

# Blaxland Vineyards Limited atf Tanunda Hill Vineyard Property Trust

## Disclosure update – 30 March 2009

### Overview

This disclosure is the first of regular disclosure updates which are intended to update investors in the Tanunda Hill Vineyard Property Trust (“**Trust**”) in accordance with ASIC Regulatory Guide 46: Unlisted property schemes – improving disclosure for retail investors.

Investors will be updated via the Blaxland Vineyards Limited (“**Blaxland Vineyards**”) website on any material changes to the following information on a six monthly basis, or immediately if there is a materially adverse change to the information. Investors may request hard copies of this document and the documents referred to below by either calling Blaxland Vineyards on 02 4934 7622 or by emailing to [info@blaxvin.com.au](mailto:info@blaxvin.com.au)

The figures noted below are generally based on the latest available reviewed figures, being for the half year ended 31 December 2008, unless otherwise stated.

Disclosure Principle	Summary	Further Explanation
1. Gearing ratio	Gearing ratio = 0%  The gearing ratio is not applicable.	As the Trust has no interest bearing liabilities there is no gearing ratio applicable.
2. Interest Cover	The interest cover ratio is not applicable.	As the Trust has no interest bearing liabilities and hence no interest is payable, there is no interest cover ratio applicable.
3. Scheme borrowings	There are no scheme borrowings.	The Trust has no interest bearing liabilities.

Disclosure Principle	Summary	Further Explanation
4. Portfolio diversification	The Trust does not have a diversified property portfolio as there is only one investment property.	<p>The Tanunda Hill Vineyard Project Stage 2 (“<b>Project</b>”) property is the single property asset of the Trust. In order to satisfy regulatory requirements, it is 100% leased to Blaxland Vineyards (as responsible entity of the Project). The property is then subject to an under lease back to the Trust. These leases provide protection from charges being registered on the property ahead of interests of Growers in the Project. The Trust then licences the property to the Project Growers. These Growers cannot have access to land in the Project without a corresponding investment in the Trust (i.e. the Project and the Trust are a stapled investment).</p> <p>Details of the Project property can be found on our website by following this link.</p> <p><a href="http://www.blaxvin.com.au/tanunda-hill-stage2-vineyard.html">http://www.blaxvin.com.au/tanunda-hill-stage2-vineyard.html</a></p> <p>The latest valuation on this property was carried out by independent registered valuers, Gaetjens Pickett Valuers in June 2007 in accordance with industry requirements and standards for valuing property in South Australia. They valued the property on the basis of a going concern vineyard at \$6,500,000. This includes the Project Growers’ licence interests over the property. The “land and water rights” only valuation was \$2,250,000.</p> <p>As the Trust is closed to further investment, it is not proposed to own further property.</p>

<b>Disclosure Principle</b>	<b>Summary</b>	<b>Further Explanation</b>
5. Valuation Policy	The Trust has a valuation policy which requires that independent valuations are obtained from registered valuers on a regular basis.	<p>Blaxland Vineyards, as responsible entity of the Trust, has a valuation policy relating to the property assets of the Trust.</p> <p>This policy requires those assets to be subject to an external independent valuation in accordance with industry standards and to be undertaken by a suitably qualified and registered valuer at least every three years.</p>
6. Related party transactions	<p>The Trust receives income from Blaxland Vineyards as responsible entity of the Project and pays fees to Blaxland Vineyards as responsible entity of the Trust.</p> <p>The Trust has been required from time to time to borrow short term funds from Blaxland Vineyards in its personal corporate capacity.</p>	<p>The Trust charges rental income, water supply and infrastructure recoveries under the Allotment Agreements to Growers through Blaxland Vineyards. Blaxland Vineyards collects these funds from Growers of the Project.</p> <p>Blaxland Vineyards annually receives a Trust management fee of \$2,300.</p> <p>If any short terms loans are provided by Blaxland Vineyards to the Trust, no interest is charged on these loans.</p> <p>Blaxland Vineyards has a written policy on related party transactions and conflicts of interests.</p>
7. Distribution practices	There are distributions paid to investors when the Trust earns taxable income.	<p>Blaxland Vineyards (the Responsible Entity) has a policy of distributing taxable profits to unit holders in the Trust provided there is taxable income in the Trust.</p> <p>The source of the distributions is from realised income only.</p>

<b>Disclosure Principle</b>	<b>Summary</b>	<b>Further Explanation</b>
8. Withdrawal rights	There are no withdrawal rights in the Trust.	Investors in the Trust can only exit the Trust if they sell their units (and their stapled Grower interests in the Project) to other parties, or alternatively hold their investment until the agreed wind up of the Trust as permitted under the constitution.