

8 January 2009

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

This update is provided in respect of Viento Group's investment in two property syndicates that hold a parcel of land at Kingscliff, on the Tweed Coast in Northern New South Wales. The syndicates (the Cudgen Joint Venture and the Kingscliff Land Unit Trust) hold the 40+ hectare parcel of land, acquired in 2004, for rezoning, development and sale. Viento Group has a 50% interest in each syndicate.

The syndicate members have agreed to recapitalise the syndicates by bringing in new capital that will be entitled to acquire 80% ownership of each syndicate. The new capital will be used to repay the facility that the syndicates obtained from Coles Group to complete the purchase, and to provide funding for the ongoing program to achieve rezoning. Viento will be examining the carrying value of its syndicate interests as a result of the recapitalisation.

Viento does not currently propose to participate in the recapitalisation of the syndicates, and as a consequence its interests in the syndicates will be diluted if the new investors elect to convert their participation in the syndicates to ownership interests.

The Coles Group facilities are due for repayment today. The syndicates have asked Coles for an extension of the repayment deadline to allow them to complete the recapitalisation. Repayment of the Coles Group facilities, after the recapitalisation is completed, will result in a release of the guarantee that Viento gave to Coles Group as collateral security for those facilities.

ENDS

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