

Nurul Abdullah

From: amy_baxter_23@hotmail.com
Sent: Saturday, 19 September 2026 7:52 AM
To: Shire of Katanning
Subject: Public Comment – Proposed Lease of New Katanning Childcare Facility

Follow Up Flag: Follow up
Flag Status: Completed

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Dear Shire of Katanning,

I am writing to provide feedback regarding the proposed lease of the new childcare facility at 33 Daping Street to The Gowrie (WA) Inc.

As a local parent, I am extremely disappointed and genuinely struggling to understand the decision to select an organisation from outside our community when Katanning already has established childcare providers who expressed an interest in operating this facility.

I absolutely recognise the need for additional childcare places in Katanning. As a parent, I understand just how important access to childcare is for families and for enabling parents to return to work. My concern is not with the construction of the new facility or increasing childcare capacity. My concern is why an external organisation has been selected to operate it rather than building upon and supporting the childcare services and educators already established within our community. Our existing childcare providers are more than simply businesses operating in town. Their educators have spent years building relationships with local children and their families. They know our children, their individual needs and their families, and parents have developed trust in the people caring for them. Those relationships have enormous value, particularly in a regional community.

I understand that our existing local providers participated in the process but were ultimately unsuccessful. I would therefore appreciate greater transparency around how the decision was reached and what weighting was given to local knowledge, existing relationships with Katanning families, demonstrated commitment to the community and support for existing local organisations.

I am also concerned about the practical implications of introducing another provider into a regional town that already experiences workforce shortages.

Where will the educators required to staff this new facility come from?

If The Gowrie intends to recruit locally, will this result in educators being drawn away from our existing childcare services, potentially creating staffing shortages or reducing capacity elsewhere?

Alternatively, if staff are recruited from outside Katanning, what consideration has been given to where those workers will live? Rental availability is already a significant issue for people moving to Katanning for employment. Bringing additional workers into town without addressing accommodation potentially places further pressure on an already limited rental market.

These issues leave me questioning whether creating additional physical childcare places necessarily translates into additional childcare capacity if there are not enough educators available to staff them.

I would therefore appreciate the Shire providing further information regarding the assessment process and, in particular, how the following matters were considered: the sustainability of Katanning's existing childcare providers; the availability of a sufficient local childcare workforce; the potential for staff movement between services; accommodation for workers recruited from outside the district; and the value of supporting established local providers who already have strong relationships with Katanning families.

I recognise that there may be information considered by Council that members of the public are not aware of, and I am genuinely open to understanding the reasoning behind the decision. However, from the information currently available to me as a local parent, I find it very difficult to understand why an external organisation was considered preferable to established local providers who already know and serve this community.

When significant public investment is being made to address childcare needs in Katanning, I believe the outcome should not simply provide a new building and additional places on paper. It should strengthen childcare provision in Katanning as a whole, support our local workforce and businesses, and deliver a sustainable long-term benefit for the families who live here.

I ask that these concerns be formally considered as part of the current public consultation before the proposed lease is finalised.

Kind regards,
Amy Baxter
Katanning community member and parent

David Blurton

From: Shire of Katanning
Sent: Thursday, 24 September 2026 1:37 PM
To: David Blurton
Subject: FW: Feedback RE: New childcare facility at 33 Daping Street

Follow Up Flag: Follow up
Flag Status: Completed

From: Jane Hung <jane-hym@hotmail.com>
Sent: Thursday, 24 September 2026 12:25 PM
To: Shire of Katanning <admin@katanning.wa.gov.au>
Subject: Feedback RE: New childcare facility at 33 Daping Street

Dear Shire President, Councillors and CEO,

I am writing as a parent of two young children who attend both of Katanning's local childcare centres.

I was disappointed to learn that the newly built childcare facility has been leased to a non-local provider, particularly given that both existing local childcare centres submitted Expressions of Interest for the opportunity.

As a parent, I have seen firsthand the dedication, quality of care, and strong sense of community fostered by our local childcare centres. These services are more than businesses operating within Katanning. They are supporting local families, employing local people, and building relationships with children and parents over many years.

While I appreciate that the Shire would have considered a range of factors in making its decision, I am concerned that an opportunity to strengthen and invest in existing local services may have been missed. I urge the Shire to carefully consider the broader community impact of decisions like this and to ensure that local organisations are valued and supported when significant opportunities arise.

Thank you for considering my feedback.

Kind regards,

Jane Hung

David Blurton

From: Shire of Katanning
Sent: Wednesday, 16 September 2026 8:47 AM
To: David Blurton
Subject: FW: Public Submission – Proposed Lease of 33 Daping Street Childcare Facility

Follow Up Flag: Follow up
Flag Status: Flagged

From: Sophia Belle <sbtan1802@hotmail.com>
Sent: Thursday, 10 September 2026 5:58 PM
To: Shire of Katanning <admin@katanning.wa.gov.au>
Subject: Public Submission – Proposed Lease of 33 Daping Street Childcare Facility

Dear Shire of Katanning,

I am writing as a member of the Katanning community to express my concern regarding the proposed lease of the new childcare facility at 33 Daping Street to The Gowrie (WA) Inc.

I fully support the development of a new childcare facility in Katanning. Having quality childcare available for local families is extremely important, and I believe the new facility will be a valuable asset to our community.

However, I am concerned about the decision to lease the facility to an organisation from outside our local community, particularly when Katanning already has an established childcare centre that has been providing care to local children and families for many years.

I would like to understand why the opportunity was not given to an established local childcare provider, particularly if a local provider had expressed interest in operating the new facility.

From a community perspective, it would seem reasonable to first consider businesses that are already established in Katanning, employ local people, support local families and have existing relationships with the children and families who use childcare services here.

An established local childcare provider could also potentially transition children and families already using childcare services into the new facility. This could provide continuity for children and families while allowing the new building to be utilised by an operator that already understands the needs of the Katanning community.

I am therefore asking the Shire to be transparent about the process that led to this proposed decision.

In particular, I would like to know:

- How many Expressions of Interest were received for the facility?
- Were existing local childcare providers given the same opportunity to put forward their proposals?
- What criteria were used to assess the Expressions of Interest?
- Was preference or consideration given to the benefit of retaining local employment and supporting an established local business?

- Why was an organisation from outside Katanning considered more suitable than an existing local childcare provider?
- Were the existing children, families and staff already connected to local childcare services considered in the decision-making process?

I understand that the Shire has a responsibility to make decisions based on what it believes is in the best interests of the community. However, I believe the community also deserves to understand how and why this decision was reached, especially when it involves a significant community facility and a long-term lease.

This is not about opposing a new childcare service or saying that The Gowrie (WA) Inc. should not be considered. My concern is about fairness, transparency and giving local businesses a genuine opportunity to benefit from an important community investment.

Katanning is a regional community, and supporting local businesses and local employment is an important part of keeping our town strong and sustainable. When there are capable and established local providers already contributing to our community, I believe their role and contribution should be carefully considered.

I respectfully ask the Shire to consider these concerns before finalising the proposed lease and to provide the community with clear information about the process and reasons behind the decision.

Thank you for taking the time to consider my submission.

Sincerely,

David Blurton

From: Shire of Katanning
Sent: Wednesday, 16 September 2026 8:39 AM
To: David Blurton
Subject: FW:

Follow Up Flag: Follow up
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From: Belinda <bellejane76@gmail.com>
Sent: Saturday, 12 September 2026 11:14 AM
To: Shire of Katanning <admin@katanning.wa.gov.au>
Subject:

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Dear Sir/Madam,

I am writing to strongly oppose the proposal for a daycare provider from another town to establish a daycare centre in our community.

My biggest concern is what this could mean for the daycare centres we already have. In a small country town, we simply do not have an unlimited number of children needing daycare. If another centre is opened, the same number of children will potentially be divided between two services, and our existing local daycare could struggle to survive.

Our daycare is more than just a business. It is part of our community. It supports our local families, provides employment for local people and gives our children a familiar and caring place to grow, learn and be looked after.

I find it extremely concerning that we could risk losing an established local service simply to bring another provider into town.

What happens if our existing daycares loses children, has to cut staff or reduce its services because it can no longer remain financially viable? And what happens if, eventually, it is forced to close altogether? Once a valued local service is lost, getting it back is not always easy.

Before any decision is made, I believe there needs to be clear evidence that there are enough children and enough genuine demand to sustain another daycare centre long-term. It should not be assumed that competition will automatically benefit the community when the reality could be that it weakens the services we already have.

I also believe the people who live in this town should have a strong voice in this decision. We are the families, residents and community members who will live with the long-term consequences.

I am not against quality childcare or families having choices. I am against putting our existing local daycares, local jobs and an important community service at risk when there may simply not be enough demand to sustain another centre.

Our local daycares has been here supporting our community, and I believe we should be standing behind them and helping it remain strong for future generations.

For these reasons, I strongly oppose this proposal and ask that the future of our existing local daycare centres and the best interests of our community be put first.

Thank you for taking the time to consider my submission.

Kind regards,

Belinda Nolan

David Blurton

From: Shire of Katanning
Sent: Wednesday, 16 September 2026 8:39 AM
To: David Blurton
Subject: FW: Child Care Proposal

Follow Up Flag: Follow up
Flag Status: Flagged

From: Ben Guazzelli <benguazzelli1964@gmail.com>
Sent: Saturday, 12 September 2026 11:54 AM
To: Shire of Katanning <admin@katanning.wa.gov.au>
Subject: Child Care Proposal

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I strongly support this proposal and believe it is a positive investment in the future of katanning. Quality, accessible childcare makes a real difference to families, giving parents greater flexibility to work, study and contribute to our community. It also supports local employment and helps make katanning a more attractive place for families to live, work and raise their children. This is about more than childcare- it's about supporting our families, strengthening our local workforce and building a stronger community for the future. While knowing their children are being cared for in a safe and supportive environment, it also supports local employment especially with new mine site opening up, i think katanning should have the opportunity to have the new day care centre especially with more children coming into the daycare with the parents wanting to work at the new mine site.

David Blurton

From: Shire of Katanning
Sent: Wednesday, 16 September 2026 8:39 AM
To: David Blurton
Subject: FW: Childcare Facility for Bright Star

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Dave

Please see email below.

I will record the responses once I am back.

Kind regards,

Nurul Abdullah
Coordinator Administration

Street Address: 52 Austral Terrace, Katanning WA 6317
Postal Address: PO Box 130, Katanning WA 6317
Phone: (08) 9821 9999
Email: nurul.abdullah@katanning.wa.gov.au
Website: www.katanning.wa.gov.au
www.facebook.com/ShireOfKatanning



Ngala kaaditj Noongar moort keyen kaadak nitja boodja. We acknowledge the Noongar people as the traditional custodians of the land that we live and work on.

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From: Abigail Vista <abbyvista@yahoo.com>
Sent: Sunday, 13 September 2026 2:42 PM
To: Shire of Katanning <admin@katanning.wa.gov.au>
Subject: Childcare Facility for Bright Star

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Dear Shire of Katanning,

I hope you are all well.

We would like to express our strong support for Bright Star Childcare to be given priority consideration for the new childcare facility in Katanning.

Bright Star Childcare has been a trusted and valued part of our local community for many years, providing genuine care and support to local children and families. As the number of families using their service continues to grow, a larger and modern facility would greatly benefit the children, families, and dedicated staff.

We believe the Shire of Katanning should support an established local childcare provider that has already shown its commitment to our community.

Please support Bright Star Childcare and give our local community the opportunity to continue growing with a service we know and trust.

Kind regards,
Vista and Carcillar Family

[Sent from Yahoo Mail for iPhone](#)

Lease of Lots 531-534 & Portions of Lots 506-509 on Deposited Plan 222688 (Dore Street, Katanning)

Shire of Katanning

and

Capital Bulk Pty Ltd

Trading as Commodity AG



McLEODS
Lawyers

Stirling Law Chambers | 220 Stirling Highway | CLAREMONT WA 6010

Tel: (08) 9383 3133 | Fax: (08) 9383 4935

Email: mcleods@mcleods.com.au

Ref: TF:KATA 57280

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Details

Parties

Shire of Katanning

ABN: 37 965 647 680
Postal address: PO Box 130, Katanning WA 6317
Email address: admin@katanning.wa.gov.au
(Lessor)

Capital Bulk Pty Ltd

Trading as Commodity AG

ABN: [to be inserted]
Postal address: PO Box 229, Gnowangerup WA 6335
Email address: info@commodityag.com.au
(Lessee)

Background

- A The Lessor is the registered proprietor of the Land.
- B The Lessor has agreed to grant a lease of a portion of the Land, being the Premises, to the Lessee for the Permitted Purpose.
- C The Lessee has agreed, at its cost and risk, to undertake the design, construction, completion and operation of the Development on the Premises in accordance with this Lease.

Agreed terms

1. Definitions

In this Lease, unless otherwise required by the context or subject matter:

Amounts Payable means all money payable by the Lessee to the Lessor under or in connection with this Lease, including:

- (a) Rent;
- (b) outgoings payable under **clause 7.2**;
- (c) any interest payable under this Lease;
- (d) any costs, expenses or other amounts payable under this Lease; and
- (e) any amount payable by way of reimbursement, indemnity or otherwise;

Authorised Person means:

- (a) the Lessee, its employees, agents, contractors, invitees and licensees of the Lessee; and
- (f) any person on the Premises by the authority of a person specified in paragraph (a) above;

Authority means every governmental or semi-governmental body, municipal council and any other board, person, or authority now or in the future exercising under any Act any control or jurisdiction over or power in connection with the Premises or with any business at any time conducted on or from the Premises and **Authorities** shall have a corresponding meaning;

Building Permit means a building permit issued under the *Building Act 2011* (WA) by a relevant permit Authority for the construction of the Development Works or any aspect of the Development Works;

Business Day means a day other than a Saturday, Sunday or public holiday in Perth, Western Australia;

CEO means the Chief Executive Officer for the time being of the Lessor or any person appointed by the Chief Executive Officer to perform any of her or his functions under this Lease;

Commencement Date means the date of commencement of the Term specified in **Item 4** of the Schedule;

Completion means the date on which:

- (g) the Development Works are substantially complete, except for minor defects not preventing use for the Permitted Purpose; and
- (h) any occupancy permit or other approval required for lawful occupation and use of the Development has been issued;

Completion Date means the date that is 6 months after the Commencement Date (or such later date agreed in writing by the Lessor);

CPI means the Consumer Price Index (All Groups) Perth number published from time to time by the Australian Bureau of Statistics;

CPI Review means the rent review process described in **clause 8.3**;

Development means the design, construction, commissioning and operation on the Premises of a grain receival, storage, handling and dispatch facility for the Permitted Purpose, including all associated infrastructure, works and activities required for that purpose;

Development Approval means any approval required under the *Planning and Development Act 2005* (WA) for the Development, including approval for the use and development of the Premises as a grain receival, storage and handling facility, and includes any amendment, extension or modification of that approval;

Development Works means all works required to carry out and complete the Development, including (without limitation):

- (a) site preparation, clearing, levelling and earthworks;
- (i) construction of hardstand areas, access ways, internal roads and drainage;
- (j) construction and installation of grain storage facilities, plant, equipment and handling infrastructure;

- (k) weighbridge, sampling and receival infrastructure;
- (l) fencing, security infrastructure and services;
- (m) refuelling and servicing areas (if approved);
- (n) the design and construction of the Access & Egress Roads and crossovers; and
- (o) any works required to connect or provide Services,

in accordance with this Lease, the Development Approval and any Building Permit;

Dispute Notice has the meaning given to it in **clause 8.4(c)**;

DWER means the Department of Water and Environmental Regulation;

Environmental Contamination means the presence of any substance (including fuel, chemicals, fumigants, waste or pollutants) in or on the Premises, soil, groundwater, surface water or air in concentrations or conditions that exceed applicable environmental standards, guidelines or criteria, or that are likely to cause harm to human health, the environment or any property, whether or not reportable under the *Contaminated Sites Act 2003* (WA);

