



18 October 2019

NOTICE IS HEREBY GIVEN that the 2019 Annual Meeting of Shareholders of **Foley Wines Limited** will be held at:

Venue: PwC, Level 2, PwC Centre, 10 Waterloo Quay, Wellington

Time: Thursday, 21 November 2019, commencing at 10.30 am.

AGENDA:

The agenda for the meeting is as follows:

1. Chairman's Introduction
2. Chief Executive's Presentation
3. 2019 Financial Report
4. Shareholder Questions
5. Ordinary Resolutions:

To consider, and if thought fit, to pass the following ordinary resolutions, requiring a simple majority of votes by those shareholders entitled to vote and voting:

5.1 Appointment of Auditor (note 1):

Resolution 1: That the Board be authorised to determine the auditor's fees and expenses for the 2020 financial year.

5.2 Election of Directors (note 2):

5.2.1 **Resolution 2:** To re-elect Mark Turnbull as a Director of Foley Wines Limited;

5.2.2 **Resolution 3:** To elect Grant Graham as a Director of Foley Wines Limited.

6. Special Resolution:

To consider, and if thought fit, to pass the following special resolution, requiring a 75% majority of votes by those shareholders entitled to vote and voting:

6.1 Adoption of new Constitution (note 3):

Resolution 4: That, in accordance with section 32(2) of the Companies Act 1993, and with effect from the close of the Annual Meeting of Shareholders:

(a) the company's existing constitution is revoked; and

(b) the proposed constitution (as presented to the Annual Meeting of Shareholders) be adopted as the constitution of the company.

7. General Business: To consider any other business that may be properly brought before the meeting.

All resolutions to be put to the meeting are discussed in the Explanatory Notes attached.

PROXIES

- A Voting/Proxy form is attached for your use. Refer to the Final Section on the Notes for instructions for completing the Voting/Proxy form. Please deliver the completed proxy to the Company by 10.30 am on Tuesday 19 November 2019.

Following the formal part of the meeting, the Directors invite shareholders to join them for light refreshments. For catering and administrative purposes, we would appreciate if you could **please RSVP by Friday, 1 November 2019** to Donna on 03 572 6406 or email sales@foleywines.co.nz. *Thank you.*

NOTES TO THE AGENDA

Note 1 – Auditor: Resolution 1

PricewaterhouseCoopers (PwC) is the current auditor of Foley Wines Limited. The Companies Act 1993 provides that a company's auditor is automatically reappointed unless the shareholders resolve to appoint a replacement auditor, or there is another reason for the auditor not to be reappointed.

Section 207S of the Companies Act 1993 further provides that the auditors' fees and expenses must be fixed by the Company, or in the manner that the Company determines at a shareholders' meeting.

Shareholders are being asked to resolve that the Board is authorised to fix the fees and expenses of PwC for the current year.

Note 2 - Election of Directors: Resolutions 2, and 3

Mark Turnbull (Mark) retires by rotation in accordance with NZX Listing Rule 2.7.1. Mark has confirmed that he is available for re-election.

Grant Graham (Grant) was appointed to the Board with effect from 1 February 2019. In accordance with clause 10.6 of the Company's constitution, Grant retires from office at the 2019 Annual Meeting of Shareholders. Grant has confirmed that he is available for election.

Biographies:

Mark Turnbull

Mark was appointed was appointed Chief Executive Officer and Director of the Company in September 2012.

Mark's career started as an accountant with Ernst and Young, then for the next 18 years was Managing Partner of the brand consultancy Designworks. Mark was Chairman of the New Zealand Wine Fund when it was acquired by Foley Family Wines in 2009. In 2011, Mark had a sabbatical year and attended London Business School where he completed a Masters of Science in Leadership and Strategy with Distinction. Mark is a Chartered Accountant with Chartered Accountants Australia and New Zealand.

As Mark is an employee of the Company, he is not an Independent Director in accordance with the NZX Listing Rules.

