MEMORANDUM OF UNDERSTANDING

BETWEEN

AUSTRALIAN PROSPECTORS & MINERS
HALL OF FAME LTD
PO Box 2001
Kalgoorlie
Western Australia

AND

VET (WA) MINISTERIAL CORPORATION
Optima Centre
16 Parkland Road
Osborne Park
Western Australia

Context
This document outlines an arrangement being entered into for the use of the Mining Hall of Fame (MHOF) by the Vocational Training and Education Centre (VTEC), currently a training organisation administered by the Department of Training and Workforce Development (DTWD).

Intent
The owners of the MHOF, the Australian Prospectors and Miners Hall of Fame Ltd have agreed to the Sub-Lease of the MHOF by the VET (WA) Ministerial Corporation, represented by DTWD. Both parties intend to commence an immediate relationship to enable refurbishment of part of the MHOF building for use as learning spaces.

Sub-Lease arrangements
Sub-Lease documentation is currently being prepared for negotiation and sign off by both parties. In the interim, both parties agree to act in good faith and in accordance with Schedule 1 to this document which details the intent of the final lease documentation.

Best endeavours
Both parties agree to work in good faith with interested third parties such as Kalgoorlie Consolidated Gold Mines (KCGM) and other industry bodies, to ensure the ongoing viability and best use of the site. This will include the negotiation of access to exhibits, service and access roads and signage arrangements.
Property perimeter
For the purpose of Sub-Lease arrangements and to facilitate ongoing maintenance, a property perimeter has been defined at Schedule 2 to this MOU. In essence it includes the MHOF building and the land surrounding it bordered by the service roads, the main building frontage and the adjacent car park. Any fencing to be arranged to facilitate delineation of the property perimeter should also allow for access between the main building and the attraction site for patrons of both, and use of the attraction facilities by the MHOF building lessees.

Permitted uses
It is noted that the existing head lease is for the special purposes of "Tourist Mine". It is agreed that the MHOF will obtain the necessary relevant approvals to amend the site use in the head lease to incorporate Training, Education and ancillary purposes.

Signatories to Memorandum of Understanding

Dated 10th April 2012

Signed for and on behalf of the VET (WA) Ministerial Corporation by the Hon Peter Collier MLC, the Minister for Training and Workforce Development, pursuant to Section 7(2)(b) of the Vocational Education and Training Act 1996 in the presence of:

Signature

Signature of witness

RICHARD WILSON
Name of witness

CHIEF OF STAFF
Occupation or Profession of witness
Dated \text{of} \text{April} \text{2012}

Signed for and on behalf of the Australian Prospectors and Miners Hall of Fame Ltd with the authority of the Board by Hon Peter V Jones, Chairman of the Australian Prospectors and Miners Hall of Fame Ltd in the presence of: 

\underline{Peter \text{V} Jones}

}\underline{Signature}

\underline{A. \text{A.} Jones}

\underline{Signature of witness}

\underline{Margaret \text{A.} Jones}

\underline{Name of witness}

\underline{Hon. Manager}

\underline{Occupation or Profession of witness}
LEASE ARRANGEMENTS

BETWEEN

AUSTRALIAN PROSPECTORS & MINERS
HALL OF FAME LTD
PO Box 2001
Kalgoorlie
Western Australia

(herein called the "Sub-Lessor")

AND

VET (WA) MINISTERIAL CORPORATION
Optima Centre
16 Parkland Road
Osborne Park
Western Australia

(herein called the "Sub-Lessee")

WHEREBY

The Sub-Lessor and Sub-Lessee agree to enter into a Sub-Lease to use the Mining Hall of Fame Main Building for training purposes.

TERMS

1. Head Lessor

State of WA (Minister for Lands). (Refer also the Conditions Precedent at the end.)

2. Sub-Lessor

Australian Prospectors & Miners Hall of Fame Ltd of Post Office Box 2001, Kalgoorlie.

(In the event of sale, the Sub-Lease shall continue with the successors and have full force and effect.

3. Sub-Lessee

VET (WA) Ministerial Corporation

4. Sub-Lease Area

Part of the property known as "The Mining Hall of Fame" located at 130 Goldfields Road, Mullingar and legally described as Lot 255 on Deposited Plan 19035 on Certificate of Crown Land Title Volume LR3124 Folio 517.

