



**DELEGAT'S GROUP LIMITED**

**Delegat's Group Limited (DGL)**

**Delegat's Wine Estate Limited to make a full takeover offer for Oyster Bay Marlborough Vineyards Limited**

Delegat's Wine Estate Limited (Delegat's) has decided to undertake a full takeover offer for the shares in Oyster Bay Marlborough Vineyards Limited (Oyster Bay) that it does not already own at a cash price of \$1.80 per share. Alternatively, Oyster Bay shareholders can receive one Delegat's Group Limited share for every one Oyster Bay share sold into the offer.

This decision follows a strategic review by Delegat's of its shareholding (54.9%) in Oyster Bay. The review included consideration of Oyster Bay's financial situation and its importance to Delegat's as a supplier of super premium quality grapes.

The strategic review was undertaken in response to an approach to Delegat's by the independent directors of Oyster Bay who, as part of their own review of the capital restructuring options available to Oyster Bay, regarded a takeover (subject to its terms) by Delegat's as the best means of addressing Oyster Bay's financial situation.

Oyster Bay's profitability has been adversely affected by the continuing grape supply imbalance in the industry and the consequent pressure on grape prices to the extent that one of its banking covenants would have been breached, but for Oyster Bay's bank granting a waiver until 31 December 2010. Given that Delegat's consider grape prices are unlikely to improve significantly in the short term, any improvement in Oyster Bay's financial situation is unlikely.

Delegat's believe that the offer structure of cash or scrip has considerable merit, as it gives Oyster Bay's shareholders the opportunity to convert their investment into cash or the choice to continue an investment in the industry by exchanging their shares for shares in Delegat's and thus transforming their Oyster Bay investment from a single product exposure (grapes) into a vertically integrated diversified wine company. Acceptance of the share exchange option also preserves the long standing shareholder relationship that has existed between the two companies since 1999.

Delegat's is a growth company and continues to pursue world-wide market opportunities using its successful in-market product representation model engaging with distributors who have adopted the Delegat's philosophy and global aspirations.

ENDS

For further information please contact  
Robert Wilton  
Chairman  
Delegat's Group Limited  
+64 21 956 130  
+64 9 359 7300



DELEGAT'S WINE ESTATE

**18 October 2010**

**BY FAX: +64 9 359 7359**  
**EMAIL: [andre.gaylard@delegats.co.nz](mailto:andre.gaylard@delegats.co.nz)**

The Directors  
Oyster Bay Marlborough Vineyards Limited  
Level 1, 10 Viaduct Harbour Avenue  
**AUCKLAND**

**TAKEOVER NOTICE**

**Delegat's Wine Estate Limited** hereby gives notice pursuant to Rule 41 of the Takeovers Code of its intention to make a full takeover offer under the Takeovers Code to acquire all of the equity securities of **Oyster Bay Marlborough Vineyards Limited**.

*Attached* to this notice are the terms of the offer, including the information required by Schedule 1 to the Takeovers Code (stated as at the date of this notice) and the Simplified Disclosure Prospectus in respect of the Delegat's Group Limited shares intended to be offered as consideration in the takeover offer.

For and on behalf of  
**Delegat's Wine Estate Limited**

A handwritten signature in black ink, appearing to read 'R. L. Wilton', written over a large, light-colored oval scribble.

**R. L. Wilton**  
Chairman

cc Kerry Morrell  
The Takeovers Panel  
Level 3, Solnet House  
80 The Terrace  
WELLINGTON

**By Email: [kerry.morrell@takeovers.govt.nz](mailto:kerry.morrell@takeovers.govt.nz)**

cc NZX  
By Email: [announce@nzx.com](mailto:announce@nzx.com)

*Delegat's Wine Estate Limited*  
*Corporate Office*

*Level 1, 10 Viaduct Harbour Avenue, Maritime Square, Auckland 1010, New Zealand*

*PO Box 91 681, Victoria Street West, Auckland 1142*

**Telephone** 64 9 359 7300 **Facsimile** 64 9 359 7359



### Summary of Offer

Delegat's Wine Estate Limited ("**Delegat's**") is making a takeover Offer ("**Offer**") for all of the shares (the "**Shares**") in Oyster Bay Marlborough Vineyards Limited ("**Oyster Bay**") that it does not already hold.

|                                  |  |
|----------------------------------|--|
| <b>Offer Price</b>               | <p>The consideration offered to the Oyster Bay Shareholders for their Shares is, at their option, one of the following alternatives:</p> <p>(i) <b>Option 1.</b> One (1) fully paid ordinary share in Delegat's Group Limited * for one (1) fully paid ordinary share in Oyster Bay ("the DGL Share Consideration Option")**; or</p> <p>(ii) <b>Option 2.</b> NZ\$1.80 for each fully paid ordinary share in Oyster Bay.</p> <p>If neither option is chosen by an Acceptor, Option 1 – the DGL Share Consideration Option shall be deemed to have been chosen as consideration.</p> <p>*Information pertaining to the issue of the shares in Delegat's Group Limited are set out in the accompanying registered "Simplified Disclosure Prospectus".</p> <p>**Overseas regulatory restrictions prevent the allotment of Delegat's Group Limited shares to Oyster Bay shareholders whose address is outside New Zealand or Australia. See "Overseas Shareholders" below.</p> |
| <b>Full Offer</b>                | The offer is for all the Shares in Oyster Bay that Delegat's does not already own.   |
| <b>How to ACCEPT</b>             | The detailed terms of the Offer are set out on pages [ ] to [ ] of this Offer Document.  |
| <b>Conditions</b>                | The Offer is a conditional one. The conditions of the Offer are detailed on pages [ ] and [ ] of this Offer Document.  |
| <b>Offer Period</b>              | The Offer is dated [ ] ( <b>Offer Date</b> ) and remains open for acceptance until 5.00 pm. ( <b>Closing Time</b> ) on [ ] or such later date to which the Offer may be extended by Delegat's or the Takeovers Panel in accordance with the Takeovers Code (the date on which the Offer closes being the <b>Closing Date</b> ).  |
| <b>Settlement (Payment) Date</b> | If you accept the Offer, the consideration for your Oyster Bay shares will be satisfied no later than 7 days after the later of the date on which your acceptance is received by Delegat's or the date on which this offer becomes unconditional. As at the date of this offer, the last day by which such consideration must be sent to persons accepting this offer is [ ], but this date may change if the Closing Date is extended, and therefore the latest date Delegat's can declare the Offer to have become unconditional similarly extends.  |
| <b>Brokerage Costs</b>           | You will not pay any brokerage costs if you accept the Offer.  |
| <b>Overseas Shareholders</b>     | The DGL Share Consideration Option is available to Oyster Bay shareholders only whose address is in New Zealand or Australia. DGL scrip cannot be allotted to Oyster Bay shareholders whose address is outside New Zealand or Australia. An overseas Oyster Bay shareholder who elects the DGL Share Consideration Option will be entitled to the proceeds of the sale of the Delegat's Group Limited only which will be allotted to a nominee in New Zealand who will sell the shares and pay the proceeds, net of brokerage, to  |

|   |   |
|---|---|
|   | the overseas shareholder. See page [ ] of this Offer Document for more details.   |
| <b>Closing Time</b>   | <p>This Offer is scheduled to close at 5.00 pm on [ ] (unless extended in accordance with the Takeovers Code.</p> <p>If you wish to <b>ACCEPT</b> the Offer, you must ensure that your Acceptance Form is received by Delegat's before the Closing Time.</p> <p>Delegat's recommends that Oyster Bay Shareholders <b>ACCEPT</b> quickly, and in any event by [ ].</p>   |
| <b>How to accept this Offer</b>   | You should complete the Acceptance Form enclosed with this Offer in accordance with the instructions set out on the Acceptance Form.  |
| <b>Address for Acceptance:</b>  | <p>You should then hand deliver, mail (using the enclosed reply paid envelope) or fax the Acceptance Form to:</p> <p>"Delegat's - Oyster Bay Takeover Offer"<br/>c/- Computershare Investor Services Limited<br/>Private Bag 92119, Auckland 1142</p> <p>Telephone: +64 (9) 488 8777<br/>Facsimile: +64 (9) 488 8787</p>  |
| <b>If you have sold all your Oyster Bay shares</b>  | Please send this Offer Document and all enclosures (including the Acceptance Form) immediately to either the new Oyster Bay shareholder or the agent (e.g. the broker) through whom you made the sale and request that the broker forward them to that new shareholder.   |
| <b>If you have sold some of your Oyster Bay shares and you wish to accept the offer in respect of the balance</b> | <p>Please alter the total holding on the Acceptance Form to the number of Shares which you have retained and for which you wish to accept the offer. Then complete the Acceptance Form and return it to the Address for Acceptance provided above.</p> <p>Upon receipt of the amended Acceptance Form, the amount of the cash consideration payable or the number of DGL shares to be issued as consideration (depending on the consideration option chosen) will be recalculated to reflect the number of Shares retained by you and in respect of which you wish to accept the offer.</p> <p>Please also request the broker through whom you made the sale to advise the new Oyster Bay shareholder(s) of this Offer and that copies of the Offer are available on request by contacting Computershare Investor Services Limited and advising the number of Shares sold and the broker concerned.</p> |
| <b>If you have lost your Acceptance Form or if you have any other questions in relation to the Offer</b>          | Please call Computershare Investor Services Limited on +64 (9) 488 8777   |

**THIS IS ONLY A SUMMARY OF THE OFFER.**

**DETAILED TERMS AND CONDITIONS OF THE OFFER ARE SET OUT ON PAGES [ # ] TO [ # ] OF THIS OFFER DOCUMENT. YOU SHOULD READ THESE CAREFULLY.**

## ABOUT DELEGAT'S GROUP

In this section "About Deleगत's Group", any reference to "Deleगत's" and the "Group" is a reference to Deleगत's Group Limited or, as the context requires, the offeror, Deleगत's Wine Estate Limited, its wholly-owned subsidiary, or the group of companies in respect of which Deleगत's Group Limited is the ultimate parent company but is not intended to include Oyster Bay, which is a subsidiary of Deleगत's Wine Estate Limited. This section is intended to assist Oyster Bay shareholders (who are entitled to accept the DGL Share Consideration Option), in considering whether to accept Deleगत's Group Limited shares as consideration for their Oyster Bay shares. This commentary should be read in conjunction with the Deleगत's Group Limited Simplified Disclosure Prospectus which accompanies the Offer.

