

**Form 603**  
Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To Company Name/Scheme Resource Equipment Limited

ACN/ARSN 098 812 492

### 1. Details of substantial holder (1)

Name Ashsky Pty Ltd ACN 128 345 406 (**Ashsky**) and David Gregory Hayes (**Hayes**)

ACN/ARSN (if applicable)

The holder became a substantial holder on 28/11/2014

### 2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares (ORD)	44,449,226 ORD	44,449,226	10.00%

### 3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Ashsky and Hayes	Ashsky is the registered holder of fully paid ordinary shares, acquired pursuant to the share sale deed in <b>Annexure A</b> .  Hayes has a relevant interest in Ashsky's shares pursuant to section 608(3)(a) of the Corporations Act 2001.	44,449,226 ORD

### 4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Ashsky and Hayes	Ashsky	Ashsky	44,449,226 ORD

### 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Ashsky and Hayes	28 November 2014	1,166,667 fully paid ordinary shares in the capital of RAMPS Australia Pty Ltd ACN 123 937 520 (provided by Ashsky)		44,449,226 ORD

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
Ashsky	Suite 1401, Level 14, 203 Robina Town Centre Drive, Robina, QLD, Australia 4226
Hayes	3 Meadow Way, Maudsland, QLD, Australia 4210

## Signature

print name See **Annexure B**

capacity

sign here

date / /

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

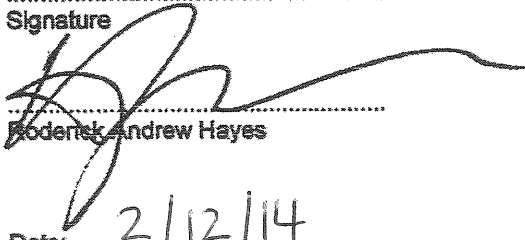
## Annexure A

**Resource Equipment Ltd ACN 098 812 492**

This is annexure "A" of 200 pages referred to in "Form 603 Notice of initial substantial holder".

I certify that the Share Sale Deed contained in this Annexure A is a true copy of the Share Sale Deed dated 25 September 2014 between Ashsky Pty Ltd, CFT (CMS) Pty Ltd, Walter Eugene Naymola, David James Campbell, Roderick Andrew Hayes and Resource Equipment Ltd.

Signature



Roderick Andrew Hayes

Date: 2/12/14

Signature



Elaina May Hayes

Date: 2/12/14



## Share Sale Deed

Ashsky Pty Ltd

CFT (CMS) Pty Ltd

Walter Eugene Naymola

David James Campbell

Roderick Andrew Hayes

Resource Equipment Ltd

Our ref: JMP: 4212683

Level 8 Angel Place 123 Pitt Street Sydney NSW 2000

GPO Box 983 Sydney NSW 2001 DX 101 Sydney Tel 61 2 8233 9500 Fax 61 2 8233 9555

Email [sydney@dibbsbarker.com](mailto:sydney@dibbsbarker.com) Website [www.dibbsbarker.com](http://www.dibbsbarker.com) ABN 84 338 278 574

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**THIS DEED** is made on

**BETWEEN**

**Ashsky Pty Ltd**

ACN 128 345 406

in its own capacity and in its capacity as trustee for the Ashsky Trusts  
of Suite 1401, Level 14, 203 Robina Town Centre Drive, Robina,  
Queensland, Australia 4226  
(**Ashsky**)

**AND**

**CFT (CMS) Pty Ltd**

ACN 129 758 863

in its own capacity and in its capacity as trustee of the **Campbell Family  
Trust** ABN 15 136 644 662  
of 6 Mooloolah Drive, Minyama, Queensland, Australia 4575  
(**CFT**)

**AND**

**Walter Eugene Naymola**

of 3405W. Cardinal Drive, Beaumont, Texas 77705, United States of  
America  
(**Naymola**)

**AND**

**David James Campbell**

of Unit 2, 32 Mulherin Drive, Mackay Harbour, Queensland, Australia  
4740  
(**Campbell**)

**AND**

**Roderick Andrew Hayes**

of 87 Berganns Road, Witta, Queensland, Australia 4552  
(**R Hayes**)

**AND**

**Resource Equipment Ltd**

ACN 098 812 492

of 276 Treasure Road, Welshpool, Western Australia, Australia 6106  
(**Purchaser**)

## **RECITALS**

- A. The Vendors own the Sale Shares as set out in Part 1 and Part 2 of Schedule 1.
- B. The Vendors have agreed to sell, and the Purchaser has agreed to purchase, the Sale Shares on and subject to the terms of this document.
- C. The Guarantors have agreed to enter into this document to provide certain warranties, covenants and undertakings in favour of the Purchaser, in accordance with the terms of this document.

## **IT IS AGREED**

### **1. DEFINITIONS AND INTERPRETATION**

#### **1.1 Definitions**

In this document:

**Accounting Standards** means:

- (a) the "accounting standards" referred to in section 9 of the Corporations Act;  
and

- (b) to the extent not inconsistent with paragraph (a), generally accepted accounting principles, policies, practices and procedures in Australia.

**Accounts** means:

- (a) the unaudited financial statements attached as Annexure A (**Unaudited Accounts**); and
- (b) the Audited Accounts.

**Accounts Date** means 30 June 2014.

**Actual Differential** means the Actual Working Capital Amount less the Actual Net Debt Amount as at the Effective Date.

**Actual Net Debt Amount** means the amount shown as the "Actual Net Debt Amount" in the Final Completion Statement.

**Actual Working Capital Amount** means the amount shown as the "Actual Working Capital Amount" in the Final Completion Statement.

**Agreed Announcement** means the announcement to be made by the Purchaser to the ASX on or after the date of this document substantially in the form attached as Annexure H.

**Ashsky Trusts** means each of the trusts known as:

- (a) the Hayco Investment Trust settled on 6 November 2007 by Benjamin Dean;
- (b) the Mifsud Investment Trust settled on 6 November 2007 by Benjamin Dean;
- (c) the Kriscott Investment Trust settled on 6 November 2007 by Benjamin Dean;
- (d) the Ninga Whanau Trust settled on 6 November 2007 by Benjamin Dean;
- (e) the Axle Trust settled on 6 November 2007 by Benjamin Dean;
- (f) the TOPT Trust settled on 6 November 2007 by Benjamin Dean,

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Relief** means any relief necessary to modify section 609 of the Corporations Act under ASIC Regulatory Guide 5: (*Relevant Interests and substantial shareholder notification*) so that the Purchaser does not hold a Relevant Interest in the Restricted Consideration Shares on entry into the Restriction Agreement.

**Asset Amount** means the lower of \$2,000,000 and the sum of:

- (a) the First Tranche Assets Price;
- (b) the Second Tranche Assets Price; and
- (c) the Third Tranche Assets Price,

less the amount received by any Group Company for any fixed asset sold by a Group Company after 30 June 2014.

**Associate** has the meaning given in Division 2 of Part 1.2 of the Corporations Act.

**ASX** means, as the context requires, ASX Limited ACN 008 624 691 or the securities market it operates known as the Australian Securities Exchange.

**ASX Listing Rules** means the official listing rules of the ASX.

**Audited Accounts** means the audited version of the financial statements attached as Annexure A which are signed off by the board of the Company and by the Company's auditor.

**Business** means:

- (a) the business of the provision of water management systems design and construction, pump hire and sales, mine site water management, water management and pump systems audit, poly pipe welding and construction, general mine support, labour hire and disaster recovery management; and
- (b) any other business being conducted by the Group Companies as at the time immediately before Completion.

**Business Day** means a day on which trading banks are open for business in Perth and Brisbane, but does not include a Saturday, Sunday or public holiday.

**Business IP** means the Intellectual Property Rights listed in Schedule 5.

**Claim** means any claim, demand, cause of action or proceeding (including any Warranty Claim or under the Tax Indemnity) whether in contract, tort, equity, under statute or otherwise.

**Claim Notice** has the meaning given in clause 13.1.

**Collection Period** means the period beginning on the Effective Date and ending on the day that is 120 days after the Effective Date.

**Combined EBITDA** means, in respect of the Earn-Out Period, the Normalised earnings before interest, corporate income tax, depreciation and amortisation for the Purchaser Group, as shown in the Earn-Out Statement.

**Company** means Campbell Mining Services Pty Ltd ACN 100 097 112.

**Company Shares** means the shares identified in Part 1 of Schedule 1, being the entire issued capital of the Company.

**Competing Business** means any business involving operations or activities that are substantially similar to or competitive with the Business.

**Completion** means completion of the sale and purchase of the Sale Shares in accordance with clause 6.

**Completion Date** means the date on which Completion occurs.

**Completion Shares** means 133,317,678 fully paid ordinary shares in the capital of the Purchaser.

**Conditions** means the conditions precedent to Completion set out in clause 2.1.

**Consideration Shares** means:

- (a) the Completion Shares; plus
- (b) the Earn-Out Shares (if any).

**Corporations Act** means the Corporations Act 2001 (Cth).

**Determination Date** means the date which is 5 Business Days after the date on which the Final Completion Statement and the Final Adjustment Amount become final and binding on the parties under Schedule 8.

**Disclosure Material** means:

- (a) the written information and documents made available to the Purchaser prior to the date of this document, the complete and exhaustive list of which is set out in Annexure D;
- (b) the written responses provided to the Purchaser's requests for information prior to the date of this document, the complete and exhaustive list of which is set out in Annexure E; and
- (c) the information contained in the Disclosure Statement.

**Disclosure Statement** means Annexure C.

**Draft Completion Statement** means the "Draft Completion Statement" to be prepared and finalised in accordance with clause 4.6 and Schedule 8.

**Duty** means any stamp, transaction or registration duty or similar charge imposed by any Government Authority and includes any penalty, fine, interest or additional charge payable in relation to any such duty or charge.

**Earn-Out Calculation Date** means 1 December 2015.

**Earn-Out Option** means, in respect of a Vendor, the right (on and subject to the terms of clause 9.4) to subscribe for its Earn-Out Option Shares.

**Earn-Out Option Completion Date** means the later of:

- (a) the date which is 5 Business Days after the date on which the Earn-Out Statement has been finalised and the Combined EBITDA has been determined in accordance with clause 9.1; and
- (b) the date when the Purchaser has become lawfully entitled under the Corporations Act, the ASX Listing Rules and any other applicable laws or rules (including by obtaining any shareholder approvals required under those laws or rules) to issue the Earn-Out Option Shares to all Vendors who have issued an Earn-Out Option Exercise Notice.

**Earn-Out Option Exercise Date** has the meaning given in clause 9.4(a).

**Earn-Out Option Exercise Notice** has the meaning given in clause 9.4(a).

**Earn-Out Option Exercise Price** means, an amount per Earn-Out Option Share equal to the higher of:

- (a) the volume weighted average price paid for fully paid ordinary shares in the Purchaser in the 30 day period prior to the Earn-Out Calculation Date; and
- (b) the net tangible asset value of a fully paid ordinary share in the Purchaser as determined by dividing the aggregate value of the Purchaser Group's net tangible assets as shown in the last set of audited accounts prior to the Earn-Out Calculation Date by the number of fully paid ordinary shares in the Purchaser on issue on that date.

**Earn-Out Option Shares** means, in respect of a Vendor, that Vendor's Relevant Proportion of the number of fully paid shares in the Purchaser equal to X in the following formula:

$$X = 19,898,160 - \text{Earn-Out Shares}$$

To the extent that fully paid ordinary shares in the capital of the Purchaser are subject to any share split or consolidation after the date of this document and before the Earn-Out Option Completion Date, the number of Earn-Out Option Shares must be adjusted accordingly.

**Earn-Out Period** means the 12 month period commencing on 1 December 2014 and ending on the Earn-Out Calculation Date.

**Earn-Out Shares** means the number of fully paid ordinary shares in the capital of the Purchaser determined in accordance with Part 3 of Schedule 1. To the extent that fully paid ordinary shares in the capital of the Purchaser are subject to any share split or consolidation after the date of this document and before the date referred to in clause 9.2, the number of Earn-Out Shares must be adjusted accordingly.

**Earn-Out Statement** means the "Earn-Out Statement" to be prepared and finalised in accordance with clause 9 and Schedule 9.

**Earn-Out Trigger** means that the Combined EBITDA is equal to or exceeds \$21,000,000.

**Effective Date** means:

- (a) if Completion occurs in accordance with clause 6.1(a), 31 October 2014; or
- (b) if Completion occurs in accordance with clause 6.1(b), the Completion Date.

**Employees** means all of the employees of the Group Companies as at the date of this document as exhaustively listed in Part 1 of Schedule 4 and any person who becomes an employee of a Group Company between the date of this document and Completion.

**End Date** means 28 November 2014 or such later date as the Vendors and the Purchaser may agree in writing.

**Estimated Differential** means the Estimated Working Capital Amount less the Estimated Net Debt Amount as at the Effective Date.

**Estimated Net Debt Amount** means the amount shown as the "Estimated Net Debt Amount" in the Draft Completion Statement.

**Estimated Working Capital Amount** means the amount shown as the "Estimated Working Capital Amount" in the Draft Completion Statement.

**Existing Dividends** means:

- (a) a dividend, the aggregate amount of which that is owing as at the date of this document is \$700,000, as declared by the Company on 31 December 2013 and payable to CFT and RAMPS in their capacity as the only shareholders in the Company as at that date;

- (b) a dividend, the aggregate amount of which that is owing as at the date of this document is \$316,125, as declared by the Company on 5 December 2013 and payable to CFT and RAMPS in their capacity as the only shareholders in the Company as at that date;
- (c) a dividend, the aggregate amount of which that is owing as at the date of this document is \$357,000, as declared by RAMPS on 31 December 2013 and payable to Ashsky in its capacity as the only shareholder in RAMPS as at that date; and
- (d) a dividend, the aggregate amount of which that is owing as at the date of this document is \$161,224, as declared by RAMPS on 31 December 2013 and payable to Ashsky in its capacity as the only shareholder in RAMPS as at that date.

**Existing Facilities** means:

- (a) Master Asset Finance Agreement between the Company and National Australia Bank Limited dated 29 April 2008 as amended from time to time including by a letter dated 18 January 2011;
- (b) Master Fleet Facility Agreement between the Company and Toyota Fleet Management a division of Toyota Finance Australia Limited dated 11 August 2008,; and
- (c) Premium Funding Agreement dated in or about May 2014 between the Company and Macquarie Bank Limited.

**Existing Security Interests** means each of the Security Interests which has been given by a Group Company pursuant to, and in accordance with, the terms of the Existing Facilities.

**Expert** means a firm of accountants agreed by the Vendors and the Purchaser or, in the absence of agreement within 10 Business Days of the date on which a matter is to be referred to an Expert in accordance with this document, nominated at the request of either the Vendors or the Purchaser by the President of the Institute of Chartered Accountants in Australia and New Zealand.

**Fairly Disclosed** means, in relation to a fact, matter or circumstance, disclosed in sufficient detail and with sufficient prominence so as to allow a reasonably sophisticated investor to determine the nature, significance, scope and commercial and financial impact of the fact, matter or circumstance.

**Final Adjustment Amount** means:

- (a) the Actual Differential; less
- (b) the Target Amount; less
- (c) the amount of Uncollected Receivables; plus
- (d) the Vendors' Payment Amount (if any).

**Final Completion Statement** means the "Final Completion Statement" to be prepared and finalised in accordance with clause 7 and Schedule 8.

**First Tranche Assets** means all of those fixed assets acquired by the Group during the period from 1 May 2014 to 30 June 2014 as exhaustively listed in Part 1 of Annexure I.

**First Tranche Assets Price** means the aggregate sum of the prices of the First Tranche Assets as specified in Part 1 of Annexure I, capped at a maximum of \$600,000.

**Glencore Agreements** means any documents to which Glencore Coal Queensland Pty Limited or a Related Body Corporate and a Group Company are or become party.

**Government Authority** means:

- (a) any government or government department or other body;
- (b) any governmental, semi-governmental or judicial person; or
- (c) any person (whether autonomous or not) who is charged with the administration of a law or the collection or administration of Taxes.

**Group** means the Company and the Subsidiary and **Group Company** means any one of them.

**GST** means the goods and services tax imposed in Australia under the GST Act.

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

**Guaranteed Obligations** means, for each Guarantor, all express and implied obligations to be observed or performed in relation to this document or any other Transaction Document by or on behalf of the Vendor adjacent to that Guarantor's name in the following table:

Vendor	Guarantor
CFT	Campbell
Ashsky	R Hayes

**Guarantor** means Campbell and R Hayes.

**Indebtedness** means any indebtedness or borrowings, including in respect of financial accommodation provided by, or money borrowed or raised from, a bank, financial institution or other credit provider but excludes the amount of trade debts incurred in the ordinary course of business.

**Insolvency Event** means, in respect of any person:

- (a) the person is unable to or states that it is unable to pay its debts as they fall due or stops or threatens to stop paying its debts as they fall due;
- (b) any indebtedness of the person is subject to a moratorium;
- (c) a liquidator, provisional liquidator or administrator has been appointed to the person, a controller (as defined in section 9 of the Corporations Act) has been appointed to any property of the person or an event occurs which gives any other person a right to seek such an appointment;
- (d) an order has been made, a resolution has been passed or proposed in a notice of meeting or in an announcement to any recognised securities exchange, or an application to court has been made for the winding up or dissolution of the person or for the entry into of any arrangement,

- compromise or composition with, or assignment for the benefit of, creditors of the person or any class of them;
- (e) a controlling trustee has been appointed to take control of the property of the person in connection with a proposal to enter into a personal insolvency agreement;
  - (f) an order has been made or an application to court has been made for bankruptcy of the person or an event occurs which gives any other person a right to seek such an order or make such an application;
  - (g) a security interest (as defined in section 51A of the Corporations Act) becomes enforceable or is enforced over, or a writ of execution, garnishee order, mareva injunction or similar order has been issued over or affecting, all or a substantial part of the assets of the person; or
  - (h) the person has otherwise become, or is otherwise taken to be, insolvent in any jurisdiction or an event occurs in any jurisdiction in relation to the person which is analogous to, or which has a substantially similar effect to, any of the events referred to in paragraphs (a) to (g) above.

**Intellectual Property Rights** means all intellectual and industrial property rights and interests throughout the world, whether registered or unregistered, including trade marks, designs, patents, inventions, circuit layouts, copyright and analogous rights, confidential information and know how.

**Loss** means all losses, damages, costs, expenses, charges and other liabilities.

**Management Accounts** means the financial statements attached as Annexure B.

**New Employment Agreement** means, in respect of each of R Hayes and Campbell, an employment agreement with a Purchaser Group Member substantially in the form of Annexure G.

**Normalised** means, in relation to the earnings before interest, tax, depreciation and amortisation of the Purchaser Group for any period, the making of any adjustments to such earnings (expenses or revenue) which are required so as to remove the impact of items or events (such as, but not limited to: share, asset or business acquisitions; business restructures; costs incurred in issuing new shares; establishment costs of new business lines; research into new business opportunities; closure or divestment costs of non-performing business units; transaction and integration costs; changes to accounting policies; and adverse insurance, legal or environmental claims the circumstances which gave rise to the same having occurred prior to Completion) which may reasonably be supposed to have artificially increased or decreased such earnings during that period, but in every case, an adjustment shall only be made to the extent necessary to eliminate the relevant artificial increase or decrease.

**Permitted Security Interest** means:

- (a) a lien arising by operation of law and in the ordinary course of trading; or
- (b) a retention of title arrangement entered into in the ordinary course of trading;
- (c) each Existing Security Interest; and
- (d) in respect of any Consideration Shares only, anything which would, but for this provision, be a Security Interest pursuant to, or as a result of, any



Transaction Document, or any transaction or arrangement contemplated by any Transaction Document including any Restriction Agreement.

**Personnel** means the Employees and any persons who are engaged by a Group Company as contractors as at the date of this document or who become engaged by a Group Company as contractors before Completion.

**PPS Act** means the Personal Property Securities Act 2009 (Cth).

**PPS Register** means the Personal Property Securities Register established under section 147 of the PPS Act.

**PPS Security Interest** means a security interest within the meaning of section 12 of the PPS Act.

**Properties** means each leasehold property described in Schedule 6.

**Property Lease** means, in respect of a Property, the lease pursuant to which the relevant Group Company occupies that Property.

**Purchaser Group** means the Purchaser and its Related Bodies Corporate (including the Transaction Entities on and from Completion) and **Purchaser Group Member** means any one of them.

**Purchase Price** means the Consideration Shares, plus the Asset Amount, plus the Final Adjustment Amount in the case where that amount is a positive number or minus the Final Adjustment Amount (expressed as an absolute number) in the case where that amount is a negative number.

**RAMPS** means RAMPS Australia Pty Ltd ACN 123 937 520 of Suite 1401, Level 14, 203 Robina Town Centre Drive, Robina, Queensland, Australia 4226.

**RAMPS Proportion** means:

- (a) in respect of Ashsky – 65.3595%;
- (b) in respect of Naymola – 34.6405%.

**RAMPS Shares** means the shares identified in Part 2 of Schedule 1, being the entire issued capital of RAMPS.

**RAMPS Vendor** means Ashsky and Naymola.

**Receivables** mean all amounts payable to the Group as at the Effective Date.

**Reference Rate** means, in respect of interest payable on any payment, the 90 day Bank Bill Swap Reference Rate (Average Bid) as published in the Australian Financial Review on the first date on which interest accrues on that payment.

**Relative** means any spouse, child, step-child, adopted child, parent or spouse's parent; or any child, step-child, adopted child of any such person; or any spouse of any child, and for the purposes of this definition 'spouse' includes de fact spouse or long term co-habitee.

**Related Party** means:

- (a) each Vendor and Guarantor and each Associate of each Vendor and Guarantor;
- (b) in respect of each Vendor which is a body corporate:

- (i) each shareholder in that Vendor;
- (ii) each Related Body Corporate of that Vendor;
- (iii) each director or secretary of any of the person or any of persons listed in paragraphs (i) or (ii) above;
- (c) each Relative of each Vendor and each Guarantor; and
- (d) any corporation or trust which any one or more of the persons described in paragraphs (a) to (c) above controls (as defined in section 50AA of the Corporations Act) or is a beneficiary (including if discretions to benefit from the trust are of have been exercised in their favour).

**Related Party Agreements** means each of the agreements described in Part 1 of Schedule 7.

**Related Party Payments** means each of the payments described in Part 2 of Schedule 7.

**Relevant Interest** has the meaning ascribed to it in the Corporations Act.

**Relevant Proportion** means, in respect of a Vendor, the percentage set out beside that Vendor's name in the table in Parts 1 and 2 of Schedule 1.

**Representative** means, in respect of a party or person, any representative, director, officer, employee, contractor, sub-contractor, consultant or adviser of or to that person.

**Restraint Area** means each of the following areas separately:

- (a) Australia;
- (b) Queensland, Western Australia, New South Wales, Victoria;
- (c) Queensland, Western Australia, New South Wales;
- (d) Queensland, Western Australia;
- (e) Queensland.

**Restraint Period** means each of the following periods separately:

- (a) 5 years from the Completion Date;
- (b) 4 years from the Completion Date;
- (c) 3 years from the Completion Date;
- (d) 2 years from the Completion Date;
- (e) one year from the Completion Date; and
- (f) 6 months from the Completion Date.

**Restriction Agreement** means, in respect of each Vendor, a restriction agreement substantially in the form set out in Annexure F (as amended as a condition of or in order for ASIC granting the ASIC Relief) pursuant to which that Vendor will agree (among other things) not to dispose of any Restricted Consideration Shares during the Restriction Period.

**Restricted Consideration Shares** means either:

- (a) that number of Consideration Shares that ASIC has advised the Purchaser it is satisfied should be subject to the Restriction Agreement as a condition of, or otherwise in order for it, to grant the Purchaser the ASIC Relief; or
- (b) otherwise, the Consideration Shares.

**Restricted Payment** means any of the following:

- (c) any dividend, bonus or distribution or any payment in lieu of any dividend, bonus or distribution declared, paid or made or agreed to be declared, paid or made by any Transaction Entity;
- (d) any payment (in cash or kind), repurchase, redemption, cancellation, return or repayment (or any payments in lieu of any repurchase, redemption, cancellation, return or repayment) made by any Transaction Entity in respect of any share capital or other securities of any Transaction Entity or any other return of capital;
- (e) any liabilities or obligations assumed, guaranteed, indemnified or incurred by any Transaction Entity or amendments to the term thereof, or the provision of any security or collateral or other Security Interest by any Transaction Entity, directly or indirectly, for the benefit of any Related Party;
- (f) any assets, rights, values or benefits transferred or paid directly or indirectly to or for the benefit of, directly or indirectly, any Related Party;
- (g) any cancellation, waiver or forgiveness of (or agreement to cancel, waive or forgive) any amount, value, benefit or indebtedness for money owed to any Transaction Entity, directly or indirectly, by a Related Party, or waiver of any claim or right;
- (h) any transaction costs (including advisor fees) paid or payable by any Transaction Entity in connection with the Transaction;
- (i) any incurrence of Tax except in the ordinary course of business, or the making of any Tax election, and including any Tax becoming payable by any Transaction Entity;
- (j) any agreement, resolution, undertaking, arrangement or understanding on the part of any Target Entity in respect of any of the matters in the paragraphs above;

but does not include any amounts paid to a Related Party in the nature of salary arising in the ordinary course pursuant to arrangements or agreements Fairly disclosed in the Disclosure Materials.

**Restriction Period** means, in respect of a Vendor, the two year period commencing on and from the date of the date on which the Restriction Agreement is signed by all parties to it.

**Sale Shares** means the Company Shares owned by the Vendors and the RAMPS Shares owned by the Vendors, as detailed in Parts 1 and 2 of Schedule 1.

**Second Tranche Assets** means all of those fixed assets acquired by the Group during the period from 1 July 2014 to 21 August 2014 as exhaustively listed in Part 2 of Annexure I.

**Second Tranche Assets Price** means the aggregate sum of the prices of the Second Tranche Assets as specified in Part 2 of Annexure I.

**Security Interest** means any PPS Security Interest and any mortgage, charge, pledge, lien, option, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement or other security interest, and any agreement or obligation to create any of the foregoing, but excludes, in every case other than in respect of the Sale Shares, any Permitted Security Interest.

**Subsidiary** means Campbell Mining Constructions Pty Ltd ACN 143 412 060.

**Target Amount** means \$900,000.

**Tax** means any tax, levy, impost, deduction, charge, rate, Duty, GST or withholding (together with any related interest, penalty, fine or expense in connection with any of them) which is assessed, levied, imposed or collected by a Government Authority.

**Tax Demand** means a demand or assessment from a Government Authority requiring the payment of any Tax for which the Vendors may be liable under this document.

**Tax Indemnity** means the indemnity in clause 12.1.

**Tax Warranty** means a Warranty contained in clause 19 of Schedule 2.

**Third Party Claim** means a Claim made in writing against a Purchaser Group Company by a third party that may reasonably be expected to give rise to a Warranty Claim including any Tax Demand.

**Third Tranche Assets** means all of those fixed assets acquired by the Group during the period from 21 August 2014 to the Effective Date pursuant to clause 4.1(e) as exhaustively listed in the Third Tranche Asset Statement.

**Third Tranche Assets Price** means the aggregate sum of the prices of the Third Tranche Assets as listed in the Third Tranche Asset Statement.

**Third Tranche Asset Statement** means a written statement prepared by the Vendors that lists all of the Third Tranche Assets and sets out the Third Tranche Assets Price, together with copies of all substantiating documentation for the purchase of the Third Tranche Assets.

**Title Warranty** means a Warranty contained in clauses 1.1, 1.3, 1.4, 1.5, 4.1, 4.2 or 4.3 of Schedule 2.

**Transaction** means the transactions contemplated by the Transaction Documents.

**Transaction Documents** means:

- (a) this document;
- (b) each Restriction Agreement;
- (c) each New Employment Agreement;
- (d) any other document which the Vendors and the Purchaser agree in writing is a "Transaction Document" for the purposes of this definition.

**Transaction Entities** means the Group Companies and RAMPS and where applicable, each of them or any of them.

**Uncollected Receivables** means the total of the amount of each Receivable that has not been paid to the Purchaser Group by the end of the Collection Period.

**Vendors** means Ashsky, CFT and Naymola.

**Vendors' Payment Amount** means, if the Estimated Differential is less than the Target Amount, the amount of the difference.

**Vendor Group** means the Vendors, the Guarantors and each of their Related Parties and **Vendor Group Member** means any one of them.

**Warranties** means the statements set out in Schedule 2.

**Warranty Claim** means a Claim by the Purchaser the basis of which is that a Warranty is, or is alleged to be, untrue, inaccurate or misleading (including a Claim under clause 10.2).

## 1.2 Interpretation

In this document:

- (a) headings are for convenience only and do not affect interpretation;
- (b) the singular includes the plural and vice versa;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a party to this document includes the party's successors and permitted assigns;
- (e) a reference to a person includes a firm, a body corporate, an unincorporated association or an authority and vice versa;
- (f) a reference to this document or another document includes any variation, novation, replacement or supplement to any of them from time to time;
- (g) a reference to a part, clause, annexure, exhibit, appendix or schedule is a reference to a part of, clause of, an annexure, exhibit, appendix or schedule to this document and a reference to this document includes any annexure, exhibit, appendix and schedule;
- (h) a commitment, promise, covenant, duty, representation, warranty, undertaking, indemnity or other obligation (whether arising under this document, by operation of law, in equity or by statute and whether expressed or implied) on the part of the Vendors:
  - (i) to the extent that it relates to one or more Transaction Entities other than RAMPS, binds each of the Vendors severally in their Relevant Proportions and the maximum amounts that the Purchaser may recover from a Vendor with respect to a Loss must not exceed that Vendor's Relevant Proportion of that Loss; and
  - (ii) to the extent that it relates to RAMPS, binds each of the RAMPS Vendors severally in their RAMPS Proportions and the maximum amounts that the Purchaser may recover from a RAMPS Vendor

with respect to a Loss must not exceed that RAMPS Vendor's RAMPS Proportion of that Loss;

- (i) a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and any regulations and statutory instruments issued under it;
- (j) specifying anything in this document after the words including, includes or for example or similar expressions does not limit what else might be included unless there is express wording to the contrary;
- (k) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this document or any part of it;
- (l) a reference to dollars or \$ is to Australian currency; and
- (m) all references to time are to Perth time.

### 1.3 Business Days

If the day on or by which a person must do something under this document is not a Business Day the person must do it on or by the next Business Day.

### 1.4 Vendors' awareness

Where a statement in this document is qualified by the expression "so far as the Vendors are aware" or some other similar form of words or similar expression, the statement is taken to refer to the actual knowledge of the Vendors and the Guarantors as at the date when the statement is made.

### 1.5 Fractional entitlements

If any provision of this document would require the Purchaser to issue any Vendor with a number of shares in the capital of the Purchaser which includes a fractional interest, the Purchaser must issue that Vendor with a number of shares which is rounded up to the nearest whole number and in so doing, will be taken to have fully discharged the relevant obligation.

## 2. CONDITIONS

### 2.1 Conditions to Completion

Completion must not take place unless and until each of the following conditions have been satisfied or waived in accordance with clause 2.3:

Condition	Party entitled to benefit
1. The Purchaser's shareholders have approved the Transaction for the purposes of, and in accordance with the requirements of, ASX Listing Rule 7.1.	Purchaser
2. Each of the Purchaser and the Vendors being satisfied, on or before the day on which the notice of meeting required for the purposes of satisfying Conditions 1 is sent to the Purchaser's shareholders, with its respective due diligence investigations in respect of the Transaction.	Purchaser and the Vendors

Condition	Party entitled to benefit
<p>3. The relevant Transaction Entities have obtained written evidence to the reasonable satisfaction of the Purchaser of the consent of each counterparty to each of the following contracts to the change of control of that Transaction Entity as contemplated in this document:</p> <p>(a) the Property Leases; and</p> <p>(b) to the extent that they are executed before Completion, the Glencore Agreements.</p>	Purchaser and the Vendors
4. The Purchaser applying for and receiving the ASIC Relief.	Purchaser
5. All regulatory approvals the Purchaser considers it necessary or desirable in order to give effect to the Transaction.	Purchaser
6. Each New Employment Agreement has been executed by all of the parties to it.	Purchaser and the Vendors
7. Each Restriction Agreement has been executed by all of the parties to it with instructions to date such agreement on the later of the date on which it is last executed by any party to it and the day before Completion.	Purchaser
8. Any person whose consent is required to the sale of the Sale Shares to the Purchaser, including under the terms of the Existing Facilities or under the terms of any debt finance facilities to which the Purchaser is party, has provided such consent on terms satisfactory to the Purchaser.	Purchaser and the Vendors
9. No Claim, suit, order, injunction, writ or other proceeding (including any application to the Australian Takeovers Panel) preventing or seeking to prevent Completion or any transaction contemplated by the Transaction Documents has been issued or commenced, or is pending or threatened against any party.	Purchaser and the Vendors
10. No event has occurred or been discovered by the Purchaser and no facts, matters or circumstances have arisen or been discovered by the Purchaser which, when taken as a whole, in the Purchaser's opinion (acting reasonably) have adversely affected, or would (whether with the giving of notice, the passing of time or otherwise) be reasonably likely to materially adversely affect, any of the assets, operations, prospects or profitability of any of the Transaction Entities.	Purchaser

Condition	Party entitled to benefit
11. No event has occurred or been discovered by the Vendors and no facts, matters or circumstances have arisen or been discovered by the Vendors which, when taken as a whole, in the Vendors' opinion (acting reasonably) have adversely affected, or would (whether with the giving of notice, the passing of time or otherwise) be reasonably likely to materially adversely affect, any of the assets, operations, prospects or profitability of the Purchaser Group.	Vendors
12. The Vendors have delivered the Audited Accounts to the Purchaser and there are no material differences between the financial statements attached as Annexure A and the Audited Accounts other than those previously disclosed in writing to the Purchaser being those relating to leased assets and liabilities, taxes, employee provisions and accruals.	Purchaser
13. The Subsidiary has lodged a duly completed application to be voluntarily deregistered in accordance with section 601AA of the Corporations Act.	Purchaser
14. Each of the Company and RAMPS has: <ul style="list-style-type: none"> <li>(a) re-created its share register so as to record all allotments and transfers of shares since the date of its registration; and</li> <li>(b) by way of a unanimous directors' resolution, adopted the share registers so re-created,</li> </ul> in each case, in a form and manner acceptable to the Purchaser.	Purchaser
15. The Vendors providing to the Purchaser: <ul style="list-style-type: none"> <li>(a) signed documentary evidence, satisfactory to the Purchaser (acting reasonably) that any previous shareholders of RAMPS (<b>Transferors</b>) have transferred their shares in RAMPS to Ashsky; and</li> <li>(b) a statutory declaration from Hayes confirming that no shares have been issued to the Transferors or any other person other than those that are the subject of evidence of transfer referred to in paragraph (a).</li> </ul>	Purchaser
16. ASX has provided a waiver of ASX Listing Rule 7.3.2 for the purposes of the Transaction.	Purchaser
17. The shareholders in RAMPS and the Company have passed a special resolution adopting a new constitution in a form reasonably acceptable to the Purchaser.	Purchaser
18. To the extent that there are any C class shares on issue in the capital of the Company, the Purchaser is satisfied that all such C class shares have been cancelled pursuant to and in accordance with Part 2J.1 of the Corporations Act.	Purchaser



Condition	Party entitled to benefit
19. National Australia Bank Limited has waived any event of default or similar event that has occurred pursuant to an Existing Facility or any Existing Security Interest as a result of any Security Interest having been granted by a Group Company in favour of Macquarie Bank Limited (or a Related Body Corporate), and such waiver is either unconditional or on terms acceptable to the Purchaser.	Purchaser

## 2.2 Reasonable endeavours

- (a) Each party must use all reasonable endeavours to satisfy the Conditions as soon as is practicable after the date of this document and in any event before the End Date.
- (b) The Vendors must co-operate with the Purchaser, and comply with all reasonable requests of the Purchaser (including requests for information and confirmation), for the purposes of satisfying, or seeking the satisfaction of, any Condition.
- (c) The Purchaser must co-operate with the Vendors, and comply with all reasonable requests of the Vendors (including requests for information and confirmation), for the purposes of satisfying, or seeking the satisfaction of, any Condition.

## 2.3 Benefit of conditions and waiver

The Conditions are solely for the benefit of the party listed in the second column of the table in clause 2.1. Such party may, by notice in writing to the other parties on or before the End Date, waive that Condition at any time. If a Condition is expressed to be for the benefit of more than one party, it may only be waived if all such parties agree to waive it in writing.

## 2.4 Notification of satisfaction of conditions

Each party must give the other notice in writing within 2 Business Days after it becomes aware that a Condition has been satisfied or has become incapable of being satisfied.

## 2.5 Termination on failure of conditions

If the Conditions are not satisfied or waived in accordance with clause 2.3 on or before the End Date or the party listed in the second column of the table in clause 2.1 notifies the other parties in writing that it will not waive any Condition which has become incapable of satisfaction, any party may terminate this document by notice in writing to the other parties provided that such party is not in breach of its obligations under clause 2.2.

## 2.6 Consequences

On termination under clause 2.5:

- (a) clauses 1, 17, 18, 19, 20, 21 and 22 continue to apply;
- (b) any accrued rights and remedies of a party under this document are not

affected; and

- (c) subject to clauses 2.6(a) and 2.6(b), this document will be of no further effect and no party will have any further obligations to any of the other parties.

### **3. SALE AND PURCHASE OF THE SALE SHARES**

On Completion the Vendors must sell and the Purchaser must purchase the Sale Shares:

- (a) free from all Security Interests;
- (b) for the Purchase Price; and
- (c) on the terms of this document.

### **4. CONDUCT PENDING COMPLETION - VENDORS**

#### **4.1 Conduct of Business**

Until the earlier of Completion and the termination of this document, the Vendors must ensure that the Group Companies conduct the Business in the ordinary and proper course and do not, without the Purchaser's prior written consent or except to the extent expressly contemplated by this document:

- (a) issue or acquire, or agree to issue or acquire any shares, options or other securities which are convertible into shares;
- (b) buy-back, redeem or otherwise re-organise or alter its share capital;
- (c) enter into any re-organisation, scheme of arrangement, merger, restructure, amalgamation, dissolution, winding-up, voluntary administration or liquidation or any other similar procedure, process or transaction;
- (d) dispose or agree to dispose of all or a material part of its assets, operations or undertaking;
- (e) acquire or dispose of any fixed asset (or any interest in any fixed asset), or create any right to acquire or dispose of any fixed asset (or any interest in any fixed asset), whose value exceed \$5,000;
- (f) declare any dividend or distribution;
- (g) replace or amend its constitution;
- (h) cease to carry on any part of its business;
- (i) enter into any agreement or arrangement which is not on arm's length terms;
- (j) enter into or vary any agreement or arrangement with a Related Party;
- (k) make any payment to a Vendor or Related Party, except:
  - (i) for remuneration in the ordinary course pursuant to employment agreements or other arrangements fully and fairly disclosed in the Disclosure Materials;
  - (ii) on account of dividends previously declared; or

- (iii) in repayment of any loan owing by a Group Company to the Vendor or Related Party details of which are fully and fairly disclosed in the Disclosure Materials;
- (l) grant any Security Interest, except in the ordinary course of trading;
- (m) give any guarantee, except in support of the obligations of a Group Company;
- (n) borrow or agree to borrow any sum exceeding \$10,000, except in the ordinary course pursuant to the Existing Facilities;
- (o) enter into any contract that has a contract value or which requires or is reasonably likely to require payments in the period after Completion in excess of \$250,000 except in the ordinary course of business;
- (p) pay any bonus or similar amount to any employee, contractor, consultant or agent except in the ordinary course of business;
- (q) change the terms of employment of any employee, contractor, consultant, agent, director or officer except pursuant to Condition 6 or otherwise in the ordinary course of business;
- (r) employ or engage any new employee, contractor, consultant, agent director or officer except any in the ordinary course of business;
- (s) terminate the employment or engagement of any employee, contractor, consultant or agent except in the ordinary course of business;
- (t) make or agree to any collective or enterprise bargaining agreement;
- (u) terminate any insurance policy or amend any insurance policy;
- (v) make any Tax election;
- (w) commence, settle or compromise any litigation, mediation or arbitration, except where, to the extent a sum of money is involved, that sum of money does not exceed \$5,000;
- (x) change any accounting policy, procedure, principle or practice;
- (y) directly or indirectly agree, conditionally or otherwise, to do any of those things.

#### **4.2 Vendors' assistance**

Between the date of this document and the Completion Date, the Vendors must:

- (a) allow the Purchaser and the Purchaser's Representatives, reasonable access at the times requested by them during normal business hours to inspect the assets, the property and records of the Company;
- (b) allow reasonable access to senior management of the Company; and
- (c) promptly provide the Purchaser with all explanations and information it reasonably requests about the Vendors, the Company or the Business.

#### **4.3 Waiver of pre-emptive rights**

On the date of this document, each Vendor irrevocably waives any and all rights of pre-emption, first refusal or similar that it has or may have under any provision a

Transaction Entity's constitution or any other applicable document and which apply or may apply in connection with this document and the transactions contemplated by it and the other Transaction Documents.

#### **4.4 Waiver of Claims**

- (a) With effect from the time immediately before Completion, each Vendor irrevocably waives any and all Claims it has or may but for this clause have against any Transaction Entity under or otherwise in connection with any shareholders' agreement to which that Transaction Entity was party.
- (b) Nothing in this clause operates as a waiver of any Claims that a Vendor has in respect of any amounts owing to the Vendor by a Transaction Entity as reflected in the Accounts or the Completion Statement.

#### **4.5 Fixed Assets**

The Purchaser acknowledges and agrees that the Group Companies have acquired or will acquire the First Tranche Assets, the Second Tranche Assets and the Third Tranche Assets. At least 2 Business Days prior to Completion, the Vendors must provide the Purchaser with:

- (a) the Third Tranche Asset Statement; and
- (b) details of any fixed asset sold by a Group Company after 30 June 2014,

to allow the parties to agree upon the Asset Amount prior to Completion.

#### **4.6 Draft Completion Statement**

At least 1 Business Day prior to Completion, the Vendors must provide the Purchaser with the Draft Completion Statement in accordance with Schedule 8. The Draft Completion Statement must reflect the Vendors' good faith best estimate of the likely Actual Working Capital and Actual Net Debt.

### **5. CONDUCT PENDING COMPLETION - PURCHASER**

#### **5.1 No alteration to Share Capital**

Until the earlier of Completion and the termination of this document, the Purchaser must not, without the Vendors' prior written consent or except to the extent expressly contemplated by this document:

- (a) issue or acquire, or agree to issue or acquire any shares, options or other securities which are convertible into shares (save for 11,357,142 performance rights to be issued to Andrew Aitken);
- (b) buy-back, redeem or otherwise re-organise or alter its share capital;
- (c) enter into any re-organisation, scheme of arrangement, merger, restructure, amalgamation, dissolution, winding-up, voluntary administration or liquidation or any other similar procedure, process or transaction.

#### **5.2 Purchaser's assistance**

Between the date of this document and the Completion Date, the Purchaser must:

- (a) allow the Vendors' and the Vendors' Representatives, reasonable access at the times requested by them during normal business hours to inspect the assets, the property and records of the Purchaser;

- (b) allow reasonable access to senior management of the Purchaser; and
- (c) promptly provide the Vendors with all explanations and information they reasonably request about the Purchaser or its business.

