

WESTERN AUSTRALIA
CONSERVATION AND LAND MANAGEMENT ACT 1984
TRANSFER OF LAND ACT 1893 as amended

I hereby certify that the within is a true and correct copy of Lease No.
2324/97.

Keiran McNamara
Mr Keiran McNamara
Director General - Department of Environment and Conservation

LEASE OF CROWN LAND (L)

DESCRIPTION OF LAND (NOTE 1)

Lot 375 on Diagram 6300, shown hatched on the plan attached as Annexure A to the Lease

That part of Lot 376 on Plan 4109 as hatched on the plan attached as Annexure A to the Lease

EXTENT

Whole

Part

VOLUME

LR3012

LR3012

FOLIO

151

152

LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS (NOTE 2)

As to Lot 375:

1. State Forest No 7
2. L075814 Vesting Order pursuant to section 7(1) of the Conservation and Land Management Act 1984

As to Lot 376:

1. State Forest No 7
2. L075814 Vesting Order pursuant to section 7(1) of the Conservation and Land Management Act 1984

LESSOR/LESSORS (NOTE 3)

The CONSERVATION AND LAND MANAGEMENT EXECUTIVE BODY of Locked Bag 104, Bentley Delivery Centre, Western Australia 6983

LESSEE/LESSEES (NOTE 4)

WATER CORPORATION ABN 28 003 434 917 being a statutory body corporate incorporated under the provisions of the *Water Corporation Act 1995* of John Tonkin Water Centre, 629 Newcastle Street, Leederville, Western Australia

TERM OF LEASE (NOTE 5)

21 Years

Commencing from the first day of October in the year 2011

Together with one (1) option to renew the term for a further term of 21 years.

THE LESSOR HEREBY LEASES TO THE LESSEE for the rental as shown hereon (Note 7)

SUBJECT TO THE COVENANTS AND POWERS IMPLIED UNDER THE CONSERVATION AND LAND MANAGEMENT ACT 1984 AND THE TRANSFER OF LAND ACT 1893 AS AMENDED (UNLESS HEREBY NEGATED OR MODIFIED) AND ALSO TO THE COVENANTS AND CONDITIONS CONTAINED HEREIN.

LEASE

LEASE NO 2324/97

**LOT 375 ON DIAGRAM 6300
PART OF LOT 376 ON PLAN 4109**

CONSERVATION AND LAND MANAGEMENT EXECUTIVE BODY
(THE LANDLORD)

WATER CORPORATION
(LESSEE)

Schedule

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1. Landlord

CONSERVATION AND LAND MANAGEMENT EXECUTIVE BODY – Locked Bag
104 Bentley Delivery Centre WA 6983

2. Lessee

WATER CORPORATION ABN 28 003 434 917 being a statutory body corporate incorporated under the provisions of the *Water Corporation Act 1995*, of John Tonkin Water Centre, 629 Newcastle Street, Leederville, WA

3. Leased Area

The Leased Area comprises of the following areas:

- (1) Lot 375 on Diagram 6300 being the whole of the land contained in Qualified Certificate of Crown Land Title Volume LR3012 Folio 151 as hatched on the plan in Annexure A; and
- (2) part of Lot 376 on Plan 4109 being that part of the land contained in Qualified Certificate of Crown Land Title Volume LR3012 Folio 152 as hatched on the plan in Annexure A.

4. Term

The period of twenty-one years from the Commencement Date to the Expiry Date

- 4.1 **Commencement Date:** 1 October 2011.
- 4.2 **Expiry Date:** 21 years after the Commencement Date.

5. Option to Extend the Lease

- 5.1 **First Option Period:** 21 years

6. Rent

\$1 per annum, if and when demanded for the Term and any Extended Term.

7. Permitted Use of the Leased Area

The design, construction, operation and maintenance of the Mundaring Water Treatment Plant (to be owned by the Lessee) for the purposes of processing and treating water so that the Lessee is then able to deliver that processed and treated potable water to customers in the Goldfields and Agricultural Water System.

8. Minimum Public Liability Insurance Cover

\$10,000,000

9. Special Provisions

Not Applicable

1. GRANT

1.1 *Grant of Lease*

The Landlord leases the Leased Area to the Lessee for the Term subject to the terms and conditions of this Lease pursuant to:

- (1) in respect of the entire Leased Area, the Mundaring Water Treatment Plant Heads of Agreement between the Landlord and the Lessee dated 8 October 2010; and
- (2) in respect of Lot 375 and Lot 376, sections 36, 37 and 97 of the amended *Conservation and Land Management Act 1984*.

1.2 *Quiet Enjoyment*

For as long as the Lessee complies with the Lessee's obligations under this Lease, the Lessee may occupy and use the Leased Area during the Term without disturbance or interference by the Landlord except as permitted by this Lease or by law.

2. OPTION TO EXTEND

2.1 *First Option Period*

If a period is specified in item 5.1 of the Schedule, the Lessee has the option to extend this Lease for the First Option Period, but only if:

- (1) the Lessee notifies the Landlord in writing that the Lessee wants to extend this Lease for that period at least 3 months before the Expiry Date (but not earlier than 6 months before that date); and
- (2) the Lessee is not in default under this Lease when the option is exercised.

3. RENT

3.1 *Amount of the Rent*

The annual rent payable under this Lease from the Commencement Date is the amount specified in item 6 of the Schedule.

4. OUTGOINGS

4.1 *Rates and Taxes*

The Lessee must pay the Rates and Taxes either to the relevant Authority before those Rates and Taxes become overdue or, in the case of any Rates and Taxes imposed on the Landlord, to the Landlord as required by the Landlord whenever the Rates and Taxes become payable.

4.2 ***Goods and Services Tax***

(1) **Definition**

GST means a goods and services tax or similar value added tax levied or imposed in Australia pursuant to the GST Act or otherwise on a supply.

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

New Tax System changes has the same meaning as in section 75AT of the *Trade Practices Act 1974* (Cth).

Tax Invoice includes any document or record treated by the Commissioner of Taxation as a tax invoice or as a document entitling a recipient to an input tax credit.

