



GRAPE GROWER AGREEMENT

BETWEEN:

GLOBE WINES PTY LIMITED (ACN 001 236 282)

Grower

AND:

ORLANDO WYNDHAM GROUP PTY LTD (ACN 007 870 046)

Company

A.D

BETWEEN:

GLOBE WINES PTY LIMITED (ACN 001 236 282) of Unit 3/3 Milson Road, Cremorne Point in the State of New South Wales (hereinafter called "the Grower").

AND:

ORLANDO WYNDHAM GROUP PTY LTD (ACN 007 870 046) of 33 Exeter Terrace, Devon Park in the State of South Australia (hereinafter called "the Company").

WHEREAS:

- The Grower intends cultivating vines situated on land comprised in DP 551164 Lot 42 Vand DP 715492 Lot 302 in the Parish of Rowan in the County of Durham, New South A. Wales consisting of the varieties and areas specified in Appendix 1 to this Agreement.
- The Company is desirous of purchasing the entire wine grape crop as specified in Appendix 1 to this Agreement for the purposes of its winemaking business. B.

WHEREBY IT IS AGREED:

Recitals 1.

The matters referred to in the recitals are true and correct and shall form part of this Agreement.

Interpretation 2.

In this Agreement:

- "The Company" means Orlando Wyndham Group Pty Ltd and includes its 2.1 successors and permitted assigns.
- "The Grower" means Globe Wines Pty Ltd and includes its successors and 2.2 permitted assigns.
- "The Vineyard" means the entire land as specified in Appendix 1 to this 2.3 Agreement.
- "Term" means the initial term of 10 years as specified in clause 8.1 of this Agreement and any extensions of this initial term in accordance with clause 2.4 8.2.
- "The Products" means the entire wine grape crop produced from the Blocks comprising the varieties of wine grapes specified in Appendix 1 to this 2.5 Agreement.
- "Vintage" means the period in each year during which grapes are harvested in 2.6 Australia.

- 2.7 "Winery" means the Company's cellars situated at Mudgee, New South Wales.
- 2.8 "Baume" means the measure of specific gravity of grape juice which relates to the sugar content. Measure is carried out using a Brix refractometer the result of which is expressed as grams per hundred grams of sugar and is converted to Baume by dividing by 1.8.
- 2.9 "Base Price" means the minimum price to be paid by the Company to the Grower for the grapes from a Block in accordance with clause 4.3 and Appendix 3 of this Agreement.
- 2.10 "Contract Price" means the price to be paid by the Company to the Grower for the grapes from a Block determined pursuant to clause 4.1.1 of this Agreement.
- 2.11 "Percent of Contract Price or Base Price or Expert's Price" means the variation of Contract Price or Base Price or Expert's Price expressed in per centum (%) in accordance with Appendix 4 of this Agreement.
- 2.12 "Receiving Weighbridge" means the weighbridge certified as suitable for trade measurements under the relevant legislation and regulations in New South Wales situated at the Company's cellars in Mudgee New South Wales or any other nominated weighbridge certified as suitable for trade measurements under the relevant legislation and regulations in New South Wales as communicated by the Company to the Grower from time to time.
- 2.15 "Expert's Price" means the price for the grapes from a Block determined by the independent expert in accordance with clause 4.1.3.
- 2.16 "Registered Geographical Indication" means a geographical indication that is included in the Register of Protected Names kept under Section 40 ZC of the Australian Wine and Brandy Corporation Act (C/W) 1980.
- 2.17 "Region" means the area described as Hunter Valley.
- 2.18 "Best Viticultural Practice" means standards of agriculture accepted within the grape growing industry as best practice for the maintenance and management of vineyards to grow optimal quality and quantities of grapes.
- 2.19 "Retained Grapes" means those grapes which the Grower nominates pursuant to clause 3.3.
- 2.20 "Reference Regions" means the regions described as Upper Hunter, Lower Hunter, Barossa Valley, McLaren Vale, Padthaway and Coonawarra.
- 2.21 "Block" means a block within the Vineyard as referred to in Appendix 1.
- 2.22 "Notional Market Price" means the notional price for the grapes from a Block determined in accordance with clause 4.2.

Supply of Products

- In each year of the Term of this Agreement the Grower, unless it exercises its election pursuant to clause 4.1.2.2, shall supply the Products to the Company. For the avoidance of doubt, the parties acknowledge that the quantities shown in Appendix 1 are estimates only and do not limit the Company's obligation to purchase the Products (if required by this Agreement).
- 3.2 The Company agrees to allow the Grower to keep the Retained Grapes provided the Retained Grapes comprise all of the grapes from the Block(s) nominated by the Grower and provided they are used solely for the purpose of the Grower's winemaking business unless otherwise agreed to in writing by the Company and the Grower. The Company acknowledges that the Grower's winemaking business includes processing bulk juice and/or wine for sale to third parties.
- 3.3 The Grower will by 15 December in each year of the Term of this Agreement advise the Company in writing of the quantity of Retained Grapes that it wishes to keep from the forthcoming vintage for its own winemaking purposes and the Block(s) from which the Retained Grapes will be sourced. The maximum quantity of grapes comprising the Products which can be nominated by the Grower in each year as Retained Grapes is 400 tonnes of Chardonnay grapes.

