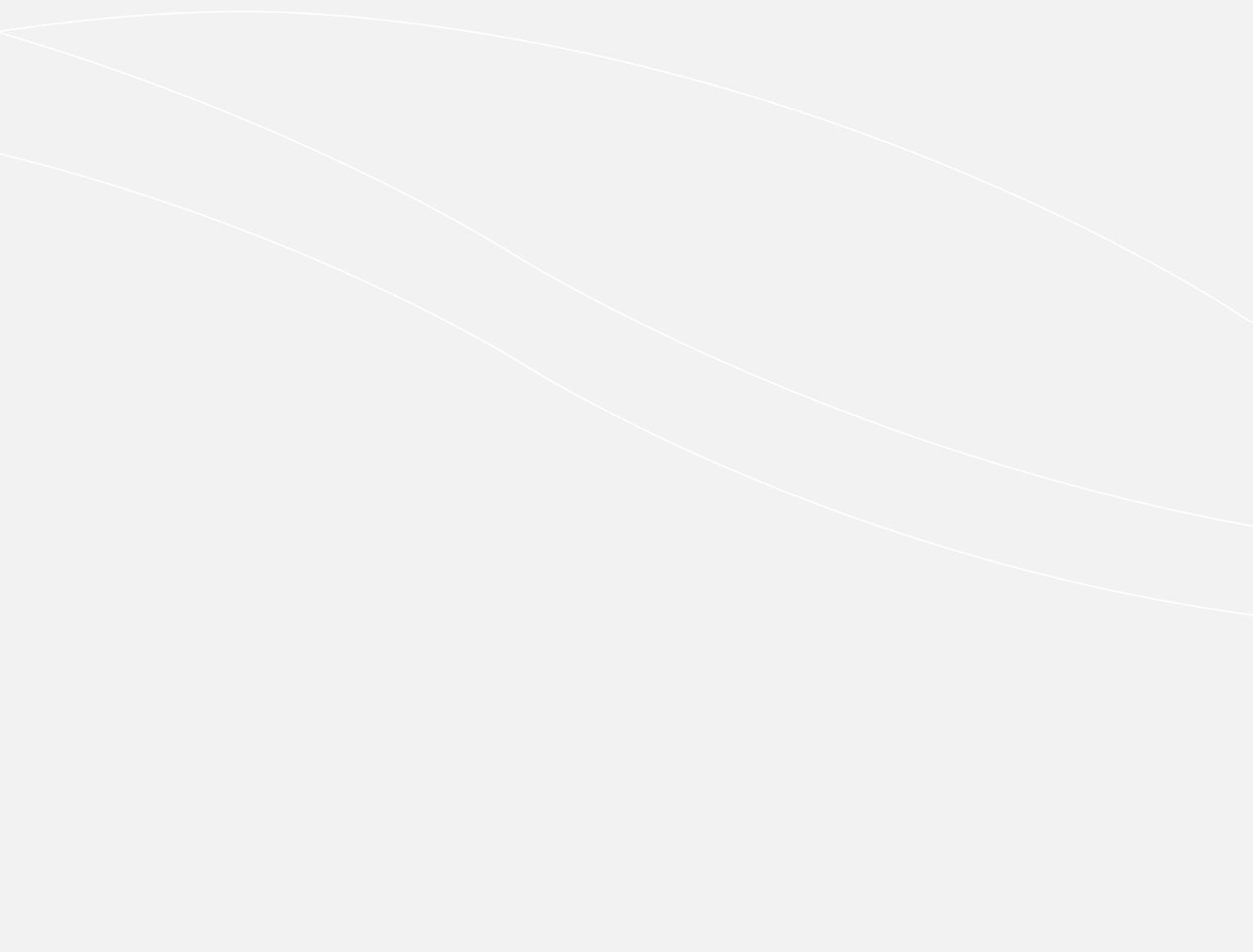


## Appendix 3

### Landcorp – Option to Lease

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**OPTION TO LEASE LAND**  
**(WITH LICENCE FOR ACCESS DURING OPTION TERM)**

**Western Australian Land Authority**  
**(“LandCorp”)**

**and**

**New Energy Corporation Pty Ltd**  
**(“Option Holder”)**

Ref: RN:LD: 104017  
Doc Ref.: 816064

Level 2  
50 Kings Park Road  
West Perth WA 6005  
T: +61 8 216 7100  
W: [www.allionlegal.com.au](http://www.allionlegal.com.au)

