

Dealing Number

Duty Imprint



Privacy Statement

The information from this form is collected under the authority of the Land Title Act 1994 the Land Act 1994 and the Water Act 2000 and is used for the purpose of maintaining the publicly searchable registers in the land registry and the water register.

1. Lessor	Lodger (Name, address & phone number)	Lodger Code
STEWART & SONS STEEL PTY. LTD. ACN 010 473 766 SIT BJ, DW & GM STEWART ATF THE STEWART & SONS STEEL SUPERANNUATION FUND	Finemore Walters & Story P O Box 704, Bundaberg. 4670 Telephone 07 41530031 Fax 07 41530017; Ref: Mr.Bauer	BG915

2. Lot on Plan Description	County	Parish	Title Reference
LOT 183 ON CP CK2782	COOK	BUNDABERG	50349812

3. Lessee Given names	Surname/Company name and number (include tenancy if more than one)
	McDONALD MURPHY MACHINERY PTY LTD ACN 054 059 522

4. Interest being leased
Fee Simple

5. Description of premises being leased

THAT PART OF THE LOT AND OF THE GROUND FLOOR OF THE BUILDING ERECTED ON THE LOT DESCRIBED IN ITEM 2 ABOVE HACHURED ON THE PLAN ANNEXED HERETO

6. Term of lease	7. Rental/Consideration
Commencement date: 01/04/2006 *Expiry date: 31/03/2009 **Options on page 12 *not required for leases in a retirement village **insert nil if no option	See Schedule

8. Grant/Execution

The Lessor leases the premises described in item 5 to the Lessee for the term stated in item 6 subject to the covenants and conditions contained in:- #the attached schedule; #the attached schedule and document no.
#document no.; *Option in registered Lease no.has not been exercised.
#*delete inapplicable words

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

Witnessing Officer	Execution Date
...NOT REQUIRED.....signature	/ /
.....full name	
.....qualification	

Lessor's Signature
STEWART & SONS STEEL PTY LTD
ACN 010 473 766

B Stewart *G.M Stewart*
DIRECTOR DIRECTOR

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Witnessing Officer	Execution Date
...C.J. Craig JP C Dec.....signature	12/2/07
...CATHERINE JOY CRAIG.....full name	
...JP C Dec.....qualification	

Lessee's Signature
McDonald Murphy Machinery
PTY LTD A.C. No 54 059 522

McDonald *Murphy*
DIRECTOR DIRECTOR

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

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1. THE LESSEE AGREES WITH THE LESSOR AS FOLLOWS:

1.1 Rent:

- 1.1.1 (i) To pay to the Lessor during the first rental year of the term of this Lease a rental of **SIXTY-SIX THOUSAND, THREE HUNDRED AND SIX DOLLARS** (\$66,306-00).
- (ii) The rental for each subsequent rental year shall be an amount equal to the amount represented by A in the following formula:-

$$A = B \times \frac{C}{D}$$

Where

B = the yearly rental applying in the preceding rental year;

C = the Index Number released for the quarter year ending or applicable immediately preceding the rental year for which the yearly rental is being calculated; and

D = the Index Number released for the quarter year ending or applicable immediately preceding the date of commencement of the immediately preceding rental year;

PROVIDED ALWAYS that the yearly rental determined as aforesaid shall in no case be less than the yearly rental payable for the preceding rental year.

"Index Number" shall mean the All Groups Consumer Price Index Number for Brisbane released from time to time by the Australian Bureau of Statistics together with any supplementary summary.

Until the amount of yearly rental payable for the second and subsequent rental years respectively can be determined in accordance with the provisions of this clause the Lessee shall pay to the Lessor on account thereof on the due date the same rental as was payable during the relevant immediately preceding rental year and any arrears shall be payable within fourteen (14) days of ascertainment and request therefor made by the Lessor.

If the Index shall be discontinued or modified or if publication of the Index shall cease or if the basis of calculating the Index shall be substantially changed from the basis used at the date hereof then the rental payable in the relevant rental year shall be such rent as shall be mutually agreed upon by the Lessor and the Lessee within a period of two (2) calendar months after the commencement of the rental year PROVIDED THAT pending determination the Lessee shall continue to pay on account of the rent ultimately determined to be payable rental at the rate current when the increase ought to have come into force and the balance thereof upon determination and PROVIDED HOWEVER failing such agreement then at a rental to be determined by an independent valuer registered under the Valuer's Registration Act of 1965 or any re-enactment thereof or any Act in substitution thereof to be chosen by the President for the time being of the Queensland Law Society Incorporated at the instance of either the Lessor or the Lessee.

In making his determination, the valuer shall be deemed to be acting as an expert and not as an arbitrator and the Valuer shall have regard to the rentals payable for comparable premises (if any) in the locality of the Demised Premises during the last six (6) months of the previous rental year, and to the terms and conditions of this Lease provided that pending the determination by the Valuer the Lessee shall continue to pay on account of the rent ultimately determined to be payable rental at the rate current when the increase ought to have come into force and the balance thereof upon such determination PROVIDED ALWAYS that the rental payable during any rental year shall never be less than the rental payable by the Lessee to the Lessor for the relevant

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immediately preceding rental year. The cost of such determination by the Valuer shall be borne equally by the Lessee and the Lessor.

