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ASSET SALE AND PURCHASE AGREEMENT

DETAILS:

Date 2018

Parties

Seller
Name Harvestaire Pty Ltd as trustee for the Harvestaire Trust
ACN 008 990 118
Address 18 Mumford Place, Balcatta, WA, 6021
Email dean@harvestaire.com.au; phil@harvestaire.com.au
Attention Phillip Zani and Dean Raymond Brooks

Buyer
Name Temp Vehicle Pty Ltd
ACN 630 195 247
Address 18 Allen Street, South Perth, WA 6151
Email david.durack@auvergne.com.au
Attention David Durack

Zani
Name Phillip Zani
Address 19 The Embankment, South Guildford, WA 6055
Email phil@harvestaire.com.au
Attention Phillip Zani

Brooks
Name Dean Raymond Brooks
Address 3 Kareela Court, Duncraig, WA 6023
Email dean@harvestaire.com.au
Attention Dean Raymond Brooks

BACKGROUND:

The Seller has agreed to sell the Assets to the Buyer, and the Buyer has agreed to buy the Assets from the Seller on the terms of this agreement.



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AGREED TERMS:

1 CONDITIONS FOR COMPLETION

- 1.1 Clauses 2.1 and 4 do not become binding on the parties and are of no force or effect unless and until the following conditions have been satisfied or waived in accordance with clause 1.4:
 - 1.1.1 **(Lease)**: the Buyer and Seller entering into a lease of the Business Premises on terms acceptable to the Buyer and the Seller; and
 - 1.1.2 **(Transferring Employees)**: Zani, Brooks, Bradley Davies and Glen Roberts becoming Transferring Employees on terms acceptable to the Buyer.
- 1.2 The Seller and the Buyer must use all reasonable endeavours to ensure that the conditions in clause 1.1 are satisfied as expeditiously as possible and in any event on or before the Cut Off Date.
- 1.3 The Seller and the Buyer must keep each other informed of the progress towards satisfaction of the conditions in clause 1.1 and must promptly notify the other in writing if it becomes aware that the condition in clause 1.1 has been satisfied or has become incapable of being satisfied.
- 1.4 The condition in clause 1.1.1 is for the benefit of the Buyer and the Seller and may only be waived by the Buyer and the Seller jointly in writing. The condition in clause 1.1.2 is for the benefit of the Buyer and may only be waived by the Buyer in writing.
- 1.5 The Buyer may, by notice to the Seller, terminate this agreement at any time before Completion if:
 - 1.5.1 the conditions in clause 1.1 are not satisfied, or waived in accordance with clause 1.4, by the Cut Off Date; or
 - 1.5.2 the conditions in clause 1.1 become incapable of satisfaction or the Buyer reasonably considers that the conditions in clause 1.1 cannot be satisfied.

2 SALE AND PURCHASE OF ASSETS

- 2.1 The Seller agrees to sell the Assets to the Buyer and the Buyer agrees to buy the Assets from the Seller at Completion, for the Purchase Price, on the terms and conditions of this agreement.
- 2.2 The rights, title and interest of the Seller in the Assets must be transferred to the Buyer at Completion free of all Encumbrances. No liabilities whatsoever in respect of the Assets transfer to the Buyer at Completion.
- 2.3 Title to, property in and risk in the Assets remains with the Seller before Completion and, subject to the provisions of this agreement, passes to the Buyer with effect at and from Completion.



- 2.4 The consideration payable by the Buyer to the Seller for the Assets is \$4,900,000, subject to any adjustments under clauses 2.7, 2.8 and 2.9 (**Purchase Price**).
- 2.5 Subject to Completion, the Buyer must pay the Purchase Price to the Seller in instalments as follows:
- 2.5.1 \$4,160,000 at Completion (**First Instalment**);
 - 2.5.2 an amount calculated in accordance with clause 2.7 (**Second Instalment**);
 - 2.5.3 subject to clause 2.8, \$200,000 at 5:00pm on the day which is 12 months after Completion (**Third Instalment**); and
 - 2.5.4 subject to clause 2.9, \$100,000 at 5:00pm on the day which is 24 months after Completion (**Fourth Instalment**).
- 2.6 Within 60 days of the Completion Date, the Buyer and the Seller must together perform a stocktake of all Inventory and agree the valuation of that Inventory (**Inventory Value**). For the purposes of this process, all Inventory will be valued at Cost. Slow Moving Stock will not be acquired by the Buyer, will not form part of the Inventory Value and will be held on consignment for the Seller. Following the 12 month and 24 month anniversaries of Completion, the Buyer will pay the Seller an amount equal to the Cost (as calculated under the stocktake contemplated by this clause) of any Slow-Moving Stock actually sold in that period.
- 2.7 If the Inventory Value is less than \$1,760,000, no Second Instalment will be payable. If the Inventory Value is more than \$1,760,000, the Second Instalment will be equal to the difference between the Inventory Value and \$1,760,000. The Second Instalment (if any) must be paid by the Buyer to the Seller within 5 days of agreement of the Inventory Value in accordance with clause 2.6.
- 2.8 If Zani and Brooks are both employed by the Buyer for at least the first 12 months after Completion; or if one or more of Zani and Brooks are not employed for at least the first 12 months after completion because of their death or total and permanent disablement or their employment was terminated by the Buyer except for cause pursuant to their employment contract, the Third Instalment will be paid.
- 2.9 If Brooks is employed by the Buyer for at least the first 24 months after Completion; or Brooks is not employed for at least the first 24 months after completion because of his death or total and permanent disablement or his employment was terminated by the Buyer except for cause pursuant to his employment contract, the Fourth Instalment will be paid.
- 2.10 All amounts to be paid by the Buyer to the Seller under this agreement must be paid in immediately available funds to the Seller's Bank Account.

3 OBLIGATIONS BEFORE COMPLETION

- 3.1 Except with the prior written consent of the Buyer, from the date of this agreement until Completion, the Seller must not:
- 3.1.1 dispose of, or grant a lease or right in respect of, any of the Business Premises;

- 3.1.2 sell or dispose of any Asset, other than in the ordinary and usual course of business;
- 3.1.3 grant any Encumbrance over any Asset, other than in the ordinary and usual course of business;
- 3.1.4 remove any of its physical assets from the Business Premises except in the ordinary course of its usual business or with the prior consent of the Buyer;
- 3.1.5 propose or agree a change or addition to either of the following:
 - 3.1.5.1 a Retirement/Death/Disability Benefit in respect of an Accepted Employee (or a dependant of an Accepted Employee); or
 - 3.1.5.2 the superannuation funds to which the Seller is making superannuation contributions (as at the date of this agreement) on behalf of the Accepting Employees,

except to the extent such change is required by law;
- 3.1.6 initiate any procedure for its winding up; or
- 3.1.7 do anything which materially prejudices the likelihood of Completion occurring.
- 3.2 The Seller, Zani and Brooks must not, before or at Completion, do or omit to do or cause or allow to be done or omitted to be done any act or thing which would result (or be likely to result) in a breach of any of the Warranties.
- 3.3 Until Completion, the Seller, Zani and Brooks must:
 - 3.3.1 continue to run the business carried on by the Seller in the ordinary and usual course and with consideration for the future operation of the business in the 12 month period following Completion; and
 - 3.3.2 cooperate with the reasonable requests of the Buyer to assist with transitional arrangements in preparation for Completion, including where appropriate, in respect of any transitional arrangements with customers, suppliers and employees.
- 3.4 The Seller must, before, during and after Completion give the Buyer access to all records and documents relating to the Assets, and provide any additional information in connection with any Asset, that the Buyer reasonably requests. The Buyer is entitled, at its own expense, to make copies of any records and documents.
- 3.5 The Seller and each of Zani and Brooks must immediately notify the Buyer in writing of any matter or thing which arises or becomes known to it before or at Completion which has either of the following effects:
 - 3.5.1 constitutes (or would after the lapse of time constitute) a misrepresentation or a breach of any of the Warranties or the undertakings or other provisions of this agreement; or
 - 3.5.2 could have a material adverse effect on any of the Assets.

4 COMPLETION

4.1 Subject to clause 1.1, Completion must take place at 12:00pm on 2 January 2019 at the Business Premises or at such other time, date and/or place agreed by the Seller and the Buyer in writing.

4.2 The Seller, Zani, Brooks and the Buyer must each fulfil their obligations at Completion as set out in Schedule 2.

4.3 The Buyer may, in its sole discretion, waive any or all of the actions that any other Party is required to perform under Schedule 2.

4.4 The obligations of the Parties at Completion are interdependent. All actions required to be performed at Completion will be deemed to take place simultaneously and no delivery or payment will be deemed to have been made until all deliveries and payments have been made.

