



**McWilliam's Wines Group Ltd
ACN 000 024 108
Mount Pleasant Wines Pty Ltd
ACN 000 024 813
(Both Subject to Deed of
Company Arrangement)**

Report to Creditors

14 January 2021

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Glossary

Term	Description
ACN	Australian Company Number
Act	Corporations Act 2001 (Cth)
Administrators	Gayle Dickerson, Ryan Eagle and Tim Mablesen
ARITA	Australian Restructuring, Insolvency & Turnaround Association
ASIC	Australian Securities & Investments Commission
ATO	Australian Taxation Office
Code	ARITA Code of Professional Practice
COI	Committee of Inspection
Conditions Precedent	Conditions precedent as set out in clause 6.1 of the DOCA
Colliers	Colliers International (NSW) Pty Limited (ACN 001 401 681)
The Group/ Deed Companies	McWilliam's Wines Group Ltd and Mount Pleasant Wines Pty Ltd (both Subject to Deed of Company Arrangement)
Deed Administrators	Gayle Dickerson, Ryan Eagle and Tim Mablesen
Deed Proponent	MCW BidCo Pty Ltd is an entity owned (through interposed entities) by Prcstnt Asset Management
Directors	The directors of McWilliam's Wines Group: James Brayne, Lisa Ashton and Jeffrey McWilliam The director of Mount Pleasant: Jeffrey McWilliam
DIRRI	Declaration of Independence, Relevant Relationships and Indemnities, pursuant to s436DA of the Act and Code
DOCA	Deed of Company Arrangement executed by the Group, MCW and the Administrators dated 3 August 2020
DOCA Meeting	Meeting of creditors of the Group to be held on 2 February 2021
Further Extension	MCW request for a further extension to 5pm on 15 December 2020 which was not granted as conditions 1 and 2 were not fulfilled.
IER	Independent Expert Report prepared by Grant Thornton
IPR	Insolvency Practice Rules (Corporations) 2016 (Cth)
M&G	M & G Brands Limited, a related entity of E. & J. Gallo Winery
MCW	MCW BidCo Pty Ltd
McWilliam's Wines Group	McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement) (ACN 000 024 108)
Mount Pleasant	Mount Pleasant Wines Pty Ltd (Subject to Deed of Company Arrangement) (ACN 000 024 813)
NDA	Non-disclosure agreements

Term	Description
POD	Formal Proof of Debt Claim or Form 535
PMSI	Purchase Money Security Interest
PPSR	Personal Property Securities Register
Second Meeting of Creditors	Second meeting of creditors of the Group held on 24 July 2020 pursuant to IPR 75-225 and Section 439A of the Act, where creditors passed a resolution requiring the Group to execute a DOCA
Section 444GA Application	An application to the Court pursuant to Section 444GA of the Corporations Act 2001
Shares	Issued shares in McWilliam's Wines Group
Sunset Date	30 November 2020 as per DOCA
VA	Voluntary Administration

1 Introduction

1.1 Background

On 8 January 2020, Gayle Dickerson, Ryan Eagle and Tim Mableson, were appointed as joint and several Administrators of the following companies by the Directors pursuant to Section 436A of the Corporations Act 2001 (**Act**):

- McWilliam's Wines Group
- Mount Pleasant Wines

At a meeting of creditors of the Group held on 24 July 2020 (**Second Meeting of Creditors**), creditors passed a resolution that the Group execute a Deed of Company Arrangement pursuant to Part 5.3A of the Act. The DOCA was executed by the Group, the Administrators and MCW on 3 August 2020 and Gayle Dickerson, Ryan Eagle and Tim Mableson were also appointed as Deed Administrators of the Group on 3 August 2020.

As set out in our most recent circular to creditors dated 10 December 2020, the DOCA has not been able to be completed as per the terms of the DOCA. Accordingly, the purpose of this report is to call a meeting of creditors in accordance with the DOCA to consider the options for the Group including any potential sale and recapitalisation proposals. We have re-engaged Colliers International (NSW) Pty Ltd (**Colliers**) to take the Group back to market, with submissions of final offers to be received by Friday, 29 January 2021.

In general terms, the possible options for the future of the Group include:

1. The Group being placed into liquidation with a sale of the Group's entire business as a going concern by the Liquidators. It is likely this will occur as soon as possible following termination of the DOCA and the Group proceeding into liquidation. If any administration process is required to effect a sale then the Liquidators will consider making an application to Court for the Liquidators to be appointed as voluntary administrators of the Group and proceed to effect any sale while the Group is in voluntary administration; or
2. The Group being placed into liquidation with a view to considering a new DOCA proposal for the sale and recapitalisation of the business of the Group. Any new DOCA proposal can only be considered by creditors in a voluntary administration and would therefore require creditors to firstly resolve to terminate the existing DOCA, placing the Group into liquidation and then the Liquidators making an application to Court as detailed in option 1 for the purposes of, among other things, to allow creditors to consider any new DOCA Proposal; or
3. The Group being placed into liquidation with no going concern sale of the Group's business. Creditors would resolve to terminate the DOCA with the Group placed in liquidation and we, as Liquidators, would proceed with a realisation strategy to orderly wind up the business, its operations and sell the assets over time. This option would still involve limited trading of the business (including the wineries to maintain the bulk wine inventory) until the relevant assets are realised for the benefit of creditors.

As a matter of process, all options require creditors to resolve to terminate the existing DOCA and place the Group into liquidation unless for some reason the Deed Administrators determine the DOCA Meeting should be adjourned for a short period of time to further consider the options for the Group arising from the current sale campaign. Notwithstanding if the Group is placed into liquidation, the trading of the business will continue on a business as usual basis and on the same terms as during the VA and DOCA periods to effect a sale of the business and/or assets for the benefit of creditors.

1.2 Meeting of creditors

The Deed Administrators intend to hold concurrent meetings of creditors of each entity comprising the Group. All creditors are entitled to attend the meeting. The meeting is convened for **10:30AM (AEDT) on Tuesday, 2 February 2021 (DOCA Meeting)**. Creditors who wish to participate in the DOCA Meeting must complete and submit the following forms to this office by **4:00PM (AEDT) on Friday, 29 January 2021**.

Form	Comments
Appointment of proxy (form 532)	<ul style="list-style-type: none"> – To facilitate the process for voting on resolutions at the DOCA Meeting held by telephone conference, the Deed Administrators request corporate and individual creditors (including employees) submit a “Special Proxy” instead of a “General Proxy”. – Corporate creditors must appoint an individual to act on its behalf (note this can be the Chairperson). – Individuals voting in person are not required to complete this form but must complete this form if a representative is appointed to vote on their behalf. – Please note that proxy forms submitted during the Voluntary Administration are not valid at the DOCA Meeting. A new proxy form must be submitted.
Proof of debt (form 535)	<ul style="list-style-type: none"> – Creditors must submit documentation to support the amount they have claimed (i.e. unpaid invoices, payslips etc.). – Creditors who have already submitted a POD are not required to resubmit a POD form unless the amount claimed has changed.

Please note, in line with the Government’s safe distancing measures put in place in response to the current COVID-19 pandemic, the **DOCA Meeting will be held by telephone conference using Microsoft Teams**.

To attend by telephone conference, please email your Appointment of Proxy (form 532) and/or POD (form 535) to mcwilliams@kpmg.com.au no later than **4.00PM (AEDT) on Friday, 29 January 2021**.

Once received you will be provided with a telephone conference call code to join the DOCA Meeting. Voting on resolutions to be considered during the DOCA Meeting will be conducted by a poll. Please note that due to the numbers that may be attending the DOCA Meeting, to facilitate the recording of attendees and voting, we request all creditors consider submitting a **Special Proxy** form no later than **4:00PM (AEDT) on Friday, 29 January 2021** setting out how you intend to vote on the resolutions to be considered at the DOCA Meeting. Further details regarding the resolutions are located at Section 7 of this report.

1.3 Declaration of independence, relevant relationships and indemnities

In accordance with Section 436DA of the Act and the Code, a DIRRI was **enclosed** with the Voluntary Administrators’ first communication to creditors (and tabled at the first meeting of creditors during the voluntary administration).

The DIRRI disclosed information regarding the Administrators’ independence, prior personal or professional relationships with the Group or related parties and any indemnities received in relation to the appointment. This assessment identified no real or potential risks to the Administrators’ independence.

There has been no change in the declaration since that time.

2 DOCA

2.1 Tasks completed by Deed Administrators in anticipation of Completion

The executed DOCA stipulated that Completion was conditional upon certain conditions precedent being satisfied or waived on or prior to the Sunset Date (being 30 November 2020).

The conditions precedent to Completion pursuant to the DOCA were as follows:

- ASIC granting such exemptions or modifications from Chapter 6 of the Act pursuant to section 655A of the Act as necessary to permit the transfer of the issued shares in McWilliam’s Wines Group (**Shares**) to MCW (or another person or entity as notified by MCW);
- The Deed Administrators and each Deed Company executing and exchanging the Creditors’ Trust Deed;
- A Court making an order pursuant to section 444GA of the Act regarding the transfer of the Shares to MCW;

- d) A resolution being passed by the Directors of each of the Deed Companies appointing the New Directors as directors of the Deed Companies and acknowledging the resignations of the Directors from the Deed Companies with effect from Completion and subject to each of those New Directors delivering a signed consent to act as a director and each Director having delivered a signed notice of resignation to the Deed Administrators;
- e) The execution of such documents as MCW may reasonably require in order to confirm the continuation of specified leases and contracts (as appropriate and as defined in the DOCA) that will remain in place at and immediately after Completion;
- f) The cancellation of any options or performance rights on issue in McWilliam's Wines Group and its subsidiaries for nil consideration, such that ordinary shares are the sole class of securities in McWilliam's Wines Group and its subsidiaries;
- g) The Deed Administrators procuring the release of certain securities at and from Completion;
- h) M&G (as defined in the DOCA) and McWilliam's Wines Group entering into a deed of assignment in relation to certain intellectual property owned by M&G, which would require the debt due to M&G and/or its related entities to be discharged (refer Section 4.2);
- i) The Key Employees confirming to the Deed Administrators within five business days prior to the Implementation Date that it is their present intention not to resign before, at or immediately following Completion and remaining employed by the date the Conditions Precedent are satisfied or waived;
- j) The Deed Companies procuring the removal of specific assets from the premises that the Deed Companies will continue to occupy from Completion including, but not limited to, inventory on consignment and certain excluded stock (as defined in the DOCA);
- k) The Deed Companies terminating all leases and licences to occupy real property other than the leases that are to continue following completion of the DOCA; and
- l) Completion is conditional upon each of the Key Employees remaining employed by the date the last of the Conditions Precedent is satisfied.

(Conditions Precedent)

Each of the Conditions Precedent were satisfied by the Deed Administrators. This was confirmed by the Deed Proponent on 27 November 2020.

Below is a timeline that summarises key actions since the Second Meeting of Creditors that were undertaken by the Deed Administrators to satisfy the Conditions Precedent.

Date	Key Action
24-Jul-20	Second Meeting of Creditors of the Group approving Execution of the DOCA proposed by MCW.
03-Aug-20	Execution of DOCA with MCW.
Aug 20	Grant Thornton engaged by Deed Administrators to prepare an Independent Expert Report (IER) for the purposes the Section 444GA Application.
24-Sep-20	IER finalised by Grant Thornton.
29-Sep-20	Section 444GA Application filed with the Federal Court of Australia to seek orders for the transfer of shares in McWilliam's Wines Group to MCW.
09-Oct-20	Notification from ASIC of an in principle decision to provide relief pursuant to Section 606 of the Act, subject to the Court granting relief pursuant to the Section 444GA Application.
16-Oct-20	Proposed stocktake action plan issued to MCW via its lawyers for approval, on the premise of Completion on 30 October 2020 and Implementation on 2 November 2020 but later revised for Completion on 27 November 2020 and Implementation on 30 November 2020.
19-Oct-20	Justice Farrell of the Federal Court of Australia heard the Section 444GA Application and handed down Orders granting leave for the Deed Administrators to transfer all issued shares in McWilliam's Wines Group to MCW in accordance with terms of the DOCA.
02-Nov-20	Email to MCW via its lawyers seeking confirmation that Stocktake can commence on 19 November 2020 for Completion on 27 November 2020 and then Implementation of the DOCA to occur on 30 November 2020. Acknowledgement received to proceed.

Nov 20	Various discussions and correspondence between the Deed Administrators and MCW regarding Completion and Implementation of the DOCA.
19-Nov-20 to 25-Nov-20	KPMG staff overseeing Stocktake at Mount Pleasant Winery and Hanwood Winery and assisting the Group's staff to provide MCW with the Completion Stock Value to be agreed by MCW or its representative in accordance with clause 16.2(b) of the DOCA.
26-Nov-20	Completion Stock Value provided to MCW in accordance with clause 16.2(b) of the DOCA.
27-Nov-20	Deed Administrators provide MCW with a Supplementary Stocktake Statement advising a revised Completion Stock Value to be agreed by MCW or its representative in accordance with clause 16.2(b) of the DOCA.
27-Nov-20	<p>Email from the Deed Administrators, via their lawyers, to the lawyers for MCW stating that it was the Deed Administrators' view that the Conditions Precedent had been satisfied or otherwise waived and that the Deed Administrators and MCW were working towards Implementation occurring at 11am on 30 November 2020.</p> <p>Confirmation email from MCW via its lawyers acknowledging that there were no outstanding Conditions Precedent and confirming Implementation at 11am on 30 November 2020.</p>

2.2 Events in the lead up to the proposed termination of DOCA

The following timeline summarises key events since 27 November 2020:

Key events since 27 November 2020	
Date	Key Action
29-Nov-20	Email from Deed Administrators to MCW, via respective lawyers, setting out, amongst other things, payment directions for Implementation.
30-Nov-20	11am pre-Implementation meeting held between the respective lawyers of the Deed Administrators and MCW where it was agreed that the documents to be provided to MCW at Implementation were in order.
30-Nov-20 to 04-Dec-20	Various meetings, discussions and correspondence between the Deed Administrators and MCW and their respective lawyers regarding Implementation.
04-Dec-20	<p>Email from MCW via its lawyers sent at 4.56pm requesting an extension of the Agreed Implementation Date to 5.00pm on Tuesday 8 December 2020.</p> <p>Email from the Deed Administrators via their lawyers to the lawyers for MCW sent at 10.17pm advising that the Deed Administrators would only agree to an extension of the Implementation Date if MCW made payment of a Non-Refundable Implementation Date Extension payment in the amount of \$500,000 which would be deducted from the total amount to be paid pursuant to clause 7.2 of the DOCA by 10am on Monday, 7 December 2020.</p>
07-Dec-20	Email from MCW via its lawyers sent 9.29am advising that MCW will be unable to make the Non-Refundable Implementation Date Extension payment. The email further advised that MCW would continue to attempt to resolve the matters as quickly as possible to have the funding to be able to complete on short notice.
07-Dec-20	After consultation with the COI, the Deed Administrators via their lawyers sent an email to MCW advising amongst other things, that the Deed Administrators agreed to extend the Agreed Implementation Date to 5.00pm on Tuesday, 8 December 2020.