### **5.3 No leakage**

- (a) If, prior to the Effective Date, a Transaction Entity has agreed to (or become obliged to) make a Restricted Payment which would be payable at any time after the Effective Date, the amount of that Restricted Payment must be reflected as a liability in the Completion Statement.
- (b) The Vendors must ensure that during the period on and from the Effective Date to and including Completion, no Transaction Entity:
  - (i) makes any Restricted Payment unless it first informs the Purchaser in writing of its intention to do so (including full details of the amount of the payment) and the full amount of the payment is or will be reflected as a liability in the Completion Statement; nor
  - (ii) agrees to make any Restricted Payment at any time, to the extent that the full amount of the liability to make that Restricted Payment did not exist prior to the Effective Date.
- (c) To the extent that any Transaction Entity:
  - (i) makes any Restricted Payment during the period on and from the Effective Date to and including Completion which was not reflected as a liability in the Completion Statement; or
  - (ii) agrees to make any Restricted Payment in the period on and from the Effective Date to and including Completion, to the extent that the liability to make that Restricted Payment did not exist prior to the Effective Date the Vendors must indemnify the Purchaser against, and pay to the Purchaser on demand an amount equal to, the relevant Restricted Payment.
- (d) The indemnity in clause 5.3(c) is not limited by any other clause of this document or by any other fact, matter or thing. This clause 5.3(d) prevails over all other clauses of this document to the extent of any inconsistency.

## **6. COMPLETION**

### **6.1 Time and place for Completion**

- (a) If the last of the Conditions to be satisfied or waived in accordance with clause 2.3 is satisfied or waived on or before 12 November 2014, Completion will take place at 10am at the Sydney offices of DibbsBarker in Sydney on 14 November 2014.
- (b) If clause 6.1(a) does not apply, Completion will take place at 10am at the offices of DibbsBarker in Sydney on the later of:
  - (i) if the day of the month in which the last of the Conditions is satisfied or waived in accordance with clause 2.3 is not less than 2 Business Days before the last Business Day of that month, the last Business Day of that month; or
  - (ii) in any other case, the last Business Day of the following month,

(or at such time, place and date as the Vendors and the Purchaser may agree).

## 6.2 Notice to Complete

The parties agree that in circumstances justifying the issue of a notice making time of the essence with respect to this document, a period of 5 Business Days' notice is reasonable and sufficient for that purpose.

## 6.3 Vendors' obligations at Completion

At Completion, the Vendors must:

- (a) deliver to the Purchaser in the following order:
  - (i) in respect of each Security Interest over a Transaction Entity, the Company Shares or the Sale Shares which is also a PPS Security Interest that is registered in the PPS Register immediately before Completion, a deed executed by the person named in the PPS Register as the Secured Party in relation to the PPS Security Interest releasing the PPS Security Interest in so far as it applies to the Transaction Entity, the Company Shares or the Sale Shares with effect from Completion and undertaking to procure the removal of the PPS Security Interest from the PPS Register as soon as practicable after Completion;
  - (ii) in respect of each Security Interest over a Transaction Entity, the Company Shares or the Sale Shares which is not also a PPS Security Interest that is registered in the PPS Register immediately before Completion, a deed executed by the holder of that Security Interest releasing the Security Interest in so far as it applies to the Transaction Entity, the Company Shares or the Sale Shares with effect from Completion;
  - (iii) transfers of the RAMPS Shares in favour of the Purchaser duly executed by the RAMPS Vendors;
  - (iv) the share certificates for the RAMPS Shares;
  - (v) transfers of the Company Shares which are also Sale Shares in favour of the Purchaser duly executed by the Vendors;
  - (vi) the share certificates for the Company Shares;
  - (vii) the ASIC corporate key for each Transaction Entity;
  - (viii) the resignation of each director, secretary and public officer of each Transaction Entity, in each case resigning from the relevant office with effect from Completion and acknowledging that he or she has no claims against the relevant Transaction Entity for remuneration in connection with, or for ceasing to hold, the relevant office;
  - (ix) the following property and records of each Transaction Entity:
    - (A) the certificate of incorporation;
    - (B) the common seal;
    - (C) minute books of directors' and shareholders' meetings;

- (D) up to date copies of its constitution;
  - (E) all share and other statutory registers; and
  - (F) all insurance policies held by the Company and RAMPS; and
  - (x) a certificate signed by all Vendors confirming that the Vendors have complied with their obligations under clause 5.3(b); and
- (b) cause a meeting of the directors of each Transaction Entity to be held (or for resolutions of the directors of each Transaction Entity to be passed) in order to:
- (i) accept the resignation of each director, secretary and public officer with effect from Completion;
  - (ii) appoint each director, secretary and public officer with effect from Completion who has been notified by the Purchaser to the Vendors in writing before Completion for this purpose and in respect of whom the Purchaser has provided a signed consent to act;
  - (iii) authorise the arrangements notified by the Purchaser to the Vendors in writing before Completion for operating the Transaction Entities' bank accounts with effect from Completion;
  - (iv) approve the change of registered office and principal place of business of the Transaction Entities with effect from Completion to the Purchaser's registered office;
  - (v) in the case of RAMPS only, approve the registration of the transfer of the RAMPS Shares to the Purchaser; and
  - (vi) in the case of the Company only, after the approval referred to in clause 6.3(b)(v) has occurred, approve the registration of the transfer of those Company Shares which are also Sale Shares to the Purchaser;
- (c) place the Purchaser in control of the Transaction Entities;
- (d) pay to the Purchaser an amount equal to the Vendors' Payment Amount (if any) in immediately available funds;
- (e) if the Asset Amount is a negative figure, pay the absolute value of the Asset Amount to the Purchaser in immediately available funds; and
- (f) do any other thing necessary to transfer the full legal and beneficial ownership of the Sale Shares to the Purchaser free and clear of all Security Interests.

#### **6.4 No separate application for shares required**

By entering into this document the Vendors will be taken to have applied for the Consideration Shares (to the extent that the Purchaser becomes obliged to issue them) and to have agreed to be bound by the constitutions of the Purchaser upon being issued with any such shares.

#### **6.5 Purchaser's obligations at Completion**

On Completion, the Purchaser must:

- (a) issue the Completion Shares to the Vendors in their Relevant Proportions free and clear of all Security Interests;
- (b) grant the Earn-Out Option to each Vendor; and
- (c) subject to having received a consent to act as director of the Purchaser from Naymola appoint Naymola as a director of the Purchaser;
- (d) if the Asset Amount is a positive figure, pay the Asset Amount to the Vendors in their Relevant Proportions in immediately available funds.

#### **6.6 Title and risk**

- (a) Title to and risk in the Sale Shares passes to the Purchaser on Completion.
- (b) Pending registration of the Sale Shares into the name of the Purchaser, from Completion, the Vendors appoint the Purchaser as their attorney with full power and authority to exercise all rights in respect of the Sale Shares to the exclusion of the Vendors as if the Purchaser were the registered holder of the Sale Shares.

#### **6.7 Waiver of Completion obligations**

- (a) The Vendors may in their sole discretion waive the performance of any of the obligations that the Purchaser is obliged to perform under this clause 6. The Purchaser may in its sole discretion waive the performance of any obligations that the Vendors are obliged to perform under this clause 6.
- (b) If the Purchaser proceeds to complete the purchase of the Sale Shares notwithstanding that the Vendors have failed to do any thing which they are required to do under this clause 6, that failure does not relieve the Vendors of the obligation to do that thing and the Vendors must ensure that such thing is done as soon as practicable after Completion.
- (c) If the Vendors proceed to complete the sale of the Sale Shares notwithstanding that the Purchaser has failed to do any thing which it is required to do under this clause 6, that failure does not relieve the Purchaser of the obligation to do that thing and the Purchaser must ensure that such thing is done as soon as practicable after Completion.

#### **6.8 Set-off**

The amounts payable:

- (a) by the Vendors under clause 6.3(e) (if any) and 6.3(d); and
- (b) by the Purchaser under clause 6.5(d) (if any),

will be set-off against each other, with the intent that only the net amount (after such set-off) will be payable by one party to the other at Completion.

#### **6.9 Interdependence**

The obligations of the Purchaser and the Vendors under this clause 6 are interdependent with each other. Completion will not occur unless all of the obligations of the Purchaser and the Vendors under this clause 6 have been complied with. To the extent that Completion does not occur and any such actions have already been undertaken, the parties must do everything reasonably required to reverse those actions.



## **7. ADJUSTMENT**

### **7.1 Final Completion Statement**

After Completion the parties must ensure that:

- (a) the Final Completion Statement is prepared and finalised; and
- (b) the Actual Working Capital Amount, the Actual Net Debt Amount, (and, accordingly, the Actual Differential), the Uncollected Receivables and, accordingly, the applicable Final Adjustment Amount are determined,

in accordance with Schedule 8.

### **7.2 Final Adjustment Amount**

On the Determination Date:

- (a) if the Final Adjustment Amount is a negative number, the Vendors in their Relevant Proportions must pay the absolute value of the Final Adjustment Amount to the Purchaser in immediately available funds; or
- (b) if the Final Adjustment Amount is a positive number, the Purchaser must pay the Final Adjustment Amount to the Vendors in their Relevant Proportions in immediately available funds.

### **7.3 Receivables**

- (a) The Purchaser Group must use their reasonable commercial endeavours to collect the Receivables both during and after the Collection Period.
- (b) After the end of the Collection Period, if any Uncollected Receivables are collected by the Purchaser Group before the first anniversary of the Effective Date, then that recovered amount will be paid to the Vendors in their Relevant Proportions by the Purchaser within 5 Business Days of receipt by the Purchaser Group.
- (c) To the extent that any Uncollected Receivables are not recovered in full by the Purchaser before the first anniversary of the Effective Date, then, in consideration of the adjustment made by the Vendors to the Purchaser as part of any Final Adjustment Amount on account of Uncollected Receivables, the Purchaser assigns, and the Vendors agree to the assignment of, all unrecovered Uncollected Receivables as at that date to the Vendors.

### **7.4 Entitlement to dividends**

- (a) CFT and RAMPS will remain solely and exclusively entitled to the Existing Dividends declared by the Company, provided that the full amount of such dividends are (to the extent that they are not paid by the Effective Date) reflected as a liability in the Completion Statement. The Purchaser is not entitled to receive any Existing Dividends declared by the Company.
- (b) The Purchaser will do all acts and things as may be reasonably necessary to ensure that the benefit of any Existing Dividend payable to RAMPS (in its capacity as a shareholder in the Company) after the Effective Date will pass exclusively to Ashsky. To facilitate this, RAMPS has declared an Existing Dividend. Ashsky, being the shareholder of RAMPS on the date on which that dividend was declared by RAMPS will remain solely and

exclusively entitled to that dividend. The Purchaser is not entitled to any Existing Dividend declared by RAMPS.

- (c) The Existing Dividends must be paid by no later than the end of the Earn-Out Date.

## 8. RELEASE OF VENDORS FROM GUARANTEES

The Purchaser must use its best endeavours to procure that as from Completion each Vendor and Guarantor is released from all guarantees and indemnities which have been given by it in respect of any liability or obligation of the Group Companies. Pending such release the Purchaser must indemnify each such Vendor and Guarantor against, and pay to each Vendor and Guarantor on demand an amount equal to, all Losses suffered or incurred by the relevant Vendor or Guarantor (as the case may be) arising out of or in connection with those guarantees and indemnities that relate to periods after the Completion Date.

## 9. EARN OUT

### 9.1 Earn-Out Statement

After the Earn-Out Calculation Date, the parties must ensure that:

- (a) the Earn-Out Statement is prepared and finalised; and
- (b) the Combined EBITDA is determined,

in accordance with Schedule 9.

### 9.2 Earn-Out Shares

If the Earn-Out Trigger is satisfied, the Purchaser must issue the Earn-Out Shares to the Vendors in their Relevant Proportions free and clear of all Security Interests within 10 Business Days of the date on which the Earn-Out Statement is finalised in accordance with Schedule 9.

### 9.3 Restriction Agreements

The Vendors must comply with the terms of the Restriction Agreements.

### 9.4 Ability to acquire shares

- (a) Within 5 Business Days after the Earn-Out Calculation Date (**Earn-Out Option Exercise Date**), each Vendor may give the Purchaser a notice stating that it wishes to exercise its Earn-Out Option (**Earn-Out Option Exercise Notice**).
- (b) If a Vendor does not give the Purchaser an Earn-Out Option Exercise Notice on or before the Earn-Out Option Exercise Date, it will be taken not to have exercised its Earn-Out Option and will no longer have any right to subscribe for its Earn-Out Option Shares.
- (c) If the total number of Earn-Out Option Shares is zero or a number less than zero, each Earn-Out Option will be taken to have automatically lapsed, any Earn-Out Option Exercise Notice which has been given will be taken to have been revoked and no Vendor will have any right to subscribe for its Earn-Out Option Shares.
- (d) If:

- (i) a Vendor gives the Purchaser an Earn-Out Option Notice; and
  - (ii) clause 9.4(c) does not apply,
- then, on the Earn-Out Option Completion Date:
- (iii) that Vendor must subscribe for the Earn-Out Option Shares and pay the Earn-Out Option Exercise Price for each of its Earn-Out Option Shares to the Purchaser; and
  - (iv) subject to that Vendor complying with its obligations under clause 9.4(d)(iii), the Purchaser must issue the Earn-Out Option Shares to that Vendor free and clear of all Security Interests.
- (e) Subject to clause 9.4(f), the Purchaser must use all reasonable endeavours to ensure that it has the ability, for the purposes of ASX Listing Rule 7.1, to issue the Earn-Out Option Shares to all Vendors (assuming all Vendors exercised their Earn-Out Option) on the Earn-Out Option Completion Date without requiring any shareholder approval.
  - (f) Nothing in clause 9.4(e) prevents the Purchaser from issuing any securities in circumstances where the independent board members of the Purchaser have received advice from a reputable law firm that in all the circumstances, the issue of those securities is likely to be required to ensure that the directors of the Purchaser can fully and properly discharge their statutory and fiduciary duties, including (for the avoidance of doubt) such duties relating to insolvent trading.

## **10. VENDORS WARRANTIES**

### **10.1 Warranties**

The Vendors represent and warrant to and for the benefit of the Purchaser that each of the Warranties is true, accurate, complete and not misleading as at the date of this document and will be true, accurate, complete and not misleading as at Completion.

### **10.2 Indemnity for breach of Warranty**

- (a) The Vendors indemnify the Purchaser against, and must pay to the Purchaser on demand an amount equal to, all Losses suffered or incurred by any Purchaser Group Member in connection with:
  - (i) any breach of clause 10.1 or any facts, matters or circumstances that led to any Warranty being untrue, inaccurate, incomplete or misleading; and
  - (ii) any breach of this document by the Vendors.
- (b) For the purposes clause 10.2(a) any Loss suffered or incurred by a Purchaser Group Member will be deemed to include the amount necessary to put the relevant Purchaser Group Member in the position it would have been in had the relevant Warranty been true, accurate complete and not misleading.

### **10.3 Application of Warranties**

- (a) Each of the Warranties remains in full force and effect after and despite Completion.

- (b) Each of the Warranties and is separate and independent and not limited or restricted by any other Warranty.

#### **10.4 Inducement to Purchaser**

The Vendors acknowledge that the Purchaser has entered into, and will effect Completion under, this document in reliance on the Warranties.

#### **10.5 Known issues indemnity**

The Vendors indemnify the Purchaser against, and must pay to the Purchaser on demand an amount equal to, all Losses suffered or incurred by any Purchaser Group Member in connection with:

- (a) any Claim by any person that the person is the holder of any securities, is entitled to be registered as the holder of any securities, or is entitled to be issued with any securities in the capital of the Company or RAMPS; or
- (b) any failure to build a wash bay as required by the terms of a Property Lease.

### **11. LIMITATIONS**

#### **11.1 Effect of payment**

Any payment made to the Purchaser in respect of a Warranty Claim will be taken to be a reduction in the consideration for the Sale Shares.

#### **11.2 Qualifications applicable to Warranty Claims**

The Vendors are not liable for any Loss in respect of a Warranty Claim (other than in respect of a Title Warranty) to the extent the fact, matter or circumstance giving rise to the Loss:

- (a) was Fairly Disclosed in the Disclosure Materials;
- (b) was recorded in the Accounts or the Completion Statement by way of an express provision or reserve in the Accounts or the Completion Statement (as the case may be); or
- (c) would have been Fairly Disclosed to the Purchaser had the Purchaser searched public records or registers maintained by the following persons or bodies, as at the following dates:
  - (i) ASIC, on the date of this document;
  - (ii) the PPS Register, on the date of this document;
  - (iii) the High Court of Australia on 17 September 2014;
  - (iv) the Federal Court of Australia or the Supreme Court of Queensland on 16 September 2014; or
  - (v) IP Australia, on 15 September 2014 .

#### **11.3 Qualifications applicable to all Claims**

The Vendors are not liable for any Loss in respect of a Claim (except for a Claim in respect of a Title Warranty) to the extent the fact, matter or circumstance giving rise to the Loss:

- (a) has been or is made good or is otherwise compensated for without cost to the Purchaser;
- (b) would not have arisen (or would have been reduced) but for a change in legislation or a change in the interpretation of legislation on the basis of case law made after the date of this document;
- (c) would not have arisen (or would have been reduced) but for a cessation, or any change in the nature or conduct, of the business carried on by the Company as at Completion, being a cessation or change occurring after Completion; or
- (d) is, or arises from, any estimate, projection, forward looking statement or financial forecast.

#### 11.4 Maximum and minimum amounts

- (a) The Vendors are not liable in respect of a Warranty Claim (other than in respect of a Title Warranty) unless the amount which the Purchaser would, but for this clause, be entitled to claim from the Vendors exceeds \$50,000 (**Eligible Claim**). Warranty Claims arising out of the same or similar facts, matters or circumstances shall be treated as one Eligible Claim for the purposes of this clause.
- (b) The Vendors are not liable in respect of Warranty Claims (other than in respect of a Title Warranty) unless the aggregate amount which the Purchaser would, but for this clause, be entitled to claim in respect of all Eligible Claims exceeds \$250,000 in which case the Vendors are liable for all amounts and not just the excess over \$250,000.
- (c) The maximum aggregate amount that the Purchaser can recover from each Vendor in respect of:
  - (i) any Claim in respect of a breach of a Tax Warranty, a Claim in respect of a Title Warranty given by that Vendor or a Claim under the Tax Indemnity or the indemnity in clause 10.5, is that Vendor's Relevant Proportion of \$30,000,000; or
  - (ii) any and all other Warranty Claims is that Vendor's Relevant Proportion of \$10,000,000.

#### 11.5 Time limits

No liability shall arise under a Claim in respect of:

- (a) a Tax Warranty or a Title Warranty or a Claim under the Tax Indemnity, unless the Purchaser notifies the Vendors of the Claim before 15 January 2020; or
- (b) any other Warranty, unless the Purchaser notifies the Vendors of the Claim within 2 years of Completion.

#### 11.6 Right to remedy

If the matter or circumstance giving rise to a Warranty Claim is capable of remedy, the Purchaser must procure that the Vendors are given a 10 Business Day period to remedy the relevant matter or circumstance.

### 11.7 Certain types of Loss

The Vendors are not liable for any Loss in respect of a Warranty Claim to the extent that such Loss would only be recoverable solely under the second limb of the rule in *Hadley v Baxendale*<sup>1</sup> (provided always that nothing shall limit the Vendors' liability for any Loss which, although recoverable under the second limb of the rule in *Hadley v Baxendale* is also recoverable under the first limb of the rule in *Hadley v Baxendale*).

### 11.8 No action against officers and employees

The Purchaser must not make a claim against any director or officer of a Transaction Entity (other than a Guarantor) in his or her capacity as a director or officer of a Transaction Entity in respect of the sale of the Sale Shares, except to the extent that such claim arise out of the fraud, wilful misconduct, wilful concealment or wilful default of such person.

### 11.9 Warranty Claims only

For the avoidance of doubt, the limitations in clauses 11.2, 11.4(a), 11.5, 11.6 and 11.7 apply only in respect of Warranty Claims and do not apply in respect of any other Claims (including Claims under the indemnity in clause 10.5).

### 11.10 Independent limitations

Each qualification and limitation in this clause 11 is to be construed independently of the others and is not limited by any other qualification or limitation.

## 12. TAX INDEMNITY

### 12.1 Indemnity

The Vendors indemnify the Purchaser against and must pay to the Purchaser on demand an amount equal to:

- (a) any Taxes imposed on or issued against any Transaction Entity in respect of the period to and including Completion, to the extent unpaid as at Completion; and
- (b) the amount of any Tax that any Purchaser Group Member becomes liable to pay as a result of receiving a payment in respect of such Tax.

### 12.2 Exclusions

The Tax Indemnity does not extend to, and the Vendors are not liable for, any Tax to the extent that such Tax:

- (a) was recorded in the Accounts or the Completion Statement by way of an express provision or reserve in the Accounts or the Completion Statement (as the case may be); or
- (b) constitutes interest or a fine or penalty arising from a failure to pay Tax to a Government Authority within a reasonable time after receipt in full of the relevant amount under clause 12.1.

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<sup>1</sup> [1854] EWHC J70

### **13. NOTICE OF CLAIMS**

#### **13.1 Requirement to notify**

The Purchaser must promptly give the Vendors a notice (**Claim Notice**) if:

- (a) its board of directors or senior management becomes aware of a fact, matter or circumstance that could reasonably be expected to give rise to a Warranty Claim or a Claim under the Tax Indemnity which is permitted by this document; or
- (b) it receives a Third Party Claim.

#### **13.2 Consequences of failure to notify**

Any failure by the Vendors to comply with clause 13.1 will not prevent the Purchaser from making any Claim, but the Vendors shall not be liable for any increased Loss suffered or incurred by a Purchaser Group Member which arises solely from the failure to provide such notice.

### **14. THIRD PARTY CLAIMS**

#### **14.1 Restriction**

The Purchaser must not, and must ensure that each member of the Purchaser Group does not:

- (a) accept, compromise or pay;
- (b) agree to arbitrate, compromise or settle; or
- (c) make any admission or take any action in relation to,

a Third Party Claim without the Vendors' prior written approval (not to be unreasonably withheld or delayed).

#### **14.2 Vendors' right to conduct**

Following receipt of a Claim Notice relating to a Third Party Claim, the Vendors may, by giving written notice to the Purchaser within 15 Business Days and subject always to the Vendors' ongoing compliance with their obligations under clause 14.3, assume the conduct of the defence of the Third Party Claim.

#### **14.3 Vendors' obligations**

If the Vendors advise the Purchaser that they wish to assume the conduct of the defence of the Third Party Claim in accordance with clause 14.2, the Vendors must:

- (a) provide the Purchaser with an indemnity against all liability and Losses which any Purchaser Group Member may suffer or incur in connection with such action, together with such security to support that indemnity as the Purchaser may reasonably request; and
- (b) in conducting any proceedings or taking any other actions or steps in connection with the Third Party Claim:
  - (i) act reasonably in all the circumstances and have regard to the Purchaser's interests and the goodwill of the Business;

- (ii) liaise with the Purchaser in relation to the defence of the Third Party Claim; and
- (iii) provide the Purchaser with reasonable access to a copy of any notice, correspondence or other document relating to the Third Party Claim.

#### **14.4 Purchaser's obligations**

If the Vendors advise the Purchaser that they wish to assume the conduct of the defence of the Third Party Claim, the Purchaser must, subject always to the Vendors' ongoing compliance with their obligations under clause 14.3:

- (a) promptly take, and procure that each Purchaser Group Member promptly takes, at the Vendors' cost and expense, all action reasonably requested by the Vendors to avoid, contest, compromise or defend the Third Party Claim; and
- (b) promptly provide, and procure that each member of the Purchaser Group promptly provides, at the Vendors' cost and expense, all reasonable assistance requested by the Vendors in relation to the Third Party Claim.

#### **14.5 If Purchaser conducts**

If the Vendors advise the Purchaser that they do not wish to assume the conduct of the defence of the Third Party Claim or do not give a notice to the effect within 15 Business Days of receipt of the relevant Claim Notice, the Purchaser may take any action in respect of the Third Party Claim it sees fit (including doing any of the things contemplated by clause 14.1) provided always that the Purchaser acts reasonably in all the circumstances.

#### **14.6 Tax Demands**

If a Claim Notice is given in relation to a Third Party Claim which involves a Tax Demand, the Vendors must:

- (a) in the case where the Vendors advise the Purchaser that they wish to assume the conduct of the defence of the Third Party Claim, pay to the Purchaser so much of the relevant Tax as is required to be paid by the relevant Government Authority while the Tax Demand is being contested on or before the later of:
  - (i) the date which is 2 Business Days before the due date for payment to the relevant Government Authority; and
  - (ii) the date which is 15 Business Days after receipt of the relevant Claim Notice,
 (**Tax Demand Payment Date**); or
- (b) in any other case, pay to the Purchaser the whole of the Tax the subject of the Tax Demand on or before the Tax Demand Payment Date.

### **15. PURCHASER'S WARRANTIES**

#### **15.1 Representations and warranties**

Subject to clause 15.2, the Purchaser represents and warrants to and for the benefit of the Vendors that each of the following statements is true and accurate as at the date of this document and immediately before Completion:



- (a) it is a corporation validly existing under the laws of the Commonwealth of Australia with full power and authority to conduct its business as presently conducted;
- (b) it has the power and authority to enter into and perform its obligations under this document;
- (c) the execution, delivery and performance of this document by it will constitute legal, valid and binding obligations of it, enforceable in accordance with its terms;
- (d) it is not insolvent and no circumstances have arisen or may be reasonably expected to arise in consequence of which it may become insolvent, and no meeting has been convened, resolution passed, petition presented or order made for the winding up of it and no receiver, receiver and manager, provisional liquidator, liquidator or other officer of a court or like person has been appointed in relation to any of its assets and no mortgagee has taken or attempted or indicated in any manner any intention to take possession of any of its assets;
- (e) the execution, delivery and performance of this document by it will not violate:
  - (i) any legislation or rule of law, regulation, authorisation, consent or any order or decree of any governmental authority;
  - (ii) its constituent documents or any legislation, rules or other document constituting the Purchaser or governing its activities; or
  - (iii) any instrument to which it is a party or any instrument or judgement which is binding on it or any of its assets,
 and will not result in the creation or imposition of any encumbrance or restriction of any nature on any of its assets;
- (f) the Consideration Shares are in a class of securities (the **Relevant Class**) that have been quoted securities (as defined in the Corporations Act) at all times in the 3 months before the date on which the Consideration Shares will be issued;
- (g) trading in the Relevant Class on the financial market operated by ASX has not been suspended for more than a total of 5 trading days in the 12 months before the date on which the Consideration Shares will be issued;
- (h) no exemption or order referred to in sections 708A(5)(c) or 708A(5)(d) of the Corporations Act covered the Purchaser (or any person as director or auditor of the Purchaser) at any time in the 12 months before the date on which the Consideration Shares will be issued;
- (i) it is in compliance with:
  - (i) the provisions of Chapter 2M of the Corporations Act (to the extent that they apply to the Purchaser); and
  - (ii) the continuous disclosure requirements under the ASX Listing Rules and section 674 of the Corporations Act;
- (j) the capital structure of the Purchaser as set out in its annual report for the financial year ended 30 June 2014 includes all shares and other equity

securities (as that term is defined in the ASX Listing Rules), that were been issued by the Purchaser as at that date;

- (k) except for 11,357,142 performance rights to be issued to Andrew Aitken and the terms of the plan under which they are to be issued and except as provided in this document and disclosed by the Purchaser to the Vendors or to ASX, there are no agreements or arrangements in force which call for the present or future creation, issue, or grant to any person the right (whether exercisable now or in the future and whether conditional or not) to call for the creation or issue, of any Shares or other equity securities (as that term is defined in the ASX Listing Rules);
- (l) the Consideration Shares will be free from all liens, charges and other encumbrances, other than those provided for in the Purchaser's constitution;
- (m) the Consideration Shares will be validly issued and credited as fully paid and will rank equally with all existing shares from the date of issue;
- (n) all information provided by it to the Vendors in writing in connection with the Vendors' entry into this document and the Consideration Shares under this document is true in all material respects and not misleading in any material respect and no fact or matter has been omitted from that information so provided that would render that information or any part of it materially untrue, inaccurate or misleading; and
- (o) it is not issuing the Consideration Shares with the purpose of the Vendors selling or transferring the Consideration Shares, or granting, issuing or transferring interests in, or options over, the Consideration Shares.

## **15.2 Approvals under Conditions**

No representation and warranty in clause 15.1 shall be breached or otherwise taken to be untrue or inaccurate to the extent that such representation and warranty would only be true and accurate if the Purchaser had obtained all approvals contemplated by Conditions 1 and 5. Each representation and warranty in clause 15.1 is qualified to the extent that the Purchaser does not obtain any approval contemplated by Conditions 1 and 5.

## **15.3 Indemnity for breach of warranty**

The Purchaser indemnifies the Vendors against, and must pay to the Vendors on demand an amount equal to, all Losses suffered or incurred by any Vendor Group Member in connection with:

- (a) any breach of clause 15.1 or any facts, matters or circumstances that led to any warranty in clause 15.1 being untrue, inaccurate, incomplete or misleading; and
- (b) any breach of this document by the Purchaser.

## **15.4 Application of Purchaser's warranties**

- (a) Each of the warranties in clause 15.1 remains in full force and effect after and despite Completion.
- (b) Each of the warranties clause 15.1 and is separate and independent and not limited or restricted by any other warranty clause 15.1.

**15.5 Inducement to Vendors**

The Purchaser acknowledges that the Vendors have entered into, and will effect Completion under, this document in reliance on the warranties in clause 15.1.

**15.6 Certain types of Loss**

The Purchaser is not liable for any Loss in respect of Claim to the extent that such Loss would only be recoverable solely under the second limb of the rule in *Hadley v Baxendale*<sup>2</sup> (provided always that nothing shall limit the Purchaser's liability for any Loss which, although recoverable under the second limb of the rule in *Hadley v Baxendale* is also recoverable under the first limb of the rule in *Hadley v Baxendale*).

**16. RESTRAINT****16.1 Restraint obligations**

The Guarantors and each Vendor must not during the Restraint Period in the Restraint Area, directly or indirectly:

- (a) promote, participate in or provide finance or services to, undertake or enter into (whether on their own account or in partnership or by joint venture), any Competing Business; or
- (b) be concerned, engaged or otherwise interested in, in any capacity including as principal, agent, manager, associate, partner, trustee shareholder, unitholder, director, employee, beneficiary, independent contractor, consultant, adviser, funder or financier, any Competing Business.

**16.2 Non-Interference**

Each Guarantor and each Vendor must not during the Restraint Period, directly or indirectly:

- (a) induce or attempt to induce any employee to leave the employment of a Purchaser Group Member;
- (b) take action which would reasonably be regarded as likely to cause detriment to any Transaction Entity;
- (c) interfere with any Transaction Entity's relationship with any person who has been a customer of or supplier to a Transaction Entity at any time during the 24 months before Completion;
- (d) do or say anything which is harmful to the reputation of a Transaction Entity or which may lead a person to cease to deal with a Transaction Entity on substantially equivalent terms to those previously offered or at all; or
- (e) counsel, procure or otherwise assist any person to do any of the acts referred to in this clause 16.2.

**16.3 Reasonableness of restraint**

The Guarantors and the Vendors acknowledge and agree that:

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<sup>2</sup> [1854] EWHC J70

- (a) each of the restraint obligations imposed by this clause 16 is reasonable in its extent (as to all of duration, geographical area and restrained conduct) having regard to the interests of each party to this document; and
- (b) the restraint obligations are no greater than is reasonably required to protect the Purchaser as purchaser of the Sale Shares in respect of the goodwill of the Transaction Entities.

If, despite this, a court determines that a restraint obligation is unreasonable as to its duration or geographic scope but that a shorter duration or narrower geographic scope would be reasonable, the restraint will be read down to the minimum extent necessary to ensure that it is valid.

#### **16.4 Exceptions**

Nothing in this clause 16 prevents any Guarantor or any Vendor or any Guarantor from:

- (a) being a director or officer of, or being employed or engaged by, a Purchaser Group Member or doing anything in the proper discharge of any such office held, or employment or engagement;
- (b) holding shares or other securities in a Purchaser Group Member; or
- (c) holding up to 5% of the issued capital of any company listed on ASX.

### **17. GUARANTEE AND INDEMNITY**

#### **17.1 Guarantee**

Each Guarantor irrevocably and unconditionally guarantees to the Purchaser the performance and observance of the Guaranteed Obligations. If the relevant Vendor fails to perform and observe the Guaranteed Obligations, the relevant Guarantor agrees to perform the Guaranteed Obligations on demand at a time and from time to time, or as directed by the Purchaser.

#### **17.2 Indemnity**

- (a) As a separate, primary and severable liability, each Guarantor irrevocably and unconditionally indemnifies the Purchaser, and agrees to keep the Purchaser indemnified, against any loss or damage suffered or incurred by the Purchaser arising out of:
  - (i) a failure by the relevant Vendor to observe or perform the Guaranteed Obligations whether contingent, actual or prospective; or
  - (ii) a Guaranteed Obligation being ineffective for any reason whatever (whether or not the Purchaser knew or ought to have known of that reason), including, but not limited to:
    - (A) a legal limitation, disability or incapacity of the relevant Vendor or a lack or improper exercise of a power or authority in relation to the Transaction;
    - (B) the relevant Vendor making an arrangement, assignment or composition for the benefit of its creditors or an order made or resolution effectively passed for the winding-up of the relevant Vendor or the relevant Vendor going into

liquidation or a receiver, receiver and manager, administrator or provisional liquidator being appointed to the relevant Vendor; or

(C) a Guaranteed Obligation of the relevant Guarantor being or becoming illegal, invalid, void, voidable or unenforceable.

(b) Each indemnity described in this clause 17 is a continuing obligation separate and independent from the other obligations of the Guarantor and survives the termination of this document. It is not necessary for the Purchaser to enforce the Guaranteed Obligations against the relevant Vendor or otherwise to incur expense, Loss, damage or make payment before enforcing a right of indemnity conferred by this document.

### **17.3 Consideration**

Each Guarantor acknowledges giving the guarantee and indemnity described in this clause 17 and incurring obligations and granting rights under this document for valuable consideration received from the Purchaser.

### **17.4 Continuing security**

The guarantee and indemnity described in this clause 17 is a continuing security despite termination by the Purchaser, settlement of account, intervening payment, express or implied revocation or other matter or thing whatever, until a final discharge of this guarantee and indemnity has been given to the Guarantor.

### **17.5 Acknowledgment by the Guarantors**

Each Guarantor confirms that:

- (a) he has not entered into this document in reliance on, or as a result of a statement or conduct of or on behalf of the Purchaser; and
- (b) the Purchaser is not obliged to do anything (including disclosing anything or giving advice), except as expressly set out in this document or in writing signed by the Purchaser.

### **17.6 Preservation of rights**

Each Guarantor's liability as a guarantor, principal debtor or indemnifier, and the rights of the Purchaser against any Guarantor under this document, are not affected by anything that could otherwise have that effect in law or equity, including, but not limited to, one or more of the following:

- (a) a person granting time, waiver, a covenant not to sue or other indulgence or concession (whether or not an additional burden is imposed) to, or making of an arrangement, compromise or composition with a person, or compounding a liability, in any way;
- (b) laches, acquiescence, delay, omission, mistake or other act by the Vendors or other person or both of them;
- (c) this document or another document or payment or other transaction under one or more of them being or becoming wholly or partially illegal, invalid, void, voidable, unenforceable or otherwise of limited force or effect;
- (d) a variation, renewal, amendment or novation or a dealing with this document or the Guaranteed Obligations or this guarantee and indemnity or

another document irrespective of whether or not the effect is material, or imposes an additional liability, or is onerous on the Guarantor or another person;

- (e) an invalidity or irregularity in the execution of this document by the Guarantor or a deficiency or irregularity in the power of the Guarantor to enter into or observe its obligations under this document;
- (f) a judgment against the Guarantor, the relevant Vendor or another person; or
- (g) a change in capacity, rights or obligations of the Guarantor, the relevant Vendor or another person.

## **18. CONFIDENTIALITY**

### **18.1 Obligation of confidentiality**

A party must not disclose the provisions of this document or confidential information about a Transaction Entity or a party, except:

- (a) after obtaining the other parties' written consent;
- (b) on a confidential basis to a Representative of the party;
- (c) as required by an applicable law, or order of any court, tribunal, authority or regulatory body or as required by a stock exchange after first consulting to the extent reasonably possible with the other parties about the form and content of the disclosure;
- (d) as required in connection with the enforcement of this document; or
- (e) in the case of the Purchaser only, to the extent included in:
  - (i) a document given in seeking any approval contemplated by Conditions 1 or 5; or
  - (ii) an announcement permitted to be made under clause 19.

### **18.2 Limitation on confidentiality obligations**

The obligations of confidentiality under clause 18.1 do not apply to information which:

- (a) is in or becomes part of the public domain otherwise than as a result of a breach of this document;
- (b) was known to the party at the time of disclosure except as a result of a prior confidential disclosure by the disclosing party; or
- (c) becomes known to the party on a non-confidential basis from any third party.

## **19. ANNOUNCEMENTS**

Save for the Agreed Announcement, a party must not make any public announcements or press releases in relation to any matters connected with this document or any transactions contemplated by it unless:

- (a) that party is the Purchaser and the Purchaser (acting reasonably) considers it is necessary or desirable to make the announcement whether as a result

of the application of the ASX Listing Rules or for any other reason and the Purchaser has to the extent possible given the time when the announcement is required to be made in accordance with the ASX Listing Rules:

- (i) notified the other parties; and
  - (ii) given the other parties a reasonable opportunity to comment on the contents of it; or
- (b) it is required to be made by law and before it is made, that party has:
- (i) notified the other parties; and
  - (ii) given the other parties a reasonable opportunity to comment on the contents of it; or
- (c) it is made with the prior written consent of all other parties.

## 20. GST

### 20.1 Interpretation

In this clause 20, the expressions **Input Tax Credit**, **Supply**, **Tax Invoice**, **Recipient** and **Taxable Supply** have the meanings given to those expressions in the *GST Act*.

### 20.2 Amounts exclusive of GST

With the exception of any amount payable under this clause 20, unless otherwise expressly stated, all amounts stated to be payable in this document are exclusive of GST.

### 20.3 Additional amount for GST

- (a) If GST is imposed on any Supply made under or in accordance with this document, the Recipient of the Taxable Supply must pay to the Supplier an additional amount equal to the GST payable on or for the Taxable Supply. Payment of the additional amount will be made at the same time as payment for the Taxable Supply is required to be made in accordance with this document, subject to the provision of a Tax Invoice.
- (b) If this document requires a party to pay for, reimburse or contribute to any expense, loss, indemnity or outgoing (**Reimbursable Expense**) suffered or incurred by another party, the amount required to be paid, reimbursed or contributed by the first party will be the sum of:
  - (i) the amount of the Reimbursable Expense less the Input Tax Credits (if any) to which the other party is entitled in respect of the Reimbursable Expense; and
  - (ii) if the other party's recovery from the first party is a Taxable Supply, any GST payable in respect of that Supply.

## 21. NOTICES

- (a) Any notice to be given to one party by the other under this document:
  - (i) must be in legible writing and in English addressed as follows:
    - (A) if to the Vendors:

Address: C/-HopgoodGanim, Level 8, 1 Eagle Street, Brisbane, Qld, 4001  
 Attention: Luke Mountford  
 Facsimile: +61 7 3024 0039  
 Email: l.mountford@hopgoodganim.com.au; or

(B) if to the Purchaser:

Address: 276 Treasure Road, Welshpool, Western Australia, Australia 6106  
 Attention: Andrew Aitken  
 Facsimile: +61 8 9258 9804  
 Email: AAitken@rel.com.au;

- (ii) must be delivered to the recipient in person or courier hand delivery, by prepaid ordinary post, by facsimile or by email; and
  - (iii) must be signed by (or in the case of an email sent by) a duly authorised representative.
- (b) A notice is regarded as being given by the sender and received by the recipient:
- (i) if by delivery in person, when delivered to the recipient;
  - (ii) if by post, 3 Business Days from and including the date of postage;
  - (iii) if by facsimile transmission, whether or not legibly received, when the machine from which the facsimile is sent generates a transmission report confirming that all pages of the notice have been sent to the recipient's facsimile number;
  - (iv) if by email, immediately unless the sender receives an automated reply that the email was not delivered by reason of the address being invalid or otherwise.
- (c) A notice may be relied upon by the recipient and the recipient is not liable to the other party for any consequences of that reliance if the recipient reasonably believes the notice to be genuine, correct and authorised by the sender.
- (d) If a notice is received by facsimile on a day which is not a Business Day or after 5.00 pm on a Business Day, that notice is regarded as received at 9.00 am on the following Business Day.

## **22. GENERAL**

### **22.1 Assignment**

A party may not assign, novate or otherwise transfer any of its rights or obligations under this document without the prior written consent of each other party, which consent may be granted or withheld by the other parties in their absolute discretion.

### **22.2 Governing law**

This document is governed by the laws of Western Australia and each of the parties submits to the non-exclusive jurisdiction of the courts of that State.



**22.3 Costs**

Except as otherwise provided in this document, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution, and performance of this document and other preceding and ancillary documents.

**22.4 Duty**

The Purchaser must pay all Duty payable in connection with this document and Completion.

**22.5 Severance**

Any provision of this document which is prohibited or unenforceable in any jurisdiction will be ineffective in that jurisdiction to the extent of the prohibition or unenforceability. This will not invalidate the remaining provisions of this document nor affect the validity or enforceability of the provision in any other jurisdiction.

**22.6 Waiver**

- (a) Waiver of a breach or of any right of election arising from a breach of this document must be in writing and signed by the party granting the waiver.
- (b) A breach or any right of election arising from a breach of this document is not waived by any failure to or delay in the exercise, or partial exercise, of that right of election or any other right.

**22.7 Variation**

Any variation of this document must be in writing and signed by the parties.

**22.8 No deduction**

- (a) Any payment to be made by a person under this document must be made free and clear of any set-off, deduction or withholding, except where that set-off, deduction or withholding is required by law.
- (b) Any person who is required or compelled by law to make any set-off, deduction or withholding required by law must, to the extent permitted by law, pay to the payee an additional amount sufficient to ensure that the amount received by the payee equals the full amount that would have been received by the payee, if that set-off, deduction or withholding had not been required or compelled.

**22.9 Default interest**

If any party (**Payor**) fails to make a payment to any other party (**Payee**) under this document on or before the due date for payment then, without limiting any other remedy of the Payee, the Payor must pay to the Payee on demand interest on the due amount calculated at the rate which is 3% above the Reference Rate, with interest to accrue from the due date to the day immediately before the actual date of payment, calculated daily on the basis of a 365 day year and capitalised monthly.

**22.10 Approvals and consents**

Except where this document expressly states otherwise, a party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this document.

**22.11 Further action**

Each party must take all steps, execute all documents and do everything reasonably required by any other party to give effect to the transactions contemplated by this document.

**22.12 Entire agreement**

This document and the other Transaction Documents contain the entire agreement between the parties relating to the transactions contemplated by the Transaction Documents and supersede all previous agreements, whether oral or in writing, between the parties relating to these transactions. Except as required by statute, no terms must be implied (whether by custom, usage or otherwise) into this document or any other Transaction Document.

