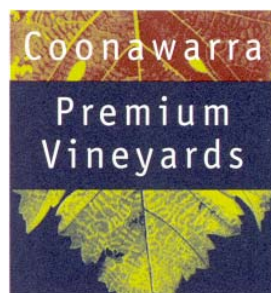


Coonawarra Australia Property Trust

ABN 37 529 164 940

ARSN 104 335 159



Half-Year Report for the half-year ended 31 December 2005

Responsible Entity:

Coonawarra Premium Vineyards Limited

ABN 58 086 944 265

AFS Licence No. 226243

Coonawarra Australia Property Trust

Half-year Report for the half-year ended 31 December 2005

<u>Contents</u>	<u>Page Number</u>
Corporate Information	2
ASX Disclosure Information	3
Directors' Report	4
Auditors' Independence Statement	5
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Financial Statements	10
Directors' Declaration	14
Independent Review Report	15

Corporate Information

Responsible Entity (RE):	Coonawarra Premium Vineyards Limited ABN 58 086 944 265 AFS Licence No. 226243
Directors of the RE	Paul Miller (Chairman & Compliance Officer) Rex Watson (Group Managing Director) Andrew Parkinson (Chief Executive Officer & Company Secretary)
Company secretaries of the RE	Andrew Parkinson Charlie Latham
Registered office and principal place of business	Level 1, 7 Greenhill Road, Wayville, South Australia 5034
Postal address	PO Box 6243 Halifax Street, Adelaide South Australia 5000
Phone:	+61 8 8299 9455
Fax:	+61 8 8299 9355
Email:	enquiries@coonawarravineyard.com.au
Trust ASX Code:	CNR
Trust Registry	Computershare Investor Services Pty Ltd Level 5, 115 Grenfell St, Adelaide SA 5000 Ph: 1300 556 161 or (from outside Australia) +61 3 9415 4000 Email: web.query@computershare.com.au www.computershare.com
Custodian	Australian Equity Trustees (SA) Limited, Adelaide (formerly Tower Trust (SA) Limited)
Auditor	Deloitte Touche Tohmatsu, Adelaide
Taxation advisor	Deloitte Touche Tohmatsu, Adelaide
Banker	Commonwealth Bank of Australia, Adelaide

Coonawarra Australia Property Trust

ASX Disclosure Information

Results for announcement to the market

Result				\$A'000
Revenues from ordinary activities	up	24%	to	1,202
Profit from ordinary activities after tax attributable to members	up	28%	to	870
Net profit for the period attributable to members	up	28%	to	870

Distributions

	<u>Amount per security</u>	<u>Franked amount per security</u>
Paid in current period:		
Final 2004/5 distribution paid 25 August 2005	2.0¢	-
Interim 2005/6 distribution paid 24 November 2005	2.0¢	-
Total paid in half-year	4.0¢	
Paid in previous corresponding period:		
Final 2003/4 distribution paid 20 August 2004	2.0¢	-
Interim 2004/5 distribution paid 19 November 2004	2.0¢	-
Total paid in previous half-year	4.0¢	
Payable in respect of current period:		
Interim 2005/6 distribution paid 24 February 2006	1.8¢	-
Record date for determining entitlements to the distribution	4 January 2006	
Date the distribution was paid	24 February 2006	

Coonawarra Australia Property Trust

Directors' Report

The directors of Coonawarra Premium Vineyards Limited ABN 58 086 944 265, as Responsible Entity (RE) and trustee for the Coonawarra Australia Property Trust ABN 37 529 164 940 (Trust), present their report on the Trust for the half-year ended 31 December 2005. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of the directors of the RE during or since the end of the half-year are: Mr Paul Miller (Chairman), Mr Rex Watson, Mr Richard Beck and Mr Andrew Parkinson. The above named directors held office during and since the end of the half-year except for Mr Richard Beck, who resigned as a director on 7 February 2006 and Mr Andrew Parkinson, who was appointed as a director on 7 February 2006.

Review Of Operations

The Trust is a registered managed investment scheme domiciled in Australia and listed on the Australian Stock Exchange (ASX).

