



AUSSIE WINE CORK INNOVATION FINDS LOCAL HOME – NEXT STOP THE WORLD

July 28, 2004 - Up to 20 million bottles of wine sealed with the revolutionary ProCork closure are expected to hit Australian bottle shops over the next 12 months following the signing of a distribution agreement with wine packaging group Vinpac International.

The product will be officially launched at the Australian Wine Industry Trade Exhibition (AWITE) being held at the Melbourne Exhibition and Convention Centre from July 25-28.

ProCork's technology is leading the charge to help winemakers eliminate the incidence of "cork taint" in their wine using a patented disc of five fine membranes which is applied to the end of traditional natural corks using a machine engineered specifically for the purpose.

After more than three years of research and development Melbourne-based ProCork reached the agreement with Vintners Pty Ltd (a subsidiary of Vinpac International) last month for the exclusive licensing and distribution of its closure products in Australia and New Zealand.

The agreement provides the platform for the company to take the locally developed technology to the world.

Former CSIRO scientist and ProCork founder Dr Gregor Christie said the agreement was the culmination of many years work by a dedicated team of scientists and industry professionals at ProCork.

"This is a huge step in the commercialisation of ProCork and provides us with the support and production capabilities to supply millions of corks every year to the Australasian wine industry," Dr Christie said.

In the last four years the Australian cork market has grown from 600 million to more than 800 million and represents only a small fragment of the global market which is estimated at about 35 billion corks.

Dr Christie said with a distribution channel now secured in Australia the company would target a similar deal in the United States.

"ProCork is a closure with the potential to help wine makers around the world provide customers with a better product, taking our product to this world market is our next major challenge," Dr Christie said.

As part of the deal with Vinpac a ProCork machine has been installed at the company's South Australian factory as the final stage of the cork production process. The machine can apply ProCork's seal at a rate of more than 8000 corks per hour, drastically improving the quality of all types of cork.

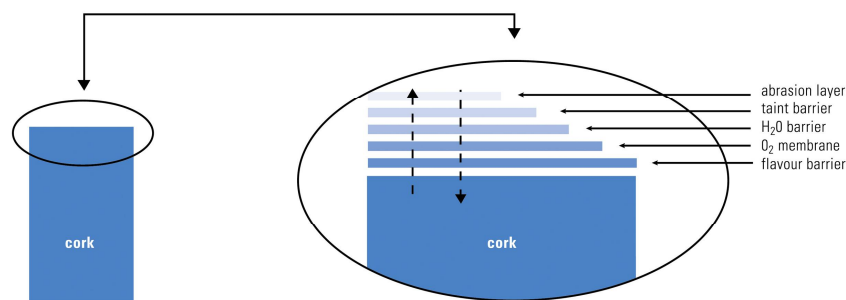


Vintners Imports Sales and Operations Manager Luke South said the ProCork technology was a very progressive step in the march towards making wines free from closure-derived faults.

"We have no doubt ProCork will be perceived as an excellent alternative closure in what is a very competitive market," he said. "We think choosing ProCork will turn out to be a very smart decision for many wineries."

ProCork's technology revolves around the membranes that are applied to each end of the cork and designed to significantly reduce flavour modification by reducing the amount of chemicals entering the wine, regulating the passage of oxygen through the cork and retaining cork moisture to prevent cork breakage.

The new technology will enable natural cork to be used by winemakers with high certainty that the membrane will reduce any off character imparted by the cork and allow true flavour development.



ProCork has also withstood rigorous internal and independent testing including a report released in May this year which showed the company's technology can reduce the transmission of TCA (2,4,6-Trichloroanisole) from corks to wine by between 90 and 100 per cent.

TCA is naturally occurring and is widely regarded as the cause of "cork taint" and gives affected wine a musty, cardboard taste and odour.

As part of the testing Portugal's official cork research and development group *Centro Tecnológico Da Cortica (CTCOR)* deliberately contaminated corks with TCA and then coated them with ProCork's unique membrane. The results from this test confirm ProCork's ability to prevent TCA entering the wine at perceptible levels.

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