ASX Announcement

25 July 2003

Manager
Company Announcements Office
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Manager
Market Information Services Section
New Zealand Stock Exchange
Level 9, ASB Tower, 2 Hunter Street
Wellington New Zealand

Announcement No: 83/03

Form 605 - Notice of ceasing to be a substantial holder

AMP Limited
Level 24, 33 Alfred Street
Sydney NSW 2000 Australia
ABN 49 079 354 519

Form 605

Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme **Alinta Limited**

ACN/ARSN **087 857 001**

1. Details of substantial holder (1)

Name **AMP Limited (ACN 079 354 519) and its related bodies corporate**

ACN/ARSN (if applicable) **079 354 519**

The holder ceased to be a substantial holder on 23/07/2003

The previous notice was given to the company on 09/10/2002

The previous notice was dated 09/10/2002

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to changes (5)	Class (6) and number of securities affected	Person's votes affected
23 July 2003	United Energy Limited (ACN 064 651 029) ("**UEL**") and each of its subsidiaries ("**United Energy Group**")	At the date of AMP Limited's previous notice (9 October 2002), WA Gas Holdings Pty Limited (ACN 093 370 739) ("**WAGH**") was the registered holder and beneficial owner of 72,000,000 ordinary shares in Alinta Limited ("**Alinta**"), to each of which is stapled one loan note ("**Shares**" or "**Stapled Securities**"). At the same date, UEL had disclosed to Alinta that it held 50% of the shares in WAGH, and that accordingly, each member of the United Energy Group was deemed to have a relevant interest in the Shares by virtue of section 608(3)(a) of the Corporations Act. On 7 May 2003, Alinta announced that Alinta had bought back 36,000,000 Shares from WAGH. Accordingly, the number of Shares held by WAGH was reduced to 36,000,000 Shares. UEL also became the owner of 100% of the shares in WAGH. On 23 July 2003, UEL sold all of the shares it held in WAGH to Alinta. Accordingly, UEL and each member of the United Energy Group no longer have a relevant interest in the Shares. See Annexure A for a copy of the Non Distribution Assets Sale and Purchase Agreement under which the Shares were sold.	The consideration for the WAGH shares sold to Alinta was $153,000,000	36,000,000 Stapled Securities	36,000,000 Stapled Securities
23 July 2003	Power Partnership Pty Limited (ACN 070 061 282) ("**PPPL**")	As at the date of AMP Limited's previous notice, PPPL held 57.21% of the shares in UEL. Accordingly, PPPL was deemed to have a relevant interest in the Shares by virtue of section 608(3) of the Corporations Act. PPPL now holds 100% of the shares	-	36,000,000 Stapled Securities	36,000,000 Stapled Securities

		in UEL. However, as UEL has sold all of its shares in WAGH, PPPL is no longer deemed to have that relevant interest.			
23 July 2003	AMP Limited and its related bodies corporate ("**AMP Group**")	As at the date of AMP Limited's previous notice, AMP Life Limited and AMP Investment Services Pty Limited (ACN 063 986 989) (as trustee of certain trusts) together held 40.87% of the shares in PPPL in respect of which AMP Henderson Global Investors Limited (ACN 001 777 591) acted as investment manager. Accordingly, members of the AMP Group were deemed to have a relevant interest in the Shares by virtue of section 608(3) of the Corporations Act. As UEL has sold all of its shares in WAGH, the AMP Group is no longer deemed to have that relevant interest.		36,000,000 Stapled Securities	36,000,000 Stapled Securities

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
United Energy Limited	Level 13, 101 Collins Street, Melbourne, VIC 3000
Power Partnership Pty Limited	Level 13, 101 Collins Street, Melbourne, VIC 3000
AMP Limited and its related bodies corporate	Level 24, AMP Building, 33 Alfred Street, Sydney , NSW 2000
WA Gas Holdings Pty Limited	Level 13, 101 Collins Street, Melbourne, VIC 3000

Signature

print name PRUE MILNE capacity SECRETARY

sign here date 25/ 7 / 2003

BLAKE DAWSON WALDRON

L A W Y E R S

Non Distribution Assets Sale and Purchase Agreement

Alinta Limited

ABN 40 087 857 001

United Energy Limited

ABN 70 064 651 029

United Energy Finance Pty Limited

ABN 12 072 214 932

UEIP Pty Ltd

ABN 20 090 995 725

This is Annexure A of 29 pages referred to in Form 605, Notice of Ceasing to be a Substantial Holder signed by AMP Limited (ACN 029 354 519) and dated 25 July 2003.
This Annexure A contains a true copy of the Non Distribution Assets Sale and Purchase Agreement dated 23 July 2003.
Dated this 25 day of July 2003.

Signed

Name PRUE MILNE

Date. 25 JULY 2003

Execution Version

Level 39
101 Collins Street
MELBOURNE VIC 3000
Telephone: 9679 3000
Fax: 9679 3111

23 July 2003

Ref: LAWK JWLA 09 1315 5927

CONTENTS

Schedule

NON DISTRIBUTION ASSETS SALE AND PURCHASE AGREEMENT

DATE 23 JULY 2003

PARTIES

United Energy Limited ABN 70 064 651 029 ("**First Vendor**")

United Energy Finance Pty Limited ABN 12 072 214 932 in its capacity as trustee for the United Energy Finance Trust ("**Second Vendor**")

UEIP Pty Ltd ABN 20 090 995 725 ("**Third Vendor**") (together the "**Vendors**")

Alinta Limited ABN 40 087 857 001 ("**Buyer**")

RECITALS

A. The First Vendor and Second Vendor are the owners of the Share Assets and Loan Assets respectively, and the First Vendor and Third Vendor are owners of the Intellectual Property Assets.

B. The Buyer has agreed to buy and the Vendors have agreed to sell the Share Assets, Loan Assets and Intellectual Property Assets in accordance with the terms and conditions set out in this agreement.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

Actual Net Debt means the actual amount of Net Debt as at the Completion Date.

Adjusted Aggregate Purchase Price means the Aggregate Purchase Price as adjusted under clause 3.2.

Agreement for NDASA means the Agreement for the Non Distribution Assets Sale and Purchase Agreement between the Buyer and the AMP Entities dated [ ] 2003.

Aggregate Purchase Price means the amount determined under Schedule 1 (except that in calculating the Aggregate Purchase Price, Net Debt will be the Assumed Net Debt).

Alinta Finance means Alinta Finance Pty Ltd ABN 94 089 531 993.

AMP Entities means AMP Henderson Global Investors Limited ABN 59 001 777 591 in its capacity as trustee of Diversified Utility and Energy Trust No. 1 and AMP Investment Services Pty Ltd ABN 71 063 986 989 in its capacity as trustee of Diversified Utility and Energy Trust No. 2, acting severally.

Announcement means a press release, announcement or other public statement.

Aquila means Aquila Inc of 20 West Ninth Street, Kansas City MO 6415-1711 USA.

Assets means the Loan Assets, the Share Assets and the Intellectual Property Assets.

Assumed Net Debt means the amount determined under Schedule 2 and is based on the assumptions contained in Schedule 2.

Authorisation means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a public authority acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

Borrower means Uecomm under the Uecomm Loan.

Business Day means a day not being a Saturday, Sunday or public holiday in Melbourne, Sydney.

Claims means any allegation, debt, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise and which any party may have against another in connection with a Company, its subsidiaries or the business of any Company.

Company means each of Uecomm, NPS, and WAGH.

Completion means completion of the sale and purchase of the Assets in accordance with clause 4.

Completion Date means the Implementation Date (as that term is defined in the Implementation Agreement) or such other date as the Vendors and Buyer agree.

Controller means in relation to a person's property:

(a) a receiver or receiver and manager of that property; or

(b) anyone else who (whether or not as agent for the person) is in possession, or has control, of that property to enforce an encumbrance.

Corporations Act means the *Corporations Act 2001* (Cth).

Cut-off Date means 14 April 2003.

