

I hereby certify that the within is a true and correct copy of  
Lease No. 950/97.

  
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Keiran McNamara  
Director General

## LEASE

LEASE NO 950/97

PART OF STATE FOREST NUMBER 4

AIRCRAFT LANDING STRIP

THE CONSERVATION AND LAND  
MANAGEMENT EXECUTIVE BODY  
(The Lessor)

THE SHIRE OF COLLIE  
(Lessee)

**Schedule**

1. The Lessor
2. Lessee
3. Leased Area
4. Term
5. Option to Extend the Lease
6. Rent
7. Permitted Use of the Leased Area
8. Minimum Public Liability Insurance Cover

**Terms and Conditions**

1. Grant
2. Option to Extend
3. Rent
4. Rent Review
5. Outgoings
6. Building Work and Cleaning
7. Use of Leased Area
8. Fires and Environmental Protection
9. General Obligations and Restrictions
10. Indemnity and Insurance
11. Management of the Leased Area
12. Assignment and Subletting
13. Holding Over
14. Default
15. Lessee's Obligations on Termination
16. Costs and Expenses
17. Miscellaneous
18. Power of Attorney
19. Notices
20. Trustee Provisions
21. Interpretation

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**1. THE LESSOR**

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THE CONSERVATION AND LAND MANAGEMENT EXECUTIVE BODY – 17 DICK PERRY AVENUE KENSINGTON WA 6152

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**2. Lessee**

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THE SHIRE OF COLLIE – THROSSELL STREET COLLIE WA 6225

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**3. Leased Area**

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SEE ATTACHED LEASE DIAGRAM

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**4. Term**

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The period of five (5) years from the Commencement Date to the Expiry Date

**4.1 Commencement Date: 1 June 2012**

**4.2 Expiry Date: 31 May 2017**

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**5. Option to Extend the Lease**

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**5.1 First Option Period: 5 years**

**5.2 Second Option Period: 5 years**

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**6. Rent**

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\$1.00 if and when demanded.

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**7. Permitted Use of the Leased Area**

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Aircraft Landing Strip

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**8. Minimum Public Liability Insurance Cover**

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\$10,000,000

## **1. GRANT**

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### **1.1 Grant of Lease**

The Lessor leases the Leased Area to the Lessee for the Term subject to the terms and conditions of this Lease.

### **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 Lessor except as permitted by this Lease or by law.

### **1.3 Termination by Either Party by 3 Months Notice**

Despite any other provision of this Lease, either party may at any time terminate this Lease by Giving three months notice of termination to the other party.

## **2. OPTION TO EXTEND**

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### **2.1 First Option Period**

If a period is specified in item 5.1 of the Schedule, then, prior to the end of the Term, provided that the Lessee is not in default under this Lease, the Lessee may make a request in writing to the Lessor for the Lease to be extended for the First Option Period. The Lessor may in its absolute discretion approve or reject the extension of the lease for the First Option Period.

### **2.2 Second Option Period**

If a period is specified in item 5.2 of the Schedule then, prior to the end of the First Option Period, provide that the Lessee is not in default under this Lease, the Lessee may make a request in writing to the Lessor for the Lease to be extended for the Second Option Period. The Lessor may in its absolute discretion approve or reject the extension of the Lease for the Second Option Period.2.2

### **2.3 Terms and Conditions**

If this Lease is extended under clause 2.1 all the provisions of this Lease continue to apply, except the option in clause 2.1. If this Lease is further extended under clause 2.2 all the provisions of this Lease continue to apply, except the options in clauses 2.1 and 2.2.

### **2.4 Rent during Option Term**

The rent payable by the Lessee from the beginning of any extended term of this Lease is to be the same rent payable immediately before the date of commencement of the extended term unless that date is a rent review date, in which case the rent is to be reviewed with effect from that date, and the rent is subject to further review during the extended term as provided in this Lease.