- (iii) The Lessee shall pay to the Lessor the rental for each rental year without any formal or other demand by **monthly** instalments each being **one-twelfth (1/12)** (to the nearest whole cent) of the total rental payable hereunder in respect of that year PROVIDED THAT in any case where the total rental cannot be determined by the due date for payment of any instalment thereof the Lessee shall pay to the landlord on account of the total rental instalments equal to **one-twelfth (1/12)** of the total rental in respect of the preceding rental year and when the appropriate adjustment shall be calculated shall be paid by the Lessee to the Lessor within fourteen (14) days of written request for payment of same. Each **calendar monthly** instalment of rental shall be payable **calendar monthly** in advance; the first payment to be made on the date of commencement of this Lease.
- (iv) All payments of rental by the Lessee shall be made without any deduction whatsoever to the Lessor or to such other person firm or corporation as the Lessor by writing shall direct.

1.2 Rates:

Intentionally deleted.

1.3 Other outgoings:

Intentionally deleted

1.4 Interest on overdue payments:

- 1.4.1 If the Lessee shall fail to pay to the Lessor any monies which are payable by the Lessee to the Lessor in terms hereof within thirty (30) days from the due date for the payment thereof the Lessee shall pay to the Lessor interest thereon or on so much thereof as shall remain unpaid from the due date or dates for the payment thereof until the same shall be actually paid and also upon any judgment which the Lessor may obtain against the Lessee from the date of any such judgment until the same shall be satisfied at the rate which is two (2) percentage points above the rate from time to time charged by the National Australia Bank on overdrafts exceeding \$100,000.00 during which any such payment shall be overdue or any such judgment unsatisfied.

1.5 Maintenance:

- 1.5.1 To keep and at the end or sooner determination of this Lease or any extension of same to deliver up the Demised Premises and the Lessor's fixtures therein in good and tenantable repair and condition, fair wear and tear and damage caused by accidental fire, flood, storm or tempest and ravages by white ants and from causes beyond the control of the Lessee being at all times excepted but notwithstanding the foregoing and without limiting the generality thereof:-
- (i) at the Lessee's own cost and expense to repair or replace all broken glass plate glass and electrical fittings and fixtures damaged or broken by whatever means or cause and to replace as necessary all electric light bulbs or fluorescent tubes in the Demised Premises; and
- (ii) at the Lessee's own cost and expense to keep and maintain the doors locks windows and window fittings of the Demised Premises in the like condition as at the date of commencement hereof; and
- (iii) at the Lessee's own cost and expense to keep and maintain all taps and other water fittings in and about the Demised Premises in the like condition as at the date of commencement hereof including but not limited to replacement of taps, tap washers and other fittings as and when requires; and

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(iv) at the expiration or sooner determination of the said term to return all keys of the Demised Premises to the Lessor.

1.6 Right to enter:

1.6.1 To permit the Lessor, his agents, architects, builders and workmen and licensees at all reasonable times during the term of this Lease or any extension of same to enter upon the Demised Premises for the purpose of viewing the condition thereof and carry out such structural or other repairs, alterations and additions as are required of the Lessor by the terms of this Lease.

1.7 Fitout of premises:

1.7.1 At the Lessee's own expense to fit up the Demised Premises with such counters furniture, fixtures and light fittings as may be necessary for the business hereinafter mentioned and to keep the same well and properly stocked, regularly opened and properly attended to and to use his best endeavours to make the same attractive for the sale of any articles authorised to be sold, but save as in this paragraph stipulated not to make any alterations in or additions to the Demised Premises without the previous consent in writing of the Lessor.

1.8 Use of premises:

1.8.1 Not without the written consent of the Lessor first had and obtained to use the Demised Premises for any purpose other than for the business of **sale and maintenance of agricultural machinery, including sale of spare parts** PROVIDED ALWAYS that such consent shall not be unreasonably withheld by the Lessor.

1.9 Cleaning:

1.9.1 To keep clean the Demised Premises and all drains, sinks and pipes connected thereto.

1.10 Compliance with By-Laws:

1.10.1 To duly and punctually comply with and observe all statutes now or hereafter in force and all ordinances regulations and by-laws thereunder and all orders and regulations of all other relevant authorities relating to the Demised Premises or to the Lessee's use or occupation thereof and all requirements and orders lawfully given or made by any public body or authority relating to the Demised Premises within the time required by the notice or order AND not to do or omit to do any act or thing whereby the Lessor may become liable to pay any penalty imposed or to bear the whole or any part of any expense incurred under any statute ordinance regulation by-law order requirement or notice as aforesaid PROVIDED HOWEVER that the Lessee shall not be required to make any structural improvements or structural alterations pursuant to this sub-clause unless the same shall be required or made necessary by reason of any neglect or default on the part of the Lessee or any person claiming under the Lessee or by reason of the business carried on in the Demised Premises or the number or sex of employees or persons at the Demised Premises.

1.11 Negligence:

1.11.1 To indemnify and keep indemnified the Lessor from all loss and damage occasioned by the negligent use or misuse by the Lessee or by any person or persons claiming under him of any water fittings or fixtures or of any electrical fittings or fixtures in the Demised Premises and at his own cost and charge, pay for all such damage.

1.12 Electricity:

1.12.1 To promptly pay all charges made by the suppliers for the supply of electricity to the Demised Premises.

1.13 Telephone:

1.13.1 To pay all rent and charges for or in connection with any telephone installed or to be installed in the Demised Premises.

