

COMMUNITY BENEFIT AGREEMENT

Rutherglen BESS Project

Parties

Gladstone Regional Council (**Council**)

Red Hill Renewable Energy Pty Ltd ACN 675 077 291 (**Proponent**)

Recitals

- A The Proponent is the developer of the Project.
- B The Planning Act requires the Proponent to undertake a social impact assessment and enter into a community benefit agreement before making a development application.
- C Council and the Proponent have negotiated community benefits having regard to the requirements set out in Council's *Renewable Energy – Community Benefits Sharing Policy* and SIA undertaken for the Project.
- D This agreement is a Community Benefit Agreement made under the Planning Act.
- E Council and the Proponent enter into this agreement on the understanding that this agreement is subject to Conditions.

Agreement

1. Definitions and interpretation

1.1 Definitions

In this agreement unless the context requires otherwise the following words or expressions shall have the meanings, respectively, assigned to them:

Approval means any permit, licence, permission, declaration, designation, consent, certificate, authority, registration, condition, notice or other approval (however described) obtained, or required to be obtained, from a Governmental Authority or under a Law for the purposes of or in relation to the Project, including, but not limited to, the Development Approvals.

Approved Security Provider means a trading bank which is an approved deposit taking institution within the meaning in the Banking Act 1959 (Cth) and authorized to carry on banking business in Australia and to assume or use the term 'bank', by the Australian Prudential Regulation Authority pursuant to the Financial Sector Reform (Amendments and Transitional Provisions) Act 1998 (Cth).

Associate means, in relation to a person, any officer, employee, agent, contractor, subcontractor or consultant of that person.

Bank Guarantee has the meaning in clause 8.1.

Battery Storage Device means

- (a) plant that:
 - (i) converts electricity into stored energy; and
 - (ii) releases stored energy as electricity; and
- (b) includes any equipment necessary for the operation of the plant

Business Day means:

- (a) for receiving a Notice under clause 26.1, a day that is not a Saturday, Sunday, public holiday or bank holiday in the place where the Notice is received; and
- (b) for all other purposes, a day that is not a Saturday, Sunday, public holiday or bank holiday in Brisbane or Gladstone, Australia.

CBS Funding means the application of money under the Proponent's CBS Funding Commitment in support of the CBS Program for a purpose that is consistent with the Program's Object and Purpose.

CBS Funding Commitment has the meaning in clause 13.1(a).

CBS Program has the meaning in clause 11.1(a).

Claim includes a claim, notice, demand, action, proceeding, litigation, investigation, judgment, damage, loss, cost, expense or liability, however arising, whether present, unascertained, immediate, future or contingent, whether based in contract, tort or statute and whether involving a Third Party or a party to this agreement.

Commencement Date means the date of commencement of Commercial Operation of the Rutherglen Battery Storage Facility.

Commercial Operation means when the Rutherglen Battery Storage Facility is transmitting electricity to the Power Grid through a revenue meter.

Community Benefit Agreement has the meaning in section 106Y of the Planning Act.

Community Benefit Fund means a Council managed community benefit fund that is established and administered by Council in accordance with Council's RECBS Policy.

Community Benefit has the meaning in clause 11.1(c).

Community Benefit System means the Community Benefit System that forms part of Queensland's planning framework, contained in Part 6B of the Planning Act.

Community Engagement Forum has the meaning in clause 12(a).

Condition means a condition specified in clause 2.1.

Conditions Date means the date that is 5 years from the date of this agreement.

Connection Agreement means a connection access agreement between the Proponent and Powerlink that regulates the Project's connection to Powerlink's transmission network.

Consumer Price Index means the index published by the Australian Government Statistician under the heading "All Groups" for Queensland or, if the Australian Government Statistician stops publishing the Consumer Price Index, then the Queensland Council Cost Index (CCI) made available by the Local Government Association of Queensland (LGAQ) to member councils is the index that most appropriately replaces it.

Council's RECBS Policy means Council's Renewable Energy Community Benefits Sharing Policy, as updated from time to time.

CPIA means the Consumer Price Index figure for the quarter preceding the most recent previous Review Date or, if there is no previous Review Date (as may be the case for the first review), the quarter preceding 1 July in the year immediately preceding the Commencement Date.

CPIB means the Consumer Price Index figure for the quarter preceding the relevant Review Date.

Curable Default has the meaning in clause 24.1.

Cure Period has the meaning in clause 24.2(b)(ii).

Cure Plan has the meaning in clause 24.2(b)(i).

Default has the meaning in clause 24.1.

Development Applications means

- (a) the development application that the Proponent intends to make to SARA for a development permit in respect of the Property for material change of use (Battery Storage Facility); and
- (b) the development application that the Proponent intends to make to Council for a development permit in respect of the Property for reconfiguring a lot (1 into 3 lots);

as reasonably required for the Project.

Development Approvals means, in relation to the Development Applications, a development permit granted by SARA in respect of the Property for material change of use (Battery Storage Facility) and a development permit granted by Council in respect of the Property for reconfiguring a lot (from 1 lot into 3 lots).

Dispute Notice means a written notice that states there is a dispute between the parties in relation to an aspect of this agreement.

Event of Force Majeure means an act of God, pandemic, labour dispute, a lockout, act of government or other authorities, war, riot, civil disturbance, cyclone, flood, storm, fire, explosion, failure of power supply, breakage or accident to items of plant and equipment, embargo, inability or delay in obtaining approvals, consents, permits, licences from government authorities or other cause beyond the party's reasonable control.

First Nations Peoples means the First Nations Bailai, Gurang, Gooreng Gooreng, Taribelang Bunda Peoples.

Financial Close means the earlier of:

- (a) the date on which
 - (i) all Approvals for the construction and operation of the Project have been secured;
 - (ii) a Connection Agreement for the Project has been executed; and
 - (iii) binding equity and/or debt commitments have been entered into that in aggregate provide sufficient funding for construction of the Rutherglen Battery Storage Facility; all conditions precedent to those commitments have been satisfied or waived; and they have become unconditional; or
- (b) the date on which a notice to proceed (or equivalent) is issued pursuant to construction contracts entered into for the Project.

Good Electricity Industry Practice means the practices that should be followed to deliver the Project accordance with all of the following:

- (a) in a sound, safe and workmanlike manner;
- (b) with due care and skill;
- (c) economically, efficiently and with due expedition and without unnecessary or unreasonable delays;
- (d) in accordance with all applicable Laws; and
- (e) the standard of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person in the development of renewable energy assets similar to the Project and in similar circumstances

Governmental Authority includes any government, any department, officer or minister of any government and any governmental, semi-governmental, regulatory, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity, in any jurisdiction and having jurisdiction, authority or power over or in respect of the Proponent, the Project or the Property

GST has the meaning given in the GST Act, as amended from time to time.

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

Host Communities has the meaning in clause 11.1(c).

Infrastructure Agreement has the meaning given in the Planning Act.

Implementation Plan has the meaning in clause 14.1.

Insolvency Event means where:

- (a) the Proponent is unable to pay debts as and when they fall due;
- (b) a receiver, receiver and manager, administrator, controller, provisional liquidator or liquidator is appointed to the Proponent;
- (c) the Proponent is wound up;

- (d) the Proponent assigns any of its property for the benefit of creditors or any class of creditors; or
- (e) a person with a legal right over any assets of the Proponent takes any step towards taking possession or takes possession of those assets or exercises any power of sale.

