

WARNING STATEMENT

Do NOT sign the attached Offer Document without reading and understanding this Warning Statement.

Information provided to you by Burnett Water Pty Ltd ACN 097 206 614 (or its agents) and contained in this Warning Statement has been provided as a guide only and does not constitute legal advice. We strongly encourage you to obtain your own advice before signing the attached Offer Document. This includes:

- legal advice;
- financial advice; and
- taxation advice.

What is a water allocation?

A water allocation is an authority to take water which is granted by the Department of Natural Resources & Mines. The water allocation is separate from land, tradeable and registered on the water allocations register. A water allocation includes the following attributes:

- a nominal volume;
- a location from which the water may be taken under the allocation;
- a purpose for which water may be taken under the allocation; and
- a priority group to which the allocation belongs.

Please refer to the *Water Act 2000*.

The water will be made available to you as the holder of the water allocation in accordance with the water sharing rules stated in the Burnett Basin Resource Operations Plan (ROP) and, where relevant associated Resource Operations Licence (ROL) for the scheme. Access to any water made available to you under the water allocation is subject to the provisions of the *Water Act 2000* (Qld), the Burnett Basin ROP and associated ROL, your water supply contract with SunWater Limited ACN 131 034 985 and associated scheme rules.

Note: You can purchase a water allocation even where you do not own land in the area however, to take the water you need to have access to the river (or channel) and have an off-take and a meter installed in the appropriate zone.

What is an announced allocation?

The announced allocation is the percentage of the nominal volume of water which can be taken during the water year. It is announced from time to time by the ROL holder (SunWater Limited) in accordance with the ROP, ROL and/or Critical Water Supply Arrangements (CWSAs) for the Bundaberg Water Supply Scheme.

How low can the announced allocation go?

It is possible for the announced allocation to be zero, or for CWSAs to restrict or suspend access to water supplies even when the announced allocation is not zero.

Will I need to prepare a Land and Water Management Plan?

You will need to contact the Department of Natural Resources & Mines to ascertain if a Land and Water Management Plan is required.

Lessee (1), I have read this warning statement and ask SunWater to consider the attached offer:

NAME:

SIGNATURE:.....

DATE:.....

Lessee (2), I have read this warning statement and ask SunWater to consider the attached offer:

NAME:

SIGNATURE:.....

DATE:.....

Offer Document- Paradise Dam
for the lease of Water Allocations during the 2013/2014 water year
and the taking of water distribution services
Issued by SunWater Ltd ACN 131 034 985 ("SunWater") as agent for
Burnett Water Pty Ltd ACN 097 206 614

EXPLANATORY NOTE – ALL LESSEES MUST READ THIS BEFORE COMPLETING THIS OFFER DOCUMENT

Format of Offer Document

This Offer Document comprises the following parts:

Warning Statement	To be signed by all proposed Lessees.
Offer	To be signed by all proposed Lessees.
Part A	General Information – to be completed by all proposed Lessees.
Part B	Water Allocation Details – to be completed by inserting the details of the water allocation you are offering to lease.
Part C	You must complete Part C if you require SunWater to provide water distribution services to you from a location in the river to your nominated off-take location on a channel.
Maps	You must mark the location of the water allocation you are offering to lease.
Checklist	You must complete the checklist.

You should note the following:

Conditions for leasing Water Allocations

- *High Priority or Medium Priority* – You can offer to lease High Priority **or** Medium Priority water in each Offer Document. You **cannot**, however, offer to lease both High Priority and Medium Priority water by using one Offer Document. A separate Offer Document must be used for High Priority and Medium Priority water.
- *Deposit* – The Deposit (10% of the annual Rent) must be paid by cheque and accompany your offer to lease.
- *Subdivision costs* – If a subdivision of a water allocation is required to satisfy your offer Burnett Water Pty Ltd will contact you and ask you to forward a cheque to cover these costs, prior to accepting your offer. If there are any delays in the

new water allocation particulars becoming available, Burnett Water Pty Ltd may choose to forward you the Lease with some of the water allocation particulars omitted rather than waiting for these details to become available. By signing the Lease and Supply Contract(s) you will also be authorising Burnett Water Pty Ltd to insert the details of the newly subdivided water allocation after you have signed these documents and when the particulars become known to Burnett Water Pty Ltd.