**22.13 No reliance**

Each party acknowledges that in agreeing to enter into this document and the other Transaction Documents it has not relied on any express or implied representation, warranty, collateral contract or other assurance made by or on behalf of any other party before the entering into of this document. Each party waives all rights and remedies that it may have in respect of any such representation, warranty, collateral contract or other assurance including all rights and remedies under Part 7.10 of the Corporations Act, Part 2 Division 2 of the Australian Securities and Investments Act 2001 (Cth), section 18, Schedule 2 (Australian Consumer Law) of the Competition and Consumer Act 2010 (Cth) or any corresponding or equivalent provision of any legislation having effect in any relevant jurisdiction.

**22.14 Counterparts**

This document may be executed in a number of counterparts which together will constitute the one instrument. A party may execute this document by signing any counterpart.

**22.15 No merger**

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this document. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing any such transaction.

**22.16 Power of attorney**

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

**22.17 Compliance with securities laws**

The Vendors acknowledge and agree that they are aware of the restrictions imposed by Australian securities laws and other applicable foreign and domestic laws on persons possessing non-public information about a company (including the Purchaser) and that the Vendors will comply, and will ensure that their Associates comply, with such laws.

**Schedule 1 – General****Part 1 – Company Shares**

Shareholder	Shares	Sale Shares	Relevant Proportion
CFT	1,166,667 fully paid ordinary shares in the capital of the Company.	Yes	33.33%
Naymola	548,334 fully paid ordinary shares in the capital of the Company.	Yes	15.67%
RAMPS	1,785,000 fully paid ordinary shares in the capital of the Company.	No	N/A

**Part 2 – RAMPS Shares**

Shareholder	Shares	Sale Shares	Relevant Proportion
Naymola	618,333 fully paid ordinary shares in the capital of RAMPS	Yes	17.67%
Ashsky	1,166,667 fully paid ordinary shares in the capital of RAMPS	Yes	33.33%

**Part 3 – Earn-Out Shares**

If the Combined EBITDA is equal to or exceeds \$22.0 million for the first year of operation, 19,898,160 additional shares in the Purchaser will be issued to the Vendors in their Relevant Proportions.

The trigger for the payment of any earn-out is based on achievement of Combined EBITDA of not less than the Earn-Out Trigger. The number of shares to be issued under the earn-out will then increase on a pro-rata basis to a maximum of the additional 19,898,160 additional shares in the Purchaser if Combined EBITDA equals or exceeds \$22.0 million.

The operation of the earn out is illustrated by the following examples:

<b>Combined EBITDA</b>	<b>Total Number of Earn-Out Shares issued to Vendors</b>
<\$21.0.	0*
\$21.3m	5,969,448*
\$21.33m	6,566,393*
\$21.5m	9,949,080*
21.67m	13,331,767*
\$21.8m	15,918,528*
\$22.0m or greater	19,898,160*

\*For the avoidance of doubt, if there is any change to the share capital of the Purchaser prior to the date on which the Earn-Out Shares are issued there will **not** be any adjustment to the number of Earn-Out Shares to be issued.

## Schedule 2 – Warranties

### 1. FUNDAMENTAL WARRANTIES

#### 1.1 Transaction Entities structure

- (a) The Company Shares constitute 100% of the entire issued capital of the Company.
- (b) The RAMPS Shares constitute 100% of the entire issued capital of RAMPS.
- (c) The structure diagram for the Transaction Entities set out in Schedule 3 is true, accurate, complete and not misleading.
- (d) Each Transaction Entity indicated in the structure diagram set out in Schedule 3 as the holding company of another Transaction Entity is the sole legal and beneficial owner of all of the issued share capital in that other Transaction Entity, free and clear of all Security Interests.
- (e) Except as shown in the structure diagram set out in Schedule 3, no Transaction Entity:
  - (i) is the holder or beneficial owner of any shares or other capital in any body corporate;
  - (i) is the holder of any units in, or a beneficiary, of a trust;
  - (ii) is a member of any partnership, joint venture or other unincorporated association; or
  - (iii) has any permanent establishment or is registered to carry on business outside its jurisdiction of incorporation.
- (f) The shares in each Transaction Entity (including the Company Shares and the RAMPS Shares) have been validly allotted and issued and are fully paid and no monies are owing in respect of them.
- (g) There are no commitments in place under which any Transaction Entity is obliged at any time to issue any shares or other securities convertible into shares whether contingently or not.
- (h) Aside from the Company Shares and, in the case of the Subsidiary, the shares legally and beneficially owned in the Subsidiary by the Company, no Group Company has any shares, options, convertible bonds, securities, quasi-securities, loan notes, debt instruments or other securities on issue or has agreed to issue any such shares, options, convertible bonds, securities, quasi-securities, loan notes, debt instruments or other securities.
- (i) Aside from the RAMPS Shares, RAMPS has no shares, options, convertible bonds, securities, quasi-securities, loan notes, debt instruments or other securities on issue or has agreed to issue any such shares, options, convertible bonds, securities, quasi-securities, loan notes, debt instruments or other securities.
- (j) On Completion the Purchaser will acquire the full legal and beneficial ownership of the Sale Shares free and clear of all Security Interests and third party rights.

- (k) On Completion, the Company Shares and the RAMPS Shares will be free and clear of all Security Interests and third party rights.
- (l) No Transaction Entity is party to any shareholders' or joint venture agreement or arrangement.
- (m) There is no option, right to acquire, pre-emptive right which has not been waived, conversion right, mortgage, charge, pledge, lien or other form of Security Interest or encumbrance on, or any other agreement or commitment of any nature whatsoever over or affecting, the shares in any Transaction Entity, including the Company Shares and the RAMPS Shares.
- (n) The Subsidiary is and has been dormant, and does not and has not conducted any operations or business or otherwise traded, in the 5 year period before Completion.
- (o) The Subsidiary:
  - (i) is not carrying on any business;
  - (ii) has assets worth less than \$1,000;
  - (iii) has paid all fees and penalties payable under the Corporations Act;
  - (iv) has no outstanding liabilities; and
  - (v) is not party to any legal proceedings.
- (p) There are no C class shares on issue in the capital of the Company.
- (q) Any C class shares which were formerly on issue in the capital of the Company have been lawfully and validly cancelled.
- (r) There are no other classes of shares in the capital of RAMPS other than ordinary shares.

## 1.2 Transaction Entities

Each Transaction Entity:

- (a) is a body corporate duly incorporated under the laws of its place of incorporation;
- (b) has the power to own its property and assets and carry on its business as it is being conducted as at the time immediately before Completion;
- (c) has, so far as the Vendors are aware, done everything necessary to carry on its business lawfully in all jurisdictions in which it has conducted its business;
- (d) has conducted its business in accordance with its constitution and any other applicable constituent documents; and
- (e) has full authority and all necessary consents to enter into and perform its obligations under any Transaction Documents and any other agreements contemplated by them to which it is or will be party.

## 1.3 RAMPS

RAMPS:

- (a) was incorporated for the sole purpose of holding Company Shares;
- (b) has no assets, other than the 1,7585,000 Company Shares;
- (c) has no liabilities; and
- (d) has never traded.

#### 1.4 Vendors

Each Vendor:

- (a) if a body corporate, is duly incorporated under the laws of its place of incorporation; and
- (b) has full power and capacity to enter into and perform its obligations under this document, each of the other Transaction Documents and all other agreements contemplated by them to which it is or will be party.

#### 1.5 No trust

- (a) Each Vendor (other than CFT and Ashsky) enters into and performs this document on its own account and not as trustee for or nominee of any other person.
- (b) CFT enters in this document in its own capacity and in its capacity as trustee of the Campbell Family Trust (**CF Trust**).
- (c) CFT:
  - (i) is the sole trustee of the CF Trust;
  - (ii) is not in breach of CF Trust or the trust deed constituting that trust; and
  - (iii) has the right to be fully indemnified out of the assets of the CF Trust for all obligations incurred by it under the Transaction Documents in its capacity as trustee of the CF Trust and nothing has been done or omitted to be done which affects or may be reasonably likely to affect such right of indemnity.
- (d) Ashsky enters in this document in its own capacity and in its capacity as trustee of the Ashsky Trusts.
- (e) Ashky:
  - (i) is the sole trustee of each of the Ashsky Trust;
  - (ii) is not in breach of any of the Ashsky Trusts or the trust deed constituting each such trust; and
  - (iii) has the right to be fully indemnified out of the assets of the each Ashsky Trust for all obligations incurred by it under the Transaction Documents in its capacity as trustee of the relevant Ashsky Trust and nothing has been done or omitted to be done which affects or may be reasonably likely to affect such right of indemnity.

## 1.6 Sophisticated investor

- (a) Each Vendor is a person to whom shares in the Purchaser may be issued without disclosure under Chapter 6D of the Corporations Act.
- (b) Except for the representations and warranties given by the Purchaser under clauses 15.1:
  - (i) no statement or representation has induced or influenced any Vendor to enter into this document or any other Transaction Document or agree to any or all of its or their terms; and
  - (ii) neither the Purchaser nor any of its Representatives or other persons acting on behalf of or associated with the Purchaser has made any representation or warranty of any kind in relation to the Consideration Shares, the Purchaser Group or any Transaction Document.

## 1.7 Associates and voting power

- (a) The Vendors are not Associates of one another in relation to the affairs of the Purchaser.
- (b) The Vendors have obtained legal advice as to:
  - (i) the consequences of becoming Associates of one another in relation to the affairs of the Purchaser before or after Completion; and
  - (ii) the prohibitions contained in section 606 of the Corporations Act.
- (c) The issue of the Consideration Shares to the Vendors in their Relevant Proportions after the issue of the Earn-Out Option Shares to the Vendors will not cause the voting power of any Vendor or any of its or their Associates in the Purchaser to increase:
  - (i) from below 20% to more than 20%; or
  - (ii) from a starting point that is above 20% and below 90%.

## 1.8 No contravention

The execution and performance of this document and any other Transaction Document to which any Vendor is or will be party will not:

- (a) result in a breach of any provision of any applicable constitution;
- (b) result in a breach of, or constitute a default under, any instrument to which any of them is party or by which any of them is bound;
- (c) result in any breach of any restraint or non-competition covenant to which any Vendor Group Member is party or by which any Vendor Group Member is bound (**Relevant Restraint**);
- (d) cause the Purchaser or any Purchaser Group Member to be bound or otherwise captured by the terms of any Relevant Restraint;
- (e) contravene any law; or



- (f) result in a breach of any applicable order, determination, declaration, direction, judgement or consent from any Government Authority.

## **1.9 Binding obligations**

This document, each of the other Transaction Documents and all other agreements contemplated by them, will, when executed by any Vendor, constitute binding obligations which are enforceable against that Vendor in accordance with the terms of the relevant document or agreement.

## **1.10 Solvency**

- (a) No Insolvency Event has occurred in respect of any Transaction Entity or any Vendor.
- (b) No Transaction Entity or any Vendor has stopped or otherwise suspended paying its debts as and when they fall due.

## **1.11 Security Interests**

Except for the Existing Security Interests, no Transaction Entity or Vendor has granted or agreed to grant and is not party to any guarantee, letter of comfort or Security Interest.

## **1.12 Indebtedness**

Except pursuant to the Existing Facilities, no Transaction Entity has any Indebtedness.

## **1.13 Related Party Agreements**

- (a) The Related Party Agreements are the only agreements, arrangements or understandings between a Transaction Entity and a Related Party.
- (b) All Related Party Agreements are on arm's length terms.
- (c) No Vendor is a 'related party' of the Purchaser for the purposes of Part 2E.1 of the Corporations Act (except to the extent that Naymola is such a related party of the Purchaser by virtue only of section 228(6) of the Corporations Act and the fact that he is to be appointed as a director of the Purchaser on Completion pursuant to clause 6.5(c)).

## **1.14 Independent advice**

Each Vendor has read and understood this document and the other Transaction Documents to which it is or will be party and has had obtained all legal, tax, accounting, financial and other advice which it considers necessary or desirable in connection with this document, the other Transaction Documents and the transactions contemplated by them.

# **2. ACCOUNTS**

## **2.1 Preparation of Audited Accounts**

Once delivered, the Audited Accounts:

- (a) will have been prepared in accordance with the Accounting Standards, the Corporations Act and all other applicable laws;

- (b) will have been prepared in accordance with accounting policies that are the same as those that have been applied in each set of corresponding accounts for each of the 3 financial years prior to the Accounts Date;
- (c) will contain full, proper and adequate provision for all liabilities of the Group whether actual, contingent or otherwise, as at the Accounts Date;
- (d) will contain full, proper and adequate provision and for bad and doubtful debts of the Group as at the Accounts Date.
- (e) will be true and correct in every material particular; and
- (f) will give a true and fair view of the affairs, assets, liabilities and financial position of the Group as at the Accounts Date and the financial performance of the Group for the financial period ended on the Accounts Date.

## 2.2 Position since Accounts Date

Since the Accounts Date:

- (a) there has not been a material adverse change in the assets, liabilities, turnover, earnings, financial condition, trading condition, affairs or prospects of any Group Company;
- (b) the Business has been conducted in the ordinary and usual course of business and in a proper and efficient manner;
- (c) except as set out in the Disclosure Statement, no dividend or other distribution of capital or income has been declared, made, paid or determined to be payable by any Group Company;
- (d) no Group Company has acquired or disposed of any material assets nor has it entered into any agreement or option to acquire or dispose of any assets other than in the ordinary course of business for fair market value;
- (e) no Group Company has undertaken or incurred any liability other than in the ordinary course of business;
- (f) no Group Company has granted any Security Interest over any of its inventory or assets other than pursuant to retention of title arrangements entered into in the ordinary course of business;
- (g) no Group Company has engaged any new employee, contractor or consultant with an annual remuneration or fees of \$70,000 or more with the exception of consultants engaged by the Group Companies to assist the Group Companies with the transactions contemplated by this document and there has been no material change to the terms of employment of any of the Employees except in the ordinary course of business;
- (h) except for the Related Party Payments no payments have been made by any Transaction Entity to any Related Party;
- (i) no Group Company has made any change or amendment to its accounting policies or the way, method or basis pursuant to which it makes up its accounts;
- (j) there has been no material reduction in the volume or level of trade or business between a Group Company and any material supplier or customer,

and no Group Company or Vendor has received any notice from such a supplier or customer threatening or flagging such a reduction or otherwise has any reason to suspect that any such supplier or customer may give any such notice; and

- (k) the Group Companies have not disposed of fixed assets having an aggregate value of \$2,000,000 or more.

## **2.3 Loans**

- (a) No loans have been made by any Group Company to any Related Party or any Personnel and no advances or loans have been accepted from any such person that remain outstanding except as disclosed in the Accounts or the Disclosure Statement.
- (b) All liabilities (including contingent liabilities) of the Group Companies as at Completion have been entered into in the ordinary course of business.
- (c) Other than as disclosed in the Disclosure Materials, the Accounts or the Completion Statement, no Group Company owes any money or has any outstanding liabilities to any of its directors or any of its existing or former shareholders and no director or existing or former shareholder of a Group Company owes any money to or has any outstanding liability to any Group Company.
- (d) The Disclosure Materials contain complete and up to date copies of all master agreements relating to any equipment hire purchase or leasing commitments of the Group Companies.

## **2.4 Debts on Completion**

So far as the Vendors are aware, all debts owed to the Group Companies at the Completion Date will be good and fully collectible except to the extent that the specific debt has been provided for as a doubtful debt in the Audited Accounts.

## **2.5 Foreign currency**

No Group Companies are party to any foreign currency, swap, interest rate or hedging transaction.

## **2.6 Management Accounts**

The Unaudited Accounts and Management Accounts have been prepared on a basis consistent with prior practice, fairly present the profit and loss and the assets and liabilities of financial position of the Group as at the date or in respect of the period to which they relate and are not materially incorrect, or materially misleading or deceptive in any respect (other than for normal year end adjustments in respect of employee leave provisions and lease liability accounting and accounting for income taxes).

# **3. RECORDS**

## **3.1 Accounts and records**

The Audited Accounts, once delivered:

- (a) will have been fully and properly kept and maintained;
- (b) will be in the possession and control of the Transaction Entities;

- (c) will be free from material inaccuracies or discrepancies; and
- (d) will have been prepared in accordance with the requirements of the Corporations Act and the Accounting Standards (as applicable).

### **3.2 Rectification of registers**

No Transaction Entity has received any notice or allegation that their registers of members or any other register they are required to maintain is incorrect or should be rectified.

### **3.3 Filings**

Each Transaction Entity has filed all documents required to be filed with any Government Authority in accordance with all applicable laws.

### **3.4 Constitution of each Transaction Entity**

The copies of the constitution for each Transaction Entity provided in the Disclosure Materials are current, accurate and complete in all respects.

## **4. ASSETS**

### **4.1 Tangible assets**

The tangible assets recorded in the books of the Group Companies and any assets constituting the First Tranche Assets, the Second Tranche Assets and the Third Tranche Assets are:

- (a) legally and beneficially owned by the Group Companies;
- (b) in the possession or control of the Group Companies; and
- (c) not subject to any agreements or arrangements which restricts their disposal except the Existing Security Interests and restrictions in the agreements governing the Existing Facilities.

### **4.2 Valid ownership and use**

The Group Companies own or have valid and subsisting leases to use all of the assets that are material for the conduct of the Business.

### **4.3 No Security Interest or disposal**

No Group Company has:

- (a) created, or granted, or agreed to create or grant, any Security Interest in respect of any of its assets or securities, except Permitted Security Interests; or
- (b) entered into any agreement or arrangement to dispose of its assets.

### **4.4 No Notice**

No notice has been served on any Group Company that might materially impair, prevent or otherwise interfere with the use of, or proprietary rights to, the assets used in the Business as at Completion.

#### **4.5 Good repair and working order**

Each item of plant, machinery, vehicles and equipment owned or used by a Group Company is:

- (a) in a good and safe state of repair and condition having regard to its age;
- (b) in good working order having regard to its age;
- (c) capable of doing the work for which it was designed or purchased; and
- (d) as far as the Vendors are aware, has been used, operated and maintained in accordance with all applicable laws and standards and has not been repaired, altered, modified, operated or maintained in a way that would void or otherwise affect its warranty.

#### **4.6 No order, notice or requirement**

No item of plant, machinery, vehicles and equipment owned or used by a Group Company is subject to any order, notice or requirement of any Government Authority.

#### **4.7 Motor vehicles**

All motor vehicles owned by the Group Companies or used in the conduct of the Business have been properly serviced, are registered and, so far as the Vendors are aware, fit to be re-registered or to pass any safety inspection without the need for any modifications or repairs.

#### **4.8 Stock**

All stock of the Group Companies is of merchantable quality and free from material defects, and is fit for the purposes for which it was intended to be used and conforms with all relevant descriptions, specifications and standards. At Completion, the Group Companies have not less than the amount of stock they would ordinarily carry and which is in any event required for the conduct of the Business in the ordinary course.

### **5. INSURANCE**

#### **5.1 Disclosure**

The Disclosure Materials contain complete and accurate details of all insurance policies held by the Group Companies or which any Group Company has an interest in.

#### **5.2 Currency**

All insurances held by the Group Companies are current and all premiums have been paid and are up-to-date.

#### **5.3 Past claims**

Except as disclosed in the Disclosure Materials, there have not been any claims in the last 3 years made by any Group Company under any insurance policy held by them, including Claims made but not admitted by the insurers.

#### **5.4 Outstanding claims**

There are no outstanding Claims made by or on behalf of any Group Company under any insurance policy affecting the Business or the assets of any Group Company.

#### **5.5 No notices**

No Group Company has received any notice from an insurer affecting any of their insurances for the Business or the assets of a Group Company or that any Group Company is required, or that it is advisable, to carry out any maintenance, repairs or other works in relation to its assets.

#### **5.6 No prejudice**

So far as the Vendors are aware, nothing has been done or omitted to be done which would make any insurance contract void, voidable, unenforceable or which would permit an insurer to cancel the insurance contract or refuse or reduce a Claim, increase the premium or alter any of the other provisions of the insurance contract.

### **6. BANKING AND FINANCE**

#### **6.1 Indebtedness**

Except pursuant to the Existing Facilities, no Group Company has:

- (a) any Indebtedness;
- (b) entered into any financing agreements or arrangements for the borrowing of money or which restrict the disposal of the Transaction Entities;
- (c) issued any bonds, notes, debentures or similar debt instruments; or
- (d) given, or is bound by, any guarantees, sureties, letters of comfort, indemnities or similar arrangements in relation to any Transaction Entity or any third party.

#### **6.2 Working capital**

In the 12 month period before Completion, each Group Company has maintained its working capital and inventory in the ordinary and usual course and on a basis consistent with the way it maintained its working capital and inventory in the preceding 12 month period.

### **7. CONTRACTS**

#### **7.1 No extraordinary contracts**

No Group Company is party to or bound by any agreement, arrangement or understanding that:

- (a) is material to the operations of the Group, except where that agreement, arrangement or understanding has been disclosed in full in the Disclosure Materials;
- (b) is outside the ordinary and proper course of the Business;

- (c) entitles or will entitle the other party to terminate the agreement, arrangement or understanding as a result of any transaction contemplated by the Transaction Documents;
- (d) restricts any Group Company's ability to engage in any activity or business in any area;
- (e) except to the extent described in the Disclosure Statement, is not on arm's length terms.

## **7.2 No default by Group Company**

No Group Company is in breach or default, or would be in breach or default but for the requirements of notice or lapse of time or both, under any contract, agreement or arrangement to which it is a party or bound.

## **7.3 No default by third party**

So far as the Vendors are aware, no third party is in breach or default, or would be in breach or default but for the requirements of notice or lapse of time or both, under any contract, agreement or arrangement to which any of the Group Companies is a party.

## **7.4 Change in control**

No Group Company is party to any agreement, arrangement or understanding under which a third party is entitled, upon a change in control or the legal or beneficial ownership of the Group or any Group Company, to:

- (a) terminate that agreement, arrangement or understanding; or
- (b) require the adoption of terms less favourable than the terms currently enjoyed by the Group or any Group Company.

## **7.5 No grounds for termination**

So far as the Vendors are aware, no event has occurred which may reasonably be expected to be grounds for termination or which, but for the giving of notice or the lapse of time or both, may reasonably be expected to result in termination of any agreement or arrangement to which any Group Company is a party.

## **7.6 Offers, tenders and quotations**

No offer, tender, quotation or the like given or made by any Group Company is capable of giving rise to a contract merely by any unilateral act of a third party, other than in the ordinary course of business.

## **7.7 Powers of attorney**

There are no powers of attorney given by any Group Company which are in force.

## **7.8 Related interests**

No Vendor has any direct or indirect interest in any other business that is similar to or in competition with the Business or of the Group Companies or intends to acquire such an interest.

**7.9 Customers and suppliers**

So far as the Vendors are aware, following Completion no supplier of the Business will cease supplying goods or services to any Group Company or materially alter the terms on which goods or services are currently supplied.

**8. PROPERTY****8.1 All land owned, used or occupied**

The Properties comprise the only the land and premises owned, leased or otherwise used or occupied by the Group Companies.

**8.2 Right to occupy**

- (a) The Group Companies have exclusive occupation and quiet enjoyment of the Properties and the Properties are not subject to any sub-lease, tenancy or right of occupation by any person other than another Group Company.
- (b) The Group Companies enjoy full and unrestricted access to the Properties and have valid and enforceable permissions, easements and access rights necessary for the continuation of such access, including by means of any roads, pathways or other conducting media.

**8.3 Consents**

Each Group Company has obtained and complied with all material consents required under any law in relation to the development or use of the Properties.

**8.4 Notices**

No notices have been received by any Group Company and as far as the Vendors are aware there is no order, declaration, report, recommendation or approved proposal of a Government Authority, which would materially affect the use of the Properties.

**8.5 No breach**

There has not been any material breach of, or material default under, a Property Lease, agreement or covenant in relation to the Properties. The transactions contemplated by this document will not trigger any such breach or default, result in any breach or default under any Property Lease, or any agreement or covenant in relation to the Properties.

**8.6 Title**

No Group Company owns any real property.

**8.7 Leases binding**

As far as the Vendors are aware, each Property Lease is legally valid and subsisting and binding on any registered mortgagee of the freehold. No Group Company has granted any sub-lease, licence or other right to occupy or use any part of the leased premises.

**8.8 Security Interests**

The Properties are not subject to any Security Interests or any lease or agreement for lease (other than the Property Leases).



## 8.9 Pre-emptive rights

There are no pre-emptive rights in relation to the Properties and the transactions contemplated by this document will not result in any third party having a right to acquire the Properties or exercise any right concerning them.

## 8.10 Buildings

All buildings and other improvements on the Properties are:

- (a) fit for the purpose for which they are used by the Group as at the date of this document; and
- (b) in good condition and state of repair having regard to their age.

# 9. ENVIRONMENTAL

## 9.1 Definitions

In this Warranty 9:

- (a) **Environmental Law** means any statute or common law relating to the Environment including any law relating to land use, coastal protection, water catchments, pollution of air or waters, soil or groundwater contamination, chemicals, waste, use of hazardous or dangerous goods or substances, public and occupational health and safety, noxious weeds, or any other aspect of protection of the Environment; and
- (b) **Environment** means the physical factors of the surrounds of human beings including the land, waters, atmosphere, climate, sounds, odours, tastes, the biological factors of animals and plants, the social factors of aesthetics, and includes ecosystems.

## 9.2 Properties

As far as the Vendors are aware, there are no factors affecting the Property that will, or would reasonably be likely to, give rise to any liability for the Group Companies:

- (a) under; or
- (b) arising from any act or omission of the Group Companies that is a breach of or inconsistent with its obligations under,

any Environmental Law.

## 9.3 Compliance

- (a) Each Group Company and its Representatives have complied with all Environmental Laws which apply to them relating to the Mackay Properties. In this Warranty 9.3, "Mackay Properties" means each of the following properties: 14 Central Park Drive, Mackay, 16 Central Park Drive, Mackay, and 45 John Vella Drive, Mackay.
- (b) As far as the Vendors are aware, each Group Company and its Representatives has otherwise complied with all Environmental Laws relevant to the operation of the Business.
- (c) Each Group Company and its Representatives have complied with all applicable obligations imposed on them by, and the requirements of, their

customers in respect of the Environment, including at the premises of those customers.

#### **9.4 No contaminants, hazardous material or pollution**

No process, operation or activity involving pollutants, contaminants, hazardous material or waste (or the storage or disposal of any of them):

- (a) is conducted on the Properties; or
- (b) so far as the Vendors are aware, have ever been conducted at the Properties by any person.

#### **9.5 Notices**

- (a) No Group Company has received, and so far as the Vendors are aware, no other occupier of the Properties has ever received any direction, order, demand or other requirement from any Government Authority to take any action or refrain from taking any action in respect of the Properties or their use in connection with any Environmental Laws.
- (b) No Group Company is being prosecuted or otherwise engaged as a defendant in any litigation, arbitration or administrative proceeding concerning Environmental Laws nor has any such litigation, arbitration or administrative proceeding been threatened in writing against any Group Company.

### **10. DEFECTIVE PRODUCTS**

#### **10.1 No current Claim**

No Group Company has received any notice or claim in connection with any defective products or services supplied, re-supplied, sold or re-sold by them or any one of them in the 2 year period before Completion.

#### **10.2 No future Claim**

So far as the Vendors are aware, there are no facts or circumstances that are reasonably likely to result in any claim being made against a Group Company in respect of the supply, re-supply, sale or re-sale of defective products or services by any Group Company in the period before Completion.

### **11. PERSONNEL**

#### **11.1 Lists**

The Employees are the only employees of the Group Companies as at the date of this document and Schedule 4 accurately sets out the details of each Employee's period of service, remuneration package (including bonuses, performance incentives, commission arrangements and employee share plans), applicable allowances and accrued leave including on-costs (including long service leave, annual leave and personal/carers leave).

#### **11.2 No arrangement or understanding**

No Group Company has made any contract, arrangement, understanding or representation (whether written or oral) under which one or more Personnel will or may be entitled to any benefit (monetary or otherwise) on or otherwise in connection with Completion, other than in respect of benefits flowing to the

Vendors and Guarantors under this document as a consequence of the sale of the Sale Shares.

### **11.3 Industrial agreements**

No Group Company is party to any enterprise agreement or other industrial agreement with a trade union or industrial organisation (whether registered or not) or has any plans to introduce any such agreement.

### **11.4 Personnel Claims**

So far as the Vendors are aware, there are no:

- (a) outstanding claims, or any potential claims, against any Group Company by or on behalf of any past or present Personnel; or
- (b) issues (including the expiry of any award, enterprise agreement or other instrument made or approved under law) which may lead to industrial action involving any Group Company or any of the Personnel.

### **11.5 Compliance with obligations**

- (a) So far as the Vendors are aware, each Group Company has complied with and continues to comply with all obligations arising under any applicable law, equity, statute (including occupational health and safety, annual leave, long service leave, equal opportunity, anti-discrimination, Tax, superannuation, workers' compensation and industrial laws), award, enterprise agreement or other instrument made or approved under any law with respect to its Personnel and past and present employees and contractors, including in respect of the payment of amounts required or agreed to be paid to those Personnel, employees and contractors.
- (b) Each Group Company has paid when due and payable all remuneration, entitlements, bonuses, performance incentives, commissions, fees and similar payments to any persons entitled to receive those amounts in accordance with any obligations or requirements to do so (whether such obligations or requirements are written, unwritten, formal, informal, arise at common law, under statute in equity or otherwise).

### **11.6 Benefits**

No Group Company has paid, agreed to pay or is under any obligation to provide any retirement, death, accident, sickness, disability benefits or other amount consequent upon the termination of employment of any Personnel.

### **11.7 No disputes**

No Group Company is involved in and are not aware of any circumstances which could give rise to any dispute, action, claim or litigation with any Personnel, former employee or trade union.

### **11.8 Occupational health and safety**

The Disclosure Materials contain full details of all occupational health and safety policies and procedures and any complaints, notices, orders, prosecutions, recommendations, investigations or claims relating to occupational health and safety issues in respect of the Group Companies in the past 3 years.

## **11.9 Employment contracts**

All Employees employed pursuant to written contracts of employment are employed on the terms of the written contracts included in the Disclosure Materials.

## **11.10 Classification as contractors**

Any contractors engaged by any Group Company, or previously engaged by any Group Company are (or were) properly characterised as independent contractors under all appropriate laws and no Group Company is, or will become, liable to make any additional payments in respect of such contractors including in connection with worker's compensation insurance premiums, payroll tax, superannuation or group tax.

## **12. SUPERANNUATION**

### **12.1 Choice of Fund**

Each Employee is permitted to choose which superannuation, pension, retirement or similar scheme or arrangement (**Fund**) will receive their superannuation guarantee contributions.

### **12.2 Complying Fund**

As far as the Vendors are aware, each Fund to which a Group Company provides superannuation guarantee contributions for its Employees is a complying fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth) and the *Income Tax Assessment Act 1997* (Cth).

### **12.3 No defined benefit Funds**

No Group Company conducts any defined benefit superannuation funds under which superannuation benefits, retirement benefits, life assurance benefits, death or disability benefits, pensions, annuities or other allowances, gratuities or benefits are or may be provided to or in respect of any Employees or former employees of any Group Company or their respective dependants.

### **12.4 Compliance**

- (a) So far as the Vendors are aware, each Group Company has complied with all requirements arising under laws relating to superannuation.
- (b) There are no outstanding or unpaid superannuation contributions for any Group Company or in respect of any Personnel.

## **13. INFORMATION TECHNOLOGY**

### **13.1 Group Systems**

All hardware, software and technology infrastructure owned or used by the Group Companies (**Group Systems**):

- (a) performs efficiently in accordance with its specifications;
- (b) operates without material downtime or errors; and
- (c) is fit for purpose and free from defects in design, materials and workmanship.

### **13.2 Hardware and software licences**

The Group owns or have relevant hardware and software licences for all computers and computer software used by the Personnel or otherwise in the Business, and all payments under any such licences have been made when due and payable and otherwise in accordance with the terms of those licences.

### **13.3 Support and maintenance**

The Group has current support and maintenance agreements for all Group Systems which are critical to the operation of the Business or the Group.

### **13.4 Back-ups and security**

Each Group System has adequate security measures in place and is regularly backed-up to ensure that:

- (a) breaches of security and data loss are kept to a minimum; and
- (b) no material disruption or loss will be caused to the Business or the Group in the event of any breach of security or data loss.

### **13.5 Malicious code**

As far as the Vendors are aware, the Group Systems are free from any virus, worm or similar malicious software or code.

## **14. BUSINESS IP**

### **14.1 All Business IP required**

No Group Company owns, uses or requires in the Business the use of any copyright, letters patent, trade marks, service rights, trade names, designs, business names or similar industrial, commercial or intellectual property rights, except for the Business IP.

### **14.2 Ownership**

Other than computer software that is licensed to a Group Company, the Group is the sole legal and beneficial owner of the Business IP (including applications), free and clear of any Security Interest, options or rights of any third party.

### **14.3 Infringement**

As far as the Vendors are aware, the Group does not, in the conduct of the Business, infringe or wrongfully use any confidential information, trade secrets, copyrights, patents, trade marks, service rights, trade names, designs, business names or similar industrial, commercial or intellectual property rights.

### **14.4 No breach**

As far as the Vendors are aware, no Group Company has committed any breach of any licence granted to any Group Company in relation to the Business IP.

### **14.5 Quiet enjoyment**

As far as the Vendors are aware, there is no event, circumstance or dispute (whether actual or threatened) that could reasonably be expected to affect the full and quiet enjoyment by the Group of the Business IP following Completion.

**15. LITIGATION****15.1 No proceedings**

Except as disclosed in the Disclosure Materials, no Group Company is at the date of this document a party to, and has not been a party in the 5 year period before Completion to, any prosecution, litigation, investigation, arbitration, mediation or similar dispute resolution proceedings and no such proceedings are pending or have been threatened in writing or verbally in respect of any Group Company.

**15.2 No unsatisfied judgments or awards**

There are no unsatisfied judgments, orders, arbitral awards or decisions of any court, tribunal, Government Authority or arbitrator in respect of any Group Company or any of its assets or undertakings.

**16. LICENCES AND PERMITS****16.1 Necessary licences**

So far as the Vendors are aware, each Group Company holds all necessary licences (including statutory licences), consents, authorisations, planning permissions and permits for the proper carrying on of the Business in all respects and the use of the Properties. All of those licences, consents, permissions, authorisations and permits:

- (a) have been fully paid up;
- (b) have been fully complied with;
- (c) are in full force and effect;
- (d) are not liable to be revoked or terminated.

**16.2 Disclosure to Purchaser**

The Disclosure Materials contain copies of:

- (a) all licences, permits and similar authorisations obtained by the Group Companies in respect of the operation of the Business;
- (b) all licences, permits and similar authorisations obtained by the Group Companies in respect of the use of the Properties; and
- (c) all conditions and notices attaching or applicable to the licences, permits and similar authorisations referred to in paragraphs (a) and (b) above.

**16.3 No change**

As far as the Vendors are aware, there are no facts or circumstances involving the Group Companies or their affairs that are likely to result in the revocation, termination, suspension, modification or non-renewal in any material aspect of any licence, consent, authorisation, planning permission or permit held by any Group Company.

**16.4 Transaction effect**

As far as the Vendors are aware, no licence, consent, authorisation, planning permission or permit held by any Group Company would be adversely affected by, or liable to be terminated, revoked or varied in any material respect by reason of the acquisition of the Sale Shares by the Purchaser.

**17. REGULATORY****17.1 No breach**

So far as the Vendors are aware, there has not been any breach, claimed breach or non-compliance by any Group Company or any past or present Personnel of or with any material law, regulation, ordinance, by-law, rule, decree or order.

**17.2 No illegal arrangements**

As far as the Vendors are aware, no Group Company is party or bound by any agreement, arrangement or understanding (either written or verbal) which is illegal.

**18. TRADE PRACTICES**

So far as the Vendors are aware, no Group Company nor any of its past or present Personnel has committed or omitted to do any act or thing, the commission or omission of which is a contravention of the *Competition and Consumer Act 2010*, the fair trading acts or like legislation in any other State or Territory of Australia or elsewhere (whether in their current, preceding or then applicable form).

**19. TAX****19.1 Lodgement of returns and documents**

Each Transaction Entity has prepared and lodged all income tax returns and other returns or documents required to be lodged or filed under all relevant legislation imposing or assessing Taxes.

**19.2 Sufficient records**

Each Transaction Entity has maintained sufficient and accurate records and all other information required to support all Tax returns and information which has been or may be filed, lodged or submitted to any Government Authority.

**19.3 No false or misleading statements**

No income tax return, business activity statement, instalment activity statement or other return relating to Tax which has been lodged by a Transaction Entity contains a statement that is false, misleading or deceptive in any material particular or omits to refer to any matter which is required to be included or without which the statement is false, misleading or deceptive.

**19.4 Taxes paid**

All Taxes of any nature payable by the Transaction Entities under the laws of the Commonwealth of Australia or any State or Territory of Australia or elsewhere in respect of the period up to the Completion Date have been fully paid by the Transaction Entities on or before the date they were due for payment or, where they are not due for payment prior to the Completion Date, are adequately provided for and disclosed in the Accounts or the Completion Statement. This Warranty extends to any Taxes and Duties payable in connection with any asset and/or business sale agreements entered into between that Transaction Entity and Related Party.

**19.5 Deductions**

Each Transaction Entity has deducted all Tax required to be deducted from any payments made by it. When necessary, the Transaction Entity has accounted for that Tax in accordance with all relevant and applicable laws.

**19.6 Arrangements**

No Transaction Entity has entered into any agreement, arrangement or understanding that extends the period for assessment or payment of any Taxes.

**19.7 No fraud or evasion**

No Transaction Entity has at any time obtained or sought to obtain any Tax benefit through any fraud or any evasion or made or entered into any arrangement, undertaking or scheme which was at the time it was entered into a sham or fiscal nullity.

**19.8 No disputes, audit or investigations**

There is no unresolved correspondence or dispute with any Government Authority concerning a Transaction Entity's liability for Tax and no Government Authority is conducting any audit or investigation into any Transaction Entity's Liability for Tax and the Vendors are not aware of any matters that might reasonably be expected to result in the initiation of such an audit or investigation.

**19.9 Dividends**

- (a) No Transaction Entity has declared or paid any dividend (including any Existing Dividend):
  - (i) in respect of which the required franking amount (as provided for in the relevant Tax legislation) has exceeded the franked amount (as defined in the relevant Tax legislation) of the dividend; or
  - (ii) which has been franked in excess of the required franking amount, which would result in any Transaction Entity being liable to pay franking deficit Tax or additional Tax pursuant to the relevant Tax legislation.
- (b) All dividends declared in relation to the Transaction Entities have been properly declared in accordance with the Corporations Act and the constitution of the relevant company.
- (c) Details of all dividends or distributions made, declared or paid by any Transaction Entity in the 3 years before Completion are Fairly Disclosed in the Disclosure Materials.

**19.10 Goods and Services Tax**

- (a) Each Transaction Entity:
  - (i) has complied in all respects with the GST Act; and
  - (ii) is not in default of any obligation to make any payment or return (including without limitation any Business Activity Statement) or notification under the GST Act,

including, in each case, in respect of any asset and/or business sale agreements entered into between that Transaction Entity and Related Party.



- (b) No Transaction Entity has engaged in any avoidance scheme for the purposes of section 165-5 of the GST Act.
- (c) Each Transaction Entity has established internal procedures and systems necessary to ensure that its billing, accounts receivable and general ledger functions accurately capture and account for GST.

#### **19.11 Payroll tax**

Each Transaction Entity:

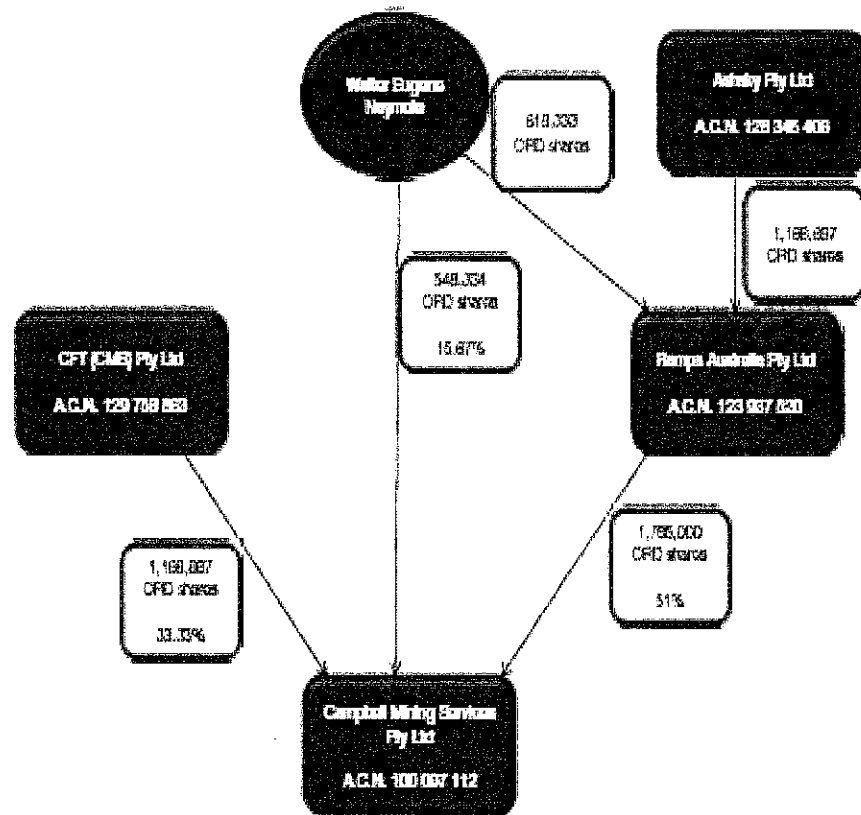
- (a) has complied in all respects with all payroll tax obligations;
- (b) is not in default of any obligation to make any payroll tax payment; and
- (c) has established internal procedures and systems necessary to ensure that it accurately captures and accounts for payroll tax.

#### **20. INFORMATION**

- (a) The information in respect of the Company Shares, the RAMPS Shares, the Transaction Entities and the Business set out in this document, including the schedules and annexures, is true, complete and accurate in all material respects.
- (b) The Disclosure Materials are true, complete and accurate in all material respects and no fact or matter has been omitted from the Disclosure Materials that would render those materials or any part of them materially untrue, inaccurate or misleading.
- (c) The Vendors have not knowingly withheld any information from the Purchaser because the Vendors believed that the provision of that information would affect the Purchaser's willingness to proceed with the purchase of the Sale Shares on the terms of this document.