08-Dec-20	The Deed Administrators had various communications throughout the day directly with MCW to discuss Implementation of the DOCA and requested meetings with MCW's investors to confirm that the funds were readily available.
08-Dec-20	<p>Email from the Deed Administrators via their lawyers to MCW sent at 11.03pm noting that the Proponent Contribution was not paid pursuant to clause 7.2 of the DOCA.</p> <p>The email also confirmed discussions throughout the course of the day between the Deed Administrators and MCW, that, amongst other things:</p> <ol style="list-style-type: none"> 1. MCW would make the Non-Refundable Implementation Date Extension Payment; and 2. MCW would provide confirmation in writing from its investors that they will release the Proponent Contribution for payment as required by clause 7.2 of the DOCA upon receipt of certain information to be provided to them by MCW.
09-Dec-20	<p>Email from Charles Hunting of MCW received shortly prior to the Second COI Meeting on Wednesday, 9 December advising that:</p> <ol style="list-style-type: none"> 1. He is prepared to make payment of the Non-Refundable Implementation Date Extension Payment from his personal funds if an extension for Implementation of the DOCA is provided until close of business on Tuesday, 15 December 2020; and 2. Investors of MCW will provide written confirmation of funding availability and steps to release the funds on behalf of all investors to ensure payment of the Proponent Contribution.
09-Dec-20	<p>After consultation with the COI on Wednesday, 9 December, the Deed Administrators granted the Further Extension on the following conditions:</p> <ol style="list-style-type: none"> 1. A non-refundable amount of \$500,000 was paid by MCW to the Deed Administrators by close of business on Wednesday, 9 December 2020; and 2. MCW provide the Deed Administrators with unequivocal evidence in writing from its investors that funds were immediately available to make payment of the amounts payable by MCW to the Deed Administrators' account in accordance with the terms DOCA by close of business, 9 December 2020.
10-Dec-20	MCW failed to adhere to the conditions provided to it by the Deed Administrators on 9 December 2020. A breach of DOCA notice was issued to MCW accordingly.

2.3 Committee of Inspection Meetings

At the Second Meeting of Creditors, creditors resolved to appoint a COI to McWilliam's Wines Group only. Details of the six members of the COI are available in the minutes of the Second Meeting of Creditors. The COI has been kept apprised by and consulted with the Deed Administrators in relation to the extensions sought by MCW and non-completion of the DOCA.

The matters discussed at the COI meetings are summarised in the following table:

Meeting date	Matters discussed
7 December 2020	<ul style="list-style-type: none"> – Non-completion of the DOCA; and – Consultation regarding extension sought by MCW.
9 December 2020	<ul style="list-style-type: none"> – Non-completion of the DOCA; and – Consultation regarding extension sought by MCW.

Meeting date	Matters discussed
16 December 2020	<ul style="list-style-type: none"> – Advising that DOCA has not been able to be completed as per terms of the DOCA; and – Sale of business and trading update.
21 December 2020	<ul style="list-style-type: none"> – Sale of business and trading update.

Further, a fifth COI meeting has been called for 18 January 2021 to discuss the sale of the business and provide a further trading update.

3 Sale update

As a result of the non-completion of the DOCA, the Deed Administrators re-engaged Colliers as sales agent for a further sale and marketing campaign. In conjunction with Colliers, we have developed the following timetable for the sale process which is summarised below.

Date	Milestone
10 December 2020	– Deed Administrators re-engaged Colliers to act as sales agent
10 December 2020	– Deed Administrators open data room with comprehensive information available from the previous sale campaign still populated
11 December 2020	– Colliers issues media release advising the sale process has been reopened
11 December 2020	– Colliers media release published in the Australian Financial Review (Weekend edition and online news) and over 50 other publications.
14 December 2020	– Colliers advertisement placed in the Australian Financial Review for the sale of the Group
14-23 December 2020	– Colliers and/or the Deed Administrators speak with all under-bidders from the previous sale campaign
15 December 2020	– First site inspection undertaken by an interested party at Hanwood
16 December 2020	– Colliers E-brochure distributed to database of over 5,900 parties
21 December 2020	– Colliers emailed all parties that had previously expressed an interest in purchasing the Group to advise the sale process has been reopened and to advise them of the sale timetable
22 December 2020	– Colliers media release published in The Australian
28 December 2020	– Pro forma sale contracts placed in the data room (based on the contracts prepared for the previous sale campaign)

Date	Milestone
From 14 January 2021	– Site inspections at both Hanwood and Mt Pleasant by interested parties recommence
29 January 2021	– Deadline set for binding final offers to be received

The timetable above represents a truncated sale campaign given the Group has been taken to market previously, the failed DOCA, the need to achieve a timely outcome for the employees and creditors, as well as proximity to the upcoming Vintage.

Following advice from Colliers the Group's target market is:

- those parties that are largely familiar with the Group's assets, business and structure as a result of the extensive sale process that was previously undertaken;
- many of the interested parties who are under-bidders who had previously completed due diligence; and
- any new parties who upon execution of a non-disclosure agreement (**NDA**) would be granted access to the data room which is already populated with all due diligence material.

Colliers have advised in their media release and directly to all interested parties that binding final offers will need to be submitted by **4.00pm (AEDST) on Friday, 29 January 2021**.

As at the date of this report, Colliers have provided the following feedback:

1. Over 25 NDAs have been executed by parties that were not part of the previous sale campaign;
2. Various conversations are being had with under-bidders who are progressing based on their previous offers submitted; and
3. Site inspections are being arranged for interested parties for both Hanwood and Mount Pleasant from 14 January 2021.

We expect to be able to provide details of the binding final offers received at the DOCA Meeting. Our priority is to achieve a sale of the Group's entire business on a going concern basis in the timeliest manner possible, otherwise, separate sales of Hanwood and Mount Pleasant would need to be considered.

4 Trading update

The Deed Administrators' have maintained the day to day management and control of the Group in the 'ordinary course of business' as per the terms outlined in the DOCA and have continued to work closely with senior management to ensure the ongoing operations of the Group remain stable and viable. Given Completion of the DOCA was anticipated, the Deed Administrators had not considered planning for Vintage 2021. From the Sunset Date, a priority of the Deed Administrators, working in conjunction with senior management, has been assessing cash flow projections to ensure that Vintage 2021 can be undertaken, which was recently confirmed by the Group. It is imperative in Colliers' view, which we agree with, that committing to undertake Vintage 2021 and retaining as much of the existing grower base as possible will provide the best chance of achieving a sale of the business as a going concern, which we consider the best result for all stakeholders.

4.1 Vintage 2021

Based on Colliers' view, which includes feedback received from interested parties via the sale process, the Group will proceed with Vintage 2021 at both the Hanwood winery and the Mount Pleasant winery.

A growers meeting was held at the Hanwood winery on 16 December 2020 to ensure support from the growers for the Hanwood winery to proceed with Vintage 2021. As an outcome of that meeting and based on our assessment with

senior management, offer letters were issued to growers on 21 December 2020. This assessment and the offers issued involved the formulation of a grower matrix to determine the optimum volume of supply from each grower to align with the Group's product portfolio strategy for 2021 and modelling of short and long term cash flow impacts of proceeding with Vintage 2021. Whilst the grower position remains fluid with not all of the growers yet committing to supply the Group for Vintage 2021, a key reason to announce the Group's intention to proceed with Vintage 2021 was to retain as much of the grower base for the Hanwood winery as possible.

The estimated tonnage for Vintage 2021 will be circa 12,000 tonnes at the Hanwood winery with approximately 11,000 tonnes to be processed through the commercial winery and approximately 1,000 tonnes to be processed through the premium cellar. In terms of the Mount Pleasant winery, given there are no external growers and the supply to that winery is all from Group owned vineyards, we estimate approximately 330 tonnes will be processed.

The lower intake for Vintage 2021 will see, relative to past vintages, reductions at the Hanwood winery in respect of:

- casual wages;
- winemaking additives;
- consumables;
- equipment rental;
- utilities; and
- lab and quality control expenses.

We are working closely with senior management to ensure as Vintage 2021 planning continues, that the variable budgeted costs of undertaking the vintage are reduced in line with the estimated intake.

4.2 Trading Receipts and Payments to 31 December 2020

The Deed Administrators' trading receipts and payments for the period 3 August 2020 to 31 December 2020 are summarised below:

Trading receipts and payments from 3 August 2020 to 31 December 2020	Total (inc GST) \$'000
Opening Cash at Bank 3 August 2020	5,353
Trading Receipts	22,587
<i>Less: Trading Payments</i>	<i>(22,296)</i>
Net Trading Surplus	291
<i>Less: Non-Trading Payments</i>	
Employee Superannuation (Pre - Appointment)	(331)
Intellectual Property – M&G	(1,294)
Professional Fees (Administrators, Legal, Valuers, Independent Expert Report)	(1,688)
Agents, Advertising and Marketing	(21)
Closing Cash at bank 31 December 2020	2,310

In respect of the Group's receipts and payments for the period from 3 August 2020 to 31 December 2020, we note:

- The Group has a net trading receipts and payments surplus of \$291,000.
- The total receipts and payments surplus is circa \$2,310,000.
- The above is purely represented on a cash, not accruals basis, ie it does not include open purchase orders, work orders, or future debtor collections of the Group.

Full particulars of the Deed Administrators' receipts and payments for the period 3 August 2020 to 31 December 2020 are detailed at Annexure A of this report.

5 Future of the Group

As discussed above at Section 3, given the final binding offers for the sale of the Group are not due to be received until 29 January 2021, we are unable to provide creditors with a definitive update on the future of the Group until such time as those offers are received and assessed by us.

Given the non-completion of the DOCA, there are a number of options for the Group, with the first step to convene the DOCA Meeting on 2 February 2021. The primary purpose of the DOCA Meeting is to deal with the termination of the existing DOCA with the consequence being that the Group is placed into liquidation.

Notwithstanding the primary purpose of the DOCA Meeting, the following summarises possible outcomes for the future of the Group (following the Group being placed into liquidation), noting that the applicability of a particular option may depend on the final binding offers received:

1. Sale of the Group's Entire Business as a Going Concern – where we receive an offer to acquire the Group's business and assets as a going concern. We would look to complete the transaction as soon as possible following liquidation. Notwithstanding the Group being placed into liquidation, the trading of the business will continue on a business as usual basis and on the same terms as during the VA and DOCA periods until we are able to complete the transaction. We would continue to consult with the COI throughout this period. Subject to the offers received, should the voluntary administration regime be required to complete a sale a Court application may be required as follows:
 - a. In the event of a relatively short settlement period, given the time and cost of a Court application, it may be determined that the Group's business can continue to trade, with the support of all stakeholders, until the sale is settled; or
 - b. In the event it is determined for some reason that trading should not continue in liquidation while working towards effecting settlement (ie where there is a longer settlement for instance), it may be considered advantageous to return to voluntary administration. The Deed Administrators would need to apply to Court for an Order that the Group transitions from liquidation (being the outcome of the DOCA Meeting where the existing DOCA is terminated) to voluntary administration again. From there, the voluntary administration process commences with the outcome of the Group being determined at a new second meeting of creditors. At this second meeting of creditors in the voluntary administration, it would be expected that creditors would only need to determine that the Group be wound up, unless a DOCA proposal dealing with the corporate shell of the Group entities was put forward for some reason.
2. New DOCA Proposal – Given the purpose of the DOCA Meeting on 2 February 2021 is to consider terminating the existing DOCA with the Group then being placed into liquidation, in the event a new DOCA proposal is received, the new DOCA cannot be considered at the DOCA Meeting. Rather, the Deed Administrators would need to apply to Court for an Order that the Group transitions from liquidation to voluntary administration again. At the new second meeting of creditors in the voluntary administration, creditors will be asked to vote on whether to accept the new DOCA proposal. In this scenario, any new DOCA proposal would need to be compelling given that further time and costs would be incurred and the period of uncertainty for the Group's employees and business would continue; or
3. Liquidation with no Going Concern Sale of Entire Business –Where neither of options 1 or 2 above are presented to us via Colliers' sale campaign, as Liquidators we would proceed with a realisation strategy to wind up the business, its operations and sell the assets over time. This option would still involve limited trading of the business (including the wineries to maintain the bulk wine inventory) until the relevant assets are realised for the benefit of all creditors.

6 Return to creditors

In the Voluntary Administrators' report to creditors dated 15 July 2020, we provided an estimated return to creditors based on the offer that we had received for the Group from MCW with a comparison to our liquidation estimate at the time.

Given final binding offers for the sale of the Group are due to be received by 29 January 2021, as at the date of this report, we are not in a position to provide creditors with an estimated outcome or return. However, we hope to be in a position at the DOCA Meeting to provide creditors with a verbal update as to potential outcomes, with a further written report issued thereafter providing a more detailed update and analysis of outcomes.