4.5 If the Seller or either of Zani or Brooks:

4.5.1 fails to deliver any items which are due from it or from any third party on Completion; or

4.5.2 fails to satisfy any of their obligations at Completion,

on the Completion Date, the Buyer is entitled to terminate this agreement by giving 7 days' notice to the other Parties, in which case the Seller and each of Zani and Brooks must immediately refund to the Buyer any payments made under this agreement (including the Purchase Price, to the extent paid by the Buyer to the Seller). Termination does not affect any other rights which the Buyer may have. If the Seller, Zani and Brooks are able in the notice period to deliver the items in question and to comply with their obligations in question, then Completion must be reconvened to allow them to do so.

4.6 On or before Completion, the Seller must change its name and ensure that each Related Party of the Seller changes its name in accordance with this clause (and Zani and Brooks must pass all resolutions and take all other necessary actions to ensure that occurs). Each of the new names must not include any of the following:

4.6.1 "Harvestaire" or any similar words;

4.6.2 any word that is likely to cause confusion between the present name of any company required to change its name under this clause and its new name; or

4.6.3 any word that is likely to indicate a connection with the business conducted by the Seller prior to Completion or the business to be conducted by the Buyer (including by utilising the Assets) after Completion.

4.7 If a change of name is required, the Seller must ensure that a name in accordance with the Corporations Act is reserved for each company which is to change its name under clause 4.6, and give written notice of the reserved name to the Buyer within 5 business days prior to Completion.

5 OBLIGATIONS AFTER COMPLETION

- 5.1 From Completion, the Parties must provide all reasonable assistance to each other to assist with the efficient handover of the Assets to the Buyer.
- 5.2 The Seller, Zani, Brooks and the Buyer must ensure that customers of the Seller are notified that all invoices dated from Completion will be payable to the Buyer and not to the Seller.
- 5.3 The Seller, Zani and Brooks undertake to pay to the Buyer any amounts received after Completion in relation to such invoices. The Buyer undertakes to pay to the Seller any amounts received by the Buyer in respect of invoices issued by the Seller prior to Completion.
- 5.4 Following Completion, the Seller must not use the name "Harvestaire" in any of its business materials or communications and must refer to the Buyer all communications received by the Seller in relation to the business the subject of the Assets.
- 5.5 If required by the Buyer, the Seller and each of Zani and Brooks must give all assistance, before, during and after Completion which the Buyer requires in order to change the Buyer's name to include "Harvestaire", or any similar words.

6 EMPLOYEES

- 6.1 On or as soon as practicable after the date of this agreement, but before Completion, the Buyer must offer in writing employment to each Accepted Employee:
 - 6.1.1 on the express basis that the Accepted Employee resigns from the Accepted Employee's employment with the Seller to take effect, with the approval of the Seller, on the Completion Date; and
 - 6.1.2 conditional on Completion and effective from the Completion Date.
- 6.2 The Seller, Zani, Brooks and the Buyer must use their best endeavours to procure the acceptance by the Accepted Employees of the Buyer's offer of employment before Completion.
- 6.3 At Completion, the Seller must:
 - 6.3.1 release each Transferring Employee from their employment with the Seller with effect on and from Completion to enable the Transferring Employee to accept the Buyer's offer and commence employment with the Buyer on the Completion Date; and
 - 6.3.2 pay to each Transferring Employee all unpaid wages, salary, superannuation, remuneration, allowances, compensation and termination payments accrued up until Completion.



- 6.4 The Seller must indemnify the Buyer against any claims by any Transferring Employee in respect of any entitlement of a Transferring Employee which arose or accrued prior to Completion, other than those entitlements expressly assumed by the Buyer under this clause 6.
- 6.5 From the Completion Date, the Buyer will be responsible for and must when due pay to all Transferring Employees:
- 6.5.1 all Accrued Employee Entitlements; and
- 6.5.2 all wages, salary, remuneration, allowances, superannuation contributions, compensation and benefits payable, annual leave and leave loading, accumulated sick leave, long service leave, redundancy or termination payments and all other employee entitlements of any nature of all Transferring Employees accruing from Completion.
- 6.6 If a Transferring Employee's employment with the Buyer terminates during the 12 month period following Completion and such Transferring Employee is paid an amount for accrued long service leave (LSL), the Seller must pay the Buyer on demand the following amount:

Month(s) following Completion when Transferring Employee's employment terminates	Percentage of LSL payable by the Seller to the Buyer
1	100%
2	95
3	90
4	85
5	80
6	75
7	70
8	65
9	60
10	50
11	40
12	30
13	20
14	10

- 6.7 The Seller will be responsible for and must when due pay to all Non-Transferring Employees:
- 6.7.1 all Accrued Employee Entitlements; and

6.7.2 all wages, salary, remuneration, allowances, superannuation contributions, compensation and benefits payable, annual leave and leave loading, long service leave, redundancy or termination payments and all other employee entitlements of any nature of all Non-Transferring Employees.

6.8 The Seller must, at Completion, provide the Buyer with details of the superannuation funds to which the Seller was making superannuation contributions on behalf of the Transferring Employees before Completion, to assist the Buyer to comply with all of its duties and responsibilities in respect to superannuation payable for the Transferring Employees at and from Completion.

7 SUPPLY CONTRACTS AND PRODUCT WARRANTIES

7.1 The Seller agrees to use its reasonable endeavours to ensure that it assigns all of its rights, title and interest in and under each order placed with a supplier prior to Completion.

7.2 For the 12 month period following Completion, the Seller must indemnify the Buyer against any product warranty claims brought by any purchaser of products in the period prior to Completion.

8 WARRANTIES

8.1 Each Party represents and warrants to each other that each of the warranties in this clause 8.1 below are true and accurate as at the date of this agreement and will be true and accurate as at the time immediately prior to Completion:

8.1.1 the execution, delivery and performance by the Party of this agreement:

8.1.1.1 complies with its constituent documents; and

8.1.1.2 does not constitute a breach of any law or obligation, or cause or result in default under any agreement or security interest, by which it is bound and which would prevent it from entering into and performing its obligations under this agreement;

8.1.2 all necessary action to authorise the execution, delivery and performance of this agreement by the Party in accordance with its terms have been obtained or will be obtained before Completion;

8.1.3 the Party has full power and capacity to enter into and perform its obligations under this agreement;

8.1.4 the Party is validly incorporated, organised and subsisting in accordance with the laws of its place of incorporation;

8.1.5 the Party's obligations under this agreement are enforceable in accordance with its terms; and

8.1.6 the Party:

8.1.6.1 is able to pay its debts as and when they fall due;

- 8.1.6.2 has not gone, or is proposed to go, into liquidation;
 - 8.1.6.3 has not passed a winding-up resolution or commenced steps for winding-up or dissolution;
 - 8.1.6.4 has not received a deregistration notice under section 601AB of the Corporations Act or any communication from ASIC that might lead to such a notice or applied for deregistration under section 601AA of the Corporations Act;
 - 8.1.6.5 has not suffered any proceedings analogous to those in clauses 8.1.6.2 to 8.1.6.4; and
 - 8.1.6.6 is not presumed insolvent under any applicable laws.
- 8.2 The Seller represents and warrants to the Buyer that it is the trustee of the Harvestaire Trust (**Trust**) and:
- 8.2.1 it is the only trustee of the Trust;
 - 8.2.2 it has full legal capacity and power under the Trust's trust deed to own the trust property (including any Assets) of the Trust;
 - 8.2.3 it has considered the purpose of this agreement and considers that entry into this agreement is for the benefit of the beneficiaries of the Trust, whose consents have, to the extent necessary, been obtained;
 - 8.2.4 has a right to be indemnified out of the Trust assets in respect of obligations incurred by them under this agreement;
 - 8.2.5 has not, and have never been, in default of a material term of the Trust's trust deed;
 - 8.2.6 no action has been taken or proposed to terminate the Trust; and
 - 8.2.7 it has complied with its obligations under the Trust's trust deed in connection with the transactions contemplated by this agreement.
- 8.3 The Seller represents and warrants to the Buyer, as at the date of this agreement and immediately prior to Completion, that each of the Warranties is true and accurate.
- 8.4 Except to the extent that the Seller's liability is expressly limited by this agreement, the Seller indemnifies the Buyer against all damages, losses, liabilities and expenses incurred by the Buyer as a consequence of any matter or thing being found to be in breach of any of the Warranties. Any amount payable under this clause will be increased so as to ensure that the net amount received by the Buyer will after taxation be equal to that which would have been received had the payment and any increased payment pursuant to this clause not been subject to taxation.
- 8.5 Where any Warranty is qualified by the expression "so far as the Seller is aware" or "to the best of the Seller's knowledge, information and belief" or any similar expression that statement is taken to include an additional statement that it has been made after due and careful enquiry.

