



Welcome to our Winter Newsletter:

It really does feel like June in Melbourne!

We have just returned from a month exploring the wine regions of Burgundy, Chateau Neuf de Pape, Cote de Rhone, Cote de Luberon and Tuscany. The weather and vineyard conditions in France indicate that a number of regions are facing early vintage (2-3 weeks early) similar to 2007 on the Mornington Peninsula.

We wanted to share with you some key highlights since our last newsletter in September 2006.

VINTAGE PROGRESS

- Our 2004 pinot noir and chardonnay sold out by Xmas 2006
- Our 2005 pinot noir will be sold out by August 2007. We expect to have stocks of the 2005 chardonnay available until Xmas 2007 at the current sale rate. Both these wines are drinking very well.
- Our 2006 and 2007 vintages are lower than 2004 and 2005 in production volume. Pricing for the 2006 vintage will be released in September and you will be able to pre-order at that time. Orders of a dozen pinot noir will also enable you to purchase one magnum of this wine. The 2006 vintage of both wines look stunning. We have deliberately reduced the malolactic fermentation to 10% for the chardonnay which shows great minerality, acidity and length. The pinot noir continues to show great progress with greater length and body than the 2004 (first release) but retains the magnificent floral aromas.
- 2007 vintage culminates a very tough year on the Peninsula. Yields are down dramatically (60% down for pinot noir and 30% down for chardonnay) at Prancing Horse Estate. We are however very optimistic about the quality of the wine based on the excellent fruit we managed to harvest.

THE VINEYARDS

- Vineyard expansion at Red Hill South - Yes you read correctly! We have added a further 6 acres of vines adjacent to the existing vineyard at Prancing Horse introducing a number of Burgundy chardonnay and pinot noir clones. We have also planted an acre of pinot gris. Our combined production from the existing and newly planted area will give us a total of around 1500 cases at low cropping levels.

- Prancing Horse Estate (Le Cheval Cabré) will also be produced in Burgundy France this vintage. Pascal Marchand formerly the winemaker for Domaine de Vougeraie will make this wine in addition to overseeing the new development at Red Hill South. Pascal continues to work in a consulting capacity to us at Carlei Wines also. In future years our aim is to extend our production to a pinot noir and chardonnay from Russian River in the USA.
- Conversion to Bio Dynamic Viticulture - We commenced down this path from the outset by pursuing initially an organic approach to viticulture. We are now in our fourth year of this initiative and extending it to include biodynamic practices. Paul Danaher our vineyard manager and I will be joining a biodynamic viticultural/soils study tour in Burgundy in the second half of July. This will be lead by Pascal Marchand and involve vineyard managers from Australia, South America, USA and Canada.

DISTRIBUTION

- Prancing Horse - Now distributed in Western Australia by Wine Vault. Go to our website for contact details for WA, NSW and Victoria.

PRE BASTILLE DAY - JULY 7TH

- Great opportunities to experience Prancing Horse Wines (and Carlei Wines) have already been conducted and are planned for the next 6 months. Our next event is July 7th at Bistro Thierry, Malvern Road, Hawksburn Village (next door to the Bush Inn Hotel). This evening is filling fast so don't miss out. A six course meal matched with 9 wines is outstanding value at \$130 per person. Call Bistro Thierry on (03) 9824 0888. A copy of the menu is included as an attachment with this email.

If you wish to order the Prancing Horse Wines you can do so by downloading the order form from our website at:

www.prancinghorseestate.com

or by calling

Claire Hart	0422 196 118
Tony Hancy	0419 393 145
Auscellardoor	(03) 9696 9673

Thank you for your support of our 2005 vintage. We look forward to seeing as many of you as possible at Bistro Thierry on 7th July for the "Prestorming of the Bastille".

Cathie and Tony Hancy