Notwithstanding the above, we anticipate that our estimated return to creditors in the liquidation scenario will be less than the range provided in our 15 July 2020 report to creditors. This is because of the ongoing impacts of COVID-19 and the recent announcements regarding tariffs imposed by China will have a major impact on the retail domestic price points for bottled wine and the bulk wine market, noting the bulk wine market will ultimately be the realisation platform by which bulk wine stock (circa currently \$11m at cost) would be realised in a liquidation scenario.

7 Meeting of creditors

A meeting of creditors of the Company will be held on **Tuesday, 2 February 2021 at 10:30AM (AEDT)** via teleconference facilities. Attached is a Notice of Meeting of Creditors (**Annexure B**).

At this meeting creditors will be requested to approve additional remuneration for the Deed Administrators and the remuneration of the Liquidators. A summary of the remuneration we will be seeking approval for is outlined in the table below.

DOCA

- Approval for the DOCA remuneration sought is based on actual and forecast work to be undertaken in the period 5 December 2020 to 2 February 2021. Should there be an adjournment of the meeting of additional work be necessary beyond what is contemplated, further approval may be sought from creditors

Liquidation

- Whilst we anticipate liquidation fees may be less than the fee approval requested should a going concern sale occur in the coming months, we provide our estimate of future remuneration for the liquidation based on the assumption that we do not find a purchaser for the Group on a going concern basis and have to wind up the Group and its assets over the period to 30 June 2021. Should additional work be required beyond 30 June 2021, further approval may be sought.

Remuneration Period	Amount (\$ ex GST)
Current remuneration approval sought:	
Deed of company arrangement (DOCA) (additional)	
McWilliam's Wines Group <i>Resolution 1: 5 December 2020 to 2 February 2021*</i>	450,135.00
Mount Pleasant <i>Resolution 3: 5 December 2020 to 2 February 2021*</i>	30,965.00
Total approval sought – deed of company arrangement (if applicable)*	481,100.00
Liquidation (if applicable)	
McWilliam's Wines Group	

Remuneration Period	Amount (\$ ex GST)
<i>Resolution 6: Commencement of Liquidation to 30 June 2021*</i>	839,491.00
Mount Pleasant	
<i>Resolution 8: Commencement of Liquidation to 30 June 2021*</i>	61,014.00
Total approval sought – liquidation (if applicable)*	900,505.00
* Approval for the future remuneration sought is based on an estimate of the work necessary to the termination of the DOCA (unless the DOCA meeting is adjourned) and throughout the liquidation to 30 June 2021. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.	

A summary of the internal disbursements together with internal disbursements we will be seeking approval for at the Meeting is as follows:

Internal Disbursement Period	Amount (\$ ex GST)
Current internal disbursements approval sought:	
Deed of company arrangement (DOCA) (additional)	
McWilliam's Wines Group	
<i>Resolution 2: Execution of the DOCA to Termination of the DOCA*</i>	10,904.00
Total current internal disbursements approval sought - DOCA	10,904.00
Liquidation (if applicable)	
McWilliam's Wines Group	
<i>Resolution 7: Commencement of the Liquidation to 30 June 2021*</i>	10,115.00
Mount Pleasant	
<i>Resolution 9: Commencement of the Liquidation to 30 June 2021 *</i>	2,212.00
Total current internal disbursement approval sought – liquidation*	12,327.00
* Approval for the future internal disbursements sought is based on an estimate of the internal disbursements necessary to the completion of the external administrations. Should additional internal disbursements be necessary beyond what is contemplated, further approval may be sought from creditors.	

Please refer to our Remuneration Approval Request at **Annexure C** for details of the key tasks undertaken throughout the course of the administration to date.

Creditors wishing to vote at the DOCA Meeting, who will not be attending in person or are a company, must complete the attached a Form 532 – Appointment of Proxy (**Annexure D & E**) and a Form 535 – Proof of Debt (**Annexure F**) and lodge with this office before the DOCA Meeting and, in any event, no later than **4.00PM (AEDT) on 29 January 2021**. Forms can be scanned and emailed to mcwilliams@kpmg.com.au.

A person is not entitled to vote at the DOCA Meeting unless they provide particulars of the debt or claim to the Deed Administrators before the DOCA Meeting. All creditors must furnish full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Group or any lien over goods in their possession which are the property of the Group.

Please note, in line with the Government's safe distancing measures put in place in response to the current COVID-19 pandemic, the **DOCA Meeting will be held by telephone conference using Microsoft Teams**.

To attend by telephone conference, please email your Appointment of Proxy (form 532) and/or POD (form 535) to mcwilliams@kpmg.com.au no later than **4.00PM (AEDT) on 29 January 2021**.

Once received you will be provided with a telephone conference call code to join the DOCA Meeting. Voting on resolutions to be considered during the DOCA Meeting will be conducted by a poll. Please note that due to the numbers that may be attending the DOCA Meeting, to facilitate the recording of attendees and voting, we request all creditors consider submitting a **Special Proxy** form no later than **4:00PM (AEDT) on Friday, 29 January 2021** setting out how you intend to vote on the resolutions to be considered at the DOCA Meeting.

Dated this 14th day of January 2021



Gayle Dickerson
Deed Administrator

Annexures

A – Receipts & Payments

Receipts and payments from 3 August 2020 to 31 December 2020		Total \$
Receipts		
Sales		19,799,349.05
Export Sales		1,383,406.35
Other Income		1,346,214.51
Interest Income		669.61
Accounts Receivable (Pre-Appointment)		46,972.00
Cash at bank		5,353,186.18
Fuel tax credits		10,637.00
Total receipts		27,940,434.70
Payments		
Advertising		(89,713.09)
Agent fees (IER)		(279,015.00)
Bank Charges		(10,131.04)
Creditor Trust Costs		(500.00)
Customs Duty		(100,321.13)
DOCA Appointee Disbursements		(4,713.14)
DOCA Appointee Fees		(723,600.35)
Employee Reimbursements		(96,082.16)
Employee Superannuation (Pre Appointment)		(331,002.27)
FBT Expense		(11,461.00)
Financial Reporting Costs		(27,720.00)
Foreign Currency Gain (Loss)		(56.51)
Freight		(1,332,959.12)
Fuel & Oil		(125,816.23)
GST Paid		(672,143.00)
Hire & Leasing		(540,160.12)
Interest Expense		(100,273.96)
Insurance		(678,819.89)
Intellectual Property - M&G		(1,246,992.00)
Legal Fees		(503,113.96)
Materials		(8,815,309.46)
Motor Vehicle Expenses		(29,031.83)
MTP Appointee Fees		(34,405.85)
Other - Trademark		(27,500.00)
Payroll Tax		(216,877.40)

Postage	(7,467.61)
Printing & Stationery	(1,199.70)
PMSI Claims	(47,346.12)
Rebates	(59,028.86)
Rent & Rates	(706,901.53)
Repairs & Maintenance	(523,927.75)
Sales Commission	(100,448.62)
Software Expenses	(338,127.84)
Subcontractors	(962,738.36)
Sundry Expenses	(267,930.31)
Superannuation Paid	(238,271.69)
Telephone & Fax	(94,896.90)
Utilities	(407,898.35)
VA Appointee Disbursements	(1,761.72)
VA Appointee Fees	(85,571.20)
Wages and salaries (incl. PAYG)	(3,876,452.00)
Waste & Cleaning Expenses	(84,623.55)
Wine Equalisation Tax	(1,827,828.00)
Total payments	(25,630,138.62)
Cash at bank at 31 December 2020	2,310,296.08

B – Notice of meeting of creditors

Notice of meeting of creditors

Insolvency Practice Rules (Corporations) 2016, Section 75-15

McWilliam's Wines Group Ltd ACN 000 024 108
Mount Pleasant Wines Pty Ltd ACN 000 024 813
(Both Subject to Deed of Company Arrangement) ("the Group")

NOTICE is given that a meeting of creditors of the Group will be held on 2 February 2021 at 10:30AM (AEDT). Please note, in line with the Government's safe distancing measures put in place in response to the current COVID-19 pandemic, this meeting will be held via teleconference facilities. Please do not attend at KPMG's offices.

Agenda

1. To receive and consider a report from Deed Administrators'.
2. To fix the remuneration and internal disbursements of the Deed Administrators of the Group
3. To resolve that:
 - a) Deed of Company Arrangement be terminated and the Group be wound up.
4. If it is resolved that the Group be wound up, consider whether a Committee of Inspection is to be appointed, and if so, the members of that Committee whether a Committee of Inspection is to be appointed.
5. Any other business that may be lawfully brought forward.

For a person to be eligible to attend and vote at the meeting on your behalf, a Form 532, Appointment of Proxy, is to be completed and submitted by no later than **4:00 PM (AEDT) on 29 January 2021**, to:

McWilliam's Wines Group Ltd (Subject to DOCA)
c/- KPMG
Tel: +61 2 9273 5594
Email: mcwilliams@kpmg.com.au

Note:

A company may only be represented by proxy or by an attorney appointed pursuant to IPR Sections 75-25 and 75-150 or, by a representative appointed under Section 250D of the Act.

Voting on resolutions to be considered during the meeting will be conducted by a poll. Please note that due to the numbers that may be attending the meeting, to facilitate the recording of attendees and voting, we request all creditors consider submitting a Special Proxy Form no later than **4:00 PM (AEDT) on 29 January 2021** setting out how you intend to vote on the resolutions to be considered at the meeting.

You must also lodge a POD setting out the particulars of the claim to be eligible to vote. If you have previously lodged a POD with the Deed Administrators, you are not required to lodge a further POD form.

Once you have submitted your POD and Proxy form (if applicable), you will be provided with the teleconference login details. Please contact KPMG on (02) 9273 5594 or via email at mcwilliams@kpmg.com.au if there are any queries.

In the event that you do not have access to technology to enable you to join the teleconference, please contact KPMG on (02) 9273 5594 or via email at mcwilliams@kpmg.com.au at least one business day prior to the meeting and we will attempt to make alternative arrangements for you.

Dated this 14th day of January 2021



Gayle Dickerson
Deed Administrator

Note: In accordance with IPR Section 75-15(1)(c) please see effect of IPR Section 75-85 Entitlement to vote at meetings of creditors on the following page.

Effect of IPR Section 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.

C – Remuneration approval request

Schedule 2 to the Corporations Act 2001, Section 60-10
Insolvency Practice Rules (Corporations) 2016, Section 70-45

McWilliam's Wines Group Ltd ACN 000 024 108 (McWilliam's Wines Group/MWG)
Mount Pleasant Wines Pty Ltd ACN 000 024 813 (Mount Pleasant/MTP)

(Both Subject to Deed of Company Arrangement)

Remuneration Approval Request

This report contains the following information:

- Part 1: Declaration
- Part 2: Executive summary
- Part 3: Remuneration
- Part 4: Disbursements
- Part 5: Report on progress of the administration
- Part 6: Summary of receipts and payments
- Part 7: Questions
- Part 8: Approval of remuneration and internal disbursements
- Schedule A: Resolution 1 details
- Schedule B: Resolution 2 details

Next steps for creditors:

- Please review the contents of this report, which sets out the resolutions to be approved by creditors at the meeting of creditors on 2 February 2021.
- Refer to section 7 of the report/circular to creditors dated 14 January 2021 for details as to how you can attend the meeting of creditors in person or by proxy in order to vote on the resolutions contained in this report.

1 Declaration

We, Gayle Dickerson, Tim Mableson and Ryan Eagle of KPMG, have undertaken a proper assessment of this remuneration claim for our appointment as Deed Administrators of the Group in accordance with the Corporations Act 2001 (Cth) (**the Act**), the Australian Restructuring Insolvency & Turnaround Association (**ARITA**) Code of Professional Practice (**the Code**) and applicable professional standards.

We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the administrations.

2 Executive summary

2.1 Summary of remuneration approval sought for the Group

To date, in the voluntary administration for the period 8 January 2020 to 3 August 2020 (execution of DOCA), remuneration totalling \$2,734,366.36 has been approved and paid for McWilliam's Wines Group and remuneration totalling \$175,721.15 has been approved and paid for Mount Pleasant Wines.

To date, in the DOCA for the period 3 August 2020 (execution of DOCA) to Completion of the DOCA, remuneration totalling \$896,319.00 has been approved for McWilliam's Wines Group with \$657,818.50 drawn and paid and remuneration totalling \$53,681.00 has been approved for Mount Pleasant Wines with \$40,695.00 drawn and paid

This report details approval sought for the following remuneration:

Period	Amount (\$ ex GST)
Current remuneration approval sought:	
Deed of company arrangement (additional)	
McWilliam's Wines Group	
<i>Resolution 1: 5 December 2020 to 2 February 2021*</i>	450,135.00
Mount Pleasant	
<i>Resolution 3: 5 December 2020 to 2 February 2021*</i>	30,965.00
Total approval sought – DOCA (additional)*	481,000.00
Liquidation (if applicable)	
McWilliam's Wines Group	
<i>Resolution 6: Commencement of the Liquidation to 30 June 2021 *</i>	839,491.00
Mount Pleasant	
<i>Resolution 8: Commencement of the Liquidation to 30 June 2021 *</i>	61,014.00
Total approval sought – liquidation (if applicable)*	900,505.00
<i>*Approval for the future remuneration sought is based on an estimate of the work necessary to the termination of the DOCA (unless the DOCA meeting is adjourned) and throughout the liquidation to 30 June 2021. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.</i>	

Please refer to Part 3 for full details of the calculation and composition of the remuneration approval being sought.

2.2 Summary of internal disbursements approval sought for the Group

To date, internal disbursements for the voluntary administration of McWilliam's Wines Group for the period 8 January 2020 to 3 August 2020 (execution of DOCA), totalling \$25,076.58 plus any applicable GST has been approved. Of this amount, \$21,626.58 plus any applicable GST has been incurred and paid. Internal disbursements for the voluntary administration of Mount Pleasant Wines for the period 8 January 2020 to 3 August 2020 (execution of DOCA), totalling \$1,671.08 plus any applicable GST has been approved. Of this amount, \$1,331.45 plus any applicable GST has been incurred and paid.