(2) **Adjustment for GST**

(a) Unless expressly included, the consideration for any supply made by the Landlord under or in connection with this Lease does not include GST.

(b) GST is payable on any supply of goods and services under this Lease.

(3) **Tax Invoices**

The Landlord must issue a Tax Invoice to the Lessee in respect of any supply of goods and services under the Lease.

(4) **Reimbursements**

If the Landlord is entitled under the Lease to be reimbursed or indemnified by the Lessee for a cost or expense incurred in connection with the Lease, the reimbursement or indemnity payment must not include any GST component of the cost or expense for which an input tax credit may be claimed by the Landlord.

4.3 ***Other property included***

If Rates and Taxes are not assessed separately on the Leased Area but also on other property which includes the Leased Area, the amount which the Landlord can require the Lessee to pay is the same proportion of those Rates and Taxes as the area of the Leased Area bears to the area of the property the subject of the assessment.

4.4 ***Energy Services***

The Lessee must pay the charges of any Energy Supplier and any other costs in respect of the supply of energy services to the Leased Area either to the Energy Supplier before those charges become overdue or, in the case of any such charges imposed on the Landlord, to the Landlord as required by the Landlord whenever the charges become payable.

4.5 ***Water***

The Lessee must pay the charges imposed by the Water Supplier in connection with water supplied to the Leased Area either to the Water Supplier before those charges

become overdue or, in the case of any such charges imposed on the Landlord, to the Landlord as required by the Landlord whenever the charges become payable.

4.6 ***Service Charges***

The Lessee must pay all charges for all other Services which are imposed in respect of the Leased Area either to the supplier before those charges become overdue or, in the case of any such charges imposed on the Landlord, to the Landlord as required by the Landlord whenever the charges become payable.

5. **BUILDING WORK AND CLEANING**

5.1 ***General Obligations***

The Lessee must:

- (1) maintain the Leased Area in the condition as required by the Landlord, acting reasonably, having regard to the Permitted Use (except for fair wear and tear); and
- (2) promptly repair any damage to the Leased Area; and
- (3) maintain the Lessee's Property (including signs) located on the Leased Area in good condition.

5.2 ***Building Work***

If the Lessee constructs anything on the Leased Area or carries out any other work on the Leased Area, including work relating to Services or work required by any Authority or any law, the Lessee must:

- (1) comply with all relevant requirements of each Authority and all laws and applicable standards in relation to the work; and
- (2) carry out the work in a safe and proper manner; and
- (3) use only good quality materials; and
- (4) employ only qualified and competent persons; and
- (5) provide a report to the Landlord by 31 August of each year detailing development work undertaken on the Leased area for the year ending 30 June of that year.

5.3 ***Cleaning***

The Lessee must:

- (1) keep the Leased Area clean and tidy and free of vermin; and
- (2) properly store all rubbish in fly and rodent proof containers; and
- (3) regularly remove rubbish accumulating on the Leased Area to an appropriate rubbish disposal site; and

- (4) comply with the Landlord's reasonable directions in connection with cleaning and the disposal of rubbish in relation to the Leased Area.

5.4 ***Specific obligations***

Without limiting the preceding clause, the Lessee must :

- (1) not cause or allow any pollutant or contaminant material or substance over which the Lessee has control to be released into or affect the Leased Area; and
- (2) not dispose of rubbish from the Leased Area in any bins provided by the Landlord for public use in forest or nature conservation areas.

6. **USE OF LEASED AREA**

6.1 ***Permitted Use***

The Lessee may only use the Leased Area for the Permitted Use unless the Landlord consents to another use.

6.2 ***Lessee's Own Enquiries***

The Lessee has relied on the Lessee's own enquiries about how the Leased Area may be used and not on any representation from the Landlord. The Lessee has made the Lessee's own enquiries about :

- (1) the suitability of the Leased Area for any use to which it is to be put; and
- (2) all planning and any other requirements, prohibitions or restrictions applying to the Leased Area under any law or as a result of the requirements or orders of any Authority.

6.3 ***No Warranty by Landlord***

The Landlord does not give any warranty of any kind that the Leased Area is suitable for any purpose for which the Lessee intends to use it. Any warranty in relation to the Leased Area which is implied by law is excluded to the extent that the law permits the warranty to be excluded.

6.4 ***The Landlord Not Liable***

The Landlord is not liable to the Lessee and the Lessee will not make a claim against the Landlord in respect of any Liability resulting from any accident, death, injury, damage (including water damage), malfunction or other event in or affecting the Leased Area unless caused by the negligence of the Landlord or any employee, contractor or agent of the Landlord.

7. FIRES AND ENVIRONMENTAL PROTECTION

7.1 Fire Prevention

Without limiting any other provision of this Lease, the Lessee must in relation to the Leased Area promptly comply with :

- (1) the *Bush Fires Act 1954* and any other laws relating to the prevention and control of fires; and
- (2) all proper directions concerning fire prevention and control given to the Lessee by the Landlord or any Authority.

7.2 Fire Control

The Lessee must immediately :

- (1) notify the Landlord as soon as a fire is detected on the Leased Area;
- (2) take all reasonable and safe action which the Lessee is able to take to try to extinguish any unauthorised or uncontrolled fire on the Leased Area.

7.3 Authorised Fires

The Lessee must not do anything which causes or may cause a fire on the Leased Area unless the fire is :

- (1) not prohibited by law or by a direction of the Landlord or an Authority; and
- (2) the fire is not dangerous and is properly controlled so that it cannot become dangerous.

7.4 Liability for Fires

The Lessee is responsible for and must pay or reimburse the Landlord for all Liabilities as a result of any fire which starts on the Leased Area unless the Lessee can prove to the reasonable satisfaction of the Landlord that the fire :

- (1) was not caused by the Lessee's negligent or unlawful act or omission or the Lessee's default under this Lease; or
- (2) was started by a cause beyond the Lessee's reasonable control.

7.5 Timber

This Lease does not grant to the Lessee any rights to forest produce as defined in the amended Conservation and Land Management Act 1984 and the provisions of Section 96(4) of that Act are hereby expressly excluded.

