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PROCORK TAKES NEXT STEP ON GLOBAL STAGE WITH NEW CHAIRMAN AND AUD\$3 MILLION CAPITAL RAISING

Australian cork technology company ProCork has appointed a new chairman and embarked on a AUD\$3 million capital raising ahead of plans to expand the company globally.

The company has appointed David MacInnes, the former Chief Executive Officer of biodegradable plastic packaging company Plantic Ltd, as chairman. Mr MacInnes took Plantic from a start up company six years ago to a successful global company with offices in Europe and Australia.

ProCork's patented technology revolves around a thin membrane which is attached to each end of standard cork to optimise the delivery of oxygen to wine and virtually eliminates taint.

The company has already had a significant impact in the Australian market selling one per cent, or nearly 10 million units of the total market in the six months since its release. ProCork has forward orders for a further 2.8 per cent of the Australian market and a projection of 10 per cent in the next 12 months.

As part of ProCork's offshore expansion the company is seeking \$3 million in Convertible Notes to fund the establishment of a European office and the construction of new manufacturing plant and equipment.

The international potential of the company is supported by its achievements in the Australian market over the last two years, including;

- Securing Vinpac International, a division of global liquor company Fosters, as the Australian and New Zealand manufacturing and distribution licensee
- Development and commissioning of manufacturing technology
- Established extensive patent and trade mark protection in major global markets
- Secured significant sales and market share less than six months after launch, and;
- Developed effective business plan and management structure
- Major wine brands using ProCork include Beringer Blass and Montana along with other smaller premium wineries.

The company's business model is based on owning, marketing and licensing the ProCork brand and entering manufacturing and distribution agreements with major closure supply companies.

The company is at the leading edge of technology aimed to reduce the incidence of cork "taint" and naturally optimise wine flavour and character.

Mr MacInnes will use his experience at Plantic to accelerate the global expansion of ProCork.

"ProCork, like Plantic, is another great example of Australian technology with the potential to change the face of an established global industry," he said.

"In less than four years, ProCork has evolved from a single innovative idea into a commercially sound company already making a major impact on the Australian wine industry."



PROCORK
THE NEW GLOBAL STANDARD IN CORK

ProCork founder and chief executive officer Dr Gregor Christie said Mr MacInnes' experience at establishing an international presence for innovative Australian companies would be invaluable.

"We have experienced an overwhelming response to our product from the Australian wine industry and are now in a position to take the company to the much larger offshore markets," he said.

"We have developed the essential wine aging tool that winemakers have been searching centuries for and are confident we have the right product and business structure to turn a small Australian company into a large and successful Australian company."

Dr Christie, a former CSIRO scientist, has more than 16 experience in developing and commercialising packaging technology and first conceived the idea for ProCork ten years ago.

The global market for wine closures is estimated at approximately 17 billion. By country France utilizes around 3.5 billion closures, followed by Italy at 2.5 billion. South America, as a continent, uses 2.5 billion closures and North America about 2.25 billion.

Of this closure market, cork makes up about 14.5 billion units, followed by synthetic corks (1.7 billion) and screwcap (800 million).

"Due to the significant market share natural cork currently enjoys of the total closure market, ProCork has decided to concentrate its offshore focus on this market," Dr Christie said.

The offer is being coordinated by Scott Wilkie and John Bullwinkel of Brisbane-based InterFinancial Limited.

For further information visit the ProCork website at www.procork.com.au.

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