### **2.5 Default after exercise of Option**

If the Lessee defaults under this Lease after exercising an option to extend the term of this Lease, the Lessor is not prevented from exercising any rights, including the right to terminate this Lease. If this Lease is terminated, the Lessor is not under any obligation to grant a lease of the Leased Area to the Lessee for any extended term.

## 2.5 **Definitions**

In this Lease:

**First Option Period** means the period (if any) specified in item 5.1 of the Schedule.

**Second Option Period** means the period (if any) specified in item 5.2 of the Schedule.

## 3. **RENT**

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### 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.

### 3.2 **Manner of Payment**

The Lessee must pay the rent by equal annual instalments in advance. The first instalment is to be paid on the Commencement Date and subsequent instalments are to be paid on each anniversary of the Commencement Date. Rent payable for part of a year is to be proportionately adjusted on a daily basis.

## 4. **RENT REVIEW**

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### 4.1 **CPI**

With effect from (and including) each date specified in this clause 4 as a "**CPI Review Date**", the rent must be reviewed on the basis that the reviewed rent is to be the higher of:

- (1) the rent applying immediately before the relevant CPI Review Date; and
- (2) the amount calculated by using the following formula:

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

Where:

- A = the amount of the reviewed rent which is payable from (and including) the relevant CPI Review Date.
- B = the last quarterly CPI Index Number published before the relevant CPI Review Date.
- C = the last quarterly CPI Index Number published before the previous rent review date (or in the case of the first review, before the Commencement Date).
- D = the amount of the rent applying immediately before the relevant CPI Review Date.

### 4.2 **Market**

With effect from (and including) each date specified in this clause 4 as a "**Market Review Date**", the Lessor can require that the rent be reviewed on the following basis.

If the Lessee has not agreed in writing to the amount of the reviewed rent proposed by the Lessor by 1 month before the relevant Market Review Date, the amount of the reviewed rent is to be the higher of:

- (1) the rent applying immediately before the relevant Market Review Date; and
- (2) the market rent for the Leased Area determined by a valuer licensed under the *Land Valuers Licensing Act 1978*:
  - (a) agreed to by each of the parties; or
  - (b) if they cannot agree, appointed by the President of the Australian Institute of Valuers and Land Economists (WA Division) at the request of either party.

The parties must each pay half the fees charged by any valuer appointed under this Lease to determine the market rent for the Leased Area.

#### 4.3 **Interpretation**

In this Lease:

**CPI Index Number** means the Consumer Price Index (All Groups) for Perth published by the Australian Bureau of Statistics. If that index ceases to exist, "CPI Index Number" means the index which replaces it or (if none does) the index which most closely measures changes in the cost of living in Perth, Western Australia as nominated by a senior officer of the Australian Bureau of Statistics.

**CPI Review Date** means each anniversary of the Commencement Date other than each anniversary which is a Market Review Date.

**market rent** means the rent that a sitting Lessee would be prepared to pay and an owner of the Leased Area would be prepared to accept taking into account:

- (1) the highest and best use of the Leased Area;
- (2) the provisions of this Lease;
- (3) the period which will elapse between the current rent review date and the next rent review date or, if there is not one, the termination of this Lease;
- (4) the full length of the Term and the benefit of any option to renew;
- (5) any improvement to the Leased Area by the Lessor;

but disregarding:

- (6) the consequences of any default by the Lessee of this Lease which may have adversely affected the condition, rental value or market rent of the Leased Area;
- (7) any part of the Term which has expired;
- (8) the value of the Lessee's Property and any goodwill created by the Lessee's business or activities on the Leased Area;

**Market Review Date** means the first day of each term for which this Lease is extended.

**rent review date** includes each CPI Review Date and Market Review Date.

#### 4.4 *Delay*

No delay by the Lessor in enforcing any review of the rent prevents the Lessor from requiring at any time that the rent must be reviewed with effect from the dates for review of the rent specified in this clause 4.

### 5. **OUTGOINGS**

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#### 5.1 *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 Lessor, to the Lessor as required by the Lessor whenever the Rates and Taxes become payable.

#### 5.2 *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).

**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 Lessor 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 Lessor must issue a Tax Invoice to the Lessee in respect of any supply of goods and services under the lease.