Environmental Law means all applicable legislation of the Commonwealth and Western Australia relating to the environment, contamination, Hazardous Substances, dangerous goods and public health, including (without limitation) the:

- (a) *Environmental Protection Act 1986* (WA);
- (p) *Contaminated Sites Act 2003* (WA);
- (q) *Dangerous Goods Safety Act 2004* (WA);
- (r) *Health (Pesticides) Regulations 2011* (WA); and
- (s) *Work Health and Safety Act 2020* (WA),

and all regulations, codes, guidelines, notices, orders and requirements made or issued under any such legislation;

Environmental Management Plan or **EMP** means the environmental management plan prepared and maintained by the Lessee in accordance with **clause 11.2**;

Further Term - Nil;

Good Repair means good and substantial tenantable repair and in clean, good working order and condition;

GST has the meaning that it bears in the GST Act;

GST Act means *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and any legislation substituted for, replacing or amending that Act;

Hazardous Substances means any substance, chemical, fumigant, fuel, waste, pollutant or material that is classified as hazardous, dangerous or toxic under any Environmental Law or applicable Australian Standard, and includes grain fumigation chemicals and fuels stored or used on the Premises;

Improvements means any building, facility, structure, works, fixtures, plant, equipment, Services and service infrastructure (including underground services, footings, slabs and foundations) constructed, installed or placed on, in or under the Premises on or after the Commencement Date by or on behalf of the Lessee, but excludes the Access Road;

Insolvency Event means an event that occurs in respect of a person when that person:

- (a) informs its creditors generally that it is insolvent;
- (t) has a meeting of its creditors called with a view to entering a scheme of arrangement or executing a deed of company arrangement;
- (u) enters a scheme of arrangement except for reconstruction whilst solvent;
- (v) executes a deed of company arrangement with creditors;
- (w) has a controller or liquidator (as those terms are defined in the *Corporations Act 2001* (Cth)) of its property or part of its property appointed;
- (x) is the subject of an application to a court for its winding up, which application is not stayed within ten (10) Business Days;
- (y) has a winding up order made in respect of it;
- (z) has an administrator appointed under section 436A, 436B or 436C of the *Corporations Act 2001* (Cth);
- (aa) enters into voluntary liquidation; or
- (bb) fails to comply with, or apply to have set aside, a statutory demand within fourteen (14) days of the time for compliance and:
 - (i) if the corporation applies to have the statutory demand set aside within fourteen (14) days of the time for compliance, the application to set aside the statutory demand is unsuccessful; and
 - (ii) the corporation fails to comply with the statutory demand within seven (7) days of the order of the court dismissing the application;

Insurance Policies means each of the policies of insurance required to be taken out by the Lessee under **clause 9.1**;

Interest Rate means the rate at the time the payment falls due being 2% greater than the Lessor's general overdraft rate on borrowings from its bankers on amounts not exceeding \$100,000.00, which rate cannot exceed the rate prescribed by, and imposed in accordance with, section 6.13 of the *Local Government Act 1995*;

Land means the land described at **Item 1** of the Schedule;

Lease means this Lease and any equitable or common law tenancy evidenced by document as supplemented, amended or varied from time to time;

Lessee's Covenants means the covenants, agreements and obligations set out or implied in this Lease or imposed by law to be performed and observed by the Lessee;

Lessor's Agents means the CEO, an officer or the agent, solicitor, contractor or employee of the Lessor;

Lessor's Rights means all rights in favour of the Lessor contained or implied in this Lease or granted by law;

Market Review means the rent review process specified in **clause 8.4**;

Notice means each notice, demand, consent or authority given or made to any person under this Lease;

Offer Notice has the meaning given to it in **Item 10.5(2)** of the Schedule;

Permitted Purpose means the purpose set out in **Item 8** of the Schedule;

Plans and Specifications means the plans and specifications for the Development approved by the Lessor (acting in its capacity as landlord, not as a local government authority) and, where required, any relevant Authority;

Premises means the land described in **Item 2** of the Schedule and includes, where the context requires, the Improvements;

Rent means the rent specified in **Item 6** of the Schedule as varied from time to time under this Lease;

Rent Review Date means a date identified in **Item 6** of the Schedule;

Schedule means the Schedule to this Lease;

Services means all services or systems of any nature from time to time provided or available for use at the Premises including, but not limited to:

- (a) electricity, power and lighting;
- (cc) water, drainage and stormwater;
- (dd) telecommunications and internet; and
- (ee) fittings, fixtures, appliances, plant and equipment utilised for any of the services specified above;

Term means the term of years specified in **Item 3** of the Schedule;

Termination means the date of:

- (a) expiry of the Term by effluxion of time;
- (ff) sooner determination of the Term or any Further Term; or
- (gg) determination of any period of holding over;

Valuer has the meaning given to it in **clause 8.4(d)**; and

Written Law includes all acts and statutes (State or Federal) for the time being enacted and all regulations, schemes, ordinances, local laws, by-laws, requisitions, orders or statutory instruments made under any Act from time to time by any statutory, public or other competent authority.

2. Grant of Lease

The Lessor leases the Premises to the Lessee for the Term, subject to:

- (a) the payment of the Amounts Payable;
 - (b) the due performance and observance of the Lessee's Covenants; and
- and reserves to the Lessor the Lessor's Rights.

3. Quiet enjoyment

Subject to the terms of this Lease, and provided the Lessee complies with the Lessee's Covenants, the Lessee may quietly hold and enjoy the Premises during the Term without interruption by the Lessor or any person claiming through the Lessor

4. Development Approval

4.1 General

The Lessee is responsible for preparing, or procuring the preparation of, all plans, drawings, specifications and supporting documentation required for the Development and for obtaining all Development Approvals required for the Development.

4.2 Obligation to obtain Development Approval

The Lessee must, at its cost and risk, apply for and obtain all Development Approvals required for:

- (a) the use and development of the Premises as a grain receival, storage, handling and dispatch facility; and
- (b) the carrying out of the Development Works.

4.3 Costs and risk

The Lessee must:

- (a) pay all costs associated with preparing, lodging and obtaining Development Approval; and
- (b) bear all risks associated with obtaining Development Approval, including where:
 - (i) approval is refused;
 - (ii) approval is delayed; or
 - (iii) approval is granted subject to conditions.

4.4 Conditions of approval

The Lessee must:

- (a) comply with all Development Approval conditions and approved management plans; and
- (b) not carry out the Development Works except in accordance with the Development Approval.

4.5 No warranty by Lessor

The Lessor does not warrant that any Development Approval will be granted or that any approval will be granted on terms acceptable to the Lessee.

4.6 Restriction on commencement of works

The Lessee must not commence any Development Works unless and until:

- (a) all required Development Approvals have been obtained; and
- (b) the Lessor has confirmed in writing (acting reasonably) that the Lessee may proceed.

4.7 Lessor assistance

Subject to **clause 25.2**, the Lessor must, at the Lessee's cost, do all things reasonably necessary to assist the Lessee in applying for and obtaining Development Approval, including signing any applications or consents reasonably required.

4.8 Failure to obtain Development Approval

If the Lessee has not obtained all Development Approvals within 6 months after the Commencement Date (or such longer period approved by the Lessor), the Lessor may, by written notice, terminate this Lease.

4.9 Acknowledgements

The Lessee acknowledges and agrees that:

- (a) any approval given by the Lessor under this clause is given in its capacity as landlord only and not in its capacity as a local government or determining authority;
- (b) the Lessee is solely responsible for obtaining all approvals and permits required for the Development; and
- (c) the Lessor does not warrant that any Development Approval will be granted.

5. Development Works

5.1 Development

(1) The parties acknowledge and agree that:

- (a) the Lessee will construct the Development on the Premises at its cost and risk;
- (b) the Premises is provided on an "as is" basis;
- (c) the Lessee is responsible for all aspects of the Development and the Development Works, including all costs, risks and liabilities associated with the design, construction and completion of the Development;
- (d) the Lessee must not carry out any part of the Development Works prior to the Commencement Date; and
- (e) the Lessee must, at its cost, undertake any works required to connect or upgrade Services required for the Development.

5.2 Completion of Development Works

(1) The Lessee must:

- (a) commence the Development Works as soon as reasonably practicable after the Commencement Date;

- (b) diligently proceed with the Development Works; and
 - (c) Complete the Development Works on or before the Completion Date.
- (2) Time is of the essence in respect of the Lessee's obligations under this clause.

5.3 Scope of Lessee's obligations

The Lessee must, at its cost

- (a) carry out and complete the Development Works in accordance with this Lease, the Development Approval and the Building Permit;
- (b) engage and coordinate all consultants, contractors and other persons required for the Development Works; and
- (c) ensure that all Development Works are carried out in a proper and workmanlike manner and in accordance with all applicable laws and Australian Standards.

5.4 Approvals

The Lessee must:

- (a) obtain and comply with all Development Approvals, Building Permits and other approvals required for the Development; and
- (b) bear all risks associated with obtaining those approvals, including the risk that approvals are refused, delayed or granted subject to conditions.

5.5 Standard of construction

The Lessee must ensure that all materials used and work carried out in connection with the Development Works are suitable for their intended purpose and comply with all applicable approvals and standards.

5.6 Services

The Lessee must, at its cost, arrange for and provide all Services required for the Development and the Permitted Purpose, including any necessary upgrades or connections.

5.7 Insurance during Development Works

- (1) Prior to commencing the Development Works, the Lessee must effect and maintain, and must ensure that all contractors engaged in the Development Works effect and maintain, the following insurances with reputable insurers:
 - (a) **Contract works insurance** A contract works policy (or equivalent) for the full replacement value of the Development Works (including demolition and site clearance), covering all loss or damage to the Development Works from commencement until Completion;
 - (b) **Public liability insurance:** Public liability insurance for an amount not less than the amount specified in **Item 9** of the Schedule for any one occurrence, covering all liability arising out of or in connection with the Development Works;
 - (c) **Workers' compensation insurance:** Workers' compensation insurance as required by law;

- (d) **Contractor and consultant insurance:** All insurances reasonably required for contractors and consultants engaged in the Development Works, including professional indemnity insurance where applicable.
- (2) The Lessee must ensure that:
- (a) each policy:
 - (i) notes the interests of the Lessor;
 - (ii) includes a cross-liability clause; and
 - (iii) is otherwise on terms reasonably satisfactory to the Lessor;
 - (b) all premiums are paid and each policy is kept current for the required period;
 - (c) certificates of currency (or other satisfactory evidence of insurance) are provided to the Lessor:
 - (i) prior to commencement of the Development Works; and
 - (ii) upon reasonable request;
 - (d) the Lessee does not do or omit to do anything which may prejudice or invalidate any insurance policy; and
 - (e) any insurance proceeds received in respect of the Development Works are applied towards reinstating or repairing the Development Works.

5.8 Damage and Environmental Contamination

The Lessee must:

- (a) promptly repair any damage to the Premises or the Improvements caused or contributed to by the Lessee or any Authorised Person; and
- (b) remediate any Environmental Contamination caused or contributed to by the Lessee or any Authorised Person,

to the reasonable satisfaction of the Lessor and any relevant Authority.

5.9 Risk

The Lessee bears all risks associated with the Development and the Development Works, including risks relating to cost, design, construction, approvals, delays and compliance with any conditions imposed by an Authority.

5.10 Suspension or abandonment

The Lessee must not suspend or abandon the Development Works without the prior written consent of the Lessor.

5.11 Building warranties

The Lessee must:

- (a) obtain the benefit of all warranties from contractors and consultants engaged in the Development Works; and

- (b) enforce those warranties at its cost where reasonably required by the Lessor.

5.12 Completion

- (1) Upon Completion of the Development Works, the Lessee must provide to the Lessor:
 - (a) written notice of Completion; and
 - (b) copies of any occupancy permit and other approvals required for lawful use of the Development.
- (2) Completion does not relieve the Lessee of its obligations under this Lease.

5.13 No reliance

The Lessee acknowledges that it does not rely on any approval, consent or assistance given by the Lessor as confirming the adequacy, suitability or compliance of the Development.

6. Access Road

6.1 Construction of Access Road

- (1) The Lessee must, at its cost, design and construct an extension of Dore Street to the Premises (**Access Road**) in accordance with plans and specifications approved by the Lessor.
- (2) The Lessee must not commence construction of the Access Road without the Lessor's prior written approval of the design, specifications and construction methodology.

6.2 Standard of construction

The Lessee must ensure that the Access Road:

- (a) is constructed in a proper and workmanlike manner;
- (b) complies with all Written Laws and relevant Australian Standards; and
- (c) meets any specifications reasonably required by the Lessor having regard to its intended use as a shared heavy vehicle access road.

6.3 Completion and certification

Upon completion of the Access Road, the Lessee must provide to the Lessor:

- (a) written notice of completion; and
- (b) certification from a suitably qualified engineer that the Access Road has been constructed in accordance with the approved design and specifications.

6.4 Vesting

Upon completion, the Access Road (including all associated works and infrastructure) vests in and becomes the property of the Lessor without compensation to the Lessee.

6.5 Defects liability

The Lessee remains responsible for any defect in the Access Road arising from its design or construction while this Lease is in force and must, at its cost, rectify any such defect as required or upon notice from the Lessor.

6.6 Cost recovery

- (1) During the term of this agreement, the Lessee must pay to the Lessor on demand the cost of any capital works, upgrades or major repairs to the Access Road undertaken by the Lessor.
- (2) If other tenants or occupiers of the Land use the Access Road, the Lessor may (acting reasonably) determine a fair apportionment of the cost of capital works, upgrades or major repairs to the Access Road between all users of the Access Road, and the Lessee's liability under subclause (1) will be reduced accordingly from the date those other tenants or occupiers commence use of the Access Road.
- (3) For the purposes of this clause, capital works means works that materially improve, upgrade, resurface or extend the Access Road beyond its condition at the time of vesting under **clause 6.4**, and does not include routine maintenance or periodic grading.

6.7 Shared access

The Lessee acknowledges that:

- (a) the Access Road is a shared access road; and
- (b) the Lessor may permit other persons to use the Access Road.

7. Rent and other payments

7.1 Rent

The Lessee agrees with the Lessor to pay to the Lessor the Rent in the manner set out in **Item 6** of the Schedule, without deduction or set-off.

7.2 Outgoings

- (1) The Lessee agrees with the Lessor to pay to the Lessor or to such person as the Lessor may from time to time direct, all outgoings and charges (if applicable) properly assessed, charged or incurred in respect of the Premises, including:
 - (a) local government rates, taxes and charges, including charges for rubbish or garbage removal and the emergency services levy (and any land tax assessed in respect of the Premises);
 - (b) water, drainage and sewerage rates, charges for disposal of stormwater, meter rent and excess water charges;
 - (c) all charges for electricity, gas, water, telecommunications, internet and other services supplied to or used at the Premises; and
 - (d) any other consumption charge, statutory impost or other obligation incurred or payable in connection with the Lessee's use or occupation of the Premises.
- (2) The Lessee must ensure that all accounts for utilities and services referred to in **clause 7.2(1)(c)** are issued in the name of the Lessee where reasonably practicable.
- (3) If the Lessor pays any outgoing which is the responsibility of the Lessee, the Lessee must reimburse the Lessor on demand.
- (4) If any outgoing is not separately assessed in respect of the Premises, the Lessee must pay a reasonable proportion of that outgoing as determined by the Lessor, acting reasonably.