Encumbrance means any interest or power:

(a) reserved in or over any interest in any asset including, without limitation, any retention of title; or

(b) created or otherwise arising in or over any interest under a bill of sale, mortgage, charge, lien, pledge, trust or power, by way of security for the payment of debt or any other monetary obligation or the performance of any other obligation and whether existing or agreed to be granted or created.

Financier means a provider of debt finance to Uecomm or UEL.

Government Agency means any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

Implementation has the meaning given to it in the Implementation Agreement.

Implementation Agreement means the agreement between United Energy Limited, Power Partnership Pty Limited, Alinta Limited, AMP Life Limited, AMP Investment Services Pty Ltd and AMP Henderson Global Investors Limited dated 22 April 2003.

Insolvency Event means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being unable to pay its debts or otherwise insolvent or bankrupt, the taking of any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act or any analogous provision of the laws of any jurisdiction), commencing any proceedings or other action under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganisation or relief of debtors, seeking to adjudicate it as bankrupt or insolvent or have other relief with respect to it or its debts (or having such a proceeding or action commenced against it), entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event under the laws of any jurisdiction.

Intellectual Property means all present and future rights conferred by state, common law or equity in or in relation to any copyright, trade marks, designs, patents, circuit layouts, plant varieties, business and domain names, inventions, confidential information, and other results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields.

Intellectual Property Assets means:

(a) the Trade Mark and Patent Assets;

(b) the Technology and Intellectual Property Licences;

(c) the Intellectual Property or IT Assets assigned under clauses 4.4(a)(i) and 4.4(b)(i); and

(d) the licence to use Intellectual Property in clauses 4.4(a)(iii) and 4.4(b)(iii).

IT Assets means information technology systems hardware and software.

Legal Liability means a duty, liability or obligation affecting the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Loan Assets means the amounts advanced by the Second Vendor to Uecomm under the Uecomm Loan.

Loss means damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Net Debt has the meaning set out in Schedule 1.

NPS means National Power Services Pty Limited ABN 82 073 613 733.

Panel means the panel formed in accordance with clause 13.1(b) for the purpose of resolving disputes under clause 13.

Patent Licence means the Patent Licence agreement dated 10 August 2000 between the First Vendor and Uecomm.

PPL means Power Partnership Pty Limited ABN 48 070 061 282.

Representative of a party includes an employee, agent, officer, director, adviser, partner, joint venturer or sub-contractor of that party.

Share Assets means the shares owned by the First Vendor in each of the following subsidiaries of the First Vendor:

(a) Uecomm ("**Uecomm Shares**");

(b) NPS ("**NPS Shares**"); and

(c) WAGH ("**WAGH Shares**").

Solely means, that the items so described must be used for or by NPS or Uecomm, as the case may be, only and for no other purpose or by no other person.

Sunset Date means 31 August 2003, subject to any extension under clause 2.6 of the Implementation Agreement.

Tax means taxes, levies, imposts, deductions, charges, withholdings and duties (excluding stamp duties), together with any related interest, penalties, fine and other statutory charges whether accruing before or after Completion.

Technology includes but is not limited to information technology systems, hardware and software.

Technology and Intellectual Property Licences means:

(a) in the case of clause 4.4(a)(ii), all agreements relating Solely to the NPS business or the Uecomm business under which the First Vendor obtains the right to use, or receive services (such as maintenance and support) in relation to Intellectual Property or Technology; and

(b) in the case of clause 4.4(b)(ii), all agreements relating Solely to the NPS business or the Uecomm business under which the Third Vendor obtains the right to use, or receive services (such as maintenance and support) in relation to Intellectual Property or Technology.

Trade Mark and Patent Assets means the trade marks and patents specified in Schedule 5.

Uecomm Trade Marks means any of the trade marks set out in Part 1 of Schedule 5.

Trade Mark Licence means the Trade Mark Licence agreement dated 10 August 2000 between the First Vendor and Uecomm.

Uecomm means Uecomm Limited ABN 56 079 083 195.

Uecomm Loan means the loan facility letter between the First Vendor and Uecomm dated 29 June 2000 assigned to the Second Vendor under an Assignment Deed between the First Vendor and the Second Vendor dated 15 May 2002.

Uecomm Loan Deed of Novation means the agreement in the form of Schedule 6.

Uecomm Resigning Director means Keith Gerard Stamm, Robert Walter Holzwarth, Douglas Philip Evanson and Leigh Loddington Hall.

UEL Scheme means the scheme of arrangement proposed by PPL in respect of shares in United Energy Limited not already owned by it.

WAGH means WA Gas Holdings Limited ABN 47 093 370 739.

Warranties means the warranties, representations in this agreement, including without limitation clause 6 and Schedule 4.

Wholly Owned Company means a company that is a wholly owned subsidiary of a Company.

1.2 **Rules for interpreting this agreement**

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this agreement, except where the context makes it clear that a rule is not intended to apply.

(a) Unless the contrary intention appears, a reference in this agreement to:

(i) **(legislation)** legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) **(documents/agreements)** a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) **(parties)** a party to this agreement or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) **(persons)** a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) **(parts of things)** anything (including a right, obligation or concept) includes each part of it.

(b) **(number)** A singular word includes the plural, and vice versa.

(c) **(gender)** A word which suggests one gender includes the other genders.

(d) **(parts of speech)** If a word is defined, another part of speech has a corresponding meaning.

(e) A reference to **dollars** or **$** is to an amount in Australian currency.

(f) **(examples)** If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(g) The words "**subsidiary**", "**holding company**" and "**related body corporate**" have the same meaning as in the Corporations Act.

(h) **(Corporations Act)** If a word is defined in the Corporations Act, it has the same meaning in this agreement, unless the context requires otherwise.

1.3 Business Days

If the day on or by which a person must do something under this agreement is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

2. AGREEMENT TO SELL AND BUY THE ASSETS AND PURCHASE PRICE

2.1 Sale and purchase

On the Completion Date:

(a) the First Vendor will sell and the Buyer will purchase the Share Assets;

(b) the Second Vendor will sell and the Buyer will purchase the Loan Assets;

(c) the Third Vendor will sell and the Buyer will purchase the Intellectual Property Assets; and

(d) unless expressly stated otherwise, the parties must perform all other acts required to complete the sale and purchase of the Assets and give effect to this document.

2.2 Free from encumbrance

The Assets must be transferred free from any Encumbrance and any other third party rights.

2.3 Purchase Price

(a) The price payable by the Buyer for the Assets is the Adjusted Aggregate Purchase Price.

(b) The Adjusted Aggregate Purchase Price will be apportioned between the individual Assets in accordance with Schedule 3.

3. PAYMENT OF PURCHASE PRICE ON COMPLETION

3.1 Payment on Completion

The Buyer agrees to pay the Aggregate Purchase Price to the Vendors at Completion, on the Completion Date.

3.2 Adjustment to Aggregate Purchase Price

(a) Where Actual Net Debt (as agreed between the Buyer and the AMP Entities, or as determined by an independent auditor, and notified to the Vendors under clause 4 of the Agreement for NDASA) is greater than the Assumed Net Debt, the difference will be paid by the Buyer to the First Vendor, within 15 days of the date on which the calculation of Actual Net Debt has been determined.

(b) Where Actual Net Debt (as agreed between the Buyer and the AMP Entities, or as determined by an independent auditor, and notified to the Vendors under clause 4 of the Agreement for NDASA) is less than the Assumed Net Debt, the difference will be paid by the First Vendor to the Buyer, within 15 days of the date on which the calculation of Actual Net Debt has been determined.

4. COMPLETION

4.1 Time of Completion

Completion will occur on the Completion Date or at such other time or date as is agreed in between the parties.

4.2 Place for Completion

Completion will take place on the Completion Date at a place in Melbourne to be nominated by the Buyer.

