limited to a matter of days between the point in time in which the Directors lost confidence in achieving a successful outcome from the Strategic Review process and the Administrators' appointment.
- Limited debts appear to have been incurred over the preliminary insolvency period and the total quantum of the Group's liabilities remained relatively consistent in the period leading up to the Administrators' appointment.



- *Prima facie* the Group appears to have been actively monitoring compliance with and has well-documented records to establish meeting the safe harbour eligibility conditions, which provide a statutory exemption for directors from personal liability for insolvent trading; and
- The Directors ability to rely on the insolvent trading defences are untested.

If the Group is wound up and subject to the date of their insolvency (if applicable), the appointed Liquidators would undertake further comprehensive investigations and pursue any economically viable claim/(s) identified for the benefit of creditors.

Safe Harbour Provisions

Section 588GA of the Act provides “safe harbour” from civil insolvent trading provisions (such as insolvent trading claims and recovery actions) while a company is attempting to restructure or turnaround its financial position if certain requirements are satisfied.

Based on documentation provided it appears the Group had engaged safe harbour advisors and was actively monitoring and documenting compliance with the safe harbour eligibility criteria, including but not limited to, a written restructuring plan, frequent safe harbour meetings since at least February 2024 and documented supporting analyses of the safe harbour restructuring plan as matters developed.

In the event the Directors are eligible for the provisions in Section 588GA of the Act, they would receive a statutory exemption from any insolvent trading claim during the period of the safe harbour appointment which would likely diminish any potential insolvent trading claim brought by an appointed liquidator(s).

7.7 Directors and Officers Responsibilities

The Administrators are obligated to report any offences they identify as being committed by an officer of the Companies, when it is relevant to the creditors’ decision on the Companies’ future.

Reportable offences may include the following:

Table 17: Summary of Possible Offences

Reportable offences	
Section of the Act	Detail
Section 180 to 183	The misuse of a director’s position within a company or not carrying out the duties required of their position in good faith or with the appropriate degree of due care and diligence.
Section 286	Failure to maintain adequate books and records in relation to a company.
Section 438B	Failing or refusing to assist the Administrator as and when required and to provide reports as required under the Act.
Part 5.8A	Entering into transactions with the purpose of avoiding employee entitlements.
Section 588G	Duty to prevent insolvent trading.

The Directors have provided a ROCAP and assisted the Administrators as requested and the Administrators have not identified contraventions of the Act by the Directors or other officer holders.



If the Companies are wound up, the appointed Liquidators will undertake further detailed investigations in this respect and pursue any economically viable claim identified for the benefit of creditors.

7.8 D&O Insurance

The Administrators' investigations indicate that there is a Directors & Officers insurance policy held by the Companies. The Administrators' have obtained these policies. In conjunction with our insurance broker and legal advisors, these policies are being reviewed for any insolvency specific exclusions which will be considered alongside the Administrators' investigation into insolvent trading.

7.9 Financial Position of the Directors

As mentioned in Section 7.6 above, a liquidator, if appointed, would need to consider the financial capacity of the Directors and the Former Director, to determine their ability to satisfy any claim/(s) made against them. In this regard, we have conducted preliminary investigations into the financial position of the Directors, including undertaking land title searches and undertaking searches on the ASIC register to identify proprietary shareholdings. Our searches indicate the following:

Mr. Peck

- Our searches indicate that Mr. Peck holds a joint interest in four (4) real properties in Victoria, all with mortgage encumbrances.
- Our searches also indicate that Mr. Peck does not hold shares in private companies.

Mr. Syme

- Our searches indicate that Mr. Syme does not hold interest in real property, nor does he hold shares in private companies.

Ms. McNamara

- Our searches indicate that Ms. McNamara holds a joint interest in two (2) real properties in Queensland, albeit with mortgage encumbrances.
- Our searches also indicate that Ms. McNamara holds shares in two (2) private companies.

While we have conducted a preliminary review of the financial position of the Directors and Former Director, there are a possible number of defences (including safe harbour protections), available to the Directors which may diminish or eliminate possible claims (if any). Notwithstanding, and as noted above, further investigations would be undertaken should a Liquidator be appointed (e.g. equity values, trustee ownerships etc).



Section 8: Information for Employees

8.1 Priority Creditors

Pursuant to the Act, employees constitute a preferred class of creditors with respect to the relevant Group companies.

As disclosed earlier in this Report, all Group staff not relevant to specific standalone venues / operations (such as KI Spirits) are employed by MC People.

The estimated position of outstanding employee entitlements (outstanding annual leave and superannuation) as of the date of appointment according to the records of the Companies are summarised in the following table. Based on our preliminary review, we consider these entitlement figures to be accurate, however they are not final and may be subject to change pending further review and verification.

Table 18: Employee Entitlements at Appointment (as of 22 July 2024)

Group Company	No. of affected employees	Annual Leave	Superannuation	Total
MC People	27	246,326.82	32,150.64	281,271.30
KI Spirits	6	47,948.27	5,514.05	52,560.05
Total	33	\$294,275.10	\$37,664.70	\$331,939.80

Source: Books and Records of the Companies; Management

We also note that excluded employee limits under s.556(1) of the Act would apply to the Directors of the employing entities as they are considered “excluded employees” under the Act.

In accordance with s.556(1) of the Act, excluded employees are limited to a specified amount in respect to their priority claim for outstanding leave entitlements (\$1,500 per person) and superannuation (\$2,000 per person). The balance of the outstanding employee entitlements claim for the excluded employees would therefore rank as an ordinary unsecured debt.

As outlined in Section 5.6 herein, the Administrators made certain staff redundant during the Administration process as a result of the insolvency of the Mighty Craft Group and its funding position. Those entitlements (including redundancy and payment of lieu in notice for certain employees) have now crystallised.

8.2 Retention Bonus Scheme

Prior to the appointment of the Administrators, certain employees entered into a retention bonus scheme (“**Bonus Scheme**”) with Mighty Craft.

Based on information provided by Management, it appears that 15 employees (both current and former) were parties to the Bonus Scheme. The Bonus Scheme was subject to two (2) hurdles, various conditions (including solvency and liquidity requirements) and appears to have a total potential value of ~\$935k.

Given the potential significance of the Bonus Scheme, the Administrators sought legal advice and made extensive enquiries of Management to provide information pertaining to the Bonus Scheme.

As noted above, the two (2) primary hurdles were:

- The employee remaining employed at the tenure date; and



- Divestments made by the Group totaling more than \$20m on or before 1 October 2024.

With respect to the tenure date hurdle, it appears that these were passed for 13 of the 15 employees as at the date of the appointment of the Administrators.

With respect to the divestment hurdle, it appears that this was not met based on the information reviewed by the Administrators. A summarised position of the divestments as at the date of the appointment of the Administrators is below:

Table 19: Divestment Summary (subject to Bonus Scheme)

Divestment	Settlement Date	Cash Price (\$)	Adjustments (\$)	Total (\$)
Jetty Road	09-Nov-23	2,650,000	341,688	2,991,688
Hills Cider	07-Dec-23	2,052,650	888,162	2,940,812
Emu Bay	26-Feb-24	793,000		793,000
Slipstream	29-Feb-24	850,000		850,000
Hunter Valley	26-Mar-24	300,000	(60,803)	239,197
Foghorn	21-May-24	1	-	1
78 Degrees	03-Jun-24	5,200,000	(135,320)	5,064,680
Mismatch	17-Jun-24	2,000,000	217,701	2,217,701
Lot 100	12-Jul-24	1,500,000	(78,811)	1,421,189
		15,345,651	1,172,617	16,518,268

Source: Books and Records of the Companies

We make the following comments with respect to the above:

- The above figures do not include advisor fees or other costs (such as redundancies) associated with the divestments. Based on records reviewed by the Administrators, it appears that these total ~\$2.3m. Based on the information reviewed, it is unclear whether the divestment hurdle should be considered on a “gross” or a “net” basis. In any event and based on the above Table, the hurdle does not appear to have been met on a “gross” basis.
- The above divestment register does not include the Royalty Transaction. Based on our review and our legal advisor’s review of the Royalty Transaction legal documents, the Royalty Transaction involved MC Operations purchasing the rights to the Royalty Deed from PURE in exchange for a 7.5% stake in Better Beer. As such, it is unclear how this could be considered a divestment. Further, based on contemporaneous internal correspondence reviewed from 26 June 2024 from the then CEO (Katie McNamara), the Royalty Transaction was not considered in a running total of divestments.

Based on the above, our investigations to date and legal advice received, it is the Administrators’ view that no amounts are payable to employees with respect to the Bonus Scheme.

8.3 The FEG Scheme

The Fair Entitlements Guarantee (“**FEG**”) is a scheme of last resort that provides financial assistance for unpaid employee entitlements in insolvency. FEG assistance is only available where there is no other source of funds to pay employment entitlements to eligible employees retrenched due to liquidation or bankruptcy of the employer.



FEG is administered by the Attorney-General's Department. Decisions about eligibility for FEG assistance are made in accordance with the Fair Entitlements Guarantee Act 2012 (FEG Act). Further information is available at the following link:

<https://www.ag.gov.au/industrial-relations/fair-entitlements-guarantee-feg>

8.4 Availability of FEG in a liquidation scenario

Should any of the Companies be placed into liquidation, eligible employees can make a claim under the FEG scheme which is designed to pay what is owed under the terms and conditions of employment for the following entitlements:

- wages – capped at 13 weeks
- annual leave
- long service leave
- payment in lieu of notice – capped at 5 weeks
- redundancy pay – capped at 4 weeks per full year of service.

We note that the FEG scheme also applies a maximum weekly wage limit which is currently capped at \$2,793 per week. The FEG scheme does not pay outstanding superannuation.

As disclosed above, the outstanding superannuation entitlements across the Group currently totals c. \$34,072.07, relating to the period 1 July 2024 to 21 July 2024. The Administrators note that they will shortly make payment of the accrued superannuation guarantee entitlements during the period of their appointment (22 July 2024 to 30 July 2024), with August superannuation not due until 28 September 2024.

As detailed in Section 11, the Administrators' view is that there are unlikely to be sufficient circulating assets to pay out any employee entitlements in a liquidation scenario for employees in MC People. There is a chance of a return for employees of KI Spirits (depending on recoveries and realisable values of items such as inventory).

As such, it is likely that eligible employees would have to access the FEG scheme for the shortfall of entitlements (except for superannuation) in a Liquidation scenario.

8.5 Payment of Employee Entitlements in a DOCA scenario

If the DOCA Proposal is accepted by creditors, the Companies will not go into liquidation and the FEG scheme will not be available to employees.

The terms of the DOCA Proposal provide for the preservation of jobs, and the immediate payment and/or assumption (by the DOCA Proponent) of outstanding employee entitlements including redundancy, subject to the whether the employees are retained as "continuing employees" and the type of entitlement. We note that the DOCA Proposal involves a Creditors' Trust.

The effects of the DOCA Proposal on employee entitlements and continuing employment (including the estimated return) is discussed further in Sections 9 and 10 below.



Section 9: DOCA Proposal Received

9.1 Introduction

A DOCA is a binding agreement between a company, its creditors, and the proponent(s) of the DOCA, which sets out how a company's affairs will be dealt with. The proponent of the DOCA puts forward a proposal to creditors which normally involves a cash injection to pay the creditors a proportion of their claim against the company in return for the creditors' claims otherwise being compromised.

The Administrators received a pooled DOCA proposal from PURE (as “**DOCA Proponent**”) with respect to the Companies (“**DOCA Proposal**”). The DOCA Proposal is attached at Schedule 7.

The Administrators consider that if accepted by creditors, the DOCA proposal will result in a greater, timelier, and more certain dividend return to creditors. Moreover, the pooled nature of the DOCA provides for a better return for the creditors of each Company than an alternative liquidation of each entity. **As a result, in the opinion of the Administrators, it is in the best interests of creditors of all Companies to resolve for the creditors to approve the DOCA Proposal.**

A detailed comparison of the return to creditors under the DOCA proposal compared to a Liquidation scenario is set out in Section 10.

We set out in this section the key features of the DOCA Proposal and our comments on the DOCA Proposal.

9.2 General Information on a DOCA

At the Second Meeting of Creditors scheduled for Monday, 26 August 2024, creditors may resolve that the Companies execute a DOCA. If creditors resolve to approve the DOCA Proposal, it should be noted that:

- The Companies must execute the DOCA within 15 business days after the end of the Second Meeting of Creditors (unless the Court allows a longer time). If this does not occur, the Companies will automatically go into liquidation.
- The DOCA binds all unsecured creditors, even those creditors that voted against it.

The DOCA does not prevent a creditor who holds a personal guarantee from a director or another person, from taking enforcement action under the personal guarantee.

9.3 Key Terms of the DOCA Proposal

The salient terms of the DOCA Proposal (which should be read in full by creditors and is attached) are as follows (where terms are not defined in the Report, they should be taken to have the meaning in the DOCA Proposal):

Companies

The 16 entities subject to the appointment of the Administrators as detailed in this Report.

Purpose

The purpose of this term sheet is to provide a summary of the material terms of the Deed of Company Arrangement (DOCA) that PURE (as proponent) proposes in respect of the Companies and which PURE requires the Administrators to present to the meeting of the creditors of the Companies that is scheduled to be held pursuant to Section 439A of the Corporations Act 2001 (Cth) (the Act).



The primary purpose of the DOCA is to:

- a. provide creditors of the Companies with a better return than they would otherwise be expected to receive if the Companies were immediately placed into liquidation;
- b. maximise the chance of the Companies, or as many of them as possible, continuing in existence;
- c. facilitate the sale of all of the shares in Kangaroo Island and MCL to PURE and/or its nominee as interconditional and sequential transactions;
- d. minimise administration holding costs and reduce further advisor fees;
- e. provide for a continuation of the moratorium which commenced on the appointment of Administrators; and
- f. conclude the administration of the Companies and the DOCA as efficiently as practicable.

The DOCA will give effect to the following transactions (Proposed Transaction):

- a. acquisition of all of the shares in Kangaroo Island by PURE and/or its nominee for the KI Consideration; and
- b. acquisition of all of the shares in MCL by PURE and/or its nominee for the MCL Consideration.

Administrators

Liam John Healey and Quentin James Olde of Ankura (the Administrators).

Parties

PURE, the Companies and the Administrators.

Creditors' Trust

A creditors' trust will be established for the purposes of the DOCA, named the 'MCL Creditors' Trust' (Creditors' Trust). The purpose of the Creditors' Trust will be to enable certain tasks ordinarily undertaken by deed administrators to be performed by the trustees of the Creditors' Trust in order to facilitate the early termination of the DOCA.

DOCA Contribution

The DOCA Contribution will comprise a cash payment equal to the Costs Cap, the Priority Employee Amount and the Ex Gratia Sum, with those items being defined as:

- Costs Cap An amount agreed in writing between the Administrators and PURE on account of Administrator fees and expenses.
- Priority Employee Amount The amount agreed in writing between the Administrators and PURE in respect of employees of the Companies terminated prior to Completion with the consent of or at the direction of PURE to the extent those claims would have been entitled to be paid in priority to the payment of other unsecured claims under Section 433 and Sections 556(1)(e), (g) or (h) of the Corporations Act. The Administrators understand that this payment will represent all employee entitlements that terminated employees are entitled to and there will be no compromising of claims whatsoever.
- Ex Gratia Sum \$100,000

KI Consideration

\$5,500,000, which will be offset against the Secured Money owing to PURE.

MCL Consideration

The balance of the Secured Money owing to PURE (less the KI Consideration and the Continuing Secured Debt), which will be offset against the Secured Money owing to PURE.



Continuing Secured Debt

In relation to any Company or Companies nominated by PURE, a portion of the Secured Money owing to PURE nominated by PURE prior to Completion.

Creditors' Fund

The funds and property available for distribution from the Creditors' Trust (**Creditors' Fund**) will comprise the DOCA Contribution.

Amounts standing to the credit of the Creditors' Fund will be distributed from time to time by the Administrators or any trustee of the Creditors' Trust (**Trustee**) as soon as reasonably practicable after the receipt of funds, including in relation to payment of:

- trading costs, debts and liabilities incurred during the Administration Period (to the extent not already paid); and
- specified Administrators fees and all reasonable out of pocket expenses which will be paid to the Creditors' Trust for the Administrators' fees and expenses which the Administrators are entitled to be paid or indemnified for under the DOCA.

No other funds of the Companies will be available to meet the claims of the creditors of the Companies.

Effect of DOCA

The DOCA will:

- a. in accordance with (and subject to) Section 444D of the Act, bind all creditors of the Companies in relation to claims arising on the Appointment Date; and
- b. in accordance with Section 444G of the Act, bind the Administrators, the Companies and the officers and members of the Companies.

On execution of the DOCA, the Administrators will be obliged to give effect to the terms of the DOCA and the Proposed Transaction and do all acts, matters and things, and sign all necessary documents as may be reasonably necessary for the purposes of the DOCA and the Proposed Transaction.

Treatment of Claims

The DOCA will provide that:

1. at Completion, the claims of PURE as secured creditor of the Companies will be extinguished in full (other than in respect of the Continuing Secured Debt);
2. the claims of employees of the Companies who have not been terminated prior Completion will not be compromised and their employment will continue at Completion;
3. the claims of other creditors of the Companies (other than those whose claims the DOCA identifies will not be compromised, including under "Ongoing Contracts and Leases" below) will be dealt with by distribution from the Creditors' Fund in the following manner:
 - a. Administrator, Deed Administrator, Creditors' Fund trustee costs up to the Costs Cap;
 - b. the claims of employees of the Companies who have been terminated, to the extent those claims would have been entitled to be paid in priority to the payment of other unsecured claims under Section 433 and Sections 556(1)(e), (g) or (h) of the Corporations Act; and



- c. after the payment of the amounts described above, any surplus will be available for distribution to the remaining creditors of the Companies.

Any creditors of the Companies shall, if required by the Companies or the Administrators (or either of them), execute any necessary documents including forms of release of debts and claims as the Companies or the Administrators may require from time to time in order to give effect to the releases referred to in the DOCA.

Ongoing contracts and leases

The DOCA will list contracts and leases of the Companies which will not be compromised by the DOCA and whether pre-appointment claims under such contracts or leases (if any) will be compromised. PURE does not expect to nominate the compromise of any contracts or leases in Kangaroo Island, other than those which relate to the Whisky Development Syndicate Pty Ltd and those which render Kangaroo Island liable for the debts or obligations of any other Company.

Conduct of Business

Following replacement of the directors of the Companies as directed by PURE, the control and management of the Companies will be returned to the boards of the Companies as soon as practical and at the discretion of the Deed Administrators in the period between signing of the Deeds of Company Arrangement and Effectuation for each Company, subject to any matter reserved for the control or direction of the Deed Administrators under the Deeds of Company Arrangement.

Transfer of Shares and Purchase Price of MCL Shares

The Administrators will work collaboratively with PURE to issue an application in the Federal Court under Section 444GA of the Act seeking leave to transfer all the shares in MCL to PURE and/or its nominee and discharge any other security interests granted by the Companies as nominated by PURE (**Section 444GA Application**).

Independent Expert's report

As part of the Section 444GA Application, the Administrators must procure an Independent Expert's Report setting out its expert opinion as to the value of an MCL share on a going concern and liquidation basis in accordance with the requirements of ASIC Regulatory Guide 111 Content of Expert Reports (**IER**).

The IER will be used by the Administrators for the following purposes:

1. to assist the Court in determining whether the proposed transfer of shares will unfairly prejudice MCL shareholders for the purposes of the Section 444GA Application;
2. to assist with the making of an application to the Australian Securities and Investments Commission ("**ASIC**") under Section 655(1)(a) of the Act for relief from the operation of Section 606 of the Act; and
3. to be provided in an explanatory statement to be sent to MCL shareholders in relation to the Section 444GA Application.

The Administrators must consult with PURE in respect of the fees proposed to be charged by the relevant legal advisors and independent expert, and must use best endeavours to procure an estimate of fees on a fixed fee or fee cap basis. The Parties will agree an estimate of fees to be charged by such legal advisors and the independent expert, which will be included in the DOCA.



The purchase price (before adjustments) in connection with PURE's acquisition of all shares in MCL (**Shares**) will be satisfied via the MCL Consideration (and accordingly the cash consideration payable to MCL shareholders will be \$nil) (**Purchase Price**).

Completion of Primary Transaction

At Completion:

1. all of the shares in Kangaroo Island will be transferred to PURE and/or its nominees (provided that PURE may at its election complete this share transfer prior to completion in its discretion);
2. all of the shares in MCL will be transferred to PURE and/or its nominees;
3. the DOCA Contribution will be paid to the Creditors' Trust by PURE.

Creditors' Claims at Completion (DOCA Effectuation)

At Completion of the Proposed Transaction:

1. the claims and debts (including fines and penalties) of all creditors of the Companies (other than as contemplated under this terms sheet or as nominated by PURE to the Administrators in its absolute direction prior to Completion) will be extinguished and released to the fullest extent possible in return for their entitlement, if any, to receive a distribution from the Creditors' Fund;
2. the Creditors' Trust will be created and will be funded, and the creditors of the Companies will only be entitled to participate to the extent of any distributions to which they are entitled from the Creditors' Fund; and
3. the DOCA will have been completed and effectuated and Administrators must certify to that effect in writing and must as soon as practicable lodge with the ASIC a notice of performance of the DOCA in accordance with Section 445FA of the Act.

Sunset Date

While not defined, the Sunset Date will be reasonable and if it is triggered the Companies will be placed into Liquidation.

Alternative Transaction

If Completion has not occurred by the Sunset Date, the Deeds of Company Arrangement will contain provisions allowing, at PURE's election, for the effectuation of the DOCA on the same economic terms via an asset sale agreement between the Companies and PURE and/or its nominee.

9.4 Conditions Precedent to the DOCA

Completion is conditional upon all of the following conditions being satisfied or waived on or prior to the Sunset Date:

1. ASIC grants such exemptions or modifications from Chapter 6 of the Act pursuant to Section 655A of the Act as are necessary to permit the transfer of the MCL Shares to PURE pursuant to Section 444GA of the Act;



2. ASX grants any waiver that PURE and the Administrators agree are required in connection with the transfer of the MCL shares and the transactions contemplated by the DOCA;
3. the Parties executing and exchanging the Creditors' Trust Deed;
4. an order of the Court granting the leave sought in the Section 444GA Application (**Section 444GA Order**);
5. the shareholders of Better Beer Holdings Pty Ltd (other than Mighty Craft Beer) waiving any rights arising from any change of control or other default event under the shareholders agreement in relation to Better Beer Holdings Pty Ltd as a result of the Proposed Transaction; and
6. all security interests granted by the Companies as nominated by PURE must either be released by the security holders or discharged by Court order.

These conditions precedent are for the benefit of PURE and any condition precedent may be waived in writing by PURE.

9.5 Estimated Return to Creditors under DOCA Proposal

Table 20 below summarises the estimated return to the creditors under the DOCA Proposal. We have provided a comparison to estimated returns in a Liquidation scenario at Section 10.

Table 20: Estimated Return to Creditors under DOCA Proposal

		<u>DOCA Estimated Returns c/\$</u>	
Creditor Return Summary		Low	High
Priority Creditors			
Continuing Employees (all Companies)		Retained in Employment	
Non-Continuing Employees (all Companies)		100.0	100.0
PURE (Senior Secured Creditor)			
Mighty Craft Operations Pty Ltd	PURE, as DOCA Proponent, will extinguish some or all of its secured debt and take control of the shares of MC Limited (and the rest of the Group) and the shares of KI Spirits		
Mighty Craft Limited			
Kangaroo Island Distillery Pty Ltd			
Mighty Craft People and Services Pty Ltd			
Mighty Craft Spirits Plus Pty Ltd			
Mighty Craft Beer Pty Ltd			
Mighty Craft Venues Pty Ltd			
Mighty Craft Export Pty Ltd			
Mighty Craft Investments Pty Ltd			
Hidden Lake Pty Ltd			
Mighty Craft Nominees Pty Ltd			
Unsecured Creditors			
All Companies	0.5	0.9	

We make the following comments with respect to the above:

- All employees that have been or will be made redundant will receive their admitted claims for outstanding employee entitlements paid in full.
- Continuing employees will have their entitlements and length of service assumed and recognised as part of their ongoing employment with the Mighty Craft Group.



- Unsecured creditors are expected to receive between 0.5c/\$ to 0.9c/\$ on admitted claims.

Full notes and workings with respect to the above are at Schedule 6.

9.6 Estimated Timing of DOCA Process

The summary below outlines key steps in the DOCA Proposal and estimated timing of completion of all contemplated steps. There will be steps involving ASX and ASIC relief however these have been incorporated into the overall timeline.

Table 21: DOCA Proposal Timeline

Step #	Description	Estimated completion date / timing
1	Notice of meeting and report to creditors issued by administrators	19 August 2024
2	Second Meetings of Creditors held to decide future of the Companies where creditors will vote on the DOCA proposal presented.	26 August 2024
3	Execution of DOCA by all relevant parties within 15 business days of the Second Meeting of Creditors.	16 September 2024 (but target date would be earlier)
4	File application with respect to Section 444GA of the Act as required by the DOCA Proposal	As soon as possible after the execution of the DOCA (say 16 September 2024)
5	Approval of Section 444GA application referred to above	Allow for two (2) months from filing date (say 16 November 2024)
6	Upon approval of the Section 444GA application referred to above, simultaneous: <ul style="list-style-type: none"> - DOCA Contribution paid by Pure - Completion of the Proposed Transaction (including the transfer of shares of KI Spirits and MC Limited to PURE) - Establishment of Creditors' Trust and all claims transferred to the Creditors' Trust - Effectuation of the DOCA 	As soon as possible after approval above (say 17 November 2024)
7	Dividend Process (including notices, advertisement, adjudication, review process and payment of monies)	Two (2) months statutory period and process from the effectuation of the DOCA Date Process commencing mid to late November 2024 and finalised by late January 2025
8	Finalise Creditors' Trust	February 2025

9.7 Administrators' Comments on the DOCA Proposal

The DOCA Proposal provides the following benefits when compared with the liquidation of the Companies:

- The DOCA Proposal provides a more certain, timelier and a higher return to all creditors owing to the establishment of the Deed Fund, which would not be available in liquidation.



- Employee entitlements will be paid in full or continued to be recognised by the Mighty Craft Group where their employment is to continue. The DOCA Proposal will likely preserve jobs.
- Satisfies the objectives of Part 5.3A of the Corporations Act by:
 - Maximising the chances of the business continuing in existence; and
 - Provides a better return to creditors of each of the Companies than the immediate winding up of the Companies.

The potential risks of the DOCA Proposal are:

- The conditions precedent described above are not able to be satisfied.
- DOCA Proponent being unable to make the DOCA Contribution.
- Creditor claims, at effectuation (after the DOCA Contribution is made by the DOCA Proponent), are moved to the Creditors' Trust (explained below in detail). This means that upon DOCA effectuation creditors will not have recourse against the Companies and claims will only be satisfied from funds held by the Creditors' Trust.
- The DOCA is challenged by parties at varying stages through the Court (for example as part of the Section 444GA of the Act application), leading to delays or termination.

9.8 DOCA Proposal Involves a Creditors' Trust

In analysing and reviewing the DOCA Proposal, the Administrators have had regard to ASIC's regulatory guide 82 (**RG82**). RG82 can be found here:

<https://download.asic.gov.au/media/4966380/rg82-published-17-december-2018.pdf>

In particular, we have regard for identifying and explaining to all creditors the special risks associated with a Creditors' Trust and the material information required to be provided to creditors when recommending a DOCA proposal involving a creditors' trust.

As outlined above, we have identified the special risks to creditors with respect to the DOCA Proposal and Creditors' Trust. In summary:

- Participating Creditors will likely have no legal rights against the Companies upon effectuation of the DOCA and establishment of the Creditors' Trust, and the only method of recovery of any admitted claims will be by way of distributions from the Creditors' Trust Fund;

Further, we have regard with respect to the material information required to be disclosed, as summarised below:

- **Reasons:** We understand that the reasons for utilising the Creditors' Trust is that the Deed Proponent wishes to accelerate the Companies effectuating the DOCA Proposal in order to allow for the Mighty Craft business to trade as soon as possible without being under external administration.
- **Key Events:** These are described throughout this Section and the timing of events is described above at Table 21.
- **Return:** The estimated return is described in this Section at Table 20 and is compared to a Liquidation scenario at Section 10.
- **Trustee Particulars:** The Trustees will be the Administrators as noted above. Further information on the experience and background of the Administrators can be found at www.ankura.com.



- **Remuneration:** The remuneration of the Administrators, Deed Administrators and Trustees is detailed at Section 12 and in the Remuneration Approval Report.
- **Indemnities:** The DOCA Proposal provides for indemnities such as for the Administrators' / Deed Administrators' / Trustees' remuneration and costs to be indemnified out of the Deed Fund.
- **Powers:** The powers of the Creditor Trustees' include the administering and distribution of the Creditors' Trust Fund for the benefit of the Trust Creditors. A deed administrator under the Act would ordinarily have the ability to terminate or seek a variation under any deed of company arrangement. This primary difference in the circumstances is that the Creditor Trustees' have no ability to do so once the DOCA under the DOCA Proposal is effectuated (which remains subject to various conditions precedent, including a Court application, as noted above).
- **Claims:** The process for claims under the Creditors' Trust are fully documented throughout this section. Claims by unsecured creditors will be made in the Creditors' Trust and be repaid (at the estimated returns noted above) by the DOCA Contribution.
- **Creditor / Beneficiary Differences:** Creditors in a deed of company arrangement are able to apply to Court in order to have a deed of company arrangement set aside. Once the DOCA under the DOCA Proposal is effectuated and the Creditors' Trust is established, creditors will no longer be creditors of the Companies (as described throughout this section) and, as such, will have no recourse against the Companies and its assets with respect to their claims.
- **Fair Entitlement Guarantee:** Any priority employees who have claims transferred to the Creditors' Trust will not be able to access FEG and their entitlements would be paid out of the DOCA Contribution (which is expected to pay priority employee creditors 100c/\$ on entitlements).
- **Compliance Opinion:** Based on our enquiries and investigations, we understand that the DOCA Proponent is a well-capitalised lender and that there is no reason to believe that the DOCA Proponent will be unable to make the contributions under the DOCA Proposal as required. In any event, effectuation of the DOCA is contingent on the DOCA Contribution being received.
- **Solvency Statement:** We have made enquiries regarding the solvency of the Companies post effectuation of the DOCA Proposal. In particular, we understand that PURE is a well-capitalised lender and will fund, as required, the Mighty Craft Group post DOCA effectuation.
- **Tax Issues for Company or Creditors or Beneficiaries:** We are aware that Mighty Craft Group has significant tax losses based on prior years performance and capital losses that might be available to the DOCA Proponent (subject to final advice). We also understand that the ATO has strict compliance measures regarding excise tax requirements through DOCA processes generally. We have notified PURE of this and will work with the ATO and PURE as required to enable ongoing compliance by the Companies as the Companies execute and eventually complete the DOCA Proposal.

9.9 Effects of DOCA on employees

If the DOCA Proposal is approved by creditors, continuing employees will continue their employment with MC People and KI Spirits, and any non-continuing employee will be able to claim outstanding entitlements. The Administrators have the discretion to pay the entitlements of non-continuing employees as soon as the DOCA Contribution is received from the Proponent.



We note that the DOCA Contribution is set to include the Employee Priority Amount and will be paid at DOCA effectuation. Employee claims will move to the Creditors' Trust at that time. The Administrators understand that this payment will represent all employee entitlements that terminated employees are entitled to and there will be no compromising of claims whatsoever. Accordingly, we will ensure these amounts are documented and agreed with employees prior to the DOCA effectuation.

Upon effectuation of the DOCA, current and former employees of the Companies will not be able to access the FEG scheme for outstanding entitlements.

Noting that the Employee Priority Amount is an amount agreed by PURE and the Administrators, it is

The FEG scheme is only available if the Companies go into liquidation and the Companies are unable to pay entitlements of employees. There are conditions that need to be met for payment to be made under the FEG scheme and employees would need to obtain their own advice. In any event, the DOCA Proposal provides for employees to be paid all of their outstanding entitlements, or to otherwise continue being employed with the relevant Company.

We note that all employee entitlements since the date of appointment (22 July 2024), including superannuation, have (or will have) been paid through the course of the administration and will be paid through the DOCA period.

Continuing employees are not able to participate in the proposed DOCA to the extent of any ongoing entitlements. Continuing employees will retain all leave and other entitlements with the relevant employing Company. All entitlements of continuing employees will continue to be paid in the ordinary course both during the DOCA period, and from the relevant employing Company after the effectuation of the DOCA.

Employees may claim in the DOCA for unpaid claims relating to their employment including outstanding wages, super contributions and leave entitlements. Employees are entitled to be paid in priority from the DOCA fund (Creditors' Fund per the DOCA Proposal). Under the DOCA Proposal, all entitlements of employees will be met in full. The entitlements of continuing employees will be paid in the normal course.



Section 10: Estimated Return to Creditors

10.1 Introduction

The Administrators have prepared an estimated return to creditors under the following scenarios:

- 1) Liquidation of the Companies; and
- 2) That the Companies execute and enter into the DOCA as described at Section 9.

The Administrators have prepared this to allow creditors to be properly informed and considered when voting on future of the Companies at the Second Meeting of Creditors.

10.2 Basis of Preparation

The Administrators have prepared the estimated return statements on the following basis.

Liquidation of the Companies

Preparation of estimated outcome statements for each of the Companies in Liquidation by reviewing:

- The assets available for realisation, including the trading position of the Administrations;
- The estimated realisable values of those assets based on our investigations to date, valuer reports and our experience as restructuring professionals; and
- The priority of payments when considering, amongst other things, PURE's security interests and pursuant to Section 556 of the Act.

Deed of Company Arrangement

As the DOCA Proposal contemplates a pooling of the Companies' creditors, we have prepared this analysis on the following basis:

- The funds being made available with respect to each class of creditor as defined in the DOCA; and
- The estimated return to each class of the Companies' pooled creditors.

10.3 Liquidation Scenario

A liquidation of the Group would have a range of negative impacts that would affect the likely outcome for unsecured creditors.



In a liquidation scenario, it would likely be necessary for the Administrators to immediately cease operations of the Group given the current funding situation – it is unlikely that PURE would continue to support the trading of the business in a liquidation scenario. The Administrators consider that a liquidation scenario would proceed under the following assumptions:

- Cessation of operations with all staff being made redundant in short order and MC Operations ultimately being unable to service the Solutions Agreement (leading to its termination).
- Piecemeal realisations of the Group's key assets including KI Spirits and the shareholdings in Better Beer and Seven Seasons, impacting value.
- PURE potentially appointing a Receiver to the Companies, increasing costs.
- Negative impact on the value of the Group's shareholding in Better Beer given that the Solutions Agreement would cease to operate in its current form, impacting the supply, sales and distribution of Better Beer product to customers (and therefore impacting the Better Beer brand).
- KI Spirits would cease to operate and the property, plant and equipment, brand and inventory would be sold in a "shutdown" scenario, impacting realisable values.
- Inventory at third party locations (such as FreightHub) would need to be dealt with (either collected or stored with a realisation program put in place), creating additional and extra costs.
- Likely dispute and drawn-out litigation with respect to the whisky associated with the pre-appointment arrangements with WDS, particularly with respect to the whisky in KI Spirits' possession at Kangaroo Island. To be conservative, we have not attached any value associated with the whisky subject to the WDS Agreements in our Liquidation analysis (with the exception of the "Mid" and "High" cases in the KI Spirits analysis (Low has been assumed nil)).
- No recoverability of intercompany Mighty Craft Group debts or equity investments owing to the insolvency of the Companies and individual estimated returns for each of the Companies. As such, material intercompany amounts have been excluded from our Liquidation analysis and estimated returns.
- Significant Liquidator costs (including Liquidator fees and other costs such as legal fees) to attend to the above.
- As detailed in the Section 7 (Investigations), likely no recoveries with respect to Liquidator actions such as insolvent trading claims or voidable transactions. As such, no value has been attached to these potential (if any) recoveries in our Liquidation analysis and estimated returns.

