

Dealing Number Leased to related party at market rate, being 2.2% of the market value of the land (reasonable return for farm land)



OFFICE USE ONLY

Rental increase was not processed on anniversary, client has been advised and catch up made in Oct 2022

Privacy Statement

Collection of information from this form is authorised by legislation and is used to maintain publicly searchable records. For more information see the Department's website.

1. Lessor	Lodger (Name, address, E-mail & phone number)	Lodger Code
VOHLAND GROUP SMSF PTY LTD ACN 645 806 177 AS TRUSTEE	Cooper Grace Ward GPO Box 834, Brisbane 4001 Laura.gahan@cgw.com.au T 323122903 Ref: 10240706	131B

2. Lot on Plan Description	Title Reference
LOT 110 ON CP W312464	17331042
LOT 102 ON SP 221749	50757635

3. Lessee	Given names	Surname/Company name and number	(include tenancy if more than one)
		PHILANNI FARM PTY LTD ACN 645 805 830	

4. Interest being leased
FEE SIMPLE

5. Description of premises being leased
THE WHOLE OF THE LAND

6. Term of lease
 Commencement date/event: 22/01/2021
 Expiry date: 21/01/2026
 *Options: 1 X 5 YEARS
 #insert nil if no option or insert option period (e.g. 3 years or 2 x 3 years)

7. Rental/Consideration
REFER ATTACHED SCHEDULE

8. Grant/Execution

The Lessor leases the premises described in item 5 to the Lessee for the term stated in item 6 subject to the covenants and conditions contained in the attached Schedule.

Execution Date 18/1/21

Executed by
 a Director and
 a Director/Secretary on behalf of VOHLAND
 GROUP SMSF PTY LTD ACN 645 806 177
 AS TRUSTEE as Trustee in accordance with
 the Company's Constitution

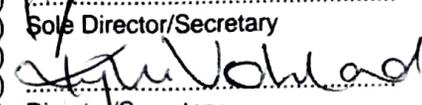
)  Lessor's Signature
)
) Director
) 
)
) Director/Secretary

9. Acceptance

The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

Execution Date 18/1/21

Executed by
 a Director and
 a Director/Secretary on behalf of PHILANNI
 FARM PTY LTD ACN 645 805 830 in
 accordance with the Company's Constitution

)  Lessee's Signature
)
) Sole Director/Secretary
) 
)
) Director/Secretary

Title Reference 17331042

Contents

Items schedule	4
1 Duration of lease	6
Duration	6
Option for further lease	6
Monthly tenancy when Lease expires	6
2 Lessee's payments	6
Rent	6
Fixed Increase in Rent	7
Current Market Rent	7
Interim Rent	8
Tenancy charges	8
Lessor's Outgoings	8
Duties and costs	8
Interest	9
GST	9
3 Use of property	10
Permitted use	10
Compliance	10
Management	10
Noxious use	10
Rural and Agri Business Practices	10
Maintain fences	10
Maintain improvements	11
Not to cut timber or otherwise alter land	11
Maintain drains and water courses	11
Use of water resources	11
Use of Lessor's property	12
Notification to relevant authorities	12
Lessee to honour access rights granted by Lessor	12
4 Repairs and alterations	12
Good repair	12
Lessor's inspection	12
Notice of repair	13
Lessor's repair	13
Repair at the end of the Lease	13
Lessee's fixtures at the end of the Lease	13
5 Insurance	14
Lessee's insurance	14
Policy	14
Additional premiums	14
Prejudice of insurance	14
Flammable substances	14
Fire regulations	14
6 Release indemnity and Trustee's liability	14
Exemption of Lessor from liability	14
Indemnity	15
Assignment by original Lessor	15
Lessee a Trustee	15

Title Reference 17331042

	Lessor's liability as Trustee	16
7	Assignment and subletting	16
	Restriction in dealing	16
	Consent	17
	Assignee	17
	Formalities	17
	Fees	17
	Corporate Lessee	17
	Mortgage of Lease	17
8	Quiet enjoyment	18
	Quiet enjoyment	18
	Management	18
9	Default	18
	Essential terms	18
	Lessor's right to terminate	19
	Amount recoverable by Lessor	19
	Lessor's rights against Lessee's property	19
10	Resumption destruction or damage to the Property	19
	Resumption	20
	Lessee's damage	20
	Continuing liability of Lessee	20
	Adjustment for unusable Property	20
	Use of part of the Property	20
11	General	20
	Construction	21
	Notices	21
	Consent or approval of Lessor	21
	Lessee not to prejudice head lease	21
	Saturdays Sundays and public holidays	21
	Law	21
	Notice before Lessor liable	21
	Lessor's powers	22
	Lessee's cost	22
	Lessee's actions	22
	Money payable on demand	22
	Joint and several	22
	Waiver	22
	No merger	22
	Severability	22
12	Compliance with environmental laws	22
	Definitions	22
	Compliance with laws	23
	Remediation	23
13	Definitions	23

Title Reference 17331042

Items schedule

- | | |
|---------------|---|
| Item 1 | Lessor
VOHLAND GROUP SMSF PTY LTD ACN 645 806 177 AS TRUSTEE
<i>Address for service</i>
31 Shaws Pocket Road, Luscombe Qld 4207
<i>Name of Trust</i>
Vohland Group SMSF |
| Item 2 | Lessee
PHILANNI FARM PTY LTD ACN 645 805 830
<i>Address for service</i>
Lot 102 Duck Creek Road, Kerry Qld 4285 |
| Item 3 | Period of option
1st Option – commencing on 22 January 2026 and expiring on 21 January 2031 |
| Item 4 | First year's Rent
\$18,200 per annum plus GST |
| Item 5 | Fixed percentage increase
2% |
| Item 6 | Fixed Increase Review Date
Each anniversary of the Commencement Date excluding a Market Review Date |
| Item 7 | Market Review Date
If the Lessee exercises an option, the first day of the option |
| Item 8 | Is the Lessee required to contribute to the Lessor's Outgoings
Yes |

