

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

PRINCE HILL WINES LIMITED

ABN

99 000 094 995

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--------------------------------|
| 1 | +Class of +securities issued or to be issued | ORDINARY SHARES |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 106,553,100 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | PAYABLE IN FULL ON APPLICATION |

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>YES</p>				
<p>5 Issue price or consideration</p>	<p>\$0.03 PER SHARE</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>TO PROVIDE ADDITIONAL WORKING CAPITAL AND TO REDUCE BORROWINGS IN THE SHORT TERM</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>2 June 2008</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="694 1556 997 1601">Number</th> <th data-bbox="997 1556 1283 1601">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="694 1601 997 1827">213,106,200</td> <td data-bbox="997 1601 1283 1827">ORDINARY</td> </tr> </tbody> </table>	Number	+Class	213,106,200	ORDINARY
Number	+Class				
213,106,200	ORDINARY				

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Options
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NEW SHARES WILL PARTICIPATE IN ALL DIVIDENDS DECLARED AFTER THEIR ALLOTMENT

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	NO
12	Is the issue renounceable or non-renounceable?	RENOUNCEABLE
13	Ratio in which the +securities will be offered	ONE NEW SHARE FOR EVERY ONE SHARE HELD
14	+Class of +securities to which the offer relates	Ordinary shares
15	+Record date to determine entitlements	7 May 2008
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	NO
17	Policy for deciding entitlements in relation to fractions	When fractions arise in the calculation of Entitlements they will be rounded up to the nearest whole number of New Shares

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- 18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

CURRENT SHAREHOLDERS IN TURKEY AND SINGAPORE WILL NOT BE OFFERED THE NEW SECURITIES BUT WILL BE SENT THE DISCLOSURE DOCUMENT AND AN ASIC APPROVED NOMINEE WILL BE APPOINTED TO DEAL WITH THESE SHAREHOLDERS ENTITLEMENTS IN ACCORDANCE WITH THE LISTING RULES

- 19 Closing date for receipt of acceptances or renunciations

27 May 2008

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20	Names of any underwriters	NONE
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	NONE
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A Security Holders approval is not required
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	9 May 2008
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	9 May 2008
28	Date rights trading will begin (if applicable)	1 May 2008
29	Date rights trading will end (if applicable)	20 May 2008
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Complete the Entitlement and Acceptance Form and lodge the form with broker or if a Chess Holder advise broker to sell and provide entitlement number
31	How do +security holders sell	Complete the Entitlement and Acceptance

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part of their entitlements through a broker and accept for the balance?

Form for those Rights that you wish to accept. Also complete the section on the back of the form entitled "Instructions to your Stockbroker" for the balance that you wish to sell on ASX. The completed form should be sent to your stockbroker with a bank draft or cheque for the amount for the New Shares you accept. If you are a CHES holder, you may contact your stockbroker and ask it to sell your Rights by advising your entitlement number. You must deal with those of your Rights which you wish to sell by the close of trade on ASX on 20 May 2008.

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- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- Send a completed standard renunciation form (obtainable from your stockbroker or from the Share Registry) together with your Entitlement and Acceptance Form and the applicable transferee's cheque or bank draft for the Acceptance Money in accordance with section 2.2 of the Rights Issue Offer document to reach the Share Registry before 5.00pm Sydney time on 27 May 2008. A reply paid envelope is provided for your use. If you require another Entitlement and Acceptance Form you should contact the Share Registry.
- 33 ⁺Despatch date
- 2 June 2008

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000

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1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 A copy of any trust deed for the additional ⁺securities

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Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

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39 Class of +securities for which
quotation is sought

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40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

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41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

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	Number	+Class
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 21 April 2008
(Director/Company secretary)

Print name: ANDREW PARKINSON

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