

MOORABOOL WIND FARM PTY LTD

c/o WestWind Energy Pty Ltd

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Wednesday, 2 March 2016

Private and Confidential

John & Sue Dean
183 Condis Lane
Mt Egerton, VIC 3352

Dear John & Sue,

Participation Agreement with the Moorabool Wind Farm – Basic Terms

Thank you for meeting with us on Monday to talk about the Moorabool Wind Farm.

We value all feedback received in respect of the project from you, other neighbours to the project and many other members from the broader community. We have reflected on your concerns voiced in the meeting, and have considered how we can best support your intentions to sell your property if the wind farm is built.

As part of this process, we contacted a Ballarat real estate agent to discuss his opinion on the impact of the wind farm on neighbouring property values. The agent we spoke to has 17 years experience selling properties in your area as well as properties around the Waubra wind farm. He is fully aware of the perceived impact the wind farm may have on properties, and he indicated he has no recollection of a wind farm causing a property to be sold below market value. He did indicate that it could potentially take slightly longer for the property to sell depending on the turbine locations relative to the dwellings. We advised the dwelling on the property was greater than one kilometre from a proposed turbine site, and his opinion is there will be little if any impact to the sales process or price. He also indicated rural properties in the Ballan area are in high demand from Melbourne residents looking for a sea change, as well as Geelong and Ballarat residents looking to move closer to Melbourne. We are hopeful that this information can give you some comfort that your property is desirable, in an interesting location, and is likely to be sold at market value. We would be happy to share the agents contact details with you if you would like to discuss this further with him.

We also discussed fees associated with the sales and marketing of a rural property, and the services available for consultation to prepare your house for the best possible sales outcome. The agent indicated that \$4,000 in marketing fees will register your property on all the major internet sales sites and list advertisements in the local and Melbourne papers. He specified that guidance on improvements required to secure the most lucrative sales price on your house is completed by the real estate agent, and this service is included as part of the 2.2% agency fees. He doesn't know of any agencies that complete this service in your area and it is standard practice to include this assistance during the consultation process with a real estate agent.

We also discussed in our meeting that a direct financial benefit for wind farm neighbours can be achieved by entry into a voluntary participation agreement. Through this agreement, neighbours, like the host landholders, will receive a direct financial benefit from the wind farm, and in return accept some of the conditions that the host landholders also accept.

In response to your concerns as a neighbour to the wind farm, we are pleased to offer you a participation agreement on the following basic terms.

- A participation payment of \$8,000 per year once the wind farm commences, to be made to you (as a neighbour) for the life of the wind farm. These payments will be made annually in advance.

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- A once off sign-on payment of \$25,000 to help cover the following estimated expenses if you choose to sell your property:
 - Removalist fees \$10,000
 - Contribution to real estate agency fees \$10,000
 - Marketing fees for property listing \$4,000
 - Legal fees for participation agreement review \$1,000
 - Your acceptance of the same amenity standards, which the host landholders for the wind farm have accepted. The amenity standards agreed with host landholders are in line with the recommendations of the World Health Organisation, and pre-date the planning permit conditions.
 - The participation agreement shall be capable of being transferred with the property. It will also be transferred on sale or transfer of ownership of the wind farm. Any transferee will need to be notified and agree to the participation agreement prior to (and as a condition of) sale or transfer. This will ensure that a new owner of the wind farm and any potential buyer of a neighbouring property is informed of the terms of the participation agreement, including the participation payment.

As indicated in the meeting, this agreement does not have 'gag clauses' or take away your right to complain about the wind farm. However, you will see in section 4.7 of the agreement, that the landholder agrees not to object to any development approval or other application or procedure made or initiated by the developer. Given the wind farm already has got a planning permit this clause is probably of little consequence for you. In addition to this clause section 9 does require the terms of this letter and attached agreement to remain confidential.

I hope this list of basic terms, and the attached legal agreement assists you in considering entering into a voluntary participation agreement. **Our offer is valid until 30 March 2016. If you are interested in proceeding with this voluntary agreement, please sign the attached agreement and return to us for receipt by that date.**

If you have any further questions, please do not hesitate to contact Marla Brauer on 03 5421 9956 or 0401 063 245.

Yours sincerely



Tobias Geiger
MANAGING DIRECTOR