



24 April 2013

Dear Shareholder

Invitation to Participate in Shareholder Share Purchase Plan

On 22 April 2013, Gage Roads Brewing Co Limited (**Gage Roads** or **Company**) announced its intention to offer shareholders the chance to participate in a share purchase plan to subscribe for additional shares in the Company (**Plan**).

The Board of Directors of the Company is now pleased to make that offer to eligible shareholders on the terms and conditions enclosed with this letter.

Shareholders Eligible to Participate in the Plan

The right to participate in the Offer under the Plan is optional and is available exclusively to shareholders who are registered as holders of fully paid ordinary shares in the capital of Gage Roads (**Shares**) at 5.00pm (WST) on the Record Date of 19 April 2013 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Share Purchase Plan

The Plan entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares at an issue price of \$0.15 per Share free of brokerage and commission (**Offer**). The issue price represents a 9.64% discount to the average market price of the Company's shares on ASX during the 5 trading days immediately prior to the announcement date of the Offer (being \$0.166).

Details of the Offer are set out in this letter and the enclosed Terms and Conditions together with an Entitlement and Acceptance Form.

Current Activities

Details of the Company's current activities are set out in the announcements made by Gage Roads to the ASX and are available from the ASX or Gage Roads' website at www.gageroads.com.au.

The funds raised under the Plan will be used by the Company to improve the Company's working capital position.

How much can you invest?

Under the Plan, Eligible Shareholders may only acquire a maximum of up to \$15,000 worth of Shares.

AUSTRALIA'S CRAFT BREWERY

GAGE ROADS BREWING CO LTD
ABN 22 103 014 320

14 ABSOLON STREET PALMYRA WESTERN AUSTRALIA 6157 PO BOX 2024 PALMYRA DC WESTERN AUSTRALIA 6961
TELEPHONE: (08) 9331 2300 FACSIMILE: (08) 9331 2400 EMAIL: brewery@gageroads.com.au WEB: www.gageroads.com.au

Subscription and Application Procedure

If you would like to participate in the Offer, please follow the application instructions on the enclosed Entitlement and Acceptance Form. Please note that the **Closing Date of the Offer is 5:00pm (WST) on 15 May 2013**. No late applications will be accepted.

Eligible Shareholders may participate by selecting one of the following Offers to purchase Shares under the Plan:

	Amount	Number of Shares
Offer A	\$15,000	100,000
Offer B	\$10,000	66,667
Offer C	\$5,000	33,333
Offer D	\$2,000	13,333

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date of 5pm (WST) on 15 May 2013.

The maximum investment any shareholder may apply for will remain \$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

Calculation of the Purchase Price and Acceptance of Risk Factors

The purchase price of Shares under the Offer is \$0.15, which represents a 9.64% discount to the average market price of the Company's shares on ASX during the 5 trading days immediately prior to the announcement date of the Offer, being \$0.166.

On the trading day immediately prior to the announcement date of the Offer, the closing price of the Shares traded on ASX was \$0.17. The market price of the Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are allotted to you as a result of your acceptance of this Offer.

By accepting the Offer and applying for Shares under the Plan, each Eligible Shareholder will be acknowledging that although the purchase price is at a discount to the market price, Shares are a speculative investment and the price of Shares on ASX may change between the date of the Company announcing its intention to make an Offer and the date of issue of Shares under that Offer and that the price and/or value and/or number of the Shares received under the Plan may rise or fall accordingly.

The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.

Additional Information and Important Dates

The Offer cannot be transferred and the Directors of the Company reserve the right to reject any application over \$15,000. Shares allotted under the Plan will be issued as soon as practicable after the Closing Date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

The maximum number of Shares that may be issued pursuant to this Offer is 3,333,333. In the event of an oversubscription by the Closing Date the Directors may, in their absolute discretion, scale-back all applications on a pro-rata basis.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

Shortfall Placement

In the event that less than 3,333,333 Shares are applied for pursuant to this Offer, the shortfall may be placed at the discretion of the directors.

