

# Direct Sale Rules for the Offer of Water Entitlements to Landholders Greater Meander Irrigation District

This schedule constitutes the schedule for the purposes of these Direct Sales Rules

## The Schedule

The Irrigation District	The Greater Meander Irrigation District as varied by Tasmanian Irrigation in its absolute discretion
The Price	\$1,550 / ML entitlements
The Deposit Percentage	Ten per cent (10%) payable in one instalment
Minimum Purchase Volume	10 ML
Incremental Purchase Volume	5 ML
Flow Rate Conversion Factor	1/150 = 0.0067
The Closing Date	24 June 2022 unless extended under clause 4.2(e)
The Acceptance Date	30 Nov 2022
Water Sales Threshold	11,000 ML

## 1. Interpretation

### 1.1 Definitions

In the Direct Sale Rules and the Application Form:

- (a) “the Acceptance Date” means Acceptance Date specified in the schedule;
- (b) “the Allocation Process” means the allocation process under clause 5;
- (c) “the Applicant’s Delivery Zone” means the Delivery Zone for the Applicant’s Qualifying Zone;
- (d) “the Applicant’s Qualifying Zone” means:
  - (i) if one and only one Qualifying Zone borders or passes through the Qualifying Land, that Qualifying Zone; or
  - (ii) if more than one Qualifying Zone borders or passes through the Qualifying Land, one of those Qualifying Zones nominated as the Applicant’s Qualifying Zone in the Application Form; or
  - (iii) if no Qualifying Zone borders or passes through the Qualifying Land, either:
    - A. the Qualifying Zone which Tasmanian Irrigation determines in its absolute discretion is the most practical Qualifying Zone from which to supply water to the Qualifying Land; or
    - B. a new Qualifying Zone comprising an addition to the planned water delivery system of the Irrigation District as specified by Tasmanian Irrigation in its absolute discretion,

as Tasmanian Irrigation chooses in its absolute discretion;

- (e) “the Applicant” means the Applicant named in the Application Form;
- (f) “the Applicant’s Purchase Contract” means the copy of the Water Entitlements Purchase Contract lodged by the Applicant with the Application as required by clause 3.10(a)(ii);
- (g) “an Application” means an application to purchase Water Entitlements made in accordance with the Direct Sale Rules;
- (h) “the Application Form” means the application to purchase water entitlements to which the Direct Sale Rules are attached, and which is completed to make an Application;
- (i) “a Business Day” means a day on which trading banks are open for business in both Hobart and Launceston in Tasmania;
- (j) “a Business Unit” means a business which is managed or conducted as one economic unit even if:
  - (i) more than one person owns or conducts the business; or
  - (ii) the person or people who own or conduct the business do not own the land on which the business is conducted;
- (k) “the Closing Date” means the Closing Date specified in the schedule;
- (l) “a Complying Application” means an Application which complies with the requirements of clause 3 or is otherwise treated by Tasmanian Irrigation as a Complying Application under clause 4.2(b);