The Trust's principal activity in the course of the half-year was to make land available to licensees under a 13 year licence agreement to grow wine grapes. The Trust's vineyards are licensed to growers who are members of the Coonawarra Premium Vineyards Project. Upon the expiry of the licences in 2012, ownership of improvements to the land vests in the Trust. The Trust has no employees. During the half-year there were no significant changes in the nature of those activities.

A summary of the income and results for the half-year is set out below.

	Half-years ended 31 December	
	2005	2004
	\$	\$
Grant of use (licence) fees	940,146	867,523
Net increments in value of grapevines	236,430	95,612
Other operating expenses	332,128	293,533
Profit for the half-year	869,512	679,143

Subsequent events - Proposed Growers' meeting to wind up the Coonawarra Premium Vineyards Project

As announced to ASX on 2 March 2006, the The Growers of Coonawarra Premium Vineyards Project (Project) have indicated that they intend to call a meeting as soon as practicable to vote on a resolution to wind up the Project with effect on 30 June 2006. A winding up of the Project would result in a termination of the lease agreement between the respective custodian entities of the Project and the Trust with effect from 30 June 2006. It is anticipated that a notice of meeting and explanatory memorandum will be sent by the RE of the Project to Growers shortly.

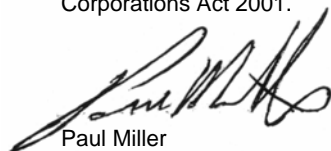
If the resolution to wind up the Project is passed, and the lease is terminated, the Trust will lose its primary source of income. Effectively, the Trust will own the vineyard without a lease and an assessment will need to be made about its continuing activities.

The RE is presently reviewing the various options open to the Trust if the resolution is passed by the Growers and the lease is terminated. These options will include but not be limited to selling the vineyard, changing the activities of the Trust to become a grape grower and quality bulk wine producer, or finding another lessee. However, given the present industry outlook for wine grapes, the prospects of obtaining a replacement lessee in the near future is small. The RE is also reviewing what further information the unitholders of the Trust may need to assist them in assessing those options.

Auditors' Independence

The Auditors' Independence Statement is included on page 5 of this financial report.

This directors' report is made in accordance with a resolution of the directors pursuant to s.306(3) of the Corporations Act 2001.



Paul Miller
Director

Adelaide, 8 March 2006

The Board of Directors
Coonawarra Australia Property Trust
Level 1
7 Greenhill Road
WAYVILLE SA 5034

8 March 2006

Dear Board Members

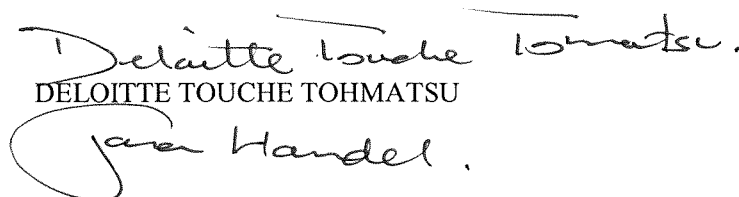
Coonawarra Australia Property Trust

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Coonawarra Australia Property Trust.

As lead audit partner for the review of the financial statements of Coonawarra Australia Property Trust for the financial half-year ended 31 December 2005, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely


DELOITTE TOUCHE TOHMATSU
JJ Handel

JJ Handel
Partner
Chartered Accountants

Coonawarra Australia Property Trust

Income Statement for the half-year ended 31 December 2005

	Half-years ended 31 December	
	2005	2004
Revenue:	\$	\$
Grant of use (licence) fees	940,146	867,523
Interest revenue	25,064	7,007
Total revenue	<u>965,210</u>	<u>874,530</u>
Other income		
Net market value increment - grape vines	236,430	95,612
Other income	-	2,534
Total other income	<u>236,430</u>	<u>98,146</u>
Total	1,201,640	972,676
Management expenses	(104,466)	(103,377)
Corporate expenses	(53,693)	(51,564)
Occupancy expenses	(35,023)	(35,571)
Finance expense - allowance for doubtful debts	(59,290)	(8,299)
Other expenses	(19,735)	(58,388)
Borrowing costs	(59,921)	(36,334)
Total expenses	(332,128)	(293,533)
Profit before income tax expense	<u>869,512</u>	<u>679,143</u>
Income tax expense	-	-
Profit for the half-year	869,512	679,143
	cents	cents
Basic earnings per unit	<u>4.97</u>	<u>3.88</u>
Diluted earnings per unit	<u>4.97</u>	<u>3.88</u>

Notes to the financial statements are included on pages 10 to 13.

