

Form 5011

Corporations Act 2001

s436E, 439A

Insolvency Practice Rules (Corporations) 2016

s75-145(1)(c)

Copy of minutes of meeting

Liquidator details

Registered liquidator number

390469

Registered liquidator name

GAYLE DICKERSON

Company details

Company name

MCWILLIAM'S WINES GROUP LTD

000 024 108

Section under which minutes are lodged

Date of meeting

23-02-2021

Are the minutes being lodged for a meeting convened under s436E, or
s439A of the Corporations Act 2001?

No

Certification

I certify that the attached minutes of meeting are a true copy of the original
minutes of meeting signed by the chair of the meeting as identified in the
minutes.

Yes

Authentication

This form has been authenticated by	
Name	GAYLE DICKERSON
This form has been submitted by	
Name	William GEORGE
Date	22-03-2021

For more help or information

Web	www.asic.gov.au
Ask a question?	www.asic.gov.au/question
Telephone	1300 300 630

Minutes of the Resumed Meeting of Creditors of the Group held concurrently via teleconference facilities on 23 February 2021 at 2:30PM (AEDT). These Meetings were adjourned up to 30 April 2021.

1 Present

Gayle Dickerson – Deed Administrator
Tim Mablesen – Deed Administrator
George Choimes - KPMG
Irene Tang – KPMG
Grant Whatley – HWL Ebsworth

Creditors as indicated in the **attached** attendance and observer registers.

2 Chairperson

Gayle Dickerson, one of the Deed Administrators of the Group, resumed the meetings that were adjourned on 2 February 2021 at 2:33PM (AEDT) on 23 February 2021 and advised that she would act as Chairperson of the meetings in accordance with Insolvency Practice Rules (Corporations) 2016 (IPR) 75-50 (**Resumed Meetings**).

The Chairperson noted that the Resumed Meetings of the Group would be held concurrently.

3 Court Orders

The Chairperson referred to the Deed Administrators' most recent circular to creditors dated 22 February 2021 and the Orders which were enclosed. As per the Orders, the Deed Administrators were required to inform the creditors of the Orders at the resumption of the Resumed Meetings.

The Chairperson referred to the circular to creditors dated 15 February 2021 (**the Circular**) and the meeting of the Group's creditors held concurrently on 2 February 2021 (**the Meetings**). The Meetings were adjourned for a period of up to 15 business days. The Circular was issued to notify creditors of the resumption of the Meetings on 23 February 2021 and to advise creditors that as a matter of process, creditors should resolve to terminate the existing Deed of Company Arrangement (**DOCA**) and place the Group into liquidation at the Resumed Meetings.

The Chairperson explained that since the Circular was issued to creditors on 15 February 2021 the Deed Administrators determined that given the current status of the ongoing sale negotiations with interested parties they required as much flexibility as possible to ensure the best outcome for the Group's stakeholders which would not be possible in a liquidation of the Group. Accordingly, after consultation with legal advisors, on 19 February 2021, the Deed Administrators lodged an urgent application to the Federal Court of Australia to seek Orders to allow a further adjournment of the Meetings to 30 April 2021 with an option to resume the Meetings earlier as needed, to align with the settlement of any sale transaction (**Application**). One of the purposes of this further adjournment was to avoid the Group being placed into liquidation at this meeting as this would have had an adverse impact on the ongoing trading of the Group's business. The Application was also served on Australian Securities & Investments Commission (**ASIC**) on the same day.

Prior to the lodgement of the Application, a Committee of Inspection (**COI**) meeting was convened on short notice on 18 February 2021 to propose a resolution on the proposed extension of the adjournment period of the Meetings from 15 business days in accordance with s 74-140 of the IPR to the period ending 30 April 2021. All members of the COI voted for the resolution and the resolution was passed unanimously.

The Chairperson advised attendees that the reasons for submitting the Application and seeking Orders to allow a further adjournment of the Meetings include:

1. Negotiations with parties were ongoing at the time of the Circular and the negotiations were likely to continue past the initial adjournment of 15 business days. As the sale of the Group's business as a going concern will preserve the majority if not all of the business of the Group, the Deed Administrators required the flexibility to finalise negotiations to ensure the best outcome which includes obtaining the highest return to the Group's stakeholders;
2. The recent challenging trading environment and feedback from McWilliam's senior management that this may continue to deteriorate if the Group is placed in liquidation given the current uncertainty for customers; and
3. From a sale of business perspective, liquidation may negatively impact the Group's brand, reputation, the perceived value of the business and therefore the return to creditors.

On 22 February 2021, Justice Farrell of the Federal Court of Australia made Orders to vary the operation of s 75-140 of the IPR permitting a further adjournment of a meeting of creditors of the Group to 30 April 2021. As mentioned, these Orders were attached to the circular to creditors which was issued to all known creditors on 22 February 2021. It was reiterated that the Meetings could be resumed earlier than 30 April 2021 however based on negotiations to date, 30 April 2021 aligns with expectations around any potential settlement date and completion of Vintage 2021.