4.3 Events to occur on Completion – Share Assets

The First Vendor must:

(a) ensure the following documents are delivered to the Buyer on the Completion Date:

(i) share certificates in respect of each of the Share Assets;

(ii) instruments of transfer in registrable form (subject to payment of stamp duty) in favour of the Buyer executed by the First Vendor as transferor of each of the Share Assets; and

(iii) any other document which the Buyer reasonably requires to obtain good title to the Share Assets and get the Share Assets registered in the name of the Buyer;

(b) for each Company (other than Uecomm), give to the Buyer on the Completion Date:

(i) the certificate of incorporation, common seal, all prescribed registers, all statutory and other record books of the company; and

(ii) all cheque books of the company and a list of all bank accounts maintained by the company;

(c) ensure that a meeting of the directors of each Company (other than Uecomm) is held on the Completion Date. At each of these meetings, the directors of each Company (other than Uecomm) will resolve:

(i) to approve the registration of the transfer of the Share Assets;

(ii) to issue new share certificates for the Share Assets in the name of the Buyer (subject only to the payment of stamp duty);

(iii) the nominees of the Buyer are appointed as directors and secretaries and the resignation of each resigning director and secretary is accepted;

(iv) the registered office of each Company is changed to an address nominated by the Buyer; and

(v) all existing mandates for the operation of bank accounts by each Company are revoked and replaced with mandates approved by the Buyer;

(d) ensure that a meeting of the directors of each Wholly Owned Company (other than a Wholly Owned Company of Uecomm) is held on the Completion Date, at which:

(i) the nominees of the Buyer are appointed as directors and secretaries and the resignation of each resigning director and secretary is accepted;

(ii) the registered office of each Wholly Owned Company is changed to an address nominated by the Buyer; and

(iii) all existing mandates for the operation of bank accounts by each Wholly Owned Company are revoked and replaced with mandates approved by the Buyer; and

(e) use its reasonable endeavours to procure that a board meeting of Uecomm is held on the Completion Date, at which the nominees of the Buyer are appointed as directors and the resignation of each Uecomm Resigning Director is accepted. The

First Vendor must use its reasonable endeavours to deliver to the Buyer the resignations of each Uecomm Resigning Director.

4.4 **Events to occur on Completion – Intellectual Property Assets**

(a) The First Vendor:

(i) assigns to the Buyer (or any other person nominated by the Buyer), with effect from the Completion Date:

(A) any Intellectual Property that it owns which is used Solely by NPS to conduct the NPS business;

(B) any Intellectual Property that it owns which is used Solely by Uecomm to conduct the Uecomm business; and

(C) any IT Assets which are used Solely by NPS to conduct the NPS business or used Solely by Uecomm to conduct the Uecomm business;

(ii) must use reasonable endeavours to enable the Buyer (or any other person nominated by the Buyer) to obtain the full benefit of the Technology and Intellectual Property Licences from Completion by either the assignment or novation (at the First Vendor's option) of those Technology and Intellectual Property Licences. The Buyer must pay all of the First Vendor's reasonable costs of obtaining any necessary consents to those assignments or novations including any fees charged by other parties to the Technology and Intellectual Property Licences;

(iii) grants the Buyer (or any other person nominated by the Buyer):

(A) subject to paragraph (B), a perpetual, royalty free licence, to the extent it is able to do so, of all Intellectual Property and Technology which is used in the NPS business or the Uecomm business which is not assigned under clause 4.4(a)(i) to be sublicensed to NPS and Uecomm and used in the same manner as each of NPS and Uecomm use that Intellectual Property or Technology prior to Completion, provided that the Buyer must pay all reasonable costs of providing access to that Intellectual Property and Technology including the costs of obtaining all third party consents; and

(B) the licence referred to in paragraph (A) will terminate upon Uecomm or NPS ceasing to be a subsidiary of the Buyer insofar as the licence relates to Uecomm or NPS respectively;

(iv) must use its reasonable endeavours to procure an assignment of all its rights, title and interest under the Patent Licence to the Buyer as soon as possible after Completion, and until such assignment, will hold all of its right, title and interest in the Patent Licence on trust for the benefit of the Buyer and act in accordance with the written direction of the Buyer in relation to the performance or termination of the Patent Licence; and

(v) must use its reasonable endeavours to procure an assignment of all its rights, title and interest under the Trade Mark Licence, to the extent that it relates to any of the Uecomm Trade Marks, to the Buyer as soon as possible after Completion, and until such assignment will hold all such rights, title and interest on trust for the benefit of the Buyer and act in accordance with the written direction of the Buyer in relation to the performance or termination of the Trade Mark Licence. Without limitation, the Buyer may instruct the First Vendor to terminate the Trade Mark Licence prior to the assignment, and the First Vendor must not assign the Trade Mark Licence until it has sought instructions regarding termination from the Buyer.

(b) The Third Vendor:

(i) assigns to the Buyer (or any other person nominated by the Buyer) with effect on the Completion Date:

(A) any Intellectual Property that it owns which is used Solely by NPS to conduct the NPS business;

(B) any Intellectual Property that it owns which is used Solely by Uecomm to conduct the Uecomm business and the Trade Mark and Patent Assets; and

(C) any IT Assets it owns which are used Solely by NPS to conduct the NPS business or used Solely by Uecomm to conduct the Uecomm business;

(ii) must use reasonable endeavours to enable the Buyer (or any other person nominated by the Buyer) to obtain the full benefit of the Technology and Intellectual Property Licences from Completion by either the assignment or novation (at the Third Vendor's option) of those Technology and Intellectual Property Licences. The Buyer must pay all of the Third Vendor's reasonable costs of obtaining any necessary consents to those assignments or novations including any fees charged by other parties to the Technology and Intellectual Property Licences; and

(iii) grants the Buyer (or any other person nominated by the Buyer):

(A) subject to paragraph (B), a perpetual, non-exclusive, royalty free licence, to the extent it is able to do so, in respect of Intellectual Property and Technology which is used in the NPS business or the Uecomm business which is not assigned under clause 4.4(b)(i) to be sublicensed to NPS and Uecomm and used in the same manner as each of NPS and Uecomm use that Intellectual Property or Technology prior to Completion, provided that the Buyer must pay all reasonable costs of providing access to that Intellectual Property and Technology including the costs of obtaining all third party consents; and

(B) the licence referred to in paragraph (A) will terminate upon Uecomm or NPS ceasing to be a subsidiary of the Buyer, insofar as the licence relates to Uecomm or NPS respectively.

(c) The parties must identify and document the Intellectual Property Assets after Completion as follows:

(i) the parties must cooperate and work together in good faith to identify and document the Intellectual Property Assets as soon as possible after Completion;

(ii) the Vendors must from Completion make available to the Buyer all information, documentation and materials reasonably necessary to enable the Buyer and the respective Vendors to identify all Intellectual Property Assets which are assigned pursuant to clause 4.4(a)(i), or clause 4.4(b)(i), and the Technology and Intellectual Property Licences;

(iii) if identification of the Intellectual Property Assets referred to in subclause 4.4(c)(ii) above has not been agreed by the respective Vendor and the Buyer on or before 31 December 2003, then the identification of the Intellectual Property Assets referred to in subclause 4.4(c)(ii) above shall be referred to dispute resolution in accordance with clause 13.

(d) The First Vendor and the Third Vendor undertake that after Completion they will not use:

(i) the Trade Mark and Patent Assets; or

(ii) any of the Intellectual Property or IT Assets assigned under clauses 4.4(a)(i) or (4.4)(b)(i).

(e) The Vendors must, do anything (including execute any document), and must ensure that their employees and agents do anything (including execute any document), that the Buyer may reasonably require to give full effect to this clause 4.4. Without limitation, these acts may include executing separate specific documents in relation to the licensing or assignment of Intellectual Property Assets that are identified after Completion, and anything reasonably necessary to effect recordal of the Buyer's (or its nominee's) title to the Trade Mark and Patent Assets on the Australian Trade Mark Register and Australian and relevant overseas patent registries.

(f) The Buyer must pay the reasonable costs incurred by the Vendors in doing anything, at the request of the Buyer, to give effect to the assignments and licences required under clause 4.4 excluding any costs of staff in participating in the meetings to give effect to those obligations.

