

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 | 249,276,814 |
| 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>\$0.005 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>14 May 2010</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="716 1465 997 1501">Number</th> <th data-bbox="997 1465 1266 1501">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 1501 997 1707">373,905,221</td> <td data-bbox="997 1501 1266 1707">ORDINARY</td> </tr> </tbody> </table> | Number | +Class | 373,905,221 | ORDINARY |
| Number | +Class | | | | |
| 373,905,221 | 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) | | |
| 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 | TWO NEW SHARES FOR EVERY ONE SHARE HELD |
| 14 | +Class of +securities to which the offer relates | Ordinary shares |
| 15 | +Record date to determine entitlements | 19 April 2010 |
| 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
HONG KONG, USA, GERMANY
UK 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

10 May 2010

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| | | |
|----|---|---|
| 20 | Names of any underwriters | Ironwood Investments Pty Ltd |
| 21 | Amount of any underwriting fee or commission | 6% |
| 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 | 23 April 2010 |
| 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 | N/A |
| 28 | Date rights trading will begin (if applicable) | 13 April 2010 |
| 29 | Date rights trading will end (if applicable) | 3 May 2010 |
| 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 <i>part</i> of their entitlements | Complete the Entitlement and Acceptance |

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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 CHESSE 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 3 May 2010.

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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 10 May 2010. 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
- 14 May 2010

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

39 Class of +securities for which
quotation is sought

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

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)

| | 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: 9 April 2010
(Director/Company secretary)

Print name: ANDREW PARKINSON

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