IUSA or Identified User Shared Asset means the electrical infrastructure and substation (including a structure, equipment housed within that structure, used for the purpose of gathering, converting, storing, transferring and otherwise enabling the conveyance of electricity imported from or transmitted by the Rutherglen Battery Storage Facility to the Power Grid) and any other components within Powerlink's transmission network that will be used to connect the Rutherglen Battery Storage Facility to the Power Grid.

Law means, in relation to Queensland, the Commonwealth of Australia or a local authority:

- (a) any Act of Parliament;
- (b) any subordinate legislation, rules, regulations, local laws, ordinances, orders, proclamations or by-laws that are made under an Act of Parliament;
- (c) any document, code, standard or policy issued under the legislation or delegated legislation referred to in paragraphs (a) or (b) that the Proponent is required to comply with under an Act; and

where the context requires, the common law and equity.

Life of the Project means the operational lifespan of the Rutherglen Battery Storage Facility.

Monetary Contribution has the meaning in clause 7.1(a).

Nameplate Capacity means the nameplate capacity of the Rutherglen Battery Storage Facility at Financial Close (as agreed between the Proponent and the Australian Energy Market Operator (AEMO)) expressed in megawatt hours.

Neighbour Reference Group has the meaning in clause 16.1(a).

Neighbourhood Benefit Funding has the meaning in clause 16.1(a).

Neighbours means:

- (a) persons living next door to or in close proximity to the Property;
- (b) persons owning land next to or in close proximity to the Property; or
- (c) other persons who live or own land within a 10 km radius of the Property who are reasonably likely to be directly impacted by the Project.

Notice has the meaning in clause 26.1.

Offer to Connect means an offer made by Powerlink to the Proponent to connect the Rutherglen Battery Storage Facility to Powerlink's transmission network.

Operating Contribution has the meaning in clause 9.4.

Operating Year means a year that Rutherglen Battery Storage Facility is operational.

Planning Act means the *Planning Act 2016* (Qld) as amended or replaced from time to time.

Planning Regulation means the *Planning Regulation 2017* (Qld) as amended from time to time.

Power Grid means Powerlink's electricity transmission network.

Party means a party to this agreement, including their successors and assigns.

Powerlink means Queensland Electricity Transmission Corporation Limited ACN 078 849 233, trading as Powerlink Queensland, a government owned corporation.

Program Initiative means an initiative of the CBS Program that is intended to deliver a Community Benefit.

Program's Object and Purpose has the meaning in clause 11.1(b).

Project means the proposed development and operation of the Rutherglen Battery Storage Facility, as more particularly described in Schedule 1.

Property means the property at 837 Red Hill Road, Bororen, Queensland described as lot 132 on Crown Plan FD700, Local Government of Gladstone, being all of the land in title reference 30550099 and includes any lot created from the reconfiguration of the said lot.

Proposed Development has the meaning in clause 5.1(a).

Review Date means each anniversary of the Commencement Date.

Reviewing Party has the meaning in clause 21.2(a).

Rutherglen Battery Storage Facility means the battery energy storage system that the Proponent intends to develop and operate on the Property, including Battery Storage Devices, inverters, underground or overhead cables, wires and other associated plant and equipment necessary to import from, store or transmit electricity to the Power Grid via a dedicated connection asset substation and IUSA.

SARA means the State Assessment and Referral Agency (Qld)

SIA means the Social Impact Assessment undertaken for the Project, as prescribed under Section 51F of the Planning Regulation.

Third Party means a person who is not a party to this agreement or an Associate of any party to this agreement.

1.2 Interpretation

In this agreement unless the contrary intention appears:

- (a) a reference to this agreement or another instrument includes any variation, novation, ratification or replacement of them;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word person includes a firm, a body corporate, an unincorporated association, a joint venture (whether incorporated or unincorporated), a partnership or a trust;
- (e) a reference to a person includes a reference to the person's executors, administrators, permitted successors, permitted substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (f) headings and marginal notes have been inserted for guidance only and shall be deemed not to form part of the context;
- (g) a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this agreement includes all schedules, exhibits, attachments and annexures to it;
- (h) unless otherwise provided, an obligation or a liability assumed by, or a right conferred on, 2 or more persons binds or benefits them jointly and severally;
- (i) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) 'includes' in any form is not a word of limitation; and
- (k) a reference to '\$' or 'dollar' is to Australian currency.

2. Conditions

2.1 Conditions Subsequent

The Conditions for this agreement are:

- (a) the Proponent obtaining Development Approval on conditions satisfactory to the Proponent in its absolute discretion; and
- (b) the Project achieving Financial Close.

2.2 Satisfaction of Conditions

The Proponent must use all reasonable efforts to procure that each Condition is satisfied as soon as reasonably possible, and in any event, before 5.00pm on the Conditions Date.

2.3 Conditions Reporting

The Proponent must:

- (a) keep the Council informed in a timely manner of its progress in satisfying the Conditions; and
- (b) Promptly notify the Council on becoming aware of:
 - (i) the satisfaction of a Condition; or
 - (ii) a Condition becoming incapable of satisfaction, as the case may be.

2.4 Termination due to Failure of Condition Precedent

In the event the Proponent gives Council a notice under clause 2.3(b)(ii) or the Conditions are not satisfied by the Conditions Date, then the Council or the Proponent may provide notice in writing to the other party of the termination of this agreement, in which event this agreement will be at an end and neither party will have any Claims against the other.

3. Council's powers not fettered

The Proponent acknowledges that

- (a) the Council gives no warranty and makes no representation to the Proponent as to the way the Council, SARA or any other Governmental Authority may exercise any discretion relevant to any aspect of the Project (including as to the assessment of the Development Applications or grant of the Development Approvals); and
- (b) nothing in this agreement will fetter the exercise by the Council, SARA or any other relevant Government Authority of any discretion whether to grant, grant subject to conditions, or refuse the Development Approvals or any other Approval required for the Project or fetter the exercise by the Council of any resumption, planning or other regulatory, legislative or executive power.

4. Purpose

The parties acknowledge that:

- (a) this agreement is a requirement of Queensland's Community Benefit System;
- (b) this agreement applies to the Project site within the Property and the Proposed Development as more particularly described in Schedule 1;
- (c) this agreement is intended to deliver tangible, place-based Community Benefits;
- (d) the scope and content of the Community Benefits have been (or will be) determined collaboratively by the parties and generally informed by:
 - (i) the scale and nature of the Proposed Development;
 - (ii) the social impacts and management measures identified in the SIA; and
 - (iii) the needs and aspirations of the Host Communities;
- (e) this agreement does not apply or operate in substitution for other obligations of the Proponent, including with respect to any conditions of a development approval requiring contributions for or provision of infrastructure under an Infrastructure Agreement entered into with Council in accordance with clause 6 or under a separate agreement not contemplated by this agreement; and
- (f) to the extent of its inconsistency with a development approval, infrastructure charges notice or Infrastructure Agreement that relates to the Project, this Agreement prevails.