The Sub-Lease Area will be marked on a plan for the purpose of attaching to the Sub-Lease document. In the
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absence of a marked up plan, for the time being, the Sub-Lease Area is described as follows:

- The whole of the “Main Building”; and
- Portion of the land surrounding the “Main Building”

The Sub-Lessor will erect a perimeter fence on the Sub-Lease Area boundary.

5. Sub-Lease Commencement Date & Term

5 years commencing 1 July 2012 and expiring 30 June 2017

6. Option to Renew

One option of 5 years commencing 1 July 2017 and expiring on 30 June 2022.

7. Net Rent

Peppercorn for the first two (2) years.

8. Rent Reviews

The rent will be subject to review to open market on the following dates:

1 July 2014

and if the option term is exercised, the rent will be reviewed to open market on:

1 July 2017
1 July 2019
1 July 2021

If the rent cannot be agreed, the Sub-Lessor and Sub-Lessee will jointly appoint a single valuer to provide a determination of rental. If either party does not accept the rental, it may invoke the Break Clause and terminate the Sub-Lease. For the avoidance of doubt, the existing rent will be paid until the date of termination notified in the Break Clause Notice.

9. Outgoings

From the Sub-Lease Commencement Date, wherever possible, the Sub-Lessee will arrange to be invoiced directly and pay for outgoings applicable to the Sub-Lease Area.

If the Outgoings must be charged to the Sub-Lessor, for example, rates and taxes (if applicable) and building insurance, the Sub-Lessee will reimburse the Sub-Lessee’s proportion of outgoings which shall be the same proportion which the Sub-Lease Area bears to the total
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land area of Lot 255. These Outgoings will be charged to the Sub-Lessee on an "as invoiced" basis.

The Sub-Lessee will not be required to pay any excluded outgoings such as items of a structural or capital nature or contributions towards sinking funds or marketing levies for Lot 255.

10. Other Access Areas

It is acknowledged that the roads located on the adjoining Lot 555 to access the carpark within the balance of Lot 255 are controlled by Kalgoorlie Consolidated Gold Mines Pty Ltd ("KCGM"). The Sub-Lessor is required to give written confirmation to the Sub-Lessee that it has obtained KCGM’s permission to provide the Sub-Lessee with free and unrestricted access for the use of these roads to access the carpark and access between the carpark and the Sub-Lease Area.

The Sub-Lessor is to use its best endeavours to arrange for the Sub-Lessee to be given continued access, and where appropriate at no cost, to the underground mining facilities for training purposes. The Sub-Lessee acknowledges that there may be a cost for the use of the underground mining facilities.

11. Common Area

Part of the "Main Building" will comprise a Common Area which is an area designated for access and use by the Sub-Lessor for a public exhibit made accessible for visitors to the Tourist Mine. The opening hours and designated area and location within the Building will be at the Sub-Lessee's discretion.

Other than cleaning, the Sub-Lessor will be solely responsible for the exhibit area and the items placed in the exhibit. The Sub-Lessor should include the contents in its own Building Contents insurance.

12. Survey Plans

At the Sub-Lessor’s expense, the Sub-Lessor will provide survey plans from Licensed Surveyors showing:

- The dimensions and area of the Sub-Lease Area; and

- Upon the first Rent Review to open market the building area is surveyed according to Property Council of Australia guidelines for Net Lettable Area for "Office". The Net Lettable Area is to exclude toilets, kitchens and Main Building Common Area. The area measurement of the
Main Building Common Area is be reflected on the survey plan but excluded from the calculation of Net Lettable Area.

13. Permitted Uses

The Premises shall be used for training and any associated ancillary uses required by the Sub-Lessee.

The Sub-Lessor will obtain the necessary formal approvals for the proposed use from the Department of Regional Development and Lands and the Local Authority (if required). We understand the Minister for Lands consent would be withheld until the permitted use in the Special Lease is made compatible with the proposed training use.

The Sub-Lessor acknowledges and agrees that it must not at any time during the Term or any further term lease, licence or use any part of the Land for a use that may be reasonably considered by the Sub-Lessee to affect quiet enjoyment.