Title Reference 17331042

- Item 9 **Agreed Proportion**
100%

- Item 10 **Permitted Use**
Grazing, crop production/harvesting and farming activities only

- Item 11 **Amount of public liability insurance**
\$20,000,000

Title Reference 17331042

1 Duration of lease

Duration

- 1.1 The Lease commences on the Commencement Date in item 6 of the Form 7 and the initial term expires at midnight on the Expiry Date in item 6 of the Form 7.

Option for further lease

- 1.2 If the Lessee:
- (a) wishes to take a further lease of the Property for the next further period specified in Item 3;
 - (b) gives the Lessor not less than six months' notice before the Expiry Date;
 - (c) is not in breach of the Lease (the breach being one for which the Lessor has given the Lessee notice):
 - (i) when it gives notice; or
 - (ii) on the Expiry Date;

the Lessor must grant the Lessee a lease for the next further period on the same terms as this Lease, BUT:

- (d) the rent for the first year must be calculated as if the first day of the new lease is a Market Review Date;
- (e) the Lessor may make other amendments that it considers necessary to reflect any changes in the Property or its management; and
- (f) the lease for the last option period will not contain an option for a further lease.

Monthly tenancy when Lease expires

- 1.3 If the Lessee occupies the Property after the Expiry Date or earlier termination of the Lease with the consent of the Lessor, it does so as a monthly Lessee on the following conditions:
- (a) The conditions of the tenancy are the conditions in this Lease that apply on the Expiry Date.
 - (b) The Lessor or the Lessee may terminate the monthly tenancy on any day by giving one month's written notice to the other.

2 Lessee's payments

Rent

- 2.1 The Lessee must pay rent to the Lessor (**Rent**) in accordance with this clause 2.
- 2.2 The Lessee must pay:
- (a) the first instalment on the Commencement Date; and
 - (b) each subsequent instalment on the first day of each subsequent month.
- 2.3 Each instalment (except the first and the last) is for a period of one month. The first instalment is for the period beginning on the Commencement Date and ending on the last day of that month. The last instalment is for the period beginning on the first day of the month including the Expiry Date and ending on the Expiry Date.
- 2.4 The amount of an instalment for one month is one-twelfth of the annual Rent. An instalment for less than one month is proportionate.

Title Reference 17331042

2.5 The Rent for the first year of the term is that detailed in Item 4.

Fixed Increase in Rent

2.6 On each Fixed Increase Review Date the Rent will be increased by the percentage in Item 5.

Current Market Rent

2.7 On each Market Review Date the Rent will be changed to the greater of the Current Market Rent and the Rent for the preceding year.

2.8 The Current Market Rent is the amount on which the Lessor and Lessee agree within one month after the Market Review Date, or if they do not agree within that time, then the amount determined in accordance with the following provisions.

2.9 The Lessor and the Lessee must use their best endeavours to agree on the Rent to apply from each Market Review Date.

2.10 The Lessor and the Lessee must use their best endeavours to agree on the Current Market Rent within one month after each Market Review Date.

2.11 If they have not agreed in writing within one month after each Market Review Date either party may request the president of the Australian Property Institute (Queensland Division) to appoint an appropriately qualified valuer to determine the Current Market Rent. The president may appoint a substitute if that valuer dies, becomes ill or does not act within a reasonable time.

2.12 To be appropriately qualified a valuer must be practising at the time and have at least 5 years recent experience in valuing property similar to the Property.

2.13 The valuer must calculate the Current Market Rent:

- (a) making the Assumptions;
- (b) disregarding the Disregarded Matters; and
- (c) having regard to the Criteria.

2.14 The Assumptions are:

- (a) the Property is equipped for immediate use;
- (b) the Lessee or any predecessor in title has not carried out work on the Property that has diminished their rental value;
- (c) the Lessee has fully performed its obligations under this Lease;
- (d) the Property is available to let:
 - (i) by a willing Lessor to a willing Lessee;
 - (ii) as a whole;
 - (iii) with vacant possession;
 - (iv) subject to the provisions of this Lease (except the amount of rent but including the provisions for rent review); and
 - (v) for a period equal to the residue of the term of this Lease.

Title Reference 17331042

2.15 The Disregarded Matters are:

- (a) occupation of the Property by the Lessee or any predecessor in title;
- (b) any goodwill attached to the Property because the Lessee or any predecessor in title has carried on business at the Property; and
- (c) any voluntary improvement to the Property that the Lessee or any predecessor in title has carried out with the Lessor's consent.

2.16 The Criteria are:

- (a) the rental value at the Market Review Date of comparable premises; and
- (b) that the Property can be used for any use permitted by the Local Authority.

2.17 The Lessor and the Lessee must each pay one half of the valuer's fees.

Interim Rent

2.18 Until the new Rent is determined the Lessee must pay the Rent as applied as at the end of the previous year. The parties must make an appropriate adjustment within 14 days after the new Rent is determined.

Tenancy charges

2.19 The Lessee must:

- (a) pay the Lessor for any assessments it receives for trade waste, water by measure and other costs that the Lessor reasonably determines to have been incurred in respect of the Property as a result of a particular use by the Lessee of the Property; and
- (b) pay for all Specific Outgoings.