5. Development

5.1 Proposed Development

The Proponent acknowledges that:

- (a) the Council entered into this agreement in reliance on the Project being as generally described in Schedule 1 (**Proposed Development**); and
- (b) this agreement will not apply if the Proposed Development is modified such that:
 - (i) the modifications change the nature and scale of the Proposed Development; and
 - (ii) Council is of the opinion (acting reasonably) that the social impacts of the Proposed Development as modified are materially different to the social impacts identified in the SIA, requiring a reassessment of the Community Benefits to be provided under this agreement.

5.2 Minor changes

For the avoidance of doubt, this agreement will apply notwithstanding:

- (a) any minor change to the Proposed Development;
- (b) any reduction in the targeted Nameplate Capacity of the Rutherglen Battery Storage Facility resulting in the size and scale of the Project being less than that described in Schedule 1; or
- (c) any changes to the Proposed Development required by Law or a condition of the Development Approvals.

5.3 Changes to Proposed Development

The Proponent:

- (a) warrants to Council that it will promptly notify Council of any material change or modification to the Proposed Development, including, but not limited to, any changes or modifications that may materially alter the social impacts of the Project as identified in the SIA; and
- (b) accepts that if a proposed change or modification to the Proposed Development will materially alter the social impacts of the Project as identified in the SIA; then
 - (i) Council may require changes to the Community Benefits to be delivered under this agreement; and
 - (ii) the Proponent agrees to negotiate in good faith with Council appropriate amendments to this agreement, including the Community Benefits to be delivered under this agreement.

6. Infrastructure Agreement

The Proponent:

- (a) must, prior to the commencement of construction of the Project, enter into an Infrastructure Agreement with Council. The Infrastructure Agreement will
 - (i) formalise the Proponent's obligations in relation to the funding, design, construction, upgrading, modification, protection, maintenance and reinstatement of Council infrastructure required to enable the construction and operation of the Project or impacted by Project activities;
 - (ii) include, but is not limited to, works associated with transport routes, intersections, pavement strengthening, access points, drainage infrastructure, utility interfaces, emergency vehicle access and the repair or restoration of any damage to Council infrastructure arising from construction, commissioning, operation or decommissioning of the Project; and
 - (iii) provide for infrastructure condition assessments, dilapidation surveys, traffic management arrangements, and responsibility for all costs associated with

infrastructure works and impact mitigation measures attributable to the Project;
and

- (b) must comply to the terms in accordance with this clause 6.

7. Monetary Contribution

7.1 Calculation of Monetary Contribution

- (a) The Proponent must make an annual monetary contribution to the Community Benefit Fund (**Monetary Contribution**) in accordance with this clause 77.
- (b) The Monetary Contribution payable in respect of the first year of Commercial Operation of the Rutherglen Battery Storage Facility (commencing on the Commencement Date) will be the amount calculated by the formula:

$$A = \$150 \times N$$

Where:

A = the initial Monetary Contribution; and

N = the Nameplate Capacity of the Rutherglen Battery Storage Facility (expressed in megawatt hours)

7.2 Annual Payment

- (a) The first-year payment of the Monetary Contribution is to be made not later than 30 Business Days prior to the Commencement Date.
- (b) The second and each subsequent year payment of the Monetary Contribution is to be made annually on the anniversary of the Commencement Date.
- (c) The Proponent must make the Monetary Contribution each year over the Life of the Project pursuant to clause 19.3

7.3 Method of Payment of Monetary Contribution

The Monetary Contribution must be paid to the Community Benefit Fund, as directed by Council from time to time.

7.4 CPI Review

- (a) On each Review Date the Monetary Contribution for the ensuing Operational Year will be calculated using the Monetary Contribution payable immediately prior to the relevant Review Date varied by the following formula:

$$MC = A \times \frac{CPIB}{CPIA}$$

where:

MC means the varied Monetary Contribution; and

A means the Monetary Contribution immediately prior to the relevant Review Date.

- (b) If CPIB is not published until after the relevant Review Date, the Monetary Contribution adjustment is made when it is published but the adjustment takes effect from the relevant Review Date. In the meantime, the Proponent must continue to make the Monetary Contribution at the old rate and, when the adjustment is made, the Proponent must immediately pay the shortfall to Council's Community Benefit Fund.
- (c) If the Consumer Price Index is changed between the two comparison dates an appropriate compensating adjustment must be made so that a common base is used.
- (d) If the percentage change in the Consumer Price Index for a relevant Review Date is zero or negative, the Monetary Contribution payable for that year will remain the same as the Monetary Contribution payable in the immediately preceding year.

8. Security

8.1 Bank Guarantee

Not less than 30 Business Days prior to the anticipated Commencement Date, the Proponent must give a bank guarantee (**Bank Guarantee**) to Council.

8.2 Form of Guarantees

The Bank Guarantee must:

- (a) be from an Approved Security Provider;
- (b) be in favour of the Council and for an amount equal to the Monetary Contribution payable in respect of the first year of Commercial Operation of the Rutherglen Battery Storage Facility, as determined under clause 7.1
- (c) be in form and content reasonably satisfactory to the Council;
- (d) have an expiry date not earlier than six months after the anticipated Life of the Project;
- (e) state that it is security for performance of the Proponent's obligations under this agreement;
- (f) be payable:
 - (i) either in whole or in part;
 - (ii) on written demand from or on behalf of the Council without reference or prior notice to the Proponent;
 - (iii) irrespective of the performance or non-performance by the Proponent or the Council under this agreement;
 - (iv) despite any variation of this agreement; and
 - (v) despite any notice given to the issuer not to pay to the Council any amount payable under the bank guarantee; and
- (g) be irrevocable.

8.3 Proponent to maintain Bank Guarantee

In respect of the Bank Guarantee to be provided by the Proponent:

- (a) the Proponent must ensure that it is current and enforceable at all times;
- (b) if it is given by any entity who ceases at any time to be an Approved Security Provider the Proponent must, within 14 days of the security provider ceasing to be so, provide to the Council a replacement Bank Guarantee from an entity which is an Approved Security Provider and otherwise complying with the requirements of this clause and:
 - (i) the replacement bank guarantee will be taken to be the Bank Guarantee required to be provided under this clause; and
 - (ii) upon receipt of the replacement bank guarantee the Council will, in exchange, return to the Proponent the Bank Guarantee provided by the entity ceasing to be an Approved Security Provider; and
- (c) if the Proponent fails to comply with any of its obligations under this agreement, the Council may demand payment under the Bank Guarantee to compensate the Council for the loss suffered by the Council (or claimed in good faith to have been suffered) as a result of the Proponent's default.

8.4 Return of Bank Guarantee

The Council must return any Bank Guarantee to the Proponent not later than 20 Business Days after the Proponent has performed all of its obligations under this agreement to the Council's satisfaction (acting reasonably).

8.5 Right to call on Bank Guarantee

The Council's right to call on a Bank Guarantee provided by the Proponent:

- (a) is not in substitution for or derogation from any other rights the Council may have under this agreement or at law or in equity; and
- (b) applies irrespective of whether or not:
 - (i) a dispute resolution process has been invoked or proceedings have been commenced; or
 - (ii) any judgement or other order of a court has been made in respect of any matter (but subject to compliance with any such judgement or order).

8.6 Notice of Intention to call on Bank Guarantee

The Council must not call on the Bank Guarantee:

- (a) without first giving the Proponent not less than 3 Business Days' notice of its intention to call on the Bank Guarantee; and
- (b) there being an unremedied Default at the time Council calls on the Bank Guarantee.

