



Dear Shareholder

12 July 2004

The last twelve months have been anything but boring!

We began the year with the share register under a cloud and moved to a full takeover battle in October. Fortunately the battle did not last long and by November Hess Group Australia Pty Ltd had emerged with a majority stake-holding and the founder Peter Lehmann retained just over 10% of the issued capital.

I can report that the PLW business is very much intact and we are now looking forward to the future where we can concentrate wholly on building the brand and the business.

The action was not confined to PLW as we have seen many changes in the fortunes of the wine companies and a change in market conditions. There is a global over-supply of grapes and it may be a few years before supply and demand becomes more balanced.

Many shareholders joined us at the beginning of the public company journey and have been incredibly supportive throughout the ten year period.

However it has come to the stage where it is not relevant for PLW to be listed on the ASX as trading of the shares is negligible. It is with mixed emotions that we at PLW have come to the decision to apply for removal from the ASX official list.

As you will see from the attached release PLW has formally approached the ASX for removal from the official list. We will inform you of the outcome of the application as soon as we know the decision.

Once again I thank you for your support.

Yours sincerely

A handwritten signature in black ink, appearing to read "Douglas Lehmann", written in a cursive style.

Douglas Lehmann
Managing Director

PETER LEHMANN WINES LIMITED ACN 059 347 910
ASX ANNOUNCEMENT 9 JULY 2004
APPLICATION FOR REMOVAL FROM THE OFFICIAL LIST

On 9 July 2004 PLW made application under Listing Rule 17.1 for removal from the official list.

Following the Hess Group Australia Pty Ltd takeover finalized in November 2003 PLW shares are concentrated with four shareholders holding 96.36% of the shares.

In its Bidder's Statement dated 5 September 2003 Hess Group Australia Pty Ltd advised "that PLW would remain listed as long as it meets the requirements of the ASX Listing Rules for maintaining a listing (including a sufficient spread of shareholders)".

In the Target's Statement and in subsequent releases PLW advised shareholders "there is likely to be substantially reduced liquidity in PLW share trading after the Hess Offer closes, which may impact on the price of the shares and the ability for shareholders to sell them easily".

The directors consider that the Company does not meet Listing Rule 12.4 as there is insufficient spread for an orderly and liquid market for PLW shares. In the period from the takeover to 30 June 2004 129,200 shares representing 0.34% of the issued shares have been traded.

As at the date of this announcement Hess Group Australia Pty Ltd holds 85.67% of the issued shares and founder Peter Lehmann retains 10.35%.

In the Bidder's Statement dated 5 September 2003 the Hess Group Australia advised that it had no current intention to change the dividend policy of PLW. As stated in the 2003 PLW annual report the PLW dividend policy is to pay approximately 50% of after tax profit out as dividends. The policy is for dividends to move broadly in line with underlying earnings per share.

The PLW board of directors has affirmed the previous dividend policy and proposes to pay the dividend annually in November.

PLW proposes to engage Computershare Investor Services Pty Limited to maintain a matching service with registers of sellers and buyers of PLW shares. This matching service will facilitate the off market trading of PLW shares after the Company is removed from the official list.

Removal of PLW from the official list will result in significant time and cost savings. The Company considers that it will not need to raise its future capital requirements from the market and consequently that it is appropriate to avail itself of the opportunity to reduce its operating costs.

The Company's removal from the official list is subject to the approval of the ASX. The market will be advised of the ASX decision as soon as the Company is advised of the outcome of its application.