

**S.T. & M.M. McLEAN
(ABN 59 178 059 576)**

(Lender)

and

**MAYNEW NOMINEES PTY LIMITED
(ACN 125 521 422)
AS TRUSTEE FOR McLEAN FAMILY SUPERANNUATION FUND
(Borrower)**

and

**A.C.N. 620 006 779 PTY LTD
(ACN 620 006 779)
(Security Trustees)**

DEED OF LOAN



Level 2, 45 Watt Street, NEWCASTLE NSW 2300
PO Box 1801, NEWCASTLE NSW 2300
DX 7809 Newcastle NSW
Telephone +61 2 4911 5400 Fax +61 2 9232 1004
Ref: JMG:KMR:378265

THIS DEED is made on

24th November

20 21

BETWEEN

S.T. & M.M. McLEAN (ABN 59 178 059 576) of 226 Union Street, Merewether, New South Wales ("Lender")

and

MAYNEW NOMINEES PTY LIMITED (ACN 125 521 422) AS TRUSTEE FOR McLEAN FAMILY SUPERANNUATION FUND of 226 Union Street, Merewether, New South Wales ("Borrower")

and

A.C.N. 620 006 779 PTY LTD (ACN 620 006 779) of 226 Union Street, Merewether, New South Wales ("Security Trustee")

RECITALS

- A. The Borrower is a complying self-managed superannuation fund for the purposes of the SIS Act.
- B. The Lender has provided the Advance to the Borrower.
- C. Pursuant to the Instalment Warrant Deed, the Borrower has directed the Security Trustee to acquire the Security Property and to hold the Security Property on trust for the Borrower.
- D. The Borrower acknowledges that the Advance is a debt owing by the Borrower to the Lender and enters into this Deed in consideration of the Lender agreeing not to immediately enforce its outstanding debt against the Borrower.
- E. In consideration of the Lender lending the Borrower the Advance, the Borrower agrees to repay the Monies Owing in accordance with the terms of this Deed.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed unless the context or subject matter or circumstances indicate otherwise:

Advance means an amount stated in Item 1 of the Schedule provided or, where the context requires to be provided, under this Deed by the Lender to the Borrower.

Annual Repayment Amount means initially the amount stated in Item 4 of the Schedule being interest at the Interest Rate on the Advance or such other amount as may be recalculated under this Deed.

Business Day means in respect of each payment or other transaction or calculation which needs to be made or done under this Deed or for the purposes of this Deed, a day on which business by and between banks may be carried on in Sydney, New South Wales.

Commencement Date means the date stated in Item 2 of the Schedule.

Event of Default means any of the events, omissions or occurrences specified in clause 8.2.

Final Repayment Date means the date set out in Item 5 of the Schedule, being the date by which all Monies Owing must have been paid by the Borrower.

Instalment Warrant Deed means the instalment warrant deed between the Borrower and the Security Trustee dated 30 June 2017.

Interest Rate means the interest rate set out in Item 3 of the Schedule.

Loan means, at any time and from time to time, the principal amount of the Advance and any interest or other amounts required to be paid by the Borrower to the Lender outstanding at that time.

Loan Purpose means the purpose that the Borrower undertakes to apply the Advance towards as set out in Item 7 of the Schedule and disclosed to the Lender.

Monies Owing means, at any time, the sum of the outstanding balance of the Advance, interest owed on the Advance and any other monies owing by the Borrower to the Lender under or in connection with this Deed.

Mortgage means the real property mortgage over the Security Property as set out in Annexure A.

Repayment Date means the first day of each calendar month commencing after the Commencement Date until the Final Repayment Date.

Related Body Corporate means any body corporate which is related to the Borrower within the meaning given to the term 'related' in section 9 of the *Corporations Act 2001* (Cth).

Schedule means the schedule at the end of, and which forms part of, this Deed.

Security Property means the property known as 7 Warabrook Boulevard, Warabrook being Lot 35 in Deposited Plan 806784.

SIS Act means the *Superannuation Industry (Supervision) Act, 1993* (Cth), the regulations made under that Act and any law which replaces that Act.

1.2 Interpretation

- (a) Words importing the singular number include the plural and vice versa. Any gender includes the other genders. Any reference to a person includes a reference to a corporation, firm, authority, government or governmental agency.
- (b) A reference to legislation or to a legislative provision includes all regulations, orders, proclamations, notices or other requirements under that legislation or legislative provision. It also includes any amendments, modifications or re-enactments of that legislation or legislative provision substituted for, and any statutory instrument issued under, that legislation or legislative provision.
- (c) The clause headings in, and index to, this Deed are for reference purposes only and do not in any way influence or affect the meaning of this Deed.
- (d) A reference to any Deed, agreement, licence, document or other instrument (including this Deed) includes a reference to that Deed, agreement, licence, document or other instrument as renewed, extended, novated, varied or substituted from time to time.
- (e) A reference to any party to this Deed or to any other deed, agreement, licence, document or other instrument required under this Deed or for the purposes of this Deed includes that party's executors, administrators, substitutes, successors and permitted assigns.
- (f) Where under or pursuant to this Deed or anything done under this Deed the day on or by which any act, matter or thing is to be done is not a Business Day such act, matter or thing must be done on the immediately succeeding Business Day.
- (g) Where under or pursuant to this Deed or anything done under this Deed the day on or by which any act, matter or thing is to be done is the 29th, 30th or 31st day of any month in which such a day does not occur, such act, matter or thing must be done on the last day of that month.
- (h) References to clauses are references to clauses of this Deed.
- (i) A reference to winding up or bankruptcy includes bankruptcy, winding up, liquidation, dissolution, becoming an insolvent under administration (as defined in Section 9 of the *Corporations Act, 2001* (Cth)) and being placed

under official management, and to the circumstances and events giving rise to or contributing to such conditions or matters.

2. LOAN TO BORROWER AND MORTGAGE

2.1 Advance

At the Borrower's request, the Lender agrees to advance and lend to the Borrower the Advance for the Loan Purpose. The Borrower covenants with the Lender that the Borrower will not use or attempt to use the Advance for any purpose other than the Loan Purpose disclosed in this Deed without first obtaining the prior written consent of the Lender which may be granted or withheld in its absolute discretion.

2.2 Mortgage

The Borrower acknowledges and agrees that it has received valuable consideration for the entry into this Deed by it and that it benefits by entering into this Deed and the Lender providing the Loan. The Borrower agrees to cause the Security Trustee to grant the Mortgage and agrees to simultaneously, with the execution of this Deed, cause the Security Trustee to execute the Mortgage.