10.4 Estimated Return – DOCA vs Liquidation

We have included our full analysis of the estimated returns to creditors in each of the scenarios at Schedule 6.

Please find our analysis of the estimated returns to employee and unsecured creditors under the DOCA Proposal below.



Table 22: Liquidation vs DOCA Estimated Returns

Creditor Return Summary	Liquidation Estimated Returns c/\$		DOCA Estimated Returns c/\$	
	Low	High	Low	High
Priority Creditors (prior to accessing FEG Scheme)				
Mighty Craft People & Services Pty Ltd	Nil	Nil	100.0	100.0
Kangaroo Island Distillery Pty Ltd	52.7	100.0	100.0	100.0
PURE (Senior Secured Creditor)				
Mighty Craft Operations Pty Ltd	Nil	Nil	PURE, as DOCA Proponent, will extinguish some or all of its secured debt and take control of the shares of MC Limited (and the rest of the Group) and the shares of KI Spirits	
Mighty Craft Limited	Nil	Nil		
Kangaroo Island Distillery Pty Ltd	5.2	11.6		
Mighty Craft People and Services Pty Ltd	Nil	Nil		
Mighty Craft Spirits Plus Pty Ltd	Nil	3.5		
Mighty Craft Beer Pty Ltd	Unknown	Unknown		
Mighty Craft Venues Pty Ltd	Nil	Nil		
Mighty Craft Export Pty Ltd	Nil	Nil		
Mighty Craft Investments Pty Ltd	Nil	Nil		
Hidden Lake Pty Ltd	Nil	Nil		
Mighty Craft Nominees Pty Ltd	Nil	Nil		
Unsecured Creditors				
Mighty Craft Operations Pty Ltd	Nil	Nil	0.5	0.9
Mighty Craft Limited	Nil	Nil	0.5	0.9
Kangaroo Island Distillery Pty Ltd	Nil	Nil	0.5	0.9
Mighty Craft People and Services Pty Ltd	Nil	Nil	0.5	0.9
Mighty Craft Spirits Plus Pty Ltd*	Nil	Nil	0.5	0.9
Mighty Craft Beer Pty Ltd*	Nil	Nil	0.5	0.9
A.C.N. 603 372 210 Pty. Ltd.	Nil	Nil	0.5	0.9
Mismatch Brewing Company Pty Ltd	Nil	Nil	0.5	0.9
Mighty Hunter Valley Pty Ltd	Nil	Nil	0.5	0.9
The Hills Distillery Pty Ltd	Nil	Nil	0.5	0.9
Mighty Craft Venues Pty Ltd	Nil	Nil	0.5	0.9
Mighty Craft Export Pty Ltd	Nil	Nil	0.5	0.9
Mighty Craft Investments Pty Ltd*	Nil	Nil	0.5	0.9
Hidden Lake Pty Ltd	Nil	Nil	0.5	0.9
MK Wine Solutions Pty Ltd*	Nil	Nil	0.5	0.9
Mighty Craft Nominees Pty Ltd*	Nil	Nil	0.5	0.9

* No proofs of debt received from unsecured creditors

Full outcome statements with respect to the above are at Schedule 6.

We make the following comments:

- The DOCA Proposal provides certainty to both continuing and non-continuing employees with respect to their entitlements and amounts owed, in particular:
 - Employees that continue with Mighty Craft will be retained in employment with their leave liability and length of service maintained post DOCA; and
 - Employees that are made redundant will be paid all of their entitlements in full. We note that this does not include amounts that were subject to the Bonus Scheme as detailed at Section 8.
- It is uncertain if these amounts would be paid in full in liquidation. In liquidation:



- On a standalone entity basis, MC People does not have sufficient assets to pay employee entitlements and employees would need to access the FEG scheme (which is subject to capped amounts). There may be a return to employees in KI Spirits, however this is dependent on the realisable values of assets such as inventory (which is uncertain). It is likely employees of KI Spirits would also need to access the FEG scheme (which is subject to capped amounts); or
 - In a pooled liquidation of the Companies (or some of the Companies), payment of entitlements in full would be dependent on entering into appropriate pooling arrangements between entities (which is not guaranteed) and realising sufficient circulating assets across the pooled entities. This realisation process would be subject to greater costs (compared to the DOCA Proposal) and potential uncertainty to realisable values owing to the nature of a liquidation process. While we have not conducted a “pooled” liquidation analysis, based on our review of the estimated returns in each of the Companies (particularly MCO), it is unlikely there are sufficient circulating assets (after Administrators’ costs, realisation costs and impacts on realisable values of assets in Liquidation) to meet all employee entitlements in this scenario.
- All unsecured creditors would receive more under the DOCA Proposal than they would in liquidation:
 - DOCA Proposal: Unsecured creditors are currently estimated to receive between 0.5c/\$ to 0.9c/\$ in each of the Companies.
 - Liquidation: All unsecured creditors are estimated to receive nil return in each of the Companies.

10.5 Benefits of DOCA compared to Liquidation

In consideration of the options available to creditors in respect to the future of the Companies, the Administrators note that the DOCA Proposal provides the following benefits in comparison to the Companies being wound up:

- KI Spirits will continue as a going concern which will provide ongoing employment opportunities to staff, ongoing trading relationships with suppliers and preservation of the brand for the benefit of customers.
- It preserves value in the Better Beer shares held by the Group and supports the future of that business (in turn ensuring continuation of employment at Better Beer and delivery of Better Beer product to its customers).
- With respect to employees generally:
 - It provides for the opportunity for continued employment of Group employees; or
 - Alternatively, it provides for timely payment in full of the estimated employee entitlements (as detailed in this Report) vis-à-vis the likely requirement to access the FEG scheme in Liquidation (which is subject to statutory caps and would likely take longer).



- The Group would be significantly deleveraged given the extinguishment of some or all of PURE's secured debt.
- The DOCA Proposal achieves the objective of the Administration process (Section 435A of the Act).
- The DOCA Proposal provides a higher, more certain and timelier return for all unrelated unsecured creditors compared to liquidation and ensures the creditor pool is not unnecessarily increased from potential claims that might arise in liquidation.



Section 11: Options Available to Creditors and Administrators' Opinion

11.1 Options Available

Execution of the DOCA

As set out in Section 9, the Administrators have received the DOCA Proposal. The DOCA and its proposed terms are summarised in Section 9.

As described at Section 10, we have prepared an analysis that contains the estimated outcome to unsecured creditors (based on certain assumptions and inputs as set out in Schedule 6).

The estimate under the DOCA is a return to priority employee creditors as follows:

- Employees that are made redundant as part of the DOCA Proposal will receive a dividend of 100c/\$ with respect to the amounts owed relating to unpaid annual leave, payment in lieu of notice and redundancy entitlements.
- Employees that continue to be employment as part of the DOCA Proposal will receive continued employment and have their outstanding leave entitlements and length of service carried forward by Mighty Craft Group (and the relevant employing Company being either MCPS or KI Spirits).

The estimate under the DOCA Proposal is a return for unsecured creditors as follows:

- 0.5c/\$ (low case) to 0.9c/\$ (high case).

The Administrators recommend that creditors resolve for the Companies to enter into a pooled DOCA on terms substantially similar to the DOCA Proposal set out in the term sheet at Schedule 7 to this Report, as, this represents a better, timelier and more certain return to unsecured creditors of the Companies than a liquidation scenario. The DOCA Proposal also ensures employees are either continued in employment or paid in their entitlements in full.

Administration to End

Creditors may consider ending the Administrations and returning the control of the Companies to the Directors. This would only be appropriate in circumstances where the Companies were deemed to be solvent.

The Administrators do not believe this to be a viable option, noting that the Companies remain insolvent and have no access to funding. The Administrators **do not recommend** that the Administrations end as the Companies are presently insolvent and it would be inappropriate to return the Companies in their current form to their Directors.



Liquidation

An administrator would typically recommend that creditors vote for an insolvent company to be wound up in the absence of an acceptable DOCA proposal.

An administrator would also recommend liquidation in preference to a DOCA if there is a strong likelihood that recoveries in liquidation (which may include voidable transaction recoveries as described in Section 7 which are only recoverable by a liquidator) that would improve the return to creditors in comparison to the return expected under a DOCA. We have assessed that these recoveries in liquidation are likely limited (and most likely nil).

With respect to the potential liquidation of the Companies, this would involve:

- Cessation of operations due to no funding with all staff being made redundant in short order and MC Operations ultimately being unable to service the Solutions Agreement (leading to its termination);
- The crystallisation of approximately ~\$1.4m in employee entitlements (which includes annual leave, redundancy and payment in lieu of notice);
- Piecemeal realisations of the Group's key assets including KI Spirits and the shareholdings in Better Beer and Seven Seasons, impacting value;
- Negative impact on the value of the Group's shareholding in Better Beer given that the Solutions Agreement would cease to operate in its current form, impacting the supply, sales and distribution of Better Beer product to customers (and therefore impacting the Better Beer brand);
- KI Spirits would cease to operate and the property, plant and equipment, brand and inventory would be sold in a "shutdown" scenario, impacting realisable values;
- Inventory at third party locations (such as FreightHub) would need to be dealt with (either collected or stored with a realisation program put in place), creating additional and extra costs;
- Likely dispute and drawn-out litigation with respect to the whisky associated with the pre-appointment arrangements with WDS;
- The completion of a more detailed investigation into the affairs of the Companies and conduct of the Directors;
- Further enquiries with regard to recovering potential insolvent trading and voidable transaction claims, which we consider highly uncertain to result in any material recovery for creditors as described at Section 7;
- Reporting to ASIC in relation to offences (if any) committed by the Directors;
- Significant Liquidator costs (including Liquidator fees and other costs such as legal fees) to attend to the above; and
- A likely nil return to unsecured creditors. The return to unsecured creditors is contingent upon the recoveries available to a liquidator (such as insolvent trading claims or voidable transaction). The Administrators' view is that there are likely nil recoveries relating to such claims. Pursuit of such claims (if they exist) also carries a range of inherent risks (such as the



claim merits, litigation costs including public examinations, commerciality, financial capacity of the Directors and so forth).

Given the above and our analysis contained throughout this Report, the Administrators **do not recommend** that the Companies be wound up.

11.2 Administrators' Opinion

In accordance with IPR 75-225(3)(b), our statement setting out our opinion on the above alternatives and in relation the future of the Companies is:

- It is our opinion that it is in creditors' interests to approve the proposed DOCA as this will result in a greater, timelier and more certain return to creditors than would be achieved if the Companies were wound up.
- It is our opinion it is not in creditors' interests for the voluntary administration of the Companies to end.
- It is our opinion it is not in creditors' interests for the Companies to be wound up.
- The reasons for our opinion are detailed above at Section 11.1.
- Information to support our reasons are contained throughout this report, in particular Section 7 (Investigations) and Section 10 (Estimated return to creditors).
- The details of the proposed DOCA are contained within Section 9.



Section 12: Administrators' Remuneration

At the Second Meeting of Creditors convened for Monday, 26 August 2024, creditors will be asked to approve the Administrators' remuneration (ex GST and disbursements) as disclosed below:

Table 23: Summary of Remuneration

Company Name	VA Period 22-Jul-24 to 18-Aug-24 (Actual)	VA Period 19-Aug-24 to 26-Aug-24 (Meeting)
Mighty Craft Limited	67,980.00	Each company will be asked to approve \$100,000 for this period, noting that the total amount drawable across all Companies for the period 19 August 2024 to 26 August 2024 will be capped at \$100,000 (ex GST and disbursements)
Mighty Craft Nominees Pty Ltd	4,495.00	
Mighty Craft Venues Pty Ltd	5,045.00	
Mighty Craft Investments Pty Ltd	4,380.00	
Mighty Craft Spirits Plus Pty Ltd	9,225.00	
Kangaroo Island Distillery Pty Ltd	81,465.00	
Mighty Craft Beer Pty Ltd	11,375.00	
Mighty Craft People and Services Pty Ltd	41,605.00	
Mighty Craft Operations Pty Ltd	251,660.00	
Mighty Craft Export Pty Ltd	4,915.00	
Hidden Lake Pty Ltd	4,815.00	
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	5,980.00	
Mismatch Brewing Company Pty Ltd	6,060.00	
Mighty Hunter Valley Pty Ltd	5,515.00	
The Hills Distillery Pty Ltd	4,895.00	
MK Wine Solutions Pty Ltd	5,105.00	
Total	514,515	100,000

Company Name	26-Aug-24 to execution of DOCA	Execution of DOCA to finalisation of DOCA	Finalisation of DOCA to finalisation of Creditors' Trust	Liquidation Period 26-Aug-24 to Finalisation
Mighty Craft Limited	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	50,000
Mighty Craft Nominees Pty Ltd				20,000
Mighty Craft Venues Pty Ltd				20,000
Mighty Craft Investments Pty Ltd				20,000
Mighty Craft Spirits Plus Pty Ltd				50,000
Kangaroo Island Distillery Pty Ltd				500,000
Mighty Craft Beer Pty Ltd				100,000
Mighty Craft People and Services Pty Ltd				100,000
Mighty Craft Operations Pty Ltd				500,000
Mighty Craft Export Pty Ltd				20,000
Hidden Lake Pty Ltd				100,000
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)				20,000
Mismatch Brewing Company Pty Ltd				20,000
Mighty Hunter Valley Pty Ltd				20,000
The Hills Distillery Pty Ltd				100,000
MK Wine Solutions Pty Ltd				20,000
Total		400,000		1,660,000

The Administrators' Remuneration Request Approval Report, as prepared in accordance with the ARITA's guidelines is enclosed at Appendix D.

Our Initial Remuneration Notice dated 24 July 2024 advised that our remuneration would be approximately \$400,000 to \$700,000 exclusive of GST for the voluntary administration period to the second meeting of creditors. The remuneration approval sought as disclosed above (\$614,515 excluding GST) and at Appendix D, is within this estimate.

We note that the approval sought for the period 19 August 2024 to 26 August 2024 is an estimated (but capped) amount and the final fees will reflect the time spent on the matter during this period. If our time costs are lower than the approval sought for this period, we will draw the lower amount.



Section 13: Second Meeting of Creditors

Pursuant to Section 439A(3) of the Act, we have enclosed at Appendix A the “Notice Convening the Second Meeting of Creditors” to be held at:

Date: Monday, 26 August 2024
Time: 2.00pm (AEST)
Address: Virtual meeting – see below how to obtain link.

To participate in this meeting, you will need to:

- Submit a proof of debt (Appendix C) and information to substantiate your claim. Creditors who have already lodged a proof of debt for the First Meeting of Creditors (or subsequent to the First Meeting of Creditors) do not need to submit another proof of debt.
- Appoint a person – a “proxy” or person authorised under a power of attorney – to vote on your behalf at the meeting by submitting a proxy form (Appendix D). This will be necessary if you are unable to attend the meeting, or if the creditor is a company.

You can appoint the chairperson of the meeting as your proxy and direct the chairperson how you wish your vote to be cast. If you choose to do this, the chairperson must cast your vote as directed.

Proof of debt and proxy forms are at Appendix B and C respectively. **Completed proof of debt and, if applicable, proxy forms must be returned to our office by email (Mightycraft@ankura.com) by 12:00pm, Friday 23 August 2024.**

Please complete separate proof of debt and proxy forms in the case you have debts owing by more than one of the Companies.

The virtual meeting details will be provided to creditors once our office has received a duly completed proof of debt and proxy form. Please contact our staff should you require assistance in this regard.

Please contact our office at the below details should you require further information.

Yours faithfully

Liam Healey

Joint and Several Administrator

Appointment date: 22 July 2024
Contact name: Aaron Kang
Contact number: 02 9037 3582
Email Mightycraft@ankura.com



SCHEDULES

Schedule 1 – Statutory Information of the Companies

Schedule 2 – Summary of responses from secured parties

Schedule 3 – Summary of Directors' ROCAPs

Schedule 4 – Individual Profit and Loss / Balance Sheets

Schedule 5 – Solvency Review of the Companies

Schedule 6 – Estimated Return to Creditors of the Companies (DOCA vs Liquidation)

Schedule 7 – DOCA Proposal

APPENDICES

Appendix A – Notice of Creditors' Meetings

Appendix B – Proof of Debt Form

Appendix C – Proxy Form (x16)

Appendix D – Remuneration Approval Report for the Companies



Schedule 1 – Statutory Information of the Companies

Entity Name	ACN	Date Registered	Registered Office	Directors and Secretary	Shareholders
Mighty Craft Nominees Pty Ltd	ACN 630 181 118	13-Nov-17	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Sean Ebert from 15/7/2021 Grant Peck from 27/11/2024 Andrew Syme from 5/10/2020	Register held by Computershare
Mighty Craft Venues Pty Ltd	ACN 636 694 785	9-Oct-19	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (Director and Secretary)	Mighty Craft Nominees Pty Ltd (100%)
Mighty Craft Investments Pty Ltd	ACN 630 181 994	22-Nov-18	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Hanna Gyton (CoSec) from 19/7/2024	Mighty Craft Nominees Pty Ltd (100%)
Mighty Craft Spirits Plus Pty Ltd	ACN 638 905 272	5-Feb-20	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Hanna Gyton (CoSec) from 19/7/2024	Mighty Craft Investments Pty Ltd (100%)
Kangaroo Island Distillery Pty Ltd	ACN 154 811 355	15-Dec-11	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Hanna Gyton (CoSec) from 19/7/2024	Mighty Craft Spirits Plus Pty Ltd (100%)
Mighty Craft Beer Pty Ltd	ACN 630 181 298	22-Nov-18	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Hanna Gyton (CoSec) from 19/7/2024	Mighty Craft Investments Pty Ltd (100%)
Mighty Craft People and Services Pty Ltd	ACN 630 181 458	22-Nov-18	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Sean Ebert - from 17/8/2023 Hanna Gyton (CoSec) from 19/7/2024	Mighty Craft Nominees Pty Ltd (100%)
Mighty Craft Operations Pty Ltd	ACN 120 464 182	29-Jun-06	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Sean Ebert - from 17/8/2023 Hanna Gyton (CoSec) from 19/7/2024	Mighty Craft Nominees Pty Ltd (100%)
Mighty Craft Export Pty Ltd	ACN 634 458 647	27-Jun-19	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (CoSec)	Mighty Craft Operations Pty Ltd (100%)
Hidden Lake Pty Ltd	ACN 638 906 877	5-Feb-20	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (CoSec) resigned 19/7/2024	Mighty Craft Spirits Plus Pty Ltd (100%)
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	ACN 603 372 210	15-Dec-14	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Andrew Syme from 1/7/2021 Jodie Hannaford (CoSec)	Mighty Craft Beer Pty Ltd (100%) - as of 29/12/2021
Mismatch Brewing Company Pty Ltd	ACN 124 048 504	20-Feb-07	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (CoSec)	Mighty Craft Beer Pty Ltd (100%)
Mighty Hunter Valley Pty Ltd	ACN 638 584 737	20-Jan-20	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (CoSec)	Mighty Craft Venues Pty Ltd (100%)
The Hills Distillery Pty Ltd	ACN 608 717 335	13-Oct-15	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (CoSec)	Mighty Craft Operations Pty Ltd (100%)
MK Wine Solutions Pty Ltd	ACN 121 468 997	29-Aug-06	C/- CD Plus Corporate Services, Level 42, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000	Grant Peck from 26/6/2024 Jodie Hannaford (CoSec)	Mighty Craft Beer Pty Ltd (100%)

Source: ASIC Searches



Schedule 2 – Summary of Responses from Secured Parties

Mighty Craft Limited

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
	Trade mark - No Intellectual property	2	
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.
Kyocera Document Solutions Australia Pty Ltd	Other goods	3	These security interests were discharged as no amounts were owing.
Reward Supply Co. Pty. Ltd.	Other goods	1	This security interest was discharged as no amounts were owing.
De Lage Landen Pty Ltd	Other goods	42	It is understood these securities relate to computer/laptop equipment utilised by the Group's employees. These were maintained during the Administration.
AMPD Group Pty Ltd	Other goods	1	This security interest has been discharged and no amounts are owing.
Waterlogic Australia Pty Ltd and its associated entities	Other goods	1	To date, we have not received a response to our correspondence.
Bidfin Capital Pty Ltd	Other goods	4	It is understood these securities relate to computer/laptop equipment utilised by the Group's employees. These were maintained during the Administration.
The Trustee for The J O T Trust	Other goods	1	To date, we have not received a response to our correspondence.

Mighty Craft Nominees Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - with exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.

Mighty Craft Venues Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - with exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
	Trade mark - No Intellectual property	1	
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.



Mighty Craft Investments Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.

Mighty Craft Spirits Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.

Kangaroo Island Distillery Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	Trade mark - No Intellectual property	2	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
	All present and after-acquired property - With exemptions	1	
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.
Reward Supply CO. Pty Ltd	Other goods	1	This security interest relates to the supply of consumables and has been discharged despite a nominal amount of \$280.48.
SMYC Pty Ltd and its associated entities	Other goods	1	To date, we have not received a response to our correspondence.
De Lage Landen Pty Ltd	Motor vehicle	1	It is understood these security interests relate to computer/laptop equipment utilised by the Group's employees. We retained use of the equipment during the Administration.
Kyocera Document Solutions Australia Pty Ltd	Other goods	2	Kyocera confirmed that contracts were paid out in full and have discharged both security interests.
Elgas Ltd	Other goods	1	Elgas confirmed that the security interest relates to the supply of LPG gas for the site. The Administrators continued use of the supply in the ordinary course.
Opal Packaging Australia Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.
WDS	Other goods	1	As disclosed in section 3.8, the security interest appears to establish the obligations of the Mighty Craft companies in relation to the WDS Agreements.



Mighty Craft Beer Plus Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	3	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.

Mighty Craft People and Services Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.
Hoshizaki Lancer Pty Ltd	Other goods	1	This security interest has been discharged as no amount was owing.

Mighty Craft Export Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Founders First Pty Ltd (ACN 622 810 897)	Financial property - Currency	1	We understand this security interest relates to MC Limited as the secured party (former name - Founders First Pty Ltd) and note that no amounts appear to be due and payable according to the books and records.
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.

Hidden Lake Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - No exceptions	1	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
Master Cask Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.
MMC Adelaide Pty Ltd and its associated entities	Other goods	1	To date, we have not received a response to our correspondence.
Visy Logistics No 2 Pty Ltd and its associated entities	Other goods	1	This security interest has been discharged as no amounts were outstanding.



A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd)

Secured Party	Collateral Class	No. of Securities	Comments
Elgas Limited Pty Ltd	Other goods	1	This security interest has been discharged and no amounts are owing.
Money Tech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Money Tech security interests were discharged following the payout of the debtor finance facility.
Konvoy Australia Pty Ltd	Other goods	1	This security interest has been discharged and no amounts are owing.

Mismatch Brewing Company Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
Access Rentals Australia Pty Ltd and its associated entities	Motor vehicle	1	To date, we have not received a response to our correspondence.
	Other goods	1	To date, we have not received a response to our correspondence.
BOC Ltd	Other goods	1	To date, we have not received a response to our correspondence.
Toyota Material Handling Australia Pty Ltd	Motor vehicle	1	The security interests relates to the rental of forklifts that we understand were subject to the Mismatch sale and are in possession of the purchaser.
Red Windows Capital Pty Ltd	Other goods	1	The security interests relates to brewing equipment that we understand were subject to the Mismatch sale and are in possession of the
The Trustee for Cookers Trust	Other goods	1	The security interests relates to two oil tanks that were subject to the Mismatch sale.
Konvoy Australia Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.

Mighty Hunter Valley Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
Moneytech	All present and after-acquired property - No exceptions	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.
Boomerang Paging Pty Ltd	Other goods	1	This security interest has been discharged as no amounts are owing.
Konvoy Australia Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.
Marlau Nominees Pty Ltd and its associated entities	Other goods	1	To date, we have not received a response to our correspondence.

The Hills Distillery Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
Toyota Material Handling Australia Pty Ltd	Motor vehicle	1	The security interests relates to the rental of forklifts that we understand were subject to the Hills Distillery sale and are in possession of the purchaser.
Sopura Australia Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.



MK Wine Solutions Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
Australia and New Zealand Banking Group Limited	Motor vehicle	1	This security interest relates to the financed purchase of a 2019 Ford Mondeo in August 2020 with a current payout amount of c.\$11k. We understand this asset was included as part of the sale of the Hills Cider business.
Konvoy Australia Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.

Mighty Craft Operations Pty Ltd

Secured Party	Collateral Class	No. of Securities	Comments
PURE	All present and after-acquired property - With exemptions	2	Subject to PURE's GSD and financing facility. Priority ranking secured debt over the Group's assets.
	Trade mark - No Intellectual property	2	
	All present and after-acquired property - With exemptions	1	
Moneytech	All present and after-acquired property - No	1	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.
	Account - Intangible Property	2	
Portavin SA Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.
Austwine Viticulture Pty Ltd and its associated entities	Other goods	1	To date, we have not received a response to our correspondence.
Visy Logistics No 2 Pty Ltd and its associated entities	Other goods	2	These security interests have been discharged and no amounts are owing.
Moneytech	Other goods	2	As disclosed in section 3.4 of the Report, the Moneytech security interests were discharged following the payout of the debtor finance facility.
Master Cask Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.
GC Leasing Melbourne Pty Ltd	Other goods	7	It is understood these security interests relate to equipment utilised in the Group's old head office. The secured party has submitted a proof of debt totalling \$88,907.51 relating to the remaining payout of the equipment contracts.
WDS	Other goods	1	As disclosed in section 3.8, the security interest appears to establish the obligations of the Mighty Craft companies in relation to the WDS Agreements.
Specialist Equipment Leasing Finance Company Pty Ltd	Other goods	1	To date, we have not received a response to our correspondence.

Source: PPSR and ASIC Searches conducted by Dye & Durham, supporting evidence provided by respective secured party



Schedule 3 – Summary of Directors' ROCAP tables

	MC Spirits			KI Distillery			MC Beer			MC People		
	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)
Assets												
Cash & Equivalents	-	-	-	30,544	30,544	30,544	-	-	-	64,435	8,278	8,278
Accounts Receivable	-	-	-	360,606	9,888	9,888	-	-	-	-	-	-
Inventory	-	-	-	976,627	976,627	878,964	-	-	-	-	-	-
Related Party Loans	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	1,310,629	1,169,500	355,970	-	-	-	-	-	-
Investments	4,591,002	750,000	500,000	-	-	-	24,247,188	Unknown	Unknown	-	-	-
Property	-	-	-	2,550,162	2,295,146	2,040,130	-	-	-	-	-	-
Total Assets	4,591,002	750,000	500,000	5,228,568	4,481,704	3,315,496	24,247,188	-	-	64,435	8,278	8,278
Liabilities												
Bank Debt	-	-	-	2,937	2,937	2,937	-	-	-	34,910	35,910	35,910
Secured Creditors	-	23,085,862	23,085,862	-	23,197,383	23,198,297	-	23,085,862	23,085,862	-	23,085,862	23,085,862
Employee Entitlements	-	-	-	62,463	47,948	171,632	-	-	-	323,135	422,981	1,170,673
Statutory Liabilities	-	-	-	59,426	59,426	59,426	-	-	-	3,983,366	3,593,239	3,593,239
Unsecured Creditors	-	-	-	1,627,262	2,049,457	2,049,457	-	-	-	26,074	64,997	64,997
Total Liabilities	-	23,085,862	23,085,862	1,752,088	25,357,150	25,481,748	-	23,085,862	23,085,862	4,367,486	27,202,988	27,950,681
Net Surplus / (Deficiency)	4,591,002	(22,335,862)	(22,585,862)	3,476,480	(20,875,446)	(22,166,252)	24,247,188	(23,085,862)	(23,085,862)	(4,303,050)	(27,194,711)	(27,942,403)
	MC Limited			MC Nominees			MC Venues			MC Investments		
	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)
Assets												
Cash & Equivalents	44,992	19,992	19,992	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Related Party Loans	15,174	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Investments	1	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	60,167	19,992	19,992	-	-	-	-	-	-	-	-	-
Liabilities												
Bank Debt	-	-	-	-	-	-	-	-	-	-	-	-
Secured Creditors	22,070,509	23,198,731	23,198,731	-	23,085,862	23,085,862	-	23,085,862	23,085,862	-	23,085,862	23,085,862
Employee Entitlements	-	-	-	-	-	-	-	-	-	-	-	-
Statutory Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Creditors	189,630	920,550	920,550	-	-	-	-	254,403	254,403	-	-	-
Total Liabilities	22,260,139	24,119,281	24,119,281	-	23,085,862	23,085,862	-	23,340,264	23,340,264	-	23,085,862	23,085,862
Net Surplus / (Deficiency)	(22,199,972)	(24,099,289)	(24,099,289)	-	(23,085,862)	(23,085,862)	-	(23,340,264)	(23,340,264)	-	(23,085,862)	(23,085,862)



	MC Operations			MC Export			Hidden Lake			Jetty Road		
	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)
Assets												
Cash & Equivalents	564,979	36,067	36,067	-	-	-	-	-	-	-	-	-
Accounts Receivable	3,272,582	2,945,324	2,618,066	-	-	-	-	-	-	23,833	23,833	23,833
Inventory	654,687	654,687	589,218	-	-	-	-	-	-	-	-	-
Related Party Loans	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	4,492,248	3,636,078	3,243,351	-	-	-	-	-	-	23,833	23,833	23,833
Liabilities												
Bank Debt	-	-	-	-	-	-	-	-	-	-	-	-
Secured Creditors	2,728,815	23,191,689	16,649,356	-	23,085,862	23,085,862	-	23,085,862	23,085,862	-	13,828	13,828
Employee Entitlements	-	-	-	-	-	-	-	-	-	-	-	-
Statutory Liabilities	5,352,650	4,705,846	4,705,846	-	-	-	-	-	-	-	-	-
Unsecured Creditors	3,533,456	6,992,819	6,992,819	-	310	310	2,100,000	2,424,535	2,424,535	44,100	424,587	424,587
Total Liabilities	11,614,921	34,890,354	28,348,021	-	23,086,172	23,086,172	2,100,000	25,510,397	25,510,397	44,100	438,416	438,416
Net Surplus / (Deficiency)	(7,122,674)	(31,254,276)	(25,104,670)	-	(23,086,172)	(23,086,172)	(2,100,000)	(25,510,397)	(25,510,397)	(20,267)	(414,582)	(414,582)

	Mismatch Brewing			MH Valley			Hills Distillery			MK Wine		
	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)	Directors' ROCAP (\$)	Administrators' ERV High (\$)	Low (\$)
Assets												
Cash & Equivalents	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Related Party Loans	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities												
Bank Debt	-	-	-	-	-	-	-	-	-	-	-	-
Secured Creditors	-	133,564	133,564	-	-	-	-	-	-	-	11,386	11,386
Employee Entitlements	-	-	-	-	-	-	-	-	-	-	-	-
Statutory Liabilities	581,496	578,344	578,344	-	-	-	-	-	-	-	-	-
Unsecured Creditors	249,408	194,603	194,603	-	1,184	1,184	-	1,521,718	1,521,718	-	-	-
Total Liabilities	830,904	906,511	906,511	-	1,184	1,184	-	1,521,718	1,521,718	-	11,386	11,386
Net Surplus / (Deficiency)	(830,904)	(906,511)	(906,511)	-	(1,184)	(1,184)	-	(1,521,718)	(1,521,718)	-	(11,386)	(11,386)



Schedule 4 – Individual Profit and Loss Statements / Balance Sheet

Table 24: MC Limited – Individual Profit and Loss Statements/ Balance Sheet

Mighty Craft Limited- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	468	61	12	(39)
Trade and Other Receivables	48	3,697	886	220
Inventories	-	-	-	-
Other Current Assets	(81)	85	98	58
Total Current Assets	435	3,843	996	239
Non-Current Assets				
Financial Investments	50	850	850	650
P&E	-	1,314	985	-
Intangible Assets	3	120	85	-
Other Non-Current Assets	305	305	105	25
Total Non-Current Assets	358	2,589	2,025	675
Total Assets	793	6,432	3,021	914
Current Liabilities				
Trade and other payables	767	874	1,465	1,167
Intercompany payables	(50,576)	(102,619)	(107,423)	(45,157)
Payroll Liabilities	167	-	-	-
Tax Liabilities	(196)	18	(7)	4
Short Term Borrowings	6,079	13,700	16,034	19,193
Short Term Lease Liabilities	-	329	164	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	(43,758)	(87,697)	(89,767)	(24,793)
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	1,026	794	(68)
Other Non-Current Liabilities	14	2,755	5,967	-
Total Non-Current Liabilities	14	3,781	6,761	(68)
Total Liabilities	(43,744)	(83,917)	(83,006)	(24,860)
Net Assets	44,537	90,349	86,027	25,774
Equity				
Intercompany shares	-	(369)	(369)	(369)
Issued Capital	50,765	108,718	113,995	114,095
Capital Raising Costs	(1,829)	(4,656)	(5,010)	(5,015)
Revaluation Reserve	-	-	-	(43)
Share-Based Payments Reserve	2,219	3,189	4,252	3,933
Non-controlling interest	(9)	-	(801)	(1,159)
Retained Earnings / (Accumulated Losses)	(6,608)	(16,533)	(26,040)	(85,667)
Total Equity	44,537	90,349	86,027	25,774

Mighty Craft Limited- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	(0)
Cost of Sales	-	-	-	-
Direct Costs	-	(1,246)	(2,539)	(173)
Operating Expenditure	(2,629)	(4,393)	(3,534)	(2,945)
EBITDA (Basic)	(2,629)	(5,640)	(6,072)	(3,118)
Other Income	103	99	46	65
Gain / (Loss) on Sale of Assets	-	-	-	(4,892)
Share of Associate Profit / (Losses)	-	-	-	(262)
Accounting Gains/(Losses)	0	0	(0)	94
EBITDA (Adjusted)	(2,526)	(5,540)	(6,026)	(8,113)
Depreciation and Amortisation	(1)	(514)	(401)	(225)
Finance Costs	(1,228)	(1,613)	(3,405)	(52,742)
NPBT	(3,755)	(7,667)	(9,832)	(61,080)
Tax	-	-	-	-
NPAT	(3,755)	(7,667)	(9,832)	(61,080)

Source: NetSuite Records



Table 25: MC Nominees – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Nominees Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	-	-	-	-
Inventories	-	-	-	-
Other Current Assets	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Financial Investments	0	0	0	0
P&E	-	-	-	-
Intangible Assets	0	0	0	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	1	0	0	0
Total Assets	1	0	0	0
Current Liabilities				
Trade and Other Payables	-	-	-	-
Intercompany Payables	(6)	(6)	(6)	(6)
Payroll Liabilities	-	-	-	-
Tax Liabilities	(0)	-	-	-
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	(6)	(6)	(6)	(6)
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	-	-	-
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	(6)	(6)	(6)	(6)
Net Assets	6	6	6	6
Equity				
Intercompany Shares	0	0	0	0
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	6	6	6	6
Total Equity	6	6	6	6