Indicative Timetable

Record Date for determining eligibility to participate in the SPP (5:00pm WST)	19 April 2013
Announcement of Plan	22 April 2013
Opening Date of Offer	24 April 2013
Closing Date of Offer	15 May 2013
Issue of Shares under the Plan*	23 May 2013
Dispatch date for holding statements*	27 May 2013
Quotation of Shares on ASX*	28 May 2013

*These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, shareholders are encouraged to submit their Entitlement and Acceptance Forms as early as possible.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary on +61 8 9314 0000.

Yours faithfully



John Hoedemaker
Company Secretary
Gage Roads Brewing Co Ltd

GAGE ROADS BREWING CO LIMITED
ACN 103 014 320
Shareholder Share Purchase Plan - Terms and Conditions

Purpose

The purpose of the Shareholder Share Purchase Plan (**the Plan**) is to offer shareholders of Gage Roads Brewing Co Limited (**Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**Company Shares**) up to a maximum of \$15,000 (when combined with any shares issued under any share purchase plan in the 12 months preceding the date of the Plan) at an issue price of \$0.15 per Share (which represents a 9.64% discount to the average market price of Company Shares on the financial market operated by ASX Limited (**ASX**)) without the need to pay brokerage costs and without the need for Company to issue a Prospectus, upon such terms and conditions as the board of directors of Company, in its absolute discretion, sees fit.

Shareholders eligible to participate

Eligible shareholders of Company Shares that are registered with an Australian address at the relevant record date may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these terms and conditions. Offers made under the Plan are non-renounceable (i.e. eligible shareholders may not transfer their rights to any Company Shares offered under the Plan).

An offer may, at the discretion of the directors of Company, be made under the Plan once a year. The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is A\$15,000. The directors of the Company may also determine in their discretion the minimum amount for participation, the multiple of Company Shares to be offered under the Plan and the period the offer is available to eligible shareholders.

Custodians, trustees and nominees

If you are an eligible shareholder and hold the Gage Roads shares as a custodian (as defined in ASIC Class Order CO 09/425 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of new Shares for each beneficiary for whom you act as custodian provided you annexe to your Entitlement and Acceptance Form a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held Shares in the Company on behalf of one or more other persons (each a **Participating Beneficiary**) at 5:00pm (WST) on 19 April 2013 who have subsequently instructed you to apply for Shares under the Plan on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- that a copy of the written offer document was given to each beneficiary; and
- where you hold shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order CO 09/425 you are a 'custodian' if you are a registered holder that:

- holds an Australian financial services licence that allows you to perform custodian or depositary services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order CO 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the *Corporations Regulations 2001*;
- is a trustee of a self managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner describes above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request Custodian Certificate and if you would like further information on how to apply, you should contact Computershare Investor Services Pty Limited at any time from 8.30am to 5.00pm (WST) Monday to Friday during the Offer period.

The Company reserves the right to reject any application for Plan Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

Price of Company Shares

The issue price of Company Shares to be issued under the Plan will be \$0.15, which represents a 9.64% discount to the average market price of Company Shares quoted on ASX during the period 5 trading days immediately prior to the date the Plan was announced.

Applications and Notices

At the discretion of the directors of the Company, the Company will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for Shares under the Plan, and accompanied by the terms and conditions of the Plan and an entitlement & acceptance form. Applications will not be accepted after the closing date of an offer. Over subscriptions to an offer may be refunded without interest.

Notices and statements made by the Company to participants may be given in any manner prescribed by its Constitution.

Placement of Shortfall

Any shortfall from the Offer may be placed at the discretion of the Directors.

Issue of Shares

Shares to be issued under the Plan will be issued as soon as reasonably practicable after the closing date specified by the Directors of the Company in the relevant offer.

Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHESS notification will be issued in respect of all Shares issued under the Plan. The Company will, promptly after the issue of Shares under the Plan, make application for those Shares to be listed for quotation on the official list of ASX.

Modification and Termination of the Plan

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer Shares than the person applied for under the Plan if the issue of the Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the directors of the Company or any delegate of the directors of the Company.

Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser or Mr John Hoedemaker, Company Secretary on +61 (08) 9314 0000.