- 8.6 The Seller acknowledges that the Buyer has entered into this agreement in reliance on the Warranties.
- 8.7 Each of the warranties in this clause 7.2 and in Schedule 3 are separate and independent and, except as expressly provided to the contrary in this agreement, is not limited by reference to each other.
- 8.8 Without affecting any other right or remedy available to it, the Buyer may deduct from the Purchase Price, any sums due to it in respect of any breach of any of the Warranties.
- 8.9 Any monetary compensation received by the Buyer as a result of any breach by the Seller of any Warranty is to be in reduction and refund of the Purchase Price.

9 PROTECTIVE COVENANTS

- 9.1 In consideration of the Buyer entering into this agreement at the request of the Seller, Zani and Brooks, the Seller, Zani and Brooks jointly and severally covenant with the Buyer that they will not, during the Restraint Period and in the Restraint Area:
- 9.1.1 do or say anything which is likely or intended to damage the goodwill or reputation of the Buyer or of any business carried on by the Buyer or which may lead any person to cease to do business with the Buyer on substantially equivalent terms to those previously offered to the Buyer or the Seller or not to engage in business with the Buyer;
 - 9.1.2 carry on, promote, participate in, operate, engage in or be involved in any way in the Restrained Business whether on its own account or in partnership or joint venture with any person;
 - 9.1.3 act as an adviser, independent contractor, consultant, director, manager, agent, employee or in any other capacity in or to the Restrained Business;
 - 9.1.4 accept business or work from a client or customer of the Buyer (including a former client or customer of the Seller) or solicit, canvas or secure the custom of a person who is as at the commencement of the Restraint Period or during the Restraint Period, a client or customer of the Buyer after Completion;
 - 9.1.5 induce or attempt to induce any supplier of or to the Buyer to cease to supply or restrict or vary terms of supply to the Buyer;
 - 9.1.6 induce or attempt to induce any employee of the Buyer to terminate his or her employment with the Buyer; or
 - 9.1.7 procure or assist anyone else to do any of the things referred to in clauses 9.1.1 to 9.1.6 inclusive.
- 9.2 Each of the restraint obligations imposed on the Seller, Zani and Brooks by clause 9.1 which results from the combination of the Restrained Business, Restraint Period and Restraint Area, is a separate and independent obligation from each other restraint obligation imposed.
- 9.3 The Seller and each of Zani and Brooks each acknowledge and agree that each of the restraint obligations imposed on it is reasonable in extent having regard to the interest of each party to

this agreement, extends no further than is reasonably necessary and is solely to protect the Buyer as purchaser of the Assets.

9.4 The Buyer may sell, assign or otherwise transfer this covenant not to compete, in whole or in part, to any person or entity that purchases all or any portion of the Restrained Business.

9.5 In this clause the following definitions apply:

9.5.1 **Restraint Area** means:

9.5.1.1 Australia; or

9.5.1.2 if Australia is unenforceable, Western Australia; or

9.5.1.3 if Western Australia is unenforceable, within a 500 km radius of Balcatta, Western Australia; or

9.5.1.4 if within a 500 km radius of Balcatta, Western Australia is unenforceable, within a 200 km radius of Balcatta, Western Australia; or

9.5.1.5 if within a 200 km radius of Balcatta, Western Australia is unenforceable, within a 100 km radius of Balcatta, Western Australia; or

9.5.1.6 if within a 100 km radius of Balcatta, Western Australia is unenforceable, within a 50 km radius of Balcatta, Western Australia; or

9.5.1.7 if within a 50 km radius of Balcatta, Western Australia is unenforceable, within a 20 km radius of Balcatta, Western Australia.

9.5.2 **Restraint Period** means:

9.5.2.1 60 months from the Completion Date; or

9.5.2.2 if 60 months from the Completion Date is unenforceable, then 48 months from the Completion Date; or

9.5.2.3 if 48 months from the Completion Date is unenforceable, then 36 months from the Completion Date; or

9.5.2.4 if 36 months from the Completion Date is unenforceable, then 24 months from the Completion Date; or

9.5.2.5 if 24 months from the Completion Date is unenforceable, then 12 months from the Completion Date; or

9.5.2.6 if 12 months from the Completion Date is unenforceable, then six months from the Completion Date; and

9.5.3 **Restrained Business** means the business of the Seller and, following Completion, the Buyer, utilising the Assets or any part of such business, or any other business which is the same as or substantially similar to that



aforementioned business or which competes with that aforementioned business at Completion.

- 9.6 The Seller, Zani and Brooks are not in breach of clause 9.1, if:
- 9.6.1 it merely has an interest in securities which are listed on a recognised stock exchange, so long as the interest in the securities is less than 5% of the voting rights (if any) attaching to the issued securities of that class;
 - 9.6.2 their conduct is as required under any applicable contract of employment with the Buyer; or
 - 9.6.3 the Buyer has consented in writing to the action.

10 TERMINATION

- 10.1 In addition to its termination rights in clauses 1.5 and 4.5, the Buyer may terminate this agreement by giving notice in writing to the Seller if before Completion any of the following occur:
- 10.1.1 any material breach of one or more Warranties comes to the notice of the Buyer;
 - 10.1.2 the Seller is in material breach of any obligation on its part under this agreement and, where that breach is capable of remedy, it is not remedied to the Buyer's satisfaction;
 - 10.1.3 anything occurs which, had it occurred on or before the date of this agreement, would have constituted a material breach of one or more Warranties;
 - 10.1.4 anything occurs (except something arising from an act or omission of the Buyer) which in the Buyer's reasonable opinion has, or would be likely to have after Completion, a material adverse effect on the Assets; or
 - 10.1.5 any Public Authority or court or any other person or organisation in any jurisdiction does any of the following:
 - 10.1.5.1 institutes or threatens any action, suit or investigation to restrain, prohibit or otherwise challenge or interfere with the transactions contemplated under this agreement;
 - 10.1.5.2 threatens to take any action as a result or in anticipation of the implementation of such transactions; or
 - 10.1.5.3 proposes or enacts any statute or regulation which would prohibit, materially restrict or materially delay implementation of such transactions or the operation of the business conducted by the Seller at the date of this agreement.
- 10.2 Any such termination by the Buyer does not affect any other rights of the Buyer.

11 GOODS AND SERVICES TAX

- 11.1 All consideration provided under this agreement is exclusive of GST, unless it is expressed to be GST inclusive.
- 11.2 Where a party (**Supplier**) makes a supply under or in connection with this agreement that is a taxable supply to another party (**Recipient**), the Recipient must pay to the Supplier an additional amount equal to the GST payable on the supply (unless the consideration for that taxable supply is expressed to include GST). The additional amount must be paid by the Recipient at the later of:
- 11.2.1 the date when any consideration for the taxable supply is first paid or provided;
and
 - 11.2.2 the date when the Supplier issues a tax invoice to the Recipient.
- 11.3 If, under or in connection with this agreement, a Supplier has an adjustment event for a supply under the GST law which varies the amount of GST payable by the Supplier, the Supplier or the recipient (as the case may be) agrees to make any payments necessary to reflect the adjustment and the Supplier agrees to issue an adjustment note.
- 11.4 If a party is entitled to be reimbursed or indemnified under this agreement, the amount to be reimbursed or indemnified is reduced by the amount of GST for which there is an entitlement to claim an input tax credit on an acquisition associated with the reimbursement or indemnity. The reduction is to be made before any increase under clause 11.2.- An entity is assumed to be entitled to a full input tax credit on an acquisition associated with the reimbursement or indemnity unless it demonstrates otherwise before the date the reimbursement or indemnity is made.
- 11.5 Any reference in this agreement to sales, revenue, income, value or similar amount (**Revenue**) is a reference to that Revenue exclusive of GST (unless that Revenue is expressed to be GST inclusive).
- 11.6 Any reference in this agreement to cost, expense, liability or similar amount (**Expense**) is a reference to that Expense exclusive of GST (unless that Expense is expressed to be GST inclusive).
- 11.7 This clause will not merge on completion and will survive the termination of this agreement by any party.
- 11.8 Terms used in this clause that are not otherwise defined in this agreement have the meanings given to them in the GST Act.

12 NOTICES

- 12.1 Any notice or communication given or made by a Party in connection with this agreement must be executed by that Party or signed by an authorised signatory of that Party. A person is an authorised signatory if he or she is a director of the relevant Party, or if he or she is authorised in writing by that Party. Any notice by email is taken to be signed by the named sender.