To date, internal disbursements for the DOCA of McWilliam's Wines Group for the period 3 August 2020 (execution of DOCA) to Completion of the DOCA, totalling \$1,807.00 plus any applicable GST has been approved but remains unpaid. Internal disbursements for the DOCA of Mount Pleasant Wines (execution of DOCA) to Completion of the DOCA, totalling \$1,507.00 plus any applicable GST has been approved but remains unpaid.

This report details approval sought for the following internal disbursements:

Period	Amount (ex GST) \$
Current internal disbursements approval sought:	
Deed of company arrangement (additional)	
McWilliam's Wines Group	
<i>Resolution 2: Execution of the DOCA to Termination of the DOCA*</i>	10,904.00
Total current internal disbursements approval sought - DOCA	7,904.00
Liquidation (if applicable)	
McWilliam's Wines Group	
	10,115.00

Period	Amount (ex GST) \$
<i>Resolution 6: Commencement of the Liquidation to 30 June 2021*</i>	
Mount Pleasant	
<i>Resolution 9: Commencement of the Liquidation to 30 June 2021 *</i>	2,212.00
Total current internal disbursement approval sought – liquidation*	12,327.00
<i>* Approval for the future internal disbursements sought is based on an estimate of the internal disbursements necessary to the completion of the external administrations. Should additional internal disbursements be necessary beyond what is contemplated, further approval may be sought from creditors.</i>	

Please refer to Part 4 for full details of the calculation and composition of the internal disbursements approval being sought.

2.3 Comparison to estimate of costs provided to creditors in the Initial Remuneration Notice

The remuneration approval sought differs to the estimate of costs provided to creditors in our remuneration approval request dated 15 July 2020 due to the complex nature and non-completion of the Deed of Company Arrangement which was beyond our original forecast and has resulted in the Deed Administrators' time being more than anticipated to address certain matters. For example, we corresponded with MCW and their legal advisors to endeavour to achieve Completion and Implementation of the DOCA more than anticipated. This included large volumes of meetings and communications between both parties and their legal advisers to discuss, among other things, Completion and Implementation of the DOCA, MCW's numerous requests for extensions and the Deed Administrators' requests for Non-Refundable Implementation Date Extension payment and evidence of funds from MCW. Refer to Section 2 of this report for further detail.

The remuneration amounts as detailed in our remuneration approval request dated 15 July 2020 assumed that the DOCA would complete by the Sunset Date, being 30 November 2020, and accordingly our remuneration was sought and approved to this date. The additional remuneration as set out in this remuneration notice is for the tasks required to be undertaken by us as a result of the non-completion of the DOCA, which includes, among other things:

DOCA

- Correspondence with various stakeholders of the Group including convening five COI meetings to consult with committee members regarding MCW's numerous requests for extensions of the implementation of the DOCA and issuing circulars to stakeholders to communicate the non-completion of the DOCA.

Creditors

- Preparing a report to creditors to provide an update on the DOCA and to call a meeting of creditors to be held on 2 February 2021 to decide on the future of the Group following the non-completion of the DOCA.

New sale and recapitalisation process

- Time spent re-engaging Colliers to re-open the sale campaign and addressing enquiries with interested parties in relation to the sale campaign. Work also included updating the data room and executing new non-disclosure agreements with new interested parties.
- Numerous teleconference calls with interested parties (new and underbidders) to assist and clarify any further due diligence being undertaken including providing updated trading figures.
- At the request of Colliers, arranging with senior management and facilitating inspections of the Mount Pleasant and Hanwood wineries to interested parties.
- Tasks relating to the sale process generally including reviewing binding offers when received on 29 January 2021 and instructing Colliers regarding approach to deal with the preferred party/parties.
- Instructing our legal advisers to update the draft business sale agreement and annexures including for the preferred offer received.

Trading

- Work undertaken with respect to making a decision regarding Vintage 2021 in particular the matrix of supply from each grower to ensure supply to support the Group's product portfolio strategy and to analyse the cash flow impacts of the various decisions contemplated with respect to proceeding with Vintage 2021.
- Correspondence (including meetings at the Hanwood winery) with growers and other key suppliers regarding Vintage 2021 operations and to confirm their continued support of the Group. Overseeing the continued trading of the business including communications with key suppliers, lessors, customers and employees.
- Requesting an extension to the Administrators' Funding Agreement with the secured creditor and executing a letter of amendment.
- Monitoring the short-term cash flow requirements of the business including sales and marketing activities to be undertaken by the Group and realising excess bulk stock available for sale.

3 Remuneration

3.1 Remuneration claim resolutions

We will be seeking approval of the following resolutions with respect to remuneration. Details to support these resolutions are included in Part 3.2.

Deed of Company Arrangement

Resolution 1:

*"That the remuneration of the Deed Administrators of **McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from 5 December 2020 to 2 February 2021 be fixed up to a maximum amount of \$450,135.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."*

Resolution 3:

*"That the remuneration of the Deed Administrators of **Mount Pleasant Wines Pty Ltd (Subject to Deed of Company Arrangement)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from 5 December 2020 to 2 February 2021 be fixed up to a maximum amount of \$30,965.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."*

Liquidation

Resolution 6

*"That the remuneration of the Liquidators of **McWilliam's Wines Group Ltd (In Liquidation)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 of the Liquidation be fixed up to a maximum amount of \$839,491.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing remuneration as incurred."*

Resolution 8:

*"That the remuneration of the Liquidators of **Mount Pleasant Wines Pty Ltd (In Liquidation)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 of the Liquidation be fixed up to a maximum amount of \$61,014.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing remuneration as incurred."*

3.2 Details of remuneration

3.2.1 Resolution 1: 5 December 2020 to 2 February 2021

The below table sets out the estimated costs for the major tasks likely to be performed by the Deed Administrators and their staff for **McWilliam's Wines Group Ltd (Subject to DOCA)** for the period 5 December 2020 to 2 February 2021, which is the basis of the Resolution 1 claim. Please refer to Schedule A for further details with respect to the tasks likely to be performed.

Task	Hours	Amount \$
Assets	121.3	72,225.00
Creditors	210.5	106,495.00
Employees	35.6	18,500.00
Trade on	455.0	228,500.00
Administration	46.2	24,415.00
Total	868.6	450,135.00

3.2.2 Resolution 3: 5 December 2020 to 2 February 2021

The below table sets out the estimated costs for the major tasks likely to be performed by the Deed Administrators and their staff for **Mount Pleasant Wines Pty Ltd (Subject to DOCA)** for the period 5 December 2020 to 2 February 2021, which is the basis of the Resolution 3 claim. Please refer to Schedule B for further details with respect to the tasks likely to be performed.

Task	Hours	Amount \$
Assets	40.4	24,075.00
Creditors	11.1	5,605.00
Administration	2.4	1,285.00
Total	53.9	30,965.00

3.2.3 Resolution 6: Commencement of Liquidation to 30 June 2021

The below table sets out the estimated costs for the major tasks likely to be performed by the Liquidators and their staff for **McWilliam's Wines Group Ltd (In Liquidation)** for the period Commencement of Liquidation to 30 June 2021, which is the basis of the Resolution 6 claim. Please refer to Schedule C for further details with respect to the tasks likely to be performed.

Task	Hours	Amount \$
Assets	157.5	91,320.00
Creditors	256.5	118,921.00
Employees	188.5	97,580.00
Trade on	565.0	269,935.00
Dividend	349.2	160,775.50

Task	Hours	Amount \$
Investigations	73.2	37,547.00
Administration	159.6	63,412.50
Total	1,749.5	839,491.00

3.2.4 Resolution 8: Commencement of Liquidation to 30 June 2021

The below table sets out the estimated costs for the major tasks likely to be performed by the Liquidators and their staff for **Mount Pleasant Wines Pty Ltd (In Liquidation)** for the period Commencement of Liquidation to 30 June 2021, which is the basis of the Resolution 8 claim. Please refer to Schedule D for further details with respect to the tasks likely to be performed.

Task	Hours	Amount \$
Assets	52.5	30,440.00
Creditors	13.5	6,259.00
Dividend	18.4	8,462.00
Investigations	24.4	12,515.50
Administration	8.4	3,337.50
Total	117.2	61,014.00

3.3 Total remuneration reconciliation

3.3.1 Comparison between current total and previous estimates

At this point in time we estimate that the total remuneration for the voluntary administration and DOCA periods will be \$4,341,187.50 (excluding GST). This includes the current approval amount being sought of \$481,100.00 (excluding GST).

In addition, we estimate that the total remuneration for the liquidation period to 30 June 2021 to be \$900,505.00. There has been no approval to date for the liquidation period.

The above estimate is higher than our estimate in our remuneration approval request dated 15 July 2020 for the reasons stated in Section 2.3

3.3.2 Comparison between current and previous prospective approvals

DOCA

Creditors previously approved our prospective remuneration for the DOCA period of \$896,319.00 for McWilliam's Wines Group Ltd (Subject to DOCA) and \$53,681.00 for Mount Pleasant Wines Pty Ltd (Subject to DOCA) at the creditors meeting on 24 July 2020.

To date, we have drawn \$657,818.50 for McWilliam's Wines Group Ltd (Subject to DOCA) and \$40,695.00 for Mount Pleasant Wines Pty Ltd (Subject to DOCA) and applied it in payment of our remuneration. Our remuneration has exceeded our previous estimate as that estimate assumed that the DOCA would complete by the Sunset Date, being 30 November 2020. As the DOCA has continued beyond the Sunset Date, additional remuneration is sought to cover the additional tasks required (as detailed in Section 2.3). We note that our remuneration from 3 August 2020 to 4 December 2020 exceeded the remuneration approved by creditors on 24 July 2020 however we will not be seeking approval for this additional time (hence why the approvals sought in this report commence from 5 December 2020).

In this report, we are seeking approval for the time from 5 December 2020 to 2 February 2021 (being to the date of the DOCA Meeting, the outcome of which will either be a resolution passed terminating the DOCA or potentially adjourning the DOCA Meeting for a short period, subject to the binding offers received on 29 January 2021 and as discussed at Section 5 of the report), of a further \$450,135.00 for time costs incurred for McWilliam's Wines Group Ltd (Subject to DOCA) and \$30,965.00 for Mount Pleasant Wines Pty Ltd (Subject to DOCA) to enable us to continue to trade the Group's business and finalise the DOCA (by termination or variation).

We have provided an explanation of the additional tasks remaining to be completed, including our estimated costs to complete those tasks, to support our current remuneration approval request, at Part 3.2.2 of the report and in Schedules A and B.

Liquidation

We would like to advise creditors that the liquidation fee approvals being sought are slightly higher than the initial estimate provided to creditors in our remuneration approval request dated 15 July 2020.

The current estimate allows for further investigations in relation to the non-completion of the DOCA by MCW and assumes that the Liquidators will need to continue to trade the business to at least 30 April 2021 due to the commitment to Vintage 2021 whereas our previous estimate assumed a liquidation in July 2020 at which time there was no vintage requirement meaning an immediate shut-down of the business would be less problematic than at a time when vintage is being conducted. The current estimate has been prepared on the assumption that no going concern sale is achieved (ie option 3 outlined in Section 4 of the Report to Creditors). Should a going concern sale be achieved for the Group, we may not incur trading costs through to 30 April 2021 as settlement of the sale may occur prior to this and accordingly our remuneration would be less than forecast.

3.3.3 Future remuneration requests

DOCA

Approval for the DOCA remuneration sought is based on actual, and forecast, work to be undertaken in the period 5 December 2020 to 2 February 2021. Should there be an adjournment of the meeting of additional work be necessary beyond what is contemplated, further approval may be sought from creditors.

Liquidation

Whilst we anticipate liquidation fees may be less than the fee approval requested should a going concern sale occur in the coming months, we provide our estimate of future remuneration for the liquidation based on the assumption that we do not find a purchaser for the Group on a going concern basis and have to wind up the Group and its assets over the period to 30 June 2021. Should additional work be required beyond 30 June 2021, further approval may be sought. Should this be required, we will in due course provide creditors with a report on time spent and tasks undertaken including any future estimate for tasks to be undertaken from 1 July 2021, along with a general report on the progress of the liquidation. At that stage we may seek approval from creditors for further remuneration in the liquidation, at which time, creditors will have an opportunity to ask any questions they may have in respect of the costs of the liquidation.

3.4 Likely impact on dividends

The quantum and timing of dividends paid to creditors will depend on the outcome of the sale campaign and the value of creditor claims admitted to participate in the dividend.

Our remuneration and disbursements represent a priority expense that ranks for payment ahead of a dividend to unsecured creditors, for work that is necessary to undertake in the external administrations.

4 Disbursements

4.1 Types of disbursements

Disbursements are divided into three types:

- Externally provided professional services. These are recovered at cost. An example is legal fees.
- Externally provided non-professional costs such as travel, accommodation and search fees. These disbursements are recovered at cost.

- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the external administration, would generally be charged at cost; although if a data room is utilised, the fee will comprise an initial setup fee and then a fee based on the duration and size of the data room or the number of users per month. Certain services provided by KPMG may require the processing of electronically stored information into specialist review platforms. Where these specialist resources are utilised, the fee will be based on units (e.g. number of computers), size (e.g. per gigabyte) and/or period of time (e.g. period of hosting). The relevant rates for internal disbursements are set out below:

Disbursement type	Charges (excl GST)
Advertising	At cost
ASIC industry funding model levy – metric events	At prescribed ASIC rates
Couriers	At cost
Data room hosting (incl 100GB of data + 30 users)	\$1,500 per month
Data room hosting (burst user fees above 30 users)	\$50 per user per month
Data room hosting (burst storage fees per GB above 100GB)	\$10 per GB per month
eDiscovery services	Variable
Photocopying / printing (colour)	\$0.50 per page
Photocopying / printing (mono)	\$0.20 per page
Photocopying / printing (outsourced)	At cost
Postage	At cost
Searches	At cost
Staff travel reimbursement	Up to \$100/day
Staff vehicle use	At prescribed ATO rates
Storage and storage transit	At cost
Telephone calls	At cost

Note: Above rates are applicable for the financial year ending 30 June 2021. Disbursements charged at cost do not require creditor approval.

4.2 Disbursements paid from the external administrations to KPMG to date

We have undertaken a proper assessment of disbursements claimed for the external administrations of the Group, in accordance with the law and applicable professional standards. We are satisfied that the disbursements claimed are necessary and proper.