3. REPAYMENT OF LOAN AND PAYMENT OF INTEREST

- (a) The Loan will be repaid by the Borrower to the Lender in full by the Final Repayment Date on the terms set out in this Deed.
- (b) The Borrower must pay interest to the Lender on the Loan at the Interest Rate together with the Annual Repayment Amount on each Repayment Date in each month. Interest will accrue from day to day and will be calculated on the basis of a year of 365 days and for the actual number of days elapsed.
- (c) Where any sum, or any part of any sum, payable by the Borrower under this Deed is not paid to, or as directed by, the Lender on or before its due date for payment, interest will accrue on the outstanding amount. Accrued interest under this clause must be paid by the Borrower to the Lender upon demand by the Lender. Interest will accrue on and from the due date for payment of the outstanding amount up to but excluding its date of payment. It will be computed on a daily basis for actual days elapsed and will be compounded on the last day of each month.
- (d) The Lender may at any time recover any arrears of any Repayment Amount, interest or any other sum outstanding under this Deed as if it were a separate debt without in any way waiving any other rights under this Deed and without giving any prior notice.

4. OTHER PAYMENTS – COSTS AND EXPENSES

The Borrower must on demand by the Lender, pay to, or as directed by the Lender, and indemnify the Lender against all costs, losses, charges, expenses, liabilities, damages, fees and disbursements (including all reasonable legal costs on a solicitor and own client basis) paid or incurred by the Lender of or incidental to:

- (a) any breach of, or default under this Deed by the Borrower (including the fees of all professional consultants properly incurred by the Lender in consequence of or in connection with, any such breach or default);
- (b) the exercise or attempted exercise of any right, power, privilege, authority or remedy of the Lender under or by virtue of this Deed; and
- (c) all taxes (excluding any income tax payable by the Lender), outgoings, penalties, fines, demands, charges or costs, stamp and other duties and assessments imposed by any Court or by any Federal, State or Municipal statutory or other authority or otherwise (including any related bank charges, financial institutions duties and debits taxes) directly or indirectly upon this Deed or any receipt or payment under this Deed.

5. METHOD OF PAYMENT

5.1 Time of Payment

All payments to be made under this Deed by the Borrower to the Lender, or at the direction of the Lender must, unless otherwise specified or agreed by the Lender, be made in Australian dollars in immediately available funds by electronic funds transfer to the nominated bank account of the Lender, not later than 4.00pm Sydney, New South Wales time on the due date.

5.2 Place of Payment

All payments to be made under this Deed by the Borrower to the Lender must be paid to the Lender at the Lender's address herein, or at such other place as the Lender may from time to time direct in writing. Any payment made in any other way (and any payment sent by mail) will be at the Borrower's risk until it is actually received by the Lender.

5.3 No Set-Off or Counterclaim

Notwithstanding any term, whether express or implied, in this Deed or any rule of law or course of conduct to the contrary, payments under this Deed must be made by the Borrower without set-off or counterclaim and free and clear of, and without any, deductions.

6. REPRESENTATIONS AND WARRANTIES

6.1 Borrower's Representations and Warranties

The Borrower represents and warrants to the Lender that:

- (a) **Incorporation:** it is, or is taken to be, registered as a company under the *Corporations Act 2001 (Cth)*, and has the power to carry on its business and to own its property in the manner and in the locations in which such business is presently being carried on or property owned;
- (b) **Corporate Power:** it has full power and authority under its memorandum and articles of association to enter into this Deed and to do all things required by this Deed and all necessary meetings have been held and all resolutions have been passed as are required by its Constitution and any other action necessary to authorise the execution and performance of this Deed has been taken and this Deed will each constitute the legal, valid, binding and enforceable obligations of the Borrower in accordance with their respective terms;
- (c) **No Breach:** except as disclosed in writing to the Lender and dispensed with in writing by the Lender, neither the execution nor the performance of this Deed will violate in any respect any statute, decree, rule or regulation or any determination, order or award of any court or any governmental, judicial or public body or authority applicable to the Borrower; or
- (d) **Compliance with Regulations and Legislation:** the Borrower is in full and ongoing compliance with its Constitution and all companies and securities legislation and regulations and the Borrower is in full and ongoing compliance with all other legislation and regulations to which the Borrower may at any time and from time to time be subject.

6.2 Deemed Repetition

The representations and warranties set out in clause 6.1 will survive the execution of this Deed and will be deemed to be repeated (updated as appropriate) at the expiration of each period of three (3) months after the date of this Deed and on each date of payment of any monies under or pursuant to this Deed.

7. BORROWER'S UNDERTAKINGS

For as long as any Monies Owing remain outstanding under this Deed to the Lender, the Borrower undertakes with the Lender as follows:

- (a) **Further Assurances:** to execute and do, at the expense of the Borrower, all assurances and other things as are reasonably required or requested at any time and from time to time by the Lender for giving effect to, and the full benefit of, the covenants contained or implied in this Deed in favour of the

Lender or to protect the Lender's rights, powers and remedies under this Deed;

- (b) **Compliance with Requirements:** to comply with the requirements of all applicable laws, rules, regulations, orders and decrees of any person, non-compliance with which would, or might in the Lender's opinion, have a material adverse effect on the Borrower's ability to comply with its obligations under this Deed;
- (c) **Event of Default:** to notify the Lender forthwith of the occurrence of any Event of Default or event which, with the giving of notice or the lapse of time or both, would become an Event of Default of which the Borrower becomes aware which either would, or might, in the Lender's opinion, adversely affect the ability of the Borrower fully and promptly to perform its obligations under this Deed;
- (d) **Reduction of Capital:** (if the Borrower is a corporation) not without the Lender's prior written consent to reduce, or permit the reduction of, the issued or paid up share capital of the Borrower;
- (e) **Litigation:** to notify the Lender forthwith of any litigation or administrative or other proceedings initiated or threatened against the Borrower or any of the Borrower's assets where the amount involved is, or could reasonably be expected to be, twenty thousand dollars (\$20,000.00) or its equivalent in any other currency, or more; and
- (f) **Change of Circumstances:** to notify the Lender forthwith of any event or change in the Borrower's circumstances, the effect of which either would or might render any representation or warranty made in this Deed untrue or incorrect in any respect.

8. DEFAULT AND TERMINATION

8.1 Consequences of Default

If any of the events described in clause 8.2 occurs, the Loan, together with all interest accrued on the Loan and not then paid and all other amounts payable under this Deed and unpaid shall, at the option of the Lender and notwithstanding any delay or previous waiver of the right to exercise that option immediately become due and payable without the necessity for any demand or notice to the Borrower.