- 12.2 Any notice or communication given to a Party under this agreement is only given if it is in writing and sent in one of the following ways:
- 12.2.1 delivered or posted to that Party at its address and marked for the attention of the relevant department or officer (if any) set out in the 'Details' section of this agreement; or
 - 12.2.2 electronic mail (**email**) to that Party at its email address and marked for the attention of the relevant department or officer (if any) set out in the 'Details' section of this agreement.
- 12.3 If a Party gives the other Parties three Business Days' notice of a change of its address, any notice or communication is only given or made by the other Parties if it is delivered or posted to the latest address.
- 12.4 Any notice or communication is to be treated as given at the following time:
- 12.4.1 if it is delivered, when it is left at the relevant address;
 - 12.4.2 if it is sent by post, three (or in the case of a notice or communication posted to another country, five) Business Days after it is posted; or
 - 12.4.3 if it is sent by email:
 - 12.4.3.1 when the sender receives an automated message confirming delivery; or
 - 12.4.3.2 four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,
- whichever happens first.
- 12.5 Despite anything else in this clause 12, if any notice or communication is given on a day that is not a Business Day, or after 5:00pm on a Business Day, in the place of the Party to whom it is sent, it is to be treated as having been given at the beginning of the next Business Day.

13 CONFIDENTIALITY

- 13.1 A Party may not, before or after Completion, make or send any public announcement, communication or circular relating to the transactions contemplated by this agreement (including the fact that the Parties have executed this agreement) unless the other Parties have consented to the announcement (such consent not to be unreasonably withheld or delayed or conditioned), including the timing, form and content of that disclosure.
- 13.2 Clause 13.1 does not apply to a public announcement, communication or circular required by law or a securities exchange, if the party required to make or send it has, to the extent reasonably possible without breaching those requirements of law or of a securities exchange:
- 13.2.1 provided the other parties with sufficient notice to enable them to seek a protective order or other remedy; and

- 13.2.2 provided all assistance and co-operation that the other parties consider necessary to prevent or minimise that disclosure.
- 13.3 The Parties will keep confidential all information relating to this agreement (including the fact that the Parties have executed this agreement) and the negotiations relating to the execution of this agreement unless one of the exemptions in clause 13.5 applies.
- 13.4 The Seller and each of Zani and Brooks must, and must ensure that the Seller's Related Bodies Corporate, keep secret and confidential, and must not divulge or disclose any information relating to the Assets unless one of the exemptions in clause 13.5 applies.
- 13.5 The following exemptions apply to clauses 13.3 and 13.4:
- 13.5.1 information that is in the public domain as at the date of this agreement (or subsequently becomes in the public domain other than by breach of any obligation of confidentiality binding on the recipient);
- 13.5.2 the information is required to be disclosed by applicable law or the rules of any recognised stock exchange on which that Party's shares or the shares of that Party's Related Bodies Corporate are listed, provided that that Party has to the extent possible having regard to the required timing of the disclosure consulted with the other Party of the information as to the form and content of the disclosure; or
- 13.5.3 the disclosure is made by the Party to its financiers or lawyers, accountants, investment bankers, consultants or other professional advisers to the extent necessary to enable that Party to properly perform its obligations under this agreement or to conduct their business generally, in which case that Party must ensure that such persons keep the information secret and confidential and not divulge or disclose the information to any other person.
- 13.6 If a Party becomes aware of a breach of any of the obligation set out in this clause 13, that Party must immediately notify the other Parties.

14 MISCELLANEOUS

- 14.1 Unless this agreement expressly provides otherwise, a Party may give or withhold an approval or consent in that Party's absolute discretion and subject to any conditions determined by that Party. A Party is not obliged to give its reasons for giving or withholding a consent or approval or for giving a consent or approval subject to conditions.
- 14.2 A Party must not assign any of its rights or obligations under this agreement without the prior written consent of each other Party. That consent must not be unreasonably withheld, delayed or conditioned.
- 14.3 Except as otherwise agreed by the parties in writing, each Party must pay its own costs in relation to preparing, negotiating, executing and completing this agreement and any document related to this agreement.
- 14.4 The Buyer agrees to pay or reimburse all stamp duty payable in connection with this agreement.

- 14.5 This agreement continues for the benefit of, and binds, a successor in title of a Party, including a person to whom a Party's rights and obligations are assigned in accordance with this agreement.
- 14.6 Each obligation and undertaking set out in this agreement which is not fully performed at Completion will continue in full force and effect after Completion.
- 14.7 This agreement contains everything the parties have agreed on in relation to the matters it deals with. No Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this agreement was executed, save as permitted by law.
- 14.8 This agreement is properly executed if each Party executes either this document or an identical document. In the latter case, this agreement takes effect when the separately executed documents are exchanged between the parties.
- 14.9 The rights of a Party under this agreement are cumulative and are in addition to any other rights available to that Party whether those rights are provided for under this agreement, any other document or by law.
- 14.10 A Party may exercise a right, power or remedy separately or concurrently with another right, power or remedy available to it at law or under this agreement. A single or partial exercise of a right, power or remedy by a Party does not prevent a further exercise of that or of any other right, power or remedy and a failure by a Party to exercise, or delay by a Party in exercising, a right, power or remedy does not prevent its exercise.
- 14.11 The Parties will promptly do and perform all acts and things and execute all documents as may from time to time be required, and at all times will act in good faith, in order to give effect to, perfect or complete this agreement and all transactions incidental to it.
- 14.12 Each provision of this agreement is individually severable. If a clause or part of a clause of this agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this agreement, but the rest of this agreement is not affected.
- 14.13 No variation of this agreement will be of any force or effect unless it is in writing and signed by the Parties to this agreement.
- 14.14 A waiver of any right, power or remedy under this agreement must be in writing signed by the Party granting it. A waiver only affects the particular obligation or breach for which it is given. It is not an implied waiver of any other obligation or breach or an implied waiver of that obligation or breach on any other occasion. The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this agreement does not amount to a waiver.
- 14.15 This agreement is governed by the law in force in Western Australia.
- 14.16 Each Party irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this agreement.

15 DEFINITIONS AND INTERPRETATION

Definitions

15.1 In this agreement, the following definitions apply:

Accepted Employees means those persons listed in Schedule 5.

Accounts means the balance sheet of the Seller as at the Accounts Date and the profit and loss accounts of the Seller for the 12 month period ended on the Accounts Date. This includes the notes and directors' reports relating to them.

Accounts Date means 30 June 2017.

Accrued Employee Entitlements means the aggregate annual leave, annual leave loading, long service leave, sick leave and personal or carer's leave entitlements of Transferring Employees or the Non-Transferring Employees (as applicable) as at Completion.

ASIC means the Australian Securities and Investments Commission.

Assets means all of the rights, title and interest which the Seller has in:

- (a) the assets detailed in Schedule 1;
- (b) all Inventory but excluding Slow Moving Stock;
- (c) the Goodwill;
- (d) the Intellectual Property;
- (e) product designs and drawings relating to the business carried out by the Seller.

Business Day means a day other than a Saturday, Sunday or public holiday in Perth, Australia.

Business Premises means the premises at 18 Mumford Place, Balcatta, WA 6021.

Claim means any claim, demand, legal proceeding or cause of action including any claim demand, legal proceeding or cause of action based in contract, tort (including misrepresentation or negligence), under common law or under statute and includes a claim, demand, legal proceeding or cause of action arising from any breach of warranty or indemnity.

Completion means completion of the sale and purchase of the Assets in accordance with this agreement.

Completion Date means the date on which Completion occurs in accordance with clause 4.

Corporations Act means the *Corporations Act 2001* (Cth).

Cost means:

- (a) in respect of Inventory imported into Australia, the in store landed price which includes the costs paid by the Seller to the relevant supplier, for freight, for

customs duty (if any) and all other reasonable costs incurred by the Seller in getting the inventory into store;

- (b) in respect of Inventory purchased within Australia, the price paid by the Seller to the relevant supplier;
- (c) in respect of Inventory manufactured and being manufactured by the Seller an amount calculated in accordance with the following formula:

$$(A + B) \times 1.18$$

where:

A = total cost of labour for the manufacture of relevant Inventory being (i) hourly rate, plus (ii) a percentage of holiday pay, plus (iii) payroll tax, plus (iv) relevant insurance costs; and

B =(i) in respect of Inventory purchased within Australia, the price paid by the Seller to the relevant supplier or (ii) in respect of Inventory imported into Australia, the in store landed price which includes the costs paid by the Seller to the relevant supplier, for freight, for customs duty (if any) and all other reasonable costs incurred by the Seller in getting the inventory into store.

Cut Off Date means 2 January 2019.