Lessor's Outgoings

2.20 The Lessee must pay the Agreed Proportion of the Lessor's Outgoings.

2.21 Subject to clause 2.22 the Lessee must pay the Agreed Proportion of the Lessor's Outgoings within 14 days after the Lessor serves the notice on the Lessee requiring payment.

2.22 If the Lessor makes an estimate of the Lessor's Outgoings for an Accounting Year and gives the Lessee notice of that estimate, the Lessee must pay in advance to the Lessor one twelfth of that estimate on the first day of each month when the Lessee pays Rent. Each instalment is for a period of one month commencing on the first day of each month. If the first and last instalments for a period do not fall on the first of a month then payments for those periods will be proportionate.

Duties and costs

2.23 The Lessee must pay:

- (a) duties under the *Duties Act 2001* (Qld), which include duties payable on:
 - (i) an assignment of Lease (including a deed of consent);
 - (ii) a subletting (including a deed of consent);
 - (iii) a licence (including a deed of consent); and
 - (iv) the surrender or termination of the Lease other than at the Expiry Date.

Title Reference 17331042

- (b) costs, charges and expenses incidental to:
 - (i) if required by the Lessor, preparing, negotiating, stamping and registering the Lease;
 - (ii) an application for consent even if consent is not given;
 - (iii) an assignment subletting or dealing with the Lease even if the dealing does not proceed;
 - (iv) a surrender, termination or attempted termination of the Lease;
 - (v) obtaining the consent of the Lessor's Mortgagee to the Lease or to any dealing under the Lease;
 - (vi) any lawful notice given to the Lessee pursuant to the Lease;
 - (vii) the Lessor re-entering or attempting to re-enter the Property;
 - (viii) any proceedings that the Lessor brings to enforce the Lessee's performance of the Lease; and
 - (ix) any other costs that the Lessor incurs because the Lessee breaches the Lease; and
- (c) registration fees on:
 - (i) the Lease; and
 - (ii) any amendment, variation, assignment or surrender of the Lease.

Interest

- 2.24 The Lessee must pay interest on any overdue amount to the Lessor.
- 2.25 The Lessor must calculate interest on the first business day of each month:
 - (a) on each daily balance due but not paid by the Lessee to the Lessor on any account;
 - (b) from the due date of the payment until payment in full is received.
- 2.26 The interest rate is 2% more than the contract rate fixed by the Queensland Law Society Incorporated for the standard residential and commercial contracts. If the fixing of that rate is discontinued, the interest rate is 2% more than the last contract rate fixed by the Queensland Law Society Incorporated.
- 2.27 Unpaid interest is capitalised on the last day of each month.

GST

- 2.28 All amounts that the Lessee is required to pay to the Lessor under this Lease are exclusive of GST.
- 2.29 If any payment made by the Lessee under this Lease is as a result of a Taxable Supply by the Lessor, then, in addition to the payment, the Lessee must, and at the same time as it makes the payment, pay to the Lessor an additional amount equal to the GST payable by the Lessor on the Taxable Supply.
- 2.30 If any Outgoings payable by the Lessee to the Lessor include an amount for GST, and the Lessor is entitled to an Input Tax Credit for the amount of GST, then the amount of the outgoing payable by the Lessee will be reduced by the applicable Input Tax Credit;
- 2.31 The Lessor must provide the Lessee with a Tax Invoice in respect of any amount of GST payable by the Lessee.

Title Reference 17331042

3 Use of property

Permitted use

3.1 The Lessee must use the Property only for the purpose in Item 10.

Compliance

3.2 The Lessee must comply with all laws and requirements of authorities that relate to:

- (a) the Property;
- (b) the Lessee's business;
- (c) the Lessor's property; and
- (d) the Lessee's use and occupation of the Property.

Management

3.3 The Lessee must comply with the reasonable requirements of the Lessor or its Manager in relation to the proper management of the Property.

Noxious use

3.4 The Lessee must not do anything at the Property that is:

- (a) unlawful;
- (b) offensive;
- (c) hazardous; or
- (d) likely to cause nuisance, injury or unreasonable disturbance to any other person.

Rural and Agri Business Practices

3.5 The Lessee must employ best practice methods of farming and grazing having regard to the locality of the Land in conducting the Permitted Use.

3.6 The Lessee must use only approved fertilizers, pesticides and other additives in carrying out the Permitted Use and must not use any substances that are illegal, unapproved or not considered to be suitable or appropriate for the soil in the locality of the Land.

Maintain fences

3.7 The Lessee must maintain all fences on the Land and regularly check the fences to ensure they are adequate for the purpose for which they were constructed;

3.8 The obligations of the Lessee under this clause extend to any fences that may be erected by the Lessor after the Commencement Date on the Land.

Title Reference 17331042

Maintain improvements

- 3.9 The Lessee must maintain all improvements (if any) erected on the Land in good order and condition, having regard to their condition as at the Commencement Date together with any other improvements that the Lessor may after the Commencement Date erect on the Land.
- 3.10 The Lessee's obligations under this clause do not extend to repairs or maintenance of a capital nature unless caused by the negligent act or omission of the Lessee or any agent, employee or contractor of the Lessee.
- 3.11 The Lessee must notify the Lessor immediately it discovers any damage has been caused to improvements on the Land.

