This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should consult your broker, bank manager, solicitor, accountant or other independent financial adviser authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

The Directors, whose names appear on page 1 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and makes no omission likely to affect the import of such information.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority.

A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. London Stock Exchange plc has not itself examined or approved the contents of this document.

It is expected that Admission will become effective and dealings in the Ordinary Shares will commence on AIM on 22 December 2004.

Dromana Estate Limited

APPENDIX

FURTHER INFORMATION ON DROMANA ESTATE LIMITED IN CONNECTION WITH ITS PROPOSED ADMISSION TO AIM

This Appendix has been prepared in accordance with the Supplement to Schedule One of the AIM Rules published by London Stock Exchange plc. It includes, *inter alia,* all information that would otherwise have had to be included in the Company's Admission Document and which is not found in the current public disclosure record, or in current public disclosure filed by the directors and senior officers of the Company, all as filed with the Australian Stock Exchange (collectively, the "Public Record"). The Public Record can be accessed freely on www.asx.com.au. Additional information is available on the Company's web site on www.dromanaestate.com.au , where this document, which is dated 1 December 2004, will be available for at least one month from the date of Admission. This Appendix should be read in conjunction with the Form of Announcement to be made by an applicant at least 20 business days prior to Admission (the "Announcement Form") and the Public Record. This Appendix and the Announcement Form together constitute "the Announcement".

Grant Thornton Corporate Finance, which is regulated by The Financial Services Authority, is acting as nominated adviser to Dromana Estate Limited. HB-corporate, which is regulated by The Financial Services Authority, is acting as broker to Dromana Estate Limited. Neither Grant Thornton Corporate Finance nor HB-corporate is acting for any other person and will not be responsible to anyone other than Dromana Estate Limited for providing the protections afforded to their respective clients or for providing advice in relation to the contents of this Announcement. No liability is accepted by Grant Thornton Corporate Finance nor HB-corporate for the accuracy of any information or opinions contained in, or for the omission of any material information from, this document for which the Directors are solely responsible.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard Randall Green David Harold Allen Craig David Gordon Traeger Geoffrey John Bell	Chairman, Executive Director Executive Director Executive Director Non-Executive Director
	all of whose business address is: Level 9, 406 Collins Street Melbourne Victoria 3000 Australia	
Company Secretary	Christopher Warren Ritchie	
Registered Office	Level 9, 406 Collins Street Melbourne Victoria 3000 Australia	
Nominated Adviser	Grant Thornton Corporate Finance Grant Thornton House Melton Street Euston Square London NW1 2EP United Kingdom	
Broker	HB-corporate 40 Marsh Wall London E14 9TP United Kingdom	
Solicitors to the Placing	Nicholson Graham & Jones 110 Cannon Street London EC4N 6AR United Kingdom	
Principal Solicitors to the Company	*Australia* Gadens Lawyers Level 25, Bourke Place 600 Bourke Street Melbourne Victoria 3000 Australia	*UK* Towers & Hamlins Sceptre Court 40 Tower Hill London EC3N 4DX United Kingdom
Auditors and Reporting Accountants	C. W. Stirling & Co. Level 6, 90 William Street Melbourne Victoria 3000 Australia	

Share Registrars	*Australia* Computershare Investor Services Pty Ltd Yarra Falls 452 Johnston Street Abbotsford Victoria 3067 Australia	*UK* Computershare Investor Services plc P O Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH United Kingdom
ASX Code and AIM TIDM	DMY Ordinary Shares	

DEFINITIONS

"A$"	Australian Dollars;
"Admission"	admission of the Ordinary Shares to trading on AIM in accordance with the AIM Rules;
"AIM"	the AIM market of London Stock Exchange plc;
"AIM Rules"	the rules of the AIM market as published by London Stock Exchange plc;
"ASX"	Australian Stock Exchange Limited;
"Board" or "Directors"	the directors of the Company whose names are set out on page 1 of this Appendix;
"Constitution"	the constitution of the Company at the date of this document;
"Corporations Act"	the Corporations Act 2001 of the Commonwealth of Australia;
"CREST"	the system for paperless settlement of trades and holdings of uncertificated shares administered by CRESTCo Limited in the UK;
"Depository Interests"	the depository interests representing Ordinary Shares to be electronically listed for trading on AIM and issued through the Company's UK registrar which will hold legal title to the underlying Ordinary Shares, as described in section 5 of this Appendix;
"Dromana" or "the Company"	Dromana Estate Limited;
"Grant Thornton Corporate Finance"	the corporate finance division of Grant Thornton UK LLP which is authorised and regulated by the Financial Services Authority to carry on investment business;
"Grant Thornton UK LLP"	a limited liability partnership with its registered office at Grant Thornton House, Melton Street, NW1 2EP and which is the UK member firm of Grant Thornton International;
"Grant Thornton International"	a non-practising, non-trading international umbrella organisation comprising a network of independent member and correspondent firms throughout the world. For the avoidance of doubt please be aware that Grant Thornton International is not an international/global/worldwide partnership either in relation to all of the members collectively or any two or more members together. In particular, neither Grant Thornton UK LLP nor Grant Thornton Corporate (NSW) Pty Ltd carries on business in the United States of America or Canada and are separately owned and managed businesses from entities known as Grant Thornton LLP carrying on business in those territories;
"HB-corporate"	a trading division of Hoodless Brennan & Partners Plc, the broker to the Company which is authorised and regulated by the Financial