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- 1.14 Water Charges:
Intentionally Deleted
- 1.15 Damage to premises:
- 1.15.1 To give immediate notice in writing to the Lessor of any accident to or defect of which he has knowledge in any water pipes in the Demised Premises, or of any appearance of white ants or borers or other destructive vermin in the Demised Premises of which he has knowledge.
- 1.16 Paint:
- 1.16.1 If this lease is extended pursuant to clause 3.7, to paint the inside of the demised premises as painted at the commencement date in a manner and in a colour approved of by the lessor during the last year of that term of the lease.
- 1.17 Injury to Public:
- 1.17.1 At all times during the said term and any extension thereof to indemnify and keep indemnified the Lessor against and in respect of all actions claims proceedings losses costs and expenses arising directly or indirectly from death or injury to or loss or damage suffered by any member of the public in or about the Demised Premises and not arising from any neglect or default or act of the Lessor or other Lessee in the building or their employees or agents.
- 1.18 Insurance:
- 1.18.1 To insure and keep insured the plate glass windows of the Demised Premises against damage or destruction by accident in their full insurable value noting the interest of the Lessor as an interested party thereon with an insurance office to be approved by the Lessor and to pay all insurance premiums necessary for the above purposes within seven (7) days after the same shall become due and payable.
- 1.18.2 To insure and keep insured at his own expense noting the interest of the Lessor as an interested party thereon with an insurance company to be approved of by the Lessor for an amount of not less than TEN MILLION DOLLARS (\$10,000,000-00) against public liability in the form of a standard public liability policy to cover the risks of an insurable nature in respect of which the Lessee is obliged to indemnify the Lessor as provided in this Lease.
- 1.19 Removal of fixtures and fittings:
- 1.19.1 At the end or sooner determination of this Lease to remove at the Lessee's own cost and expense all tenants fixtures and fittings and to make good any damage to or defacing of the Demised Premises including the walls, ceilings, and floors thereof occasioned by the installation or removal of such fixtures and fittings.
- 1.20 Costs:
- 1.20.1 To pay the reasonable Lessor's legal expenses on a solicitor and own client basis of and incidental to the preparation, stamping and registration of this Lease including the cost of obtaining the consent of any mortgagee of the freehold, as well as any other legal expenses incurred by the Lessor on a solicitor and own client basis in relation to any lawful determination of the Lease, re-entry of the Lessor into the Demised Premises, surrender of the Lease or any lawful extension of the term of the Lease.
- 1.21 Assignment:
- 1.21.1 The Lessee shall not assign transfer demise sublet set over or otherwise by any act or deed procure the premises or any part thereof of this Lease or any estate or interest therein to be assigned transferred demise sublet or set over or suffer or permit the possession use or occupation of the premises or any part thereof to be otherwise parted with unto any person or company whatsoever without the consent in writing of the Lessor first had and obtained and the parties agree that the

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consent of the Lessor shall not be arbitrarily or unreasonably withheld and that no fine or premium shall be payable for such consent PROVIDED THAT and as a condition precedent to the granting of such consent:-

- (i) in the case of a proposed assignment transfer or sub-lease the proposed assignee transferee or sub-Lessee is a respectable responsible financially sound and suitable person, the onus of establishing which to the satisfaction of the Lessor shall be upon and at the cost of the Lessee entirely; and
- (ii) in the case of a sub-lease of the whole or any part of the premises the Lessee shall procure the execution of a sub-lease by such sub-Lessee to which the Lessor is a party containing (inter alia) a covenant with the Lessor by such sub-Lessee to pay to the Lessor in the manner herein provided the rent reserved by the sub-lease in the event of default in payment of the rent hereby reserved by the Lessee upon the Lessor giving notice in writing to such effect to the sub-Lessee and until such notice in writing be given to pay such rent to the Lessee and further covenant on the part of the sub-Lessee and observe perform fulfil comply with and keep all covenants conditions and agreements on the part of the Lessee to be observed performed and fulfilled complied with and kept herein contained or implied; and
- (iii) in the case of an assignment or transfer of these presents, the Lessee shall procure the execution by such transferee or assignee of a deed to which the Lessor is a party containing (inter alia) a covenant that the said transferee or assignee shall during the balance of the term hereby created duly pay the reserved rent (or a proportion thereof if such assignment or transfer relates to a part only of the Demised Premises) at the times in the manner herein prescribed, a covenant that the proposed assignee or transferee will observe, perform, fulfil, comply with and keep all and every the covenants, conditions and agreement herein contained or implied on the part of the Lessee to be observed, performed, fulfilled, complied with and kept in all respects as though such proposed assignee or transferee were the original Lessee hereunder and a power of attorney in favour of the Lessor; and
- (iv) all rent and other money then due or payable hereunder shall have been paid and there shall not then be any existing unremedied breach of the covenants conditions and agreements herein contained or implied on the part of the Lessee to be observed, performed, fulfilled, complied with or kept; and
- (v) that any such assignment, transfer, or sub-lease or covenants shall be in a form approved by the Lessor or its Solicitors (such approval not to be unreasonably refused) and shall be obtained and procured at the cost and expense of the Lessee in all respects; and
- (vi) the Lessee shall pay to the Lessor all proper costs, charges and expenses incurred by the Lessor of and incidental to any enquiries which may be made by or on behalf of the Lessor as to the respectability solvency fitness and suitability of any proposed assignee, transferee, or sub-Lessee; and
- (vii) the covenants and agreements on the part of any such assignee, transferee, or sub-Lessee shall be deemed to be supplementary to these presents and shall not in any way relieve or be deemed to relieve the Lessee from its liability hereunder; and
- (viii) where the proposed transferee assignee or sub-Lessee is a corporation the Lessor may as a condition of his consent to such assignment or transfer require that the performance of the covenants contained in the relevant deed or sub-lease to be procured by the Lessee on the part of such transferee assignee or sub-Lessee shall be guaranteed by the directors or principal shareholders of such corporation.