9. Community Benefit Fund

9.1 Administration of Community Benefit Fund

The Community Benefit Fund will be administered by Council in accordance with the *Local Government Act 2009* (Qld) and relevant financial regulation.

9.2 Guiding Principles

Council will apply the funds in the Community Benefit Fund in accordance with Council's RECBS Policy.

9.3 Pooling of Monetary Contributions

- (a) Council may choose to pool funds paid under all community benefit agreements for infrastructure, program or service priorities considered by Council to deliver strategic public benefits.
- (b) Interest earned on monies held within the Community Benefit Fund will be retained within the Community Benefit Fund.
- (c) Unexpended funds in any given year will be carried forward to future years, building a cumulative balance.

9.4 Operating Contribution

- (a) In addition to making the annual Monetary Contribution, the Proponent must pay to Council a contribution to Council's costs of administering the Community Benefit Fund (including ongoing costs associated with monitoring and reporting obligations) (**Operating Contribution**) in an amount equal to five per cent (5%) of the Monetary Contribution payable for the relevant Operating Year.
- (b) The Operating Contribution must be paid to Council each year at the same time as the Monetary Contribution.

10. Acknowledgement

The Proponent acknowledges that the Monetary Contribution;

- (a) does not offset local authority and State government costs and charges that the Proponent is otherwise required to bear, including, but not limited to, costs of
 - (i) complying with conditions under an Infrastructure Agreement,
 - (ii) paying statutory infrastructure charges;
 - (iii) complying with condition(s) attached to the Development Approvals, and
 - (iv) meeting responsibilities to the State;

- (b) does not offset annual general rates and contributions based on land use zoning payable in respect of the Property;
- (c) is separate to the obligations of the Proponent under any private agreement between the proponent and individual landowners, including adjoining landowners affected by the Project; and
- (d) is separate to the obligations of the Proponent under any Benefit Sharing Agreement (BSA), Indigenous Land Use Agreements (ILUA) and/or Cultural Heritage Management Plan (CHMP) with First Nations Peoples.

11. Community Benefit Sharing Program

11.1 CBS Program

- (a) To complement the Proponent's Monetary Contribution to Council's Community Benefit Fund under clause 7.1, the Proponent must also deliver a Community Benefit Sharing Program (**CBS Program**).
- (b) The object and purpose of the CBS Program is to establish and maintain a strong social licence for the Project through the provision of tangible benefit sharing outcomes for the communities most impacted by the Project (**Program's Object and Purpose**).
- (c) Council and the Proponent acknowledge and agree that:
 - (i) the Bororen and Miriam Vale Communities are the communities most impacted by the Project (**Host Communities**);
 - (ii) the CBS Program is intended to deliver social, economic and environmental benefits to the Host Communities (**Community Benefits**); and
 - (iii) the Community Benefits are to be delivered in a manner that is fair, transparent, consistent and accountable.

11.2 Requirements for CBS Program

The CBS Program must:

- (a) be administered by the Proponent with input from Council and the Community Engagement Forums in accordance with clause 11.3;
- (b) deliver the Community Benefits over the Life of the Project;
- (c) be funded by the Proponent in accordance with the Proponent's CBS Funding Commitment and other funding commitments specified in Part B of Schedule 2, separate to the Proponent's Monetary Contribution to Council's Community Benefit Fund;
- (d) align with Council's policy objectives as set out in Council's RECBS Policy; and
- (e) provide transparent reporting to Council and the community.

11.3 Outline of Community Benefits

The Community Benefits to be funded and delivered by the Proponent are set out in Part B of Schedule 2.

12. Community Engagement Forum

- (a) The Proponent must establish a community reference group or other consultative forum or forums for the CBS Program (each a **Community Engagement Forum**).
- (b) Each Community Engagement Forum will act as a consultative forum to allow the Proponent to obtain feedback from the Host Communities on issues concerning:
 - (i) the administration and rollout of the CBS Program;
 - (ii) priorities and key initiatives of the CBS Program;
 - (iii) updates to the Implementation Plan;

- (iv) the shape of the spend under the CBS Funding Commitment; and
- (v) ongoing community engagement concerning the CBS Program.
- (c) The Community Engagement Forums must be established as soon as practicable after the date of this agreement.
- (d) The Proponent will aim to have represented on the Community Engagement Forums a broad cross section of residents and community groups within the Host Communities.
- (e) The Proponent must give Council not less than 5 Business Days' notice of any proposed meeting of a Community Engagement Forum, including details of the time and place of the proposed meeting.
- (f) At Council's absolute discretion, Council may have a Council representative attend each meeting of a Community Engagement Forum.

13. CBS Funding

13.1 CBS Funding Commitment

- (a) The Proponent agrees to fund the CBS Program up to the maximum amount per annum determined under clauses 13.1(b) and 13.2 (**CBS Funding Commitment**).
- (b) The CBS Funding Commitment in respect of the first year of Commercial Operation of the Rutherglen Battery Storage Facility (commencing on the Commencement Date) will be the amount calculated by the formula:

$$P = \$50 \times N$$

Where:

P = the amount of the CBS Funding Commitment; and

N = the Nameplate Capacity of the Rutherglen Battery Storage Facility (expressed in megawatt hours)

13.2 CPI Review

- (a) On each Review Date the amount of the CBS Funding Commitment for the ensuing Operational Year will be calculated using the amount of the CBS Funding Commitment immediately prior to the relevant Review Date varied by the following formula:

$$P = A \times \frac{CPIB}{CPIA}$$

where:

P means the varied CBS Funding Commitment amount; and

A means the amount of the CBS Funding Commitment immediately prior to the relevant Review Date.
- (b) If CPIB is not published until after the relevant Review Date, the adjustment is made when it is published but the adjustment takes effect from the relevant Review Date. In the meantime, the CBS Funding Commitment will be the old amount.
- (c) If the Consumer Price Index is changed between the two comparison dates an appropriate compensating adjustment must be made so that a common base is used.

13.3 Funding to be applied over 5-year periods

- (a) If necessary to give effect to an Implementation Plan, funding under the CBS Funding Commitment for each five-year period during the life of the CBS Program (with the first year commencing on the Commencement Date) may be aggregated and applied at any time within that five-year period, provided the total funding drawn in the five-year period does not exceed the total allocated for that period (assuming no CPI review is applied under Clause 13.2 to any funds that are accessed early).

- (b) If any amount of the CBS Funding Commitment is not spent in the year it becomes available, the unspent amount will carry forward to the next year and any unspent balance at the end of the five-year period will carry forward to the next five-year period.

14. Implementation of CBS Program

14.1 Rolling implementation plan

- (a) The Proponent must implement the CBS Program in accordance with a rolling Implementation Plan.
- (b) The parties acknowledge and agree that the first Implementation Plan will be informed by the SIA and will be developed by the Proponent in consultation with Council and the Community Engagement Forums as soon as practicable after execution of this agreement and establishment of the Community Engagement Forums.
- (c) The Proponent must give a copy of the first Implementation Plan to Council within 20 Business Days of the Implementation Plan being finalised.
- (d) The Proponent must engage with the Community Engagement Forums in an open, representative co-design process to develop each rolling Implementation Plan. This will be guided by leading-practice mechanisms such as deliberative democracy approaches.
- (e) The Proponent must update the Implementation Plan on or before each anniversary of the Commencement Date, with a five year look forward period.
- (f) The Proponent must give a copy of each updated Implementation Plan to the Council.
- (g) Each Implementation Plan must:
 - (i) demonstrate a commitment on the part of the Proponent to progressing the CBS Program in a way that furthers and is consistent with the Program's Object and Purpose;
 - (ii) set out the tangible, place-based Community Benefits that the CBS Program is intended to deliver over the ensuing five-year period; and
 - (iii) describe in detail the Program Initiatives that are to be carried out over the ensuing five-year period.