Coonawarra Australia Property Trust

Balance Sheet as at 31 December 2005

	31 December 2005	30 June 2005
Current assets	\$	\$
Cash and cash equivalents	142	138
Trade and other receivables	1,306,530	927,673
TOTAL CURRENT ASSETS	1,306,672	927,811
Non-current assets		
Property, plant & equipment	6,549,944	6,761,374
Biological assets	9,825,056	9,588,626
TOTAL NON-CURRENT ASSETS	16,375,000	16,350,000
TOTAL ASSETS	17,681,672	17,277,811
Current liabilities		
Trade and other payables	428,420	429,857
Borrowings	1,237,507	801,188
TOTAL CURRENT LIABILITIES	1,665,927	1,231,045
TOTAL LIABILITIES	1,665,927	1,231,045
NET ASSETS	16,015,745	16,046,766
EQUITY		
Issued capital	1,831,210	1,831,210
Reserves	3,731,139	3,966,672
Retained earnings	10,453,396	10,248,884
TOTAL EQUITY	16,015,745	16,046,766

Notes to the financial statements are included on pages 10 to 13.

Coonawarra Australia Property Trust

Statement of Changes in Equity for the half-year ended 31 December 2005

	Half-years ended 31 December	
	2005	2004
	\$	\$
Total equity at the beginning of the half-year	16,046,766	16,653,095
Decrement arising on revaluation of property, plant & equipment	(235,533)	(95,434)
Net Income recognised directly in equity	(235,533)	(95,434)
Profit for the half-year	869,512	679,143
Total recognised income and expense for the half-year	633,979	583,709
Transactions with equity holders in their capacity as equity holders:		
Distributions paid and payable	(665,000)	(700,000)
Total equity at the end of the half-year	16,015,745	16,536,804

Notes to the financial statements are included on pages 10 to 13.

Coonawarra Australia Property Trust

Cash Flow Statement for the half-year ended 31 December 2005

	Half-years ended 31 December	
	2005	2004
	\$	\$
Cash flows from operating activities		
Receipts from customers	561,289	394,041
Payments to suppliers	(230,663)	(178,903)
Interest received	25,064	7,007
Interest and other costs of finance paid	(59,921)	(36,334)
Net cash provided by operating activities	295,769	185,811
Cash flows from investing activities		
Payments for property, plant & equipment	(32,084)	(27,802)
Net cash used in investing activities	(32,084)	(27,802)
Cash flows from financing activities		
Distributions paid	(700,000)	(700,125)
Net cash used in financing activities	(700,000)	(700,125)
NET DECREASE IN CASH HELD	(436,315)	(542,116)
Cash and cash equivalents at the beginning of the half-year	(801,050)	(206,260)
NET CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	(1,237,365)	(748,376)
Reconciliation of cash and cash equivalents		
Cash at bank	142	135
Bank overdraft	(1,237,507)	(748,511)
Net cash and cash equivalents at the end of the half-year	(1,237,365)	(748,376)

Notes to the financial statements are included on pages 10 to13.

Coonawarra Australia Property Trust

Notes to the Financial Statements for the half-year ended 31 December 2005

1. Summary of Accounting Policies

Basis of preparation of half-year report

The half-year financial report is a general purpose financial report prepared in accordance with Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

The Trust changed its accounting policies on 1 July 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the consolidated entity's financial position, financial performance and cash flows is discussed in Note 2.

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 31 December 2005, the comparative information presented in these financial statements, and in the preparation of the opening A-IFRS balance sheet at 1 July 2004 (as disclosed below), the Trust's date of transition.

Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

Property Plant and Equipment

Land and improvements are measured at fair value. Fair value is determined on the basis of an independent valuation prepared by external valuation experts, based on discounted cash flows or capitalisation of net income (as appropriate). The fair values are recognised in the financial statements of the Company, and are reviewed at the end of each reporting period to ensure that the carrying value of land and improvements is not materially different from their fair values.