- (m) “the Delivery Zone” for a Qualifying Zone means that Qualifying Zone and:
- (i) if that Qualifying Zone is a Trunk Zone, all other parts of the water delivery system of the proposed Irrigation District through any part of which water flowing from the Meander Dam must necessarily pass to reach that Qualifying Zone; or
  - (ii) if that Qualifying Zone is a Spur Zone, all other Qualifying Zones through any part of which water flowing from the Meander Dam must necessarily pass to reach that Qualifying Zone;
- (n) “the Deposit” means the deposit paid by an Applicant, as required by clause 3.10(b);
- (o) “the Deposit Amount” means the total price for the Requested Volume calculated at the Price multiplied by 0.02;
- (p) “the Deposit Percentage” means the Deposit Percentage specified in the Application Form;
- (q) “the Direct Sale Rules” means these Direct Sale Rules;
- (r) “the Flow Rate Conversion Factor” means the Flow Rate Conversion Factor specified in the schedule;
- (s) “the Guarantors” means the individuals or corporations specified in and executing the Application Form as Guarantors;
- (t) “the Incremental Purchase Volume” means the Incremental Purchase Volume specified in the schedule;
- (u) “the Irrigation District” means the Irrigation District specified in the schedule;
- (v) “the Minimum Purchase Volume” means the Minimum Purchase Volume specified in the schedule;
- (w) “notify” means serve a written notice;
- (x) “the Preliminary Connection Point” means one point specified as the Preliminary Connection Point in the Application Form;
- (y) “the Price” means the Price specified in the schedule;
- (z) “the Proposed Meander Dam Station” means the Proposed Meander Dam Station identified on the plan forming annexure 1;
- (aa) “the Qualifying Land” means the Qualifying Land specified in the Application Form;
- (bb) “the Qualifying Zones” means the zones of the planned water delivery system of the Irrigation District specified as the Qualifying Zones on the plan forming annexure 1 and any new Qualifying Zone specified by Tasmanian Irrigation under clause 1.1(d)(iii)B;
- (cc) “the Requested Volume” in respect of an Application means the Requested Volume of the Rights specified in the Application Form;
- (dd) “Rights” means Rights as defined in the Applicant’s Purchase Contract;
- (ee) “the Scheme” means the undertaking as defined by section 2(1) of the Irrigation Clauses Act 1973 planned for the Irrigation District and any watercourse planned to be used to deliver water;
- (ff) “the Spur Zones” means:
- (i) the Qualifying Zones identified as Spur Zones on the plan forming annexure 1; and
  - (ii) the Qualifying Zones specified by Tasmanian Irrigation under clause 1.1(d)(iii)B as Spur Zones;
- (gg) “Tasmanian Irrigation” means Tasmanian Irrigation Pty Ltd ACN 133 148 384;
- (hh) “the Trunk Zones” means:
- (i) the Qualifying Zones identified as Trunk Zones on the plan forming annexure 1; and
  - (ii) the Qualifying Zones specified by Tasmanian Irrigation under clause 1.1(d)(iii)B as Trunk Zones; and
- (ii) “the Water Entitlements Purchase Contract” means Tasmanian Irrigation’s standard contract for the purchase of rights to a supply of water from the Scheme and a share of the capacity of the Scheme to deliver water;
- (jj) “the Water Sales Threshold” means the condition that the aggregate volume of Rights sold is at least the Water Sales Threshold specified in the schedule; and
- (kk) “the Zone Delivery Capacity” of a Qualifying Zone means the maximum capacity of the Scheme to deliver water to that Qualifying Zone as determined by Tasmanian Irrigation in its absolute discretion taking into account the requirement for the Scheme to deliver water to other Qualifying Zones.

## 1.2 General

In the Direct Sale Rules, unless the context otherwise requires:

- (a) the word ‘include’ does not exclude;
- (b) the singular includes the plural and vice versa;
- (c) a reference to an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa;
- (d) a reference to any gender includes all genders;
- (e) a reference to a recital, clause, schedule, annexure or exhibit is to a recital, clause, schedule, annexure, or exhibit of or to the Direct Sale Rules and a reference to the Direct Sale Rules includes any recital, clause, schedule, annexure or exhibit;
- (f) a recital, schedule, annexure or a description of the parties forms part of the Direct Sale Rules;
- (g) a reference to any agreement or document (including this document) is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (h) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (i) where an expression is defined anywhere, it has the same meaning throughout;
- (j) headings are for convenience of reference only and do not affect interpretation;
- (k) no provision of the Direct Sale Rules will be construed adversely to a party solely on the ground that the party was responsible for the preparation of the Direct Sale Rules or that provision; and
- (l) a reference to anything (including any right) includes any part of that thing, but nothing in this clause 1.2(l) implies that performance of part of an obligation constitutes performance of the entire obligation.

---

## 2. Effect of application

---

### 2.1 Offer

An Application submitted under the Direct Sale Rules is a valid and irrevocable offer by the Applicant on the terms of the Direct Sale Rules to enter the Applicant’s Purchase Contract:

(a) for Rights of a volume allocated by Tasmanian Irrigation under the Allocation Process but not greater than the Requested Volume; and

(b) at the Price.

## 2.2 Irrevocable until acceptance date

Tasmanian Irrigation may accept the offer on or before the Acceptance Date and the offer is irrevocable (and may not be amended by an Applicant without Tasmanian Irrigation's consent) until then.

---

## 3. Complying Application

---

### 3.1 Requirements

To lodge a Complying Application, the Applicant must comply with this clause 3.

### 3.2 Application Form

The Applicant must apply by completing the Application Form as required by clause 3.3. The Application Form must not be removed from the Direct Sale Rules.

### 3.3 Completion of the Application Form

- (a) The Application Form must be completed where indicated on the Application Form with:
- (i) the full name of each of the parties comprising the Applicant;
  - (ii) an address for delivery of notices in Australia for the Applicant;
  - (iii) a postal address for the Applicant;
  - (iv) at least one contact person for the Applicant and contact details for that contact person;
  - (v) the full name of each Guarantor required by clause 3.4;
  - (vi) an address for delivery of notices in Australia for each Guarantor;
  - (vii) a postal address for each Guarantor;
  - (viii) the Qualifying Land;
  - (ix) the Applicant's Qualifying Zone if that nomination is required by clause 1.1(d)(ii);
  - (x) details of the Preliminary Connection Point;
  - (xi) the Requested Volume being the volume of Rights expressed in MLs in an integer multiple of the Incremental Purchase Volume not less than the Minimum Purchase Volume, for which the Applicant applies.
  - (xii) the Deposit Percentage.