## Schedule 3 – Structure diagram

KEY  
 — Equity ownership



## Schedule 4 – Employees

CAMPBELL  
MINING  
SERVICES PTY  
LTD  
PO BOX 512  
MACKAY QLD  
4740

## Card List

Name	Identifiers	Card ID	Location	Position Description	Start Date
Patrick Barr	A	0219	Moorvale Mine Site	Pump Crew	8/09/2008
Ross Edward Barr	L	0610	Moorvale Mine Site	Pump Crew	9/03/2011
Steven Barr	S	0878	Dawson Mine Site	Mine Operator	17/04/2014
Darren Bartlett	V	0602	Meandu Mine Site	Pump Crew	23/02/2011
Luke Blackwell	L	0648	Moorvale Mine Site	Pump Crew	1/07/2011
Clinton Bryan Booth	N	0846	Mackay Workshop	Pump Crew	25/11/2013
Derek John Bradford	B	0612	Caval Ridge Mine Site	Pump Crew	21/03/2011
Jason Burke	C	0744	Millennium Mine Site	Pump Crew	4/07/2012
Wayne Cameron	S	0882	Dawson Mine Site	Mine Operator	14/05/2014
Angela Campbell	U	0159	Sunshine Coast Office	Chief Commercial Officer	1/03/2008
David Campbell	U	0158	Sunshine Coast Office	Director	1/04/2001
William John Campbell	U	0002	Sunshine Coast Office	Purchasing Officer	1/07/2002
Justin Condon	U	0111	Moranbah	Construction Manager	10/04/2007
Troy Martin Craig	D	0009	Carborough Downs Mine Site	Pump Crew	9/01/2003
Steven John Denning	U	0001	Moranbah	Field Manager	13/06/2004
John Vincent Espinoza	T	0831	Moorvale Mine Site	Mine Operator	15/08/2013
Rodney Fouracre	E	0899	Jellinbah Operators	Mine Operator	8/09/2014
Glenn Graham Garrett	U	0858	Yatala Office	General Manager	19/02/2014
Alex Gray	Q	0655	Sunshine Coast Office	Executive Assistant to the Directors	18/07/2011
Lisa Gray	U	0452	Mackay Office	Manager (Accounts/HR)	27/01/2010
David Grewe	N	0607	Mackay Workshop	Pump Crew	2/03/2011
Callum Harper	B	0537	Caval Ridge Mine Site	Pump Crew	11/10/2010
Aaron Harvey	N	0762	Mackay Workshop	Pump Crew	17/09/2012
Stephen Michael Harvey	U	0192	Mackay Workshop	Workshop Manager	15/07/2008
Joshua David Hawkings	A	0847	Moorvale Mine Site	Pump Crew	26/11/2013
Rod Andrew Hayes	U	0153	Sunshine Coast Office	Director	1/03/2008
Grant Hinkson	N	0848	Mackay Workshop	Pump Crew	16/12/2013
Daniel Ray Honnery	P	0877	Isaac Plains Mine	Mine Operator	17/04/2014

			Site		
Stephen Jones	B	0849	Caval Ridge Mine Site	Pump Crew	16/12/2013
Darren John Lawrence	B	0893	Caval Ridge Mine Site	Pump Crew	2/07/2014
Stephen Lewis	B	0760	Caval Ridge Mine Site	Pump Crew	14/08/2012
Aaron James MacPhail	R	0797	Yatala Workshop	Pump Fitter	3/12/2012
Nathan MacPhail	N	0709	Mackay Workshop	Pump Crew	18/01/2012
Emmit Hayden Malloy	C	0294	Millennium Mine Site	Pump Crew	7/12/2008
Haley McKinney	E	0900	Jellinbah Operators	Mine Operator	12/09/2014
Joharon McLean	A	0748	Moorvale Mine Site	Pump Crew	17/07/2012
Jodi Ann McNeilly	Q	0857	Sunshine Coast Office	Administration Assistant (Payroll)	29/01/2014
Gavin McPherson	U	0842	Townsville	Salesperson	31/10/2013
Dane McWilliams	K	0532	Carborough Downs Mine Site	Pump Crew	8/09/2010
Michael Mifsud	U	0569	Mackay Office	Field Manager	4/01/2011
Richard Mounsey	B	0598	Caval Ridge Mine Site	Pump Crew	15/02/2011
Peter Murdoch	S	0839	Dawson Mine Site	Mine Operator	23/10/2013
Michael O'Keeffe	A	0228	Moorvale Mine Site	Pump Crew	30/09/2008
Shannon Peckett	S	0874	Dawson Mine Site	Mine Operator	10/04/2014
Dave Pringle	B	0686	Caval Ridge Mine Site	Building Crew	6/11/2011
Michael James Roberts	M	0329	Jellinbah	Pump Crew	5/04/2009
Dean Rogers	B	0535	Caval Ridge Mine Site	Pump Crew	16/09/2010
David Smith	A	0276	Moorvale Mine Site	Pump Crew	29/10/2008
Xavier Smith	R	0897	Yatala Office	Salesperson	4/08/2014
Telgan Story	Q	0872	Mackay Office	Administration Assistant	27/03/2014
Clynton Peter Timms	D	0011	Carborough Downs Mine Site	Pump Crew	1/08/2006
Andrew Tuffery	U	0829	Sunshine Coast Office	Chief Financial Officer	1/07/2013
Trent Webster	L	0663	Moorvale Mine Site	Pump Crew	16/08/2011
Darren White	L	0479	Moorvale Mine Site	Pump Crew	29/04/2010
Anthony Troy Whiteman	B	0575	Caval Ridge Mine Site	Pump Crew	4/01/2011
Lindsay Whybird	C	0684	Millennium Mine Site	Pump Crew	1/11/2011
Justin Willcox	C	0901	Millennium Mine Site	Pump Crew	16/09/2014
Peter Wilson	B	0745	Caval Ridge Mine Site	Pump Crew	3/07/2012

**Schedule 5 – Business IP**

<b>Patents</b>	Nil
<b>Trade marks and trade mark applications</b>	Nil
<b>Business names</b>	“National Pump Services”
<b>Domain names</b>	<a href="http://www.campbellmining.com.au">www.campbellmining.com.au</a> <a href="http://www.nationalpump.com.au">www.nationalpump.com.au</a> <a href="http://www.campbellmining.com">www.campbellmining.com</a>

### **Schedule 6 – Properties**

- 16 Central Park Drive, Mackay - Hire branch, workshop and equipment storage
- 32 Computer Rd, Yatala - Hire branch, workshop and equipment storage
- 45 John Vella Drive, Mackay - Equipment storage
- 6 Innovation Parkway, Birtinya - Administration/head office
- 14 Central Park Drive, Mackay - Equipment storage (the Company has given notice on this lease and it will be vacated by end of Sept)

## **Schedule 7 – Related Party Agreements and Payments**

### **Part 1 – Related Party Agreements**

Daniel Campbell of Campbell Accounting (David Campbell's brother) acts as external accountant for the Company. This is a services based arrangement, for which there is no written contract.

David Hayes (Rod Hayes' brother) is a partner in the firm WMS Accountants which acts as external accountant for the Company and RAMPS and prepares accounts for audit purposes. This is a services based arrangement, for which there is no written contract.

Corporate Assurance Specialist does the Company's audit. WMS once had an interest in Corporate Assurance Specialist, however that is no longer the case and CAS act independently.

"Table Talk" (Rod Hayes' wife) has done some marketing work for the Company in the past as required. There is no written agreement, in respect of this engagement, and the last transaction was undertaken on 13/6/14.

Angela Campbell and Billy Campbell are Related Parties of David Campbell and are employees of the business.

Michael Mifsud is a beneficiary of the Ashsky trust, and is employed by CMS in a senior management position on arms length terms.

### **Part 2 – Related Party Payments**

Payments made pursuant to each of the agreements above.

Payments of loan accounts owing by the Company to Related Parties from time to time.

Payments of dividends declared by the Company and RAMPS to Related Parties from time to time.

## Schedule 8 – Completion Statement

### Part 1

#### Preparation of Draft Completion Statement

The Vendors must prepare and deliver the Draft Completion Statement to the Purchaser in accordance with clause 4.6. The Draft Completion Statement must be in the form and include only the items shown in the example Completion Statement in Part 3 of this Schedule 8 (except for Uncollected Receivables) and must be prepared in accordance with Part 3 of this Schedule 8.

### Part 2

#### Preparation of Final Completion Statement

##### 1. Stock take

On or as soon as practicable after Completion the Vendors and the Purchaser or their Representatives must carry out a stock take of the stock of the Company. However, the stock will not be taken into account for the purposes of the Completion Statement or any of the items included in it. The purpose of the stock take is to confirm the presence and condition of the stock of the Company at Completion.

##### 2. Preparation of Completion Statement

The Purchaser must prepare and deliver to the Vendors within 120 days after Completion, a statement setting out the Purchaser's calculation of the Actual Working Capital Amount, the Actual Net Debt Amount, the Uncollected Receivables and the Final Adjustment Amount (**Completion Statement**). The Completion Statement must be in the form and include only the items shown in the example Completion Statement in Part 3 of this Schedule 8 and must be prepared in accordance with Part 3 of this Schedule 8.

##### 3. Vendors may request additional information

Within 10 Business Days of the date on which the Completion Statement is delivered to the Vendors, the Vendors may request in writing that the Purchaser provide to the Vendors such additional information as the Vendors may reasonably require in order to enable the Vendors to review the Completion Statement. The Purchaser will deliver to the Vendors any information reasonably requested by the Vendors in accordance with this paragraph as soon as practicable and in any event within 5 Business Days after receiving the Vendors' request.

##### 4. Notification of disputed items

Within 15 Business Days of the later of the delivery to the Vendors of the Completion Statement and the date on which all information has been provided by the Purchaser to the Vendors in response to any request made by the Vendors under paragraph 3 above, the Vendors may give notice to the Purchaser of any item or items they wish to dispute (including, to avoid doubt, any items that the Vendors claim should be included but have been omitted from the Completion Statement by the Purchaser) (**Vendor Adjustment Items**) together with its reasons for disputing those items, a list of its proposed adjustments to those items and its resulting calculation of the Actual Working Capital Amount and the Actual Net Debt Amount (**Vendor Dispute Notice**).



## 5. Completion Statement final if no valid Vendor Dispute Notice given

If by the expiry of the 15 Business Day period referred to in paragraph 3 above, the Vendors has not given a valid Vendor Dispute Notice in accordance with that paragraph, the Completion Statement delivered in accordance with paragraph 2 will be final and will constitute the Final Completion Statement for the purposes of this document and the Purchaser's calculation of the Actual Working Capital Amount, the Actual Net Debt Amount, the Uncollected Receivables and the Final Adjustment Amount as set out in the Completion Statement delivered in accordance with paragraph 2 will be final and will constitute those amounts for the purposes of this document.

## 6. Resolution and finalisation of the Final Completion Statement

If the Vendors give a valid Vendor Dispute Notice in accordance with paragraph 4 above:

- (a) the Purchaser may, within 5 Business Days after receiving that notice, give notice to the Vendors of any other item or items that it wishes to adjust or include (**Purchaser Adjustment Items**);
- (b) the Vendors and the Purchaser must attempt to agree in writing the Vendor Adjustment Items and the Purchaser Adjustment Items as soon as practicable;
- (c) if any Vendor Adjustment Items or Purchaser Adjustment Items are not agreed in writing between the Vendors and the Purchaser within 15 Business Days of attempting to do so, those items must be referred to the Expert for determination in accordance with Schedule 10; and
- (d) the Completion Statement must be adjusted to take account of each Vendor Adjustment Item or Purchaser Adjustment Item agreed in writing between the Vendors and the Purchaser in accordance with paragraph (b) above or determined by the Expert in accordance with paragraph (c) above (as the case may be) and the Completion Statement as so adjusted will be final and constitute the Final Completion Statement for the purposes of this document and the Actual Working Capital Amount, the Actual Net Debt Amount, the Uncollected Receivables and the Final Adjustment Amount as set out in the Final Completion Statement so adjusted will be final and will constitute those amounts for the purposes of this document.

## 7. Provision of access and information

- (a) The Purchaser must provide to the Vendors and their Representatives all information, assistance and access to books and records of account, documents, files, papers and information stored electronically which they may reasonably require for the purposes of this Schedule 8.
- (b) The Vendors must provide to the Purchaser and its Representatives all information, assistance and access to books and records of account, documents, files, papers and information stored electronically which they may reasonably require for the purposes of this Schedule 8.

## Part 3

### Requirements for the preparation of the Completion Statements

#### 1. Threshold requirement

The Draft Completion Statement and the Final Completion Statement must be prepared on the following basis:

- (a) the Completion Statement is to reflect the position as at the Effective Date (which, if Completion occurs in accordance with clause 6.1(a), will not be the Completion Date);
- (b) to the extent that any portion of the First Tranche Assets Price, the Second Tranche Assets Price and the Third Tranche Assets Price was debt funded, such amount, together with all accrued but unpaid interest on it for the current period up to the Effective Date, must be included as a liability;
- (c) any cash received by any Group Company for any fixed asset sold by a Group Company after 30 June 2014 which remains in the Group Company's bank accounts as at the Effective Date, must be included as a current asset;
- (d) the unpaid amount of any Existing Dividend must be included as a current liability;
- (e) to the extent required under clause 5.3, Restricted Payments must be included as a current liability;
- (f) to the extent not inconsistent with the above, the Completion Statement must be prepared by applying the following accounting policies, principles, practices, evaluation rules, methods and bases:
  - (i) those used in the preparation of the Accounts; and
  - (ii) where there was no prior application in the preparation of the Accounts, those which are consistent with the Accounting Standards.

## 2. Example Completion Statement

The numbers contained in the following 'Example Draft Completion Statement' are taken directly from attachments to email to Andrew Aitken of 11 August 2014 Subject: (title) 'Campbell Mining Services – Numbers for 2014' those attachments being entitled 'Internal MYOB\_Profit Loss and Balance Sheet\_2014' and 'Campbell Mining\_2014\_EBIDA\_Net assets\_Working capital\_and Ancillary calculation sheets\_11.08.2014'.

## Campbell Mining Services Pty Ltd

## Balance Sheet

As of June 2014

			Working capital	Net Debt	Excluded
1-0000	Assets				
1-1000	Current Assets				
1-1110	NAB Account	\$931,622		\$931,622	
1-1115	NAB Cash Maximiser Account	\$3,022		\$3,022	
1-1140	Petty Cash	\$500	\$500		
1-1200	Trade Debtors	\$5,501,522	\$5,501,522		
1-1201	Knight Debtor	\$3,784,881			\$3,784,881
1-1202	Less Excluded Div 5/12/13	-\$3,784,881			\$3,784,881
1-1300	Deposits Paid	\$8,673	\$8,673		
1-1405	Prepaid Insurance (14)	\$101,054	\$101,054		
1-1700	Other Prepayments	\$20,163	\$20,163		
1-1705	Loan to - CMS Constructions P/L	\$4,285		\$4,285	
	<b>Total Current Assets</b>	<b>\$6,570,841</b>			
1-5000	Non-Current Assets				
1-5050	Fixed Assets	\$10,408,677			\$10,408,677
1-6000	Borrowing Costs	\$1,650			\$1,650
	<b>Total Non-Current Assets</b>	<b>\$10,410,327</b>			
1-7000	Other Assets				
1-7006	Black hole - BSA Application	\$406			\$406
1-7007	Black hole - Nat pumps name	\$262			\$262
1-8000	Goodwill	\$3,533,146			\$3,533,146
	<b>Total Other Assets</b>	<b>\$3,533,814</b>			
	<b>Total Assets</b>	<b>\$20,514,982</b>			
2-0000	Liabilities				
2-1000	Current Liabilities				
2-1100	Credit Cards	\$48,508	\$48,508		
2-1200	Trade Creditors	\$857,953	\$857,953		
2-1211	Loan - Macquaries Insurances 14	\$111,247		\$111,247	
2-1260	Dividends Payable	\$700,000		\$700,000	
2-1300	GST Liabilities	\$244,125	\$244,125		
2-1400	Payroll Liabilities	\$302,399	\$302,399		
2-1500	Provision for Taxation	-\$10,039		-\$10,039	
	<b>Total Current Liabilities</b>	<b>\$2,254,193</b>			
2-2000	Long Term Liabilities				
2-2100	Loan CFT (CMS) Pty Ltd	\$1,290,594		\$1,290,594	
2-3000	Equipment Loans	\$1,534,429		\$1,534,429	
2-4000	Admin & Office Equipment Loans	\$3,564		\$3,564	
	<b>Total Long Term Liabilities</b>	<b>\$2,828,587</b>			
	<b>Total Liabilities</b>	<b>\$5,082,780</b>			
	<b>Net Assets</b>	<b>\$15,432,202</b>			
3-0000	Equity				
3-1000	Owners's/Shareholder's Equity				
3-1211	Dividend entitlement - Exc C  6	-\$3,784,881			
3-1212	Dividend declared	-\$3,500,000			
	<b>Total Owners's/Shareholder's Equity</b>	<b>-\$7,284,881</b>			
3-2000	Issued and Paid up Capital	\$3,500,000			
3-8000	Retained Earnings	\$15,394,087			
3-9000	Current Year Earnings	\$3,822,996			
	<b>Total Equity</b>	<b>\$15,432,202</b>	<b>\$4,178,927</b>	<b>\$2,690,866</b>	<b>\$13,944,141</b>
<b>Adjustments to 30 June balance sheet</b>					
	Lease liabilities	-\$1,154,596		-\$1,154,596	
	Lease assets	\$1,020,360			\$1,020,360
	Blackhole items	\$61,817			\$61,817
	Work in progress	\$268,784	\$268,784		
	Leave provisions	-\$955,093	-\$955,093		
	Accruals	-\$223,453	-\$223,453		
	Tax adjustments	-\$163,861		-\$163,861	
	Deferred tax asset	\$351,672		\$351,672	
	Knight dividend interest	-\$309,450		-\$309,450	
	<b>Adjusted net asset position</b>	<b>\$14,328,382</b>	<b>\$3,269,165</b>	<b>-\$3,967,101</b>	<b>\$15,026,318</b>

"Actual Differential" (using Jun-14 as example)

(\$697,936)

Target Amount

\$900,000

Adjustment

(\$1,597,936)

## Schedule 9 – Earn-Out Statement

### Part 1

#### Preparation of Earn-Out Statement

##### 1. Preparation of Draft Interim Earn-Out Statements

To enable the Combined EBITDA to be ascertained, as soon as reasonably practicable and by no later than 10 Business Days following:

- (a) the end of the first 3 month period immediately following Completion; and
- (b) thereafter, the end of each month,

the Purchaser must prepare and deliver to the Vendors a statement setting out the Purchaser's calculation of the Combined EBITDA for the relevant period (each a **Draft Interim Earn-Out Statement**). Each Draft Interim Earn-Out Statement must include all of the information set out in Part 2 of this Schedule 9.

##### 2. Vendors may request additional information

Within 10 Business Days of the date on which each Draft Interim Earn-Out Statement is delivered to the Vendors, the Vendors may request in writing that the Purchaser provide to the Vendors such additional information as the Vendors may reasonably require in order to enable the Vendors to review the relevant Draft Interim Earn-Out Statement. The Purchaser will deliver to the Vendors any information reasonably requested by the Vendors in accordance with this paragraph as soon as practicable and in any event within 5 Business Days after receiving the Vendors' request.

##### 3. Notification of disputed items

Within 10 Business Days of the later of the date of delivery to the Vendors of the Draft Earn-Out Statement and the date on which all information has been provided by the Purchaser to the Vendors in response to any request made by the Vendors under paragraph 2 above, the Vendors may give notice to the Purchaser of any item or items they wish to dispute (including, to avoid doubt, any items that the Vendors claim should be included but have been omitted from the Draft Interim Earn-Out Statement by the Purchaser) (**Vendor Adjustment Items**) together with their reasons for disputing those items, a list of their proposed adjustments to those items and their resulting calculation of the Combined EBITDA for the relevant period (**Vendor Dispute Notice**).

##### 4. Draft Earn-out Statement accepted if no valid Vendor Dispute Notice given

If by the expiry of the 10 Business Day period referred to in paragraph 3 above, the Vendors have not given a valid Vendor Dispute Notice in accordance with that paragraph, the relevant Draft Interim Earn-Out Statement will be taken to be accepted by the Vendors in relation to the matters included in it.

##### 5. Discussion to resolve any Vendor Adjustment Items

Upon receipt of any Vendor Dispute Notice in respect of a Draft Interim Earn-Out Statement, the Vendors and the Purchaser must attempt to agree the correct treatment of the Vendor Adjustment Items.

##### 6. Delivery of Draft Earn-Out Statement

As soon as reasonably practicable and by no later than 10 Business Days following the Earn-Out Calculation Date, the Purchaser must prepare and deliver to the Vendors a statement setting out the Purchaser's calculation of the Combined EBITDA for Earn-Out Period (**Draft Earn-Out Statement**) which must include all of the information set out in Part 2 of this Schedule 9.

The Draft Earn-Out Statement must:

- (a) reflect and be consistent with:
  - (i) each Draft Interim Earn-Out Statement delivered by the Purchaser in accordance with this Schedule 9; and
  - (ii) each Vendor Adjustment Item which has been agreed by the Vendors and the Purchaser following delivery of a Vendor Dispute Notice; and
- (b) note any Vendor Adjustment Item which has not been agreed by the Vendors and the Purchaser following delivery of a Vendor Dispute Notice (**Outstanding Vendor Dispute Items**).

#### **7. Vendors may request additional information**

Within 10 Business Days of the date on which the Draft Earn-Out Statement is delivered to the Vendors, the Vendors may request in writing that the Purchaser provide to the Vendors such additional information as the Vendors may reasonably require in order to enable the Vendors to review the Draft Earn-Out Statement. The Purchaser will deliver to the Vendors any information reasonably requested by the Vendors in accordance with this paragraph as soon as practicable after receiving the Vendors' request.

#### **8. Notification of any additional disputed items**

Within 15 Business Days of the date on which all information has been provided by the Purchaser to the Vendors in response to any request made by the Vendors in accordance with paragraph 7 above, the Vendors may give notice to the Purchaser of any item or items they wish to dispute (including, to avoid doubt, any items that the Vendors claim should be included but have been omitted from the Draft Earn-Out Statement by the Purchaser) (**Additional Vendor Adjustment Items**) together with their reasons for disputing those items, a list of their proposed adjustments to those items and their resulting calculation of the Combined EBITDA (**Additional Vendor Dispute Notice**).

#### **9. Draft Earn-Out Statement final to the extent not disputed**

The Draft Earn-Out Statement delivered by the Purchaser will be final and will constitute the Earn-Out Statement for the purposes of this document except in respect of:

- (a) any Outstanding Vendor Dispute Items; and
- (b) any Additional Vendor Dispute Items.

#### **10. Resolution of disputed items and finalisation of the Earn-Out Statement**

If, after the 15 Business Day period referred to in paragraph 8:

- (a) there are any Outstanding Vendor Dispute Items; or

- (b) the Vendors have given a valid Additional Vendor Dispute Notice in accordance with paragraph 8 above, such that there are any Additional Vendor Dispute Items,

then,

- (c) the Purchaser may, within 5 Business Days after receiving any Additional Vendor Dispute Notice (or, if no Additional Vendor Dispute Notice is given, within 5 Business Days of the end of the 15 Business Day period referred to in paragraph 8), give notice to the Vendors of any other item or items that it wishes to adjust (**Purchaser Adjustment Items**);
- (d) the Vendors and the Purchaser must attempt to agree in writing the Outstanding Vendor Adjustment Items, the Additional Vendor Dispute Items and the Purchaser Adjustment Items as soon as practicable;
- (e) if any Outstanding Vendor Adjustment Items or Additional Vendor Dispute Items or Purchaser Adjustment Items are not agreed in writing between the Vendors and the Purchaser within 15 Business Days of attempting to do so, those items must be referred to the Expert for determination in accordance with Schedule 10; and
- (f) the Draft Earn-Out Statement must be adjusted to take account of each Outstanding Vendor Adjustment Item or Additional Vendor Dispute Item or Purchaser Adjustment Item agreed in writing between the Vendors and the Purchaser in accordance with paragraph (b) above or determined by the Expert in accordance with paragraph (c) above (as the case may be) and the Draft Earn-Out Statement as so adjusted will be final and constitute the Earn-Out Statement for the purposes of this document and the Combined EBITDA as set out in the Earn-Out Statement so adjusted will be final and will constitute that amount for the purposes of this document.

## 11. Provision of access and information

- (a) The Purchaser must provide to the Vendors and their Representatives all information, assistance and access to books and records of account, documents, files, papers and information stored electronically which they may reasonably require for the purposes of this Schedule 9.
- (b) The Vendors must provide to the Purchaser and its Representatives all information, assistance and access to books and records of account, documents, files, papers and information stored electronically which they may reasonably require for the purposes of this Schedule 9.

## Part 2

### Requirements for the preparation of the Earn Out Statement

#### 1. Information to be included in the Earn-Out Statement

The Earn-Out Statement must recite the definition of Combined EBITDA. The definition of Combined EBITDA is as follows:

*Combined EBITDA means, in respect of the Earn-Out Period, the Normalised earnings before interest, tax depreciation and amortisation for the Purchaser Group.*

The Earn-Out Statement must include the following information:

- (a) A statement as to whether or not the Earn-Out Trigger has been satisfied.
- (b) The amount of the Combined EBITDA.
- (c) Details of any Normalisation applied in determining the Combined EBITDA.

## Schedule 10 - Expert

The Expert must be engaged to act on the following basis:

- (a) the Expert must act as expert and not as arbitrator;
- (b) the terms of reference of the Expert must be as set out in of this Schedule 10;
- (c) the item or items in dispute must be notified to the Expert in writing by the Vendors and the Purchaser within 10 Business Days of the Expert's appointment;
- (d) the Expert must permit each party to make an initial written submission to the Expert in relation to the item or items in dispute and a written submission in reply to other party's initial written submission (with a copy of each such submission being given to the other party) and must otherwise decide the procedure to be followed in the determination;
- (e) each of the Purchaser and the Vendors must promptly provide to the Expert:
  - (i) all information and assistance (including assistance from employees); and
  - (ii) access to and the right to take copies of books and records of account, documents, files, working papers and information stored electronically,which the Expert reasonably requires to make its determination;
- (f) the Expert is entitled (to the extent it considers it appropriate) to base its determination on the information provided under paragraph 1(e) and on the accounting and other records of the Transaction Entities;
- (g) the determination of the Expert will be final and binding on the parties in the absence of manifest error; and
- (h) the costs of the determination, including fees and expenses of the Expert, must be borne, as determined by the Expert or, failing such determination, as to one half by the Vendors and as to the other half by the Purchaser.



Executed as a deed.

EXECUTED by  
CFT (CMS) PTY LTD ACN 129 758  
863 in its own capacity and in its  
capacity as trustee of the Campbell  
Family Trust  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth)

Signature of director/secretary  
sole


  
Name of director/secretary  
sole

Signature of director

Name of director

EXECUTED by  
ASHSKY PTY LTD ACN 128 345 406  
in its own capacity and in its capacity  
as trustee of the each of the Ashsky  
Trusts  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth)

Signature of director/secretary  
sole

  
Name of director/secretary  
sole

Signature of director

Name of director

SIGNED SEALED AND DELIVERED )  
BY WALTER EUGENE NAYMOLA )  
in the presence of: )

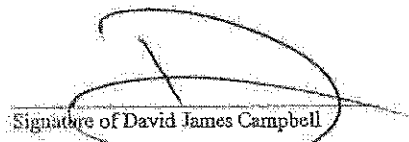
  
Signature of Witness

  
Signature of Walter Eugene Naymola

Don S. Shaver  
Name of witness (printed)

SIGNED SEALED AND DELIVERED )  
BY DAVID JAMES CAMPBELL in )  
the presence of: )

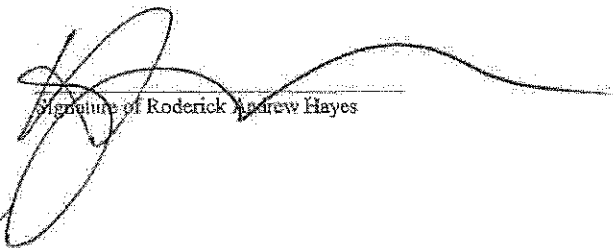
  
Signature of Witness

  
Signature of David James Campbell

ANDREW TUFFERY  
Name of witness (printed)

SIGNED SEALED AND DELIVERED )  
BY RODERICK ANDREW HAYES in )  
the presence of: )

  
Signature of Witness

  
Signature of Roderick Andrew Hayes

ANDREW TUFFERY  
Name of witness (printed)

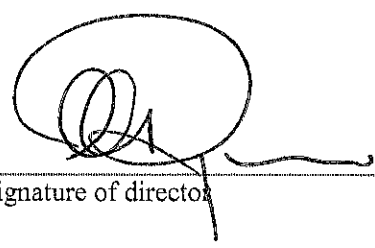
**EXECUTED** by  
**RESOURCE EQUIPMENT LTD ACN**  
**098 812 492**

in accordance with section 127 of the  
*Corporations Act 2001* (Cth)

  
\_\_\_\_\_  
Signature of director/secretary

ANDREW ATKEN

\_\_\_\_\_  
Name of director/secretary

  
\_\_\_\_\_  
Signature of director

ANTHONY C RYSER

\_\_\_\_\_  
Name of director

## Annexure A – Unaudited Accounts

Draft and Unaudited

**CAMPBELL MINING SERVICES PTY LTD**  
**ABN: 14 100 097 112**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
Revenue	30,655,293	34,667,603
Other income	784,048	447,839
Raw materials and consumables used	(12,079,176)	(12,137,944)
Employee benefits expense	(9,549,627)	(11,607,284)
Freight and cartage	(393,318)	(567,010)
Depreciation and amortisation expense	(1,719,849)	(1,588,379)
Finance costs	(211,949)	(272,062)
Other expenses	(2,027,227)	(2,058,029)
<b>Profit before income tax</b>	<b>5,458,195</b>	<b>6,884,734</b>
Tax (expense)/income	(1,658,400)	(2,020,552)
<b>Profit for the year</b>	<b>3,799,795</b>	<b>4,864,182</b>

Draft and Unaudited

**CAMPBELL MINING SERVICES PTY LTD**  
**ABN: 14 100 097 112**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014**

	2014 \$	2013 \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	935,143	1,274,331
Trade and other receivables	5,486,908	9,054,429
Work in progress	268,784	-
Other current assets	135,140	130,500
<b>TOTAL CURRENT ASSETS</b>	<b>6,825,975</b>	<b>10,459,260</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	11,639,161	11,014,975
Deferred tax assets	288,281	347,438
Intangible assets	3,533,146	3,533,145
Other non-current assets	65,788	6,373
<b>TOTAL NON-CURRENT ASSETS</b>	<b>15,526,376</b>	<b>14,901,931</b>
<b>TOTAL ASSETS</b>	<b>22,352,351</b>	<b>25,361,191</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	3,610,446	2,626,462
Borrowings	2,057,631	1,980,116
Current tax liabilities	118,656	706,837
Provisions	118,297	90,246
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,905,030</b>	<b>5,403,661</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	1,849,061	1,627,547
Provisions	194,565	168,439
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,043,626</b>	<b>1,795,986</b>
<b>TOTAL LIABILITIES</b>	<b>7,948,656</b>	<b>7,199,647</b>
<b>NET ASSETS</b>	<b>14,403,695</b>	<b>18,161,544</b>
<b>EQUITY</b>		
Issued capital	3,500,000	3,500,000
Retained earnings	10,903,695	14,661,544
<b>TOTAL EQUITY</b>	<b>14,403,695</b>	<b>18,161,544</b>

## Annexure B – Management Accounts

## Profit & Loss Statement

July 2013 through June 2014

4-0000	Income	
4-1000	Contract Revenue	\$18,743,365.37
4-1010	Contract Revenue - Labour Hire	\$4,505,375.75
4-1020	Contract Revenue - Del/Freight	\$3,488.75
4-1100	Hire Equipment-CMS	\$4,825,836.30
4-1150	Hire Equip-CMS Deliver/Freight	\$109,817.79
4-1200	Hire Equipment-X hired	\$911,838.21
4-1250	Hire Equip-XHirDeliver/Freight	\$20,080.00
4-3000	Commercial Construction	\$1,290,035.88
4-3200	Construction-Hire Equip-Xhired	\$245,454.54
4-4000	Other Income- Work in Progress	\$268,784.00
4-4500	Rebates & other credits	\$4,449.27
4-4510	Rebates (non-GST)	\$45,706.78
4-6000	Late Fees Collected	\$0.01
4-9500	Profit/Loss on Sale of Asset	\$15,440.66
4-9501	Interest Received	\$4,392.14
4-9502	Interest Received - Transpac	\$469,512.12
	Total Income	<u>\$31,463,577.57</u>
5-0000	Cost of Sales	
5-0500	Yatala Branch	
5-0505	Yatala-Cleaning/rubbish	\$36.36
5-0510	Yatala-Delivery & freight	\$3,857.29
5-0515	Yatala-Hire/rent of P&E	\$1,719.09
5-0520	Yatala-Materials	\$2,872.46
5-0525	Yatala-Subcontractors	\$15,006.00
5-0530	Yatala-Advertising & Promotion	\$3,360.00
5-0540	Yatala-Consumables	\$23.27
5-0545	Yatala-Depreciation-Plant	\$107.00
5-0546	Yatala-Depreciation-Pooling	\$260.00
5-0550	Yatala-Legal fees	\$11,040.34
5-0555	Yatala-Postage	\$127.82
5-0560	Yatala-Printing & Stationery	\$1,028.45
5-0565	Yatala-Protective Clothing	\$49.27
5-0570	Yatala-Repairs & Maintenance	\$4,669.89
5-0580	Yatala-Tele/data communication	\$1,306.51
5-0585	Yatala-M/V Fuel & oil	\$32.96
5-0590	Yatala-Staff Amenities	\$254.45
5-0595	Yatala-Rent	\$19,074.99
	Total Yatala Branch	<u>\$64,826.15</u>
5-1000	Direct Job Costs	
5-1010	Cleaning/rubbish removal	\$4,528.11
5-1012	Consulting fees	\$3,500.00
5-1020	Delivery & freight charge	\$387,444.27
5-1030	Gas	\$4,907.54
5-1040	Hire/rent of P&E	\$1,348,457.65
5-1045	Hire equipment - maintenances	\$394,412.26
5-1050	Materials	\$7,741,573.86
5-1051	StockLoss/MaterialsAdjustments	\$349,523.81
5-1055	Printing & Stationery supplies	\$132.97
5-1058	Repairs	\$177,881.39
5-1060	Subcontractors	\$860,872.08
5-1065	Training/Inductions	\$31,813.04
5-1068	Construction-Fuel and Oil	\$1,148.93
5-1069	Construction-Cleaning/Rubbish	\$4,254.53
5-1070	Construction-Delivery/Freight	\$1,590.91
5-1071	Construction-Hire/rent of P&E	\$293,043.14
5-1072	Construction-Materials	\$85,601.80
5-1074	Construction-Repairs	\$707.88
5-1075	Construction-Subcontractors	\$414,564.99
5-1076	Construction-Superannuation	\$3,832.34
5-1077	Construction-Wages/Labour	\$41,430.50
5-1078	Construction-Tele/data comms	\$15,828.64
5-1080	Construction-Travel Expenses	\$3,070.69
5-1081	Construction-HireEquipMainten	\$203.18
5-1088	Superannuation	\$709,933.78
5-1089	Wages/Labour	\$8,132,233.77
	Total Direct Job Costs	<u>\$21,012,492.06</u>
5-1090	Wages - LAFHA	<u>\$2,590.00</u>



## Profit & Loss Statement

July 2013 through June 2014

5-1100	Wages - Employee deductions	-\$38,148.31
5-1107	Wages-Redirected to Cap Assets	-\$130,333.65
5-1110	Wages - Taxable Allowances	\$17,400.00
5-1115	Other Amounts Withheld/Sal.Sac	-\$41,512.60
5-1116	Other Amounts Withheld/Lux.Lim	-\$1,349.40
5-1140	Fuel and Oil	\$4,853.14
5-1180	Tools and Miscellaneous	\$318.45
5-1190	Plans	\$25,499.72
5-1230	Travelling Expenses	\$203,532.16
5-1250	Office Supplies	\$45.35
5-1270	First Aid Supplies	\$643.26
5-1280	Fire Extinguishers/Safety Equi	\$1,038.75
5-1290	Protective Clothing/Supplies	\$986.99
	Total Cost of Sales	<u>\$21,122,882.07</u>
	Gross Profit	<u>\$10,340,695.50</u>
6-0000	Expenses	
6-1000	General & Administrative Exp	
6-1005	Accounting Fees	\$21,120.00
6-1010	Advertising & Promotion	\$250,592.06
6-1011	Amortisation (s 40-880)	\$15,858.64
6-1012	Amortisation (Borrow costs)	\$2,748.74
6-1013	Audit Fees	\$65,920.00
6-1014	Audit Costs - Related Costs	\$6,215.44
6-1015	Audit Costs-Other Professional	\$32,650.00
6-1019	Bad Debts	\$40,796.35
6-1020	Bank Charges	\$4,009.04
6-1025	Bank - guarantee fees	\$14,234.48
6-1033	Cleaning	\$10,404.28
6-1035	Computer Expenses	\$16,990.63
6-1037	Consumables (PSLA 03/08)	\$43,144.09
6-1040	Depreciation - Plant	\$1,331,819.00
6-1045	Depreciation - pooling	\$21,510.00
6-1050	Donations & gifts to suppliers	\$1,678.06
6-1055	Entertainment-FBT/GST apply	\$6,405.28
6-1056	Entertainment-FBT,no GST apply	\$70.09
6-1057	Entertainment-no FBT, no GST	\$9,175.51
6-1058	ASIC - filing fees	\$274.00
6-1059	ASIC - registered agent fees	\$1,151.00
6-1060	Fees & charges	\$1,963.60
6-1061	Fees - admin contractors	\$35,328.76
6-1062	Fees - retainers	\$8,000.00
6-1063	Fees - outside scope	\$2,090.00
6-1065	Fines & penalties	\$3,885.00
6-1068	Freight & Cartage	\$425.73
6-1070	Fuel & oil	\$6,743.56
6-1080	Insurance	
6-1085	Insurance	\$109,349.96
6-1090	Insurance - buy sell L/TPD	\$9,961.14
6-1095	Insurance - key person L/TPD/T	\$8,081.86
6-1100	Insurance - loan prot L/TPD	\$8,918.63
6-1105	Insurance - income prot	\$2,635.45
	Total Insurance	<u>\$138,947.04</u>
6-1110	Interest	\$117,664.61
6-1111	Interest - GIC (ATO)	\$5,702.89
6-1115	Legal fees	\$32,097.70
6-1125	Postage	\$2,876.61
6-1130	Printing & Stationery	\$24,411.35
6-1135	Protective Clothing	\$11,664.72
6-1140	Repairs & Maintenance	\$33,362.93
6-1155	Subscriptions	\$1,952.26
6-1160	Tele/data communications	\$84,576.90
6-1162	Travel,accom&conf-FBT/GSTapply	\$2,147.44
6-1163	Travel,accom&conf-FBT/no GST	\$22,165.41
6-1164	Travel,accom&conf-noFBT/no GST	\$841.73
6-1165	Travel, accom & conference	\$273,214.58
6-1167	Travel,expense(from emp gross)	\$43,100.13
	Total General & Administrative Exp	<u>\$2,749,929.64</u>

## Profit & Loss Statement

July 2013 through June 2014

6-2000	Motor Vehicles	
6-2020	M/V Depreciation	\$202,769.59
6-2030	M/V Fuel & oil	\$121,786.53
6-2050	M/V Regn/Insurance	\$70,007.28
6-2060	M/V Repairs	\$236,222.98
6-2070	M/V Other	\$3,811.15
	Total Motor Vehicles	<u>\$634,597.53</u>
6-2100	Leases	
6-2125	Lease novated - Clynton Timms	\$13,778.38
6-2410	Toyota Hilux SR5 056-RIV	\$5,722.00
6-2420	Toyota Hilux SR 055RIV	\$4,824.27
6-2435	2010 TOYOTA HILUX 605RJQ	\$4,200.45
6-2440	2010 TOYOTA W/MATE 765RJQ	\$8,595.37
6-2445	2010 TOYOTA HILUX 730RJQ	\$4,824.25
6-2450	Toyota LC 644RKE	\$9,768.08
6-2455	Toyota Hilux 4x2 797MCV	\$2,840.81
6-2460	Toyota LC 645RKE	\$9,768.08
6-2465	Toyota Hilux 4x2 798MCV	\$4,706.32
6-2470	2011 TOYOTA HILUX 758RQC	\$9,614.20
6-2475	Toyota Landcruiser 449RQX	\$3,667.17
6-2480	Toyota Hilux SR 906RRM	\$12,209.64
6-2485	Toyota Prado 875RRM	\$13,922.41
6-2490	Toyota Prado 876RRM	\$15,188.08
6-2495	2011 ToyotaLC W/Mate 711RSK	\$12,154.37
6-2500	Toyota SR Hilux DC 504RUE	\$12,080.75
6-2505	Toyota SR Hilux DC 503RUE	\$12,080.68
6-2510	Toyota Workmate LC 572RUE	\$14,513.91
6-2515	2011 ToyotaLC W/mate203RWJ	\$15,092.66
6-2525	2010 Toyota LC Prado 572RYD	\$15,104.88
6-2530	2011 ToyotaLC W/mate283RZC	\$14,117.94
6-2535	2011 ToyotaLC W/mate284RZC	\$14,117.89
6-2540	2010 Toyota Sahara 261RZC	\$20,391.83
6-2545	2012 ToyotaLC W/mate157SXH	\$14,199.72
6-2550	2012 ToyotaLC W/mate006SGO	\$14,565.48
6-2555	2012 TOY SAHARA 923SGN	\$25,626.97
6-2560	2012 ToyotaLC W/mate184SJC	\$14,331.89
6-2565	2012 ToyotaLC W/mate289SJC	\$14,166.68
6-2570	2012 ToyotaHiluxD/cab005SGO	\$11,351.80
6-2575	2012 ToyotaHiluxD/cab004SGO	\$10,416.35
6-2580	2012 Toyota LC Prado 890SKU	\$16,856.40
6-2585	2012 Toyota Hilux 926SKU	\$8,921.21
6-2590	2012 Toyota Hilux 402SMN	\$8,921.24
6-2595	2012 Toyota Hilux SR5 460SWR	\$12,953.44
6-2600	2012 ToyotaLC W/mate382SWR	\$13,932.91
6-2605	2012 Toyota LC Prado 141SYY	\$14,109.02
6-2610	2013 Toy Kluger Grande 265TCA	\$14,012.05
6-2615	2013 Toyota RAV4 474TKJ	\$7,661.95
6-2620	2013 Toyota LC70 244TLX	\$9,175.60
6-2625	2013 Toyota LC70 325TLX	\$9,204.23
6-2630	2013 Toyota LC Prado 124TOJ	\$8,374.55
6-2635	2013 TOY LC 339TLX	\$8,053.71
6-2640	2013 Toyota Hilux 153TOJ	\$3,605.40
6-2645	2013 Toyota Hilux 154TOJ	\$3,407.31
6-2650	2013 RAV4 852TPO	\$4,089.96
6-2655	2014 TOY HILUX SR5 851TPO	\$5,175.59
6-2660	2014 TOY LC SAHARA 635TQY	\$9,729.24
	Total Leases	<u>\$516,127.12</u>
6-5100	Employment Expenses	
6-5110	Staff Amenities	\$14,729.38
6-5120	Payroll Tax	\$426,838.18
6-5130	Long Service Leave Levy	\$34,594.77
6-5140	Workers' Compensation	\$50,715.58
6-5145	Fringe Benefits Tax Expense	\$85,801.80
6-5160	Staff Training / medicals	\$37,426.18
6-5170	Uniforms	\$16,317.53
6-5175	Staff Expense Payments-FBT/GST	\$7,337.91
6-5182	Staff-Xmas-EmployeeNoFBT/NoGST	\$7,174.17
	Total Employment Expenses	<u>\$680,935.50</u>
6-6000	Occupancy Costs	