Not to cut timber or otherwise alter land

- 3.12 Subject to the other provisions in this Lease regarding the removal of weeds and any other noxious plants, the Lessee must not, without the prior written consent of the Lessor and the local authority (where applicable):
- (a) cut or remove any timber or other native or remnant vegetation on the Land;
 - (b) alter any contours on the Land;
 - (c) excavate any areas on the Land or build any dams or other similar structures or works; or
 - (d) erect any further improvements on the Land.
- 3.13 The Lessee acknowledges that the Lessor is not bound to agree to the Lessee carrying out any such works and may in its sole and absolute discretion refuse consent, grant consent or grant consent subject to any conditions the Lessor considers reasonable.

Maintain drains and water courses

- 3.14 The Lessee must maintain all drains leading to ground tanks in good working order and condition, having regard to their condition as at the Commencement Date.
- 3.15 The Lessee must maintain any water courses on the Land in good and flowing (where appropriate) condition and remove any vegetation, weeds or other material that may obstruct the good and natural flow of water in the water courses.

Use of water resources

- 3.16 The Lessee will have during this Lease the right to use all natural water on the Land and the Lessor will not restrict, hinder or obstruct any access of the Lessee to naturally occurring water resources on the Land.
- 3.17 The Lessee must during this Lease do all such acts and things to maintain the water catchments occurring naturally on the Land to the intent that they are left at the end of this Lease in no worse condition than they were in at the Commencement Date.
- 3.18 The Lessee will not have any right to use any water allocations or licences held by the Lessor in respect of the Property or water courses running through or near the Property unless the right is specifically granted in this Lease. The Lessee must not obstruct the Lessor or any persons to whom the Lessor has granted the right to use any such water allocations or licences from exercising their rights in respect of the water allocations or licences.

Title Reference 17331042

Use of Lessor's property

- 3.19 The Lessee has the right during this Lease to use any improvements erected on the Land and the Lessor's property including any residences, grain sheds, silos, cattle yards and other structures, subject to the terms of this Lease with respect to the maintenance of those items and the condition in which they are to be left when this Lease ends.

Notification to relevant authorities

- 3.20 The Lessee must at its own cost attend to the eradication of all and any noxious weeds, plants and feral animals located or found on the Land and notify the Lessor of any matters that require notification to the relevant federal, state or local government authorities.
- 3.21 Any dispute as to the classification of a weed, plant or animal as noxious or feral or the method of eradication must be referred to a responsible officer of the relevant federal, state or local government authority having jurisdiction over the matter whose decision will be final and binding upon the parties.

Lessee to honour access rights granted by Lessor

- 3.22 The Lessee must not obstruct any persons to whom the Lessor has given a right of access through the Land before the Commencement Date via stock routes or similar rights or vehicles or animals under those persons' control or authority.
- 3.23 The Lessor must consult with the Lessee in respect of any access rights the Lessor intends to grant after the Commencement Date.

4 Repairs and alterations

Good repair

- 4.1 The Lessee must at its expense, keep the Property and any external signs and the Lessor's fixtures and property:
- (a) in good repair and working order; and
 - (b) in accordance with the Lessor's requirements.
- 4.2 The obligation to maintain does not extend to damage caused by:
- (a) reasonable wear and tear; or
 - (b) Insured Risks - unless the Lessee caused or contributed to the damage so that the Lessor is either unable to make an insurance claim or to recover the full amount that would otherwise have been paid out by the insurance company to the Lessor.

Lessor's inspection

- 4.3 The Lessor may enter the Property to view their state of repair:
- (a) at reasonable times after giving the Lessee reasonable notice; or
 - (b) if there is an emergency, without notice.

Title Reference 17331042

Notice of repair

- 4.4 The Lessor may serve the Lessee with a written notice requiring the Lessee to
- (a) repair a defect that is the Lessee's responsibility, or
 - (b) comply with its other obligations under this Lease
- 4.5 If the Lessee does not carry out those repairs or comply with those other obligations within a reasonable time, the Lessor may enter the Property and do so, at the Lessee's expense
- (a) at reasonable times after giving the Lessee reasonable notice, or
 - (b) if there is an emergency, without notice

Lessor's repair

- 4.6 The Lessor may enter upon the Property to carry out any work it considers necessary for the preservation or maintenance of the Property or to install, construct or carry out any further improvements it wishes to make
- (a) at reasonable times after giving the Lessee reasonable notice, or
 - (b) if there is an emergency, without notice

Repair at the end of the Lease

- 4.7 The Lessee must, at the end of this Lease
- (a) give the Property back to the Lessor
 - (i) in the same condition it was in at the Commencement Date, and
 - (ii) clean and free from rubbish, and
 - (b) carry out any necessary repairs to the reasonable satisfaction of the Lessor

Lessee's fixtures at the end of the Lease

- 4.8 The Lessee must
- (a) remove the Lessee's property,
 - (b) remove all stock from the Property,
 - (c) remove and harvest all crops planted by the Lessee, unless otherwise agreed with the Lessor,
 - (d) repair at the Lessee's cost any damage caused to the Property by that removal to the reasonable satisfaction of the Lessor, and
 - (e) reinstate any improvements that may have been altered by the Lessee back to their original layout
- 4.9 Any of the Lessee's property that is not removed by the end of the Lease becomes the property of the Lessor and the Lessee will not be entitled to any compensation or payment for those items.
- 4.10 The Lessor may, at the Lessee's expense, remove, store and dispose of the Lessee's property if the Lessee does not remove it.