Encumbrance means an interest or power:

- (a) reserved in or over an interest in any asset; or
- (b) created or otherwise arising in or over any interest in any asset under a security agreement, a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a security interest within the meaning of section 12 of the PPSA.

Goodwill means the goodwill of the Seller at Completion relating to the business operated by it under the name 'Harvestaire'.

GST has the meaning given to that term in the GST Act.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Intellectual Property means all the Intellectual Property Rights referred to in Schedule 4.

Intellectual Property Rights means all intellectual property rights used or owned by the Seller, including all and any patents, patent applications, trade marks, service marks, trade names, registered designs, unregistered design rights, copyrights, know how, trade secrets, domain names, internet addresses, rights in confidential information, and all and any other

intellectual property rights, whether registered or unregistered, and including all applications and rights to apply for any of the same.

Inventory means the inventory and trading stock of the Seller as at Completion including raw materials, componentry, work in progress, finished goods and packaging material used or produced by the Seller in its business.

Inventory Value has the meaning given in clause 2.6.

Non-Transferring Employees means:

- (a) the Accepted Employees who are not Transferring Employees; and
- (b) any other employees of the Seller who are not Transferring Employees.

Party means either the Buyer, the Seller, Zani or Brooks (as the context requires), and **the Parties** means all of them.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPS Register means the register established under the PPSA.

Public Authority means any of the following:

- (a) any government in any jurisdiction whether national, federal, state, regional, territorial or local;
- (b) any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or any state owned enterprise; or
- (c) any regulatory body or trade union.

Purchase Price has the definition set out in clause 2.4.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Related Party in respect of a person means anyone who is an associate of that person under sections 11 to 16 (inclusive) of the *Corporations Act 2001* (Cth).

Retirement/Death/Disability Benefit means any superannuation, lump sum, gratuity or other like benefit given or to be given on retirement, death, in anticipation of or after retirement or death, in connection with past service, or to be given on or in anticipation of or in connection with any change in the nature of the service of an Accepted Employee. It also includes any of these things given or to be given on or in connection with the illness, injury or disability of, or suffering of any accident by an Accepted Employee.

Seller's Bank Account means:

BSB: 066-168

Account No: 10155237

Slow Moving Stock means Inventory counted in the stocktake contemplated by clause 2.6 that is in excess of the product of following formula:

The average sales for 2017 and 2018 recorded by the Seller in respect of the Harvestaire business X 2

Transferring Employees means the Accepted Employees who, before Completion, accept the offers of employment made to them by the Buyer under clause 6.1.

Warranties means the representations, warranties and undertakings made by the Seller contained in clause 7.2 and in Schedule 3.

Interpretation

- 15.2 In this agreement, unless the context otherwise requires:
- 15.2.1 any agreement, covenant, undertaking, representation or warranty under this agreement by two or more persons binds them jointly and each of them individually, and any benefit in favour of two or more persons is for the benefit of them jointly and each of them individually;
 - 15.2.2 all references to dollars or '\$' are references to Australian currency and all amounts payable under this agreement are payable in Australian dollars;
 - 15.2.3 a reference to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision, in either case whether before, on or after the date of this agreement;
 - 15.2.4 a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
 - 15.2.5 a reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this agreement unless otherwise stated;
 - 15.2.6 a reference to a person includes any company, trust, partnership, joint venture, association, corporation, body corporate or governmental agency;
 - 15.2.7 where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;
 - 15.2.8 a word which indicates the singular also indicates the plural, a word which indicates the plural also indicates the singular, and a reference to any gender also indicates the other gender;
 - 15.2.9 a reference to the word 'include' or 'including' is to be interpreted without limitation;
 - 15.2.10 a reference to the word 'owing' means actually or contingently owing, and 'owe' and 'owed' have an equivalent meaning;
 - 15.2.11 a reference to a time of day means that time of day in in Western Australia, Australia;



- 15.2.12 headings are inserted for convenience only and do not affect the interpretation of this agreement; and
- 15.2.13 the schedules, and attachments form part of this agreement.

SCHEDULE 1: ASSETS

DESCRIPTION	PURCHASED DATE	ORIGINAL COST	DISPOSAL DATE	OPENING W/D.V.	DEPRECIATION RATE%	TYPE	MARKET VALUE
GUILLOTINE	20.11.83	13000.00		54.82	15.00	DIM	15000
AIRFOIL SIEVE TOOLING	23.3.89	12876.60		130.48	15.00	DIM	2000
25T Flywheel Press PRESS	6.2.89	8000.00		79.50	15.00	DIM	2000
OFFICE PARTITIONS	31.1.92	3480.00		480.35	7.50	DIM	Leased Premises
VENT SUPPORT TOOL (Sieves)	25/03/93	5790.00		112.48	15.00	DIM	1500
SHED - BENDSTEN PL	13/5/96	38613.00		22752.01	2.50	DIM	Leased Premises
CROPLIFTER TOOL	20/03/1996	2350.00		87.30	15.00	DIM	1000
INDUCTOHEAT UNIT	10/12/1997	63415.00		2891.69	15.00	DIM	5000
TOP LOUVRE FORM TOOL Std	1/06/1998	3500.00		157.70	15.00	DIM	2000
ELECTRIC RCD	1/06/1998	3720.00		167.61	15.00	DIM	Leased Premises
WELDER Lincoln	13/03/2000	2674.00		161.21	15.00	DIM	1000
PARTITIONING	2/08/2000	3112.00		199.54	15.00	DIM	Leased Premises
KOMATSU FORKLIFT - MUMFORD	2/08/2000	12000.00		161.64	22.50	DIM	5000
OFFICE CUPBOARDS	6/03/2002	3720.00		309.47	15.00	DIM	263
MOUNT BLOCK JD RET FGR TOOL	30/06/2002	3900.00		340.68	15.00	DIM	Palamino Plastics
HCC BUSH TOOL HC243724	30/06/2002	5220.00		455.99	15.00	DIM	Palamino Plastics
RT804 + RT985 TYNES Tool	30/06/2002	19600.00		1712.14	15.00	DIM	Palamino Plastics
RETRACTABLE FINGER TOOL	30/06/2002		See Line 38	204.41	15.00	DIM	Palamino Plastics
HYDRAULIC PRESS 300T	19/06/1991	50000.00		173.02	15.00	DIM	8000
STD LOUVRE TOOL	20/06/1991	6900.00		100.45	15.00	DIM	3000
PLASTIC EXT FINGER TOOL	1986	40000.00		105.25	15.00	DIM	Palamino Plastics
AIR REEL HUB TOOL	29/08/1994	28,060.00		761.42	15.00	DIM	Hosico
GUILLOTINE BACKGAUGE	28/02/1995	9,500.00		252.70	15.00	DIM	Melbourne
HYDRAULIC TEST RIG (Power Pak)	28/02/1995	7,560.00		201.12	15.00	DIM	1000

DESCRIPTION	PURCHASED DATE	ORIGINAL COST	DISPOSAL DATE	OPENING W.D.V.	DEPRECIATION RATE %	TYPE	MARKET VALUE
HYDRABEND G/TINE BIGGE 4.5	1/07/2002	2,649.68		231.46	15.00	DIM	
MICROCUT MILL 837	1/07/2002	2,684.56		234.51	15.00	DIM	1000
DE-COILER	1/07/2002	3,218.90		281.18	15.00	DIM	1500
FUME EXTRACTION System	18/07/1997	5,075.00		193.47	15.00	DIM	2000
FUME EXTRACTION System	1/07/2002	8,306.00		324.74	15.00	DIM	
METALWORKER	19/12/1997	12,000.00		503.79	15.00	DIM	4000
TOP LOUVRE TOOL	3/04/1998	18,250.00		775.97	15.00	DIM	4000
STD BTM LOUVRE TOOL	23/09/1998	22,905.00		1175.30	15.00	DIM	3000
DRUM BAR CONTROLLER	1/07/2002	5416.94		473.20	15.00	DIM	1000
120T SCALEN PRESS BRAKE	1/07/2002	82,377.54		7196.03	15.00	DIM	30000
SHEATH RETRACT FINGER TOOL	1/07/2002	7800.00		476.96	15.00	DIM	1000
RETRACT GUIDE - TOOL	5/07/2002	8200.00		718.04	15.00	DIM	1000
CONCAVE BORER	1/07/2002	10000.00		873.54	15.00	DIM	1500
PANASONIC TELEPHONE SYSTEM	30/05/2003	3826.80		388.27	15.00	DIM	500
HARDNESS TESTER	18/09/2003	3087.85		329.46	15.00	DIM	Scrapped Leased Premises
MEZZANINE FLOOR	1/04/2004	2630.10		662.05	10.00	DIM	
HC243724 - BEARING - TOOL	7/05/2004	11800.00		1430.22	15.00	DIM	2500
JD SOLID KNIFE BACK TOOL	1/10/2004	3950.00		499.05	15.00	DIM	2500
SIEVE SPOT WELDING TABLE	9/02/2005	4627.00		620.02	15.00	DIM	4000
WELDER WIA 335 (was 3 but scrapped 2)	20/12/2005	10099.75		1674.60	15.00	DIM	1000
COLDSAW SEMI AUTO	1/07/2006	7955.00		683.33	20.00	DIM	3000
LASER GUARD 60 TONNE	17/04/2007	9450.00		973.02	20.00	DIM	778
CROWN FORKLIFT	20/07/2007	9500.00		703.53	25.00	DIM	5000
TIG WELDING MACHINE	11/07/2008	2775.00		356.20	20.00	DIM	Scrapped
PRESS AUTO FEEDER (LOUVRES)	2/10/2008	11937.56		4815.03	13.33	DIM	1500
MIG WELDER WIA	16/02/2009	3600.00		649.90	20.00	DIM	1000
40T FLY WHEEL PRESS	30/04/2009	12500.00		4373.88	13.33	DIM	Scrapped
SIEVE BUTTON MOULD/TOOL	20/08/2009	12775.00		2218.16	20.00	DIM	4000
SOLID KNIFEBACK TOOL	13/12/2009	3820.00		713.87	20.00	DIM	2500
SLAT TOOL Suit 300T PRESS	1/11/2009	10936.00		1989.36	20.00	DIM	4000
Office Furniture - Chairs,Counter	11/03/2010	2727.28		537.14	20.00	DIM	500
TURRET LATHE	28/09/2010	14750.00		3284.14	20.00	DIM	4000
WELDER (x2)	13/04/2011	6682.00		1676.93	20.00	DIM	2000
40T Flywheel Press	16/11/2011	6675.00		2995.37	13.33	DIM	3000