Grant Graham

Grant was appointed to the Board with effect from 1 February 2019 and as Chair of the Board Audit and Risk Committee.

Grant is a Partner at advisory and investment firm KordaMentha with a strong background in corporate finance and advisory in valuation, restructuring and as an expert witness.

Over 20 years, Grant has written numerous Independent Advisors' reports for listed company activity subject to NZX listing rules and the New Zealand Takeovers' Code. In the process, he has gained an enviable reputation for the quality of these reports, his clear and concise communication style, and pragmatic advice.

Grant has a Bachelor of Commerce and is a Chartered Accountant with Chartered Accountants Australia New Zealand holding a Certificate of Public Practice and CAANZ Accredited Insolvency Practitioner status. Grant is a member of the Institute of Directors in New Zealand.

Grant Graham is an Independent Director in accordance with the NZX Listing Rules.

Nominations for Directors closed at 5.00 pm on Thursday 3 October 2019.

No further Nominations were received.

Note 3 – Amendment to Constitution: Resolution 4

The following Special Resolution will be submitted to the meeting:

“THAT in accordance with section 32(2) of the Companies Act 1993, and with effect from the close of the Annual Meeting of Shareholders: (a) the company’s existing constitution is revoked; and (b) the proposed constitution (as presented to the Annual Meeting of Shareholders) be adopted as the constitution of the company.”

Introduction

The Company migrated to the NZX Main Board on 3 December 2018. The NZX Listing Rules applicable at that time were issued on 1 October 2017. On 1 January 2019, the NZX issued new NZX Listing Rules which have applied to the Company from 1 July 2019.

Constitution

The Company’s existing constitution does not meet all the requirements of the current NZX Listing Rules (the “*Listing Rules*”) issued on 1 January 2019. The Company is required to adopt a constitution that complies with the NZX Listing Rules in force from time to time. To adopt a new constitution, a special resolution of shareholders is required under section 32 of the Companies Act, a resolution approved by 75% or more of the eligible votes cast on the resolution. As the effect of the amendments to the constitution is not to impose or remove a restriction on the activities of the Company or affect the rights attaching to shares, the shareholder minority buy-out rights under the Companies Act do not apply to this special resolution.

Instead of proposing a range of specific amendments to the existing constitution, the Board has chosen to present to shareholders for adoption a new constitution incorporating the proposed amendments (the **proposed constitution**).

To assist shareholders, a copy of the existing constitution “marked-up” to show the amendments made in creating the proposed constitution and a “clean copy” of the proposed constitution for adoption at the meeting are available on the Company’s website (www.foleywines.co.nz). In addition, copies of the (“clean”) proposed constitution are available from the Company (telephone 03 572 8200, fax 03 572 8211, email cfo@foleywines.co.nz, and postal address of PO Box 67, Renwick 7243, Marlborough (attention Jane Trought)).

The Company’s existing constitution was approved by shareholders at the 2018 Annual Meeting of Shareholders held on 21 November 2018 and was applicable from the date that the Company migrated to the NZX Main Board, being 3 December 2018. The changes proposed are therefore limited to a small number of areas, as outlined below.

Listing Rules

The proposed constitution incorporates by reference (instead of in full) a number of provisions from the Listing Rules.

A copy of the Listing Rules (1 January 2019) is available on NZX’s website (www.nzx.com).

Scope of explanatory note

This explanatory note describes principally some of the provisions of the proposed constitution which are different from the existing constitution. It does so at a high level only, and this explanatory note is not intended to be a substitute for a review of the proposed constitution and Listing Rules.

Key changes:

General

The company name was changed on 1 December 2018 from Foley Family Wines Limited to Foley Wines Limited. This change of company name has been reflected throughout the proposed constitution.