PROVIDED FURTHER that:-

- (a) any change in the principal shareholding altering the effective control of the Lessee (if a company) shall be deemed an assignment of the Lease and will require the consent of the Lessor as aforesaid;

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- (b) the acceptance by the Lessor of any rent or other payment from any person other than the Lessee prescribed herein shall not in itself constitute acknowledgment by the Lessor that it recognise that person is the authorised assignee;

1.22 Inflammable Products:

- 1.22.1 Not to store or bring upon the Demised Premises any article of especially combustible, inflammable or dangerous nature other than those that are used in the ordinary course of the business permitted in **clause 1.8** hereof and not to do or permit anything to be done by reason whereof the present or any future policy of insurance against fire of the buildings of which the Demised Premises form part may be rendered void or voidable or whereby the rate of premium thereon may be increased and to pay to the Lessor all sums paid by way of increased premium occasioned by the use or permitted use by the Lessee of any electrical plant or machinery or other appliance brought by the Lessee into the Demised Premises.

1.23 Annoyance to neighbours:

- 1.23.1 Not to do or suffer to be done on the Demised Premises anything which in the opinion of the Lessor may be or may become a nuisance or annoyance to or in any way interfere with the quiet or comfort of the Lessor or occupiers of adjoining or neighbouring premises.

1.24 Rubbish:

- 1.24.1 Not to accumulate or allow to be accumulated on or at the rear of or in front of or anywhere in the vicinity of the Demised Premises:-
- (i) any refuse, rubbish or discarded material of any kind whether perishable or not or whether in containers or not;
- (ii) any cartons, containers, cans or other things of whatever nature or kind which in the opinion of the Lessor is capable of causing nuisance or annoyance to any person.

1.25 Alterations to premises:

- 1.25.1 Subject to the provisions of Section 121 of the Property Law Act 1974-1981 not without the Lessor's written consent to make any structural or other alterations to the Demised Premises.

1.26 Signs:

- 1.26.1 Not to affix or exhibit or permit to be affixed or exhibited to or upon any part of the Demised Premises any painted signs, posters or other advertisements except such as are permitted by the terms of this Lease or subsequently authorised in writing by the Lessor and not to remove or alter any painted signs, posters or advertisements which may be upon the Demised Premises at the date of the commencement of this Lease without the consent of the Lessor **PROVIDED ALWAYS** that the consent of the Lessor in any such case shall not be unreasonably withheld or refused.

1.27 Damage to premises:

- 1.27.1 Not to cause or permit any damage to be occasioned to the Demised Premises and to pay for any damage done thereto (including accidental damage) caused by any act or omission on the part of the Lessee's agents, employees, invitees or licensees.

1.28 Abandonment:

- 1.28.1 If the Lessee shall not have done so as of right under any provision hereof the Lessee shall if required so to do by the Lessor remove from the Demised Premises within seven (7) days from the expiration or sooner determination of the term hereof any fixtures fittings floor coverings (to which such requirement shall relate) erected or installed by the Lessee during or prior to the term hereof and shall make good any damage whatsoever caused to the Demised Premises by such removal and if required by the Lessor shall realter any alterations made by the Lessee so that the Demised Premises shall be

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converted back to their original condition provided always that the Lessor may at its option itself cause any such fixtures or fittings to be removed and any such damage to be made good and any such alterations to be so re-altered and may recover the costs thereof from the Lessee as a liquidated debt payable on demand. Any fixture or fittings not removed by the Lessee either as of right or by requirement of the Lessor as aforesaid shall be deemed abandoned by the Lessee and shall be and become the property of the Lessor.

1.29 Removal of signs:

1.29.1 Upon vacating the Demised Premises, unless requested by the Lessor not to do so, to remove any signs names advertisements or notices erected painted or displayed affixed or exhibited upon to or within the Demised Premises and shall make good any damage or disfigurement thereby caused.

1.30 Air Conditioning:

1.30.1 During the term of this Lease and any extended term thereof to keep and maintain the showroom air conditioning unit installed in the Demised Premises and owned by the Lessor in good working order, repair and condition (fair wear and tear at all times excepted), including but without limiting service of the air conditioning unit by a person or firm qualified so to do at least once every six (6) calendar months, and will not do or permit to be done anything which might interfere with or impair the efficient operation of the air conditioning unit provided always that if it is uneconomical to repair the showroom air conditioning unit the Lessor must replace that unit with a unit of not less quality.

1.31 Warranty/Representation:

1.31.1 The Lessor gives no warranty (either present or future) as to the suitability or adequacy of the Demised Premises or the use to which the Demised Premises may be put. The Lessee shall be deemed to have accepted this Lease with full knowledge of and subject to any prohibitions or restrictions on the use of the Demised Premises from time to time under or pursuant to any statute. The Lessee shall at its cost and with the consent of the Lessor obtain, maintain and comply with all consents, approvals and licences and all other requirements of the local authority and all other relevant governmental authorities that may from time to time be necessary or appropriate for the permitted use and the conduct of the business of the Lessee in the Demised Premises. The Lessee shall not permit any such consent, approval or licence once given to lapse or be revoked.