## Profit & Loss Statement

July 2013 through June 2014

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6-6010	Rent	\$238,045.52	
6-6020	Property Insurance	\$3,472.59	
6-6040	Body Corporate	\$7,076.36	
6-6060	Rates	\$12,997.07	
6-6070	Water Rates	\$2,513.21	
6-6090	Electricity	\$15,698.14	
	Total Occupancy Costs	<u>\$279,802.89</u>	
6-7000	Other Expense Items		
6-7010	Non Taxable BAS-cents rounding	-\$1.06	
6-7030	No tax invoice - Credit Cards	\$23,049.60	
	Total Expenses		<u>\$4,884,441.22</u>
	Operating Profit		<u>\$5,456,254.28</u>
8-0000	Other Income		
9-0000	Other Expenses		
9-2000	Income Tax Expense	\$1,537,232.70	
	Total Other Expenses		<u>\$1,537,232.70</u>
	Net Profit / (Loss)		<u>\$3,919,021.58</u>

# CAMPBELL MINING SERVICES PTY LTD

## Balance Sheet

As of June 2014

### 1-0000 Assets

#### 1-1000 Current Assets

1-1110	NAB account	\$931,621.54
1-1115	NAB cash maximiser account	\$3,021.59
1-1140	Petty Cash	\$500.00
1-1200	Trade Debtors	\$5,486,908.14
1-1201	Knight Debtor	\$3,840,320.95
1-1202	Less Excluded Div 5/12/13	-\$3,840,320.95
1-1300	Deposits Paid	\$8,672.73
1-1405	Prepaid Insurance (14)	\$101,053.51
1-1700	Other Prepayments	\$25,413.45
1-1810	Work In Progress	\$268,784.00
Total Current Assets		\$6,825,974.96

#### 1-5000 Non-Current Assets

##### 1-5050 Fixed Assets

1-5060	Plant - held resale/future use	\$700,725.45
1-5100	Plant - general / other	\$1,028,033.66
1-5111	Plant - PU001	\$177,401.00
1-5112	Plant - PU002	\$179,708.08
1-5113	Plant - PU003	\$48,937.60
1-5114	Plant - PU004	\$167,657.00
1-5115	Plant - PU005	\$29,268.36
1-5116	Plant - PU006	\$296,287.58
1-5117	Plant - PU007	\$181,272.00
1-5119	Plant - PU009	\$53,124.00
1-5120	Plant - PU010	\$145,207.30
1-5121	Plant - PU011	\$54,562.00
1-5122	Plant - PU012	\$50,423.55
1-5123	Plant - PU013	\$11,500.00
1-5124	Plant - PU014	\$96,635.76
1-5125	Plant - PU015	\$9,822.00
1-5126	Plant - PU016	\$48,085.00
1-5127	Plant - PU017	\$142,943.00
1-5128	Plant - PU018	\$78,980.30
1-5129	Plant - PU019	\$58,065.00
1-5130	Plant - PU020	\$14,600.00
1-5131	Plant - PU021	\$14,600.00
1-5132	Plant - PU022	\$142,111.91
1-5133	Plant - PU023	\$435,813.42
1-5134	Plant - PU024	\$25,200.00
1-5135	Plant - PU025	\$32,400.00
1-5136	Plant - PU026	\$33,541.14
1-5137	Plant - PU027	\$80,843.38
1-5138	Plant - PU028	\$224,582.42
1-5139	Plant - PU029	\$43,494.36
1-5142	Plant - PU032	\$258,244.12
1-5144	Plant - PU034	\$147,087.46
1-5145	Plant - PU035	\$97,008.19
1-5147	Plant - PU037	\$14,114.00
1-5148	Plant - PU038	\$147,073.00
1-5151	Plant - PU041	\$169,190.72
1-5152	Plant - PU042	\$132,674.64
1-5153	Plant - PU043	\$210,198.78
1-5154	Plant - PU044	\$52,775.49
1-5155	Plant - PU045	\$121,058.96
1-5156	Plant - PU046	\$30,000.00
1-5157	Plant - PU047	\$16,303.68
1-5158	Plant - PU048	\$217,048.12
1-5159	Plant - PU049	\$125,429.60
1-5160	Plant - PU050	\$94,487.00
1-5161	Plant - PU051	\$47,692.68
1-5163	Plant - PU053	\$261,578.33
1-5164	Plant - PU054	\$24,574.06
1-5167	Plant - PU057	\$156,779.35
1-5169	Plant - PU059	\$124,118.05
1-5170	Plant - PU060	\$189,432.35

# CAMPBELL MINING SERVICES PTY LTD

## Balance Sheet

As of June 2014

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1-5171	Plant - PU061	\$75,680.98
1-5173	Plant - PU063	\$117,691.41
1-5175	Plant - PU065	\$61,993.19
1-5176	Plant - PU066	\$909.09
1-5177	Plant - PU067	\$157,181.28
1-5178	Plant - PU068	\$121,910.36
1-5179	Plant - PU069	\$163,502.34
1-5181	Plant - PU071	\$152,212.75
1-5182	Plant - PU072	\$57,610.83
1-5183	Plant - PU073	\$56,164.52
1-5184	Plant - PU074	\$50,000.16
1-5185	Plant - PU075	\$152,256.47
1-5186	Plant - PU076	\$27,871.60
1-5188	Plant - PU078	\$57,016.66
1-5190	Plant - PU080	\$189,803.95
1-5191	Plant - PU081	\$88,016.19
1-5192	Plant - PU082	\$50,969.31
1-5193	Plant - PU083	\$7,491.36
1-5195	Plant - PU085	\$39,950.32
1-5196	Plant - PU086	\$385,000.00
1-5197	Plant - PU087	\$144,417.90
1-5199	Plant - PU089	\$18,181.82
1-5200	Plant - PU090	\$10,888.50
1-5201	Plant - PU091	\$121,289.13
1-5202	Plant - PU092	\$111,397.49
1-5203	Plant - PU093	\$26,852.88
1-5204	Plant - PU094	\$20,855.42
1-5205	Plant - PU095	\$38,695.35
1-5206	Plant - PU096	\$39,765.66
1-5207	Plant - PU097	\$39,765.66
1-5210	Plant - PU100	\$43,755.67
1-5215	Plant - PU105	\$49,615.35
1-5220	Plant - PU110	\$51,765.67
1-5221	Plant - PU111	\$51,765.67
1-5230	Plant - PU120	\$55,345.67
1-5235	Plant - PU125	\$46,872.73
1-5236	Plant - PU126	\$46,757.72
1-5237	Plant - PU127	\$46,757.73
1-5238	Plant - PU128	\$46,757.73
1-5351	Plant - FC001	\$7,680.00
1-5354	Plant - FC004	\$12,606.27
1-5355	Plant - FC005	\$8,203.78
1-5356	Plant - FC006	\$14,330.41
1-5357	Plant - FC007	\$8,203.77
1-5358	Plant - FC008	\$18,800.00
1-5359	Plant - FC009	\$22,101.60
1-5361	Plant - FC011	\$13,592.83
1-5362	Plant - FC012	\$21,340.00
1-5401	Plant - G001	\$15,166.00
1-5402	Plant - G002	\$15,416.00
1-5403	Plant - G003	\$17,055.09
1-5404	Plant - G004	\$21,494.55
1-5406	Plant - G006	\$17,055.09
1-5408	Plant - G008	\$27,091.00
1-5409	Plant - G009	\$21,400.00
1-5410	Plant - G010	\$8,260.18
1-5411	Plant - G011	\$11,495.00
1-5412	Plant - G012	\$38,898.00
1-5413	Plant - G013	\$42,200.00
1-5414	Plant - G014	\$857.73
1-5417	Plant - G017	\$37,480.00
1-5418	Plant - G018	\$6,067.00
1-5419	Plant - G019	\$6,067.00
1-5420	Plant - G020	\$24,951.37
1-5421	Plant - G021	\$5,909.09
1-5422	Plant - G022	\$8,500.00

# CAMPBELL MINING SERVICES PTY LTD

## Balance Sheet

As of June 2014

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1-5423	Plant - G023	\$21,785.51
1-5424	Plant - G024	\$21,785.51
1-5425	Plant - G025	\$21,400.00
1-5451	Plant - PW250-1	\$14,917.95
1-5461	Plant - PW315-1	\$17,047.88
1-5462	Plant - PW355-2	\$22,626.68
1-5463	Plant - PW355-3	\$13,636.36
1-5465	Plant - PW355-5	\$17,626.42
1-5466	Plant - PW355-6	\$13,865.28
1-5467	Plant - PW355-7	\$25,445.88
1-5468	Plant - PW355-8	\$13,634.13
1-5481	Plant - PW450-1	\$13,683.98
1-5482	Plant - PW450-2	\$4,981.42
1-5483	Plant - PW450-3	\$8,397.67
1-5484	Plant - PW450-4	\$8,397.67
1-5491	Plant - PW630-1	\$38,080.00
1-5492	Plant - PW630-2	\$12,848.32
1-5503	Plant - TR003	\$19,032.22
1-5504	Plant - TR004	\$4,390.44
1-5505	Plant - TR005	\$14,632.73
1-5510	Plant - TR010	\$2,000.00
1-5551	Plant - LT001	\$45,500.00
1-5552	Plant - LT002	\$45,500.00
1-5553	Plant - LT003	\$49,064.00
1-5554	Plant - LT004	\$45,500.00
1-5555	Plant - LT005	\$45,500.00
1-5556	Plant - LT006	\$45,500.00
1-5558	Plant - LT008	\$33,700.00
1-5559	Plant - LT009	\$33,700.00
1-5560	Plant - LT010	\$33,700.00
1-5561	Plant - LT011	\$29,500.00
1-5566	Plant - LT016	\$33,800.00
1-5601	Plant - EXC001	\$71,400.00
1-5602	Plant - EXC002	\$90,205.01
1-5603	Plant - EXC003	\$342,000.11
1-5604	Plant - EXC004	\$529,476.56
1-5652	Plant - P002	\$69,322.00
1-5653	Plant - P003	\$111,492.10
1-5654	Plant - P004	\$67,121.82
1-5655	Plant - P005	\$138,858.18
1-5656	Plant - P006	\$67,121.82
1-5657	Plant - P007	\$67,121.82
1-5658	Plant - P008	\$67,121.82
1-5659	Plant - P009	\$30,618.18
1-5660	Plant - P010	\$81,983.45
1-5661	Plant - P011	\$78,123.64
1-5662	Plant - P012	\$87,134.82
1-5663	Plant - P013	\$79,585.45
1-5664	Plant - P014	\$2,700.00
1-5665	Plant - P015	\$78,123.64
1-5666	Plant - P016	\$106,513.64
1-5667	Plant - P017	\$76,876.36
1-5699	Less: accumulated depreciation	-\$4,031,912.85
1-5700	MV's - owned	\$379,119.79
1-5702	MV's - sponsored van	\$60,974.90
1-5705	MV's - depreciation cost limit	\$19,309.82
1-5706	MV's - leased (additions to)	\$413,900.03
1-5707	M/V Merc Vito Van (Sponsor)	\$2,718.18
1-5710	Less: accumulated depreciation	-\$272,125.91
1-5800	Office premises - improvements	\$32,308.95
1-5810	Office equipment	\$97,148.65
1-5820	Less: accumulated depreciation	-\$79,794.00
1-5950	Low value pool assets (LVP)	\$137,780.75
1-5951	Less-scraped LVP assets	-\$390.00
1-5952	Addback-accum on scrapped LVP	\$317.00
1-5953	Non-deduc.loss on LVP assets	\$73.00

# CAMPBELL MINING SERVICES PTY LTD

## Balance Sheet

As of June 2014

1-5960	Less: pooling depreciation	-\$86,523.00	
	Total Fixed Assets		\$10,406,637.91
1-6000	Borrowing Costs		
1-6520	B/C (NAB) MillmaxProjCode 3562	\$11.82	
1-6570	B/C (NAB) Cat C27 Engine 3569	\$31.38	
1-6580	B/C (NAB) HH160i Pumpend 3570	\$64.93	
1-6590	B/C (NAB) HH160iPumpendx2-3571	\$64.93	
1-6600	B/C (NAB) XH100 Pumpendx2-3572	\$64.93	
1-6610	B/C (NAB) Pontoonx4/Engx2-3573	\$84.08	
1-6620	B/C (NAB) HH160 Pump&C9x2-3574	\$90.38	
1-6630	B/C (NAB) Pioneer Pump-3575	\$93.61	
1-6640	B/C (NAB) Hitachi Excavat-3576	\$227.05	
1-6650	B/C (NAB) FBP400 Pumpset-3577	\$236.06	
1-6660	B/C (NAB) Hitachi Excavat-3578	\$194.79	
1-6680	B/C (NAB) Multiflow Pumps-3579	\$434.66	
1-6690	B/C (Macq Ins. Funding-2014)	\$51.77	
	Total Borrowing Costs		\$1,650.39
	Total Non-Current Assets		\$10,408,288.30
1-7000	Other Assets		
1-7006	Black hole- BSA application		\$405.98
1-7007	Black hole- Business rego		\$261.60
1-7008	Black hole- Capital Accounting		\$33,229.16
1-7009	Black hole- Capital Legal		\$27,707.83
1-8000	Goodwill		
1-8100	Goodwill - at cost	\$3,528,000.00	
1-8110	Goodwill - cost base legal fee	\$5,145.50	
	Total Goodwill		\$3,533,145.50
	Total Assets		\$20,829,013.33
2-0000	Liabilities		
2-1000	Current Liabilities		
2-1100	Credit Cards		
2-1110	NAB Business Mastercard	\$17,226.95	
2-1120	NAB Gold Visa - D Campbell	\$5,966.51	
2-1130	NAB Gold Visa - A Campbell	\$16,995.94	
2-1140	NAB Qantas Gold Card - R Hayes	\$8,044.58	
	Total Credit Cards		\$48,233.98
2-1200	Trade Creditors		\$857,052.42
2-1205	Accrued expenses		\$51,928.00
2-1211	Macquarie insurance funding		\$111,247.45
2-1260	Dividend Payable		\$1,016,125.00
2-1300	GST Liabilities		
2-1335	GST Adjustments	\$3,953.98	
2-1341	GST Net liability on BAS	\$498,707.00	
2-1349	GST to claim over term	-\$195.36	
	Total GST Liabilities		\$502,465.62
2-1380	Integrated account liabilities		
2-1385	Integ Client Ac(Bal=\$99029.25)	\$3,465.95	
2-1386	FBT Refund (2014 FBT Yr)	-\$65,757.20	
2-1387	BAS Overpaid (Sep 13)	-\$10.00	
2-1388	BAS Overpaid (Mar 14)	-\$9,000.00	
2-1389	ATO to Transfer Back 18/9/14	-\$27,728.00	
	Total Integrated account liabilities		-\$99,029.25
	Total Current Liabilities		\$2,488,023.22
2-1400	Payroll Liabilities		
2-1420	PAYG Withholding Payable	\$49,470.00	
2-1430	Payroll Tax Accrual	\$40,876.63	
2-1440	Superannuation Accrual	\$205,856.18	
2-1441	Superannuation-Salary Sacrific	\$325.00	
2-1446	LSL Levy Accrual	\$5,870.72	
2-1500	Provision for Taxation		
2-1527	Company tax- Amendment 11	\$6,504.60	
2-1528	Company tax- Amendment 12 (1)	\$24,510.00	
2-1529	Company tax- Amendment 12 (2)	\$15,120.00	
2-1530	Company tax- Amendment 13	\$10,080.90	
2-1532	Company tax- 2014	-\$6,671.30	



# CAMPBELL MINING SERVICES PTY LTD

## Balance Sheet

As of June 2014

2-1540	Company tax- Fringe benefits	-\$21,681.00	
	Total Provision for Taxation		\$27,863.20
	Total Payroll Liabilities		\$330,261.73
2-2000	Long Term Liabilities		
2-2100	Loan CFT (CMS) Pty Ltd		\$1,300,000.00
2-3000	Equipment Loans		
2-3500	3562 - NAB Millmax Proj Code	\$1,797.49	
2-3542	3567 - DaveSmith 766RTU ToyL/C	\$64,516.81	
2-3544	3569 - NAB Cat C27 Engine	\$4,987.97	
2-3545	3570 - NAB HH160i Pumpend	\$8,580.12	
2-3546	3571 - NAB HH160i Pumpend x 2	\$16,960.20	
2-3547	3572 - NAB XH100 Pumpend x 2	\$20,712.76	
2-3548	3573 - NAB C7&C9 Eng/4 Pontoon	\$34,524.65	
2-3549	3574 - NAB HH160x2 /C9 Eng x 2	\$34,368.38	
2-3550	3575 - NAB Pioneer Pump PP1818	\$15,815.34	
2-3560	3576 - NAB Hitachi Excavator	\$202,456.04	
2-3570	3577 - NAB FBP400 Pumpset	\$256,362.31	
2-3580	3578 - NAB Hitachi Excavator	\$272,995.69	
2-3590	3579 - NAB Multiflo Pumps x 4	\$193,784.00	
2-3600	3580 - NAB PP44S8/PP66S12Pumps	\$97,141.77	
2-3610	3581 - NAB Pioneer Pumps x 6	\$310,380.40	
	Total Equipment Loans		\$1,535,383.93
2-4000	Admin & Office Equipment Loans		
2-4010	Telstra-Iphone 5-0488 132 694	\$236.88	
2-4020	Telstra-Iphone 4S-0448 350 311	\$318.51	
2-4030	Telstra-Iphone 4S-0488 725 266	\$318.51	
2-4040	Telstra-Iphone 5S-0435 946 033	\$869.82	
2-4050	Telstra-Iphone 5S-0459 125 751	\$899.82	
2-4060	Telstra-Iphone 5S-0427 706 563	\$920.08	
	Total Long Term Liabilities		\$2,838,947.55
	Total Liabilities		\$5,657,232.50
	Net Assets		\$15,171,780.83
3-0000	Equity		
3-1000	Owner's/Shareholder's Equity		
3-1211	Dividend declared- 5Dec13 [1]	-\$3,840,320.95	
3-1212	Dividend declared- 5Dec13 [2]	-\$316,125.00	
3-1213	Dividend declared- 31Dec13	-\$3,500,000.00	
	Total Owner's/Shareholder's Equity		-\$7,656,445.95
3-2000	Issued & Paid up Capital		\$3,500,000.00
3-8000	Retained Earnings		\$15,409,205.20
3-9000	Current Year Earnings		\$3,919,021.58
	Total Equity		\$15,171,780.83



## Annexure C – Disclosure Statement

The Directors  
Resource Equipment Ltd  
C/- Dibbs Barker  
Level 8  
Angel Place  
123 Pitt Street  
Sydney NSW 2001

Dear Sirs

**Share Sale Deed – in relation to the sale of shares in Campbell Mining Services Pty Ltd and RAMPS Australia Pty Ltd**

**1. Introduction**

This is the Disclosure Statement referred to in the Share Sale Deed (**Deed**) to be entered into between the parties identified as the Vendors set out in Part A of the Schedule to this Disclosure Statement, the parties identified as the Guarantors set out in Part B of the Schedule to this Disclosure Statement and Resource Equipment Limited (**Purchaser**).

**2. Interpretation**

For the purposes of this Disclosure Statement and all Annexures:

- (a) **Disclosure Material** has the same meaning given in the Deed;
- (b) words and expression defined in the Deed have the same meanings in this letter, unless the context otherwise requires;
- (c) the Deed, and all documents and matters referred to in the Deed, are referred to in this letter as the **Transaction**;
- (d) if there is any inconsistency between the contents of this letter and the contents of the Disclosure Material, the contents of this letter prevail.

**3. Disclosure Material**

**3.1 No limitations or restriction on Disclosure Material**

The specific disclosures made below are not intended to and do not in any way limit or summarise the contents of the Disclosure Material. The contents of this letter are not intended to and do not in any way limit or restrict the generality of any or all of the Disclosure Material.

**3.2 Specific disclosures about the Deed**

The attached Annexure A sets out specific disclosures against the Warranties in Schedule 2 of the Deed. The paragraph numbering in Annexure A follows that numbering in Schedule 2 of the Deed.

Signed by  
Ashsky Pty Ltd ACN 128 345 406

Director

Full name of Director

Sole Director/Secretary  
*Frederick Andrew Hayes*  
Full name of Director/Secretary  
Sole

Signed by  
CFT (CMS) Pty Ltd as trustee for the Campbell  
Family Trust

Director

Full name of Director

Sole Director/Secretary  
*David James Campbell*  
Full name of Director/Secretary  
Sole


Signed by  
Walter Eugene Naymola in the presence of

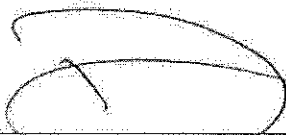
Signature of Witness

*Don S. Shaver*  
Full name of Witness

*Walter E. Naymola*  
Signature of Walter Eugene Naymola

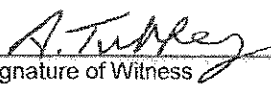
Signed by  
David James Campbell in the presence of

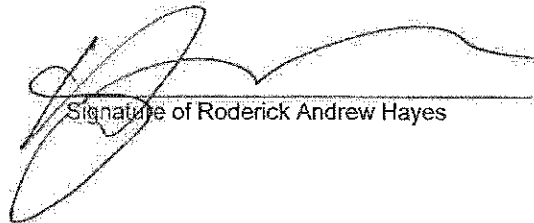
  
Signature of Witness

  
Signature of David James Campbell

ANDREW JAMES TUFFERY  
Full name of Witness

Signed by  
Roderick Andrew Hayes in the presence of

  
Signature of Witness

  
Signature of Roderick Andrew Hayes

ANDREW JAMES TUFFERY  
Full name of Witness

# Schedule

## Vendors and Guarantors

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Part A: Vendors	Part B: Guarantor
Ashsky Pty Ltd ACN 128 345 406	Roderick Andrew Naves
CFT (CMS) Pty Ltd ACN 129 758 863	David James Campbell
Walter Eugene Naymola	

## Annexure A

### Specific disclosures

Warranties – Schedule 2		
No	Warranty	Disclosure
1.3(b)	RAMPS has no assets, other than the 1,785,000 Company Shares.	Ramps owns pumping accessories which are recorded on its books for approximately \$6,000.
1.12	Except pursuant to the Existing Facilities, no Transaction Entity has any Indebtedness.	<p>The Company owes a loan to CFT (CMS) Pty Ltd as trustee for the Campbell Family Trust in the amount of \$500,000 as at 18/9/14.</p> <p>The following amounts are also owing to shareholders of the Company and RAMPS in respect of the following dividends, declared on the following dates:</p> <ul style="list-style-type: none"> <li>• \$700,000 in respect of a dividend declared on 31 December 2013; and</li> <li>• \$316,125 in respect of a dividend declared on 5 December 2013.</li> </ul>
1.13	<p>(a) The Related Party Agreements are the only agreements, arrangements or understandings between a Transaction Entity and a Related Party.</p> <p>(b) All Related Party Agreements are on arm's length terms.</p>	<p>Daniel Campbell of Campbell Accounting (David Campbell's brother) acts as external accountant for the Company. This is a services based arrangement, for which there is no written contract.</p> <p>David Hayes (Rod Hayes' brother) is a partner in the firm WMS Accountants which acts as external accountant for the Company and RAMPS and prepares accounts for audit purposes. This is a services based arrangement, for which there is no written contract.</p> <p>Corporate Assurance Specialist does the Company's audit. WMS once had an interest in Corporate Assurance Specialist, however that is no longer the case and CAS act independently.</p> <p>"Table Talk" (Rod Hayes' wife) has done some marketing work for the Company in the past as</p>

Warranties – Schedule 2		
No	Warranty	Disclosure
		<p>required. There is no written agreement, in respect of this engagement, and the last transaction was undertaken on 13/6/14.</p> <p>Angela Campbell and Billy Campbell are Related Parties of David Campbell and are employees of the business.</p> <p>Michael Mifsud is a beneficiary of the Ashshty trust, and is employed by CMS in a senior management position on arms length terms.</p>
3.3	Each Transaction Entity has filed all documents required to be filed with any Government Authority in accordance with all applicable laws.	Historically, audited accounts may not have been lodged with ASIC on time – this applies to the financial years ending 30 June 2009, 30 June 2010 and 30 June 2011. Audited Accounts have subsequently been lodged and accepted by ASIC for financial years ending 30 June 2011 (closing balances), 30 June 2012 and 30 June 2013.
5.3	Except as disclosed in the Disclosure Materials, there have not been any claims in the last 3 years made by any Group Company under any insurance policy held by them, including Claims made but not admitted by the insurers.	See Annexure B
8.5	There has not been any material breach of, or material default under, a Property Lease, agreement or covenant in relation to the Properties. The transactions contemplated by this document will not trigger any such breach or default, result in any breach or default under any Property Lease, or any agreement or covenant in relation to the Properties.	The Company has not built a wash bay as required by the lease for the premises occupied by the Company at 16 Central Park Drive, Paget, Mackay.
8.9	There are no pre-emptive rights in relation to the Properties and the transactions contemplated by this document will not result in any third party having a right to acquire the Properties or exercise any right concerning them.	Roderick Andrew Hayes and David James Campbell hold an option to acquire the property leased by the Company and located at 32 Computer Rd, Yatala. The option expires on 30 November 2014.
8.10	All buildings and other improvements on the Properties are: (a) fit for the purpose for which they are used by the Group as at the	A Certificate of Classification has not yet been issued in respect of the premises occupied by the Company at 32 Computer Rd, Yatala and 16 Central Park Drive,

Warranties – Schedule 2		
No	Warranty	Disclosure
	<p>date of this document;</p> <p>(b) in good condition and state of repair having regard to their age.</p>	<p>Paget, Mackay.</p>
15.1	<p>Except as disclosed in the Disclosure Materials, no Group Company is at the date of this document a party to, and has not been a party in the 5 year period before Completion to, any prosecution, litigation, investigation, arbitration, mediation or similar dispute resolution proceedings and no such proceedings are pending or have been threatened in writing or verbally in respect of any Group Company.</p>	<p>The carried out mining camp site management and provided maintenance/management services and on-site services and supplies for Transpac Capital Pty Limited ACN 076 836 470, Remote Site Accommodation (Bluff) Pty Limited ACN 114 646 052 RSA (Moorvale Station) Pty Limited ACN 127 377 851. Invoices were rendered to these companies, which were not paid within the Company's usual terms of trade, resulting in threats of recovery action being made by the Company. All relevant amounts have since been paid.</p>



## Annexure B

### Claims history

#### Motor Vehicles

26/10/09	836KRV hit skippy & lost	\$13,786.37
10/01/10	943LHE reversed into a pole	\$2,961.00
24/03/10	335LXO crossed flooded crossing	\$30,080.00
28/05/10	335MXR windscreen	\$442.00
9/08/10	837KRV windscreen	\$343.00
20/12/10	351LXO windscreen	\$378.00
26/11/10	829LKI water damaged	\$25,128.00
15/12/10	943LHE hail damaged	\$3,370.00
15/12/10	943LHE damage	\$115.00
10/03/11	943LHE damaged TP	\$2,979.00
13/06/11	765RJQ windscreen	\$465.00
27/08/11	644RKE hit TP	\$17,658.00
15/11/11	888RDA hit TP	\$3,217.00
22/01/12	284RZC hit TP	\$0.00
22/02/12	906RRM DWP	\$435.00
2/10/12	318SDB Hire Vehicle	\$3,192.67
2/04/13	460SWR hit animal	\$7,286.00
3/12/13	923SGN Hit TP In Rear	\$1,216.00
3/09/13	576LDW Hit TP Vehicle	\$5,432.11
11/03/14	325TLXHit Kangaroo	\$1,732.45
1/04/14	576LDW Hit TP in Rear	\$1,485.00

7/05/14	318SDB Hire Vehicle	\$1,248.48	
22/08/14	605RJQ Lost Control	\$4,259.00	Still Outstanding
18/06/14	CMS1 Hit TP in Rear		Still Outstanding
		<u>\$127,209.08</u>	

## Business Pack

28/03/10	Break & Enter - Theft	\$826.59	
9/05/10	Break & Enter - Theft	\$4,867.38	
18/06/10	Break & Enter - Theft	\$3,220.45	
14/10/10	Break & Enter - Theft	\$3,054.41	
		<u>\$11,968.83</u>	

## ISP

1/06/12	Pump submerged	<u>\$97,917.00</u>	
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## Annexure D – Due diligence index

Document name	
1.	1.1-A, B Group Structure Diagram
2.	1.4 Minutes and Share Certificates – RAMPS
3.	1.4 Minutes and Share Certificates – RAMPS - Signed
4.	1.4-A Shareholders Agreement (signed on 31 March 2014)
5.	1.4-A Shareholders Agreement –Signed
6.	1.4-B, C CMS D Minutes
7.	1.4-B, C CMS M Minutes
8.	1.4 Company Details Report – RAMPS
9.	1.4-D CMS Register of Members
10.	2.1 HQ-MW-10060 Labour Hire Leightons
11.	2.1 HQ-MW-10060 Labour Hire Variation Leightons
12.	2.1 Polishing Dam Rio Tinto Alcan Agreement
13.	2.2 Pioneer Supply Agreement – NPS 2 <sup>nd</sup> DFT
14.	2.5 Glencore Collinsville Pump Crew Tender
15.	2.5 Glencore Pump Crew Services Pro Forma Contract
16.	2.5 Glencore Pump Crew Services Scope of Works REVB
17.	2.9 Service Agreement Registration
18.	3.1 Elev8 Agreement
19.	5.1-a Charge #20111290107062-Details of Charge
20.	5.1-a Charge #20111290107062
21.	5.1-a Charge #201201250113520
22.	5.1-a #201201250113520 – Details of Charge
23.	5.1-A NAB – Last amendments to Financing Agreement
24.	5.1-A NAB – Original Financing Agreement
25.	5.1-B Toyota Financing Agreement
26.	5.1-B Toyota Financing Terms and Conditions

Document name	
27.	5.1-C PPSR Summary 05-02-14
28.	6.1 CMS Audited Financials 2012
29.	6.1 CMS Audited Financials 2013
30.	6.1-A 30 June 2011 –prior to financial roll over (Letters subfolder which contains 13 items)
31.	6.1-A 30 June 2011 –prior to financial roll over (Payment Summaries which contains 218 subfolder)
32.	6.1-A 30 June 2012 –prior to 2012 financial year roll over (Letters subfolder which contains 13 items)
33.	6.1-A 30 June 2012 –prior to 2012 financial year roll over (Payment Summaries subfolder which contains 405 items)
34.	6.1-A 30 June 2012 –prior to 2012 financial year roll over (Spreadsheet subfolder which contains 298 items)
35.	6.1-A 30 June 2013 –prior to 2013 financial year roll over (Letters subfolder which contains 13 items)
36.	6.1-A 30 June 2013 –prior to 2013 financial year roll over (Payment Summaries subfolder which contains 586 items)
37.	6.1-A 30 June 2013 –prior to 2013 financial year roll over (Spreadsheet subfolder which contains 299 items)
38.	6.1-A 30 June 2014 Accounts Completion (Letters subfolder which contains 13 items)
39.	6.1-A 30 June 2014 Accounts Completion (Payment Summaries which contains 723 items)
40.	6.1-A 30 June 2014 Accounts Completion (Spreadsheet Summaries which contains 299 items)
41.	6.1-B -Account 1-1110
42.	6.1-B Account 1-1115
43.	6.1-B Account 1-1140
44.	6.1-B Account 1-1200
45.	6.1-B Account 1-1201
46.	6.1-B Account 1-1202
47.	6.1-B Account 1-1300
48.	6.1-B Account 1-1405
49.	6.1-B Account 1-1700
50.	6.1-B Account 1-1810

Document name	
51.	6.1-B Account 1-5705
52.	6.1-B Account 1-6520
53.	6.1-B Account 1-6570
54.	6.1-B Account 1-6580
55.	6.1-B Account 1-6590
56.	6.1-B Account 1-6600
57.	6.1-B Account 1-6610
58.	6.1-B Account 1-6620
59.	6.1-B Account 1-6630
60.	6.1-B Account 1-6640
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## Annexure E – Responses to requests for information



	Requests for Further Information	Response
1	<p>Thank you for your responses at item 1.4(a).</p> <p>We note that the copy of the Combined Shareholders Agreement for Campbell Mining Services Pty Ltd and RAMPS Australia Pty Ltd (<b>Ramps</b>) you have provided to us has not been signed by the parties. Would you please confirm whether or not this document was signed and if so, please provide us with a copy of same.</p>	<p>We can confirm this document has been signed and has been uploaded today to the Dropbox Dataroom</p>
2	<p>Thank you for your responses at item 1.4(b).</p> <p>We note that the copies of the minute books of shareholders' meetings for Ramps you have provided to us have not been signed. Would you please confirm whether or not these documents were signed and if so, please provide us with copies of same.</p>	<p>We can confirm the documents have been signed, a signed copy has been uploaded today to the Dropbox Dataroom.</p>
3	<p>Thank you for your responses at item 1.4(c).</p> <p>We note that the copies of the minutes of directors' meetings for Ramps you have provided to us have not been signed. Would you please confirm whether or not these documents were signed, and if so, please provide us with copies of same.</p>	<p>We can confirm the documents have been signed, a signed copy has been uploaded today to the Dropbox Dataroom.</p>
4	<p>Thank you for your responses at item 1.4(d).</p> <p>Would you please confirm whether or not Ramps maintains a transfer and allotment journal. If so, would you please provide us with a copy of this document.</p> <p>In addition, we note that the copies of the share certificates for Ramps you have provided to us have not been signed. Would you please confirm whether or not these documents were signed and if so, please provide us with copies of same.</p>	<p>We confirm that no manual register is maintained. Prior to Walter Naymola's purchase there were no other share transfers with respect to Ramps shares. All movements are recorded in electronic software. A copy of the ASIC data report has been uploaded to the Dropbox Dataroom which is a current and accurate summary.</p> <p>We can confirm the documents have been signed, a signed copy has been uploaded today to the Dropbox Dataroom.</p>

	Requests for Further Information	Response
5	<p>Thank you for your responses at item 8.</p> <p>While we think it is already covered, for clarification purposes, would you please us with confirmation that:</p> <ul style="list-style-type: none"> <li>(a) any person that drives a vehicle (including a forklift) holds the appropriate license(s); and</li> <li>(b) any person that performs any electrical work is suitably qualified.</li> </ul>	<p>We confirm that for item 8 (a) that any person that drives a vehicle (including a forklift) holds the appropriate license.</p> <p>We confirm that for item 8 (b) that any person that performs any electrical work is suitably qualified.</p>
6	<p>Thank you for your responses at item 9.</p> <p>Would you please confirm the following:</p> <ul style="list-style-type: none"> <li>(a) Whether the employees listed in the Current Employee List are employed pursuant to a standard form employment agreement (<b>Pro-forma Agreement</b>).</li> <li>(b) If your answer to paragraph (a) is yes, please provide us with a copy of the Pro-forma Agreement and indicate (preferably by way of a percentage figure) the amount of employees listed in the Current Employee List that are employed pursuant to an employment agreement in the form of the Pro-forma Agreement.</li> <li>(c) If your answer to paragraph (a) is no, please provide us with copies of the employee contracts for the five (5) highest paid employees listed in the Current Employee List.</li> </ul>	<p>Mine operators are employed with a standard employment agreement, a sample of which was provided for matter 9.1 (h)</p> <p>As above see supporting information for matter 9.1 (h), this agreement covers about 11% of the employees listed in the Current Employee List.</p>
7	<p>Please provide us with copies of the employment contracts for Rod Hayes and David Campbell. We will need these in order to prepare new employment contracts for Rod and David as part of the transaction.</p>	<p>Rod Hayes and David Campbell do not have employment contracts</p>
8	<p>We thank you for your response at 5.1(a).</p> <p>The PPS registrations of Campbell Mining Services Pty Ltd include a migrated Fixed Charge (registration number 201112290107062) and migrated Fixed and Floating Charge (registration number 201201250113520) given by CMS in favour of National Australia Bank Limited. Would you please provide us with copies of these charges.</p>	<p>Copies of both charges have been added to Dropbox Dataroom (this has been superseded by the fourth round of RFI's)</p>

	Requests for Further Information	Response
9	<p>We thank you for your response at 5.1(b).</p> <p>We note that the Toyota Fleet Financing Agreement does not annex the “Master Fleet Facility Agreement – Terms and Conditions FLT040 (04/2008). Would you please provide us with a copy of same.</p>	Copy of Terms and Conditions have been added to Dropbox Dataroom
10	<p>We thank you for your responses at 7.1.</p> <p>We note that the lease in respect of premises located at 14 Central Park Drive, Paget QLD 4740 does not annex the “Terms and Conditions” referred to in the document. Would you please provide us with a copy of same.</p>	We were unable to see within the lease a reference to Terms and Conditions, having discussed the matter with the Landlord all they are in possession of is the 3 page lease document already provided. I would make note that we will be vacating this location effective 30/09/2014.
11	<p>Thank you for your responses at item 1.4(d).</p> <p>Would you please confirm whether or not CMS maintains a transfer and allotment journal. If so, would you please provide us with a copy of this document.</p>	There is no transfer and allotment journal maintained for CMS. The members register has been updated from time to time but the Transfer/Allotment Journal has not (apart from the very first share issue in 2002).
12	Would you please confirm that CMS, RAMPS Australia Pty Ltd or Campbell Mining Constructions Pty Ltd is not a party to the share sale agreement between CTF (CMS) Pty Ltd and Walter Eugene Naymola in relation to the sale of 548,333 fully paid shares in the capital of CMS.	CMS and RAMPS Australia Pty Ltd were parties to the share sale agreement between CTF (CMS) Pty Ltd and Walter Eugene Naymola in relation to the sale of 548,333 fully paid shares in the capital of CMS. Campbell Mining Constructions Pty Ltd was not a party to that agreement.
13	<p>Thank you for providing us with copies of the PPS registrations of the migrated Fixed Charge (registration number 201112290107062) and migrated Fixed and Floating Charge (registration number 201201250113520) given by CMS in favour of National Australia Bank Limited.</p> <p>Would you please provide us with copies of the actual documents giving rise to the charges.</p>	<p>I'm unsure of what documentation you require, as the charge is initiated by the NAB we are not in possession of any documents. Would an example be an invoice or contact? Could you please provide more information on what you require and examples. I have contacted our Relationship Manager from the NAB to see what they can provide however I'm still awaiting a response.</p> <p><b>Update – I've received the relevant document</b></p>

	Requests for Further Information	Response
		<p>associated with Registration number 201112290107062 which I've uploaded to the Dropbox Dataroom. The document associated with registration number 201201250113520 is held within NAB archives and a request has been lodged but unable to provide ETA.</p> <p>Update 2 – I have now received the document associated with registration number 201201250113520 which I've uploaded to the Dropbox Dataroom.</p>
14	<p>Thank you for your responses regarding items 9.1(h).</p> <p>While we think it is already covered, for clarification purposes, would you please provide us with confirmation that, apart from the mine operators who are employed with the standard employment agreement (a sample of which was provided at item 9.1(h)), there are no written contracts of employment in place for any other employees.</p>	<p>We confirm that there are no written contracts of employment in place for any other employees apart from the mine operators.</p>
15	<p>Thank you for your responses regarding item 7.3(b).</p> <p>In the context of the lease for the workshop at 32 Computer Road, Yatala would you please confirm whether CMS has obtained a certificate of classification for the building constructed on the land as per clause 25.1.</p>	<p>We confirm that at this stage no certificate of classification has been obtained, we are currently in the process of obtaining and expect this to be received by 31/10/2014.</p>
16	<p>Thank you for your responses regarding item 7.3(b).</p> <p>In the context of the leases provided to us, would you please confirm whether a condition report was provided to CMS at the time the relevant lease was entered into. If so, would you please provide us with copies of same.</p>	<p>We confirm that no condition report was provided to CMS, Rod Hayes did a visual walk around and was satisfied with the condition of the premises.</p>
17	<p>We refer to RAMPS' PPS registrations and note that it has a registration against itself for a specific motor vehicle (registration number 201307230017283). Please provide further clarification.</p>	<p>RAMPS's took a charge over a vehicle for which it had loaned to a person, the charge was in place until the vehicle loan amount had been repaid in full. This has now occurred and the charge will need to be</p>

	Requests for Further Information	Response
		removed. <b>Update – Discharge of registration has been processed, confirmation has been added to Dropbox Dataroom.</b>
18	In respect of the lease for 16 Central Park Drive, Paget would you please confirm whether CMS has complied with clause 20 and if so, please provide evidence of same.	No CMS has not complied with clause 20 and have no intention of complying.
19	Would you please confirm whether there has been any warranty or indemnity claims made under the share sale agreement between CFT (CMS) Pty Ltd and Walter Eugene Naymola.	We can confirm there has been no warranty or indemnity claims made under the share sale agreement between CFT (CMS) Pty Ltd and Walter Eugene Naymola
20	<p>Would you please confirm that Ashky Pty Ltd holds the shares in Campbell Mining Services Pty Ltd (<b>CMS</b>) as trustee for the following trusts:</p> <ul style="list-style-type: none"> <li>the Ninga Whanau Trust settled on 6 November 2007 by Benjamin Dean;</li> <li>the Kriscott Investment Trust settled on 6 November 2007 by Benjamin Dean;</li> <li>the Hayco Investment Trust settled on 6 November 2007 by Benjamin Dean;</li> <li>the Mifsud Investment Trust settled on 6 November 2007 by Benjamin Dean;</li> <li>the Axle Trust settled on 6 November 2007 by Benjamin Dean; and</li> </ul> <p>the TOPT Trust settled on 6 November 2007 by Benjamin Dean.</p>	Ashky Pty Ltd holds shares in Ramps Australia Pty Ltd, not CMS. We confirm that Ashky Pty Ltd holds its shares in Ramps Australia Pty Ltd in its capacity as trustee for the named trusts.
21	In respect of the leases of 16 Central Park Drive, Paget and 14 Central Park Drive, Paget, would you please confirm whether the option to renew has been exercised by CMS?	In respect of 16 Central Park Drive, Paget no option to renew has been exercised at this stage. In respect of 14 Central Park Drive, Paget as responded to in RFI 2 <sup>nd</sup> round we will be vacating the block of land by 30 September 2014 hence we did not renew the option for the term of 1 year.
22	Would you please provide us with a copy of the share sale agreement between Campbell Mining Services Pty Ltd ( <b>CMS</b> ), RAMPS Australia Pty Ltd, CTF (CMS) Pty Ltd and Walter Eugene Naymola in relation to	There was no separate share sale agreement in relation to the sale of 548,333 fully paid shares in the

	Requests for Further Information	Response
	the sale of 548,333 fully paid shares in the capital of CMS.	capital of CMS, the supporting documentation for 1.4-a Shareholders Agreement – Signed which has already been provided is the sole share sale agreement in existence.
23	Email from Nick Haslam to Andrew Tuffery and David Campbell sent at 11:43am on 19 September 2014 including all annexures or attachments thereto	<p>Email from Daniel Campbell to Nick Haslam, Jon Griffiths and Carolyn Sutton, copies to Rod Hayes, David Campbell, Don Shaver, David Hayes and Andrew Tuffery sent at 4:15pm on 19 September 2014 including all annexures and attachments thereto.</p> <p>Email from Daniel Campbell to Nick Haslam, Jon Griffiths and Carolyn Sutton, copies to Rod Hayes, David Campbell, Don Shaver, David Hayes and Andrew Tuffery sent at 5:07pm on 19 September 2014 including all annexures and attachments thereto.</p> <p>Email from Daniel Campbell to Andrew Aitken, copies to Karen Babineaux, Rod Hayes, David Campbell, Don Shaver and David Hayes sent at 1:24pm on 11 August 2014 includes all annexures and attachments thereto.</p> <p>Email chain ending in email from Andrew Tuffery to Nick Haslam and Campbellaccount@obrien.com.au , copied to Jon Griffiths, Carolyn Sutton, Daniel Hong, Kate Thompson and Alex Gould sent at 5:48pm on 22 September 2014 includes all annexures and attachments thereto.</p> <p>Email chain ending in email from Andrew Tuffery to Daniel Campnell, Nick Haslam, Jon Griffiths and Carolyn Sutton, copied to Rod Hayes, Dave</p>

	Requests for Further Information	Response
		<p>Campbell, Don Shaver and David Hayes sent at 12:00pm on 21 September 2014 includes all annexures and attachments thereto.</p> <p>Email from Andrew Tuffery to Nick Haslam and Campbellaccount@obrien.com.au , copied to Jon Griffiths, Carolyn Sutton, Daniel Hong, Kate Thompson and Alex Gould sent at 5:36pm on 22 September 2014 includes all annexures and attachments thereto.</p>
24	Email from Andrew Simpson to Tim Hands sent on 8:47am on 22 September 2014 including any annexures or attachments	<p>Email chain ending in email from Daniel Campbell to Tim Hands and Andrew Simpson sent at 2:33pm on 22 September 2014 includes all annexures and attachments thereto.</p> <p>Email chain ending in email from Daniel Campbell to Tim Hands sent at 6:07pm on 22 September 2014 including all annexures and attachments thereto.</p>

## **Annexure F – Form of Restriction Agreement**





## Voluntary Escrow Deed

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Resource Equipment Limited  
ACN 098 812 492

The Holder set out in Schedule 1

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**THIS DEED** is made on

**BETWEEN      RESOURCE EQUIPMENT LIMITED**

ACN 098 812 492

of 276 Treasure Road, Welshpool, Western Australia, 6106

(**Company**)

**AND              THE HOLDER SET OUT IN SCHEDULE 1**

(**Holder**)

## **RECITALS**

- A.      The Company, the Holder and other parties have entered into the Share Sale Deed.
- B.      The Holder has agreed that it will not deal with the Restricted Securities except as set out in this Deed.

