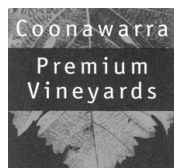


**COONAWARRA PREMIUM VINEYARDS PROJECT NO.2  
ANNUAL INVESTOR TAXATION SUMMARY  
FINANCIAL YEAR ENDING 30 JUNE 2002**



***Taxation Deductions are in accordance with Australian Taxation Office  
Product Ruling PR 2002/25.***

*Deductions on this summary should be multiplied by the number of units held by each investor.*

**A.R.S.N. 096 298 074**

Total Investment (Per Managed Unit)	2001/ 2002	Tax Deduction 2001/2002
Shares in CPV Land Holdings Limited	\$ 1,357	\$0 (a)
Landcare Operations	\$ 17	\$17 (b)
Trellising	\$ 461	\$0 (c)
Other Infrastructure	\$ 24	\$0 (d)
Irrigation	\$ 662	\$221 (e)
Power	\$ 47	\$5 (f)
Grapevines & Planting	\$ 202	\$0 (g)
Land Preparation & Design	\$ 158	\$0 (h)
Management Fees 2001/2002	\$ 2,319	\$2,319 (i)
Grant of Use (Licence fee)	\$ 150	\$150 (j)
	\$ 5,397	

**INVOICES RAISED 1 JULY 2001 to 30 JUNE 2002 (Per Unit):**

Date	Detail	Fees	GST	Total Invoiced
31/05/2001	Invoice			
	Application Fees	\$ 4,040.00	\$ 404.00	\$ 4,444.00
	Shares in CPV Land Holdings Ltd	\$ 1,357.00	\$ -	\$ 1,357.00
				\$ 5,801.00
		\$ 5,397.00	\$ 404.00	\$ 5,801.00

**Notes:**

Please ensure that the deductions above are multiplied by the number of units you own in the Project.

If you are not registered for GST your deductions will need to include the GST apportioned to each of the items.

Product Ruling PR 2002/25 confirms that the Commissioner has exercised his discretion under Division 35 not to apply the non-commercial loss provisions.

**Explanations of Available Taxation Deductions:**

*Note: The tax deductions referred to below do not include GST and assume that each Grower is registered for GST. In this situation GST can be claimed back from the Australian Taxation Office and is not deductible for Income Tax Purposes. If you are not registered for GST then the amount of GST paid by you in relation to each of the items of expenditure will form part of the cost of that item and will form part of your deduction.*

(a) Shares are regarded as capital in nature and no deductions are available for this amount.

(b) Section 40-630 of the Income Tax Assessment Act 1997 ("The Act") permits a 100% deduction for expenditure on Landcare Operations that meet the conditions of those provisions. Accordingly, the full \$17 is deductible in the year ending 30 June 2002.

(c) Division 40 of the 1997 Act allows a deduction for depreciation on plant and equipment (which includes trellising). As no trellising was installed on your vineyard until the end of June 2002, no deduction for depreciation is available in the 2002 year. The trellising is depreciable next year and the Manager will advise you of this.

(d) Other infrastructure relates to small and miscellaneous items to be installed around the vineyard, (signs, gates etc.) These items may be deductible when installed, and the Manager will advise the nature of any deductions in future years as they arise.

(e) Section 40-515 of the the 1997 Act allows a 1/3rd deduction for expenditure on water facilities for use in a primary production business in the year the expenditure is incurred, with the remaining 2/3rds deducted equally over the following 2 years. As a result, \$221 will be deductible for the year ending 30 June 2002.

(f) Section 40-645 of the 1997 Act permits a deduction for expenditure in connecting power to land. This deduction is spread equally over 10 years, allowing a 10% deduction each year. A deduction of \$5 will be available in the year ending 30 June 2002.

(g) No deduction will be available for grapevine establishment until the first year a commercial crop exists in accordance with section 40-515 of the 1997 Act. The Manager will advise when this does occur.

(h) Land Preparation and design costs are of a capital nature and are not deductible to investors.

(i) Management fees relate to activities conducted during the 30 June 2002 year, and \$2,39 is deductible in the 2002 year under section 8-1 of the 1997 act.

(j) Grant of use fees of \$150 relate to the 30 June 2002 year and are deductible in the 2002 year under section 8-1 of the 1997 Act.

**Each investor should seek their own independent advice as this is only a summary and**