Mighty Craft Nominees Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Direct Costs	-	-	-	-
Operating Expenditure	(1)	-	-	(0)
EBITDA (Basic)	(1)	-	-	(0)
Other Income	-	-	-	-
Gain / (Loss) on Sale of Assets	8	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	7	-	-	(0)
Depreciation and Amortisation	(0)	(0)	-	-
Finance Costs	-	-	-	-
NPBT	6	(0)	-	(0)
Tax	-	-	-	-
NPAT	6	(0)	-	(0)

Source: NetSuite Records



Table 26: MC Venues – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Venues Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	-	-	-	-
Inventories	-	-	-	-
Other Current Assets	0	0	0	-
Total Current Assets	0	0	0	-
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	-	-	-	-
Intangible Assets	-	-	-	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	-	-	-	-
Total Assets	0	0	0	-
Current Liabilities				
Trade and Other Payables	-	-	-	-
Intercompany Payables	20	21	21	-
Payroll Liabilities	-	-	-	-
Tax Liabilities	-	-	-	-
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	20	21	21	-
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	-	-	-
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	20	21	21	-
Net Assets	(20)	(21)	(21)	-
Equity				
Intercompany Shares	-	-	-	-
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	(20)	(21)	(21)	-
Total Equity	(20)	(21)	(21)	-

Mighty Craft Venues Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Direct Costs	-	-	-	-
Operating Expenditure	(3)	(1)	-	-
EBITDA (Basic)	(3)	(1)	-	-
Other Income	-	-	-	-
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	(3)	(1)	-	-
Depreciation and Amortisation	-	-	-	-
Finance Costs	-	-	-	21
NPBT	(3)	(1)	-	21
Tax	-	-	-	-
NPAT	(3)	(1)	-	21

Source: NetSuite Records



Table 27: MC Investments – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Investments Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	45	50	19	-
Trade and Other Receivables	7	71	83	-
Inventories	-	-	-	-
Other Current Assets	11	20	5	(0)
Total Current Assets	64	140	106	(0)
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	1,207	717	667	-
Intangible Assets	0	0	0	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	1,207	717	667	-
Total Assets	1,271	857	773	(0)
Current Liabilities				
Trade and Other Payables	-	-	16	-
Intercompany Payables	1,217	(2,187)	(2,147)	(611)
Payroll Liabilities	-	-	-	-
Tax Liabilities	14	19	3	-
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	-	92	100	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	1,230	(2,076)	(2,028)	(611)
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	2,200	2,100	-
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	2,200	2,100	-
Total Liabilities	1,230	124	72	(611)
Net Assets	40	733	701	611
Equity				
Intercompany Shares	0	0	0	0
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	40	733	701	611
Total Equity	40	733	701	611

Mighty Craft Investments Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Direct Costs	-	-	-	-
Operating Expenditure	(4)	(84)	(33)	(10)
EBITDA (Basic)	(4)	(84)	(33)	(10)
Other Income	70	133	128	43
Gain / (Loss) on Sale of Assets	-	812	-	-
Share of Associate Profit/(Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	66	860	95	33
Depreciation and Amortisation	(22)	(108)	(50)	(21)
Finance Costs	-	(60)	(77)	(102)
NPBT	44	693	(32)	(90)
Tax	-	-	-	-
NPAT	44	693	(32)	(90)

Source: NetSuite Records



Table 28: MC Spirits – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Spirits Plus Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	0	0	0	-
Inventories	-	-	-	-
Other Current Assets	-	0	0	-
Total Current Assets	0	0	0	-
Non-Current Assets				
Financial Investments	7,326	7,255	35,485	3,339
P&E	-	-	-	-
Intangible Assets	-	-	-	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	7,326	7,255	35,485	3,339
Total Assets	7,326	7,255	35,485	3,339
Current Liabilities				
Trade and Other Payables	-	-	-	-
Intercompany Payables	6,172	6,611	4,834	(26,755)
Payroll Liabilities	-	-	-	-
Tax Liabilities	-	-	-	-
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	6,172	6,611	4,834	(26,755)
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	-	-	-
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	6,172	6,611	4,834	(26,755)
Net Assets	1,154	645	30,651	30,094
Equity				
Intercompany Shares	1,428	1,428	1,428	1,428
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	(59)
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	(274)	(783)	29,224	28,725
Total Equity	1,154	645	30,651	30,094

Mighty Craft Spirits Plus Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Direct Costs	-	-	(900)	(656)
Operating Expenditure	(1)	(2)	-	(0)
EBITDA (Basic)	(1)	(2)	(900)	(656)
Other Income	-	2	30,235	(200)
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit/(Losses)	(52)	(509)	(112)	(2)
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	(53)	(509)	29,222	(858)
Depreciation and Amortisation	-	-	-	-
Finance Costs	-	-	-	360
NPBT	(53)	(509)	29,222	(499)
Tax	-	-	-	-
NPAT	(53)	(509)	29,222	(499)

Source: NetSuite Records



Table 29: KI Spirits – Individual Profit and Loss Statements / Balance Sheet

Kangaroo Island Distillery Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	109	165	59	30
Trade and Other Receivables	826	281	107	392
Inventories	396	479	758	977
Other Current Assets	-	-	155	346
Total Current Assets	1,332	925	1,080	1,745
Non-Current Assets				
Financial Investments	180	180	-	-
P&E	3,207	5,452	6,050	2,736
Intangible Assets	1,151	1,079	1,151	0
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	4,538	6,711	7,201	2,736
Total Assets	5,870	7,636	8,281	4,481
Current Liabilities				
Trade and Other Payables	702	685	142	26
Intercompany Payables	3,881	5,493	5,563	-
Payroll Liabilities	314	145	115	78
Tax Liabilities	124	(50)	(11)	23
Short Term Borrowings	1	7	5	9
Short Term Lease Liabilities	20	22	23	25
Other Current Liabilities	-	-	-	-
Total Current Liabilities	5,042	6,301	5,837	161
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	81	286	1,179	1,322
Other Non-Current Liabilities	36	13	8	24
Total Non-Current Liabilities	118	298	1,187	1,346
Total Liabilities	5,160	6,599	7,025	1,507
Net Assets	710	1,037	1,256	2,974
Equity				
Intercompany Shares	252	180	-	-
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	458	857	1,256	2,974
Total Equity	710	1,037	1,256	2,974

Kangaroo Island Distillery Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	4,524	4,684	3,909	2,594
Cost of Sales	(2,546)	(2,118)	(1,501)	(877)
Direct Costs	(236)	(581)	(123)	(3,646)
Operating Expenditure	(1,650)	(1,491)	(1,564)	(1,225)
EBITDA (Basic)	93	494	721	(3,154)
Other Income	333	35	53	57
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	426	529	774	(3,097)
Depreciation and Amortisation	(28)	(163)	(368)	(188)
Finance Costs	(13)	(13)	(7)	5,003
NPBT	384	352	399	1,718
Tax	-	-	-	-
NPAT	384	352	399	1,718

Source: NetSuite Records



Table 30: MC Beer – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Beer Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	0	0	0	-
Inventories	-	-	-	-
Other Current Assets	-	-	-	-
Total Current Assets	0	0	0	-
Non-Current Assets				
Financial Investments	11,672	12,294	8,673	24,312
P&E	-	-	-	-
Intangible Assets	0	0	0	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	11,672	12,295	8,674	24,312
Total Assets	11,672	12,295	8,674	24,312
Current Liabilities				
Trade and Other Payables	-	-	-	-
Intercompany Payables	11,978	12,126	12,126	36,288
Payroll Liabilities	-	-	-	-
Tax Liabilities	(3)	(3)	(3)	-
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	11,975	12,123	12,123	36,288
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	-	-	-
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	11,975	12,123	12,123	36,288
Net Assets	(303)	172	(3,450)	(11,976)
Equity				
Intercompany Shares	0	0	0	0
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	344	(3,134)	(3,134)
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	209	209	209
Retained Earnings / (Accumulated Losses)	(303)	(382)	(525)	(9,052)
Total Equity	(303)	172	(3,450)	(11,976)

Mighty Craft Beer Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Direct Costs	-	-	(110)	(53)
Operating Expenditure	(0)	(0)	-	(4)
EBITDA (Basic)	(0)	(0)	(110)	(56)
Other Income	-	-	-	(158)
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit/(Losses)	(95)	(79)	(33)	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	(95)	(79)	(144)	(214)
Depreciation and Amortisation	(1)	-	-	-
Finance Costs	-	-	-	-
NPBT	(96)	(79)	(144)	(214)
Tax	-	-	-	-
NPAT	(96)	(79)	(144)	(214)

Source: NetSuite Records



Table 31: MC People – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft People & Services Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	259	44	32	22
Trade and Other Receivables	99	110	242	91
Inventories	-	-	-	-
Other Current Assets	71	16	39	(0)
Total Current Assets	428	170	313	114
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	62	99	56	20
Intangible Assets	686	615	463	109
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	748	714	518	129
Total Assets	1,176	884	831	242
Current Liabilities				
Trade and Other Payables	520	1,008	478	(14)
Intercompany Payables	12,314	23,963	36,068	44,027
Payroll Liabilities	1,898	2,595	3,908	4,328
Tax Liabilities	(16)	(33)	7	3
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	24	47	34	18
Other Current Liabilities	-	-	-	-
Total Current Liabilities	14,740	27,580	40,495	48,361
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	25	47	18	0
Other Non-Current Liabilities	37	82	134	84
Total Non-Current Liabilities	62	130	152	85
Total Liabilities	14,802	27,710	40,646	48,446
Net Assets	(13,625)	(26,826)	(39,815)	(48,204)
Equity				
Intercompany Shares	0	(27)	(27)	(27)
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	(13,625)	(26,798)	(39,788)	(48,176)
Total Equity	(13,625)	(26,826)	(39,815)	(48,204)

Mighty Craft People & Services Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	188	(2)	(7)	(0)
Cost of Sales	(2)	-	-	-
Direct Costs	(171)	(71)	(98)	(46)
Operating Expenditure	(9,614)	(13,085)	(12,476)	(9,290)
EBITDA (Basic)	(9,599)	(13,159)	(12,581)	(9,336)
Other Income	455	277	33	7
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	(0)	-	-	(2)
EBITDA (Adjusted)	(9,145)	(12,881)	(12,548)	(9,332)
Depreciation and Amortisation	(52)	(289)	(376)	(391)
Finance Costs	(4)	(3)	(64)	1,334
NPBT	(9,200)	(13,173)	(12,989)	(8,389)
Tax	-	-	-	-
NPAT	(9,200)	(13,173)	(12,989)	(8,389)

Source: NetSuite Records



Table 32: MC Operations – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Operations Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	1,856	1,138	2,379	2
Trade and Other Receivables	3,603	5,021	3,473	2,508
Inventories	5,559	8,190	4,819	816
Other Current Assets	1,366	6,298	13,470	1,122
Total Current Assets	12,385	20,647	24,141	4,448
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	41	337	444	59
Intangible Assets	822	820	821	797
Other Non-Current Assets	-	499	619	500
Total Non-Current Assets	862	1,656	1,883	1,356
Total Assets	13,247	22,303	26,024	5,804
Current Liabilities				
Trade and Other Payables	6,404	12,506	17,686	8,793
Intercompany Payables	4,553	289	(9,082)	(7,521)
Payroll Liabilities	122	-	-	-
Tax Liabilities	1,253	6,345	13,930	1,790
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	30	47	114	74
Other Current Liabilities	-	-	-	-
Total Current Liabilities	12,362	19,187	22,647	3,135
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	16	158	120	(0)
Other Non-Current Liabilities	(0)	-	-	-
Total Non-Current Liabilities	15	158	120	(0)
Total Liabilities	12,377	19,345	22,767	3,135
Net Assets	870	2,958	3,257	2,669
Equity				
Intercompany Shares	750	694	694	694
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	120	2,265	2,563	1,975
Total Equity	870	2,958	3,257	2,669

Mighty Craft Operations Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	13,295	48,823	76,783	67,439
Cost of Sales	(10,427)	(42,481)	(69,789)	(63,774)
Direct Costs	(2,248)	(3,780)	(4,568)	(2,413)
Operating Expenditure	(423)	(590)	(1,286)	(1,447)
EBITDA (Basic)	197	1,972	1,140	(195)
Other Income	206	376	327	67
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	0	4	-	(0)
EBITDA (Adjusted)	403	2,352	1,467	(129)
Depreciation and Amortisation	(32)	(54)	(155)	(183)
Finance Costs	(15)	(153)	(809)	(471)
NPBT	356	2,145	503	(783)
Tax	-	-	-	-
NPAT	356	2,145	503	(783)

Source: NetSuite Records



Table 33: MC Export – Individual Profit and Loss Statements / Balance Sheet

Mighty Craft Export Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	-	-	-	-
Inventories	-	-	-	-
Other Current Assets	-	-	-	-
Total Current Assets	-	-	-	-
Non-Current Assets				
Financial Investments	750	750	750	750
P&E	-	-	-	-
Intangible Assets	-	-	-	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	750	750	750	750
Total Assets	750	750	750	750
Current Liabilities				
Trade and Other Payables	-	-	-	-
Intercompany Payables	753	753	753	753
Payroll Liabilities	-	-	-	-
Tax Liabilities	-	-	-	-
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	753	753	753	753
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	-	-	-
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
Total Liabilities	753	753	753	753
Net Assets	(3)	(3)	(3)	(3)
Equity				
Intercompany Shares	0	0	0	0
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	(3)	(3)	(3)	(3)
Total Equity	(3)	(3)	(3)	(3)

Mighty Craft Export Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Direct Costs	-	-	-	-
Operating Expenditure	-	(0)	-	-
EBITDA (Basic)	-	(0)	-	-
Other Income	9	2	-	-
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	9	1	-	-
Depreciation and Amortisation	-	-	-	-
Finance Costs	(12)	(2)	-	-
NPBT	(3)	(0)	-	-
Tax	-	-	-	-
NPAT	(3)	(0)	-	-

Source: NetSuite Records



Table 34: Hidden Lake – Individual Profit and Loss Statements / Balance Sheet

Hidden Lake Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	17	170	17	0
Trade and Other Receivables	-	167	103	1
Inventories	375	845	392	-
Other Current Assets	27	181	262	484
Total Current Assets	419	1,363	774	485
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	-	1,132	1,154	1,055
Intangible Assets	-	43	36	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	-	1,175	1,190	1,055
Total Assets	419	2,538	1,965	1,539
Current Liabilities				
Trade and Other Payables	246	538	285	-
Intercompany Payables	291	130	(151)	-
Payroll Liabilities	-	-	-	-
Tax Liabilities	-	103	7	13
Short Term Borrowings	-	85	-	-
Short Term Lease Liabilities	-	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	537	856	141	13
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	1,081	1,334	1,525
Other Non-Current Liabilities	-	-	-	-
Total Non-Current Liabilities	-	1,081	1,334	1,525
Total Liabilities	537	1,936	1,475	1,538
Net Assets	(118)	601	490	1
Equity				
Intercompany Shares	-	525	525	525
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	350	350	350
Retained Earnings / (Accumulated Losses)	(118)	(274)	(385)	(874)
Total Equity	(118)	601	490	1

Hidden Lake Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	888	84	68
Cost of Sales	(1)	(793)	(36)	(395)
Direct Costs	(60)	(84)	(10)	(89)
Operating Expenditure	(58)	(137)	(126)	(79)
EBITDA (Basic)	(118)	(126)	(88)	(495)
Other Income	-	-	19	-
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	(118)	(126)	(69)	(495)
Depreciation and Amortisation	-	(24)	(28)	(26)
Finance Costs	-	(6)	(14)	32
NPBT	(118)	(156)	(111)	(489)
Tax	-	-	-	-
NPAT	(118)	(156)	(111)	(489)

Source: NetSuite Records



Table 35: Mismatch Brewing – Individual Profit and Loss Statements / Balance Sheet

Mismatch Brewing Company Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	-	1,397	1,404	4
Inventories	-	302	471	-
Other Current Assets	-	162	8	3
Total Current Assets	-	1,862	1,883	6
Non-Current Assets				
Financial Investments	-	1	1	-
P&E	-	2,427	6,089	-
Intangible Assets	-	6,628	8,007	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	-	9,055	14,096	-
Total Assets	-	10,917	15,979	6
Current Liabilities				
Trade and Other Payables	-	826	1,059	890
Intercompany Payables	-	9,437	12,034	(1,382)
Payroll Liabilities	-	54	59	27
Tax Liabilities	-	-	-	-
Short Term Borrowings	-	4	-	-
Short Term Lease Liabilities	-	88	249	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	-	10,409	13,402	(464)
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	470	3,889	-
Other Non-Current Liabilities	-	4	3	-
Total Non-Current Liabilities	-	474	3,893	-
Total Liabilities	-	10,883	17,294	(464)
Net Assets	-	33	(1,315)	470
Equity				
Intercompany Shares	-	-	-	-
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	-	33	(1,315)	470
Total Equity	-	33	(1,315)	470

Mismatch Brewing Company Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	5,541	5,297	4,008
Cost of Sales	-	(4,433)	(4,401)	(3,065)
Direct Costs	-	(369)	(814)	(9,182)
Operating Expenditure	-	(759)	(1,157)	(1,376)
EBITDA (Basic)	-	(20)	(1,075)	(9,615)
Other Income	-	396	350	347
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	145
EBITDA (Adjusted)	-	375	(725)	(9,123)
Depreciation and Amortisation	-	(286)	(447)	(258)
Finance Costs	-	(30)	(140)	11,357
NPBT	-	59	(1,312)	1,975
Tax	-	-	23	-
NPAT	-	59	(1,289)	1,975

Source: NetSuite Records



Table 36: Jetty Road – Individual Profit and Loss Statements / Balance Sheet

Jetty Road Brewery Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	628	137	82	11
Trade and Other Receivables	562	842	449	20
Inventories	228	325	209	-
Other Current Assets	-	-	-	-
Total Current Assets	1,418	1,304	741	31
Non-Current Assets				
Financial Investments	(1,364)	-	-	-
P&E	3,428	3,071	2,708	277
Intangible Assets	15	12	12	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	2,079	3,083	2,720	277
Total Assets	3,497	4,387	3,461	309
Current Liabilities				
Trade and Other Payables	535	700	196	66
Intercompany Payables	-	227	215	-
Payroll Liabilities	181	137	93	-
Tax Liabilities	59	112	91	-
Short Term Borrowings	26	21	30	-
Short Term Lease Liabilities	141	172	203	175
Other Current Liabilities	-	-	-	-
Total Current Liabilities	943	1,368	827	241
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	806	637	432	164
Other Non-Current Liabilities	56	30	-	-
Total Non-Current Liabilities	862	667	432	164
Total Liabilities	1,804	2,035	1,259	405
Net Assets	1,693	2,352	2,202	(96)
Equity				
Intercompany Shares	3,849	6,338	6,338	6,338
Issued Capital	-	-	-	-
Capital Raising Costs	8	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	1,118	-	-	-
Retained Earnings / (Accumulated Losses)	(3,281)	(3,986)	(4,136)	(6,434)
Total Equity	1,693	2,352	2,202	(96)

Jetty Road Brewery Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	6,174	6,122	5,326	1,102
Cost of Sales	(3,340)	(3,351)	(3,315)	(659)
Direct Costs	(599)	(616)	(102)	(26)
Operating Expenditure	(2,738)	(2,460)	(1,685)	(626)
EBITDA (Basic)	(504)	(306)	225	(210)
Other Income	301	350	0	44
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	2	(4)	(0)	0
EBITDA (Adjusted)	(201)	40	225	(166)
Depreciation and Amortisation	(291)	(437)	(399)	(164)
Finance Costs	(528)	(61)	(47)	(1,872)
NPBT	(1,020)	(458)	(221)	(2,202)
Tax	-	-	-	-
NPAT	(1,020)	(458)	(221)	(2,202)

Source: NetSuite Records



Table 37: MH Valley – Individual Profit and Loss Statements / Balance Sheet

Mighty Hunter Valley Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	176	106	23	0
Trade and Other Receivables	254	295	420	-
Inventories	70	44	56	-
Other Current Assets	-	-	-	-
Total Current Assets	500	446	498	0
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	7,373	3,953	3,200	(0)
Intangible Assets	1,526	142	8	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	8,899	4,095	3,208	(0)
Total Assets	9,400	4,540	3,707	0
Current Liabilities				
Trade and Other Payables	179	204	218	(6)
Intercompany Payables	3,812	4,156	4,847	8
Payroll Liabilities	374	102	48	-
Tax Liabilities	52	93	77	23
Short Term Borrowings	-	-	-	-
Short Term Lease Liabilities	2	324	327	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	4,419	4,880	5,518	25
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	6,401	2,556	2,229	-
Other Non-Current Liabilities	25	30	20	-
Total Non-Current Liabilities	6,426	2,586	2,249	-
Total Liabilities	10,845	7,466	7,767	25
Net Assets	(1,446)	(2,925)	(4,060)	(25)
Equity				
Intercompany Shares	0	0	-	-
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	(1,446)	(2,925)	(4,060)	(25)
Total Equity	(1,446)	(2,925)	(4,060)	(25)

Mighty Hunter Valley Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	3,887	2,002	2,664	2,237
Cost of Sales	(1,435)	(639)	(883)	(770)
Direct Costs	(121)	(1,426)	(894)	(738)
Operating Expenditure	(2,801)	(1,464)	(1,939)	(1,668)
EBITDA (Basic)	(470)	(1,527)	(1,052)	(939)
Other Income	304	349	8	2
Gain / (Loss) on Sale of Assets	-	9	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	319	-	(0)
EBITDA (Adjusted)	(166)	(851)	(1,044)	(937)
Depreciation and Amortisation	(368)	(433)	-	-
Finance Costs	(392)	(125)	(98)	5,124
NPBT	(926)	(1,408)	(1,143)	4,187
Tax	-	-	-	-
NPAT	(926)	(1,408)	(1,143)	4,187

Source: NetSuite Records



Table 38: Hills Distillery – Individual Profit and Loss Statements / Balance Sheet

The Hills Distillery Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	-	1,436	1,105	-
Inventories	-	2,000	2,843	-
Other Current Assets	-	728	115	191
Total Current Assets	-	4,164	4,062	191
Non-Current Assets				
Financial Investments	-	-	-	-
P&E	-	1,843	1,917	780
Intangible Assets	-	25,723	25,718	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	-	27,566	27,635	780
Total Assets	-	31,729	31,698	970
Current Liabilities				
Trade and Other Payables	-	2,031	77	(3)
Intercompany Payables	-	27,137	27,610	-
Payroll Liabilities	-	32	34	3
Tax Liabilities	-	-	-	-
Short Term Borrowings	-	10	(0)	-
Short Term Lease Liabilities	-	86	97	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	-	29,296	27,818	(0)
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	1,138	1,313	988
Other Non-Current Liabilities	-	29	6	-
Total Non-Current Liabilities	-	1,167	1,319	988
Total Liabilities	-	30,463	29,138	988
Net Assets	-	1,266	2,560	(18)
Equity				
Intercompany Shares	-	(0)	(0)	-
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	-	1,267	2,560	(18)
Total Equity	-	1,266	2,560	(18)

The Hills Distillery Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	5,342	3,182	1,898
Cost of Sales	-	(2,549)	(1,265)	(1,036)
Direct Costs	-	(458)	(219)	(25,102)
Operating Expenditure	-	(778)	(214)	(42)
EBITDA (Basic)	-	1,557	1,485	(24,283)
Other Income	-	17	104	33
Gain / (Loss) on Sale of Assets	-	-	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	-	1,574	1,589	(24,251)
Depreciation and Amortisation	-	(203)	(202)	(99)
Finance Costs	-	(85)	(120)	21,801
NPBT	-	1,286	1,267	(2,549)
Tax	-	-	44	-
NPAT	-	1,286	1,311	(2,549)

Source: NetSuite Records



Table 39: MK Wine – Individual Profit and Loss Statements / Balance Sheet

MK Wine Solutions Pty Ltd- Financial Position				
\$000	Jun-21	Jun-22	Jun-23	Jun-24
Current Assets				
Cash at Bank	-	-	-	-
Trade and Other Receivables	-	1,768	2,999	1
Inventories	-	196	151	-
Other Current Assets	-	84	(16)	2
Total Current Assets	-	2,048	3,134	2
Non-Current Assets				
Financial Investments	-	2	2	-
P&E	-	225	188	-
Intangible Assets	-	5,958	5,958	-
Other Non-Current Assets	-	-	-	-
Total Non-Current Assets	-	6,184	6,147	-
Total Assets	-	8,232	9,281	2
Current Liabilities				
Trade and Other Payables	-	388	286	21
Intercompany Payables	-	7,382	7,746	-
Payroll Liabilities	-	29	1	-
Tax Liabilities	-	-	-	-
Short Term Borrowings	-	52	21	-
Short Term Lease Liabilities	-	2	(0)	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	-	7,852	8,054	21
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Employee Benefits	-	-	-	-
Long Term Lease Liabilities	-	-	-	-
Other Non-Current Liabilities	-	67	22	-
Total Non-Current Liabilities	-	67	22	-
Total Liabilities	-	7,920	8,076	21
Net Assets	-	312	1,205	(19)
Equity				
Intercompany Shares	-	-	-	-
Issued Capital	-	-	-	-
Capital Raising Costs	-	-	-	-
Revaluation Reserve	-	-	-	-
Share-Based Payments Reserve	-	-	-	-
Non-Controlling Interest	-	-	-	-
Retained Earnings / (Accumulated Losses)	-	312	1,205	(19)
Total Equity	-	312	1,205	(19)

Source: NetSuite Records

MK Wine Solutions Pty Ltd- Financial Performance				
\$000	FY21	FY22	FY23	FY24
Net Revenue	-	4,998	4,029	925
Cost of Sales	-	(3,621)	(3,355)	(651)
Direct Costs	-	(465)	16	(0)
Operating Expenditure	-	(771)	(43)	(64)
EBITDA (Basic)	-	140	647	210
Other Income	-	412	350	350
Gain / (Loss) on Sale of Assets	-	177	-	-
Share of Associate Profit / (Losses)	-	-	-	-
Accounting Gains/(Losses)	-	-	-	-
EBITDA (Adjusted)	-	729	997	560
Depreciation and Amortisation	-	(78)	(52)	(16)
Finance Costs	-	(12)	(10)	(1,767)
NPBT	-	639	935	(1,224)
Tax	-	-	(36)	-
NPAT	-	639	898	(1,224)



Schedule 5 – Solvency Review of the Companies

1.0 Proving Insolvency

As noted in this Report, certain recovery actions available to a liquidator require the liquidator to prove that a company was insolvent at the time of the transaction, or in the case of an Insolvent Trading claim, when the debt was incurred.

The recovery actions where insolvency must be proved are Unfair Preferences, Uncommercial Transactions and Insolvent Trading.

Proving the insolvency of a company can be a complex exercise, may be subject to conjecture and ordinarily involves some measure of time and expense. Accordingly, we have undertaken a preliminary investigation into the solvency of the Companies in the lead up to the appointment of the Administrators, findings of which are detailed further below.

2.0 Definition of Insolvency

The assessment of solvency or insolvency, and determining a date when a company was deemed to have become insolvent, is made with regard to the definition set out in Section 95A of the Act:

(1) A person is solvent if, and only if, the person is able to pay all the person's debts as and when they become due and payable.

(2) A person who is not solvent, is insolvent.

In our experience, there are two general approaches to assessing whether a company is solvent or insolvent: the Cash Flow Test (as set out in s95A of the Act) is the primary test for insolvency, however and the Balance Sheet Test is also relevant to the assessment.

Cash Flow Test

The Cash Flow Test is an assessment of the ability of a company to meet its debts when they fall due. This assessment includes a review of whether a company can pay its creditors, as and when they become due and payable, with the funds available to it.

Regard must also be had to a company's ability to borrow funds, realise assets and/or raise capital to meet its liabilities when conducting the Cash Flow Test. At the same time, one must consider if any of these steps could adversely impact a company's ability to meet its future liabilities. In this regard, the Cash Flow Test is also an assessment of the viability of a company's business and must look somewhat into the future, beyond a particular day on which the question of solvency or insolvency is to be determined.

Balance Sheet Test

The Balance Sheet Test is, however, primarily focused on the total value of assets against the total liabilities of a company and whether there is a positive net asset position (that is, total assets minus total liabilities is greater than zero).



Indicators of Insolvency

Additionally, in our experience in assessing the solvency or insolvency of a company, we also have regard to the indicators of insolvency as detailed in *Australian Securities and Investment Commission v Plymin (2003) 175 FLR 124; 46 ACSR 126; [2003] VSC 123*, Mandie J. We refer to these as the 14 Indicators of Insolvency.

The 14 Indicators of Insolvency are useful points of reference when assessing the solvency or insolvency of a company. In our experience, we would have regard to each of the indicators when assessing the solvency or insolvency of a company. It is not, however, a checklist that when a threshold of indicators is met that a company is deemed to be solvent or insolvent. There is often a weighting one would attach to indicators given the circumstances facing the company.

3.0 Approach - Solvency Review on a Group Level

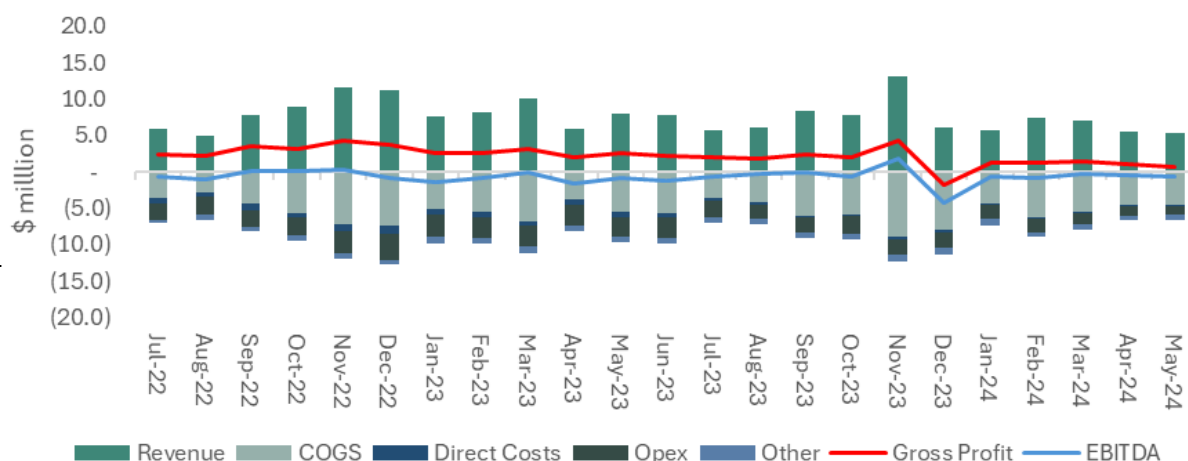
For the reasons disclosed in sections 1.6 and 10.2 herein, the Administrators consider it appropriate to undertake a preliminary assessment of the solvency of Mighty Craft on a group level. The Companies were subject to several co-dependent factors, including intermingled affairs, common Board of directors, centralised management and a high incidence of intercompany dependencies. Furthermore, they effectively operated as a single grouped entity - preparing financial reports on a consolidated basis as well as conducting regular intragroup transactions.

Accordingly, due to the high level of interdependencies between the Group companies, it is appropriate to consider the solvency of the Companies collectively, as opposed to individually.

4.0 Solvency - Supporting Analysis

The following charts represent our analysis of the Group's historical financial performance, position and liquidity in a solvency context, including brief commentary.

Chart 3: FY23 and FY24 Financial Performance



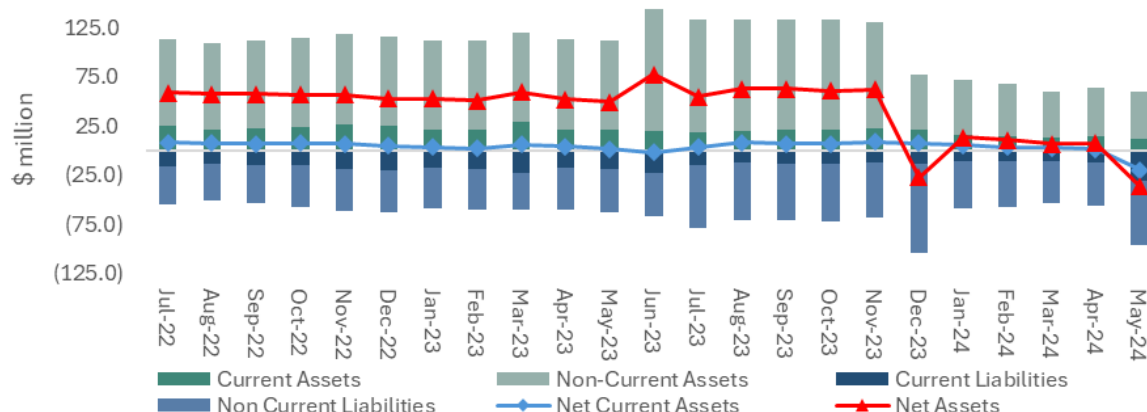
Source: Mighty Craft Forecast Model - Group Financials (Actual)

Note: Not reconciled to Statutory Accounts

- The Group produced regular monthly EBITDA losses particularly through FY24 as revenues continued to drop and COGS continued to rise (generally).



Chart 4: FY23 and FY24 Financial Position

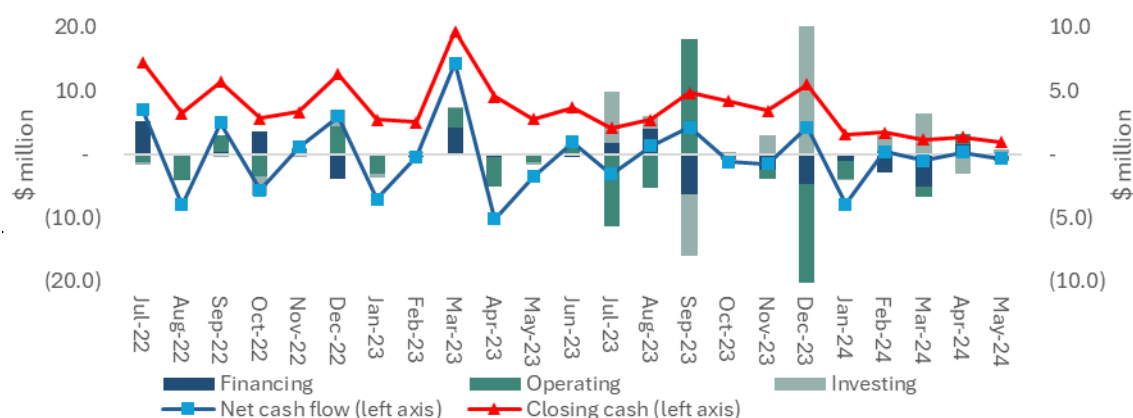


Source: Mighty Craft Forecast Model - Group Financials (Actual)

Note: Not reconciled to Statutory Accounts

- The Group generally maintained net current assets within a range of c.\$5.0m to c.\$10.0m and current ratio (current assets divided by current liabilities) of at least 1.0 times since at least July 2022. There were periods where net current assets fell below this range and current ratio approached 1.0, however, these periods appear to be temporary and generally improved within one (1) to two (2) months.
- The Group reported a net asset position of at least c.\$49m through to November 2023. Thereafter the net asset position declined to range of c.\$6.0m to c.\$13.0m, following a circa \$40.9m impairment of assets in December 2023.
- Long term debt levels (included in Non-Current Liabilities) for the Group, grew from c.\$19.2m in July 2022 to c.\$27m in May 2024, despite selling off the majority of its portfolio by that point.