4. Prices of the Products

- 4.1 Subject to clauses 4.3 and 7 of this Agreement the Products shall be sold by the Grower to the Company at the following prices:
 - 4.1.1 The Company in consultation with the Grower, each year preceding the Vintage, will establish a price per tonne for the grapes from each Block at 12.5 Baume. The price will be the fair market price for each variety and will be established with due regard to relative price movements for grapes of similar quality and quantity within the Reference Regions. The determination of quality in accordance with Appendix 2 establishes the price per tonne for such grapes.
 - 4.1.2 If the Company and the Grower have not agreed a price for the grapes from a Block in accordance with clause 4.1.1 by 15 January in the Vintage year, the Grower must elect (by notice in writing to the Company) whether the Grower will:
 - 4.1.2.1 sell the grapes from that Block to the Company, in which case clause 4.1.3 will apply; or
 - 4.1.2.2 sell the grapes from that Block to a third party or retain them for the Grower's own use, in which case:
 - (a) the Company is released from any obligation to purchase the grapes from that Block for that vintage and the

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Grower may dispose of those grapes as the Grower thinks fit;

- (b) the Grower will by 31 March in that year provide to the Company full details regarding:
 - (i) the tonnage and variety of grapes from each Block retained by the Grower and or sold to a third party,
 - (ii) the weighted average baume of these grapes at the time of delivery (to a third party) or at the time of harvest (if retained by the Grower) and how the Baume sampling was conducted,
 - (iii) which agrochemicals were applied to these grapes and when they were applied,
 - (iv) which moulds were present in the grapes at the time of delivery (to a third party) or at the time of harvest (if retained by the Grower) and the percentages for each mould,
 - (v) any moulds present on the vine foliage immediately prior to harvest and the percentages of that mould,
 - (vi) any dry berry, sunburn or bird and insect damage to the grapes and the percentage at the time of delivery (to a third party) or at the time of harvest (for grapes retained by the Grower);
 - (c) if some or all of the grapes from that Block are sold to a third party, the Grower must provide to the Company, the tonnage of grapes sold, the price for those grapes and the payment terms by 31 March in that year and in any expert determination of the Notional Market Price under clause 4.2, then if the independent person decides it is relevant, the Grower must disclose the name of the purchaser to the independent person but not to the Company and the independent person must not disclose the name to the Company;
 - (d) the Grower will permit the Company to inspect and examine those grapes before Vintage in accordance with clause 6.4; and
 - (e) the Grower will not rely upon the quality of wine produced from those grapes in any expert determination pursuant to this Agreement.
- 4.1.3 If the Company and the Grower cannot agree a price for the grapes from a Block in accordance with clause 4.1.1 of this Agreement by 31 March in each year of the term of this Agreement and clause 4.1.2.2 does not apply, the price relative to Baume for the grapes from that

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Block shall be determined in accordance with clause 19 of this Agreement and on the following basis:

- 4.1.3.1 the fair market price for each variety will be determined by the independent person with due regard to relative price movements for grapes of similar quality and quantity within the Reference Regions; and
- subject to clause 5.2, the Company shall not be liable to the Grower for any delays in making payment for such grapes in accordance with clause 5 of this Agreement resulting from the fact that the price for such grapes must be determined by the independent person.
- 4.2 If clause 4.1.2.2 applies in relation to the grapes from a Block:
 - 4.2.1 the Company in consultation with the Grower will establish the fair market price per tonne for the grapes from that Block. The fair market price will be determined as a single price per tonne taking into consideration all relevant factors including Baume and quality. This price will not be adjusted in accordance with Appendix 2; and
 - 4.2.2 if the parties cannot agree a fair market price for the grapes from that Block by 30 June in that Vintage year then the fair market price will be determined by the independent person in accordance with clause 19.
 - 4.2.3 The fair market price for each variety will be established with due regard to relative price movements for grapes of similar quality and quantity within the Reference Regions.
 - Notwithstanding the provisions in clause 4.1, the maximum rise or fall in the prices for the grapes from each Block (measured at 12.5 Baume and prior to taking into account any quality or Baume adjustments in accordance with Appendix 2) in any one year shall not exceed fifteen percent (15%). If clause 4.1.2.2 applies in relation to the grapes from a Block in any year, the maximum rise or fall in the price for the grapes from that Block in the following year will be determined by reference to the Notional Market Price or, if a Base Price applies in that year, the Base Price, whichever is the higher. In addition where a Base Price has been specified, if the Contract Price or (if clause 4.1.3 applies) the Expert's Price for the grapes from a Block is less than the Base Price for those grapes, then the price for those grapes will be the Base Price (adjusted in accordance with Appendix 2).
 - The Company in consultation with the Grower will establish a new Base Price relative to Baume for each Block 5 years after the commencement of this Agreement.
 - 4.5 If the Company and the Grower cannot agree a new Base Price for each or any Block in accordance with clause 4.4 of this Agreement by 30 September in the year in which the new Base Price is to be established as required by clause 4.4

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of this Agreement and after using their best endeavours and acting in good faith then the provisions of this Agreement relating to Base Price will cease to apply in relation to those Blocks for the balance of the Term.

5. Payment for the Products

- 5.1 The Contract Price or Base Price (as adjusted in accordance with Appendix 2) for the grapes from a Block delivered and accepted by the Company shall be paid to the Grower by the Company in each year during the Term in the following manner:
 - 5.1.1 fifty percent (50%) of the total amount payable for those grapes by 1 April of that year; and
 - 5.1.2 the remaining balance by 30 June in that year.
- 5.2 If the price for grapes from a Block is to be determined in accordance with clause 4.1.3, then:
 - 5.2.2 the Company will pay to the Grower:
 - by 1 April of that year fifty percent (50%) of the amount which would have been payable to the Grower in respect of those grapes if the final price offered by the Company for those grapes prior to 31 March had been accepted by the Grower; and
 - by 30 June of that year the remaining balance of the amount which would have been payable to the Grower in respect of those grapes if the final price offered by the Company for those grapes prior to 31 March had been accepted by the Grower; and
 - the difference between the Expert's Price for those grapes (adjusted in accordance with Appendix 2 subject to any determination by the expert in accordance with clause 19.1) and the amount paid by the Company under clause 5.2.2 will be paid by the Company or repaid by the Grower (as applicable) without interest within 30 days of the date on which the Expert's Price (as adjusted in accordance with Appendix 2) for those grapes is determined and notified to the parties in writing.
 - 5.3 Notwithstanding the terms described in clauses 5.1 and 5.2 of this Agreement, the terms of payment are subject to the provisions of any applicable statute in force during the Term of this Agreement.
 - The tonnage of all Products delivered pursuant to this Agreement shall be determined in accordance with the weights indicated by the Receiving Weighbridge and the tonnage so determined shall be accepted by the parties as final and binding for the purposes of this Agreement save in the case of manifest error.