7.3 Costs

The Lessee agrees with the Lessor to pay to the Lessor on demand:

- (a) all reasonable costs, legal fees and disbursements incurred by the Lessor in the preparation, negotiation and execution of this Lease;
- (b) all duty, fines and penalties payable under the Duties Act 2008 (WA) and any other statutory duties or taxes payable on or in connection with this Lease;
- (c) all registration fees in connection with this Lease;
- (d) all reasonable costs, legal fees and disbursements incurred by the Lessor in connection with:
 - (i) any breach of this Lease by the Lessee or any Authorised Person;
 - (ii) enforcing or attempting to enforce the Lessor's rights under this Lease, including recovering any Amounts Payable; and
 - (iii) any action or proceedings arising out of or incidental to this Lease.

7.4 Interest

Without affecting the rights, powers and remedies of the Lessor under this Lease, the Lessee must pay to the Lessor interest on demand on any Amounts Payable which remain unpaid for 7 days after the due date, calculated from the due date until payment is made at the Interest Rate.

7.5 Accrual of Amounts Payable

Amounts Payable accrue on a daily basis.

7.6 Payment of money

Any Amounts Payable to the Lessor under this Lease must be paid to the Lessor's bank account nominated by the Lessor by Notice from time to time.

8. Rent review

8.1 Rent to be Reviewed

The Rent will be reviewed on and from each Rent Review Date to determine the Rent to be paid by the Lessee until the next Rent Review Date.

8.2 Methods of review

The basis for each rent review is as identified for each Rent Review Date in **Item 6** of the Schedule.

8.3 CPI Review

- (1) A rent review based on CPI will increase the amount of Rent payable during the immediately preceding period by the percentage of any increase in CPI having regard to the quarterly CPI published immediately prior to the later of the Commencement Date or the last Rent Review Date as the case may be and the quarterly CPI published immediately prior to the relevant Rent Review Date.
- (2) If there is a decrease in CPI having regard to the relevant CPI publications the Rent payable from the relevant Rent Review Date will be the same as the Rent payable during the immediately preceding period.

- (3) Should the CPI be discontinued or suspended at any time or its method of computation substantially altered, the Parties shall endeavour to agree upon the substitution of the CPI with an equivalent index, or failing agreement by the parties, the substitution shall be made by a Valuer appointed in accordance with **clause 8.4(d)**.

8.4 Market Review

A rent review based on a market review will establish the current market rent for the Premises by agreement between the Parties and failing agreement will be determined in accordance with the following provisions:

- (a) The Lessor shall notify the Lessee of the amount that it reasonably considers is the current market rent for the Premises.
- (b) If the Lessee does not dispute the amount notified, that amount becomes the Rent.
- (c) If the Lessee disputes the current market rent, it must notify the Lessor of that dispute (**Dispute Notice**) within 14 days after receiving the Lessor's notification. The Lessee must comply with this time limit to dispute the notified amount.
- (d) If the Lessee gives a Dispute Notice to the Lessor, then the current market rent for the Premises will be determined at the expense of the Lessee by a valuer (**Valuer**) licensed under the *Land Valuers Licensing Act 1978 (WA)*, to be appointed, at the request of either Party, by the President for the time being of the Australian Property Institute (Western Australian Division) (or if such body no longer exists, such other body which is then substantially performing the functions performed at the Commencement Date by that Institute).
- (e) The Valuer will act as an expert and not as an arbitrator and his or her decision will be final and binding on the Parties. The Parties will be entitled to make submissions to the Valuer.
- (f) In this clause, "current market rent" means the rent obtainable for the Premises in a free and open market if the Premises were unoccupied and offered for rental for the use for which the Premises are permitted pursuant to this Lease and on the same terms and conditions contained in this Lease, BUT will not include:
 - (i) any improvements made or effected to the Premises by the Lessee; and
 - (ii) any rent free periods, discounts or other rental concessions.

8.5 Rent will not decrease following review

Notwithstanding the provisions in this clause, the Rent following any Rent review will not be less than the Rent payable in the period immediately preceding such Rent Review Date.

8.6 Lessor's right to review

The Lessor may institute a rent review notwithstanding the Rent Review Date has passed and the Lessor did not institute a rent review on or prior to that Rent Review Date, and in which case the Rent agreed or determined shall date back to and be payable from the Rent Review Date for which such review is made.

9. Insurance

9.1 Insurance required

- (1) The Lessee occupies the Premises pursuant to this Lease as if it were the owner of the Premises and, in that regard:

- (a) must effect and maintain all insurances that, in the Lessor's reasonable opinion, a prudent landowner would maintain in respect of the Premises and the Improvements; and
 - (b) the Lessor is not required to effect or maintain any insurance in respect of the Premises or the Improvements.
- (2) Without limiting **clause 9.1(1)**, the Lessee must effect and maintain with reputable insurers, on terms reasonably satisfactory to the Lessor (and noting the interests of the Lessor and Lessee):
- (a) **Public liability insurance:** A public liability insurance for the amount specified in **Item 9** of the Schedule (or such higher amount as the Lessor reasonably requires), covering liability arising out of or in connection with the Premises, including:
 - (i) death of, or injury to, any person
 - (ii) loss of or damage to property (including the Lessor's property);
 - (iii) loss of use of property;
 - (iv) liabilities covered by the indemnities in this Lease; and
 - (v) liability arising from Environmental Contamination;
 - (b) **Property insurance:** A policy insuring each Improvement (including plate glass) for its full replacement value against loss or damage by usual risks including fire, flood, storm and other risks ordinarily insured against by a prudent owner;
 - (c) **Contract works insurance:** Where applicable, a contract works policy covering all works undertaken in connection with any development for loss or damage for not less than 110% of the contract sum;
 - (d) **Workers' compensation and employer's liability:** Workers' compensation insurance as required by law and employer's liability insurance covering all employees engaged on or about the Premises.

9.2 Evidence of insurance

The Lessee must:

- (a) provide certificates of currency for the Insurance Policies at the Commencement Date; and
- (b) provide updated certificates annually and upon reasonable request.

9.3 Insurance obligations

The Lessee must:

- (a) not do anything which may invalidate, prejudice or adversely affect any Insurance Policy;
- (b) promptly notify the Lessor of any matter that may give rise to a claim under, or prejudice, any Insurance Policy or any event which may give rise to pollution or Environmental Contamination;
- (c) comply with all requirements of any Authority and any insurer relating to fire protection or safety of the Premises or Improvements;
- (d) apply all insurance proceeds received in respect of damage or destruction towards reinstating or repairing the relevant property;

- (e) ensure that each insurer waives any rights of subrogation against the the Lessor;
- (f) pay all premiums and keep each Insurance Policy current; and
- (g) pay any additional premium resulting from the Lessee's use of the Premises.

10. Indemnity

10.1 Lessee responsibility

The Lessee is liable for all acts and omissions of any Authorised Person and for any breach of this Lease by them.

10.2 Indemnity

The Lessee indemnifies and must keep indemnified the Lessor against all loss, damage, liability, cost and expense arising out of or in connection with:

- (a) loss of or damage to property (including the Premises, Improvements and third party property);
- (b) death of, or injury to, any person,
to the extent caused or contributed to by:
 - (c) the use or occupation of the Premises by the Lessee or any Authorised Person;
 - (d) any work carried out on the Premises by or on behalf of the Lessee, including the Development Works;
 - (e) the Lessee's activities, operations or business on the Premises;
 - (f) Environmental Contamination caused or contributed to by the Lessee or any Authorised Person;
 - (g) any breach of this Lease by the Lessee; or
 - (h) any negligent or other wrongful act or omission of the Lessee or any Authorised Person.

10.3 Continuing obligations

The obligations of the Lessee under this clause:

- (a) are not limited by any insurance held by the Lessee, but are reduced to the extent of any recovery received by the Lessor; and
- (b) survive expiry or termination of this Lease.

10.4 Lessor negligence carve-out

Nothing in this clause requires the Lessee to indemnify the Lessor or its Agents to the extent that any loss, damage, expense or claim is caused by the negligence or default of the Lessor or its Agents.

10.5 Release

The Lessee:

- (a) occupies and uses the Premises at its own risk; and

- (b) releases, to the extent permitted by law, the Lessor from all liability for loss, damage, injury or death arising from the Lessee's use or occupation of the Premises

except to the extent caused by the negligence or default of the Lessor or its Agents.

10.6 Limitation of Lessor liability

- (1) The Lessor is not liable for any loss, damage or injury in or about the Premises except to the extent caused by its negligence or default.
- (2) Without limiting **clause 10.6(1)**, the Lessor is not liable for any loss arising from interruption or failure of Services or any defect in the Premises, except to the extent caused by its negligence or default.

11. Environmental Contamination and Remediation

11.1 Prohibition and responsibility

- (1) The Lessee must not cause or permit any Environmental Contamination on or affecting the Premises or the Land.
- (2) The Lessee is responsible for all Environmental Contamination on or affecting the Premises to the extent caused or contributed to by the Lessee or any Authorised Person.
- (3) The Lessee must obtain all statutory approvals before any fumigation activity occurs.
- (4) The Lessee must take all reasonable steps to prevent pollution, contamination or environmental harm arising from its use of the Premises, including by implementing and maintaining the Environmental Management Plan required under **clause 11.2**.

11.2 Environmental Management Plan

- (1) The Lessee must, at its cost, prepare and submit to the Lessor for approval an Environmental Management Plan (**EMP**) no later than 60 days prior to the commencement of operations on the Premises.
- (2) The EMP must address, as a minimum:
 - (a) the identification and assessment of all environmental risks associated with the Lessee's operations on the Premises, including grain fumigation, chemical storage and handling.
 - (b) procedures for the storage, handling, use and disposal of all Hazardous Substances on the Premises, including fumigants;
 - (c) spill response and emergency procedures, including contact details for relevant Authorities;
 - (d) bunding, containment and drainage controls for all areas where Hazardous Substances are stored or used;
 - (e) waste management procedures;
 - (f) dust, noise and odour management procedures; and
 - (g) any other matter reasonably required by the Lessor.
- (3) The Lessor must not unreasonably withhold or delay approval of the EMP

- (4) The Lessee must not commence operations on the Premises until the EMP has been approved by the Lessor in writing.
- (5) The Lessee must:
 - (a) implement and comply with the EMP at all times during the Term;
 - (b) review and update the EMP each time there is a material change to the Lessee's operations or any applicable Environmental Law; and
 - (c) submit any updated EMP to the Lessor for approval prior to implementation.
- (6) Approval of the EMP by the Lessor is given in its capacity as landlord only and does not constitute approval under any Written Law or relieve the Lessee of any obligation to obtain all required approvals, licences and permits from any Authority.

11.3 Immediate notification

- (1) The Lessee must immediately notify the Lessor if it becomes aware of:
 - (a) any Environmental Contamination; or
 - (b) any incident, spill, discharge or event which may give rise to Environmental Contamination.
- (2) The Lessee must, at its cost
 - (a) comply with all statutory notification obligations arising under the *Contaminated Sites Act 2003* (WA) or any other Environmental Law in connection with any Environmental Contamination on or affecting the Premises, including any obligation to notify the Department of Water and Environmental Regulation (**DWER**) or any other Authority; and
 - (b) immediately notify the Lessor in writing if it has made or is required to make any notification to DWER or any other Authority in connection with Environmental Contamination on or affecting the Premises, including providing the Lessor with:
 - (i) a copy of any notification made to DWER or other Authority;
 - (ii) details of any response, direction or requirement received from DWER or any other Authority; and
 - (iii) regular updates on the progress of any investigation, remediation or regulatory process arising from that notification.
- (3) The Lessee acknowledges that any notification to DWER or other Authority in connection with the Premises may have significant implications for the Lessor as registered proprietor of the Land, and the Lessee must cooperate fully with the Lessor in connection with any such notification or regulatory process.

11.4 Remediation obligation

Without limiting any other obligation under this Lease, the Lessee must, at its cost:

- (a) promptly investigate the nature and extent of any Environmental Contamination;
- (b) take all steps necessary to contain, remove, treat and remediate the Environmental Contamination;

- (c) restore the Premises to the condition required by the Lessor acting reasonably and to the satisfaction of any relevant Authority; and
- (d) obtain and comply with all directions, notices and requirements of any Authority in relation to the Environmental Contamination.

11.5 Standard of remediation

Remediation must:

- (a) comply with all Environmental Laws;
- (b) be undertaken to a standard suitable for the continued use of the Premises for the Permitted Purpose (or such higher standard required by an Authority); and
- (c) be verified by independent suitably qualified environmental consultants where reasonably required by the Lessor.

11.6 Step-in rights

If the Lessee fails to promptly comply with this clause, the Lessor may (without limiting its rights):

- (a) enter the Premises;
- (b) carry out or procure any investigation, containment or remediation works; and
- (c) recover all costs from the Lessee as a debt due and payable.

11.7 Environmental indemnity

Without limiting **clause 10.2**, the Lessee indemnifies and must keep indemnified the Lessor against all loss, liability, cost and expense arising out of or in connection with:

- (a) any Environmental Contamination on or affecting the Premises during the Term;
- (b) use, storage, handling or disposal of any Hazardous Substances on the Premises;
- (c) any spill, leak or discharge of fuel or other substances;
- (d) any failure to comply with Environmental Laws; and
- (e) any investigation, monitoring, management, remediation or clean-up required in connection with any of the above.

11.8 Continuing obligation

The obligations under this clause:

- (a) are not limited by any insurance; and
- (b) survive expiry or termination of this Lease.

12. Maintenance, repair and cleaning

12.1 General obligation

Subject to **clauses 5** and **6** the Lessee must, at its cost, during the Term and any holding over

- (a) keep the Premises and all Improvements (other than the Access Road) in a clean, safe and good and substantial tenable repair and condition, fair wear and tear excepted;
- (b) maintain, service, repair and, where necessary, replace all fixtures, fittings, plant and equipment on the Premises so that they are in good working order and condition;
- (c) promptly make good any loss or damage to the Premises or Improvements caused or contributed to by the Lessee or any Authorised Person; and
- (d) keep all Services, drains, pipes, conduits and connections serving the Premises in a clean, free-flowing and properly functioning condition (to the extent they exclusively service the Premises).

12.2 Cleaning and presentation

The Lessee must:

- (a) keep the Premises and Improvements (other than the Access Road) in a clean, orderly and presentable condition consistent with the Permitted Purpose; and
- (b) properly maintain any hardstand areas, storage areas and external operational areas forming part of the Premises.

12.3 Environmental condition

Without limiting **clause 11**, the Lessee must:

- (a) keep the Premises free from waste, debris and contaminants;
- (b) properly store, handle and dispose of all waste, chemicals and Hazardous Substances in accordance with Environmental Laws and good industry practice; and
- (c) take all reasonable steps to prevent pollution or Environmental Contamination.

12.4 Exclusions – Access Road

Despite any other provision of this Lease:

- (a) the maintenance, repair and management of the Access Road is governed exclusively by **clause 6**.

12.5 No obligation on Lessor

Except as expressly provided in this Lease (including **clause 6**), the Lessor is not obliged to repair or maintain the Premises or the Improvements.

13. Use

13.1 Permitted use

- (1) The Lessee must not, and must ensure that no Authorised Person does, use the Premises for any purpose other than the Permitted Purpose.
- (2) The Lessee must not use the Premises for any purpose that is unlawful or not permitted under any Written Law.

13.2 Operation of activities

The Lessee must:

- (a) conduct all activities on the Premises in a safe, orderly and lawful manner and in accordance with all applicable Written Laws, including Environmental Laws;
- (b) ensure that all grain receipt, storage, handling, treatment and dispatch activities are carried out in accordance with relevant statutes and good industry practice;
- (c) ensure that all truck movements, loading and unloading operations are managed to minimise risk, nuisance and damage to the Premises, the Land and any adjoining land;
- (d) comply with all reasonable directions of the Lessor relating to access, traffic management and use of any shared infrastructure serving the Land;
- (e) promptly provide to the Lessor copies of any notices, orders or directions received from any Authority in relation to the Premises; and
- (f) promptly notify the Lessor of any incident involving material damage, contamination, environmental harm or regulatory investigation relating to the Premises.