7.6 Trees and Vegetation

The Lessee must take all reasonable actions necessary to protect the trees and other vegetation growing on the Leased Area and take reasonable actions necessary to prevent, rectify or ameliorate any erosion, drift or movement of sand or soil from the

Leased Area. Unless required by clause 7.7, or permitted under any clearing permit granted to the Lessee, the Lessee may not cut down or damage or otherwise interfere with anything growing on the Leased Area without the written consent of the Landlord. The Lessee must also control declared plants and declared animals as defined in the *Agriculture and Related Resources Protection Act 1976*, in relation to the Leased Area, as required by that Act.

7.7 Dangers or Threats to the Public

The Lessee must :

- (1) regularly check the condition of trees and other vegetation on the Leased Area; and
- (2) prune or remove any tree or other vegetation which is in a dangerous condition or which may threaten the safety of any person; and
- (3) take adequate action to warn the public of any danger or threat constituted by any tree or other vegetation; and
- (4) generally take any measures necessary to prevent accidents and to protect the safety of the public on the Leased Area.

7.8 Prevention of Disease

The Lessee must comply with the Landlord's reasonable directions relating to the prevention of the spread of disease, particularly *Phytophthora Cinnamomi* (Jarrah dieback) in connection with the Leased Area, including arranging for the washing of vehicles and equipment and other similar measures.

7.9 No Interference with Land

The Lessee acknowledges that the Leased Area may be environmentally sensitive and that the Landlord has a general duty to protect the environment. Accordingly, the Lessee must only do things necessary to the Leased Area for the purpose of the Permitted Use of the area and must obtain the necessary approvals from the relevant Authority to clear or remove trees or other vegetation from the Leased Area.

Subject to the above paragraph, the Lessee must not:

- (1) introduce any new flora or fauna to the Leased Area; or
- (2) harm or endanger any flora or fauna on the Leased Area; or
- (3) do anything else in connection with the Leased Area which may be harmful to the environment.

7.10 Notify the Landlord of Threats

The Lessee must immediately notify the Landlord if the Lessee becomes aware of anything which causes or could cause pollution (as defined in the *Environmental Protection Act 1986*) on or affecting the Leased Area.

7.11 ***Environmental Protection Laws***

Unless otherwise stated, this Lease is not to be taken as exempting the Lessee from or limiting the obligation of the Lessee to comply with any law relating to the protection of the environment.

8. **GENERAL OBLIGATIONS AND RESTRICTIONS**

8.1 ***Obligations***

The Lessee must:

- (1) conduct the Lessee's business or activities in the Leased Area in a proper manner; and
- (2) comply with all relevant requirements of any Authority and every law in connection with the Leased Area and the Lessee's Property except where such requirements relate to work of a structural nature, unless rendered necessary by the nature of the Lessee's business or activities in the Leased Area; and
- (3) withdraw any 'subject to claim' caveat lodged to protect the Lessee's interest under this Lease at the termination, or on an assignment, of this Lease; and
- (4) promptly give the Landlord a copy of every notice from any Authority received by the Lessee relating to the Leased Area; and
- (5) immediately notify the Landlord if the Lessee becomes aware of anything which is a threat to the Leased Area and comply with the Landlord's directions for the purpose of protecting property or persons in the Leased Area; and
- (6) promptly inform the Landlord after becoming aware of any damage to the Leased Area or of the faulty operation of any Services.

8.2 ***Restrictions***

In connection with the Leased Area, the Lessee must not (and may not permit anyone else to) except with the Landlord's consent:

- (1) modify or interfere with the facilities for the provisions of Services to the Leased Area or any equipment connected to those facilities, except as required for the construction or operation of works associated with the Permitted Use; or
- (2) interfere with or obstruct the operation of or access to the Services; or
- (3) cause damage to the Leased Area; or
- (4) store or use inflammable or explosive substances in the Leased Area except those normally used for any activity included in the Permitted Use but then only if they are stored in proper containers and used only in accordance with all relevant laws and the requirements of any Authority; or

- (5) use any facilities in or near the Leased Area, including the toilets and drains, for any improper purpose; or
- (6) put any signs or advertisements outside the Leased Area or within the Leased Area, except as required by this Lease; or
- (7) permit any other person to carry on business on or from the Leased Area, other than a sublessee or licensee in accordance with clause 11.6 of this Lease; or
- (8) use the Leased Area as a residence or for any activity which is dangerous, offensive, illegal or immoral or which is or may become a nuisance to anyone; or
- (9) create any noise or other disturbance which interferes with the use by any other person of land which adjoins or is near to the Leased Area; or
- (10) abandon the Leased Area; or
- (11) create a security interest over this Lease in favour of any person or give another person any right to occupy or use the Leased Area, other than a sublessee or licensee in accordance with clause 11.6 of this Lease; or
- (12) lodge an absolute caveat to protect the Lessee's interest under this Lease.

8.3 Local Government Act Requirements

The Lessee must comply with the applicable provisions of the *Local Government Act 1995* (WA) and subsidiary legislation, including any building regulations, in carrying out the Permitted Use.

9. INDEMNITY AND INSURANCE

9.1 Indemnity

The Lessee is responsible for and indemnifies the Landlord against any Liability resulting from:

- (1) any loss or damage to property or any injury to or death of any person occurring in the Leased Area or caused by the Lessee wherever occurring ; or
- (2) any reasonable action taken by the Landlord to remedy a default by the Lessee.

This indemnity does not apply to the extent that the Liability is contributed to by the Landlord.

9.2 Insurance

The Lessee must maintain with a reputable insurer:

- (1) public liability insurance of at least the amount specified in item 8 of the Schedule for each accident or event in the Leased Area; and

- (2) insurance for the Lessee's Property and any insurance required by law as a result of the Lessee's use of the Leased Area.

9.3 ***Variation of Insurance amount***

The Landlord may by notice to the Lessee at any time require the Lessee to increase the minimum cover for the Lessee's public liability insurance if in the circumstances it is reasonable for the cover to be increased.