- *Offer is part of contract conditions* – The Offer Document will form part of the conditions for the lease of the Water Allocations. Before signing this Offer Document you should have **received**, **read** and **understood**:
 - the Lease;
 - the Supply Contract – River;
 - the Supply Contract – Channel.
- *Supply Contract* – You must enter into a Supply Contract with SunWater Limited. In particular we draw your attention to the Part A and Part B charges payable under the Supply Contract – River which can be found in the Supply Contract – River provided to you with this Offer Document.
- *Invoice* – An invoice for the Part A Charges will be issued by SunWater Limited on or about the Commencement Date for the lease of the water allocation.

Conditions for taking water distribution services from SunWater Limited (Supply Contract – Channel)

- *Types of Charges* – The water distribution services on offer and provided by SunWater Limited are subject to the Part B Charge (consumption), Part C Charge (fixed) and Distribution Services Access Charge (annual). Further detail on these charges can be found in the Supply Contract – Channel provided to you with this Offer Document.
- *Peak and Off Peak* – You can offer to take water distribution services which are either “Peak” or “Off Peak”. Different rates for the Part C Charge and for the two types of Distribution Services Access Charges will apply depending on whether Peak or Off Peak services are required (see Part C of this Offer Document).
- *Invoice* – An invoice for each of the above Charges (except the Part B Charge) will be issued by SunWater Limited on the Commencement Date for the lease of the water allocation.

Our Privacy Policy can be viewed at www.sunwater.com.au.

OFFER

To: **Water Allocations – Paradise Dam**
SunWater Customer Support
PO Box 15536
CITY EAST BRISBANE QLD 4002

The Lessee(s) acknowledge that by signing and submitting this Offer document they are submitting an offer to:

[Please tick appropriate boxes]

- lease a water allocation as indicated in Parts A and B and the attached maps and to execute, when issued, the Lease and the Supply Contract – River a copy of which the Lessee has received prior to signing the Offer Document.
- take water distribution services from SunWater Limited for delivery of water from the river via its channel and other distribution networks as indicated in Part C and to execute the Supply Contract – Channel a copy of which the Lessee has received prior to signing the Offer Document,

which is capable of acceptance at Burnett Water Pty Ltd’s sole discretion.

AND submits:

- a Deposit cheque payable to **Broadley Rees Hogan** for \$_____

Burnett Water Pty Ltd has appointed the law firm Broadley Rees Hogan to assess the duty payable on this transaction and stamp the necessary documentation. This service is provided by Broadley Rees Hogan for \$154.00 (including GST) payable by you (or such other amount notified by Burnett Water Pty Ltd).

Signing by Lessee:

A witness must be independent and over the age of 18 years.

LESSEE (1)	
SIGNATURE:	WITNESS NAME:.....
NAME:	SIGNATURE:
DATE:	DATE:
LESSEE (2) (if more than two Lessees please insert an additional signing clause).	
SIGNATURE:	WITNESS NAME:.....
NAME:	SIGNATURE:
DATE:	DATE:
Customers Account Number (where existing SunWater Customers):	

Note: If the Lessee is:

- A person - if there is more than one Lessee each individual must sign.
- A corporation - two directors or one director and one secretary must sign (unless a sole director corporation).
- A trustee - the individual trustee or the trust corporation who is leasing on behalf of the trust must sign.
- A Council - the Mayor must sign unless evidence is provided showing that another party has authority to sign.

A. GENERAL INFORMATION – ALL LESSEES TO COMPLETE**(i). Lessee (individual 1)**
(Principal contact person)

Surname				Given names	
Telephone numbers (please complete and circle your preferred contact number)	Home	()	Work	()	
	Facsimile	()	Mobile		
Residential address (cannot be a PO Box)					
		State		Postcode	
Postal address (If same as Residential address, write "as above")					
		State		Postcode	
Date of Birth (for the purposes of completing the transfer documents)	/	/			
Email address					

(ii). Lessee (individual 2)

Surname				Given names	
Telephone numbers (please complete and circle your preferred contact number)	Home	()	Work	()	
	Facsimile	()	Mobile		
Residential address (cannot be a PO Box)					
		State		Postcode	
Postal address (If same as Residential address, write "as above")					
		State		Postcode	
Date of Birth (for the purposes of completing the transfer documents)	/	/			
Email address					

