



Lark Distilling Co.

LARK DISTILLING CO. LTD
ACN 104 600 544

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Thursday, 26 November 2020

Time of Meeting:
10.00 AM (AEDT)

Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the Corporations Act 2001 and the Corporations Regulations 2001 under the Corporations (Coronavirus Economic Response) Determination (no.1) 2020, **no hard copy** of the Notice of Annual General Meeting and Explanatory Statement will be circulated. A Notice of Access and Proxy Form will be delivered by mail providing instruction on how to vote and attend the meeting. The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Stock Exchange Announcement platform and on the Company's website <https://larkdistillery.com/investor-centre/>.

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

LARK DISTILLING CO. LTD

ACN 104 600 544

Registered office: Level 1, 30 Argyle Street, Hobart TAS 7000

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Lark Distilling Co. Ltd (the “Company”) will be held virtually via a webinar conferencing facility at 10.00am (AEDT) on Thursday, 26 November 2020 (“Annual General Meeting” or “Meeting”).

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Board at the time of the Notice, the Company intends to conduct a poll on all resolutions in the Notice of Annual General Meeting.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be provided along with a copy of the Notice, delivered to you by email or post (depending on your communication preferences).

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the AGM.

The live webcast can be attended using the following details:

When: Thursday, 26 November 2020 at 10.00am (AEDT)
Topic: LRK Annual General Meeting

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_Ht4_MiGYSk-4sEgPTgwbQA

After registering, you will receive a confirmation email containing information about joining the meeting. The Company strongly recommends that its shareholders lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

The Company is happy to accept and answer questions submitted prior to the meeting by email to mleydin@leydinfreyer.com.au. Where a written question is raised in respect of the key management personnel of the Company, the resolutions to be considered at the meeting, the Company will address the relevant question during the course of the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to ASX.

Any shareholders who wish to attend the AGM online should therefore monitor the Company’s website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: LRK) and on its website at <https://larkdistillery.com/investor-centre/>.

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2020.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial year ended 30 June 2020 be adopted.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 2: Election of Ms Laura McBain as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, Ms Laura McBain, having been appointed to the Board of Directors during the year, retires as a Director in accordance with the Constitution of the Company and being eligible for election, be elected as a Director of the Company.”

Resolution 3: Ratification of Prior Issue of 2,297,436 Fully Paid Ordinary Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 2,297,436 (pre-consolidation) fully paid ordinary shares to employees of Advancy Pty Ltd for settlement of creditor balances as described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 4: Ratification of Prior Issue of 718,121 Fully Paid Ordinary Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 718,121 (pre-consolidation) fully paid ordinary shares to employees of March Studio Pty Ltd for settlement of creditor balances as described in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

Resolution 5: Ratification of Prior Issue of 8,052,334 Fully Paid Ordinary Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 8,052,334 fully paid ordinary shares at \$1.10 per share to professional and sophisticated investors in the manner set out in the Explanatory Statement which accompanies and forms part of the Notice of the Meeting.”

A voting exclusion statement as set out below in this Notice applies to this Resolution.

SPECIAL BUSINESS

Resolution 6: Approval of Amendments to the Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

“That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, approval is given that the constitution of Lark Distilling Co. Ltd is amended in the manner set out in the Explanatory Statement, with effect from the conclusion of the meeting.”

Resolution 7: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 at an issue price of not less than 75% of the volume weighted average market (closing) price of the Company’s ordinary shares calculated over the last fifteen (15) days on which trades of the Company’s ordinary shares were recorded on ASX immediately before the date on which the issue price is agreed or the date on which the issue is made and otherwise on the terms and conditions in the Explanatory Statement which accompanied and formed part of the Notice of the Meeting.”

By order of the Board



Melanie Leydin

Company Secretary

Dated: 8 October 2020

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting. On a poll, members have one vote for every fully paid ordinary share held.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.
 - i. To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10:00am (AEDT) on Tuesday, 24 November 2020. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

6. Voting Exclusion Statement:

Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - a. does not specify the way the proxy is to vote on the resolution; and
 - b. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on this Resolution, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2 and 6

There are no voting exclusions on these resolutions.

Resolutions 3, 4 and 5

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the relevant issue, or an associate of that person (or those persons).

However, the Company need not disregard a vote on this Resolution if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement on this Resolution is not currently required by Listing Rule 7.3A.7.

7. Special Resolutions

Resolutions 6 and 7 are proposed as special resolutions. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

8. Enquiries

Shareholders are invited to contact the Company Secretary on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

This Explanatory Statement ("**Statement**") accompanies and forms part of the Company's Notice of Annual General Meeting ("**Notice**") for the 2020 Annual General Meeting ("**Meeting**") will be held virtually via a webinar conferencing facility at 10.00am (AEDT) on Thursday, 26 November 2020.