## **OPERATIVE PROVISIONS**

### **1.      DEFINITIONS & INTERPRETATION**

#### **1.1      Definitions**

In this Deed:

**Business Day** means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where an act is to be performed or a payment is to be made.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Escrow Period** means the period set out in Item 1 of Schedule 1.

**Restricted Securities** means the securities set out in Item 2 of Schedule 1 and any securities attaching to or arising out of those securities.

**Security Interest** means an interest or power:

- (a)      reserved in or over an interest in any securities including, but not limited to, any retention of title;
- (b)      created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power, and
- (c)      any agreement to grant or create any interest or power referred to in paragraphs (a) or (b) of this definition.

**Share Sale Deed** means the share sale deed dated [\*] 2014 between the Company, Ashsky Pty Ltd, CFT (CMS) Pty Ltd, Walter Eugene Naymola, David James Campbell, Roderick Andrew Hayes and David Gregory Hayes.

#### **1.2      Interpretation**

**Headings** are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise:

- (a)      the **singular** includes the plural and vice versa;
- (b)      where a **word** or **phrase** is defined, its other grammatical forms have a corresponding meaning;

- (c) a reference to a **party** to this Deed includes the party's successors and permitted assigns;
- (d) a reference to a **person** includes a firm, a body corporate, an unincorporated association or an authority and vice versa;
- (e) a reference to this Deed or another **document** includes any variation, novation, replacement or supplement to any of them from time to time;
- (f) a reference to a **part, clause, annexure, exhibit, appendix or schedule** is a reference to a part of, clause of, an annexure, exhibit, appendix or schedule to this Deed and a reference to this Deed includes any annexure, exhibit, appendix and schedule;
- (g) a reference to a **right or obligation** of two or more persons confers that right, or imposes that obligation, as the case may be, jointly and severally;
- (h) a reference to any **legislation** or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and any regulations and statutory instruments issued under it;
- (i) a reference to **conduct** includes any omission, representation, statement or undertaking, whether or not in writing;
- (j) specifying anything in this Deed after the words **including, includes or for example** or similar expressions does not limit what else might be included unless there is express wording to the contrary;
- (k) no **rule of construction** applies to the disadvantage of a party because that party was responsible for the preparation of this document;
- (l) a reference to **any thing** (including any amount) is a reference to the whole or each part of it and a reference to a group of persons is a reference to any one or more of them.

## 2. ESCROW RESTRICTIONS

### 2.1 Restrictions

During the Escrow Period, the Holder must not do any of the following without the prior written consent of the Company:

- (a) sell, assign, transfer or otherwise dispose of, or agree or offer to sell, assign, transfer or otherwise dispose of, the Restricted Securities or any legal, beneficial or economic interest in the Restricted Securities;
- (b) create, or agree to create, any Security Interest in the Restricted Securities or any legal, beneficial or economic interest in the Restricted Securities; or
- (c) do, or omit to do, any act or omission if the act or omission would have the effect of transferring effective ownership or control of the Restricted Securities or any legal, beneficial or economic interest in the Restricted Securities.

### 2.2 Voting

During the Escrow Period, the Holder may exercise in its discretion all voting rights attached to the Restricted Securities.

### **3. TAKEOVER BID**

#### **3.1 Holder may accept offer**

If a takeover bid (as defined in the Corporations Act) is made for ordinary shares in the capital of the Company then, subject to clause 3.2, the restrictions in clause 2.1 do not apply in relation to the offer made under the takeover bid, and the Holder may sell Restricted Securities into the offer.

#### **3.2 Unsuccessful bid**

If the offer under a takeover bid referred to in clause 3.1 does not become unconditional, then the restrictions in clause 2.1 continue to apply to the Restricted Securities.

### **4. SCHEME OF ARRANGEMENT**

#### **4.1 Successful scheme**

Subject to clause 4.2, the restrictions in clause 2.1 do not apply in relation to the Holder approving or agreeing to the transfer, and/or cancellation of, the Restricted Securities as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act (**Scheme**) and subsequently effecting such transfer and/or cancellation of the Restricted Securities pursuant to the Scheme being implemented.

#### **4.2 Unsuccessful scheme**

If following the approval of a Scheme by the requisite majority at a meeting of members of the Company, the Scheme does not take effect, then the restrictions in clause 2.1 continue to apply to the Restricted Securities.

### **5. WARRANTIES**

The Holder warrants to the Company that:

- (a) if the Holder is a body corporate, the Holder is duly incorporated and in good standing;
- (b) the Restricted Securities are as set out in Item 2 of Schedule 1; and
- (c) there are no Security Interests in the Restricted Securities.

### **6. CONSEQUENCES OF BREACHING THIS DEED**

#### **6.1 Potential breach**

If it appears to the Company that the Holder may breach this Deed, the Company may take any steps it considers necessary to prevent the breach, or to enforce the Deed.

#### **6.2 Breach**

In addition to any other rights and remedies of the Company, if the Holder breaches this Deed, each of the following applies:

- (a) the Company may take any steps it considers necessary to enforce the Deed, or to rectify the breach;

- (b) the Company may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Restricted Securities; and
- (c) the Holder of the Restricted Securities ceases to be entitled to any dividends, distributions or voting rights in respect of the Restricted Securities while the breach continues.

*[The following clause 7 to be included in respect of each agreement with a Holder acting as trustee of a trust]*

## **7. TRUSTEE PROVISIONS**

### **7.1 Definitions**

In this clause 7:

- (a) Trust means the [\*] Trust established by the Trust Deed; and
- (b) Trust Deed means the trust deed dated [\*] between the Holder and [\*].

### **7.2 Capacity**

The Holder enters into this Deed personally and in its capacity as trustee of the Trust.

### **7.3 Successor trustees**

The Holder must cause any successor of the Holder and any person who becomes a trustee of the Trust jointly with the Holder to execute all documents required by the Company to ensure that this Deed is binding on them.

### **7.4 Trustee warranties**

The Holder warrants that:

- (a) it is the sole trustee of the Trust and no action has been taken to remove or replace it;
- (b) it has power under the Trust Deed to execute and perform its obligations under this Deed;
- (c) all necessary action has been taken to authorise the execution and performance of this Deed under the Trust Deed and the constitution of the Holder;
- (d) this Deed is executed and all transactions relating to this Deed are or will be entered into as part of the due and proper administration of the Trust and are or will be for the benefit of the beneficiaries;
- (e) it is not in default under the Trust Deed;
- (f) no vesting date for the Trust fund has been determined;
- (g) it has complied with all fiduciary obligations directly or indirectly imposed on it;
- (h) it has a right to be indemnified out of the assets of the Trust in respect of all of its obligations and liabilities incurred by it under this Deed; and

- (i) each of the warranties contained in this clause 7.4 will remain true as long as this Deed remains in force.

## **7.5 Trustee undertakings**

Except with the prior written consent of the Company, the Holder must:

- (a) ensure that the Trust Deed is not varied, terminated or revoked;
- (b) not retire as trustee of the Trust or appoint any new or additional trustee;
- (c) not default in its duties as trustee of the Trust;
- (d) not exercise any power to appoint new beneficiaries or class of beneficiaries;
- (e) not vest or distribute or advance any capital of the Trust to any beneficiary; and
- (f) not do anything which effects or facilitates the resettlement of the Trust funds.

## **8. COSTS AND STAMP DUTY**

### **8.1 Costs**

Each party is responsible for its own costs in relation to the preparation and execution of this Deed.

### **8.2 Stamp duty**

The Holder is liable for all stamp duty payable in relation to this Deed, the sale, purchase, assignment or transfer of property under this Deed and any document or transaction contemplated by this Deed. The Holder must indemnify and keep indemnified the Company against liability for stamp duty.

## **9. NOTICES**

- (a) Any notice to be given to one party by another party under this Deed:
  - (i) must be in legible writing and in English addressed as follows:
    - (A) if to the Company:
 

Address:	276 Treasure Road, Welshpool, Western Australia, Australia 6106
Attention:	Andrew Aitken
Facsimile:	+61 8 9258 9804
Email:	aaiken@rel.com.au;
    - (B) if to the Holder, at the details set out in Item 3 of Schedule 1:
  - (ii) must be delivered to the recipient in person or courier hand delivery, by prepaid ordinary post, by facsimile or by email; and
  - (iii) must be signed by a duly authorised representative.

- (b) A notice is regarded as being given by the sender and received by the recipient:
  - (i) if by delivery in person, when delivered to the recipient;
  - (ii) if by post, three Business Days from and including the date of postage;
  - (iii) if by facsimile transmission, whether or not legibly received, when the machine from which the facsimile is sent generates a transmission report confirming that all pages of the notice have been sent to the recipient's facsimile number;
  - (iv) if by email, immediately unless the sender receives an automated reply that the email was not delivered by reason of the address being invalid or otherwise.
- (c) A notice may be relied upon by the recipient and the recipient is not liable to the other party for any consequences of that reliance if the recipient reasonably believes the notice to be genuine, correct and authorised by the sender.
- (d) If a notice is received by facsimile on a day which is not a Business Day or after 5.00 pm on a Business Day, that notice is regarded as received at 9.00 am on the following Business Day.

## **10. GENERAL**

### **10.1 Assignment**

A party must not assign, novate or otherwise transfer any of its rights or obligations under this Deed without each other party's prior written consent, which consent may be granted or withheld by the other parties in their absolute discretion.

### **10.2 Governing law**

This Deed is governed by the laws of New South Wales and the parties submit to the non-exclusive jurisdiction of the courts of that State.

### **10.3 Severance**

Any provision of this Deed which is prohibited or unenforceable in any jurisdiction will be ineffective in that jurisdiction to the extent of the prohibition or unenforceability. This will not invalidate the remaining provisions of this Deed nor affect the validity or enforceability of the provision in any other jurisdiction.

### **10.4 Waiver**

- (a) Waiver of a breach or of any right of election arising from a breach of this Deed must be in writing and signed by the party granting the waiver.
- (b) A breach or any right of election arising from a breach of this Deed is not waived by any failure to or delay in the exercise, or partial exercise, of that right of election or any other right.

### **10.5 Variation**

Any variation of this Deed must be in writing and signed by the parties.



**10.6 Further action**

Each party must take all steps, execute all documents and do everything reasonably required by any other party to give effect to the transactions contemplated by this Deed.

**10.7 Entire agreement**

This Deed contains the entire agreement of the parties with respect to its subject matter. It sets out the only conduct relied on by the parties and supersedes all earlier conduct by the parties with respect to its subject matter.

**10.8 Counterparts**

This Deed may be executed in a number of counterparts which together will constitute the one instrument. A party may execute this Deed by signing any counterpart.

**10.9 No merger**

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this Deed. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing any such transaction.

**Schedule 1****Item 1            Escrow Period**

The period commencing on the date of this Deed and ending on the date of the second anniversary of the date of this Deed.

**Item 2            Restricted Securities**

[\*] fully paid ordinary shares in the capital of the Company issued to the Holder on completion of the Share Sale Deed.

**Item 3            Holder and address for service**

[\*] Pty Ltd ACN [\*] [as trustee for the [\*] Trust]

Address:            [\*]

Attention:          [\*]

Facsimile:        [\*]

Email:             [\*]

**SIGNED** as a **DEED**

**EXECUTED** by  
**RESOURCE EQUIPMENT LIMITED**  
**ACN 098 812 492**  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth)

.....  
Signature of director/secretary

.....  
Signature of director

.....  
Name of director/secretary

.....  
Name of director

*[where Holder is a company]*

**EXECUTED** by  
[\*]  
**ACN [\*]**  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth)

.....  
Signature of director/secretary

.....  
Signature of director

.....  
Name of director/secretary

.....  
Name of director

*[where Holder is an individual]*

**SIGNED SEALED AND DELIVERED**  
by [\*]  
in the presence of

.....  
Witness

.....  
Name (printed)

## **Annexure G – Form of New Employment Agreements**



# Executive Services Agreement

**Resource Equipment Limited (ACN 098 812 492)**

and

**Roderick Andrew Hayes**

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## Parties

- 1 **Resource Equipment Limited (ACN 098 812 492)** of 276 Treasure Road, Welshpool in the State of 276 Treasure Road, Welshpool, Western Australia (**Company**)
  - 2 **Roderick Andrew Hayes** of 87 Berganns Road, Witta QLD 4552 (**Executive**)
- 

## 1 Defined terms, interpretation and Term Sheet

### 1.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

- (a) which is defined in the Dictionary in Schedule 1 (**Dictionary**), has the meaning given to it in the Dictionary;
- (b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act; and
- (c) which is defined in the GST Law, but is not defined in the Dictionary or the Corporations Act, has the meaning given to it in the GST Law.

### 1.2 Interpretation

The interpretation clause in Schedule 1 (**Dictionary**) sets out rules of interpretation for this agreement.

### 1.3 Term Sheet

Key terms applicable to the Executive are set out in the Term Sheet attached as Schedule 2 to this agreement.

---

## 2 Condition and prior service

- (a) The Employment is conditional upon completion of the sale and purchase agreement between the Company and, among others the Executive, dated on or about the same date as this Agreement (Completion). If Completion does not occur, then the Employment will not commence.
  - (b) The Company will recognise all of your continuous service with Campbell Mining Services Pty Limited for the purpose of calculating leave and benefits based on service. All accrued but untaken and pro rata personal/carer's, annual and long service leave with CMS will be recognised by the Company.
- 

## 3 Appointment

- (a) Subject to clause 2(a), the Executive shall be employed in the Position with effect from the Commencement Date on the terms and conditions set out in this agreement.
- (b) The Executive agrees to act as a Director or Officer of the Company or any of its Related Bodies Corporate if so directed by the Company and agrees that the Remuneration is adequate consideration for the Executive so acting. The Executive must immediately resign as a Director or Officer of the Company or any of its Related Bodies Corporate if so directed by the Company.

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INITIAL :

- (c) The Executive warrants that:
    - (i) by entering into this agreement and by performing the Duties, they will not breach any agreement with, or obligation owed to, any third party;
    - (ii) they have disclosed everything to the Company which may be material to the Company's decision enter into this agreement; and
    - (iii) they are capable of performing the Duties required under this agreement.
  - (d) If the Executive's Position, Duties or Remuneration change during the Employment, the terms of this agreement shall continue to apply in all other respects unless expressly varied by the parties in writing.
- 

## 4 Probation

Unless otherwise indicated in Item 3 of the Term Sheet, the first 6 months following the Commencement Date shall be a probationary period (**Probation Period**) and ongoing employment is subject to the Executive successfully completing the Probation Period. Either party may terminate the Employment during the Probation Period by giving the other one month's notice in writing. If either party gives notice, the Company may, in its sole discretion, elect to make a payment of Remuneration in lieu of notice.

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## 5 Executive's duties

### 5.1 Executive's duties

The Executive must:

- (a) **General duties:** perform the Duties and/or such other duties as assigned to the Executive from time to time;
- (b) **Provide information:** provide prompt and full information to the Board or such other person as directed by the Company regarding the conduct of the Company's business;
- (c) **Comply with lawful directions:** comply with all lawful directions given to them from time to time;
- (d) **Comply with applicable laws and regulations:** comply with all applicable laws including, but not limited to the ASX Listing Rules (if applicable) and the Corporations Act;
- (e) **Devote time and attention:** devote the whole of their time, attention and skill during the Company's normal business hours and at other times as is reasonably necessary to the duties of the Executive. By signing this agreement the Executive acknowledges that the hours required are reasonable;
- (f) **Perform duties:** perform the Duties and exercise the powers of the Position faithfully and diligently;
- (g) **Location and travel:** perform the Executive's duties at the Location or as otherwise directed by the Company. The Executive may be required to travel (including interstate and overseas) from time to time on Company business. Any travel will be in accordance with the Company's applicable policy in place from time to time or as determined by the Board; and



- (h) **Promote Company's interests:** act in accordance with and promote the best interests of the Company.

## **5.2 Duty to report**

The Executive must report directly to the position or body specified in Item 6 of the Term Sheet or as otherwise directed from time to time.

## **5.3 Financial benefit**

The Executive must not accept any payment or other material benefit from any person or entity as an inducement or reward for any act or forbearance in connection with any matter or business transacted by or on behalf of the Company or its Related Bodies Corporate. This prohibition will not apply to reasonable entertainment and hospitality given to the Executive in the course of the Employment which is consistent with the performance of the Duties by the Executive.

## **5.4 Other employment and positions**

- (a) During the Employment, the Executive must not engage in any employment other than with the Company or accept any other consulting assignments outside of the Company, whether on a remunerated basis or not, without the express written authority of the Company.
- (b) The Company acknowledges that the Executive holds the positions (if any) specified in Item 7 of the Term Sheet and consents to the Executive continuing to hold each such position subject to the Executive fully complying with, and giving priority to, their obligations under this agreement. The Executive agrees to promptly resign from any such position if so directed by the Company.

## **5.5 Use of Company property**

The Executive must not, at any time during the Employment, either directly or indirectly deal with or misuse any assets belonging or owing to the Company other than as required to properly perform the Duties in accordance with this agreement.

---

# **6 Policies**

The Company may issue policies from time to time in relation to the Employment. These policies do not form part of this agreement or give rise to any contractual rights. The Company may vary or not apply these policies at its discretion. To the extent these policies require the Executive to do any act or thing or refrain from doing any act or thing, these policies constitute directions from the Company to the Executive with which the Executive must comply.

---

# **7 Remuneration and benefits**

## **7.1 Remuneration**

- (a) The fixed remuneration will be stated as a total package (inclusive of base pay, superannuation, cars and any other allowances). The Executive will have the choice of the way the package is paid in individual parts, within the constraints of any relevant legislation.
- (b) The Company shall provide the Executive with the Remuneration less all applicable tax and authorised deductions.

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INITIAL :

- (c) Salary shall be paid in equal fortnightly instalments (less tax) to a bank account nominated by the Executive.
- (d) Superannuation contributions shall be made to a complying superannuation fund nominated by the Executive in accordance with the minimum requirements of the *Superannuation Guarantee Administration Act 1992* (Cth).
- (e) The Company will review the Executive's performance at least once each year of the agreement and may, but is not obliged to, increase the Remuneration in consequence of such review.
- (f) The Executive may elect to sacrifice part of the salary component of the Remuneration to make additional superannuation contributions in accordance with any applicable Company policy.
- (g) The Remuneration is in satisfaction of any allowance or payment to which the Executive may be entitled to under any applicable award or industrial instrument, including, without limitation, any minimum wage, overtime payments, penalty rates, allowances and loadings.

## 7.2 Short Term Incentive

- (a) The Executive shall be eligible to earn a performance related short term incentive calculated with respect to each completed Financial Year (**STI**). The Executive's STI arrangements as at the date of this agreement are set out in Item 9 of the Term Sheet.
- (b) Tax and if applicable, superannuation calculated in accordance with clause 7.1(c) above, shall be deducted from any STI paid to the Executive.
- (c) Cash STI (if any) shall be paid to the Executive following the Board approving the Company's audited accounts.
- (d) STI payments shall not be made where the Employment terminates or where either party has given the other notice to terminate the Employment, prior to the date on which the STI becomes payable as determined by the Board exercising its sole discretion.
- (e) The Company may vary the STI arrangements applicable to the Executive at any time and in any manner by written advice to the Executive.

## 7.3 Long Term Incentive

- (a) Subject to any necessary shareholder approval, the Executive shall be eligible to participate in a long term incentive scheme (**Scheme**) as set out in Item 10 of the Term Sheet. The Scheme will either be the Company's current Performance Rights Plan as amended or a new long term incentive scheme.
- (b) The Executive's participation in the Scheme is subject to terms of the Scheme and any related plan rules.
- (c) The terms of the Scheme and any related plan rules shall not form part of this agreement and may be rescinded, replaced or amended by the Board in any manner and at any time.

## 7.4 Discretionary benefits

During the Employment, the Company may provide the Executive with the Discretionary Benefits, if any, specified in Item 11 of the Term Sheet. These benefits are provided on a

discretionary basis and may be varied or removed from time to time at the sole discretion of the Company. The Discretionary Benefits do not form part of the Remuneration for any purpose.

## **7.5 Expenses**

The Company shall reimburse the Executive for all reasonable business related expenses incurred by them in the proper performance of their Duties, subject to the Executive complying with any applicable Company policies and providing the Company with a valid tax invoice with respect to each such expense.

## **7.6 Insurance**

If the Executive acts as a Director or Officer of the Company or its Related Bodies Corporate, the Company shall maintain a directors and officer's policy of insurance with respect to the Executive so acting with a limit of indemnity to be determined by the Board. Any such policy shall be maintained for the duration of the Employment and any appointment as a Director or Officer of the Company or its Related Bodies Corporate, and for a period of seven years following termination of the Employment, or the Executive's appointment as a Director or Officer of the Company or its Related Bodies Corporate, whichever is the later.

The Company will provide Income Protection Insurance for the Executive to the level stated in the Group Salary Continuance Policy. Insurance required over and above this level will be at the Executive own cost.

---

# **8 Leave**

## **8.1 Leave**

The Executive is entitled to:

- (a) 20 days annual leave;
- (b) 10 day's personal/carer's leave;
- (c) long service leave; and
- (d) other paid and unpaid leave, including public holidays;

in accordance with applicable legislation

## **8.2 Notice requirements**

- (a) The Executive must:
  - (i) notify the Company of any absence due to personal/carer's leave/unpaid carers leave or compassionate leave prior to the start of business hours or as soon as is reasonably practicable thereafter; and
  - (ii) provide a medical certificate from a registered health practitioner with respect to personal/carer's leave taken if so required by the Company.
- (b) The Executive must apply to take annual leave at least 4 weeks before the intended start date and must only take annual leave at a time approved by the Company. The Company may direct the Executive to take annual leave during any annual shut down and otherwise, on 4 weeks' notice.

---

## 9 Intellectual property

### 9.1 Ownership of Intellectual Property Rights

Any Intellectual Property Rights which are developed, conceived, created, discovered, produced or otherwise generated by the Executive:

- (a) in the course of the Employment; or
- (b) during the period in which the Executive is employed by the Company, which relates in any way to the Confidential Information or other information or property of the Company or its Related Bodies Corporate,

either individually or otherwise, shall be the sole and exclusive property of the Company and the Company shall own any right, title and interest to such Intellectual Property Rights.

### 9.2 Assignment of Intellectual Property Rights

The Executive shall assign to the Company at the Company's expense, any right, title and interest in and to any Intellectual Property Rights referred to in clause 9.1 whenever requested to do so by the Company and the Executive shall execute any applications, assignments or other instruments which the Company deems desirable or necessary to protect such interest.

### 9.3 Moral Rights

To the extent permitted by law, the Executive:

- (a) waives any Moral Rights he may have in any intellectual property created under this agreement (the **Material**); and
- (b) consents to the Company, its successors and licensees and any person authorised by it doing all or any acts or omissions (whether occurring before or after this agreement is signed which may infringe his Moral Rights including by:
  - (i) failing to identify him as the author of the Material;
  - (ii) falsely attributing the Material;
  - (iii) subjecting the Material to derogatory treatment; and
  - (iv) any and all acts or omissions in exercising a right comprised in copyright including without limitation the right to reproduce, communicate, publicly exhibit or adapt.

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## 10 Protection of Company's interests

### 10.1 Confidential information

- (a) During and after the Employment, the Executive must:
  - (i) keep any Confidential Information secret and confidential, except to the extent the Executive is required by law to disclose it;
  - (ii) take all reasonable and necessary precautions to maintain the secrecy and prevent the disclosure of any Confidential Information;

- (iii) not use any Confidential Information except as is strictly necessary in the ordinary and proper course of the Employment; and
  - (iv) not disclose Confidential Information to any third party except as is strictly necessary in the ordinary and proper course of the Employment and having first ensured that the third party agrees to keep the Confidential Information confidential in terms reasonably approved by the Board being no less restrictive than those terms set out in this clause.
- (b) The parties acknowledge that a breach of this clause may cause the Company irreparable damage for which monetary damages would not be an adequate remedy. Accordingly, in addition to other remedies that may be available, the Company may seek and obtain an injunctive relief against such a breach or threatened breach of this clause.
  - (c) Nothing in this clause shall prohibit the Executive from seeking legal and accounting advice in relation to this agreement.

## **10.2 Protection of Company interests**

The Executive agrees that during the Employment

and the Restraint Period, they shall not, whether directly or indirectly, on their own account or jointly with or on behalf of any other person or corporation, in any capacity including as principal, partner, agent, officer, consultant, employee, advisor or shareholder (excluding the holding of less than 5% of the stock of a public company) or otherwise on any account or pretence:

- (a) within the Restraint Area carry on, assist or be employed, engaged or concerned in any business which is the same or similar to the Business or which otherwise competes with the business of the Company or its Related Bodies Corporate;
- (b) solicit, employ or engage any director, manager, employee, contractor or consultant of the Company or its Related Bodies Corporate with whom the Executive had dealings in the last 12 months of the Employment;
- (c) entice away, provide services to, accept services from or in any other manner persuade any customer, contractor or supplier to the Company or its Related Bodies Corporate with whom the Executive had contact or influence over in the last 12 months of the Employment, to discontinue his, her or its relationship with the Company or its Related Bodies Corporate or to otherwise reduce the amount of business they do with the Company or its Related Bodies Corporate; and/or
- (d) offer, attempt or prepare to do any of the above.

## **10.3 Further agreement**

The Executive acknowledges and agrees that:

- (a) the Employment gives the Executive unique and substantial access to the Confidential Information;
- (b) in the event the Executive breached this clause 10, including but not limited to the disclosure of the Confidential Information to a competitor of the Company, the Company would be exposed to significant and potentially irreparable damage to its business;
- (c) the undertakings in this clause 10 are reasonable in scope and duration and necessary for the protection of the confidential information, goodwill and legitimate business interests of the Company and its Related Bodies Corporate;

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INITIAL :

- (d) each of the restraint obligations imposed on the Executive by clause 10.2, resulting from the combinations of Restraint Areas and Restraint Periods, is a separate and independent obligation from the other restraint obligations imposed, but they are cumulative in effect. The parties intend this clause 10 to operate to its maximum extent and the Employment is adequate consideration for the restraints;
  - (e) the remedy of damages at law for breach of this clause 10 would be inadequate and that temporary and permanent relief by way of injunction against the Executive may be granted in any proceedings which the Company may bring to enforce any of the provisions of those clauses without necessity of proof of actual damage suffered by the Company or its Related Bodies Corporate; and
  - (f) the Executive will, if required by the Company, provide evidence to the reasonable satisfaction of the Company that the Executive is not in breach of this clause 10.
- 

## **11 Termination**

### **11.1 Termination with notice**

- (a) Either party may terminate the Employment by providing the other written notice equivalent to the Notice Period.
- (b) If notice is given by either party in accordance with clause (a) above, the Company may do one or more of the following with respect to all or part of the notice period:
  - (i) require the Executive to perform their usual or other duties;
  - (ii) direct the Executive to not perform any duties and require that the Executive remain away from the Company's premises. In this instance, the Executive will continue to be an employee of the Company and will continue to be bound by the duty of fidelity and by the terms of this agreement and may not directly or indirectly be employed by any third party or prepare to compete with the Company; and/or
  - (iii) pay the Executive Remuneration in lieu of all or part of the notice period.

### **11.2 Termination without notice**

The Company may terminate the Employment without any period of notice or payment in lieu of notice if the Executive engages in serious misconduct including but not limited to where the Executive:

- (a) commits any serious or persistent breach of this agreement including, without limitation, disobedience, dishonesty, serious or persistent breach of duty or serious or persistent neglect of duty;
- (b) is charged with a criminal offence which in the reasonable opinion of the Board will detrimentally affect the Company;
- (c) is declared bankrupt; or
- (d) materially fails to observe or perform any of the duties or obligations imposed on them under this agreement.

### **11.3 Consequences of termination**

On termination, the Executive must:

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INITIAL :

- (a) pay or repay to the Company all sums which the Executive then owes to the Company whether such sums are then due to be paid or not;
- (b) immediately deliver to the Company all property belonging to the Company or its Related Bodies Corporate which is in the Executive's possession or control including, without limitation, the Confidential Information; and
- (c) at the request of the Company, resign from any office (including that of Director) held by them in the Company or any of its Related Bodies Corporate without claim for compensation. In the event that the Executive fails to do so, the Company is irrevocably authorised to appoint any other director to act on the Executive's behalf to execute all documents and do all things necessary to give effect to this clause.

#### 11.4 Limitation on termination payments

- (a) The Company is not required to:
  - (i) pay or provide; or
  - (ii) procure the payment or provision,
 

of any money or benefits to the Executive which would cause the Company to infringe the ASX Listing Rules, the Corporations Act or any other applicable law (**Applicable Laws**) and any payments or benefits to be provided to the Executive shall be reduced to a level (as determined by the Company) that does not infringe such Applicable Laws.
- (b) If the Company overpays the Executive, the Executive must, on receiving a written demand from the Company, immediately repay any money or benefits specified in such demand.
- (c) The provisions of this clause.11.4 have effect regardless of any other provision of this agreement.

#### 11.5 Suspension

The Company may suspend the Executive while investigating any matter relating to the Employment or which the Board believes could lead to the Company exercising its rights under this clause 11 or taking other disciplinary action against the Executive. During any period of suspension:

- (a) the Company shall continue to pay the Remuneration to the Executive; and
- (b) the Executive shall remain an employee of the Company and bound by the duty of fidelity and by the terms of this agreement.

---

## 12 Privacy

In signing this agreement, the Executive acknowledges and agrees that the Company or its Related Bodies Corporate may, for any purpose relating to the Executive's employment with the Company or for the reasonable business requirements of the Company or its Related Bodies Corporate:

- (a) collect and use the Personal Information; and
- (b) disclose the Personal Information, including to the Australian Taxation Office, superannuation fund trustees and administrators, insurers, medical or occupational

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INITIAL :

practitioners, travel agents, financial and legal advisers, potential purchasers in a sale of business and law enforcement bodies.

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## **13 Monitoring of Information Technology**

### **13.1 Notification of surveillance**

- (a) The Company notifies the Executive that it will carry out ongoing, intermittent surveillance of the use of computer and other electronic and communication systems by the Executive – including emails, internet and files (including files stored on the Executive's work computer).

### **13.2 How surveillance is carried out**

- (a) The surveillance is carried out by all means available to the Company which may include:
  - (i) accessing the Executive's email account or emails;
  - (ii) accessing files of the Executive;
  - (iii) accessing the Executive's work computer; and
  - (iv) accessing records of internet usage by the Executive (including sites and pages visited, files downloaded, video and audio files accessed and data input).
- (b) The Company may also block emails sent to the Executive in accordance with its policy.

### **13.3 Commencement of surveillance**

The Executive agrees that the surveillance will commence on the date of commencement of the Executive's employment under this agreement.

---

## **14 General**

### **14.1 Notices**

A notice or other communication given under this agreement including, but not limited to, a request, demand, consent or approval, to or by a party to this agreement:

- (a) must be in legible writing and in English;
- (b) must be addressed to the addressee at the address or facsimile number set out in Item 15 of the Term Sheet, or to any other address or facsimile number a party notifies to the other under this clause;
- (c) must be signed by an Officer or authorised representative of the Company; and
- (d) is deemed to be received by the addressee:

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INITIAL :



- (i) if by post, three Business Days from and including the date of postage; or
- (ii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report generated by the machine from which the facsimile was sent, but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is deemed to be received at 9.00am on the following Business Day.

#### **14.2 Governing law**

This agreement is governed by the laws of the State and each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the State.

#### **14.3 Severability**

- (a) If a provision of this agreement or a right or remedy of a party under this agreement is invalid or unenforceable in a particular jurisdiction:
  - (i) it is read down or severed in that jurisdiction only to the extent of the invalidity or unenforceability; and
  - (ii) it does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions in any jurisdiction.
- (b) This clause is not limited by any other provision of this agreement in relation to severability, prohibition or enforceability.

#### **14.4 Waiver**

- (a) This agreement may be amended only by a written document signed by the parties.
- (b) A waiver of a provision of this agreement or a right or remedy arising under this agreement, including this clause, must be in writing and signed by the party granting the waiver.
- (c) A single or partial exercise of a right does not preclude a further exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise a right or delay in exercising that right does not prevent its exercise or operate as a waiver.
- (e) A waiver is only effective in the specific instance and for the specific purpose for which it is given.

#### **14.5 Entire agreement**

- (a) This agreement supersedes all previous agreements about its subject matter and embodies the entire agreement between the parties.
- (b) To the extent permitted by law, the parties exclude all implied contractual terms.

#### **14.6 {Note: It is not possible to assign an employment agreement}Survival**

Clauses 9, 10, 11.3, 11.4 and this clause 14.6 survive termination of this agreement and the Employment.

#### **14.7 Counterparts**

This agreement may be signed in any number of counterparts and all those counterparts together make one instrument.

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## Schedule 1

### Dictionary

#### PART 1

In this agreement:

**Act** means the *Fair Work Act 2009* (Cth).

**ASX Listing Rules** means the Australian Securities Exchange Listing Rules.

**Board** means the Board of Directors of the Company.

**Business** means the provision of the design, construction, maintenance and rental of various equipment for the handling, transfer, treatment and usage of fluids, including pumping, mine dewatering, pipeline testing, reverse osmosis, tank cleaning, hydro-mining and mobile power generation equipment.

**Business Day** means each Monday to Friday inclusive, excluding public holidays gazetted in the State.

**Commencement Date** has the meaning given in Item 2 of the Term Sheet.

**Completion** has the meaning given in clause 2.

**Confidential Information** means information in any medium (whether oral, written, stored electronically or magnetically or otherwise in machine readable form) relating to:

- (a) any information in respect of the business of the Company or its Related Bodies Corporate (including, but not limited to any idea, concept, process or know-how) which is not in the public domain;
- (b) the affairs, ideas, business plans, activities and/or operations of the Company or its Related Bodies Corporate (including without limitation the parties with whom the Company or its Related Bodies Corporate deals);
- (c) any Intellectual Property Rights belonging to the Company or its Related Bodies Corporate;
- (d) information relating to existing and/or future developments, business opportunities or business practices;
- (e) details of the Company's policies, procedures, manuals, handbooks, contracts and agreements to which the Company or its Related Bodies Corporate is a party; financial information of the Company or its Related Bodies Corporate; strategic information of the Company or its Related Bodies Corporate and information about current and future projects and arrangements,
- (f) the terms of this agreement;
- (g) all other matters relating to the internal or external operations or plans of the Company or its Related Bodies Corporate; and

- (h) any materials or information which is marked confidential or which is of a commercially sensitive nature, including information reasonably to be regarded as confidential from its nature and content.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** has the meaning given in the Corporations Act.

**Duties** has the meaning given in Item 4 of the Term Sheet

**Employment** means the employment of the Executive by the Company under this agreement.

**Financial Year** means the period commencing on 1 July and ending on 30 June of the following year.

**Intellectual Property Rights** means all industrial and intellectual property rights of whatever nature throughout the world conferred under statute, common law or equity, whether existing now or at any time in the future, and includes rights in respect of or in connection with inventions (including patents), formulae, databases, business processes and methods, trade marks, service marks, business names, trade names, domain names, designs, Confidential Information, trade secrets and know-how and similar industrial and intellectual property rights, copyright materials whether or not registered or registrable, and includes the right to apply for or renew registration of such rights.

**Location** has the meaning given in Item 5 of the Term Sheet

**LTI** has the meaning given in clause 7.3 of this agreement.

**Notice Period** has the meaning given in Item 14 of the Term Sheet.

**Moral Rights** means moral rights within the meaning of Part IX of the *Copyright Act 1968* (Cth) and any analogous rights arising under statute that exist, or may come to exist, anywhere in the world.

**Officer** has the meaning given in the Corporations Act.

**Personal Information** means personal information (including sensitive information) as those terms are defined in the *Privacy Act 1988* (Cth) concerning the Executive.

**Position** has the meaning given in Item 1 of the Term Sheet

**Probation Period** has the meaning given in clause 4 of this agreement.

**Related Bodies Corporate** has the meaning given in sections 9 and 50 of the Corporations Act.

**Remuneration** has the meaning given in Item 8 of the Term Sheet.

**Restraint Area** has the meaning given in Item 13 of the Term Sheet.

**Restraint Period** has the meaning given in Item 12 of the Term Sheet.

**State** means the Australian State specified in Item 16 of the Term Sheet.

**STI** has the meaning given in clause 7.2(a) of this agreement.

**Term Sheet** means the Term Sheet attached as Schedule 2 to this agreement.

**Termination Date** means the last day of the Employment.

## **PART 2**

In this agreement unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) words which are gender neutral or gender specific include each gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning;
- (d) where the day on or by which something must be done is not a Business Day, that thing must be done on or by the next Business Day;
- (e) headings are for convenience only and do not affect the interpretation of this agreement; and
- (f) references to dollars is a reference to Australian dollars.



## Schedule 2

### Term Sheet

Item	Term
<b>1 Position</b>	General Manager Qld Operations
<b>2 Commencement Date</b>	The date of Completion
<b>3 Probation Period</b>	The Probation Period shall not apply.
<b>4 Duties</b>	<ul style="list-style-type: none"> <li>delegated authority in accordance with those established by the Board in the authorisation matrix;</li> <li>manage and report on the operations and results of the Business;</li> <li>take appropriate steps to develop and implement agreed strategies and lawful decisions of the Board;</li> <li>such other duties assigned to the Executive from time to time.</li> </ul>
<b>5 Location</b>	Queensland
<b>6 Reporting</b>	The Executive shall report to the Board.
<b>7 Other positions</b>	
<b>8 Remuneration (inclusive of salary and superannuation)</b>	\$450,000
<b>9 Short Term Incentive</b>	The Executive shall be eligible to earn an STI of up to 25% of the Remuneration with respect to each completed Financial Year with KPI's in relation to budget, cash flow and safety to be set by the Company's Remuneration Committee at the beginning of each Financial Year.
<b>10 Long Term Incentive</b>	The Executive shall be eligible to participate in an LTI of up to 25% of the Remuneration with respect to each completed Financial Year with KPI's to be set by the Company's Remuneration Committee at the beginning of each Financial Year.
<b>11 Discretionary Benefits</b>	<ul style="list-style-type: none"> <li>Laptop computer and tablet</li> <li>Mobile "smart" phone</li> </ul>
<b>12 Restraint Period</b>	6 months following the Termination Date.

INITIAL:

<b>13 Restraint Area</b>	(a) Indonesia; (b) Australia; (c) Western Australia; (d) Queensland, (e) Northern Territory; (f) New South Wales; (g) Victoria; (h) Tasmania.
<b>14 Notice required by either party on termination</b>	6 months or, if that is found by a court to be unenforceable, 4 months. Or if that is found by a court to be unenforceable, 3 months or if that is found by a court to be unenforceable, 2 months.
<b>15 Notices</b>	<b>Company:</b> Address: 276 Treasure Road, Welshpool, Western Australia, 6106 Fax: (08) 9258 9804  <b>Executive:</b> <b>Address:</b> <b>Fax:</b>
<b>16 State</b>	Western Australia

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**Execution page**

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Signed by John Saleeba as authorised signatory  
for **Resource Equipment Limited (ACN 098 812 492)** in the presence of:

---

Signature of witness

---

Signature of John Saleeba

---

Name of witness (print)

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Signed by **Roderick Andrew Hayes** in the  
presence of:

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Signature of witness

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Signature of **Roderick Andrew Hayes**

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Name of witness (print)





# Executive Services Agreement

**Resource Equipment Limited (ACN 098 812 492)**

and

**David James Campbell**

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## Parties

- 1 **Resource Equipment Limited (ACN 098 812 492)** of 276 Treasure Road, Welshpool in the State of 276 Treasure Road, Welshpool, Western Australia (**Company**)
  - 2 **David James Campbell** of Unit 2, 32 Mulherin Drive, Mackay Harbour, QLD 4740 (**Executive**)
- 

## 1 Defined terms, interpretation and Term Sheet

### 1.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

- (a) which is defined in the Dictionary in Schedule 1 (**Dictionary**), has the meaning given to it in the Dictionary;
- (b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act; and
- (c) which is defined in the GST Law, but is not defined in the Dictionary or the Corporations Act, has the meaning given to it in the GST Law.

### 1.2 Interpretation

The interpretation clause in Schedule 1 (**Dictionary**) sets out rules of interpretation for this agreement.

### 1.3 Term Sheet

Key terms applicable to the Executive are set out in the Term Sheet attached as Schedule 2 to this agreement.

---

## 2 Condition and prior service

- (a) The Employment is conditional upon completion of the sale and purchase agreement between the Company and, among others the Executive, dated on or about the same date as this Agreement (Completion). If Completion does not occur, then the Employment will not commence.
  - (b) The Company will recognise all of your continuous service with Campbell Mining Services Pty Limited for the purpose of calculating leave and benefits based on service. All accrued but untaken and pro rata personal/carer's, annual and long service leave with CMS will be recognised by the Company.
- 

## 3 Appointment

- (a) Subject to clause 2(a), the Executive shall be employed in the Position with effect from the Commencement Date on the terms and conditions set out in this agreement.
- (b) The Executive agrees to act as a Director or Officer of the Company or any of its Related Bodies Corporate if so directed by the Company and agrees that the Remuneration is adequate consideration for the Executive so acting. The Executive must immediately resign as a Director or Officer of the Company or any of its Related Bodies Corporate if so directed by the Company.