Any revaluation increase arising on the revaluation of land and improvements is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and improvements is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued improvements is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

Depreciation is provided on all property including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write down the net cost or other revalued amount of each asset to its residual value over its expected useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The following estimated useful lives are used in the calculation of depreciation:

• Improvements - unsealed roads	12 years
• Improvements - brick buildings	50 years
• Improvements - steel buildings	25 years
• Other Improvements	10 years

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (a) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (b) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flow.

Coonawarra Australia Property Trust

Notes to the Financial Statements (continued) for the half-year ended 31 December 2005

1. Summary of Accounting Policies (continued)

Income Tax

No provision for income tax is taken into account when preparing the Trust's financial statements. Each member will account for the income of the Trust in their individual taxation returns at their applicable tax rate.

Biological assets (Grapevines)

The Trust recognises grapevines as biological assets in the balance sheet, measured on a net market value basis. Changes in net market value are recognised as revenue or expenses in the period in which the changes occur. There is no active and liquid market for the grapevines at present and they cannot be physically separated from the land to which they are attached.

The directors use a combination of external valuations, establishment costs and the discounted net present values of expected future cash flows to determine the value of the vineyards. The net market value of grapevines has been determined as the difference between the vineyard values and the values of the land and other vineyard improvements thereon. In determining the net market valuations certain assumptions have been made about the yields and market prices of grapes in current and future vintages, the costs of running the vineyards and the quality of grapes grown. To the extent that the vines are situated on land licensed to a third party, the Trust will not receive revenue or incur expenses in relation to the vines.

Grapes harvested are the property of the licensees and costs incurred in maintaining vines are expenses of the licensees.

Revenue Recognition

Revenue is recognised when the Trust gains control of the revenue or the right to receive the revenue. Interest revenue is recognised on an accruals basis. Rental income from operating lease arrangements is recognised on a straight line basis over the term of the lease.

Cash and cash equivalents

For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Financial assets

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The only financial assets held by the company are loans and receivables.

Loans and receivables

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Coonawarra Australia Property Trust

Notes to the Financial Statements (continued) for the half-year ended 31 December 2005

1. Summary of Accounting Policies (continued)

Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

Financial instruments issued by the Trust

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

Distributions

In accordance with the Trust's constitution, the Trust is to distribute its distributable income to Unitholders by way of cash or reinvestment into the Trust. For the current financial year and up to the date of this report all distributions are payable in cash.

Distributions to Unitholders comprise the distributable income of the Trust. The distributions are payable in August, November, February and May each year.

A provision is recognised for distributions when they have been declared, determined or publicly recommended by the directors.

2. Impacts of the adoption of the Australian equivalents to International Financial Reporting Standards (A-IFRS)

The Trust changed its accounting policies on 1 January 2005 to comply with Australian equivalents to International Financial Reporting Standards ('A-IFRS'). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition.

An explanation of how the transition from superseded policies to A-IFRS has affected the Trust's financial position, financial performance and cash flows is set out below.

Effect of A-IFRS on balance sheet as at 31 December 2004 and 30 June 2005

There are no material differences between the balance sheet presented under A-IFRS and the balance sheet presented under the superseded policies as at 31 December 2004 and 30 June 2005.

Effect of A-IFRS on the income statement for the financial half-year ended 31 December 2004 and the financial year ended 30 June 2005

There are no material differences between the income statement presented under A-IFRS and the income statement presented under the superseded policies for the financial half-year ended 31 December 2004 and the financial year ended 30 June 2005.

Effect of A-IFRS on the cash flow statement for the financial half-year ended 31 December 2004 and the financial year ended 30 June 2005

There are no material differences between the cash flow statements presented under A-IFRS and the cash flow statements presented under the superseded policies for the financial half-year ended 31 December 2004 and the financial year ended 30 June 2005.

Coonawarra Australia Property Trust

Notes to the Financial Statements (continued) for the half-year ended 31 December 2005

3. Distributions Paid

Distributions paid and payable are as follows.