### 3.4 Guarantors

- (a) If any Applicant is a company and is not a listed company or a subsidiary of a listed company, each director of the company is required to be a Guarantor.
- (b) If any Applicant is a subsidiary of a listed company, the listed company is required to be a Guarantor.

### 3.5 Executing the Application Form

- (a) The Application Form must be executed by each Applicant and each Guarantor (if any) and must be dated.
- (b) Where the Application Form is executed under power of attorney, a certified copy of that power and evidence that the power has been registered must be lodged with the Application Form.

### 3.6 Qualification

The Applicant must establish to Tasmanian Irrigation's reasonable satisfaction that:

- (a) the Qualifying Land is a parcel of land in the Irrigation District;
- (b) no other land which is contiguous with the Qualifying Land is used in the same Business Unit as the Qualifying Land; and
- (c) the Applicant:
- (i) owns or is otherwise entitled to deal with the Qualifying Land;
  - (ii) is the occupier of the Qualifying Land; or
  - (iii) has a relationship to the Qualifying Land which Tasmanian Irrigation in its absolute discretion considers to be sufficiently equivalent to ownership or occupation.

### 3.7 Contiguous Land

For the purposes of clause 3.6(b), land is contiguous even if it is intersected by:

- (a) a highway, railway, tramway or any other way; or
- (b) any land in other ownership,

unless Tasmanian Irrigation in its absolute discretion considers that the effect of the intersection is to practically sever the land for operational purposes.

### 3.8 Competing applications

- (a) The Application must be:
- (i) the only application which nominates any part of the Qualifying Land as the qualifying land for the purposes of the application; or
  - (ii) approved by Tasmanian Irrigation under clause 3.8(b).
- (b) Where Tasmanian Irrigation receives another application or other applications under which part or all of the Qualifying Land is part or all of the qualifying land for that other application, Tasmanian Irrigation:
- (i) will consult with the relevant applicants in relation to the applications and any potential variations to the applications; and
  - (ii) may after the consultation required by clause 3.8(b)(i):
    - A. allow any of the applications to be varied by the relevant applicant; and
    - B. decide in its absolute discretion which of the applications as varied if varied under clause 3.8(b)(ii)A, if any, it will approve.

### 3.9 The Preliminary Connection Point

- (a) The Preliminary Connection Point:
- (i) must be approved by Tasmanian Irrigation; and
  - (ii) where one or more Qualifying Zones border or pass through the Qualifying Land, must be in the Applicant's Delivery Zone.
- (b) Tasmanian Irrigation may decide in its absolute discretion whether or not it approves any Preliminary Connection Point.
- (c) The Applicant agrees that, where no Qualifying Zone borders or passes through the Qualifying Land, the Applicant has no right to require Tasmanian Irrigation to extend the water delivery system of the Irrigation District so as to allow a connection to the same within or on the boundary of the Qualifying Land.

### 3.10 Lodging the Application

Not later than 2:00 pm on the Closing Date:

- (a) the following must be lodged in one of the ways specified in clause 3.11:

- (i) the completed and executed Application Form to which the Direct Sale Rules remain attached; and
  - (ii) a copy of the Applicant's Purchase Contract:
    - A. unaltered;
    - B. with the schedule left uncompleted; and
    - C. executed by each Applicant and each Guarantor (if any); and
- (b) a deposit equal to the Deposit Amount must be paid to Tasmanian Irrigation by:
- (i) a cheque that is restrictively endorsed with the words "Not Negotiable" payable to Tasmanian Irrigation Pty Ltd being lodged with the documents referred to in clause 3.10(a); or
  - (ii) another payment method approved by Tasmanian Irrigation.

### 3.11 How to lodge

The documents referred to in clause 3.10(a) can be lodged:

- (a) by mail addressed to:
  - Tasmanian Irrigation Pty Ltd
  - PO Box 84
  - Evandale TAS 7212
 and received by Tasmanian Irrigation not later than the time specified in clause 3.10(a);
- (b) personal delivery to Tasmanian Irrigation's offices at:
  - Level 2, Terminal Building
  - Launceston Airport
  - Western Junction in Tasmania; or
- (c) by personal delivery to an authorised officer of Tasmanian Irrigation.

