

SIMON GILBERT WINES

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Simon Gilbert Wines Limited announces a Proposed 1 for 2 Renounceable Rights Issue

The Board of Simon Gilbert Wines Limited ("SGV") is pleased to announce it is finalising discussions with Coonawarra Premium Vineyards Limited as trustee for the Coonawarra Australia Property Trust ("CAPT") for CAPT to underwrite a renounceable rights issue by SGV at 6.5c, with 1 right available for every two SGV shares held as at the Ex date, representing approximately 35.5 million shares, or \$2.3m. The proposed underwriting is subject to CAPT reviewing the half year results of SGV and no material adverse events occurring.

Full details of the rights issue, including the proposed timetable, will be released when the details are finalised, expected to be during March 2007.

The rights issue will provide the Company sufficient operating capital to allow it to grow its existing businesses and participate in opportunities that may present themselves as the industry recovers from what is considered to be the low point in the industry economic cycle.

David Combe has retired as a director and chairman, effective immediately, to take up another position within the wine industry.

As part of the rights issue, there will be further changes to the Board of SGV in that Andrew Bursill will retire as a Director and Company Secretary upon finalisation of the underwriting agreement with CAPT and the appointment of a replacement Director and Paul Pacino will resign as a Director and Chief Executive Officer at the conclusion of his contract with the Company.

Andrew Parkinson, currently a non-executive director of the Company, will continue in that office.

Discussions have commenced with candidates for the appointment of three new directors to fill casual vacancies in the office of Director.

Further details on the rights issue and the proposed new Board of Directors will be available upon completion of the rights issue prospectus and related timetable, due for release in March 2007.

I thank the retiring Board members for their work over a difficult period for the industry and the company.

SIMON GILBERT WINES

For further information, please contact Paul Pacino, Chief Executive Officer on 0409 80 6662.

Paul Pacino
Director & Chief Executive Officer

14 February 2007