4.5 Events to occur on Completion – Loan Assets

(a) To facilitate the purchase of the Loan Assets, on the Completion Date the Second Vendor and the Buyer must procure that Alinta Finance enters into the Uecomm Loan Deed of Novation with Uecomm.

(b) The Second Vendor must use its reasonable endeavours in relation to Uecomm to have Uecomm enter into the Uecomm Loan Deed of Novation with the Buyer and Alinta Finance on the Completion Date.

5. TERMINATION DUE TO NON-COMPLETION

5.1 Termination by the Buyer

If any of the Vendors fail to satisfy their obligations under clause 4, the Buyer may terminate this agreement upon notice to the Vendors.

5.2 Termination by Vendors

If the Buyer fails to satisfy its obligations under clause 4, the Vendors may terminate this agreement upon notice to the Buyer.

5.3 Automatic termination

This agreement will terminate automatically and without further action by the parties at 12.01am Sydney time on the day following the Sunset Date in the event that Completion has not occurred by then.

6. WARRANTIES, REPRESENTATIONS AND INDEMNITIES

6.1 Mutual Representations and Warranties

Each party represents and warrants to each of the other parties that as at the date of this agreement and at Completion:

(a) **(capacity)** it has full legal capacity and power to enter into this agreement and to carry out the transactions that it contemplates;

(b) **(consents)** it has taken all actions that are necessary or desirable to authorise its entry into this agreement and its carrying out the transactions that this agreement contemplates;

(c) **(Authorisations)** it holds each Authorisation that is necessary or desirable to:

(i) enable it to properly execute this agreement and to carry out the transactions that it contemplates; and

(ii) ensure that this agreement is legal, valid, binding and admissible in evidence,

and it is complying with any conditions to which any of those Authorisations is subject;

(d) **(binding obligations)** this agreement constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms, subject to any necessary stamping;

(e) **(execution)** neither its execution of this agreement nor the carrying out by it of the transactions that it contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any public authority that is binding on it or any of its properties;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property; and

(iv) contravene its constitution;

(f) **(Controller)** no Controller is currently appointed in relation to any of its property and no such appointment has been threatened;

(g) **(representative capacity)** other than the Second Vendor, it is not entering into this agreement in a representative capacity;

(h) **(proceedings)** no proceedings have been brought or threatened or procedure commenced for the purpose of winding it up or placing it under administration; and

(i) **(Insolvency Event)** it is not affected by an Insolvency Event.

Each party acknowledges that the other parties have executed this agreement and agreed to take part in the transactions that it contemplates in reliance on the representations and warranties that are made in this clause 6.

6.2 Accuracy of the Vendors' representations and warranties

Each Vendor represents and warrants to the Buyer that, to the extent applicable, each of the statements set out in Schedule 4 to this agreement is true and accurate. Each statement is to be treated as a separate representation and warranty and the interpretation of any statement made may not be restricted by reference to, or inference from any other statement.

6.3 Effective Dates

Each Warranty is given both as at the date of this agreement and as at Completion.

6.4 Disclosures

Each Warranty is subject to any matter or transaction, whether expressed or implied, that:

(a) is provided for or described in this agreement or in any other agreement to which the Buyer is a party;

(b) has been disclosed to the Buyer in writing on, or prior to, the Cut-off Date; or

(c) would have been disclosed to the Buyer had the Buyer conducted searches prior to the Cut-off Date of records open to public inspection maintained by ASIC.

6.5 Warranties not extinguished or affected

The Warranties are not extinguished or affected by any investigation made by or on behalf of the Buyer or by any other event or matter unless:

(a) the Buyer has given a specific written waiver or release; or

(b) the claim relates to a thing done or not done after the date of this agreement at the request, or with the approval of, the Buyer.

6.6 Indemnification

The Vendors must indemnify the Buyer against, and must pay the Buyer on demand, the amount of:

(a) any Loss, Claim or Legal Liability incurred by the Buyer to the extent that the Loss, Claim or Legal Liability arises from or is connected with any breach of any Warranty;

(b) any Loss incurred by the Buyer because the Assets were worth less than they would have been worth had there been no breach of that kind;

(c) any Tax which may be incurred by the Buyer, arising from the performance by the Vendors of their obligations under this indemnity; and

(d) expenses of consultants, and legal expenses on a full indemnity basis, incurred by the Buyer in connection with any Claim under this indemnity.

The obligations of the Vendors under this clause 6.6 are subject to the provisions of clause 6.10 including that:

(a) any claim that there has been a breach of Warranty has been made in accordance with the limitations set out in clause 6.10; and

(b) any claim for a breach of Warranty satisfy the criteria set out in clause 6.10.

6.7 Notification of Warranty breach before Completion

If on, or before Completion, any of the Vendors or the Buyer become aware of any breach, or potential breach of any Warranty, then that party must promptly notify the other parties of this.

6.8 Dealing with Warranty breach after Completion

If the Buyer becomes aware after Completion of any circumstances which constitute or could (whether alone or with any other possible circumstances) constitute a breach of any Warranty, the Buyer must:

(a) as soon as practicable, give the Vendors full details of the circumstances and any further related circumstances of which the Buyer becomes aware; and

(b) until it notifies the Vendors in accordance with clause 6.8(a), take such steps that, in its own reasonable judgment, are necessary to mitigate any loss which may give rise to a claim against the Vendors for breach of any Warranty.

6.9 **Insurance**

The Vendors will not be liable to the Buyer for any claim for breach of, or inaccuracy in, any Warranty to the extent that the Buyer recovers any loss or damage suffered by the Buyer arising out of the breach or claim under the terms of any insurance policy of, or applicable to, the Buyer.

6.10 **Limitation on the Vendors' liability**

Despite any other provision of this agreement, each of the following applies.

(a) **(Maximum liability)** The maximum aggregate liability of the Vendors to the Buyer under this agreement for any breach under the Warranties shall be limited to the Aggregate Purchase Price.

(b) **(Notice of claims)** The Vendors shall have no liability in respect of any claim under the Warranties unless reasonable particulars of the claim are given to it before the second anniversary of Completion.

(c) **(Post Completion actions)** The liability of the Vendors in respect of any claim under the Warranties shall be reduced or extinguished (as the case may be) to the extent that the claim has arisen directly as a result of any conduct, act or omission after Completion by the Buyer.

(d) **(Credit)** If after the Vendors have made a payment to the Buyer under a claim made under the Warranties, the Buyer receives any benefit or credit (excluding any tax deductions associated with the loss or claim) by reason of the matters to which the claim relates, then the Buyer shall immediately repay to the Vendors a sum corresponding to the amount of the payment or (if less) the amount of the benefit or credit, net of any tax on that benefit or credit.

(e) **(Thresholds)** The Vendors shall have no liability in respect of any proper claim under the Warranties unless:

(i) the amount of any individual claim exceeds the sum of $350,000; and

(ii) the aggregate amount of claims (each in excess of the sum of $350,000 in accordance with clause 6.10(a)), properly made against the Vendors under this agreement exceeds the sum of $1,750,000 and then only as to the extent of the excess over that sum.

(f) **(Change of law)** The Vendors will not be liable to the Buyer for any claim under the Warranties where the claim is as a result of any legislation not in force at the date of this agreement (including legislation which takes effect retrospectively) or where the claim is in respect of a change in the judicial interpretation of the law in any jurisdiction after the date of this agreement.

7. CONFIDENTIALITY

(a) Each of the parties will keep confidential the existence and terms of this agreement, all matters referred to in it and its annexures or appendices and any information of or regarding any of them relating to their participation in this agreement ("**Confidential Information**").

(b) None of the parties will disclose any Confidential Information to any other person without the prior written consent of the other party, except that any party may disclose Confidential Information:

(i) for the purposes contemplated by this agreement to its auditors, professional advisers, consultants, financier and prospective financiers and their professional advisers, related bodies corporate (as defined in the Corporations Act), and their respective officers and employees, provided that those persons agree to keep confidential and Confidential Information disclosed to them; or

(ii) to comply with any applicable law or requirement of any regulatory body, governmental agency or stock exchange.