	Services Authority;
"Listed Options"	options to subscribe for Ordinary Shares which are currently listed on ASX;
"Listing Rules"	the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX;
"Ordinary Shares"	fully paid ordinary shares of the Company;
"Placing"	a proposed placing by HB-corporate as agent for the Company of which the number of Ordinary Shares and placing price will be agreed prior to Admission;
"Placing Agreement"	an agreement to be entered into between HB-corporate, the Directors and the Company relating to the Placing, details of the terms being set out in section 14;
"Placing Shares"	the Ordinary Shares to be issued by the Company pursuant to the Placing at a price to be agreed prior to Admission;
"Registrar"	Computershare Investor Services plc in the UK and Computershare Investor Services Pty Limited in Australia, as the context requires;
"Shareholders"	holders of Ordinary Shares in the Company;
"UK"	the United Kingdom of Great Britain and Northern Ireland; and
"uncertificated" or "in uncertificated form"	a share or security recorded on the relevant register as being held in uncertificated form in CREST and entitlement to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST.

EXCHANGE RATE

The rate of exchange used for the purpose of this document is £1.00: A$2.378, except where otherwise stated.

1. DROMANA

1.1 Dromana Estate Limited was formed to acquire the assets of the business of Dromana Estate Vineyards, which was established in 1982. Dromana acquired the assets in April 2000. The Company has since made a number of acquisitions, including purchasing Mornington Vineyards Estate in June 2000 and purchasing an 80% interest in David Traeger Wines in November 2002.

1.2 Dromana is a producer of premium and ultra premium Australian wine and markets under seven brands:

- Baptista;
- Broken River;
- David Traeger;
- Dromana Estate;
- Garry Crittenden 'I';
- Mornington Estate; and
- Yarra Valley Hills.

1.3 Dromana sources grapes from five different regions throughout Victoria, Australia. Further information on the wines produced by Dromana is set out in the Company's website www.dromanaestate.com.au.

1.4 In June 2003 Dromana commenced Cellar Door / Café operations from an historic homestead at Tuerong Park on the Mornington Peninsula. In August 2004 the Company transferred its winemaking equipment to a purpose built winery on the same site.

1.5 Dromana seeks admission to AIM to assist in developing its growth strategy. AIM offers Dromana access to a wider pool of capital and provides an enhanced profile, especially in its key export market of the United Kingdom.

1.6 The main markets for Dromana's wines are Australia, United Kingdom, Ireland, Canada, Russia and Singapore.

1.7 Board of Directors

Richard Green (Executive Chairman)
Bachelor of Commerce, CPA, AISA
Director since October 1999, Chairman since March 2002

Mr Green has had a long involvement with the Australian wine industry both as a director and adviser to a number of wine producers, including St. Hubert's Wines, Tisdall Wines and Oakridge Vineyards Limited.

Mr Green is Chairman of Queensland Trustees & Investments Limited, a director of Institute of Drug Technology Australia Limited and Authorised Investment Fund Limited, all of which are ASX listed companies. Mr Green is a former member of the Australian Stock Exchange.

David Craig (Executive Director)
Bachelor of Economics
Director since October 1999

Mr Craig has over 30 years experience in the securities industry and was the Melbourne Manager of Industrial Equity Limited for 12 years prior to founding the ASX listed Equity and property Investment Corporation Limited.

Mr Craig is a director of Authorised Investment Fund Limited an ASX listed company. Mr Craig is a former member of the Australian Stock Exchange.

David Traeger (Executive Director)
Bachelor of Applied Science – Wine Science
Director since November 2002

Mr Traeger has over 30 years experience in the Wine Industry. Mr Traeger has been a consultant winemaker and winemaker for Mitchelton Wines and remains the winemaker for David Traeger wines after its acquisition by Dromana Estate Limited.

Mr Traeger is a board member of the Victorian Wine Industry Association.

Geoff Bell (Non Executive Director)
Bachelor of Commerce (Hons.), CA, FCPA, ACIS, FTIA
Director and Chairman of Audit Committee since July 2004.

Mr Bell has been a chartered accountant for 30 years and was a partner with PricewaterhouseCoopers for 20 years. Mr. Bell held several senior positions with PricewaterhouseCoopers including National Tax Partner, the Australian form's representative on the International Tax services Committee and Chairman of the Asiatax committee.

1.8 Senior Management

Chris Ritchie (Chief Financial Officer & Company Secretary)
Bachelor of Business, Graduate Diploma in International Business, CPA, FCIS

Mr Ritchie has 20 years experience in financial management and corporate governance in the hospitality, international trade and construction industries.