### Introduction – Why is Deleगत's making the Offer

The decision to make the Offer follows a strategic review by Deleगत's of its shareholding in Oyster Bay. This review considered Oyster Bay's financial situation and its strategic importance to Deleगत's as a supplier of super premium quality grapes. Oyster Bay supplies the whole of its annual grape production to Deleगत's pursuant to long-term supply agreements which represent a significant proportion of Deleगत's annual grape requirements.

The strategic review was undertaken in response to an approach from the independent directors of Oyster Bay who, as part of their own review of the capital restructuring options available to Oyster Bay, regarded a takeover (subject to Oyster Bay's terms) by Deleगत's as the best means of addressing Oyster Bay's financial situation.

As a result of the continuing grape supply imbalance in the industry and the subsequent pressure on grape prices, the profitability of Oyster Bay as a dedicated grape grower has been affected to the extent that a particular banking covenant would have been breached but for Oyster Bay's bankers granting a waiver until 31 December 2010. Given that grape prices are not expected by Deleगत's to improve significantly in the short term, any immediate improvement in Oyster Bay's financial situation is considered unlikely and accordingly, action to remedy Oyster Bay's financial situation must be taken.

### Deleगत's Offer

The Offer provides an opportunity for Oyster Bay shareholders to either liquidate their investment in Oyster Bay for cash or to retain their interest in the wine industry by exchanging their shares for shares in Deleगत's Group Limited and thereby transform their investment from a single product exposure (grapes) into an investment in a vertically integrated wine business.

### Deleगत's – business and governance

Deleगत's Group Limited is the leading NZSX-listed New Zealand producer of Super Premium branded wines for the export and domestic markets.

The Group (being Deleगत's Group Limited and its wholly owned subsidiaries) has a sound business model with a clear business strategy, established brands, secure grape supply, state of the art winemaking facilities, a proven quality distribution model and good corporate governance.

### Strategy

The Group's strategy is to lead New Zealand wine category growth and establish Oyster Bay as one of the world's great Super Premium wine brands.

Deleगत's Group Limited is focused on world-class Super Premium wines from New Zealand's leading wine regions in the varieties for which those regions are internationally renowned. This strategy has established Oyster Bay as a "must stock" brand with leading distributors and retailers.

The Group is focused on delivering strong growth to further strengthen the market position of Oyster Bay in key export markets.

## **Brands – Oyster Bay and Deleat's**

Trusted premium wine brands are important in the global wine market and the Oyster Bay brand continues to lead the growth of the branded New Zealand wine category in global markets and is becoming increasingly established as one of the world's great Super Premium wine brands. The Group has invested in tailored marketing activities to build brand awareness among aspirational wine consumers to ensure the achievement of profitable long term growth.

### **Marketing and Distribution**

The Group's successful distribution model employs in-market sales teams to market and sell the Group's Super Premium branded wines in global markets.

#### *United Kingdom, Ireland and Europe*

The Group's Oyster Bay brand is the leading New Zealand wine brand in the United Kingdom and Ireland. The Group has achieved sales volume growth of 18% to 957,000 cases in the region. This growth has been achieved with current customers and through increasing distribution in all channels.

Oyster Bay Sauvignon Blanc, Chardonnay, Pinot Noir and Merlot are the top selling wines by value above £6 in their respective varietal categories. Given the prevailing weakness in the Pound Sterling and Euro exchange rates, the Group has increased prices in the United Kingdom, Ireland and Europe region in the current financial year.

#### *Australia, New Zealand and Asia Pacific*

The Group's Oyster Bay brand is a leading wine brand in Australia, New Zealand and other key markets in the region including Hong Kong, Singapore and United Arab Emirates. Sales volume in the region declined by 12% to 636,000 cases as both the Australia and New Zealand markets were negatively impacted by deep competitor discounting, an increasing retailer focus on private label wines and inventory de-stocking by wholesalers.

In Australia, Oyster Bay Sauvignon Blanc is the top selling bottled wine by volume and value. Oyster Bay Pinot Noir is the top selling wine by volume and value in its varietal category. During the year, Oyster Bay Chardonnay became the number two selling Chardonnay in Australia by value as consumers increasingly seek out the brand and New Zealand's elegant cool climate wine styles. Oyster Bay Merlot is the top selling wine over A\$15 by value in its varietal category. During the year the Group successfully launched Oyster Bay Sparkling Cuvee Brut and Oyster Bay Sparkling Cuvee Rose in Australia and New Zealand.

The Group has recently established an in-market sales team to spearhead the growth of the Deleat and Oyster Bay brands in the New Zealand market, which follows the Group's successful model employed in established global markets.

#### *North America*

The Group's Oyster Bay brand is leading New Zealand wine category growth in North America. The Group has achieved sales volume growth of 76% to 357,000 cases. The Oyster Bay brand is becoming increasingly established as a leading Super Premium wine brand in both the United States of America and Canada with significant further growth potential. The year to 30 June 2010 was a very successful first year of operation for the in-market sales team in Canada. Highlights of the year included Oyster Bay Sauvignon Blanc becoming the top selling white wine by value in Alberta and very strong growth in Quebec.

Oyster Bay became the number eight imported wine brand over US\$10 in the United States market. Oyster Bay Sauvignon Blanc is now the top selling Sauvignon Blanc by value in several key States including Massachusetts, New York and Colorado. As the brand becomes increasingly sought after by consumers in the United States of America, Oyster Bay Chardonnay has become the top selling New Zealand wine in its varietal category, while Oyster Bay Pinot Noir and Oyster Bay Merlot have become the second best selling wines in their respective varietal categories.

## **Sales Performance**

In the year ended 30 June 2010 the Group achieved global sales of 1,950,000 cases, an increase of 12% on the previous year. The Oyster Bay brand continues to lead the growth of the branded New Zealand wine category in global markets and is becoming increasingly established as one of the world's great Super Premium wine brands.

## **Viticulture and Grape Supply**

The Group harvested 21,965 tonnes in 2010, which was 10% below the previous vintage and positions the Group well with regard to inventories for the forthcoming year. The harvested grapes include grapes supplied by Oyster Bay. This decline in tonnes is consistent with the total New Zealand wine industry.

Assured supply of quality grapes from New Zealand's pre-eminent wine regions is an essential component of the Group's strategy. The Group controls a substantial area of vineyards within New Zealand's premier wine growing regions, Marlborough and Hawke's Bay. The Group currently owns or leases 1,532 hectares of vineyards and has supply contracts with third party growers from a further 1,113 hectares.

The Group has established the "Partners for Prosperity" grower partner programme. This programme manages a network of over 80 growers to ensure the provision of high quality grapes.

All Group owned, leased and grower vineyards are carefully managed through specific viticultural programmes. The Group's viticultural philosophy is to maximise the sustainable yield of the vine for the growing of Super Premium quality grapes.

Recognition and respect for the environment are reflected in the strong leadership role the Group plays in the practice and promotion of sustainable wine growing and wine production. As a leader in the New Zealand wine industry and as a founding member of Sustainable Winegrowing New Zealand (SWNZ) since 2002, the Group takes its responsibilities to respect and protect the environment very seriously. The Group's vineyards and wineries are 100% accredited by the independently audited SWNZ Sustainability Programme. The Group continues its commitment to its very own 'Global Sustainability Initiative' designed to provide a coordinated approach to sustainable activities across its entire business, including the international markets in which it operates.

## **Winemaking and Production**

The Group's winemaking philosophy is to produce Super Premium wines from New Zealand's pre-eminent wine regions of Marlborough and Hawke's Bay.

Group winemaking operations are performed to a high standard, supported by high calibre technical staff and state of the art facilities resulting in the ongoing, efficient production of consistently high quality Super Premium wines.

The 25,000 tonne Marlborough winery is one of New Zealand's largest and most technologically advanced winemaking facilities. The winery has been specifically designed to meet the Group's winemaking requirements in the Marlborough region and is located in close proximity to a number of vineyards that supply the Group. The leased winery in Hawke's Bay winery has added significant processing capacity to process grapes from that region.

The Auckland winery is the Group's production, packaging and global distribution facility and is operating at full capacity, while additional contract packaging capacity is utilised to meet production requirements.



## Governance

The Board of Deleгат's Group Limited is responsible for the strategic direction of the Group and ensuring the Group is properly managed to protect and enhance Shareholders' interest.

Some of the key responsibilities of the Board include:

- Adopting the strategic plans of the Group, set by the Managing Director in conjunction with the Group's senior management team;
- Monitoring the Group's operational and financial performance; and
- Ensuring the Group develops effective policies and procedures concerning disclosure of important information to the market and shareholders.

The Board has adopted what it believes are appropriate corporate governance policies and procedures, which it regularly reviews to ensure that the Group's responsibilities and obligations are met. The principal corporate governance policies concern:

- The appointment and retirement of Directors;
- The composition and performance of the Board;
- The balance between executive and independent Directors;
- Directors' access to independent professional advice; and
- The constitution and operation of Board Committees, comprising Directors, and in some cases representatives of the Group's senior management team. The Board has formally constituted an Audit and Compliance Committee.

The Board currently comprises five Directors, four of whom are non-executive (Robert Wilton, Rose Deleгат, John Maasland, Jane Freeman); three of whom are non-independent (Robert Wilton, Jim Deleгат, Rose Deleгат) and two of whom are independent (John Maasland, Jane Freeman) as defined in the Listing Rules.

The Board of Deleгат's Group Limited meets formally a minimum of six times during the financial year and regularly holds additional meetings to deal with specific matters faced by the Group.