5.5 The Company shall furnish to the Grower copies of all weighbridge documents showing details of the date, consignment, Baume and quantity of the grapes delivered to it. Such documents will be supplied to the Grower within forty eight (48) hours of receipt of the grapes to which the information relates at the Receiving Weighbridge. The Company shall also inform the Grower if any of the grapes delivered will be subject to price deductions as a result of a quality assessment at the Receiving Weighbridge within one hour of such assessment.

6. General Obligations

During the Term:

- 6.1 the Grower shall upon the request of the Company, furnish such information about the Products as the Company may reasonably require.
- 6.2 the Grower shall inform the Company of the fact that the Products are ready for picking.
- the Grower shall at the Grower's own expense at the proper time in each Vintage as determined in accordance with clause 6.6 of this Agreement, harvest and load to transport all the Products which are to be delivered to the Company subject to the terms of this Agreement. The Company will supply bins for the transport of these Products and arrange and bear the cost of transportation of the Products from the Vineyard to the Winery. Risk in those Products shall pass from the Grower to the Company when those Products have been loaded onto the Company's vehicle for transport.
- the Grower shall at all times upon 48 hours prior notice allow the Company's authorised representatives access to the Vineyard in order to inspect and examine the vines and the Products. The Company's right to inspect and examine the vines and the Products continues even if clause 4.1.2.2 applies in relation to some or all of the Products.
- the Grower shall not plant on any Block, any other variety or type of grape other than those varieties agreed in writing between the Company and the Grower and will not use any vine stock other than that provided or advised by the Company at the Grower's cost and will not change the varieties or varietal mix unless agreed to in writing by the Company and the Grower.
- 6.6 the Grower shall take all necessary steps to ensure that:
 - subject to clauses 6.7 and 6.8, the Products will be harvested on maturity set by the Company. In determining the harvesting time the Company will give consideration to the following factors:
 - 6.6.1.1 the advanced state of maturity of the Products; or
 - 6.6.1.2 the risk that the Products or a substantial quantity thereof are likely to be destroyed as a result of climate or weather conditions.

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- Products to be delivered to the Company are picked and loaded to transport within five (5) hours of commencement of the picking of the earliest of such Products. For the purposes of this Agreement, "loaded" means full vehicle loads except where the parties have agreed to a partial vehicle load.
- Advice given by the Company or its representatives in relation to the use of chemical additives at harvest and in relation to any of the matters referred to in sub-paragraphs 6.6.1 and 6.6.2 of this Agreement shall be adopted and carried out by the Grower in accordance with instructions given by the Company. It is hereby acknowledged and agreed that any advice and instructions given by the Company to the Grower pursuant to this clause or otherwise at the request of the Grower is given by the Company as an opinion only based on the best information available.

6.7 in the event that:

- 6.7.1 the Grower is of the opinion that the Products ought to be harvested by reason of:
 - 6.7.1.1 the advanced state of maturity of the Products; or
 - 6.7.1.2 the risk that the Products, or a substantial quantity thereof, are likely to be destroyed as a result of climate or weather conditions; and
- 6.7.2 the Company has not given its authorisation for the Products to be harvested;

the Grower may give notice to the Company requiring the Company to give its authorisation within a specified period (being a period of not less than 12 hours) from receipt of the notice and if the Company has not within the specified period given its authorisation the Grower shall be entitled to harvest the Products and either:

- 6.7.3 deliver the Products to the Company or its nominated representative; or
- 6.7.4 should the Company or its nominated representative refuse to accept delivery of the Products the Grower may dispose of the Products to any other person and shall be entitled to recover from the Company in damages the difference between the sale price of the Products as so disposed of and the price which the Grower would have obtained from the Company pursuant to this Agreement;

provided that any dispute arising out of the operation of this sub-clause 6.7 shall be determined in accordance with clause 19.1.

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- the Company shall not after it has given its authorisation for the harvesting of the Products reject or refuse to accept from the Grower delivery of any of the Products in a particular vintage unless there has been a substantial deterioration in the quality or condition of the Products or any of them between the date on which the Company notified the Grower of the authorisation and the time of delivery provided that such substantial deterioration shall be limited to deterioration in the condition of the Products on delivery which has occurred as a direct result of:
 - 6.8.1 the actions (other than actions taken for the proper implementation of a request made by the Company), neglect or carelessness of the Grower or its servants or agents;
 - 6.8.2 damage caused by earthquake, storm, tempest, flooding or landslip;

provided however that if the opinion of the Grower as to whether or not there has been a substantial deterioration in the quality or condition of the Products differs from the opinion of the Company in that regard such difference will be resolved in accordance with clause 19.1 of this Agreement.

6.9 the Grower warrants that:

- 6.9.1 the Products (and the vines from which the Products are produced) have not been genetically modified; and
- 6.9.2 to the best of the Grower's knowledge after having made reasonable inquiries, no product containing or derived from any genetically modified organism has been used in relation to the planting, maintenance and cultivation of the vines and the Products or the harvesting of the Products.

Acceptance of Products by the Company

- 7.1 The Products delivered shall be subject to acceptance by the Company and any Products not rejected as provided in this clause, shall be deemed to be accepted by the Company.
- 7.2 Ownership of the Products shall pass to the Company upon acceptance of the Products by the Company at the Receiving Weighbridge.