14. Break Clause

Either party may give 6 months written notice to the other party to terminate the Sub-Lease at each Rent Review date to open market.

Within 28 days of each Rent review date open to market either party may give 6 months written notice to the other party to terminate the Sub-Lease.

15. Cleaning

The Sub-Lessee is responsible for keeping the Sub-Lease area clean, including internal cleaning.

For the avoidance of doubt, the Sub-Lessee will arrange for and pay for the cost of cleaning the Common Area in the Main Building.

The Sub-Lessor shall ensure that the rest of the grounds of Lot 255 are cleaned to a high standard, commensurate with a tourism facility.

16. Car Parking

Parking for Lot 255 is provided at no fee and is based on reciprocal use and is not allocated or exclusive. The Sub-Lessor will use its best endeavours to obtain the necessary consents from KCGM for use of the parking areas and any future parking areas that maybe required by the Sub-Lessee on the adjoining Lot 555. The Sub-Lessor will notify the Sub-Lessee if there are any
restricted parking areas which should be excluded from this parking clause.

17. Signage Rights

The Sub-Lessee will be permitted to install significant signage at the entrance/s and on the building, throughout the term and any Option periods. Signage licence fees will not be payable. The Sub-Lessee will be responsible for obtaining any statutory approvals and associated costs for the signage.

18. Cafe

It will be at no cost and at the Sub-Lessee's sole discretion to decide whether or not to operate the "Pit Stop Café" or to sublease the café to an independent operator.

19. Utilities

The Sub-Lessee will be responsible directly for all costs associated with the consumption of utilities applicable to the Sub-Lease Area.

As part of the Sub-Lessor's Works listed below, the Sub-Lessor will arrange and meet the cost for the Main Building to be sub-metered for telecommunications, power and water.

20. Assignment/Subletting

The Sub-Lessee shall have the right to sublet or assign all or part of the Premises subject to the Lessor and Sub-Lessor's consent, such consent is not to be unreasonably withheld, delayed or conditioned.

21. Special Events

At the Sub-Lessee's discretion, the Sub-Lessee shall have the right to licence all or part of the Premises for special events (this would operate in the same way as say a licence to use a community hall).

22. Building

The Sub-Lease will contain an obligation on the Sub-Lessor to carry out any major repairs or replacement of a capital nature.

The Sub-Lease will contain an obligation on the Sub-Lessor to provide quiet enjoyment throughout the Term of the Sub-Lease and any extension thereof.

23. Sub-Lessor Works

The Sub-Lessor will handover the Sub-Lease Area clean and tidy and in good working order and condition. Due to time restraints, the Sub-Lessee has not had the opportunity to carry out a due diligence report on the condition of the Building and Building Services. Prior to the Sub-Lease Commencement Date, the Sub-Lessor will,
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as a minimum, undertake the following works at its own cost:

(a) erect a suitable perimeter fence on the Sub-Lease Area boundary
(b) install sub-meters to enable separate billing for utilities
(c) undertake maintenance on the building airconditioning to ensure the airconditioning is in good working order prior to handover.
(d) repair the theatre projection equipment so that it is in good working order.

The Sub-Lessor will also maintain existing caretaker and security services until the Sub-Lease Commencement Date.

24. Performance Criteria

In the event of Services failure whereby:–

(1) the electrical power supply to the Sub-Leased Premises ceases to function properly; or
(2) the hydraulic services to the Sub-Leased Premises ceases to function properly; or
(3) the air conditioning system ceases to provide conditioned air to the Sub-Leased Premises in accordance with the original design criteria (to be supplied by the Sub-Lessor for annexure to the Sub-Lease):

for a period of three (3) consecutive Business Days, then except where:–

a) the Sub-Lessee caused or contributed in a material way to the failure
b) such failure is caused by events beyond the Sub-Lessor's reasonable control provided that the Sub-Lessor is using its best endeavours (having regard to the nature of the event or failure) to rectify the failure;

then, the Sub-Lessee will be entitled to a full day's rent abatement for each day after 3 business days of a Services failure event. If the Sub-Lessee is entitled to rent abatement, the Sub-Lessee may, without affecting that entitlement rectify the airconditioning and either set-off the cost against the rent or money payable under the Sub-Lease on invoice the Sub-Lessor.
25. **Sub-Lessee's Works**

The Sub-Lessee must provide plans and specifications of any Sub-Lessee's Fitout Works for the Sub-Lessor’s approval by the chairperson of the Australian Prospectors & Miners Hall of Fame Ltd, which cannot be unreasonably withheld, delayed or conditioned.