## Directors' Profiles

### **ROBERT (BOB) WILTON, MCom (Hons), ACA**

Chairman of Directors

Bob is the non-executive Chairman of Deleгат's Group Limited with specific responsibilities for the financial management of the Group. He is a Senior Lecturer and past Head of Department, Department of Accounting and Finance at the University of Auckland Business School, a member of the New Zealand Institute of Chartered Accountants and the Institute of Directors. Bob brings to the Board considerable experience in business, particularly through Merchant and Investment Banking, and is a past Chairman of the New Zealand Venture Capital Association. Bob is also a Director of 54.9% subsidiary Oyster Bay Marlborough Vineyards Limited.

### **JAKOV (JIM) DELEGAT**

Managing Director

Jim Deleгат is the Managing Director of Deleгат's Group Limited. He has been involved in the New Zealand wine industry all his working life and is thoroughly experienced in every aspect of the business. Jim is one of only a handful of second generation family wine producers in the country. Active in industry affairs, Jim is currently an alternate Director of both the Wine Institute of New Zealand and New Zealand Winegrowers, having previously served on the Board of the Wine Institute of New Zealand for more than 13 years. He is a member of the Institute of Directors and is also a Director of 54.9% subsidiary Oyster Bay Marlborough Vineyards Limited.

**ROSE DELEGAT**

Non-Executive Director

Rose Delegat is non-executive Director of Delegat's Group Limited. The Group continues to benefit from Rose's experience and the expertise that she has given the company for more than 25 years. Rose was responsible for initiating the Group's drive into export markets in the 1980s and was the inaugural Chairperson (1987 – 1990) of the special United Kingdom exporting group, part of the Wine Institute of New Zealand. Rose continues to perform a strategic role in export marketing. She is a member of the Institute of Directors and is an alternate Director for Jim Delegat and Bob Wilton of 54.9% subsidiary Oyster Bay Marlborough Vineyards Limited.

**JOHN MAASLAND, MA (Law)(Cambridge)**

Non-Executive Independent Director

John brings to the Board considerable expertise in business gained from a career that included Executive and Directorship roles at ICI, Morrison PIM Holdings and Wilson & Horton Limited. He is currently Chairman of Hellaby Holdings Limited and the New Zealand Radio Network. He is also a Director of APN News & Media Limited, Waterman Holdings Limited, the Auckland Regional Chamber of Commerce and a member of the AUT University Council. His involvement in the community sector includes being a Chairman of the South Auckland Health Foundation and a past Trustee and Chairman of the Royal New Zealand Ballet.

**JANE FREEMAN, BCom**

Non-Executive Independent Director

Jane is prominent in the field of customer-driven technology. She has held senior marketing and management positions at Telecom, BankDirect, Clear Communications Limited and ASB Bank Limited. Jane is currently a Director of Air New Zealand Limited and Pumpkin Patch Limited.



- (a) is shares in Delegat's Group Limited, the shares will be allotted (subject to clause 2.2), and advice of the allotment will be sent by ordinary mail to Shareholders whose Shares are taken up under the Offer.
- (b) is the cash alternative, it will be sent by ordinary mail or paid in cleared funds by electronic transfer to Shareholders whose Shares are taken up under the Offer

not later than seven days after the latest of:

- (a) the date this Offer becomes unconditional; or
- (b) the date on which an acceptance is received; or
- (c) the end of the initial Offer Period specified in clause 1.3.

As at the date of this offer, the last day by which such consideration must be sent to persons accepting this offer is [                      ], but this date may change if the Closing Date is extended, and therefore the latest date Delegat's can declare the Offer to have become unconditional similarly extends.

- 2.4 If the consideration for the Offer is not sent or allotted (as the case may be) within the period specified in clause 2.3 to any Shareholder whose Shares are taken up under the Offer, that holder may withdraw his or her acceptance of the Offer by giving notice in writing to Delegat's, but only after the expiration of seven days written notice to Delegat's of the holder's intention to do so. This right to withdraw acceptance of the Offer will not apply if such Shareholder receives the consideration during the seven day period referred to in this clause.

### **3. Terms of the Offer**

- 3.1 All Shares are to be fully paid up and free from all charges, liens, mortgages, encumbrances and any other adverse interests and claims of any kind, but together with all rights and privileges attaching to them, including the rights to all dividends, bonuses and other payments and distributions of any nature arising after or by reference to a date occurring on or after the Settlement Date.
- 3.2 Unless this Offer is withdrawn in accordance with the Takeovers Code and every person is released from every obligation incurred under the terms of it, or it lapses in accordance with its terms, this Offer remains open for acceptance until 5pm on the Closing Date.
- 3.3 In accordance with the Takeovers Code, the latest time by which Delegat's can declare this Offer to have become unconditional must not be later than 14 days after the Closing Date. As at the date of this Offer, the date by which the Offer is to become unconditional is the [            ] day of [            ] but this date may change if the Closing Date specified in clause 1.3 is extended as permitted by the Takeovers Code. Should this Offer not become unconditional, it will lapse and every person will be released from any obligation arising under this Offer, and all Acceptance Forms submitted will be destroyed.
- 3.4 This Offer is open for acceptance by any person who holds Shares, whether acquired before or after the date of this Offer, upon production of satisfactory evidence of such person's entitlement to those Shares.
- 3.5 The enclosed Acceptance Form comprises part of this Offer. That Acceptance Form duly completed may be treated by Delegat's as a valid acceptance of this Offer.
- 3.6 This Offer is also made subject to the further terms and conditions in clauses 4 to 9, and to the Takeovers Code, except to the extent that the terms contained in the Takeovers Code are, where permitted by the Takeovers Code, varied by this Offer Document.

**4. How to accept this Offer**

4.1 If you wish to accept this Offer, you need only:

- (a) complete the enclosed Acceptance Form in accordance with the instructions printed on its reverse; and
- (b) return (by delivery, mail or fax) the completed Acceptance Form as soon as possible, but in any event so as to be received by Delegat's (or if posted, "post-marked") not later than 5.00 pm on the Closing Date at the following address:

"Delegat's - Oyster Bay Takeover Offer"

c/- Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road, Takapuna, North Shore City, Auckland Private Bag 92119,  
Auckland 1142

Telephone: (09) 488 8777

Facsimile: (09) 488 8787

4.2 No acknowledgement of the receipt of acceptances will be issued.

4.3 During the Offer Period Delegat's may choose to engage the services of one or more NZX Trading and Advising Firms authorized to undertake trading on the NZSX to receive Acceptance Forms. If Delegat's chooses to do so, Delegat's will pay such adviser a handling fee in regard to Acceptance Forms bearing the stamp of that adviser of 1% of the value of the transaction with a minimum and maximum handling fee of \$20 and \$100, respectively.

4.4 Delegat's may, in its discretion, treat any form of acceptance as valid notwithstanding that it does not comply with clause 4.1 or is otherwise irregular and may, in its discretion, rectify any errors in, or omissions from, any Acceptance Form including inserting or correcting details of the Shares. Delegat's will determine, in its sole discretion, all questions relating to documents, including the validity, eligibility, time of receipt and effectiveness of any acceptance of the Offer. The determination of Delegat's will be final and binding on all parties.

4.5 Acceptance of this Offer by a Shareholder constitutes a contract between that Shareholder and Delegat's on the terms and subject to the conditions of this Offer. Other than in the circumstances set out in clause 2.4 above, you may not withdraw your acceptance of this Offer during the Offer Period, whether or not there has been any variation to the Offer in accordance with the Takeovers Code.

4.6 Notwithstanding clause 4.5, Delegat's shall be released from its obligations under this Offer, and arising from acceptance of this Offer, if:

- (a) this Offer is withdrawn with the consent of the Takeovers Panel; or
- (b) this Offer lapses as a result of any condition contained in this Offer not being satisfied or waived by the date specified for satisfaction of that condition.

## 5. Conditions

- 5.1 This Offer, and any contract arising from it, is conditional upon Delegat's receiving, on or prior to the Closing Date, acceptances in respect of Shares that, when taken together with voting securities already held or controlled by Delegat's, would (once the Offer is declared unconditional and the Shares transferred) confer on it 90% or more of the voting rights in Oyster Bay. This condition may be waived by Delegat's at any time prior to the Closing Time to the intent that it may declare the Offer unconditional at an acceptance level which is less than 90%.
- 5.2 This Offer, and any contract arising from acceptance of it, is subject during the period from the Takeover Notice Date until the date the Offer is declared unconditional by Delegat's, to the following conditions:
- (i) no dividends, bonuses or other distributions of any kind whatsoever are declared, paid or made upon, or in respect of, the capital of Oyster Bay or its subsidiaries, if any, other than wholly owned subsidiaries;
  - (ii) none of the Shares are subdivided, consolidated, bought back or cancelled, no further share capital, options or other securities or loan capital of Oyster Bay or its subsidiaries, if any, are issued or made the subject of any option or agreement to issue, and there is no alteration of rights, privileges or restrictions attaching to the Shares;
  - (iii) no variation is made to the terms and conditions of employment or contract for services and/or appointment of, and no payment, compensation or consideration is provided as a direct or indirect consequence of this Offer having been made to, any director or officer of Oyster Bay or its subsidiaries, if any (and no agreement or arrangement is made with respect to any such matters);
  - (iv) no receiver of the property or assets (or any part of the property or assets) of Oyster Bay or its subsidiaries, if any, is appointed and no proceedings are commenced, or resolution passed, for the liquidation of Oyster Bay or its subsidiaries, if any;
  - (v) the business of Oyster Bay and its subsidiaries, if any, is carried on in the ordinary course of business and no unusual or abnormal payments or liabilities are or will be made or incurred by Oyster Bay (or any of its subsidiaries), and no material change is made by Oyster Bay or its subsidiaries, if any, to the carrying out of its grape growing business;
  - (vi) neither Oyster Bay nor its subsidiaries, if any, sell, lease or otherwise dispose of, or agree to sell, lease or otherwise dispose of, or grant or agree to grant any option, security or equitable interest in respect of a material asset or business, other than in the ordinary course of business;
- 5.3 The conditions set out in clause 5.2 have been inserted for the sole benefit of Delegat's and may be waived in whole or in part, by Delegat's in its absolute discretion.
- 5.4 Each of the conditions set out in clauses 5.1 and 5.2 are separate conditions subsequent, and acceptance of the Offer by each Shareholder shall constitute a contract between that Shareholder and Delegat's subject to those conditions. The Offer will only proceed and Shares will only be taken up from Oyster Bay Shareholders if all the conditions in clause 5.1 and clause 5.2 are satisfied or are waived.
- 5.5 Where any condition requires a preliminary determination before it can be said that a matter is material, is normal or not, is adverse or not or is in the ordinary course of business or not, such preliminary determination must be made by a suitably qualified expert appointed by Delegat's but who is not an associate of Delegat's prior to Delegat's being permitted to invoke the condition.