DESCRIPTION	PURCHASED DATE	ORIGINAL COST	DISPOSAL DATE	OPENING W/D.V.	DEPRECIATION RATE %	TYPE	MARKET VALUE
Used Powerpak	20/04/2012	1700.00		810.34	13.33	DIM	702
40ft Storage Containers (2)	19/06/2012	7260.00		3207.10	15.00	DIM	4000
Dexion Racking	27/06/2012	5479.34		2428.11	15.00	DIM	2063
Container Ramp	30/06/2012	1181.82		524.38	15.00	DIM	445
Dome Shelter	26/02/2013	6268.18		1356.41	30.00	DIM	949
Toyota Hilux - 1EEQ133	15/03/2013	56074.84	17/10/2017	16442.10	25.00	DIM	Disposed
Lg Bench Grinder	18/04/2013	950.00		373.56	20.00	DIM	298
Guardrail Safe	27/03/2014	807.27		573.19	10.00	DIM	515
Drumbar Mill - Manual	31/03/2014	9593.81		4667.29	20.00	DIM	4000
Air Compressor - Stationary	11/04/2014	16055.00		11448.22	10.00	DIM	Disposed
Computer Hardware	14/04/2014	5018.18		561.15	50.00	DIM	1000
40T Fly Wheel Press	25/08/2014	12940.00		6874.88	20.00	DIM	5000
Mazda CX5	1/10/2014	40174.13		18372.45	25.00	DIM	Disposed
Drill Head - Triple	21/10/2014	3967.84		2187.42	20.00	DIM	1749
Drill Sharpener	25/03/2015	1090.00		659.84	20.00	DIM	300
Hilux Ute - 1ESX747	30/04/2015	20508.25		11045.95	25.00	DIM	10000
HCC Bat Tool	10/06/2015	1265.50		800.32	20.00	DIM	640
Controls D/Bar Machine	20/07/2015	13000.00		8427.98	20.00	DIM	6742
Water Cooler	29/09/2015	1492.00		1163.13	13.33	DIM	500
Scissor Lift Trolley	26/11/2015	909.00		725.28	13.33	DIM	628
Nikon Digital Camera	28/11/2015	2714.46		1563.71	30.00	DIM	Disposed
Racking	2/12/2015	3275.21		2542.05	15.00	DIM	2160
Mill Drill	19/01/2016	2150.00		1565.86	20.00	DIM	1252
Scissor Lift Trolley	15/03/2016	955.00		795.14	13.33	DIM	689
Tyne Bar (Bat Tool)	6/04/2016	10890.00		8302.58	20.00	DIM	6642
20ft Sea Container (1)	12/07/2016	2195.05		1771.05	20.00	DIM	1000
40T Incline Press-JG23-40D	11/10/2016	13565.00		12592.00	10.00	DIM	8000
Camera	7/12/2016	3292.73		2368.73	50.00	DIM	Disposed
Press Tools-MD & HB K/Back	28/12/2016	8750.00		5810.00	66.67	DIM	5000
External Cantilever Structure	20/02/2017	2986.00		2880.00	10.00	DIM	Leased Premises
TOYOTA HILUX - 1GGR204	21/04/2017	20794.47		19797.47	25.00	DIM	14000
20ft Sea Containers (2)	9/06/2017	5600.00		5536.00	20.00	DIM	2000
Weldmatic 350J Mig Machine	29/06/2017	3405.00		3403.00	13.33	DIM	2000
SUB TOTAL		978286.64		238651.41			

DESCRIPTION	PURCHASED DATE	ORIGINAL COST	DISPOSAL DATE	OPERING W.D.V.	DEPRECIATION RATE %	TYPE	MARKET VALUE
Additions FY 2018							
Photocopier - Sharp AR-5520N	21/09/2017	750.00					500
Reception Printer - MFCL5755DW	21/09/2017	581.82					400
Reception computer	17/10/2017	999.09					300
Dexion Racking/Storage	27/02/2018	1015.57					750
Additions FY 2019							
Rollers for Tyne Bars	12/09/2018	1890.00					1500
Tube Press Tool(JD640 Tyne Bar)	20/09/2018	6850.00					6850
Main Factory Compressor	26/11/2018	8010.00					8000
Items not Listed in Depreciation Schedule							
Knife Assembly Bench	1/07/2015						6000
Sheet Steel Storage Rack	1/07/2004						2000
Sieve Spot Welder	1/07/1989						5000
Chain Assembly Bench	1/07/2006						3000
Leveling Rolls for Crop lifters	1/07/1990						1500
Rubbish Bin Approx 10 M3	1/07/2016						3000
Main Despatch Bench	1/07/2017						3000
Paint Booth and Exhaust Fan	1/07/1985						2500
Lathe	1/07/1985						1500
Turret Lathe	1/07/2000						500
6" Blower Moulds	1/07/1984						1000
8" Blower Moulds	1/07/1988						500
Milling Machine (2)	1/07/2005						2000
20 Ft Storage Container (7)	Various						3500
Dexion Racking	Various						10000
Total							306115

SCHEDULE 2: COMPLETION DELIVERABLES

1 OBLIGATIONS OF SELLER ON COMPLETION

Possession and occupation

- 1.1 At Completion the Seller, Zani and Brooks must deliver operating control of the Assets to or at the direction of the Buyer, including by delivery to the Buyer of all security devices and keys for the Business Premises by leaving such security devices and keys at the Business Premises.

Release of Transferring Employees

- 1.2 At Completion, the Seller must comply with its obligations with respect to the Transferring Employees as set out in clauses 6.3 and 6.8 of this agreement.

Deeds, certificates, consents

- 1.3 At Completion the Seller, Zani and Brooks must deliver to the Buyer (in a form acceptable to the Buyer):
- 1.3.1 those Assets which are capable of transfer by delivery and permit the Buyer to take possession of the Assets;
 - 1.3.2 all certificates of title, registration certificates and other documents relating to the ownership and use of the Assets;
 - 1.3.3 all notices, executed instruments of transfers in registrable form and other documents as may be required under any applicable law in connection with the Assets required to transfer title in the Assets to the Buyer;
 - 1.3.4 executed deeds of release and evidence (in a form satisfactory to the Buyer) that:
 - 1.3.4.1 all Assets have been released from any and all Encumbrances; and
 - 1.3.4.2 there are no Encumbrances noted on the PPS Register in relation to any of the Assets;
 - 1.3.5 executed copies of all forms, documents, resolutions, certificates, approvals and consents evidencing completion of the matters required by clause 4.6;
 - 1.3.6 executed copies of all forms, documents, certificates, approvals and consents required to be executed by the Seller to transfer all Intellectual Property to the Buyer;
 - 1.3.7 deliver to the Buyer a duly executed counterpart of any document required to be delivered by the Seller, Zani or Brooks at, or by, Completion to which the Seller, Zani or Brooks is a party or which otherwise contemplates executed by the Seller, Zani or Brooks; and

- 1.3.8 deliver to the Buyer anything else reasonably required by the Buyer to fully effect the transfer of the Assets from the Seller to the Buyer in accordance with the terms of this agreement (to the extent not dealt with above).
- 1.4 At Completion the Seller, Zani and Brooks must deliver to the Buyer (in a form acceptable to the Buyer) all such other documents and other objects, and take all such other actions, as the Buyer reasonably requires for the purposes of fully effecting the transfer of the Assets to the Buyer and completing other actions required or contemplated by this agreement.