7.3 The Company:

7.3.1 may, subject to clause 7.3.2, reject any Products delivered or vary the Contract Price, the Base Price or the Expert's Price for any Products delivered, found to be below the standards acceptable to the Company as outlined in Appendix 2 to this Agreement. upon inspection prior to harvest (in respect of paragraphs 4, 5 and 6 of Appendix 2) or at the weighbridge (in respect of paragraph 1, 2, 3, 7, 8, 9, 10, 11 and 12 of Appendix 2) (as applicable);

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- 7.3.2 may not reject the Products or vary the Contract Price, the Base Price or the Expert's Price for any Products delivered in relation to the matters set out in items 8 (Temperature) or 9 (Fermentation) of Appendix 2 if the Grower has complied with clause 6.6.2 in relation to those Products.
- 7.4 Any reduction in the Contract Price, the Base Price or the Expert's Price for Products below the standards acceptable to the Company shall be cumulative. However, the Company may not apply a price reduction for a quality defect under the standards set out in Appendix 2 to the extent that the Company is entitled to apply a price deduction for the same quality defect under a different standard contained in Appendix 2. In these circumstances, the higher deduction will apply.
- 7.5 If the Products are rejected by the Company at the Receiving Weighbridge the Company will inform the Grower of that fact within one (1) hour of that decision being made. Upon being so informed the Grower must within twelve (12) hours arrange for the removal of the Products from the Receiving Weighbridge and bear the costs associated with such removal. If the Grower fails to remove the Products from the Receiving Weighbridge within the time stated the Company can, in its absolute discretion, take whatever action it considers appropriate to dispose of the Products and the Grower will have no entitlement to recover any damages against the Company in those circumstances.
- 7.6 Subject to clause 7.5 of this Agreement if the Company decides not to purchase any Products for the reasons specified in sub-paragraph 7.3 of this Agreement, the Company shall give reasonable notice of its decision to the Grower so as to enable the Grower to dispose of the Products elsewhere. Such notice shall not be less than ninety (90) hours before harvesting of the Products commences with the exception of paragraphs 1, 2, 3, 7, 8, 9, 10, 11 and 12 in Appendix 2 of this Agreement which will be ascertained at the Receiving Weighbridge

8. Term of the Agreement

- 8.1 This Agreement shall be deemed to have commenced on 1 September 1997 and shall terminate on 31 August 2007 subject to early termination as provided in this Agreement.
- 8.2 The parties agree that on each anniversary of the commencement date of this Agreement on and after 31 August 2001 the term of this Agreement will automatically extend for a further period of 12 months beyond the term current at that time unless one of the parties has given a written notice to the other party (at any time prior to the anniversary of the commencement date) that it does not require that the Agreement to be so extended.

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Assignment

- 9.1 During the Term of this Agreement the Grower shall be entitled to sell, transfer, mortgage, charge, encumber or otherwise alienate its interest in the Vineyard provided that:
 - 9.1.1 in the case of a proposed sale or transfer, the Company must be given at least 30 days notice of the proposed sale or transfer and the proposed transferee or owner as the case may be undertakes all the Grower's obligations pursuant to this agreement and such undertaking is evidenced in writing in a form reasonably satisfactory to the Company prior to the sale or transfer.
 - 9.1.2 In the case of a mortgage, charge or other encumbrance, such encumbrance will not prevent, hinder or otherwise affect the delivery of grapes to the Company pursuant to this Agreement or affect any other obligation owed by the Grower to the Company pursuant to this Agreement.

10. Rights to Consignment

The Company may, at its own discretion, consign the Products to any other party provided that the price paid by the Company for the Products remains in accordance of the terms of this Agreement.

11. Confidential Information

Neither party shall during the Term or thereafter use or disclose any Confidential Information relating to the other party except:

- 11.1 disclosure required by law;
- 11.2 disclosure to a party's professional advisers and, in the case of the Grower, to its bankers;
- in the case of the Grower, disclosure to a potential purchaser of the Grower's interest in the Vineyard on a confidential basis save for disclosure by the potential purchaser:
 - 11.3.1.1 as required by law; or
 - 11.3.1.2 to its professional advisers and bankers;
- 11.4 to the extent reasonably necessary for that party to comply with its obligations under this Agreement.

In this clause, "Confidential Information" means the terms of this Agreement and all confidential information relevant to a party disclosed by that party to the other party or the other party's agents, contractors or employees but excludes:

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- information that is publicly available (except as a result of a breach of this Agreement); and
- information provided to a party by a third person who was not acting as an agent for the other party at the time of disclosure.

12. Force Majeure

The Grower must at all times use Best Viticultural Practice in respect of the Vineyard. No party shall be liable for any failure to perform or observe any term of this Agreement if performance has been delayed, hindered, restricted or prevented by any circumstance not within the direct control of the parties including without limiting the generality of the foregoing, Acts of God, strikes, lock-outs or other industrial disturbances or hostilities, or compliance with any valid order of any governmental or public authority and the time and times of the performance of the obligation on the respective party's part to be performed in this Agreement shall be extended by the period equal to each such period of delay provided that such party shall forthwith give notice to the other party in accordance with the provisions of this Agreement and shall endeavour to remove or remedy the cause thereof with all due diligence and expedition.