Chart 5: FY23 and FY24 Working Capital / Current Ratio



Source: Mighty Craft Forecast Model - Group Financials (Actual)

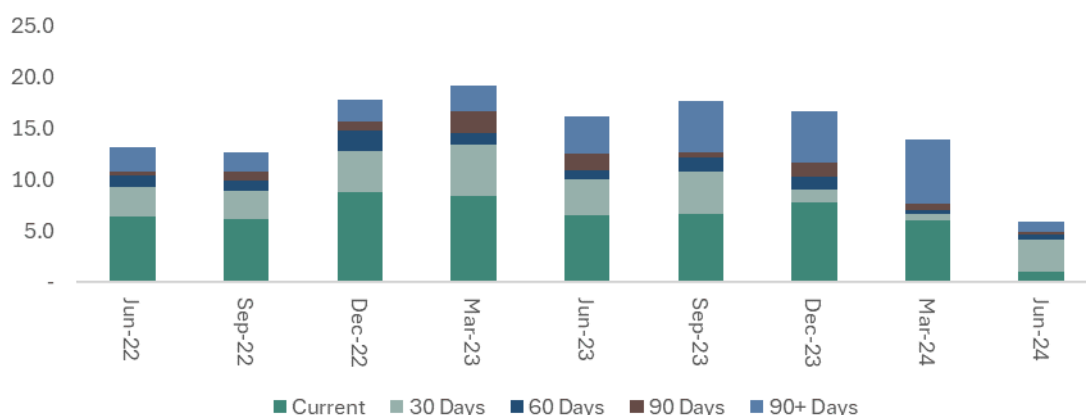
Note: Not reconciled to Statutory Accounts,

- March 2023 reflects the Group's placement capital raise of \$5.2m (although sought c.\$7.7m at the time).
- Cash outflows in Dec 2023 reflect the Group's significant movement in net working capital flows as well as loan repayments and other financing costs including royalties. We further note that we have been advised by Management that a mapping error relating to the impairment is also the cause for the significant operating cash outflow in December 2023.



- During the period of review, the Groups' cash balance at each month-end only dropped below \$1m in May 2024, a month prior to the Administrators' appointment.

Chart 6: Accounts Payable Ageing (Consolidated Group)



Source: Consolidated Accounts Payable Ageing Summaries

Note: Includes intragroup payables

- For the periods reviewed, the Group's aged payables (over 60 days old) were always below 50% of total aged payables balance except for March 2024 (although primarily relating to intragroup payables).

5.0 ATO – Payment Arrangements

As mentioned in Section 3.11 above, the Administrators are aware of taxation debts totaling c.\$9m as at the date of appointment, including four (4) proofs of debt received from the ATO for claims made against KI Spirits, MC Operations, MC People and Mismatch Brewing for outstanding excise and RBA deficit debts.

During the first half of FY23, the Group was in discussions with the ATO around a payment plan for outstanding excise and RBA deficit debts (Business Activity Statement liabilities) totaling c.\$8m (at the time). We understand that the ATO was generally very supportive of the Group's plans to restructure its debt.

In September 2023, the ATO granted forbearance of the outstanding aged debts which had accrued up to that point. The ATO agreed for the debts to be settled as a lump sum payment, which we understand were subject to the ongoing divestment program undertaken by the Group. Subsequently, the payment arrangements were extended on a further two (2) occasions following the Group's further extension requests and seemingly unsuccessful attempts to extract surplus funds from the business sales. Accordingly, the payment arrangements were eventually extended to accommodate the Group's plan to implement the Better Beer RTO (when payment dates were deferred to October 2024).

Despite these payment arrangements being entered into, no payments were made in accordance with the plans. The table below summarises the details of the Group's payment arrangements with the ATO.



Table 40: ATO Payment Arrangements

Date	Entity	Tax Debt	Instalment Amount (\$)	Payment Date
First Payment Arrangement				
Sep-23	MC Operations	RBA	452,795.38	31-Jan-24
Sep-23	MC Operations	Excise	3,629,279.80	31-Jan-24
Sep-23	MC People	RBA	3,403,102.81	31-Jan-24
Sep-23	Mismatch Brewing	Excise	578,343.99	31-Jul-24
Subtotal			8,063,521.98	
Second Payment Arrangement				
Feb-24	MC Operations	RBA	479,336.72	31-Jul-24
Feb-24	MC Operations	Excise	4,149,033.72	31-Jul-24
Feb-24	MC People	RBA	3,604,483.51	31-Jul-24
Feb-24	Mismatch Brewing	Excise	578,343.99	31-Jul-24
Subtotal			8,811,197.94	
Third Payment Arrangement				
Jul-24	MC Operations	RBA	493,162.24	31-Oct-24
Jul-24	MC Operations	Excise	4,149,033.69	31-Oct-24
Jul-24	MC People	RBA	3,570,087.13	31-Oct-24
Jul-24	Mismatch Brewing	Excise	578,343.99	31-Oct-24
Subtotal			8,790,627.05	

Source: Management, ATO correspondence, ATO accounts

6.0 14 Indicators of Insolvency

We have reviewed the 14 Indicators of Insolvency in the context of the Companies and provide below a summarised review on a Group basis in the table below.

Table 41: Summary of Insolvency Indicators – Group Basis

Indicator	Present	Comment
Continuing losses	✓	The Group experienced regular net losses as reported in its statutory accounts. This appeared to be driven by gross margins which further to deteriorate over time due to rising cost-of-goods-sold and fixed operating overheads including employee-related costs.
Liquidity ratios below 1	✗	Since July 2022, on a consolidated basis, the Group had a current ratio of below 1 only in June 2023 (0.90) and May 2024 (0.35), just prior to the appointment of the Administrators.
Overdue commonwealth and state taxes	✗	As of the date of our appointment, the Administrators are aware of statutory liabilities (including state taxes, RBA deficit debts, excise tax and income tax) totalling \$9.015m. However, the majority of these taxation debts were subject to forbearance via instalment arrangements whereby the ATO would continue extending forbearance pending the outcome of the divestment process (and ultimately, the RTO). Prior to this point, the Group companies generally maintained the relevant tax accounts.
Poor relationship with present bank	✗	Based on our review, investigations and discussions with Management, there is no evidence of a poor relationship with the Groups' primary banker, CBA.



Indicator	Present	Comment
No access to alternative finance	X	The Group's financiers, PURE, and Moneytech (and recently SVC), advanced funding to the Group secured against the assets of the relevant Group companies at varying levels with priorities agreed between them. As such, it appears the Group could access further finance through these lenders. However, despite the Group selling a significant portion of its portfolio, the proceeds would be insufficient to discharge the Group's debts (aside from the SVC bridging loan). However, as noted previously, once it was clear to the Group that the Better Beer RTO/merger proposal could not proceed, the Directors determined that the business could not be viably sustained and as such, Administrators were appointed.
Failure to raise additional equity capital	✓	Based on our preliminary review, from at least March 2023, the Group failed to raise sufficient equity capital (raised c.\$5.2m but seeking c.\$7.7m). Since that time, the Jarden process did not result in any material interest in the Group's minority stake, and subsequently, the proposed Better Beer RTO could not complete (despite possible interest from the Canaccord capital raise roadshow which was based on the merged entity).
Suppliers placing company on cash on delivery	X	Based on our review, investigations and discussions with management, there is no evidence of suppliers placing the Group on cash on delivery.
Creditors unpaid outside trading terms	X	Throughout the review period, the majority of the Group's aged payables appear to be under 30 days overdue, with the percentage of aged payables exceeding 60 days from 29% in June 2022 to 31% at the date of our appointment. However, the more significant unrelated party debts, including the debt owed to Better Beer (c. \$3m), was less than 60 days old as of the date of appointment.
Issuing post-dated cheques	X	Based on our review, investigations and discussions with management, there is no evidence of issuing post-dated cheques
Dishonoured cheques	X	Based on our review of the records, investigations and discussions with Management, there is no evidence of dishonoured cheques.
Special arrangements with creditors	✓	As disclosed above in Section 3.11, the Group entered into payment arrangements with the ATO, whereby the ATO agreed to defer the payment of an outstanding balance of c.\$8-9m on three (3) separate occasions since September 2023. The ATO would continue extending forbearance pending the outcome of the divestment process (and ultimately, the RTO).
Solicitor letters and demands	X	We understand that throughout the majority of its trading tenure (with the exception of the 2 months leading up to appointment), the Group have not received any solicitor letters and demands of a material nature. The Administrators are aware that just prior to appointment, MC Operations received a notice to cure a material breach from Better Beer for outstanding invoices under the Solutions Agreement (for c.\$989k) in May 2024, and Jetty Road received a notice of default for c. \$44k from the Jetty Road Lorne lease landlord in July 2024.
Payments to creditors of rounded sums	X	Based on our review, investigations and discussions with management, there is limited evidence of material payments to creditors in rounded sums.



Indicator	Present	Comment
Inability to produce timely and accurate financial information	✗	As detailed in Section 6.2 of the Report, the Group's financial records have always been maintained to a satisfactory level of accuracy that would enable true and fair financial statements to be prepared and audited.

Key: ✓ Indicator identified ✗ Indicator not identified ⇔ Neutral / Not Applicable

Furthermore, accompanying this schedule are additional tables for each of the Group entities highlighting the 14 Indicators of Insolvency for each of the Companies for the relevant review period.

7.0 Preliminary View on Insolvency

Based on the foregoing preliminary review, the Administrators consider that the Companies collectively may have been insolvent momentarily in July 2024 just prior to the date of appointment, noting the Directors appeared to appoint Administrators as soon as it became evident that the Better Beer RTO (a key component of the Group's restructuring plan) was not likely to complete. This is further supported by the following:

- Due to the structure of the Group, the reliance on one another company for particular aspects of the business, and the cross collateralisation of its financing facilities it is appropriate to consider the solvency of the Companies collectively, as opposed to individually.
- In May 2023, the Group undertook a board restructure to address feedback from various stakeholders including, inter alia, net losses after tax of \$15.5 million and \$20.4 million which were incurred in FY21 and FY22 respectively. Shortly thereafter, the incoming board commenced a strategic review process which culminated in a revised multi-track strategy to i) restructuring the cost base of the Group, ii) amortise debt through an expanded asset divestment program and iii) optimise the Group's corporate structure.
- Whilst the Group had longstanding ATO arrears, the aged portion of this debt was subject to payment arrangements which deferred most of this debt on more than three (3) occasions. The ATO agreed to forbear the debts on the basis that the sale proceeds from the Group's proposed divestments (and subsequently, the proposed RTO) would be sufficient to discharge the outstanding debts. We understand that current (i.e. within due dates) amounts were generally maintained and the ATO was generally supportive of the Group's restructuring plans.
- Throughout FY24 the Group made significant progress in implementing this strategy including completing a cost reduction program, developing and implementing a divestment strategy (including completing a number of divestments) and progressing wider plans transitioning the group to an appropriate capital structure and sustainable trading profile via a merger with a Better Beer.
- Despite the Group's limited ability to raise equity capital in the equity markets since at least March 2023 (evident upon the Group's last capital raise of ~\$5m in March 2023), there appeared to be debt support in the form of PURE, Moneytech and SVC.
- The Group was supported by its primary financier (PURE) as evidenced by the Deeds of Amendment (PURE's Facility Agreement was amended 6 times prior to appointment), which sought to establish the release of secured divestment proceeds from various transactions to



support the Group's working capital position, provision of covenant/default waivers, general forbearance and provision of direct working capital support to support temporary liquidity events.

- Throughout the Group's strategic review process, and notwithstanding its failure to complete, PURE was regularly engaged with Mighty Craft's Management to progress the proposed Better Beer RTO steps.
- Notwithstanding that the Group's operations have been generally loss making for several years and the Group has been experiencing liquidity constraints for at least the past six (6) months, the Group's short term cash flow forecasts demonstrate potential cash runway to implement the Group's restructuring plans. To the extent there were periods of tighter liquidity forecasted, the Group appeared to have identified various contingencies to navigate these periods and was generally able to do so which indicates they were temporary liquidity challenges as opposed to endemic insolvency.
- The Group's balance sheet reports a net asset position of at least c.\$49m through to December 2024. Thereafter the net asset position declined to range of c.\$6.0m to c.\$13.0m, following a c.\$40.9m impairment of assets in December 2023.
- The Group generally maintained net current assets within a range of c.\$5.0m to c.\$10.0m and current ratio (current assets divided by current liabilities) of at least 1.0 times since at least July 2022. There were periods where net current assets fell below this range and current ratio approached 1.0, however, these periods appear to be temporary and generally improved within one (1) to two (2) months.
- We understand that the Directors obtained safe harbour advice from appropriately qualified entities, which involved the active pursuit of the Better Beer RTO as part of the Group's safe harbour restructuring plan.
- Ultimately in July 2024, the Directors formed the view that it was unlikely that the merger with Better Beer could be completed, and the Administrators were appointed shortly thereafter.



Table 42: MC Limited – 14 Indicators of Insolvency

Mighty Craft Limited	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✓	✓	✓	✓	✓	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✓	✓	✓	✓	✓	✓
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✓	✓	✓	✓
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 43: MC Nominees – 14 Indicators of Insolvency

Mighty Craft Nominees	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✗	✗	✗	✗	✗	✗	✗	✗	✗
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 44: MC Venues – 14 Indicators of Insolvency

Mighty Venues	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✗	✗	✗	✗	✗	✗	✗	✗	✗
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 45: MC Investments – 14 Indicators of Insolvency

Mighty Investments	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ↔ Neutral / Not Applicable



Table 46: MC People – 14 Indicators of Insolvency

Mighty Craft People & Services	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✓	✓	✓	✓	✓	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✓	✓	✓	✓
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ↔ Neutral / Not Applicable



Table 47: MC Operations – 14 Indicators of Insolvency

Mighty Craft Operations	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✗	✗	✗	✗	✗	✗	✗	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✓	✓	✓	✓	✓	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✓	✓
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✓	✓
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✓	✓	✓	✓
Legal demands	✗	✗	✗	✗	✗	✗	✗	✓	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 48: MH Valley – 14 Indicators of Insolvency

Mighty Craft Hunter Valley	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✗	✗
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 49: MC Beer – 14 Indicators of Insolvency

Mighty Craft Beer	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ↔ Neutral / Not Applicable



Table 50: MC Spirits – 14 Indicators of Insolvency

Mighty Craft Spirits	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ↔ Neutral / Not Applicable

**Table 51: MC Export – 14 Indicators of Insolvency**

Mighty Craft Export	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✗	✗	✗	✗	✗	✗	✗	✗	✗
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 52: Jetty Road – 14 Indicators of Insolvency

Jetty Road	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✓
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ↔ Neutral / Not Applicable



Table 53: Mismatch Brewing – 14 Indicators of Insolvency

Mismatch Brewing	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✗	✗
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✓	✓	✓	✓
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 54: Hills Distillery – 14 Indicators of Insolvency

The Hills Distillery	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✗	✗	✗	✗	✗	✗	✗	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Table 55: KI Spirits – 14 Indicators of Insolvency

Kangaroo Island Distillery	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✗	✗	✗	✗	✗	✗	✗	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✓
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇄ Neutral / Not Applicable



Table 56: Hidden Lake – 14 Indicators of Insolvency

Hidden Lake	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✓	✓	✓	✓	✓	✓	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ↔ Neutral / Not Applicable



Table 57: MK Wine – 14 Indicators of Insolvency

MK Wine	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Continuing losses	✓	✗	✗	✗	✓	✗	✗	✓	✓
Liquidity ratio below 1	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue taxes	✗	✗	✗	✗	✗	✗	✗	✗	✗
Poor banking relationship	✗	✗	✗	✗	✗	✗	✗	✗	✗
No alternate finance	✗	✗	✗	✗	✗	✗	✗	✗	✗
No access to equity capital	✗	✗	✗	✗	✗	✗	✗	✗	✗
Stop supply	✗	✗	✗	✗	✗	✗	✗	✗	✗
Overdue creditors	✗	✗	✗	✗	✗	✗	✗	✗	✗
Post dated cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Dishonored cheques	✗	✗	✗	✗	✗	✗	✗	✗	✗
Special creditor arrangements	✗	✗	✗	✗	✗	✗	✗	✗	✗
Legal demands	✗	✗	✗	✗	✗	✗	✗	✗	✗
Round sum creditor payments	✗	✗	✗	✗	✗	✗	✗	✗	✗
Timely financial information (inability)	✗	✗	✗	✗	✗	✗	✗	✗	✗

Key: ✓ Indicator identified ✗ Indicator not identified ⇌ Neutral / Not Applicable



Schedule 6 – Estimated Return to Creditors of the Companies (DOCA vs Liquidation)

Liquidation Estimated Outcome Statements

Mighty Craft Limited

Mighty Craft Limited AUD \$	Estimated Realisable Value		
	Low	Mid	High
Circulating Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Total Circulating Assets	-	-	-
Priority Claims			
Less: Employee Entitlements (Leave)	-	-	-
Less: Employee Entitlements (Redundancy / PILN)	-	-	-
Total Priority Claims	-	-	-
Residual Circulating Assets	-	-	-
Non-Circulating Assets			
Property, plant and equipment	-	-	-
Other non-circulating assets	-	-	-
Total Non-Circulating Assets	-	-	-
Total Assets (after Priority Claims)	-	-	-
Realisation costs (ex GST)			
VA Fees	(77,980)	(77,980)	(77,980)
Liquidation Fees	(50,000)	(50,000)	(50,000)
Legal Fees	(10,000)	(5,000)	-
Advisor Fees	-	-	-
Agent Fees	-	-	-
Contingency	(13,798)	(13,298)	(12,798)
Total Realisation Costs	(151,778)	(146,278)	(140,778)
Funds for Distribution to PURE	(151,778)	(146,278)	(140,778)
Senior Secured Creditors			
PURE	27,506,758	26,835,862	26,835,862
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862
<i>c/\$ return</i>	Nil	Nil	Nil
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	1,099,090	1,046,752	1,046,752
Potential Unsecured Creditors	1,099,090	1,046,752	1,046,752
<i>c/\$ return</i>	Nil	Nil	Nil

Cash held (\$1k) will be exhausted from ongoing commitments

Intercompany receivable and bank guarantee (Lome Lease) - nil recovery

Intercompany receivable balance (\$45.2m) for related Group entities - assume nil recovery due to insolvency

GST refund - no recoverability given ATO position. No value for listing given inability to pay listing fee

VA period WIP to 18/8 and reasonable estimate to second meeting

Liquidation fees being sought. Subject to change and could increase

High level range of legal fees

10% of above

Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)

High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid



Mighty Craft Nominees Pty Ltd

Mighty Craft Nominees Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Total Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Property, Plant and Equipment	-	-	-
Other	-	-	-
Total Assets	-	-	-
Realisation costs (ex GST)			
VA Fees	(6,995)	(6,995)	(6,995)
Liquidation Fees	(20,000)	(20,000)	(20,000)
Legal Fees	-	-	-
Agent Fees	-	-	-
Contingency	(2,700)	(2,700)	(2,700)
Total Realisation Costs	(29,695)	(29,695)	(29,695)
Funds for Distribution to PURE	-	-	-
Senior Secured Creditors			
PURE	27,506,758	26,835,862	26,835,862
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	-	-	-
Potential Unsecured Creditors	-	-	-
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
Investments in insolvent subsidiaries - nil return given insolvency of Group
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
10% of above

Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
--

Mighty Craft Venues Pty Ltd

Mighty Craft Venues Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Total Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Property, Plant and Equipment	-	-	-
Other	-	-	-
Total Assets	-	-	-
Realisation costs (ex GST)			
VA Fees	(7,545)	(7,545)	(7,545)
Liquidation Fees	(20,000)	(20,000)	(20,000)
Legal Fees	-	-	-
Agent Fees	-	-	-
Contingency	(2,755)	(2,755)	(2,755)
Total Realisation Costs	(30,300)	(30,300)	(30,300)
Funds for Distribution to PURE	-	-	-
Senior Secured Creditors			
PURE	27,506,758	26,835,862	26,835,862
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	267,123	254,403	254,403
Potential Unsecured Creditors	267,123	254,403	254,403
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
10% of above

Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
--

High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid



Mighty Craft Investments Pty Ltd

Mighty Craft Investments Pty Ltd AUD \$	Estimated Realisable Value			Notes
	Low	Mid	High	
Total Assets				
Cash / Trading Position	-	-	-	
Receivables	-	-	-	
Other Receivables	-	-	-	
Prepayments	-	-	-	
Inventory	-	-	-	
Property, Plant and Equipment	-	-	-	
Other	-	-	-	
Total Assets	-	-	-	
Realisation costs (ex GST)				
VA Fees	(6,880)	(6,880)	(6,880)	VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation Fees	(20,000)	(20,000)	(20,000)	Liquidation fees being sought. Subject to change and could increase or be less
Legal Fees	-	-	-	
Agent Fees	-	-	-	
Contingency	(2,688)	(2,688)	(2,688)	10% of above
Total Realisation Costs	(29,568)	(29,568)	(29,568)	
Funds for Distribution to PURE	-	-	-	
Senior Secured Creditors				
PURE	27,506,758	26,835,862	26,835,862	Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	
Funds Available for Unsecured Creditors	-	-	-	
Unsecured Creditors				
Creditor listing / proofs of debt received	-	-	-	
Potential Unsecured Creditors	-	-	-	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	

Mighty Craft Spirits Plus Pty Ltd

Mighty Craft Spirits Plus Pty Ltd AUD \$	Estimated Realisable Value			Notes
	Low	Mid	High	
Total Assets				
Cash / Trading Position	-	-	-	
Receivables	-	-	-	
Other Receivables	-	-	-	
Prepayments	-	-	-	
Inventory	-	-	-	
Property, Plant and Equipment	-	-	-	
Other	-	250,000	1,000,000	Potential value from 65% in Seven Seasons. High - amount contemplated prior to appointment. Mid/Low - range of scenarios
Total Assets	-	250,000	1,000,000	
Realisation costs (ex GST)				
VA Fees	(11,725)	(11,725)	(11,725)	VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation Fees	(50,000)	(50,000)	(50,000)	Liquidation fees being sought. Subject to change and could increase or be less
Legal Fees	-	-	-	
Agent Fees	-	-	-	
Contingency	(6,173)	(6,173)	(6,173)	10% of above
Total Realisation Costs	(67,898)	(67,898)	(67,898)	
Funds for Distribution to PURE	-	182,103	932,103	
Senior Secured Creditors				
PURE	27,506,758	26,835,862	26,835,862	Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862	
<i>c/\$ return</i>	<i>Nil</i>	<i>0.7</i>	<i>3.5</i>	
Funds Available for Unsecured Creditors	-	-	-	
Unsecured Creditors				
Creditor listing / proofs of debt received	-	-	-	
Potential Unsecured Creditors	-	-	-	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	



Kangaroo Island Distillery Pty Ltd

Kangaroo Island Distillery Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Circulating Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	97,663	244,157	390,651
Inventory - WDS	-	250,000	500,000
Total Circulating Assets	97,663	494,157	890,651
Priority Claims			
Less: Employee Entitlements (Leave)	(50,520)	(48,115)	(48,115)
Less: Employee Entitlements (Redundancy / PILN)	(134,727)	(128,311)	(128,311)
Total Priority Claims	(185,247)	(176,426)	(176,426)
<i>c/\$ return</i>	52.7	100.0	100.0
Residual Circulating Assets	(87,584)	317,731	714,225
Non-Circulating Assets			
Property, plant and equipment	2,316,475	2,702,554	3,088,633
Other non-circulating assets	-	-	-
Total Non-Circulating Assets	2,316,475	2,702,554	3,088,633
Total Assets (after Priority Claims)	2,228,890	3,020,285	3,802,858
Realisation costs (ex GST)			
VA Fees	(101,465)	(101,465)	(101,465)
Liquidation Fees	(500,000)	(500,000)	(500,000)
Legal Fees	(50,000)	(30,000)	(10,000)
Advisor Fees	-	-	-
Agent Fees	(75,000)	(50,000)	(25,000)
Contingency	(72,647)	(68,147)	(63,647)
Total Realisation Costs	(799,112)	(749,612)	(700,112)
Funds for Distribution to PURE	1,429,779	2,270,673	3,102,746
Senior Secured Creditors			
PURE	27,506,758	26,835,862	26,835,862
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862
<i>c/\$ return</i>	5.2	8.5	11.6
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	64,737	61,654	61,654
WDS	2,011,979	2,011,979	2,011,979
Potential Unsecured Creditors	2,076,716	2,073,633	2,073,633
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
Cash held (\$6k) will be exhausted from ongoing commitments
Primarily relates to journal entries for Group recharges and amounts owing. Nil in Liquidation
Relates to a mix of inventory at varying stages. ERV is net of allowance for costs and impact of customer channels ceasing. Excludes WDS whisky
High level realisable value associated with WDS whisky in Liquidation. ERV is net of allowance for holding and realisation costs / dispute costs
Report provided by Management as at 31 July 2024. Low case includes a 5% contingency
Report provided by Management as at 31 July 2024. Low case includes a 5% contingency
PP&E value relates to land and P&E at Cygnet River, SA. ERV is net of allowance for costs and range of outcomes. P&E valuation of \$355k received
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
High level range of legal fees
High level range of agent fees associated with sale of PP&E
10% of above
Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Per unsecured creditor listing being maintained by VAs (excludes WDS)
Contingent claim for offtake obligations under WDS Agreements

Mighty Craft Beer Pty Ltd

Mighty Craft Beer Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Total Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Property, Plant and Equipment	-	-	-
Other	Unknown	Unknown	Unknown
Total Assets	-	-	-
Realisation costs (ex GST)			
VA Fees	(13,875)	(13,875)	(13,875)
Liquidation Fees	(100,000)	(100,000)	(100,000)
Advisor and Transaction Costs	(500,000)	(300,000)	(150,000)
Legal Fees	(100,000)	(75,000)	(50,000)
Agent Fees	-	-	-
Contingency	(71,388)	(48,888)	(31,388)
Total Realisation Costs	(785,263)	(537,763)	(345,263)
Funds for Distribution to PURE	-	-	-
Senior Secured Creditors			
PURE	27,506,758	26,835,862	26,835,862
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862
<i>c/\$ return</i>	<i>Unknown</i>	<i>Unknown</i>	<i>Unknown</i>
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	-	-	-
Potential Unsecured Creditors	-	-	-
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
Better Beer shareholding (25%)
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
High level range of advisor (investment bank, M&A corporate advisor or otherwise) fees and costs
High level range of legal fees
10% of above
Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)



Mighty Craft People and Services Pty Ltd

Mighty Craft People & Services Pty Ltd AUD \$	Estimated Realisable Value			Notes
	Low	Mid	High	
Circulating Assets				
Cash / Trading Position	-	-	-	Cash held (\$26k) will be exhausted from ongoing commitments Nil receivable balance as at 22 July 2024 per Netsuite \$66k book value of unidentified deposits. ROCAP identified nil recovery. Any recovery will be exhausted by commitments
Receivables	-	-	-	
Other Receivables	-	-	-	
Prepayments	-	-	-	
Inventory	-	-	-	
Total Circulating Assets	-	-	-	
Priority Claims				
Less: Employee Entitlements (Leave)	(270,221)	(257,353)	(257,353)	Report provided by Management as at 31 July 2024. Low case includes a 5% contingency Report provided by Management as at 31 July 2024. Low case includes a 5% contingency
Less: Employee Entitlements (Redundancy / PILN)	(1,009,927)	(961,836)	(961,836)	
Total Priority Claims	(1,280,148)	(1,219,189)	(1,219,189)	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	
Residual Circulating Assets	-	-	-	
Non-Circulating Assets				
Fixed Assets	-	-	-	ROU asset (\$16k) and written down computer equipment (\$4k) - nil recovery in Liquidation EDI and software (Netsuite) capitalised costs. Nil recovery in Liquidation
Other non-circulating assets	-	-	-	
Total Non-Circulating Assets	-	-	-	
Total Assets (after Priority Claims)	-	-	-	
Realisation costs (ex GST)				
VA Fees	(56,605)	(56,605)	(56,605)	VA period WIP to 18/8 and reasonable estimate to second meeting Liquidation fees being sought. Subject to change and could increase or be less High level range of legal fees
Liquidation Fees	(100,000)	(100,000)	(100,000)	
Legal Fees	(20,000)	(15,000)	(10,000)	
Advisor Fees	-	-	-	
Agent Fees	-	-	-	
Contingency	(17,661)	(17,161)	(16,661)	10% of above
Total Realisation Costs	(194,266)	(188,766)	(183,266)	
Funds for Distribution to PURE	-	-	-	
Senior Secured Creditors				
PURE	27,506,758	26,835,862	26,835,862	Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	
Funds Available for Unsecured Creditors	-	-	-	
Unsecured Creditors				
Creditor listing / proofs of debt received	3,957,574	3,769,118	3,769,118	High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid
Potential Unsecured Creditors	3,957,574	3,769,118	3,769,118	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	

Mighty Craft Operations Pty Ltd

Mighty Craft Operations Pty Ltd AUD \$	Estimated Realisable Value			Notes
	Low	Mid	High	
Circulating Assets				
Forecast Trading Position	577,155	611,106	679,006	MCO cash at 16/8 plus forecast total position from 19/8 to 31/8 (inc. debtors/forecast sales and commitments inc. BB for August, no repayment of PURE) Significant aggregate intercompany receivable balance (\$45.2m) for related Group entities. Nil recovery as no forecast returns across Group
Other Receivables	-	-	-	
Prepayments	-	-	-	
Inventory	65,469	163,672	261,875	
Total Circulating Assets	642,624	774,777	940,881	Finished goods at 3PLs per ROCAP. Recovery value impacted by sales channels ceasing and requirement to deal with 3PLs to hold and realise
Priority Claims				
Less: Employee Entitlements (Leave)	-	-	-	No other recoverable assets in Liquidation - ROU on balance sheet (nil), Goodwill (nil) and Moneytech reserve (utilised to payout Moneytech)
Less: Employee Entitlements (Redundancy / PILN)	-	-	-	
Total Priority Claims	-	-	-	
Residual Circulating Assets	642,624	774,777	940,881	
Non-Circulating Assets				
Property, plant and equipment	-	-	-	
Other non-circulating assets	-	-	-	
Total Non-Circulating Assets	-	-	-	
Total Assets (after Priority Claims)	642,624	774,777	940,881	
Realisation costs (ex GST)				
VA Fees	(276,660)	(276,660)	(276,660)	VA period WIP to 18/8 and reasonable estimate to second meeting Liquidation fees being sought. Subject to change and could increase or be less High level range of legal fees
Liquidation Fees	(500,000)	(500,000)	(500,000)	
Legal Fees	(150,000)	(125,000)	(100,000)	
Advisor Fees	-	-	-	
Agent Fees	(50,000)	(40,000)	(25,000)	High level range of agent fees associated with sale of inventory 10% of above
Contingency	(97,666)	(94,166)	(90,166)	
Total Realisation Costs	(1,074,326)	(1,035,826)	(991,826)	
Funds for Distribution to PURE	(431,702)	(261,049)	(50,945)	
Senior Secured Creditors				
PURE	27,506,758	26,835,862	26,835,862	Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	
Funds Available for Unsecured Creditors	-	-	-	
Unsecured Creditors				
Creditor listing / proofs of debt received (ex WDS)	5,425,901	5,167,525	5,167,525	High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid Guarantee of offtake purchase relating to WDS Agreements
WDS	6,542,333	6,542,333	6,542,333	
Potential Unsecured Creditors	11,968,234	11,709,858	11,709,858	
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	



Mighty Craft Export Pty Ltd

Mighty Craft Export Pty Ltd AUD \$	Estimated Realisable Value			Notes
	Low	Mid	High	
Total Assets				
Cash / Trading Position	-	-	-	
Receivables	-	-	-	
Other Receivables	-	-	-	
Prepayments	-	-	-	
Inventory	-	-	-	
Property, Plant and Equipment	-	-	-	
Other	-	-	-	
Total Assets	-	-	-	Nil recovery of equity investment in Foghorn
Realisation costs (ex GST)				
VA Fees	(7,415)	(7,415)	(7,415)	VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation Fees	(20,000)	(20,000)	(20,000)	Liquidation fees being sought. Subject to change and could increase or be less
Legal Fees	-	-	-	
Agent Fees	-	-	-	
Contingency	(2,742)	(2,742)	(2,742)	10% of above
Total Realisation Costs	(30,157)	(30,157)	(30,157)	
Funds for Distribution to PURE	-	-	-	
Senior Secured Creditors				
PURE	27,506,758	26,835,862	26,835,862	Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862	
c/\$ return	Nil	Nil	Nil	
Funds Available for Unsecured Creditors	-	-	-	
Unsecured Creditors				
Creditor listing / proofs of debt received	326	310	310	High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid
Potential Unsecured Creditors	326	310	310	
c/\$ return	Nil	Nil	Nil	

Hidden Lake Pty Ltd

Hidden Lake Pty Ltd AUD \$	Estimated Realisable Value			Notes
	Low	Mid	High	
Total Assets				
Cash / Trading Position	-	-	-	
Receivables	-	-	-	
Other Receivables	-	-	-	
Prepayments	-	-	-	
Inventory	-	-	-	
Property, Plant and Equipment	-	-	-	
Other	-	-	-	
Total Assets	-	-	-	Whisky subject to WDS Agreements held at 3rd party location - further investigation would occur in Liquidation on any ERV Whisky subject to WDS Agreements held at 3rd party location - further investigation would occur in Liquidation on any ERV
Realisation costs (ex GST)				
VA Fees	(7,315)	(7,315)	(7,315)	VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation Fees	(100,000)	(100,000)	(100,000)	Liquidation fees being sought. Subject to change and could increase or be less
Legal Fees	-	-	-	
Agent Fees	-	-	-	
Contingency	(10,732)	(10,732)	(10,732)	10% of above
Total Realisation Costs	(118,047)	(118,047)	(118,047)	
Funds for Distribution to PURE	-	-	-	
Senior Secured Creditors				
PURE	27,506,758	26,835,862	26,835,862	Mid/High - proof of debt amount + funding provided to VAs. Low - 102.5% (for charges, etc)
Total Senior Secured Creditors	27,506,758	26,835,862	26,835,862	
c/\$ return	Nil	Nil	Nil	
Funds Available for Unsecured Creditors	-	-	-	
Unsecured Creditors				
Creditor listing / proofs of debt received (ex WDS)	-	-	-	
WDS	2,424,535	2,424,535	2,424,535	
Potential Unsecured Creditors	2,424,535	2,424,535	2,424,535	
c/\$ return	Nil	Nil	Nil	



A.C.N. 603 372 210 Pty Ltd (formerly Jetty Road Brewery Pty Ltd)

Jetty Road Brewery Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Total Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Property, Plant and Equipment	-	-	-
Other	-	-	-
Total Assets	-	-	-
Realisation costs (ex GST)			
VA Fees	(8,480)	(8,480)	(8,480)
Liquidation Fees	(20,000)	(20,000)	(20,000)
Legal Fees	-	-	-
Agent Fees	-	-	-
Contingency	(2,848)	(2,848)	(2,848)
Total Realisation Costs	(31,328)	(31,328)	(31,328)
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	445,817	424,587	424,587
Potential Unsecured Creditors	445,817	424,587	424,587
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
Receivable from Clam Club (sub tenant). Likely nil recovery based on investigations
ROU asset on balance sheet - nil in Liquidation
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
10% of above
High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid

Mismatch Brewing Company Pty Ltd

Mismatch Brewing Company Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Total Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Property, Plant and Equipment	-	-	-
Other	-	-	-
Total Assets	-	-	-
Realisation costs (ex GST)			
VA Fees	(8,560)	(8,560)	(8,560)
Liquidation Fees	(20,000)	(20,000)	(20,000)
Legal Fees	-	-	-
Agent Fees	-	-	-
Contingency	(2,856)	(2,856)	(2,856)
Total Realisation Costs	(31,416)	(31,416)	(31,416)
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	1,013,470	965,210	965,210
Potential Unsecured Creditors	1,013,470	965,210	965,210
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
10% of above
High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid

Mighty Hunter Valley Pty Ltd

Mighty Hunter Valley Pty Ltd AUD \$	Estimated Realisable Value		
	Low	Mid	High
Total Assets			
Cash / Trading Position	-	-	-
Receivables	-	-	-
Other Receivables	-	-	-
Prepayments	-	-	-
Inventory	-	-	-
Property, Plant and Equipment	-	-	-
Other	-	-	-
Total Assets	-	-	-
Realisation costs (ex GST)			
VA Fees	(8,015)	(8,015)	(8,015)
Liquidation Fees	(20,000)	(20,000)	(20,000)
Legal Fees	-	-	-
Agent Fees	-	-	-
Contingency	(2,802)	(2,802)	(2,802)
Total Realisation Costs	(30,817)	(30,817)	(30,817)
Funds Available for Unsecured Creditors	-	-	-
Unsecured Creditors			
Creditor listing / proofs of debt received	1,243	1,184	1,184
Potential Unsecured Creditors	1,243	1,184	1,184
<i>c/\$ return</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes
VA period WIP to 18/8 and reasonable estimate to second meeting
Liquidation fees being sought. Subject to change and could increase or be less
10% of above
High/Mid - unsecured creditor listing being maintained by VAs. Low - 105% of High/Mid

[illegible]

Notes / Assumptions
Cost Cap (for VA fees and costs) has been excluded on the basis that PURE will fund this amount and that it does not impact priority or unsecured creditor returns



Schedule 7 – DOCA Proposal

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MIGHTY CRAFT LIMITED AND ASSOCIATED ENTITIES

Companies	<p>The following companies are to be subject to the DOCA:</p> <p>Mighty Craft Limited (in administration) ACN 622 810 897 (MCL)</p> <p>Mighty Craft Nominees Pty Ltd (in administration) ACN 630 181 118</p> <p>Mighty Craft Investments Pty Ltd (in administration) ACN 630 181 994</p> <p>Mighty Craft Venues Pty Ltd (in administration) ACN 636 694 785</p> <p>Mighty Craft People and Services Pty Ltd (in administration) ACN 630 181 458</p> <p>Mighty Craft Operations Pty Ltd (in administration) ACN 120 464 182</p> <p>Mighty Craft Spirits Plus Pty Ltd (in administration) ACN 638 905 272</p> <p>Mighty Craft Export Pty Ltd (in administration) ACN 634 458 647</p> <p>Mighty Craft Beer Pty Ltd (in administration) ACN 630 181 298 (Mighty Craft Beer)</p> <p>Kangaroo Island Distillery Pty Ltd (in administration) ACN 154 811 355 (Kangaroo Island)</p> <p>Hidden Lake Pty Ltd (in administration) ACN 638 906 877</p> <p>A.C.N. 603 372 210 Pty. Ltd. (formerly Jetty Road Brewery Pty Ltd) (in administration) ACN 603 372 210</p> <p>Mismatch Brewing Company Pty Ltd (in administration) ACN 124 048 504</p> <p>Mighty Hunter Valley Pty Ltd (in administration) ACN 638 584 737</p> <p>The Hills Distillery Pty Ltd (in administration) ACN 608 717 335</p> <p>MK Wine Solutions Pty Ltd (in administration) ACN 121 468 997</p>
Purpose	<ol style="list-style-type: none"> 1. The purpose of this term sheet is to provide a summary of the material terms of the Deed of Company Arrangement (DOCA) that PURE (as proponent) proposes in respect of the Companies and which PURE requires the Administrators to present to the meeting of the creditors of the Companies that is scheduled to be held pursuant to section 439A of the <i>Corporations Act 2001</i> (Cth) (the Act). 2. The primary purpose of the DOCA is to: <ol style="list-style-type: none"> (a) provide creditors of the Companies with a better return than they would otherwise be expected to receive if the Companies were immediately placed into liquidation; (b) maximise the change of the Companies, or as many of them as possible, continuing in existence;

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	<ul style="list-style-type: none"> (c) facilitate the sale of all of the shares in Kangaroo Island and MCL to PURE and/or its nominee as interconditional and sequential transactions; (d) minimise administration holding costs and reduce further advisor fees; (e) provide for a continuation of the moratorium which commenced on the appointment of Administrators; and (f) conclude the administration of the Companies and the DOCA as efficiently as practicable. <p>3. The DOCA will give effect to the following transactions (Proposed Transaction):</p> <ul style="list-style-type: none"> (a) acquisition of all of the shares in Kangaroo Island by PURE and/or its nominee for the KI Consideration; and (b) acquisition of all of the shares in MCL by PURE and/or its nominee for the MCL Consideration.
Administrators	Liam John Healey and Quentin James Olde of Ankura.
Appointment Date	22 July 2024.
Commencement Date of DOCA	The date of execution of the DOCA contemplated by this term sheet.
Parties	PURE, the Companies and the Administrators.
Creditors' Trust	A creditors' trust will be established for the purposes of the DOCA, named the 'MCL Creditors' Trust' (Creditors' Trust). The purpose of the Creditors' Trust will be to enable certain tasks ordinarily undertaken by deed administrators to be performed by the trustees of the Creditors' Trust in order to facilitate the early termination of the DOCA.
DOCA Contribution	The DOCA Contribution will comprise a cash payment equal to the Costs Cap, the Priority Employee Amount and the Ex Gratia Sum.
Costs Cap	An amount agreed in writing between the Administrators and PURE on account of Administrator fees and expenses.
Priority Employee Amount	The amount agreed in writing between the Administrators and PURE in respect of employees of the Companies terminated prior to Completion with the consent of or at the direction of PURE to the extent those claims would have been entitled to be paid in priority to the payment of other unsecured claims under section 433 and sections 556(1)(e), (g) or (h) of the Corporations Act.
Ex Gratia Sum	\$100,000.
KI Consideration	\$5,500,000, which will be offset against the Secured Money owing to PURE.

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MCL Consideration	The balance of the Secured Money owing to PURE (less the KI Consideration and the Continuing Secured Debt), which will be offset against the Secured Money owing to PURE.
Continuing Secured Debt	In relation to any Company or Companies nominated by PURE, a portion of the Secured Money owing to PURE nominated by PURE prior to Completion.
Creditors' Fund	<ol style="list-style-type: none"> The funds and property available for distribution from the Creditors' Trust (Creditors' Fund) will comprise the DOCA Contribution. Amounts standing to the credit of the Creditors' Fund will be distributed from time to time by the Administrators or any trustee of the Creditors' Trust (Trustee) as soon as reasonably practicable after the receipt of funds, including in relation to payment of: <ol style="list-style-type: none"> trading costs, debts and liabilities incurred during the Administration Period (to the extent not already paid); and specified Administrators fees and all reasonable out of pocket expenses which will be paid to the Creditors' Trust for the Administrators' fees and expenses which the Administrators are entitled to be paid or indemnified for under the DOCA. No other funds of the Companies will be available to meet the claims of the creditors of the Companies.
Deed Administrators and trustees of Creditors' Fund	The Administrators will be the deed administrators of the DOCA and will specify who will become the trustees of the Creditors' Fund.
Effect of DOCA	<ol style="list-style-type: none"> The DOCA will: <ol style="list-style-type: none"> in accordance with (and subject to) section 444D of the Act, bind all creditors of the Companies in relation to claims arising on the Appointment Date; and in accordance with section 444G of the Act, bind the Administrators, the Companies and the officers and members of the Companies. On execution of the DOCA, the Administrators will be obliged to give effect to the terms of the DOCA and the Proposed Transaction and do all acts, matters and things, and sign all necessary documents as may be reasonably necessary for the purposes of the DOCA and the Proposed Transaction.
Rights of PURE as secured creditor	Subject to section 444F of the Act, the DOCA will not affect, restrict or diminish the ability of PURE as secured creditor to at any time exercise any right, power or entitlement arising under its security. Without limiting the generality of the preceding sentence, PURE may at any time prior to Completion realise, enforce or otherwise deal with its security or amounts secured by it (Secured Money), whether by the appointment of receivers and managers over the Companies (or any one of them) or otherwise.

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Moratorium	<p>Subject to the position in relation to PURE as secured creditor (as outlined above), a person having a claim shall not, during the term of the DOCA, do any of the following in respect of or connected with the claim:</p> <ol style="list-style-type: none"> 1. make or concur in an application for an order to wind up the Companies; 2. proceed with an application to wind up the Companies made before the DOCA became binding on that person; 3. begin or continue any proceedings against the Companies or in relation to any of its property unless with the leave of a Court and in accordance with such terms (if any) as the Court imposes; 4. begin or proceed with any enforcement process in relation to the Companies' property unless with the leave of a Court and in accordance with such terms (if any) as the Court imposes; 5. exercise any right of setoff or cross action to which the Creditor would not have been entitled had the Companies been wound up on the Appointment Date; or 6. commence or take any further step in any arbitration against the Companies or to which any of the Companies is a party unless with the leave or consent of the relevant arbitrator and in accordance with such terms (if any) as the arbitrator imposes. <p>For the purposes of the moratorium, "property" will include property used or occupied by, or in the possession of the Companies.</p>
Treatment of claims	<p>The DOCA will provide that:</p> <ol style="list-style-type: none"> 1. at Completion, the claims of PURE as secured creditor of the Companies will be extinguished in full (other than in respect of the Continuing Secured Debt); 2. the claims of employees of the Companies who have not been terminated prior Completion will not be compromised and their employment will continue at Completion; 3. the claims of other creditors of the Companies (other than those whose claims the DOCA identifies will not be compromised, including under "Ongoing Contracts and Leases" below) will be dealt with by distribution from the Creditors' Fund in the following manner: <ol style="list-style-type: none"> (a) Administrator, Deed Administrator, Creditors' Fund trustee costs up to the Costs Cap; (b) the claims of employees of the Companies who have been terminated, to the extent those claims would have been entitled to be paid in priority to the payment of other unsecured claims under section 433 and sections 556(1)(e), (g) or (h) of the Corporations Act; and (c) after the payment of the amounts described above, any surplus will be available for distribution to the remaining creditors of the Companies.

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	Any creditors of the Companies shall, if required by the Companies or the Administrators (or either of them), execute any necessary documents including forms of release of debts and claims as the Companies or the Administrators may require from time to time in order to give effect to the releases referred to in the DOCA.
Ongoing contracts and leases	The DOCA will list contracts and leases of the Companies which will not be compromised by the DOCA and whether pre-appointment claims under such contracts or leases (if any) will be compromised. PURE does not expect to nominate the compromise of any contracts or leases in Kangaroo Island, other than those which relate to the Whisky Development Syndicate Pty Ltd and those which render Kangaroo Island liable for the debts or obligations of any other Company.
Effect of DOCA on the Directors	The Administrators must appoint or remove any existing director and/or appoint any new director of the Companies as directed by PURE. Any director of the Companies being requested to resign must do so immediately.
Conduct of business	Following replacement of the directors of the Companies as directed by PURE, the control and management of the Companies will be returned to the boards of the Companies as soon as practical and at the discretion of the Deed Administrators in the period between signing of the Deeds of Company Arrangement and Effectuation for each Company, subject to any matter reserved for the control or direction of the Deed Administrators under the Deeds of Company Arrangement.
Transfer of Shares	<p>The Administrators will work collaboratively with PURE to issue an application in the Federal Court under section 444GA of the Act seeking leave to transfer all the shares in MCL to PURE and/or its nominee and discharge any other security interests granted by the Companies as nominated by PURE (Section 444GA Application).</p> <p>Independent Expert's report</p> <p>As part of the Section 444GA Application, the Administrators must procure an Independent Expert's Report setting out its expert opinion as to the value of an MCL share on a going concern and liquidation basis in accordance with the requirements of ASIC Regulatory Guide 111 Content of Expert Reports (IER).</p> <p>The IER will be used by the Administrators for the following purposes:</p> <ol style="list-style-type: none"> 1. to assist the Court in determining whether the proposed transfer of shares will unfairly prejudice MCL shareholders for the purposes of the Section 444GA Application; 2. to assist with the making of an application to the Australian Securities and Investments Commission ("ASIC") under section 655(1)(a) of the Act for relief from the operation of section 606 of the Act; and 3. to be provided in an explanatory statement to be sent to MCL shareholders in relation to the Section 444GA Application. <p>The Administrators must consult with PURE in respect of the fees proposed to be charged by the relevant legal advisors and independent expert, and must use best endeavours to procure an estimate of fees on a fixed fee or fee cap basis. The</p>

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	Parties will agree an estimate of fees to be charged by such legal advisors and the independent expert, which will be included in the DOCA.
Purchase price	The purchase price (before adjustments) in connection with PURE's acquisition of all shares in MCL (Shares) will be satisfied via the MCL Consideration (and accordingly the cash consideration payable to MCL shareholders will be \$nil) (Purchase Price).
Conditions precedent	<p>Completion is conditional upon all of the following conditions being satisfied or waived on or prior to the Sunset Date agreed by PURE and the Administrators in the DOCA:</p> <ol style="list-style-type: none"> 1. ASIC grants such exemptions or modifications from Chapter 6 of the Act pursuant to section 655A of the Act as are necessary to permit the transfer of the MCL Shares to PURE pursuant to section 444GA of the Act; 2. ASX grants any waiver that PURE and the Administrators agree are required in connection with the transfer of the MCL shares and the transactions contemplated by the DOCA; 3. the Parties executing and exchanging the Creditors' Trust Deed; 4. an order of the Court granting the leave sought in the Section 444GA Application (Section 444GA Order); 5. the shareholders of Better Beer Holdings Pty Ltd (other than Mighty Craft Beer) waiving any rights arising from any change of control or other default event under the shareholders agreement in relation to Better Beer Holdings Pty Ltd as a result of the Proposed Transaction; and 6. all security interests granted by the Companies as nominated by PURE must either be released by the security holders or discharged by Court order. <p>These conditions precedent are for the benefit of PURE and any condition precedent may be waived in writing by PURE.</p>
Completion of primary transaction	<p>At Completion:</p> <ol style="list-style-type: none"> 1. all of the shares in Kangaroo Island will be transferred to PURE and/or its nominees (provided that PURE may at its election complete this share transfer prior to completion in its discretion); 2. all of the shares in MCL will be transferred to PURE and/or its nominees; 3. the DOCA Contribution will be paid to the Creditors' Trust by PURE.
Creditors' claims at Completion	<p>At Completion of the Proposed Transaction:</p> <ol style="list-style-type: none"> 1. the claims and debts (including fines and penalties) of all creditors of the Companies (other than as contemplated under this terms sheet or as nominated by PURE to the Administrators in its absolute direction prior to Completion) will be extinguished and released to the fullest extent possible in return for their entitlement, if any, to receive a distribution from the Creditors' Fund;

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	<ol style="list-style-type: none"> 2. the Creditors' Trust will be created and will be funded, and the creditors of the Companies will only be entitled to participate to the extent of any distributions to which they are entitled from the Creditors' Fund; and 3. the DOCA will have been completed and effectuated and Administrators must certify to that effect in writing and must as soon as practicable lodge with the ASIC a notice of performance of the DOCA in accordance with section 445FA of the Act.
Alternative Transaction	If Completion has not occurred by the Sunset Date, the Deeds of Company Arrangement will contain provisions allowing, at PURE's election, for the effectuation of the DOCA on the same economic terms via an asset sale agreement between the Companies and PURE and/or its nominee.
Termination of DOCA	<p>The DOCA will continue in operation until it is completed and effectuated in accordance with its terms or it is terminated:</p> <ol style="list-style-type: none"> 1. by an order of the Court under section 445D of the Act; or 2. by a resolution of the Creditors at a meeting convened under section 445F of the Act.
Deed Administrator's Remuneration	The Administrators will be remunerated for their services as administrators of the DOCA at the usual hourly rates subject to approval being obtained in accordance with Division 60 of the Insolvency Practice Schedule (Corporations). The Administrators may draw any of the Administrator's approved remuneration, costs and expenses from the Creditors' Fund.
Variation	The DOCA may only be varied by a resolution passed at a meeting of the Creditors convened in accordance with section 445F of the Act, but only if the variation is not materially different from a proposed variation set out in a notice of meeting and PURE has consented in writing to those variations.
Confidentiality	The Parties will be entitled to confidentiality undertakings appropriate for transactions of this nature.
Exclusivity	PURE will be entitled to exclusivity, no dealing and non-solicitation undertakings from the Administrators.
Acknowledgement	The parties acknowledge that the terms set out in this term sheet are subject to the obligations the Administrators have to creditors under law and statute.
Governing law	This term sheet is governed by the laws of New South Wales.

Date: 19 August 2024

Signed for and on behalf of Pure Asset Management Pty Ltd ACN 616 178 771 in its capacity as trustee for The Income and Growth Fund (ABN 80 976 293 282) (**PURE**) by:

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DocuSigned by:
Mike Henshaw
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Signature

MIKE HENSHAW
Name

DocuSigned by:
Tim Callan
E565089CBC0443A...
Signature

TIM CALLAN
Name



Appendix A – Notice of Meetings

Insolvency Practice Rules 75-15 - 75-35 Corporations Act 2001

NOTICE OF MEETINGS OF CREDITORS OF COMPANIES UNDER ADMINISTRATION

Mighty Craft Group (all Administrators Appointed) (the “Companies”) – Per Below Table

Company Name	ACN	Business Names / Trading Names
Mighty Craft Limited	ACN 622 810 897	
Mighty Craft Nominees Pty Ltd	ACN 630 181 118	
Mighty Craft Venues Pty Ltd	ACN 636 694 785	
Mighty Craft Investments Pty Ltd	ACN 630 181 994	
Mighty Craft Spirits Plus Pty Ltd	ACN 638 905 272	
Kangaroo Island Distillery Pty Ltd	ACN 154 811 355	Kangaroo Island Spirits, Kangaroo Island Distillery, KI Spirits
Mighty Craft Beer Pty Ltd	ACN 630 181 298	
Mighty Craft People and Services Pty Ltd	ACN 630 181 458	Mighty Craft
Mighty Craft Operations Pty Ltd	ACN 120 464 182	
Mighty Craft Export Pty Ltd	ACN 634 458 647	
Hidden Lake Pty Ltd	ACN 638 906 877	
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	ACN 603 372 210	
Mismatch Brewing Company Pty Ltd	ACN 124 048 504	
Mighty Hunter Valley Pty Ltd	ACN 638 584 737	
The Hills Distillery Pty Ltd	ACN 608 717 335	
MK Wine Solutions Pty Ltd	ACN 121 468 997	

1. Notice is now given that concurrent meetings of creditors of the Companies will be held virtually on Monday, 26 August 2024 at 2:00pm (AEST).
2. This meeting of creditors will be held virtually only and creditors will not be able to attend in person. Should you wish to attend, please advise the Administrators at mightycraft@ankura.com and you will be provided with details
3. The purpose of the meeting is to determine the following:
 - (a) If the meeting is not adjourned, to consider the Administrators' report, in relation to the Company and any other matters raised relating to the Company and then to resolve either that:
 - (i) The Company should execute a Deed of Company Arrangement (**DOCA**) (not able to be considered or voted on as no DOCA has been received); or
 - (ii) The administration should end and control of the Company be returned to the Directors; or
 - (iii) The Company be wound up and a liquidator appointed.
 - (b) To consider and if thought fit approve the Administrators' remuneration.
 - (c) If the Company is wound up, to consider:
 - (i) the appointment of a Committee of Inspection; and
 - (ii) to consider and, if thought fit, approved the Liquidators' remuneration.



- (d) To discuss any other relevant business which may arise.

Attending and voting at the meeting

Creditors are invited to attend the meeting, however they are not entitled to participate and vote at a meeting unless:

- Proof of debt for voting purposes: They have lodged with the Administrators particulars of the debt or claim and the claim has been admitted, wholly or in part, for voting purposes by the Administrators. If a proof of debt for voting purposes has already been lodged, they do not need to do so again. Refer to Note 1 for further guidance on entitlement to vote.
- Proxies or attendance: They are either present in person or by electronic facilities (if being made available) or validly represented by proxy, attorney or an authorised person under s250D of the Corporations Act. If a corporate creditor or represented, a proxy form, power of attorney or evidence of appointment of a company representative pursuant to Section 250D of the Corporations Act 2001 must be validly completed and provided to the Administrators at or before the meeting.

To enable sufficient time to review, proofs of debt and proxies (or document authorising the representation) should be submitted to Aaron Kang on mightycraft@ankura.com by **no later than midday on Friday, 23 August 2024**. If you choose to return these documents, please allow sufficient time for the documents to be received prior to the due date.

Electronic facilities – virtual meeting only

This meeting will be held virtually only.

As noted above, a valid proof of debt form and proxy form (if required) must also be completed and supplied to our office.

On receipt of a proof of debt and proxy form, you will be provided with instructions on how to access the facilities for the meeting.

Any queries should be directed to Aaron Kang on mightycraft@ankura.com or (02) 9037 3582.

Dated 19 August 2024

Liam Healey
Joint and Several Administrator
Ankura, Level 8, 333 George Street



Note 1: Entitlement to vote and completing proofs

IPR (Corp) 75-85 Entitlement to vote at meetings of creditors

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

IPR (Corp) 75-110 Voting on resolutions

- (7) For the purposes of determining whether a resolution is passed at a meeting of creditors of a company, the value of a creditor of the company who:
 - (a) is a related creditor (within the meaning of subsection 75-41(4) of the Insolvency Practice Schedule (Corporations)), for the purposes of the vote, in relation to the company; and
 - (b) has been assigned a debt; and
 - (c) is present at the meeting personally, by telephone, by proxy or attorney; and
 - (d) is voting on the resolution;is to be worked out by taking the value of the assigned debt to be equal to the value of the consideration that the related creditor gave for the assignment of the debt.



Appendix B – Proof of Debt Form

PROOF OF DEBT - FORM 535

Sub regulation 5.6.49(2) Corporations Act 2001

PROOF OF DEBT OR CLAIM (ONE FORM PER ADMINISTRATION ENTITY)

To the Administrators of Mighty Craft Group (below entities, all Administrators Appointed)

1. This is to state that, as of 22 July 2024, the following company (tick as appropriate and complete one form per entity):

Entity Name	Tick		Tick
Mighty Craft Limited		Mighty Craft Operations Pty Ltd	
Mighty Craft Nominees Pty Ltd		Mighty Craft Export Pty Ltd	
Mighty Craft Venues Pty Ltd		Hidden Lake Pty Ltd	
Mighty Craft Investments Pty Ltd		A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	
Mighty Craft Spirits Plus Pty Ltd		Mismatch Brewing Company Pty Ltd	
Kangaroo Island Distillery Pty Ltd		Mighty Hunter Valley Pty Ltd	
Mighty Craft Beer Pty Ltd		The Hills Distillery Pty Ltd	
Mighty Craft People and Services Pty Ltd		MK Wine Solutions Pty Ltd	

still is, justly and truly indebted to _____

_____ (full name, ABN and address of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor) for \$ _____

Particulars of the debt are:

Date	Consideration	Amount	Remarks
	(state how the debt arose)	\$	(include details of voucher substantiating payment)



2. To my knowledge or belief, the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following:

(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount \$	Due Date
------	--------	----------	--------------	----------

3. Signed by (select option):

☐ I am the creditor personally.

☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

☐ I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: _____ Dated: _____

Name: _____ Occupation: _____

Address: _____

RECEIVE REPORTS BY EMAIL

Do you wish to receive all future reports and correspondence from our office via email?

Yes No
☐ ☐

Email:.....

If being used for the purpose of voting at a meeting:

a) Is the debt you are claiming assigned to you? ☐ No ☐ Yes

b) If yes, attach written evidence of the debt, the assignment and consideration given. ☐ Attached

c) If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$ _____

d) If yes, are you a related party creditor of the company? ☐ No ☐ Yes
(if you are unsure contact the Administrators)



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Limited (Administrators Appointed) ACN 622 810 897 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Mighty Craft Limited (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Limited for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$67,980 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Limited from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements)			



in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Limited from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Limited from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Limited from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$50,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Nominees Pty Ltd (Administrators Appointed) ACN 630 181 118 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Mighty Craft Nominees Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)
of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Nominees Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,495 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Nominees Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			



6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Nominees Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Nominees Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Nominees Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Venues Pty Ltd (Administrators Appointed) ACN 636 694 785 (the “Company”)

*I/*We _____ (name of signatory) of _____

_____ (creditor name)

a creditor of **Mighty Craft Venues Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Venues Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,045 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Venues Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			



6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Venues Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Venues Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Venues Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Investments Pty Ltd (Administrators Appointed) ACN 630 181 994 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)
a creditor of **Mighty Craft Investments Pty Ltd (Administrators Appointed)**
appoint _____ (name of proxy)
of _____
_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)
as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Investments Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,380 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Investments Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in			



total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Investments Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Investments Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted) That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Investments Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Spirits Plus Pty Ltd (Administrators Appointed) ACN 638 905 272 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)
a creditor of **Mighty Craft Spirits Plus Pty Ltd (Administrators Appointed)**
appoint _____ (name of proxy)
of _____
_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)
as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Spirits Plus Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$9,225 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Spirits Plus Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in			



total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Spirits Plus Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Spirits Plus Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Spirits Plus Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$50,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Kangaroo Island Distillery Pty Ltd (Administrators Appointed) ACN 154 811 355 (the “Company”)

*I/*We _____ (name of signatory) of _____
 _____ (creditor name)
 a creditor of **Kangaroo Island Distillery Pty Ltd (Administrators Appointed)**
 appoint _____ (name of proxy)
 of _____
 _____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)
 as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Kangaroo Island Distillery Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$81,465 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Kangaroo Island Distillery Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in			



total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Kangaroo Island Distillery Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Kangaroo Island Distillery Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Kangaroo Island Distillery Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$500,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Beer Pty Ltd (Administrators Appointed) ACN 630 181 298 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Mighty Craft Beer Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)
of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Beer Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$11,375 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Beer Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			



6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Beer Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Beer Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Beer Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft People and Services Pty Ltd (Administrators Appointed) ACN 630 181 458 (the “Company”)

*I/*We _____ (name of signatory) of _____
 _____ (creditor name)
 a creditor of **Mighty Craft People and Services Pty Ltd (Administrators Appointed)**
 appoint _____ (name of proxy)
 of _____
 _____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)
 as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft People and Services Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$41,605 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft People and Services Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and			



that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft People and Services Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft People and Services Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft People and Services Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Operations Pty Ltd (Administrators Appointed) ACN 120 464 182 (the “Company”)

*I/*We _____ (name of signatory) of _____

_____ (creditor name)

a creditor of **Mighty Craft Operations Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Operations Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$251,660 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Operations Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			



6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Operations Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Operations Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Operations Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$500,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Craft Export Pty Ltd (Administrators Appointed) ACN 634 458 647 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Mighty Craft Export Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Craft Export Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,915 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Craft Export Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			



6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Craft Export Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Craft Export Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Craft Export Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Hidden Lake Pty Ltd (Administrators Appointed) ACN 638 906 877 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Hidden Lake Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)
of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Hidden Lake Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,815 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Hidden Lake Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			



6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Hidden Lake Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Hidden Lake Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 5 (if Liquidation): That the future remuneration of the Liquidators of Hidden Lake Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) (Administrators Appointed)
ACN 603 372 210 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **A.C.N. 603 372 210 Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,980 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST			



and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mismatch Brewing Company Pty Ltd (Administrators Appointed) ACN 124 048 504 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Mismatch Brewing Company Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mismatch Brewing Company Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$6,060 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mismatch Brewing Company Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in			



total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mismatch Brewing Company Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mismatch Brewing Company Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required..			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mismatch Brewing Company Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

Mighty Hunter Valley Pty Ltd (Administrators Appointed) ACN 638 584 737 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **Mighty Hunter Valley Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of
alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of Mighty Hunter Valley Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,515 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of Mighty Hunter Valley Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in			



total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of Mighty Hunter Valley Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of Mighty Hunter Valley Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of Mighty Hunter Valley Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

The Hills Distillery Pty Ltd (Administrators Appointed) ACN 608 717 335 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **The Hills Distillery Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of The Hills Distillery Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,895 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of The Hills Distillery Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and			



that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of The Hills Distillery Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of The Hills Distillery Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 5 (if Liquidation): That the future remuneration of the Liquidators of The Hills Distillery Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix C – Proxy Form x 16

Insolvency Practice Rules, 75-25 Corporations Act 2001

APPOINTMENT OF PROXY

MK Wine Solutions Pty Ltd (Administrators Appointed) ACN 121 468 997 (the “Company”)

*I/*We _____ (name of signatory) of _____
_____ (creditor name)

a creditor of **MK Wine Solutions Pty Ltd (Administrators Appointed)**

appoint _____ (name of proxy)

of _____

_____ (address of proxy)

or in his or her absence _____ (details of alternate proxy)

as *my/*our *general/*special proxy to vote at the meeting of creditors to be held on Monday, 26 August 2024, or at any adjournment of that meeting.

If a special proxy, specify how you wish your proxy to vote for each of the resolutions.

Resolutions

Resolution	For	Against	Abstain
1. DOCA: That the Company execute a Deed of Company Arrangement and Quentin Olde and Liam Healey be appointed Joint and Several Deed Administrators.			
2. Liquidation: That the Company be wound up and Quentin Olde and Liam Healey be appointed Joint and Several Liquidators.			
3. Return to Directors: That the Company be returned to the control of its Directors.			
4. Remuneration 1: That the remuneration of the Administrators of MK Wine Solutions Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,105 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.			
5. Remuneration 2: That the future remuneration of the Administrators of MK Wine Solutions Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements)			



in total, and that the Administrators can draw the remuneration on a monthly basis or as required.			
6. Remuneration 3 (if DOCA accepted): That the future remuneration of the Administrators of MK Wine Solutions Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
7. Remuneration 4 (if DOCA accepted): That the future remuneration of the Deed Administrators of MK Wine Solutions Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.			
8. Remuneration 5 (if DOCA accepted): That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.			
9. Remuneration 6 (if Liquidation): That the future remuneration of the Liquidators of MK Wine Solutions Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.			
10. Wound Up: The appointment of a Committee of Inspection.			

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (*delete if not required*)

Signature: _____

Dated: _____

*Omit if inapplicable.



Appendix D – Remuneration Approval Report of the Companies



Remuneration Approval Report

Mighty Craft Group (all Administrators Appointed)

Entities detailed in this document

Administrators:

Quentin Olde and Liam Healey

Dated:

19 August 2024



Remuneration Approval Report

Mighty Craft Group (All Administrators Appointed)

Company Name	ACN	Business Names / Trading Names
Mighty Craft Limited (" MC Limited ")	ACN 622 810 897	
Mighty Craft Nominees Pty Ltd (" MC Nominees ")	ACN 630 181 118	
Mighty Craft Venues Pty Ltd (" MC Venues ")	ACN 636 694 785	
Mighty Craft Investments Pty Ltd (" MC Investments ")	ACN 630 181 994	
Mighty Craft Spirits Plus Pty Ltd (" MC Spirits ")	ACN 638 905 272	
Kangaroo Island Distillery Pty Ltd (" KI Spirits ")	ACN 154 811 355	Kangaroo Island Spirits, Kangaroo Island Distillery, KI Spirits
Mighty Craft Beer Pty Ltd (" MC Beer ")	ACN 630 181 298	
Mighty Craft People and Services Pty Ltd (" MC People ")	ACN 630 181 458	Mighty Craft
Mighty Craft Operations Pty Ltd (" MC Operations ")	ACN 120 464 182	
Mighty Craft Export Pty Ltd (" MC Export ")	ACN 634 458 647	
Hidden Lake Pty Ltd (" Hidden Lake ")	ACN 638 906 877	
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd) (" Jetty Rd ")	ACN 603 372 210	
Mismatch Brewing Company Pty Ltd (" Mismatch Brewing ")	ACN 124 048 504	
Mighty Hunter Valley Pty Ltd (" MH Valley ")	ACN 638 584 737	
The Hills Distillery Pty Ltd (" Hills Distillery ")	ACN 608 717 335	
MK Wine Solutions Pty Ltd (" MK Wine ")	ACN 121 468 997	

Collectively “**the Companies**”



1. Summary

We are asking creditors of each of the Companies to approve the following remuneration (ex GST and disbursements) relevant to the voluntary administration of the Company that they are a creditor of:

Company Name	VA Period 22-Jul-24 to 18-Aug-24 (Actual)	VA Period 19-Aug-24 to 26-Aug-24 (Meeting)	26-Aug-24 to execution of DOCA	Execution of DOCA to finalisation of DOCA	Finalisation of DOCA to finalisation of Creditors' Trust	Liquidation Period 26-Aug-24 to Finalisation
Mighty Craft Limited	67,980.00	Each company will be asked to approve \$100,000 for this period, noting that the total amount drawable across all Companies for the period 19 August 2024 to 26 August 2024 will be capped at \$100,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	50,000
Mighty Craft Nominees Pty Ltd	4,495.00					20,000
Mighty Craft Venues Pty Ltd	5,045.00					20,000
Mighty Craft Investments Pty Ltd	4,380.00					20,000
Mighty Craft Spirits Plus Pty Ltd	9,225.00					50,000
Kangaroo Island Distillery Pty Ltd	81,465.00					500,000
Mighty Craft Beer Pty Ltd	11,375.00					100,000
Mighty Craft People and Services Pty Ltd	41,605.00					100,000
Mighty Craft Operations Pty Ltd	251,660.00					500,000
Mighty Craft Export Pty Ltd	4,915.00					20,000
Hidden Lake Pty Ltd	4,815.00					100,000
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	5,980.00					20,000
Mismatch Brewing Company Pty Ltd	6,060.00					20,000
Mighty Hunter Valley Pty Ltd	5,515.00					20,000
The Hills Distillery Pty Ltd	4,895.00					100,000
MK Wine Solutions Pty Ltd	5,105.00					20,000
Total	514,515	100,000		400,000		1,660,000

Details of remuneration and disbursements can be found in Sections 3 and 4 of this remuneration approval report.

Creditors of the Companies will be asked to pass resolutions to approve this remuneration at the meeting scheduled to be held on 26 August 2024.

In our initial notice to creditors dated 24 July 2024, we estimated that the total cost of the voluntary administration period for all Companies would be \$400,000 to \$700,000 (ex GST and disbursements).

As detailed above, we now estimate that the total cost for all the Companies for the voluntary administration period, up to the second meeting, to be up to \$614,515 (ex GST and disbursements). This is materially in line with estimates previously provided.

At this stage, we anticipate that this is will be our final remuneration approval request:

- Should creditors approve the proposed pooled Deed of Company Arrangement (**DOCA**), we anticipate that our role will be limited to administering the deed fund and making distributions to unsecured creditors. The remuneration approval we are seeking, as detailed in table 3.2, for the period execution of the DOCA until finalisation of the DOCA and subsequent Creditors' Trust is for \$400,000.00 (excluding GST and disbursements) covering the Companies on a collective basis owing to the pooled DOCA proposal we have received and we believe should be sufficient to cover the Administrators' costs of all sixteen entities to finalisation of the Creditors' Trust; and
- Should creditors vote to wind up the Companies, the remuneration we are seeking is detailed in table 3.3 and broken-down on a company-by-company basis. It is the Administrators' view that this should be sufficient to cover the Liquidators' costs to finalisation of the winding up of each individual company, however if required will seek additional approvals.



We note that this position may change for reasons outside of the Administrators' control – for example, if potential and future legal matters arise that are not able to be known this at this time. Should this occur, we will immediately notify and keep creditors up to date.

2. Declaration

We have undertaken an assessment of this remuneration and disbursement claim in accordance with the law and our applicable professional standards. We are satisfied that the remuneration and disbursements claimed is necessary and proper.

We have reviewed the work in progress reports for the Administrations to ensure that remuneration is only being claimed for necessary and proper work performed and no adjustments were necessary.