Title Reference 17331042

5 Insurance

Lessee's insurance

5.1 The Lessee must at all times during the Lease:

- (a) keep a public liability policy current in relation to the Property for a sum not less than that stated in Item 11 for a single claim, or for another minimum sum that the Lessor may reasonably require;
- (b) insure its fixtures and property for its full reinstatement value; and
- (c) have other insurances that are required by law for the Permitted Use.

Policy

5.2 The Lessee must:

- (a) effect each policy with an insurer of good repute and apparently sound financial backing;
- (b) give the Lessor a certificate of currency issued by the insurer before the Lease starts, before each renewal date of the policy, and at any other time that the Lessor notifies to the Lessee in writing.

Additional premiums

5.3 The Lessee must pay any extra premiums incurred by the Lessor for any extra risk caused by the use of the Property by the Lessee.

Prejudice of insurance

5.4 The Lessee must not do nor omit to do anything that may:

- (a) increase the insurance premium any insurance policy taken out by the Lessor in relation to the Property; or
- (b) allow the insurer to refuse a claim.

Flammable substances

5.5 The Lessee must not store or use chemicals, flammable liquids, acetylene gas, alcohol or volatile or explosive substances on the Property unless they are kept in appropriate, safe and approved containers.

Fire regulations

5.6 The Lessee must:

- (a) comply with insurance, and any lawful directions given by the Lessor or competent authority;
- (b) carry out appropriate clearing of dead wood to prevent fire hazards; and
- (c) install and maintain first response fire equipment on the Property.

6 Release indemnity and Trustee's liability

Exemption of Lessor from liability

6.1 The Lessee occupies and uses the Property at its own risk (except for personal injuries to the extent that the Lessor, its servants or contractors causes them).

Title Reference 17331042

- 6.2 The Lessor is not liable to the Lessee for damage to the Lessee's property or for loss of profits, no matter how it is caused, including that caused by:
- (a) any defect in the Property;
 - (b) the operation of facilities or services to the Property; or
 - (c) water, fire or other like cause.

Indemnity

- 6.3 The Lessee indemnifies the Lessor from all actions and demands that arise during or after the Lease from:
- (a) the Lessee not complying with the obligations imposed by the Lease;
 - (b) the escape of any substance through the Lessee's fault; or
 - (c) the Lessee occupying and using the Property.
- 6.4 This indemnity:
- (a) includes penalties and legal and other costs incurred by the Lessor; and
 - (b) does not apply to personal injuries to the extent that they are caused by the Lessor, its servants and contractors.
- 6.5 The Lessor's exemption from liability and indemnity extends to its servants and contractors.

Assignment by original Lessor

- 6.6 The original Lessor under the Lease will not be responsible for any breach of the Lease by any successor.
- 6.7 The Lessee indemnifies the original Lessor under the Lease from all actions and demands against it for any breach of the Lease committed after it ceases being the owner of the Land.

Lessee a Trustee

- 6.8 Clause 6.9 applies if the name of a Trust has been inserted in Item 2.
- 6.9 The Lessee discloses that it enters into and holds the Lease in the capacity of trustee or agent for the Trust detailed in Item 2.
- 6.10 The Lessee:
- (a) accepts the Lease both as trustee of the Trust or as agent and in its personal capacity;
 - (b) acknowledges that it is personally liable in its own right for the performance and observance of the Lessee's obligations; and
 - (c) covenants with the Lessor that if there is any unremedied breach, the Lessee will take those steps and proceedings necessary to ensure that the assets of the Trust are made available for the purpose of rectifying that breach.
- 6.11 Upon demand by the Lessor, the Lessee must assign to the Lessor all rights of indemnity that the Lessee may have against the assets of the Trust.
- 6.12 The Lessee warrants that the Lessee has power and authority under the Trust to enter into the Lease and that it enters into the Lease in the due administration of the Trust.

Title Reference 17331042

- 6.13 If clauses 6.9 - 6.12 do not apply then the Lessee warrants that:
- (a) it is the full beneficial owner of the Lease;
 - (b) it has not entered into the Lease as trustee or agent for any person or trust; and
 - (c) the Lease and the assets of the Lessee in the Property are not subject to or the subject of any trusts.

Lessor's liability as Trustee

- 6.14 All provisions of this Lease have effect, and must be applied, subject to this clause.
- 6.15 The meanings of the terms used in this clause are set out below.

<i>Term</i>	<i>Meaning</i>
Trust	the trust pursuant to which the Lessor holds the Land
Trustee	the current trustee of the Trust
Obligations	all the Trustee's obligations and liabilities. <ul style="list-style-type: none">(a) under this Lease or any document collateral to it(b) that it gives or enters into pursuant to this Lease
Assets	includes all real or personal property and rights

- 6.16 The Lessor is entering into this Lease as Trustee of the Trust. The Lessee acknowledges:
- (a) the Lessor will incur Obligations only in its capacity as Trustee of the Trust;
 - (b) only those Assets of the Trust that are under the Trustee's control are available to pay or satisfy those Obligations;
 - (c) the Lessor not liable to pay or satisfy any of those Obligations out of any other Assets; and
 - (d) the Lessee releases the Lessor from any personal liability for any loss that they might suffer because the Lessor breaches this Lease, except to the extent that the liability can be paid out of the Assets of the Trust.