(iii). Lessee (corporation 1)
(Principal contact person)

Corporation Name			ACN	
Telephone numbers (please complete and circle your preferred contact number)	Contact Person Name:			
	Phone	()	Mobile	()
	Facsimile	()		
Principal Place of Business address (cannot be a PO Box)				
		State		Postcode
Registered office address (If same as Business address write "as above")				
		State		Postcode
Office Holders Please note: The Directors of the Corporation will usually be required to personally guarantee performance of the Supply Contracts.	Name		Position (Director and/or Secretary)	

(iv). Lessee (corporation 2)

Corporation Name			ACN	
Telephone numbers (please complete and circle your preferred contact number)	Contact Person Name:			
	Phone	()	Mobile	()
	Facsimile	()		
Principal Place of Business address (cannot be a PO Box)				
		State		Postcode
Registered office address (If same as Business address write "as above")				
		State		Postcode
Office Holders Please note: The Directors of the Corporation will usually be required to personally guarantee performance of the Supply Contracts.	Name		Position (Director and/or Secretary)	

B. WATER ALLOCATION DETAILS - OFFER TO LEASE

Nominal Volume to be leased (in words):	_____ megalitres		
Commencement Date:	30 days from the date of the Lease (unless the Seller executes the Lease in June, in which case the Commencement Date will be the last Business Day of June 2014).		
Expiry date of first term:	30/06/2016		
Rent (please tick):	<input type="checkbox"/> \$56.51 per megalitre per year (Medium Priority) (2013/2014 dollars); or <input type="checkbox"/> \$165.91 per megalitre per year (High Priority) (2013/2014 dollars)		
Total Annual Rent:	[Nominal Volume x Rent] = \$ _____ per year		
Deposit:	[Total Annual Rent x 10%] = \$ _____		
Zone (describe the location on the river from which water will be taken or diverted (e.g. into a Channel) and mark it on the map attached to this Offer Document. If you require delivery from the river via SunWater's channel system you will also need to complete Part C of this Offer Document:	_____ _____		
Off-take Number: (e.g. W140001). If you do not have an existing off-take you will need to contact SunWater about procuring and installing an off-take and a meter at your cost:	_____		
Real property description (of the land where the pump will be situated):	Lot _____ RP/SP/Other _____		
Priority (please tick):	<input type="checkbox"/> Medium or <input type="checkbox"/> High		
Use:	Any		
Are any of the Lessees leasing as trustee?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
If Yes, please provide details:	_____		
If there are 2 or more Lessees how do you wish to Lease the Water Allocation: (Please Tick)			
<input type="checkbox"/> Tenants in Common OR <input type="checkbox"/> Joint Tenants			
Please note: you must also specify below the interest being acquired by each Tenant in Common (e.g. If three Lessees you may each hold $\frac{1}{3}$ or one Lessee may hold $\frac{1}{2}$ and the other two Lessees may hold $\frac{1}{4}$ each.			
	Name of Lessee	Interest (as a fraction)	
1.			
2.			
3.			
If the Lessee is a company, the directors of the company will be required to execute a guarantee. Please list company directors:			

	Name
1.	
2.	
3.	

C. WATER DISTRIBUTION SERVICES

This section of the Offer Document is to be completed by Lessees that require SunWater Limited to deliver water available under water allocations to their business using the channel distribution system.

C1. Customer's Off-Take Works on Channel

Location of Customer's Off-Take Works on Channel:	Describe in words below AND mark on the appropriate map attached to this offer: <hr/> <hr/> <hr/> <hr/> <hr/>
Channel Name: (e.g. Woongarra refer to the tables provided as a guide at the end of this offer documents):	<hr/>
Lateral Name: (e.g. W14)	<hr/>

C2. Water distribution services details – Lease of Water Allocation:

- If you require SunWater Limited to deliver water to you using the channel distribution system, the water distribution services will be provided subject to payment of:
 - ⇒ Part B Charge (consumption);
 - ⇒ Part C Charge (fixed) – Peak/Off Peak; and
 - ⇒ Distribution Service Access Charge (annual) – Peak/Off Peak.
- The various rates of charge for the Part C Charge – Peak/Off Peak are set out in Table C2.1 below and will be applied depending on how you complete Table C2.3 below:

Table C2.1 – Part C Charges Peak/Off Peak

Service	Amount 2013/2014 dollars
Part C 'peak' water (varies from segment to segment):	ML/annum
Abbotsford System	\$36.96
Gin Gin/Bingera system	\$11.40
Gooburrum system	\$1.92
Isis system	\$23.64
Woongarra system	\$7.68
Part C 'off peak' water (varies from segment to segment):	
Abbotsford System	\$21.16
Gin Gin/Bingera system	\$0.00
Gooburrum system	\$0.00
Isis system	\$7.88
Woongarra system	\$0.00

- The various rates of charge for the two types of Distribution Service Access Charge (upfront and annual) – Peak/Off Peak are set out in Table C2.2 below:

Table C2.2 – Distribution Services Access Charge (annual) – Peak/Off Peak

Feature	Amount 2013-2014 dollars
'peak' distribution service, when paid annually	\$37.91/ML/year
'off peak' distribution service, when paid annually	\$18.95/ML/year
Significant upgrade costs	To be negotiated with individual customers

- Please complete Table C2.3 below indicating the water distribution services you wish to be provided to you as Peak and/or Off Peak and how you wish to pay for those services (upfront/annual).

Table C2.3

Nominal Volume to be Leased ML	Nominal Volume Peak ML	Nominal Volume Off Peak ML	Upfront payment for distribution services ML	Annual charge for distribution services ML
				1

¹ This volume will be the same as the Nominal Volume to be Leased.

CHECKLIST

Have You:

- Completed page 3 with Lessees details and signed
- Completed Part A General Information (page 4 for individuals or page 5 for companies.)
- Completed Part B (page 6) with all relevant details
- Marked the River Distribution Map with the approximate location of your property. Please note that the Location referred to here is the River location and the description required is the zone that you wish to take the water from.
- Included with your offer a deposit cheque payable to Broadley Rees Hogan for 10% of the annual Rent.

Are you buying water from the Channel System?

If you are buying water which will be taken from the Channel System then you need also to complete Part C (page 7).

If so, have you:

- Completed Part C1 - Even though you are leasing channel water this section needs to be completed. Please note that the Location referred to here is the River location and the description required is the zone that you wish to take the water from.
- Completed Part C2 – The Location here refers to your channel location. Offtake details e.g. if your offtake was W146666. Your offtake number is W146666. The channel name is Woongarra. The lateral name is W14.
- Marked the relevant channel map where your offtake is.
- Completed Table C2.3 as per your purchase requirements for Peak/Off Peak water and the payment of the Distribution Service Charge

What happens after Burnett Water receives your offer?

Once your offer has been received by Burnett Water Pty Ltd, the following will occur:

- The offer is checked for any errors in completion. If the document is not completed then it will be returned to you for correction.
- If water is to be taken from a Channel then a channel capacity assessment is carried out.
- If your offer is unsuccessful a letter will be forwarded to you returning your deposit cheque at this stage.
- If your offer is successful and a subdivision is required a member of Customer Support will contact you and ask you to forward a cheque for the subdivision costs. NB Subdividing an allocation can take up to 14 business days depending on the work load at DNRM and based on the 2013-2014 rates for subdividing a water allocation into 2 parts this cost may be up to \$349.40
- Lease Documents, Water Supply Contracts and a Legal Representation form will be prepared by a member of Customer Support and forwarded to you for signing within 14 days.

- *You elect to use Broadley Rees Hogan for legal representation.* When the signed documents are received by Burnett Water Pty Ltd, Customer Support will prepare the lease forms and send them out to you for signing with the request for cheques for the first installment of rent, stamp duty payable, DNRM registration fees, upfront Distribution Service Charge (if you have purchased channel water and chosen to pay upfront) and Broadley Rees Hogan fees for services for stamp duty assessment and stamping. When the lease forms have been received by Burnett Water Pty Ltd, they will be stamped and we can either wait for the settlement date or agree to settle earlier.

If you are a new customer, your account will be opened once registration of the lease of the water allocation has been confirmed by DNRM.

SunWater's invoices are prepared quarterly in July, October, January and April if you have elected to pay the annual charge for Distribution Service the charge will be included in your next invoice.

Need help?

If you have any enquiries or need help to complete the offer document please call Customer Support on 13 15 89 to assist you.

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