JOINT ANNOUNCEMENT

TIDEWATER TO ACQUIRE CHEVIOT BRIDGE'S ASSET MANAGEMENT BUSINESS

Cheviot Bridge Limited ("**CVB**") and Tidewater Investments Limited ("**Tidewater**") have today agreed the terms for Tidewater to acquire Cheviot Bridge's asset management business.

The transfer of ownership will be effective from 1 October 2007, (subject to ratification by shareholders of CVB) and includes the transfer of ownership of Cheviot Asset Management Pty. Limited (AFSL # 296137) ("**CAM**") and Cheviot Kirribilly Limited (AFSL #247479) ("**CKL**") to Tidewater.

CAM and CKL

CAM is the asset manager for the ASX listed Cheviot Kirribilly Vineyard Property Group ("**CKP**") a stapled company and trust structure, which owns five vineyard properties, with an independent value of $43 million in the Clare Valley, Adelaide Hills and Langhorne Creek regions of South Australia. CKL is the Responsible Entity for the trust component of the stapled entity.

As a part of the transaction, Tidewater, CAM and CVB will enter into co-operation agreements which will give CVB various rights and obligations, including:

- the continued provision of vineyard management services in respect of the vineyards currently in CKP's portfolio through CVB's wholly owned subsidiary Kirribilly Viticulture ("KV"). In addition KV will be responsible for the negotiation and ongoing management of grape (or wine) sale agreements on these vineyards;

- rights to operate future vineyards for which CAM is the asset manager, including the negotiation and ongoing management of grape (or wine) sale agreements;
- to offer CAM a first right of refusal on the securitisation of assets (such as wineries and vineyards) identified by CVB for acquisition (or parties introduced by CVB); and
- a share of transaction fees earned by CAM for assets introduced by CVB.

The Boards of both CVB and Tidewater believe that the transaction delivers strong governance in the management of CKP as it effectively splits the functions of operating of the vineyards (performed by CVB) from the financial assessment of investment opportunities, financial and investment management and interaction with the financial services community (to be performed by Tidewater).

The broad investment skills and retail funds management expertise of the Tidewater team are expected to provide an added level of expertise in financial structuring and broader access to retail investment funds, which should benefit investors in CKP in the short to medium term.

Tidewater's strategy with CAM and CKL

CAM's CEO, Michelene Hart, will be appointed the Managing Director of Tidewater Asset Management Pty. Limited (AFSL # 302802) and, in addition to the ongoing responsibility of CKP will be responsible for the overall direction and execution of Tidewater's asset management activities.

Ms Hart has broad general management experience gained over a 20 year period in public companies in the financial services and asset management industries. She has a held a range of senior executive roles across governance, strategy, risk management, finance and change management in both the Commonwealth Bank of Australia and the Colonial Group. Ms Hart was the Chief Executive Officer of Century Australia Investments Limited, a listed investment company January 2006 until April 2007. She is also currently a Director of CBHS Health Fund Limited.

The move into non-equity classes afforded by the vineyard assets affords significant diversification benefits to Tidewater, along with the differentiated asset and transaction fee streams. If approved, the acquisition of CAM will lift Tidewater's funds under management, including internal funds, to over $100 million. Further growth in funds under management is expected this fiscal year, although its quantum will be subject to the level of option exercises in Fat Prophets Australia Fund Limited by April 2008, as well as other initiatives which are currently in train.

The Managing Director of Tidewater, Andrew Brown said "The proposed acquisition of CAM and CKL fits with Tidewater's strategy of expanding its funds management activities into niche areas, with an emphasis on retail, mezzanine and platform clients and contracted income streams."

Mr Brown noted that, in addition to the continued strong working relationship with CVB through the co-operation agreement, Tidewater's ownership of CVB shares and a CVB board position, the acquisition bolstered the asset management team within Tidewater. "As a result of this acquisition, Tidewater Asset Management business is well positioned to grow in line with Tidewater's expansion strategy. I look forward to working with Michelene and the team in this area".

Consideration and financial impact on CVB

Tidewater will pay CVB a total of $1,000,000 to purchase CAM and CKL consisting of $500,000 in cash and the issue of 645,161 Tidewater shares at an imputed price of $0.775. Tidewater has also agreed to a deferred payment to CVB in the event that CVB introduces securitisation assets to Tidewater between October 2007 and September 2010.

The consideration should enable CVB to book a pre tax profit of $600,000 on the sale of CAM and CKL, and will provide additional earnings accretion from lower cost structures within the CVB consolidated group. The transaction is therefore EPS accretive.

The Chairman of Cheviot Bridge, Mr Paul Batchelor said that "In addition to the immediate financial benefit, the co-operation agreement provides Cheviot Bridge with the opportunity to continue to pursue appropriate acquisitions and utilise the CKP structure as a securitisation vehicle to maintain its low capital intensity model." He noted that Cheviot Bridge is further positioned to expand its vineyard services business as the CKP portfolio grows under the broader investment management skills and network of Tidewater. The cross-shareholding between CVB and Tidewater underpins the aligned interest of the groups and enables CVB to benefit from Tidewater's success in growing the AUM.

CVB Shareholder Approval

As Tidewater currently holds approximately 10% of the shares of CVB and the Managing Director of Tidewater, Andrew Brown, is a non executive Director of CVB shareholder approval will be required.

Final completion of the transaction will only occur after CVB shareholder approval is granted. The two other non executive Directors of CVB, Paul Batchelor and Bill Gurry, who collectively have a relevant interest in 26% of CVB, have indicated their backing for the sale of CAM and CKL.

BDO has been appointed as an Independent Expert ("IE") to opine on the fairness of the transaction. It is not likely that the IE report will be available in time to be included in the Notice of Annual General Meeting of the Company (currently scheduled for 13th November 2007), and an Extraordinary Meeting is likely to be held to seek the Shareholder Approval.

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About Cheviot Bridge Group
Cheviot Bridge is a listed company that owns and distributes in excess of 400,000 cases of wine each year, both domestically and in export markets. The Cheviot Bridge wine business has adopted a low capital intensity model by outsourcing production, packaging and agricultural risk.

The Cheviot Bridge Group is backed by an experienced management team and board committed to growing shareholder value through leveraging both the existing business and establishing alternative service based revenues in the sector.

During the 2006 financial year the Cheviot Bridge Group broadened its activities into wine industry asset management and operation, whilst maintaining the integrity of its low capital intensity model. As a result Cheviot Bridge now earns fees from the provision of viticulture services and the management and operation of vineyards for vineyard owners such as the Cheviot Kirribilly Vineyard Property Group (a listed stapled property trust – CKP).

About Tidewater Investments
Tidewater Investments Limited manages specialist funds for outside parties through its subsidiary company, Tidewater Asset Management Pty. Limited. The Company usually backs up its management of such products with a principal or seeding investment. Tidewater is also an investor in selected "microcap" Australian listed companies mainly specialising in the boutique financial services and investment company area.