**6. Notices**

6.1 Notice to Oyster Bay and the Takeovers Panel:

- (a) declaring the Offer unconditional; or
- (b) advising that this Offer is withdrawn in accordance with the Takeovers Code or has lapsed in accordance with its terms,

in each case, will be deemed to be notice to all Shareholders and will be deemed to be given on the day of notification to Oyster Bay.

6.2 Notice of any variation to the Offer will be sent to each Shareholder, Oyster Bay and the Takeovers Panel in accordance with the Takeovers Code unless (and to the extent that) such notice is not required to be given by the Takeovers Code.

**7. Settlement**

7.1 If you accept this Offer and;

- (a) this Offer is declared unconditional by Delegat's; and
- (b) the Acceptance Form is in order (or in Delegat's discretion, is treated as valid or is rectified in accordance with clause 4.4),

then your Shares will be transferred to Delegat's and the consideration due to you will be satisfied in the manner specified in clause 2.3.

7.2 By completing the Acceptance Form and accepting this Offer you will be deemed to:

- (a) represent and warrant to Delegat's that title to each of your Shares (and to all other securities referred to in clauses 8.3 to 8.5 (inclusive)) will be transferred to Delegat's free of all charges, liens, mortgages and encumbrances of any kind, but together with all rights attaching to them, including the right to all dividends and other distributions arriving after or by reference to a date occurring on or after the Settlement Date;
- (b) represent and warrant to Delegat's that you have full power and capacity to sell and transfer all the Shares (and all other securities referred to in clauses 8.3 to 8.5 (inclusive));
- (c) authorise Delegat's to effect any rectification of any Acceptance Form in the manner contemplated in clause 4.4; and
- (d) authorise Delegat's to advise Oyster Bay or its Share registrar of the details of your acceptance of the Offer and to note the Share register with that acceptance.

7.3 All cheques, Acceptance Forms and other documents to be delivered or sent by or to a Shareholder will be delivered or sent by or to that Shareholder at that Shareholder's own risk.

## 8. Change of circumstances

- 8.1 If on or after the Takeover Notice Date, Oyster Bay pays any dividend or distribution to its shareholders (and the condition contained in clause 5.2(i) is waived by Delekat's) the consideration paid per Share will be reduced by an amount equivalent to such dividend or the value of such distribution per Share.
- 8.2 If on or after the Takeover Notice Date, Oyster Bay makes any return of capital and cancels Shares (and the conditions contained in clauses 5.2(i) and (ii) are waived by Delekat's) the consideration paid per Share will be adjusted in proportion to such return of capital.
- 8.3 If on or after the Takeover Notice Date, Oyster Bay makes any issue of shares or other securities to its shareholders or grants any other rights or interests in respect of the Shares by way of a bonus issue (and the conditions contained in clause 5.2(i) and (ii) are waived by Delekat's), the Shareholders accepting this Offer will be bound to transfer to Delekat's without any additional consideration such shares or securities or other rights or interests attributable to the Shares which they have agreed to transfer.
- 8.4 If all or any of the Shares are subdivided or consolidated on or after the Takeover Notice Date (and the condition contained in clause 5.2(ii) is waived by Delekat's) this Offer shall be deemed to have been made for the shares resulting from such subdivision or consolidation and the consideration per share will be reduced or increased, in proportion to such subdivision or consolidation, and such acceptors shall be bound to transfer such subdivided or consolidated shares to Delekat's on the basis of the consideration increased or reduced.
- 8.5 If Oyster Bay makes any issue of shares to any person on or after the Takeover Notice Date whether pursuant to any dividend reinvestment plan, share investment scheme or employee share scheme, or otherwise (and the condition contained in clause 5.2(ii) is waived by Delekat's) and clause 8.3 does not apply, this Offer will extend to such of those shares as are not held by Delekat's and the consideration payable for them will be as provided in clause 2 above.

## 9. Definitions

- 9.1 In this Offer, unless the context otherwise requires:

"**Acceptance Form**" means the Acceptance Form enclosed with and forming part of this Offer;

"**Acceptor**" means an Oyster Bay shareholder who elects to accept the Offer;

"**Closing Date**" means [ ] or such date as extended in accordance with the Takeovers Code;

"**Closing Time**" means 5pm on the Closing Date;

"**NZAX**" means the New Zealand Alternative Market;

"**NZSX**" means the New Zealand Stock Market;

"**NZX**" means New Zealand Exchange Limited;

"**Offer**" means the offer for all of the Shares as set out in this Offer Document;

"**Offer Document**" means this offer document;

"**Offer Period**" means the period beginning on the date of the Offer and ending on the Closing Date;



**"Settlement Date"** means the date upon which consideration for the Offer is sent to any accepting Shareholder in accordance with clause 2.3;

**"Shares"** means all of the shares in the capital of Oyster Bay;

**"Shareholders"** means any and all holders of Shares;

**"Takeovers Code"** means the takeovers code recorded in the Takeovers code Approval Order 2000(SR2000/210); and

**"Takeover Notice Date"** means [ ], the date on which Deleat's served or caused to be served on Oyster Bay a notice in writing pursuant to rule 41 of the Takeovers Code;

**"Takeovers Panel"** means the takeovers panel established by the Takeovers Act 1993.

9.2 In this Offer Document:

- (a) A reference to the Takeovers Code includes any applicable exemption notices issued pursuant to the Takeovers Act 1993;
- (b) All sums of money referred to in this Offer are in New Zealand currency;
- (c) This Offer and any contract arising from it shall be construed in accordance with the laws of New Zealand.
- (d) All references to statutes are references to New Zealand legislation unless otherwise stated;
- (e) All times referred to in this Offer are New Zealand times unless otherwise stated;
- (f) The singular includes the plural and vice versa unless the context otherwise requires;
- (g) Headings are for convenience only and do not affect the interpretation of this Offer or any form;
- (h) Except as expressly defined in this Offer Document, or except where the context requires otherwise, terms defined in this Offer Document shall have the same meaning as in the Takeovers Code.

**APPENDIX 1: Information Required by Schedule 1 to the Takeovers Code**

The information required by Schedule 1 to the Takeovers Code, and not stated elsewhere in this Offer, is set out below.

**1. Offeror and its Directors**

(a) The name and address of the Offeror is:

Delegat's Wine Estate Limited  
Level 1, 10 Viaduct Harbour Avenue, Maritime Square, Auckland, 1010

(b) Directors:

Director details of Delegat's Wine Estate Limited

DELEGAT, Jakov Nikola

47 Benson Road, Remuera, Auckland, 1050

DELEGAT, Rosamari Suzan

21 Stanley Point Road, Stanley Point, North Shore City, 0624

MAASLAND, John Hendrik

133 Ara-kotinga, RD 1, Manurewa, 2576

WILTON, Robert Lawrence

14a Bongard Road, Mission Bay, Auckland, 1071

**2. Ownership of equity securities of Oyster Bay**

The table below sets out the number, designation and percentage of equity securities of any class of Oyster Bay shares held or controlled by:

- (a) Delegat's;
- (b) any related company of Delegat's;
- (c) any person acting jointly or in concert with Delegat's;
- (d) any director of the persons described in (a) to (c); and
- (e) any other person holding or controlling more than 5% of the class, to the knowledge of Delegat's.

Except for those persons who are specified above as holding or controlling equity securities of Oyster Bay, no other person referred to in paragraphs (a) to (d) above holds or controls equity securities of Oyster Bay.

| Name  | Number of equity securities | Type of equity securities | Percentage of class |
|---|-----------------------------|---------------------------|---------------------|
| Delegat's Wine Estate Limited                   | 4,942,816                   | Ordinary Shares           | 54.92%              |
| John Hendrik Maasland, a director of Delegat's  | 3,490                       | Ordinary Shares           | 0.04%               |
| Rosamari Suzan Delegat, a director of Delegat's | 3,490                       | Ordinary Shares           | 0.04%               |

|  |       |                 |       |
|--|-------|-----------------|-------|
| Robert Lawrence Wilton, a director of Delegat's  | 6,980 | Ordinary Shares | 0.08% |
| Robert Lawrence Wilton and Sheila Jean Wilton and Nola Kay Dangen (Robert Lawrence Wilton being a director of Delegat's) | 3,490 | Ordinary Shares | 0.04% |
| Jakov Nikola Delegat and Catherine Rachael Delegat (Jakov Nikola Delegat being a director of Delegat's)                  | 3,490 | Ordinary Shares | 0.04% |
| Ruth Richardson, a director of Oyster Bay  | 6,108 | Ordinary Shares | 0.07% |

### 3. Trading in Oyster Bay equity securities

Except as detailed in the table below, none of the persons referred to in paragraph 2 have acquired or disposed of any equity securities of Oyster Bay during the six month period before the Takeover Notice Date.

| Name                          | Date         | Type of equity securities | Number of equity securities | Consideration paid per security |
|-------------------------------|--------------|---------------------------|-----------------------------|---------------------------------|
| Delegat's Wine Estate Limited | 30 July 2010 | Ordinary Shares           | 433,816                     | \$1.80                          |

Delegat's Wine Estate Limited acquired these 433,816 ordinary shares in Oyster Bay from Peter Yealands Investments Limited on 30 July 2010 as part of a settlement of legal proceedings to which Delegat's, Oyster Bay and Peter Yealands Investments Limited were parties.

### 4. Agreement to accept offer

No person has agreed conditionally or unconditionally to accept the Offer.