13.3 Hazardous substances and chemicals

The Lessee must not store, handle or use any hazardous substances, including grain fumigation chemicals, on the Premises except:

- (a) in compliance with all Environmental Laws and all applicable licences, permits and approvals;
- (b) in accordance with manufacturer specifications and good industry practice;
- (c) in properly designed, constructed and maintained storage and handling facilities; and
- (d) with the prior written consent of the Lessor (which must not be unreasonably withheld where lawful and appropriate).

13.4 Refuelling and servicing

The Lessee must ensure that no refuelling, servicing or maintenance of vehicles, plant or equipment occurs on the Premises:

13.5 Nuisance and amenity

The Lessee must not, and must ensure that no Authorised Person does, cause or permit any unreasonable nuisance, disturbance or interference to:

- (a) the Lessor; or
- (b) any adjoining or neighbouring landowner or occupier,

including from dust, noise, vibration, odour, traffic or emissions, having regard to the Permitted Purpose.

13.6 No warranty

The Lessee acknowledges that:

- (a) the Lessor gives no warranty as to the suitability of the Premises for the Permitted Purpose; and
- (b) the Lessee relies entirely on its own investigations in relation to the use of the Premises.

13.7 Existing condition and restrictions

The Lessee:

- (a) accepts the Premises on an “as is” basis; and
- (b) must comply with any existing restrictions, easements or encumbrances affecting the Land.

13.8 General compliance

The Lessee must:

- (a) comply with all applicable Written Laws relating to the use and occupation of the Premises;
- (b) obtain and maintain all licences, permits and approvals required for the Permitted Purpose; and
- (c) not use the Premises for any illegal or improper purpose.

14. Alterations

14.1 Restriction

- (1) Following Completion of the Development, the Lessee must not, without the prior written consent of:

- (a) the Lessor (acting reasonably);
- (b) any Authority (if required under any Written Law),

carry out, or permit to be carried out, any of the following on the Premises:

- (a) install any external signage requiring statutory approval;
- (b) make any major alteration, structural alteration, addition, improvement to, or demolition of, any part of the Improvements; or
- (c) remove or dispose of any flora, sand, gravel, timber or other materials from the Premises.

- (2) For the purposes of this clause, a major alteration, addition or improvement means any alteration, addition or improvement which requires approval under any Written Law.

14.2 Consent

- (1) Any consent given by the Lessor under this clause may be given subject to reasonable conditions, including conditions that:
 - (a) the works be carried out in accordance with plans and specifications approved by the Lessor; and
 - (b) the works be carried out to the reasonable satisfaction of the Lessor.

- (2) The Lessor's consent under this clause is given in its capacity as landlord only and does not constitute approval under any Written Law.
- (3) The Lessee must obtain all approvals, permits and consents required under any Written Law before carrying out any works.

14.3 Cost of works

- (1) All works undertaken under this clause must be carried out at the Lessee's cost.

14.4 Conditions of approvals

If any consent given under this clause or required under any Written Law is subject to conditions, the Lessee must:

- (a) comply with those conditions at its cost; and
- (b) if the Lessee fails to comply within the time required (or, if no time is specified, within a reasonable time), the Lessor may, on not less than 60 days' notice, carry out the required works and recover the cost from the Lessee as a debt.

15. Statutory obligations

15.1 Comply with Written Law

The Lessee must:

- (a) comply with all Written Laws including the *Public Health Act 2016* which relate to the Premises and the Improvements, and their use or occupation;
- (b) obtain, maintain and comply with all licences, permits, approvals and authorities required for the Permitted Purpose; and
- (c) promptly comply with all notices, orders, requisitions or directions issued by any Authority in respect of the Premises or the Lessee's use of the Premises.

15.2 Provision of notices

The Lessee must promptly provide to the Lessor copies of any notices, orders or directions received from any Authority relating to the Premises and the Improvements.

16. Assignment, subletting and dealing

16.1 No assignment, subletting or dealing without consent

- (1) The Lessee must not, without the prior written consent of the Lessor:
 - (a) assign, transfer or otherwise dispose of its interest in this Lease;
 - (b) sublet or part with possession of the whole or any part of the Premises; or
 - (c) mortgage, charge or otherwise encumber its interest in this Lease.
- (2) The Lessor may withhold its consent in its absolute discretion and may grant its consent subject to such conditions as it considers appropriate.

16.2 Change in ownership or control

- (1) If the Lessee is a corporation whose shares are not quoted on a recognised stock exchange:
 - (a) the Lessee must not permit any change in the legal or beneficial ownership or control of the Lessee or any holding company of the Lessee (within the meaning of the Corporations Act 2001 (Cth)) without the prior written consent of the Lessor; and
 - (b) the Lessor may withhold its consent in its absolute discretion.
- (2) Any change in ownership or control in breach of this clause constitutes a breach of **clause 16.1**.

16.3 Assignment

The Lessor may, in its absolute discretion, consent to an assignment of this Lease and may impose such conditions as it considers appropriate, including (without limitation):

- (a) the proposed assignee being financially sound and of good reputation and having relevant experience in conducting a business consistent with the Permitted Purpose;
- (b) all Amounts Payable having been paid and there being no subsisting breach of this Lease;
- (c) the Lessee procuring the execution of a deed of assignment, prepared by the Lessor's solicitors, by the Lessee and the proposed assignee;
- (d) the proposed assignee providing such guarantees or other security as the Lessor reasonably requires; and
- (e) the proposed assignee covenanting with the Lessor to perform and observe all of the Lessee's Covenants.

16.4 Subletting

The Lessor may, in its absolute discretion, consent to a sublease of the Premises (or any part of the Premises) and may impose such conditions as it considers appropriate, including (without limitation):

- (a) that the proposed use is consistent with the Permitted Purpose;
- (b) that the terms of the sublease are consistent with this Lease; and
- (c) that the sublease is subject to and subordinate to this Lease.

16.5 Property Law Act 1969

Sections 80 and 82 of the Property Law Act 1969 (WA) are excluded to the extent permitted by law.

16.6 Costs for assignment or sublease

If the Lessee requests the Lessor's consent to an assignment, sublease or other dealing, the Lessee must pay on demand all reasonable professional and other costs, charges and expenses incurred by the Lessor (and any other person whose consent is required) in connection with:

- (a) enquiries as to the financial standing and suitability of any proposed assignee, sublessee or other person;
- (b) the preparation, negotiation and completion of any documentation;

- (c) the consideration of and decision whether to grant consent; and
- (d) all other matters relating to the proposed dealing,
- (e) whether or not the assignment, sublease or dealing proceeds.

17. Lessor's right of entry

17.1 Entry

- (1) The Lessee must permit the Lessor and its Agents to enter the Premises:
 - (a) at any time without notice in the case of an emergency; and
 - (b) otherwise at reasonable times on reasonable notice,for the following purposes:
 - (c) to inspect the condition of the Premises and to ensure compliance with this Lease;
 - (d) to carry out any survey or works reasonably required in relation to the Premises;
 - (e) to comply with any obligation of the Lessor or any notice or order of an Authority; and
 - (f) to remedy any breach of this Lease by the Lessee, provided that the Lessor is not obliged to do so and any such action is without prejudice to the Lessor's rights.
- (2) The Lessor must, when exercising its rights under this clause, cause as little inconvenience as reasonably practicable to the Lessee.

17.2 Costs of rectifying breach

If the Lessor incurs costs in remedying a breach of this Lease by the Lessee, those costs are recoverable from the Lessee as a debt due and payable on demand.

18. Obligations on expiry or termination

18.1 Surrender and reinstatement

On expiry or earlier termination of this Lease, the Lessee must:

- (a) immediately peacefully surrender the Premises to the Lessor;
- (b) at its cost, demolish and remove all Improvements from the Premises; and
- (c) reinstate the Premises to a cleared, level, safe and stable condition, free of all Improvements, structures, debris and contaminants, including the removal of all footings, slabs, underground services and any other works installed by or on behalf of the Lessee, and otherwise in a condition acceptable to the Lessor acting reasonably.

18.2 Lessor may agree to retention of Improvements

- (1) The Lessor may, at its absolute discretion, by written notice given at any time prior to or within a reasonable period after expiry or termination, agree that any Improvements are not required to be removed.
- (2) To the extent that such notice is given:

- (a) the relevant Improvements will remain on the Premises and automatically vest in and become the property of the Lessor upon expiry or termination of this Lease;
- (b) the Lessee is not entitled to any compensation, payment or claim of any nature in respect of those Improvements;
- (c) the Lessee must deliver the Improvements free from all encumbrances, security interests and third-party rights; and
- (d) the Lessee must deliver the Improvements in a condition consistent with the Lessee's obligations under this Lease, including in a state of Good Repair.

18.3 Removal of Lessee's property

Prior to expiry or termination, the Lessee must, at its cost:

- (a) remove all chattels, equipment and other personal property of the Lessee from the Premises; and
- (b) make good any damage caused by that removal to the reasonable satisfaction of the Lessor.

18.4 Failure to comply

If the Lessee fails to comply with this clause, the Lessor may, without limiting its other rights:

- (a) enter the Premises (with such persons, equipment and materials as it considers necessary) and carry out any works required to give effect to this clause, including demolition, removal, reinstatement and clean-up works;
- (b) recover from the Lessee all costs and expenses incurred by the Lessor in doing so, including demolition, removal, reinstatement, storage, disposal, contractor costs, professional fees and administrative costs, as a debt due and payable on demand and as Amounts Payable under this Lease; and
- (c) remove, store, sell or otherwise dispose of any property remaining on the Premises without liability to the Lessee and without any obligation to account to the Lessee for any proceeds.

18.5 Continuing obligations

The Lessee's obligations under this clause continue after expiry or termination of this Lease.

19. Default

19.1 Events of default

- (1) A default occurs if:
 - (a) any Amounts Payable remain unpaid for 14 days after becoming due and written notice has been given to the Lessee to pay those Amounts Payable;
 - (b) the Lessee breaches any of the Lessee's Covenants (other than payment of Amounts Payable) and fails to remedy that breach within 21 days after written notice is given to the Lessee (or such longer period as is reasonable in the circumstances if the breach is capable of remedy);
 - (c) an order is made or a resolution is passed for the winding up of the Lessee (other than for the purpose of reconstruction or amalgamation);

- (d) a controller (as defined in the Corporations Act 2001) is appointed in respect of the Lessee's interest in the Premises;
- (e) a mortgagee or other person takes possession of the Lessee's interest in the Premises;
- (f) the Premises is vacated or not used for the Permitted Purpose for a continuous period of 6 months without reasonable cause;
- (g) the Lessee ceases to exist, is deregistered or dissolved;
- (h) the Lessee suffers an Insolvency Event; or
- (i) a person, other than the Lessee or a person permitted under this Lease, is in occupation or possession of the Premises.

19.2 Termination

- (1) If a default occurs, the Lessor may, by written notice to the Lessee, terminate this Lease.
- (2) Termination does not affect any rights or remedies of the Lessor arising before termination.

19.3 Lessor may remedy default

If the Lessee fails to remedy a default within the time required under this clause, the Lessor may (but is not obliged to), without limiting its other rights:

- (a) pay any money due or take any action required to remedy the default; and
- (b) recover from the Lessee all costs and expenses reasonably incurred in doing so, as a debt due and payable on demand and as Amounts Payable under this Lease.

19.4 No waiver

Demand for or acceptance of any Amounts Payable after a default does not constitute a waiver of that default or affect the Lessor's rights.

19.5 Compensation

If this Lease is terminated due to a default by the Lessee, the Lessor is entitled to recover from the Lessee:

- (a) all loss and damage suffered by the Lessor arising from the default and termination of this Lease; and
- (b) all reasonable costs incurred by the Lessor in connection with the termination, enforcement of its rights and any re-letting or attempted re-letting of the Premises,

and the Lessor must take reasonable steps to mitigate its loss.

20. Option to renew

If the Lessee at least six months, but not earlier than twelve months, prior to the date for commencement of the Further Term gives the Lessor a Notice to grant the Further Term and:

- (a) all consents and approvals required by the terms of this Lease or at law have been obtained; and
- (b) there is no subsisting default by the Lessee at the date of service of the Notice in

- (i) the payment of Amounts Payable; or
- (ii) the performance or observance of the Lessee's Covenants,

the Lessor will grant to the Lessee a lease for the Further Term at the Rent and on the same terms and conditions other than this clause in respect of any Further Terms previously taken or the subject of the present exercise.

21. Holding over

- (1) If the Lessee remains in possession of the Premises after expiry of the Term with the prior written consent of the Lessor, the Lessee will be a tenant from month to month at a rent equivalent to one twelfth of the Rent payable immediately prior to expiry of the Term and otherwise on the same terms and conditions as this Lease.
- (2) During any holding over period, the Lessee must:
 - (a) comply with all obligations under this Lease; and
 - (b) pay all outgoings and other amounts payable under this Lease as if the holding over period formed part of the Term.
- (3) The monthly tenancy may be terminated by either party at any time by one month's written notice.

22. Notice

22.1 Form of delivery

- (1) A Notice to a party must be in writing and may be given:
 - (a) by delivery to the party personally;
 - (b) by posting it by registered post to the address of the party appearing in this Lease or such other address notified by that party in writing from time to time; or
 - (c) by email to the email address appearing in this Lease, or such other address notified by that party in writing from time to time.

22.2 Service of notice

- (1) A Notice to a party is deemed to be given:
 - (a) if by personal delivery, when delivered, or if delivered outside Business Hours, at 9:00am on the next Business Day;
 - (b) if by registered post, on the third Business Day after posting; and
 - (c) if by email, at the time of transmission, provided that the email is sent on a Business Day before 5:00pm at the place of receipt, and otherwise at 9:00am on the next Business Day, unless the sender receives an automated message that the email has not been delivered.

22.3 Signing of notice

A Notice to a party may be signed:

- (a) if given by an individual, by that person;

- (b) if given by a corporation, by a director, secretary or other authorised officer;
- (c) if given by a local government, by its Chief Executive Officer or other authorised officer;
- (d) if given by an association incorporated under the Associations Incorporation Act 2015, by a person authorised by its board or committee of management; or
- (e) by a solicitor or other agent of the party giving the Notice.

23. Trustee Provisions

If the Lessee enters into this Lease as trustee of a trust:

- (a) the Lessee does so both for itself and as trustee of the trust and in this Lease, each reference to the Lessee has effect as a reference to it in each capacity;
- (b) the Lessee warrants to the Lessor that:
 - (i) it is the only trustee of the trust; and
 - (ii) no action has been taken or proposed to remove it as trustee of the trust; and
 - (iii) it has power under the trust deed of the trust to enter into this lease and it has entered into this lease for the benefit of the beneficiaries of the trust; and
 - (iv) it has a right to be fully indemnified out of the assets of the trust in respect of obligations incurred by it under this lease; and
 - (v) the assets of the trust are sufficient to satisfy that right of indemnity and all other obligations in respect of which the Lessee has a right to be indemnified out of those assets; and
 - (vi) it is not in default under the trust deed; and
 - (vii) no action has been taken or is proposed to terminate the trust; and
 - (viii) it has complied with its obligations in connection with the trust; and
 - (ix) the Lessor's rights under this Lease rank in priority to the interests of the beneficiaries of the trust.

24. Additional terms

The terms, covenants and conditions specified in **Item 10** of the Schedule form part of this Lease and are binding on the parties. To the extent of any inconsistency between **Item 10** of the Schedule and the other provisions of this Lease, **Item 10** prevails.

25. General provisions

25.1 Goods and Services Tax

- (1) Words and expressions used in this clause which have a particular meaning in the GST law (as defined in the GST Act) have the same meaning in this clause.
- (2) Unless GST is expressly included, the consideration to be paid or provided under this Lease for any supply made under or in connection with this Lease does not include GST.