The obligations of the parties under this clause are continuing and survive termination of this agreement.

(c) Subject to the obligations of a party under this agreement to make the same available to the parties, any Intellectual Property, Confidential Information, or other proprietary information contributed by a party or made available by a party for review by the other parties (including any financial or other models) will remain the property of the contributing party.

8. COSTS AND STAMP DUTY

8.1 Costs

The parties agree to bear their own legal and other costs and expenses in connection with the preparation, execution and completion of this agreement, and of other related documentation, except for stamp duty.

8.2 Stamp duty

The Buyer will bear all stamp duty payable or assessed to be payable in connection with this agreement and the transfer of Assets to the Buyer.

9. NOTICES

9.1 How to give a notice

A notice, consent or other communication under this agreement is only effective if it is:

(a) **(writing)** in writing, signed by or on behalf of the person giving it;

(b) **(addressed)** addressed to the person to whom it is to be given; and

(c) **(sent)** either:

(i) **(mail)** delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or

(ii) **(fax)** sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full; or

(iii) **(email)** sent in electronic form by email.

9.2 When a notice is given

A notice, consent or other communication that complies with this clause is regarded as given and received:

(a) **(fax delivery)** if it is delivered or sent by fax:

(i) by 5.00 pm (local time in the place of receipt) on a Business Day - on that day; or

(ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day; and

(b) **(mail delivery)** if it is sent by mail:

(i) within Australia – 3 Business Days after posting; or

(ii) to or from a place outside Australia – 7 Business Days after posting; and

(c) **(email delivery)** if it is sent in electronic form by email, at the earlier of the day on which it is read by the addressee, or (if the giver of the notice promptly confirms the notice by delivery, mail or fax) the first day on which it could have been read by the addressee, but if the notice is read or could first have been read after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day, the notice is taken to have been received on the next Business Day.

9.3 Address for notices

A person's address, fax number and email address are those set out below, or as the person notifies the sender:

Vendors

Address:	to be notified in writing
Fax number:	to be notified in writing
Attention:	to be notified in writing

Buyer

Address:	422 Warrigal Road, Moorabbin VIC
Fax number:	(03) 9265 7703
Attention:	Company Secretary

10. AMENDMENT AND ASSIGNMENT

10.1 Amendment

This agreement can only be amended, supplemented, replaced or novated by another agreement signed by the parties.

10.2 Assignment

A party may only dispose of, declare a trust over or otherwise create an interest in its rights under this agreement with the prior written consent of the other parties.

11. PUBLIC STATEMENTS

11.1 No Announcements

No party may make an Announcement relating to the subject matter of this agreement or its termination or make public this agreement (or any of its terms) unless the announcement or publicity:

(a) has the prior approval of the other parties; or

(b) is required to be made by law or a Listing Rule.

11.2 Notice of Announcements

If a party is required to make an Announcement pursuant to clause 11.1(b) it must, to the extent practicable without that party breaking the law or the Listing Rule, give to the other parties:

(a) such notice as is reasonable in the circumstances of its intention to make the Announcement; and

(b) a draft of the Announcement and an opportunity, which is reasonable in the circumstances, to comment on the contents of the draft Announcement.

12. THIRD PARTY CONSENT OR WAIVER

If the sale of the Share Assets would result in a breach of contract for which a consent or waiver is required:

(a) the parties will use their best endeavours to obtain the consent of, or a waiver from, each person from whom such consent or waiver is required as soon as is reasonably practicable after the Completion Date; and

(b) the parties must promptly execute every document reasonably required by the third party to give effect to the consent of or waiver by the third party.

13. DISPUTES

13.1 Reference to Panel

(a) If any dispute or difference arises between the parties with respect to the subject matter of this document (including the schedule), it must first be referred to the Panel, which must as soon as practicable endeavour to arrive at an amicable solution to the dispute or difference. The Panel must first meet to endeavour to resolve the dispute within 5 Business Days of the dispute being referred to them.

(b) The Panel in respect of a dispute shall consist of:

(i) one senior representative jointly appointed by the Vendors; and

(ii) one senior representative appointed by the Buyer.

(c) The Panel must determine its own procedures for meetings and unless the Panel otherwise determines all meetings shall be held in Melbourne.

(d) Decisions of the Panel may only be made by the unanimous agreement of the members of the Panel.

(e) Where the Panel is unable to resolve a dispute, or agree on a process to resolve the dispute, at the first meeting where the dispute is raised, a special meeting of the Panel must be convened no sooner than 2 and no later than 5 Business Days from the date of that first meeting and the sole agenda of the special meeting must be the resolution of the dispute.

(f) Any decision of the Panel is binding on the parties.

(g) If the Panel does not resolve the dispute at the special meeting convened in accordance with clause 13.1(e), the Panel must refer the dispute to expert determination in accordance with clause 13.3 promptly after the end of that special meeting.

13.2 Commencement of legal proceedings

(a) A party must not, subject to clauses 13.5 and 13.7, commence legal proceedings in respect of a dispute unless:

(i) the dispute has first been referred to the Panel; and

(ii) the Panel does not:

(A) meet in accordance with clauses 13.1(a) and (e); or

(B) refer the dispute for resolution in accordance with clause 13.1(g).

(b) If a dispute is referred to mediation, arbitration or to some other dispute resolution procedure, neither party may oppose an application for a stay of any legal proceedings in respect of the dispute pending the expert determination, the handing down of the award in an arbitration or the completion of mediation or any other dispute resolution procedure (as the case may be).

13.3 Expert Determination

(a) If a dispute is referred to expert determination under clause 13.1(g), then the Panel must appoint as an expert in relation to that dispute a qualified person considered appropriate by the Panel.

(b) The expert must:

(i) initiate such enquiries and investigations as it considers necessary or desirable for the purposes of performing its functions; and

(ii) determine and inform the parties to the dispute of a time for presentation to the expert by the parties of their respective submissions. Unless the Panel otherwise agrees the presentation must be no later than five Business Days after the appointment of the expert.

(c) The expert must make its determination or finding in respect of the dispute within 10 Business Days after the presentation referred to in clause 13.3(b). Any determination of a dispute by the expert must include a determination as to the award of costs. The expert must not tax the costs of a party. The fees and expenses of experts must be borne by the parties equally.

(d) Any determination made by the expert is binding on the parties.

(e) The expert acts as an expert and not an arbitrator.

(f) The expert must keep confidential all materials and information made available to or by the parties in respect of the dispute.

(g) The expert is released by the parties from liability (other than for fraud) in acting as an expert.

13.4 Performance of obligations pending resolution of dispute

Prior to resolution of a dispute the parties must continue to perform their respective obligations under this agreement.

13.5 Failure to render decision

If the expert appointed under clause 13.3(a) has not made a determination within the time period referred to in clause 13.3(c), either party may have recourse to any or all remedies available at law.

13.6 Information to be used for no other purpose

The parties acknowledge that the purpose of any exchange of information or documents or the making of any offer of settlement pursuant to this clause 13.6 is to attempt to settle the dispute between the parties. No party may use any information or documents obtained through the dispute resolution process established by this clause 13.6 for any purpose other than to settle a dispute between the parties to this document.

13.7 **Injunction**

Nothing in this document prevents a party seeking an injunction or other interlocutory relief at any time.

14. GENERAL

14.1 **Governing law**

(a) **(law)** This agreement and the transactions contemplated by this agreement are governed by the law in force in Victoria.

(b) **(jurisdiction)** Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria and courts of appeal from them. Each party waives any right it has to object to an action being brought in those courts including, without limitation, by claiming that the action has been brought in an inconvenient forum, or that those courts do not have jurisdiction.

14.2 **Giving effect to this agreement**

Each party must do anything within its power (including execute any document and sign, pass, or vote in favour of, all resolutions (including conditional resolutions) necessary), and must use its best endeavours to ensure that each of its employees and agents and each director it nominated to the board of a company does anything (including executes any document and signs, passes or votes in favour of all resolutions (including conditional resolutions) necessary), that any other party may reasonably require to give full effect to this agreement.