Mr Ritchie was previously Vice President and Chief Financial Officer for Flag Choice Hotels Limited, Finance Manager for McConnell Dowell Corporation Limited and Group Accountant for the commodity trading group of Elders Resources NZFP Limited.

2. STATUS

2.1 The Company was registered as an Australian Public Company limited by shares on 18 October 1999 as Meadow Park Limited. The Company changed its name to Dromana Estate Limited on 26 April 2000. The Company's ACN number is 090 000 276.

2.2 The securities of Dromana are traded on ASX and will continue to be so traded.

2.3 The Ordinary Shares and the Listed Options have been traded on ASX since 8 February 2001.

2.4 The Company has adhered to all legal and regulatory requirements involved in having its securities traded on ASX.

2.5 The Company has complied with the continuous disclosure requirements of the ASX. All significant changes in its financial or trading position since the end of the financial year ended

30 June 2004 have been the subject of announcements available on the Company's and the ASX web sites.

2.6 The Directors have no reason to believe that the Company's working capital will be insufficient for at least twelve months from the date of Admission.

3. SHARE CAPITAL

3.1 The Company does not have an authorised share capital. The issued share capital of the Company as at the date of this document is 21,415,979 fully paid Ordinary Shares. The Ordinary Shares have no nominal or par value and are recorded in the accounts of the Company at their issue price.

3.2 Some of the restrictions to which UK companies intending to issue new securities are subject, do not apply to Australian companies. In particular:

(a) Shareholder approval to issue shares:

There is generally no limit in the Corporations Act or the Constitution on the power of the Directors to issue shares. However, subject to certain exceptions (including those in respect of pro rata issues and issues under employee schemes):

(i) rule 7.1 of the ASX Listing Rules prohibits a company which is listed on the ASX from issuing shares or options representing more than 15% of its issued ordinary capital in any twelve month period without shareholder approval. Such shareholder approval requires an ordinary resolution passed by a simple majority; and

(ii) chapter 6 of the Corporations Act forbids the acquisition of a "relevant interest" in voting shares in the Company (whether by transfer or issue) if, as a result, the "voting power" of the acquirer (or any other person) would increase from 20% or below to more than 20%.

(b) Pre-emption rights on issue:

Under English law existing shareholders have a statutory right to be offered newly issued shares in a company for cash only before such shares can be offered to incoming shareholders. A company must ask its shareholders to waive their pre-emption rights in general meeting before it can offer securities to new investors.

3.3 In addition, the Company has on issue 1,175,233 ASX Listed Options to subscribe for fully paid Ordinary Shares.

3.4 Since 30 June 2004, being the date of the latest audited accounts and save as disclosed in this document:

(a) no share of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;

(b) no share of the Company is under option or is agreed conditionally or unconditionally to be put under option;

(c) no commission, discount, brokerage or other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the share capital of the Company;

(d) no founder, management or deferred shares have been issued by the Company; and

(e) no amount or benefit has been paid or is to be paid or given to any promoter of the Company.

3.5 Conditional upon Admission, the Company proposes to issue the Placing Shares immediately prior to Admission.

4. OPTIONS

4.1 As at the date of this document, 6,725,900 Options over Ordinary Shares have been issued as set out below.

ASX Code	Security Description	Expiry date	Exercise price	Number
DMYO	Listed Options	30/09/05	$1.50	1,175,233
DMYAI	Unlisted Options	20/06/08	$0.60	1,890,000
DMYAK	Unlisted Options	17/10/08	$0.60	600,000
DMYAO	Unlisted Options	09/10/08	$0.25	600,000
DMYAQ	Unlisted Options	01/05/05	$1.00	100,000
DMYAS	Unlisted Options	30/09/05	$1.50	860,667
DMYAU	Unlisted Options	30/06/08	$0.25	250,000
DMYAY	Unlisted Options	08/10/09	$0.25	400,000
ASX to allocate	Unlisted Options	08/10/09	$0.25	750,000
ASX to allocate	Unlisted Options	28/11/07	$0.80	100,000

4.2 Dromana has established a restaurant Loyalty Program, under which up to 2,000,000 Options may be issued to restaurants which purchase specified levels of wine on a monthly or quarterly basis. Options issued under the Loyalty Program will be exercisable at 25 cents each, and will have an expiry date of 30 June 2008.

5. SETTLEMENT AND CREST

5.1 UK Registered Shareholders and CREST

CREST is a computerised paperless share transfer and settlement system which allows shares to be held in electronic rather than paper form. Securities issued by non-UK registered companies, such as the Company, cannot be held or transferred in the CREST system. However to enable investors to settle such securities through the CREST system, a depository or custodian can hold the relevant securities and issue dematerialised depository interests ("Depository Interests") representing the underlying securities which are held on trust for the holder of the Depository Interests.