### 5. Agreements to pay consideration

Delegat's confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of this Offer and to pay any debts incurred in connection with this Offer (including the debts arising under Rule 49 of the Takeovers Code).

A statement setting out the rights of each offeree under Rule 34 of the Takeovers Code to withdraw acceptances for non-payment by Delegat's of the consideration is set out in clause 2.3 of the offer Document.

### 6. Arrangements between Delegat's and Oyster Bay

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Delegat's, or any associates of Delegat's, and Oyster Bay, or any related company of Oyster Bay, in connection with, in anticipation of, or in response to the Offer.

### 7. Arrangements between Delegat's and directors/officers of Oyster Bay

No arrangement or agreement (whether legally enforceable or not) has been made, or is proposed to be made, between Delegat's or any associates of Delegat's and any directors or senior officers of Oyster Bay or any related company of Oyster Bay in connection with, in anticipation of, or in response to the Offer.

#### **8. Financial Assistance**

No arrangement or agreement has been made, or is proposed to be made, under which Oyster Bay or any related company of Oyster Bay will give (directly or indirectly) financial assistance for the purpose of, or in connection with, the Offer.

#### **9. Likelihood of changes in Oyster Bay**

If, as a result of the Offer or otherwise, Delegat's becomes entitled to acquire compulsorily all the Shares, it is intended that those compulsory acquisition rights will be exercised and that Delegat's will seek to delist Oyster Bay from NZAX. Oyster Bay's role as supplier of its annual grape production to Delegat's will not change. However, following compulsory acquisition and delisting, all business agreements to which Oyster Bay and Delegat's have been a party relating to vineyard management and grape supply (e.g. the Long Term Cooperation Agreement and the Grape Purchase Agreements) will be redundant and as a consequence will be cancelled.

#### **10. Pre-emption clauses in Oyster Bay's constitution**

There is no restriction on the right to transfer any equity to which the Offer relates that:

- (a) is contained in the constitution of Oyster Bay; and
- (b) has the effect of requiring the holders of those securities to offer the securities for purchase to members of Oyster Bay or to any other person before transferring those securities.

#### **11. Escalation clauses**

No agreement or arrangement (whether legally enforceable or not) has been made, or has been proposed to be made, under which:

- (a) any existing holder of equity securities in Oyster Bay will or may receive in relation to, or as a consequence of, the Offer any additional consideration or other benefit over and above the consideration set out in the Offer; or
- (b) any prior holder of equity securities in Oyster Bay will or may receive any consideration or other benefit as a consequence of the Offer.

#### **12. Classes of Securities**

No report is required under Rule 22 of the Takeovers Code (which, if the Offer is for more than one class of securities, requires a report by an independent adviser on the fairness and reasonableness of the consideration and terms of the Offer as between different classes of securities).

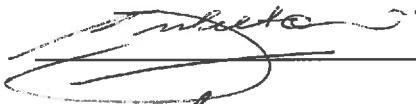
#### **13. Certificate**

To the best of our knowledge and belief, after making proper enquiry, the information contained in the Takeover Notice is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by Delegat's under the Takeovers Code.

  
\_\_\_\_\_ Jakov Nikola Delegat (Managing Director)

  
\_\_\_\_\_ André Gaylard (Chief Financial Officer)

And on behalf of the Board of Delegat's Wine Estate Limited and with the authority of a resolution of the Board

  
\_\_\_\_\_ Robert Lawrence Wilton (Director)

  
\_\_\_\_\_ John Hendrik Maasland (Director)

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## DELEGAT'S WINE ESTATE LIMITED ACCEPTANCE FORM

This Acceptance Form needs to be completed by shareholders in Oyster Bay Marlborough Wines Limited (Oyster Bay) who wish to accept Deleat's Wine Estate Limited's (Deleat's) offer for their shares in Oyster Bay dated [ ] ("the Offer").

This Form must be read in conjunction with the Offer Document and the Simplified Disclosure Prospectus dated [ ] pursuant to which Deleat's Group Limited (Deleat's Group) offers its shares in association with the Offer.

Broker's Stamp

### Information Regarding Selling Shareholder

| SHAREHOLDER (the seller) |
|--------------------------|
|                          |

| REGISTRY SHAREHOLDER NUMBER                |
|--|
|  |
| NUMBER OF OYSTER BAY SHARES CURRENTLY HELD |
|  |

### Payment Option – How you want the consideration paid

If neither option is chosen by the Seller accepting the Offer, Option 1 - Deleat's Group Limited (DGL) Shares shall be deemed to have been chosen as consideration.

I want the consideration paid as follows: (Tick ONE box only)

| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #cccccc;"> <th style="padding: 2px;">Option 1 – Deleat's Group Limited (DGL) Shares</th> </tr> <tr style="height: 60px;"> <td style="padding: 5px;"> <div style="border: 1px solid black; width: 60px; height: 20px; display: inline-block; margin-right: 5px;"></div>                 Number of DGL Shares you will receive if choosing this option             </td> </tr> </table> | Option 1 – Deleat's Group Limited (DGL) Shares | <div style="border: 1px solid black; width: 60px; height: 20px; display: inline-block; margin-right: 5px;"></div> Number of DGL Shares you will receive if choosing this option | OR | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #cccccc;"> <th style="padding: 2px;">Option 2 – Cash</th> </tr> <tr style="height: 60px;"> <td style="padding: 5px;"> <div style="border: 1px solid black; width: 60px; height: 20px; display: inline-block; margin-right: 5px; text-align: center;">\$</div>                 Total cash consideration you will receive if choosing this option.             </td> </tr> <tr> <td style="padding: 5px;">                 To be paid by (tick as required):<br/> <input type="checkbox"/> Cheque to my postal address<br/> <input type="checkbox"/> Direct Bank Payment to my bank (fill out details below)             </td> </tr> </table> | Option 2 – Cash | <div style="border: 1px solid black; width: 60px; height: 20px; display: inline-block; margin-right: 5px; text-align: center;">\$</div> Total cash consideration you will receive if choosing this option. | To be paid by (tick as required):<br><input type="checkbox"/> Cheque to my postal address<br><input type="checkbox"/> Direct Bank Payment to my bank (fill out details below) |
|---|--|---|----|---|-----------------|--|---|
| Option 1 – Deleat's Group Limited (DGL) Shares  |  |   |    |   |                 |  |   |
| <div style="border: 1px solid black; width: 60px; height: 20px; display: inline-block; margin-right: 5px;"></div> Number of DGL Shares you will receive if choosing this option   |  |   |    |   |                 |  |   |
| Option 2 – Cash   |  |   |    |   |                 |  |   |
| <div style="border: 1px solid black; width: 60px; height: 20px; display: inline-block; margin-right: 5px; text-align: center;">\$</div> Total cash consideration you will receive if choosing this option.  |  |   |    |   |                 |  |   |
| To be paid by (tick as required):<br><input type="checkbox"/> Cheque to my postal address<br><input type="checkbox"/> Direct Bank Payment to my bank (fill out details below)   |  |   |    |   |                 |  |   |

### Details of my bank account for Direct Bank Payment are:

Complete these bank details only if you have selected 'Option 2 – Cash' as consideration and you require it to be paid by Direct Credit to your Bank Account.

Bank / Financial Institution: \_\_\_\_\_ Branch: \_\_\_\_\_

Account Name: \_\_\_\_\_

Account Number: \_\_\_\_\_

|      |        |                |        |                               |
|------|--------|----------------|--------|-------------------------------|
|      |        |                |        |                               |
| Bank | Branch | Account Number | Suffix | Reference no. (if applicable) |

### Signing by the Seller

All joint holders must sign

FOR AN INDIVIDUAL / ATTORNEY

Signed by the Seller (or its attorney) by:

FOR A COMPANY

Signed by the Seller(s) by:

Seller \_\_\_\_\_

In the presence of: \_\_\_\_\_

Witness signature \_\_\_\_\_

Witness Name: \_\_\_\_\_

Occupation: \_\_\_\_\_

Address: \_\_\_\_\_

Dated the \_\_\_\_ day of \_\_\_\_\_ 2010

Director \_\_\_\_\_

Director \_\_\_\_\_

In the presence of: \_\_\_\_\_

Witness signature \_\_\_\_\_

Witness Name: \_\_\_\_\_

Occupation: \_\_\_\_\_

Address: \_\_\_\_\_

Dated the \_\_\_\_ day of \_\_\_\_\_ 2010

PLEASE RETURN THIS FORM NO LATER THAN 5:00P.M. ON [ ]  
 or if the Closing Date of the Offer is extended, by the extended Closing Date, by delivery, mail or fax to:  
 "Deleat's – Oyster Bay Takeover Offer", c/- Computershare Investor Services Limited, Level 2, 159 Hurstmere Road, Takapuna  
 Auckland or Private Bag 92119, Auckland 1142,  
 Fax: (09) 488 8787

### BY SIGNING THIS FORM THE SELLER HEREBY IRREVOCABLY:

(a) Accepts Deleat's Offer, for the number of the Seller's Shares in Oyster Bay, set out in the front page of this Acceptance Form ("the

- Shares”);
- (b) Agrees to transfer all the Shares to Deleat’s subject to the terms and conditions of the Offer;
  - (c) If choosing Deleat’s Group Limited (DGL) Shares as the payment consideration, acknowledges that the DGL Shares are being issued in accordance with the terms set out in the Offer Document and the Simplified Disclosure Prospectus;
  - (d) Appoints Deleat’s Wine Estate Limited as the Seller’s attorney of the terms set out below; and
  - (e) Undertakes and warrants as set out in clause [ ] of the Offer Document.