8.2 Events of Default

Each of the following events is an Event of Default:

- (a) **Failure to pay an Annual Repayment Amount:** if the Borrower fails to pay any Annual Repayment Amount within 5 Business Days of its due date, and

such default continues for more than 10 Business Days after notice from the lender requiring the Borrower to remedy the default;

- (b) **Other Default:** if the Borrower fails to perform or observe any of the covenants or provisions of this Deed on the part of the Borrower to be performed or observed (other than a failure of the type contemplated by clause 8.2(a) and (if capable of remedy) such default continues for more than fifteen (15) Business Days (or such longer period as the Lender in its absolute discretion permits) after notice from the Lender requiring the Borrower to remedy the default, unless the non-performance or non-observance has been waived or excused by the Lender in writing;
- (c) **Winding Up:** if any application for the winding up or bankruptcy of the Borrower or any Related Body Corporate is presented and the Borrower or Related Body Corporate (as the case requires) cannot within fifteen (15) Business Days reasonably satisfy the Lender that the application is frivolous or vexatious or any order is made for the winding up or bankruptcy, or any resolution is passed for the winding up, of the Borrower or any Related Body Corporate except that it will not be an Event of Default where the winding up of the Borrower or the Related Body Corporate (as the case requires) is for the purpose of reconstruction or amalgamation and has the Lender's prior written consent (which consent will not be unreasonably withheld);
- (d) **Receiver etc.:** if a receiver or receiver and manager or provisional liquidator or administrator of the assets and undertaking or any part of the assets and undertaking of the Borrower or any Related Body Corporate is appointed;
- (e) **Execution:** if any execution or other process of any court or authority is issued against, or levied upon, the assets of the Borrower or any Related Body Corporate for an amount exceeding twenty thousand dollars (\$20,000.00) and is not discharged or a stay of execution is not obtained within forty five (45) Business Days or, a stay of execution having been so obtained, the execution or process is not discharged within fifteen (15) weeks after the issue or levy of the execution or process (as the case requires);
- (f) **Unable to Pay Debts:** if without the Lender's prior written consent the Borrower or any Related Body Corporate suspends payment generally or is unable to pay its debts within the meaning of section 460 of the *Corporations Act 2001*;
- (g) **Continued Registration:** if any action is initiated by any competent authority with a view to striking the name of the Borrower or any Related Body Corporate off the register of companies;
- (h) **Insolvency Schemes:** if, without the Lender's prior written consent, the Borrower or any Related Body Corporate enters into any agreement, reconstruction or composition with its creditors or any of them;

- (i) **Official Management:** if the Borrower or any Related Body Corporate is placed under official management or if an inspector is appointed to investigate the affairs of the Borrower or any Related Body Corporate; and
- (j) **Illegality:** the continued performance of the obligations of the Borrower under this Deed contravenes, or might in the Lender's opinion contravene any applicable statute, ordinance, proclamation, rule, order, regulation, moratorium or decree of any governmental or other authority.

8.3 Acceptance of Monies

The Lender may exercise its rights under clause 8.1:

- (a) notwithstanding acceptance of any part of any of the amounts payable under this Deed after the occurrence of any Event of Default; and
- (b) notwithstanding the occurrence of any previous or other Event of Default.

9. APPLICATION OF MONIES

All monies received by the Lender under or by virtue of clause 8.1 will be applied in the following order and manner:

- (a) first, in payment of all costs, charges and expenses properly incurred in, or incidental to, the exercise or performance, or attempted exercise or performance, of any of the powers or authorities conferred on the Lender by this Deed or otherwise arising in relation to this Deed;
- (b) secondly, in or towards payment of such other properly incurred costs, charges and expenses in relation to the enforcement of this Deed as the Lender thinks fit to pay;
- (c) thirdly, in or towards payment to the Lender of interest (if any) on the Loan;
- (d) fourthly, in or towards repayment to the Lender of the Loan;
- (e) fifthly, in or towards payment to, or at the direction of, the Lender of any other amount or amounts payable by the Borrower under this Deed; and
- (f) finally, the surplus, if any, will not carry interest and will be paid to the Borrower.

10. PROTECTION OF LENDER

10.1 Lender not Liable for Losses

The Lender is not answerable for any involuntary losses or irregularities which may occur in, or by, the exercise or non-exercise of any of the powers, rights or remedies conferred on the Lender by this Deed.

10.2 Borrower's Risk

Whenever the Borrower is obliged or required under this Deed to do or effect any act, matter or thing, then the doing of such act, matter or thing will, unless this Deed expressly provides otherwise, be at the sole risk and expense of the Borrower.

11. GENERAL

11.1 Non Merger

None of the terms or conditions of this Deed, nor any act, matter or thing done under or by virtue of, or in connection with, this Deed will operate as a merger of any of the rights and remedies of the Lender in or under this Deed or otherwise. All such rights and remedies of the Lender will continue in full force and effect.

11.2 Statutes not to Abrogate Agreement

Unless application is mandatory by law, no statute, ordinance, proclamation, rule, order, regulation, moratorium or decree of any governmental or other authority, present or future, will apply to this Deed so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise prejudicially affect any rights, powers, remedies or discretions given or accruing to the Lender under this Deed.

11.3 Reimbursement of Lender

To the extent permissible at law, the Borrower must, forthwith upon demand, pay to the Lender an amount equivalent to any monies paid by the Lender in respect of any liability imposed on the Borrower under or by virtue of this Deed, notwithstanding that any statute, ordinance, proclamation, rule, order, regulation, moratorium or decree of any governmental or other authority, present or future, directly or indirectly, imposes such liability upon the Lender.

11.4 Assignments

This Deed is binding on and operates for the benefit of both the Borrower and the Lender and their respective successors and assigns, and neither party may assign this Deed or any of its rights or obligations under this Deed without the prior written consent of the other party.

11.5 Severability and Survival of Covenants

- (a) If any provision of this Deed is, or at any time becomes, prohibited by, or unlawful under, any applicable law, regulation or other condition actually implied or otherwise becomes void or unenforceable, it will be severed from this Deed and rendered ineffective so far as is possible without modifying the remaining provisions of this Deed. The remaining provisions will, to the extent

permitted by the relevant law, regulation or other condition, continue in full force and effect. Where, however, the provisions of any such applicable law, regulation or other condition may be waived, they are waived by the Borrower and the Lender to, but not beyond, the full extent permitted by the law, regulation or other condition to enable this Deed to constitute a valid and binding obligation enforceable in accordance with its terms.

- (b) Any prohibited, unlawful, void or unenforceable provision will be replaced forthwith by an allowable, lawful, effective and enforceable provision which so far as possible achieves the same economic benefit or burden for the Lender and the Borrower as the prohibited, unlawful, void or unenforceable provision was intended to achieve. All obligations of the Borrower under this Deed will survive the expiration or termination of this Deed to the extent required for their full observance and performance.

11.6 Prohibition on Oral Amendments

Neither this Deed nor any provision of this Deed may be amended, modified, waived, discharged or terminated orally.

11.7 No Waiver

Time is of the essence of this Deed. However, no failure or delay by the Lender to exercise any power, right or remedy under this Deed will operate as a waiver of that power, right or remedy. Nor will any single or partial exercise of any power, right or remedy under this Deed preclude any other or further exercise of that power, right or remedy. The Lender will only be taken to have waived any power, right or remedy under this Deed, including its rights in respect of any event of default, to the extent that the power, right or remedy has been expressly waived in writing by a director, secretary or other officer of the Lender whose title includes the word 'manager', irrespective of any previous waiver of any other breach of the same or any other covenant or provision of this Deed, or any other agreement. The powers, rights and remedies provided under this Deed to the Lender are not exclusive of any powers, rights and remedies provided at law or in equity.