- (3) To the extent that any supply made under or in connection with this Lease is a taxable supply, the GST exclusive consideration to be paid or provided for that taxable supply is increased by the amount of any GST payable in respect of that taxable supply and that amount must be paid at the same time and in the same manner as the GST exclusive consideration is to be paid or provided.
- (4) A party's right to payment under this clause is subject to a valid tax invoice being delivered to the recipient of the taxable supply.
- (5) To the extent that a party is required to reimburse or indemnify another party for a loss, cost or expense incurred by that other party, that loss, cost or expense does not include any amount in respect of GST for which that other party is entitled to claim an input tax credit.

25.2 No Fetter

The parties acknowledge that the Lessor is a local government established under the Local Government Act 1995 and, in that capacity, may be required to determine applications for consents, approvals, authorities, licences and permits in accordance with applicable Written Laws. The Lessor is not in default under this Lease by performing its statutory obligations or exercising its statutory discretions, and nothing in this Lease fetters the Lessor in performing those obligations or exercising those discretions.

25.3 Registration and caveats

- (1) The Lessee may register this Lease at Landgate and must pay all costs associated with its registration
- (2) The Lessor must do all things reasonably required to facilitate registration of this Lease.
- (3) The Lessee must not lodge a caveat over the title to the Premises except a caveat to protect its interest under this Lease.
- (4) Upon expiry or earlier termination of this Lease, the Lessee must promptly withdraw any caveat lodged in respect of this Lease at its cost.

25.4 Planning and Development Act 2005

If this Lease requires the consent of the Western Australian Planning Commission or any other consent under the *Planning and Development Act 2005*, this Lease is subject to and conditional upon that consent being obtained.

25.5 Commercial Tenancy Act

If at any time and for so long as the *Commercial Tenancy (Retail Shops) Agreements Act 1985* applies to this Lease and a provision of that Act conflicts with a provision of this Lease, the conflicting provision of this Lease is deemed to be amended to the extent necessary to comply with that Act

25.6 Amendments to Lease

Subject to any required consents under this Lease or at law, this Lease may be varied by agreement of the parties in writing.

25.7 Waiver

- (1) Failure to exercise or delay in exercising any right, power or privilege under this Lease does not operate as a waiver of that right, power or privilege.

- (2) A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

25.8 Acts by Agents

All acts and things which the Lessor is required to do under this Lease may be done by the Lessor, or the Lessor's Agents.

25.9 Statutory Powers

The powers conferred on the Lessor by any statute are, except to the extent they are inconsistent with this Lease, in addition to the powers conferred on the Lessor under this Lease

25.10 Further Assurance

The parties must execute and do all acts and things necessary or desirable to give full effect to this Lease.

25.11 Severance

If any provision of this Lease is or becomes void or unenforceable, that provision is severed and the remaining provisions continue in full force and effect.

25.12 Governing Law

This Lease is governed by the laws of Western Australia and, where applicable, the Commonwealth of Australia.

25.13 Interpretation

In this Lease, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa, and words importing a gender include each gender;
- (b) a reference to a person includes a body corporate or local government and vice versa;
- (c) a reference to a party includes its legal personal representatives, successors and permitted assigns;
- (d) a reference to a statute or other law includes all regulations and instruments under it and any amendments or replacements;
- (e) a reference to a right includes a benefit, remedy, discretion, authority or power;
- (f) a reference to an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
- (g) a reference to this Lease or another document includes that document as amended, supplemented or replaced from time to time;
- (h) a reference to writing includes any mode of representing or reproducing words in a visible and permanent form;
- (i) if a party comprises more than one person, their obligations bind them jointly and severally;
- (j) the obligations of the Lessee not to do an act include an obligation not to permit that act to be done by an Authorised Person; and
- (k) headings do not affect interpretation and general words are not limited by specific examples.

Schedule

Item 1 Land

Lots 531–534 and portions of Lots 506-509 Dore Street, Katanning and being land comprised in Deposited Plan 222688.

Item 2 Premises

That portion of the Land identified on the plan annexed hereto as **Annexure 1**.

Item 3 Term

2 years commencing on the Commencement Date.

Item 4 Commencement Date

9 October 2026

Item 5 Further Term

Nil

Item 6 Rent

\$20,000 per annum plus GST, payable in equal half-yearly instalments of \$10,000 plus GST, with the first instalment due on the Commencement Date and each subsequent instalment due on the date that is 6 months after the due date for the immediately preceding instalment.

Item 7 Rent Review Date

CPI Reviews

CPI Reviews are to be undertaken on each anniversary of the Commencement Date for each year of the Term (including any Further Term and period of holding over, if applicable) except for years where a Market Review is required to be carried out.

Market Reviews

Market Reviews are to be undertaken on the following dates:

- (a) the fifth anniversary of the Commencement Date; and
- (b) the commencement of the Further Term.

Item 8 Permitted Purpose

Use of the Premises for the receipt, storage, handling and dispatch of grain, including:

- (a) grain storage (including bulk storage);

- (b) grain fumigation and treatment (subject to all applicable laws and approvals);
- (c) installation and operation of weighbridges, sampling infrastructure and receival facilities;
- (d) truck access, manoeuvring and parking;
- (e) any activities ancillary or incidental to the above.

Item 9 Public Liability Insurance

Twenty million dollars (\$20,000,000.00).

Item 10 Amount of Performance Guarantee

An amount equivalent to 12 months' Rent at all times.

Item 11 Additional Terms and Conditions

10.1 ACKNOWLEDGMENT – PREMISES

- (1) The Lessor and the Lessee acknowledge and agree that at the Commencement Date the Premises is vacant and unimproved land with no services.
- (2) The Lessee acknowledges that:
 - (a) it has made its own enquiries as to the environmental condition of the Premises prior to entering into this Lease;
 - (b) it accepts the Premises in its existing environmental condition as at the Commencement Date; and
 - (c) it is responsible for all Environmental Contamination on or affecting the Premises arising during the Term, whether or not the source or cause of that contamination pre-dates the Commencement Date, except to the extent that the Lessee can demonstrate to the reasonable satisfaction of the Lessor that the Environmental Contamination existed on the Premises prior to the Commencement Date and was not caused or contributed to by the Lessee or any Authorised Person.

10.2 DEVELOPMENT CONDITION

The Lessor may, in its discretion, by written notice to the Lessee, terminate this Lease if the Lessor reasonably considers that the Lessee has failed to complete the development of the Premises and commence operation of the Permitted Purpose within 6 months of the Commencement Date. On termination under this clause, **clause 18** applies.

10.3 PERIMETER FENCING

The Lessee may, at its cost, construct and maintain a secure perimeter fence around the Premises to a standard approved by the Lessor.

Signing page

EXECUTED by the parties as a deed

2026

THE COMMON SEAL of the **SHIRE OF KATANNING** was hereunto affixed in the presence of:

Name of President (print)

Signature of President (print)

Name of Chief Executive Officer (print)

Signature of Chief Executive Officer

Executed by Capital Bulk Pty Ltd Trading as Commodity AG PTY LTD ACN 078 093 606 in accordance with section 127 of the Corporations Act:

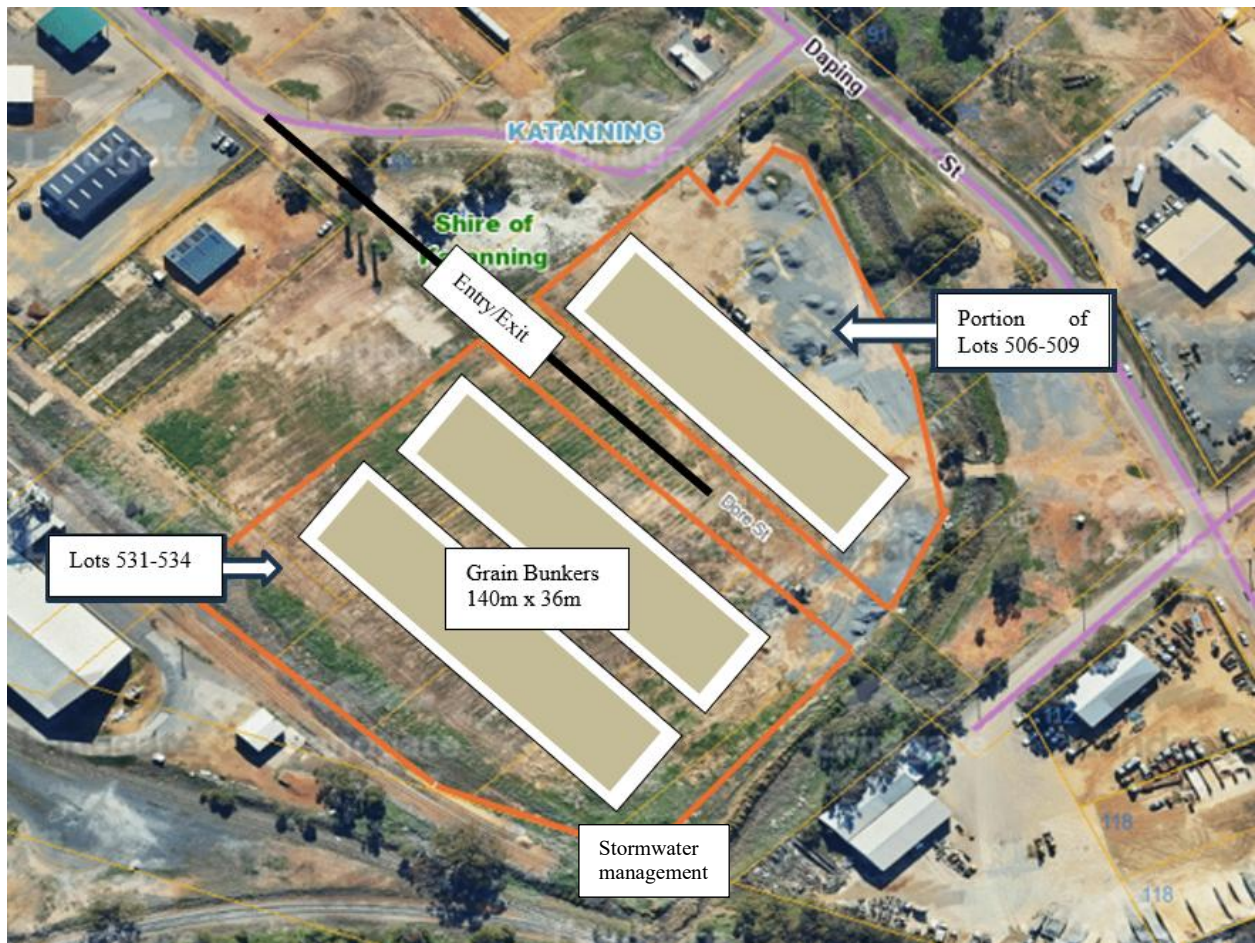
Signature of director

Signature of director/company secretary

Name of director (print)

Name of director/company secretary (print)

Annexure 1 – Sketch of Premises



Schedule of Submissions Proposed Lease - Lots 506-509 and 531-534 Dore Street, Katanning			
No.	Address	Public Comment	Shire Comment/Recommendation
1.	Bruno Lopes Director BGL Solutions W : BGL Solutions (bglsolutions.com.au) Facebook Bruno Lopes LinkedIn E: info@bglsolutions.com.au	I am writing on behalf of BGL Solutions Pty Ltd in response to the Shire of Katanning's Local Public Notice dated 10 September 2026 regarding the proposed lease of approximately 32,292 m² of the Old Saleyard site on Dore Street to Capital Bulk Pty Ltd, acting as trustee for Commodity Ag. BGL Solutions operates from 84 Dore Street, Katanning, in close proximity to the proposed lease area, and we therefore have a direct interest in understanding the nature and potential impacts of the proposed use. BGL Solutions is supportive of new investment and agricultural development within Katanning. We are not opposed to the proposed lessee or the principle of the Shire leasing the land. However, the public notice provides details of the land area, lease term and rental consideration but does not explain what the 32,292 m² site is actually intended to be used for. Given the size of the proposed lease and Commodity Ag's involvement in grain storage, handling and transport, we believe neighbouring businesses and residents should be provided with sufficient information to properly understand the proposed activities before the public comment period closes. Clarification of Intended Use Could the Shire please clarify: • What is the specific intended use of the leased land? • Is the site proposed to operate as a grain receival, accumulation, storage or transport facility? • Will grain be loaded, unloaded, transferred or handled on the property? • Are grain bulkheads or bunkers proposed? • If bulkheads or bunkers are proposed, what will their number, dimensions, locations and approximate storage capacities be? • Will these storage areas be open/uncovered, partially covered, or fully enclosed? • Will grain be stored for extended periods or predominantly during harvest? • Will loaders, augers, conveyors, stackers or other grain-handling equipment operate on the site? • What volume of grain and number of heavy-vehicle movements are anticipated during peak periods? • What are the proposed operating hours, particularly during harvest? • Will road trains regularly enter and exit the site? • Will internal roads, loading areas and heavy-vehicle maneuvering areas be sealed, stabilized or remain unsealed? • Are any permanent structures, weighbridges, lighting, silos or other infrastructure proposed? • Has a development application been submitted or will further planning approval be required for the proposed operation? Dust and Impact on Existing Businesses and Residents Our principal concern is airborne dust.	Shire Comment BGL Solutions is supportive of new investment and agricultural development within Katanning. BGL Solutions is not opposed to the proposed lessee or the principle of the Shire leasing the land. BGL Solutions raised concern regarding the proposed use of the site for grain handling, particularly in relation to the potential for dust and sediment to be transferred onto adjoining properties and neighbouring land uses. A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receival, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, including for dust management, with the aim being to minimise impact on surrounding uses. The proposed approach for dust management is primarily via water-based dust suppression, weather monitoring, minimising exposed/disturbed areas, stabilising surfaces where necessary, covering grain stockpiles, controlling vehicle movements and ongoing monitoring. Shire Recommendation Recommend approving the proposed lease for the following reasons: • Leasing the site for a limited period of two years, allows for a new business to operate in the townsite. • A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receival, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, with the aim being to minimise impact on surrounding uses.