With effect from Admission, it will be possible for CREST members to hold and transfer interests in the Ordinary Shares within CREST pursuant to a depository interest arrangement established by the Company with the UK Registrar. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

The Ordinary Shares will not themselves be admitted to CREST. Instead the UK Registrar, acting as depository, will issue Depository Interests in respect of the underlying Ordinary Shares. The Depository Interests will be independent securities constituted under English law which may be held or transferred through the CREST system. Depository Interests will have the same international security identification number (ISIN) as the underlying Ordinary Shares and will not require a separate listing on the London Stock Exchange. The Depository Interests will be created and issued pursuant to a deed poll entered into by the UK Registrar, which will govern the relationship between the UK Registrar, as depository, and the holders of the Depository Interests.

Application has been made for the Depository Interests in respect of the underlying Ordinary Shares to be admitted to CREST with effect from Admission.

5.2 Australian Registered Shareholders and CHESS

Settlement on the Australian register will continue to be conducted under the ASX's electronic CHESS system.

6. MARKETING AND TRADING OF SHARES AND OPTIONS

6.1 The Ordinary Shares and Listed Options are listed, and will continue to be listed, on the ASX and the Company has made application for all of its issued share capital to be admitted to trading on AIM.

6.2 It is emphasised that, although the Ordinary Shares will be admitted to trading on AIM, the Company will not be subject to takeover regulation in the UK. The City Code on Takeovers and Mergers will not apply to the Company. However, the Company is subject to provisions regulating takeovers under Australian law.

7. CONSTITUTION

The Company's constitution is available on the Company's website, www.dromanaestate.com.au.

8. DIRECTORS' INTERESTS

8.1 The interests of the Directors and the persons connected with them in the Ordinary Shares of the Company are set out in section 11.

8.2 The interests of the Directors and the persons connected with them in the Options of the Company are as follows:

Name	No. of Options Owned	Exercise Price	Exercise period	Listed / unlisted
Richard Green	50,000 5,100 650,000 250,000	\$1.50 \$1.50 \$0.60 \$0.25	30/09/2005 30/09/2005 20/06/2008 08/10/2009	Unlisted Listed Unlisted Unlisted
David Craig	50,000 700,000 250,000	\$1.50 \$0.60 \$0.25	30/09/2005 20/06/2008 08/10/2009	Unlisted Unlisted Unlisted
David Traeger	150,000 250,000 100,000	\$0.60 \$0.25 \$0.80	20/06/2008 08/10/2009 28/11/2007	Unlisted Unlisted Unlisted
Geoff Bell	250,000	\$0.25	30/06/2008	Unlisted

9. ADDITIONAL INFORMATION ON THE DIRECTORS

9.1 The directorships and partnerships of the Directors, other than of the Company and its subsidiaries and associated companies, held at present and within the five years preceding the date of this Announcement are as follows:

Name	**Current Directorships**	**Former Directorships (within past 5 years)**
Richard Green (aged 65)	Alpine Broadcasters Pty Ltd Authorised Investment Fund Ltd Baptisa Wines Pty Ltd Collins Court Corporation Ltd Consolidated Financial Services Ltd Cygnet Securities Australia Pty Ltd Deniliquin Development Corporation Pty Ltd Hencet Pty Ltd Institute of Drug Technology Australia Ltd Jinalec Pty Ltd Mercator Funds Management Ltd Paribas Pty Ltd Plumpton Place Pty Ltd Queensland Trustees and Investment Ltd Scripophily Proprietary Limited Venomics Pty Ltd Yulang Pty Ltd	Box Hill Regional Investments Ltd Centec Securities Pty Ltd Como Capital (Aust) Pty Ltd Como Capital Pty Ltd Goona Warra Vineyard Pty Ltd Limestone Hill Estate Ltd PDF Management Pty Ltd Regent Fine Wines Pty Ltd Timber Power Pty Ltd Witaka Pty Ltd
David Craig (aged 57)	Altunga Investments Pty Ltd Australian Commercial Equity Pty Ltd Authorised Investment Fund Ltd Collingwood Investments Pty Ltd Collins Court Corporation Ltd Consolidated Financial Services Ltd Consolidated Nominee Holdings Pty Ltd Coykil Pty Ltd DBA Management Consultants Pty Ltd Dromana Direct Pty Ltd Harvard Nominees Pty Ltd Heritage Partners Investments Pty Ltd Jinalec Pty Ltd Jones-Cashmore Nominees Pty Ltd Linells Pty Ltd Lion Corporate Services Pty Ltd NDD International Pty Ltd Regent Fine Wines Pty Ltd Speedpanel Australia Ltd Speedpanel International Pty Ltd Speedwall Holdings Pty Ltd Spoon Holdings Pty Ltd	Adventure Private Capital Ltd Capel Court Corporation Pty Ltd Consortium Holdings Pty Ltd First Scottish Holdings Pty Ltd Halifax Partners Pty Ltd JV Co Pty Ltd Martin Consolidated Ltd * PDF Management Pty Ltd Pizzey WIF Pty Ltd Planet Interactive Ltd Speedpanel Corporate Services Pty Ltd Speedpanel Sales & Installations Pty Ltd Theonly One Pty Ltd Trans Pacific Corporation Pty Ltd
David Traeger (aged 48)	Baptisa Wines Pty Ltd Invitus Pty Ltd Kingsley Investments (Australia) Pty Ltd The Great Shiraz Challenge Pty Ltd	