## CONTENTS

<b>1</b>	<b>DEFINITIONS AND INTERPRETATIONS .....</b>	<b>2</b>
<b>2</b>	<b>GRANT OF OPTION .....</b>	<b>5</b>
<b>3</b>	<b>TERM OF OPTION .....</b>	<b>6</b>
<b>4</b>	<b>EXERCISE OF OPTION .....</b>	<b>6</b>
<b>5</b>	<b>LEASE .....</b>	<b>7</b>
<b>6</b>	<b>LICENCE DURING OPTION TERM.....</b>	<b>7</b>
<b>7</b>	<b>INSURANCE .....</b>	<b>9</b>
<b>8</b>	<b>INDEMNITY .....</b>	<b>9</b>
<b>9</b>	<b>ENVIRONMENTAL CONDITIONS .....</b>	<b>9</b>
<b>10</b>	<b>SIGNS .....</b>	<b>10</b>
<b>11</b>	<b>TERMINATION OF LICENCE .....</b>	<b>10</b>
<b>12</b>	<b>REMOVAL OF PLANT AND EQUIPMENT .....</b>	<b>10</b>
<b>13</b>	<b>EXCLUSION OF PROPERTY LAW ACT .....</b>	<b>10</b>
<b>14</b>	<b>LANDCORP NOT LIABLE FOR DAMAGE .....</b>	<b><u>11</u></b>
<b>15</b>	<b>DUTY UNDER DUTIES ACT .....</b>	<b>11</b>
<b>16</b>	<b>NOTICES .....</b>	<b>11</b>
<b>17</b>	<b>SALE OR ASSIGNMENT BY LANDCORP .....</b>	<b>12</b>
<b>18</b>	<b>ASSIGNMENT .....</b>	<b>12</b>
<b>19</b>	<b>OCCUPATIONAL SAFETY AND HEALTH .....</b>	<b>12</b>
<b>20</b>	<b>GOODS AND SERVICES TAX .....</b>	<b>13</b>
<b>21</b>	<b>COSTS .....</b>	<b>14</b>
<b>22</b>	<b>TIME OF THE ESSENCE .....</b>	<b>14</b>
<b>23</b>	<b>EXECUTION AND COMPLETION .....</b>	<b>14</b>

## OPTION TO LEASE LAND (WITH LICENCE FOR ACCESS DURING OPTION TERM)

### PARTIES:

**Name:** WESTERN AUSTRALIAN LAND AUTHORITY  
**Address:** Level 3, 40 The Esplanade  
 Perth  
 Western Australia  
 trading as LandCorp  
**("LandCorp")**

**Name:** NEW ENERGY CORPORATION PTY LTD  
**ACN:** 139 310 053  
**Address:** 12 Parliament Place  
 West Perth  
 Western Australia  
**("Option Holder")**

### BACKGROUND

LandCorp is the owner of the Property and has agreed to grant to the Option Holder the option to lease the Property upon and subject to the terms and conditions set out in this document.

### OPERATIVE PART:

The parties COVENANT AND AGREE as follows:

---

## 1 DEFINITIONS AND INTERPRETATIONS

### 1.1 Definitions

In this document unless the contrary intention appears:-

**"Authorisation"** includes:

- (a) a consent, authorisation, registration, agreement, certification, permission, licence, approval, authority or exemption from, by or with a Local or Public Authority; or
- (b) in relation to anything under which will be prohibited or restricted in whole or in part by law if a Local or Public Authority intervenes or acts in any way within a specified period after lodgment, filing, registration or notification, the expiry of that period without that intervention or action,

under an Environmental Law.

**"Commencement Date"** means the date of execution of this deed.

**“Contaminant”** means a noxious or hazardous substance which, having regard to the quantity and location of the substance and other substances in conjunction with which it is stored or used, is capable of causing material harm to the Environment.

**“Contamination”** means the presence of a substance in, on or under land or water, either in soil, seabed, or groundwater, at above background concentrations that presents or has the potential to present a risk:

- (i) of harm to the Environment or any environmental value;
- (ii) of rendering land or the Environment:
  - (A) unsafe or unfit for or likely to cause harm to humans or other living things;
  - (B) degraded in any way, including its capacity to support plant life;
  - (C) unsuitable for the use to which the contaminated land is, or can be put; or
  - (D) diminished in value,
- (iii) of harm to human health.