**BY THE SELLER’S EXECUTION ABOVE, THE SELLER HEREBY APPOINTS DELEGAT’S AS THE ATTORNEY OF THE SELLER ON THE FOLLOWING TERMS**

As from the time of the Offer becoming unconditional, I/We hereby irrevocably authorise and appoint Deleat’s (with power of substitution by Deleat’s in favour of such person/s as Deleat’s may appoint to act on its behalf) as my/our attorney and agent to act for me/us and do all matters of any kind or nature whatsoever in respect of or pertaining to the Shares and all rights and benefits attaching to them as Deleat’s may think proper and expedient and which I/We could lawfully do or cause to be done if personally acting, including the transfer of the Shares to any person or persons whatsoever, the appointment of a proxy or proxies for any meeting of the shareholders of Oyster Bay, attendance in person at, and voting at, such meeting, application to any Court whatsoever and execution of all documents in my/our name/s which Deleat’s may consider necessary for all or any of the foregoing purposes.

**NOTES AND INSTRUCTIONS FOR COMPLETION**

**TO ACCEPT THE OFFER: Complete this ACCEPTANCE FORM by:**

- (i) Altering this form if any details are incorrect;
- (ii) Signing this form where marked “**Signing by the Seller**”  
**JOINT HOLDERS – If the Shares are registered in the names of joint holders ALL must sign this form; and**
- (iii) Having your signature witnessed. Any person (including your spouse or partner) may witness your signature and must add his or her occupation and full address in the space provided. Companies must sign where marker “FOR A COMPANY” and in accordance with the Companies Act 1993 or other applicable law. Insert the date of signing in the space provided.

**POWER OF ATTORNEY**

If this form is signed under a power of attorney, the relevant power of attorney or a copy certified as a true copy by a solicitor or person authorised to take statutory declarations, must be submitted together with this form for noting and return, and the Certificate printed below must be completed. Where such power of attorney has already been noted by Deleat’s, then this fact must be stated under the signature of the Attorney.

**PREVIOUS SALE**

If you have sold all of your Shares, please pass this form together with the Offer Document to your sharebroker or the purchasers of such Shares. If you have sold part of your shareholding, record that fact on this form by amending the number of Shares noted as being held by you on the face of this form. Please also refer to the more detailed instructions in page 2 of the Offer Document.

**PAYMENT ELECTION:** If you have chosen the cash consideration option and to have the consideration paid by direct bank payment but have failed to complete Bank Account details:

- (i) You authorise Deleat’s to pay the consideration into the Bank Account which you previously nominated as the account to which the Share Registrar was authorised to pay any dividend payment; and
- (ii) But if the Share Registrar does not have details of that Bank Account, you authorise and request Deleat’s to pay the consideration by cheque to your postal address shown on the Share Register.

IF YOU ARE IN ANY DOUBT ABOUT THE PROCEDURE FOR ACCEPTANCE, PLEASE TELEPHONE (09) 488 8777

**IF THIS FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE:**

**CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY**

I / WE \_\_\_\_\_  
(insert name of Attorney(s) signing)

of \_\_\_\_\_  
(Address and Occupation)

**HEREBY CERTIFY:**

1. By a Power of Attorney dated the \_\_\_\_\_ day of \_\_\_\_\_ the Seller named and described on the face of this form (the Seller) appointed me his/her/its/their Attorney on the terms and conditions set out in that Power of Attorney.
2. I/We have executed the form printed on the face of this document as Attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.

At the date hereof I/We have not received any notice of information of the revocation of that Power of Attorney by the death (or winding up) of the Seller or otherwise.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2010

Signature of Attorney(s) \_\_\_\_\_

**NOTE:** Your signature does not require witnessing on this certificate.

# **DELEGAT'S GROUP LIMITED**

## **SIMPLIFIED DISCLOSURE PROSPECTUS**

**Dated 15 October 2010**

For the offer of new shares in Delegat's Group as consideration for the acquisition of shares in Oyster Bay Marlborough Vineyards Limited pursuant to a Takeover Offer made or to be made by Delegat's Wine Estate Limited.



# IMPORTANT DOCUMENT

This Prospectus is a Simplified Disclosure Prospectus for an offer to Eligible Oyster Bay Shareholders to subscribe for New Delekat's Shares in Delekat's Group, which Shares are of the same class as the ordinary shares of Delekat's Group that are currently listed on the NZSX.

Delekat's Group is a company listed on the NZSX and is subject to the continuous disclosure obligations of the Listing Rules. The Listing Rules generally require Delekat's Group to notify certain material information to NZX, for the purpose of that information being made available to participants in NZX's markets.

You should read this Simplified Disclosure Prospectus in its entirety. If you do not understand or are in any doubt as to how to deal with this document, you should contact your sharebroker, solicitor, accountant or other professional adviser immediately.

This Prospectus has been prepared in accordance with the Securities Act 1978 and the Securities Regulations 2009. All New Zealand legislation can be viewed online at [www.legislation.govt.nz](http://www.legislation.govt.nz)

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## STATUTORY INDEX

The following index outlines the matters required to be stated or contained in a registered simplified disclosure prospectus under Schedule 10 of the Securities Regulations 2009.

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## **IMPORTANT INFORMATION**

### **LODGEMENT AND LISTING**

This Prospectus is issued by Delegat's Group and is dated 15 October 2010.

A copy of this Prospectus, signed on behalf of the Directors, has been delivered to the New Zealand Registrar of Companies for registration under section 42 of the Securities Act 1978. A copy of this Prospectus, and the other documentation required to be lodged in compliance with chapter 8 of the Corporations Act 2001 (Cth of Australia) and the Corporations Amendment Regulations 2008 (No.2) (Cth of Australia), will be lodged with the Australian Securities and Investments Commission (**ASIC**) on or about 18 October 2010.

The New Delegat's Shares have been accepted for listing by NZX and will be quoted upon completion of allotment procedures. However, NZX accepts no responsibility for any statement in this Prospectus. NZX is a registered exchange under the Securities Markets Act 1988.

New Delegat's Shares will be allotted to those Eligible Oyster Bay Shareholders accepting the Takeover Offer and electing to receive New Delegat's Shares as the consideration for the sale of their Oyster Bay Shares into the Takeover Offer. Allotment will be made following the Takeover Offer becoming unconditional and within the period specified in the Takeover Offer. The fact that NZX may approve New Delegat's Shares for quotation is not to be taken in any way as an indication of the merits of the Offer or Delegat's Group.

This Prospectus, the Offer and the contracts formed on acceptance of the Offer are governed by the laws of New Zealand. Each Eligible Oyster Bay Shareholder participating in this Offer submits to the exclusive jurisdiction of the courts of New Zealand.

### **NO GUARANTEE**

No person (including any Director, agent, employee or adviser of Delegat's Group) guarantees the performance of any New Delegat's Shares.

### **OFFERING RESTRICTIONS**

No action has been taken to register or qualify this Prospectus or otherwise to permit a public offering of the New Delegat's Shares in any jurisdiction outside New Zealand and Australia. The distribution of this Prospectus in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

New Delegat's Shares will only be issued pursuant to this Prospectus to Eligible Oyster Bay Shareholders. Due to overseas securities regulatory restrictions, New Delegat's Shares cannot be allotted to those Oyster Bay Shareholders whose addresses are outside New Zealand and Australia. An Overseas Shareholder whose address is outside New Zealand or Australia who elects to receive New Delegat's Shares as consideration for their acceptance of the Takeover Offer, despite the fact that the New Delegat's Shares cannot be allotted to that overseas shareholder, will have the New Delegat's Shares allotted to a nominee in New Zealand, appointed by Delegat's Group, who will sell those New Delegat's Shares and pay the proceeds, net of brokerage, to the Overseas Shareholder. For further information on this process, please refer to page 9 under the heading "Overseas Shareholders".

## **DEFINED TERMS**

Terms and abbreviations used in this Prospectus are defined in the Glossary of this Prospectus.

All references to \$ or dollars are to New Zealand dollars unless specified otherwise.

## **ENQUIRIES**

Enquiries about the Offer should be directed to your stockbroker, solicitor, accountant or other professional adviser.

**This Prospectus is accompanied by a Takeover Offer Document issued by Delegat's Wine Estate Limited in accordance with the Takeovers Code.**

**You are urged to read that document in addition to this Prospectus.**

## KEY DATES

|  |   |
|--|---|
| Registration of the Prospectus with the Companies Office of the Ministry of Economic Development – New Zealand   | 18 October 2010   |
| Lodgement of the Prospectus with ASIC - Australia  | 18 October 2010   |
| Opening Date of Offer  | The date upon which the Takeover Offer Document is despatched to Oyster Bay Shareholders                      |
| Closing Date of Offer<br>(or such later date as Delegat's Group may determine subject to any approval required under the Takeovers Code and/or the Listings Rules) | The date upon which the Takeover Offer is closed in accordance with the terms of the Takeover Offer.          |
| Allotment of New Delegat's Shares and dispatch of allotment statements   | That date being no later than seven days after the date on which the Takeover Offer is declared unconditional |
| Expected date for quotation of the New Delegat's Shares  | That date being no later than seven days after the date on which the Takeover Offer is declared unconditional |
| Anticipated date of the first dividend payment in respect of the New Delegat's Shares*   | 14 October 2011   |

**Note:** All dates are indicative only and may be varied by Delegat's Group without prior written notice, subject to the Listing Rules and the Takeovers Code. An announcement of any changes to the Timetable will be made on the NZSX.

\* It is a requirement of the NZSX Listing Rules that this Prospectus must state the anticipated first dividend payment applicable to the New Delegat's Shares. This date is indicative only and is subject to change at the discretion of Delegat's Group. Similarly, Delegat's Group does not a guarantee that it will in fact declare a dividend next year. The decision to declare a dividend will be made by Delegat's Group next year having regard to the financial position of Delegat's Group at that time.

## **DELEGAT'S GROUP AND ITS DIRECTORS**

The name of the issuer under this Offer is Delegat's Group Limited.

The registered office for Delegat's Group is Level 1, 10 Viaduct Harbour Avenue, Auckland.

The Director's of Delegat's Group are:

- Robert Lawrence Wilton
- Jakov Nikola Delegat
- Rosamari Suzan Delegat
- John Hendrik Maasland
- Jane Lesley Freeman

## **TERMS OF THE OFFER AND THE NEW DELEGAT'S SHARES**

### **BACKGROUND TO THIS OFFER**

This Offer is being made by Delegat's Group to all Eligible Oyster Bay Shareholders.

