

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Prince Hill Wines Limited

ABN

99 000 094 995

Quarter ended ("current quarter")

31 March 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	278	1,030
1.2 Payments for		
(a) staff costs	(102)	(325)
(b) advertising and marketing	(4)	(20)
(c) research and development		
(d) leased assets		
(e) other working capital	(339)	(1,430)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid	(16)	(50)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net operating cash flows	(183)	(795)

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	Current quarter \$A'000	Year to date (.9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(183)	(795)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(2)	(2)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		107
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	(2)	105
Net investing cash flows		
1.14 Total operating and investing cash flows	(185)	(733)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	101	882
1.18 Repayment of borrowings	(2)	(281)
1.19 Dividends paid		
1.20 Other (provide details if material)		
	99	601
Net financing cash flows		
Net increase (decrease) in cash held	(86)	(89)
1.21 Cash at beginning of quarter/year to date	99	102
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	13	13

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
	Payments to Directors in their capacities as Directors	7
	Payments to Directors in their capacities as Employees	50

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	768	768
3.2	Credit standby arrangements		

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	13	99
4.2	Deposits at call		
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		13	99

Acquisitions and disposals of business entities

		Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- This statement does give a true and fair view of the matters disclosed.

Sign here:

AParkinson Date: *30 April 2010*
 (Director/Company secretary)

Print name:

ANDREW PARKINSON

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to

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disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
- 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Additional information relating to cash resources

Great Southern Beverage Company failed to complete the non conditional contract signed on 29 September 2008 for the sale of the Mudgee winery and vineyard for \$5.5m (inclusive of GST) on the 9 March 2010.

Due to the aforementioned failed contract Colliers International were appointed to sell the vineyard and winery. Expressions of interest closed on the 28 April 2010. A number of expressions have been received and Colliers International is continuing discussions and negotiations with the various parties with a view to finalising a sale. The company has also issued a rights issue offer document to Shareholders to raise \$1.2m, the offer is subject to a minimum subscription of \$150,000 and is underwritten to the extent of \$150,000. The offer closes on 10 May 2010. The rights issue will provide additional working capital to fund operations while the sales process in relation to the Mudgee winery and vineyard is completed.

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