**“Environment”** has the meaning given to it in the Environmental Protection Act 1986 (Western Australia) (as amended).

**“Environmental Law”** means a law relating to any aspect of the Environment or health.

**“Exercise Notice”** means the notice to be given by the Option Holder to LandCorp to exercise the Option in the form annexed as Annexure A.

**“Financial Close”** means LandCorp being satisfied (acting reasonably) that the Option Holder has obtained all finance necessary to enable the Option Holder to complete the development on the Property for the Project as proposed by the Option Holder.

**“Lease”** means the lease to be granted by LandCorp to the Option Holder generally in the form annexed and marked “B”, which final form of the Lease is to be finalized in accordance with **clause 4.2(f)** of this deed.

**“Licence”** means the licence to enter and use Property for the Permitted Use in accordance with **clause 6**.

**“Local or Public Authority”** means any governmental, semi-governmental, statutory, local or public authority including without limitation the Department of Environmental Protection, the Western Australian Planning Commission, the Water Corporation, the Main Roads Department, and every and any other board, person or authority whatsoever now or hereafter exercising under any present or future Act of Parliament (Federal or State) any control or jurisdiction over or power in connection with the Property and/or the owner or occupier of the Property and/or in connection with any Permitted Use now or hereafter carried on upon the Property and every officer or person acting under the authority of such local or public authority or under the authority of any such Act or By-law.

**“Option”** means the option to lease the Property as provided in this deed.

**“Option Fees”** means the monthly option fees payable by the Option Holder in accordance with clause 2.2.

**“Option Holders Employees, Agents and Visitors”** means each of the Option Holder’s employees, agents, contractors, service suppliers, sub-lessees, licencees, customers and other visitors and any other person who at any time is on the Property with the consent of the Option Holder.

**“Option Term”** means the period or periods mentioned in clause 3.

**“OSH Legislation”** means the Occupational Safety and Health Act 1984 (WA), the Occupational Safety and Health Regulations 1996 (WA), *Dangerous Goods Safety Act 2004 (WA)* and other associated regulations, other legislation (Commonwealth and State), Local Authority regulations or by laws, codes of practice, other compliance codes, directions on safety or notices issued by any relevant authority and standard relating to occupational safety and health.

**“Permitted Use”** means the use of the Property for undertaking surveys and testing in relation to due diligence on the Property for the purposes of determining whether to exercise the Option.

**“Project”** means the project to construct and operate waste processing and energy generation plant on the Property.

**“Property”** means Lot 1 on Diagram 62220 being the whole of the land in Certificate of Title Volume 1608 Folio 741 commonly known as 26 Office Road, East Rockingham.

**“Safe Work Procedures”** means any safe work procedures or safe work method statement prepared by or on behalf of the Option Holder to satisfy the requirements of OSH Legislation and relevant to the activities conducted by the Option Holder on and from the Property.

**“Safety Management Plan”** means any safety management plan prepared by or on behalf of the Option Holder in respect of the Permitted Use to satisfy the requirements of OSH Legislation and relevant to the activities conducted by the Option Holder on and from the Property.

**“Services”** means all services to the Property including sewerage, water, power and communications.

## 1.2 Interpretation

In this deed unless the contrary intention appears:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) references to persons include corporations and bodies politic;
- (d) references to a person include the legal personal representatives successors and assigns of that person;

- (e) reference to a Statute Ordinance Code or other Law includes regulations and other statutory instruments under it and consolidations amendments re-enactments or replacements of any of them (whether of the same or any other legislative authority having jurisdiction);
- (f) references to this or any other document include the document as varied or replaced and notwithstanding any change in the identity of the parties;
- (g) references to writing include any mode of representing or reproducing words in tangible and permanently visible form and includes telex and facsimile transmissions;
- (h) an obligation of two or more parties binds them jointly and severally;
- (i) if a word or expression is defined cognate words and expressions have corresponding definitions;
- (j) references to an association body or authority which is reconstituted amalgamated reconstructed or merged or the functions of which have become exercisable by any other person association body or authority in its place shall be taken to refer to the person association body or authority established or constituted in its place or by which its functions have become exercisable;
- (k) reference to any thing (including without limitation any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;
- (l) reference to a month and cognate terms means a period commencing on any day of a calendar month and ending on the corresponding day in the next succeeding calendar month but if a corresponding day does not occur in the next succeeding calendar month the period shall end on the first day of the next succeeding calendar month;
- (m) references to this deed includes its schedules and annexures;
- (n) headings are inserted for ease of reference only and shall be ignored in construing this contract;
- (o) references to time are to local time in Perth Western Australia;
- (p) where time is to be reckoned from a day or event that day or the day of that event shall be excluded; and
- (q) a reference to a business day is a reference to a day other than a Saturday Sunday or gazetted public holiday.