Name	**Current Directorships**	**Former Directorships (within past 5 years)**
Geoff Bell (aged 56)	ACN 001 085 123 Pty Ltd ACN 010 591 803 Pty Ltd ACN 063 289 501 Pty Ltd ACN 065 890 495 Pty Ltd BCSBlue Pty Ltd Body Corporate Services Pty Ltd Body Corporate Services International Pty Ltd Body Corporate Services (VIC) Pty Ltd Bushy Park Investments Pty Ltd Canterbury Investments (VIC) Pty Ltd Celbox Pty Ltd Fexco Australia Pty Ltd Fexco Investments Pty Ltd Kemps Collections Pty Ltd Livanton Pty Ltd Lovina Pty Ltd Prudential Investment Company of Australia Pty Ltd Prudential Investment Financial Services Pty Ltd Prudential Investment Properties Pty Ltd Prudential Investment Technology Services Pty Ltd Raffton Pty Ltd RMP Nominees Pty Ltd Silkcove Pty Ltd Twelfth Vilmar Pty Ltd	Ajaybee Pty Ltd Grange Park Pty Ltd Harris Scarfe Holdings Ltd Nervlamm Pty Ltd NGVS (No 14) Pty Ltd Tolhurst Noall Group Ltd RMP (No 3) Pty Ltd Sonacom Ltd Wilclarke Pty Ltd

* David Craig was a director of Martin Consolidated Ltd, a cash shell company and resigned on appointment of liquidators. There was no shortfall to creditors.

9.2 Except as disclosed above, none of the Directors:

(a) has any unspent convictions in relation to indictable offences; or
(b) has been bankrupt or the subject of an individual voluntary arrangement, or has had a receiver appointed to the assets of such director; or
(c) has been a director of any company which, while he was a director or within 12 months after he ceased to be a director, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangement, or made any composition or arrangement with its creditors generally or with any class of its creditors; or
(d) has been a partner of any partnership which, while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
(e) has had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
(f) has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

10. DIRECTORS' SERVICE CONTRACTS AND REMUNERATION

10.1 The Company has entered into a service agreement dated 29 November 2004 with each Director. Under the agreements (which are in identical form) each Director agrees, subject to the Corporations Act and the Constitution, to remain a director for a period of 12 months, and thereafter until the agreement is terminated in accordance with its terms. After the initial 12 month term, the Director can terminate the agreement on 3 months' written notice.

The agreement provides that the Director is entitled to receive directors' fees in accordance with the Constitution (currently A$20,000 per Director per annum). The agreements do not entitle the Directors to any severance or termination payments.

10.2 On the basis of the arrangements in force at the date of this document, it is estimated that the aggregate remuneration payable to the Directors for the year ending 30 June 2005 will be A$80,000 (£33,642).

11. PRINCIPAL HOLDERS OF SECURITIES

11.1 The Company is aware of the following shareholdings which represent three per cent or more of the Company's issued and outstanding Ordinary Shares, as at 29 November 2004, being the latest practicable date prior to the issue of this Announcement:

Shareholder	**No. of Ordinary Shares Owned**	**Percentage of Ordinary Shares %**
Authorised Investment Fund Ltd	5,626,860	26.3
Invitus Pty Ltd [1]	3,066,667	14.3
John Hempton [2]	1,641,708	7.7
David Craig [3]	1,300,416	6.1
Twelfth Vilmar Pty Ltd [4]	1,000,000	4.7
Richard Green [5]	696,200	3.5

[1] Invitus Pty Ltd is a company in which David Traeger is a director and 50% shareholder.
[2] This shareholding comprises 580,079 Ordinary Shares held by YJC Investments Pty Ltd in which John Hempton holds a controlling interest, 541,477 Ordinary Shares held by John Hempton directly and 520,152 Ordinary Shares held by his wife Jennifer Hempton.
[3] This shareholding comprises 409,544 Ordinary Shares held by Regent Fine Wines Ltd, an entity in which David Craig is a director and significant shareholder, 400,000 Ordinary Shares held by David Craig directly, 380,000 Ordinary Shares held by his wife Mrs Dai Li Craig and 110,872 Ordinary Shares held by Harvard Nominees Pty Ltd, of which David Craig is a director and significant shareholder.
[4] Twelfth Vilmar Pty Ltd is an entity associated with Geoff Bell of which he is a director and 49% shareholder and of which his wife is a 51% shareholder.
[5] This shareholding comprises 333,938 Ordinary Shares held by Richard Green directly, 160,002 Ordinary Shares held by Paribas Pty Ltd, an entity of which Richard Green is a director and controlling shareholder, 107,044 Ordinary Shares held by his wife Mrs Isabella Green and 100,216 Ordinary Shares held by Deniliquin Development Corporation Limited an entity of which Richard Green is a director and significant shareholder.