9.4 ***Insurance obligations***

The Lessee must also:

- (1) pay each premium due under the insurance policies taken out by the Lessee before the due date and, when reasonably requested by the Landlord, provide evidence of payment; and
- (2) when reasonably requested by the Landlord, provide evidence of currency for each insurance policy certified by the insurer; and
- (3) immediately notify the Landlord if an event occurs which may give rise to a claim under any insurance policy or which could adversely affect it or if an insurance policy is cancelled; and
- (4) if required by the Landlord, ensure that the Landlord's interests are noted on the policy of public liability insurance.

9.5 ***Landlord's insurance***

Unless the Landlord consents, the Lessee must not:

- (1) do or allow anything to be done which could adversely affect any insurance taken out by the Landlord in connection with the Leased Area or which could increase the cost of obtaining that insurance; or
- (2) settle, compromise or waive any claim under any policy of insurance relating to the Leased Area.

9.6 ***Lessee's obligations satisfied***

The Lessee will have complied with its obligations under this clause 9 if:

- (1) the Lessee subleases or licenses the Leased Area in accordance with clause 11.6; and
- (2) the sublessee or licensee (as applicable) maintains as the insured the insurances required under clause 9.2.

10. **MANAGEMENT OF THE LEASED AREA**

10.1 ***Managing Agent***

The Landlord may appoint a managing agent to manage the Leased Area and represent the Landlord in relation to this Lease. If the Landlord appoints a managing

agent, the managing agent may exercise the rights and powers of the Landlord under this Lease. The Landlord may at any time vary or terminate the authority of the managing agent. Decisions of the Landlord override those of the managing agent if there is any inconsistency between them.

10.2 ***Exercise of Rights under the amended Conservation and Land Management Act***

The Landlord reserves the right to enter the Leased Area at any time in order to exercise any right, power or authority which the Landlord has under the amended *Conservation and Land Management Act 1984*. The Lessee is not entitled to any compensation or to make any other claim against the Landlord for anything done by the Landlord on the Leased Area in the exercise of any right or authority under that Act.

10.3 ***Right to Enter***

The Landlord may after giving reasonable notice to the Lessee (or in an emergency, without notice) enter the Leased Area to do any one or more of the following things:

- (1) inspect the state of repair and condition of the Leased Area;
- (2) maintain or repair the Leased Area and equipment or facilities in the Leased Area;
- (3) maintain, repair, alter or remove the Services;
- (4) carry out structural work to the Leased Area or any other work required by an Authority;
- (5) remove anything which is harmful or dangerous;
- (6) anything which should have been done by the Lessee but which has not been done properly;
- (7) anything else which the Landlord is required to do by law or is permitted to do under this Lease;

without affecting the Lessee's obligations under this Lease.

10.4 ***Minimise disruption***

If the Landlord does anything permitted by the preceding clause the Landlord must:

- (1) give the Lessee reasonable notice of the intended action before it is taken (except in an emergency); and
- (2) use its best endeavours to minimise disruption to the Lessee's business; and
- (3) make good any damage to the Lessee's Property (other than minor damage) caused by the Landlord.

11. ASSIGNMENT AND SUBLEASING

11.1 *Consent Required for Assignment*

Unless the Landlord consents under the next clause, the Lessee may not assign this Lease.

11.2 *Requirements for Consent*

The Lessee may assign this Lease if the Landlord consents and if the Lessee:

- (1) complies with the next clause; and
- (2) supplies to the Landlord evidence acceptable to the Landlord that the proposed assignee is able and qualified to use the Leased Area for the Permitted Use, is financially sound and has a good reputation; and
- (3) remedies any default under this Lease unless it has been waived by the Landlord; and
- (4) if requested by the Landlord, arranges for the proposed assignee to obtain from one or more persons, as reasonably nominated by the Landlord, a guarantee of the obligations under this Lease to be assumed by the proposed assignee in a form prepared or approved by the Landlord's solicitors.

11.3 *Obligations on Assignment*

If the Lessee assigns this Lease, the Lessee must :

- (1) deliver to the Landlord, before the date that the proposed assignment is to take effect, a completed agreement in the form of a deed prepared or approved by the Landlord's solicitors, by which the proposed assignee agrees with the Landlord to be bound by this Lease as from the date the assignment takes effect; and
- (2) pay to the Landlord on request the Landlord's expenses, including legal costs:
 - (a) incurred in making reasonable enquiries about the proposed assignee; and
 - (b) in connection with the preparation, completion and stamping of the assignment documents and any other related documents, (including any duty on those documents).

11.4 *Exclusion of Statutory Provisions*

The provisions of sections 80 and 82 of the *Property Law Act 1969* do not apply to this Lease.

11.5 *Fees*

The Lessee must reimburse the Landlord on request for all fees paid by the Landlord to any agent or consultant engaged by the Landlord in connection with a proposed assignment by the Lessee.

11.6 ***Approval to Sub-lease or license***

The Lessee may sub-lease or license the Leased Area if the Lessee:

- (1) accepts responsibility that the proposed sub-lessee or licensee is able and qualified to use the Leased Area for the Permitted Use, is financially sound and has a good reputation; and
- (2) remedies any default under this Lease unless it has been waived by the Landlord; and
- (3) supplies to the Landlord within twenty-one (21) days from the end of each financial year, a report detailing all sub-leasing or licensing for the year ended 30 June of that year. The report is to include the business names and addresses of each sub-lessee or licensee, the names of each proprietor of the business and the business ACN number. For the avoidance of doubt, the Lessee is only required to give the Lessor one initial report for each sublease or licence entered into.

11.7 ***Lessee Remains Liable***

The Lessee remains fully liable under this Lease even if the Lessee assigns this Lease or sub-leases the Leased Area or gives any right in relation to this Lease or the Leased Area to any other person.

11.8 ***Change in Control***

If the Lessee is a company, and there is a change in control of the Lessee the Landlord may require the Lessee to obtain from the persons who have acquired control, as reasonably nominated by the Landlord, a guarantee of the Lessee's obligations under this Lease in a form prepared or approved by the Landlord's solicitors. If the Lessee is a subsidiary company a change in control includes a change in control of its holding company.