---

## 4. Tasmanian Irrigation's rights

---

### 4.1 Variation of Application

- (a) Before or after the Closing Date, Tasmanian Irrigation may notify the Applicant of changes which are required to make an Application a Complying Application.
- (b) If the Applicant notifies Tasmanian Irrigation that the Applicant agrees to vary the Application as specified by Tasmanian Irrigation, the Application will be taken to be so varied and to be a Complying Application even if the variation takes effect after the Closing Date.

### 4.2 Rights

Without limiting any of its other rights under the Direct Sale Rules, and in addition to its rights under clause 4.1, Tasmanian Irrigation has an absolute discretion:

- (a) to reject an Application which is not a Complying Application;
- (b) to treat an Application as a Complying Application even though it is not otherwise a Complying Application;
- (c) to treat an Application specifying a Requested Volume which is not an integer multiple of the Incremental Purchase Volume as an Application specifying a Requested Volume rounded down to the nearest integer multiple of the Incremental Purchase Value;
- (d) to call for new Applications;
- (e) to extend the Closing Date;
- (f) to terminate the sale process under the Direct Sale Rules at any time before notifying successful Applicants; and
- (g) to take such other action it considers, in its absolute discretion, to be appropriate in relation to the sale process.

### 4.3 Tasmanian Irrigation not liable

Tasmanian Irrigation is not liable to:

- (a) any unsuccessful Applicant in respect of expenses incurred by the Applicant; or
- (b) any Applicant in respect of any costs incurred in the preparation of an application or as a result of the exercise of any rights of the Tasmanian Irrigation under the Direct Sale Rules.

---

## 5. Allocation process

---

### 5.1 Allocation for each Qualifying Zone

- (a) Each Application will be treated as an application for the Requested Volume of Rights in respect of the Applicant's Qualifying Zone for that Application.
- (b) Where the total Requested Volume applied for in respect of a Qualifying Zone does not exceed the Zone Delivery Capacity for that Qualifying Zone, the Requested Volume of Rights will be allocated to each Complying Application for Rights in respect of that Qualifying Zone.
- (c) Where the total Requested Volume applied for in respect of a Qualifying Zone exceeds the Zone Delivery Capacity for that Qualifying Zone, Tasmanian Irrigation may:
  - (i) terminate the sale process and re-commence the sale using a competitive process; or
  - (ii) allocate Rights up to the Zone Delivery Capacity for that Qualifying Zone among Complying Applications for Rights in respect of that Qualifying Zone as Tasmanian Irrigation in its absolute discretion thinks fit.

### 5.2 The Water Sales Threshold

If the result of the Allocation Process in respect of the Complying Applications received by Tasmanian Irrigation (and any other sales of Rights made by Tasmanian Irrigation prior to the Acceptance Date) would not satisfy the Water Sales Threshold, Tasmanian Irrigation may elect to:

- (a) terminate the Allocation Process and not allocate any Rights; or
- (b) allocate Rights to Complying Applications under clause 5.1.

### 5.3 Insufficient take up in a Qualifying Zone

- (a) If Tasmanian Irrigation does not receive sufficient Complying Applications for Rights in respect of a Qualifying Zone, Tasmanian Irrigation may elect to:
  - (i) not allocate any Rights in respect of that Qualifying Zone; or
  - (ii) allocate Rights to Complying Applications in respect of that Qualifying Zone under clause 5.1 subject to Tasmanian Irrigation receiving additional commitments to purchase Rights in respect of that Qualifying Zone as specified by Tasmanian Irrigation in its absolute discretion.
- (b) Whether or not there are sufficient Complying Applications for Rights in respect of a Qualifying Zone is the decision of Tasmanian Irrigation in its absolute discretion.

---

## 6. Post Allocation process

---

### 6.1 Notice of allocation

Tasmanian Irrigation must notify the Applicant of the volume of Rights allocated to the Applicant as determined under the Allocation Process as soon as reasonably possible after the Allocation Process has been completed and in any event before the Acceptance Date.

### 6.2 Effect of notification

If Tasmanian Irrigation notifies the Applicant under clause 6.1 before the Acceptance Date, Tasmanian Irrigation, the Applicant and any Guarantors who executed the Application Form may enter an agreement on the terms of the Applicant's Purchase Contract:

- (a) for the purchase of the volume of Rights notified under clause 6.1;
- (b) at the Price;
- (c) on the basis that the following are taken to be inserted as applicable in the schedule:
  - (i) the total volume of Rights notified under clause 6.1 as the Volume;
  - (ii) the total volume of Rights notified under clause 6.1 multiplied by the Flow Rate Conversion Factor as the Flow Rate in ML per day;
  - (iii) the Qualifying Land;
  - (iv) the Applicant's Delivery Zone as the Zone;
  - (v) details of the Preliminary Connection Point; and
  - (vi) the Deposit Percentage.