The Chairperson confirmed the Resumed Meetings will now proceed with the procedural aspects as per statutory requirements and that no resolutions would be put forward during the Resumed Meetings.

4 Quorum

Irene Tang of KPMG took the attendance of creditors and observers at the Resumed Meetings for McWilliam's Wines Group and Mount Pleasant Wines.

The Chairperson tabled the attendance register and advised that a quorum, in accordance with IPR 75-15 and 75-105 was present for McWilliam's Wines Group and Mount Pleasant Wines.

5 Notice of meeting

The Chairperson advised that the Resumed Meetings had been called in accordance with the notice of meeting dated 15 February 2021, the meetings having been advertised on the ASIC Insolvency Notices on 15 February 2021 in accordance with IPR 75-40.

The Chairperson tabled the notice of meeting.

6 Convening the meeting

The Chairperson advised that due to the Government's safe distancing measures put in place in response to the current COVID-19 pandemic, as well as KPMG policies, that the Resumed Meetings were held via teleconference facilities.

The Chairperson advised that, in accordance with IPR 75-30, the Resumed Meetings were being held at a date, time and place convenient to the majority of persons entitled to receive notice of the meeting.

7 Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

The Chairperson referred to the Administrators' revised DIRRI dated 17 January 2020. The Chairperson noted that:

- a) A copy of the declaration had been tabled at the first meeting of creditors on 20 January 2020, with a copy also available from the KPMG website; and
- b) There has been no change to the declaration since the date the Administrators signed it.

8 Purpose of the meeting

The Chairperson advised that the statutory purpose of the Resumed Meetings was to:

- Receive an update on any potential sale and recapitalisation proposal; and
- Confirm the Orders made on 22 February 2021 and advise of the further adjournment of the Meetings up to 30 April 2021.

9 Deed Administrators' Update to Creditors

The Chairperson referred to the virtual on-screen PowerPoint presentation.

Trading Update

Tim Mablesen extended the Deed Administrators' appreciation to the employees of the Group for their ongoing effort in the current trading environment and uncertainty in terms of the future state of the Group.

Mr Mableson confirmed that Vintage 2021 was progressing well with Mount Pleasant's grape harvest completed on 19 February 2021, with the final yield circa 260 tonnes. This was slightly lower than the initial estimate of 330 tonnes due to weather. The estimated tonnage at Hanwood remains in line with the initial estimates of 12,000 tonnes through the commercial winery and 1,000 tonnes through the premium cellar. The continued support from growers have ensured that the estimated tonnage at Hanwood will likely be achieved in line with initial management projections. Vintage 2021 at Hanwood is expected to be completed towards end of March/early April 2021.

As mentioned, the current trading environment has been challenging due to the uncertainty over the Group's future, which was first a result of the non-completion of the DOCA, and more recently as a result of the Group potentially being placed into liquidation. The Orders obtained permitting an adjournment of the Meetings to 30 April 2021 will assist in providing increased certainty on the future state of the Group. This will be communicated to customers with the aim of achieving an uplift in trading.

Sale Update

The Chairperson referred to the Circular which detailed that following the sale campaign whereby final binding offers were to be submitted to the Deed Administrators by 31 January 2021, the Deed Administrators along with Colliers had agreed on commercial terms with a preferred party based on the offers received at that date and entered into a brief period of exclusivity to enable sale contracts to be finalised. This exclusivity period lapsed on 15 February 2021 with no extension granted and accordingly, no party currently has exclusivity. As such, the Chairperson confirmed that the Deed Administrators continue to work through the sale process and engage in negotiations. This was a key factor in lodging the Application for the Orders to further adjourn the Meetings.

The Orders allow a further adjournment of the Meetings to 30 April 2021 with an option to resume the Meetings earlier as needed, to align with the settlement of any sale transaction. An update to creditors and employees on the sale of the business will be provided when the Deed Administrators are in a position to do so. In the interim, the COI will continue to remain informed of any developments in relation to the sale of the Group's business.

The Chairperson referred to the Orders and confirmed that attendees were informed of these Orders at the resumption of the Resumed Meetings and that electronic notification was issued to all creditors within four hours of the Orders being made.

The Chairperson confirmed that the Orders sought and granted provide the Deed Administrators with more time and flexibility to finalise a sale and avoid the impacts of the Group being placed into liquidation as discussed earlier. The Deed Administrators were pleased her Honour granted the Orders sought which will assist them to finalise a sale.

The Chairperson then asked whether any creditor had an objection to the proposed adjournment of the Meetings as permitted by the Orders. There were no objections raised by creditors.