Share Purchase Plan Application Form



For all enquiries:

Phone:

(within Australia) 08 9314 0000

(outside Australia) +61 8 9314 0000

Your payment and the completed application form must be received by 5:00pm (WST) Wednesday, 15th May 2013

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Gage Roads Brewing Co Ltd and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Gage Roads Brewing Co Ltd shares on the terms of the Share Purchase Plan (SPP).

In addition, by submitting this application form you certify that the aggregate of the application price paid by you for:

- the shares the subject of this application form; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of this application form does not exceed A\$15,000.

Gage Roads Brewing Co Ltd may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application. Any determinations by Gage Roads Brewing Co Ltd will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. Gage Roads Brewing Co Ltd reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all eligible shareholders even where Gage Roads Brewing Co Ltd does not notify you of that event.

Step 1: Registration Name

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESSE sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Choose your investment option

Your choice must correspond to one of the options detailed overleaf (\$2,000, \$5,000, \$10,000, \$15,000). You may choose ONE option only.

Step 3: Make Your Payment and return the application form

Make your payment by EFT or Cheque. Your payment must correspond to one of the options detailed overleaf (\$2,000, \$5,000, \$10,000, \$15,000). You may choose ONE option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

If paying by EFT, please process your EFT transaction, complete the reverse side of this application form and return to the Company by mail. **Please use your HIN Number as the reference number in your EFT transaction.**

If paying by cheque please complete the reverse side of this application form and return with your cheque by mail. Make your cheque payable in Australian dollars to "Gage Roads Brewing Co Ltd" and cross "Not Negotiable". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to this application form. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

For this application form to be valid you must return this completed application form and your payment to Gage Roads Brewing Co Ltd.

This completed application form and your payment must be received by Gage Roads Brewing Co Ltd by 5:00pm (WST) Wednesday, 15th May 2013.

Turn over for details of the Offer →

Share Purchase Plan Application Form

HIN Number

STEP 1 Registration Name & Offer Details

Registration Name: _____
Street Address: _____
Post Code: _____ Town/Suburb _____
Country: _____

For your security keep your SRN/HIN confidential.

Offer Details: Record date: **5:00pm (WST) Friday, 19th April 2013**

Minimum value available to purchase:

Maximum value available to purchase:

STEP 2 Purchase Details for Gage Roads Brewing Co Ltd Share Purchase Plan (choose one option only)

I/we being the above mentioned, being registered as ordinary shareholder(s) in Gage Roads as at the record date of 5:00pm (WST) on 19 April 2013, do hereby apply for the number of ordinary shares in Gage Roads as indicated below at the Purchase Price per share issued in accordance with the Terms and Conditions of the Gage Roads Shareholder Share Purchase Plan

\$2,000 (13,333 shares) \$5,000 (33,333 shares) \$10,000 (66,667 shares)

\$15,000 (100,000 shares)

STEP 3 Make Your Payment and return this application form

Pay by EFT:

BSB: 016-307
Account: 1075 23995
Account Name: Gage Roads Brewing Co Ltd
Reference: "YOUR HIN NUMBER"
Please ensure you include the reference number on your transfer in order for your payment to be received.
Please return the completed application form to:
Gage Roads Brewing Co Ltd
PO Box 2024
Palmyra WA 6961, Australia

Pay by Cheque:

Please make your cheque payable to "Gage Roads Brewing Co Ltd" and cross "Not Negotiable".
Please return your cheque with this completed application form to:
Gage Roads Brewing Co Ltd
PO Box 2024
Palmyra WA 6961, Australia

Lodgement of Acceptance

Your payment must be received by no later than 5.00pm (WST) on Wednesday, 15th May 2013. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. The Company does not accept any responsibility for loss incurred through incorrectly completed EFT payments. It is the responsibility of the applicant to ensure that funds submitted through EFT are received by this time.
The application form must be received by no later than 5.00pm (WST) on Wednesday, 15th May 2013. You should allow sufficient time for this to occur. The Company does not accept any responsibility if you lodge the application form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by Gage Roads Brewing Co Ltd (the issuer), for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by Computershare Investor Services Pty Limited (CIS), or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email privacy@computershare.com.au.

Payment must be received by 5:00pm (WST) Wednesday, 15th May 2013

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>