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December 9, 2003

DROMANA OFFERS SHAREHOLDERS 20% OFF ON THEIR WINE PURCHASES

ASX listed public companies which offer their shareholders a worthwhile discount on their product purchases are a rarity.

Victorian based wine company Dromana Estate Limited (ASX code DMY) offers shareholders a substantial 20 percent saving on their purchases of wine from the company.

Dromana Estate which is based on Victoria's Mornington Peninsula, releases its wines under the well recognised Dromana Estate, Mornington Estate and Yarra Valley Hills labels.

Last year the company also acquired a major share of David Traeger Wines a well established and quality winemaker based at Nagambie in central Victoria.

The David Traeger Verdelho recently received a 5 star rating in a survey of the world's best Verdelho varieties conducted by Decanter the leading international wine publication published in the UK.

David Traeger is also the maker of Baptista a 1997 Shiraz made from vines more than a century old growing at Graytown near Heathcote which sells for over $100 a bottle.

Notwithstanding the price and very limited production, Baptista has been judged by leading wine writer James Halliday to be "a seriously good wine.'

Dromana Estate is currently offering shareholders the opportunity to participate in a new share issue on a one for three basis at an issue price of 25 cents.

The issue closes on 24 December.

It will bring the company's total shares on issue on a fully subscribed basis to 19,373, 369 shares.

Part of the funds raised in the share issue will be used to complete the purchase of the 80 percent interest in David Traeger Wines Pty Ltd.

Dromana is also currently relocating its winemaking operations to a new winery on its Tuerong Park property adjacent to the Mornington Freeway.

The cellar door on the property has already been opened with the winery and barrel hall proposed to be ready for the 2004 vintage which will commence in about March-April next year.

Dromana Estate's Chairman of Directors Richard Green told shareholders at the recent annual meeting that "after a most difficult year your Directors can now look forward with confidence that many of our problems are behind us."

He added while "the last year has been fraught with problems it has also produced some very positive outcomes and a refocussing of our long term strategy."

Green says that the 20 percent shareholder discount on wine purchases has received increased usage by shareholders as the Christmas period nears.

"We keep our shareholders informed with a monthly newsletter on new releases and special wine offers and of course the shareholder discount applies to these."

Dromana Estate shares last traded at 30 cents on an ex share issue rights basis, having moved within the range of a high of 68.5 cents and a low of 23.8 cents over the past 52 weeks.

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