14.2 Implementation Plan may change

- (a) The Council acknowledges that the Proponent may make changes to an Implementation Plan to reflect Community feedback, including feedback received through the Community Engagement Forums.
- (b) If an Implementation Plan is amended the Proponent must give the amended Implementation Plan to the Council promptly after the amendments are made.

14.3 No limit on Obligations

Nothing in an Implementation Plan will relieve the Proponent from, or alter or affect, the Proponent's responsibilities under this agreement.

14.4 Community Consultation

- (a) The Proponent must implement and maintain a community consultation plan in respect of the CBS Program.
- (b) In complying with its obligations under clause 14.1(a) the Proponent must liaise and coordinate with the Council on all matters relating to community consultation and the CBS Program.

15. Records

15.1 Access to Records

The Council:

- (a) must have free access at all reasonable times to all information pertaining to the CBS Program, including, not limited to:
 - (i) details of Community Benefits delivered under the CBS Program;
 - (ii) minutes of meetings of the Community Engagement Forums;
 - (iii) details of payments made in support of the CBS Program; and
 - (iv) details of community consultation undertaken under clause 14.4; and
- (b) may, as it may require, at its Cost, take copies of any part of the documents referred to in clause 15.1(a).

15.2 Professional assistance when reasonably required

The Proponent may engage accountants, lawyers and other professional advisers as reasonably required from time to time to ensure that accounts for the CBS Program are properly prepared in accordance with generally accepted accounting standards.

15.3 Audits

If required by Council, the Proponent must:

- (a) have the records pertaining to the administration of the CBS Program independently audited each Financial Year by a suitably qualified person (or persons) selected by the Proponent and approved by the Council acting reasonably; and
- (b) provide copies of the relevant accounts and auditor's reports to the Council no later than 3 months after the end of each Financial Year.

16. Neighbour Reference Group

16.1 Formation

- (a) The Proponent must establish a neighbour reference group for the Project (**Neighbour Reference Group**).
- (b) The Neighbour Reference Group will act as a consultative forum to:
 - (i) allow the Proponent to obtain feedback from Neighbours on issues concerning the potential impact of the Project on Neighbours,
 - (ii) co-develop management measures to avoid or mitigate potential negative impacts of the Proposed Development;
 - (iii) co-develop strategies to monitor, review and update those measures throughout the Life of the Project; and
 - (iv) shape the spend of Neighbourhood Benefit Funding under clause 17.
- (c) The Neighbour Reference Group must be established as soon as practicable after the date of this agreement
- (d) The Proponent will aim to have represented on the Neighbour Reference Group a broad cross section of Neighbours.

17. Neighbourhood Benefit Funding

17.1 Funding Commitment

- (a) The Proponent agrees to fund a neighbourhood benefit program up to a maximum amount per annum determined under clauses 17.1(b) and 17.2 (**Neighbourhood Benefit Funding**).
- (b) The Neighbourhood Benefit Funding in respect of the first year of Commercial Operation of the Rutherglen Battery Storage Facility (commencing on the Commencement Date) will be the amount calculated by the formula:

$$P = \$ 15 \times N$$

Where:

P = the amount of the Neighbourhood Benefit Funding; and

N = the Nameplate Capacity of the Rutherglen Battery Storage Facility (expressed in megawatt hours)

17.2 CPI Review

- (a) On each Review Date the amount of the Neighbourhood Benefit Funding for the ensuing Operational Year will be calculated using the amount of the Neighbourhood Benefit Funding immediately prior to the relevant Review Date varied by the following formula:

$$P = A \times \frac{CPIB}{CPIA}$$

where:

P means the varied Neighbourhood Benefit Funding amount; and

A means the amount of the Neighbourhood Benefit Funding immediately prior to the relevant Review Date.

- (b) If CPIB is not published until after the relevant Review Date, the adjustment is made when it is published but the adjustment takes effect from the relevant Review Date. In the meantime, the Neighbourhood Benefit Funding will be the old amount.
- (c) If the Consumer Price Index is changed between the two comparison dates an appropriate compensating adjustment must be made so that a common base is used.

17.3 Separate to other funding

The Neighbourhood Benefit Funding will be separate and in addition to:

- (a) the Proponent's Monetary Contribution to Council's Community Benefit Fund; and
- (b) the Proponent's CBS Funding Commitment.

17.4 Application of Neighbourhood Benefit Funding

The Proponent will apply the Neighbourhood Benefit Funding to initiatives that:

- (a) directly benefit Neighbours;
- (b) mitigate potential negative impacts of the Proposed Development on Neighbours; and/or
- (c) address Neighbour concerns with respect to the potential impact of the Proposed Development.

17.5 Co-development

The Proponent must consult with the Neighbour Reference Group with respect to the use and application of the Neighbourhood Benefit Funding and co-develop plans for the use of the Neighbourhood Benefit Funding.

18. First Nations

The Proponent confirms to Council that:

- (a) it acknowledges and respects First Nations Peoples as the traditional owners of the Property;
- (b) in considering benefit sharing for the Project, it has given special consideration to the needs of First Nations Peoples; and
- (c) it intends to enter into a separate Shared Benefits Agreement with First Nations Peoples.

19. Progression of Project

19.1 Continued development of Project

The Proponent must use reasonable endeavours to continue developing the Project in accordance with:

- (a) Good Electricity Industry Practice; and
- (b) all relevant Laws and Approvals; and

must keep Council regularly informed of its activities and progress towards satisfying the Conditions in clause 2.1.

19.2 Commencement of Commercial Operations

The Proponent must promptly notify the Council in writing once the Rutherglen Battery Storage Facility has commenced Commercial Operation, including advising the Council of the Commencement Date.

19.3 Expected Life of Project

The Proponent acknowledges that it has made the following representations to Council regarding the Life of the Project:

- (a) The Rutherglen Battery Storage Facility will have a minimum economic lifespan of 20 years.
- (b) Depending on market conditions and available technology at the time, the Rutherglen Battery Storage Facility may be 'repowered' to extend its economic life beyond 20 years.

20. Reporting during Life of Project

- (a) The Proponent must provide an annual report (**Annual Report**) to Council on the performance of the Proponent's obligations under this agreement in the immediately preceding 12- month period, and must include particulars in relation to the following:
 - (i) the operational status of the Rutherglen Battery Storage Facility;
 - (ii) the Monetary Contributions made to Council's Community Benefit Fund;
 - (iii) the CBS Funding provided in support of the CBS Program;
 - (iv) the grants, sponsorships and legacy initiatives made, initiated or proposed under the CBS Program;
 - (v) details the steps taken to prioritise local jobs and procurement ensuring that local industry receives full, fair, and reasonable opportunity to participate in project-related goods, services, and works;
 - (vi) details the support provided to local businesses including the values of direct and indirect spend with businesses located in the postcodes of 4674, 4676, 4677, 4678, 4680, 4694, 4695, 4697; and
 - (vii) details of any other Community Benefits delivered in the relevant 12-month period.
- (b) The first Annual Report must be provided not later than 30 days after the first anniversary of the Commencement Date and thereafter each Annual Report must be provided not later than 30 days after the anniversary of the Commencement Date.