14.3 **Waiver of rights**

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

14.4 **Operation of this agreement**

(a) This agreement contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this agreement and has no further effect.

(b) Any right that a person may have under this agreement is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this agreement which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this agreement enforceable, unless this would materially change the intended effect of this agreement.

14.5 Operation of indemnities

(a) Each indemnity in this agreement survives the expiry or termination of this agreement.

(b) A party may recover a payment under an indemnity in this agreement before it makes the payment in respect of which the indemnity is given.

14.6 Consents

Where this agreement contemplates that a party may agree or consent to something (however it is described), the party may:

(a) agree or consent, or not agree or consent, in its absolute discretion; and

(b) agree or consent subject to conditions,

unless this agreement expressly contemplates otherwise.

14.7 No merger

No provision of this agreement merges in or by virtue of Completion.

14.8 Counterparts

This agreement may be executed in counterparts.

14.9 Attorneys

Each person who executes this agreement on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

SCHEDULE 1

AGGREGATE PURCHASE PRICE

For the purposes of this Agreement, the Aggregate Purchase Price for the Assets will be determined in accordance with the following formula:

APP = UEL Enterprise Value – UED Value + $8,000,000:

where:

APP is the Aggregate Purchase Price

UEL Enterprise Value is an amount determined by the formula: (Bid Price x No. of Shares) + Net Debt + Option Value, where:

- Bid Price = the price per share paid to the public shareholders under the UEL Scheme.
- No. of Shares = the number of UEL shares on issue on the Record Date (as defined in the Implementation Agreement).
- Net Debt (which is to be calculated immediately prior to the Completion Date) is the sum of the Net External Debt and the Shareholder Loan, where:
    - Net External Debt comprises the following amounts:
        - the amount outstanding under UEL's Bank Syndicated Loan Facility; plus
        - the amount outstanding under UEL's Commercial Paper Program; plus
        - A$320 million (representing the AUD equivalent of the principal outstanding under the US$ 6% Guaranteed Notes issued by UEL); less
        - the aggregate amount of cash held on deposit by UEL and each of its wholly owned subsidiaries; less
        - any amount paid by UEL in relation to the purchase of swaptions under the Swaption Cost Sharing Deed.
    - the Shareholder Loan is the present value of the amount outstanding under the non-interest bearing loan from PPL to UEL at the date of the execution of this agreement (agreed to be $34,520,624.37).

  For the avoidance of doubt, it is agreed that "**Net Debt**" will be calculated in a manner which ignores the effects of UEL reimbursing Aquila following Implementation for Aquila's costs of purchasing swaptions.

- **Option Value** is $3,303,938.

UED Value is $1,822,410,527.17 plus the DUoS Receipt Adjustment.

The **DUoS Receipt Adjustment** is calculated by the formula:

$$\frac{\text{DUoS Receipt} \times \text{DD}}{\text{DPD}}$$

where:

DUoS Receipt equals the GST exclusive cash amount received or receivable by UED in respect of the supply of electricity in the period ending on the 28th of the month first occurring after the Completion Date (**"DUoS Period"**).

DPD equals the number of days in the DUoS Period.

DD equals the number of days in the DUoS Period up to and excluding the Completion Date.

SCHEDULE 2

ASSUMED NET DEBT

(a) Assumed Net Debt

For the purpose of determining the Assumed Net Debt, the following facts and assumptions have been made concerning the Net Debt position of UEL as at the Assumed Completion Date of 15 July 2003:

	Item	**Amount**
1	The amount outstanding under UEL's Bank Syndicated Loan Facility and UEL's Commercial Paper Program, net of the aggregate of cash held on deposit by UEL and each of its wholly owned subsidiaries	$349,652,666.67
2	The AUD equivalent of principal outstanding under the US$ 6% Guaranteed Notes issued by UEL	$320,000,000
3	The present value of the amount outstanding under the loan from Power Partnership Pty Limited ("PPL") to UEL	$34,520,624.37
4	Less: Swaption Payment (as listed within the definition in Schedule 1)	$4,106,666.67
	Assumed Net Debt Total	**$700,066,624.37** **** includes cash receipt associated with exercise of options**

(b) Assumed DUoS Receipt Adjustment

For the purpose of determining the Assumed DUoS Receipt Adjustment at the Assumed Completion Date, the following facts and assumptions have been made:

	Amount
DUoS Receipt (for the DUoS Period ending 28 July 2003)	$26,364,000
DPD	30 days
DD (assuming the Completion Date is 23 July 2003)	24 days
Assumed DUoS Receipt Adjustment	**$21,090,000**

Note that for each day that the Completion Date is later or earlier than the Assumed Completion Date, the DUoS Receipt Adjustment will respectively increase or decrease by $0.85 million, assuming the Completion Date is on or before 28 July 2003.

SCHEDULE 3

ALLOCATION OF AGGREGATE PURCHASE PRICE

1.	Share Assets		
	(a)	Uecomm Shares	[APP – WAGH Shares – Uecomm Loan] x 31.73%[1]
	(b)	NPS Shares	[APP – WAGH Shares – Uecomm Loan] x 68.27%[1]
	(c)	WAGH Shares	The lesser of: (i) $153 million[2]; and (ii) the balance of APP after the Uecomm Loan
2.	Loan Assets		
	(a)	Uecomm Loan	$Amount drawn down under the Uecomm Loan at Completion Date
3.	Intellectual Property Assets		$Nil

[1] The allocation of residual consideration after Uecomm Loan and WAGH Shares is in accordance with the PwC Accounting Structure Report.

[2] This represents the value of the underlying WAGH asset being 36 million Alinta Limited shares at $4.25 per share.

SCHEDULE 4

VENDORS' WARRANTIES AND REPRESENTATIONS

1. **STATUS**

(Vendors) The First Vendor is a public company under the Corporations Act incorporated in Victoria. The Second Vendor and Third Vendor are proprietary companies limited by shares under the Corporations Act incorporated respectively in Victoria and Queensland.

2. **ACCURACY OF INFORMATION**

(Recital A) The details set out in Recital A are true, complete and accurate, and the First Vendor is the sole registered holder of the specified Share Assets.

3. **TITLE TO SHARE ASSETS**

(a) **(title)** The issued shares in Uecomm, NPS and WAGH are fully paid (including any premiums), and the First Vendor as registered holder of the Share Assets will have full power and authority to transfer full legal and beneficial ownership of the Share Assets at Completion.

(b) **(no constitution restriction)** There is no restriction on transfer of any of the Share Assets to the Buyer contained in the constitution of the First Vendor.

(c) **(other restrictions)** There is no agreement restricting transfer of any of the Share Assets.

(d) **(at Completion)** At Completion, the Buyer will receive absolute ownership of the Share Assets and title to the Share Assets, free of Encumbrances.

4. **TITLE TO LOAN ASSETS**

(e) **(title)** The Third Vendor as registered holder of the Loan Assets will have full power and authority to transfer full legal and beneficial ownership of the Loan Assets at Completion.

(f) **(no constitution restriction)** There is no restriction on transfer of any of the Loan Assets to the Buyer contained in the constitution of the Third Vendor.

(g) **(other restrictions)** There is no agreement restricting transfer of any of the Loan Assets.

(h) **(at Completion)** At Completion, the Buyer will receive absolute ownership of the Loan Assets, and title to the, free of Encumbrances.

5. **EXTENT OF INTEREST IN UECOMM, NPS AND WAGH**

(i) **(issued capital)** the shares specified in Schedule 3 are all of the issued securities owned by the First Vendor in the capital of Uecomm, NPS and WAGH.

(j) **(issue was compliant)** Uecomm, NPS and WAGH did not contravene their constitution, any applicable law or any Authorisation of a governmental agency by issuing any of the Share Assets.

(k) **(no voting arrangement)** Other than any agreement to which the Buyer is a party there is no document, arrangement or understanding about the exercise of voting rights attaching to any share in or security of Uecomm, NPS or WAGH.