##### (4) **Reimbursements**

If the Lessor 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 Lessor.

#### 5.3 *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 Lessor 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.

#### 5.4 *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 Lessor, to the Lessor as required by the Lessor whenever the charges become payable.

## 5.5 *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 Lessor, to the Lessor as required by the Lessor whenever the charges become payable.

## 5.6 *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 Lessor, to the Lessor as required by the Lessor whenever the charges become payable.

# 6. **BUILDING WORK AND CLEANING**

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## 6.1 *General Obligations*

The Lessee must:

- (1) maintain the Leased Area to a reasonable standard subject to the Lessor's satisfaction; 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.

## 6.2 *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) before carrying out the work, obtain the Lessor's written approval to the carrying out of the work, including if relevant, written approval of the plans and specifications for the work; and
- (2) comply with all relevant requirements of each Authority and all laws and applicable standards in relation to the work; and
- (3) carry out the work in a safe and proper manner; and
- (4) use only good quality materials; and
- (5) utilise the services of a qualified and competent overseer who has been approved by the Lessor; and
- (6) pay to the Lessor when the Lessor requests any expenses incurred by the Lessor in approving the work, including fees paid to architects, engineers, contractors or other advisors.

## 6.3 *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;
- (3) regularly remove rubbish accumulating on the Leased Area to an appropriate rubbish disposal site; and
- (4) comply with the Lessor's reasonable directions in connection with cleaning and the disposal of rubbish in relation to the Leased Area.

#### 6.4 ***Specific obligations***

Without limiting the preceding clause, the Lessee must:

- (1) keep the surrounds of the Leased Area for a distance of 10 metres from the boundary clean and tidy and free of vermin as if the surrounds form part of the Leased Area;
- (2) 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
- (3) not dispose of rubbish from the Leased Area in any bins provided by the Lessor for public use in forest or nature conservation areas.

### **7. USE OF LEASED AREA**

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#### 7.1 ***Permitted Use***

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

#### 7.2 ***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 Lessor. 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.

#### 7.3 ***No Warranty by Lessor***

The Lessor 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.

#### 7.4 ***The Lessor Not Liable***

The Lessor is not liable to the Lessee and the Lessee will not make a claim against the Lessor 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 Lessor or any employee, contractor or agent of the Lessor.

## **8. FIRES AND ENVIRONMENTAL PROTECTION**

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### **8.1 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 Lessor or any Authority.

### **8.2 Fire Control**

The Lessee must immediately:

- (1) notify the Lessor 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.

### **8.3 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 Lessor or an Authority; and
- (2) the fire is not dangerous and is properly controlled so that it cannot become dangerous.

### **8.4 Liability for Fires**

The Lessee is responsible for and must pay or reimburse the Lessor 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 Lessor 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.

### **8.5 Timber**

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

(2) Subject to the written authority of the Lessor, the Lessee may fell cut and utilise timber on the Leased Area as the Lessee may require for the erection of fencing or other authorised improvements thereon.

### **8.6 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. Without limitation, unless required by clause 8.7, the Lessee may not cut down or damage or otherwise interfere with anything growing on the Leased Area without the written consent of the Lessor. 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.

### **8.7 Dangers or Threats to the Public**

The Lessee must:

- (1) regularly check the condition of trees and other vegetation on the Leased Area;
- (2) subject to the Lessor's consent, prune or remove any tree or other vegetation which is in a dangerous condition or which may threaten the safety of any person;
- (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.

### **8.8 Prevention of Disease**

The Lessee must comply with the Lessor'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.