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INITIAL :

- (c) The Executive warrants that:
    - (i) by entering into this agreement and by performing the Duties, they will not breach any agreement with, or obligation owed to, any third party;
    - (ii) they have disclosed everything to the Company which may be material to the Company's decision enter into this agreement; and
    - (iii) they are capable of performing the Duties required under this agreement.
  - (d) If the Executive's Position, Duties or Remuneration change during the Employment, the terms of this agreement shall continue to apply in all other respects unless expressly varied by the parties in writing.
- 

## 4 Probation

Unless otherwise indicated in Item 3 of the Term Sheet, the first 6 months following the Commencement Date shall be a probationary period (**Probation Period**) and ongoing employment is subject to the Executive successfully completing the Probation Period. Either party may terminate the Employment during the Probation Period by giving the other one month's notice in writing. If either party gives notice, the Company may, in its sole discretion, elect to make a payment of Remuneration in lieu of notice.

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## 5 Executive's duties

### 5.1 Executive's duties

The Executive must:

- (a) **General duties:** perform the Duties and/or such other duties as assigned to the Executive from time to time;
- (b) **Provide information:** provide prompt and full information to the Board or such other person as directed by the Company regarding the conduct of the Company's business;
- (c) **Comply with lawful directions:** comply with all lawful directions given to them from time to time;
- (d) **Comply with applicable laws and regulations:** comply with all applicable laws including, but not limited to the ASX Listing Rules (if applicable) and the Corporations Act;
- (e) **Devote time and attention:** devote the whole of their time, attention and skill during the Company's normal business hours and at other times as is reasonably necessary to the duties of the Executive. By signing this agreement the Executive acknowledges that the hours required are reasonable;
- (f) **Perform duties:** perform the Duties and exercise the powers of the Position faithfully and diligently;
- (g) **Location and travel:** perform the Executive's duties at the Location or as otherwise directed by the Company. The Executive may be required to travel (including interstate and overseas) from time to time on Company business. Any travel will be in accordance with the Company's applicable policy in place from time to time or as determined by the Board; and

- (h) **Promote Company's interests:** act in accordance with and promote the best interests of the Company.

## **5.2 Duty to report**

The Executive must report directly to the position or body specified in Item 6 of the Term Sheet or as otherwise directed from time to time.

## **5.3 Financial benefit**

The Executive must not accept any payment or other material benefit from any person or entity as an inducement or reward for any act or forbearance in connection with any matter or business transacted by or on behalf of the Company or its Related Bodies Corporate. This prohibition will not apply to reasonable entertainment and hospitality given to the Executive in the course of the Employment which is consistent with the performance of the Duties by the Executive.

## **5.4 Other employment and positions**

- (a) During the Employment, the Executive must not engage in any employment other than with the Company or accept any other consulting assignments outside of the Company, whether on a remunerated basis or not, without the express written authority of the Company.
- (b) The Company acknowledges that the Executive holds the positions (if any) specified in Item 7 of the Term Sheet and consents to the Executive continuing to hold each such position subject to the Executive fully complying with, and giving priority to, their obligations under this agreement. The Executive agrees to promptly resign from any such position if so directed by the Company.

## **5.5 Use of Company property**

The Executive must not, at any time during the Employment, either directly or indirectly deal with or misuse any assets belonging or owing to the Company other than as required to properly perform the Duties in accordance with this agreement.

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# **6 Policies**

The Company may issue policies from time to time in relation to the Employment. These policies do not form part of this agreement or give rise to any contractual rights. The Company may vary or not apply these policies at its discretion. To the extent these policies require the Executive to do any act or thing or refrain from doing any act or thing, these policies constitute directions from the Company to the Executive with which the Executive must comply.

---

# **7 Remuneration and benefits**

## **7.1 Remuneration**

- (a) The fixed remuneration will be stated as a total package (inclusive of base pay, superannuation, cars and any other allowances). The Executive will have the choice of the way the package is paid in individual parts, within the constraints of any relevant legislation.
- (b) The Company shall provide the Executive with the Remuneration less all applicable tax and authorised deductions.

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INITIAL :

- (c) Salary shall be paid in equal fortnightly instalments (less tax) to a bank account nominated by the Executive.
- (d) Superannuation contributions shall be made to a complying superannuation fund nominated by the Executive in accordance with the minimum requirements of the *Superannuation Guarantee Administration Act 1992* (Cth).
- (e) The Company will review the Executive's performance at least once each year of the agreement and may, but is not obliged to, increase the Remuneration in consequence of such review.
- (f) The Executive may elect to sacrifice part of the salary component of the Remuneration to make additional superannuation contributions in accordance with any applicable Company policy.
- (g) The Remuneration is in satisfaction of any allowance or payment to which the Executive may be entitled to under any applicable award or industrial instrument, including, without limitation, any minimum wage, overtime payments, penalty rates, allowances and loadings.

## 7.2 Short Term Incentive

- (a) The Executive shall be eligible to earn a performance related short term incentive calculated with respect to each completed Financial Year (**STI**). The Executive's STI arrangements as at the date of this agreement are set out in Item 9 of the Term Sheet.
- (b) Tax and if applicable, superannuation calculated in accordance with clause 7.1(c) above, shall be deducted from any STI paid to the Executive.
- (c) Cash STI (if any) shall be paid to the Executive following the Board approving the Company's audited accounts.
- (d) STI payments shall not be made where the Employment terminates or where either party has given the other notice to terminate the Employment, prior to the date on which the STI becomes payable as determined by the Board exercising its sole discretion.
- (e) The Company may vary the STI arrangements applicable to the Executive at any time and in any manner by written advice to the Executive.

## 7.3 Long Term Incentive

- (a) Subject to any necessary shareholder approval, the Executive shall be eligible to participate in a long term incentive scheme (**Scheme**) as set out in Item 10 of the Term Sheet. The Scheme will either be the Company's current Performance Rights Plan as amended or a new long term incentive scheme.
- (b) The Executive's participation in the Scheme is subject to terms of the Scheme and any related plan rules.
- (c) The terms of the Scheme and any related plan rules shall not form part of this agreement and may be rescinded, replaced or amended by the Board in any manner and at any time.

## 7.4 Discretionary benefits

During the Employment, the Company may provide the Executive with the Discretionary Benefits, if any, specified in Item 11 of the Term Sheet. These benefits are provided on a

discretionary basis and may be varied or removed from time to time at the sole discretion of the Company. The Discretionary Benefits do not form part of the Remuneration for any purpose.

## **7.5 Expenses**

The Company shall reimburse the Executive for all reasonable business related expenses incurred by them in the proper performance of their Duties, subject to the Executive complying with any applicable Company policies and providing the Company with a valid tax invoice with respect to each such expense.

## **7.6 Insurance**

If the Executive acts as a Director or Officer of the Company or its Related Bodies Corporate, the Company shall maintain a directors and officer's policy of insurance with respect to the Executive so acting with a limit of indemnity to be determined by the Board. Any such policy shall be maintained for the duration of the Employment and any appointment as a Director or Officer of the Company or its Related Bodies Corporate, and for a period of seven years following termination of the Employment, or the Executive's appointment as a Director or Officer of the Company or its Related Bodies Corporate, whichever is the later.

The Company will provide Income Protection Insurance for the Executive to the level stated in the Group Salary Continuance Policy. Insurance required over and above this level will be at the Executive own cost.

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# **8 Leave**

## **8.1 Leave**

The Executive is entitled to:

- (a) 20 days annual leave;
- (b) 10 day's personal/carer's leave;
- (c) long service leave; and
- (d) other paid and unpaid leave, including public holidays;

in accordance with applicable legislation

## **8.2 Notice requirements**

- (a) The Executive must:
  - (i) notify the Company of any absence due to personal/carer's leave/unpaid carers leave or compassionate leave prior to the start of business hours or as soon as is reasonably practicable thereafter; and
  - (ii) provide a medical certificate from a registered health practitioner with respect to personal/carer's leave taken if so required by the Company.
- (b) The Executive must apply to take annual leave at least 4 weeks before the intended start date and must only take annual leave at a time approved by the Company. The Company may direct the Executive to take annual leave during any annual shut down and otherwise, on 4 weeks' notice.

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## 9 Intellectual property

### 9.1 Ownership of Intellectual Property Rights

Any Intellectual Property Rights which are developed, conceived, created, discovered, produced or otherwise generated by the Executive:

- (a) in the course of the Employment; or
- (b) during the period in which the Executive is employed by the Company, which relates in any way to the Confidential Information or other information or property of the Company or its Related Bodies Corporate,

either individually or otherwise, shall be the sole and exclusive property of the Company and the Company shall own any right, title and interest to such Intellectual Property Rights.

### 9.2 Assignment of Intellectual Property Rights

The Executive shall assign to the Company at the Company's expense, any right, title and interest in and to any Intellectual Property Rights referred to in clause 9.1 whenever requested to do so by the Company and the Executive shall execute any applications, assignments or other instruments which the Company deems desirable or necessary to protect such interest.

### 9.3 Moral Rights

To the extent permitted by law, the Executive:

- (a) waives any Moral Rights he may have in any intellectual property created under this agreement (the **Material**); and
- (b) consents to the Company, its successors and licensees and any person authorised by it doing all or any acts or omissions (whether occurring before or after this agreement is signed which may infringe his Moral Rights including by:
  - (i) failing to identify him as the author of the Material;
  - (ii) falsely attributing the Material;
  - (iii) subjecting the Material to derogatory treatment; and
  - (iv) any and all acts or omissions in exercising a right comprised in copyright including without limitation the right to reproduce, communicate, publicly exhibit or adapt.

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## 10 Protection of Company's interests

### 10.1 Confidential information

- (a) During and after the Employment, the Executive must:
  - (i) keep any Confidential Information secret and confidential, except to the extent the Executive is required by law to disclose it;
  - (ii) take all reasonable and necessary precautions to maintain the secrecy and prevent the disclosure of any Confidential Information;



- (iii) not use any Confidential Information except as is strictly necessary in the ordinary and proper course of the Employment; and
  - (iv) not disclose Confidential Information to any third party except as is strictly necessary in the ordinary and proper course of the Employment and having first ensured that the third party agrees to keep the Confidential Information confidential in terms reasonably approved by the Board being no less restrictive than those terms set out in this clause.
- (b) The parties acknowledge that a breach of this clause may cause the Company irreparable damage for which monetary damages would not be an adequate remedy. Accordingly, in addition to other remedies that may be available, the Company may seek and obtain an injunctive relief against such a breach or threatened breach of this clause.
  - (c) Nothing in this clause shall prohibit the Executive from seeking legal and accounting advice in relation to this agreement.

## **10.2 Protection of Company interests**

The Executive agrees that during the Employment

and the Restraint Period, they shall not, whether directly or indirectly, on their own account or jointly with or on behalf of any other person or corporation, in any capacity including as principal, partner, agent, officer, consultant, employee, advisor or shareholder (excluding the holding of less than 5% of the stock of a public company) or otherwise on any account or pretence:

- (a) within the Restraint Area carry on, assist or be employed, engaged or concerned in any business which is the same or similar to the Business or which otherwise competes with the business of the Company or its Related Bodies Corporate;
- (b) solicit, employ or engage any director, manager, employee, contractor or consultant of the Company or its Related Bodies Corporate with whom the Executive had dealings in the last 12 months of the Employment;
- (c) entice away, provide services to, accept services from or in any other manner persuade any customer, contractor or supplier to the Company or its Related Bodies Corporate with whom the Executive had contact or influence over in the last 12 months of the Employment, to discontinue his, her or its relationship with the Company or its Related Bodies Corporate or to otherwise reduce the amount of business they do with the Company or its Related Bodies Corporate; and/or
- (d) offer, attempt or prepare to do any of the above.

## **10.3 Further agreement**

The Executive acknowledges and agrees that:

- (a) the Employment gives the Executive unique and substantial access to the Confidential Information;
- (b) in the event the Executive breached this clause 10, including but not limited to the disclosure of the Confidential Information to a competitor of the Company, the Company would be exposed to significant and potentially irreparable damage to its business;
- (c) the undertakings in this clause 10 are reasonable in scope and duration and necessary for the protection of the confidential information, goodwill and legitimate business interests of the Company and its Related Bodies Corporate;

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INITIAL :

- (d) each of the restraint obligations imposed on the Executive by clause 10.2, resulting from the combinations of Restraint Areas and Restraint Periods, is a separate and independent obligation from the other restraint obligations imposed, but they are cumulative in effect. The parties intend this clause 10 to operate to its maximum extent and the Employment is adequate consideration for the restraints;
  - (e) the remedy of damages at law for breach of this clause 10 would be inadequate and that temporary and permanent relief by way of injunction against the Executive may be granted in any proceedings which the Company may bring to enforce any of the provisions of those clauses without necessity of proof of actual damage suffered by the Company or its Related Bodies Corporate; and
  - (f) the Executive will, if required by the Company, provide evidence to the reasonable satisfaction of the Company that the Executive is not in breach of this clause 10.
- 

## **11 Termination**

### **11.1 Termination with notice**

- (a) Either party may terminate the Employment by providing the other written notice equivalent to the Notice Period.
- (b) If notice is given by either party in accordance with clause (a) above, the Company may do one or more of the following with respect to all or part of the notice period:
  - (i) require the Executive to perform their usual or other duties;
  - (ii) direct the Executive to not perform any duties and require that the Executive remain away from the Company's premises. In this instance, the Executive will continue to be an employee of the Company and will continue to be bound by the duty of fidelity and by the terms of this agreement and may not directly or indirectly be employed by any third party or prepare to compete with the Company; and/or
  - (iii) pay the Executive Remuneration in lieu of all or part of the notice period.

### **11.2 Termination without notice**

The Company may terminate the Employment without any period of notice or payment in lieu of notice if the Executive engages in serious misconduct including but not limited to where the Executive:

- (a) commits any serious or persistent breach of this agreement including, without limitation, disobedience, dishonesty, serious or persistent breach of duty or serious or persistent neglect of duty;
- (b) is charged with a criminal offence which in the reasonable opinion of the Board will detrimentally affect the Company;
- (c) is declared bankrupt; or
- (d) materially fails to observe or perform any of the duties or obligations imposed on them under this agreement.

### **11.3 Consequences of termination**

On termination, the Executive must:

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INITIAL :

- (a) pay or repay to the Company all sums which the Executive then owes to the Company whether such sums are then due to be paid or not;
- (b) immediately deliver to the Company all property belonging to the Company or its Related Bodies Corporate which is in the Executive's possession or control including, without limitation, the Confidential Information; and
- (c) at the request of the Company, resign from any office (including that of Director) held by them in the Company or any of its Related Bodies Corporate without claim for compensation. In the event that the Executive fails to do so, the Company is irrevocably authorised to appoint any other director to act on the Executive's behalf to execute all documents and do all things necessary to give effect to this clause.

#### 11.4 Limitation on termination payments

- (a) The Company is not required to:
  - (i) pay or provide; or
  - (ii) procure the payment or provision,
 

of any money or benefits to the Executive which would cause the Company to infringe the ASX Listing Rules, the Corporations Act or any other applicable law (**Applicable Laws**) and any payments or benefits to be provided to the Executive shall be reduced to a level (as determined by the Company) that does not infringe such Applicable Laws.
- (b) If the Company overpays the Executive, the Executive must, on receiving a written demand from the Company, immediately repay any money or benefits specified in such demand.
- (c) The provisions of this clause.11.4 have effect regardless of any other provision of this agreement.

#### 11.5 Suspension

The Company may suspend the Executive while investigating any matter relating to the Employment or which the Board believes could lead to the Company exercising its rights under this clause 11 or taking other disciplinary action against the Executive. During any period of suspension:

- (a) the Company shall continue to pay the Remuneration to the Executive; and
- (b) the Executive shall remain an employee of the Company and bound by the duty of fidelity and by the terms of this agreement.

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## 12 Privacy

In signing this agreement, the Executive acknowledges and agrees that the Company or its Related Bodies Corporate may, for any purpose relating to the Executive's employment with the Company or for the reasonable business requirements of the Company or its Related Bodies Corporate:

- (a) collect and use the Personal Information; and
- (b) disclose the Personal Information, including to the Australian Taxation Office, superannuation fund trustees and administrators, insurers, medical or occupational

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INITIAL :

practitioners, travel agents, financial and legal advisers, potential purchasers in a sale of business and law enforcement bodies.

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## **13 Monitoring of Information Technology**

### **13.1 Notification of surveillance**

- (a) The Company notifies the Executive that it will carry out ongoing, intermittent surveillance of the use of computer and other electronic and communication systems by the Executive – including emails, internet and files (including files stored on the Executive's work computer).

### **13.2 How surveillance is carried out**

- (a) The surveillance is carried out by all means available to the Company which may include:
  - (i) accessing the Executive's email account or emails;
  - (ii) accessing files of the Executive;
  - (iii) accessing the Executive's work computer; and
  - (iv) accessing records of internet usage by the Executive (including sites and pages visited, files downloaded, video and audio files accessed and data input).
- (b) The Company may also block emails sent to the Executive in accordance with its policy.

### **13.3 Commencement of surveillance**

The Executive agrees that the surveillance will commence on the date of commencement of the Executive's employment under this agreement.

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## **14 General**

### **14.1 Notices**

A notice or other communication given under this agreement including, but not limited to, a request, demand, consent or approval, to or by a party to this agreement:

- (a) must be in legible writing and in English;
- (b) must be addressed to the addressee at the address or facsimile number set out in Item 15 of the Term Sheet, or to any other address or facsimile number a party notifies to the other under this clause;
- (c) must be signed by an Officer or authorised representative of the Company; and
- (d) is deemed to be received by the addressee:

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INITIAL :

- (i) if by post, three Business Days from and including the date of postage; or
- (ii) if by facsimile transmission, on receipt by the sender of an acknowledgment or transmission report generated by the machine from which the facsimile was sent, but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is deemed to be received at 9.00am on the following Business Day.

#### **14.2 Governing law**

This agreement is governed by the laws of the State and each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the State.

#### **14.3 Severability**

- (a) If a provision of this agreement or a right or remedy of a party under this agreement is invalid or unenforceable in a particular jurisdiction:
  - (i) it is read down or severed in that jurisdiction only to the extent of the invalidity or unenforceability; and
  - (ii) it does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions in any jurisdiction.
- (b) This clause is not limited by any other provision of this agreement in relation to severability, prohibition or enforceability.

#### **14.4 Waiver**

- (a) This agreement may be amended only by a written document signed by the parties.
- (b) A waiver of a provision of this agreement or a right or remedy arising under this agreement, including this clause, must be in writing and signed by the party granting the waiver.
- (c) A single or partial exercise of a right does not preclude a further exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise a right or delay in exercising that right does not prevent its exercise or operate as a waiver.
- (e) A waiver is only effective in the specific instance and for the specific purpose for which it is given.

#### **14.5 Entire agreement**

- (a) This agreement supersedes all previous agreements about its subject matter and embodies the entire agreement between the parties.
- (b) To the extent permitted by law, the parties exclude all implied contractual terms.

#### **14.6 {Note: It is not possible to assign an employment agreement}Survival**

Clauses 9, 10, 11.3, 11.4 and this clause 14.6 survive termination of this agreement and the Employment.

#### **14.7 Counterparts**

This agreement may be signed in any number of counterparts and all those counterparts together make one instrument.

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## Schedule 1

### Dictionary

#### PART 1

In this agreement:

**Act** means the *Fair Work Act 2009* (Cth).

**ASX Listing Rules** means the Australian Securities Exchange Listing Rules.

**Board** means the Board of Directors of the Company.

**Business** means the provision of the design, construction, maintenance and rental of various equipment for the handling, transfer, treatment and usage of fluids, including pumping, mine dewatering, pipeline testing, reverse osmosis, tank cleaning, hydro-mining and mobile power generation equipment.

**Business Day** means each Monday to Friday inclusive, excluding public holidays gazetted in the State.

**Commencement Date** has the meaning given in Item 2 of the Term Sheet.

**Completion** has the meaning given in clause 2.

**Confidential Information** means information in any medium (whether oral, written, stored electronically or magnetically or otherwise in machine readable form) relating to:

- (a) any information in respect of the business of the Company or its Related Bodies Corporate (including, but not limited to any idea, concept, process or know-how) which is not in the public domain;
- (b) the affairs, ideas, business plans, activities and/or operations of the Company or its Related Bodies Corporate (including without limitation the parties with whom the Company or its Related Bodies Corporate deals);
- (c) any Intellectual Property Rights belonging to the Company or its Related Bodies Corporate;
- (d) information relating to existing and/or future developments, business opportunities or business practices;
- (e) details of the Company's policies, procedures, manuals, handbooks, contracts and agreements to which the Company or its Related Bodies Corporate is a party; financial information of the Company or its Related Bodies Corporate; strategic information of the Company or its Related Bodies Corporate and information about current and future projects and arrangements,
- (f) the terms of this agreement;
- (g) all other matters relating to the internal or external operations or plans of the Company or its Related Bodies Corporate; and

- (h) any materials or information which is marked confidential or which is of a commercially sensitive nature, including information reasonably to be regarded as confidential from its nature and content.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** has the meaning given in the Corporations Act.

**Duties** has the meaning given in Item 4 of the Term Sheet

**Employment** means the employment of the Executive by the Company under this agreement.

**Financial Year** means the period commencing on 1 July and ending on 30 June of the following year.

**Intellectual Property Rights** means all industrial and intellectual property rights of whatever nature throughout the world conferred under statute, common law or equity, whether existing now or at any time in the future, and includes rights in respect of or in connection with inventions (including patents), formulae, databases, business processes and methods, trade marks, service marks, business names, trade names, domain names, designs, Confidential Information, trade secrets and know-how and similar industrial and intellectual property rights, copyright materials whether or not registered or registrable, and includes the right to apply for or renew registration of such rights.

**Location** has the meaning given in Item 5 of the Term Sheet

**LTI** has the meaning given in clause 7.3 of this agreement.

**Notice Period** has the meaning given in Item 14 of the Term Sheet.

**Moral Rights** means moral rights within the meaning of Part IX of the *Copyright Act 1968* (Cth) and any analogous rights arising under statute that exist, or may come to exist, anywhere in the world.

**Officer** has the meaning given in the Corporations Act.

**Personal Information** means personal information (including sensitive information) as those terms are defined in the *Privacy Act 1988* (Cth) concerning the Executive.

**Position** has the meaning given in Item 1 of the Term Sheet

**Probation Period** has the meaning given in clause 4 of this agreement.

**Related Bodies Corporate** has the meaning given in sections 9 and 50 of the Corporations Act.

**Remuneration** has the meaning given in Item 8 of the Term Sheet.

**Restraint Area** has the meaning given in Item 13 of the Term Sheet.

**Restraint Period** has the meaning given in Item 12 of the Term Sheet.

**State** means the Australian State specified in Item 16 of the Term Sheet.

**STI** has the meaning given in clause 7.2(a) of this agreement.

**Term Sheet** means the Term Sheet attached as Schedule 2 to this agreement.



**Termination Date** means the last day of the Employment.

## **PART 2**

In this agreement unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) words which are gender neutral or gender specific include each gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning;
- (d) where the day on or by which something must be done is not a Business Day, that thing must be done on or by the next Business Day;
- (e) headings are for convenience only and do not affect the interpretation of this agreement; and
- (f) references to dollars is a reference to Australian dollars.



## Schedule 2 Term Sheet

Item	Term
<b>1 Position</b>	General Manager Qld Projects
<b>2 Commencement Date</b>	The date of Completion
<b>3 Probation Period</b>	The Probation Period shall not apply.
<b>4 Duties</b>	<ul style="list-style-type: none"> <li>delegated authority in accordance with those established by the Board in the authorisation matrix;</li> <li>manage and report on the operations and results of the Business;</li> <li>take appropriate steps to develop and implement agreed strategies and lawful decisions of the Board;</li> <li>such other duties assigned to the Executive from time to time.</li> </ul>
<b>5 Location</b>	Queensland
<b>6 Reporting</b>	The Executive shall report to the Board.
<b>7 Other positions</b>	
<b>8 Remuneration (inclusive of salary and superannuation)</b>	\$450,000
<b>9 Short Term Incentive</b>	The Executive shall be eligible to earn an STI of up to 25% of the Remuneration with respect to each completed Financial Year with KPI's in relation to budget, cash flow and safety to be set by the Company's Remuneration Committee at the beginning of each Financial Year.
<b>10 Long Term Incentive</b>	The Executive shall be eligible to participate in an LTI of up to 25% of the Remuneration with respect to each completed Financial Year with KPI's to be set by the Company's Remuneration Committee at the beginning of each Financial Year.
<b>11 Discretionary Benefits</b>	<ul style="list-style-type: none"> <li>Laptop computer and tablet</li> <li>Mobile "smart" phone</li> </ul>
<b>12 Restraint Period</b>	6 months following the Termination Date.

INITIAL:

<b>13 Restraint Area</b>	(a) Indonesia; (b) Australia; (c) Western Australia; (d) Queensland, (e) Northern Territory; (f) New South Wales; (g) Victoria; (h) Tasmania.
<b>14 Notice required by either party on termination</b>	6 months or, if that is found by a court to be unenforceable, 4 months. Or if that is found by a court to be unenforceable, 3 months or if that is found by a court to be unenforceable, 2 months.
<b>15 Notices</b>	<b>Company:</b> Address: 276 Treasure Road, Welshpool, Western Australia, 6106 Fax: (08) 9258 9804  <b>Executive:</b> <b>Address:</b> <b>Fax:</b>
<b>16 State</b>	Western Australia

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**Execution page**

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Signed by John Saleeba as authorised signatory  
for **Resource Equipment Limited (ACN 098 812 492)** in the presence of:

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Signature of witness

---

Signature of John Saleeba

---

Name of witness (print)

---

Signed by **David James Campbell** in the  
presence of:

---

Signature of witness

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Signature of **David James Campbell**

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Name of witness (print)

## Annexure H – Agreed Announcement

**ASX Announcement/ Media Release**

REL Letterhead

25 September 2014

**Acquisition of Campbell Mining Services**

**Highlights**

- Resource Equipment Limited (**REL**) to acquire leading Queensland based dewatering services and pump equipment rental business, Campbell Mining Services
- Increases scale, geographical coverage and customer base providing a platform for combined group to access new markets and accelerate growth
- Fully funded by issue of 133.3m new REL shares to CMS shareholders - representing 30% of REL's expanded issued capital – plus an additional earn-out of up to further 19.9m REL shares (equivalent to 3% of the expanded capital) based on the combined performance of the group
- Loddie Naymola, CMS shareholder and US pump hire industry pioneer, to join REL board as a non-executive director after completion
- Transaction subject to REL shareholder approval at AGM in November 2014
- Transaction EPS accretive on a pro-forma FY14 basis

**Transaction**

Resource Equipment Limited (ASX: RQL), a WA-based supplier of pumping and dewatering systems, power generation, air compressors and associated equipment to the mining, oil & gas, heavy engineering and infrastructure sectors, has today entered into an agreement to acquire Campbell Mining Services for the issue of 133.3 million new shares in REL, subject to certain conditions including REL shareholder approval.

REL Managing Director, Andrew Aitken said "We are delighted to be able to bring our two businesses together and create a group with substantial West and East Coast Australian activities and teams. The proposed acquisition is an excellent fit with the current REL business and significantly enhances the overall position of the combined group. The commercial logic is compelling and it will enable us to accelerate our growth plans into further locations, sectors and customers. But more importantly, there is a strong cultural fit between our organisations and a talented and experienced team of people at Campbell Mining Services".

CMS shareholder Loddie Naymola said: "The opportunity to put our two businesses together and leverage the combined group capabilities will enable us to extend and deepen our value offering to customers and stakeholders. Although conditions in the resources sector are currently challenging, the people, capabilities and geographic benefits of the merged business will position us for success. I am looking forward to sharing my experiences with the larger group and promoting our growth in the water and power niches".

### **About Campbell Mining Services**

Campbell Mining Services Pty Ltd (**CMS**) is a privately owned specialist dewatering services and pump equipment rental business with a strong presence in Central Queensland. CMS provides turnkey solutions for its customers, delivering dewatering services as a complete package, including pump and water treatment systems, engineering expertise and project management under the name "National Pump Services".

Key features of CMS are:

- It was founded in 2001 by David Campbell and is today managed by David Campbell and Rod Hayes
- Entities associated with David Campbell and Rod Hayes together with Loddie Naymola own all of the shares in CMS and Ramps Australia Pty Ltd (**Ramps**), which in turn holds 51% of CMS
- Loddie Naymola is a pump hire industry pioneer in the United States
- It operates two branches as National Pump Services, serving Central Queensland customers from Mackay and South East Queensland customers from the new Yatala branch
- It will have approximately \$12m of pumps and ancillary fleet at completion
- Revenue for past 3 years has exceeded \$30m per annum
- EBITDA for the year ended 30 June 2014 of circa \$7.5m on an unaudited pro-forma basis
- Employs more than 50 people and is led by an experienced and long standing management team

### **Rationale**

#### *Enhanced East Coast operations*

- National Pump Services is a leading Queensland based dewatering and pump rental business with a blue chip customer base
- High level of repeat business with several relationships held for over 10 years
- National Pump Services has a strong market share in Central Queensland, currently operating at approximately one-third of all operating coal mines in the region
- The combined group will have an improved nationwide footprint, providing REL with a platform for further geographical and industry growth

#### *Financially attractive*

- Exclusive of synergies, the acquisition of CMS is EPS accretive on a pro-forma FY 14 basis
- CMS adds significant free cash flow generation
- CMS achieved circa \$7.5m of EBITDA on a pro-forma basis for FY14
- CMS provides REL with revenue diversification benefits (geographically and mining end markets)

#### *Operational synergies*

Potential synergies have been identified, including:

- Increased utilisation from the reallocation of underutilised REL fleet to existing CMS customer sites
- Cross-sell opportunities with enhanced product range and expertise
- Removal of cost duplication where appropriate

#### *Experienced management team*

- The acquisition of CMS provides REL with access to a highly experienced management team (Rod Hayes and David Campbell) who have had proven success in their core market over an extended period
- Loddie Naymola provides significant industry experience as a pioneer of the pump hire industry in the United States and his recent successful sale of a US pump rental business to United Rentals

#### **Consideration**

REL is acquiring all of the shares in CMS (including by the acquisition of all shares in Ramps). The consideration is to be funded via the issue of new REL shares to CMS vendors in two tranches:

- 30% of the issued capital of REL on a fully diluted basis<sup>(1)</sup> issued at completion expected in November 2014 (133.3m REL shares)<sup>(2)</sup>
- Up to an additional 3% of the issued capital of REL on a fully diluted basis<sup>(1)</sup> issued within 16 months from completion subject to an agreed earn out (up to 19.9m shares)<sup>(2)</sup>

The transaction includes assumptions about CMS' working capital. The sale agreement includes a mechanism to adjust for any difference to this target which will be cash settled. REL has agreed to reimburse the CMS vendors in cash for certain capex incurred by CMS in relation to establishment of the Yatala branch since 30 June 2014 up to a maximum amount of \$2m. The value of any cash received by CMS for the sale of fixed assets since 30 June 2014 will be deducted from this amount.

The first tranche of REL shares issued as consideration on completion will be subject to a voluntary 2 year escrow period. However, the shares will be released from escrow in the event of a successful takeover bid or scheme of arrangement in relation to REL shares.

The precise number of earn out shares is based on the combined REL and CMS EBITDA for the 12 month period from completion. The straight-line calculation is summarised below:

Combined REL and CMS EBITDA	Earn out shares issued	Vendor shareholding in REL
EBITDA ≤ \$21.00m	0.0	30%
EBITDA \$21.33m	6.6	31%
EBITDA \$21.67m	13.3	32%
EBITDA ≥ \$22.00m	19.9	33%

#### **[Carnegie to confirm figures]**

- (1) Based on total outstanding REL shares of 311,074,580 as at 23 September 2014
- (2) Since (subject to the adjustment noted above) no cash is payable for the issue of the shares, the shares will be taken to be issued at a price equal to the 5 day volume weighted average price (**VWAP**) of REL shares prior to the date of issue

Shares issued on the earn out will not be subject to any escrow arrangements.



To the extent that the full number of earn out shares are not required to be issued, the CMS vendors have an option to subscribe for that number of shares representing the difference between any earn out shares issued and the maximum of 19,898,160 earn out shares. The issue price will be the higher of the 5 day VWAP of REL shares and the net tangible assets per share implied by the most recent REL audited accounts. If any shares are issued pursuant to this option, and assuming that there are no restrictions at that date with REL issuing new shares, they would be issued at the same time as any earn out shares, would rank equally with existing shares on issue and would not be subject to any escrow agreements. REL does not presently intend to seek shareholder approval for any shares that may issue if the option is exercised, and any such shares would be issued under REL's 15% placement capacity in ASX Listing Rule 7.1.

### **Conditions Precedent**

Completion of the transaction is subject to the following key conditions precedent:

- REL shareholder approval under Listing Rule 7.1 at the company's Annual General Meeting, expected to be held on 12 November 2014
- No material adverse change in the business of either CMS or REL
- Any necessary change of control consents from customers, financiers and lessors
- Any necessary regulatory approvals
- Finalisation of employment agreements with David Campbell and Rod Hayes

### **Management**

The acquisition of CMS provides REL with access to a highly experienced management team (Rod Hayes and David Campbell) who have a track record of success in their core market over an extended period and will take up senior management roles in REL focussed on the Queensland operations of the combined group.

### **Board Appointment**

On completion of the transaction, Mr Loddie Naymola, who effectively holds 33.3% of CMS, will be appointed to the Board of REL as a Non-Executive Director. Mr Naymola was a pioneer of the pump hire industry in the United States and will be an outstanding addition to REL's Board. He was the founder of National Pump & Compressors, one of the largest pump hire companies in the USA, and has recently sold the pump component of this business to United Rentals.

### **Change in Scale of Activities**

The acquisition of CMS will result in a change in the scale of REL's activities for the purpose of ASX Listing Rule 11.1. ASX has confirmed to REL (based on information REL has provided) that ASX does not require the acquisition to be approved by the shareholders of REL pursuant to Listing Rule 11.1.2 and does not require REL to re-comply with chapters 1 and 2 of the Listing Rules. Notwithstanding this, the transaction is still subject to REL shareholder approval under Listing Rule 7.1.

There are currently 311,074,580 fully paid ordinary shares on issue in REL. Following the proposed issue of 133,317,678 fully paid ordinary shares in REL to the CMS shareholders on completion there will be a total of 444,392,258 fully paid ordinary shares on issue in REL.

The financial impact of the transaction is demonstrated as follows:

Particulars	Prior to Transaction - Position of Company as stated in latest audited, consolidated financial statements as at 30/6/14	Effect of Transaction based on unaudited CMS balance sheet as at 30/6/14	Consolidated Post Transaction Proforma as at 30/6/14
Total Consolidated Assets as at 30/6/14 (A\$000)	151,286	20,515	171,801
Total Equity as at 30/6/14 (A\$000)	108,934	15,432	124,366
Annual Revenue for the financial year ended 30/6/14 (A\$000)	83,382	31,174	114,556
Annual Profit (before tax and extraordinary items) for the financial year ended 30/6/14 (A\$000)	-6,230	5,206	-1,024
Total No. of shares (Completion Shares only)	311,074,580	133,317,678	444,392,258
Total No. of shares (Completion Shares and maximum Earn Out Shares)	311,074,580	153,215,838	464,290,418
Total No. of options	3,000,000	0	3,000,000

#### **Next Steps and Indicative Timetable**

REL intends despatching the Notice of Annual General Meeting to its shareholders on or about 10 October 2014. The notice will include further details of the transaction and the resolutions to approve the issue of new shares to the vendors of CMS.

An indicative timetable for the transaction is set out below. REL notes that the timetable may be subject to change.

Event	Date
Dispatch Notice of Annual General Meeting to shareholders	10 October 2014
Annual General Meeting	12 November 2014
Completion of transaction	14 November 2014

#### **Further Information**

Mr Andrew Aitken  
Managing Director  
Resource Equipment Limited  
Tel: 0400 236 975

Mr Michael Kenyon  
Company Secretary

**Strictly private & Confidential**  
**For internal discussion purpose only**  
**DRAFT v6 (25 Sept14)**

Resource Equipment Limited  
Tel: 08 6141 6500

CONFIDENTIAL

## Annexure I – Assets

SHARE SALE DEED | page 7  
"First Tranche Assets"

# **NATIONAL PUMP SERVICES**

PO BOX 512  
MACKAY QLD 4740

## **Fixed Asset Purchases**

1/05/2014 To 30/06/2014

ID#	Date	Memo	GST Exclusive Cost	GST	GST Inclusive Cost	Job No.
<b>1-5060</b>						
18065RH	2/05/2014	NEW ASSET-PP44S8L71-EG575 WET END S/N'S AU0158145,AU0158146,AU0158148,AU0158149,AU0158150; Pioneer Pump Holding Pty Ltd	\$53,611.90	\$5,361.19	\$58,973.09	14-004
18467AG	2/05/2014	MATERIALS-ELBOW,FILE,CHAIN & BRACKETS JC14-082; High Country Enterprises	\$299.58	\$29.96	\$329.54	14-082
18256SH	8/05/2014	REPAIRS-108C18 REBUILD-NO STOCK NUMBER-SHIMS,SEALS & BRAC-PLATE JC14-166; Pioneer Pump Holding Pty Ltd	\$2,748.99	\$274.90	\$3,023.89	14-166
18127SH	16/05/2014	REPAIRS-REBUILD SPARE 108C18-EYEBOLTS; Robertsons Lifting & Rigging Pty Ltd	\$128.55	\$12.86	\$141.41	14-166
18128SH	16/05/2014	REPAIRS-REBUILD 108C18-O-RINGS; Partout Pty Ltd	\$8.56	\$0.86	\$9.42	14-166
18557SH	20/05/2014	REBUILD108C18-GALV ALLTHREAD JC14-166; United Fasteners	\$27.82	\$2.78	\$30.60	14-166
18117SH	31/05/2014	REPAIRS-MACHINE IMPELLOR REBUILD 108C18 JC14-166; Absolute Enterprises	\$1,200.00	\$120.00	\$1,320.00	14-166
108368AG	6/06/2014	NEW ASSET-PP128S22L71-EG018 SMVP - S/N AU0158155; Pioneer Pump Holding Pty Ltd	\$32,408.00	\$3,240.80	\$35,648.80	14-004
18148SH	11/06/2014	REBUILD FOR SPARE 108C18-SEAL GLAND JC14-166; Pioneer Pump Holding Pty Ltd	\$228.74	\$22.87	\$251.61	14-166
18706SH	11/06/2014	REBUILD FOR SPARE-JC14-166-NUTS/BOLTS/WASHERS ; United Fasteners	\$24.29	\$2.43	\$26.72	14-166
18707SH	11/06/2014	REBUILD SPARE 108C18-FLANGE GASKET JC14-166; Advanced Industrial Products	\$21.88	\$2.19	\$24.07	14-166
18708SH	11/06/2014	REBUILD SPARE 108C18-ISOLATOR JC14-166; Pioneer Pump Holding Pty Ltd	\$176.06	\$17.61	\$193.67	14-166
GJ002364	16/06/2014	Redirect labour re JC014-166 Spare 108C18 Pump	\$2,370.77	\$0.00	\$2,370.77	14-166
18-25	25/06/2014	SC LABOUR G HASKINGS 18-25/06/14; Graham Haskings - Contractor	\$400.00	\$40.00	\$440.00	14-082
JUN14	25/06/2014	SC LABOUR C PIETRZAK 29-30/05,4-10/06,18-24/06/14; Carradan Pietrzak	\$232.00	\$23.20	\$255.20	14-082
00018679	30/06/2014	BLAST PLATE REBUILD OF SPARE 108C18 JC14-166; DGH Engineering Pty Ltd	\$70.00	\$7.00	\$77.00	14-166
<b>1-5100</b>						
CAMP0501	2/05/2014	CERTIFY PIPE LIFT FRAM JC14-111,14-112,14-113; Keetech Pty Ltd	\$206.66	\$20.67	\$227.33	14-111
CAMP0501	2/05/2014	CERTIFY PIPE LIFT FRAM JC14-111,14-112,14-113; Keetech Pty Ltd	\$206.68	\$20.67	\$227.35	14-113
18398AG	5/05/2014	NEW ASSETS-JC14-112 & 14-113-PLATE; Metaland Mackay - Onesteel Distribution	\$220.00	\$22.00	\$242.00	14-113
BP070514	7/05/2014	SCM Business Services-Reimburse Clamps purchased from Auto One	\$41.55	\$4.16	\$45.71	14-111
CAMP0530	13/05/2014	NEW ASSETS-14-111&14-113 & MATERIALS JC14-112 - BATTERY BLOCKS & P CLAMP BLOCKS; Base Fab	\$143.34	\$14.33	\$157.67	14-111
CAMP0530	13/05/2014	NEW ASSETS-14-111&14-113 & MATERIALS JC14-112 - BATTERY BLOCKS & P CLAMP BLOCKS; Base Fab	\$143.33	\$14.33	\$157.66	14-113
CAMP0558	13/05/2014	NEW ASSETS-MACHINE SLOTS IN PIPE HOOPS JC14-111,14-112,14-113; Base Fab	\$20.00	\$2.00	\$22.00	14-111
CAMP0558	13/05/2014	NEW ASSETS-MACHINE SLOTS IN PIPE HOOPS JC14-111,14-112,14-113; Base Fab	\$20.00	\$2.00	\$22.00	14-113
00017598	21/05/2014	NEW ASSET-DIES TO SUIT 90-315MM PT355; AGRU AUSTRALIA PTY LTD	\$3,203.26	\$320.33	\$3,523.59	14-004
18498AG	21/05/2014	NEW ASSET-PUMP BUILD JC14-212-PP66S12L71 S/N AU21598; Pioneer Pump Holding Pty Ltd	\$15,653.85	\$1,565.39	\$17,219.24	14-212
CAMP0647	21/05/2014	NEW ASSET-JC14-212-PUMP BUILD-ELBOWS,FLANGES,SOCKETS ; Metaland Mackay - Onesteel Distribution	\$257.63	\$25.76	\$283.39	14-212
18496AG	28/05/2014	NEW ASSET-JC14-212-CUMMINS QSB3.3 COMPAK UNIT S/N 68337814; Cummins South Pacific Pty Ltd	\$12,416.00	\$1,241.60	\$13,657.60	14-212
BP280514	28/05/2014	SCM Business Services-Reimburse -Millers Hardware items	\$30.17	\$3.02	\$33.19	14-111
BP280514	28/05/2014	SCM Business Services-Reimburse -Millers Hardware items	\$30.18	\$3.02	\$33.20	14-113
BP280514	28/05/2014	SCM Business Services-Reimburse-Mobile Hose Fixers items	\$13.01	\$1.30	\$14.31	14-111
BP280514	28/05/2014	SCM Business Services-Reimburse-Mobile Hose Fixers items	\$13.02	\$1.30	\$14.32	14-113
BP280514	28/05/2014	SCM Business Services-Reimburse Mehl Bros items	\$61.37	\$6.14	\$67.51	14-111
BP280514	28/05/2014	SCM Business Services-Reimburse -Paint-n-colour	\$94.85	\$9.49	\$104.34	14-111
BP280514	28/05/2014	SCM Business Services-Reimburse -Paint-n-colour	\$94.86	\$9.49	\$104.35	14-113
BP280514	28/05/2014	SCM Business Services-Reimburse-Mobile Hose Fixers items	\$33.00	\$3.30	\$36.30	14-111
18477AG	29/05/2014	HEAVY DUTY STICKERS-JC14-111,14-112,14-113,14-212; Kawana Signs Sunshine Coast Pty Ltd	\$32.00	\$3.20	\$35.20	14-111
18477AG	29/05/2014	HEAVY DUTY STICKERS-JC14-111,14-112,14-113,14-212; Kawana Signs Sunshine Coast Pty Ltd	\$32.00	\$3.20	\$35.20	14-113
18477AG	29/05/2014	HEAVY DUTY STICKERS-JC14-111,14-112,14-113,14-212; Kawana Signs Sunshine Coast Pty Ltd	\$32.00	\$3.20	\$35.20	14-212
CAMP0683	29/05/2014	NEW ASSET-6" PUMP BUILD JC14-212-STEEL CHANNELS & PLATE; Metaland Mackay - Onesteel Distribution	\$966.38	\$96.64	\$1,063.02	14-212
CAMP0683	29/05/2014	NEW ASSET-6" PUMP BUILD JC14-212-STEEL SOCKETS; Metaland Mackay - Onesteel Distribution	\$60.62	\$6.06	\$66.68	14-212
CAMP0451	30/05/2014	SC LABOUR FOR PUMP FABRICATION JC14-111; Base Fab	\$7,650.00	\$765.00	\$8,415.00	14-111
CAMP0453	30/05/2014	SC LABOUR PUMP BUILD JC14-113; Base Fab	\$10,200.00	\$1,020.00	\$11,220.00	14-113
CAMP0647	30/05/2014	NEW PUMP BUILD-JC14-212-150MM B/FLY VALVE; Metaland Mackay - Onesteel Distribution	\$118.36	\$11.84	\$130.20	14-212
CAMP0647	30/05/2014	NEW PUMP BUILD-JC14-212-FLANGE PLATES; Metaland Mackay - Onesteel Distribution	\$74.76	\$7.48	\$82.24	14-212
CAMP0684	30/05/2014	NEW PUMP-JC14-212-6" PLATES; Citi-Steel Pty Ltd	\$345.00	\$34.50	\$379.50	14-212