		If the site is intended for bulk grain storage and handling, particularly using open bulkheads or bunkers and unsealed heavy-vehicle areas, there is potential for both grain dust and general fugitive dust to affect surrounding properties. This needs to be considered in the context of the businesses and residential properties already established in the surrounding area. BGL Solutions has made a substantial investment in our 84 Dore Street premises. Our depot accommodates offices, staff facilities, workshops, spare parts, vehicles, and a significant fleet of specialized machinery and equipment. Persistent dust entering our property has the potential to create additional cleaning and maintenance requirements and may adversely affect machinery, electrical components, air filtration systems, radiators, bearings and other equipment. There is also the broader question of staff amenity and the ability of neighboring businesses to continue operating without unreasonable interference from dust generated by another commercial activity. We are similarly concerned about nearby residential properties. If significant grain-handling activities and heavy-vehicle movements are proposed, consideration should be given to dust, noise, traffic and operating hours and their potential effect on residential amenity. There is also a legitimate concern regarding whether persistent dust, noise and heavy industrial activity could adversely affect the use, enjoyment and potentially the value or marketability of neighboring commercial and residential properties. Dust Management Before the lease and any associated approvals are finalized, we request clarification regarding what environmental and operational controls will be required. In particular, will the proposed operation be required to have a formal Dust Management Plan, and will consideration be given to: • sealing or appropriately stabilizing high-traffic and heavy-vehicle areas; • water carts or other active dust-suppression systems; • management of open grain stockpiles or bulkheads; • covers or other controls for grain storage where appropriate; • dust suppression during grain loading, unloading and transfer; • management of loaders, trucks and other equipment operating on unsealed surfaces. • prevailing wind direction and appropriate separation distances from neighboring properties. • monitoring of dust leaving the property boundary. • procedures for responding to complaints from neighboring businesses and residents; and • corrective action where the operation is demonstrated to cause unreasonable off-site dust. Request for Further Information BGL Solutions is not seeking to prevent another business from establishing in Katanning. However, 32,292 m² is a substantial area of Shire-owned land, and the nature and intensity of the proposed activity are highly relevant to businesses and residents surrounding the site.	
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		At present, the public notice does not provide sufficient information for us to properly assess those potential impacts. We therefore respectfully request that the Shire provide further information regarding the specific proposed use of the site, proposed infrastructure, grain storage arrangements, bulkheads/bunkers, heavy-vehicle movements, operating hours and proposed dust-management measures. If detailed plans or a development application exist, we would also appreciate the opportunity to review those documents. We would welcome the opportunity to meet with the Shire and, if appropriate, representatives of Commodity Ag to better understand what is proposed and to ensure appropriate measures are established before operations commence, rather than attempting to resolve dust or amenity issues after they arise. BGL Solutions supports responsible commercial and agricultural development in Katanning. Our request is simply that existing businesses and residents are adequately informed and protected from unreasonable impacts associated with any new operation. We would appreciate a response to the above questions and clarification of the proposed use of the site.	
2.	Travis Menghini 2 Drove Street Katanning WA M: 0418 190 674 E: tj.jl.menghini@gmail.com	I am writing to formally raise my concerns regarding the proposed lease of the Old Saleyard site to Capital Bulk Pty Ltd, acting as trustee for Commodity Ag. As a homeowner at 2 Drove Street, Katanning, approximately 250 metres from the proposed site, I have serious concerns about the potential impact this operation may have on my property and the surrounding residential area. I want to make it very clear that I fully support new businesses, investment and employment opportunities in Katanning. I am also a strong supporter of the agricultural industry and have worked within agriculture for more than 20 years. My concerns are not about the grain industry or the business itself, but whether this is an appropriate location for this type of operation given its proximity to established residential properties. Also considering the original site proposed on the Shire land on Great Southern Hwy was met with similar concerns by nearby residents. My key concerns are: • Dust and airborne grain particles from unloading, handling, augers, conveyors, truck movements and potentially grain cleaning or conditioning. • Noise, particularly from grain handling equipment, fans, machinery, trucks, reversing alarms and air brakes. • Extended or 24-hour operating periods during harvest, resulting in ongoing noise and truck movements during evenings and overnight. • Increased heavy vehicle traffic, including potential impacts from truck movements, headlights, engine noise, road dust and road safety.	Shire Comment Travis Menghini fully supports new businesses, investment and employment opportunities in Katanning. Travis is also a strong supporter of the agricultural industry, having worked within agriculture for more than 20 years. Travis supports new businesses in Katanning, subject to appropriate management, so that the benefits to the community do not come at an unreasonable cost to existing residential property owners. A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receival, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, including for traffic, stormwater, light, dust, noise and pest management, with the aim being to minimise impact on surrounding uses and Shire assets. Shire Recommendation Recommend approving the proposed lease for the following reasons:

		• Pests attracted to grain storage, including mice, rats, pigeons and grain insects such as weevils, and the potential for these pests to affect surrounding residential properties. • Fire and grain dust explosion risks, including the adequacy of firefighting infrastructure, emergency access and emergency management procedures. • Fumigation and chemical use, should grain treatment or fumigation be undertaken on the site. • Lighting and light spill associated with night-time operations, trucks and security lighting. • Stormwater and site runoff, particularly from areas used for grain storage, truck movements and machinery. • The overall cumulative impact on residential amenity when dust, noise, traffic, pests, lighting and extended operating hours are considered together. I am also particularly concerned about the potential effect on residential property values. A commercial grain storage and handling facility operating in close proximity to established homes could make properties less attractive to prospective buyers due to concerns regarding noise, dust, heavy vehicle traffic, pests, lighting and general amenity. This could potentially have a direct financial impact on existing homeowners. Before the proposed lease proceeds, I believe the Shire should ensure that the full residential and environmental impacts are properly assessed, rather than considering the grain storage operation in isolation. I would appreciate clarification on the proposed storage capacity, grain throughput, expected truck movements, operating hours, harvest operations, dust and noise controls, pest management, fire protection, fumigation/chemical use and traffic management. I respectfully request that my concerns be formally recorded and considered by the Shire in its assessment of the proposed lease, and that I be kept informed of any further reports, assessments or decisions relating to the proposal. I support agriculture, I support business, and I support growth in Katanning. I simply believe that this growth needs to be managed appropriately so that the benefits to the community do not come at an unreasonable cost to existing residential property owners.	• Leasing the site for a limited period of two years, allows for a new business to operate in the townsite. • A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receival, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, with the aim being to minimise impact on surrounding uses.
3.	Tania Edwards <tania.edwards1@nutrien.com.au>	Just wanting to enquire about the Commodity Ag proposal for a grain receival site at the old saleyards. We own the Great Southern Rural/Nutrien business at 99 Daping Street directly opposite the proposed site. Whilst not opposed to the proposal we have concerns about grain dust, noise & traffic management. Can you provide any further information mitigating our concerns?	Shire Comment Great Southern Rural/Nutrien is not opposed to the proposal. A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receival, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, including for traffic, stormwater, light, dust, noise and pest management, with the aim being to minimise impact on surrounding uses and Shire assets.

			Shire Recommendation Recommend approving the proposed lease for the following reasons: - Leasing the site for a limited period of two years, allows for a new business to operate in the townsite. - A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receipt, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, with the aim being to minimise impact on surrounding uses.
4.	Cindy Kowald cindykowald@outlook.com	Thank you for your time to contact me today, thankfully my enquiry finally reached your desk. I appreciate that Council's do not have an easy job when this type of application comes in, however I am concerned about this proposals approval and the Shire actively providing a lease for a business to conduct activities which could pose risk to Public Health and Safety, ie. those noted like grain dust level issues and rodent issues, but predominately if fumigation is a possibility. There is a lot of activity with proposed changes by Safe Work Australia regarding fumigation, and particularly exposure levels to Phosphine. I am also concerned that I could not see a proposed list of fumigation chemicals included in the Development Application that went to council nor any specific conditions regarding use of such chemicals - did this not form part of Commodity Ags submission? Today, in our conversation you did indicate that Commodity Ag are proposing that the activity would be conducted and if it was it would be conducted under tarps which was considered a low risk, so I assume discussions have been had, and thank you for contacting them for some clarification. I do not consider low risk, no risk, and as I mentioned in our conversation, full disclosure my concern is also as my children's local primary school is less than 650m away, plus we have the new pending Early Childhood Facility - you confirmed Council were aware of these 'sensitive areas' when considering the application. https://www.health.wa.gov.au/~media/Files/Corporate/general-documents/pesticides-and-chemicals/PDF/Fumigation/Guidelines-for-fumigations-by-a-registered-pest-management-business.pdf this is 2019 document but I could not find any update version so I assume this is a current document. https://www.health.wa.gov.au/Articles/F_1/Fumigation-site-advice-for-local-government Reading these documents, it does indicate Local Government play a part on IF fumigation approval should be given, has the LG considered not approving fumigation once they are approached by the Department of Health as part of Commodity Ag application for their registration because it may not meet the 100m	Shire Comment The submitter is concerned about the Shire actively providing a lease for a business to conduct activities with risk of causing public health issues such as grain dust, rodents and use of chemicals from fumigation. A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receipt, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, including for the management of dust and rodents. The use of chemicals requires the consent of the Department of Health. Shire Recommendation Recommend approving the proposed lease for the following reasons: - Leasing the site for a limited period of two years, allows for a new business to operate in the townsite. - A two-year planning approval notice has been granted for the use/development of the subject precinct, being the receipt, stockpiling and transfer of grain. The approved use is subject to an extensive list of conditions, with the aim being to minimise impact on surrounding uses.

		buffers or any of the other noted points? Considering the proponent only plan to be at the site for 2 years, this could be safe consideration for our townspeople? One other point I didn't ask you today, was there no consultation process/public notice required for approval of this DA on the saleyard site like there was for the proposal when it was on the north of town, as I can not recall seeing anything, hence why I came in initially to clarify about the Saleyards Lease Public Notice? Appreciate your time to speak today, and look forward to clarifying those points with the proponent and council.	
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SUBMISSION 1

Good evening,

I am writing on behalf of BGL Solutions Pty Ltd in response to the Shire of Katanning's Local Public Notice dated 10 September 2026 regarding the proposed lease of approximately 32,292 m² of the Old Saleyard site on Dore Street to Capital Bulk Pty Ltd, acting as trustee for Commodity Ag.

BGL Solutions operates from 84 Dore Street, Katanning, in close proximity to the proposed lease area, and we therefore have a direct interest in understanding the nature and potential impacts of the proposed use.

BGL Solutions is supportive of new investment and agricultural development within Katanning. We are not opposed to the proposed lessee or the principle of the Shire leasing the land.

However, the public notice provides details of the land area, lease term and rental consideration but does not explain what the 32,292 m² site is actually intended to be used for.

Given the size of the proposed lease and Commodity Ag's involvement in grain storage, handling and transport, we believe neighbouring businesses and residents should be provided with sufficient information to properly understand the proposed activities before the public comment period closes.

Clarification of Intended Use

Could the Shire please clarify:

- What is the specific intended use of the leased land?
- Is the site proposed to operate as a grain receival, accumulation, storage or transport facility?
- Will grain be loaded, unloaded, transferred or handled on the property?
- Are grain bulkheads or bunkers proposed?
- If bulkheads or bunkers are proposed, what will their number, dimensions, locations and approximate storage capacities be?
- Will these storage areas be open/uncovered, partially covered, or fully enclosed?
- Will grain be stored for extended periods or predominantly during harvest?
- Will loaders, augers, conveyors, stackers or other grain-handling equipment operate on the site?
- What volume of grain and number of heavy-vehicle movements are anticipated during peak periods?

- What are the proposed operating hours, particularly during harvest?
- Will road trains regularly enter and exit the site?
- Will internal roads, loading areas and heavy-vehicle maneuvering areas be sealed, stabilized or remain unsealed?
- Are any permanent structures, weighbridges, lighting, silos or other infrastructure proposed?
- Has a development application been submitted or will further planning approval be required for the proposed operation?

Dust and Impact on Existing Businesses and Residents

Our principal concern is airborne dust.

If the site is intended for bulk grain storage and handling, particularly using open bulkheads or bunkers and unsealed heavy-vehicle areas, there is potential for both grain dust and general fugitive dust to affect surrounding properties.

This needs to be considered in the context of the businesses and residential properties already established in the surrounding area.

BGL Solutions has made a substantial investment in our 84 Dore Street premises. Our depot accommodates offices, staff facilities, workshops, spare parts, vehicles, and a significant fleet of specialized machinery and equipment.

Persistent dust entering our property has the potential to create additional cleaning and maintenance requirements and may adversely affect machinery, electrical components, air filtration systems, radiators, bearings and other equipment.

There is also the broader question of staff amenity and the ability of neighboring businesses to continue operating without unreasonable interference from dust generated by another commercial activity.

We are similarly concerned about nearby residential properties. If significant grain-handling activities and heavy-vehicle movements are proposed, consideration should be given to dust, noise, traffic and operating hours and their potential effect on residential amenity.

There is also a legitimate concern regarding whether persistent dust, noise and heavy industrial activity could adversely affect the use, enjoyment and potentially the value or marketability of neighboring commercial and residential properties.

Dust Management

Before the lease and any associated approvals are finalized, we request clarification regarding what environmental and operational controls will be required.

In particular, will the proposed operation be required to have a formal Dust Management Plan, and will consideration be given to:

- sealing or appropriately stabilizing high-traffic and heavy-vehicle areas;
- water carts or other active dust-suppression systems;
- management of open grain stockpiles or bulkheads;
- covers or other controls for grain storage where appropriate;
- dust suppression during grain loading, unloading and transfer;
- management of loaders, trucks and other equipment operating on unsealed surfaces.
- prevailing wind direction and appropriate separation distances from neighboring properties.
- monitoring of dust leaving the property boundary.
- procedures for responding to complaints from neighboring businesses and residents; and
- corrective action where the operation is demonstrated to cause unreasonable off-site dust.

Request for Further Information

BGL Solutions is not seeking to prevent another business from establishing in Katanning.

However, 32,292 m² is a substantial area of Shire-owned land, and the nature and intensity of the proposed activity are highly relevant to businesses and residents surrounding the site.

At present, the public notice does not provide sufficient information for us to properly assess those potential impacts.

We therefore respectfully request that the Shire provide further information regarding the specific proposed use of the site, proposed infrastructure, grain storage arrangements, bulkheads/bunkers, heavy-vehicle movements, operating hours and proposed dust-management measures.

If detailed plans or a development application exist, we would also appreciate the opportunity to review those documents.

We would welcome the opportunity to meet with the Shire and, if appropriate, representatives of Commodity Ag to better understand what is proposed and to ensure

appropriate measures are established before operations commence, rather than attempting to resolve dust or amenity issues after they arise.

BGL Solutions supports responsible commercial and agricultural development in Katanning. Our request is simply that existing businesses and residents are adequately informed and protected from unreasonable impacts associated with any new operation.

We would appreciate a response to the above questions and clarification of the proposed use of the site.

Kind Regards

Bruno Lopes

Director | BGL Solutions

info@bgl solutions.com.au

SUBMISSION 2

ATT: Mr Peter Klein - CEO Shire of Katanning

RE: Shire of Katanning proposes to lease a 32,292m² section of the Old Saleyard site on Dore St Katanning comprising all of Lots 531-534 and a portion of Lots 505-509. The lease is to Capital Bulk Pty Ltd acting as trustee for Commodity Ag, for a term of 2 years commencing October 2026

Mr Klein,

I am writing to formally raise my concerns regarding the proposed lease of the Old Saleyard site to Capital Bulk Pty Ltd, acting as trustee for Commodity Ag.

As a homeowner at 2 Drove Street, Katanning, approximately 250 metres from the proposed site, I have serious concerns about the potential impact this operation may have on my property and the surrounding residential area.

I want to make it very clear that I fully support new businesses, investment and employment opportunities in Katanning. I am also a strong supporter of the agricultural industry and have worked within agriculture for more than 20 years. My concerns are not about the grain industry or the business itself, but whether this is an appropriate location for this type of operation given its proximity to established residential properties. Also considering the original site proposed on the Shire land on Great Southern Hwy was met with similar concerns by nearby residents.

My key concerns are:

- **Dust and airborne grain particles** from unloading, handling, augers, conveyors, truck movements and potentially grain cleaning or conditioning.
- **Noise**, particularly from grain handling equipment, fans, machinery, trucks, reversing alarms and air brakes.
- **Extended or 24-hour** operating periods during harvest, resulting in ongoing noise and truck movements during evenings and overnight.
- **Increased heavy vehicle traffic**, including potential impacts from truck movements, headlights, engine noise, road dust and road safety.
- **Pests attracted to grain storage**, including mice, rats, pigeons and grain insects such as weevils, and the potential for these pests to affect surrounding residential properties.
- **Fire and grain dust explosion risks**, including the adequacy of firefighting infrastructure, emergency access and emergency management procedures.
- **Fumigation and chemical use**, should grain treatment or fumigation be undertaken on the site.

- **Lighting and light spill** associated with night-time operations, trucks and security lighting.
- **Stormwater and site runoff**, particularly from areas used for grain storage, truck movements and machinery.
- **The overall cumulative impact on residential amenity** when dust, noise, traffic, pests, lighting and extended operating hours are considered together.