11.8 Counterparts

This Deed may be executed in any number of counterparts all of which, when taken together, will constitute one and the same instrument.

11.9 Execution by Attorney

If this Deed is executed on behalf of the Borrower or the Lender by a person authorised to execute it under power of attorney, that person, by his or her execution of this Deed, states that at the time of such execution he or she had no notice of the revocation of that power of attorney.

11.10 Notices

Any notice or demand to be given under, or in relation to, this Deed will be deemed to be duly given or made if it is in writing and, in the case of the Borrower, left at, or sent by pre-paid post to, the Borrower (as the case requires) at his or her place of abode or business known to the officer sending such notice or demand or at the registered office of the Borrower and, in the case of the Lender, if it is in writing and left at, or sent by pre-paid post to, the Lender at its address set out in this Deed. Any notice or demand sent by post will be deemed to have been received by the party to whom it is addressed on the day which in the normal course of post it would have been delivered.

11.11 Governing Law and Submission to Jurisdiction

This Deed will be constructed in accordance with the law of New South Wales in which it is executed by the Lender and the law of New South Wales will be the proper law of the contract. The parties agree to submit to the non-exclusive jurisdiction of the courts of New South Wales and any courts which may hear appeals there from.

12. COSTS

Each party will bear their own costs including those in relation to the negotiation, preparation, execution and stamping of this Deed and of all other deeds, agreements, licences, documents and other instruments to be negotiated, prepared, executed and (if applicable) stamped and registered under or for the purposes of this Deed.

13. LIMITED RECOURSE

Despite any other provision of this Deed, the Lender may not have recourse to the Borrower or its assets. The Lender will only have recourse for the Monies Outstanding under this Deed to the Security Property and its proceeds to be available as a result of a realisation of the Security Property (after payment of enforcement costs etc).

14. SECURITY TRUSTEE MUST COMPLY

The Borrower must ensure that the Security Trustee complies with its obligations under the Mortgage.

SCHEDULE

Item 1: (Advance)	\$1,000,000.00
Item 2: (Commencement Date)	9 th October 2018
Item 3: (Interest Rate)	5.8% per annum fixed for the term of the Advance
Item 4: (Annual Repayment Amount)	15 equal instalments of principal payable on each anniversary of the Commencement Date over the period of the Loan and interest calculated annually to be paid at the same time as the principal
Item 5: (Final Repayment Date)	15 years after the Commencement Date
Item 6: (Security Documents)	Mortgage over the Security Property
Item 7: (Loan Purpose)	Assist with the acquisition of the Security Property as anticipated by the Instalment Warrant Deed

EXECUTED as a deed

EXECUTED by S.T. & M.M. McLEAN)
(ABN 59 178 059 576) in accordance)
with its Constitution and section 127)
of the *Corporations Act 2001* by being)
signed by:)

Signature: ob. ob^cLean

Margaret McLean

Signature: Stan McLean

Stan McLean

EXECUTED by MAYNEW NOMINEES)
PTY LIMITED ACN 125 521 422) AS)
TRUSTEE FOR THE McLEAN FAMILY)
SUPERANNUATION FUND in)
accordance with its Constitution and)
Section 127 of the *Corporations Act 2001*)
by being signed by:)

Signature: ob. ob^cLean

Director

Signature: Stan McLean

Director

EXECUTED by A.C.N. 620 006 779 PTY)
LTD (ACN 620 006 779) in accordance)
with its Constitution and Section 127 of the)
Corporations Act 2001 by being signed by:)

Signature ob. ob^cLean

Director

Signature: Stan McLean

Director

ANNEXURE "A"

MORTGAGE

Form: 05M
Release: 4-2

MORTGAGE
New South Wales
Real Property Act 1900



AQ541952U

PRIVACY NOTE: Section 31B of the Real Property Act 1900 (RP Act) authorises the R by this form for the establishment and maintenance of the Real Property A; the Register is made available to any person for search upon payment of a fee, if an

STAMP DUTY

Revenue NSW use only

(A) **TORRENS TITLE**

35/806784

(B) **LODGED BY**

Document Collection Box 392	Name, Address or DX, Telephone, and Customer Account Number if any SYDNEY LEGAL AGENTS LLP : 128005 Y Reference: 1064 - 518096	CODE M
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(C) **MORTGAGOR**

A.C.N. 620 006 779 PTY LTD (ACN 620 006 779)

mortgages to the mortgagee all the mortgagor's estate and interest in the abovementioned land and covenants with the mortgagee that the provisions set out in the annexure and/or memorandum specified below are incorporated in this mortgage:

(D)

- annexure A hereto
- memorandum No. N.A. filed pursuant to section 80A Real Property Act 1900

(E)

Encumbrances (if applicable):

(F) **MORTGAGEE**

STANLEY THOMAS MCLEAN AND MARGARET MARY MCLEAN

(G)

TENANCY: JOINT TENANTS

DATE

(H) Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the company named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Company: A.C.N. 620 006 779 PTY LTD (ACN 620 006 779)
Authority: section 127 of the Corporations Act 2001

Signature of authorised person:

Signature of authorised person:

Name of authorised person:

DIRECTOR
STANLEY MCLEAN

Name of authorised person:

MARGARET MCLEAN

Office held:

DIRECTOR

I certify I am an eligible witness and that the mortgagee signed this dealing in my presence. [See note* below]

Certified correct for the purposes of the Real Property Act 1900 by the mortgagee.

Signature of witness:

Signature of mortgagee:

Name of witness:

James Matthew Griffiths

Address of witness:

L.2. 45 Watt Street, Sydney

* s117 RP Act requires that you must have known the signatory for more than 12 months or have sighted identifying documentation.

THIS IS ANNEXURE "A" TO THE MORTGAGE BETWEEN A.C.N. 620 006 779 PTY LTD (ACN 620 006 779) ("THE MORTGAGOR") AND STANLEY THOMAS MCLEAN AND MARGARET MARY MCLEAN ("THE MORTGAGEE")

DATED DAY OF 2017 OVER THE LAND IN FOLIO IDENTIFIER 35/806784

The Mortgagor agrees with the Mortgagee as follows:

1 INTERPRETATION

1.1 The following words have the following meanings in this Mortgage unless the contrary intention appears:

"**Authority**" means a judicial, governmental, semi or local governmental, statutory, public body or authority.

"**Collateral Security**" means a present or future Security Interest (other than this Mortgage) to secure or otherwise provide for the payment of the Secured Money.