10 Questions

The Chairperson then opened the floor to questions.

Michael Moseley as general proxy for the Deputy Commissioner of Taxation asked whether the Deed Administrators anticipated completing a transaction within the next two weeks.

The Chairperson advised that the Deed Administrators had a meeting scheduled with an interested party after the Resumed Meetings to further discuss the sale contracts and progress the negotiations. The period of exclusivity was originally granted with the view of completing the transaction as soon as possible. The Deed Administrators will continue to work towards finalising a sale and will keep the COI updated.

Michael Moseley as general proxy for the Deputy Commissioner of Taxation noted that their preference for the transaction would be for the business to be sold as a going concern. Mr Moseley then sought to confirm that the Deed Administrators were entitled to continue to trade the business under the existing terms and conditions of the DOCA despite the fact that the DOCA is not expected to complete.

The Chairperson confirmed that the Deed Administrators are committed to the sale process which is why the Application was submitted for an Order for the further adjournment of the Meetings which would keep the Group out of liquidation until the sale is complete. Based on negotiations to date, the Deed Administrators still expect the range of returns to be higher than the liquidation estimate previously disclosed. In the event that this position changes, the Deed Administrators will inform creditors.

The Chairperson confirmed that the Deed Administrators remained able to continue to trade the business under the terms of the DOCA as no resolutions have been put to creditors to resolve to terminate the DOCA. Accordingly, the Deed Administrators intend to continue to operate the business as they have done throughout the external administration process until a sale is complete.

Michael Moseley as general proxy for the Deputy Commissioner of Taxation inquired whether the reputational damage of liquidation could be avoided by a resolution being proposed at the further adjourned meeting to enable the sale of the business to be completed while the Group remains in DOCA as opposed to requiring the DOCA to be terminated, the Group to enter liquidation and the transaction potentially completed with the Group in liquidation.

The Chairperson noted the concern and advised that one of the reasons for seeking the Orders to further adjourn the Meetings was to provide flexibility regarding the structure of the transaction. The Deed Administrators are continuing to liaise with their solicitors on how the sale transaction can be structured. The Deed Administrators again noted that they are working towards achieving the best outcome for the Group, while attempting to preserve the business as a going concern. The Deed Administrators were unable to provide further insight as to the potential sale structure as negotiations remain ongoing. The final structure of the transaction will be communicated to creditors when the Deed Administrators are in a position to do so.

11 Adjournment of meeting

There being no further questions, the Chairperson thanked those present for attending and confirmed that the Meetings are hereby further adjourned as permitted by the Orders obtained on 22 February 2021 and that the last day that the Meetings can be resumed is 30 April 2021.

The Chairperson reiterated that creditors will be provided with a notice of the resumed meetings and a report to creditors at least 5 business days' prior to the resumed meetings. The Deed Administrators anticipate being in a position to provide an update to creditors before the resumed meetings, which may outline the purchasing party, the structure of the transaction and provide an estimated return to creditors.

There being no further business, the Chairperson declared the meeting was adjourned at 3:03PM (AEDT).

Signed as a correct record.

Dated this 22nd day of March 2021



Gayle Dickerson
Chairperson

Annexure A – McWilliam’s Wines Group Ltd Attendees (in person or by proxy)

Creditor	Representative	Admitted Amount (\$)
April 5 Pty Ltd	Chairperson	96,728.73
Ashton, Lisa (Dr)	Chairperson	712.50
Bevchain Pty Limited	Chairperson	442,556.55
Commissioner Of State Revenue - NSW	Chairperson	68,271.56
Deputy Commissioner Of Taxation	Michael Moseley	1,397,850.18
Dialogue PR & Communications Pty Ltd	Chairperson	81,813.00
EE Muir And Sons Pty Limited	Chairperson	7,150.00
Framingham Wine	Chairperson	115,706.52
Harvey, Paul (Mr)	Harvey, Paul (Mr)	28,567.87
Henkell & Sohnlein	Sean Shortt	1,667,391.69
Higgins, Andrew (Mr)	Higgins, Andrew (Mr)	89,033.30
Houghton, Leanne (Mrs)	Chairperson	3,608.77
J.F. Hillebrand AUSTRALIA P/L	Arthur Theodos	200,789.45
Lennox, Beverly (Mrs)	Lennox, Beverly (Mrs)	6,185.67
Linney Engineering Services Pty Ltd	Chairperson	17,459.75
Lyman, Alastair (Mr)	Lyman, Alastair (Mr)	14,486.52
Martos Oliva, Oliva, (Ms)	Martos Oliva, Oliva, (Ms)	7,123.82
Maxsons Pty Limited	Karen Mcwilliam	4,758,785.46
Mcwilliam, John	Kim Sandford	1,628,296.32
Mcwilliam, Jonathan	Mcwilliam, Jonathan	416,433.64
Mcwilliam, Karen (Ms)	Karen Mcwilliam	3,103.30
Mcwilliam, Robyn	Jeffrey Mcwilliam	333,629.42
Parisotto, Rebecca (Miss)	Chairperson	2,088.31
Pipeclay Lawson Ltd	David Libling	7,284,000.00
Pitt, David (Mr)	Pitt, David (Mr)	37,771.14
PMA Global Pty Ltd	Chairperson	13,466.54
Power Plus Lighting & Electrical Suppliers	Chairperson	12,341.56
QWIL Investments Pty Ltd	Kristen Sagar	8,158,565.00
Sogrape Vinhos SA	Filipe De Mota Neves	999,559.52
T.C. Waste Services Pty Ltd	Chairperson	152.50
Taittinger	Mark Prechelt	1,769,304.83
Tello Services Pty Ltd	Chairperson	13,037.60
Tilisa Pty Ltd	Chairperson	156,276.00
Weir, David (Mr)	Chairperson	19,743.97