12. CORPORATE GOVERNANCE

12.1 The Listing Rules require the inclusion in the Company's annual report of a statement of the main Corporate Governance practices that have been applied during the reporting period. Such practices which have been adopted by the Company pursuant to the Listing Rules may differ from the recommendations of the Combined Code on Corporate Governance. A copy of the Company's latest annual report, which sets out those practices on pages 4 to 8 thereof, is available on the Company's website www.dromanaestate.com.au .

13. TAXATION

Summary of Taxation Implications

The paragraphs below comment on the general Australian and UK taxation position of individual and corporate resident and non-resident Shareholders in relation to the payment of dividends by the Company and the future disposal of their Ordinary Shares.

The following comments are intended as a general guide to the UK and Australian tax implications only. This should not be a substitute for individual advice from an appropriate professional adviser and all persons are strongly advised to obtain their own professional advice on the tax implications of acquiring, owning and disposing of Ordinary Shares based on their own specific circumstances.

The comments are based on the law and understanding of the practice of the tax authorities in the UK and Australia at the date of this document.

13.1 Australian Taxation

(a) Taxation of Future Share Disposals

Australian Resident Shareholders – General

Australian Shareholders who trade Ordinary Shares in the ordinary course of their business will hold their Ordinary Shares on revenue account. These Shareholders must include any profits made on the disposal of their Ordinary Shares in their assessable income. Shareholders who include profit made on the disposal of their Ordinary Shares in their assessable income are not assessed for tax under the capital gains tax provisions but under the ordinary income tax provisions.

All other Australian Shareholders will hold their Ordinary Shares on capital account. These Australian resident Shareholders must consider the impact of Australian capital gains tax rules on the disposal of their Ordinary Shares.

A Shareholder derives a capital gain on the disposal of Ordinary Shares where the consideration received on disposal exceeds the capital gains tax cost base of the Ordinary Shares.

A Shareholder derives a capital loss on the disposal of Ordinary Shares where the consideration received on disposal is less than the capital gains tax reduced cost base of the Ordinary Shares.

All capital gains and losses for the year are added together to produce a net capital position. A net capital gain for a financial year is included in the resident taxpayer's assessable income and is subject to taxation in Australia. A net capital loss may generally be carried forward to the next financial year to be deducted against future capital gains.

Non-Australian Resident Shareholders – General

Non-Australian resident Shareholders who hold Ordinary Shares on revenue account may need to include profits from the sale of Ordinary Shares in their assessable income. Applicable double taxation agreements may provide relief from Australian taxation.

Non-Australian resident Shareholders who do not hold Ordinary Shares on revenue account may be subject to Australian capital gains tax upon disposal of their Ordinary Shares. Non-Australian resident Shareholders will only be subject to Australia's capital gains tax on the disposal of Ordinary Shares if they and their associates held more than 10% of the issued capital of the Company at any time within five years of the disposal. These Shareholders may be able to obtain relief from Australian capital gains tax via the application of any relevant double taxation agreement.

Non-Australian resident Shareholders, who together with associates own less than 10% of the Company's issued capital, will not be subject to Australia's capital gains tax rules.

50% Capital Gains Tax Discount

Shareholders that are either individuals, trusts or complying superannuation funds (and in some cases a life insurance company) (whether resident or non-Australian resident) may be entitled to obtain a 50% capital gains tax discount in relation to any capital gain derived from disposal of their Ordinary Shares. This 50% capital gains tax discount is only available if the Shareholder has held the Ordinary Shares for at least twelve months. This concession will result in only 50% of any capital gain being assessable. The concession is not available to a Shareholder that is a company.

(b) Dividends

Dividends are paid to Shareholders from the accounting profits of the Company. Shareholders will receive credits for any corporate tax that has been paid on these profits. These credits are known as "franking credits" and they represent the extent to which a dividend is "franked". It is possible for a dividend to be either fully or partly franked. Where a dividend is partly franked the franked portion is treated as fully franked and the remainder as being unfranked.

It should be noted that the definition of dividend for Australian tax purposes is broad and can include certain capital returns and off-market share buy-backs.

Australian Resident Shareholders – Non-corporate

Resident Non Corporate Shareholders will need to include dividends in their assessable incomes for the period in which they receive dividends. The amount to be included is the amount of the dividend plus the franking credit attached to it. Resident Non Corporate Shareholders who are individuals, trustees who are assessed on a resident beneficiary's share of income, complying superannuation funds, certain exempt institutions and certain life insurance companies will be entitled to receive tax credits for the franking credit attached to dividends. Non Corporate Shareholders might receive a tax refund, if the franking credit attached to the dividend exceeds the tax payable on their taxable income. In the case of certain exempt institutions a refund of the whole of the franking credit may be obtained. Non Corporate Shareholders will be liable to pay additional tax at their marginal rate of tax, if the tax payable as a result of receiving the dividend exceeds the franking credits which are attached to the dividend.