OBLIGATIONS OF BUYER ON COMPLETION

- 1.5 At Completion, the Buyer must pay the First Instalment to the Seller.

SCHEDULE 3: ADDITIONAL SELLER'S WARRANTIES

1 INFORMATION

- 1.1 The details relating to the Assets set out in the schedules to this agreement are complete and accurate in every detail.
- 1.2 All information given by or on behalf of either of the Seller to the Buyer relating to the Assets, is complete and accurate in all material respects and none of that information is misleading in any material respect, whether as a result of the inclusion of misleading information or the omission of material information or both. Where information is provided to the Buyer in the form of a forecast, expression of opinion, intention or expectation, the forecast, expression of opinion, intention or expectation is fair, honest and made on reasonable grounds.
- 1.3 Other than circumstances affecting the whole of any industry in which the Seller participates, the Seller is not aware of any circumstances which might reasonably be expected materially and adversely to affect either of the following:
 - 1.3.1 the financial position, business, operations, assets, profitability or prospects of the Seller; or
 - 1.3.2 the value of the Seller and Assets.
- 1.4 All information which the Seller knows or could reasonably be expected to know and which would be likely to affect the Buyer's decision to purchase the Assets on the terms of this agreement has been fully disclosed to the Buyer in writing.

2 OWNERSHIP OF ASSETS

- 2.1 The Assets:
 - 2.1.1 are legally and beneficially owned by the Seller;
 - 2.1.2 are fully paid for;
 - 2.1.3 are in the possession of the Seller;
 - 2.1.4 will at Completion be free from all Encumbrances of any description and with effect on and from Completion, no other person has or will have any adverse Claim in respect of the Assets; and
 - 2.1.5 so far as the Seller is aware, the Assets are not the subject of any pending actions, claims or demands.
- 2.2 The Seller is entitled to sell and transfer the full legal and beneficial ownership of the Assets to the Buyer on the terms set out in this agreement.

- 2.3 The Seller has not parted with the ownership, possession or control of, or disposed or agreed to dispose of, or granted or agreed to grant any option or right of pre-emption in respect of, or offered for sale, its estate or interest in any of the Assets except in the case of the Inventory only in the normal course of trading.
- 2.4 The Assets comprise all assets necessary for the continuation of the Seller's business as carried on at the date of this agreement.
- 2.5 Neither the Seller nor any Related Party of the Seller has any interest, directly or indirectly, in any business which is or is likely to be competitive with the business of the Seller.
- 2.6 The Seller has not entered into any transaction that could give any person the right to do either of the following:
- 2.6.1 recover any Asset; or
- 2.6.2 receive any payment from the Buyer.

This is the case whether under Division 2 of Part 5.7B of the *Corporations Act 2001* or otherwise.

3 COMPLIANCE WITH THE LAW AND LITIGATION

- 3.1 The Seller has complied with the requirements of any applicable law, statute, regulation and Public Authority, including all legal requirements concerning consumer transactions which affect the operations of the Seller's business.
- 3.2 The Assets include all statutory licences, permits, consents and authorisations necessary for the proper carrying on of the Seller's business.
- 3.3 The Seller is not engaged in any litigation, arbitration or other dispute resolution proceedings, investigations, enquiries or enforcement proceedings and there are no such things pending, threatened by or against the Seller.

4 ACCOUNTS AND FINANCIAL RECORDS

- 4.1 The Accounts give a true and fair view of the state of affairs of the Seller and its business as at the Accounts Date and of the profit and loss of the Seller's business for the period ended on the Accounts Date and are complete and accurate in all respects.
- 4.2 The Accounts have been prepared on a basis consistent with the basis employed in the Seller's accounts for each of the three preceding financial periods.
- 4.3 All accounts, books, ledgers, and other financial records of the Seller's business have been properly maintained and contain accurate records of all matters required to be entered in them by law and give a true and fair view of the matters which ought to appear in them. They are in the possession or under the control of the Seller. They are located at the Business Premises or at the Seller's accountants.

5 COMMERCIAL

- 5.1 All Inventory:
- 5.1.1 is in good repair and condition;
 - 5.1.2 is of good and merchantable quality;
 - 5.1.3 is fit for the purpose for which it is generally sold by the Seller in its business;
 - 5.1.4 conforms to all applicable descriptions, specifications, terms and standards, and all applicable laws, relating to the manufacture, storage, handling and sale of such products; and
 - 5.1.5 will not be the subject of any product liability claims.
- 5.2 The Seller has not supplied, or agreed to supply, any Inventory or other goods:
- 5.2.1 which do not conform to all applicable descriptions, specifications, terms and standards, and all applicable laws, relating to the manufacture, storage, handling and sale of such Inventory and other goods; or
 - 5.2.2 which are, or will be, the subject of any product liability claims.
- 5.3 The Inventory to form part of the Assets to be acquired by the Buyer at Completion will be identical to the Inventory the subject of the Inventory Value.
- 5.4 To the best of the knowledge, information and belief of the Seller, as a result of the proposed acquisition of the Assets by the Buyer neither of the following is the case:
- 5.4.1 no supplier of the Seller's business has ceased or will cease supplying it or the Buyer or has reduced or will reduce its supplies to the business; or
 - 5.4.2 no customer of the Seller's business has terminated or will terminate any contract with it or withdraw or reduce its custom with it.
- 5.5 The Seller has complied with its trading contracts.
- 5.6 Since 30 June 2017, there has been no material change to the terms of trade of the Seller's business, including price. There will be no such change before Completion.
- 5.7 No offer, tender, quotation or similar intimation given or made by the Seller in connection with its business which is capable of giving rise to an agreement merely by the unilateral act of a third party is still outstanding or will be outstanding at Completion, except in the ordinary course of the Seller's business.
- 5.8 The Seller has not manufactured, distributed, bought or sold products which are, have been or will become dangerous, faulty or defective in any material respect, or which do not comply in any material respect with any warranty or representation expressly or impliedly made by it.

- 5.9 Other than in the ordinary course of its business, the Seller has not accepted any obligation to service, repair, maintain, take back or otherwise do anything in respect of any item sold or delivered by it.
- 5.10 The Seller has disclosed to the Buyer a list of all approvals, authorities, consents, licences and permits that are necessary for the Seller to carry on its business relating to the Assets.
- 5.11 The Seller has all approvals, authorities, consents, licences and permits necessary to own and operate assets and to carry on its business as it does at present. The Seller is not aware of anything that might result in the revocation, suspension or modification of any of those approvals, authorities, consents, licences and permits or anything that might adversely affect their renewal. The Seller has complied with all approvals, authorities, consents, licences and permits, and will continue to comply with all of them until Completion.
- 5.12 The Seller is not a party to any agreement, arrangement, understanding or practice requiring authorisation under any legislation or regulation for its legality or validity. The Seller will not become party to any agreement, arrangement, understanding or practice of that type before Completion.
- 5.13 The machinery and plant of the Seller in respect of its business, such as its fixed plant and machinery, and all vehicles and office equipment owned or used by it (including the Assets):
- 5.13.1 are in good repair and condition (subject to fair wear and tear);
 - 5.13.2 are in satisfactory working order;
 - 5.13.3 are and are maintained in accordance with industry best practice standards;
 - 5.13.4 have been properly serviced; and
 - 5.13.5 are not surplus to the requirements of the Seller's business.
- 5.14 The Seller does not carry on business under a name other than those listed in Part 2 of Schedule 4.

6 INTELLECTUAL PROPERTY RIGHTS

- 6.1 No activities of the Seller (or of any licensee under any licence granted by the Seller) in respect of the Assets infringe or are likely to infringe any Intellectual Property Rights of any third party and no claim has been made against the Seller or any such licensee in respect of such infringement.
- 6.2 Prior to the date of this agreement, the Seller has provided to the Buyer copies of all licence and other agreements relating to Intellectual Property Rights to which the Seller is a party (whether as licensor or licensee) or which relate to any Intellectual Property Right. The Seller is not in breach of any such agreement and so far as the Seller is aware no third party is in breach of any such agreement.
- 6.3 All the Intellectual Property Rights and all agreements disclosed in relation to clause 6.2 of this schedule are valid and subsisting. Nothing has been done or omitted to be done by the Seller, and the Seller is not aware of any act or omission of any third party, which would

jeopardise the validity or subsistence of any such Intellectual Property Rights or such agreements.