In this clause:

- (1) **company** does not include a company which is listed on the Australian Stock Exchange or is wholly owned by such a company; and
- (2) **control** means control of the composition of the board of directors or control of more than 20% of the shares with the right to vote at general meetings; and
- (3) words defined in the Corporations Law have the meanings given to them by that Law.

12. **HOLDING OVER**

If the Landlord consents to the Lessee continuing to occupy the Leased Area after the Expiry Date or after the end of any extended term, the Lessee is a monthly Lessee of the Leased Area and:

- (1) the monthly tenancy may be terminated by either party giving to the other at least one month's notice which may expire on any day; and

- (2) the rent is the same rent payable immediately before the Expiry Date or after the end of any extended term; and
- (3) all the other provisions of this Lease apply to the monthly tenancy except any option to extend this Lease.

13. DEFAULT

13.1 Re-entry

The Landlord may terminate this Lease by notice to the Lessee or by re-entering the Leased Area if:

- (1) the Lessee repudiates this Lease; or
- (2) the Lessee abandons the Leased Area; or
- (3) the Lessee ceases to use the Leased Area for the Permitted Use other than for a temporary period; or
- (4) the rent or any other money payable by the Lessee is unpaid for longer than 3 months after it is due to be paid; or
- (5) the Lessee is in default under this Lease and, if the default can be remedied, the Lessee has not remedied the default within 3 months after receiving a notice from the Landlord specifying the default and requiring it to be remedied; or
- (6) an Insolvency Event occurs.

Except for the notice given under subclause (5) and except for any notice otherwise required by law the Landlord does not need to give notice to the Lessee before re-entering the Leased Area.

13.2 Essential Terms and Damages

Every obligation of the Lessee under this Lease:

- (1) to pay money; or
- (2) not to do something without the Landlord's consent; or
- (3) relating to damage to the Leased Area or to the state of repair or condition of the Leased Area,

is an essential term of this Lease.

Nothing in this clause prevents other obligations from being essential terms.

If the Lessee defaults by not performing or complying with any obligation which is an essential term, the Landlord is entitled to recover damages for losses over the whole Term, including losses caused by the non-payment of money by the Lessee over that period, even if this Lease is terminated by the Landlord as a result of the Lessee's default before the Expiry Date.

This clause is not to be taken as relieving the Landlord of any duty to mitigate losses which is imposed by law.

13.3 *Right to Damages not Affected*

The Landlord's right to recover damages is not affected if:

- (1) the Landlord accepts the Lessee's repudiation of this Lease; or
- (2) the Landlord terminates this Lease by notice or re-entry; or
- (3) the Lessee has abandoned the Leased Area; or
- (4) there is a surrender of this Lease by law.

13.4 *Interest on Overdue Money*

The Lessee must pay interest on any money which is not paid by the due date. Interest is to be the higher of :

- (1) 10%; or
- (2) the current reference rate or other base rate charged by the Commonwealth Bank on overdraft loans of less than \$100,000 plus 2%,

and is to be calculated on a daily basis from the due date until the money is paid. The interest is to be paid when requested by the Landlord.

13.5 *Acceptance of Rent or Mitigation*

The acceptance of rent or other money owing under this Lease or an attempt by the Landlord to mitigate losses is not to be taken as a waiver of a default by the Lessee under this Lease or a surrender by law.

14. LESSEE'S OBLIGATIONS ON TERMINATION

14.1 *Risk*

The Lessee's Property is at the Lessee's risk at all times before and after the termination of this Lease.

14.2 *Damage Caused by Moving Out*

The Lessee must repair any damage to the Leased Area caused by moving out of the Leased Area or removing the Lessee's Property.

14.3 *Reinstatement*

Subject to clause 14.4, if the Lessee has made any improvements or alterations to the Leased Area or carried out any work on the Leased Area or done anything else to change the Leased Area if the Landlord requires, the Lessee must reinstate the Leased Area before the end of the Term so that the Leased Area is returned to the condition it was in before the improvements or alterations were made, or the work carried out or the other changes were made. The Lessee's obligations under this

clause include removing any building or other structure erected in the Leased Area by the Lessee unless the Landlord agrees otherwise or unless this Lease provides otherwise.

14.4 Improvements to remain

Despite clause 14.3, if:

- (1) the Lessee constructs or procures the construction of improvements on the Leased Area for the Permitted Use (**Public Purpose Infrastructure**); and
- (2) on termination of this Lease for any reason or at the end of the Term, the use of the Public Purpose Infrastructure is continuing,

the Lessor will not require the Lessee to remove the Public Purpose Infrastructure on termination of this Lease or at the end of the Term.

15. COSTS AND EXPENSES

15.1 Costs and Expenses

The Lessee must pay or reimburse the Landlord on request for all the Landlord's costs and expenses (including legal costs and expenses) in relation to:

- (1) arranging for any survey or demarcation drawing necessary to identify the Leased Area; and
- (2) negotiating, preparing, signing and stamping of this Lease and any document assigning, varying or surrendering this Lease; and
- (3) enforcing any right under this Lease including giving a notice of default under section 81 of the Property Law Act; and
- (4) any default by the Lessee which causes loss to the Landlord; and
- (5) giving any consent or approval under this Lease.

15.2 Duties and Fees

The Lessee must pay or reimburse the Landlord on request for any duty and fees (including fines and penalties attributable to the Lessee) payable in connection with this Lease.

16. MISCELLANEOUS

16.1 Remedies Cumulative

The rights, powers and remedies in this Lease are in addition to the rights, powers and remedies provided by law independently of this Lease.

16.2 ***Accrued Rights***

The termination of this Lease for any reason does not affect the rights of the Landlord in relation to a default by the Lessee before termination.

16.3 ***Severance***

If any part of this Lease or the application of that part to any person or circumstance is or becomes unenforceable, the other provisions of this Lease are not affected but continue to be enforceable.

