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Company Announcements Office
Australian Stock Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

GAGE MOVES TO DIRECT DISTRIBUTION CHANNELS

Gage Roads Brewing Co Ltd (ASX: GRB) today announced plans to move to a direct distribution model for the sale of all its beer and cider products across Australia.

In line with this decision, Gage Roads and VOK Beverages Pty have agreed to terminate the distribution agreement and convertible loan facility currently in place. The convertible loan balance of \$180,634 will be repaid to VOK Beverages over the next two months or converted to shares at 87.5% of the prevailing 60 day volume weighted average trading price.

By selling and distributing directly to retailers, the Company aims to make its products more competitively priced to a broader customer base. The direct distribution model also allows Gage Roads to engage in more active joint marketing and sales incentive initiatives with retailers.

Gage Roads' Chief Executive Officer Nick Hayler said the new distribution model would provide greater value to Gage Roads and its customers.

Mr Hayler said he was grateful for the service provided by VOK Beverages over the past year.

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For further information please contact:

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AUSTRALIA'S CRAFT BREWERY

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