4.3 Disbursement claim resolutions

We will be seeking approval of the following resolutions with respect to disbursements. Details to support these resolutions are included in Part 4.4.

DOCA

Resolution 2: Execution of the DOCA to Completion of the DOCA

*"That the internal disbursements of the Deed Administrators of **McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Execution of the DOCA to Termination of the DOCA be fixed up to a maximum amount of \$10,904.00 plus any applicable GST, which is in addition to the previous internal disbursement approval for the same period, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."*

Liquidation

Resolution 7: Commencement of the Liquidation to 30 June 2021

*"That the internal disbursements of the Liquidators of **McWilliam's Wines Group Ltd (In Liquidation)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 be fixed up to a maximum amount of \$10,115.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing disbursements as incurred."*

Resolution 9: Commencement of the Liquidation to 30 June 2021

"That the internal disbursements of the Liquidators of **Mount Pleasant Wines Pty Ltd (In Liquidation)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 be fixed up to a maximum amount of \$2,212.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing disbursements as incurred."

4.4 Details of disbursements

4.4.1 Prospective internal disbursement claim

Future disbursements provided by our firm, KPMG, will be charged to the external administrations on the same basis as set out in Part 4.1.

Resolution 2 – Execution of the DOCA to Termination of the DOCA

Approval of the payment of these disbursements for **McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement)** at the rates set out in Part 4.1 to a capped amount of \$10,904.00 is being sought, which is in addition to the previous internal disbursement approval.

Prospective internal disbursements	Basis	Total (excl GST) \$
Data room hosting	See table at section 4.1	10,500.00
ASIC industry funding model levy – metric events	At prescribed ASIC rates	404.00
Total		10,904.00

Note: Above rates are applicable for the financial year ending 30 June 2021.

Resolution 6 – Commencement of the Liquidation to 30 June 2021

Approval of the payment of these disbursements for **McWilliam's Wines Group Ltd (In Liquidation)** at the rates set out in Part 4.1 to a capped amount of \$10,115.00 is being sought.

Prospective internal disbursements	Basis	Total (excl GST) \$
Data room hosting	See table at section 4.1	7,000.00
Staff vehicle use	At prescribed ATO rates	1,000.00
Postage (mail room)	At cost	600.00
ASIC industry funding model levy – metric events	At prescribed ASIC rates	1,515.00
Total		10,115.00

Note: Above rates are applicable for the financial year ending 30 June 2021

Resolution 7 – Commencement of the Liquidation to 30 June 2021

Approval of the payment of these disbursements for **Mount Pleasant Wines Pty Ltd (In Liquidation)** at the rates set out in Part 4.1 to a capped amount of \$2,212.00 is being sought.

Prospective internal disbursements	Basis	Total (excl GST) \$
Staff vehicle use	At prescribed ATO rates	1,000.00
ASIC industry funding model levy – metric events	At prescribed ASIC rates	1,212.00

Prospective internal disbursements	Basis	Total (excl GST) \$
Total		2,212.00

Note: Above rates are applicable for the financial year ending 30 June 2021

5 Report on progress of the DOCA

The Remuneration Approval Request must be read in conjunction with the report to creditors dated 14 January 2021 which outlines the status of the DOCA and reasons for convening the DOCA Meeting.

6 Summary of receipts and payments

A summary of receipts and payments for the period 3 August 2020 to 31 December 2020 is set out in **Annexure A** to the report to creditors dated 14 January 2021.

7 Approval of remuneration and internal disbursements

For information about how approval of the resolutions for remuneration and internal disbursements will be sought, refer to Section 7 of the report to creditors dated 14 January 2021.

8 Questions

If you require further information in respect of the above, or have other questions, please contact Irene Tang of this office on 02 9273 5594 or via email at mcwilliams@kpmg.com.au.

The restructuring partners of KPMG are members of ARITA. KPMG follows the Code. A copy of the Code may be found on the ARITA website at www.arita.com.au.

An information sheet concerning approval of remuneration in external administrations can also be obtained from the Australian Securities & Investments Commission website at www.asic.gov.au.

Dated this 14th day of January 2021



Gayle Dickerson
Deed Administrator

Schedule A – Resolution 1

The below table contains more detailed descriptions of the tasks expected to be performed within each task area by the Deed Administrators and their staff for **McWilliam's Wines Group Ltd** for the period 5 December 2020 to 2 February 2021 which is the basis of the Resolution 1 claim in section 3.21.

Task area	General description	Includes
Assets 121.3 hours \$72,225.00 (excl GST)	All circulating assets	<ul style="list-style-type: none"> – Reviewing MWG bulk wine listing and assess potential immediate offers to sell bulk wine stock – Liaising with Chief Winemaker and senior management to assess potential sale of bulk wine parcels and potential sale of cellar stock – Communicating with Grays Wine in relation to approved SLOB sales parameters with MWG sales and marketing divisions including updates on sales and auctions and reassessment of strategy to sell SLOB stock – Reviewing and considering ongoing stock realisation strategies
	Debtors	<ul style="list-style-type: none"> – Reviewing monthly debtor reconciliation and assessment of any bad debts – Considering debt recovery procedure in light of COVID-19 for various on-premise customers
	Leasing	<ul style="list-style-type: none"> – Liaising with owners and lessors in relation to continued use of land, vineyards and business premises in light of the non-completion of the DOCA and ensuring their continued support throughout the sale campaign
	Sale of business/property/ recapitalisation	<ul style="list-style-type: none"> – Re-engaging Colliers International (Colliers) to re-open the sale campaign – Liaising with Colliers in relation to the marketing strategy and deciding on deadline for final binding offers – Organising for advert to be run in the Australian Financial Review – Discussing with numerous interested parties and attending to maintaining a register of same – Arranging site visits with interested parties – Engaging Knight Frank for an updated property valuation – Collating information to update the data room and liaising with McWilliam's staff to collate any relevant data – Facilitating in depth discussions between the Deed Administrators and senior management as to sale strategy for the business

Task area	General description	Includes
		<ul style="list-style-type: none"> – Executing additional non-disclosure agreements with new interested parties prior to providing access to the data room – Liaising with our solicitors in relation to updating the business sale agreement for review by interested parties – Preparing and issuing numerous responses to requests from interested parties – Holding regular meetings with Colliers in relation to the sale process and interested parties' queries – Reviewing Colliers marketing reports – Monitoring the continued access of the data room – Reviewing final binding offers – Discussing with Colliers and our solicitors regarding final binding offers and determination of preferred offer/offers to be put to creditors at the meeting called for 2 February 2021 – Liaising with parties who submitted final binding offers to negotiate on their offers – Corresponding with the parties who submitted final binding offers to discuss the details of their offers – Ongoing discussions with our solicitors regarding structure of sale in light of the preferred offer/offers – Preparing detailed estimated outcome statement to compare offers received and compare against the updated liquidation estimated outcome position
	Plant and equipment	<ul style="list-style-type: none"> – Liaising with MWG staff to provide an update as to any changes to the asset listing since the previous asset lists were provided to interested parties as at 30 June 2020 – Reviewing updated plant and equipment listing for insertion into the annexures to the updated draft business sale agreement in the data room
Creditors	DOCA	<ul style="list-style-type: none"> – Corresponding with MCW Bidco Pty Ltd (MCW) and their legal advisors regarding Completion and Implementation of DOCA including the provision of evidence of funds from MCW for the Proponent Contribution. – Communicating with MCW and their legal advisors to discuss, among other things, Completion and Implementation of DOCA, MCW's numerous requests for extensions and
210.5 hours \$106,495.00 (excl GST)		

Task area	General description	Includes
		<p>the Deed Administrators' requests for Non-Refundable Implementation Date Extension payment and evidence of funds from MCW</p> <ul style="list-style-type: none"> – Considering MCW's numerous requests for extensions in consultation with our solicitors and Committee of Inspection (COI) – Liaising with HWLE regarding MCW's failure to adhere to the two conditions as stipulated by the Deed Administrators, after consultation with the COI before a further extension to 15 December 2020 is to be granted – Instructing HWLE to prepare a breach of DOCA notice to be issued to MCW's legal advisors, as representative of MCW
	Secured creditor reporting and claim	<ul style="list-style-type: none"> – Liaising with secured creditors in relation PPSR and other claims in light of the non-completion of the DOCA and the deeds that had been prepared as part of the conditions precedent – Complying with monthly reporting obligations to secured creditor in relation to loan facility – Requesting information from management to assist with monthly reporting obligations – Liaising with secured creditor in relation to extending the loan facility past its maturity date – Reviewing documents to extend the loan facility until February 2021 to correspond with the timeline for the re-opened sale campaign and revised timeline for the settlement and sale of the Group's business and assets – Reviewing secured creditors loan facility and make assessments in relation to early repayment of the loan facility based on the Group's cash flow position
	Creditor/COI reports	<ul style="list-style-type: none"> – Preparing correspondence to Committee of Inspection (COI) members to convene COI meetings on short notice to provide an update on the DOCA and providing trading and sale updates – Preparing circulars to creditors to advise of the non-completion of the DOCA and to advise of the continued trading of the business – Preparing a report to creditors to provide an update on the DOCA including trading and sale updates, to advise of the options available for the Group in light of the non-completion of the

Task area	General description	Includes
		DOCA and to convene a creditors meeting for creditors to decide in the future of the Group
	Dealing with proofs of debt	<ul style="list-style-type: none"> – Receipting and filing proofs of debt when not related to a dividend – Liaising with creditors who did not provide a completed proof of debt – Writing to creditors requesting they formally withdraw their proof of debt where their pre appointment debt had been re-paid in the administration
	Meeting of creditors	<ul style="list-style-type: none"> – Preparing meeting notices, proxies and advertisements for COI meetings – Holding COI meetings – Preparing and lodging minutes of COI meetings with the Australian Securities & Investments Commission (ASIC) – Preparing meeting notices, proxies and advertisements for meeting of creditors on 2 February 2021 – Forwarding notice of meeting to all known creditors of the Group – Preparing meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting of creditors and draft minutes of meeting. – Receipting proxies from creditors for meeting of creditors – Forwarding teleconference details to all creditors who have notified of their intention to attend the meeting of creditors – Preparing and lodging minutes of meeting of creditors with ASIC – Responding to stakeholder queries and questions regarding the meeting of creditors both before and after the meeting
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> – Receiving and responding to creditor enquiries regarding the DOCA including the DOCA generally, the non-completion of the DOCA and the meeting of creditors via telephone and email
Employees		<ul style="list-style-type: none"> – Employee briefing conducted by the Deed Administrator via teleconference to advise of the non-completion of the DOCA
35.6 hours	Employee enquiries	<ul style="list-style-type: none"> – Ongoing discussions with various employees on an ad hoc basis throughout the DOCA to
\$18,500.00		
(excl GST)		

Task area	General description	Includes
		address any queries or concerns in light of the non-completion of the DOCA
	Calculation of entitlements	<ul style="list-style-type: none"> – Calculating updated employee entitlements – Reviewing employee files and the Groups books and records – Reconciling superannuation accounts
	Employee dividend	<ul style="list-style-type: none"> – Corresponding with employees regarding dividend timing and providing an update on pre-appointment superannuation which has been calculated and remitted to the ATO – Corresponding with ATO regarding pre-appointment superannuation which was paid on 27 November 2020 and confirming that the funds have been distributed to relevant employees
	Other employee issues	<ul style="list-style-type: none"> – Other tasks as required
		<ul style="list-style-type: none"> – Corresponding with suppliers and customers to advise of the non-completion of the DOCA and to advise of the continued trading of the business – Discussing key trading issues with senior management – Attending site at Hanwood to discuss with senior management Vintage 2021 and working through the matrix of supply from each grower to ensure supply to support the Group's product portfolio strategy and to analyse the cash flow impacts of the various decisions contemplated with respect to proceeding with Vintage 2021 – Meeting with MWG Riverina and non – Riverina growers to confirm the decision to proceed with Vintage 2021 – Issuing correspondence to growers detailing terms of supply of grapes for Vintage 2021 – Ongoing discussions with senior management and growers to confirm which growers have provided their commitment to Vintage 2021 and accordingly finalising estimated tonnage for Hanwood and Mount Pleasant – Ongoing discussions with senior management and HR regarding reducing casual staffing requirements for Vintage 2021 – Issuing authorised purchase orders to all growers for Vintage 2021 – Liaising with suppliers to confirm that the Administration accounts are to continue
Trade on 455.0 hours \$228,500.00 (excl GST)	Trade-on management	

Task area	General description	Includes
		<ul style="list-style-type: none"> – Meeting with sales and marketing teams in relation to short term sales forecasts, contracts, branding and ongoing implementation of strategic plan for MWG – Reviewing various bulk wine offers and assessing credit viability on a case by case basis – Discussing continued on site bottling and packaging arrangement – Reviewing work orders relating to all production and bottling requirements of MWG including additional work orders relating to Vintage 2021 and providing authorisation as required – Ongoing review and approval of Purchase Orders for the Group's ongoing trading – Ongoing review of the Capex requirements of the Group – Teleconference with insurer and senior management in relation to key recommendations being completed from risk management recommendations provided – Reviewing current promotional activities and ensure relevant information is being provided to Deed Administrators to approve spending in relation to ongoing promotions – Ongoing weekly review of short-term cash flow forecast, liaise with senior finance team in relation to same – Reviewing key supply contracts including utilities – Reviewing weekly and monthly wages and ensure timely payment of same – Reviewing MWG's continued eligibility for the JobKeeper Scheme – Liaising with ATO to submit JobKeeper declarations at the end of each month to advise of the number of eligible employees – Reviewing current bottling landscape of MWG – Preparing and authorising payment vouchers – Reviewing MWG trademarks – Instructing our trademark solicitor to renew various trademarks – Reviewing ongoing trading, budget and cash flow of the business and modelling cash flow – Preparing documents for insurance renewal of MWG, where necessary liaising with senior management in relation to same