16.4 ***Payments***

The Lessee must make all payments under this Lease without set-off, counterclaim or deduction. Payments by the Lessee under this Lease are to be made to the Landlord or any other person nominated by the Landlord. The Landlord need not make a demand for payment of any amount required to be paid by the Lessee under this Lease unless required by law. If this Lease does not specify when a payment is due, it is due within 14 days after the Landlord requests payment.

16.5 ***Transfer of Land Act***

The covenants and powers implied in every lease made under the *Transfer of Land Act 1893* are implied in this Lease, whether registered under that Act or not, except:

- (1) to the extent that they are modified by this Lease; and
- (2) the implied covenant set out in section 92(ii), which is excluded.

16.6 ***Cost of Complying with Obligations***

Unless otherwise stated in this Lease, the Lessee must pay the cost of performing or complying with every obligation of the Lessee under this Lease.

16.7 ***The Landlord Can Comply***

If the Lessee does not perform or comply with an obligation under this Lease the Landlord may do what is necessary for the obligation to be performed or complied with. The Lessee must reimburse the Landlord for any reasonable costs or expenses incurred in ensuring the Lessee's obligations are performed or complied with.

16.8 ***Registration of Lease***

The Landlord acknowledges the Lessee's right to register this Lease and will use its best endeavours to assist the Lessee in formalising the process.

17. **POWER OF ATTORNEY**

The Lessee for valuable consideration irrevocably appoints the Landlord and every senior officer of the Landlord (jointly and severally) the Lessee's attorney for the purpose of:

- (1) withdrawing any caveat which the Lessee is obliged to withdraw but does not; and

- (2) doing anything else the Lessee is obliged to do but does not do.

In this clause "**senior officer**" means every person designated by the Landlord as a senior officer.

18 NOTICES

18.1 Form and Address

A notice or other communication in connection with this Lease must be in writing and must be signed by the relevant party or its solicitors or agents.

The notice or other communication may be:

- (1) left at or posted to the address of the addressee as set out in the Schedule or any other address notified to the sender as an address for the giving of notices; or
- (2) sent by facsimile transmission to any facsimile number used by the addressee.

18.2 Receipt

Unless a later time is specified in it, a notice or other communication takes effect from the time it is taken to be received, which is:

- (1) if left at the address of the addressee, the next Business Day after the day it is left; and
- (2) if posted, on the third Business Day after posting; and
- (3) if sent by facsimile transmission, on the next Business Day after the facsimile was sent.

19. TRUSTEE PROVISIONS

If the Lessee has entered into this Lease in the capacity of trustee whether or not the Landlord has any notice of the trust, the Lessee:

- (1) is taken to enter into this Lease both as trustee and in the Lessee's personal capacity and acknowledges that the Lessee is personally liable for the performance of the Lessee's obligations under this Lease; and
- (2) will take any action necessary to ensure the assets of the trust are available to satisfy any claim by the Landlord for any default by the Lessee; and
- (3) will assign to the Landlord any right of indemnity the Lessee has against the assets of the trust to the extent of the liability of the Lessee under this Lease; and
- (4) warrants that the Lessee has the power and authority under the terms of the trust to enter into this Lease.

20. INTERPRETATION

20.1 Definitions

In this Lease:

Authority means any governmental or public authority of any kind.

Business Day means a day on which banks are open for business in Perth other than a Saturday or a Sunday.

Commencement Date means the date in item 4.1 of the Schedule.

Energy Supplier means any Authority, company or other body which supplies, at the Landlord's request, gas, electricity or other sources of energy to the Leased Area.

Expiry Date means the date in item 4.2 of the Schedule.

Insolvency Event means the happening of any of the following events in relation to the Lessee :

- (1) the Lessee is unable to pay all the Lessee's debts as and when they become due and payable or the Lessee has failed to comply with a statutory demand as provided in section 459F of the Corporations Law, or the Lessee is deemed to be unable to pay the Lessee's debts under section 585 of the Corporations Law; or
- (2) a meeting is convened to place the Lessee in voluntary liquidation or to appoint an administrator; or
- (3) an application is made to a court for the Lessee to be wound up; or
- (4) the appointment of a controller (as defined in section 9 of the Corporations Law) of any of the Lessee's assets; or
- (5) the Lessee proposes to enter into or enters into any form of arrangement (formal or informal) with the Lessee's creditors or any of them, including a deed of company arrangement; or
- (6) the Lessee becomes an insolvent under administration, as defined in section 9 of the Corporations Law.

Landlord means the statutory body described in item 1 of the Schedule and includes the Landlord's successors and an assignee of the reversion and, where the context permits, any person authorised by the Landlord to do any act on behalf of the Landlord for the purposes of this Lease, including a managing agent.

Leased Area means the area of land described in item 3 of the Schedule and includes all buildings and other improvements on that area of land unless this Lease provides that ownership of any buildings or improvements constructed by the Lessee on the Leased Area remains in or vests in the Lessee.

Lessee means the person or persons named in item 2 of the Schedule and includes the Lessee's successors and an assignee, a sublessee or any other person having a right to possess, use or occupy the Leased Area.

Lessee's Property means any buildings, fences, plant or equipment or other property which the Lessee constructs on or brings in to the Leased Area.

Liability includes any obligation to pay money or other loss, cost or expense of any kind.

Permitted Use means the use described in item 7 of the Schedule.

Rates and Taxes means any rate, tax, levy or any other charge imposed at any time during the Term of the Lease by any State, local or Federal governmental body, Authority, department or instrumentality or any other Authority of any kind, in relation to the supply or use of the Leased Area or any thing under or in connection with the Lease.

Services means all services to the Leased Area or parts of the Leased Area including air conditioning, electric power, gas, water, sewerage, telecommunications and fire sprinkler services.

Term means the period referred to in item 4 of the Schedule.

Water Supplier means any Authority, company or other body which supplies, at the Landlord's request, water or sewerage services to the Leased Area.

