

Mr D Silvy
Australian Securities Exchange
Level 25, 91 King William Street
ADELAIDE SA 5000

19 May 2010

Dear Sir

**COCKATOO RIDGE WINES LIMITED (ADMINISTRATORS APPOINTED)
ACN 008 095 207
CREDITORS AGREE TO DEED OF COMPANY ARRANGEMENT**

At the Reconvened Second Creditors Meeting held at the offices of BDO (SA) on Tuesday, 18 May 2010, the consolidated creditors (consolidated pursuant to an Order of the Supreme Court of South Australia made on 1 April 2010) of Cockatoo Ridge Wines Limited (Administrators Appointed)(ACN 008 095 207), Cockatoo Ridge Sales Pty Ltd (Administrators Appointed) (ACN 096 717 458), Australian Commercial Wines Pty Ltd (Administrators Appointed) (ACN 117 756 779), Playford Wine Holdings Pty Ltd (Administrators Appointed) (ACN 095 614 234), and Cockatoo Ridge Pty Ltd (Administrators Appointed) (ACN 055 058 921) (together, "the Companies") voted in favour of a Deed of Company Arrangement ("the DOCA") that was submitted by the directors of the Companies and Taylor Collison.

The DOCA, in summary, proposes:

- to preserve the corporate shell of Cockatoo Ridge Wines Limited (Administrators Appointed);
- that the Directors of the Companies and Taylor Collison to undertake an equity raising and reorganisation of Cockatoo Ridge Wines Limited (Administrators Appointed) share capital;
- to establish a Creditors Trust, which will be likely to pay dividends of the admitted claims of the participating creditors of the Companies. Non-participating creditors will have the potential to receive payment in full of their debt, from the future trading of the Companies;
- to retain the employment of all current employees of the Companies who will retain their entitlements, and all other relevant employee entitlements are likely to be paid in full from the Creditors Trust.

The objectives of the DOCA are to improve the chance of the business of the Companies continuing in existence, outside of formal administration processes.

For personal use only



In effect, completion of the terms of the DOCA will bring to an end the official appointment of Voluntary Administrators to the Companies. The current Voluntary Administrators, Mr George Divitkos and Mr Russell Henry Heywood-Smith, will become the Deed Administrators of the Companies under the DOCA, and the Trustees of the Creditors' Trust, upon its establishment.

Any urgent queries should be directed to Melissa King of BDO (SA) on (08) 8223 1066.

Yours faithfully

A handwritten signature in black ink, appearing to read 'G. Divitkos', with a stylized flourish at the end.

George Divitkos
Joint Administrator
Cockatoo Ridge Wines Limited
(Administrators Appointed)

For personal use only