---

## 2 GRANT OF OPTION

2.1 Subject to **clause 4.2** and in consideration of the payment of the Option Fees, LandCorp hereby grants to the Option Holder an option to lease the Property upon the terms and conditions of this deed.

2.2 The Option Holder shall pay to LandCorp an Option Fee of XXX

- 2.3 Any Option Fees paid by the Option Holder shall be non-refundable if the Option is not exercised.

---

### 3 TERM OF OPTION

Subject to **clause 4.2**, the option to lease the Property is for an eighteen (18) month term commencing on the Commencement Date and expiring on 5.00 pm western standard time on a date eighteen (18) months from the Commencement Date. LandCorp may in its absolute discretion grant the Option Holder an extension of the eighteen month term if LandCorp is satisfied that the Option Holder has made reasonable progress in satisfying the Milestones in accordance with clause 4.4.

---

### 4 EXERCISE OF OPTION

- 4.1 Subject to **clauses 4.2 and 4.3**, the Option shall be exercisable only during the Option Term by the Option Holder giving notice to LandCorp in accordance with **clause 16** in the form of the Exercise Notice.
- 4.2 The Option may only be exercised by the Option Holder if the following Milestones have been satisfied:
- (a) the Option Holder submitting valid applications for all environmental approvals required pursuant to Environmental Law to proceed with the Project by no later than three (3) months from the Commencement Date;
  - (b) the Option Holder submitting valid applications for planning and any statutory approvals with the relevant Local or Public Authority required to proceed with the Project by no later than twelve (12) months from the Commencement Date;
  - (c) the Option Holder obtaining the environmental approvals required to proceed with the Project by the date of expiry of the Option Term and the Option Holder providing copies of the environmental approvals to LandCorp immediately after they are obtained;
  - (d) the Option Holder obtaining the planning and/or relevant statutory approvals required to proceed with the Project by the date of expiry of the Option Term and the Option Holder providing copies of the planning and/or statutory approvals to LandCorp immediately after they are obtained;
  - (e) the Option Holder providing evidence to LandCorp that it has obtained Financial Close by no later than the date of expiry of the Option Term; and
  - (f) LandCorp and the Option Holder (both using reasonable endeavours) agreeing the terms of the Lease by the date of expiry of the Option Term.
- 4.3 The Option Holder shall notify LandCorp in writing within five (5) Business Days of the latest dates for each Milestone mentioned in **clauses 4.2(a) to 4.2(f)** inclusive indicating that each Milestone has been met and produce to LandCorp reasonable evidence to substantiate that each Milestone has been met.
- 4.4 If the Option Holder anticipates that it will not be able to satisfy a Milestone by the specified latest date but is confident that it will be able to satisfy the Milestone within a reasonable time from the specified latest date, the Option Holder must at least 30 days prior to the specified latest date notify LandCorp in writing of the estimated date the Option Holder anticipates it can satisfy the Milestone and LandCorp may, in LandCorp's

absolute discretion, if it is satisfied that the Option Holder has made reasonable progress in satisfying the Milestones, grant to the Option Holder a reasonable extension of time to satisfy the relevant Milestone.

- 4.5 Subject to any extensions of time granted pursuant to clause 4.4, in the event that the Option Holder fails to give written notice to LandCorp that each Milestone mentioned in clauses 4.2(a) to 4.2(f) (inclusive) has been met or the Milestone is not met by the specified date, then the terms of this deed shall be at an end and neither party shall have any claim against the other.

---

## 5 LEASE

- 5.1 Upon the exercise of the Option to lease the Property, the parties shall enter into the Lease.
- 5.2 LandCorp shall provide to the Option Holder three (3) engrossed copies of the Lease within ten (10) business days of the date of the exercise of the Option with the Lease to be completed with the Commencement Date being the first day of the month following the exercise of the Option.
- 5.3 Within five (5) business days of the receipt of the documents mentioned in **clause 5.2**, the Option Holder shall execute each copy of the Lease and return all copies of the Lease to LandCorp.
- 5.4 LandCorp shall execute the Lease, return one copy to the Option Holder and lodge one copy at Landgate for registration.