I am also particularly concerned about the potential effect on residential property values. A commercial grain storage and handling facility operating in close proximity to established homes could make properties less attractive to prospective buyers due to concerns regarding noise, dust, heavy vehicle traffic, pests, lighting and general amenity. This could potentially have a direct financial impact on existing homeowners.

Before the proposed lease proceeds, I believe the Shire should ensure that the full residential and environmental impacts are properly assessed, rather than considering the grain storage operation in isolation.

I would appreciate clarification on the proposed storage capacity, grain throughput, expected truck movements, operating hours, harvest operations, dust and noise controls, pest management, fire protection, fumigation/chemical use and traffic management.

I respectfully request that my concerns be formally recorded and considered by the Shire in its assessment of the proposed lease, and that I be kept informed of any further reports, assessments or decisions relating to the proposal.

I support agriculture, I support business, and I support growth in Katanning. I simply believe that this growth needs to be managed appropriately so that the benefits to the community do not come at an unreasonable cost to existing residential property owners.

I look forward to your response.

Kind regards,



Travis Menghini

2 Drove Street

Katanning WA

M: 0418 190 674

E: tj.jl.menghini@gmail.com

SUBMISSION 3

Hi Peter

Just wanting to enquire about the Commodity Ag proposal for a grain receival site at the old saleyards.

We own the Great Southern Rural/Nutrien business at 99 Daping Street directly opposite the proposed site. Whilst not opposed to the proposal we have concerns about grain dust, noise & traffic management. Can you provide any further information mitigating our concerns?

Kind regards,

Tania

tania.edwards1@nutrien.com.au

SUBMISSION 4

Hi Adrian,

Thank you for your time to contact me today, thankfully my enquiry finally reached your desk.

I appreciate that Council's do not have an easy job when this type of application comes in, however I am concerned about this proposals approval and the Shire actively providing a lease for a business to conduct activities which could pose risk to Public Health and Safety, ie. those noted like grain dust level issues and rodent issues, but predominately if fumigation is a possibility.

There is a lot of activity with proposed changes by Safe Work Australia regarding fumigation, and particularly exposure levels to Phosphine. I am also concerned that I could not see a proposed list of fumigation chemicals included in the Development Application that went to council nor any specific conditions regarding use of such chemicals - did this not form part of Commodity Ags submission?

Today, in our conversation you did indicate that Commodity Ag are proposing that the activity would be conducted and if it was it would be conducted under tarps which was considered a low risk, so I assume discussions have been had, and thank you for contacting them for some clarification.

I do not consider low risk, no risk, and as I mentioned in our conversation, full disclosure my concern is also as my children's local primary school is less than 650m away, plus we have the new pending Early Childhood Facility - you confirmed Council were aware of these 'sensitive areas' when considering the application.

<https://www.health.wa.gov.au/~media/Files/Corporate/general-documents/pesticides-and-chemicals/PDF/Fumigation/Guidelines-for-fumigations-by-a-registered-pest-management-business.pdf> this is 2019 document but I could not find any update version so I assume this is a current document.

https://www.health.wa.gov.au/Articles/F_I/Fumigation-site-advice-for-local-government

Reading these documents, it does indicate Local Government play a part on IF fumigation approval should be given, has the LG considered not approving fumigation once they are approached by the Department of Health as part of Commodity Ag application for their registration because it may not meet the 100m buffers or any of the other noted points? Considering the proponent only plan to be at the site for 2 years, this could be safe consideration for our townspeople?

One other point I didn't ask you today, was there no consultation process/public notice required for approval of this DA on the saleyard site like there was for the proposal when it was on the north of town, as I can not recall seeing anything, hence why I came in initially to clarify about the Saleyards Lease Public Notice?

Appreciate your time to speak today, and look forward to clarifying those points with the proponent and council.

Regards,

Cindy Kowald

TECHNICAL MEMORANDUM

To	Lisa Smith (Shire of Katanning)			Date	19/05/2026
From	Bryce Daly	Position	Civil Engineer	Project No	E25071-01
Review	Phillip Bell	Position	Director/Civil Engineer (RPEQ)	Revision	A
File Name	E25071-01-YKNG-MEM-0001-A Summary Memo				
Project	Katanning Airport RWY07/25 Design Works				
Subject	Summary of design elements				

1. Introduction

This memorandum presents Airport Consultancy Group's (ACG) recommendations for the rehabilitation and reseal of Runway 07/25 at Katanning Airport. Following site inspection and condition assessment, four pavement areas requiring treatment have been identified along the runway, ranging from localised distress to a full-width section exhibiting block cracking. The Shire has requested that solutions be prioritised for the best value engineered outcome. Accordingly, our recommendations adopt a triaged approach: priority areas are proposed for full reconstruction (350 mm new basecourse with a double-coat seal), while the remaining areas are proposed for a single-coat reseal over a new AMC00 prime coat. In addition, we propose minor earthworks grading near the runway shoulder to improve drainage away from the pavement and reduce the risk of future moisture-related distress. The following sections set out the identified areas, the recommended treatment for each, and the supporting rationale.

2. Basis of Design

1.1 Design criteria and standards

ACG's design has been guided by the framework set out in the CASA Manual of Standards (MOS) Part 139 and ICAO Annex 14, which together establish the geometric, surface, and pavement-strength requirements applicable to the aerodrome. Pavement thickness design has been undertaken using APSDS 5.0 (Airport Pavement Structural Design System), a mechanistic-empirical design tool that models the runway as a layered elastic system under the actual aircraft loading spectrum. The three principal design inputs adopted were the subgrade and pavement support conditions (from geotechnical investigation), the existing surface condition (from the ACG site inspection), and the traffic spectrum (the PC-12 and PC-24 design aircraft and their movement profile). Material and seal requirements have been specified to MRWA Specification 501 for basecourse and AAPA seal design guidelines for the sprayed seal.

1.2 Suitability for the runway and use profile

This combination of standards is appropriate to Katanning Airport's classification and operations. CASA MOS Part 139 and ICAO Annex 14 are the governing standards for a registered aerodrome, and APSDS is the recognised mechanistic design tool for airport pavements, allowing the design to be matched to the specific PC-12 and PC-24 aircraft rather than a generalised load assumption, which is consistent with the best-value engineered outcome sought for the project.

1.3 Geotechnical investigation and subgrade assessment

Geotechnical sampling was necessary because the existing sub-surface conditions were unknown and could not be relied upon from records alone. In particular, the water ingress observed at the surface during the site inspection raised the prospect of moisture-affected or weakened support, and the composition and thickness of the existing sub-base material were undocumented. Mechanistic pavement design is highly sensitive to subgrade strength, so proceeding without verified parameters would have left the reconstruction depths either unsafe or unnecessarily conservative. The investigation (boreholes and Dynamic Cone Penetrometer testing) was used to establish a design subgrade CBR, which was adopted as CBR 3. This value was input to the APSDS modelling and, together with the MRWA 501 basecourse material, confirmed the 350 mm basecourse thickness required over the reconstruction areas to support the design aircraft. This contrasts with the geotechnical findings, which recorded existing basecourse thickness as little as 250 mm – confirming the existing pavement is under-strength for the design aircraft and supporting the need for reconstruction in the priority areas.

The geotechnical works were targeted at the western turning node, due to this area originally being the main component of the scope before being removed. The targeted geotechnical results have been extrapolated for the extent of the runway. For increased confidence of the runway's subgrade condition, further geotechnical works may be required. The results indicate that, once reconstructed to this depth over a verified subgrade, an acceptable and compliant pavement support condition is achieved; it also confirms that the existing distressed areas cannot be relied upon without reconstruction where the structural distress and moisture ingress are present.

3. Reseal Design

The main runway is 1,500 m × 23 m, bitumen spray sealed, with a total pavement area of 34,500 m². The runway was upgraded to its current sealed configuration in 2013. The published pavement strength rating allows for aircraft up to 5,700 kg maximum take-off weight (MTOW) with tyre pressures up to 800 kPa, however there is occasional pavement overloading of approximately 10% of all movements. Taxiway Alpha is assumed to share the same strength rating as the main runway.

The proposed resurfacing comprises a single-coat 7 mm sprayed seal across the full length and width of RWY 07/25. An A35E polymer-modified binder (PMB) has been adopted with an AMC00 prime coat. Given the dry, oxidised condition of the existing aged seal across the runway, a seal designer should account for the reduced surface texture and higher binder demand of the aged surface, ensuring adequate aggregate embedment and retention without starving the seal at the interface. A sand cover coat is not required. Final binder application rates are subject to confirmation against AAPA seal design certification requirements and verification of the existing surface texture.

4. Surface Patching Repairs

Four patch areas requiring repair ahead of the reseal have been identified from the ACG site inspection, ranging from localised seal lamination to a full-width section exhibiting block cracking. The locations, extents, and relative priorities of each are summarised in Table 1 below.

Table 1 – Patch locations and descriptions

Patch Location	CH 290-400	CH 600-750	CH 870-1020	CH 1170-1490
Width	2m	2m	23m Full Width	2m
Condition	Laminated Seal, minor potholes, FOD	Laminated Seal, minor potholes, FOD	Block cracking, Water ingress, Laminated seal, potholes, FOD	Laminated Seal, minor potholes, FOD
Priority	4	3	1	2

Patch repair priority is driven by failure mechanism and extent, not surface appearance. The key question is whether a seal-over will last: structural distress that reflects through or defeats a new seal warrants reconstruction, while surface or seal-level distress over sound pavement suits a single-coat reseal. Wheel-path location is a secondary factor, as distress in the design aircraft's wheel paths deteriorates faster than at the edges. The full-width block cracking (Ch 870–1020) is the clear top priority, however, it is a structural fatigue distress that a thin seal cannot arrest, and its severity outweighs all other considerations. Given that this section covers the wheel path as well it should be the clear priority for the patching works.

The Runway 25 end patch (Ch 1170–1490) ranks next: while a 2 m-wide strip like the mid-runway patches, it is by far the longest of the three and extends across the threshold and touchdown zone, where loading and the consequence of failure are greatest. The two mid-runway areas (Ch 600–750 and Ch 290–400) rank lower, being shorter and likely surface-level distress suited to a reseal, subject to confirming the basecourse is sound. This focuses the reconstruction budget where it delivers the greatest structural benefit, while still treating the remaining runway within the project constraints.

5. Earthworks Regrading

ACG also proposes minor regrading of the graded strip to address the water ingress and ponding observed during the ACG site visit, consistent with drainage concerns identified in previous ATI reporting. Two options are proposed. Option A comprises minor regrading at spot locations along the runway edge to correct non-compliant grades and restore surface flow off the runway pavement. Option B comprises regrading of the full graded strip to design levels, providing a uniform, compliant cross-fall along the entire runway length. Approximate cut and fill volumes are provided below:

Table 2 Earthworks cut and fill volumes

Earthworks Process	Volume (m ³)
Cut	1,009
Cut to Fill	2,600
Excess Cut (Cut to stockpile)	1,591

6. Implications of Deferring Drainage Works

If the identified drainage issues are not addressed as part of the reseal or future reconstruction works, water will continue to pond against and infiltrate the pavement at the locations where water at the surface was observed. Sustained moisture ingress softens the basecourse, accelerates stripping and lamination of the new seal, and promotes reflective cracking and pothole formation, the same mechanisms driving the existing defects. In practical terms, deferral can be expected to reduce the effective life of the new seal in the affected areas to well below its design life, increase reactive maintenance frequency and cost, and enlarge the footprint (and therefore cost) of any future reconstruction. Drainage correction is low-cost relative to pavement works and protects the value of both the reseal investment and any subsequent reconstruction; as a minimum, ACG recommends Option A be undertaken concurrently with the reseal.

7. Expected Service Life Following Reseal

Over areas where the underlying pavement is sound, the proposed 7 mm A35E PMB seal can be expected to provide a surface life in the order of 8–12 years, subject to an effective maintenance plan being implemented. Over the full-width block-cracked section (Ch 870–1020), however, the seal will waterproof the surface but cannot arrest the underlying structural distress: reflective cracking should be anticipated within approximately 1–2 years. The reseal should therefore be regarded as a holding treatment for this section, maintaining a safe operational surface in the near term while reconstruction is planned. Localised softening may similarly shorten seal life at the water-affected areas if drainage is not corrected.

8. Staged Reconstruction Options

Should an additional budget become available, ACG has considered staged reconstruction options, each comprising 350 mm basecourse removal and replacement with a two-coat seal (14 mm/7 mm) over the reconstructed area. Indicative costs are subject to confirmation through contractor pricing and are presented for comparison only.

Option 1 – Full-width reconstruction of the block-cracked section (Ch 870–1020, approx. 3,450 m²) and reseal. This addresses the highest-priority defect in its entirety and the only area where a reseal cannot provide a durable outcome. The principal risk is that the budget is fully committed to one section, with the RWY 25 end patch remaining a seal-over. This is ACG's recommended option, as it eliminates the governing structural defect.

Option 2 – Wheel-path-width reconstruction of the block-cracked section plus partial treatment of the RWY 25 end and reseal. Reconstruction limited to a central band covering the PC-12/PC-24 wheel paths, with the balance of the budget directed to the most distressed portion of the RWY 25 end patch. This spreads the benefit across two priority areas but leaves block-cracked pavement in place outside the wheel paths, which will continue to reflect through the seal at the edges and may complicate future full-width reconstruction (additional joints, staged tie-ins). Lower confidence in long-term outcome.

Option 3 – Defer reconstruction, Reseal only. Proceed with the reseal only. This maximises flexibility but accepts the service-life limitations above, and unit costs are likely to escalate with deferral and with the additional mobilisation of a separate future contract. This option would likely see the existing pavement defects continue to propagate through the seal and would be evident likely within 1-2 years.

On balance, ACG recommends Option 1. Reconstructing the block-cracked section in full converts the runway's governing defect into a 20-year asset, leaves the remaining (surface-level) defects appropriately managed by the reseal, and avoids the joint and tie-in complications of partial-width treatment.

9. Recommended Maintenance Plan

To maximise the life of the resealed asset, ACG recommends the Shire budget for the following, in addition to the serviceability inspections already required under the aerodrome's Part 139 obligations:

Routine (ongoing). Regular serviceability inspections of the movement area with particular attention to the block-cracked section and known water-affected areas following rainfall; FOD removal and sweeping as required; reporting and making safe of any potholes or loose aggregate as they arise.

Periodic (annual). An annual technical inspection of the pavement (consistent with current ATI practice) recording crack progression, surface texture and binder condition; crack sealing of any new or reopened cracks prior to winter each year; maintenance of runway markings.

Preventative (programmed). Maintenance of the graded strip and drainage paths to keep water moving off the pavement; a surface enrichment or rejuvenation treatment at approximately year 5–7 to extend binder life and planning/budgeting for the next reseal cycle at approximately year 8–12.

10. CASA Certification and Compliance Considerations

Under CASR Part 139 and the associated Manual of Standards, the Shire is required to maintain the movement area in a serviceable condition, conduct serviceability inspections, and report unserviceable areas (including by NOTAM) where defects affect safe operations. The existing defects do not, of themselves, affect the aerodrome's registration or certification status; however, if left unaddressed, progressive deterioration of the block-cracked section, in particular pothole formation and FOD generation in the wheel paths, could require operational restrictions, NOTAM action, or temporary closure of affected runway sections, and sustained non-compliance with surface condition requirements may attract regulatory attention. The proposed reseal restores a compliant, serviceable surface in the near term; completing the reconstruction and drainage works provides the durable basis for ongoing compliance.

11. Conclusion

ACG recommends proceeding with the single coat reseal across the full runway as the immediate priority, restoring a safe, waterproof and compliant operational surface. The reseal should be accompanied, as a minimum, by the Option A drainage regrading to protect the new seal at the known water-affected areas. If the reconstruction budget is confirmed, ACG recommends it be directed in full to the block-cracked section (Ch 870–1020, Option 1), which is the only defect the reseal cannot durably address and the governing constraint on the runway’s remaining life. The recommended maintenance plan should be adopted and budgeted from completion of the reseal, with crack-sealing and drainage upkeep treated as the highest-value preventative activities.