Australian Resident Shareholders – Corporate

Dividends payable to Australian resident corporate Shareholders will be included in their assessable income in the year the dividend is paid. The corporate Shareholder will be entitled to a franking credit to the extent that the dividend is franked. This would result in the dividend being free of further company tax to the extent that it is franked. A fully franked dividend should effectively be free of tax to an Australian resident corporate Shareholder.

Non-Australian Resident Shareholders – General

Unfranked dividends payable to non-Australian resident Shareholders will be subject to withholding tax. Withholding tax is generally imposed at thirty per cent unless a Shareholder is a resident of a country with whom Australia has a double taxation agreement. The double taxation agreement may reduce the withholding tax rate to a range of between 5% and 15% depending on the country of residence of the non-Australian resident Shareholder.

Fully franked dividends are not subject to withholding tax. Non-Australian resident Shareholders may be assessable for tax on any such dividends. They should consider the impact of dividends under their domestic tax regime.

13.2 UK Taxation of UK Resident Shareholders

The following paragraphs broadly outline the taxation position of UK Shareholders in Dromana. The following paragraphs provide general advice only. Each Shareholder's specific circumstances will impact on their taxation position. All Shareholders are recommended to obtain their own taxation advice. In particular, all Shareholders, including UK tax resident Shareholders are advised to consider the potential impact of any relevant double tax agreements on their shareholding.

(a) Taxation of Chargeable Gains

UK Resident Shareholders

A disposal of Ordinary Shares or Depository Interests by a Shareholder who is (at any time in the relevant UK tax year) resident or ordinarily resident in the UK may give rise to a chargeable gain or allowable loss for the purpose of UK taxation of chargeable gains.

Non-UK Resident Shareholders

A Shareholder who is not resident in the UK for tax purposes but who carried on a trade, profession or vocation in the UK through a branch or agency and has used, held or acquired the Ordinary Shares or Depository Interests for the purpose of such trade, profession or vocation may also be subject to UK taxation on chargeable gains on a disposal of those Ordinary Shares or Depository Interests.

Special rules may apply to tax gains on disposals made by individuals at a time when they are temporarily not resident nor ordinarily resident in the UK.

(b) Dividends

The Company will not be required to withhold UK tax from dividends paid on the Ordinary Shares. Any holder of Ordinary Shares who is resident in the UK, or who carries on a trade, profession or vocation in the UK to which the Ordinary Shares are attributable, will generally be subject to UK tax on income in respect of any dividends paid on the Ordinary Shares. As these dividends will be foreign income for the purposes of UK taxation, they will be subject to a different tax regime from that applying to dividends received from UK companies. In particular, there will be no notional UK tax credit attaching to the dividends.

If the dividend has been subject to Australian dividend withholding tax ("WHT"), the amount of the dividend received plus the WHT will be included in the assessable income of the UK Shareholder. In these circumstances the Shareholder should be entitled to a credit for the WHT. The credit would be limited to the lesser of the WHT or the UK tax payable on the combined amount of the dividend plus WHT. If the WHT exceeds the UK tax payable on the dividend, the excess is neither creditable nor repayable.

UK Resident Company Shareholder

Dividends paid to a UK resident company Shareholder will be assessable income of the Shareholder. If the dividend has been subject to WHT it will be treated as described above.

If the UK resident company Shareholder is unable to use the foreign tax credits (for example because of tax losses) it may be able to claim a tax deduction for the foreign tax paid. Depending on the structure through which the investment is held, it may also be able to pool excess tax credits against other low taxed dividend income, although this is subject to detailed requirements outside the scope of this note.

Non Portfolio Interest

If a Shareholder which is a UK company has a non portfolio interest (at least 10 per cent) in the Company, it may also be entitled to a credit for Australian company tax paid on the underlying profits. However, the credit would be limited to the lesser of (a) the underlying tax and the WHT taken together and (b) an amount equal to the rate of UK corporation tax payable by the Company multiplied by the dividend received.

(c) Inheritance Tax

If any Shareholder is regarded as domiciled in the UK for inheritance tax purposes, inheritance tax may be payable in respect of the Ordinary Shares or Depository Interests on the death of the Shareholder or on any gift of the Ordinary Shares or Depository Interests.

In the case of a Shareholder who is not regarded as domiciled in the UK for these purposes, no such UK inheritance tax will be payable if the Ordinary Shares or Depository Interests are not situated in the UK for inheritance tax purposes. The Ordinary Shares or Depository Interests must be regarded as situated in the UK for these purposes if they are registered on the Company's UK branch register.

(d) UK Stamp Duty and Stamp Duty Reserve Tax

The following comments do not apply to Ordinary Shares issued or transferred into depository or clearance arrangements, to which special rules apply.

There is generally no liability to UK stamp duty or stamp duty reserve tax ("SDRT") on the issue of Ordinary Shares by Dromana.

Any agreement to transfer, or any transfer of, Ordinary Shares registered on a UK branch register will generally be subject to UK stamp duty or SDRT at the rate of 0.5 per cent of the consideration for the transfer.