Task area	General description	Includes
		<ul style="list-style-type: none"> – Ongoing review of MWG inventory levels – Attending meetings with MWG staff to review and approve various minor capex requests – Reviewing ongoing vineyard maintenance across owned and leased vineyards
	Production, inventory and distributor review	<ul style="list-style-type: none"> – Maintaining production as per brand rationalisation review undertaken with CEO, sales and marketing teams in line with the Group's strategic plan with reduction in SKU's – Overseeing production and demand planning for the period of continued trading during the Deed Administration – Overseeing the exit of distributor and sale of remaining stock on hand – Reviewing and discussing with senior management the requirement to maintain adequate inventory levels
	Employees	<ul style="list-style-type: none"> – Reviewing and processing weekly and monthly payroll for all employees for the Administration period – Responding to queries regarding ongoing payroll matters including and resignations and new hires – Liaising with superannuation funds regarding superannuation contributions and setting up new superannuation accounts where necessary – Processing payments of superannuation contributions on a monthly/quarterly basis as required and in line with ATO due dates – Liaising with OSR regarding payroll tax – Liaising with management regarding contributions and termination of employment – Organising monthly lodgement and remittance of PAYG and payroll tax
	Processing receipts and payments	<ul style="list-style-type: none"> – Entering receipts and payments into accounting system – Preparing weekly supplier batch payments – Preparing urgent supplier payments as required – Ensure international payments including telegraphic transfers were completed – Reconciling receipts and payments
	Cashflow and financial reporting	<ul style="list-style-type: none"> – Sweeping pre-appointment bank accounts – Preparing short term cash flow forecasts under various scenarios to understand potential funding requirements required subject to final binding offers to be received on 29 January 2021

Task area	General description	Includes
Administration 46.2 hours \$24,415.00 (excl GST)		<ul style="list-style-type: none"> – Analysing cash flow and options under various scenarios to reflect varied levels of tonnage for Vintage 2021 matched to production and sales forecasts prepared by management – Maintaining cash flow monitoring activities for the DOCA including extension for the DOCA period to reflect continued trading and decision to proceed with Vintage 2021 – Continuing with weekly short term cash flow forecast review with management – Monitoring cash receipts on a daily basis and updating the cash flow model accordingly – Reviewing monthly management reporting information packages produced by senior management
	Media	<ul style="list-style-type: none"> – Attending to media enquiries on an ongoing basis, namely in relation to the non-completion of the DOCA and the sale process – Reviewing press releases and liaise with CEO in relation to same – Implementing media strategy in relation to the non-completion of the DOCA and the sale process including due date for binding offers
	Shareholders	<ul style="list-style-type: none"> – Liaising with various groups of shareholders and responded to their enquiries on an ongoing basis – Reviewing loan note statements and interest calculations
	Bank account administration	<ul style="list-style-type: none"> – Liaising with ANZ in relation to control of pre-appointment bank account – Requesting bank statements – Reconciling bank accounts – Corresponding with bank regarding specific transfers
	ASIC forms	<ul style="list-style-type: none"> – Preparing and lodging ASIC forms as required
	ATO and other statutory reporting	<ul style="list-style-type: none"> – Attending to 'business as usual' statutory tasks with the ATO including BAS preparation and other statutory tasks prescribed by the Act
	Planning / review	<ul style="list-style-type: none"> – Discussions regarding status / strategy of administration

Schedule B – Resolution 2

The below table contains more detailed descriptions of the tasks expected to be performed within each task area by the Deed Administrators and their staff for **Mount Pleasant Wines Pty Ltd** for the period 5 December 2020 to 2 February 2021 which is the basis of the Resolution 3 claim in section 3.2.2.

Task area	General description	Includes
Assets		<ul style="list-style-type: none"> – Re-engaging Colliers International (Colliers) to re-open the sale campaign – Liaising with Colliers in relation to the marketing strategy and deciding on deadline for final binding offers – Organising for advert to be run in the Australian Financial Review – Discussing with numerous interested parties and attending to maintaining a register of same – Arranging site visits with interested parties – Engaging Knight Frank for an updated property valuation – Collating information to update the data room and liaising with McWilliam's staff to collate any relevant data – Facilitating in depth discussions between the Deed Administrators and senior management as to sale strategy for the business – Executing additional non-disclosure agreements with new interested parties prior to providing access to the data room – Liaising with our solicitors in relation to updating the business sale agreement for review by interested parties – Preparing and issuing numerous responses to requests from interested parties – Holding regular meetings with Colliers in relation to the sale process and interested parties' queries – Reviewing Colliers marketing reports – Monitoring the continued access of the data room – Reviewing final binding offers – Discussing with Colliers and our solicitors regarding final binding offers and determination of preferred offer/offers to be put to creditors at the meeting called for 2 February 2021 – Liaising with parties who submitted final binding offers to negotiate on their offers
40.4 hours \$24,100.00 (excl GST)	Sale of business/property/ recapitalisation	

Task area	General description	Includes
Creditors 11.1 hours \$5,590.00 (excl GST)	DOCA	<ul style="list-style-type: none"> – Corresponding with the parties who submitted final binding offers to discuss the details of their offers – Ongoing discussions with our solicitors regarding structure of sale in light of the preferred offer/offers – Preparing detailed estimated outcome statement to compare offers received and compare against the updated liquidation estimated outcome position
		<ul style="list-style-type: none"> – Corresponding with MCW and their legal advisors regarding Completion and Implementation of DOCA including the provision of evidence of funds from MCW for the Proponent Contribution. – Communicating with MCW and their legal advisors to discuss, among other things, Completion and Implementation of DOCA, MCW's numerous requests for extensions and the Deed Administrators' requests for Non-Refundable Implementation Date Extension payment and evidence of funds from MCW – Considering MCW's numerous requests for extensions in consultation with our solicitors – Liaising with HWLE regarding MCW's failure to adhere to the two conditions as stipulated by the Deed Administrators, after consultation with the COI of McWilliam's Wines Group before a further extension to 15 December 2020 is to be granted. – Instructing HWLE to prepare a breach of DOCA notice to be issued to MCW's legal advisors, as representative of MCW.
		<ul style="list-style-type: none"> – Liaising with secured creditors in relation PPSR and other claims in light of the non-completion of the DOCA and the deeds that had been prepared as part of the conditions precedent – Complying with monthly reporting obligations to secured creditor in relation to loan facility – Requesting information from management to assist with monthly reporting obligations – Liaising with secured creditor in relation to extending the loan facility past its maturity date – Reviewing documents to extend the loan facility until February 2021 to correspond with the timeline for the re-opened sale campaign and

Task area	General description	Includes
		<ul style="list-style-type: none"> revised timeline for the settlement and sale of the Group's business and assets – Reviewing secured creditors loan facility and make assessments in relation to early repayment of the loan facility based on the Group's cash flow position
	Creditor reports	<ul style="list-style-type: none"> – Preparing circulars to creditors to advise of the non-completion of the DOCA and to advise of the continued trading of the business – Preparing a report to creditors to provide an update on the DOCA including trading and sale updates, to advise of the options available for the Group in light of the non-completion of the DOCA and to convene a creditors meeting for creditors to decide in the future of the Group
	Dealing with proofs of debt	<ul style="list-style-type: none"> – Receipting and filing proofs of debt when not related to a dividend – Liaising with creditors who did not provide a completed proof of debt – Writing to creditors requesting they formally withdraw their proof of debt where their pre appointment debt had been re-paid in the administration
	Meeting of creditors	<ul style="list-style-type: none"> – Preparation of meeting notices, proxies and advertisements for meeting of creditors on 2 February 2021 – Forward notice of meeting to all known creditors of the Group – Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting of creditors and draft minutes of meeting. – Receipting proxies from creditors for meeting of creditors – Forwarding teleconference details to all creditors who have notified of their intention to attend the meeting of creditors – Prepare and lodge minutes of meeting of creditors with ASIC – Respond to stakeholder queries and questions regarding the meeting of creditors both before and after the meeting
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> – Receive and respond to creditor enquiries regarding the DOCA including the DOCA generally, the non-completion of the DOCA and

Task area	General description	Includes
Administration 2.4 hours \$1,275.00 (excl GST)		the meeting of creditors via telephone and email
	Media	<ul style="list-style-type: none"> – Attending to media enquiries on an ongoing basis, namely in relation to the non-completion of the DOCA and the sale process – Reviewing press releases and liaise with CEO in relation to same – Implementing media strategy in relation to the non-completion of the DOCA and the sale process including due date for binding offers
	Shareholders	<ul style="list-style-type: none"> – Liaising with various groups of shareholders and responded to their enquiries on an ongoing basis – Reviewing loan note statements and interest calculations
	Bank account administration	<ul style="list-style-type: none"> – Liaise with ANZ in relation to control of pre-appointment bank account – Request bank statements – Bank account reconciliations – Correspondence with bank regarding specific transfers
	ASIC forms	<ul style="list-style-type: none"> – Prepare and lodge ASIC forms as required
	ATO and other statutory reporting	<ul style="list-style-type: none"> – Attend to 'business as usual' statutory tasks with the ATO including BAS preparation and other statutory tasks prescribed by the Act
	Planning / review	<ul style="list-style-type: none"> – Discussions regarding status / strategy of administration

Schedule C – Resolution 6

The below table contains more detailed descriptions of the tasks to be performed within each task area by the Liquidators and their staff for **McWilliam's Wines Group Ltd** for the period Commencement of the Liquidation to 30 June 2021, which is the basis of the Resolution 6 claim in section 3.2.3.

Task area	General description	Includes
Assets 157.5 hours \$91,320.00 (excl GST)	All circulating assets	<ul style="list-style-type: none"> – Reviewing MWG bulk wine listing and assess potential immediate offers to sell bulk wine stock – Liaising with Chief Winemaker and senior management to assess potential sale of bulk wine parcels and potential sale of cellar stock – Liaising with Chief Winemaker and senior management regarding best options to realise all bottled stock on hand in an orderly manner and identify realistic timeframe – Ongoing communication with Grays Wine in relation to approved sales parameters with MWG sales and marketing divisions including updates on sales and auctions and reassessment of strategy to sell stock – Reviewing and consider ongoing stock realisation strategies
	Sale of business/assets	<ul style="list-style-type: none"> – Liaising with parties who submitted final binding offers to negotiate on their offers – Corresponding with the parties who submitted final binding offers to discuss the details of their offers – Ongoing Discussions with our solicitors regarding structure of sale in light of the preferred offer/offers – Preparing detailed estimated outcome statement to compare offers received – Ongoing discussions to finalise contracts of sale for the assets with the final party/parties – Executing documents to enable transfer of title for Group's assets – For any unsold assets, develop strategies to realise Group's assets including plant and equipment, real property, intellectual property and stock – Maintaining insurance on assets until released – Accounting for proceeds received from asset realisations – Receipting and reconciling of cash to be received in liquidation – Liaising with internal tax professionals regarding tax implications of realization of assets
	Debtors	<ul style="list-style-type: none"> – Reviewing and analysing MWG's aged debtor ledger in conjunction with MWG credit team – Issuing correspondence to debtors with outstanding amounts – Engaging debt collection agency to attend to debtor collections, if required

Task area	General description	Includes
Creditors 256.5 hours \$118,921.00 (excl GST)		<ul style="list-style-type: none"> – Reviewing claims by debtors for purported offsets – Monitor debtor collections to ensure they are within invoice terms and liaise with the MCW team regarding any rebates that have been claimed. – Updating records for debtor collections and issue follow up correspondence where required
	Secured creditor reporting and claim	<ul style="list-style-type: none"> – Monthly reporting to Gordon Brothers in relation to loan facility – Ongoing review of Gordon Brothers loan facility and make assessments in relation to final repayment of the loan facility based on the Group's cash flow position and timing of asset realisation funds.
	Retention of Title Claims	<ul style="list-style-type: none"> – Continuing management of various PMSI and lien claims, updates to PPSR schedule and tracking of all secured claims – Seeking release of securities and attending to PMSI and lien claims as necessary
	PPSR	<ul style="list-style-type: none"> – Disclaiming any leases that are no longer required as a result of closure of the business – Liaising with relevant parties regarding their claim values
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> – Receiving and responding to creditor enquiries regarding liquidation via email and telephone
	Dealing with proofs of debt	<ul style="list-style-type: none"> – Receipting and filing proofs of debt when not related to a dividend – Detailed assessment of all contingent creditor claims to be lodged in the liquidation – Liaising with creditors who did not provide a completed proof of debt
	Meeting of creditors	<ul style="list-style-type: none"> – Preparing and lodging minutes of meeting of creditors with ASIC – Preparing for potential COI/creditors meetings including potential pooling of the Group for the purposes of a dividend, as required
	Creditor reports	<ul style="list-style-type: none"> – Preparing statutory report by Liquidators and issue report to all creditors – Preparing other reports or circulars to creditors as required
Employees 188.5 hours \$97,580.00 (excl GST)	Employee enquiries	<ul style="list-style-type: none"> – Receiving and following up employee enquiries via telephone – Issuing correspondence to employees regarding Group entering Liquidation – Issuing correspondence to employees regarding closure of the business – Preparing letters to employees advising of their entitlements and options available