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

"**Encumbrance**" means any:

- (a) notice under section 255 of the Income Tax Assessment Act, 1936 (Cth) or under any similar provision of State, Territory or Commonwealth law, or
- (b) right in a person other than the Mortgagor to take something from land (known as a profit a prendre), easement, public right of way or restrictive or positive covenant; or
- (c) equity, interest, garnishee order or writ of execution; or
- (d) lease, licence to use or occupy, possession adverse to the Mortgagor, permit or authority; or
- (e) security interest, right of set-off, assignment of income or monetary claim,

or any agreement to create any of them or allow them to exist and "Encumbers" has a corresponding meaning.

"**Event of Default**" has the meaning given to it in clause 10.

"**Insolvency Event**" means the happening of any of these events:

- (a) an application is made to a court for an order or an order is made that a body corporate is to be wound up; or
- (b) an application is made to a court for an order appointing a liquidator or provisional liquidator in respect of a body corporate, or one of them is appointed, whether or not under an order; or
- (c) except to reconstruct or amalgamate while solvent on terms approved by the Mortgagee, a body corporate enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any of them; or
- (d) a body corporate resolves to wind itself up, or otherwise dissolve itself, or gives notice of intention to do so, except to reconstruct or amalgamate while solvent on terms approved by the Mortgagee or is otherwise wound up, or dissolved; or
- (e) a body corporate is or states that it is unable to pay its debts when they fall due, or

Stanley Thomas McLean
Margaret Mary McLean
Stanley Thomas McLean
Margaret Mary McLean

- (f) as a result of the operation of section 459F(1) of the Corporations Act, a body corporate is taken to have failed to comply with a statutory demand; or
- (g) a body corporate is or makes a statement from which it may be reasonably deduced by the Mortgagee that the body corporate is, the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act; or
- (h) a body corporate takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation or an administrator is appointed to a body corporate; or
- (i) a person becomes an "insolvent under administration" as defined in section 9 of the Corporations Act or action is taken which could result in that event; or
- (j) a person becomes bankrupt; or
- (k) a person is unable to pay his or her debts as and when they fall due; or
- (l) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

"Mortgage" means this mortgage given as security by the Mortgagor to secure payment of all Secured Money on the terms and conditions set out in this document.

"Mortgagee" means STANLEY THOMAS MCLEAN AND MARGARET MARY MCLEAN of 226 Union Street, Merewether NSW 2291.

"Mortgagor" means A.C.N. 620 006 779 Pty Ltd (ACN 620 006 779) of 226 Union Street, Merewether NSW 2291.

"Principal Sum" means \$2,000,000.00.

"Secured Money" means all amounts including the Principal Sum of \$2,000,000.00 and Interest which:

- (a) at any time;
- (b) for any reason or circumstance in connection with any agreement, transaction, engagement, document, instrument (whether negotiable or not), event, act, omission, matter or thing whatsoever;
- (c) whether at law, in equity, under statute or otherwise;
- (d) and whether or not of a type within the contemplation of the parties at the date of this Mortgage:
 - (i) are payable, are owing but not currently payable, are contingently owing, or remain unpaid by the Mortgagee; or
 - (ii) the Mortgagee has paid or advanced in the protection or maintenance of the Secured Property or the Secured Interest created by this Mortgage following an act or omission by the Mortgagor; or
 - (iii) are reasonably foreseeable as likely, after that time, to fall within any of the preceding subparagraphs (i) or (ii) above.

"Secured Property" means the land comprised in Folio Identifier 35/806784 known as 7 Warabrook Boulevard, Warabrook, New South Wales 2304.

"Security Interest" means any bill of sale (as defined in any statute), mortgage, charge, lien, pledge, hypothecation, title retention arrangement, trust or power, as or in effect as security for the payment of a monetary obligation or the observance of any other obligation.

"Taxes" means taxes, levies, imposts, deduction, charges, withholdings and duties imposed by any Authority (including stamp and transaction duties), (together with any related interest, penalties, fines and expenses), except taxes imposed on the overall net income of the Mortgagee.

1.2 In this Mortgage unless the contrary intention appears:

- (a) a reference to this Mortgage or another instrument includes any variation or replacement of any of them;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word "person" includes a firm, a body corporate, an unincorporated association or an authority;
- (e) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (f) unless otherwise stated, an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally; and
- (g) unless otherwise stated, an agreement, representation or warranty on the part of two or more persons binds them jointly and severally.

2 CONSIDERATION

2.1 In consideration of the Mortgagee advancing the Principal Sum to the Mortgagor on or about the date of this Mortgage, the Mortgagor covenants with the Mortgagee to secure the repayment of all Secured Money to the Mortgagee on the terms set out in this Mortgage.

3 RESTRICTIONS ON DEALING WITH SECURED PROPERTY

3.1 The Mortgagor may not, without the Mortgagee's prior written consent:

- (a) dispose of, deal with or part with possession of;
 - (i) any estate or interest in the Secured Property; or
 - (ii) rights or benefits in connection with the Secured Property; or
 - (iii) any estate or interest in connection with any lease or licence to use or occupy the Secured Property; or
- (b) create or allow to come into existence an Encumbrance which affects the Secured Property; or
- (c) dedicate for any public purpose, subdivide, consolidate or amalgamate the Secured Property; or
- (d) grant or accept the surrender of any lease of the Secured Property including under the powers of leasing and accepting surrenders of leases conferred by statute or general law; or
- (e) consent to the subletting of, give a licence to use or occupy or part with possession of the Secured Property; or

- (f) release, grant or vary an easement or covenant which affects or benefits the Secured Property;
or
- (g) develop or further develop the Secured Property.

4 PAYMENT OF SECURED MONEY

- 4.1 The parties acknowledge and agree that the Secured Money must be repaid to the Mortgagee without set-off or counterclaim and without deduction of Taxes.

5 INSURANCE COVENANTS

- 5.1 The Mortgagor must:

- (a) keep the Secured Property insured to the extent it is insurable with insurers and on terms approved by the Mortgagee in the names of the Mortgagor and the Mortgagee for their respective rights and interests, for its full insurable value on a replacement and reinstatement basis against fire, the other usual risks against which a prudent owner of property of a similar type to the Security Property would insure, and any other risks reasonably specified by the Mortgagee; and
- (b) maintain with insurers and on terms approved by the Mortgagee (which approval may not be unreasonably withheld) in the names of the Mortgagor and the Mortgagee for their respective rights and interests, public risk and other insurances which a prudent person owning property comparable with the Secured Property would effect or which are reasonably specified by the Mortgagee; and
- (c) pay each insurance premium at least three (3) days before the due date and, on request from the Mortgagee, produce receipts for the payment; and
- (d) not do anything which prejudices any insurance; and
- (e) immediately rectify anything which might prejudice any insurance and reinstate the insurance if it lapses; and
- (f) provide evidence of the currency of the insurances required by this clause 5.1 when requested by the Mortgagee.