21. Audit and Performance Review

21.1 Audit

The Council may conduct, or the Council may engage a Third Party to conduct, an audit or performance review of the Project at any reasonable time, at the Council's own expense:

- (a) for the purpose of monitoring and assessing the Proponent's performance of its obligations under this agreement;

- (b) if the Council has concerns that the Proponent may not be delivering, or be unable to deliver, all of the Community Benefits in accordance with this agreement (including all of the Proponent's financial obligations); and/or
- (c) if the Council has a reasonable concern about the Proponent's compliance or ability to comply, with this agreement.

21.2 Cooperation

The Proponent must:

- (a) cooperate with and provide assistance to the Council or any Third Party engaged by the Council (**Reviewing Party**) to conduct an audit or performance review under clause 21.1; and
- (b) make available to the relevant Reviewing Party all information and records needed for the audit or performance review in accordance with a written request from the Reviewing Party.

21.3 Rectification

The Proponent must promptly, at its cost, rectify any material deficiencies in the Proponent's performance of its obligations under this agreement that is identified in a report prepared by a Reviewing Party.

22. Assignment

- (a) Subject to clause 22(b), a Party must not assign, novate or otherwise transfer its rights and/or obligations under this agreement unless the other Party has provided its prior written consent.
- (b) The Proponent may assign, novate or otherwise transfer its rights and/or obligations under this agreement if and only if:
 - (i) the Proponent has, at no cost to Council, first procured the execution by the person or entity to whom the Proponent's rights or obligations under this agreement are to be assigned, novated, or transferred, of a deed in favour of the Council agreeing to be bound by this agreement as if originally named as the Proponent on terms satisfactory to Council (acting reasonably).
 - (ii) the Council has given written notice to the Proponent stating that it is satisfied (acting reasonably) that the transferee, assignee or novatee, is reasonably capable of performing the Proponent's obligations under this Agreement,
 - (iii) the Proponent is not in breach of the Agreement, and
 - (iv) the Council otherwise consents to the transfer, assignment or novation, such consent not to be unreasonably withheld or delayed.
- (c) The Proponent acknowledges and agrees that it remains liable to fully perform its obligations under this Agreement unless and until it has complied with clause 22(b).

23. Force Majeure

- (a) The Proponent will not be liable to Council for any failure in the performance or observance of any obligation expressed or implied in this agreement on its part to the extent that such failure is attributable to an Event of Force Majeure which is:
 - (i) not caused or contributed to by any fault, act or omission of the Proponent;
 - (ii) mitigated against using all reasonable precautions and any reasonable alternative measures by the Proponent; and
 - (iii) promptly notified by the Proponent to Council.
- (b) An Event of Force Majeure may be relied upon by the Proponent only to the extent that it continues to directly affect the performance or observance of any obligation by the

Proponent and the Proponent will resume performance and observance of that obligation as soon as possible after termination or abatement of the Event of Force Majeure.

- (c) If on the date that a Monetary Contribution, CBS Funding or Neighbourhood Benefit Funding is due and payable under this agreement, Commercial Operation of the Rutherglen Battery Storage Facility has ceased because of an Event of Force Majeure, then the Proponent's obligation to make that Monetary Contribution or provide the CBS Funding or Neighbourhood Benefit Funding (and any subsequent Monetary Contributions or CBS Funding or Neighbourhood Benefit Funding) will be suspended and will not resume until after the termination or abatement of the Event of Force Majeure and the recommencement of Commercial Operation of the Rutherglen Battery Storage Facility.

24. Defaults

24.1 Curable Defaults

- (a) This clause 24 does not apply (and Council is not required to comply with this clause 24) to any matter for which the Council has an express right of termination under this agreement.
- (b) If any one of the following occurs:
 - (i) the Proponent varies the Proposed Development in a material way without the prior consent of the Council;
 - (ii) the Proponent is in breach of any provision, requirement, representation, warranty or obligation imposed on or provided by the Proponent in this agreement; or
 - (iii) the Proponent abandons the Project(each a **Default**) and the Default is
 - (iv) reasonably capable of being cured; or
 - (v) a Default under clause 24.1(b)(ii) that is not capable of remedy but in respect of which the Proponent may make other reasonably satisfactory arrangements (including payment of reasonable compensation, if appropriate)(each a **Curable Default**), the Council may give written notice to the Proponent requesting the Proponent to submit a draft cure plan in accordance with clause 24.2(a).

24.2 Cure Plan

- (a) The Proponent must, within
 - (i) 20 Business Days of receipt of a notice under clause 24.1(b) in relation to a Curable Default set out in clauses 24.1(b)(i) or 24.1(b)(ii); or
 - (ii) 20 Business Days of receipt of a notice under clause 24.1(b) in relation to a Curable Default set out in clause 24.1(b)(iii),submit to Council a draft cure plan stating the date by which it intends to:
 - (iii) cure the Curable Default; or
 - (iv) if clause 24.1(b)(v) applies, make other reasonably satisfactory arrangements (including payment of reasonable compensation, if appropriate),(which must be a reasonable period having regard to the nature of the Curable Default and the relevant circumstances) and including detailed particulars of how the Proponent proposes to cure the Curable Default (or make other reasonably satisfactory arrangements if applicable), and if appropriate, detailing the measures it proposes to take to ensure that the Curable Default does not reoccur.
- (b) As soon as practical following submission of a draft cure plan the parties must liaise and consult, with a view to agreeing on the draft cure plan, or any amendments to that plan. If the parties cannot agree on the draft cure plan, or any amendments to that plan, by the date which is not later than 10 Business Days after the draft cure plan was submitted, then that matter will constitute a Dispute and either party may give to the other party a

Dispute Notice, in which case the draft cure plan will be amended in accordance with a determination made under clauses 28, 29 and 30. For the purpose of this agreement:

- (i) the draft cure plan as agreed or amended in accordance with this clause 24.2(b) is the **Cure Plan**; and
 - (ii) the period specified in the Cure Plan for curing the default is the **Cure Period**.
- (c) The Proponent acknowledges that it is obliged to cure (or make other reasonably satisfactory arrangements, if applicable) the Curable Default which is the subject of a Cure Plan within the Cure Period and that its obligation in this regard is not relieved of affected in any way by reason of:
- (i) The Council approving or accepting the Cure Plan, or the inclusion of amendments suggested or specified by Council; or
 - (ii) The fact or likelihood that the relevant Curable Default is not capable of cure, or cannot practically be cured in the time or in the manner specified in the Cure Plan.

24.3 Failure to comply with Cure Plan

If the Proponent fails to comply with the Cure Plan or fails to cure the Curable Default (or make other reasonably satisfactory arrangements, if applicable) within the Cure Period (whether or not it has complied with the Cure Plan) the Council may at any time thereafter give the Proponent a written notice:

- (a) Requiring that the Curable Default be cured (or other reasonably satisfactory arrangements be made, if applicable) within a further period specified in that notice (being not less than 5 Business Days); and
- (b) Specifying that if the Curable Default is not cured (or other reasonably satisfactory arrangements made, if applicable) within that period, it reserves its rights to terminate this agreement.