### **8.9 No Interference with Land**

The Lessee acknowledges that the Leased Area may be environmentally sensitive and that the Lessor has a general duty to protect the environment. Accordingly, the Lessee must not, without first obtaining the consent of the Lessor, do anything to damage or otherwise interfere with the natural environment on the Leased Area, including:

- (1) removing rocks, earth, soil or other material from the Leased Area; or
- (2) clearing or removing trees or other vegetation from the Leased Area by any means; or
- (3) altering the contours of the surface of the Leased Area; or
- (4) depositing any earth fill or other similar materials on the Leased Area; or
- (5) altering the natural drainage on the Leased Area; or
- (6) introducing any new flora or fauna to the Leased Area; or
- (7) harming or endangering any flora or fauna on the Leased Area; or
- (8) anything else which in connection with the Leased Area may be harmful to the environment.

### **8.10 Notify the Lessor of Threats**

The Lessee must immediately notify the Lessor 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.

### **8.11 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.

## 9. GENERAL OBLIGATIONS AND RESTRICTIONS

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### 9.1 *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 Lessor a copy of every notice from any Authority received by the Lessee relating to the Leased Area; and
- (5) immediately notify the Lessor if the Lessee becomes aware of anything which is a threat to the Leased Area and comply with the Lessor's directions for the purpose of protecting property or persons in the Leased Area; and
- (6) promptly inform the Lessor after becoming aware of any damage to the Leased Area or of the faulty operation of any Services.

### 9.2 *Restrictions*

In connection with the Leased Area, the Lessee must not (and may not permit anyone else to) except with the Lessor'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; 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; or
- (8) use the Leased Area as a residence, other than a caretaker's residence, or for any activity which is dangerous, offensive, illegal or immoral or which is or may become a nuisance or annoyance 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; or
- (12) lodge an absolute caveat to protect the Lessee's interest under this Lease.

### **9.3 Local Government Act 1995 Requirements**

Even though the *Local Government Act 1995* and subsidiary legislation, including any building regulations, may not apply in respect of the Leased Area, the Lessee must comply with that Act and subsidiary legislation as if it did apply, except to the extent that the Lessor waives any requirement. The Lessee must pay to the Lessor on request the fees or other costs charged to the Lessor by any consultant or other competent person who provides advice to the Lessor in relation to the Lessee's compliance with the *Local Government Act 1995* and any subsidiary legislation.

## **10. INDEMNITY AND INSURANCE**

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### **10.1 Indemnity**

The Lessee is responsible for and indemnifies the Lessor 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 Lessor to remedy a default by the Lessee.

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

### **10.2 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.

### **10.3 Variation of Insurance amount**

The Lessor 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.

### **10.4 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 Lessor, provide evidence of payment; and
- (2) when reasonably requested by the Lessor, provide evidence of currency for each insurance policy certified by the insurer; and

- (3) immediately notify the Lessor if an event occurs which may give rise to a claim under any insurance or which could adversely affect it or if an insurance policy is cancelled; and
- (4) if required by the Lessor, ensure that the Lessor's interests are noted on the policy of public liability insurance.

#### **10.5 Lessor's insurance**

Unless the Lessor consents, the Lessee must not:

- (1) do or allow anything to be done which could adversely affect any insurance taken out by the Lessor 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.

### **11. MANAGEMENT OF THE LEASED AREA**

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#### **11.1 Managing Agent**

The Lessor may appoint a managing agent to manage the Leased Area and represent the Lessor in relation to this Lease. If the Lessor appoints a managing agent, the managing agent may exercise the rights and powers of the Lessor under this lease. The Lessor may at any time vary or terminate the authority of the managing agent. Decisions of the Lessor override those of the managing agent if there is any inconsistency between them.

#### **11.2 Exercise of Rights under the Conservation and Land Management Act 1984**

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

#### **11.3 Right to Enter**

The Lessor 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 Lessor is required to do by law or is permitted to do under this Lease;

without affecting the Lessee's obligations under this Lease.

#### 11.4 *Minimise disruption*

If the Lessor does anything permitted by the preceding clause the Lessor 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 Lessor.