---

## 6 LICENCE DURING OPTION TERM

- 6.1 LandCorp grants to the Option Holder a non-exclusive right to enter and use the Property and to allow the Option Holder's Employees, Agents and Visitors to use the Property for the Permitted Use and for no other purpose during the Option Term. This Licence is in contract only and does not create any tenancy or other interest in the Property.
- 6.2 The Option Holder shall in its use of the Property not do anything to cause any damage to the Property or injury to any person or property or any loss or damage to LandCorp.
- 6.3 The Option Holder shall not without the prior consent in writing of LandCorp remove or make any alteration of or addition to the Property.
- 6.4 The Option Holder must comply with all reasonable directions of LandCorp in relation to the use of the Property for the Permitted Use.
- 6.5 The use of the Property for the Permitted Use shall be at the sole risk of the Option Holder from the Commencement Date.
- 6.6 The Option Holder shall not do or leave undone or suffer to be done or left undone any act, matter or thing whereby a nuisance or danger or anything in the nature of a nuisance or danger or which may be deemed to be a nuisance or danger by the Local or Public Authority may exist or continue upon or in connection with the Property.
- 6.7 The Option Holder shall deliver to LandCorp copies of any notices relating to the Property received by the Option Holder from any Local or Public Authority.
- 6.8 The Option Holder shall in its use of the Property comply with all statutes, regulations, by-laws and the requirements of any Local or Public Authority.

- 6.9 The Option Holder shall ensure that the Property is kept in a safe condition at all times.
- 6.10 If the Permitted Use requires any consent, licence or other authority under any law, the Option Holder must obtain that consent, licence and authority.
- 6.11 The Option Holder must allow LandCorp (including its employees, contractors, agents, consultant or other authorised representatives) access to any Services running through or servicing the Property for any purpose required by LandCorp.
- 6.12 The Option Holder must not (and may not permit anyone else to) except with LandCorp's written consent:
- (a) store or use inflammable, volatile or explosive substances on the Property; or
  - (b) interfere with or obstruct the operation of or access to the Services on or outside the Property; or
  - (c) use any facilities in or near the Property including drains for any improper purpose; or
  - (d) use the Property for any activity which is offensive, illegal or immoral or which is or may become a nuisance to anyone; or
  - (e) use any dangerous or hazardous substance on the Property or do any activity which could cause harm to anyone.
- 6.13 The Option Holder must permit entry to the Property by LandCorp at all reasonable times either with workmen or any other persons and any plant, equipment and materials to:
- (a) inspect the condition of the Property and to ensure compliance with the Option Holder's obligations; and
  - (b) comply with any requirement, notification or order of any Local or Public Authority which is the responsibility of LandCorp; and
  - (c) remove anything which is harmful or dangerous; and
  - (d) do anything else which LandCorp is required to do by law or is permitted to do under this Licence.
- 6.14 The Option Holder must report promptly to LandCorp in writing and, in the case of emergency, verbally, any circumstance of which the Option Holder becomes aware and which is likely to:
- (a) be a danger; or
  - (b) cause any damage or danger,
- to the Property or any person on or in the Property.
- 6.15 LandCorp is not liable to the Option Holder in any way as a result of:
- (a) any loss of or damage to any property of the Option Holder or any other person on the Property; or
  - (b) any injury to any of the Option Holder's Employees, Agents and Visitors or any other person sustained when any of them is on the Property.
- 6.16 This Licence is a non-exclusive licence and LandCorp may grant an easement, lease or other licence or right over the Property or enter or use or do any work on or alter the Property provided that the grant of any interest or the entry or use does not materially adversely affect the Option Holder's Permitted Use of the Property under this Licence.

---

## 7 INSURANCE

- 7.1 During the term of the Licence, the Option Holder shall effect and keep in force at all times in the respective names of LandCorp and the Option Holder for their respective rights and interests the following policies of insurance:
- (a) a policy insuring any building or structure on the Property for its full replacement value against loss or damage caused by the Option Holder or any of the Option Holder's Employees, Agents and Visitors;
  - (b) a public liability policy for an amount of indemnity of not less than TWENTY MILLION DOLLARS (\$20,000,000.00) (or any higher sum as is reasonably determined by LandCorp from time to time).
- 7.2 The policy of insurance to be taken out by the Option Holder under this clause shall be at the expense of the Option Holder.
- 7.3 The Option Holder shall if required by LandCorp forthwith produce to LandCorp a copy of any policy of insurance so effected and a current certificate of renewal.
- 7.4 The Option Holder shall comply with all the terms, warranties and conditions of the insurance policies effected in relation to the Property.