However UK stamp duty may potentially arise on transfers of other Ordinary Shares depending on the circumstances, such as whether the transfer is executed in the UK.

Any person who is in any doubt as to his tax position or is subject to taxation in a jurisdiction other than Australia or the UK should consult an appropriate professional adviser.

14. MATERIAL CONTRACTS

In addition to the agreements summarised in the Public Record (which can be found at www.dromanaestate.com.au), the following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company or its subsidiaries during the two years immediately preceding the date of this Announcement and are, or may be, material as of the date of this Announcement:

14.1 An engagement letter dated 19 October 2004 between the Company and Grant Thornton Corporate Finance under which Grant Thornton Corporate Finance has agreed to act for the Company in relation to the application for Admission and as the Company's nominated adviser unless terminated by either party on 7 days' prior written notice. The engagement letter contains an indemnity from the Company in respect of the services provided by Grant Thornton Corporate Finance.

14.2 An engagement letter dated 16 November 2004 between the Company and HB-corporate under which HB-corporate has agreed to act as the Company's broker in relation to the application for Admission. The Company has agreed to pay HB-corporate a fee of £15,000 (plus VAT if applicable) in relation to the application for Admission, a commission of 4% based on the value of shares placed under the Placing and the granting of up to 600,000 Options exercisable at the placing price for a period of 5 years from Admission.

14.3 HB-corporate's appointment as Broker to the Company is subject to a Broker Agreement to be entered into immediately prior to Admission. HB-corporate's appointment as Broker for an annual retainer of £15,000 will be for a period of 12 months from the date of the Broker Agreement and thereafter shall be terminable by the giving of 90 days' written notice by either party.

14.4 Prior to Admission it is proposed that the Company and Directors will enter into a conditional agreement with HB-corporate pursuant to which HB-corporate will agree to use its reasonable endeavours to procure placees, as agent of the Company, to raise up to £600,000 (gross). In consideration for its services in connection with any Placing, and subject to it becoming unconditional, the Company has agreed to pay HB-corporate in accordance with paragraph 14.2.

14.5 The Placing Agreement will contain warranties given by the Company and the Directors in favour of HB-corporate as to, inter alia, the accuracy of the information contained in this document and other matters relating to the Company and its business. In addition, the Company and the Directors will give an indemnity to HB-corporate in respect of certain liabilities it may incur in respect of any Placing.

14.6 HB-corporate will be entitled to terminate the Placing Agreement in specified circumstances prior to Admission, principally in the event of a material breach of the Placing Agreement or any of the warranties contained in it.

14.7 The Directors will undertake to the Company and to HB-corporate not to dispose of the Ordinary Shares held by each of them at or following Admission at any time up to the first anniversary of Admission.

15. LITIGATION

15.1 A wholly owned subsidiary of the Company has sued three participants in a grape-growing venture managed by the subsidiary for payments owing under the joint venture agreements. The defendants have counterclaimed against the subsidiary and joined the Company as a party to their counterclaim. The Company has issued its own counterclaim against the defendants. The Directors are of the opinion that the claims by the Company and its subsidiary can be successfully proven.

15.2 Other than as disclosed above, there are no legal or arbitration proceedings which are active, pending or threatened against, or being brought by, the Company or any Shareholder of the Group which are having or may have a significant effect on the Company's or the Group's financial position.

16. GENERAL

16.1 Other than those disclosed in this Appendix or as otherwise disclosed on the Public Record, there have been no interruptions in the Company's business which may have or have had in the last twelve months a significant effect on the Company's financial position.

16.2 Other than those disclosed in this Appendix or as otherwise disclosed on the Public Record, there are no significant investments by the Company under active consideration.

16.3 Other than as disclosed in this Appendix or as otherwise disclosed on the Public Record, the Directors are not aware of any exceptional factors which have influenced the Company's activities.

16.4 Other than as disclosed in this Appendix or as otherwise disclosed on the Public Record, there has been no significant change in the financial or trading position of the Company since 30 June 2004, being the date to which the last audited financial statements of the Company were published.

16.5 There are no persons (excluding professional advisers otherwise disclosed in this Announcement or in the Public Record and trade suppliers) who have received, directly or indirectly, from the Company within the 12 months preceding the date of this Announcement nor have they entered into contractual arrangements (not otherwise disclosed in this Announcement) to receive, directly or indirectly from the Company on or after Admission fees or securities in the Company or any other benefit, with a value of £10,000 or more at the time of Admission.

16.6 The Company's accounting reference date is 30 June.

16.7 Grant Thornton Corporate Finance has given and has not withdrawn its written consent to the inclusion in this Appendix of references to its name in the form and context in which it appears.

16.8 Hoodless Brennan has given and has not withdrawn its written consent to the inclusion in this Appendix of references to its name in the form and context in which it appears

16.9 The costs, charges and expenses payable by the Company in connection with or incidental to Admission, including registration and stock exchange fees, legal and accounting fees and expenses are estimated to amount to A$300,000, (£126,000) excluding VAT.

1 December 2004