Task area	General description	Includes
		<ul style="list-style-type: none"> – Receiving and preparing correspondence in response to employees' objections to leave entitlements
	Calculation of entitlements	<ul style="list-style-type: none"> – Reviewing employee entitlements model – Liaising with employees regarding calculation of entitlements including annual leave and long service leave components – Calculating and confirm final entitlements owed to each employee – Liaising with our solicitors regarding entitlements
	Employee dividend	<ul style="list-style-type: none"> – Preparing and reviewing correspondence to employees regarding their claims in the Liquidation – Calculating dividend rate and prepare dividend file – Advertising dividend notice – Liaising with employees who dispute their entitlements value – Preparing payment of employee entitlements including calculation of any PAYG withholding required – Remitting PAYG to ATO
	Fair Entitlements Guarantee (FEG), if required	<ul style="list-style-type: none"> – Corresponding with Department of Education – Preparing notification spreadsheet – Preparing FEG quotations – Preparing FEG verifications and distributions – Completing FEG questionnaires
	Workers compensation claims	<ul style="list-style-type: none"> – Reviewing any workers compensation claims as necessary
	Other employee issues, as required	<ul style="list-style-type: none"> – Corresponding with Child Support – Corresponding with Centrelink
Trade on		<ul style="list-style-type: none"> – Discussing with senior management and Chief Winemaker regarding limited Vintage 2021 – Liaising with creditors, suppliers and lessors regarding continuing limited Vintage 2021 and which accounts/leases will continue until finalisation of Vintage 2021 and which ones require closure due to ceasing certain areas of business as a result of Liquidation – Reviewing various bulk wine offers and assess credit viability on a case by case basis
565.0 hours	Trade-on management	<ul style="list-style-type: none"> – Reviewing potential to sell fresh grapes and juice – Ongoing weekly review of short term cash flow forecast in light of continuing limited Vintage 2021 – Reviewing and processing payments of supplier invoices which related to the Administrators'/Liquidators' period of trading – Liaising with senior management team regarding logistics of closure of the business – Addressing any trade on issues that arise from the closure of the business – Considering retention strategy as required
\$269,935.00		
(excl GST)		

Task area	General description	Includes
		<ul style="list-style-type: none"> – Considering ongoing trade on matters required for the highest realisation of MWG assets – Liaising with ATO to submit JobKeeper declarations for any fortnights which related the DOCA period
	Employees	<ul style="list-style-type: none"> – Reviewing and processing payroll each week for any employees retained for a period of the Liquidation – Responding to queries regarding ongoing payroll issues – Liaising with superannuation funds regarding superannuation contributions and setting up new superannuation accounts where necessary – Processing payment of superannuation contributions on a monthly/quarterly basis as required and in line with ATO due dates – Liaising with OSR regarding payroll tax issues – Liaising with management regarding contributions and termination of employment – Organising monthly lodgement and remittance of PAYG and payroll tax – Finalising any wage reporting requirements for FY21 – Liaising with employees regarding and outstanding employee entitlements
	Processing receipts and payments	<ul style="list-style-type: none"> – Entering receipts and payments into accounting system – Prepare payment of any outstanding supplier invoices relating to the Administration/Deed Administration or Liquidation period – Reconciling receipts and payments
	Cashflow and financial reporting	<ul style="list-style-type: none"> – Sweeping pre-appointment bank accounts – Preparing cash flow forecasts for continued limited Vintage 2021 – Monitoring cash receipts on a daily basis and updating the cash flow model accordingly
	Conducting investigation	<ul style="list-style-type: none"> – Reviewing Group's books and records – Further investigations as necessary including reviewing specific transactions and liaising with directors regarding certain transactions – Preparing of detailed investigation file – Lodging of investigation with ASIC – Identifying potential voidable transactions and internal discussions to determine strategy to pursue recoveries – Preparing and lodging of supplementary report if required
Investigation	Litigation / recoveries, if required	<ul style="list-style-type: none"> – Internal meetings to discuss potential legal action against MCW Bid Co and Charles Hunting arising from the non-completion of the DOCA – Further investigations and quantification of claim for any legal action to be taken against MCW Bid Co and Charles Hunting
73.2 hours \$37,547.00 (excl GST)		

Task area	General description	Includes
		<ul style="list-style-type: none"> – Preparing brief to solicitors – Liaising with solicitors regarding recovery actions – Attending to negotiations – Attending to settlement matters
	ASIC reporting	<ul style="list-style-type: none"> – Preparing statutory investigation reports – Preparing affidavits seeking non-lodgement assistance – Liaising with ASIC
	Processing proofs of debt	<ul style="list-style-type: none"> – Preparing of correspondence to potential creditors inviting lodgement of proofs of debt – Receipting proofs of debt – Maintaining proof of debt register – Adjudicating proofs of debt – Requesting further information from claimants regarding proofs of debt – Preparing of correspondence to claimant advising outcome of adjudication
	Dividend	<ul style="list-style-type: none"> – Preparing correspondence to creditors advising of intention to declare interim dividend of the pooled group – Advertising intention to declare interim dividend – Obtain clearance from ATO to allow distribution of Company's assets
	Dividend procedures	<ul style="list-style-type: none"> – Preparing of interim dividend calculations – Preparing of correspondence to creditors announcing declaration of interim dividend – Advertising announcement of interim dividend – Preparing interim dividend distribution – Preparing interim dividend file – Preparing payment vouchers to pay interim dividend – Preparing correspondence to creditors enclosing payment of interim dividend
Administration	Media	<ul style="list-style-type: none"> – Attending to media enquiries on an ongoing basis – Media strategy implemented generally
	Shareholders	<ul style="list-style-type: none"> – Liaising with various groups of shareholders and responded to their enquiries on an ongoing basis – Liaising with shareholders regarding liquidation
	Bank account administration	<ul style="list-style-type: none"> – Preparing correspondence for Liquidators' bank account to be set up – Liaising with ANZ in relation to control of pre-appointment bank account – Requesting bank statements – Reconciling bank accounts – Corresponding with bank regarding specific transfers – Arranging closure of all MWG bank accounts which were used for trading purposes
	ASIC forms	<ul style="list-style-type: none"> – Preparing and lodging ASIC forms for end of Administration, appointment of liquidators and other forms in relation to liquidation of the Group
Dividend		
349.2 hours		
\$160,775.50		
(excl GST)		
Administration		
159.6 hours		
\$63,412.50		
(excl GST)		

Task area	General description	Includes
	ATO and other statutory reporting	– Attending to ‘business as usual’ statutory tasks with the ATO including BAS preparation and other statutory tasks prescribed by the Act
	Planning / review	– Discussing status / strategy of liquidation
	Books and records / storage	– Dealing with records in storage – Sending job files to storage

Schedule D – Resolution 5

The below table contains more detailed descriptions of the tasks to be performed within each task area by the Liquidators and their staff for **Mount Pleasant Wines Pty Ltd** for the period Commencement of the Liquidation to Completion of the Liquidation, which is the basis of the Resolution 5 claim in section 3.2.4.

Task area	General description	Includes
Assets 52.5 hours \$30,440.00 (excl GST)	Sale of business/assets	<ul style="list-style-type: none"> – Liaising with parties who submitted final binding offers to negotiate on their offers – Corresponding with the parties who submitted final binding offers to discuss the details of their offers – Ongoing Discussions with our solicitors regarding structure of sale in light of the preferred offer/offers – Preparing detailed estimated outcome statement to compare offers received – Ongoing discussions to finalise contracts of sale for the assets with the final party/parties – Executing documents to enable transfer of title for Group's assets – For any unsold assets, develop strategies to realise Group's assets including plant and equipment, real property, intellectual property and stock – Maintaining insurance on assets until released – Accounting for proceeds received from asset realisations – Receipting and reconciling of cash to be received in liquidation – Liaising with internal tax professionals regarding tax implications of realization of assets
Creditors 13.5 hours \$6,259.00 (excl GST)	Secured creditor reporting and claim	<ul style="list-style-type: none"> – Monthly reporting to Gordon Brothers in relation to loan facility – Ongoing review of Gordon Brothers loan facility and make assessments in relation to final repayment of the loan facility based on the Group's cash flow position and timing of asset realisation funds.
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> – Receive and respond to creditor enquiries regarding liquidation via email and telephone
	Dealing with proofs of debt	<ul style="list-style-type: none"> – Receipting and filing proofs of debt when not related to a dividend – Detailed assessment of all contingent creditor claims to be lodged in the liquidation – Liaising with creditors who did not provide a completed proof of debt
	Meeting of creditors	<ul style="list-style-type: none"> – Prepare and lodge minutes of meeting of creditors with ASIC – Prepare for potential creditors meetings including potential pooling of the Group for the purposes of a dividend, as required

Task area	General description	Includes
Investigation 24.4 hours \$12,515.50 (excl GST)	Creditor reports	<ul style="list-style-type: none"> – Prepare statutory report by Liquidators and issue report to all creditors – Prepare other reports or circulars to creditors as required
	Conducting investigation	<ul style="list-style-type: none"> – Review Group's books and records – Further investigations as necessary including reviewing specific transactions and liaising with directors regarding certain transactions – Preparation of detailed investigation file – Lodgement of investigation with ASIC – Identification of potential voidable transactions and internal discussions to determine strategy to pursue recoveries – Preparation and lodgement of supplementary report if required
	Litigation / recoveries, if required	<ul style="list-style-type: none"> – Internal meetings to discuss potential legal action against MCW and Charles Hunting arising from the non-completion of the DOCA – Further investigations and quantification of claim for any legal action to be taken against MCW and Charles Hunting – Prepare brief to solicitors – Liaise with solicitors regarding recovery actions – Attend to negotiations – Attend to settlement matters
	ASIC reporting	<ul style="list-style-type: none"> – Preparing statutory investigation reports – Preparing affidavits seeking non-lodgement assistance – Liaising with ASIC
	Processing proofs of debt	<ul style="list-style-type: none"> – Preparation of correspondence to potential creditors inviting lodgement of proofs of debt – Receipt of proofs of debt – Maintain proof of debt register – Adjudicating proofs of debt – Request further information from claimants regarding proofs of debt – Preparation of correspondence to claimant advising outcome of adjudication
Dividend 18.4 hours \$8,462.00 (excl GST)	Dividend procedures	<ul style="list-style-type: none"> – Preparation of correspondence to creditors advising of intention to declare interim dividend of the pooled group – Advertisement of intention to declare interim dividend – Obtain clearance from ATO to allow distribution of Company's assets – Preparation of interim dividend calculations – Preparation of correspondence to creditors announcing declaration of interim dividend – Advertise announcement of interim dividend – Preparation of interim dividend distribution

Task area	General description	Includes
Administration 8.4 hours \$3,337.50 (excl GST)		<ul style="list-style-type: none"> – Preparation of interim dividend file – Preparation of payment vouchers to pay interim dividend – Preparation of correspondence to creditors enclosing payment of interim dividend
	Media	<ul style="list-style-type: none"> – Attend to media enquiries on an ongoing basis – Media strategy implemented generally
	Shareholders	<ul style="list-style-type: none"> – Liaise with various groups of shareholders and responded to their enquiries on an ongoing basis – Liaise with shareholders regarding liquidation
	Bank account administration	<ul style="list-style-type: none"> – Preparing correspondence for Liquidators' bank account to be set up – Liaise with ANZ in relation to control of pre-appointment bank account – Request bank statements – Bank account reconciliations – Correspondence with bank regarding specific transfers – Arrange for closure of all MWG bank accounts which were used for trading purposes
	ASIC forms	<ul style="list-style-type: none"> – Preparing and lodging ASIC forms for end of Administration, appointment of liquidators and other forms in relation to liquidation of the Group
	ATO and other statutory reporting	<ul style="list-style-type: none"> – Attended to 'business as usual' statutory tasks with the ATO including BAS preparation and other statutory tasks prescribed by the Act
	Planning / review	<ul style="list-style-type: none"> – Discussions regarding status / strategy of liquidation
	Books and records / storage	<ul style="list-style-type: none"> – Dealing with records in storage – Sending job files to storage

D – Appointment of proxy (MWG)

Form 532 - Appointment of Proxy

Insolvency Practice Rules (Corporations) 2016, Section 75-25

Return to no later than 4:00PM on 29 January 2021 to:

KPMG

Tel: +61 2 9273 5594

Email: mcwilliams@kpmg.com.au

Indebted Company: McWilliam's Wines Group Ltd (Subject to DOCA) ACN 000 024 108

Date of Appointment: 3/08/2020

A. Name and Contact Details of Person or Entity Entitled to Attend Meeting

¹

(if entitled in a personal capacity, given name and surname; if a corporate entity, full name of company, etc)

² of

(address)

³ Tel:

⁴ Email:

B. Appointment of Person to Act as Proxy

Note: You may nominate "the Chairperson of the meeting" as your proxy (or your alternate proxy in the event that the first-named proxy is not in attendance).

¹ I/We, as named in Section A above, a creditor/employee/contributory/member of the Company, appoint

²

(name of person appointed as proxy)

³

⁴ or in his / her absence

(address of person appointed as proxy)

⁵

(name of person appointed as alternate proxy)

⁶

⁷ as *my / *our proxy

(address of person appointed as alternate proxy)

to vote at the meeting of creditors to be held on **2 February 2021 at 10:30AM (AEDT)** via teleconference facilities, or at any adjournment of that meeting in accordance with the instructions in Section C below.

C. Voting Instructions

¹ *My / *Our proxy, as named in Section B above, is entitled to act as *my / *our :

☐

² **general proxy**, to vote on *my / *our behalf **and / or**

☐

³ **special proxy**, to vote on *my / *our behalf specifically as follows:

Resolution	For	Against	Abstain
1. Deed Administrators' remuneration			
That the remuneration of the Deed Administrators of McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement) , as set out in the Remuneration Approval Request dated 14 January 2021, for the period from 5 December 2020 to 2 February 2021 be fixed up to a maximum amount of \$450,135.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Deed Administrators' internal disbursements			
That the internal disbursements of the Deed Administrators of McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement) , as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Execution of the DOCA to Termination of the DOCA be fixed up to a maximum	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

amount of \$10,904.00 plus any applicable GST, which is in addition to the previous internal disbursement approval for the same period, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred.

4. **Termination of DOCA and Appointment of Liquidators**

(a) Deed of Company Arrangement dated 3 August 2020 be terminated;

☐ ☐ ☐

(b) **McWilliam's Wines Group Ltd** be wound up; and

(c) Gayle Dickerson, Tim Mableson and Ryan Eagle be appointed as Joint and Several Liquidators of **McWilliam's Wines Group Ltd**

6. **Liquidators' remuneration (if applicable)**

That the remuneration of the Liquidators of **McWilliam's Wines Group Ltd (In Liquidation)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 of the Liquidation be fixed up to a maximum amount of \$839,491.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing remuneration as incurred.

☐ ☐ ☐

7. **Liquidators' internal disbursements (if applicable)**

That the internal disbursements of the Liquidators of **McWilliam's Wines Group Ltd (In Liquidation)**, as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 be fixed up to a maximum amount of \$10,115.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing disbursements as incurred.