25. Termination of Agreement

25.1 Termination by Council for Proponent Default.

In addition to any other provision of this agreement allowing the Council to terminate this agreement, the Council may terminate this agreement by giving written notice to the Proponent if

- (a) the Proponent fails to provide the Bank Guarantee in accordance with clause 8.1;
- (b) the Proponent fails to cure a Curable Default in accordance with clauses 24.2; or 24.3; or
- (c) an Insolvency Event occurs in respect of the Proponent.

25.2 Council rights not affected

Notwithstanding termination of this agreement under clause 25.1, the rights of a party to make a Claim against the other party under this agreement, at law or in equity or otherwise are not affected by the Council making an election to terminate this agreement.

26. Notices and other communications

26.1 Service of notices

A notice, demand, consent, approval or communication under this agreement (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in clause 26.3, as varied by any Notice given by the recipient to the sender.

26.2 Effective on receipt

A Notice given in accordance with clause 26.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, the second Business Day after the date of posting (or the seventh Business Day after the date of posting if posted to or from a place outside Australia); and
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the delivery or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day.

26.3 Notice Details

Each party's details for receiving of notices is set out in the table below:

Council	Address: 101 Goondoon Street, Gladstone Central, 4680 Email: info@gladstone.qld.gov.au
Proponent	Address: 29 Gilmore Street, Annerley, 4121 Email: jamesb@gryphonenergy.com.au

26.4 Change in Notice Details

If a party gives the other party a Notice specifying another postal or email address for the receipt of Notices to the postal address or email address specified in clause 26.3, then that will be the address for the receipt of Notices in substitution for the details in clause 26.3.

27. GST

27.1 Interpretation

In this clause 27, a word or expression defined in the GST Act has the meaning given to it in that Act.

27.2 GST gross up

If a party makes a supply under or in connection with this agreement in respect of which GST is payable, the consideration for the supply but for the application of this clause 27.2 (**GST Exclusive Consideration**) is increased by an amount equal to the GST Exclusive Consideration multiplied by the rate of GST prevailing at the time the supply is made.

27.3 Reimbursements

If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by any input tax credit the other party is entitled to for the loss, cost or expense, and then increased in accordance with clause 27.2.

27.4 Tax invoice

A party need not make a payment for a taxable supply made under or in connection with this agreement until it receives a tax invoice / taxable supply information for the supply to which the payment relates.

28. Dispute procedure

28.1 Application of this part

Subject to clause 28.2, if a dispute arises between the parties then the dispute must be dealt with in accordance with clauses 29 and 30.

28.2 Injunctive and declarative relief

Nothing in this agreement prevents any party from instituting proceedings for declaratory or injunctive relief at any time, if the circumstances of genuine urgency make it necessary or appropriate to do so.

28.3 Continuance of obligations

Despite the existence of any dispute, the parties must continue to perform and comply with their respective obligations under this agreement, unless a party obtains declaratory or interlocutory relief that would be inconsistent with the continuance of performance of the party's obligations under this agreement.

29. Notification and reply

29.1 Notification of a dispute

- (a) If a dispute arises between the parties in relation to any aspect of this agreement, then a party may give a Dispute Notice to the other party to this agreement.
- (b) A Dispute Notice must include reasonable particulars of the nature of the dispute.

29.2 Reply to a Dispute Notice

- (a) A party that receives a Dispute Notice must give the other party a written reply within 5 Business Days after receipt of the Dispute Notice.
- (b) If the party that receives a Dispute Notice does not give a reply in the period specified in clause 29.2(a) then the party is taken to have rejected the whole of the matters set out in the Dispute Notice.

29.3 Conference

- (a) If the party who issued the Dispute Notice is not satisfied with the reply, or does not receive a reply within 5 Business Days after the issuing of the Dispute Notice, that party may convene a without prejudice meeting by notifying the other party in writing of the time and place for the meeting.
- (b) The time for the meeting must be no later than 10 Business Days after the Dispute Notice is issued.
- (c) The meeting must be attended by a representative of each of the parties, each of whom has authority to agree to a resolution of the matters set out in the Dispute Notice.
- (d) At the meeting, each party must use reasonable endeavours to do all things reasonably necessary to settle the Dispute within 10 Business Days (in whole or in part), or to set up a procedure with that aim. The procedure may involve:
 - (i) referring the Dispute to an independent expert for binding determination under clause 30; or
 - (ii) commissioning a report from an independent expert on the matters the subject of a Dispute, which report will not be binding but which may be used to resolve the Dispute.

30. Expert determination

30.1 Expert determination

An expert determination to resolve a dispute must be carried out in accordance with this clause 30 and the parties must refer the matter to expert determination in accordance with this clause 30. (unless the dispute is withdrawn by the parties).

30.2 Appointment of expert

The independent expert must

- (a) be independent of the parties
- (b) have at least 10 years immediate past experience in the field that is most relevant to the dispute;
- (c) have a technical understanding of the matters in issue in the Dispute;

- (d) not have a significantly greater understanding of one party's business or operations which the other party may reasonably regard as giving rise to the possibility of bias; and
- (e) be appointed by agreement of the parties, but if the parties have not reached agreement on an expert within 5 Business Days after the date of service of a notice referring a Dispute to expert determination, then by a person appointed in accordance with the Expert Determination Rules of the Resolution Institute (and the person making the appointment must have regard to clauses 30.2(a) 30.2(d)).

30.3 Decision making process

The parties acknowledge and agree that in relation to any dispute referred to an independent expert under this clause 30:

- (a) any decision by the independent expert must be in writing and a copy provided to each party;
- (b) all costs of the independent expert will be borne by the parties as directed and determined by the independent expert (and the independent expert will be requested to make such a direction or determination);
- (c) the independent expert is acting as an expert and not as an arbitrator, and may adopt such procedures as the independent expert sees fit, including as to:
 - (i) fixing a time and place for hearing the dispute or receiving submissions or information from the parties or any other person;
 - (ii) the form of any submissions or information required by the independent expert from the parties or any other person; and
 - (iii) conducting any investigation which the independent expert considers necessary to resolve the dispute;
- (d) the independent expert must have no direct or indirect personal interest in the outcome of the decision the independent expert is requested to make;
- (e) the matter which the independent expert is required to determine must be referred to the independent expert by written submission which must state the specific matter to be determined together with all other reasonably relevant matters including any requirements under this agreement relating to that matter;
- (f) the independent expert will give due weight to any representations put forward by a party within any time limit prescribed by the independent expert in his or her discretion;
- (g) the parties must supply the independent expert with any information, assistance and cooperation which the independent expert may request in connection with the independent expert's determination;
- (h) the independent expert will give written reasons for the independent expert's determination;
- (i) the independent expert will not be bound by the rules of evidence;
- (j) the independent expert must provide his or her decision under this clause 30.3 within 20 Business Days after the independent expert is appointed; and
- (k) the independent expert must be appointed by the parties on terms which satisfy this clause 30.3.

30.4 Expert's directions

In making a determination, the independent expert may give directions or recommend any matters which the independent expert considers, in the independent expert's absolute discretion, should be implemented or otherwise transacted in order to give commercial efficacy to the decision.