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2020 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: <https://larkdistillery.com/investor-centre/> or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the 2020 Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2020 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast on that resolution and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of Annual General Meeting), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this Resolution, the Directors unanimously recommend that shareholders vote in favour of this Resolution to adopt the Remuneration Report.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 2: Election of Ms Laura McBain as a Director of the Company

Background

In accordance with ASX Listing Rule 14.4 and Section 13 of the Company's Constitution, Ms Laura McBain will retire at the Annual General Meeting and, being eligible, will offer herself for election.

Ms McBain was formerly Managing Director of Longtable Group Limited from 2017 to 2019 and the CEO and Managing Director of Bellamy's Australia Ltd from 2014 to 2017, prior to which she was CEO/General Manager since 2007. During her years with Bellamy's, Ms McBain oversaw significant change, innovation and business growth including expansion into South East Asia and China. She is currently a director of Export Finance Australia, a role held since 2014. Prior to joining Bellamy's, Ms McBain practised as an accountant in both Sydney and Tasmania.

Ms McBain holds a Bachelor of Commerce, in 2013 completed the IMD Leadership Challenge and completed the IESE, Wharton and CEIBS Global executive program in 2017. In 2013, she was named the Telstra Tasmanian Business Woman of the Year and went on to be named the Telstra Australian Business Woman of the Year for 2013 (Private and Corporate).

Board Recommendation

The Board (with Ms McBain abstaining), recommends that shareholders vote in favour of the election of Ms McBain. The Chairman of the meeting intends to vote undirected proxies in favour of Ms McBain's election.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolution 3: Ratification of Prior Issue of 2,297,436 Fully Paid Ordinary Shares

Background

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the prior issue of 2,297,436 (pre-consolidation) fully paid ordinary shares to employees of Advancy Pty Ltd on 16 March 2020. The shares were issued at a deemed issue price of \$0.039 (3.9 cents) per share to settle outstanding creditor balances. An Appendix 2A in relation to this issue was lodged with the ASX on 16 March 2020.

The 2,297,436 (pre-consolidation) fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rules 7.1 and 7.1A allow the Company to issue new securities up to 25% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The issue of Shares under the Placement was within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The prior issue of ordinary shares on 16 March 2020 continues to use the capacity of the company to issue further securities without shareholder approval. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A. If the shareholders pass this Resolution then the shares issued on 16 March 2020 will no longer use the capacity of the Company under the ASX Listing Rules and the Company will be able to issue equity securities using the refreshed placement capacity without shareholder approval. If shareholders do not pass this Resolution then the shares issued on 16 March 2020 will continue to use the capacity available to the Company under the ASX Listing Rules.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the securities were issued to employees of Advancy Pty Ltd, which is not a related party of the Company;
- (b) the number and class of securities issued were 2,297,436 fully paid ordinary shares in the Company;
- (c) the shares were issued on 16 March 2020;
- (d) the shares were issued at a deemed issue price of \$0.039 (3.9 cents) per share;

- (e) there were no funds received from this issue. The shares were issued for non-cash consideration at a deemed issue price of \$0.039 per share, being the settlement of creditor balances; and
- (f) the purpose of the issue was the settlement of creditor balances.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 4: Ratification of Prior Issue of 718,121 Fully Paid Ordinary Shares

Background

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the prior issue of 718,121 (pre-consolidation) fully paid ordinary shares to employees of March Studio Pty Ltd on 16 March 2020. The shares were issued at a deemed issue price of \$0.034 (3.4 cents) per share to settle outstanding creditor balances. An Appendix 2A in relation to this issue was lodged with the ASX on 16 March 2020.

The 718,121 (pre-consolidation) fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rules 7.1 and 7.1A allow the Company to issue new securities up to 25% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The issue of Shares under the Placement was within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The prior issue of ordinary shares on 16 March 2020 continues to use the capacity of the company to issue further securities without shareholder approval. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A. If the shareholders pass this Resolution then the shares issued on 16 March 2020 will no longer use the capacity of the Company under the ASX Listing Rules and the Company will be able to issue equity securities using the refreshed placement capacity without shareholder approval. If shareholders do not pass this Resolution then the shares issued on 16 March 2020 will continue to use the capacity available to the Company under the ASX Listing Rules.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the securities were issued to employees of March Studio Pty Ltd, which is not a related party of the Company;
- (b) the number and class of securities issued were 718,121 fully paid ordinary shares in the Company;
- (c) the shares were issued on 16 March 2020;
- (d) the shares were issued at a deemed issue price of \$0.034 (3.4 cents) per share;
- (e) there were no funds received from this issue. The shares were issued for non-cash consideration at a deemed issue price of \$0.034 per share, being the settlement of creditor balances; and
- (f) the purpose of the issue was the settlement of creditor balances.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 5: Ratification of Prior Issue of Fully Paid Ordinary Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the prior issue of 8,052,334 fully paid ordinary shares to professional and sophisticated investors under a Placement in accordance with ASX announcement dated 18 September 2020. These shares were issued on 23 September 2020 and an Appendix 2A in relation to this issue was lodged with the ASX on 23 September 2020.