There will be no additional cost to the Sub-Lessee for the Sub-Lessor or any of its agents reviewing the Sub-Lessee’s plans and specifications.

26. **Early Access for Fitout Works**

The Sub-Lessor grants the Sub-Lessee a licence to take occupation of the Premises for the purposes of undertaking Sub-Lessee's fitout works commencing from the date of execution of the MOU by both parties. The Sub-Lessee will reimburse the Sub-Lessor for the cost utilities consumed during the licence period.

27. **Reinstatement**

The Sub-Lessee will not be required during the Sub-Lease Term or any Options to redecorate the Premises.

The Sub-Lessee shall not be responsible for the make good of the Premises (re-instatement to base building standard and configuration or the removal of any fit out is not required) at the expiry of the Sub-Lease but will leave the Premises in a clean and tidy condition only.

If the Break Clause is exercised and the Sub-Lease is terminated within the first two years from the Sub-Lease Commencement Date, then the Sub-Lessee is obligated to make good the Premises (re-instatement to base building standard and configuration or the removal of any fit out is required).

The Sub-Lessee shall have the right to remove its equipment, items of fit out and loose furniture and shall be required to repair any damage to the Building caused by the removal of such fitout items.

If any of the Sub-Lessee's property is not removed upon vacation, the Sub-Lessor may treat the property as if it has become the Sub-Lessor's property.

28. **Roof-top Access**

The Sub-Lessee will require, at no cost, non-exclusive access to the rooftop for the installation of telecommunications equipment.

29. **Telecommunications and Risers**

From the date of agreement to these terms until vacation of the Premises, the Sub-Lessor shall provide, at no cost,
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access to the Building to the Sub-Lessee's preferred telecommunications carriers for the purpose of servicing the requirements of the Sub-Lessee.

30. Building Hours

The Building operating hours will be at the Sub-Lessee’s discretion.

31. Damage and Destruction

A standard provision will be provided in the Sub-Lease to outline rights and obligations in the event the Main Building becomes unfit for occupation as a result of damage and destruction.

32. Sub-Lease Security

No form of bank guarantee, bond or security deposit will be required.

33. Goods & Services Tax (GST)

Both parties will be required to pay GST as it applies to payments under the Sub-Lease and any other associated licences.

Please note, all amounts referred to in this proposal do not include GST, which is payable in addition to those amounts at the GST rate applicable at the time of supply and subject to the inclusion of a mutually agreeable GST provision and the positive obligation on the parties to provide valid Tax Invoices on all payments prior to payment being due.

34. Documentation & Costs

The Sub-Lessor and Sub-Lessee agree to enter into a Sub-Lease to be prepared by the Sub-Lessee’s solicitors on such terms and conditions as those solicitors consider being usual for a transaction of this nature, but having regard to the terms and conditions set out in this MOU.

It is acknowledged however, that the final wording of the documentation is subject to the agreement of the Sub-Lessee and Sub-Lessor who are at liberty to require further amendments as each see fit, save and except the terms set out in this MOU.

Each party shall be responsible for its own costs incurred in the preparation, negotiation, obtaining mortgagee consent and finalisation of the documentation for this Sub-Lease and any extensions.

If a mortgage is registered on the Title, the mortgagee consent is required or the mortgage must be discharged.
35. **Conditions Precedent**

   This proposal will be subject to:

   - Prior to the Sub-Lease Commencement Date, the Sub-Lessor to obtain formal approval from the Minister for Lands (or its authorised delegate) to use part of the land for training purposes. This should be obtained as soon as possible, time being of the essence.

   - Formal approval from the Minister for Training and Workplace Development.

   - Formal approval from the Chairperson, Australian Prospectors & Miners Hall of Fame Ltd.

   - Execution by both the Sub-Lessor and Sub-Lessee and if required, endorsement by the Minister for Lands as Head Lessor.