30.5 Parties to support expert's determination

Immediately on receiving the independent expert's determination, the parties must exercise their powers to procure that the independent expert's determination and any directions contained in it are duly complied with.

30.6 Expert's decision is final

- (a) Subject to clause 30.6(b) in relation to all matters other than damages or termination of this agreement, the independent expert's decision will be final and binding on the parties except for fraud or manifest error.
- (b) An independent expert's decision is not final and binding in respect of any question of law concerning the construction of this agreement, and clause 30 does not preclude a party from instituting proceedings in respect of such a matter.

31. Miscellaneous

31.1 Council's Legal Fees

The Proponent agrees to pay the Council's legal costs and disbursements associated with the preparation, negotiation and execution of this agreement up to a maximum of \$3000 (inclusive of GST).

31.2 Compliance with bribery and corruption policy and laws

Each party to this agreement confirms that in performing this agreement it will:

- (a) comply with all applicable Australian anti bribery and anti-corruption laws and regulations;
- (b) not do anything that may cause the other party to this agreement or their affiliates to breach Australian anti bribery and anti-corruption laws and regulations;
- (c) not offer any bribe or unlawful facilitation payment to any public official or other person; and
- (d) promptly notify the other party to this agreement in writing of any breach of this confirmation.

31.3 Amendment

This agreement may be amended only by another written agreement executed by all the parties.

31.4 Survival

Any term by its nature intended to survive termination of this agreement survives termination of this agreement.

31.5 Counterparts

- (a) This agreement may be executed in any number of counterparts, with signatures appearing on different counterparts, and this will be taken to be the same as, and have the same effect as, if all of those signatures on different counterparts were on a single document.
- (b) Without limiting clause 31.5(a)
 - (i) if any of the signatures on behalf of one party are on different counterparts, this will be taken to be the same as, and will have the same effect as, if all of those signatures on different counterparts were on a single document; and
 - (ii) all executed counterparts constitute one document.
- (c) A party that has executed a counterpart of this agreement may exchange it with another party by delivering a physical copy of, or emailing an electronic copy of, the executed counterpart to that other party.

31.6 Electronic signing

A party may electronically sign an electronic copy of this agreement and bind itself accordingly. This will satisfy any statutory or other requirement for this agreement to be in writing and signed by that party. The parties intend that:

- (a) any electronic copy so signed will constitute an executed original counterpart, and any print-out of the electronic copy with the relevant signatures appearing will also constitute an executed original counterpart; and

- (b) where a party prints out this document after all parties that are signing electronically have done so, the first print-out by that party after all signatories who are signing electronically will also be an executed original counterpart of this document.

Each signatory confirms that their signature appearing in this agreement, including any print-out of this agreement that is contemplated by this clause 31.6 (irrespective of which party printed it), is their personal signature authenticating it.

31.7 Entire agreement

This agreement constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

31.8 Further action

Each party must do, at its own expense, everything reasonably necessary (including executing documents) to give full effect to this agreement and any transactions contemplated by it.

31.9 Severability

A term or part of a term of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining terms or parts of the term of this agreement continue in force.

31.10 Waiver

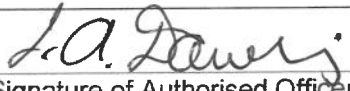
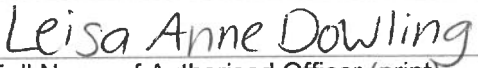
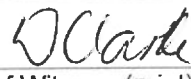
A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.

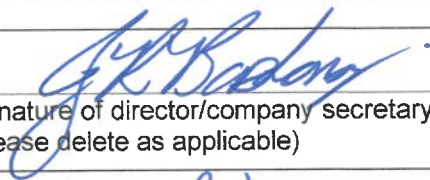
31.11 Governing law

This agreement is governed by the laws of Queensland, Australia and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Queensland and of the Commonwealth of Australia.

EXECUTED as a deed.

Dated:

Executed by Gladstone Regional Council pursuant to s236 of the <i>Local Government Act 2009</i> (Qld) by its duly authorised officer in the presence of:		
		
		Signature of Authorised Officer
		
Signature of witness		Full Name of Authorised Officer (print)
		C.E.O
Name of Witness (print)		Office Held
Darlene Clarke		31 st March 2026
		Date (print)

Executed by Red Hill Renewable Energy Pty Ltd ACN 675 077 291 in accordance with Section 127 of the <i>Corporations Act 2001</i>		
		
Signature of director		Signature of director/company secretary (Please delete as applicable)
ROBERT MAILER		James Richard BASHAM
Name of director (print)		Name of director/company secretary (print)
		10 th March 2026.
		Date (print)

Schedule 1- Description of Rutherglen BESS

The Proponent proposes the development of a standalone Battery Energy Storage System (BESS). The facility is intended to have a capacity of 400 megawatts (MW), with up to 4 hours of energy storage from each charge (1600 MWh).

The Rutherglen BESS is to be located on land at 837 Red Hill Road, Bororen.

The project site comprises a single existing lot described as Lot 132 on FD700, which has a total area of 1,277 hectares. The land is located approximately 6km east of Bororen township, 10km north of Miriam Vale, 33km west of Agnes Waters and 53km south-east of Gladstone, within the Gladstone Regional Council local government area.

The project will have a development footprint of approximately 22.8 hectares, comprising approximately 15 hectares for the BESS and approximately 7.8 hectares for the switchyard.

Schedule 2- Community Benefit Sharing Program

Part A – Community Benefits provided to Council to administer.

Commitment	Initiative	Community Benefit
\$150/ MWh pa	Annual monetary contribution to Council controlled Community Benefit Fund pursuant to clause 7	Council will apply the funds in accordance with Council's <i>Renewable Energy – Community Benefits Sharing Policy</i> .
Five per cent (5%) (Of the monetary contribution)	Annual operating contribution to administer the commitment under this Agreement pursuant to clause 9.4	Offset reliance on general rates for Council to administer this agreement, supporting financial sustainability.

Part B – Community Benefits to be funded and delivered by the Proponent.

Commitment	Initiative	Community Benefit
\$40,000 (one-off)	The Proponent will provide a first round of grants available to community groups	Provided on/or before execution of this agreement as a gesture of goodwill towards the Host Communities identified in the Social Impact Assessment (SIA)
\$50/ MWh pa	Community Benefits Sharing (CBS) Program pursuant to clause 11	Benefits to be delivered pursuant to a rolling Implementation Plan under clause 14
\$15/ MWh pa	Neighbourhood Benefit Funding pursuant to clause 17	Benefits to be delivered pursuant to clauses 17.4 and 17.5
\$160,000 over five (5) years	Building capacity in the local fire service response training and support	• Build local bushfire response preparedness for the whole community
Other Funded Benefits	Jobs, Training, Innovation Initiatives and Partnerships	• Provide funding for two (2) apprentices (one First Nations, one Non-first Nations) from local region. • Provide funding to a locally based institution to sponsor research on BESS safety. • Provide funding to sponsor a cadet engineer from the local region into the workforce. • Partner with ICN Queensland and work locally based industry organisations to connect with regional suppliers.
	Local Jobs, Training and Procurement	Prioritise local jobs and procurement support local businesses to deliver local economic benefits and contribute to regional development.