Distribution relating to:	Date paid/payable	Half-year December 2005 \$	Half-year December 2004 \$
Quarter ended 30 June 2004	Paid 20 Aug 2004	-	350,000
Quarter ended 30 September 2004	Paid 19 Nov 2004	-	350,000
Quarter ended 31 December 2004	Paid 21Feb 2005		350,000
Quarter ended 30 June 2005	Paid 25 Aug 2005	350,000	
Quarter ended 30 September 2005	Paid 24 November 2005	350,000	
Quarter ended 31 December 2005**	Paid 24February 2006	315,000	

** February 2006 distribution announced to ASX on 21 December 2005 and accordingly is recognised in the half-year financial report.

4. Earnings per unit

The number of units on issue in both the current and the corresponding half-year was 17,500,000. There is no difference between the basic earnings and diluted earnings per unit.

5. Segment Information

The Trust operates solely in South-Eastern Australia and solely within the primary production land owning (wine-grape growing) industry.

6. Contingent Assets and Liabilities

The Trust had no contingent assets or liabilities as at the last reporting date of 30 June 2005. No contingent assets or liabilities have arisen since that date.

7. Subsequent events - Proposed Growers' meeting to wind up the Coonawarra Premium Vineyards Project

As announced to ASX on 2 March 2006, the Growers of Coonawarra Premium Vineyards Project (Project) have indicated that they intend to call a meeting as soon as practicable to vote on a resolution to wind up the Project with effect on 30 June 2006.

A winding up of the Project would result in a termination of the lease agreement between the respective custodian entities of the Project and the Trust with effect from 30 June 2006.

It is anticipated that a notice of meeting and explanatory memorandum will be sent by the RE of the Project to Growers shortly.

If the resolution to wind up the Project is passed, and the lease is terminated, the Trust will lose its primary source of income. Effectively, the Trust will own the vineyard without a lease and an assessment will need to be made about its continuing activities.

The RE is presently reviewing the various options open to the Trust if the resolution is passed by the Growers and the lease is terminated. These options will include but not be limited to selling the vineyard, changing the activities of the Trust to become a grape grower and quality bulk wine producer, or finding another lessee. However, given the present industry outlook for wine grapes, the prospects of obtaining a replacement lessee in the near future is small.

The RE is also reviewing what further information the unitholders of the Trust may need to assist them in assessing those options.

8. Additional Information

Coonawarra Australia Property Trust is a registered Managed Investment Scheme operating in Australia and listed as a public Unit Trust on the Australian Stock Exchange. There are no employees of the Scheme.

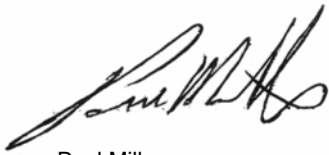
Coonawarra Australia Property Trust

Directors' Declaration

The directors of the Responsible Entity declare that:

- a) in the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001



Paul Miller
Director

Adelaide, 8 March 2006

Independent review report to the members of Coonawarra Australia Property Trust

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, selected explanatory notes and the directors' declaration for Coonawarra Australia Property Trust ("the Trust") for the half-year ended 31 December 2005 as set out on pages 6 to 14.

The directors of Coonawarra Premium Vineyards Limited ("the Responsible Entity") are responsible for the preparation and true and fair presentation of the financial report in accordance with Accounting Standards in Australia and the Corporations Act 2001. This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review Approach


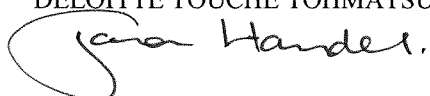
We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001 and Accounting Standards AASB 134 "Interim Financial Reporting" and AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards", so as to present a view which is consistent with our understanding of the Trust's financial position, and performance as represented by the results of its operations, its changes in equity and its cash flows, and in order for the Trust to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Coonawarra Australia Property Trust is not in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Trust's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 "Interim Financial Reporting" and AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" and the Corporations Regulations 2001.


DELOITTE TOUCHE TOHMATSU


JJ Handel
Partner
Chartered Accountants

Member of
Deloitte Touche Tohmatsu

Adelaide, 8 March 2006

Liability limited by a scheme approved under Professional Standards Legislation.