3. Remuneration sought

The remuneration we are asking creditors to approve is summarised in this section. Please note we will only seek approval at the meeting for the DOCA remuneration if creditors resolve in favour of the DOCA Proposal. Similarly, we will only seek approval of the resolution for the liquidation remuneration if creditors vote to place the Companies into liquidation.

For clarity we note that the Administrators are seeking total remuneration approvals of \$1,014,515 for the period of the Administration through to effectuation of the DOCA and finalisation of the Creditors' Trust should the creditors resolve in favour of the DOCA Proposal.

Because of legislative requirements in the case of multiple companies and the pooling structure of the DOCA Proposal, as well as uncertainty around the timing of the satisfaction of the conditions precedent and/or execution of the DOCA, the fee resolutions require approval at an individual Company level. In addition, given there is uncertainty at this stage about what level of work will be required with respect to each individual company, as part of the process we have sought approvals for each Company, however the Administrators' will cap the total amount able to be drawn across the Companies to the limits as outlined below.



3.1 Voluntary Administration Remuneration (up to and including Second Meeting)

Entity Name	VA Period 22-Jul-24 to 18-Aug-24 (Actual) \$ (ex GST)	VA Period 19-Aug-24 to 26-Aug-24 (Meeting) (Future Work) \$ (ex GST)
Mighty Craft Limited	67,980	Each company will be asked to approve \$100,000 for this period, noting that the total amount drawable across all Companies for the period 19 August 2024 to 26 August 2024 will be capped at \$100,000 (ex GST and disbursements)
Mighty Craft Nominees Pty Ltd	4,495	
Mighty Craft Venues Pty Ltd	5,045	
Mighty Craft Investments Pty Ltd	4,380	
Mighty Craft Spirits Plus Pty Ltd	9,225	
Kangaroo Island Distillery Pty Ltd	81,465	
Mighty Craft Beer Pty Ltd	11,375	
Mighty Craft People and Services Pty Ltd	41,605	
Mighty Craft Operations Pty Ltd	251,660	
Mighty Craft Export Pty Ltd	4,915	
Hidden Lake Pty Ltd	4,815	
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	5,980	
Mismatch Brewing Company Pty Ltd	6,060	
Mighty Hunter Valley Pty Ltd	5,515	
The Hills Distillery Pty Ltd	4,895	
MK Wine Solutions Pty Ltd	5,105	
Total	514,515	

The hourly rates that will be charged with respect to this remuneration are as detailed at in our initial circular to creditors dated 24 July 2024 and at Schedule E. We intend on drawing on this remuneration as soon as practicable and when funds are available to do so.

We note that if approved, the amounts in relation to future periods will only be drawn in relation to time spent on the matter during the nominated period. The time spent will depend on work required (e.g. preparation for the Second Meeting of Creditors).

3.2 Voluntary Administration (from 26 August 2024 until DOCA Execution) and DOCA / Creditors' Trust (if accepted) Remuneration

Entity Name	Period 26-Aug-24 to execution of DOCA	Execution of DOCA to finalisation of DOCA	Creditors' Trust Period (post DOCA finalisation)
Mighty Craft Limited	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)	Each company will be asked to approve \$400,000 for this period, noting that the total amount drawable across all Companies for the period from 26 August 2024 to execution of the DOCA to finalisation of the DOCA to finalisation of the Creditors' Trust will be capped at \$400,000 (ex GST and disbursements)
Mighty Craft Nominees Pty Ltd			
Mighty Craft Venues Pty Ltd			
Mighty Craft Investments Pty Ltd			
Mighty Craft Spirits Plus Pty Ltd			
Kangaroo Island Distillery Pty Ltd			
Mighty Craft Beer Pty Ltd			
Mighty Craft People and Services Pty Ltd			
Mighty Craft Operations Pty Ltd			
Mighty Craft Export Pty Ltd			
Hidden Lake Pty Ltd			
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)			
Mismatch Brewing Company Pty Ltd			
Mighty Hunter Valley Pty Ltd			
The Hills Distillery Pty Ltd			
MK Wine Soltions Pty Ltd			
Total	Capped total of \$400,000 across all Companies for the three (3) periods noted above		

The hourly rates that will be charged with respect to this remuneration are as detailed at in our initial circular to creditors dated 24 July 2024 and at Schedule E. We intend on drawing on this remuneration as soon as practicable and when funds are available to do so (which form part of the DOCA Fund).



We note that if approved, the amounts in relation to future periods will only be drawn in relation to time spent on the matter during the nominated period. The time spent will depend on the length of the period and work required (e.g. time spent in the DOCA drafting process prior to execution and length of the DOCA period).

While we are seeking approval of \$400,000 (ex. GST and disbursements) for the Companies for each period as noted above, we will only draw up to a maximum of \$400,000 the three (3) periods across all Companies as noted in the resolutions.

3.3 Liquidation (if Companies are wound up) Remuneration

Entity Name	Liquidation Period 26-Aug-24 to Finalisation
Mighty Craft Limited	50,000
Mighty Craft Nominees Pty Ltd	20,000
Mighty Craft Venues Pty Ltd	20,000
Mighty Craft Investments Pty Ltd	20,000
Mighty Craft Spirits Plus Pty Ltd	50,000
Kangaroo Island Distillery Pty Ltd	500,000
Mighty Craft Beer Pty Ltd	100,000
Mighty Craft People and Services Pty Ltd	100,000
Mighty Craft Operations Pty Ltd	500,000
Mighty Craft Export Pty Ltd	20,000
Hidden Lake Pty Ltd	100,000
A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd)	20,000
Mismatch Brewing Company Pty Ltd	20,000
Mighty Hunter Valley Pty Ltd	20,000
The Hills Distillery Pty Ltd	100,000
MK Wine Solutions Pty Ltd	20,000
Total	1,660,000

The hourly rates that will be charged with respect to this remuneration are as detailed at in our initial circular to creditors dated 24 July 2024 and at Schedule E. We intend on drawing on this remuneration as soon as practicable and when funds are available to do so.

Details of the work already done and future work that we intend to do are included at **Schedule A**.

Schedule B includes a breakdown of the retrospective time incurred by staff members on each major task for the administration period from 22 July 2024 to 18 August 2024.

Actual resolutions to be put to the meeting for each of the Companies are included at **Schedule C** for your information. These resolutions also appear in the proxy forms provided to you. Only creditors in the relevant Company can vote on the resolutions for that Company.

4. Disbursements sought

We are not required to seek creditor approval for costs paid to third parties or where we are recovering a cost incurred on behalf of the Administrations, but we must provide details to creditors. Details of these amounts are included in the attached Receipts and Payments (Refer Part 7 below).



We are required to obtain creditor's consent for the payment of a disbursement where we, or a related entity of ourselves, may directly or indirectly obtain a profit. These are known as internal disbursements – we do not intend on charging or recovering any internal disbursements.

For more information about disbursements, please refer to the IRN enclosed within the Initial Circular.

5. Likely impact on dividends

Section 556 of the *Corporations Act 2001* sets the order of the payment of the claims against a company and provides for remuneration of the Administrators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Administrators receive payment for the work conducted to recover assets, investigate a company's affairs, prepare reports to creditors and the Australian Securities and Investments Commission (ASIC), and distribute any available funds.

The impact of the approval of the Administrators' or Liquidators' remuneration is that the remuneration will only be paid if there are sufficient funds available in the Administration or Liquidation. The remuneration will be paid from those funds that are generated out of the Administration or Liquidation prior to the payment of most creditors in the external administration.

As detailed in the Report (at Section 10), we have estimated the return to creditors based on the following key factors:

Liquidation of the Companies

- The assets available for realisation, including the trading position of the Administrations;
- The estimated realisable values of those assets based on our investigations to date, valuer reports and our experience as restructuring professionals; and
- The priority of payments when considering PURE's security interests and pursuant to Section 556 of the Act.

Deed of Company Arrangement

- The funds being made available with respect to each class of creditor as defined in the DOCA Proposal; and
- The estimated return to each class of the Companies' pooled creditors.

As detailed in our Report and considering the above factors (including the amounts requested as part of this remuneration approval request), we have estimated that:

Employee (Priority) Creditors

- Under the DOCA Proposal, all employees will have their entitlements paid in full (including applicable redundancy if made redundant) or have their employment continued with Mighty Craft Group post effectuation.
- In Liquidation, it is likely that the Fair Entitlement Guarantee scheme will need to be accessed by employees of KI Spirits and MC People. FEG is subject to weekly monetary caps and limits.

Unsecured Creditors

- Under the DOCA Proposal, all unsecured creditors of the Companies will likely receive a return of between 0.5c/\$ to 0.9c/\$.



- In a Liquidation scenario, all unsecured creditors of the Companies will likely receive nil return.

This estimate is subject to change (owing to the variables described in the Report and our analysis). Should there be any material changes, creditors will be informed.

6. Summary of Receipts and Payments

A summary of the receipts and payments for the Administrations (by individual company) as at 18 August 2024, including the running account balance of the MC Operations' Moneytech facility to 14 August 2024, is at Schedule D to this report.

7. Queries

If you have any queries in relation to the information in this report, please contact our staff on mightycraft@ankura.com or 02 9037 3560.

You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors; and
- ASIC at www.asic.gov.au (search for INFO 85).

Further supporting documentation for our remuneration claim can be provided to creditors on request.

Dated: 19 August 2024

Liam Healey
Joint and Several Administrator of the Mighty Craft Group

Attachments:

Schedule A – Details of work

Schedule B – Time spent by staff on each major task

Schedule C – Resolutions

Schedule D – Summary of receipts and payments

Schedule E – Ankura hourly rate



Schedule A – Details of work

Mighty Craft Limited (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$67,980	\$100,000	\$400,000	\$50,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
Administration (35.6 hours, \$21,950)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.	Continued correspondence with insurance broker. Close out insurance policies in the context of transferring control to DOCA Proponent.	Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.	Continued bank account administration. Bank reconciliations. Closure of bank accounts.	Prepare documents and correspondence with bank to close down administrators accounts.



	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors on 1 August 2024. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors	Lodging notices with ASIC such as Form 5011 after the second meeting of creditors to be held on 26 August 2024, Form 5047 and Form 5603	Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).
	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.	Liaise with ATO regarding the DOCA and Creditors' Trust, in particular any excise matters and requirements.	Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Australian Securities Exchange	Preparation and finalisation of notices / announcements. Correspondence with the ASX. Seeking waiver of reporting requirements.	Liaise with ASX as necessary.	Liaise with ASX as necessary.	Preparation and finalisation of notices / announcements. Correspondence with the ASX. Finalisation regarding the delisting of the listed entity if listing fee is not paid.
	Finalisation	Not applicable	Not applicable	Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.	Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration	Discussions regarding status of administration
Task Area Assets (4.1 hours, \$2,755)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to cash held in pre-appointment CBA accounts.	Issue sweeps to pre-appointment account as necessary.	Issue sweeps to pre-appointment account as necessary. Take receipt of DOCA Contribution. Transfer cash to Creditors' Trust bank account.	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment



accounts, as required.
Monitor recoveries, as required.

Other Assets

Not applicable

Not applicable

Continue to manage inventory and debtor levels across the Group until operational control is given to the DOCA Proponent. Maintain and review PP&E ledgers and ensure PP&E is preserved, particularly the distillery assets at KI Spirits.

Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
Creditors (47.5 hours, \$30,845)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Correspondence with creditors in relation to their claims against the Companies and Creditors' Trust, where applicable.	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register. Liaise and review security interest claims and document in the Report. Review pre-appointment credit and security documents. Deal with matters relating to PURE and Moneytech.	Continue to correspond with secured creditors as necessary.	Continue to correspond with secured creditors as necessary. Deal with any contracts that are to be disclaimed as part of the DOCA Proposal from PURE.	Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors.	Providing updates to creditors of all Companies as necessary, including on execution of the DOCA Proposal, effectuation of the DOCA and movement towards the Creditors' Trust.	Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs for all Companies. Maintaining register for all Companies.	Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors. Hold first meeting of creditors and prepare minutes.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices. Hold second meeting of creditors.	Preparation for any meetings that might be required (such as considering a variation to the PURE DOCA Proposal or termination of DOCA, if necessary)	Prepare and hold meeting of creditors if required.
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
Employees (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Employee Enquiries	Not applicable.	Not applicable.	Continuing to follow up enquiries, as required.	Continuing to follow up enquiries, as required.
	Fair Entitlement Guarantee	Not applicable.	Not applicable.	Not applicable as entitlements will be paid from funds from the PURE DOCA Proposal.	Management of claims process with FEG. Reviewing FEG claims and assisting FEG as need be.
	Employee Entitlements	Not applicable.	Not applicable.	Maintain and review employee entitlements register in order to facilitate distribution process.	Maintain and review employee entitlements register in order to facilitate FEG process.
	Workers' compensation	Not applicable.	Not applicable.	Monitor any workers compensation claims from trading period and prior to appointment. Respond accordingly	Monitor any workers compensation claims from trading period and prior to appointment. Respond accordingly



	Employee dividend distribution	Not applicable.	Not applicable.	Agree employee entitlements with employees prior to DOCA effectuation Undertake employee dividend distribution including issuing balance letters to employees, seeking confirmation from employees regarding amounts owing and ultimately remitting (net of PAYG) same to employees	Assist FEG with distributions made in liquidation scenario Monitor and record as appropriate
	Redundancies	Not applicable.	Not applicable.	Conduct any redundancies as instructed by PURE prior to DOCA execution. Issue redundancy letters. Make required redundancies. Manage employee Q&A and facilitate redundancy meetings.	Review employee listings and required staffing for wind down. Make required redundancies. Manage employee Q&A and facilitate redundancy meetings.
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
Investigations (21.8 hours, \$12,430)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of company books and records. Information requests and extensive correspondence with Management regarding same. Review and preparation of company nature and history. Consider various matters such as divestments undertaken, safe harbour process and others. Conduct investigations for the purposes of reporting to creditors.	Continued investigations as required in preparation of the Second Meeting of Creditors scheduled 26 August 2024.	Not applicable.	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.



	ASIC Reporting	Not applicable	Report to ASIC if required.	Report to ASIC if required.	Report to ASIC pursuant to Section 533 of the Act and any further requirements.
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Trade On (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Trade on assessment	Not applicable.	Not applicable.	Ongoing assessment of position and trading performance. Continue to liaise with secured creditor PURE and other key stakeholders regarding trade on matters. Continue operations until control handed to DOCA Proponent	Not applicable.
	Trade on management	Not applicable.	Not applicable.	Continue to deal with suppliers and maintain on-going supplies for trade on period, including Better Beer and key customers such as EDG. Continue operations until control handed to DOCA Proponent	Cease trading arrangements with key suppliers Oversee orderly wind down of operations (as much as possible), particularly with 3PLs, Solutions Agreement and stock in transit Close off accounts for trading period
	Processing receipts and payments	Not applicable.	Not applicable.	Working with staff to prepare and process payments Entering payments into insol6 software Recording payments in insol6 software Making payments through Macquarie Bank Continue operations until control handed to DOCA Proponent Close out final trading payments	Receive and review final accounts from suppliers Make final payments to suppliers for trading period



	Budgeting and financial reporting	Not applicable.	Not applicable.	Maintain and update cash flow forecast for the VA period Monitor receipts and trading performance by brand Discuss performance with Management and the Directors and provide information to PURE as necessary with respect to ongoing funding and transition to DOCA Proponent control	Prepare cash flow in the context of a wind down Monitor progress in first few months of liquidation Track actual vs budget
	Leases	Not applicable.	Not applicable.	Monitor leasing arrangements with landlords. Ending leasing arrangements as required or transitioning same post control being handed to DOCA Proponent	Disclaim and exit leases as appropriate Monitor leasing exit and demobilization of sites Keep landlords up to date and informed in this regard
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust (Pooled)	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Review proofs of debt received in the context of dividend process.	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable	Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Conduct dividend process within Creditors' Trust. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.	Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Nominees Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$4,495	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (3.8 hours, \$2,050)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (2.8 hours, \$1,410)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Venues Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$5,045	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.5 hours, \$2,405)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (3.1 hours, \$1,605)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Investments Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$4,380	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.1 hours, \$2,225)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (2.9 hours, \$1,465)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (0.9 hours, \$615)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Spirits Plus Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$9,225	\$100,000	\$400,000	\$50,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.1 hours, \$2,245)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant



ASIC statutory reports in liquidation (EX01).

	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (3.6 hours, \$2,670)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
	Sale of Assets	Undertake review and consider pre-appointment sales process Pursue Seven Seasons sale.	Pursue Seven Seasons sale		Pursue Seven Seasons sale and settle, if possible



Task Area Creditors (5.1 hours, \$2,885)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.
	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.



Task Area Investigations (2.7 hours, \$1,425)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.
Task Area Dividend (Nil)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Kangaroo Island Distillery Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$81,465	\$100,000	\$400,000	\$500,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (9.3 hours, \$4,905)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements. Liaise with WorkCover authorities regarding WorkCover policies	Continued correspondence with insurance broker. Liaise with WorkCover authorities regarding WorkCover policies		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of liquidation
Task Area Assets (42.2 hours, \$30,630)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to cash held in pre-appointment CBA and Bank SA accounts.	Issue sweeps to pre-appointment account as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
	Debtors	Review and monitor aged receivables listing.	Continue to collect out debtors and maintain debtor ledger.		Write to letters demanding collection Collect out debtors Monitor collections
	Inventory	Reviewing inventory listing and obtaining further information as necessary. In-person review and inspection stock on hand. Correspondence with WDS regarding whisky assets. Consider WDS whisky arrangements and KI Spirits	Continue to monitor inventory levels and realisations.		Liaise with agents to collect and sell stock Monitor recoveries



obligations and role. Liaise with WDS, PURE and our solicitors regarding same.

	Property	Visit distillery to inspect site and review operations. Reviewing documentation of property assets. Review leases and licenses. Instruct desktop valuation.	Continue to maintain leases, including Campbell St, Kangaroo Island.		Liaise with secured party regarding potential sale of property. Commence and finalise sale of property with secured party approval.
	Review information in relation to operations and assets	Meetings with key staff regarding the distillery assets, whisky assets and maintenance of those assets.	Monitor operations and status of assets and hold regular calls with staff located on site.		Not applicable.
Task Area Creditors (44.2 hours, \$22,985)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.
	Reports to creditors	Prepare the initial circular to creditors. Drafting report to creditors pursuant to section 75-225 of	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules		Prepare any further reports to creditors as necessary, such as progress updates with respect to



Insolvency Practice Rules
(Corporations) 2016.

(Corporations) 2016.
Finalising our report to creditors.

Liquidation investigations and
realisations.

	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. Maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors.	Preparation of second creditors meeting scheduled for 27 August 2024, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Employees (3 hours, \$1,850)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Employee Enquiries	Receive and follow up employee enquiries including holding staff meetings. Issue day one circular. Working with management regarding ad-hoc employee enquiries.	Continuing to follow up enquiries, as required.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA Employee works	Continuing to manage and follow up enquiries, as required.
	Fair Entitlement Guarantee	Provide details and background of FEG to employees on day one via the employee circular.	Provide details and background of FEG in second report to creditors		Management of claims process with FEG Reviewing FEG claims and assisting FEG as need be.
	Employee Entitlements	Review and prepare redundancy calculations. Maintaining employee register. Maintaining employee entitlements workbook. Employee Q&A meeting and preparation.	Consider employee entitlements as necessary.		Maintain and review employee entitlements register in order to facilitate FEG process.



	Workers' compensation	Review of insurance policies Correspondence with insurance broker regarding initial and ongoing workers compensation insurance requirements. Correspondence with previous brokers as required	Monitor any workers compensation claims Respond accordingly		Monitor any workers compensation claims from trading period and prior to appointment Respond accordingly
	Employee dividend distribution	Not applicable.	Not applicable.		Assist FEG with distributions made in liquidation scenario, if required Monitor and record as appropriate
Task Area Investigations (6.1 hours, \$3,105)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history. Review nature of inventory and stock on hand, particularly in the context of whisky located at Campbell St, Kangaroo Island. Review asset registers. Review financial schedules.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report to ASIC if required.		Report to ASIC pursuant to Section 533 of the Act and any further requirements.



Task Area Trade On (29 hours, \$17,990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Trade on assessment	Conduct urgent assessment of trading position to determine ability to continue trade. Liaise with key stakeholders and customers regarding requirements to continue trade. Liaise with key secured creditor and other key stakeholders regarding on-going trading. Determine funding requirement for the benefit of PURE	Ongoing assessment of position and trading performance. Continue to liaise with secured creditor PURE and other key stakeholders regarding trade on matters.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA Trade On works	Not applicable.
	Trade on management	Dealing with suppliers regarding on-going requirements. Fielding queries from suppliers regarding on-going supply. Liaising with management regarding operations and trade on. Engage in continuous discussions, reviews, and actions related to ongoing trade issues and management, including team meetings and instructions on next steps with staff located at the Cygnet River site.	Continue to deal with suppliers and maintain on-going supplies for trade on period, including maintaining the online retail store.		Cease trading arrangements with key suppliers Close off accounts for trading period



Processing receipts and payments	Working with staff to prepare and process payments Review payments in the context of services and goods provided post appointment Entering payments into insol6 software Recording payments in insol6 software Making payments through Macquarie Bank. Review, approve, and process invoices and payroll, ensuring all necessary approvals and documentation are in place.	Working with staff to prepare and process payments Entering payments into insol6 software Recording payments in insol6 software Making payments through Macquarie Bank	Make final payments to suppliers for trading period
Budgeting and financial reporting	Preparing cash flow forecast for the VA period Reviewing commitments with staff to input into forecast Reviewing cash flow with Management regarding reasonableness Update and review cash flow forecasts, including considering future commitments and reviewing with the team and providing same to PURE.	Maintain and update cash flow forecast for the VA period Monitor receipts and trading performance of venue Discuss performance with Management and the Directors and provide information to PURE as necessary with respect to ongoing funding.	Prepare cash flow in the context of a wind down Monitor progress in first few months of liquidation Track actual vs budget
Leases	Liaise with landlords regarding potential trading arrangements during VA Discuss position of the Entity with landlords Enter into temporary arrangements at Campbell Street, Kangaroo Island	Monitor leasing arrangements with landlords, including Campbell Street, Kangaroo Island	Disclaim and exit leases as appropriate Monitor leasing exit and demobilization of sites Keep landlords up to date and informed in this regard



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Beer Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$11,375	\$100,000	\$400,000	\$100,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.4 hours, \$2,380)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (1.8 hours, \$1,300)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
	Sale of Assets	Undertake review and consider pre-appointment Better Beer shareholding processes and shareholder agreement.	Continue review and consider pre-appointment Better Beer shareholding processes		Pursue sale of Better Beer shareholding Engage transaction advisors / investment bank Work with advisors to progress negotiations Undertake negotiations Engage solicitors regarding legal documentation Ultimately execute and complete on sale



Task Area Creditors (6.2 hours, \$3,480)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.
	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.



Task Area Investigations (5.7 hours, \$4,215)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.
Task Area Dividend (Nil)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft People and Services Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$41,605	\$100,000	\$400,000	\$100,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (9.1 hours, \$4,795)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements. Liaise with WorkCover authorities regarding WorkCover policies	Continued correspondence with insurance broker. Liaise with WorkCover authorities regarding WorkCover policies		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of liquidation
Task Area Assets (0.6 hours, \$410)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to cash held in pre-appointment CBA accounts.	Issue sweeps to pre-appointment account as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (22.2 hours, \$11,600)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Employees (22.3 hours, \$16,225)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Employee Enquiries	Receive and follow up employee enquiries including holding staff meetings on 22 July 2024 and 30 July 2024 Issue day one circular Working with management regarding ad-hoc employee enquiries	Continuing to follow up enquiries, as required.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA Employee works	Continuing to follow up enquiries, as required.
	Fair Entitlement Guarantee	Provide details and background of FEG to employees on day one via the employee circular	Provide details and background of FEG in second report to creditors		Management of claims process with FEG Reviewing FEG claims and assisting FEG as need be.
	Employee Entitlements	Prepare redundancy calculations. Maintaining employee register. Maintaining employee entitlements workbook. Employee Q&A meeting and preparation.	Continued maintenance and review of employee entitlements.		Maintain and review employee entitlements register in order to facilitate FEG process.



	Workers' compensation	Review of insurance policies Correspondence with insurance broker regarding initial and ongoing workers compensation insurance requirements. Correspondence with previous brokers as required	Monitor any workers compensation claims Respond accordingly		Monitor any workers compensation claims from trading period and prior to appointment Respond accordingly
	Employee dividend distribution	Not applicable.	Not applicable.		Assist FEG with distributions made in liquidation scenario Monitor and record as appropriate
	Redundancies	Review employee listings and required staffing for Mighty Craft's operations. Review and provide redundancy calculations. Manage redundancies. Manage employee queries regarding redundancies. Prepare and facilitate employee meetings.	Undertake redundancies if necessary.		Review employee listings and required staffing for wind down. Make required redundancies. Manage employee Q&A and facilitate redundancy meetings.
Task Area Investigations (7 hours, \$5,100)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.



ASIC
Reporting

Not applicable

Report to ASIC if required.

Report to ASIC pursuant to
Section 533 of the Act and any
Further requirements.

Task Area Trade On (6.7 hours, \$3,475)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Trade on	Dealing with employee issues in regard to trade on.	Dealing with employee issues in regard to trade on.	Refer to Schedule A: Mighty Craft Limited for pooled Trade On works	Not applicable

Task Area Dividend (Nil)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Operations Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$251,660	\$100,000	\$400,000	\$500,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (15.6 hours, \$9,890)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of liquidation
Task Area Assets (52.1 hours, \$41,725)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to cash held in pre-appointment CBA accounts.	Issue sweeps to pre-appointment account as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
	Debtors	Review debtor ledgers. Monitor debtor collections. Deal with Moneytech and Management regarding same.	Continue to collect out debtors and maintain debtor ledger.		Write to letters demanding collection Collect out debtors and refer to debt collectors if necessary Monitor collections
	Inventory	Reviewing inventory listings and obtaining further information where necessary. Review of storage agreements with 3PLs such as Peter Sadler, FreightHub, etc. Consider WDS whisky	Continue to monitor inventory levels and realisations.		Liaise with agents to collect and sell stock Deal with 3PLs such as FreightHub regarding stock held by 3PLs Monitor recoveries



arrangements and MC
Operations obligations and role.
Liaise with WDS, PURE and our
solicitors regarding same.

Property	Reviewing documentation of property assets. Review leases and licenses. Maintain lease at Adelaide, SA premises to maintain licenses. Exit Creative Cubes arrangement after reviewing position.	Continue to maintain leases, including Adelaide, SA in order to maintain appropriate licensing.	Exit leases as appropriate, ensuring appropriate disclaimers and exits are enacted.
Review information in relation to operations and assets	Review and summary document production for VA disclaimers and obligations.	Continue to work with Management regarding ongoing trading, in particular in relation to the Solutions Agreement.	Consider Solutions Agreement in the context of a wind down scenario.
Sale of Assets	Manage and consider Seven Seasons sale progress in the context of ongoing operational requirements with respect to MC Operations. Meetings with other shareholders solicitors of Seven Seasons. Communicating sale of Seven Seasons and operational matters to PURE. Deal with multiple post-completion matters relating to LOT 100, 78Degrees and Mismatch.	Liaise with Seven Seasons shareholders regarding sale of assets / ongoing operational matters.	Deal with remaining matters such as operational interaction with Seven Seasons and Solutions Agreement with Better Beer.



Task Area Creditors (160.3 hours, \$100,230)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register. Deal with Moneytech as primary secured creditor. Meetings and updates on position. Ultimately arrange and oversee Moneytech payout utilising PURE funding arrangement.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate. Continue to correspond with secured creditors as necessary.
	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Consider and negotiate PURE DOCA Proposal. Incorporate into report.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. Maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices. Hold second meeting of creditors.		Prepare and hold meeting of creditors if required.



Task Area Investigations (21.4 hours, \$15,225)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history. Review nature of inventory and stock on hand. Review operations of company including the Solutions Agreement and relationship with Better Beer. Review asset registers. Review financial schedules. Review WDS Agreements and impact on Mighty Craft Operations.	Continued investigations as required in preparation of the Second Meeting of Creditors scheduled 26 August 2024.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report to ASIC if required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area Trade On (116.2 hours, \$84,590)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Trade on assessment	Conduct urgent assessment of trading position to determine ability to continue trade. Liaise with key stakeholders and customers regarding requirements to continue trade. Liaise with key secured creditor and other key stakeholders regarding trading. Prepare, review, and execute funding agreement with PURE and review and consider other agreements such as the Solutions Agreement, Hunter Premium funding, Moneytech and 3PL providers.	Ongoing assessment of position and trading performance. Continue to liaise with secured creditor PURE and other key stakeholders regarding trade on matters.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA Trade On works	Not applicable.
	Trade on management	Dealing with suppliers regarding on-going requirements. Fielding queries from suppliers regarding on-going supply. Liaising with management regarding operations and trade on. Engage in continuous discussions, reviews, and actions related to ongoing trade issues and management, including team meetings and instructions on next steps. Understand operational	Continue to deal with suppliers and maintain on-going supplies for trade on period, including Better Beer and key customers such as EDG.		Cease trading arrangements with key suppliers Oversee orderly wind down of operations (as much as possible), particularly with 3PLs, Solutions Agreement and stock in transit Close off accounts for trading period



requirements and key staffing requirements from Mighty Craft People and Services.
Liaise with 3PL providers and other key critical suppliers.
Establish and implement trade on protocols.
Arrange settlement of Moneytech facility.
Manage and deal with required trading on purchases and procurement, including in relation to Seven Seasons.
Dealing with Better Beer and managing Solutions Agreement.

Processing receipts and payments

Working with staff to prepare and process payments
Review payments in the context of services and goods provided post appointment
Entering payments into insol6 software
Recording payments in insol6 software
Making payments through Macquarie Bank.
Review, approve, and process invoices and payroll, ensuring all necessary approvals and documentation are in place.

Working with staff to prepare and process payments
Entering payments into insol6 software
Recording payments in insol6 software
Making payments through Macquarie Bank

Receive and review final accounts from suppliers
Make final payments to suppliers for trading period



	Budgeting and financial reporting	Preparing cash flow forecast for the VA period Reviewing commitments with staff to input into forecast Reviewing cash flow with Management or Directors regarding reasonableness Update and review cash flow forecasts, including considering future commitments and reviewing with the team. Providing cash flow forecast to PURE to support funding requests.	Maintain and update cash flow forecast for the VA period Monitor receipts and trading performance by brand Discuss performance with Management and the Directors and provide information to PURE as necessary with respect to ongoing funding.		Prepare cash flow in the context of a wind down Monitor progress in first few months of liquidation Track actual vs budget
	Leases	Liaise with landlords regarding potential trading arrangements during VA Discuss position of the Entity with landlords Enter into appropriate VA arrangements.	Monitor leasing arrangements with landlords.		Disclaim and exit leases as appropriate Monitor leasing exit and demobilization of sites Keep landlords up to date and informed in this regard
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Craft Export (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$4,915.0	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.3 hours, \$2,295)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (3.1 hours, \$1,585)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Hidden Lake Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$4,815	\$100,000	\$400,000	\$100,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (3.9 hours, \$2,115)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
	Inventory	Consider and investigate WDS whisky matters. Liaise with relevant parties.	Continue to correspond and consider WDS whisky matters as appropriate.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Continue to correspond and consider WDS whisky matters as appropriate.



Task Area Creditors (3.3 hours, \$1,665)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.
	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.



Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any further requirements.
Task Area Dividend (Nil)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd) (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$5,980	\$100,000	\$400,000	\$10,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (3.9 hours, \$2,115)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant



ASIC statutory reports in liquidation (EX01).

	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (3.7 hours, \$1,855)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.



		Reviewed and responded to creditor queries.			
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.
	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (2.4 hours, \$1,740)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.



ASIC
Reporting

Not applicable

Report as required.

Report to ASIC pursuant to
Section 533 of the Act and any
further requirements.

Task Area Trade On (0.5 hours, \$225)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)

Trade on

Disclaim Lorne lease

Not applicable

Refer to Schedule A: Mighty
Craft Limited for pooled Trade
On works.

Not applicable.

Task Area Dividend (Nil)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)

Processing
proofs of debt
(POD)

Not applicable

Not applicable

Refer to Schedule A: Mighty
Craft Limited for pooled DOCA
dividend works

Review proofs of debt received in
the context of dividend process.

Dividend
procedures

Not applicable

Not applicable

Review estimated outcome to
plan for interim and/or final
dividends as appropriate.
Keep creditors up to date with
respect to dividend.
Adjudicate and liaise with all
creditors regarding claims.
Distribution of funds.



Schedule A – Details of work

Mismatch Brewing Company Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$6,060	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.1 hours, \$2,245)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Assets (0.6 hours, \$420)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Creditors (4.7 hours, \$2,405)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.

Task Area	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
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Dividend (Nil)	General Description	Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

Mighty Hunter Valley Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$5,515	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.3 hours, \$2,295)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Assets (0.6 hours, \$420)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Creditors (3.6 hours, \$1,810)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

The Hills Distillery Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$4,895	\$100,000	\$400,000	\$100,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.4 hours, \$2,340)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Assets (0.2 hours, \$90)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
	Inventory	Consider and investigate WDS whisky matters. Liaise with relevant parties.	Continue to correspond and consider WDS whisky matters as appropriate.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Continue to correspond and consider WDS whisky matters as appropriate.
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Creditors (3 hours, \$1,520)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.



	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.
	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.3 hours, \$945)	General Description	RETROSPECTIVE Work already done	PROSPECTIVE Future work to meeting date	DOCA and Creditors' Trust Prospective (If approved)	Liquidation Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule A – Details of work

MK Wine Solutions Pty Ltd (Administrators Appointed)

		RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
Period		22 July 2024 to 18 August 2024	19 August 2024 to 26 August 2024	26 August 2024 to finalisation of Creditors' Trust	26 August 2024 to finalisation of liquidation
Amount (ex GST)		\$5,105	\$100,000	\$400,000	\$20,000
Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Admin (4.1 hours, \$2,235)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Document maintenance, file review, checklist	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Managed and updated an electronic filing system. Administration review, file reviews and updating checklists. Regular team meetings	Refer to Schedule A: Mighty Craft Limited for pooled DOCA administration works	Weekly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements.	Continued correspondence with insurance broker.		Work to finalise the post-appointment coverage. Review coverage as appropriate in the context of a wind down scenario. Monitor any claims.
	Bank account administration	Preparing correspondence to open Macquarie Administrators' accounts	Continued bank account administration.		Prepare documents and correspondence with bank to close down administrators accounts.
	ASIC forms and lodgements	Publishing notices of meeting on ASIC PNW, including for the First Meeting of Creditors. Preparing and lodging ASIC forms, including 505.	Preparing and lodging ASIC forms including notice of second meeting of creditors		Prepare and lodging ASIC forms, including Form 505, Form 5022, Form 5011 and end of administration returns (Form 5603). Prepare and lodging relevant ASIC statutory reports in liquidation (EX01).