---

## 8 INDEMNITY

Notwithstanding the existence of any policy or policies of insurance in the name of LandCorp or of LandCorp, the Option Holder hereby indemnifies and agrees to keep indemnified LandCorp and its employees, agents, contractors and invitees from and against:

- (a) all loss or damage to the Property caused by the entry and use of the Property by the Option Holder or any of the Option Holder's Employees, Agents and Visitors;
- (b) all damage sums of money costs charges expenses actions claims and demands which may be sustained or suffered or recovered or made against LandCorp by the Option Holder or by any other person for any injury the Option Holder or such other person may sustain when using or entering or near the Property or any damage to any property on or connected with the Property whether or not such injury or damage arises or has arisen as a result of the negligence of or as a result of the creation of some dangerous thing or state of affairs by the Option Holder or the Option Holder's Employees Agents and Visitors and whether the existence of such dangerous thing or dangerous state of affairs was or ought to have been known to LandCorp or the Option Holder or not.

---

## 9 ENVIRONMENTAL CONDITIONS

- 9.1 The Option Holder shall not cause or permit any Contamination of the Property or of the Environment as a result of anything brought on to or done on the Property by the Option Holder or the Option Holder's Employees, Agents or Visitors.
- 9.2 Without affecting that obligation or limiting any right of LandCorp or any indemnity in favour of LandCorp, if any Contamination occurs or has occurred, the Option Holder is to do everything necessary to minimise its effect and is to make good any damage which it causes or has caused and is to have removed or remediated all and any such Contamination in accordance with the reasonable requirements of LandCorp.

9.3 The Option Holder must:

- (a) use the Property in a manner which complies with each Environmental Law and each Authorisation;
- (b) ensure that each Authorisation, of any conduct or activity in relation to the Property is obtained before that conduct or activity takes place and all such Authorisations are kept in full force and effect;
- (c) not do or omit to do any act which might directly or indirectly result in the revocation, suspension or modification of an Authorisation in relation to the Property or any conduct or activity in relation to the Property;
- (d) give to LandCorp notice immediately on becoming aware of:
  - (i) the existence of a Contaminant affecting the Property or the Environment; or
  - (ii) the filing of a complaint or the commencement of proceedings against the Option Holder in relation to an alleged failure to observe or perform obligations under an Environmental Law or Authorisation.
- (e) provide to LandCorp on demand:
  - (i) copies of any report obtained by the Option Holder on the effect of any Environmental Law or Authorisation applicable to the Property or any conduct or activity on the Property; and
  - (ii) copies of all Authorisations relating to the Property.

---

**10 SIGNS**

The Option Holder shall not display on or affix to the Property any business or advertising sign or notice without the prior written approval of LandCorp.

---

**11 TERMINATION OF LICENCE**

LandCorp may at any time terminate the Licence granted by giving not less than five (5) business days notice to the Option Holder.

---

**12 REMOVAL OF PLANT AND EQUIPMENT**

Unless otherwise agreed between the parties, upon the expiration of the term of the Licence, the Option Holder shall remove all plant and equipment and other property brought on to Property and make good such removal as reasonably required by LandCorp so that the Property is reinstated to its condition as at the Commencement Date.

---

**13 EXCLUSION OF PROPERTY LAW ACT**

Sections 80 and 82 of the Property Law Act 1969 are excluded from the provisions of the Licence.

---

**14 LANDCORP NOT LIABLE FOR DAMAGE**

LandCorp shall not be liable for any damage, loss, costs or expenses caused to or suffered by any person by reason of any injury or damage to the Option Holder or any other person or damage to any property of the Option Holder or any other person in or about the Property.

---

**15 DUTY UNDER DUTIES ACT**

The Option Holder shall pay all duty under the Duties Act 2008 (WA) on this deed.