ASX Listing Rules 7.1 and 7.1A allow the Company to issue new securities up to 25% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The issue of Shares under the Placement was within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The prior issue of ordinary shares on 23 September 2020 continues to use the capacity of the company to issue further securities without shareholder approval. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A. If the shareholders pass this Resolution then the shares issued on 23 September 2020 will no longer use the capacity of the Company under the ASX Listing Rules and the Company will be able to issue equity securities using the refreshed placement capacity without shareholder approval. If shareholders do not pass this Resolution then the shares issued on # September 2020 will continue to use the capacity available to the Company under the ASX Listing Rules.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the securities were issued to clients of Ord Minnett Limited who are professional and sophisticated investors;
- (b) the number and class of securities issued were 8,052,334 fully paid ordinary shares in the Company;
- (c) the shares were issued on 23 September 2020;
- (d) the shares were issued at an issue price of \$1.10 per share;
- (e) funds raised from the Placement will be utilised to fund the inventory build of Lark's whisky under maturation and costs of the Offer.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions on this Resolution.

Resolution 6: Approval of Amendments to the Constitution

Background

As part of the Company's regular review of its Constitution to streamline administration, minimise costs and incorporate recent regulatory updates, the Board proposes the following changes to the Constitution.

That for the purposes of Section 136(2) of the Corporations Act, and for all other purposes that the Constitution of the Company be amended in the following manner:

- (a) Clause 12.23 be amended from:

"12.23 ***Use of Technology***

The Company may hold a general meeting at 2 or more venues using any technology that gives Members a reasonable opportunity to participate."

To read as follows:

“12.23 Use of Technology

The Company may hold a general meeting at 2 or more venues simultaneously, including by way of virtual or hybrid meeting, using any technology that gives Members a reasonable opportunity to participate.”;

(b) Addition of new Clause 12.24:

“12.24 Hybrid meeting

- (a) *Notwithstanding any other clause of this Constitution:*
- (i) *the Directors may determine in relation to any general meeting (including any general meeting that is being held at more than one physical place) to enable any person entitled to attend and participate to do so by simultaneous attendance and participation by means of an electronic facility or facilities; and*
 - (ii) *the Members Present in person, by proxy, or by means of an electronic facility or facilities at that meeting will be counted in the quorum for, and entitled to participate, in that general meeting.*
- (b) *If a separate meeting place is linked to the main place of a general meeting by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:*
- (i) *gives the general body of Shareholders in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;*
 - (ii) *enables the chairman to be aware of proceedings in the other place; and*
 - (iii) *enables the Shareholders in the separate meeting place to vote on a show of hands or on a poll,*
- a Shareholder present at the separate meeting place is taken to be a 'Member Present' at the general meeting and entitled to exercise all rights as if he or she was present at the main place.*
- (c) *If, before or during a meeting convened in accordance with clause 12.23A(1), any technical difficulty occurs where one or more of the matters set out in clause 12.23A(2) is not satisfied, the chairman of the meeting may:*
- (i) *adjourn the meeting until the difficulty is remedied; or*
 - (ii) *continue to hold the meeting in the main place (and any other place which is linked under clause 12.23A(2)) and transact business, and no Shareholder may object to the meeting being held or continuing.*
- (d) *Subject to the requirements of the Corporations Act, if a general meeting is convened in accordance with clause 12.23A(1) or is otherwise held partly by means of an electronic facility or facilities, the Directors (and, at the general meeting, the chairman of that meeting) may make any arrangement and impose any requirement or restriction in connection with participation by such electronic facility or facilities, including any arrangement requirement or restriction that is:*
- (i) *necessary to ensure the identification of those taking part and the security of the electronic facility; and*
 - (ii) *proportionate to the achieve the objectives set out in clause 12.23A(2).*
- (d) *Except in relation to a general meeting convened in accordance with a member's requisition under the Corporations Act or any other meeting that is not called by resolution of the Board, if, after sending a notice of general meeting convened in accordance with clause 12.23A(1) or is otherwise held partly by means of an electronic facility or facilities, but prior to the meeting, the Directors decide that it is impracticable or unreasonable to hold the meeting at the time specified in the notice or by the electronic facility specified, the Directors may change:*
- (i) *the meeting to remove the ability for the persons entitled to attend and participate in the meeting to do so by an electronic facility;*
 - (ii) *the electronic facility or facilities to be used for the general meeting; or*
 - (iii) *postpone the time at which the meeting is to be held.*

If a decision is made by the Directors under clause 12.23A(6), the Directors may then change again the electronic facility (or facilities) or postpone the time if they decide that it is reasonable to do so before that meeting is held.