☐ ☐ ☐

10. **Committee of Inspection (if applicable)**

If it is resolved that the **McWilliam's Wines Group Ltd** is wound up, that a Committee of Inspection be appointed, the members of which are to be determined by the meeting.

☐ ☐ ☐

11. **Committee of Inspection (if applicable)**

That, pursuant to Section 80-55(3) of Schedule 2 to the Act, creditors authorise and resolve for the members of the committee of inspection appointed on 14 January 2021 to enter into/continue with the transactions set out in the nomination forms tabled at this meeting or otherwise disclosed to this meeting, such that section 80-55(1) of Schedule 2 to the Act no longer applies to the members of the committee of inspection for those transactions.

☐ ☐ ☐

D. Signature

¹ Dated:

² Signature:

³ Name / Capacity:

Creditor Assistance Sheet: Completing a Proxy Form

Section A – Name and Contact Details of Person or Entity Entitled to Attend Meeting

1. Insert the full name of the employee, individual, sole trader, partnership or company that the debt is owed to.
2. Insert the address of the employee, individual, sole trader, partnership or company that the debt is owed to.
3. Insert the telephone number of the employee, individual, sole trader, partnership or company that the debt is owed to.
4. Insert the email address of the employee, individual, sole trader, partnership or company that the debt is owed to.

Section B – Appointment of Person to Act as Proxy

1. Cross out any wording that is **not** applicable. For example, if the employee/individual/sole trader/partnership/company is a creditor, cross out “eligible employee creditor”, “contributory”, “debenture holder” and “member”.
2. Insert the name of the person who will be exercising the creditor’s vote at the meeting. If someone is attending the meeting in person, that person’s name should be inserted. Alternatively, if someone is unable to attend, but you still want to cast a vote at the meeting, then you can appoint the Chairperson of the meeting to vote on your behalf by inserting the words ‘the Chairperson’ here.
3. Insert the address of the person nominated at (2) that will be attending the meeting as proxy. If you have elected ‘the Chairperson’ because no one is attending in person, leave this row blank.
4. Cross out any wording that is **not** applicable.
5. If the person you have elected to attend is unavailable on the day, you may nominate a second person to attend in their absence. Alternatively, you can appoint the Chairperson of the meeting to vote on your behalf by inserting ‘the Chairperson’.
6. Insert the address of the second person here. If you have elected ‘the Chairperson’, leave this row blank.
7. Cross out any wording that is not applicable.

Section C – Voting Instructions

1. Cross out any wording that is not applicable.
2. Insert an ‘X’ in this box if you want the person who is attending the meeting to vote as they see fit on each of the resolutions in the ‘Resolution’ table. If you select this option, proceed to Section D, **unless** you wish to vote specifically on certain resolutions, in which case you also insert an ‘X’ in the special proxy box and select ‘For’, ‘Against’ or ‘Abstain’ on the resolutions. The person voting at the meeting will have discretion to vote as they see fit on any resolutions where you have **not** selected ‘For’, ‘Against’ or ‘Abstain’.
3. Insert an ‘X’ in this box if you want the person who is attending the meeting, to vote exactly in accordance with your instructions. If you select this option, you must select ‘For’, ‘Against’ or ‘Abstain’ for each of the resolutions in the ‘Resolution’ table. Do not tick more than one box for each resolution.

Section D – Signature Instructions

1. Insert the date that the proxy form is being signed.
2. The form should be signed by **one** of the following persons:
 - If the debt is owed to an employee/individual, then the individual that the debt is owed to; or
 - If the debt is owed to a sole trader, then the sole trader that the debt is owed to; or
 - If the debt is owed to a partnership, then one of the partners of the partnership; or
 - If the debt is owed to a company, then a duly authorised officer of the company (normally a director or secretary of the company).
3. Insert the name of the person signing the form, and note their capacity (that is, their role):
 - If the debt is owed to a sole trader, note their capacity as proprietor, eg: “[Full name], proprietor”; or
 - If the debt is owed to a partnership, note their capacity as partner, eg: “[Full name], partner of the firm named in Section A above”; or
 - If the debt is owed to a company, note their capacity as director or secretary, eg: “[Full name], director/secretary of the company named in Section A above”]

E – Appointment of proxy (MTP)

Form 532 - Appointment of Proxy

Insolvency Practice Rules (Corporations) 2016, Section 75-25

Return to no later than 4:00PM on 29 January 2021 to:

KPMG

Tel: +61 2 9273 5594

Email: mcwilliams@kpmg.com.au

Indebted Company: Mount Pleasant Wines Pty Ltd (Subject to DOCA) ACN 000 024 813

Date of Appointment: 3/08/2020

E. Name and Contact Details of Person or Entity Entitled to Attend Meeting

¹

(if entitled in a personal capacity, given name and surname; if a corporate entity, full name of company, etc)

² of

(address)

³ Tel:

⁴ Email:

F. Appointment of Person to Act as Proxy

Note: You may nominate "the Chairperson of the meeting" as your proxy (or your alternate proxy in the event that the first-named proxy is not in attendance).

¹ I/We, as named in Section A above, a creditor/employee/contributory/member of the Company, appoint

²

(name of person appointed as proxy)

³

⁴ or in his / her absence

(address of person appointed as proxy)

⁵

(name of person appointed as alternate proxy)

⁶

⁷ as *my / *our proxy

(address of person appointed as alternate proxy)

to vote at the meeting of creditors to be held on **2 February 2021 at 10:30AM (AEDT)** via teleconference facilities, or at any adjournment of that meeting in accordance with the instructions in Section C below.

G. Voting Instructions

¹ *My / *Our proxy, as named in Section B above, is entitled to act as *my / *our :

☐

² **general proxy**, to vote on *my / *our behalf **and / or**

☐

³ **special proxy**, to vote on *my / *our behalf specifically as follows:

	Resolution	For	Against	Abstain
3	Deed Administrators' remuneration			
	That the remuneration of the Deed Administrators of Mount Pleasant Wines Pty Ltd (Subject to Deed of Company Arrangement) , as set out in the Remuneration Approval Request dated 14 January 2021, for the period from 5 December 2020 to 2 February 2021 be fixed up to a maximum amount of \$30,965.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Termination of DOCA and Appointment of Liquidators			
	(a) Deed of Company Arrangement dated 3 August 2020 be terminated;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(b) Mount Pleasant Wines Pty Ltd be wound up; and			

(c) Gayle Dickerson, Tim Mablesen and Ryan Eagle be appointed as Joint and Several Liquidators of Mount Pleasant Wines Pty Ltd			
8	Liquidators' remuneration		
	That the remuneration of the Liquidators of Mount Pleasant Wines Pty Ltd (In Liquidation) , as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 of the Liquidation be fixed up to a maximum amount of \$61,014.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing remuneration as incurred.	<input type="checkbox"/>	<input type="checkbox"/>
9	Liquidators' internal disbursements		
	That the internal disbursements of the Liquidators of Mount Pleasant Wines Pty Ltd (In Liquidation) , as set out in the Remuneration Approval Request dated 14 January 2021, for the period from Commencement of the Liquidation to 30 June 2021 be fixed up to a maximum amount of \$2,212.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Liquidators be authorised to make periodic payments on account of such accruing disbursements as incurred.	<input type="checkbox"/>	<input type="checkbox"/>

H. Signature

¹ Dated:

² Signature:

³ Name / Capacity:

Creditor Assistance Sheet: Completing a Proxy Form

Section A – Name and Contact Details of Person or Entity Entitled to Attend Meeting

5. Insert the full name of the employee, individual, sole trader, partnership or company that the debt is owed to.
6. Insert the address of the employee, individual, sole trader, partnership or company that the debt is owed to.
7. Insert the telephone number of the employee, individual, sole trader, partnership or company that the debt is owed to.
8. Insert the email address of the employee, individual, sole trader, partnership or company that the debt is owed to.

Section B – Appointment of Person to Act as Proxy

8. Cross out any wording that is **not** applicable. For example, if the employee/individual/sole trader/partnership/company is a creditor, cross out “eligible employee creditor”, “contributory”, “debenture holder” and “member”.
9. Insert the name of the person who will be exercising the creditor’s vote at the meeting. If someone is attending the meeting in person, that person’s name should be inserted. Alternatively, if someone is unable to attend, but you still want to cast a vote at the meeting, then you can appoint the Chairperson of the meeting to vote on your behalf by inserting the words ‘the Chairperson’ here.
10. Insert the address of the person nominated at (2) that will be attending the meeting as proxy. If you have elected ‘the Chairperson’ because no one is attending in person, leave this row blank.
11. Cross out any wording that is **not** applicable.
12. If the person you have elected to attend is unavailable on the day, you may nominate a second person to attend in their absence. Alternatively, you can appoint the Chairperson of the meeting to vote on your behalf by inserting ‘the Chairperson’.
13. Insert the address of the second person here. If you have elected ‘the Chairperson’, leave this row blank.
14. Cross out any wording that is not applicable.

Section C – Voting Instructions

4. Cross out any wording that is not applicable.
5. Insert an ‘X’ in this box if you want the person who is attending the meeting to vote as they see fit on each of the resolutions in the ‘Resolution’ table. If you select this option, proceed to Section D, **unless** you wish to vote specifically on certain resolutions, in which case you also insert an ‘X’ in the special proxy box and select ‘For’, ‘Against’ or ‘Abstain’ on the resolutions. The person voting at the meeting will have discretion to vote as they see fit on any resolutions where you have **not** selected ‘For’, ‘Against’ or ‘Abstain’.
6. Insert an ‘X’ in this box if you want the person who is attending the meeting, to vote exactly in accordance with your instructions. If you select this option, you must select ‘For’, ‘Against’ or ‘Abstain’ for each of the resolutions in the ‘Resolution’ table. Do not tick more than one box for each resolution.

Section D – Signature Instructions

4. Insert the date that the proxy form is being signed.
5. The form should be signed by **one** of the following persons:
 - If the debt is owed to an employee/individual, then the individual that the debt is owed to; or
 - If the debt is owed to a sole trader, then the sole trader that the debt is owed to; or
 - If the debt is owed to a partnership, then one of the partners of the partnership; or
 - If the debt is owed to a company, then a duly authorised officer of the company (normally a director or secretary of the company).
6. Insert the name of the person signing the form, and note their capacity (that is, their role):
 - If the debt is owed to a sole trader, note their capacity as proprietor, eg: “[Full name], proprietor”; or
 - If the debt is owed to a partnership, note their capacity as partner, eg: “[Full name], partner of the firm named in Section A above”; or
 - If the debt is owed to a company, note their capacity as director or secretary, eg: “[Full name], director/secretary of the company named in Section A above”]

F – Proof of debt

Form 535 Formal Proof of Debt or Claim Form
Corporations Act 2001, Regulation 5.6.49(2)

Return to KPMG
PO Box H67, AUSTRALIA SQUARE NSW 1215
Tel: +61 2 9273 5594
Email: mcwilliams@kpmg.com.au

Indebted Company: Please tick relevant company box below
Date of Appointment: 3/08/2020

<input type="checkbox"/> McWilliam's Wines Group Ltd ACN 000 024 108	<input type="checkbox"/> Mount Pleasant Wines Pty Ltd ACN 000 024 813
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A. Name and Contact Details of Creditor

¹ (the Creditor)

(if in a personal capacity, given name and surname; if a corporate entity, full name of company, etc)

² of

(insert address)

³ Tel:

⁴ Email:

☐ Tick this box to elect to receive electronic notification of notices or documents, in accordance with Section 600G of the Corporations Act 2001, at the email address specified above.

B. Details of Debt or Claim

¹ Amount owing:

(insert dollars and cents, inclusive of GST if applicable)

² Nature of Debt or Claim:

(insert description of debt and/or reference any supporting documentation)

³ Select one of the following options:

- ☐ The Creditor is an unsecured creditor of the indebted Company
- ☐ The Creditor is a secured creditor of the indebted Company
- ☐ The Creditor is an employee / former employee of the indebted Company
- ☐ The Creditor is a related party (please indicate: secured / unsecured)

For all claims:

☐ ⁴ I have attached supporting documentation to substantiate the Creditor's claim (secured creditors must attach evidence of security)

☐ ⁵ 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 details and value of security where relevant)

C. Signature

¹ Dated:

² Signature:

³ Name / Capacity:

Creditor Assistance Sheet: Completing a Proof of Debt Form

Section A – Name and Contact Details of Creditor

1. Insert the full name of the employee, individual, sole trader, partnership or company that the debt is owed to.
2. Insert the address of the employee, individual, sole trader, partnership or company that the debt is owed to.
3. Insert the telephone number of the employee, individual, sole trader, partnership or company that the debt is owed to.
4. Insert the email address of the employee, individual, sole trader, partnership or company that the debt is owed to.

Section B – Details of Debt or Claim

1. The amount owing should only include debts or claims which arose prior to the date of appointment.
2. Insert the currency if not Australian dollars.
3. Type of creditor: tick one of the options only.
4. For all claims, ensure supporting documentation is attached, such as invoices, statements, agreements.
5. For secured creditors, 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, indicate “refer attached” above and show them in a schedule in the following form:

Date	Drawer	Acceptor	Amount (\$)	Due Date

Section C – Signature Instructions

1. Insert the date that the proof of debt form is being signed.
2. The form should be signed by **one** of the following persons:
 - If the debt is owed to an employee/individual, then the individual that the debt is owed to; or
 - If the debt is owed to a sole trader, then the sole trader that the debt is owed to; or
 - If the debt is owed to a partnership, then one of the partners of the partnership; or
 - If the debt is owed to a company, then a duly authorised officer of the company (normally a director or secretary of the company).
3. Insert the name of the person signing the form, and note their capacity (that is, their role):
 - If the debt is owed to a sole trader, note their capacity as proprietor, eg: “[Full name], proprietor”; or
 - If the debt is owed to a partnership, note their capacity as partner, eg: “[Full name], partner of the firm named in Section A above”; or
 - If the debt is owed to a company, note their capacity as director or secretary, eg: “[Full name], director/secretary of the company named in Section A above”]