(l) **(no agreement to issue)** There is no agreement, arrangement or understanding, or issued security which gives or may give to any person the right to require now or in the future, the issue of any securities in Uecomm, NPS or WAGH.

SCHEDULE 5

TRADE MARK AND PATENT ASSETS

Part 1: TRADE MARKS

Type/Status	Australian Registration Number	Mark	Class
Registered	799632	UE device	9, 38
Registered	803894	U E COMM (device)	9, 38
Registered	842720	UECOMM	9, 38, 42
Registered	816578	UE LIGHTWARE (device)	9, 38
Registered	721449	UE UNITED ENERGY TELECOMMUNICATIONS (device)	38
Registered	719424	UNITED ENERGY TELECOMMUNICATIONS	38
Registered	734007	UNITED ENERGY GATEWAY	38
Registered	719423	UNITED ENERGY TELECOMS	38
Registered	786947	UNITED ENERGY ACCESS	9, 38, 39
Registered	816579	UE ACCESS (device)	9, 38, 39
Common Law	NA	UECOMM	NA
Common Law	NA	UE UNITED ENERGY TELECOMMUNICATIONS	NA
Common Law	NA	UE COM	NA
Common Law	NA	UE COMM	NA
Common Law	NA	UE LIGHTWARE	NA
Common Law	NA	UE ACCESS	NA

Part 2: PATENTS

All patents and patent applications relating to the termination circuit invention in any jurisdiction including the following patents and patent applications, and all divisions, continuation, continuation in part, supplemental disclosure, amendment and reissues thereof and thereto:

Jurisdiction	Application/Patent No
Australia	739897
Canada	2275986
Eurasia	199900594
Europe	97948647.9
Hong Kong	00102195.9
Indonesia	W-990585
Malaysia	PI9706292
New Zealand	336192
Peoples Republic of China	97181000.1
Thailand	041514
USA	09/331396
Vietnam	S19990491

SCHEDULE 6

UECOMM LOAN DEED OF NOVATION

BLAKE DAWSON WALDRON

L A W Y E R S

Uecomm Loan Deed of Novation

Uecomm Limited

ABN 56 079 083 195

United Energy Finance Pty Limited

ABN 12 072 214 932

Alinta Finance Pty Ltd

ABN 94 089 531 993

Alinta Ltd

ABN 40 087 857 001

Level 39
101 Collins Street
MELBOURNE VIC 3000
Telephone: 9679 3000
Fax: 9679 3111

Date:

LAWK JWLA 09 1315 5927

CONTENTS

UECOMM LOAN DEED OF NOVATION

DATE

PARTIES

Uecomm Limited ABN 56 079 083 195 ("**Uecomm**")

United Energy Finance Pty Limited ABN 12 072 214 932 in its own capacity and in its capacity as trustee of the UE Finance Trust ("**UE Finance**")

Alinta Finance Pty Ltd ABN 94 089 531 993 ("**Alinta Finance**")

Alinta Limited ABN 40 087 857 001 ("**Alinta**")

RECITALS

A. Uecomm and UE Finance are parties to the Uecomm Loan Agreement.

B. UE Finance holds the benefit of the Uecomm Loan Agreement as trustee for the Trust.

C. Alinta Finance is to be substituted for UE Finance under the Uecomm Loan Agreement on the terms set out below.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document.

Authorisation means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a public authority acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

Alinta Group means Alinta and any of its Subsidiaries (including Alinta Finance).

Business Day means a day that is not a Saturday, Sunday or public holiday in Melbourne, Sydney or Perth.

Claim means any allegation, debt, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under state or otherwise and which any party may have against another.

Completion Date means the Implementation Date (as that term is defined in the Implementation Agreement) or such other date as the parties agree.

Corporations Act means the *Corporations Act 2001* (Cth).

Government Agency means any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

Guaranteed Obligations means the obligations of Alinta Finance to Uecomm (monetary or non monetary, present or future, actual or contingent) arising under or in connection with the Uecomm Loan Agreement as amended and novated by this deed.

Implementation has the meaning given in the Implementation Agreement.

Implementation Agreement means the agreement between United Energy Limited, Power Partnership Pty Limited, Alinta Limited, AMP Life Limited, AMP Investment Services Pty Ltd and AMP Henderson Global Investors Limited dated 22 April 2003.

Subordination Deed means the deed of subordination entered into between United Energy Limited and Uecomm in the form set out in Annexure B.

Tax means a tax, levy, duty, charge, deduction or withholding, (however it is described,) that is imposed by a Government Agency, together with any related interest, penalty, fine or other charge, other than one that is imposed on net income.

Trust means the UE Finance Trust constituted under the Trust Deed.

Trust Deed means trust deed executed by UE Finance on 15 May 2002.

Trust Fund has the meaning given in the Trust Deed.

Uecomm Loan Agreement means the loan facility letter between UEL and Uecomm dated 29 June 2000 as amended by agreement between UEL and Uecomm, assigned to UE Finance under an assignment deed between UEL and UE Finance dated 15 May 2002 as amended by agreements between UE Finance and Uecomm dated 18 November 2002 and 9 May 2003, a copy of which is set out in Annexure A.

UEL means United Energy Limited ABN 70 064 651 029.

UEL Scheme means the scheme of arrangement proposed by Power Partnership Pty Limited ABN 48 070 061 282 in respect of shares in UEL not already owned by it.

1.2 Terms defined in the Uecomm Loan Agreement

Terms that are not defined in clause 1.1 and that are defined in the Uecomm Loan Agreement (as amended by this document) have the same meaning in this document.

1.3 Rules for interpreting this document

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The word "**agreement**" includes an undertaking or other binding arrangement or understanding, whether or not in writing.

1.4 Business Days

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

1.5 Multiple parties

If a party to this document is made up of more than one person, or a term is used in this document to refer to more than one party:

(a) an obligation of those persons is joint and several;

(b) a right of those persons is held by each of them severally; and

(c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking is given by each of them separately.

2. CONSIDERATION

Each party acknowledges that it has received valuable consideration for entering into this document.

3. CONDITION PRECEDENT

The parties' obligations under this deed are conditional upon:

(a) the UEL Scheme becoming effective. The UEL Scheme becoming effective refers to the time when registration of the share transfers occurs upon Implementation of the UEL Scheme in accordance with the Implementation Agreement;

(b) there being no material adverse change prior to the Completion Date, affecting the financial or trading position or prospects of the Alinta Group. A material adverse change includes any event or circumstances that would result in a Standard & Poors credit rating for either of Alinta or Alinta Finance to a level lower than "BBB" if it were to be rated; and

(c) Uecomm receiving a letter from Alinta, in a form acceptable to Uecomm (acting reasonably) whereby Alinta undertakes to use best endeavours to procure that, subject always to their legal and fiduciary obligations, any directors appointed by Alinta to the board of Uecomm will at the next board meeting of Uecomm following the Completion Date, vote to ratify that part of the Corporate Governance Manual currently adopted by the Uecomm Board entitled 'Related Party Protocol' in the section dealing with 'Board Guidelines on Significant Corporate Governance Issues'.

4. ACKNOWLEDGMENT

4.1 Form of Uecomm Loan Agreement

The parties acknowledge and agree that the terms of the Uecomm Loan Agreement as at the date of this deed are those set out in the form of the Uecomm Loan Agreement in Annexure A (including any amendment made by any documents included in Annexure A).

4.2 Amount of Uecomm Loan outstanding

The parties acknowledge that the amount of principal and interest outstanding under the Uecomm Loan Agreement as at 10 July 2003 is:

(a) principal - $43,700,000; and

(b) interest - $95,780.82.

