



Coonawarra Premium Vineyards Limited

AFS Licence Number: 226243

ABN 58 086 944 265

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Company Announcements Office
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**Coonawarra Premium Vineyards Limited (ACN 086 944 265) as responsible entity for
Coonawarra Australia Property Trust (ARSN 104 335 159)**

Off market takeover bid concerning

CPV Wines Limited (ACN 094 489 639)

Coonawarra Premium Vineyards Limited (ACN 086 944 265) ("**CPVL**") as responsible entity for Coonawarra Australia Property Trust (ARSN 104 335 159) (ASX: CNR) ("**CNR**") announces it intends to make an off market takeover bid offer ("**the Offer**") for all of the ordinary shares in CPV Wines Limited (ACN 094 489 639) ("**CPV Wines**").

The consideration offered is:

\$18 cash for each CPV Wines share held

The Offer will be subject to certain defeating conditions including:

- no prescribed occurrences (i.e., those events or circumstances specified in section 652C of the Corporations Act 2001) occurring;
- the CPV Wines vineyard being valued at not less than \$4,500,000 by an independent valuer prior to the close of the relevant offer period; and
- no material adverse changes to the business of CPV Wines.

However, it is not anticipated that the Offer will include any minimum acceptance conditions.

CPVL, as responsible entity for CNR, expects to lodge its Bidder's Statement for the Offer with ASIC within the next 21 days.

The value of CPV Wines to CPVL, as responsible entity for CNR, lies in CPVL's ability to exploit the potential synergies between CNR's Coonawarra Vineyard and the adjoining vineyard owned by CPV Wines. Further details will be provided in the Bidder's Statement.

About CNR

The main asset of CNR is a 245 Ha vineyard in Coonawarra, South Australia. The vineyard comprises 228 Ha planted to premium wine grape vines (93% red varieties and 7% white varieties) plus a 4 bedroom house (used as the vineyard office), a new amenities block and advanced chemical storage and loading sheds. The vineyard is protected by a diesel operated "Dan Flipper" integrated frost protection system and irrigated by an electric powered drip irrigation system.

The vineyard is leased to approximately 700 Growers who are members of the Coonawarra Premium Vineyards Project, a Managed Investment Scheme registered under the Corporations Act 2001 ("the Scheme"). The vineyards are partially contracted at district weighted average prices until 2012 when the Scheme comes to an end.

An independent valuation of the vineyard as at 30 June 2006, dated August 2006, placed a total value on the land, improvements and grapevines at \$16.7 million (an increase from the 2005 valuation of \$16.35m).

CNR also has a 37.4% interest in Simon Gilbert Wines Limited, an ASX listed public company ("SGV") involved in the wine industry.

About CPV Wines

CPV Wines is an unlisted public company, based in South Australia. It is the land owning company for the former Managed Investment Scheme, Coonawarra Premium Vineyards Project No 2 ("Project No.2"), which was terminated on 31 January 2006. CPV Wines has almost 100 shareholders and its only activity is to own the 87 Ha vineyard from the former Project No. 2. The vineyard with water entitlements is immediately adjacent to the CNR vineyard and shares headlands, roads and infrastructure with the CNR vineyard. 81.1Ha of the vineyard is planted to premium wine grape vines, mainly red varieties. Long terms contracts are in place for all the grapes.

For and on behalf of Coonawarra Premium Vineyards Limited
As responsible entity for Coonawarra Australia Property Trust



Andrew Parkinson
Director and Chief Executive Officer