1.32 Overloading of Floors:

1.32.1 Observe the maximum floor loading weights nominated by the Lessor and in any event shall not permit the floors of the premises or the building or any walls, pillars or other parts of the construction thereof to be broken, strained or damaged by overloading the same in any manner whatsoever or by any other cause whatsoever. In particular the Lessee shall not install any safes (other than presently contained in the building) or other heavy equipment except in such positions and subject to such conditions as the Lessor may in writing approve.

1.33 Goods and Services Tax

1.33.1 In this clause:

"GST" means a goods and services or any similar tax imposed at the point of sale or time of acquisition.

"Input Tax Credit" means any GST paid on the supply of goods, services or other things for which the recipient of the supply is entitled to a refund or a credit against other GST otherwise payable by that person.

"Rent" means the rental payable under this Lease.

"Tax Invoice" means an invoice for the supply required by the GST law to support a claim by the recipient for any tax credit or the GST on the payment.

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- 1.33.2 (i) In addition to the Rent, the Lessee shall pay to the Lessor an additional amount equal to the GST payable by the Lessor on the Rent;
- (ii) If GST is payable on any amount payable by the Lessee to the Lessor under this Lease other than Rent, then, in addition to the relevant amount, the Lessee must pay to the Lessor an additional amount equal to the GST payable by the Lessor on that payment less any Input Tax Credits to which the Lessor is entitled in respect of the original supply to which the payment relates;
- (iii) Additional amounts payable under sub clauses (i) or (ii) must be paid on the due date for payment of the Rent or other amount;
- (iv) If the item or the GST applies to an expense, referable to an area greater than the Demised Premises then the Lessee will pay the proportion attributable to the Demised Premises determined in accordance with the proportion that the area of the Demised Premises bears to the area the expense is incurred in respect of; and
- (v) The Lessor shall provide the Lessee with a Tax Invoice in respect of the payment made under this clause a reasonable time prior to the due date for payment of rent or any other amount.

2. THE LESSOR HEREBY AGREES WITH THE LESSEE AS FOLLOWS:

2.1 Quiet enjoyment:

- 2.1.1 That the Lessee paying the rent hereby reserved and performing and observing all the covenants, conditions and restrictions hereinbefore on the Lessee's part contained shall and may peaceably possess and enjoy the Demised Premises for the term hereby granted and any extension of the same without any interruption or disturbance from the Lessor or any other person or persons lawfully claiming by, through or under the Lessor.

2.2 Insurance:

- 2.2.1 To insure and keep insured at all times during the term of this Lease or any extension of the same the Demised Premises (**excluding plate glass windows**), against loss or damage by fire storm and tempest to the full insurable value thereof but this covenant shall not be construed as creating an obligation upon the Lessor to rebuild repair or reinstate in case of loss.

2.3 Rates:

- 2.3.1 To pay during the term of this Lease or any extension thereof all rates taxes and other assessments which might be issued in connection with the Demised Premises and to keep the Lessee at all times indemnified against all proceedings, claims, demands and actions arising out of the non-payment of such rates, taxes and other assessments.

2.4 Access:

- 2.4.1 Intentionally deleted

2.5 Car parking facilities:

- 2.5.1 The permit the Lessee his employees, agents and licensees the use free of charge of **6 car parks** (such parking bays cross hachured on the plan annexed hereto) in the parking area of the Lessor's land.

2.6 Toilet facilities:

- 2.6.1 Intentionally deleted

2.7 Use of common area:

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2.7.1 To permit the Lessee his employees, agents, invitees and licensees the use free of charge of the common areas of the Lessor's land; such use to be in common with the Lessor's other Lessees or tenants and their respective employees, agents, invitees and licensees.

2.8 Air Conditioning:

2.8.1 Intentionally deleted

2.9 Chattels:

2.9.1 Intentionally deleted

3. IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as follows:-

3.1 Holding over:

3.1.1 That in the event of the Lessee continuing with the consent of the Lessor to occupy the Demised Premises beyond the expiration of the term hereby granted and any extension thereof the Lessee shall be deemed to be in occupation of the Demised Premises as a monthly tenant, which tenancy may be determined upon one month's notice in writing being given by either party to the other and in the meantime the Lessee as such monthly tenant as aforesaid shall occupy the Demised Premises upon the same stipulations, provisions, covenants, conditions and restrictions as are contained herein so far as they are applicable to a monthly tenancy.

3.2 Rent arrears:

3.2.1 That if the rent or any part thereof shall be in arrears and unpaid for the space of fourteen (14) days next after the day whereon the same ought to be paid as aforesaid whether legally demanded or not, or if the Lessee shall neglect or fail to observe or perform any of the covenants, conditions or agreements contained or implied herein which on the Lessee's part are to be observed or performed, or if the Lessee shall become bankrupt or go into liquidation or call a meeting of creditors or make or attempt to make any composition with or arrangement for the benefit of the Lessee's creditors, or if the said term or the interest of the Lessee therein or in the Demised Premises shall be attached or taken in execution or upon any legal process, then and in any of the said cases the Lessor may lawfully and immediately or at any time thereafter and without notice or demand enter forcibly if necessary into and upon the Demised Premises or any part thereof in the name of the whole and repossess the said premises and expel the Lessee and those claiming under the Lessee and remove the Lessee's effects or any effects then upon the Demised Premises without being guilty of any trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant and thereupon this Lease shall if the Lessor so elects determine and be at an end and the Lessee shall be and remain liable for rent to the date of such entry at the rate hereinbefore reserved or the Lessor may at his discretion relet the Demised Premises at the risk of the Lessee who shall remain for the residue of the said term responsible for rent and charges herein reserved and shall be credited with such amounts only as shall be by the Lessor realised.