#### 11.5 *Dealing with the Leased Area*

The Lessor reserves the right to deal with the Leased Area by granting easements, licences or other rights or interests of any kind to any person over it at any time so long as this does not unreasonably interfere with the Lessee's use of the Leased Area for the Permitted Use. The rights which the Lessor may grant include the right to cut down and remove timber or other vegetation from the Leased Area, the right to draw water or the right to excavate and remove rocks, earth, soil or other materials from the Leased Area. The Lessee is not entitled to any compensation or to make any other claim against the Lessor in relation to the proper exercise of any right given to another person by the Lessor. The Lessee is responsible for and indemnifies the Lessor against any Liability resulting from any claim made by a person to whom a right or interest has been granted by the Lessor in connection with any negligent act or omission of the Lessee or any default by the Lessee under this Lease.

### 12. **ASSIGNMENT AND SUBLETTING**

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#### 12.1 *Consent Required*

Unless the Lessor consents under the next clause, the Lessee may not assign this Lease or sublet the Leased Area.

#### 12.2 *Requirements for Consent*

The Lessee may assign this Lease or sublet the Leased Area if the Lessor consents and if the Lessee:

- (1) complies with the next clause; and
- (2) supplies to the Lessor evidence acceptable to the Lessor that the proposed assignee or sublessee 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 Lessor; and
- (4) if requested by the Lessor, arranges for the proposed assignee or sublessee to obtain from one or more persons, as reasonably nominated by the Lessor, a guarantee of the obligations under this Lease to be assumed by the proposed assignee or sublessee in a form prepared or approved by the Lessor's solicitors.

#### 12.3 *Obligations on assignment or sublease*

If the Lessee assigns this Lease or sublets the Leased Area, the Lessee must:

- (1) deliver to the Lessor, before the date that the proposed assignment or sublease is to take effect, a completed agreement in the form of a deed prepared or approved by the

Lessor's solicitors, by which the proposed assignee or sublessee agrees with the Lessor to be bound by this Lease as from the date the assignment or sublease takes effect; and

- (2) pay to the Lessor on request the Lessor's expenses, including legal costs:
  - (a) incurred in making reasonable enquiries about the proposed assignee or sublessee; and
  - (b) in connection with the preparation, completion and stamping of the assignment or sublease documents and any other related documents, (including the stamp duty on those documents).

#### **12.4 Lessee Remains Liable**

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

#### **12.5 Change in Control**

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

#### **12.6 Exclusion of Statutory Provisions**

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

#### **12.7 Fees**

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

### **13. HOLDING OVER**

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If the Lessor 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.

## **14. DEFAULT**

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### **14.1 Re-entry**

The Lessor 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 Lessor specifying the default and requiring it to be remedied; or
- (6) an Insolvency Event occurs; or

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

### **14.2 Essential Terms and Damages**

Every obligation of the Lessee under this Lease:

- (1) to pay money; or
- (2) not to do something without the Lessor'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. (This clause does not prevent other obligations being essential terms).

If the Lessee defaults by not performing or complying with any obligation which is an essential term, The Lessor 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 Lessor as a result of the Lessee's default before the Expiry Date.

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

### 14.3 *Right to Damages not Affected*

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

- (1) the Lessor accepts the Lessee's repudiation of this Lease; or
- (2) the Lessor 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.

### 14.4 *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) 15%; 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 Lessor.

### 14.5 *Acceptance of Rent or Mitigation*

The acceptance of rent or other money owing under this Lease or an attempt by the Lessor 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.

## 15. **LESSEE'S OBLIGATIONS ON TERMINATION**

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### 15.1 *Lessee to Move Out*

The Lessee must move out of the Leased Area and remove all the Lessee's Property from the Leased Area by the end of the Term except that if this Lease is terminated before that date, the Lessee must move out and remove the Lessee's Property as soon as reasonably possible after this Lease is terminated.

### 15.2 *Abandonment of Lessee's Property*

If the Lessee does not remove all the Lessee's Property when the Lessee has to move out of the Leased Area the Lessee is deemed to have abandoned the Lessee's Property remaining in the Leased Area and the Lessee's Property will become the property of the Lessor.

### 15.3 *Risk*

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

### 15.4 *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.

## 15.5 *Reinstatement*

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 Lessor 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 Lessor agrees otherwise or unless this Lease provides otherwise.