---

**16 NOTICES**

Any notice or other communication (including but not limited to any notice of exercise of the Option) request demand consent or approval to or by a Party:-

(a) must be in writing addressed as shown below:

(i) LandCorp:

Address: Level 3  
40 The Esplanade  
Perth WA 6000

Facsimile: (08) 9481 0861

(ii) Option Holder: New Energy Corporation Pty Ltd

Address: 12 Parliament Place  
West Perth WA 6005

Facsimile: (08) 9481 8023

or to any other address facsimile number or person most recently specified in writing by a party to the sender;

(b) must be signed by the sender or its solicitors or agents or if a company by an officer of the company or under the common seal of the company or signed by its solicitors or agents;

(c) is deemed to be given by the sender and received by the addressee:-

(i) if given by delivery in person, when delivered to the addressee;

if sent by security post and if posted from an address within Australia to an address within Australia, on the third (3rd) business day from and including the date of posting but if posted by security post from outside Australia or posted to an address outside Australia then on the sixth (6th) business day from and including the date of posting; or

(ii) if sent by facsimile transmission, on production of a transmission report by the facsimile machine by which the facsimile message was transmitted which indicates that the facsimile message was transmitted in its entirety to the facsimile number of the recipient;

- (iii) but if the delivery receipt or transmission is or is deemed to be by sub-clause (b) or (c) on a day which is not a business day it is deemed to be given on the next succeeding business day; and
- (d) can be relied upon by the addressee and the addressee is not liable to any other person for any consequence of that reliance if the addressee reasonably believes it to be genuine correct and authorised by the sender.

---

**17 SALE OR ASSIGNMENT BY LANDCORP**

During the period from the date of execution of this deed until the expiration of the Option Term, LandCorp covenants with the Option Holder not to sell, agree to sell, transfer, mortgage, charge, assign, lease or licence or otherwise dispose of or encumber the Property or any interest in the Property or any of the rights of LandCorp in the Property without first procuring the execution by the person to whom any such right or interest to or in the Property is to be granted (“the transferee”) a deed of covenant whereby that person covenants to observe and perform all the covenants, conditions and stipulations contained in this deed (including this present covenant) in like manner as if it had been a party to this deed.

---

**18 ASSIGNMENT**

The Option Holder may not assign or novate the benefit of this deed (including the Licence) or nominate another party as lessee under the Lease without the prior written approval of LandCorp.

---

**19 OCCUPATIONAL SAFETY AND HEALTH**

- (a) The Option Holder agrees to be subject to the same responsibilities to which it would be subject in respect of persons and property if during the Option Term it was the owner and occupier of the freehold of the Property.
- (b) The Option Holder agrees that for the purposes of the OSH Legislation, the Option Holder has sole control of the Property.
- (c) The Option Holder shall comply with all relevant OSH Legislation in respect of the Permitted Use and LandCorp shall comply with all obligations imposed on it, if any, by the relevant OSH Legislation. The Option Holder shall also prepare a Safety Management Plan and Safe Work Procedures and comply with them.
- (d) For the purposes of demonstrating its compliance with this clause and with OSH Legislation, the Option Holder shall prior to undertaking any works on the Property provide to LandCorp a certificate in a form required by LandCorp from time to time certifying that an appropriate Safety Management Plan and Safe Work Procedures have been prepared in accordance with clause 19(c).
- (e) For the purposes of demonstrating its compliance with this clause and with OSH Legislation, the Option Holder must provide to LandCorp as soon as reasonably practicable after an incident occurs which requires notification:
  - (i) a copy of any report the Option Holder has provided to the regulator pursuant to OSH Legislation in respect of notifiable incidents;

- (ii) statements of the action to be taken to prevent any repetition of the notifiable incident; and
  - (iii) a copy of its Safety Management Plan and Safe Work Procedures incorporating actions to prevent any repetition of the notifiable incident.
- (f) The Option Holder must ensure that any works it undertakes on the Property are carried out and completed in accordance with the Safety Management Plan and the Safe Work Procedures.
- (g) The Option Holder releases and indemnifies and agrees to keep indemnified LandCorp from and against all actions, claims, demands, losses, damages, costs and expenses for or in respect of the Option Holder's occupation of the Property which LandCorp is or may be or become liable by reason of the OSH Legislation in respect of the Property or its use.
- (h) The Option Holder must take all necessary precautions and appropriate action to avoid and prevent the uncontrolled escape of petroleum or any other inherently dangerous or inflammable liquid or matter from the Property or from any plant and equipment in or upon the Property. In the event of escape of petroleum or other liquid or matter (whether with or without fault or negligence on the part of the Option Holder or its employees, agents, customers, invitees or contractors) the Option Holder must, at its own cost and expense, take immediate action to stop the escape of petroleum or other liquid or matter and rectify and repair any injury or damage whatsoever caused and clean up and reinstate the Property to its former condition prior to the escape.
- (i) The Option Holder must take all reasonable precautions against causing an outbreak of fire on the Property and must comply with all laws and all lawful requirements, notices or orders of any Local or Public Authority relating to fire prevention.
- (j) The Option Holder must install and maintain fire fighting and control equipment on the Property to the reasonable satisfaction of Fire and Emergency Services Authority of Western Australia.
- (k) The Option Holder agrees to implement all reasonable measures to ensure that its activities upon the Property will, at all times, be safe and not cause physical injury to any persons or damage to any property.