3.3 Breach of covenants:

3.3.1 That if the Lessee shall fail to observe and perform any of the covenants and conditions herein and on the Lessee's part to be observed and performed then the Lessor shall immediately upon such failure (and without being required to give any notice of any kind) be empowered to act as the Attorney of the Lessee for the purpose of:-

- (i) entering into possession of the Demised Premises;
- (ii) executing a surrender of this Lease;
- (iii) assigning this Lease;
- (iv) subletting the Demised Premises or any part thereof;

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- (v) making any compromise or arrangement with any person in connection with the Demised Premises or the said business;

AND for the purposes aforesaid the Lessee hereby irrevocably nominates, constitutes and appoints the Lessor to be the Lessee's Attorney AND it is hereby agreed and declared that in doing any act pursuant to the power conferred by this clause the Lessor shall be deemed to be acting as Attorney of the Lessee under a separate document and not in any way as Lessor under this Lease.

3.4 DAMAGE OR DESTRUCTION

3.4.1 Rent Reduction

If the Building is damaged or destroyed and the Tenant or its Agents have not caused or contributed to such damage or destruction and as a result the Premises are wholly or partially unfit for use or the Tenant cannot gain access to the Premises then from the date that the Tenant notifies the Landlord of the damage or destruction until the date that the Premises are again fit for use and accessible to the Tenant, the Landlord:

- (1) must reduce the Rent and Outgoings and any other monies payable to the Landlord by a reasonable amount depending on the type and extent of damage or destruction; and
- (2) cannot require the Tenant to clean, repair or maintain until the Premises are fit for use and accessible.

3.4.2 Tenant May Terminate

In the event of the building being damaged or destroyed, and neither the tenant nor its agents have caused or contributed to such damage or destruction, and as a result the premises are substantially unfit for use by the tenant, then the tenant may terminate this lease by notice to the lessor effective immediately, regardless of whether or not the lessor intends to carry out reinstatement of the premises or not.

3.4.3 Landlord May Terminate

If the Landlord considers the damage to the Premises renders it impractical or undesirable to reinstate the Premises, it may terminate this Lease by giving to the Tenant notice in writing.

3.4.4 No Obligation to Rebuild

The Landlord is not obliged to restore the Building or Premises according to the former specifications so long as the layout and dimensions of the Premises and Services are not substantially different.

3.4.5 Dispute Resolution

- (1) The Tenant is entitled to dispute the reasonableness of any increase or reduction of Rent and other moneys.
- (2) Any dispute as to the extent and reasonableness of any increase or reduction in Rent and other moneys must be determined by a Valuer appointed by the President of the Queensland Law Society at the request of either party.
- (3) In making the determination, the appointed Valuer acts as an expert and the determination is final and binding on both parties.
- (4) The cost of the determination must be paid by the parties equally unless otherwise decided by the appointed Valuer.

3.4.6 Antecedent Rights

Termination under this or any other provision of this Lease does not effect either party's accrued rights before termination.

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3.5 Mortgagee's Consent:

3.5.1 This Lease is subject to the consent of any Mortgagee of the Demised Premises.

3.6 Damage by water:

3.6.1 The Lessor shall not in any circumstances be liable for any damage to the Demised Premises or any chattels or other property whatsoever therein or thereon caused by water flowing oozing or leaking into the Demised Premises or any part thereof howsoever the same may occur.

3.7 Renewal of Lease:

- 3.7.1 (i) If the Lessee during the term referred to in Item 6 of Form 7 ("Original Term") faithfully observes all of the covenants, conditions and restrictions on his part to be performed and observed in respect of this Lease, he shall be entitled to an extension of the Original Term for the period of **THREE (3) YEARS** (which further term is hereinafter referred to as the "**First Extended Term**") from the expiration thereof.
- (ii) The valuer appointed pursuant to this clause shall be acting as an expert and not as an arbitrator and his decision shall be final and binding upon the parties. The valuer shall not take any account of improvements which have been made to the property by the lessee and shall determine the market rental as if the premises were vacant and no longer occupied by the lessee with the lessee's improvements.
- (iii) The rental for the **second and subsequent years** of the First Extended Term shall be adjusted in accordance with **clause 1.1.1(ii)** hereof AND such extension shall be subject to the same covenants, conditions and restrictions as are herein contained except as to quantum of rental and this present covenant for renewal.
- (iv) The Lessee at least three (3) calendar months before the expiration of the Original Term shall give to the Lessor notice in writing of his intention to exercise the right of renewal otherwise the same, at the option of the Lessor, shall be deemed to have lapsed PROVIDED ALWAYS that at any time prior to four (4) months before the expiration of the Original Term the Lessee by notice in writing may require the Lessor to have the amount of rental for the first year of the First Extended Term determined as aforesaid and if because of any act default or delay for which the Lessee is not responsible the amount has not been determined and the Lessee advised thereof prior to the commencement of the said period of three (3) months the period during which the Lessee may give notice of exercise of option to extend shall be extended to seven (7) days after he has been advised of the amount at which rental has been determined. Notwithstanding anything contained herein the rental for the first year of the First Extended Term shall in no circumstances be less than the rent payable by the Lessee for the previous year.