## 16. COSTS AND EXPENSES

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### 16.1 *Costs and Expenses*

The Lessee must pay or reimburse the Lessor on request for all the Lessor'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 1969*; and
- (4) any default by the Lessee which causes loss to the Lessor; and
- (5) giving any consent or approval under this Lease.

### 16.2 *Duties and Fees*

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

## 17. MISCELLANEOUS

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### 17.1 *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.

### 17.2 *Accrued Rights*

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

### 17.3 *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.

#### 17.4 *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 Lessor or any other person nominated by the Lessor. the Lessor 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 Lessor requests payment.

#### 17.5 *Transfer of Land Act 1893*

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.

#### 17.6 *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.

#### 17.7 *The Lessor Can Comply*

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

### 18. **POWER OF ATTORNEY**

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The Lessee for valuable consideration irrevocably appoints the Lessor and every corporate executive officer of the Lessor (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 Lessor as a senior officer.

### 19. **NOTICES**

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#### 19.1 *Form and Address*

A notice or other communication in connection with this Lease must be in writing and may 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.

## 19.2 *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;
- (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.

## 20. TRUSTEE PROVISIONS

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If the Lessee has entered into this Lease in the capacity of trustee whether or not the Lessor 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 Lessor for any default by the Lessee; and
- (3) will assign to the Lessor 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.

## 21. INTERPRETATION

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### 21.1 *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 Lessor'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;

- (2) a meeting is convened to place the Lessee in voluntary liquidation or to appoint an administrator.
- (3) an application is made to a court for the Lessee to be wound up;
- (4) the appointment of a controller (as defined in section 9 of the Corporations Law) of any of the Lessee's assets;
- (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.

**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.

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

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

## 21.2 **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);

- (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;
- (3) the singular includes the plural and vice versa;
- (4) the word "person" includes a firm, a body corporate, an unincorporated association or an Authority;
- (5) an obligation, representation or warranty:
- (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;
- (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;
- (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;
- (10) a reference to a day is a reference to the 24 hour period commencing at midnight;
- (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;
- (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 Lessor's consent.