McWilliam's Wines Group Ltd Observers

Observer	Entity
Grant Whatley	HWL Ebsworth
Jasvir Kular	Bevchain Pty Limited

Annexure B – Mount Pleasant Wines Pty Ltd Attendees (in person or by proxy)

Creditor	Representative	Admitted Amount (\$)
Deputy Commissioner Of Taxation	Michael Moseley	1,398,065.41
Total Pumps & Irrigation	Chairperson	8,326.54



McWilliam's Wines Group Ltd
ACN 000 024 108

Mount Pleasant Wines Pty Ltd
ACN 000 024 813

(Both Subject to DOCA)
(Collectively referred to as "the Group")

Resumed Meeting of Creditors

23 February 2021

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kpmg.com.au



General housekeeping

- **Chairperson Gayle Dickerson**, Deed Administrator, joined by Tim Mableson, Deed Administrator
- **Meetings held concurrently – resumed meeting from 2 February 2021**
- **Meetings are being recorded**
- **Minutes** - A copy of the minutes of the meeting will be lodged with ASIC
- **Attendance register** – We will reconfirm who is present
- **All attendees will be muted until question time**
- **Questions**
 - a. **General** - State your name, who you're holding a proxy for or if you are a representative of a company, which company you are representing
 - b. **Timing** – Please wait until we have unmuted attendees and the Chairperson opens the floor to questions

Agenda for today's meeting

Introduction and procedural matters

1

Deed Administrators' update to creditors

2

Questions

3



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Introduction and procedural matters

Attendance & Quorum

- **McWilliam's Wines Group Ltd**
 - Special and general proxies
 - Other attendees
- **Mount Pleasant Wines Pty Ltd**
 - Special and general proxies
 - Other attendees

Introduction and procedural matters

- **Proofs of Debt and Proxies**
- **Quorum**
- **Notice of meeting** – resumed meeting
- **Place of Meeting** – Teleconference
- **Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”)**
- **Voting at a meeting**

Notice of Meeting

Notice of resumed 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 resumed meeting of creditors of the Group will be held on 23 February 2021 at 2:30PM (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 KPMG's offices.

Agenda

1. To receive an update from the Deed Administrators.
2. To resolve that:
 - a) Deed of Company Arrangement dated 3 August 2020 be terminated;
 - b) the Group be wound up; and
 - c) Gayle Dickerson, Tim Mablesen and Ryan Eagle be appointed as Joint and Several Liquidators of the Group.
3. 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.
4. 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 19 February 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 19 February 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 Administrators/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 15th day of February 2021



Tim Mablesen
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.



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Purpose of today's meeting



Purpose of today's meeting

Update from Deed Administrators

Adjournment of meeting up to 30 April 2021



Deed Administrators' update to creditors

Trading update



Vintage 2021 progressing well, despite weather



MTP harvest finished 19 February 2021, final yield circa 260 tonnes



Challenging start to the year

Sale Update



Multiple Offers Received on 29 January 2021

Currently in negotiations with multiple interested parties

Proposed adjournment



Adjourn to 30 April 2021

Orders granted by Justice Farrell of Federal Court of Australia on 22 February 2021 permitting further adjournment to 30 April 2021

Reasons for adjournment application

- a. Flexibility to finalise negotiations
- b. Challenging trading environment
- c. Liquidation may negatively impact brand, reputation, perceived value



Questions



Meeting Adjourned

Next steps

- Adjournment will allow sufficient time to continue to engage in negotiations with interested parties to ensure the best outcome is achieved for all relevant stakeholders. Once terms of sale contract agreed upon, we will report further to creditors
- Notice to all creditors will be issued advising of the adjournment of the meeting by COB 24 February 2021
- Notice of meeting of resumed meeting to be provided at least 5 business days prior to meeting





Thank you





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