3.8 Notices:

3.8.1 Any notice or demand given by the Lessor to the Lessee shall be deemed to be duly served on him if delivered to the Demised Premises or sent to the Lessee as a registered letter addressed to the Demised Premises and if sent by post shall be deemed to have been received when in the ordinary course of post it should have been received.

3.9 Registration of Lease:

3.9.1 If either the Lessor or the Lessee shall require this Lease to be registered with the Department of Lands Division of Titles under the provisions of the Land Title Act 1994 the costs of and incidental to such registration (including costs of any survey) shall be borne and paid by the party requiring registration. The Lessor covenants to make available to the Lessee at the sole expense of the Lessee the Certificate of Title (if issued) and to have prepared if required at the expense of the Lessee a plan by the Lessor's surveyor and to obtain such other additional data from such surveyor as may be required for the purpose of giving effect to the provisions of this clause and to use his best endeavours

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(at the expense of the Lessee) to obtain the consent of the relevant local authority to such survey and registration.

3.10 Transfer by Lessor:

3.10.1 The Lessor covenants with the Lessee that if he shall transfer his estate or interest in the said land or the Demised Premises or in any part thereof, or otherwise deal with such estate or interest in any other manner whatsoever whereby the Lessee's rights under the Lease hereby granted might become unenforceable against any third party, then the Lessor shall not deliver to the third party in whose favour such transfer or dealing shall be made, any document giving effect thereto without first obtaining from such party the execution of a Deed of Covenant whereunder the covenantor is bound by the provisions of this Lease (including in particular the provisions of this clause) to the same extent as if that party were the original Lessor named in this agreement, such covenant to be prepared by the Lessor's Solicitor at the Lessor's expense.

3.11 Security Bond:

3.11.1 Intentionally deleted

3.12 Resumptions:

3.12.1 If at any time during the term hereby created or any extension thereof the Lessor shall receive written or oral notification from or for or on behalf of the Crown of the State of Queensland, the Commonwealth of Australia or any local or other Authority authorised by the Acquisition of Land Act 1967-1988 or any other Act of Parliament, Federal or State, that the Demised Premises or any part thereof is required for any purpose authorised by law or is resumed or is to be resumed the Lessor may at any time thereafter give notice thereof to the Lessee and immediately thereupon these presents shall determine (without prejudice to any right of action that the Lessor may have against the Lessee for any existing breach of any of the covenants herein contained) and the Lessee shall forthwith vacate that part of the Demised Premises as so required and the Lessee hereby covenants with the Lessor that the Lessee will not claim any compensation whatsoever from the Lessor or have any right or remedy against the Lessor for the loss of use of that part of the Demised Premises as is so required and the Lessee hereby further covenants with the Lessor that the Lessee shall not make any claim against the said Crown of the State of Queensland, the Commonwealth or Australia or other Authorities as aforesaid which will diminish or intend to diminish the Lessor's claim for compensation. Regardless of the lessors rights stated above it is agreed that in the event of any part of the leased area being resumed or taken as aforesaid, the lessee shall have the right to terminate this lease by giving written notice of termination to the lessor with termination being effective immediately upon the giving of such notice.

3.13 Asbestos Materials Report

3.13.1 The Lessee acknowledges having received an Asbestos Materials Report (and, if applicable, Asbestos Materials Register) in respect of the Demised Premises prior to the Lessee's execution of this Lease.

3.14 Definitions:

3.14.1 In this Lease unless the contrary intention appears:-

- (i) "Demised Premises" includes the land referred to in Item 5 of the Form 7 hereof and all structural and other improvements whatsoever thereon; and
- (ii) "Lessee" means and includes the Lessee and its successors if a corporation and if the Lessee is an individual shall mean and include the Lessee his or her executors administrators and permitted assigns and when two or more Lessees are parties hereto shall mean and include the Lessees and each or any of them their or each of their executors administrators and permitted assigns; and
- (iii) "Lessor" means and includes the Lessor and its successors if the Lessor is a corporation, and if the Lessor is an individual shall mean and include the Lessor and his or her executors administrators and assigns and when two or more Lessors are parties hereto