7 Assignment and subletting

Restriction in dealing

- 7.1 The Lessee must not assign part of the Lease.
- 7.2 The Lessee must not without first obtaining the Lessor's consent:
- (a) assign the whole of the Lease;
 - (b) give a sub-lease, licence or concession of, or share or part with possession of any part of the Property;

Consent

- 7.3 The Lessor must consent to a dealing mentioned in clause 7.2 if
- (a) the Lessee

Title Reference 17331042

- (i) gives the Lessor written notice of its intention detailing full particulars of the proposed assignee, sub-lessee, licensee or concessionaire and guarantors (if it is a private company); and
- (ii) pays the Lessor's reasonable fees, whether or not the dealing proceeds;
- (b) the proposed assignee, sub-lessee, licensee or concessionaire:
 - (i) satisfies the Lessor that it is a respectable and financially sound person, capable of performing the obligations of the Lessee; and
 - (ii) gives the covenants, indemnities and bank and personal guarantees that the Lessor reasonably requires; and
- (c) the proposed sub-lease requires the sub-lessee to always pay at least the same rent as this Lease requires.

7.4 The Lessor must inform the Lessee whether or not it consents to the proposed dealing within 30 days after:

- (a) it receives the notice of intention to deal with the Lease; and
- (b) the Lessee gives it all the information and supporting evidence required by clause 7.3.

Assignee

7.5 The Lessee and the assignee must enter into a deed with the Lessor before any assignment of the Lease in the form required by the Lessor containing:

- (a) a covenant that the assignee will comply with the Lessee's obligations under the Lease; and
- (b) a release by the Lessee of any claim they may then or subsequently have against the Lessor.

Formalities

7.6 The Lessee must ensure that (before any assignment of the Lease) the assignee gives to the Lessor:

- (a) the indemnities and bank and personal guarantees that the Lessor reasonably requires; and
- (b) a copy of the signed and stamped transfer of the Lease or deed of assignment of the Lease.

Fees

7.7 The Lessee must pay to the Lessor a non-refundable fee to cover administrative expenses and also its reasonable costs (including legal costs on an indemnity basis) and disbursements for the matters referred to in this clause 7 even if the dealing does not actually proceed.

Corporate Lessee

7.8 If the Lessee is a corporation (other than a corporation whose shares are listed on the official list of ASX Limited ACN 008 624 691) a Change in Control of the Lessee is deemed to be an assignment of this Lease that will require the prior approval of the Lessor in accordance with the provisions of this clause 7.

Mortgage of Lease

7.9 The Lessee must not use the Lease or the Lessee's fixtures as security or permit any sublessee or licensee to do the same in respect of:

- (a) any sublease or licence; or
- (b) any interest of the sublessee in the sublease or licence or in any part of the Property.

Title Reference 17331042

8 Quiet enjoyment

Quiet enjoyment

- 8.1 The Lessee may peacefully occupy the Property without interruption or disturbance from the Lessor or any other person lawfully claiming under it, but only if the Lessee punctually:
- (a) pays the rent and other money payable, and
 - (b) complies with the Lessee's obligations under the Lease.

Management

- 8.2 The Lessor must properly manage the Property and pay operating expenses that are not payable by the Lessee

9 Default

Essential terms

- 9.1 The following obligations of the Lessee are essential terms of this Lease:
- (a) to pay rent, specific tenancy charges, services, duty costs and registration fees, and interest;
 - (b) to use the Property only for the permitted use;
 - (c) not to abandon the Property;
 - (d) to comply with all laws and requirements of authorities;
 - (e) to keep the Property in good repair;
 - (f) not to make alterations or installations without consent;
 - (g) to maintain insurances;
 - (h) not to assign part of the Lease not to assign or sub-let without consent.
- 9.2 Other obligations under the Lease may also be essential terms.

Lessor's right to terminate

- 9.3 The Lessor may terminate the Lease by giving the Lessee notice or by re-entry if the Lessee:
- (a) is insolvent;
 - (b) repudiates its obligations under the Lease;
 - (c) does not comply with an essential term of the Lease; or
 - (d) does not comply with an obligation under the Lease (which is not an essential term) and (in the Lessor's reasonable opinion):
 - (i) the non-compliance can be remedied but the Lessee does not remedy it within a reasonable time after the Lessor gives the Lessee notice to do so;
 - (ii) the non-compliance cannot be remedied or compensated for, or

Title Reference 17331042

- (iii) the non-compliance cannot be remedied, but the Lessor can be compensated and the Lessee does not pay compensation to the Lessor within a reasonable time after the Lessor gives the Lessee notice to do so

Amount recoverable by Lessor

- 9.4 If the Lessor terminates the Lease, the Lessee indemnifies the Lessor, from the date of termination until the Expiry Date, against any liability or loss arising and any cost (including legal costs on an indemnity basis) incurred (whether before or after termination) in connection with:
- (a) the Lessee's breach of the Lease, or
 - (b) the termination of the Lease,
- including the Lessor's loss of the benefit of the Lessee performing its obligations under the Lease.
- 9.5 The Lessor must take reasonable steps to mitigate its loss if the Lease is terminated.
- 9.6 In addition to its other rights and remedies, if the Lessor re-enters the Property because the Lessee breaches an essential term (whether or not specified as such) the Lessee must pay to the Lessor, as liquidated damages for loss of tenancy, the difference between:
- (a) the money that the Lessee should have paid under the Lease until the Expiry Date; and
 - (b) the money that the Lessor receives, or reasonably anticipates that it will receive, from other lessees or occupiers of the Property during that period.
- 9.7 If the Lessor's Outgoings have not been calculated for any period, the Lessor's Outgoings that the Lessee should pay for that period must be calculated on the basis of the Lessor's Outgoings payable at the time of the re-entry, increased at the commencement of each Lease Year by the same increase in Rent since the start of the previous Lease Year (the words Lease Year being interpreted as if the Lease had not been terminated).