Cost Estimate - Summary



Katanning Aerodrome
Runway Reseal & Rehabilitation Works

Date: 19/06/2026
Rev: C

		Complete Works	Option 1	Option 2	Option 3
Item #	Description	Amount	Amount	Amount	Amount
1	Preliminaries	\$ 125,894.80	\$ 116,411.80	\$ 105,693.30	\$ 88,198.80
2	Earthworks	\$ 52,728.00	\$ 52,728.00	\$ 52,728.00	\$ 52,728.00
3	Pavements				
	RUNWAY CH 290-400 Maintenance Rehabilitation	\$ 17,985.00	\$ -	\$ -	\$ -
	RUNWAY CH 600-750 Maintenance Rehabilitation	\$ 24,525.00	\$ -	\$ -	\$ -
	RUNWAY CH 870-1020 Maintenance Rehabilitation	\$ 282,130.00	\$ 282,130.00	\$ 122,625.00	\$ -
	RUNWAY CH 1170-1490 Maintenance Rehabilitation	\$ 52,320.00	\$ -	\$ 52,320.00	\$ -
	RUNWAY Reseal Single Coat	\$ 759,000.00	\$ 759,000.00	\$ 759,000.00	\$ 759,000.00
4	Visual Aids	\$ 70,260.00	\$ 70,260.00	\$ 70,260.00	\$ 70,260.00
	Subtotal	\$ 1,384,842.80	\$ 1,280,529.80	\$1,162,626.30	\$ 970,186.80
	Contingency (10%)* ⁹	\$ 138,484.28	\$ 128,052.98	\$ 116,262.63	\$ 97,018.68
	GST (10%)	\$ 152,332.71	\$ 140,858.28	\$ 127,888.89	\$ 106,720.55
	Total	\$ 1,675,659.79	\$ 1,549,441.06	\$1,406,777.82	\$1,173,926.03

Preliminary Estimate of Costs - Disclaimer

1. This document is produced by Airport Consultancy Group Australia Pty Ltd (ACG) solely for the benefit of and use by the client in accordance with the terms of the contract. ACG does not and shall not assume any responsibility or liability whatsoever to any third party arising out of any use or reliance by any third party on the content of this document.
2. This estimate is based on referenced Sketches/reports as described.
3. It is understood that this indicative cost estimate is preliminary in nature and it should be reviewed with further liaison or responsibility for interpretations or use of the information. It should also be noted that the estimate may be affected by a number of factors outside the control of Airport Consultancy Group Australia Pty Ltd. The accuracy of the cost information provided should be verified by the client prior to use.
4. This information is for the use of the client in relation to the subject land and extracts or quotations from the report are not to be made without our expressed written approval.
5. This Cost Estimate is to be read in conjunction with any supplied covering letter, email etc, and relevant layout plan.
6. This assessment has been based on the information available at this time.
7. This Cost Estimate is intended for development costing planning only and excludes items such as, but not limited to, Acquisition Costs, Holding Charges, Legal Costs, Survey Fees, Selling Costs etc.
8. There are risks associated with preparing and using estimates prepared at such preliminary stage of a development. ACG will not be responsible for any decisions made based on the preliminary information provided.
9. This Cost Estimate is based on current construction rates for similar projects. It is the clients responsibility to apply an appropriate contingency. If not listed, further allowances should be made for escalation with time.

Confidential - Commercial in Confidence

Cost Estimate



Katanning Aerodrome Runway Reseal & Rehabilitation Works

Date: 19-Jun-26

Rev: C

Item #	Description	Unit	Quantity	Unit Rate	Amount
1	Preliminaries			10%	\$ 125,894.80
1.01	Contractor's overhead/management costs for the project	Item	1		
1.02	Preparation and implementation of project plans (eg: PMP, EMP, QA, OHS etc)	Item	1		
1.03	Supply of MOWP for review and staging of the works to comply	Item	1		
1.04	Survey for setout and recording of works .	Item	1		
1.05	Production of WAE Drawings in AutoCAD and 12D format	Item	1		
1.06	Site Establishment and disestablishment.	Item	1		
1.07	Temporary fencing to works areas (includes supply, install, remove)	Item	1		
1.08	Spray Seal Design and Trials in accordance with Specification	Item	1		
1.09	Dilapidation Survey and Documentation to the Client's Satisfaction	Item	1		
2	Earthworks				\$ 52,728.00
2.01	Regrading of flanks - Cut to fill	m3	2,600	\$ 15.00	\$ 39,000.00
2.02	Regrading of flanks - Cut to stockpile	m3	1,591	\$ 8.00	\$ 12,728.00
	supply and place checkdams	No.	2	\$ 500.00	\$ 1,000.00
3	Pavements				\$ 1,135,960.00
	RUNWAY 07/25			Subtotal	\$ 1,135,960.00
	RUNWAY CH 290-400 Maintenance Rehabilitation				
3.01	Excavation - Removal of existing base material	m3	77	\$ 5.00	\$ 385.00
3.02	Subgrade Preparation - Compact and Proofroll	m2	220	\$ 5.00	\$ 1,100.00
3.03	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	77	\$ 180.00	\$ 13,860.00
3.04	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	220	\$ 12.00	\$ 2,640.00
	RUNWAY CH 600-750 Maintenance Rehabilitation				
3.05	Excavation - Removal of existing base material	m3	105	\$ 5.00	\$ 525.00
3.06	Subgrade Preparation - Compact and Proofroll	m2	300	\$ 5.00	\$ 1,500.00
3.07	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	105	\$ 180.00	\$ 18,900.00
3.08	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	300	\$ 12.00	\$ 3,600.00
	RUNWAY CH 870-1020 Maintenance Rehabilitation				
3.09	Excavation - Removal of existing base material	m3	1,208	\$ 5.00	\$ 6,040.00
3.10	Subgrade Preparation - Compact and Proofroll	m2	3,450	\$ 5.00	\$ 17,250.00
3.11	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	1,208	\$ 180.00	\$ 217,440.00
3.12	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	3,450	\$ 12.00	\$ 41,400.00
	RUNWAY CH 1170-1490 Maintenance Rehabilitation				
3.13	Excavation - Removal of existing base material	m3	224	\$ 5.00	\$ 1,120.00
3.14	Subgrade Preparation - Compact and Proofroll	m2	640	\$ 5.00	\$ 3,200.00
3.15	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	224	\$ 180.00	\$ 40,320.00
3.16	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	640	\$ 12.00	\$ 7,680.00
	RUNWAY Reseal Single Coat				
3.17	Prime Coat AMC00 - Supply and Place	m2	34,500	\$ 10.00	\$ 345,000.00
3.18	Spray Seal 7mm Single Coat Seal (A35E PMB) - Supply and Place	m2	34,500	\$ 12.00	\$ 414,000.00
4	Visual Aids				\$ 70,260.00
	Linemarking			Subtotal	\$ 70,260.00
	Airside Marking - Runway				
4.01	Reinstate Runway 07/25 linemarking to existing	Item	1	\$ 70,000.00	\$ 70,000.00
4.02	Protect & adjust Runway AGL fixtures	No.	52	\$ 5.00	\$ 260.00
				Total Project Cost (excluding taxes)	\$ 1,384,842.80
				Contingency 10%	\$ 138,484.28
				GST 10%	\$ 152,332.71
				Total Project Cost (including taxes)	\$ 1,675,659.79

Cost Estimate



Katanning Aerodrome Runway Reseal & Rehabilitation Works

Date: 19-Jun-26

Rev: C

Item #	Description	Unit	Quantity	Unit Rate	Amount
1	Preliminaries			10%	\$ 116,411.80
1.01	Contractor's overhead/management costs for the project	Item	1		
1.02	Preparation and implementation of project plans (eg: PMP, EMP, QA, OHS etc)	Item	1		
1.03	Supply of MOWP for review and staging of the works to comply	Item	1		
1.04	Survey for setout and recording of works .	Item	1		
1.05	Production of WAE Drawings in AutoCAD and 12D format	Item	1		
1.06	Site Establishment and disestablishment.	Item	1		
1.07	Temporary fencing to works areas (includes supply, install, remove)	Item	1		
1.08	Spray Seal Design and Trials in accordance with Specification	Item	1		
1.09	Dilapidation Survey and Documentation to the Client's Satisfaction	Item	1		
2	Earthworks				\$ 52,728.00
2.01	Regrading of flanks - Cut to fill	m3	2,600	\$ 15.00	\$ 39,000.00
2.02	Regrading of flanks - Cut to stockpile	m3	1,591	\$ 8.00	\$ 12,728.00
	supply and place checkdams	No.	2	\$ 500.00	\$ 1,000.00
3	Pavements				\$ 1,041,130.00
	RUNWAY 07/25			Subtotal	\$ 1,041,130.00
	RUNWAY CH 870-1020 Maintenance Rehabilitation				
3.01	Excavation - Removal of existing base material	m3	1,208	\$ 5.00	\$ 6,040.00
3.02	Subgrade Preparation - Compact and Proofroll	m2	3,450	\$ 5.00	\$ 17,250.00
3.03	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	1,208	\$ 180.00	\$ 217,440.00
3.04	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	3,450	\$ 12.00	\$ 41,400.00
	RUNWAY Reseal Single Coat				
3.05	Prime Coat AMC00 - Supply and Place	m2	34,500	\$ 10.00	\$ 345,000.00
3.06	Spray Seal 7mm Single Coat Seal (A35E PMB) - Supply and Place	m2	34,500	\$ 12.00	\$ 414,000.00
4	Visual Aids				\$ 70,260.00
	Linemarking			Subtotal	\$ 70,260.00
	Airside Marking - Runway				
4.01	Reinstate Runway 07/25 linemarking to existing	Item	1	\$ 70,000.00	\$ 70,000.00
4.02	Protect & adjust Runway AGL fixtures	No.	52	\$ 5.00	\$ 260.00
				Total Project Cost (excluding taxes)	\$ 1,280,529.80
				Contingency 10%	\$ 128,052.98
				GST 10%	\$ 140,858.28
				Total Project Cost (including taxes)	\$ 1,549,441.06

Cost Estimate



Katanning Aerodrome Runway Reseal & Rehabilitation Works

Date: 19-Jun-26

Rev: C

Item #	Description	Unit	Quantity	Unit Rate	Amount
1	Preliminaries			10%	\$ 105,693.30
1.01	Contractor's overhead/management costs for the project	Item	1		
1.02	Preparation and implementation of project plans (eg: PMP, EMP, QA, OHS etc)	Item	1		
1.03	Supply of MOWP for review and staging of the works to comply	Item	1		
1.04	Survey for setout and recording of works .	Item	1		
1.05	Production of WAE Drawings in AutoCAD and 12D format	Item	1		
1.06	Site Establishment and disestablishment.	Item	1		
1.07	Temporary fencing to works areas (includes supply, install, remove)	Item	1		
1.08	Spray Seal Design and Trials in accordance with Specification	Item	1		
1.09	Dilapidation Survey and Documentation to the Client's Satisfaction	Item	1		
2	Earthworks				\$ 52,728.00
2.01	Regrading of flanks - Cut to fill	m3	2,600	\$ 15.00	\$ 39,000.00
2.02	Regrading of flanks - Cut to stockpile	m3	1,591	\$ 8.00	\$ 12,728.00
	supply and place checkdams	No.	2	\$ 500.00	\$ 1,000.00
3	Pavements				\$ 933,945.00
	RUNWAY 07/25			Subtotal	\$ 933,945.00
	RUNWAY CH 870-1020 Maintenance Rehabilitation				
3.01	Excavation - Removal of existing base material	m3	525	\$ 5.00	\$ 2,625.00
3.02	Subgrade Preparation - Compact and Proofroll	m2	1,500	\$ 5.00	\$ 7,500.00
3.03	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	525	\$ 180.00	\$ 94,500.00
3.04	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	1,500	\$ 12.00	\$ 18,000.00
	RUNWAY CH 1170-1490 Maintenance Rehabilitation				
3.05	Excavation - Removal of existing base material	m3	224	\$ 5.00	\$ 1,120.00
3.06	Subgrade Preparation - Compact and Proofroll	m2	640	\$ 5.00	\$ 3,200.00
3.07	Basecourse MRWA-501.11 - Supply, Place and Compact	m3	224	\$ 180.00	\$ 40,320.00
3.08	Spray Seal 14mm Single Coat Seal (A35E PMB) - Supply and Place	m2	640	\$ 12.00	\$ 7,680.00
	RUNWAY Reseal Single Coat				
3.09	Prime Coat AMC00 - Supply and Place	m2	34,500	\$ 10.00	\$ 345,000.00
3.10	Spray Seal 7mm Single Coat Seal (A35E PMB) - Supply and Place	m2	34,500	\$ 12.00	\$ 414,000.00
4	Visual Aids				\$ 70,260.00
	Linemarking			Subtotal	\$ 70,260.00
	Airside Marking - Runway				
4.01	Reinstate Runway 07/25 linemarking to existing	Item	1	\$ 70,000.00	\$ 70,000.00
4.02	Protect & adjust Runway AGL fixtures	No.	52	\$ 5.00	\$ 260.00
				Total Project Cost (excluding taxes)	\$ 1,162,626.30
				Contingency 10%	\$ 116,262.63
				GST 10%	\$ 127,888.89
				Total Project Cost (including taxes)	\$ 1,406,777.82

Cost Estimate



Katanning Aerodrome Runway Reseal & Rehabilitation Works

Date: 19-Jun-26

Rev: C

Item #	Description	Unit	Quantity	Unit Rate	Amount
1	Preliminaries			10%	\$ 88,198.80
1.01	Contractor's overhead/management costs for the project	Item	1		
1.02	Preparation and implementation of project plans (eg: PMP, EMP, QA, OHS etc)	Item	1		
1.03	Supply of MOWP for review and staging of the works to comply	Item	1		
1.04	Survey for setout and recording of works .	Item	1		
1.05	Production of WAE Drawings in AutoCAD and 12D format	Item	1		
1.06	Site Establishment and disestablishment.	Item	1		
1.07	Temporary fencing to works areas (includes supply, install, remove)	Item	1		
1.08	Spray Seal Design and Trials in accordance with Specification	Item	1		
1.09	Dilapidation Survey and Documentation to the Client's Satisfaction	Item	1		
2	Earthworks				\$ 52,728.00
2.01	Regrading of flanks - Cut to fill	m3	2,600	\$ 15.00	\$ 39,000.00
2.02	Regrading of flanks - Cut to stockpile	m3	1,591	\$ 8.00	\$ 12,728.00
	supply and place checkdams	No.	2	\$ 500.00	\$ 1,000.00
3	Pavements				\$ 759,000.00
	RUNWAY 07/25			Subtotal	\$ 759,000.00
	<i>RUNWAY Reseal Single Coat</i>				
3.01	Prime Coat AMC00 - Supply and Place	m2	34,500	\$ 10.00	\$ 345,000.00
3.02	Spray Seal 7mm Single Coat Seal (A35E PMB) - Supply and Place	m2	34,500	\$ 12.00	\$ 414,000.00
4	Visual Aids				\$ 70,260.00
	Linemarking			Subtotal	\$ 70,260.00
	<i>Airside Marking - Runway</i>				
4.01	Reinstate Runway 07/25 linemarking to existing	Item	1	\$ 70,000.00	\$ 70,000.00
4.02	Protect & adjust Runway AGL fixtures	No.	52	\$ 5.00	\$ 260.00
Total Project Cost (excluding taxes)					\$ 970,186.80
Contingency 10%					\$ 97,018.68
GST 10%					\$ 106,720.55
Total Project Cost (including taxes)					\$ 1,173,926.03