Section 10 and 11 – Directors

The Listing Rules prescribe minimum requirements in relation to the composition of the board and director rotation requirements. This section of the Listing Rules has been updated as follows:

- There must be at least three directors, with a minimum of two independent and two ordinarily resident in New Zealand. The number of independent directors required no longer increases in step with an increase in the board size.
- Under the new Listing Rules, a Director may not hold office, without being re-elected, past the third annual meeting after his or her appointment or re-election, or for three years, whichever is the longer. A Director appointed by the Board must be re-elected at the next annual meeting following their appointment. This replaces the former requirement that one third, or the number nearest one third, of the directors must retire at the annual meeting in each year, and are eligible for re-election.

This means that Executive Directors and Directors holding special offices will no longer have a five year term, and will not be exempt from the director rotation requirements. These provisions of the constitution have been updated for consistency with the new Listing Rules.

Other Changes

Changes to the definitions in the Constitution and various other less significant wording changes have been made to reflect the provisions of the new Listing Rules and recent market practice (including in relation to electronic meetings and voting).

NZX Approved Solicitor Opinion:

The proposed constitution has been reviewed by a solicitor approved by the NZX in accordance with the Listing Rules and they have confirmed to the NZX that the proposed constitution complies with the Listing Rules.

Important Information: General Note Applicable to All Resolutions requiring Votes at the Annual Meeting

Pursuant to section 125 of the Companies Act 1993, the Board has determined that, for the purposes of voting at the Annual Meeting, only those registered shareholders of the Company as at 10.30 am on Tuesday 19 November 2019, being a day not more than 20 working days before the meeting, shall be entitled to exercise the right to vote at the meeting either in person or by appointing a proxy to attend and vote instead of that shareholder.

Voting will be conducted by way of a poll.

You may vote

- 1. By Attending.** You should bring the Voting/Proxy Form (included with this Notice) with you since voting will be by way of a poll.
- 2. By Proxy.** If you do not plan to attend, you can appoint a proxy to vote for you.

A Voting/Proxy Form is included with this Notice of Annual Meeting which allows you to vote either for, against, or abstain from, the resolutions notified in this Notice of Meeting.

Any shareholder of the Company, who is entitled to attend and vote at the Annual Meeting, is entitled

to appoint a proxy to attend the meeting and vote on his or her behalf. A proxy need not be a shareholder of the Company.

If you appoint a proxy, you may either direct your proxy how to vote for you, or you may give the proxy discretion to vote as he or she sees fit. If you wish to give your proxy discretion then you should make the appropriate election on the Proxy Form, to grant your proxy that discretion.

You will be deemed to have given your proxy discretion if you do not make an election in relation to any of resolutions 1 to 4.

The Chairman of the meeting is willing to act as proxy for any shareholder who appoints him or her for that purpose.

The Chair of the meeting and the Directors intend to vote all undirected proxies in favour of the resolutions. The Chairman and any Directors appointed as proxy will vote any discretionary proxies in favour of resolutions 1 to 4.

If your named proxy does not attend the meeting, or if the proxy is not named but the proxy form is otherwise completed, the Chairman of the meeting will act as your proxy and may only vote in accordance with your express instruction.

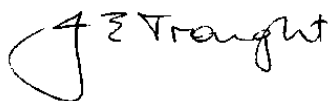
There are no voting restrictions on resolutions 1 to 4.

To be valid, a completed **Voting/Proxy Form must be returned by no later than 10.30 am on Tuesday 19 November 2019**. Any Voting/Proxy Form received after that time will not be valid for the Annual Meeting.

You may return your completed Voting/Proxy Form by:

- Delivering it in person to FWL Head Office, 13 Waihopai Valley Road, Blenheim;
- Scan and email (please use "FWL Proxy" as the subject of your email) to sales@foleywines.co.nz;
- Return the Voting/Proxy Form by mail to Foley Wines Ltd, Attn: Jane Trought, PO Box 67, Renwick 7243, New Zealand.; or
- Fax the Voting/Proxy Form to: +64 3 572 8211.

By Order of the Board of Directors



Jane Trought
Chief Financial Officer
Foley Wines Limited
18 October 2019.