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SunWater Limited
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9 April 2014

Duncan Mortimer
Project Development Manager
RATCH Australia Corporation Limited
Level 4, 231 George Street,
Brisbane QLD 4000

Dear Duncan,

Mount Emerald Wind Farm Pty Ltd - Partial Surrender of Perpetual Lease

We refer to previous communications in this matter regarding the request by RATCH for SunWater to surrender part of its perpetual lease no 219179 contained in Lot 905 on CP896501 ("**Perpetual Lease**") to Mount Emerald Wind Farm Pty Ltd (**MEWF**) to allow MEWF to construct certain road works in respect of its Mount Emerald Wind Farm Project ("**Project**").

This letter confirms SunWater's intention to enter into an agreement with MEWF for the partial surrender of the Perpetual Lease.

That agreement will, amongst other things, provide for:

- the performance by SunWater of certain protection works with respect to the water pipeline ("**Pipeline**") owned by SunWater and located within the Perpetual Lease;
- the dedication and use of the surrendered land as a road under the Land Act;
- the construction by MEWF of a road on the surrendered land;
- the provision by MEWF of other tenure acceptable to SunWater in respect of the Pipeline to replace the surrendered land; and
- payment by MEWF of all of the costs of the works and transactions contemplated by the agreement.

The details of the Pipeline protection works are still to be finalised by the SunWater following the completion of an engineering assessment.

SunWater is currently undertaking the preparation of that agreement in conjunction with the preparation of a detailed specification for the Pipeline protection works. SunWater will be responsible for procuring any approvals required for the Pipeline protection works. MEWF will develop a detailed specification for the road works and will be responsible for procuring any approvals required for those road works.

SunWater will provide MEWF with drafts of those documents as they are completed. We look forward to receipt of the road works specification as soon as possible.

This letter does not give rise to any binding obligations on behalf of SunWater to MEWF, and none of the transactions contemplated by this letter will be binding upon SunWater until such time as the formal agreement is executed and becomes unconditional.

Yours sincerely

A handwritten signature in blue ink, consisting of a single, fluid, horizontal stroke that tapers at both ends.

Kate Wright
Legal Manager – Bulk Water and Irrigation Systems