20.2 *Interpretation*

In this Lease, unless the contrary intention appears:

- (1) a reference to the Lessee includes the Lessee's employees, agents, contractors, sublessees, licensees, customers and any other person who is in the Leased Area with the Lessee's permission (direct or implied); and
- (2) a reference to a statute, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them occurring at any time before or after the Commencement Date; and
- (3) the singular includes the plural and vice versa; and
- (4) the word "person" includes a firm, a body corporate, an unincorporated association or an Authority; and
- (5) an obligation, representation or warranty; and
- (6) in favour of 2 or more persons is for the benefit of them jointly and severally; and
- (7) on the part of 2 or more persons binds them jointly and severally; and
- (8) each obligation of a party to this Lease has effect as a covenant given in favour of the party who may enforce the obligation; and

- (9) if a period of time is expressed to be calculated from or after a specified day, that day is not included in the period; and
- (10) a reference to a day is a reference to the 24 hour period commencing at midnight; and
- (11) a reference to a month is to a calendar month and a reference to a year is a calendar year;
- (12) if the word "including" or "includes" is used, the words: "without limitation" are deemed to immediately follow; and
- (13) a reference to the termination of this Lease includes the expiry of the Term; and
- (14) a reference to the Term in relation to any obligation of the Lessee is to be taken as including a reference to any period during which the Lessee occupies or uses the Leased Area with the Landlord's consent.

20.3 ***Schedule***

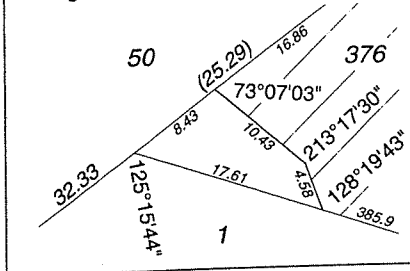
All the provisions in the Schedule of this Lease are incorporated in and form part of this Lease.

20.4 ***This Lease***

A reference to this Lease includes:

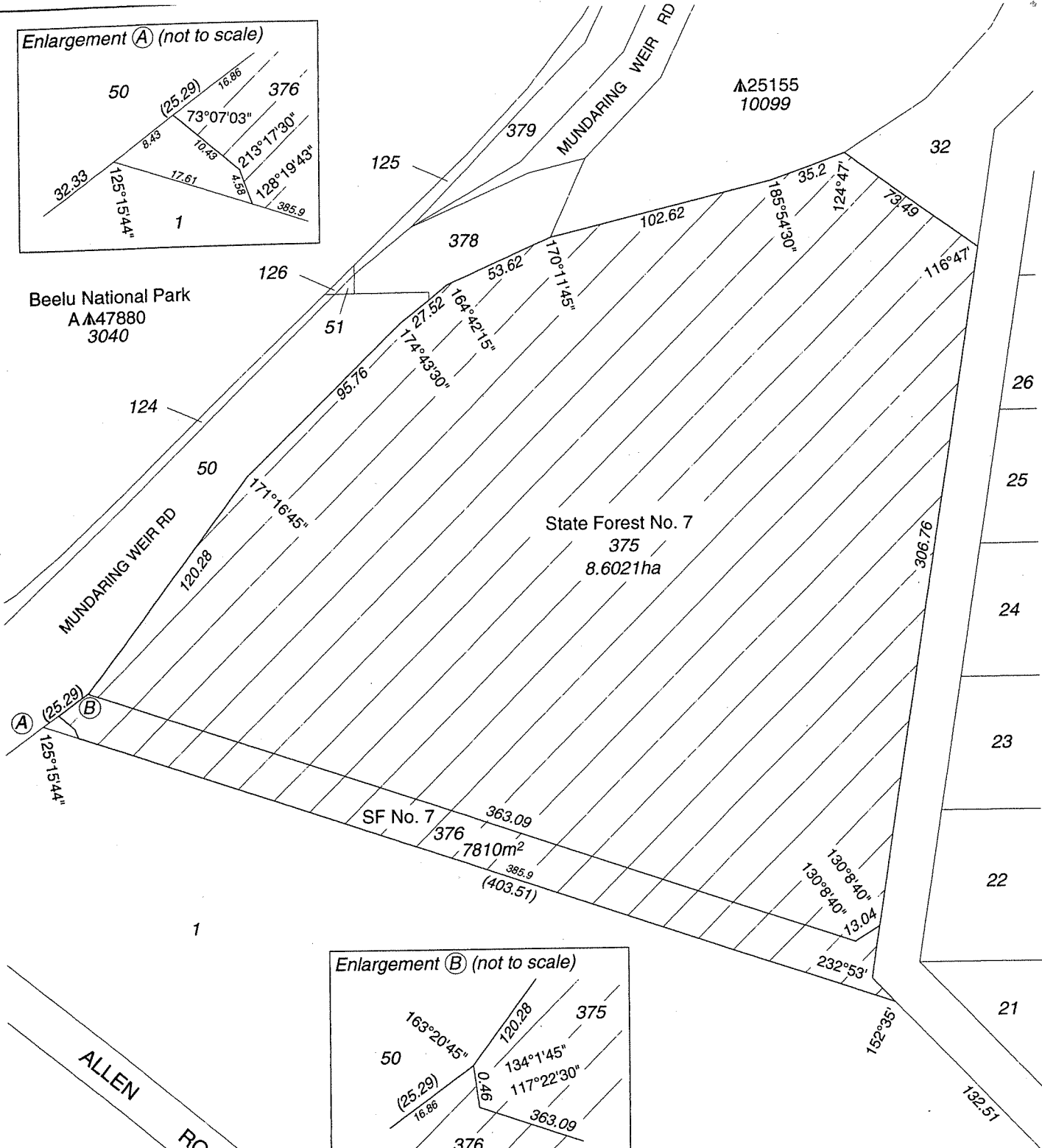
- (1) everything forming part of this document; and
- (2) any agreed changes to this document which are recorded in a separate document.

Enlargement (A) (not to scale)

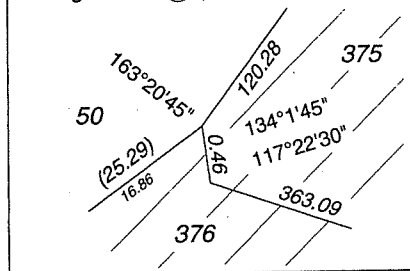


Beelu National Park
AΛ47880
3040

Λ25155
10099



Enlargement (B) (not to scale)



Beelu National Park
AΛ47880
3042

State Forest No. 7

All dimensions and areas shown on this plan
have been derived from a combination of
Landgate lodged plans and field survey.