6 OTHER COVENANTS BY MORTGAGOR

- 6.1 The Mortgagor must:

- (a) pay all amounts payable in connection with the Secured Property which, if not paid, may become a charge on the Secured Property; and
- (b) keep the Secured Property in good working order and condition; and
- (c) at the Mortgagee's request, promptly rectify defects in the condition of the Secured Property; and
- (d) comply on time with all its obligations in connection with any agreement which imposes an obligation to pay the Secured Money; and
- (e) comply on time with all its obligations in connection with any Encumbrance over the Security Property other than this Mortgage; and
- (f) subject to the rights of any mortgagee under a prior mortgage (where such mortgage has specifically been disclosed to and prior priority accepted by the Mortgagee), deposit with the Mortgagee immediately any documents of title relating to the Secured Property; and

- (g) do everything necessary to ensure that no Event of Default occurs; and
- (h) give the Mortgagee as soon as the Mortgagor receives it any notice or order received from an Authority about the use or condition of the Secured Property; and
- (i) comply with all statutes, rules, regulations, by-laws and ordinances relating to the Secured Property and the terms of any consent issued by any Authority in respect of the Secured Property.

6.2 The Mortgagor must not:

- (a) without the Mortgagee's prior written consent, change the use of the Secured Property which has a material adverse effect on the value or saleability of the Secured Property; or
- (b) increase the amount secured by a Security Interest in the Secured Property other than this Mortgage; or
- (c) do anything which could mean in the reasonable opinion of the Mortgagee that the Secured Property, this Mortgage or a Collateral Security is or is likely to become materially lessened in value or prejudicially affected; or
- (d) without the Mortgagee's prior written consent, pull down or remove from its position at the date of this Mortgage immovable property, buildings, plant, fixtures, fittings or machinery forming part of or used in connection with the Security Property. The Mortgagee may not withhold that consent unreasonably if the pulling down or removal is:
 - (i) necessary because the immovable property, building, plant or machinery is worn out or damaged (when it must be replaced by the Mortgagor with property of a similar nature and of no lesser value); or
 - (ii) required by law or in connection with its refurbishment; or
- (e) do anything on the Secured Property which causes a nuisance or disturbance to the owners, occupiers or users of any nearby land; or
- (f) conduct any noxious, noisome or offensive art, trade, business or calling on the Secured Property; or
- (g) without the Mortgagee's prior written consent, take any steps under any law which could adversely affect the rights of the Mortgagee in relation to the Secured Property; or
- (h) without the Mortgagee's prior written consent, lodge any caveat in respect of the Secured Property; or
- (i) without the Mortgagee's prior written consent, lease or vary a lease of or licence to use or occupy the Secured Property or cause or permit the rent or licence fee payable (if any) under it to be varied to an amount which adversely affects the value of the Secured Property; or
- (j) if the Mortgagor leases the Secured Property together with the use of chattels, remove any of the chattels (except for their repair or replacement in the ordinary course of business).

7 MORTGAGEE'S RIGHT TO RECTIFY

The Mortgagee may do anything which should have been done by the Mortgagor under this Mortgage but which has not been done or which the Mortgagee considers has not been done properly.

8 MORTGAGEE'S RIGHT TO ENTER

8.1 A person authorised by the Mortgagee may enter at all times on the Secured Property to:

- (a) inspect the condition of the Secured Property; or
- (b) determine whether the terms of this Mortgage are being complied with; or
- (c) inspect and take copies of records relating to the Secured Property; or
- (d) investigate the affairs and financial position of the Mortgagor.

8.2 The Mortgagee must give the Mortgagor reasonable notice of entry. The Mortgagor must give the person authorised to enter reasonable assistance including obtaining any necessary consent.

9 REPRESENTATIONS AND WARRANTIES

9.1 The Mortgagor represents and warrants that:

- (a) its obligations under this Mortgage are not void, voidable or unenforceable; and
- (b) it has fully disclosed in writing to the Mortgagee all facts relating to the Mortgagor, this Mortgage, the Secured Property and anything in connection with them which are material to the assessment of the nature and amount of the risk undertaken by the Mortgagee in entering into this Mortgage and doing anything in connection with it; and
- (c) no Event of Default or event which with the giving of notice, lapse of time or fulfilment of any condition would be likely to become an Event of Default continues unremedied; and
- (d) it does not hold any interest in the Secured Property as trustee.

10 DEFAULT

An Event of Default occurs if:

- 10.1 the Mortgagor does not pay the Secured Money in the manner required under this Mortgage; or
- 10.2 the Secured Money becomes payable by the giving of notice, lapse of time or fulfilment of any condition; or
- 10.3 any present or future monetary obligation of the Mortgagor:
 - (a) in connection with money borrowed or raised by it, or any hiring arrangement, redeemable preference share, letter of credit, interest rate swap, currency swap, financial option, future contract or currently exchange agreement to which it is a party:
 - (i) is not satisfied on time or at the end of its period of grace; or
 - (ii) becomes prematurely payable, or can be rendered prematurely payable by the giving of notice, lapse of time or fulfilment of a condition; or
 - (b) to guarantee or indemnify against loss in connection with money borrowed or raised is not discharged at maturity or when called; or
- 10.4 distress is levied or a judgment, order or Encumbrance is enforced, or becomes enforceable against any property of the Mortgagor, or can be rendered enforceable by the giving of notice, lapse of time or fulfilment of any condition; or
- 10.5 a representation or warranty made or taken to be made by or on behalf of the Mortgagor in connection with this Mortgage is found or is notified by the Mortgagor to be incorrect or misleading when made or taken to be made; or
- 10.6 this Mortgage:

- (i) is or becomes wholly or partly void, voidable or unenforceable, or is claimed to be so; or
- (ii) loses the priority which it has at or after the date of this Mortgage (other than by an act or omission of the Mortgagee) or a claim to that effect is made,

in either case, by the Mortgagor, anyone on their behalf or anyone who claims to have an estate or interest in the Secured Property; or

- 10.7 a term of Collateral Security or an agreement in connection with the provision of the Secured Money is not complied with by the Mortgagor or an event described as an event of default in a Collateral Security or in an agreement in connection with the provision of the Secured Money occurs; or
- 10.8 a receiver and manager or controller or administrator (as defined in the Corporations Act) is appointed in respect of any part of the property of the Mortgagor; or
- 10.9 a person is appointed under legislation to investigate or manage any part of the affairs of the Mortgagor; or
- 10.10 an Insolvency Event occurs in respect of the Mortgagor; or
- 10.11 the Mortgagor stops payment of any cheque; or
- 10.12 irrespective of the legal status of the Mortgagor, the Mortgagor does not observe any other obligation under this Mortgage and, if the non-observance can be remedied, does not remedy the non-observance within fourteen (14) days; or
- 10.13 the Mortgagor breaches any of the provisions of clause 3.1; or
- 10.14 the Mortgagor further Encumbers or attempts to further Encumber the Secured Property without the prior written consent of the Mortgagee.

