

4 February 2009

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

On 22 January 2009, Viento Group Limited (VIE) provided an update to the Australian Securities Exchange in relation to its 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 approximately 40 hectares of land, acquired in 2004, for rezoning, development and sale. Viento Group has a 50% interest in each syndicate.

Viento is pleased to advise that the recapitalisation of the syndicates was completed following the raising of \$4.55 million, which will entitle the contributors to acquire 80% ownership of each syndicate upon conversion. In addition, a bank facility has been entered into for \$1.5 million. The Company did not participate in the recapitalisation of the syndicates.

The proceeds have been used by the syndicates to retire the Coles Group debt of approximately \$5.6 million, with the balance to be used for working capital purposes.

If all new participants elect to convert their participation to ownership interests, they will end up with an 80% interest in the syndicates, and existing participants' interests will be reduced to 20%, which would result in the Company's interest in the syndicates reducing from 50% to 10%.

This recapitalisation will result in a write down of the original investment by Viento but the Company will have the opportunity to recover its total investment if the property is rezoned for retail and residential development.

ENDS

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