Lessor's rights against Lessee's property

- 9.8 If the Lessor becomes entitled to re-enter the Property the Lessee must, within three days after receiving notice from the Lessor to do so, remove all the Lessee's fixtures and property.
- 9.9 If the Lessee does not remove the Lessee's fixtures and property within that period, the Lessor may remove them at any time and store or sell them. The Lessee must pay the cost of the removal, storage and sale.
- 9.10 The Lessor may (if permitted by law) deduct from the proceeds of the sale:
- (a) damages for all rent and other money that is payable for the period of the Lease, but not paid; and
 - (b) all costs incurred by the Lessor in connection with the removal, storage and sale.

10 Resumption destruction or damage to the Property

Resumption

- 10.1 The Lessor or the Lessee may terminate the Lease by giving a written notice to the other if the Property or a substantial part of the Property is taken for public purposes by a competent authority.

Title Reference 17331042

Lessee's damage

- 10.2 The Lessee cannot terminate the Lease under this clause 10 and must pay rent and other money under the Lease if
- (a) the Lessee caused or contributed to (other than in a nominal way) the destruction or damage; or
 - (b) the Lessor's insurer refuses to indemnify the Lessor for the destruction or damage because of the actions or default of the Lessee.

Continuing liability of Lessee

- 10.3 A termination of the Lease does not affect either party's rights arising from any previous breach or matter.
- 10.4 The Lessee remains liable to pay Rent and other money under the Lease up to the date of destruction or damage.

Adjustment for unusable Property

- 10.5 When the Property is destroyed or damaged and the Property becomes unusable or inaccessible, all rent and other money payable under the Lease, or a part of the rent and money proportional to the nature and extent of the damage, abates. The abatement ceases when:
- (a) the Property is made accessible and fit for occupation; or
 - (b) the Lease is terminated under this clause 10.

Use of part of the Property

- 10.6 The Lessee must continue to trade in part of the Property and pay rent and other money under the Lease:
- (a) if that part is useable and safe; and
 - (b) the Lessee and the Lessor are of the reasonable opinion it is practicable to do so.

11 General

Construction

- 11.1 In this Lease:
- (a) a person includes the person's executors, administrators, successors, assigns, substitutes and persons who take by novation;
 - (b) where a party is more than one person, each person is bound as an individual and they are all bound together;
 - (c) headings are included for convenience only and do not affect interpretation of this Lease;
 - (d) a reference to a statute includes a reference to all enactments amending or consolidating the statute and to an enactment substituted for the statute and any subordinate legislation, including regulations;
 - (e) defined words have the meanings given them in this Lease, whether written in the upper case, lower case, or both upper and lower case.

Title Reference 17331042

Notices

- 11.2 A notice or approval must be:
- (a) in writing; and
 - (b) left at or posted to the address or sent to the facsimile number of the party in Queensland as set out in Item 1 or Item 2.
- 11.3 Any party may change its address for service to another address in Queensland by giving a written notice to all other parties.
- 11.4 A notice by the Lessor may be signed by the Lessor, an officer of the Lessor (if it is a company) or the Manager.
- 11.5 A notice or approval is taken to be given:
- (a) if sent by post on the second business day after posting; and
 - (b) if sent by facsimile or e-mail by 4.00 pm on a business day, on the same business day that it is sent, but otherwise on the next business day, unless the sender is aware that the transmission is impaired.

Consent or approval of Lessor

- 11.6 Any consent or approval of the Lessor must be in writing and signed by the Lessor, an officer of the Lessor (if it is a company) or the Manager.

Lessee not to prejudice head lease

- 11.7 The Lessee must not:
- (a) prejudice the Lessor's rights under any agreement for lease or head lease relating to the Property, or
 - (b) cause that agreement or head lease to be terminated.

Saturdays Sundays and public holidays

- 11.8 Anything to be done on Saturday or a Sunday or a public holiday in Queensland may be done on the next day that is not a Saturday Sunday or public holiday.

Law

- 11.9 This Lease is governed by the laws in force in Queensland.

Notice before Lessor liable

- 11.10 Despite anything in the Lease to the contrary the Lessor is not in default of a remediable breach under this Lease unless:
- (a) the Lessee first gives notice to the Lessor of the breach; and
 - (b) the Lessor fails to remedy the breach within a reasonable time after receiving the notice.

Lessor's powers

- 11.11 The powers given to the Lessor in the Lease may be exercised by its agents and with any necessary machinery.

Title Reference 17331042

Lessee's cost

11.12 Where the Lease imposes an obligation on the Lessee to do anything, the Lessee must pay the cost incurred.

Lessee's actions

11.13 In the Lease:

- (a) a reference to the acts and omissions of the Lessee includes the acts and omissions of its servants, agents and contractors; and
- (b) where the Lessee is prohibited from doing anything, the Lessee must not cause or allow any other person to do it either.

Money payable on demand

11.14 All money payable by the Lessee to the Lessor is, unless otherwise so specified, payable on demand.

Joint and several

11.15 An obligation of two or more persons under this Lease binds them jointly and severally and every expressed or implied agreement or undertaking by which two or more persons derive any benefit in terms of this Lease will take effect for the benefit of those persons jointly and severally.

Waiver

11.16 The failure of a party to this Lease to enforce a provision or the granting of any time or indulgence will not be construed as a waiver of the provision nor of a waiver of the right of the party at a later time to enforce the provision.

No merger

11.17 The rights and obligations of the parties contained in this Lease will not be extinguished by or upon the lease expiring, or an earlier determination of the Lease.