Dimensions and areas may change
on field check

FOREST LEASE 2324/97 **Mundaring Water Treatment Plant**

LEASE PLAN APPROVAL

LESSEE

WITNESS

LESSOR

WITNESS

LESSEE

WATER CORPORATION

LGA

SHIRE OF MUNDARING

AREA

Abt 9.38ha

LAND DISTRICT

SWAN

DRAWN

BASED ON GHD SURVEY
2503526_V01 REV5

DEC DISTRICT

PERTH HILLS

CHECKED

JLF 30.6.11

PLAN REF.

DEC COG Plan: 2134-23 (AR.68)

FILE No.

2010/010921-1

SCALE 1 : 2 500



Department of
Environment and
Conservation

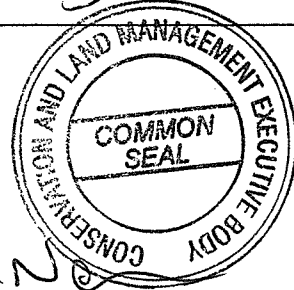
Our environment, our future

ATTESTATION SHEET

Executed by the parties as a Deed on the 7th day of July in the year 2011

LESSOR/LESSORS SIGN HERE (NOTE 9)

The Common Seal of the
CONSERVATION AND LAND
MANAGEMENT EXECUTIVE BODY
was hereunto affixed as authorised by
the Executive Body in the presence of:



KR Dyson
Witness

Ky M N
Chief Executive Officer

KYLIE DYSON
Name of Witness (print)

KEIRAN JAMES M'NAMARA
Full name (print)

EXECUTIVE OFFICER
Occupation of Witness

CL-DEC, ATRIUM
Address of Witness

LESSEE/LESSEES SIGN HERE (NOTE 9)

SIGNED by Josephus Johannes Henricus Mensink
the Manager, Corporate Real Estate Branch of Water
Corporation (a Group E Attorney) and by Domenico
Papalia the Acting Manager, Acquisitions of Water
Corporation (a Group F Attorney) as the attorneys for
Water Corporation who state that they have no notice of
revocation of the Power of Attorney No K232301
dated 5 June 2007 under which they sign in the
presence of:

Shook
Witness

LEANNE GOK
Name (please print)

Address 629 NEWCASTLE STREET
LEEDERVILLE WA 6007

Address (continued)
ACQUISITIONS SUPPORT OFFICER
Occupation

Shook
Witness

LEANNE GOK
Name (please print)

Address 629 NEWCASTLE STREET
LEEDERVILLE WA 6007

Address (continued)
ACQUISITIONS SUPPORT OFFICER
Occupation

[Signature]
Attorney

Josephus Johannes Henricus Mensink
Name (please print)

Manager, Corporate Real Estate of Water Corporation
Designated Post

[Signature]
Attorney

Domenico Papalia
Name (please print)

Acting Manager, Acquisitions of Water Corporation
Designated Post

INSTRUCTIONS

1. If insufficient space in any section Additional Sheet Form B1 should be used with appropriate headings. The boxed sections should only contain the words "See Annexure".
2. Additional Sheets shall be numbered consecutively and bound to this document by staples along the left margin prior to execution by parties.
3. No alteration should be made by erasure. The words rejected should be scored through and those substituted typed or written above them, the alteration being initialled by the person signing this document and their witnesses.
4. Duplicates are not issued for Crown Land Titles.

NOTES

1. **DESCRIPTION OF LAND**
Lot and Diagram/Plan number or Location name and number to be stated.
Extent – Whole, part or balance of the land comprised in the Certificate of Title/Crown Land Title to be stated. The Certificate of Title/Crown Land Title Volume and Folio number to be stated.
2. **LIMITATIONS, INTERESTS, ENCUMBRANCES and NOTIFICATIONS**
The documents shown are to be identified by nature and number. The plan/diagram encumbrances shown are to be identified by nature and relevant plan/diagram. If none show "nil".
3. **LESSOR**
State full name and address of Lessor/Lessors and the address/addresses to which future notices can be sent.
4. **LESSEE**
State full name and address of Lessee/Lesseees and the address/addresses to which future notices can be sent. If two or more, state tenancy eg Joint Tenants, Tenants in Common. If Tenants in Common specify shares.
5. **TERM OF LEASE**
Term to be stated in years, months and days.
Commencement date to be stated. Options to renew to be shown.
6. **RECITE ANY EASEMENTS TO BE CREATED**
Here set forth Easements to be created as appurtenant to the lease commencing with the words "together with" and/or any Reservations hereby created encumbering the lease commencing with the words "reserving to".
7. **RENTAL**
State amount of yearly rental in words.
8. **PAYMENT TERMS**
State terms of payment
9. **EXECUTION**
A separate attestation is required for every person signing this documents. Each signature should be separately witnessed by an Adult Person. The name, address and occupation of witnesses must be stated.

EXAMINED

Office Use Only

LODGED BY Corrs Chambers Westgarth

ADDRESS Level 15, 240 St Georges Terrace
PERTH WA 6000

PHONE No. (08) 9460 1666

FAX No. (08) 9460 1667

REFERENCE No. AHC/MB/MT WATE6930-9072606

ISSUING BOX No. 95J

PREPARED BY Department of Environment and Conservation

ADDRESS 17 Dick Perry Avenue, Kensington, Western Australia 6152

PHONE No. 9423 2333

FAX No. 9423 2466

INSTRUCT IF ANY DOCUMENTS ARE TO ISSUE TO
OTHER THAN LODGING PARTY

TITLES, LEASES, DECLARATIONS ETC LODGED
HEREWITH

- | | | |
|----|-------|-----------------|
| 1. | _____ | Received Items |
| 2. | _____ | Nos. |
| 3. | _____ | |
| 4. | _____ | Receiving Clerk |
| 5. | _____ | |
| 6. | _____ | |