



Coonawarra Premium Vineyards Limited
A.C.N. 086 944 265 / A.B.N. 58 086 944 265
AFS Licence No: 226243

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Company Announcements Platform
Australian Stock Exchange
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Dear Sir

**COONAWARRA AUSTRALIA PROPERTY TRUST ("CNR")
PRINCE HILL WINES ("PHW") WINERY SALE UPDATE**

The directors of Prince Hill Wines Ltd have reviewed the carrying values of the assets and the impact to the Interim Financial Statements for the Half Year Ended 31 December 2009 due to the failed sale of the winery and vineyard, based on reasonable estimates a write down on carrying values of \$2,739,904 may be required. This estimate does not take into account the possible recovery from the purchaser of losses suffered by PHW Services as a result of the purchaser's failure to complete the purchase.

Given the potential write down at the PHW level the directors of CNR have reviewed the present carrying value of its investment in PHW. Presently, the investment is carried at \$1,449,898 representing the NTA of PHW as at 31 December 2009. If the full write down is incurred by PHW the NTA will reduce to \$207,853. Accordingly, a write down of the carrying value of the PHW investment of \$1,242,045 may be required.

Andrew Parkinson
Director
Company Secretary

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