---

## 20 GOODS AND SERVICES TAX

20.1 For the purposes of this clause, the following terms shall apply:

"GST" has the meaning given in Section 195-1 of the GST Act.

"GST Act" means A New Tax System (Goods and Services Tax) Act 1999 and any legislation substituting or amending that Act.

"GST Law" has the meaning given in Section 195-1 of the GST Act.

"Tax Invoice" has the meaning given in Section 195-1 of the GST Act.

"Taxable Supply" has the meaning given in Section 195-1 of the GST Act.

20.2 The Option Fees and any other amounts payable by the Option Holder to LandCorp under this Option are exclusive of GST.

- 20.3 The Option Holder agrees to pay additional to the value of payments set out in this Option (including the Option Fees) any GST payable in respect of such payments. Where GST has been applied LandCorp shall provide a Tax Invoice prior to the Option Holder being required to pay any GST.
- 20.4 A written statement given to the Option Holder by LandCorp of the amount of GST that LandCorp is liable to pay on a Taxable Supply made or to be made under this Option is conclusive between the parties except in the case of an obvious error.
- 20.5 Subject to sub-clause 3 of this clause, the Option Holder must pay to LandCorp the amount of the GST that the Option Holder is liable to pay under this Option:
- (a) at the same time; and
  - (b) in the same manner
- as the Option Holder is obliged to pay for the Taxable Supply.
- 20.6 Where a Taxable Supply is not separately supplied to the Option Holder, the liability of the Option Holder for any amount for GST, in relation to that Taxable Supply, is determined on the same basis as the Option Holder's proportion of that Taxable Supply is determined.

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**21 COSTS**

The costs of and incidental to the preparation, completion and stamping (if applicable) of this document and all duty assessed in relation to this document shall be borne by the Option Holder.

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**22 TIME OF THE ESSENCE**

Time shall be of the essence of this Deed in all respects.

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**23 EXECUTION AND COMPLETION**

Each party agrees to sign, execute and complete all further assurances and documents and to do all things reasonably required to complete the matters set out in or contemplated by this document.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 2011

Signed on behalf of the **WESTERN AUSTRALIAN LAND AUTHORITY** by person(s) authorised by its Board in accordance with Section 45(2)(b) of the Western Australian Land Authority Act 1992.

\_\_\_\_\_  
Authorised Officer

\_\_\_\_\_  
Authorised Officer

**EXECUTED** by **NEW ENERGY CORPORATION PTY LTD** (ACN 139 310 053) in accordance with section 127 of the Corporations Act 2001 by or in the presence of:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director/Secretary

\_\_\_\_\_  
Name of Director (print)

\_\_\_\_\_  
Name of Director/Secretary (print)

**ANNEXURE "A"**

**EXERCISE NOTICE**

TO: **WESTERN AUSTRALIAN LAND AUTHORITY trading as LandCorp**

**NEW ENERGY CORPORATION PTY LTD (ACN 139 310 053)** hereby exercises the option granted under the deed dated [\*] and made between **NEW ENERGY CORPORATION PTY LTD** as Option Holder and you as grantor ("**the Option Deed**") to lease the Property being Lot 1 on Diagram 62220 being the whole of the land in Certificate of Title Volume 1608 Folio 741 upon and subject to the terms of the Option Deed.

DATED: the day of [\*]

**EXECUTED** by [\*]

(ACN: [\*]) in accordance with section 127 of the Corporations Act 2001 by or in the presence of:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director/Secretary

\_\_\_\_\_  
Name of Director (print)

\_\_\_\_\_  
Name of Director/Secretary (print)

**ANNEXURE "B"**

**LEASE**