The Offer is being made in conjunction with a Takeover Offer ("Takeover Offer") being made by Delegat's Wine Estate Limited ("DWE"), a wholly owned subsidiary of Delegat's Group, for all of the Oyster Bay Shares that it does not already hold.

In terms of the Takeover Offer, DWE is offering to acquire the Oyster Bay Shares that it doesn't currently hold from Oyster Bay Shareholders. Oyster Bay Shareholders are being offered the opportunity to accept the Takeover Offer from DWE and to accept one of two payment options, namely:

- Oyster Bay Shareholders (provided that they are Eligible Oyster Bay Shareholders) can elect to receive one New Delegat's Share for every one Oyster Bay Share that they agree to sell to DWE under the Takeover Offer; or
- Oyster Bay Shareholders can elect to receive the sum of \$1.80 in cash for each Oyster Bay Share that they agree to sell to DWE under the Takeover Offer.

Under Securities laws in New Zealand and Australia, where an issuer (ie Delegat's Group) proposes to offer shares to members of the public (ie the Oyster Bay Shareholders) it must do so pursuant to a registered prospectus that complies with the Securities Act 1978 and the Securities Regulations 2009.

This Simplified Disclosure Prospectus satisfies the legal requirements which Delegat's Group must comply with in making its offer to Oyster Bay Shareholders.

The maximum number of New Delegat's Shares that may be issued under this Offer, assuming that all Eligible Oyster Bay Shareholders elected to receive New Delegat's Shares as consideration for the payment for their Oyster Bay Shares under the Takeover Offer is \$1.80 New Delegat's Shares.

## **PRINCIPAL TERMS OF THIS OFFER**

Eligible Oyster Bay Shareholders are being offered the opportunity to acquire New Delegat's Shares in consideration for transferring the Oyster Bay Shares which they hold to DWE in the ratio of one New Delegat's Share for every one Oyster Bay Share acquired, as part of, and in conjunction with the Takeover Offer.

### **Condition to this Offer**

This Offer is conditional upon the Takeover Offer being declared unconditional by DWE in accordance with the terms of the Takeover Offer ("Condition").

If the Condition is not satisfied, then this Offer will not proceed and Delegat's Group will not issue any New Delegat's Shares to Eligible Oyster Bay Shareholders.

### **Payments**

The New Delegat's Shares will be issued on a fully paid basis at the Issue Price.

The Issue Price for each New Delegat's Share is \$1.80 per New Delegat's Share.

You are not required to pay the Issue Price for the New Delegat's Shares in cash. The Issue Price for the New Delegat's Shares will be satisfied by you exchanging your Oyster Bay Shares for the New Delegat's Shares pursuant to the Takeover Offer at the ratio detailed above.

No brokerage is payable by you for the issue to you of the New Delegat's Shares.

### **Terms of Issue of New Delegat's Shares**

The New Delegat's Shares will be issued on the same terms as the existing Delegat's Shares already on issue.

Each New Delegat's Share will provide the holder with the right to:

- one vote on a poll at a meeting of shareholders of Delegat's Group;
- an equal participation with all other existing Delegat's Group Shares in any dividend declared after the issue of the New Delegat's Shares;
- an equal participation with all other Delegat's Group Shares in the residual assets on a liquidation of Delegat's Group;
- Be sent reports, notices of meetings and other information sent to Delegat's Group's shareholders; and
- Any other rights as a Delegat's Group shareholder conferred by Delegat's Group's Constitution and the Companies Act 1993.

### **Issue of New Delegat's Shares**

On satisfaction of the Condition, the New Delegat's Shares will be issued to Eligible Oyster Bay Shareholders who accept this Offer.



The New Delegat's Shares will be issued on a fully paid basis, at the Issue Price, and otherwise on the terms and conditions outlined in this Prospectus.

The allotment of New Delegat's Shares is expected to occur on that date being not later than 7 days after the date on which the Takeover Offer is declared unconditional.

### **Overseas Shareholders**

This Offer is not made to those Oyster Bay Shareholders whose addresses are outside New Zealand or Australia ("Overseas Shareholders").

An Overseas Shareholder who elects to receive New Delegat's Shares as consideration for their acceptance of the Takeover Offer will have the New Delegat's Shares allotted to a nominee in New Zealand, appointed by Delegat's, who will sell those Delegat's Shares on the NZSX market at the prevailing market price at the time of the sale, and pay the proceeds, net of brokerage, to the Overseas Shareholder within seven days of the date on which the Takeover Offer is declared unconditional. Interest will not accrue on the proceeds of the sale of the New Delegat's Shares sold in accordance with this mechanism.

### **Acceptance of this Offer**

In order to subscribe for the New Delegat's Shares you are required to:

- accept the Takeover Offer made by DWE;
- select the Payment Option entitled "Option 1 – Delegat's Group Limited (DGL) Shares" on the Acceptance Form;
- complete the Acceptance Form enclosed with the Takeover Offer Document that accompanies this Simplified Disclosure Prospectus in accordance with the instructions set out on the Acceptance Form; and
- return the Acceptance Form by hand, mail or fax to:

"Delegat's - Oyster Bay Takeover Offer"  
c/- Computershare Investor Services Limited, Level 2, 159 Hurstmere Road  
Private Bag 92119, Auckland 1142

Telephone: (09) 488 8777

Facsimile: (09) 488 8787

on or before the Closing Date under the Takeover Offer and this Prospectus.

Applications may also be lodged with any Primary Market Participant or any other channel approved by NZX in time to enable forwarding to Computershare Investor Services Limited prior to the Closing Date under the Takeover Offer and this Prospectus.

### **No reservation of New Delegat's Shares**

No New Delegat's Shares have been reserved for any class of applicant other than Oyster Bay Shareholders.

### **Oversubscriptions**

Oyster Bay Shareholders may not seek to receive more New Delegat's Shares than that which they are entitled under the Takeover Offer.

### **Dividend Policy**

The decision as to whether Delegat's Group will pay a dividend or not will be subject to a number of considerations including the general business environment, the operating and financial results of Delegat's Group, capital requirements and any other factors the Board may consider relevant. In determining whether to pay dividends, the Board must have regard to the solvency, profitability and liquidity of the Group and capital expenditure and/or other alternative applications of funds available to it. The Board reserves the right to vary the dividend policy of Delegat's Group at any time having regard to the then current circumstances of Delegat's Group. Dividends are declared at the discretion of the Board. Dividends are not payable on fixed dates.

### **Other Terms of Offer and Securities**

All other terms of this Offer, and all the terms of the New Delegat's Shares being offered, are set out in this Prospectus, except for those implied by law or set out in a document that is registered with a public official and is available for public inspection and is referred to in this Prospectus.

## **RELATIONSHIP WITH LISTED SECURITIES**

### **New Delegat's Shares same as existing Delegat's Shares**

Each New Delegat's Share to be issued under this Offer will be of the same class and have the same rights as the existing ordinary fully paid shares of Delegat's Group which are currently issued and listed on the NZSX.

### **Description of existing Delegat's Shares**

The existing Delegat's Group Shares confer upon the holder the right to:

- one vote on a poll at a meeting of shareholders of Delegat's Group;
- an equal participation with all other existing Delegat's Shares in any dividend declared after the issue of the New Delegat's Shares;
- an equal participation with all other Delegat's Shares in the residual assets on a liquidation of Delegat's Group;
- Be sent reports, notices of meetings and other information sent to Delegat's Group shareholders; and
- Any other rights as a Delegat's Group shareholder conferred by Delegat's Group constitution and the Companies Act 1993.

### **Existing Delegat's Shares**

The existing Delegat's Shares are currently listed on the NZSX market operated by NZX Limited.

### **Relationship between Issue Price and market price**

The effective issue price for the New Delegat's Shares is \$1.80 per New Delegat's Share.

The closing sale price for the Delegat's Shares on the NZSX on 14 October 2010 was \$1.61. The volume weighted average price for the Delegat's Shares for the ten trading days prior to the date of this Offer Document was \$1.64.

The market price of the existing Delegat's Shares may change between the date of this Prospectus and the date when the New Delegat's Shares are allotted. In the event that the market price of the existing Delegat's Shares changes during the term of this Offer, the Issue Price for the New Delegat's Shares and the consideration to be satisfied by Oyster Bay Shareholders to acquire the New Delegat's Shares will not change. However, the ultimate price that an Oyster Bay Shareholder may realise for the sale of a New Delegat's Share may change as a consequence of such a change in market price.

## **INFORMATION AVAILABLE UNDER DELEGAT'S DISCLOSURE OBLIGATION**

As a listed company, Delegat's Group is subject to the Listing Rules. The Listing Rules require that Delegat's Group must immediately notify NZX of any information of which it is, or becomes, aware concerning the activities and operations of Delegat's Group which a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of its listed securities unless an exception in the Listing Rules applies.

Delegat's Group has made the following material announcements to the market via the NZX Market Announcement Platform in the last ten months:

- Announcement made to NZX on 30 September 2010 – 2010 Annual Report;
- Announcement made to NZX on 6 September 2010 – Notice of Annual Meeting of Shareholders;
- Announcement made to NZX on 27 August 2010 – Full Year Results 2010;
- Announcement made to NZX on 27 August 2010 - Outlook;
- Announcement made to NZX on 30 June 2010 – Settlement of Dispute;
- Announcement made to NZX on 31 March 2010 – 2009 Interim Report;
- Announcement made to NZX on 25 March 2010 – First NZ Capital Emerging Companies Conference;
- Announcement made to NZX on 26 February 2010 – Results for the half year ending 31 December 2009;
- Announcement made to NZX on 2 December 2009 – Annual Meeting – Managing Directors Address

More information about Delegat's Group activities and recent trading position are contained in the 2010 Annual Report (which includes the audited financial statements for the year ended 30 June 2010).

Delegat's Group is not aware of any material information that is not generally available to the market that would likely assist a prudent but non-expert person to decide whether or not to subscribe for the New Delegat's Shares in accordance with the Offer.

The Directors, after due enquiry by them, are of the opinion that Delegat's Group is in compliance with the requirements of the continuous disclosure provisions that apply to it.