11 POWERS OF MORTGAGEE AND EXCLUSION OF STATUTORY NOTICES

- 11.1 If following an Event of Default the Mortgagee exercises its rights under this Mortgage or takes possession of the Secured Property, it will not be liable to account as mortgagee in possession.
- 11.2 The Mortgagee may give up possession of the Secured Property at any time.
- 11.3 The Mortgagee need not give notice or a demand to the Mortgagor or allow time to elapse before exercising a right, power or remedy under this Mortgage or conferred by law, unless notice or demand or a lapse of time is required by a law which cannot be excluded. If the law requires that a period of notice must be given or a lapse of time must occur or be permitted before a right, power or remedy under this Mortgage or conferred by law may be exercised, then:
 - (a) when a period of notice or lapse of time is mandatory, that period of notice must be given or that lapse of time must occur or be permitted by the Mortgagee; or
 - (b) when the law provides that a notice or lapse of time may be stipulated or fixed by this Mortgage, one day is stipulated and fixed as that period of notice or lapse of time including where applicable, as the period of notice or time during which:
 - (i) default must continue before a notice is given or requirement otherwise made for payment of the Secured Money or the observance of obligations under this Mortgage; and
 - (ii) a notice or requirement for payment of the Secured Money or the observance of obligations under this Mortgage must remain not complied with before the Mortgagee's rights, powers or remedies may be exercised.

- 11.4 Any notice or lapse of time prescribed by section 57 of the Real Property Act, 1900 (not being a notice or lapse of time relating to default in payment of the Secured Money) is dispensed with.
- 11.5 The Mortgagee may let or lease the Secured Property or any part for any period on such terms and conditions as the Mortgagee thinks fit at the best rent which under the circumstances can reasonably be obtained and subject to any covenants, conditions and stipulations as the Mortgagee thinks fit and may accept surrenders of leases and tenancies.
- 11.6 Any moneys arising or obtained by the Mortgagee by the exercise of the powers of the Mortgagee shall be applied first in payment of all costs, charges and expenses incurred by the Mortgagee as incidental to the exercise of such powers or any attempt, threat or otherwise, secondly in discharge of the Secured Money in such order or priority as the Mortgagee deems fit and thirdly in payment of any subsequent mortgages or encumbrances and the residue of the moneys so received shall be paid to the Mortgagor or any other person lawfully entitled. The Mortgagor releases the Mortgagee from any claim for anything done or omitted by the Mortgagee hereunder.
- 11.7 Where there is an Event of Default the Mortgagee may appoint such person as it thinks fit to be a receiver of the income of the Secured Property. A receiver is deemed to be the agent of the Mortgagor who is solely responsible of the receiver's acts and defaults. The receiver has power to demand and recover the income of which he is appointed receiver by action, distress or otherwise in the name either of the Mortgagor or the Mortgagee to the full extent of the estate or interest which the Mortgagor could dispose of and give effectual receipts and exercise any powers which may have been delegated to him by the Mortgagee. A person paying money to the receiver need not be concerned to inquire whether any event has happened to authorise the receiver to act. A receiver may be removed and a new receiver may be appointed by the Mortgagee. The receiver is entitled to retain out of any moneys received by him for his remuneration a commission at such rate not exceeding five per cent on the gross amount of all moneys received or at such other rate or on such other basis as is specified in his appointment together with all moneys actually outlaid by him in the performance of his duties. Subject to the provisions of this Mortgage as to the application of insurance moneys the receiver must apply all money received by him as follows namely:
- 11.7.1 In discharge of rates, Taxes and outgoings whatever affecting the Security Property;
- 11.7.2 In payment of the receiver's commission and of the premiums of fire insurance properly payable under this security and the costs of executing necessary repairs directed in writing by the Mortgagee;
- 11.7.3 In payment of the Secured Money in such order as the Mortgagee determines and pay the residue if any of the money received by the receiver to the person who but for the possession of the receiver would have been entitled to receive the income or who is otherwise entitled to the Secured Property.

12 POWER OF SALE

- 12.1 All powers of sale, entry and possession, ejection, foreclosure, appointment of receivers, insurance and all other powers contained in any statute may be fully exercised by the Mortgagee in respect of the Secured Property despite any omission, neglect or waiver of the right of sale on any former occasion and whether before or after the registration of this Mortgage. Each such power is in addition to the powers conferred on the Mortgagee by this Mortgage. No power conferred by this Mortgage will be taken to limit in any respect any power conferred or implied by any statute, and no power conferred or implied by any statute will be taken to limit in any respect any power conferred by this Mortgage.

13 SALE

- 13.1 Upon a sale under the Mortgagee's power of sale without prejudice to the Mortgagee's powers referred to in any statute, the Mortgagee may sell the Secured Property in subdivision and may sell and grant surface or subterranean or mineral rights and may grant, dedicate or reverse such road ways and easements out of or over the Secured Property as the Mortgagee thinks fit either gratuitously or otherwise and make any agreement with or submit to the requirements of any Authority with respect to any dealing with the Secured Property and may expend moneys on the making of such

roads in terms of the requirements of any local Authority or other body or person having power in such matters and such moneys will form the date of paying or incurring them be Secured Money and may allow any purchaser time or payment of the whole or any part of the purchase money with or without interest and either with or without security and may sell by any form of contract customary or usual where the Secured Property is situated in sales of land as between registered proprietor and purchaser. In applying the purchase money towards satisfaction of the Secured Money the Mortgagor will be credited only with so much of the moneys available for that purpose from the time of such receipt. All purchase money left outstanding on credit or otherwise will until actually received by the Mortgagee in cash be deemed a continuing unsatisfied part of the Security Money.

14 NON RELEASE

- 14.1 This Mortgage will not become extinguished or deemed to be discharged by the payment or satisfaction at any time of the Secured Money until the execution of a release in a form capable of registration and until such time remains and is a continuing security securing repayment of the Secured Money.

15 SALE CONDITION

- 15.1 In addition to the powers conferred by statute on mortgagees, the Mortgagor authorises the Mortgagee in any contract for sale to include conditions for obtaining or allowing compensation for any errors in the description of the property or for any other matters in any contract or particulars of sale. On any such sale any time may be allowed for payments of the whole or any part of the purchase money either with or without interest in the meantime and if with interest at any rate and either with or without interest in the meantime and if with interest at any rate and either with or without security. The Mortgagee is also empowered to rescind or vary any contracts for sale without being liable for losses.

16 NON RESPONSIBILITY

- 16.1 The Mortgagee is not responsible for any loss which may happen in the exercise or attempted exercise or through the non-exercise of any powers or rights contained in or incidental to this Mortgage nor for any money that actually comes to its hands nor for the acts, neglect or dishonesty of any auctioneer, servant or agent employed by it.

17 NO ENQUIRY

- 17.1 No purchaser at any sale to be made under the power of sale contained in this Mortgage need be concerned to inquire whether the Secured Money has been paid by means of any other security or whether any money is in fact owing upon this Mortgage and no such purchase will be affected by notice express or constructive that the Secured Money has been actually paid.