13. <u>Termination</u>

This Agreement shall immediately terminate upon the occurrence of any of the following events:

- 13.1 upon the expiration of the Term of this Agreement as specified in clause 8;
- 13.2 if a party fails to perform or observe any obligations and undertakings on its part to be performed in this Agreement and that party fails to remedy such breach within fourteen (14) days of notice from the other party requiring the alleged breach to be remedied, such notice giving adequate notice of the alleged breach and of the intention of the party giving notice to terminate the Agreement forthwith upon expiration of the remedied period;
- other than for the purposes of reconstruction, if a party enters into liquidation voluntary administration or official management or if any order is made or resolution is passed for the winding up of the party or declaring a party bankrupt or if a trustee receiver or receiver manager of the undertaking or property of a party or any part thereof shall be appointed; or
- 13.4 Subject to clause 13.3 if without the prior written consent of the Company (which consent shall not be unreasonably withheld) effective control of the Grower is altered from that existing at the date of this Agreement and for which "effective control" means:
 - 13.4.1 control of the composition of the board of directors or management; or

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- 13.4.2 control of more than one half of the maximum number of votes that might be cast at a general meeting; or
- 13.4.3 control of more than one half of the issued share capital;

and the Grower shall immediately notify the Company of the occurrence of any such event.

14. Entire Agreement

This Agreement contains the entire agreement between the parties in respect to the Products and this Agreement supersedes and prevails over any prior agreement or understanding (if any) between the parties.

15. Amendment

This Agreement can only be amended by agreement of both parties evidenced in writing.

16. Notices

Any notice to be given pursuant to this Agreement shall be in writing and may be signed by the authorised agent of the party giving same and may be served either:

- 16.1 personally; or
- by posting the same by registered or certified mail to a party at its address appearing in this Agreement or at any other address of which prior notification shall have been given by the addressee prior to the dispatch of the said notice or any notice given by the post shall be deemed to have been received by the addressee at the expiration of seven (7) days after the same has been properly posted; or
- 16.3 by facsimile transmission; or
- in the case of notice under clause 6.4, in writing in accordance with clauses 16.1 to 16.3 or orally (including leaving a voicemail or answering machine message on any contact telephone number provided for that purpose by the Grower between the hours of 9.00am to 5.00pm Eastern Standard Time Monday to Thursday, or 4.00pm on a Friday, in any case excluding public holidays).

17. Governing Law

This Agreement shall be governed by the laws of New South Wales and the parties agree to submit to the non-exclusive jurisdiction of the Courts of New South Wales in respect to all matters arising under this Agreement.

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18. Severance

If any provision or part thereof of this Agreement is or shall be for any reason void, invalid or unenforceable, then the remainder thereof shall in no way be effected thereby, but shall continue in full force and effect.

19. Disputes

- 19.1 If the parties are unable to reach agreement in relation to the assessment of some or all of the Products against the quality standards set out in Appendix 2, or if a dispute arises out of the operation of clause 6.7 or 6.8, such dispute shall be referred to an independent person acting as an expert and not as an arbitrator and appointed by mutual agreement between the parties or failing such agreement appointed by the President of the Australian Wine and Brandy Corporation whose decision shall be final and binding. The costs of such review shall be borne in equal proportions by the parties. The parties agree to use their best reasonable endeavours to have the appointment of an independent person and resolution of the dispute in accordance with this clause completed as soon as practicable.
 - 19.2 If clauses 4.1.3 or 4.2.2 apply, the determination of the Expert's Price or the Notional Market Price (as applicable) will be made by an independent person acting as an expert and not as an arbitrator and appointed by mutual agreement between the parties or failing such agreement appointed by the President of the Australian Wine and Brandy Corporation whose decision shall be final and binding. The costs of such review shall be borne in equal proportions by the parties. The parties agree to use their best reasonable endeavours to have the determination of the Expert's Price or the Notional Market Price (as applicable) in accordance with this clause completed by 30 November in the Vintage year.
 - 19.3 The determination by the independent person under clause 19.1 or 19.2 will be conducted on the following basis:
 - 19.3.1 the procedure and timetable for the determination will be as agreed between the parties and the independent person or failing agreement as set by the independent person;
 - 19.3.2 the independent person may take into account any matter that the independent person considers relevant;
 - 19.3.3 the independent person may compel a party to provide information or documents that the party has in its possession or under its control to the independent person or to the independent person and the other party (as decided by the independent person);
 - 19.3.4 neither party may compel the other to provide information or documents to that party or to the independent person;
 - 19.3.5 the parties may make submissions to the independent person (in accordance with the timetable and procedure referred to in clause

₩. Ĉ 19.3.1) on any matter that the parties consider relevant to the determination and the relevance and utility of that information will be assessed by the independent person in the independent person's sole discretion; and

19.3.6 the independent person's determination will be provided in writing by the independent person to both parties.

<u>IN WITNESS</u> whereof the parties hereto have signed this Agreement on the day and year hereinbefore first mentioned.

THE COMMON SEAL of ORLANDO
WYNDHAM GROUP PTY LTD
(ACN 007 870 046) was hereunto affixed in the presence of:

Director

Director / Secretary

COMMON SEAL OF SHORT

THE COMMON SEAL of GLOBE)

WINES PTY LTD

(ACN 001 236 282) was hereunto affixed

in the presence of

Director

Director / Secretary

GLOBE WINES
PTY. LIMITED
A.C.N. 001 236 282

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APPENDIX 1

THE GROWER:

Globe Wines Pty Ltd

TRADING AS:

Kenmarie Vineyards

ADDRESS TO WHICH

CORRESPONDENCE IS SENT:

3/3 Milson Road, Cremorne Point in the State of

New South Wales

NAME OF VINEYARD:

Kenmarie Vineyard

LOCATION OF VINEYARD:

Hunter Valley

TITLE DETAILS:

DP 551146 Lot 42 and DP 715492 Lot 302,

Parish of Rowan, County of Durham

GROWER'S INTEREST IN THE

VINEYARD:

Lessee of DP 551146 Lot 42

Registered proprietor of DP 715492 Lot 302

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- /	Block	Year of	199	8 -2001	2	002	2	003	[: · ·	(UU4		
••	,	Planting				Tonne	HA	Tonne	HA	Tonne	HA	Tonne
			HA	Tonne	HA	4	1.42	5	1.42	5	1.42	5
ΙA	88GRAFTS	-	1.42	5	1.42	70	4.45	70	4.45	70	4.45	70
A	93GRAFTS		4.45	70	4.45		6.88	95	6.88	95	6.88	95
A	KEN		6.88	95	6.88	95	8.1	70	8.1	70	8.1	70
IA	MARIE		8.1	70	8.1	70	5.26	75	5.26	75	5.26	75
IA	N.ENG3	*	5.26	75	5.26	75	5.26	80	5.26	80	5.26	80
J. A.	N.ENG2		5.26	80	5.26	80		70	5.26	70	5.26	70
. \	N.ENG1		5.26	70	5.26	70	5.26 6.88	90	6.88	90	6.88	90
ła —	PINES3		6.88	90	6.88	. 90		90	6.88	90	6.88	90
iA IA	PINES2	<u> </u>	6.88	90	6.88	90	6.88	95	6.48	95	6.48	95
IA	PINES1		6.48	95	6.48	95	6.48		16	95	6	95
IA AF	RAPHAELI		6	95	6	95	16	95	16	90	6	90
	RAPHAEL2	1	6	90	6	90	6	90		95	6.48	95
IA .	RAPHAEL3	 	6.48	95	6.48	95	6.48	95	6.48		2.2	30
HA AB	KAFRACUS	 	2.2	30	2.2	30	2.2	30	2.2	30		

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	. В	stimated Tor	nes On	ive service		007
ety	Block	Year of Planting	2	006		
			HA	Tonne	HA	Tonne
	88GRAFTS		1.42	5	1.42	5
<u>, </u>	1		4.45	70	4.45	70
<u> </u>	93GRAFTS		6.88	95	6.88	95
<u>\</u>	KEN		8.1	70	8.1	70
4	MARIE		5.26	75	5.26	75
Ą	N.ENG3			80	5.26	80
A	N.ENG2		5.26		5.26	70
A	N.ENG1		5.26	70		90
A	PINES3		6.88	90	6.88	
	PINES2		6.88	90	6.88	90
<u> </u>	PINES!		6.48	95	6.48	95
<u>A</u>	RAPHAELI	<u> </u>	6	95	6	95
<u>A</u>			16	90	6	90
<u>A</u>	RAPHAEL2		6.48	95	6.48	95
Α	RAPHAEL3			30	2.2	30
-	1	ì	2.2	1 2/		

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APPENDIX 2

PRODUCT QUALITY STANDARDS

I. Baume

Grapes should be delivered at the Baume as specified in Appendix 4. When grapes are delivered, the Baume of which is above or below the Baume as specified in Appendix 4, the price variation as detailed in Appendix 4 will apply. If the Company specifically requests delivery of grapes, the Baume of which are outside the Baume range, as determined at field sampling, as specified in Appendix 4 the Contract Price or the Base Price or the Expert's Price will be paid. Grapes less than the Baume range specified in Appendix 4 will not be accepted.

2. Material Other Than Grapes ("MOG")

Canes, leaves and minor vine debris must be maintained at less than one (1) per centum by weight. When leaf, cane and minor vine debris is greater than one (1) per centum but less than three (3) per centum a reduced price will be paid. For every per centum of leaves, canes and minor vine debris above one (1) per centum the agreed price will be reduced by five (5) per centum. When leaf, cane and minor vine debris is in excess of three (3) per centum the grapes will be rejected.

There must be no steel, wire, major vine debris, trellis wood, stones or foreign material present in the grapes.

3. Oil & Lubricant Contamination

Grapes contaminated with machinery hydraulic oil, fuel oil or lubricants will be rejected.

4. Agrochemical Contamination

Grapes contaminated with agrochemicals not registered for use in vineyards will be rejected.

Grapes contaminated with agrochemicals not recommended by Orlando Wyndham will be rejected.

Grapes will not be contaminated with agrochemicals that have been applied during the withholding period or at a rate greater than that specified on the label. Grapes contaminated in this way will be rejected.

5. Mould Affected Grapes

For sour rot in red and white grape varieties and Botrytis in red varieties, the level of infection determined by field sampling at the Standard Baume must be below three (3) per centum of berries infected. When infection is above three (3) per centum but less than ten (10) per centum a reduced price will be paid. For every per centum of mould above three (3) per centum the agreed price will be reduced by four (4) per centum. When infection is in excess of ten (10) per centum the grapes will be rejected.

For Botrytis in white grape varieties only, the level of infection determined by field sampling at the Standard Baume must be below six (6) per centum of berries infected. When infection is above six (6) per centum but less than fifteen (15) per centum a reduced price will be paid. For every per

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centum of infection above six (6) per centum the agreed price will be reduced by four (4) per centum. When infection is in excess of fifteen (15) per centum the grapes will be rejected.

For either Downy Mildew or Odium (Powdery Mildew) the level of infection determined by field sampling at the Standard Baume must be below ten (10) per centum of bunches, stems and leaves infected. When downy mildew or powdery mildew infection is above ten (10) per centum but not exceeding fifteen (15) per centum the agreed price will be reduced by ten (10) per centum. When downy mildew or powdery mildew infection is above fifteen (15) per centum but not exceeding twenty (20) per centum the agreed price will be reduced by twenty (20) per centum. When downy mildew or powdery mildew infection is greater than twenty (20) per centum the grapes will be rejected.

6. Damaged Berries

Dry Berry and Sunburn: The level of either dry berry or sunburn must be below ten (10) per centum of berries by weight. When damage is above ten (10) per centum but not exceeding fifteen (15) per centum the agreed price will be reduced by five (5) per centum. When damage is above fifteen (15) per centum but does not exceed twenty (20) per centum the agreed price will be reduced by ten (10) per centum. When damage is above twenty (20) per centum but does not exceed twenty five (25) per centum the agreed price will be reduced by fifteen (15) per centum. When the damage is in excess of twenty five (25) per centum the grapes will be rejected.