18490AG	2/06/2014	NEW ASSET-PUMP BUILD JC14-113-OBSERVANT & LOOM; Kensho Pty Ltd	\$3,024.56	\$302.46	\$3,327.02	14-113
CAMP0647	2/06/2014	NEW PUMP BUILD-WELDED PIPE & GASKETS JC14-212; Metaland Mackay - Onesteel Distribution	\$90.16	\$9.02	\$99.18	14-212
cc020614	2/06/2014	LG-RDFPOK-Virgin Australia-Grant Hinkson flight costs	\$126.23	\$12.62	\$138.85	14-111
cc020614	2/06/2014	LG-RDFPOK-Virgin Australia-Grant Hinkson flight costs	\$126.22	\$12.62	\$138.84	14-113
17378AG	4/06/2014	PALLET RACKING FOR YATALA BRANCH; Space Rescue Pty Ltd	\$3,334.00	\$333.40	\$3,667.40	14-193
CAMP0715	5/06/2014	MATERIALS-PUMP BUILDS JC14-111 & 14-113- CABLES,TUBING,SWITCHES,ETC; Ashdown Ingram	\$405.71	\$40.57	\$446.28	14-111
CAMP0715	5/06/2014	MATERIALS-PUMP BUILDS JC14-111 & 14-113- CABLES,TUBING,SWITCHES,ETC; Ashdown Ingram	\$405.70	\$40.57	\$446.27	14-113
00017539	6/06/2014	FIXED JIB & FORK EXT - NEW ASSET FOR YATALA BRANCH; East West Engineering	\$3,091.18	\$309.12	\$3,400.30	14-193
14-111	10/06/2014	NEW ASSET-PUMP BUILDS JC14-111 & 14-113-FLOW SWITCHES; PLD Holdings	\$355.00	\$35.50	\$390.50	14-111
14-111	10/06/2014	NEW ASSET-PUMP BUILDS JC14-111 & 14-113-FLOW SWITCHES; PLD Holdings	\$355.00	\$35.50	\$390.50	14-113
CAMP0661	10/06/2014	BLAST & PAINT JC14-111 NEW PUMP BUILD; South Pacific Steel Fabrication Pty Ltd	\$1,206.00	\$120.60	\$1,326.60	14-111
CAMP0667	10/06/2014	RECOAT JC14-212 NEW BUILD; South Pacific Steel Fabrication Pty Ltd	\$511.00	\$51.10	\$562.10	14-212
CAMP0700	10/06/2014	BLAST & PAINT PUMP JC14-113 NEW ASSET; South Pacific Steel Fabrication Pty Ltd	\$1,730.00	\$173.00	\$1,903.00	14-113
17385AG	11/06/2014	NEW ASSET-PUMP BUILD EMERGENCY STOP & CABLE GLAND JC14-111; Ashdown Ingram	\$87.75	\$8.78	\$96.53	14-111
CAMP0737	11/06/2014	NEW PUMP BUILD-JC14-113-STEEL,GASKETS,FLANGES ; Metaland Mackay - Onesteel Distribution	\$543.30	\$54.33	\$597.63	14-113
17383AG	12/06/2014	NEW ASSET-PUMP BUILD-SUPPLY/FIT FUEL HOSES JC14-111; Mobile HoseFixers Caboolture	\$290.90	\$29.09	\$319.99	14-111
17384AG	12/06/2014	NEW PUMP BUILD - JC14-113 - FUEL HOSES; Mobile HoseFixers Caboolture	\$379.93	\$37.99	\$417.92	14-113
17385AG	12/06/2014	NEW ASSET-PUMP BUILD BLADE FUSE & BLOCKING DIODE JC14-111; Ashdown Ingram	\$14.30	\$1.43	\$15.73	14-111
CAMP0688	12/06/2014	NEW PUMP BUILD-PUMP SKID JC14-212; Bendpro	\$450.00	\$45.00	\$495.00	14-212
cc120614	12/06/2014	LG-Sundowner hotel - G hinkson - Accommodation Costs	\$40.91	\$4.09	\$45.00	14-111
cc120614	12/06/2014	LG-Sundowner hotel - G hinkson - Accommodation Costs	\$40.91	\$4.09	\$45.00	14-113
cc120614	12/06/2014	LG-Sundowner hotel - G hinkson - Accommodation Costs	\$13.41	\$1.34	\$14.75	14-111
cc120614	12/06/2014	LG-Sundowner hotel - G hinkson - Accommodation Costs	\$13.45	\$1.35	\$14.80	14-113
DD180614	12/06/2014	Grant Hinkson-Reimburse baggage for flight 12/6	\$31.82	\$3.18	\$35.00	14-111
DD180614	12/06/2014	Grant Hinkson-Reimburse baggage for flight 12/6	\$31.82	\$3.18	\$35.00	14-113
18499AG	13/06/2014	NEW BUILD-JC14-212-K45E OBSERVANT READY PLUG ENGINE PROTECTION SYSTEM; Kensho Pty Ltd	\$3,013.52	\$301.35	\$3,314.87	14-212
BP180614	18/06/2014	SCM Business Services-Reimburse purchases Millers Hardware	\$30.29	\$3.03	\$33.32	14-113
BP180614	18/06/2014	SCM Business Services-Reimburse purchases Millers Hardware	\$30.28	\$3.03	\$33.31	14-111
BP180614	18/06/2014	SCM Business Services-Reimburse purchases Millers Hardware	\$18.03	\$1.80	\$19.83	14-111
BP180614	18/06/2014	SCM Business Services-Reimburse purchases Millers Hardware	\$18.03	\$1.80	\$19.83	14-113
BP180614	18/06/2014	SCM Business Services-Reimburse purchases Millers Hardware	\$58.55	\$5.86	\$64.41	14-113
BP180614	18/06/2014	SCM Business Services-Reimburse purchases-Airport parking	\$12.72	\$1.27	\$13.99	14-111
CAMP0480	19/06/2014	CHANGES TO DRAWINGS 4" PROTO JC14-111; Goodier Cad Services	\$1,200.00	\$120.00	\$1,320.00	14-111
CAMP0660	19/06/2014	DESIGN/DEVELOP DRAWINGS 6" & 8" PUMP SKIDS JC14-212; Goodier Cad Services	\$1,500.00	\$150.00	\$1,650.00	14-212
CAMP0660	19/06/2014	DRAWINGS EXTRAS JC14-212 & 14-113; Goodier Cad Services	\$180.00	\$18.00	\$198.00	14-212
CAMP0660	19/06/2014	DRAWINGS EXTRAS JC14-212 & 14-113; Goodier Cad Services	\$180.00	\$18.00	\$198.00	14-113
ROD	27/06/2014	NEW ASSET-4 X 152MM X 6MTR HOSES ON HIRE TO VICON JC14-241- USED WITH PU007 & PU071; Advanced Industrial Products	\$13,130.00	\$1,313.00	\$14,443.00	14-004
1-5113						
CAMP0710	5/06/2014	ASSET-6" LAYFLAT HOSE FOR PU003; Advanced Industrial Products	\$531.00	\$53.10	\$584.10	PU003
1-5128						
18109SH	12/05/2014	UPGRADE-PU018-SOLAR MODULE & STECCA REGULATOR WITH METER JC14-204; A1 Batterypro	\$420.14	\$42.01	\$462.15	PU018
18110SH	14/05/2014	UPGRADE-PU018-MOD BOX JC14-204; MM Electrical	\$34.54	\$3.45	\$37.99	PU018
18108SH	15/05/2014	UPGRADE-PU018-AUTOSTART EPS & LOOM; Kensho Pty Ltd	\$3,471.80	\$347.18	\$3,818.98	PU018
GJ002266	16/05/2014	Redirect labour re JC014-204 PU018 Asset Upgrade	\$463.85	\$0.00	\$463.85	PU018
18551SH	22/05/2014	UPGRADE-PU018-TURBO SAVER JC14-204; Hose Corp Pty Ltd	\$268.74	\$26.87	\$295.61	PU018
18119SH	28/05/2014	UPGRADE-TURBO SAVIOUR JC14-204 PU018; Turbocharger Repairs	\$380.00	\$38.00	\$418.00	PU018
1-5154						
cc080514	8/05/2014	SH-Wallers precision tool-Slot drill	\$86.80	\$8.68	\$95.48	PU044
14844SH	9/05/2014	CONVERSION-PU044-KEY STEEL ZINC JC14-203;Blackwoods	\$17.53	\$1.75	\$19.28	PU044
cc090514	9/05/2014	SH-Applied industrial Tech-slotted shims	\$131.73	\$13.17	\$144.90	PU044
GJ002272	12/05/2014	Redirect labour re JC014-203 PU044 Asset Upgrade	\$2,068.41	\$0.00	\$2,068.41	PU044
14849SH	12/05/2014	CONVERSION-PU044-45 DEG BEND JC14-203; The Exhaust & Brake Centre	\$68.00	\$6.80	\$74.80	PU044
14850SH	12/05/2014	CONVERSION-PU044-THERMOSTAT & CONNECTION JC14-203; GW Industrial Pty Ltd	\$27.60	\$2.76	\$30.36	PU044
14850SH	12/05/2014	CONVERSION-PU044-THERM HOUSING & JIGGLE PIN JC14-203; GW Industrial Pty Ltd	\$300.55	\$30.06	\$330.61	PU044
18103SH	12/05/2014	CONVERSION-PU044-SILICONE & FITTINGS JC14-203; Advanced Industrial Products	\$10.39	\$1.04	\$11.43	PU044
18104SH	12/05/2014	CONVERSION-PU044-FILTERS JC14-203; Hitachi	\$62.62	\$6.26	\$68.88	PU044
18118SH	16/05/2014	CONVERSION-PU044-ELBOWS,PLATE & SOCKETS JC14-203; MRC Piping systems Mackay	\$199.18	\$19.92	\$219.10	PU044
18103SH	21/05/2014	CONVERSION-PU044-SILICONE JC14-203; Advanced Industrial Products	\$84.23	\$8.42	\$92.65	PU044
MAY14	31/05/2014	FUEL/OIL MAY14; Crokers Fuel & Oils Pty Ltd	\$209.36	\$20.94	\$230.30	PU044
1-5204						
18084AG	2/05/2014	NEW ASSET-POLY FLOATATION MODULE 11 X 2; Xylem Water Solutions Australia Ltd	\$7,880.00	\$788.00	\$8,668.00	PU094
1-5205						

GJ002295	2/05/2014	Pioneer PP44S8L71 & PP66S12L71 Pumps purchased on NAB Loan (Pioneer Pump Inv 246)	\$38,695.35	\$3,869.54	\$42,564.89	PU095
<b>1-5206</b>						
GJ002296	27/06/2014	Pioneer Pumps x 6 purchased on NAB Loan (Pioneer Pump Inv 323)	\$39,765.66	\$3,976.57	\$43,742.23	PU096
<b>1-5207</b>						
GJ002296	27/06/2014	Pioneer Pumps x 6 purchased on NAB Loan (Pioneer Pump Inv 323)	\$39,765.66	\$3,976.57	\$43,742.23	PU097
<b>1-5210</b>						
GJ002296	27/06/2014	Pioneer Pumps x 6 purchased on NAB Loan (Pioneer Pump Inv 323)	\$43,755.67	\$4,375.57	\$48,131.24	PU100
<b>1-5215</b>						
GJ002295	2/05/2014	Pioneer PP44S8L71 & PP66S12L71 Pumps purchased on NAB Loan (Pioneer Pump Inv 246)	\$49,615.35	\$4,961.54	\$54,576.89	PU105
<b>1-5220</b>						
GJ002296	27/06/2014	Pioneer Pumps x 6 purchased on NAB Loan (Pioneer Pump Inv 323)	\$51,765.67	\$5,176.57	\$56,942.24	PU110
<b>1-5221</b>						
GJ002296	27/06/2014	Pioneer Pumps x 6 purchased on NAB Loan (Pioneer Pump Inv 323)	\$51,765.67	\$5,176.57	\$56,942.24	PU111
<b>1-5230</b>						
GJ002296	27/06/2014	Pioneer Pumps x 6 purchased on NAB Loan (Pioneer Pump Inv 323)	\$55,345.67	\$5,534.57	\$60,880.24	PU120
<b>1-5235</b>						
GJ002230	1/05/2014	Multiflo Road Trailer Pumps x 4 purchased on NAB Loan (Weir Minerals Inv 617)	\$46,872.73	\$4,687.27	\$51,560.00	PU125
<b>1-5236</b>						
GJ002230	1/05/2014	Multiflo Road Trailer Pumps x 4 purchased on NAB Loan (Weir Minerals Inv 617)	\$46,757.72	\$4,675.77	\$51,433.49	PU126
<b>1-5237</b>						
GJ002230	1/05/2014	Multiflo Road Trailer Pumps x 4 purchased on NAB Loan (Weir Minerals Inv 617)	\$46,757.73	\$4,675.77	\$51,433.50	PU127
<b>1-5238</b>						
GJ002230	1/05/2014	Multiflo Road Trailer Pumps x 4 purchased on NAB Loan (Weir Minerals Inv 617)	\$46,757.73	\$4,675.77	\$51,433.50	PU128
<b>1-5700</b>						
DYLAN1	14/05/2014	PAYOUT OF LEASED TOYOTA SAHARA LANDCRUISER 261RZC (DYLAN 1); Toyota Fleet Management	\$44,933.22	\$4,493.32	\$49,426.54	DYLAN1
758RQC	22/05/2014	PAYOUT RESIDUAL ON LEASED HILUX 758RQC; Toyota Fleet Management	\$14,471.33	\$1,447.13	\$15,918.46	758-RQC
875RRM	23/05/2014	EARLY PAYOUT OF RESIDUAL ON LEASED PRADO 875RRM; Toyota Fleet Management	\$20,207.46	\$2,020.75	\$22,228.21	875-RRM
316RQX	13/06/2014	PAYOUT OF CLYNTON TIMM'S HILUX 316RQX (TO BE SOLD & LEASED BACK FROM TOYOTA); Toyota Fleet Management	\$26,500.00	\$2,650.00	\$29,150.00	14-004
<b>1-5800</b>						
17357AG	22/05/2014	SUPPL/LAY UNDERLAY/FLOORING AT YATALA; Andersens Loganholme	\$1,622.73	\$162.27	\$1,785.00	14-193
<b>1-5810</b>						
cc020514	2/05/2014	LG-The Good Guys- Apple Macbook Pro	\$1,766.45	\$176.65	\$1,943.10	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$2,390.77	\$239.08	\$2,629.85	14-004
<b>1-5950</b>						
cc200514	20/05/2014	BC-Officeworks Superstores Pty Ltd-Executive chair	\$161.82	\$16.18	\$178.00	14-004
17355AG	23/05/2014	SUPPLY OF 3 X 3M X 3M MARQUE PRINTED FOR SURAT BASIN EXPO; Quality Marquees & Tents	\$2,895.00	\$289.50	\$3,184.50	14-217
FURNITUR	26/05/2014	2 X WORKSTATIONS, 6 X BOARDROOM TABLES, 6 X OFFICE CHAIRS, 2 X WHITEBOARDS, 2 X FILING CABINETS; Gregs Office Furniture	\$800.00	\$80.00	\$880.00	14-193
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$504.36	\$50.44	\$554.80	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$1,045.09	\$104.51	\$1,149.60	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$122.73	\$12.27	\$135.00	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$152.68	\$15.27	\$167.95	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$369.13	\$36.91	\$406.04	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$254.50	\$25.45	\$279.95	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$271.82	\$27.18	\$299.00	14-004
cc300514	30/05/2014	AC-Amart furniture for Moranbah unit	\$911.52	\$91.15	\$1,002.67	14-004
cc310514	31/05/2014	SD-BBQ galore mackay-moranbah unit	\$353.64	\$35.36	\$389.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$381.82	\$38.18	\$420.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$727.27	\$72.73	\$800.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$161.82	\$16.18	\$178.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$900.00	\$90.00	\$990.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$381.82	\$38.18	\$420.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$418.18	\$41.82	\$460.00	14-005
cc310514	31/05/2014	LG-The Good Guys Mackay - Moranbah unit white goods	\$1,148.62	\$114.86	\$1,263.48	14-005
MAY14	10/06/2014	TELSTRA CHARGES TO 1/06/14; Telstra - Mobile phones	\$1,680.01	\$168.00	\$1,848.01	14-004
cc100614	10/06/2014	SD-Officeworks Superstores Pty Ltd - Moranbah unit Brother printer	\$351.81	\$35.18	\$386.99	14-004
cc110614	11/06/2014	SD-RCS Telecommunications Pty Ltd-Hand held radio	\$428.00	\$42.80	\$470.80	14-005
cc160614	16/06/2014	BC-Officeworks Superstores Pty Ltd Maroochydore-Targus Docking station	\$181.75	\$18.18	\$199.93	14-003
BP180614	18/06/2014	SCM Business Services-Reimburse purchase-Cigweld Inverter Welder	\$345.45	\$34.55	\$380.00	14-193
CAMP0764	19/06/2014	NEW ASSET-RECIPRO SAW MAKITA JR3050T; High Country Enterprises	\$295.65	\$29.57	\$325.22	14-004
EXPCLAIM	19/06/2014	EXPENSES 13-18/6; SCM Business Services-Dual purpose ladder	\$373.81	\$37.38	\$411.19	14-193
cc240614	24/06/2014	RH-Trade tools - Yatala branch-3 drawer service trolley	\$216.36	\$21.64	\$238.00	14-193
cc240614	24/06/2014	JC-Super amart - dining table moranbah unit	\$375.36	\$37.54	\$412.90	14-005
		Total:	\$884,880.76	\$87,997.77	\$972,878.53	

SHARE SALE DEED | page 12  
Second Tranche Assets

**NATIONAL PUMP SERVICES**  
PO BOX 512  
MACKAY QLD 4740  
**Fixed Asset Purchases**  
1/07/2014 To 21/08/2014

ID#	Date	Memo	GST Exclusive Cost	GST	GST Inclusive Cost	Job No.
<b>1-5060</b>						
GJ002397	01/08/2014	Pioneer Pump wet ends x 8 purchased on NAB Loan (Pioneer Pump Inv 370)	\$123,258.00	\$12,325.80	\$135,583.80	
18686SH	9/07/2014	REPAIRS-JC14-166-REBUILD SPARE 108C18-DEVCON; Consolidated Plastics & Epoxy Qld Pty Ltd	\$141.00	\$14.10	\$155.10	14-166
18686SH	9/07/2014	REPAIRS-JC14-166-REBUILD SPARE 108C18-DEVCON BRUSHABLE; Consolidated Plastics & Epoxy Qld Pty Ltd	\$196.60	\$19.66	\$216.26	14-166
JUL14	29/07/2014	SC LABOUR JUL14; Carradan Pietrzak	\$174.00	\$17.40	\$191.40	14-082
02014017	31/07/2014	MATERIALS-CONCRETE JC14-082; MCG Concrete Pty Ltd	\$993.00	\$99.30	\$1,092.30	14-082
<b>1-5100</b>						
NPS0007	2/07/2014	NEW PUMP BUILD-JC14-212-NUTS/BOLTS/WASHERS; Suncoast Bolts & Fasteners	\$446.52	\$44.65	\$491.17	14-212
CAMP0802	4/07/2014	NEW ASSET-PUMP BUILD JC14-212-5MM PLATE; Metaland - Onesteel	\$131.88	\$13.19	\$145.07	14-212
NPS0005	4/07/2014	NEW ASSET-PUMP BUILD JC14-212-BALL VALVE,CAMLOCKS & GAUGES ; Advanced Industrial Products	\$81.05	\$8.11	\$89.16	14-212
CAMP0800	7/07/2014	NEW ASSET-PUMP BUILD-JC14-212 - 1" 316 BSP POLYPROP PADDLE FLOW SWITCH; PLD Holdings	\$391.95	\$39.20	\$431.15	14-212
18811MM	9/07/2014	NEW ASSET-100M 6" LAYFLAT C/W BAUER COUPLINGS & CLAMPS ONHIRE TO JC14-254; Advanced Industrial Products	\$3,922.32	\$392.23	\$4,314.55	14-254
cc100714	10/07/2014	LG-Bendpro - 14-212 - supply & bend 90NB hvy pipe	\$710.50	\$71.05	\$781.55	14-212
02014003	11/07/2014	ASSET PURCHASE - SUCTION HOSES & BAUER FITTINGS X 25; Total Rubber	\$13,407.00	\$1,340.70	\$14,747.70	14-004
NPS0008	14/07/2014	NEW PUMP BUILD-JC14-212-PUMP & ENGINE SET UP JIG ; Citi-Steel Pty Ltd	\$280.00	\$28.00	\$308.00	14-212
NPS0006	15/07/2014	NEW PUMP BUILD-JC14-212-ASSORTED PLATES; Citi-Steel Pty Ltd	\$375.00	\$37.50	\$412.50	14-212
EXPCLAIM	21/07/2014	EXPENSE CLAIM 21-31/7: SCM Business Services BOLTS - MILLERS HARDWARE 21/7	\$8.50	\$0.85	\$9.35	14-212
ROD	21/07/2014	TOOLS FOR YATALA Almar Welding Engineering & Hose Supplies	\$3,690.00	\$369.00	\$4,059.00	14-004
ROD	23/07/2014	PUMA 415V 3 PHASE AIR COMPRESSOR #A13092321 Almar Welding Engineering & Hose Supplies	\$2,760.00	\$276.00	\$3,036.00	14-004
BP230714	23/07/2014	SCM Business Services-Reimburse-Powdercoat Engine Mount-Millers Powdercoating 11/7	\$121.93	\$12.19	\$134.12	14-212
02014070	24/07/2014	NEW ASSET-4,6,8" MALE & FEMALE CAPS & PLUGS YATALA; Total Rubber Ltd	\$478.68	\$47.87	\$526.55	14-004
18817MM	30/07/2014	MATERIALS-2 X 8" MOULDED HOSES & 2 X 8-6" REDUCERS JC14-241-NEW ASSETS ON HIRE; Advanced Industrial Products	\$4,739.09	\$473.91	\$5,213.00	14-241
02014006	31/07/2014	NEW HANDHELD VHF RADIO - CHANGE OF UNITS USED AT MILLENNIUM SERIAL#871TNP1887; RCS Telecommunications Pty Ltd	\$1,662.00	\$166.20	\$1,828.20	14-004
02014003	1/08/2014	ASSET PURCHASE - SUCTION HOSES & BAUER FITTINGS X 25 - SECOND PART OF ORDER; Total Rubber Ltd	\$13,407.00	\$1,340.70	\$14,747.70	14-004
02014119	7/08/2014	PROTO TYPE BUILD-JC14-289-FITTINGS; Piretek Yatala	\$55.35	\$5.54	\$60.89	14-289
02014013	8/08/2014	NEW ASSET-VHF RADIO FOR NEW MILLENNIUM SITE FREQUENCY SERIAL #511TQM5225; RCS Telecommunications Pty Ltd	\$1,403.70	\$140.37	\$1,544.07	14-004
02014061	8/08/2014	NEW ASSETS-YATALA-FLANGED ADAPTOR SOCKETS & BALLS, FAB BEND, GASKETS & FLANGES; Total Rubber Ltd	\$8,198.20	\$819.82	\$9,018.02	14-193
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$280.68	\$28.07	\$308.75	14-004
GJ002395	13/08/2014	Redirect labour re JC014-289 R&D 4" Build	\$148.97	\$0.00	\$148.97	14-289
02014093	14/08/2014	BLAST & PAINT NEW PUMP BUILD JC14-212; South Pacific Steel Fabrication Pty Ltd	\$1,511.00	\$151.10	\$1,662.10	14-212
02014108	18/08/2014	PUMP BUILD-PLUG JC14-289; Hastings Deering (Australia) Ltd	\$13.02	\$1.30	\$14.32	14-289
02014108	18/08/2014	NEW ASSET-PUMP BUILD-PLUG JC14-289; Hastings Deering (Australia) Ltd	\$13.02	\$1.30	\$14.32	14-289
02014123	21/08/2014	STOCK-YATALA-10 X BULGIN PANEL MOUNT CONNECTOR & TERMINATED WIRES AS PER RH/GG; Kensho Pty Ltd	\$1,503.50	\$150.35	\$1,653.85	14-004
<b>1-5123</b>						
18892MM	20/08/2014	REPAIRS-PU013-MACHINE SHAFT SLEEVE & MANUFACTURE HOUSING; Absolute Enterprises	\$814.09	\$81.41	\$895.50	PU013
<b>1-5134</b>						
18912SH	13/08/2014	UPGRADE-PU024-BLACK STEEL ELBOWS JC14-316; Advanced Industrial Products	\$22.52	\$2.25	\$24.77	PU024
18912SH	13/08/2014	UPGRADE-PU024-ECC REDUCER JC14-316; Advanced Industrial Products	\$63.59	\$6.36	\$69.95	PU024
18912SH	13/08/2014	UPGRADE-PU024-BUSH,GAUGE,PLUG,SOCKET & ECC REDUCER JC14-316; Advanced Industrial Products	\$23.74	\$2.37	\$26.11	PU024
18910SH	14/08/2014	CONVERSION-PU024-TIMING BELT JC14-316; Partout Pty Ltd	\$52.96	\$5.30	\$58.26	PU024
18910SH	14/08/2014	CONVERSION-PU024-TIMING BELT; Partout Pty Ltd	\$131.48	\$13.15	\$144.63	PU024
18917SH	14/08/2014	CONVERSION-PU024-KEY STEEL JC14-316; McGinns Hardware Merchants	\$38.67	\$3.87	\$42.54	PU024
18921SH	14/08/2014	CONVERSION-PU024-GREASE LINE JC14-316; Hose Corp Pty Ltd	\$173.04	\$17.30	\$190.34	PU024
18922SH	14/08/2014	CONVERSION-PU024-SUCT/DELIVERY HOSE JC14-316; Advanced Industrial Products	\$33.70	\$3.37	\$37.07	PU024
18924SH	15/08/2014	CONVERSION-PU024-FLANGE GASKETS & 200MM BAUER O'RINGS JC14-316; Advanced Industrial Products	\$77.70	\$7.77	\$85.47	PU024
<b>1-5205</b>						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.06	\$2.81	\$30.87	PU095
02014113	21/08/2014	UPGRADES-PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095-WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Piretek Yatala	\$35.80	\$3.58	\$39.38	PU095
<b>1-5206</b>						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU096
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU096
02014113	21/08/2014	UPGRADES-PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095-WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Piretek Yatala	\$35.81	\$3.58	\$39.39	PU096
<b>1-5207</b>						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.08	\$2.81	\$30.89	PU097
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU097
02014113	21/08/2014	UPGRADES-PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095-WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Piretek Yatala	\$35.81	\$3.58	\$39.39	PU097
<b>1-5208</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$39,403.12	\$3,940.31	\$43,343.43	PU098
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU098
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU098



02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	PU098
<b>1-5210</b>						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU100
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.64	\$1.06	\$11.70	PU100
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	PU100
<b>1-5211</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$43,393.12	\$4,339.31	\$47,732.43	PU101
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU101
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU101
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	
<b>1-5212</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$43,393.12	\$4,339.31	\$47,732.43	PU102
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.08	\$2.81	\$30.89	PU102
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.62	\$1.06	\$11.68	PU102
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.81	\$3.58	\$39.39	
<b>1-5213</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$43,393.12	\$4,339.31	\$47,732.43	PU103
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU103
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU103
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.81	\$3.58	\$39.39	
<b>1-5214</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$43,393.13	\$4,339.31	\$47,732.44	PU104
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU104
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU104
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.81	\$3.58	\$39.39	PU104
<b>1-5220</b>						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU110
201020SM	12/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-150MM S/S PIPE PIECE; Advanced Industrial Products	\$139.38	\$13.94	\$153.32	PU110
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU110
EXPLAIN	14/08/2014	STEEL BEND-MAXIPARTS 14/8; SCM Business Services	\$5.97	\$0.60	\$6.57	PU110
201020SM	18/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-S/S T/E FLANGES & ANSI150; Advanced Industrial Products	\$243.76	\$24.38	\$268.14	PU110
EXPLAIN	19/08/2014	PLUG, ELBOW, NIPPLE, SOCKET-QLD HOUSE OF HOSE 19/8; SCM Business Services	\$5.84	\$0.58	\$6.42	PU110
02014016	20/08/2014	ASSET UPGRADES-SC66S14L2 PUMP ENDS X 2, 1XCD4 S/S SUCTION COVER & 1 X CD4 S/S VOLUTE; Pioneer Pump Holding Pty Ltd	\$6,623.00	\$662.30	\$7,285.30	PU110
02014023	21/08/2014	UPGRADES-PU113,PU110,PU111,PU114-S/S BOLTS; Douglas Fasteners	\$64.06	\$6.41	\$70.47	PU110
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.81	\$3.58	\$39.39	PU110
<b>1-5221</b>						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.08	\$2.81	\$30.89	PU111
201020SM	12/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-150MM S/S PIPE PIECE; Advanced Industrial Products	\$139.37	\$13.94	\$153.31	PU111
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.64	\$1.06	\$11.70	PU111
EXPLAIN	14/08/2014	STEEL BEND-MAXIPARTS 14/8; SCM Business Services	\$5.97	\$0.60	\$6.57	PU111
201020SM	18/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-S/S T/E FLANGES & ANSI150; Advanced Industrial Products	\$243.74	\$24.37	\$268.11	PU111
EXPLAIN	19/08/2014	PLUG, ELBOW, NIPPLE, SOCKET-QLD HOUSE OF HOSE 19/8; SCM Business Services	\$5.83	\$0.58	\$6.41	PU111
02014016	20/08/2014	ASSET UPGRADES-SC66S14L2 PUMP ENDS X 2, 1XCD4 S/S SUCTION COVER & 1 X CD4 S/S VOLUTE; Pioneer Pump Holding Pty Ltd	\$15,600.00	\$1,560.00	\$17,160.00	PU111
02014023	21/08/2014	UPGRADES-PU113,PU110,PU111,PU114-S/S BOLTS; Douglas Fasteners	\$64.05	\$6.41	\$70.46	PU111
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	PU111
<b>1-5222</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$51,403.13	\$5,140.31	\$56,543.44	PU112
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU112
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU112
02014113	21/08/2014	UPGRADES- PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095- WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	PU112
<b>1-5223</b>						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$51,403.13	\$5,140.31	\$56,543.44	PU113

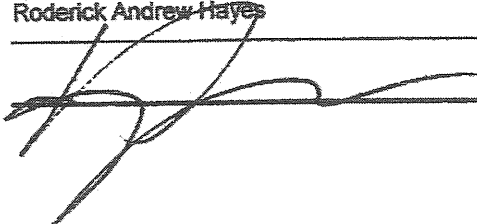
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.08	\$2.81	\$30.89	PU113
02014117	12/08/2014	CONVERSION-PU113-SCREWS & THREADLOCK COMPOUND JC14-311; Douglas Fasteners	\$44.82	\$4.48	\$49.30	PU113
201020SM	12/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-150MM S/S PIPE PIECE; Advanced Industrial Products	\$139.37	\$13.94	\$153.31	PU113
02014111	13/08/2014	MODIFICATIONS-PU113-ENGINE HOUSING ADAPTOR & COUPLING JC14-311; AllightSykes Pty Ltd	\$2,504.79	\$250.48	\$2,755.27	PU113
02014115	13/08/2014	MODIFICATIONS-PU113-VOLUTE JC14-311; AllightSykes Pty Ltd	\$4,930.00	\$493.00	\$5,423.00	PU113
14-311	13/08/2014	UPGRADE-PU113-KEY STEEL JC14-311; CBC Australia Pty Ltd	\$74.42	\$7.44	\$81.86	PU113
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.62	\$1.06	\$11.68	PU113
02014116	14/08/2014	MODIFICATIONS-PU113-MECHANICAL SEAL JC14-311; AllightSykes Pty Ltd	\$314.72	\$31.47	\$346.19	PU113
02014117	14/08/2014	UPGRADE-PU113-SIKAFLEX - JC14-311; Douglas Fasteners	\$23.46	\$2.35	\$25.81	PU113
EXPCLAIM	14/08/2014	STEEL BEND-MAXIPARTS 14/8; SCM Business Services	\$5.98	\$0.60	\$6.58	PU113
201020SM	18/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-S/S T/E FLANGES & ANSI150; Advanced Industrial Products	\$243.75	\$24.38	\$268.13	PU113
EXPCLAIM	19/08/2014	PLUG, ELBOW, NIPPLE, SOCKET-QLD HOUSE OF HOSE 19/8; SCM Business Services	\$27.51	\$2.75	\$30.26	PU113
02014122	20/08/2014	UPGRADE-PU113-SOCKETS SCREWS & WASHER JC14-311; Douglas Fasteners	\$8.78	\$0.88	\$9.66	PU113
02014023	21/08/2014	UPGRADES-PU113,PU110,PU111,PU114-S/S BOLTS; Douglas Fasteners	\$64.05	\$6.41	\$70.46	PU113
02014113	21/08/2014	UPGRADES-PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095-WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	
1-5224						
GJ002396	01/08/2014	Pioneer Pumps x 8 purchased on NAB Loan (Pioneer Pump Inv 371)	\$51,403.13	\$5,140.31	\$56,543.44	PU114
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.07	\$2.81	\$30.88	PU114
201020SM	12/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-150MM S/S PIPE PIECE; Advanced Industrial Products	\$139.37	\$13.94	\$153.31	PU114
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.63	\$1.06	\$11.69	PU114
EXPCLAIM	14/08/2014	STEEL BEND-MAXIPARTS 14/8; SCM Business Services	\$5.97	\$0.60	\$6.57	PU114
201020SM	18/08/2014	MODIFICATIONS-PU113,PU110,PU111,PU114-S/S T/E FLANGES & ANSI150; Advanced Industrial Products	\$243.75	\$24.38	\$268.13	PU114
EXPCLAIM	19/08/2014	PLUG, ELBOW, NIPPLE, SOCKET-QLD HOUSE OF HOSE 19/8; SCM Business Services	\$5.85	\$0.59	\$6.44	PU114
02014016	20/08/2014	ASSET UPGRADES-SC66S14L2 PUMP ENDS X 2, 1XCD4 S/S SUCTION COVER & 1 X CD4 S/S VOLUTE; Pioneer Pump Holding Pty Ltd	\$15,600.00	\$1,560.00	\$17,160.00	PU114
02014023	21/08/2014	UPGRADES-PU113,PU110,PU111,PU114-S/S BOLTS; Douglas Fasteners	\$64.06	\$6.41	\$70.47	PU114
02014113	21/08/2014	UPGRADES-PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095-WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	
1-5230						
02014096	8/08/2014	PREHIRE-GLYC FILL & VAC GAUGES - JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305,10 X 14-004; Advanced Industrial Products	\$28.06	\$2.81	\$30.87	PU120
02014114	14/08/2014	NEW PLANT-T/D GASKETS & 6MM HOSE JC14-291,14-292,14-293,14-294,14-295,14-296,14-297,14-298,14-299,14-300,14-301,14-302,14-303,14-304,14-305; Total Rubber Ltd	\$10.64	\$1.06	\$11.70	PU120
02014113	21/08/2014	UPGRADES-PU112,PU113,PU114,PU098,PU101,PU102,PU103,PU104,PU096,PU097,PU100,PU110,PU111,PU120,PU095-WORM DRIVE CLAMPS,BSP FEM BULKHEAD,MALE TAILPIECE; Pirtek Yatala	\$35.80	\$3.58	\$39.38	PU120
1-5235						
02014102	11/08/2014	UPGRADES-PU125,PU126,PU127,PU128-DOCUMENT HOLDERS; Tutt Bryant Hire	\$57.12	\$5.71	\$62.83	PU125
GJ002394	13/08/2014	Redirect labour re JC014-285,286,287,288 Trailer Pumps	\$16.55	\$0.00	\$16.55	PU125
1-5236						
02014102	11/08/2014	UPGRADES-PU125,PU126,PU127,PU128-DOCUMENT HOLDERS; Tutt Bryant Hire	\$57.12	\$5.71	\$62.83	PU126
GJ002394	13/08/2014	Redirect labour re JC014-285,286,287,288 Trailer Pumps	\$16.55	\$1.66	\$18.21	PU126
1-5237						
02014102	11/08/2014	UPGRADES-PU125,PU126,PU127,PU128-DOCUMENT HOLDERS; Tutt Bryant Hire	\$57.11	\$5.71	\$62.82	PU127
GJ002394	13/08/2014	Redirect labour re JC014-285,286,287,288 Trailer Pumps	\$16.55	\$1.66	\$18.21	PU127
1-5238						
02014102	11/08/2014	UPGRADES-PU125,PU126,PU127,PU128-DOCUMENT HOLDERS; Tutt Bryant Hire	\$57.10	\$5.71	\$62.81	PU128
GJ002394	13/08/2014	Redirect labour re JC014-285,286,287,288 Trailer Pumps	\$16.55	\$1.66	\$18.21	PU128
1-5700						
876RRM	3/07/2014	PAYOUT OF TOYOTA PRADO GXL 876RRM ; Toyota Fleet Management	\$19,050.85	\$1,905.09	\$20,955.94	876-RRM
906RRM	10/07/2014	PAYOUT OF LEASED HILUX SR 906RRM; Toyota Fleet Management	\$15,315.00	\$1,531.50	\$16,846.50	906-RRM
1-5800						
YATALA	3/07/2014	30% DEPOSIT FOR WASH BAY PROJECT AT YATALA; Citi Plumbing	\$8,167.38	\$816.74	\$8,984.12	14-193
02014006	9/07/2014	BUILDING IMPROVEMENTS-BEAMS, MESH CAGES & RACKS YATALA 14-193; Ware Hows Pty Ltd	\$2,152.00	\$215.20	\$2,367.20	14-193
02014023	12/07/2014	SUPPLY/INSTALL RECEPTION COUNTER WITH DRAWERS & FILE UNIT JC14-193; IR & A Smith	\$1,890.00	\$189.00	\$2,079.00	14-193
02014066	31/07/2014	NEW ASSET-YATALA-RACKING SYSTEM; ABI Coating Specialists Pty Ltd	\$3,450.00	\$345.00	\$3,795.00	14-193
1-5810						
02014039	15/07/2014	INSPIRE OFFICE PROGRAM INC. TRAINING; Elev8 Australia Pty Ltd	\$25,000.00	\$2,500.00	\$27,500.00	14-005
CO2159	22/07/2014	1 X ACER TRAVELMATE LAPTOP INC. MICROSOFT OFFICE; Secure Access	\$1,417.75	\$141.78	\$1,559.53	14-193
CO2160	22/07/2014	2 X NEW ACER VERITON COMPUTERS INC. MICROSOFT OFFICE PROGRAM; Secure Access	\$2,987.60	\$298.76	\$3,286.36	14-005
NPS0038	25/07/2014	NEW ASSET-HP430 G1 LAPTOP INC. OFFICE.TREND MICRO; Secure Access	\$1,762.95	\$176.30	\$1,939.25	14-004
02014075	26/07/2014	NEW ASSET-TELEPHONE SYSTEM HYBEX G1E+ INC. 3 EXTENSIONS; Complex Communications	\$1,552.00	\$155.20	\$1,707.20	14-193
1-5950						
cc010714	1/07/2014	SH-Hare & Forbes Machinery House-offset 8" vice	\$453.98	\$45.40	\$499.38	14-002
00018631	2/07/2014	CHARGER FOR PORTABLE RADIOS PEAK DOWNS; RCS Telecommunications Pty Ltd	\$376.00	\$37.60	\$413.60	14-031
cc020714	2/07/2014	BC-Olbis Pty Ltd-fire ext 4.5kg powder, bracket	\$130.09	\$13.01	\$143.10	14-212
cc040714	4/07/2014	GG-Lyn trading- Fridges at Yatala	\$362.73	\$36.27	\$399.00	14-193
cc040714	4/07/2014	GG-Lyn trading- Fridges at Yatala	\$281.71	\$28.17	\$309.88	14-193
14-003	8/07/2014	BROTHER MFC-J6520DW PRINTER & WALL MOUNTED FIRST AID KIT; Logan Stationery & Business	\$481.00	\$48.10	\$529.10	14-193
14-003	9/07/2014	TRAFFIC BOLLARD X 4 & SAFETY CHAIN; Logan Stationery & Business	\$295.20	\$29.52	\$324.72	14-193
cc090714	9/07/2014	GG-Harvey norman - yatala microwave	\$226.36	\$22.64	\$249.00	14-193
14-003	14/07/2014	KEY CABINET; Logan Stationery & Business	\$110.01	\$11.00	\$121.01	14-193
ROD	21/07/2014	TOOLS FOR YATALA Almar Welding Engineering & Hose Supplies	\$2,277.92	\$227.79	\$2,505.71	14-004
cc010814	1/08/2014	GG-Castors & industrial products-pallet jack 2500kg 685mm poly	\$400.00	\$40.00	\$440.00	14-193
		Total:	\$690,243.71	\$69,007.82	\$759,251.53	

## Annexure B

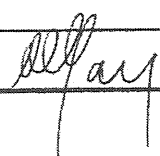
Resource Equipment Ltd ACN 098 812 492

This is annexure "B" of 1 page referred to in "Form 603 Notice of initial substantial holder".

**Signature**

print name	Roderick Andrew Hayes	capacity	Personal capacity
sign here		date	2 '12 '14

**Signature**

print name	Elaina May Hayes	capacity	Personal capacity
sign here		date	2 '12 '14