### 6.3 The Applicant's Purchase Contract

- (a) Tasmanian Irrigation must with the Applicant's Purchase Contract:
  - (i) insert the name of the Applicant and any Guarantors and their addresses and the other details referred to in clause 6.2 in the schedule;
  - (ii) execute it;
  - (iii) date it with the date of the notification under clause 6.1; and
  - (iv) send a photocopy of it to the Applicant.
- (b) The completion and execution by Tasmanian Irrigation of the Applicant's Purchase Contract is only intended to permanently record the terms of the agreement arising under clause 6.2 and the parties will be bound by that agreement on the date of and by virtue of the notification given under clause 6.1.

### 6.4 The Deposit

- (a) Upon notifying the Applicant pursuant to clause 6.1, the Deposit will be applied to the Applicant's Purchase Contract;
- (b) If Tasmanian Irrigation notifies the Applicant under clause 6.1 that the volume of Rights allocated by Tasmanian Irrigation in the Applicant's Purchase Contract is less than the Requested Volume on the Applicant's Application Form then Tasmanian Irrigation must refund to the Applicant any excess of the Deposit.
- (c) The excess referred to in clause 6.4(b) is determined by the difference between the Requested Volume on the Applicant's Application Form and the Rights allocated by Tasmanian Irrigation in the Applicant's Purchase Contract.

### 6.5 Unsuccessful Applicant

If an Application is rejected or not accepted by Tasmanian Irrigation then Tasmanian Irrigation, as soon as reasonably possible after the Allocation Process has been completed, must:

- (a) notify the Applicant that the Application has not been accepted; and
- (b) repay the Deposit to the Applicant.

---

## 7. Notices

---

### 7.1 How given

A notice required or permitted to be given by Tasmanian Irrigation to another party under the Direct Sale Rules must be in writing and is treated as being duly given if:

- (a) left at that party's address for delivery of notices specified in the Application Form; or
- (b) sent by pre-paid mail to that party's postal address specified in the Application Form.

### 7.2 Receipt of notice

A notice given to a party under this clause is treated as having been duly given and received:

- (a) when delivered if left at the party's address; and
- (b) on the third Business Day after posting if sent by pre-paid mail to the party's postal address.

### 7.3 Addresses

For the purpose of Tasmanian Irrigation giving notices under the Direct Sale Rules:

- (a) each party's address is the address specified in the Application Form or another address which that party notifies to Tasmanian Irrigation; and
- (b) each party's postal address is:
  - (i) the postal address specified in the Application Form or another postal address which that party notifies to Tasmanian Irrigation; or
  - (ii) that party's address if no postal address is specified in the Application Form or notified to Tasmanian Irrigation.

---

## 8. General

---

### 8.1 Variation and waiver

No variation of, waiver of, or consent to any departure from the Direct Sale Rules or the Applicant's Purchase Contract has any effect unless it is confirmed in writing and;

- (a) signed by the parties in the case of a variation; or
- (b) signed by the party waiving or consenting to the departure in the case of a waiver or consent to a departure,

and then its effect is strictly limited to the extent for which it is made or given.

### 8.2 Invalidity

If any provision of the Direct Sale Rules or the Applicant's Purchase Contract is invalid, other provisions which are self-sustaining and can be performed separately from the invalid provision, are valid and enforceable on their terms.

### 8.3 Sole agreement

- (a) If an Application is accepted, the Application Form, the Direct Sale Rules and the Applicant's Purchase Contract:
  - (i) constitute the sole and entire agreement; and
  - (ii) supersede all prior agreements and understandings,

among Tasmanian Irrigation, the successful Applicant and any Guarantor relating to Rights.

- (b) A warranty, representation or guarantee connected with the subject matter of an Application or other term not contained in the Application Form, the Direct Sale Rules or the Applicant's Purchase Contract has no force or effect and may not be relied upon by the Applicant or any Guarantor.

#### 8.4 **Acknowledgment by Applicant**

Each Applicant acknowledges that in deciding to apply it:

- (a) does not rely on any representation or arrangement whether oral, written or by other conduct as adding to or amending the Direct Sale Rules or the Applicant's Purchase Contract; and

(b) did so relying solely on its own judgement.

#### 8.5 **Applicable law**

The Application and the Direct Sale Rules must be interpreted under the law of the State of Tasmania.

#### 8.6 **Joint and several liability**

Where more than one person accepts liability under any provision of the Application or the Direct Sale Rules, each of those people is liable severally and every two or more of them is liable jointly.