- (f) *In relation to any decision made in accordance with clauses 12.1(c), 12.23A(3) or 12.23A(5):*
 - (i) *no new notice of meeting is required to be sent, but the Directors must take reasonable steps to publicise a change to the date and time of the meeting or the means of attendance and participation (including any change to the place or electronic facility) for the meeting;*
 - (ii) *the Directors must take reasonable steps to ensure that notice of the change or removal of the electronic facility (or facilities) for participation in the meeting (if any) or the postponement (if any), must appear at the original place (or places) or on the original electronic facility (or facilities) of the meeting, in each case at the original time specified for the meeting; and*
 - (iii) *if the general meeting is postponed, the appointment of a proxy will be valid if it is received as required by this Constitution not less than 48 hours before the postponed time appointed for the holding the meeting, provided that the Directors may at their discretion determine that, in calculating the period of 48 hours, no account will be taken of any part of a day that is not a Business Day.*
- (g) *For the avoidance of doubt:*
 - (i) *the inability of one or more Members to access, or to continue to access, the electronic facility or facilities for participation at general meeting convened in accordance with clause 12.23A(1) does not affect the validity of the general meeting or the business conducted at the meeting provided that sufficient Members are able to participate in the meeting as are required to constitute quorum under clause 12.5; and*
 - (ii) *Directors are under no obligation to offer to provide any electronic facilities for a general meeting.*
- (h) *Nothing in this clause 12.23A is to be taken to limit the powers conferred on the chairman of the meeting by law.”;*

(c) Addition of new Clause 24.2(e)

“24.2(e) *if it is made available on the Company’s website and/or the ASX Market Announcements Platform, on the date the notice becomes available for viewing and downloading by a member of the public,”*

Directors Recommendation

The Board unanimously recommends that shareholders vote in favour of this Resolution.

Voting Exclusions

There are no voting exclusions on this Resolution.

Resolution 7: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of this Resolution will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without further shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, being Shares and Listed Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):

- (A) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
- (B) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (C) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the relevant period; or
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (D) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4;
- (E) plus the number of partly paid shares that became fully paid in the relevant period;
- (F) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) Nature of consideration for issue and Minimum Issue Price

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(10% Placement Period).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 26 November 2020, and expires on the first to occur of the following:
 - (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 26 November 2021;
 - (ii) the time and date of the Company's next annual general meeting;
 - (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
 - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:

- (i) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
 - (ii) continued expenditure on the Company's current business and/or general working capital.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Listed Options, only if the Listed Options are exercised). Shareholders may also be exposed to economic risk and voting dilution, including the following:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 7 October 2020 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.675 50% decrease in Current Share Price	\$1.35 Current Share Price	\$2.70 100% increase in Current Share Price
Current Variable A 62,505,212 Shares	10% Voting Dilution	6,250,521 Shares		
	Funds raised	\$4,219,102	\$8,438,204	\$16,876,407
50% increase in current Variable A 93,757,818 Shares	10% Voting Dilution	9,375,782 Shares		
	Funds raised	\$6,328,653	\$12,657,305	\$25,314,611
100% increase in current Variable A 125,010,424 Shares	10% Voting Dilution	12,501,042 Shares		
	Funds raised	\$8,438,204	\$16,876,407	\$33,752,814

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including existing Listed Options and/or any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- The Current Share Price is \$1.30 being the closing price of the Shares on ASX on 7 October 2020.
- (e) The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to relevant factors including, but not limited to, the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company:
 - (i) has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12 month period preceding the date of the Meeting; and
 - (ii) had not agreed, before the 12 month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Directors Recommendations

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2020;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDST**” means Australian Eastern Daylight Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means Lark Distilling Co. Ltd Limited ACN 104 600 544;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” or “**KMP**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Option**” means an option to acquire a Share;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of the Company for the financial year ended 30 June 2020 and which is set out in the Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Memorandum;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“**VWAP**” means volume weighted average price.



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEDT) on Tuesday 24 November 2020.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT <https://www.votingonline.com.au/lrkagm2020>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEDT) on Tuesday, 24 November 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/lrkagm2020>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of Lark Distilling Co Ltd (Company) and entitled to attend and vote hereby appoint:

the Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **Virtually on Thursday, 26 November, 2020 at 10:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Ms Laura McBain as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue of 2,297,436 Fully Paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of 718,121 Fully Paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue of 8,052,334 Fully Paid Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of Amendments to the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020