18 MORTGAGOR TO EXECUTE

- 18.1 The Mortgagor will execute every such deed, instrument or assurance and do every such thing for further or more effectually securing the rights or interests of the Mortgagee to or in the Security Property and to perfect this Mortgage.

19 NON SANCTION

- 19.1 No waiver by the Mortgagee of any breach by the Mortgagor will be deemed a sanction or waiver of any continuing or recurring breach and the rights and remedies expressed or implied by this Mortgage will not be prejudiced or affected by any time or any indulgence granted to the Mortgagor.

20 ATTORNEY

- 20.1 For consideration the Mortgagor irrevocably appoints the Mortgagee, the attorney of the Mortgagor in the name of the Mortgagor or of the Mortgagee to do all such acts and execute all such instruments, deeds and documents of every description whether for registration or otherwise which may be necessary or which the Mortgagee considers are reasonably required for perfecting or assisting in the perfection of any act, matter or thing done or attempted by the Mortgagee or any person authorised by

the Mortgagee to be done and to appoint solicitors, conveyancers and other agents and persons for any of those purposes and to delegate any of the powers to any person or corporation and to procure the registration of any instrument or deed and to collect any moneys payable on any account including insurance moneys and to execute all such releases, discharges and acquittances as the Mortgagee may think necessary and to settle, adjust, assess, compound and submit to arbitration any claim or question and to compromise any matter or claim and the Mortgagor will ratify and confirm the actions of the Mortgagee in the lawful exercise of these rights.

21 GST

- 21.1 All payments to be made by the Mortgagor under or in connection with this Mortgage or any transaction evidenced or contemplated by this Mortgage have been calculated without regard to GST.
- 21.2 If all or part of any such payment is the consideration for a taxable supply for GST purposes then, when the Mortgagor makes the payment.
- 21.2.1 It must pay to the Mortgagee an additional amount equal to that payment (or part) multiplied by the appropriate rate of GST (currently 10%); and
- 21.2.2 The Mortgagee must, upon written request, provide to the Mortgagor a tax invoice complying with the relevant GST legislation.
- 21.3 Where under this Mortgage the Mortgagor is required to reimburse or indemnify for an amount, the Mortgagor (as the case may be) will pay the relevant amount (including any such in respect of GST) less any GST input tax credit the Mortgagee determines that it is entitled to claim in respect of that amount.

22 COSTS, CHARGES, EXPENSES AND INDEMNITIES

- 22.1 The Mortgagor indemnifies the Mortgagee against any liability or loss arising from, and any costs, charges and expenses incurred in connection with:
- 22.1.1 An event or Default; or
- 22.1.2 Actions, proceedings, costs, claims and demands in connection with the Secured Property (including those arising from the use or occupation or presence of any person on the Security Property),
- including in each case legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher.
- 22.2 The Mortgagor must pay to the Mortgagee an amount equal to any liability, loss, costs, charges or expenses of the kind referred to in clause 22.1 suffered or incurred by:
- 22.2.1 Any receiver or other controller (as defined in the Corporations Act) appointed under or by virtue of this Mortgage or any attorney appointed under this Mortgage; or
- 22.2.2 Any employee, officer, agent or contractor of the Mortgagee or an entity referred to in clause 22.2.1.
- 22.3 Anything which the Mortgagor is required to do under this Mortgage must be done at the Mortgagor's cost.
- 22.4 The Mortgagor is liable for all stamp duty and all other duties and Taxes including, without limitation, any fines or penalties arising directly or indirectly in respect of this Mortgage and any transaction contemplated in this Mortgage.

23 NOTICES

23.1 A notice, approval, consent or other communication in connection with this Mortgage:

- (a) must be in writing unless expressly specified otherwise; and
- (b) must be given or served in a manner authorised by law or by being left at the address of the addressee or sent by prepaid ordinary post (airmail if posted to or from a place outside Australia) to the address of the addressee below or such other address as may be notified:

Mortgagor's Address for Service:
226 Union Street, Merewether NSW 2291

Mortgagee's Address for Service:
226 Union Street, Merewether NSW 2291

23.2 Unless a later time is specified in a notice, approval, consent or other communication takes effect from the time it is received.

23.3 A letter or facsimile is taken to be received:

- (a) in the case of a posted letter on the third day (seventh day if posted to or from a place outside Australia) after posting; and
- (b) in the case of a facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient notified for the purpose of this clause.

24 SECURITY INTERESTS AND ASSIGNMENT

The Mortgagor may not, without the Mortgagee's consent, create or allow to exist a Security Interest over an interest in the Mortgage or assign or otherwise dispose of or deal with its rights under this Mortgage. The Mortgagee at any time may do any of those things as the Mortgagee sees fit.

25 MISCELLANEOUS

Waiver and Variation

25.1 A provision of or a right created under this Mortgage may not be waived or varied except in writing signed by the party or parties to be bound.

Supervening legislation

25.2 Any present or future legislation which operates to vary the obligations of the Mortgagor in connection with this Mortgage, the Secured Money or the Secured Property with the result that the Mortgagee's rights, powers or remedies are adversely affected (including by way of a delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

Remedies cumulative

25.3 The rights, powers and remedies provided in this Mortgage are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this Mortgage.

Set-off

25.4 At its sole discretion the Mortgagee may apply (without notice) any credit balance in any currency in any account of the Mortgagor with the Mortgagee towards satisfaction of any amount then payable by the Mortgagor to the Mortgagee under this Mortgage. The Mortgagor authorises the Mortgagee in the

name of the Mortgagor to do anything (including to execute any document) that is required for that purpose.

Indemnities

25.5 Each indemnity in this Mortgage is a continuing obligation, separate and independent from the other obligations of the Mortgagor and survives termination of this Mortgage. It is not necessary for the Mortgagee to incur expense or make payment before enforcing a right of indemnity conferred by this Mortgage.

26 GOVERNING LAW, JURISDICTION AND SERVICE OF PROCESS

26.1 The Mortgage is governed by the law in force in New South Wales.

26.2 Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them. Each party waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

26.3 Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of notices under clause 23.

Dated DO NOT DATE day of 2017

EXECUTED by STANLEY THOMAS)
MCLEAN AND MARGARET MARY)
MCLEAN pursuant to section 127 of the)
Corporations Act in the presence of:)

dp dblean
.....
Margaret Mary McLean
Director/Secretary

[Signature]
.....
Director Stanley Thomas McLean

James Matthew Griffiths (witness)
James Matthew Griffiths
Level 2, 45 Watt Street Newcastle

EXECUTED by A.C.N. 620 006 779 PTY)
LTD (ACN 620 006 779) pursuant to section)
127 of the Corporations Act in the presence)
of:)

dp dblean
.....
Director/Secretary

[Signature]
.....
Director