	ATO and other statutory reporting	Preparation and lodgement statutory documents, including notice of appointment.	Liaise with the ATO regarding the Administration and second meeting of creditors.		Liaise with the ATO regarding the Liquidation Finalise calculations for trading GST obligations. Remit obligations as required
	Finalisation	Not applicable	Not applicable		Notify ATO of finalisation. Cancel ABN / GST / PAYG registration. Complete checklists. Finalise WIP.
	Planning / Review	Discussions and meetings regarding status of administration	Discussions and meetings regarding status of administration		Discussions regarding status of administration
Task Area Assets (0.1 hours, \$45)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Cash	Finalise and send bank letters to all major banks. Review multiple emails in relation to bank responses regarding pre-appointment accounts.	Sweep any pre-appointment accounts as necessary.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA asset works	Perform final sweep of any cash held in pre-appointment accounts. Remit funds to Liquidator accounts. Close pre-appointment accounts, as required. Monitor recoveries, as required.
Task Area Creditors (3.5 hours, \$1,835)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Creditor enquiries, requests and directions	Prepared initial correspondence to creditors and notified all creditors of appointment of administrators. Reviewed and responded to creditor queries.	Correspondence with creditors in relation to their claims against the Company, where applicable.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA creditor works	Liaise with creditors generally regarding status of Liquidation and status of pre-appointment claims.
	Security interest claims	Liaise and review security interest claims. Maintain register.	Continue to correspond with secured creditors as necessary.		Liaise and review security interest claims. Deal with any security interest claims as appropriate.



	Reports to creditors	Prepare the initial circular to creditors dated 24 July 2024. Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016.	Drafting report to creditors pursuant to section 75-225 of Insolvency Practice Rules (Corporations) 2016. Finalising our report to creditors dated 19 August 2024.		Prepare any further reports to creditors as necessary, such as progress updates with respect to Liquidation investigations and realisations.
	Dealing with Proofs of debt	Receiving and filing PODs. Maintaining register.	Receiving and filing PODs. Maintaining register.		Receive and file PODs. maintain POD register. Review and consider PODs
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for first meeting of creditors held on 1 August 2024.	Preparation of second creditors meeting, including meeting file (attendance register, etc) and circulate notices.		Prepare and hold meeting of creditors if required.
Task Area Investigations (1.4 hours, \$990)	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Conduct Investigations	Receipt and review of certain company books and records. Information requests. Review and preparation of company nature and history.	Continued investigations as required in preparation of the Second Meeting of Creditors.	Refer to Schedule A: Mighty Craft Limited for pooled DOCA investigation works	Continued investigations as required in the context of a Liquidation (in particular with respect to ASIC lodgements to be pursued by a Liquidator). Liaise with stakeholders (such as directors and creditors) as required. Maintain investigation file. Deal with books and records including considering early destruction as appropriate.
	ASIC Reporting	Not applicable	Report as required.		Report to ASIC pursuant to Section 533 of the Act and any Further requirements.



Task Area	General Description	RETROSPECTIVE	PROSPECTIVE	DOCA and Creditors' Trust	Liquidation
Dividend (Nil)		Work already done	Future work to meeting date	Prospective (If approved)	Prospective (If wound up)
	Processing proofs of debt (POD)	Not applicable	Not applicable	Refer to Schedule A: Mighty Craft Limited for pooled DOCA dividend works	Review proofs of debt received in the context of dividend process.
	Dividend procedures	Not applicable	Not applicable		Review estimated outcome to plan for interim and/or final dividends as appropriate. Keep creditors up to date with respect to dividend. Adjudicate and liaise with all creditors regarding claims. Distribution of funds.



Schedule B – Time spent by staff on each major task

Mighty Craft Limited (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	17.3	14,705.0	-	-	5.9	5,015.0	-	-	-	-	-	-	11.4	9,690.0
Liam Healey	Appointee	850	12.7	10,795.0	1.0	850.0	11.2	9,520.0	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	8.8	6,600.0	1.5	1,125.0	5.8	4,350.0	-	-	-	-	-	-	1.5	1,125.0
David Bryant	Managing Director	750	8.6	6,450.0	-	-	-	-	-	-	-	-	8.6	6,450.0	-	-
Darren Gray	Director	650	9.1	5,915.0	0.3	195.0	4.7	3,055.0	-	-	-	-	0.5	325.0	3.6	2,340.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	13.1	5,895.0	0.7	315.0	11.0	4,950.0	-	-	-	-	0.8	360.0	0.6	270.0
Brodie Stewart	Senior Associate	450	37.2	16,740.0	0.6	270.0	7.9	3,555.0	-	-	-	-	10.7	4,815.0	18.0	8,100.0
Douglas Cole	Associate	400	2.2	880.0	-	-	1.0	400.0	-	-	-	-	1.2	480.0	-	-
Total (ex GST) \$				67,980.0	4.1	2,755.0	47.5	30,845.0	-	-	-	-	21.8	12,430.0	35.6	21,950.0
GST \$				6,798.0												
Total (Incl GST) \$				74,778.0												
Avg hourly rate (ex GST) \$					672.0		649.4		-		-		570.2		616.6	



Schedule B – Time spent by staff on each major task

Mighty Craft Nominees Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	0.7	455.0	-	-	0.3	195.0	-	-	-	-	-	-	0.4	260.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.6	1,170.0	0.1	45.0	1.7	765.0	-	-	-	-	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	2.6	1,170.0	-	-	0.5	225.0	-	-	-	-	-	-	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				4,495.0	0.1	45.0	2.8	1,410.0	-	-	-	-	1.4	990.0	3.8	2,050.0
GST \$				449.5												
Total (Incl GST) \$				4,944.5												
Avg hourly rate (ex GST) \$					450.0		503.6		-		-		707.1		539.5	



Schedule B – Time spent by staff on each major task

Mighty Craft Venues Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	1.2	780.0	-	-	0.6	390.0	-	-	-	-	-	-	0.6	390.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.6	1,170.0	0.1	45.0	1.6	720.0	-	-	-	-	0.2	90.0	0.7	315.0
Brodie Stewart	Senior Associate	450	3.1	1,395.0	-	-	0.6	270.0	-	-	-	-	-	-	2.5	1,125.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				5,045.0	0.1	45.0	3.1	1,605.0	-	-	-	-	1.4	990.0	4.5	2,405.0
GST \$				504.5												
Total (Incl GST) \$				5,549.5												
Avg hourly rate (ex GST) \$					450.0		517.7		-		-		707.1		534.4	



Schedule B – Time spent by staff on each major task

Mighty Craft Investments Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.2	150.0	-	-	-	-	-	-	0.3	225.0
David Bryant	Managing Director	750	0.7	525.0	-	-	-	-	-	-	-	-	0.7	525.0	-	-
Darren Gray	Director	650	1.1	715.0	-	-	0.5	325.0	-	-	-	-	-	-	0.6	390.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.6	1,170.0	0.1	45.0	1.7	765.0	-	-	-	-	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	2.6	1,170.0	-	-	0.5	225.0	-	-	-	-	-	-	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				4,380.0	0.1	45.0	2.9	1,465.0	-	-	-	-	0.9	615.0	4.1	2,255.0
GST \$				438.0												
Total (Incl GST) \$				4,818.0												
Avg hourly rate (ex GST) \$					450.0		505.2		-		-		683.3		550.0	



Schedule B – Time spent by staff on each major task

Mighty Craft Spirits Plus Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	4.0	3,000.0	3.5	2,625.0	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	0.7	525.0	-	-	-	-	-	-	-	-	0.7	525.0	-	-
Darren Gray	Director	650	3.2	2,080.0	-	-	2.5	1,625.0	-	-	-	-	-	-	0.7	455.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.7	1,215.0	0.1	45.0	1.8	810.0	-	-	-	-	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	4.4	1,980.0	-	-	0.5	225.0	-	-	-	-	1.8	810.0	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				9,225.0	3.6	2,670.0	5.1	2,885.0	-	-	-	-	2.7	1,425.0	4.1	2,245.0
GST \$				922.5												
Total (Incl GST) \$				10,147.5												
Avg hourly rate (ex GST) \$					741.7		565.7		-		-		527.8		547.6	



Schedule B – Time spent by staff on each major task

Kangaroo Island Distillery Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	7.0	5,950.0	3.4	2,890.0	-	-	1.1	935.0	2.0	1,700.0	-	-	0.5	425.0
Ben Rollo	Managing Director	750	32.9	24,675.0	31.0	23,250.0	-	-	-	-	1.9	1,425.0	-	-	-	-
Luke Pittorino	Managing Director	750	8.9	6,675.0	2.0	1,500.0	1.8	1,350.0	-	-	4.9	3,675.0	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	29.2	18,980.0	1.9	1,235.0	13.8	8,970.0	0.3	195.0	10.7	6,955.0	0.2	130.0	2.3	1,495.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	33.6	15,120.0	0.4	180.0	21.5	9,675.0	1.3	585.0	8.3	3,735.0	1.3	585.0	0.8	360.0
Brodie Stewart	Senior Associate	450	15.3	6,885.0	3.5	1,575.0	3.0	1,350.0	0.3	135.0	0.4	180.0	2.6	1,170.0	5.5	2,475.0
Douglas Cole	Associate	400	5.7	2,280.0	-	-	4.1	1,640.0	-	-	0.8	320.0	0.8	320.0	-	-
Total (ex GST) \$				81,465.0	42.2	30,630.0	44.2	22,985.0	3.0	1,850.0	29.0	17,990.0	6.1	3,105.0	9.3	4,905.0
GST \$				8,146.5												
Total (Incl GST) \$				89,611.5												
Avg hourly rate (ex GST) \$					725.8		520.0		616.7		620.3		509.0		527.4	



Schedule B – Time spent by staff on each major task

Mighty Craft Beer Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	1.5	1,125.0	1.5	1,125.0	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	5.5	4,125.0	-	-	-	-	-	-	-	-	5.5	4,125.0	-	-
Darren Gray	Director	650	3.9	2,535.0	0.2	130.0	3.0	1,950.0	-	-	-	-	-	-	0.7	455.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.7	1,215.0	0.1	45.0	1.8	810.0	-	-	-	-	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	3.5	1,575.0	-	-	1.1	495.0	-	-	-	-	-	-	2.4	1,080.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				11,375.0	1.8	1,300.0	6.2	3,480.0	-	-	-	-	5.7	4,215.0	4.4	2,380.0
GST \$				1,137.5												
Total (Incl GST) \$				12,512.5												
Avg hourly rate (ex GST) \$					722.2		561.3		-		-		739.5		540.9	



Schedule B – Time spent by staff on each major task

Mighty Craft People and Services Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	7.7	6,545.0	-	-	-	-	7.2	6,120.0	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.4	300.0	0.4	300.0	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	12.1	9,075.0	-	-	2.2	1,650.0	9.5	7,125.0	-	-	-	-	0.4	300.0
David Bryant	Managing Director	750	6.5	4,875.0	-	-	-	-	-	-	-	-	6.5	4,875.0	-	-
Darren Gray	Director	650	11.3	7,345.0	0.1	65.0	5.2	3,380.0	1.8	1,170.0	2.3	1,495.0	-	-	1.9	1,235.0
Emma Jackman	Senior Associate	550	1.0	550.0	-	-	-	-	1.0	550.0	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	17.8	8,010.0	0.1	45.0	10.2	4,590.0	1.7	765.0	4.4	1,980.0	0.5	225.0	0.9	405.0
Brodie Stewart	Senior Associate	450	9.3	4,185.0	-	-	2.8	1,260.0	1.1	495.0	-	-	-	-	5.4	2,430.0
Douglas Cole	Associate	400	1.8	720.0	-	-	1.8	720.0	-	-	-	-	-	-	-	-
Total (ex GST) \$				41,605.0	0.6	410.0	22.2	11,600.0	22.3	16,225.0	6.7	3,475.0	7.0	5,100.0	9.1	4,795.0
GST \$				4,160.5												
Total (Incl GST) \$				45,765.5												
Avg hourly rate (ex GST) \$					683.3		522.5		727.6		518.7		728.6		526.9	



Schedule B – Time spent by staff on each major task

Mighty Craft Operations Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	37.8	32,130.0	-	-	16.9	14,365.0	-	-	20.9	17,765.0	-	-	-	-
Liam Healey	Appointee	850	52.5	44,625.0	30.7	26,095.0	9.8	8,330.0	-	-	7.8	6,630.0	2.0	1,700.0	2.2	1,870.0
Ben Rollo	Managing Director	750	16.9	12,675.0	16.5	12,375.0	-	-	-	-	0.4	300.0	-	-	-	-
Luke Pittorino	Managing Director	750	99.9	74,925.0	2.3	1,725.0	34.3	25,725.0	-	-	58.0	43,500.0	4.6	3,450.0	0.7	525.0
David Bryant	Managing Director	750	9.5	7,125.0	-	-	-	-	-	-	-	-	9.5	7,125.0	-	-
Darren Gray	Director	650	67.0	43,550.0	1.8	1,170.0	36.9	23,985.0	-	-	16.5	10,725.0	2.9	1,885.0	8.9	5,785.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	45.9	20,655.0	0.5	225.0	31.6	14,220.0	-	-	11.2	5,040.0	1.9	855.0	0.7	315.0
Brodie Stewart	Senior Associate	450	30.7	13,815.0	0.3	135.0	25.7	11,565.0	-	-	1.4	630.0	0.2	90.0	3.1	1,395.0
Douglas Cole	Associate	400	5.4	2,160.0	-	-	5.1	2,040.0	-	-	-	-	0.3	120.0	-	-
Total (ex GST) \$				251,660.0	52.1	41,725.0	160.3	100,230.0	-	-	116.2	84,590.0	21.4	15,225.0	15.6	9,890.0
GST \$				25,166.0												
Total (Incl GST) \$				276,826.0												
Avg hourly rate (ex GST) \$					800.9		625.3		-		728.0		711.4		634.0	



Schedule B – Time spent by staff on each major task

Mighty Craft Export Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	1.0	650.0	-	-	0.5	325.0	-	-	-	-	-	-	0.5	325.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.7	1,215.0	0.1	45.0	1.7	765.0	-	-	-	-	0.2	90.0	0.7	315.0
Brodie Stewart	Senior Associate	450	3.0	1,350.0	-	-	0.6	270.0	-	-	-	-	-	-	2.4	1,080.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				4,915.0	0.1	45.0	3.1	1,585.0	-	-	-	-	1.4	990.0	4.3	2,295.0
GST \$				491.5												
Total (Incl GST) \$				5,406.5												
Avg hourly rate (ex GST) \$					450.0		511.3		-		-		707.1		533.7	



Schedule B – Time spent by staff on each major task

Hidden Lake Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.6	450.0	-	-	0.4	300.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	0.8	520.0	-	-	0.3	195.0	-	-	-	-	-	-	0.5	325.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.7	1,215.0	0.1	45.0	1.8	810.0	-	-	-	-	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	2.9	1,305.0	-	-	0.8	360.0	-	-	-	-	-	-	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				4,815.0	0.1	45.0	3.3	1,665.0	-	-	-	-	1.4	990.0	3.9	2,115.0
GST \$				481.5												
Total (Incl GST) \$				5,296.5												
Avg hourly rate (ex GST) \$					450.0		504.5		-		-		707.1		542.3	



Schedule B – Time spent by staff on each major task

A.C.N. 603 372 210 Pty. Ltd. (Formerly Jetty Road Brewery Pty Ltd) (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	2.2	1,650.0	-	-	-	-	-	-	-	-	2.2	1,650.0	-	-
Darren Gray	Director	650	1.0	650.0	-	-	0.5	325.0	-	-	-	-	-	-	0.5	325.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	3.3	1,485.0	0.1	45.0	1.9	855.0	-	-	0.5	225.0	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	3.1	1,395.0	-	-	1.0	450.0	-	-	-	-	-	-	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				5,980.0	0.1	45.0	3.7	1,855.0	-	-	0.5	225.0	2.4	1,740.0	3.9	2,115.0
GST \$				598.0												
Total (Incl GST) \$				6,578.0												
Avg hourly rate (ex GST) \$					450.0		501.4		-		450.0		725.0		542.3	



Schedule B – Time spent by staff on each major task

Mismatch Brewing Company Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.5	375.0	0.5	375.0	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	1.7	1,105.0	-	-	1.0	650.0	-	-	-	-	-	-	0.7	455.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	3.3	1,485.0	0.1	45.0	2.4	1,080.0	-	-	-	-	0.2	90.0	0.6	270.0
Brodie Stewart	Senior Associate	450	3.1	1,395.0	-	-	1.0	450.0	-	-	-	-	-	-	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				6,060.0	0.6	420.0	4.7	2,405.0	-	-	-	-	1.4	990.0	4.1	2,245.0
GST \$				606.0												
Total (Incl GST) \$				6,666.0												
Avg hourly rate (ex GST) \$					700.0		511.7		-		-		707.1		547.6	



Schedule B – Time spent by staff on each major task

Mighty Hunter Valley Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.5	375.0	0.5	375.0	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	1.0	650.0	-	-	0.5	325.0	-	-	-	-	-	-	0.5	325.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.7	1,215.0	0.1	45.0	1.7	765.0	-	-	-	-	0.2	90.0	0.7	315.0
Brodie Stewart	Senior Associate	450	3.5	1,575.0	-	-	1.1	495.0	-	-	-	-	-	-	2.4	1,080.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				5,515.0	0.6	420.0	3.6	1,810.0	-	-	-	-	1.4	990.0	4.3	2,295.0
GST \$				551.5												
Total (Incl GST) \$				6,066.5												
Avg hourly rate (ex GST) \$					700.0		502.8		-		-		707.1		533.7	



Schedule B – Time spent by staff on each major task

The Hills Distillery Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.3	225.0	-	-	-	-	-	-	0.2	150.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	0.9	585.0	-	-	0.4	260.0	-	-	-	-	-	-	0.5	325.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.8	1,260.0	0.2	90.0	1.8	810.0	-	-	-	-	0.1	45.0	0.7	315.0
Brodie Stewart	Senior Associate	450	3.0	1,350.0	-	-	0.5	225.0	-	-	-	-	-	-	2.5	1,125.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				4,895.0	0.2	90.0	3.0	1,520.0	-	-	-	-	1.3	945.0	4.4	2,340.0
GST \$				489.5												
Total (Incl GST) \$				5,384.5												
Avg hourly rate (ex GST) \$					450.0		506.7		-		-		726.9		531.8	



Schedule B – Time spent by staff on each major task

MK Wine Solutions Pty Ltd (Administrators Appointed)

Employee	Position	Rate \$ (ex GST)	Total actual hours	Total \$	Assets hrs/\$		Creditors hrs/\$		Employees hrs/\$		Trade on hrs/\$		Investigations hrs/\$		Administration hrs/\$	
					Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)	Hrs	Fees (\$)
Quentin Olde	Appointee	850	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Liam Healey	Appointee	850	0.5	425.0	-	-	-	-	-	-	-	-	-	-	0.5	425.0
Ben Rollo	Managing Director	750	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Luke Pittorino	Managing Director	750	0.5	375.0	-	-	0.2	150.0	-	-	-	-	-	-	0.3	225.0
David Bryant	Managing Director	750	1.2	900.0	-	-	-	-	-	-	-	-	1.2	900.0	-	-
Darren Gray	Director	650	1.5	975.0	-	-	1.0	650.0	-	-	-	-	-	-	0.5	325.0
Emma Jackman	Senior Associate	550	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Aaron Kang	Senior Associate	450	2.4	1,080.0	0.1	45.0	1.4	630.0	-	-	-	-	0.2	90.0	0.7	315.0
Brodie Stewart	Senior Associate	450	3.0	1,350.0	-	-	0.9	405.0	-	-	-	-	-	-	2.1	945.0
Douglas Cole	Associate	400	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST) \$				5,105.0	0.1	45.0	3.5	1,835.0	-	-	-	-	1.4	990.0	4.1	2,235.0
GST \$				510.5												
Total (Incl GST) \$				5,615.5												
Avg hourly rate (ex GST) \$					450.0		524.3		-		-		707.1		545.1	



Schedule C – Resolutions

Mighty Craft Limited / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Limited for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$67,980 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Limited from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Limited from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Limited from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Limited from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$50,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Nominees Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Nominees Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,495 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Nominees Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Nominees Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Nominees Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Nominees Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Venues Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Venues Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,045 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Venues Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Venues Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Venues Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Venues Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Investments Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Investments Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,380 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Investments Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Investments Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Investments Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Investments Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Spirits Plus Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Spirits Plus Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$9,225.00 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Spirits Plus Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Spirits Plus Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Spirits Plus Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Spirits Plus Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$50,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Kangaroo Island Distillery Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Kangaroo Island Distillery Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$81,465 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Kangaroo Island Distillery Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Kangaroo Island Distillery Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Kangaroo Island Distillery Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Kangaroo Island Distillery Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$500,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Beer Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Beer Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$11,375 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Beer Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Beer Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Beer Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Beer Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft People and Services Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft People and Services Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$41,605 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft People and Services Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft People and Services Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft People and Services Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft People and Services Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Operations Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Operations Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$251,660 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Operations Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Operations Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Operations Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Operations Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$500,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Craft Export Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Craft Export Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,915 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Craft Export Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Craft Export Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Craft Export Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Craft Export Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Hidden Lake Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Hidden Lake Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,815 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Hidden Lake Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Hidden Lake Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Hidden Lake Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Hidden Lake Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,980 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of A.C.N. 603 372 210 Pty Ltd (Formerly Jetty Road Brewery Pty Ltd) from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mismatch Brewing Company Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mismatch Brewing Company Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$6,060 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mismatch Brewing Company Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mismatch Brewing Company Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mismatch Brewing Company Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mismatch Brewing Company Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

Mighty Hunter Valley Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of Mighty Hunter Valley Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,515 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of Mighty Hunter Valley Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of Mighty Hunter Valley Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of Mighty Hunter Valley Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of Mighty Hunter Valley Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

The Hills Distillery Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of The Hills Distillery Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$4,895 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of The Hills Distillery Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of The Hills Distillery Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of The Hills Distillery Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of The Hills Distillery Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$100,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule C - Resolutions

MK Wine Solutions Pty Ltd / Company

Voluntary Administration Period 22 July 2024 to 18 August 2024

That the remuneration of the Administrators of MK Wine Solutions Pty Ltd for the period 22 July 2024 to 18 August 2024, calculated at hourly rates as detailed in the remuneration approval report, is approved for payment in the sum of \$5,105 (exclusive of GST and disbursements) and that the Administrators can draw the remuneration immediately or as required.

Voluntary Administration Period 19 August 2024 to 26 August 2024 (Second Meeting of Creditors)

That the future remuneration of the Administrators of MK Wine Solutions Pty Ltd from 19 August 2024 to 26 August 2024 is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$100,000 (exclusive of GST and disbursements). Please note that the total remuneration that can be drawn across all Companies for this period is limited to \$100,000 (exclusive of GST and disbursements) in total, and that the Administrators can draw the remuneration on a monthly basis or as required.

IF DOCA IS ACCEPTED:

Voluntary Administration Period 26 August 2024 (Second Meeting of Creditors) until the DOCA is executed

That the future remuneration of the Administrators of MK Wine Solutions Pty Ltd from 26 August 2024 to execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the period through to effectuation of the DOCA and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Deed Administration Period from DOCA execution until the DOCA is effectuated

That the future remuneration of the Deed Administrators of MK Wine Solutions Pty Ltd from execution of the Deed of Company Arrangement to finalisation of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the end of the Creditors' Trust and that the Administrators can draw the remuneration on a monthly basis or as required.

Creditors' Trust Period from DOCA effectuation until the end of the Creditors' Trust

That the future remuneration of the trustees of the Creditors' Trust from effectuation of the Deed of Company Arrangement to the end of the Creditors' Trust is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to a capped amount of \$400,000 (exclusive of GST and disbursements) across all of the Companies for this period, the prior period from 26 August 2024 to execution of the Deed of Company Arrangement and the period through to the effectuation of the DOCA and that the Administrators can draw the remuneration on a monthly basis or as required.



IF THE COMPANY IS WOUND UP:

Liquidation Period 26 August 2024 until the Liquidation is finalised

That the future remuneration of the Liquidators of MK Wine Solutions Pty Ltd from 26 August 2024 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at the hourly rates as detailed in the remuneration approval report, up to an amount of \$20,000 (exclusive of GST and disbursements), and that the Liquidators can draw the remuneration on a monthly basis or as required.



Schedule D – Receipts and Payments

Receipts and Payments

For the period 22/7/2024 - 14/8/2024

MC Operations (Moneytech Facility)

Opening Balance	(3,049,583.84)
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Receipts

Debtor Collections	4,315,473.03
PURE Funding	848,467.40
Reserve	500,000.00
	5,663,940.43

Payments

Administration Fee	(453,314.49)
Recourse Fee	(6,285.88)
Moneytech Facility Payout	(848,467.40)
Interest Payment	(27,946.72)
Material Event Fee	(7,700.00)
Security Interest Fee	(20,625.00)
Legal Fees	(1,650.00)
Transfer to the Administrators' Account	(679,098.63)
Out-Payment Fee	(77.00)
	(2,045,165.12)

Closing Balance	569,191.47
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Receipts and Payments
For the period 22/7/2024 - 18/8/2024

	MC Limited	MC Nominees	MC Venues	MC Investments
Receipts				
Cash at Bank (Opening Balance)	19,991.95	-	-	-
Sales and Debtor Collections	-	-	-	-
PURE Funding	2,408.00	-	-	-
	22,399.95	-	-	-
Payments				
Wages and Salaries	-	-	-	-
Third Party Logistics	-	-	-	-
Suppliers	(198.00)	-	-	-
Better Beer Contribution	(21,201.75)	-	-	-
Bank Charges	(0.20)	-	-	-
	(21,399.95)	-	-	-
Cash at Bank	1,000.00	-	-	-
	MC Spirits	KI Distillery	MC Beer	MC People
Receipts				
Cash at Bank (Opening Balance)	-	36,525.35	-	43,026.30
Sales and Debtor Collections	-	26,612.58	-	-
PURE Funding	-	138,982.00	-	511,650.00
Cash at Bank	-	202,119.93	-	554,676.30
Payments				
Wages and Salaries	-	(43,147.54)	-	(206,455.54)
Child Support Contribution	-	-	-	(1,040.58)
Third-Party Logistics	-	-	-	-
Suppliers	-	(13,838.80)	-	-
Better Beer Contribution	-	(138,982.00)	-	(317,873.25)
Bank Charges	-	(0.80)	-	(0.20)
	-	(195,969.14)	-	(525,369.57)
Cash at Bank	-	6,150.79	-	29,306.73

Note: The above tables are cash receipts and payments summaries only and do not consider accruals and commitments, such as PAYG/GST obligations, payroll tax, supplier commitments, superannuation, legal fees, and Administrators' fees and other realisation costs.



Receipts and Payments
For the period 22/7/2024 - 18/8/2024

	MC Operations	MC Export	Hidden Lake	Jetty Road
Receipts				
Cash at Bank (Opening Balance)	37,351.01	-	-	-
Transfer from Moneytech Facility	1,498,563.37	-	-	-
PURE Funding	84,633.00	-	-	-
	1,620,547.38	-	-	-
Payments				
Wages and Salaries	-	-	-	-
Third-Party Logistics	(29,256.18)	-	-	-
Suppliers	(31,619.50)	-	-	-
Better Beer Contribution	(1,311,032.76)	-	-	-
Bank Charges	(0.60)	-	-	-
	(1,371,909.04)	-	-	-
Cash at Bank	248,638.34	-	-	-

	Mismatch Brewing	MH Valley	Hills Distillery	MK Wine
Receipts				
Cash at Bank (Opening Balance)	-	-	-	-
Sales and Debtor Collections	-	-	-	-
PURE Funding	-	-	-	-
	-	-	-	-
Payments				
Wages and Salaries	-	-	-	-
Third-Party Logistics	-	-	-	-
Suppliers	-	-	-	-
Better Beer Contribution	-	-	-	-
Bank Charges	-	-	-	-
	-	-	-	-
Cash at Bank	-	-	-	-

Note: The above tables are cash receipts and payments summaries only and do not consider accruals and commitments, such as PAYG/GST obligations, payroll tax, supplier commitments, superannuation, legal fees, and Administrators' fees and other realisation costs.



Schedule E – Ankura Schedule of Rates

Title	Experience	Hourly Rate AUD (ex. GST)
Senior Managing Director	Registered/Official Liquidator that brings his/her specialist skills to the engagement. Significant, long-term experience with expertise in all forms of restructuring appointments. Alternatively, possesses expertise and extensive leadership in business/industry. For specific experience and other details, please visit www.ankura.com .	850
Managing Director	Extensive, relevant restructuring experience and CA qualified or equivalent. Capable of managing and controlling all aspects of all types of restructuring appointments and is answerable to the appointee. May be a Registered/Official Liquidator in his/her own right.	750
Senior Director	Generally 9+ years restructuring experience and CA qualified or equivalent. Highly advanced commercial and technical skills. Capable of managing and controlling all aspects of small to medium size appointments. Regularly manages teams on large and complex appointments.	650
Director	Generally 6+ years restructuring experience and typically CA qualified or equivalent. Well-developed commercial and technical skills. Possesses experience managing small size appointments. Assists with planning and control of medium, large and complex appointments.	550
Senior Associate	Generally 2+ years restructuring experience and studying towards being CA qualified or equivalent. Will have a solid foundation and knowledge across restructuring appointments. Assists with the planning and control of all types of appointments.	450
Associate	Typically a graduate role with 0-2 years of restructuring experience. Studying towards being CA qualified or equivalent. Developing knowledge of restructuring however will possess a good financial and commercial base. Assists senior staff on day-to-day tasks.	400
Administration	Appropriate administration skills and experience, including books and records management, account reconciliations and day to day support of professional staff throughout the engagement.	300



Address

Level 8, 333 George Street
Sydney NSW 2000
Australia

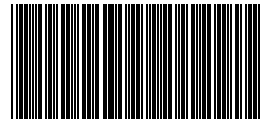
Phone

T +61.2.9037.3560

**Attachment 4 – Originating Process filed by the Deed Administrators in relation to the Section
444GA Application**



Filed: 7 November 2024 4:18 PM



D00021TIFL

Form 2

ORIGINATING PROCESS – COVERSHEET AND ACKNOWLEDGEMENT

IN THE MATTER OF MIGHTY CRAFT LIMITED

COURT DETAILS

Court	Supreme Court of NSW
Division	Equity
List	Corporations List
Registry	Supreme Court Sydney
Case number	2024/00414717

TITLE OF PROCEEDINGS

First Plaintiff	(SUBJECT TO DEED OF COMPANY ARRANGEMENT) (ACN 622 810 897) QUENTIN OLDE AND LIAM HEALEY IN THEIR CAPACITY AS DEED ADMINISTRATORS OF MIGHTY CRAFT LIMITED
Second Plaintiff	MIGHTY CRAFT LIMITED

FILING DETAILS

Filed for	(SUBJECT TO DEED OF COMPANY ARRANGEMENT) (ACN 622 810 897) QUENTIN OLDE AND LIAM HEALEY IN THEIR CAPACITY AS DEED ADMINISTRATORS OF MIGHTY CRAFT LIMITED, Plaintiff 1 MIGHTY CRAFT LIMITED, Plaintiff 2
Legal representative	David James Walter
Legal representative reference	
Telephone	02 9373 7700
Your reference	0139629-0000003

HEARING DETAILS

This application will be heard at Supreme Court Sydney on 18 November 2024 at 10:00 AM

ATTACHMENT DETAILS

In accordance with Part 3 of the UCPR, this coversheet confirms that both the Originating process (Corporations Law) Other, along with any other documents listed below, were filed by the Court.

Corporations Law Originating Process (Form 2) (Originating Process 7 November 2024 (1).pdf)
Affidavit in Support of Originating Process (Affidavit of Liam John Healey sworn 7 November 2024

(1).pdf)

[attach.]

IN THE SUPREME COURT OF NEW SOUTH WALES No. of 2024
DIVISION: EQUITY
LIST: CORPORATIONS LIST
REGISTRY: SYDNEY

**IN THE MATTER OF MIGHTY CRAFT LIMITED (SUBJECT TO DEED OF
COMPANY ARRANGEMENT) ACN 622 810 897**

**QUENTIN OLDE AND LIAM HEALEY IN THEIR CAPACITY AS DEED
ADMINISTRATORS OF MIGHTY CRAFT LIMITED (SUBJECT TO DEED OF
COMPANY ARRANGEMENT)
ACN 622 810 897**

First Plaintiffs
**MIGHTY CRAFT LIMITED (SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 622 810 897**

Second Plaintiff

Originating process

A. DETAILS OF APPLICATION

This application is made under section 444GA and 447A of the *Corporations Act 2001* (Cth) (**Corporations Act**) and section 90-15 of the *Insolvency Practice Schedule (Corporations)* set out in Schedule 2 of the Corporations Act (**IPS**) for orders, among other things, that the First Plaintiffs, Quentin Olde and Liam Healey in their capacities as joint and several deed administrators (**Deed Administrators**) of the Second Plaintiff, Mighty Craft Limited (Subject to Deed of Company Arrangement) (**Company**) be granted leave to transfer all of the existing shares in the Company, to PURE Asset Management Pty Ltd, or its nominee.

On the facts stated in the supporting affidavit of Liam John Healey sworn on 7 November 2024 (**Healey Affidavit**), the Plaintiffs claim:

Procedural orders (to be made at the first return of the Originating Process)

1. An order, pursuant to section 447A of the Corporations Act and section 90-15(1) of the IPS, that the First Plaintiffs (**Deed Administrators**) would be justified in providing the Explanatory Statement in the form set out in page 523

Filed on behalf of the Plaintiffs

Allen Overy Shearman Sterling
Solicitors
Level 25, 85 Castlereagh Street
Sydney NSW 2000

Tel: (02) 9373 7592
Email: heather.sandell@aoshearman.com
Ref: 0139629-0000003

of Exhibit LH-1 to the Healey Affidavit (**Explanatory Statement**) for distribution to each of the creditors and members of the Second Plaintiff (**Company**).

2. An order that the Plaintiffs give notice to each of the creditors and members of the Company of the Explanatory Statement and its attachments by the following methods:
 - a. within 3 business days of the date of the orders where the Deed Administrators have an email address for a creditor or member (including from the books and records maintained by the Company) by sending a circular substantially in the form of the circular at page 535 of Exhibit LH-1 to the Healey Affidavit (**Circular**) by email which includes links to the explanatory statement and its attachments;
 - b. within 3 business days of the date of the orders where the Deed Administrators do not have an email address for a creditor or member but the Deed Administrators have a postal address for that creditor or member (including from the books and records maintained by the Company), by sending the Circular by post;
 - c. within 1 business day of the date of the orders by placing scanned, sealed copies on the website maintained by the Deed Administrators at www.mightycraft.com.au/docu.
3. If the Deed Administrators receive a notification of non-delivery of the notice sent by email in accordance with paragraph 2.a. above and the Deed Administrators have a postal address for that creditor or member (including from the books and records maintained by the Company), the Deed Administrators will send the Circular by post within 1 business day of the receipt of the notification of non-delivery.
4. An order that any interested person wishing to appear at the hearing of this application is to file and serve on the Plaintiffs and the Australian Securities and Investments Commission a Notice of Appearance in the prescribed form and indicating the grounds of opposition by 5pm on 6 December 2024.
5. An order that any interested person who is entitled to oppose this application pursuant to section 444GA(2) of the Corporations Act may apply to be joined as a respondent to this application by no later than by 5pm on 6 December 2024.
6. An order that the Plaintiffs to send to the Associate to _____ and serve on any party who has filed a notice of appearance in accordance with Order 4 above, written submissions not exceeding 10 pages in length by 5pm on 10 December 2024.
7. An order that the Plaintiffs file any further evidence upon which they intend to rely on the application, including any supplementary affidavits deposing as to any correspondence or communications received by the Deed Administrators from any interested person who is entitled to oppose this application pursuant to section 444GA(2) of the Corporations Act and any responsive


correspondence or communication from the Deed Administrators, by 5pm on 10 December 2024.