Severability

11.18 If any part of this Lease is invalid or unenforceable, that part will (if possible) be read down to the extent necessary to avoid the invalidity or unenforceability, or alternatively will be deemed deleted; and this Lease will remain otherwise in full force.

12 Compliance with environmental laws

Definitions

12.1 In this clause 12, Environmental Laws means all laws regulating or relating to the environment including any law relating to pollution, contaminations, waste disposal, hazardous substances or health or safety (for example, the *Environmental Protection Act 1994 (Qld)*).

Compliance with laws

12.2 The Lessee must:

Title Reference 17331042

- (a) comply at its own expense with any obligation arising under an Environmental Law;
- (b) indemnify the Landlord against any obligation arising under an Environmental Law or any claim made in respect of such an obligation,

in respect of the Property where that obligation or claim or its cause arose before or during the Term. To remove doubt, the Lessee's obligations under this clause continue after expiration of the Term.

Remediation

- 12.3 At the expiration or earlier determination of this Lease if the Lessee has during the Term carried out any Notifiable Activities pursuant to the *Environmental Protection Act 1994* (Qld) the Tenant must:
- (a) deliver to the Lessor a site contamination report so that the Lessor may determine whether there has been full compliance with all Environmental Laws; and
 - (b) if the Land is contaminated land within the meaning of that expression under the *Environmental Protection Act 1994* (Qld), remediate the Land and, following remediation, submit a validation report that meets the requirements of the *Environmental Protection Act 1994* (Qld).

13 Definitions

The meanings of the terms used in this Lease are set out below.

<i>Term</i>	<i>Meaning</i>
Accounting Year	each year or part of a year during the Lease that ends on June 30 or another date that the Lessor chooses
Agreed Proportion	the proportion specified in 0
Building	the building, if any, constructed on the land in item 2 of the Form 7 and all structures, amenities and equipment in it
Change in Control	a change in the directorship or shareholding of the Lessee or its holding company so that a different person or group of persons, either: <ul style="list-style-type: none">(a) become directors of the Lessee so that they acquire control of the composition of the board of directors; or(b) acquire more than 50% of the shares giving a right to vote at general meetings
Commencement Date	the date this Lease commences as specified in item 6 of the Form 7
Expiry Date	<ul style="list-style-type: none">(a) the date this Lease ends as specified in item 6 of the Form 7(b) if an option has been exercised, then the date the then current option ends
GST, Input Tax Credit, Tax Invoice and Taxable Supply	the same meaning given to them in the GST Act.
GST Act	<i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth)

Title Reference 17331042

<i>Term</i>	<i>Meaning</i>
Insolvent	<p>(a) in the case of a natural person, they are or take any step that results or may result in their becoming an insolvent under administration as defined in section 9 of the Corporations Act</p> <p>(b) in the case of a corporation, it is or takes any step that results or may result in it becoming a Chapter 5 body corporate as defined in section 9 of the Corporations Act</p>
Insured Risks	those disabling causes against which the Lessor insures
Items	items in the Items Schedule
Land	the lot specified in Item 2 of the Form 7
Lease	<p>includes a tenancy arising:</p> <p>(a) in contract, by operation of law, in equity or by other means</p> <p>(b) from the Lessee entering into occupation of the Property</p> <p>(c) from the Lessee paying the whole or part of the rent</p> <p>(d) from the signing of the Form 7</p>
Manager	the person or corporation appointed by the Lessor as manager of the Building including a person he or she authorises
Outgoings	<p>(a) the Lessor's reasonable expenses directly attributable to the operation, maintenance or repair of:</p> <p>(i) the Building</p> <p>(ii) areas used in association with the Building</p> <p>Examples of expenses falling under this category include:</p> <ul style="list-style-type: none">management charges and expensespublic liability insurancecosts and expenses (including replacements and repainting) and other costs and expenses to maintain the Building in a safe, clean and presentable conditionexpenses associated with the provision of any services to the Building (such as fire prevention) <p>(b) charges, levies, premiums, rates or taxes payable by the Lessor because the Lessor is the owner or occupier of:</p> <p>(i) the Building</p> <p>(ii) the Land</p> <p>Examples of charges, levies, premiums, rates and taxes falling under this category include:</p> <ul style="list-style-type: none">rates taxes and levies payable to the Local Authority for the locality of the Land for the provision of:

Title Reference 17331042

<i>Term</i>	<i>Meaning</i>
	<ul style="list-style-type: none">• water• cleansing• other services <ul style="list-style-type: none">• excess water rates or charges for water consumption
	(c) land tax (by whatever name) payable on or in respect of the Land
	(d) levies for the provision of fire services or charges by any fire authority
	(e) environmental protection or public land acquisition levies
	(f) local area levies imposed by the Local Authority for beautification or improvement of the locality of the Land or charged on any other basis
	(g) any other charges, taxes or levies issued against the Lessor as owner of the Land by any Local, State or Federal authority or other body, authority or entity
	However, Lessor's Outgoings do not include:
	(h) structural repairs or expenditure normally attributed in accordance with Australian accounting standards to the capital account of the Lessor
	(i) expenditure of a capital nature, including the amortisation of capital costs
	(j) payment of interest and charges on amounts borrowed by the Lessor
Property	(a) the area described in Item 5 of the Form 7
	(b) the Lessor's property installed on the Property
Review Date	the date or dates specified in Item 6 and Item 7
Specific Outgoings	expenses that are attributable to the Lessee because of the Lessee's direct use of a service or facility to or in the Property, for example water, telephone, gas and electricity charges incurred by the Lessee in respect of the Property