



PRINCE HILL WINES LIMITED
ABN: 99 000 094 995

Administration:
235 Glen Osmond Road,
FREWVILLE SA 5063
+61 8 8338 3200
+61 8 8338 3244

PO Box 6243,
Halifax Street,
ADELAIDE SA 5000

Winery:
1220 Castlereagh Highway,
APPLE TREE FLAT VIA
MUDGEE NSW 2850

www.princehillwines.com
sales@princehillwines.com

9 April 2010

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Notification under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Price Hill Wines Limited ABN 99 000 094 995 (**PHW**) under section 708AA(2)(f) of the *Corporations Act 2001*(Cth) (**Corporations Act**) as notionally modified by Australian Securities and Investments Commission Class Order 08/35 (**CO 08/35**).

PHW is undertaking a renounceable rights issue of two new fully paid ordinary shares (**New Shares**) in PHW for every one PHW share held as at 5:00pm on the record date of 19 April 2010 by shareholders with a registered address in Australia and New Zealand (**Rights Issue**).

PHW gives notice under section 708AA(2)(f) of the Corporations Act as notionally modified by CO 08/35 that:

1. PHW will issue up to 249,276,814 New Shares without disclosure to investors under Part 6D.2 of the Corporations Act as notionally modified by CO 08/35;
2. as at the date of this notice, PHW has complied with:
 - a. the provisions of Chapter 2M of the Corporations Act as they apply to PHW;



PRINCE HILL WINES LIMITED
ABN: 99 000 094 995

Administration:
235 Glen Osmond Road,
FREWVILLE SA 5063
+61 8 8338 3200
+61 8 8338 3244

PO Box 6243,
Halifax Street,
ADELAIDE SA 5000

Winery:
1220 Castlereagh Highway,
APPLE TREE FLAT VIA
MUDGEE NSW 2850

www.princehillwines.com
sales@princehillwines.com

- b. section 674 of the Corporations Act;
3. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act, which is required to be disclosed under section 708AA(7)(d) of the Corporations Act; and
4. the effect the issue of the New Shares will have on the control of PHW, and the consequences of that effect, will depend on a number of factors, including:
 - a. The level of shareholder interest in the Rights Issue.
 - b. The Rights Issue, if fully subscribed, will not result in any change to the control of PHW as the offer is a pro-rata offer.
 - c. The Rights Issue is subject to a minimum subscription of 30,000,000 New Shares representing \$150,000 in subscription monies (**Minimum Subscription**). If that provision is not reached, the Rights Issue will not proceed and there will be no effect on control.
 - d. The Rights Issue is underwritten by Ironwood Investments Pty Ltd but only to the extent of 30,000,000 New Shares (**the Underwritten Shares**). If the Minimum Subscription is achieved but there is a shortfall in take up of the Underwritten Shares the underwriter will be required to subscribe for New Shares equal to the shortfall and will therefore acquire an interest in up to 16.25% of the enlarged issued capital of PHW on completion of the Rights Issue.
 - e. The Directors have reserved the right to allot and issue, to any offerees under the Rights Issue selected by the Directors, any New Shares (excluding the Underwritten Shares and assuming satisfaction of the Minimum Subscription) for which valid applications have not been received and accepted by PHW by the closing date (**Non Underwritten Shortfall**). If the Directors exercise this right, then, depending upon how many Non Underwritten Shares are so offered,



PRINCE HILL WINES LIMITED
ABN: 99 000 094 995

Administration:
235 Glen Osmond Road,
FREWVILLE SA 5063
+61 8 8338 3200
+61 8 8338 3244

PO Box 6243,
Halifax Street,
ADELAIDE SA 5000

Winery:
1220 Castlereagh Highway,
APPLE TREE FLAT VIA
MUDGEE NSW 2850

www.princehillwines.com
sales@princehillwines.com

and also the extent, if any, of acceptance by the selected offerees, the shareholders who do not participate in the Rights Issue would have their shareholdings diluted.

- f. Based on the current disclosure made by substantial shareholders and their associates, the maximum percentage shareholding which any existing shareholder and their associates could attain through taking up the Rights Issue is 63.3% by CPVL and its associates. This compares to their shareholding percentage of 45.3%. This assumes that CPVL and its associates are the only shareholders to take up the offer of shares under the Rights Issue, and that they take up their full entitlement and that the underwriter's commitment to take up 30,000,000 shares of the shortfall shares under the underwriting agreement are taken up.

For and on behalf of **Prince Hill Wines Limited**

Andrew Parkinson

Managing Director

For personal use only