- 6.4 The Seller owns or has licensed to it all Intellectual Property Rights it requires to carry on its business as it has been carried on during the year prior to the date of this agreement, and all such Intellectual Property Rights are Assets.
- 6.5 The Seller is not aware of any unauthorised use by any person of any Intellectual Property Rights or confidential information of the Seller.
- 6.6 To the best of the Seller's knowledge, no disclosure has been made to any person (except the Buyer) of any industrial know-how or any financial or trade secret of the Seller in connection with its business, except as required by law.
- 6.7 No challenge has been made or threatened by any other person with respect to any of the Intellectual Property Rights.

7 REAL PROPERTY

- 7.1 The Seller has exclusive possession of the Business Premises and is in exclusive occupation of it.
- 7.2 The Business Premises is free from any Encumbrance.
- 7.3 The Business Premises is not subject to any right in favour of any third party, including an easement, profits-à-prendre, public right, common right, way leave, licence, consent or overriding interest.
- 7.4 There are no disputes regarding boundaries, easements, covenants or other matters relating to the Business Premises or its use.
- 7.5 No breach of planning legislation or of any by-laws, building regulations or other relevant legislation has been committed in relation to the Business Premises.
- 7.6 So far as the Seller is aware there are no proposals which would adversely affect the Business Premises including, without limitation, those relating to compulsory purchase or highways works.

8 EMPLOYEES

- 8.1 No Accepted Employee has given, or has been given, notice of termination of his employment or has indicated an intention to terminate his employment.
- 8.2 The Seller has paid all amounts owing to its employees as and when due and payable.
- 8.3 All necessary payroll records regarding the service of each Accepted Employee have been maintained by the Seller.

- 8.4 All statutory workers compensation premiums in respect of the Accepted Employees have been paid by the Seller.
- 8.5 The Seller has not received notice of any breaches or potential breaches of legislation or industrial instruments, proceedings, legal actions, investigations or prosecutions in relation to the employment or engagement of, or termination of employment or engagement of, employees, officers, contractors or consultants, or former employees, officers, contractors or consultants, of the Seller which remain outstanding, and as far as the Seller is aware, there are no facts, matters or circumstances which are likely to constitute such a breach or give rise to such proceedings, legal actions, investigations or prosecutions.
- 8.6 The Seller has complied with the terms of any award or collective agreement covering the Accepted Employees.
- 8.7 The Seller has provided at least the prescribed minimum level of superannuation support for each Accepted Employee so as not to incur a superannuation guarantee charge liability under the *Superannuation Guarantee (Administration) Act 1992* (Cth).
- 8.8 There are no outstanding or unpaid contributions due from the Seller to any superannuation funds into which the Seller makes contributions (or is required to make contributions) on behalf of the Accepted Employees.
- 8.9 No Accepted Employee is entitled to any superannuation benefit that is a 'defined benefit' within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth).

SCHEDULE 4: INTELLECTUAL PROPERTY

Part 1: Trade Marks

None

Part 2: Domain names

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SCHEDULE 5: ACCEPTED EMPLOYEES

SALARIED EMPLOYEES										
Employee Names	Position	Gross Salary	Super	Gross Salary	Hours per Week	Notional Rate	Current Rate	Employment status	Award Class	Award Rate
Bradley DAVIES	Production Manager	77,558	7,368	84,926	38.00	39.25		Full time	Salary	Super
Robert DITTMER	Internal Sales Representative	73,060	6,941	80,001	38.00	36.97		Full time	Salary	9.50%
Glen ROBERTS	Despatch Manager	82,675	7,854	90,529	38.00	41.84		Full time	Salary	

FULL-TIME EMPLOYEES (PER HOUR BASIS)										
Employee Names	Position	Gross Salary	Super	Gross Salary	Hours per Week	Notional Rate	Current Rate	Employment status	Award Class	Award Rate
John COTTERELL	Sieve Production				38.00		24.38	Full time	C12	20.22
Graeme COWANS	Chain Assembly & Despatch				38.00		25.41	Full time	C12	20.22
Bruce DAVIDSON	Despatch 2IC				38.00		25.83	Full time	C12	20.22
Bruce EDWARDS	Sieve Production				38.00		20.14	Full time	C13	19.47
Raymond FERGUSON	Knife Assembly & Despatch				38.00		25.41	Full time	C12	20.22
Dean FITZGERALD	Despatch (Production in off season)				38.00		22.68	Full time	C13	19.47
Kaye HANSON	Senior Accounts/Payroll/OS Ordering				38.00		27.26	Full time	Clerical	
Leigh LEWIS	Despatch (Production in off season)				38.00		23.76	Full time	C13	19.47
Midhun MANNUKADAN	Machine Shop				38.00		26.24	Full time	C11	20.91
Shane McDIARMID	Painter				38.00		25.41	Full time	C12	20.22

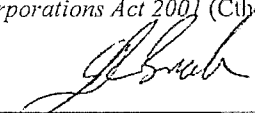
Bryan MITCHELL	All Round Production					38.00			22.21	Full time	C13	19.47
Khai NGO	All Round Production					38.00			20.14	Full time	C13	19.47
Todd STEVENSON	Sheet Metal Press and Guillotine					38.00			28.10	Full time	C10	22.04
William TOLL	Sieve Production					38.00			20.00	Full time	C13	19.47
Mario WICKENDEN	Welder					38.00			25.00	Full time	C11	20.91

EMPLOYEES TO BE MADE REDUNDANT

Employee Names	Position	Gross Salary	Super	Net Salary	Hours per Week	Notional Rate	Current Rate	Employment status	Award Class	Award Rate
David ELLIS	Despatch & Lamb Cradles						25.41	Full time	C13	19.47
Reuben NGATAI	Welder						27.25	Full time	C11	20.91
Sandra PANGBOURNE	Reception and Accounts						28.75	Casual	Casual	
Gregory SARICH	Welder						28.15	Full time	C11	20.91
Peter DAWSON	Chain Assembly				9.00		22.21	Full time	C13	19.47

EXECUTED AS A DEED


EXECUTED by **HARVESTAIRE PTY LTD**
ACN 008 990 118 **ATF THE HARVESTAIRE**
TRUST in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

DEAN RAYMOND BROOKS

Name of director



Signature of director / secretary

Phillip ZANI

Name of director / secretary


EXECUTED by **TEMP VEHICLE PTY LTD**
ACN 630 195 247 in accordance with section 127 of
the *Corporations Act 2001* (Cth):



Signature of director

DAVID ACK

Name of director

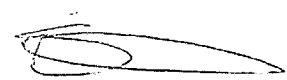


Signature of director / secretary

KEITH S SMITH

Name of director / secretary


EXECUTED by **PHILLIP ZANI** in the presence of:)



Signature of witness

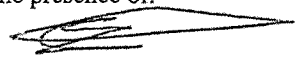
EMMA DURACK

Name of witness



Signature of director / secretary

EXECUTED by DEAN RAYMOND BROOKS in)
the presence of:



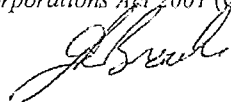
Signature of witness

EMMA DURACK

Name of witness

EXECUTED AS A DEED


EXECUTED by HARVESTAIRE PTY LTD
ACN 008 990 118 ATF THE HARVESTAIRE
TRUST in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

Dean Raymond Brooks

Name of director



Signature of director / secretary

Phillip ZANI

Name of director / secretary

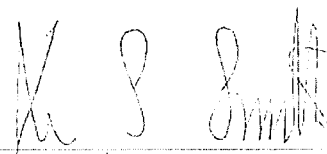
EXECUTED by TEMP VEHICLE PTY LTD
ACN 630 195 247 in accordance with section 127 of
the *Corporations Act 2001 (Cth)*:



Signature of director

DAVID DURACK

Name of director

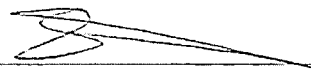


Signature of director / secretary

KEITH S. SMITH

Name of director / secretary

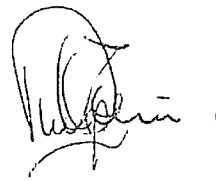
EXECUTED by PHILLIP ZANI in the presence of:)



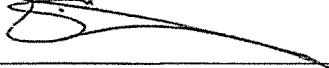
Signature of witness

EMMA DURACK

Name of witness



EXECUTED by DEAN RAYMOND BROOKS in)
the presence of:



Signature of witness

EMMA DURACK

Name of witness