8. This application be listed for hearing on _____ at _____ or such other date as the Court considers appropriate

Substantive orders

9. An order, pursuant to section 444GA(1)(b) of the Corporations Act, that the Deed Administrators be granted leave to transfer all of the existing shares in the capital of the Company (**Shares**) from the members (as defined in the Corporations Act) of the Company to PURE Asset Management Pty Ltd (**PURE**) or its nominee, in accordance with clause 6.2 of the deed of company arrangement dated 4 September 2024 entered into by (amongst others) the Deed Administrators, the Company and PURE.
10. An order, pursuant to section 447A(1) of the Corporations Act and section 90–15(1) of the IPS, that any of the Deed Administrators may, jointly or severally, in their capacity as Deed Administrators:
- a. execute share transfer forms and any other documents ancillary or incidental to effecting the transfer of the Shares referred to in Order 7 above; and
 - b. execute or procure the entry of the name of PURE or its nominee into the share register of the Company in respect of all Shares transferred to PURE or its nominee in accordance with Order 7 above.
11. An order that the Plaintiffs' costs of an incidental to this application be costs and expenses in the deed administration of the Company.

Date: 7 November 2024



.....
Signature of David James Walter, the Plaintiff's legal practitioner

This application will be heard by Justice Black at the Supreme Court of New South Wales, 184 Phillip Street, Sydney at 9.15am on 8 November 2024.

B. NOTICE TO DEFENDANT(S) (IF ANY)

N/A

C. APPLICATION FOR WINDING UP ON GROUND OF INSOLVENCY

N/A

D. FILING

Date of filing:

This originating process is filed by Allen Overy Shearman Sterling, solicitors for the Plaintiffs.

E. SERVICE

The Plaintiffs' address for service is:

Allen Overy Shearman Sterling
Attention: David Walter / Heather Sandell
Level 25, 85 Castlereagh Street
Sydney NSW 2000

A copy of this originating process will be provided to the Australian Securities and Investments Commission and made available to creditors and members of the Company.

Attachment 5 – Affidavit of Liam Healey filed in support of the Section 444GA Application

Form 40 (version 6)
UCPR 35.1

AFFIDAVIT OF LIAM JOHN HEALEY

COURT DETAILS

Court	Supreme Court of New South Wales
Division	Equity
List	Corporations List
Registry	Sydney
Case number	2024/

TITLE OF PROCEEDINGS

First plaintiffs	Quentin Olde and Liam Healey in their capacity as deed administrators of Mighty Craft Limited (subject to deed of company arrangement) (ACN 622 810 897)
Second plaintiff	Mighty Craft Limited (subject to deed of company arrangement) (ACN 622 810 897)

FILING DETAILS

Filed for	Quentin Olde and Liam Healey in their capacity as deed administrators of Mighty Craft Limited (subject to deed of company arrangement) (ACN 622 810 897) First plaintiffs Mighty Craft Limited (subject to deed of company arrangement) (ACN 622 810 897) Second plaintiff
Filed in relation to	Plaintiffs' Originating Process
Legal representative	David Walter, Allen Overy Shearman Sterling
Legal representative reference	0139629-0000003
Contact name and telephone	Heather Sandell (+61 9373 7592)
Contact email	Heather.sandell@aoshearman.com



AFFIDAVIT

Name Liam John Healey
 Address Level 8, 333 George Street, Sydney NSW 2000
 Occupation Registered Liquidator and Chartered Accountant
 Date 7 November 2024

I, **Liam John Healey**, say on oath:

- 1 I am a Senior Managing Director of Ankura Consulting (Australia) Pty Ltd. I am a Chartered Accountant and have been a registered liquidator since 12 April 2018. I am a member of Chartered Accountants Australia and New Zealand, the Australian Restructuring, Insolvency and Turnaround Association, INSOL International and the Turnaround Management Association. I have been practising in the areas of restructuring corporate recovery and insolvency for approximately 22 years.
- 2 Together with Quentin Olde (**Mr Olde**), I am one of two joint and several deed administrators of Mighty Craft Limited (Subject to Deed of Company Arrangement) ACN 622 810 897 (**MCL**) and 15 of its wholly owned subsidiaries, which are listed in paragraph 29 below (together, the **Mighty Craft Group**).
- 3 Prior to the execution of the deed of company arrangement on 4 September 2024 described at paragraphs 44 to 49 below, Mr Olde and I were the joint and several administrators of all of the companies in the Mighty Craft Group (**Administrators**) having been appointed on 22 July 2024 (**Appointment Date**). I refer to Mr Olde and myself in this affidavit as the **Deed Administrators** or **Administrators** where applicable.
- 4 I am authorised by Mr Olde to make this affidavit on behalf of the Deed Administrators. References in this affidavit to "we", "us", "our" or "ourselves" are references to me and Mr Olde. Where I depose below to the view or views of the Deed Administrators or Administrators, they are the views which I hold and that Mr Olde has told me he shares, as at the date of swearing this affidavit.
- 5 I make this affidavit in support of the Originating Process filed on or about the date of this affidavit (**Originating Process**) seeking, inter alia, an order that the Deed Administrators be granted leave pursuant to section 444GA(1)(b) of the *Corporations Act 2001* (Cth) (**Corporations Act**) to transfer all of the existing shares in the capital of MCL (**Shares**) from the members (as defined in the Corporations Act) of MCL to PURE Asset Management Pty Ltd (**PURE**) or its nominee (**Section 444GA Order**).



- 6 The statements made in this affidavit are made from my own knowledge, except where otherwise stated. Where statements are not made from my own knowledge, they are made to the best of my information and belief, and I have set out the source of my information.
- 7 Exhibited to me at the time of swearing this affidavit and marked "**Exhibit LH-1**" is a bundle of documents to which I make reference in this affidavit. Where I refer to a document being "at page X", I am referring to the first page in Exhibit LH-1 where a copy of the document can be found.

Structure and business of MCL and Mighty Craft Group

MCL

- 8 At page 1 of Exhibit LH-1 is a true copy of a historical extract obtained on 6 November 2024 from the records maintained by the Australian Securities and Investment Commission (**ASIC**) in respect of MCL.
- 9 MCL is an Australian public company which was incorporated on 13 November 2017. It was admitted to the Official List of ASX Limited (**ASX**) on 17 December 2019 (when it was named Founders First Limited). It initially traded under ASX Code "FFL" which was changed in about November 2020 to "MCL" when it changed its name to Mighty Craft Limited.
- 10 Trading of shares in MCL on the ASX was suspended on 22 July 2024 due to the appointment of the Administrators. MCL was subsequently removed from the Official List with effect from close of trading on 28 August 2024 due to failure to pay annual listing fees.
- 11 MCL's members' register (**Members' Register**) was maintained for it by Computershare Investor Services Pty Ltd (**Computershare**).
- 12 According to the Members' Register provided to the Deed Administrators by Computershare, as at the Appointment Date:
- (a) MCL had issued capital comprising 368,219,614 fully paid ordinary shares;
 - (b) MCL had 2,140 shareholders; and
 - (c) the top 20 shareholders of MCL hold approximately 48.5% of the total Shares.
- 13 On the last day of trading prior to our appointment as Administrators, the closing price of the Shares was \$0.005 per Share.



Mighty Craft Group

Structure

- 14 A diagram setting out the corporate structure of the Mighty Craft Group can be found on page 28 of the Section 75-225 Report to Creditors (defined at paragraph 34 below) which is at page 61 of Exhibit LH-1 (**Corporate Structure Chart**).
- 15 At the Appointment Date, the primary operating entities of the Mighty Craft Group were:
 - (a) MCL;
 - (b) Mighty Craft Operations Pty Ltd (**Mighty Craft Operations**) which was the primary operating entity for the Mighty Craft Group's wholesale sales and distribution business, housed inventory, operating assets and all operational key stakeholder contracts and agreements;
 - (c) Mighty Craft People and Services Pty Ltd (**Mighty Craft People**) which was the primary employing entity and employed 26 people as at the Appointment Date; and
 - (d) Kangaroo Island Distillery Pty Ltd (**KI Spirits**) which operates a gin distillery and operates a cellar door hospitality venue on Kangaroo Island in South Australia known as "Kangaroo Island Spirits" or "Kangaroo Island Distillery" and employed 17 people as at the Appointment Date (**KI Distillery**).
- 16 Of the remaining 12 wholly-owned direct or indirect subsidiaries of MCL, seven are dormant / non-trading companies and five were subject to strike-off action.
- 17 In addition, as at the Appointment Date, the Mighty Craft Group:
 - (a) held a minority (25.5%) shareholding in Better Beer Holdings Pty Ltd (**Better Beer Holdings**) which via its wholly owned subsidiary, Better Beer Company Pty Ltd (**Better Beer Co**), owns the local beer brand "Better Beer". Better Beer was launched in 2021 and aims to create a healthier alternative to traditional beers by creating a lower calorie beer; and
 - (b) held a majority (65%) shareholding in Seven Seasons Pty Ltd (**Seven Seasons**), which operates a boutique distillery known as Seven Seasons.
- 18 The Corporate Structure Chart also includes the shareholding in these companies, none of which are in any form of external administration.

Operations

- 19 The Mighty Craft Group, since inception, made several investments in various other businesses in the hospitality and craft beverage industries. However, more recently



it divested its interests in most of these businesses as discussed in paragraphs 26 to 27 below in order to reduce its debt.

20 As at the Appointment Date, the Mighty Craft Group's operations primarily comprised of:

- (a) providing sales, distribution and logistics services to Better Beer pursuant to a Solutions Agreement entered into with Better Beer. Under that Solutions Agreement, Might Craft Operations purchased finished product from Better Beer and distributed it through an exclusive agreement with Endeavour Group (entitling Mighty Craft Operations to a commission on each unit sold);
- (b) operating the KI Distillery; and
- (c) providing working capital management to Seven Seasons and managing sales of Seven Seasons' products.

Secured Creditor

- 21 PURE provided working capital financing for the Mighty Craft Group pursuant to a Facility Agreement dated 24 September 2020 (as amended from time to time) (**Facility Agreement**).
- 22 As at the Appointment Date, PURE was owed approximately \$23.086 million, comprising a principal debt of \$20 million and the balance comprising interest, default interest and unpaid fees.
- 23 Amounts due under the Facility Agreement are secured by a General Security Deed dated 24 September 2020 (**GSD**). As at the Appointment Date, PURE had registered 22 security interests on the Personal Property Securities Register across 11 of the 16 companies in the Mighty Craft Group, including MCL.
- 24 Following our appointment as Administrators, we entered into a funding agreement with PURE which was effected by amending the Facility Agreement. The funding provided by PURE enabled us to discharge a secured debtor finance facility owed to another secured creditor, preserve agreements with key suppliers and meet the ongoing operational costs of the Mighty Craft Group's business during the administration period.
- 25 The other secured debt having been discharged, the security held by PURE is now first ranking (save that there is a dispute between Whisky Development Syndicate Ltd and PURE as to their respective security interests in certain whisky stock).

Handwritten signature and initials in black ink, located at the bottom right of the page.

Pre-appointment divestment process

- 26 In the 12 months or so prior to our appointment as Administrators, MCL engaged various advisers including KPMG Financial Advisory Services (Australia) Pty Ltd (**KPMG**), Jarden Australia Pty Limited (**Jarden**) and Canaccord Genuity Group (**Canaccord**) to undertake various divestment and recapitalisation processes of the businesses operated by the Mighty Craft Group.
- 27 Those steps (set out in further detail at sections 3.9 and 5.4 of the Section 75-255 Report (as defined at paragraph 34 below) included:
- (a) KPMG undertaking a divestment campaign in respect of various assets of the Mighty Craft Group, as outlined in Table 5 of the Section 75-255 Report to Creditors;
 - (b) Jarden (unsuccessfully) running a secondary share sale of the Mighty Craft Group's minority interest in Better Beer Holdings; and
 - (c) Canaccord undertaking a capital raising roadshow in respect of a proposed reverse takeover by, and merger with, Better Beer Holdings, to be followed by an equity capital raising. Ultimately, the consent of PURE was required for this to occur and was not obtained, as the requisite steps did not align with PURE's level of accepted risk in relation to a return of capital prior to the proposed capital raise.

Appointment of Administrators

- 28 On 22 July 2024, the Board of Directors of MCL and each other company in the Mighty Craft Group resolved pursuant to s 436A of the Corporations Act to appoint Mr Olde and myself as administrators. A copy of the ASX announcement issued on 22 July 2024 in relation to our appointment is at page 370 of Exhibit LH-1.
- 29 Copies of the notices of appointment lodged with ASIC for each of the companies comprising the Mighty Craft Group can be found in Exhibit LH-1 as follows:

Entity (all subject to deed of company arrangement)	ACN	Page
A.C.N 603 372 210 Pty Ltd (Formerly Jetty Road Brewery)	603 372 210	373
Hidden Lake Pty Ltd	638 906 877	375
KI Spirits	154 811 355	377



MCL	622 810 897	379
Mighty Craft Operations	120 464 182	381
Mighty Craft People	630 181 458	383
Mighty Craft Beer Pty Ltd	630 181 298	385
Mighty Craft Export Pty Ltd	634 458 647	387
Mighty Craft Investments Pty Ltd	630 181 994	393
Mighty Craft Nominees Pty Ltd	630 181 118	395
Mighty Craft Spirits Plus Pty Ltd	638 905 272	397
Mighty Craft Venues Pty Ltd	636 694 785	399
Mighty Hunter Valley Pty Ltd	638 584 737	405
Mismatch Brewing Company Pty Ltd	124 048 504	411
MK Wine Solutions Pty Ltd	121 468 997	413
The Hills Distillery Pty Ltd	608 717 335	419

- 30 On 24 July 2024, the Administrators issued a circular to creditors of the Mighty Craft Group notifying of our appointment and providing details of the first meeting of creditors to be held on 1 August 2024. A copy of that circular is at page 460 of Exhibit LH-1.

Post appointment sale process / recapitalisation process

- 31 Following our appointment as Administrators, Mr Olde and I considered whether a comprehensive realisation process of the business and assets of the Mighty Craft Group would achieve the best outcome for creditors. We ultimately decided not to undertake a separate asset realisation or sale campaign, for reasons including the following:

- (a) PURE has a first ranking security interest over substantially all of the assets of the Mighty Craft Group securing a debt of approximately \$23 million;



(b) interested parties would require PURE to release its security. PURE had informed us that it would not agree to release its security unless its secured debt was discharged in full; and

(c) based on our review of the processes undertaken prior to our appointment by KPMG, Jarden and Cannacord, we formed the view that a sale process in the current market was unlikely to produce bids that were capable of acceptance which would enable the discharge of debt and release of security by PURE as detailed in (b) above.

32 Rather than undertaking a comprehensive realisation process, we sought opportunities for a restructure of the Mighty Craft Group. As outlined at section 5.4 of the Section 75-255 Report to Creditors (as defined at paragraph 34 below), 21 interested parties made unsolicited enquiries. We informed all potential interested parties that a sale or recapitalisation opportunity would only be considered if the relevant bids or proposals would achieve a return that was at least equivalent to PURE's secured debt. While further correspondence was entered into with some parties regarding their potential continued interest (which remained subject to information requests and further due diligence), these were not substantially progressed by the time of finalising the Section 75-225 Report to Creditors.

33 Consequently, we formed the view that it was unlikely a prolonged process or extension of the administration period for the purposes of an extended sale or recapitalisation campaign would result in any materially better outcome for creditors of the Mighty Craft Group, particularly in light of funding constraints we faced as Administrators (with funding being provided by PURE).

Section 75-225 Report to Creditors

34 On 19 August 2024, the Administrators issued a report to creditors pursuant to section 75-255 of the *Insolvency Practice Rules (Corporations) 2016* (Cth). (**Section 75-225 Report to Creditors**) which amongst other things, gave notice of the second meetings of creditors of the companies in the Mighty Craft Group. A copy of the Section 75-225 Report to Creditors is at page 34 of Exhibit LH-1.

35 Prior to issuing the Section 75-225 Report to Creditors, and following ongoing discussions that we held with PURE, the Administrators received a proposal from PURE that MCL and all other companies in the Mighty Craft Group execute a deed of company arrangement on a pooled basis (**DOCA Proposal**). The DOCA Proposal is set out in full in Schedule 7 to the 75-225 Report to Creditors (page 186 of Exhibit LH-1) and is summarised in Section 9.



36 In Section 10 and Schedule 6 of the 75-255 Report to Creditors, we set out the estimated returns to creditors of the companies in the Mighty Craft Group based on the following scenarios:

(a) completion of the proposed deed of company arrangement the subject of the DOCA Proposal (which contemplates a pooling of creditors across the Mighty Craft Group); and

(b) in the alternative, if the proposed deed of company arrangement the subject of the DOCA Proposal was not entered into, a liquidation scenario.

37 At page 87 of the 72-255 Report to Creditors (page 120 of Exhibit LH-1) is a table providing a side-by-side analysis of the above two scenarios.

38 In our view, in a liquidation scenario, the non-priority unsecured creditors would not receive any dividend. By contrast, under the DOCA Proposal, non-priority unsecured creditors are expected to receive between \$0.5 cents per dollar to \$0.9 cents per dollar. Therefore, in both scenarios, it is expected that unsecured creditors will not be paid in full. In each of the scenarios, no return is envisaged for the shareholders of MCL.

39 In addition, under the DOCA Proposal, the KI Distillery would continue to operate as a going concern providing ongoing employment opportunities for 17 staff.

40 As a result of this analysis, we concluded that the DOCA Proposal was in the best interests of creditors as it provided a higher, more certain and timelier return for all unrelated unsecured creditors compared to a liquidation. We therefore recommended to creditors that they resolved to vote in favour of the DOCA Proposal.

Second Creditors' Meetings

41 The second meetings of creditors of MCL and each company comprising the Mighty Craft Group were held concurrently on 26 August 2024 using a video conference facility.

42 I acted as chairperson of the Second Creditors' Meetings.

43 At the Second Creditors' Meetings, the creditors of the Mighty Craft Group resolved in favour of the DOCA Proposal and that Mr Olde and I be appointed as Deed Administrators. A copy of the minutes of the Second Creditors' Meetings is at page 490 of Exhibit LH-1.



DOCA

- 44 On 4 September 2024 the deed of company arrangement to give effect to the DOCA Proposal was executed by the Deed Administrators, MCL, each other company in the Mighty Craft Group and PURE (**DOCA**).
- 45 In summary, the key features of the DOCA are as follows (with capitalised terms not otherwise defined having the meaning set out in clause 1.1 of the DOCA):
- (a) The directors are responsible for the day-to-day management of the businesses, property and affairs to the exclusion of the Deed Administrators, but the Deed Administrators have all requisite management control and access they consider necessary or reasonable to perform their role as Deed Administrators.
 - (b) A moratorium applies to claims of creditors arising on or before the Appointment Date.
 - (c) Subject to satisfaction of the Conditions (see clause 4.1 of the DOCA) by the CP Satisfaction Date (being 30 November 2024 unless otherwise extended), Completion of the DOCA is to occur.
 - (d) At Completion, in addition to the transfer of the Shares to PURE (or its nominee), the following steps will occur simultaneously to the extent possible:
 - (i) the Creditors' Trust Deed (substantially in the terms set out in Schedule 6 of the DOCA) will be executed by all parties to it and become effective;
 - (ii) the DOCA Contribution (described below) is to be transferred by PURE to the Deed Administrators to then be transferred to the Creditors' Trust to form the Creditors' Fund; and
 - (iii) the Deed Administrators will effect a transfer of shares held by Mighty Craft Spirits Plus Pty Ltd in Kangaroo Island Distillery Pty Ltd to PURE or its nominee.
 - (e) The DOCA will effectuate immediately after Completion, following which:
 - (i) the Creditors' Trust Deed will be effective and the Deed Administrators will become the Trustees of the Creditors' Trust;
 - (ii) the secured debt owed to PURE by the companies in the Mighty Craft Group will be reduced;



- (iii) the Deed Administrators will retire and full control and stewardship of the companies in the Mighty Craft Group will entirely revert to its directors;
- (iv) all claims of creditors in the Mighty Craft Group that arose on or before the Appointment Date other than the Excluded Claims will be extinguished and released and transferred to the Creditors' Trust where they will become "Trust Creditors"). Excluded Claims comprise PURE's claim in respect of its Residual Secured Debt, claims under certain contracts designated as "Continuing Contracts" and claims of Employees (in their capacity as Employees) whose employment is continuing as at Completion; and
- (v) Trust Creditors whose claims are admitted by the Trustees will only be entitled to be paid from the Creditors' Fund in the order of priority set out in the Creditors' Trust Deed. The Creditors' Fund will comprise the DOCA Contribution payable by PURE and the Settlement Sum of \$10.

46 The DOCA Contribution comprises the sum of:

- (a) the Costs Cap, being an amount agreed in writing by the Deed Administrators and PURE on account of the Administrators' and Deed Administrators' Remuneration and Costs;
 - (b) to the extent not already paid in accordance with clause 6.5(b) of the DOCA, the Priority Employee Amount, being an amount agreed in writing by the Deed Administrators and PURE to satisfy claims of Employees (other than Continuing Employees) to the extent those claims would have priority under the Corporations Act in a winding up; and
 - (c) the Ex Gratia Sum, being the sum of \$100,000,
- less any Working Capital Amounts which PURE may direct the Deed Administrators to transfer to the Creditors' Trust to form part of the Creditors' Fund in accordance with clause 6.9(b) of the DOCA.

47 Completion of the DOCA is conditional on nine conditions being satisfied (see clause 4.1 of the DOCA) by the CP Satisfaction Date (30 November 2024 unless otherwise extended) being:

- (a) the execution of the DOCA by each party to it – which has occurred;



- (b) the execution of the Creditors' Trust Deed by each person named as a Party to it - this is intended to occur at Completion and is in the control of the Deed Administrators;
- (c) the Deed Administrators obtaining any waiver from ASX in connection with the proposed transfer of Shares that PURE and the Deed Administrators agree is required. As MCL is no longer listed on the ASX, no waiver from the ASX is required;
- (d) the Deed Administrators obtaining the Section 444GA Order the subject of this application;
- (e) the Deed Administrators obtaining ASIC Relief - the status of the application for ASIC Relief is set out in paragraphs 64 to 68 below.
- (f) the Deed Administrators obtaining the Independent Expert Report - this report has been obtained – see paragraph 62 below;
- (g) PURE obtaining the "Better Beer Consent" being a written consent or a waiver from the shareholders of Better Beer Holdings (excluding PURE and Mighty Craft Beer Pty Ltd) in connection with the change of control that will arise if PURE or its nominee acquires all of the shares in MCL or any other company that directly or indirectly controls Mighty Craft Beer Pty Ltd. The status of this item will be the subject of an updating affidavit prior to the hearing of the application.;
- (h) the Deed Administrators obtaining, if required by PURE, any "Release Order" being any order from the Court which has the effect of preventing the enforcement of and/or releasing or discharging any security interest granted by any of the companies in the Mighty Craft Group. As at the date of this affidavit, the Deed Administrators have not been instructed by PURE to seek any Release Orders. The status of this item will be the subject of an updating affidavit prior to the hearing of the application; and
- (i) the provision of any release of a security interest granted by any of the companies in the Mighty Craft Group as required by PURE (other than any release under a Release Order). The status of this item will be the subject of an updating affidavit prior to the hearing of the application.

48 On 31 October 2024, the CP Satisfaction Date of 30 November 2024 (as referred to in paragraph 45(c) above) was extended to 13 December 2024 by agreement between PURE and the Deed Administrators.



- 49 The DOCA will terminate other than for effectuation in certain circumstances including if the Conditions are not satisfied or waived by PURE by the CP Satisfaction Date or Completion does not occur before the End Date (being three business days after the date each of the Conditions are satisfied or waived). If the DOCA terminates in these circumstances, it is likely that the companies in the Mighty Craft Group will proceed into liquidation.

Explanatory Statement

- 50 The Deed Administrators have prepared a draft explanatory statement which explains the nature of this application and the proposed share transfer. The draft explanatory statement is at page 523 of Exhibit LH-1.
- 51 The explanatory statement provides information relating to:
- (a) the background to the application the subject of the Originating Process (**Section 444GA Application**);
 - (b) the effect of the Section 444GA Application on the shareholders of MCL;
 - (c) steps to be taken if any interested party (including a shareholder) intends to oppose the Section 444GA Application;
 - (d) a recommendation to seek independent legal, financial and taxation advice before making a decision on whether to take any action in relation to the Section 444GA Application; and
 - (e) further information available to assist shareholders in MCL in deciding whether to appear at the final hearing of the Section 444GA Application.
- 52 The Deed Administrators intend on providing a copy of the explanatory statement (substantially in the form of the draft – to be updated to refer to the orders made at the first directions hearing) through the methods described in the Originating Process and paragraph 54 and 55 below to persons entitled to oppose the Section 444GA Application under section 444GA(2) of the Corporations Act, including:
- (a) the shareholders of MCL;
 - (b) creditors of the Mighty Craft Group; and
 - (c) ASIC.
- 53 In addition, copies will be made available on request to interested parties.
- 54 The Deed Administrators propose to send to shareholders and creditors a circular which contains information as to where the explanatory statement and its attachments can be downloaded by the following means:



- (a) where the Deed Administrators have an email address for a creditor or member (including from the books and records maintained by the Company) by sending a circular by email which includes links to the explanatory statement and its attachments;
- (b) where the Deed Administrators do not have an email address for a creditor or member but the Deed Administrators have a postal address for that creditor or member (including from the books and records maintained by the Company), by sending the circular by post;
- (c) by placing scanned, sealed copies on the website maintained by the Deed Administrators at www.mightycraft.com.au/doca.

- 55 If the Deed Administrators receive a notification of non-delivery of the notice sent by email and the Deed Administrators have a postal address for that creditor or member (including from the books and records maintained by the Company), the Deed Administrators will send the circular by post.
- 56 A copy of the proposed circular is at page 535 of Exhibit LH-1.
- 57 ASIC has been provided with a copy of the draft explanatory statement and the IER (described in paragraph 62 below).
- 58 ASIC confirmed by email to Arnold Bloch Leibler, the solicitors for PURE, on 5 November 2024 that they have no further comments on the draft explanatory statement, at this stage.

No prejudice to shareholders

- 59 Due to the large number of Shares and the large number of shareholders, it is not practicable or indeed possible for the Deed Administrators to seek the written consent of all the shareholders of MCL to the proposed transfer of the Shares to PURE.
- 60 The Deed Administrators understand that the Court will not grant leave under section 444GA(1)(b) of the Corporations Act for the transfer of Shares to PURE (or its nominee), unless the Court is satisfied the transfer will not unfairly prejudice the interests of the shareholders of MCL.
- 61 Having regard to the investigations undertaken to date, and the matters outlined at paragraphs 36 to 40 above and described in further detail in the Section 75-225 Report to Creditors, the Deed Administrators are of the belief that the proposed transfer of Shares to PURE for nil consideration will not cause unfair prejudice to the shareholders of MCL for the following reasons:
- (a) in our opinion, the Shares currently hold no value; and



(b) in our opinion, under the alternative liquidation scenario discussed at paragraph 36(b) above, we have estimated that there will be a nil return for the ordinary unsecured creditors of MCL and a nil return for the shareholders of MCL.

62 To assist the Court in determining the Section 444GA Application and ASIC in assessing the application for ASIC Relief (as defined at paragraph 65(c) below), the Deed Administrators engaged Leadenhall Corporate Advisory Pty Ltd (**Leadenhall**) to provide an independent expert valuation of the Shares on a liquidation basis. A copy of the independent expert report from Leadenhall dated 3 October 2024 (**IER**) is at page 539 of Exhibit LH-1.

63 As set out at page 3 of the IER (page 541 of Exhibit LH-1), Leadenhall have valued in the Shares on a liquidation basis as having zero value.

ASIC Relief

64 As MCL is a public company, it is subject to the takeovers prohibitions in section 606 of the Corporations Act. In this regard, the Deed Administrators are proceeding on the basis that section 444GA of the Corporations Act does not operate to the exclusion of the takeover provisions set out in Chapter 6 of the Corporations Act.

65 The Deed Administrators are also proceeding on the basis that:

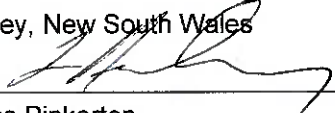
- (a) it would be unlawful for PURE to acquire more than 20% of the issued share capital of MCL without complying with Chapter 6 of the Corporations Act, unless one of the exceptions in section 611 of the Corporations Act applies;
- (b) none of the exceptions in section 611 of the Corporations Act applies; and
- (c) ASIC relief from the takeover provisions in Chapter 6 of the Corporations Act is therefore required to enable the Shares to be lawfully transferred to PURE (or its nominee) as contemplated by the DOCA (**ASIC Relief**).

66 In addition to the Deed Administrators obtaining the Section 444GA Order, as noted at paragraph 47(d), Completion under the DOCA is amongst other things, conditional on ASIC granting ASIC Relief (see clause 4.1 of the DOCA).

67 On 22 October 2024, an application to ASIC for ASIC Relief was submitted by Arnold Bloch Leibler, the solicitors for PURE.



68 ASIC confirmed receipt of the application to Arnold Bloch Leibler, the solicitors for PURE, on 24 October 2024.

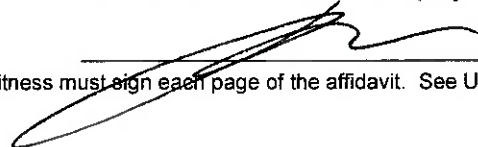
SWORN at Sydney, New South Wales
 Signature of deponent 
 Name of witness James Pinkerton
 Address of witness Level 25, 85 Castlereagh Street, Sydney NSW 2000
 Capacity of witness Solicitor

And as a witness, I certify the following matters concerning the person who made this affidavit (the deponent):

1 I saw the face of the deponent
 2 I have confirmed the deponent's identity using the following identification document:

NSW Drivers Licence

Identification document relied on (may be original or certified copy)*

Signature of witness 

Note: The deponent and witness must sign each page of the affidavit. See UCPR 35.7B.

[* "Identification documents" include current driver licence, proof of age card, Medicare card, credit card, Centrelink pension card, Veterans Affairs entitlement card, student identity card, citizenship certificate, birth certificate, passport or see [Oaths Regulation 2011](#) or refer to the guidelines in the NSW Department of Attorney General and Justice's "[Justices of the Peace Handbook](#)" section 2.3 "Witnessing an affidavit" at the following address: <http://www.jp.nsw.gov.au/Documents/jp%20handbook%202014.pdf>]

Attachment 6 – Procedural Orders



Issued: 8 November 2024 2:44 PM

JUDGMENT/ORDER

COURT DETAILS

Court	Supreme Court of NSW
Division	Equity
List	Corporations List
Registry	Supreme Court Sydney
Case number	2024/00414717

TITLE OF PROCEEDINGS

First Plaintiff	(SUBJECT TO DEED OF COMPANY ARRANGEMENT) (ACN 622 810 897) QUENTIN OLDE AND LIAM HEALEY IN THEIR CAPACITY AS DEED ADMINISTRATORS OF MIGHTY CRAFT LIMITED
Second Plaintiff	MIGHTY CRAFT LIMITED
First	

DATE OF JUDGMENT/ORDER

Date made or given	8 November 2024
Date entered	8 November 2024

TERMS OF JUDGMENT/ORDER

VERDICT, ORDER OR DIRECTION:

Directions as to notice of application and allocation of hearing date.

Black J makes orders (as amended) in accordance with Short Minutes of Order initialled by him and placed in the file.

THE COURT ORDERS THAT:

1 The First Plaintiffs (Deed Administrators) give notice to each of the creditors and members of the Second Plaintiff (Company) of:

- (a) the Originating Process;
- (b) Explanatory Statement substantially in the form set out at Page 523 of Exhibit LH-1 (Explanatory Statement) to the affidavit of Liam Healey sworn on 7 November 2024 (Healey Affidavit);
- (c) the Healey Affidavit; and
- (d) these orders of the Court

by the following methods:

- (e) within 3 business days of the date of the orders where the Deed Administrators have an email address for a creditor or member (including from the books and records maintained by the Company) by sending a circular substantially in the form of the circular at page 535 of the Healey Affidavit (Circular) by email which includes links to the explanatory statement and its attachments;
- (f) within 3 business days of the date of the orders where the Deed Administrators do not have an email address for a creditor or member but the Deed Administrators have a postal address for that

creditor or member (including from the books and records maintained by the Company), by sending the Circular by post;

(g) within 1 business day of the date of the orders by placing scanned, sealed copies on the website maintained by the Deed Administrators at www.mightycraft.com.au/doca.

2 If the Deed Administrators receive a notification of non-delivery of the notice sent by email in accordance with paragraph 2(e) above and the Deed Administrators have a postal address for that creditor or member (including from the books and records maintained by the Company), the Deed Administrators will send the Circular by post within 1 business day of the receipt of the notification of non-delivery.

3 Any interested person wishing to appear at the hearing of this application is to file and serve on the Plaintiffs and the Australian Securities and Investments Commission a Notice of Appearance in the prescribed form and indicating the grounds of opposition by 5pm on 6 December 2024.

4 Any interested person who is entitled to oppose this application pursuant to section 444GA(2) of the Corporations Act 2001 (Cth) (Corporations Act) may apply to be joined as a respondent to this application by no later than 5pm on 6 December 2024.

5 The Plaintiffs to send to the Associate to Nixon J and serve on any party who has filed a notice of appearance in accordance with Order 3 above, written submissions not exceeding 10 pages in length by 5pm on 10 December 2024.

6 The Plaintiffs file any further evidence upon which they intend to rely on the application, including any supplementary affidavits deposing as to any correspondence or communications received by the Deed Administrators from any interested person who is entitled to oppose this application pursuant to section 444GA(2) of the Corporations Act and any responsive correspondence or communication from the Deed Administrators, by 5pm on 10 December 2024.

7 The application be listed for hearing before Nixon J at 10am on 11 December 2024, with an estimated length of 2 hours if not opposed.

8 The plaintiffs and any interested persons have liberty to apply on three business days' written notice, specifying the relief sought.

SEAL AND SIGNATURE



Signature Rebel Kenna
Capacity Principal Registrar
Date 8 November 2024

If this document was issued by means of the Electronic Case Management System (ECM), pursuant to Part 3 of the Uniform Civil Procedure Rules (UCPR), this document is taken to have been signed if the person's name is printed where his or her signature would otherwise appear.

PERSON PROVIDING DOCUMENT FOR SEALING UNDER UCPR 36.12

Name (SUBJECT TO DEED OF COMPANY ARRANGEMENT) (ACN 622 810 897) QUENTIN OLDE AND LIAM HEALEY IN THEIR CAPACITY AS DEED ADMINISTRATORS OF MIGHTY CRAFT

LIMITED, Plaintiff 1
MIGHTY CRAFT LIMITED, Plaintiff 2

Legal representative David James Walter
Legal representative reference
Telephone 02 9373 7700

FURTHER DETAILS ABOUT Plaintiff(s)

First Plaintiff
Name (SUBJECT TO DEED OF COMPANY ARRANGEMENT) (ACN 622 810 897) QUENTIN OLDE AND LIAM HEALEY IN THEIR CAPACITY AS DEED ADMINISTRATORS OF MIGHTY CRAFT LIMITED
Address Level 8
333 George Street
SYDNEY NSW 2000
Telephone
Fax
E-mail
Client reference

Second Plaintiff
Name MIGHTY CRAFT LIMITED
ACN 622810897
Address Level 8
333 George Street
SYDNEY NSW 2000
Telephone
Fax
E-mail
Client reference

Legal representative

Name David James Walter
Practicing certificate number 43084
Address Level 25
85 Castlereagh Street
SYDNEY NSW 2000
DX address DX 218 Sydney NSW
Telephone 02 9373 7700
Fax 02 9225 1595
Email david.walter@aoshearman.com
Electronic service address david.walter@aoshearman.com

FURTHER DETAILS ABOUT (s)