Copies of all disclosures made by Delegat's Group to NZX, including financial statements, can be obtained, free of charge at Delegat's Group website ([www.delegatsgroup.co.nz](http://www.delegatsgroup.co.nz)) or at NZX's website at ([www.nzx.com](http://www.nzx.com)). Alternatively, copies can be obtained, free of charge from Delegat's Group registered office indicated in the Directory.

An electronic copy of this Prospectus:

- Can be obtained free of charge from Delegat's Group (contact details are set out in the Directory of this Prospectus;
- Is available for download from the Delegat's Group website ([www.delegatsgroup.co.nz](http://www.delegatsgroup.co.nz)); and
- Is filed on a public register at the Companies Office of the Ministry of Economic Development and is available for public inspection, or by internet access at the website: [www.companies.govt.nz](http://www.companies.govt.nz)

## **FINANCIAL STATEMENTS**

The latest published financial statements for Delegat's Group are the audited consolidated financial statements for the 12 months ended 30 June 2010, as contained in the 2010 Annual Report. These financial statements were prepared in compliance with the Financial Reporting Act 1993 and were registered with the New Zealand Companies Office on 15 October 2010 and were provided to NZX on 30 September 2010 in accordance with the Listing Rules.

## **ADDITIONAL INTERIM FINANCIAL STATEMENTS**

No interim financial statements have been prepared for the Delegat's Group and notified by Delegat's Group to NZX for the period after the date of the audited consolidated financial statements for Delegat's Group for the year ended 30 June 2010.

## **ACCESS TO INFORMATION AND STATEMENTS**

Copies of the disclosed information identified in the section entitled "Information Available Under Delegat's Disclosure Obligation", and the financial statements for the year ended 30 June 2010:

- are filed on a public register at the Companies Office of the Ministry of Economic Development and are available for public inspection (including at [www.companies.govt.nz](http://www.companies.govt.nz)); and
- will be made available on request in writing, and free of charge from Delegat's Group's registered office indicated in the Directory.

## **TAXATION**

Eligible Oyster Bay Shareholders should be aware that there may be taxation implications in respect of an investment in New Delegat's Shares pursuant to this Prospectus. These taxation implications will vary between different Eligible Oyster Bay Shareholders. Eligible Oyster Bay Shareholders should consult their professional adviser in connection with the taxation implications of subscribing for the New Delegat's Shares.

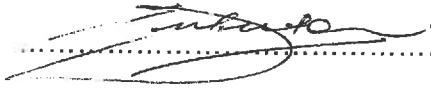
Delegat's Group does not propose to give any taxation advice and neither Delegat's Group nor any of its officers, employees, agents and advisers accept any responsibility or liability in respect of any taxation consequences in connection with participation in the Offer under this Prospectus.

## DIRECTORS' STATEMENT

The Directors, after due enquiry by them, are of the opinion that Delegat's Group is in compliance with the requirements of the continuous disclosure provisions that apply to it.

This Simplified Disclosure Prospectus has been signed by each director of Delegat's Group or a person authorised in writing by him or her to sign this Prospectus on his or her behalf.

Robert Wilton  
Or his authorised agent



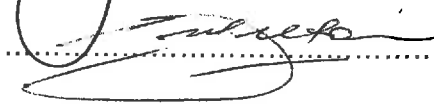
.....

Jakov Delegat  
Or his authorised agent



.....

Rosamari Delegat  
Or her authorised agent



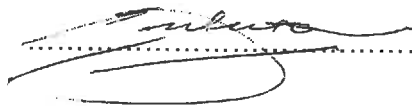
.....

John Maasland  
Or his authorised agent



.....

Jane Freeman  
Or her authorised agent



.....

Dated this 15th day of October 2010

## IMPORTANT INFORMATION FOR AUSTRALIAN INVESTORS

1. For the purposes of paragraph 1200E(a) of the *Corporations Act 2001* (Cth) (***Corporations Act 2001***) and regulation 8.2.02(1) of the *Corporations Amendment Regulations 2008 (No.2)* (Cth) (***Regulations***), the following warning statements are prescribed:
  - (a) this offer to Australian investors is a recognised offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the *Corporations Act 2001* and *Regulations*. In New Zealand, this is Part 5 of the *New Zealand Securities Act 1978* and the *Securities (Mutual Recognition of Securities Offerings) Regulations 2008*;
  - (b) this offer and the content of the offer document are principally governed by New Zealand, rather than Australian law. In the main, the *New Zealand Securities Act 1978* and *New Zealand Securities Regulations 2009* set out how the offer must be made;
  - (c) there are differences in how securities and financial products are regulated under New Zealand, as opposed to Australian law. For example, the disclosure of fees for managed investment schemes is different under New Zealand law;
  - (d) the rights, remedies and compensation arrangements available to Australian investors in New Zealand securities and financial products may differ from the rights, remedies and compensation arrangements for Australian securities and financial products;
  - (e) both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Australian Securities and Investments Commission (ASIC). The Australian and New Zealand regulators will work together to settle your complaint;
  - (f) the taxation treatment of New Zealand securities and financial products is not the same as that for Australian securities and products;
  - (g) if you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial advisor.
2. For the purposes of paragraph 1200E(a) of the *Corporations Act 2001* and regulation 8.2.02(2) of the *Regulations*, the following additional warning statements are prescribed for offers involving the payment of proceeds, from securities or financial products, that are not Australian dollars:
  - (a) the offer may involve a currency exchange risk. The currency for the security or financial product is in dollars that are not Australian dollars. The value of the security or financial product will go up and down according to changes in the exchange rate between those dollars and Australian dollars. These changes may be significant;
  - (b) if you receive any payments in relation to the security or financial product that are not in Australian dollars, you may incur significant fees in having the funds credited to a bank account in Australia in Australian dollars.



3. For the purposes of paragraph 1200E(a) of the *Corporations Act 2001* and regulation 8.2.02(3) of the *Regulations*, the following additional warning statement is prescribed for offers involving securities and financial products, able to be traded on a financial market:

*If the security or financial product is able to be traded on a financial market and you wish to trade the security or financial product through that market, you will have to make arrangements for a participant in that market to sell the security or financial product on your behalf. If the financial market is a foreign market that is not licensed in Australia (such as a securities market operated by NZX Limited (NZX)) the way in which the market operates, the regulation of participants in that market and the information available to you about the security or financial product and trading may differ from Australian licensed markets.*

4. For the purposes of section 1200E(b) of the *Corporations Act 2001* and regulation 8.2.03 of the *Regulations*, the following details are prescribed:
  - (a) this offer is subject to the continuous disclosure obligations of NZX. Details of any continuous disclosure notices that relate to this offer can be accessed at [www.nzx.com](http://www.nzx.com);
  - (b) this is an offer of a product that is currently listed on the NZSX.

The New Delekat's Shares have been accepted for listing and will be quoted on the NZSX following the completion of the allotment of the New Delekat's Shares.

# GLOSSARY

The following definitions apply throughout this Prospectus unless the context otherwise requires.

**ASIC** means the Australian Securities and Investments Commission.

**Australian Corporations Act** means the Corporations Act 2001 (Cth).

**Business Day** means a day of the week other than a Saturday, Sunday or national public holiday in New Zealand.

**Condition** means the condition precedent to this Offer, the details of which are provided on page 8.

**Delegat's Group** means Delegat's Group Limited.

**Delegat's Share** means a fully paid ordinary share in Delegat's Group.

**Directors** mean the directors of the Company

**DWE** means Delegat's Wine Estate Limited.

**\$** means New Zealand dollars.

**Eligible Oyster Bay Shareholders** means the holders of Oyster Bay Shares excluding Overseas Shareholders who were recorded as holding Oyster Bay Shares on the record date nominated by DWE in terms of the Takeover Offer.

**Issue** means the issue of New Delegat's Shares to be made under the Offer.

**Issue Price** means \$1.80 per New Delegat's Share.

**Listing Rules** means the NZSX Listing Rules as amended from time to time.

**New Delegat's Share** means a Share to be issued on a fully paid basis and at the Issue Price under this Prospectus and **New Delegat's Shares** has a corresponding meaning.

**NZSX** means the main board equity security market operated by NZX.

**NZX** means NZX Limited.

**Offer** means the Offer of New Delegat's Shares to Eligible Oyster Bay Shareholders pursuant to this Prospectus.

**Overseas Shareholders** means Oyster Bay Shareholders whose addresses are outside New Zealand or Australia.

**Oyster Bay** means Oyster Bay Marlborough Vineyards Limited.

**Oyster Bay Share** means a fully paid ordinary share in Oyster Bay.

**Oyster Bay Shareholders** means the holders of Oyster Bay Shares who were recorded as holding Oyster Bay Shares on the record date nominated by DWE in terms of the Takeover Offer.

**Prospectus and Simplified Disclosure Prospectus** means this simplified disclosure prospectus being the document registered with the New Zealand Registrar of Companies and ASIC relating to the Offer.

**Takeover Offer** means the offer intended to be made by DWE in accordance with the provisions of the Takeovers Code to acquire all of the shares in Oyster Bay that it does not already hold.

# DIRECTORY

## **Directors of Deleгат's Group**

Robert Lawrence Wilton  
14A Bongard Road  
Mission Bay  
Auckland

Jakov Nikola Deleгат  
47 Benson Road  
Remuera  
Auckland

Rosamari Suzan Deleгат  
21 Stanley Point Road  
Stanley Point  
North Shore City

John Hendrik Maasland  
133 Ara-Kotinga  
RD 1, Manurewa

Jane Lesley Freeman  
118 Victoria Avenue  
Remuera  
Auckland

## **Registered Office of Deleгат's Group**

Level 1  
10 Viaduct Harbour Avenue  
Auckland

Website  
[www.delegatsgroup.co.nz](http://www.delegatsgroup.co.nz)

## **Solicitors for the Offer**

Jones Young  
Level 19  
BDO Tower  
120 Albert Street  
Auckland

## **Share Registrar**

Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road  
Takapuna  
Auckland;  
Private Bag 92 119  
Auckland 1020