Bird and Insect Damage: The level of bird and insect damage must be below ten (10) per centum of berries by weight, provided however that associated Sour Rot or Botrytis are below three (3) per centum by weight. When damage is above ten (10) per centum but not exceeding fifteen (15) per centum the agreed price will be reduced by five (5) per centum, provided Sour Rot and Botrytis are below three (3) per centum. When damage is above fifteen (15) per centum, provided Sour Rot twenty (20) per centum the agreed price will be reduced by ten (10) per centum, provided Sour Rot and Botrytis are below three (3) per centum. When damage is above twenty (20) per centum but does not exceed twenty five (25) per centum the agreed price will be reduced by fifteen (15) per centum provided Sour Rot and Botrytis are below three (3) per centum. When the damage is in excess of twenty five (25) per centum the grapes will be rejected.

7. <u>Dilution with Water</u>

Intentional: If water is present in a load of grapes that is determined to be intentionally added the load will be rejected. Each load will be assessed individually.

Accidental (eg rainfall): If water is present in a load of grapes that is determined to be caused by factors outside the Grower's control, each load will be assessed individually.

8. Temperature

Excessive Temperature: Grapes delivered at greater than thirty (30°C) degrees Celsius and at more than seven (7°C) degrees Celsius above the overnight minimum temperature, as measured at the nearest Bureau of Meteorology Weather Station, will receive a deduction of ten per cent (10%) off the Standard Baume price. Grapes delivered at greater than thirty two (32°C) degrees Celsius and at more than eight (8°C) degrees Celsius above the overnight minimum temperature, as measured at the nearest Bureau of Meteorology Weather Station will receive a deduction of fifteen per cent (15%) off nearest Bureau of Meteorology Weather Station will receive a deduction of fifteen per cent (15%) off the Standard Baume price. Grapes delivered at greater than thirty five (35°C) degrees Celsius and at

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more than ten (10°C) degrees Celsius above the overnight minimum temperature, as measured at the nearest Bureau of Meteorology Weather Station, will be rejected.

Fermentation

Grapes found to be fermenting on delivery will receive a twenty per cent (20%) deduction on the Standard Baume price or will be rejected.

10. Acetification

Vinegar Flies: Grapes delivered with vinegar flies present will receive a ten percent (10%) deduction on the standard Baume price.

Vinegar Smell: Grapes delivered with an acetic or vinegar smell present will receive twenty per cent (20%) deduction on the Standard Baume price or will be rejected.

11. Variety Integrity

Where other varieties are mixed in with the grapes delivered the price paid will vary from that of the Standard Baume price or the grapes may be rejected. This will depend on an assessment on the quantity and on the varieties mixed in.

12. Additives

When chemical additions to loads are requested by the Company it is the responsibility of the Grower to ensure that they are applied. Failure to follow the Company's instructions on this matter could result in rejection of the load at the weighbridge.

13. Australian Food Standards Code

Grapes delivered to Orlando Wyndham must meet the requirements of the "Australian Food Standards Code". Grapes that do not comply with this standard will not be accepted.

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APPENDIX 3

BASE PRICE

Variety	Blocks	Standard			Vintage Ye		1
AMLIETA	Tallowan.	Baume	1998	1999	2000	2001	2002
	A CONTACTO		\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	88GRAFTS	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	93GRAFTS	12.5		\$1,200	\$1,200	\$1,200	\$1,200
CHA	KEN	12.5	\$1,150	<u> </u>	\$1,200	\$1,200	\$1,200
CHA	MARIE	12.5	\$1,150	\$1,200		\$1,200	\$1,200
CHA	N.ENG3	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	N.ENG2	12.5	\$1,150	\$1,200	\$1,200		\$1,200
CHA	N.ENG1	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	PINES3	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	PINES2	12.5	\$1,150	\$1,200	\$1,200	\$1,200	
CHA	PINES1	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	RAPHAEL	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	RAPHAEL	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
CHA	RAPHAEL	12.5	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
SAB		11.5	\$750	\$750	\$750	\$7	\$750

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APPENDIX 4

PERCENT OF CONTRACT PRICE OR BASE PRICE OR EXPERT'S PRICE

11.00.17.40	12.55	-2% per 0.1 Damine			Granes delivered at Granes delivered	12.5° will receive Expert's Price, Contract Price or Base Price
	12.6° - 14.0°	+1.5% per 0.1°	Dames			Grapes denivered between 12.6° and 14.0° Baume will receive a 1.5% bonus on the Contract Price, the Base Price or the Expert's Price for every 0.1° Baume above 12.5°
	14.1° - 15.5°	+22.5%	٠			Grapes delivered between 14.1° and 15.5° Baume will receive a 22.5% bonus on the Contract Price or Expert's Price or Base Price
	>15 50	%0				Grapes delivered above 15.5° Baume will receive Contract Price, Expert's Price or Base Price
Variety: Chardonnay (Dry		Variation of	Contract Price or	Base Price or	Expert's Price	