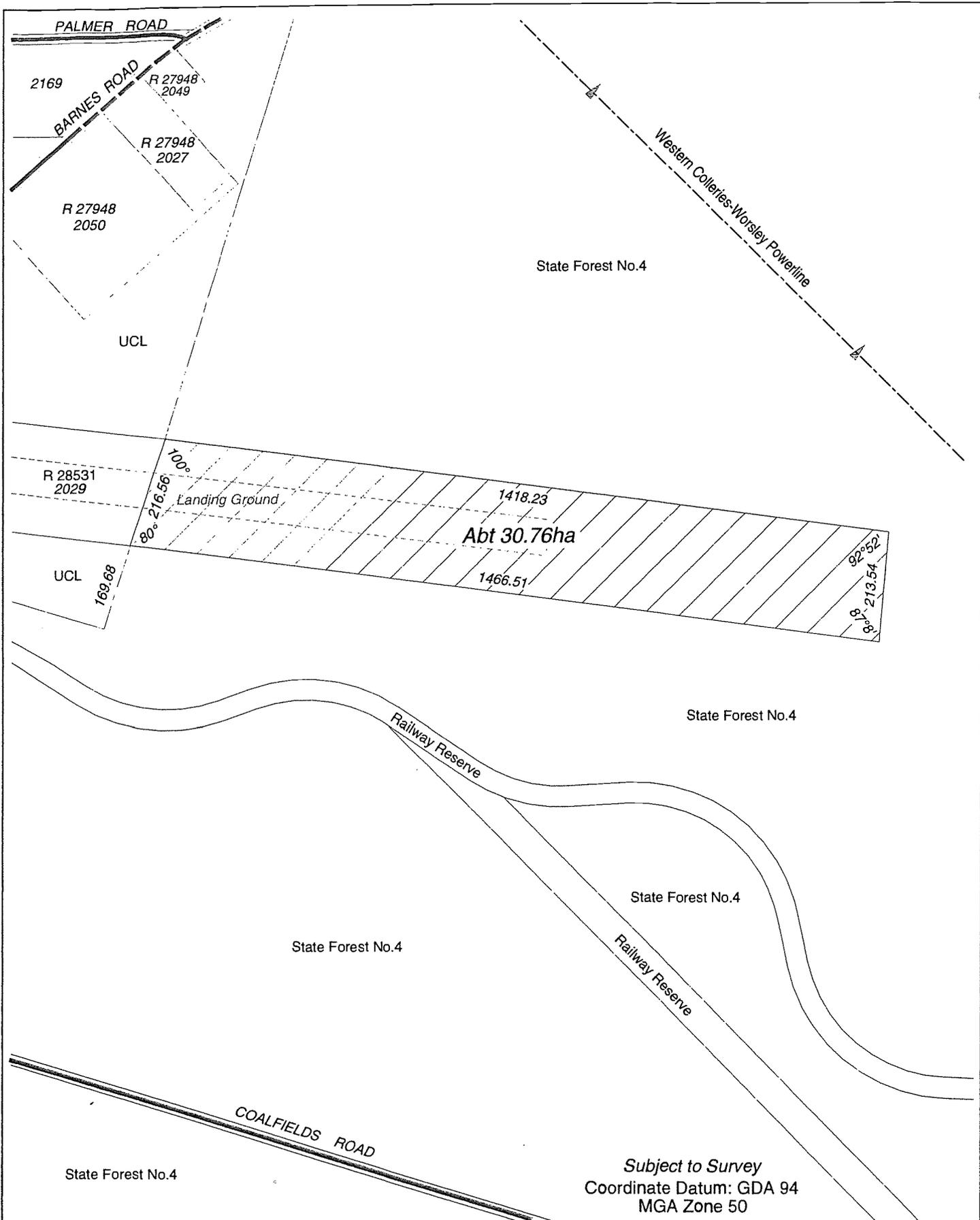
### 21.3 **Schedule**

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

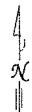
### 21.4 **This Lease**

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.



Subject to Survey  
 Coordinate Datum: GDA 94  
 MGA Zone 50

<b>FOREST LEASE No. 950/97 Aircraft Landing Strip</b>				LEASE PLAN APPROVAL		 SCALE 1 : 10 000  Department of Environment and Conservation  <i>Our environment, our future</i>
				LESSEE		
WITNESS		WITNESS				
LESSEE	<b>SHIRE OF COLLIE</b>		LESSOR			
LGA	<b>SHIRE OF COLLIE</b>		AREA	<b>Abt 30.76ha</b>		
LAND DISTRICT	<b>WELLINGTON</b>		DRAWN	CJLB 29-10-2011		
DEC DISTRICT	<b>WELLINGTON</b>		CHECKED	<i>RB 29-10-11</i>		
PLAN REF.	<b>DEC COG Plan: 2131-23 (EO 72)</b>		FILE No.	<b>2011/000278-1</b>		

Executed by the parties as a deed on the 29th day of July in the year 2012

THE COMMON SEAL of the )  
CONSERVATION AND LAND )  
MANAGEMENT EXECUTIVE BODY )  
was hereunto affixed by: )



Kijuna  
CHIEF EXECUTIVE OFFICER

in the presence of:

[Signature]  
Witness's Signature

Shani Owens  
Full Name of Witness

Public Servant  
Occupation of Witness

cf- Department of Environment and Conservation  
Address of Witness

The signature of the )  
CHIEF EXECUTIVE OFFICER )  
of the SHIRE OF COLLIE )  
Was hereunto affixed by )



[Signature]  
CHIEF EXECUTIVE OFFICER

JASON WHITEAKER  
Full Name of Chief Executive Officer

The signature of the )  
SHIRE PRESIDENT )  
of the SHIRE OF COLLIE )  
was hereunto affixed by )

[Signature]  
SHIRE PRESIDENT

WAYNE SANTOARD  
Full Name of Shire President