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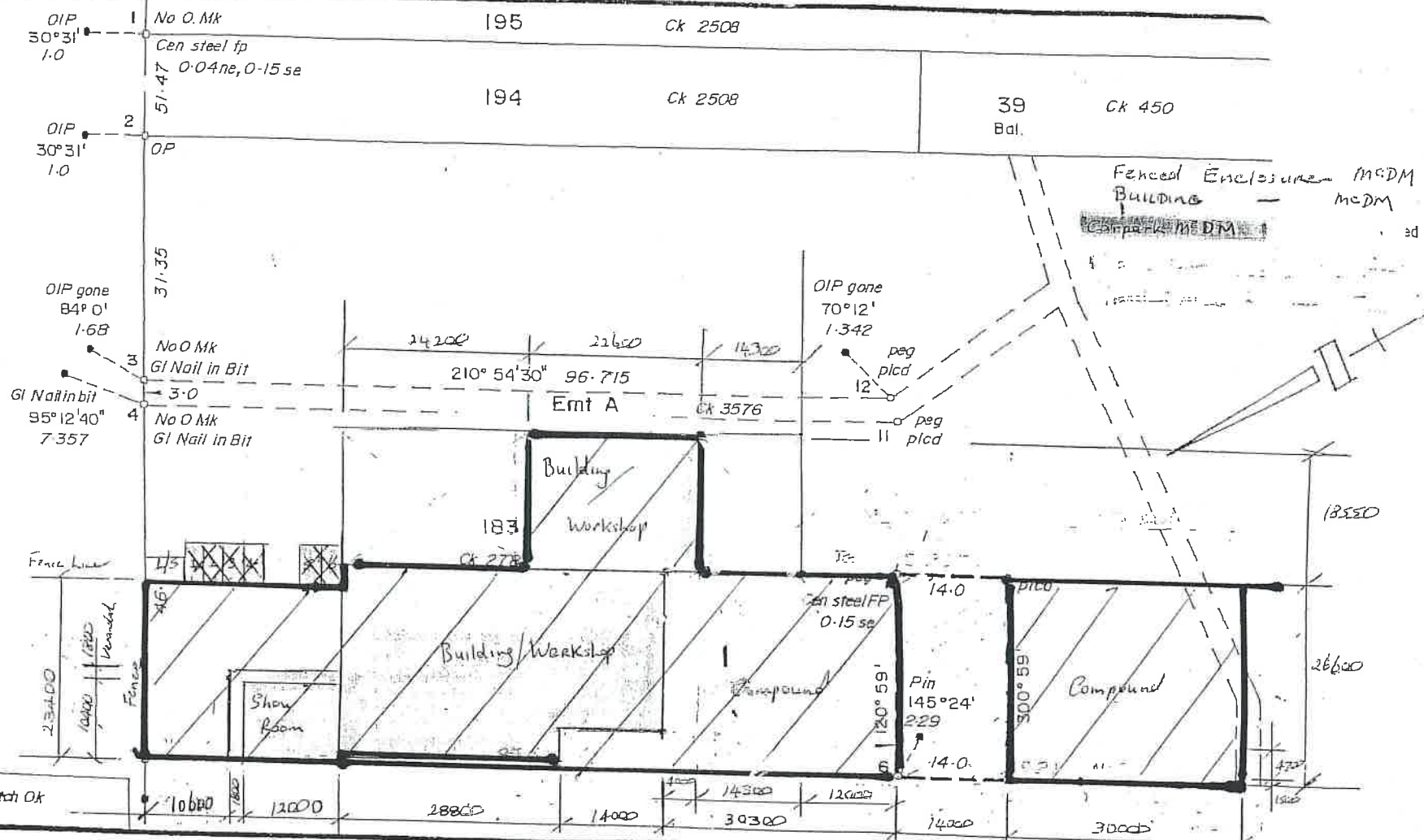
shall mean and include the Lessors and each or any of them their and each of their executors administrators and assigns; and

- (iv) "Lessor's Land" means the land referred to in Item 2 of the Form 7 hereof;
- (v) Words importing a person shall include a company, words importing the singular number or plural number shall include the plural number and singular number respectively, and words importing the masculine gender only shall include the feminine gender; and
- (vi) Reference to Acts and Statutes shall include all Acts and Statutes amending or consolidating the Acts and Statutes referred to and all Regulations By-Laws and Ordinances issued thereunder; and
- (vii) When more than one person shall be a Lessee hereunder agreements and undertakings on the part of the Lessees shall be jointly and severally binding on each Lessee; and
- (ix) When more than one person shall be a Lessor hereunder agreements and undertakings on the part of the Lessor shall be jointly and severally binding on each Lessor.

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PLAN

15 ENTERPRISE ST



Accredited Surveyor: [Signature] Sketch Ok: [Signature]

NEIL WOODFORD & ASSOCIATES PTY. LTD. ACN 010662996
 the company has surveyed the land comprised in this plan by
 Neil Murray WOODFORD, Licensed Surveyor, for whose work the
 company accepts responsibility that the plan is accurate, that the
 said survey was performed in accordance with the Surveyors Act
 1977, and the Surveyors Regulation 1992 and that the said
 survey was completed on 21.9.96
 N. Woodford, Licd. Surveyor 21.9.96
 B. Director, B. Director

PLAN OF BUNDABERG-SVENSSONS HEIGHTS
CMTS. Plan for lease purposes only.
 Lease of land being part of LOT 183 on Ck 2782
 ORIGINAL POR 183 TITLE REF: 18432218
 PARISH BUNDABERG COUNTY COOK LOCAL AUTH. Bundaberg C.C.

DATE	19-9-96	REF. NO	704
Map ref	9348-23144	SCALE	1:750
Meridian	Ck 3576		

This plan is of no effect until it is registered, and as such is not examined for registration by the Office of the Registrar of Titles, although it is lodged in that Office, for survey information only, in accordance with the Surveyors Regulations 1992. No responsibility can therefore be accepted for any future difference in boundary definition, which may result from resurveys of adjoining lands or subsequent registration of new survey plans.

NEIL WOODFORD & ASSOCIATES PTY. LTD.
CONSULTING SURVEYORS ACN 010662996
 P.O. Box 424 Booval 4304 Office Telephone 3818 1971 Mobile Telephone 0411 308 245

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 Title Reference
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