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Baume Range >15.5° 13.1°-15.5° 11.6°-13.0° 11.5° 11.0°-11.4° 11.0°-11.4° Variation of Owe +15% Baume 11.6°-13.0° 11.5° 11.0°-11.4° 11.0°-11.4° Contract Price or Base Price Contract Price or Base Price Contract Price or Base Price Base Price or Base Price or Base Price or Base Price Base Base Base Base Base Base Base Bas	Variety: Sauvignou						711.00
13.1°-15.3° 11.0°-15.3° 11.0°-15.3° 11.0°-15.3° 11.0° per 0.1° 0%	lanc			11 20 13 00	11 50	11.0%-11.4%	2:17
Grapes delivered Grapes delivered above 15.5° Baume will receive Contract Contract Contract or Base Price For Base Price Or Base	Pande Pande	-	13.19 - 15.5"	0.01 = 0.11	700	-1% ner 0.1 Baume	Reject
Grapes delivered Grapes delivered above 15.5° Baume will receive Contract Price, Expert's Price or Base Price for every 0.1° Baume between 11.5° Baume will between 13.0° Baume will be			1 50%	+1.0% per 0.1°	~		•
Grapes delivered Grapes delivered above 15.5° Baume will receive Contract Price, Expert's Price on the Contract Price or Base Price or Base Price every 0.1° Baume will above 11.5° will receive a 15% bonus on the contract Price or Base Price for every 0.1° Baume below 11.5° will receive a 11.0° and between 11.0° and bet	of	%0	-17.70	Danme			
Grapes delivered Grapes delivered above 15.5° Baume between 13.1° and between 11.6° and horized. Expert's Price, Expert's Price or Base Price above 11.5° Baume delivered at Grapes delivered at Grapes delivered at 11.0° and between 11.0° and 11.5° will receive a 11.0° and 11.5° will receive a 11.0° and 11.4° Baume will Expert's Price or Base Price or the Base Price or the Contract Price for every 0.1° Baume below 11.5° below 11.5°	ontract Price or			Damin			
Grapes delivered Grapes delivered delivered above 15.5° Baume between 13.1° and above 15.5° Baume will receive Contract Price, Expert's Price or Base Price	ase Price or						
Grapes delivered Grapes delivered between 11.6° and above 15.5° Baume will receive Contract Price, Expert's Price or Base Price for every 0.1° Baume between 11.6° and 11.5° will receive between 11.0° and 11.1.4° Baume between 11.0° and 11.1.4° Baume between 11.0° and 11.1.4° Baume between 11.0° and 11.1.1.4° Baume will 11.1.4° Baume will 11.1.4° Baume between 11.0° and 11.1.1.4° Baume will 11.1.1.4° Baume will 11.1.4° Baume will 11.1.4° Baume will 11.1.4° Baume will 11.1.4° Baume will 11.1.1.4° Baume will 11.1.1.4° Baume will 11.1.1.4° Baume will 11.1.1.4° Baume will 11.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	enert's Price				Cases delivered at	Granes delivered	Grapes delivered
	escription:			Grapes delivered between 11.6° and 13.0° Baume will receive a 1.0% bonus on the Contract Price, the Base Price or the Expert's Price for every 0.1° Baume above 11.5°	Grapes denvered at 11.5° will receive Expert's Price, Contract Price or Base Price	between 11.0° and 11.4° Baume will receive a 1% deduction on the Base Price, the Expert's Price or the Contract Price for every 0.1° Baume below 11.5°	below 11.0° will be rejected

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MATERIAL OTHER TH	AN GRAPES ("MC	Price
Quality Parameter	Levels	
Canes, leaves and minor vine debris	< 1% of weight 1% of weight 2% of weight > 3% of weight	Nil Less 5% Less 10% Rejected
Steel, wire, major vine debris, wood, stones, soil, trellis components, harvester parts, material of an animal nature (eg caterpillars and snails) and any other foreign material	Material present	Individual cases assessed on risk to processing equipment, weight of material and effect on wine quality

OU & LURRIC	ANT CONTAMINATIO	N
Quality Parameter	Levels	Price
Hydraulic oil, fuel oil and lubricants	Contaminant	Rejected
riyaraune on, raor on all	present	

	CONTAMINATION Levels	Price Price
Quality Parameter Not registered for use in bearing vineyards	Detectable residue	Rejected
Not recommended by Orlando Wyndham	Detectable residue	Rejected
Excess residue (ie registered agrochemicals that have been applied within the specified withholding periods or at rates in excess of the specifications as given by the individual manufacturers)	In excess of maximum residue limit ("MRL") as stated in A14 of the Australian Food Standards Code	Rejected

DAM	AGED BERRIES	
Quality Parameter	Levels	Price
ry Berry and Sunburn	< 10% of weight 10% - 15% of weight 15% - 20% of weight 20% - 25% of weight > 25% of weight	Nil Less 5% Less 10% Less 15% Rejected
Bird & Insect Damage	< 10% of weight 10% - 15% of weight 15% - 20% of weight 20% - 25% of weight > 25% of weight	Nil Less 5% Less 10% Less 15% Rejected

	TATION	
FERMEN	Levels	Price
Quality Parameter	Fermentation present	Less 20% or
Grapes fermenting	I Ottooman F-	rejected

Quality Parameter	CCTED GRAPES Levels	Price
Sour rot in red and white grape varieties or Botrytis in red grape varieties. (Penalties do not apply if a level of disease is requested for a spectation of the style) Botrytis in white grape varieties only. (Penalties do not apply if a level of disease is requested for special wine style).	4% of berries 5% of berries 6% of berries 7% of berries 8% of berries 9% of berries 10% or >10% of berries <6% or 6% of berries 7% of berries 8% of berries 10% of berries 11% of berries 11% of berries 12% of berries 13% of berries 14% of berries 15% or > 15% of berries	Nil Less 4% Less 12% Less 16% Less 20% Less 24% Rejected Nil Less 4% Less 12% Less 16% Less 20% Less 32% Less 24% Less 24% Less 24% Less 24% Less 24% Less 32% Rejected Nil
10%	of bunches / stems / leaves 15% of bunches / stems / leaves 20% of bunches / stems / leaves of bunches / stems / leaves	Less 10% Less 20% Rejected harvesting d

DILUTI	ON WITH WATER	
Quality Parameter	Levels	Price
	Water present	Rejected
Intentional Accidental	Water present	Each case assessed individually and acceptance and payment based or value

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