5. NOVATION

5.1 Novation by assumption and release

Subject to clause 5.2 and 5.3, with effect on and from the Completion Date:

(a) Alinta Finance has rights against, and owes obligations to, Uecomm in connection with the Uecomm Loan Agreement as if the Alinta Finance had been a party to the Uecomm Loan Agreement instead of the UE Finance;

(b) Uecomm has rights against, and owes obligations to, Alinta Finance in connection with the Uecomm Loan Agreement as if Alinta Finance had been a party to the Uecomm Loan Agreement instead of UE Finance;

(c) Uecomm and UE Finance have no further rights against each other or obligations to each other in connection with the Uecomm Loan Agreement;

(d) Alinta Finance becomes a party to the Uecomm Loan Agreement in place of UE Finance;

(e) Alinta Finance has rights against, and owes obligations to, Uecomm in connection with the Subordination Deed as if Alinta Finance had been a party to the Subordination Deed instead of UEL;

(f) Uecomm has rights against, and owes obligations to, Alinta Finance in connection with the Subordination Deed as if Alinta Finance had been a party to the Subordination Deed instead of UEL;

(g) Uecomm and UEL have no further rights against each other or obligations to each other in connection with the Subordination Deed ; and

(h) Alinta Finance becomes a party to the Subordination Deed in place of UEL.

5.2 Rights and obligations arising before the Completion Date

Clause 5.1 applies to all rights and obligations between UE Finance and Uecomm (whether present or future, actual or contingent), other than rights or obligations that arise prior to the Completion Date.

5.3 Amendments

(a) With effect from the Completion Date, the Uecomm Loan Agreement is amended as follows:

(i) in clause 2, the reference to '29 December 2004' is deleted and replaced with '29 June 2006';

(ii) a new paragraph is added at the end of clause 2 as follows:

Once you give notice that you wish to draw down under the Facility, we will ensure that cleared funds equal to the amount drawn down will be deposited in your nominated account within 5 Business Days of such notice.

(iii) a new paragraph is added at the end of clause 18 as follows:

We acknowledge that we will not permit any person other than Alinta, to hold or acquire a Relevant Interest (within the meaning given to that term in the Corporations Act) in us without your prior written consent.

(b) Except as specifically amended by this deed, the provisions of the Uecomm Loan Agreement remain in full force and effect. With effect from the Completion Date the Uecomm Loan Agreement as amended by this deed is to be read as a single integrated document incorporating the amendments referred to in this deed.

6. RELEASE

6.1 Release by UE Finance

(a) UE Finance releases Uecomm from all Claims and liabilities arising on and after the Completion Date.

(b) This release is given regardless of when the obligation, liability or Claim arises and whether or not UE Finance is now or in the future aware of the facts and circumstances relevant to any obligation, liability or Claim.

6.2 Release by Uecomm

(a) Uecomm releases UE Finance from all Claims and liabilities arising on and after the Completion Date.

(b) This release is given regardless of when the obligation, liability or Claim arises and whether or not Uecomm is now or in the future aware of the facts and circumstances relevant to any obligation, liability or Claim.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations and warranties of parties

Each party represents and warrants that:

(a) **(status)** it is a company limited by shares under the Corporations Act;

(b) **(power)** it has full legal capacity and power:

(i) to own its property and assets and to carry on its business; and

(ii) to enter into this document and to carry out the transactions that it contemplates;

(c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its entry into this document and to carry out the transactions that it contemplates;

(d) **(Authorisations)** it holds each Authorisation that is necessary or desirable:

(i) to execute this document and to carry out the transactions that it contemplates; and

(ii) to ensure that this document is legal, valid, binding and admissible in evidence,

and it is complying with any conditions to which any of these Authorisations is subject;

(e) **(document effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration; and

(f) **(no contravention)** neither its execution of this document, nor the carrying out by it of the transactions that it contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property; or

(iv) contravene its constitution.

7.2 Trustee representations and warranties

UE Finance (both in its own right and as trustee of the Trust) represents and warrants to Alinta Finance that:

(a) **(status of Trust)** the Trust is duly constituted and has not terminated, nor has the date or any event occurred for the vesting of the Trust Fund;

(b) **(status as trustee)** it is the sole trustee of the Trust, it has not given any notice of resignation and no action has been taken to remove it or to appoint an additional trustee of the Trust;

(c) **(trust power)** it has full legal capacity and power under the Trust Deed to:

(i) own the Trust Fund and carry on the business of the Trust as it is now being conducted; and

(ii) enter into this document and to carry out the transactions that this document contemplates,

as trustee of the Trust;

(d) **(trust authority)** all action that is necessary or desirable under the Trust Deed or at law to:

(i) authorise its entry into this document and its carrying out the transactions that this document contemplates;

(ii) ensure that this document is legal, valid and binding on it as trustee of the Trust and admissible in evidence against it in that capacity; and

(iii) enable it to properly carry on the business of the Trust,

has been taken;

(e) **(benefit of beneficiaries)** it is entering into this document as part of the proper administration of the Trust, for the commercial benefit of the Trust and for the benefit of the beneficiaries of the Trust;

(f) **(right of indemnity)**:

(i) it has the right to be fully indemnified out of the Trust Fund in relation to this document, and the right has not been modified, released or diminished in any way;

(ii) the Trust Fund is sufficient to satisfy that right in full; and

(iii) it has not released or disposed of its equitable lien over the Trust Fund;

(g) **(terms of Trust)** it has disclosed to Alinta Finance full particulars of the Trust and of any other trust or fiduciary relationship affecting the Trust Fund and, without limiting this, has given Alinta Finance a complete and up-to-date copy of the Trust Deed;

(h) **(no breach)** it is not in breach of any of its obligations as trustee of the Trust, whether under the Trust Deed or otherwise; and

(i) **(no resettlement)** no part of the Trust Fund has been resettled, set aside or transferred to any other person, whether as trustee or otherwise, or mixed with any other property.

7.3 Further representation and warranty by UE Finance

UE Finance also represents and warrants to Alinta Finance and to Uecomm that the terms in the Uecomm Loan Agreement are legal and binding, and the Uecomm Loan Agreement is enforceable in accordance with its terms.

7.4 Representation and warranty concerning default

UE Finance represents and warrants to the other parties that it is not in default under the Uecomm Loan Agreement.

7.5 Repetition of representations and warranties

The representations and warranties in this clause are taken to be repeated on the Completion Date on the basis of the facts and circumstances as at that date.

7.6 Reliance on representations and warranties

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that it contemplates in reliance on the representations and warranties that are made or repeated in this clause.

8. INDEMNITIES

8.1 Indemnity by Alinta Finance

Alinta Finance will indemnify UE Finance on demand against any Claim, damage, loss, costs, charge, expense, outgoing or payment which UE Finance suffers, incurs or is liable for in respect of Uecomm Loan Agreement on or after the Completion Date.

8.2 Indemnity by UE Finance

UE Finance will indemnify Alinta Finance on demand against any Claim, damage, loss, costs, charge, expense, outgoing or payment which Alinta Finance suffers, incurs or is liable for in respect of an act or omission of UE Finance in respect of the Uecomm Loan Agreement prior to the Completion Date.

9. GUARANTEE AND INDEMNITY BY ALINTA

9.1 Obligations guaranteed

In consideration for the entry into this deed by Uecomm at Alinta's request, Alinta guarantees to Uecomm the due and punctual performance by Alinta Finance of the Guaranteed Obligations.

9.2 Consequences of Alinta Finance's defaults

If Alinta Finance defaults in the due and punctual performance of any Guaranteed Obligation, Alinta :

(a) indemnifies Uecomm against all losses, liabilities and expenses (including legal expenses on a full indemnity basis) that Uecomm incurs (directly or indirectly) as a result of that default; and

(b) must pay the amount of those losses, liabilities and expenses on demand to, or as directed by, Uecomm without any set off, counter claim, condition or deduction.

9.3 Nature of obligations and enforcement

Alinta's obligations in this document are principal obligations and may be enforced against Alinta without Uecomm first being required to exhaust any remedy it may have against Alinta Finance or enforce any security it may hold relating to the Guaranteed Obligations.

9.4 Continuity and preservation of Alinta's obligations

The guarantee and indemnity contained in this document is a continuing obligation of Alinta, despite any settlement of account or the occurrence of any other thing and remains in full force and effect until all Guaranteed Obligations, contingent or otherwise, have been satisfied in full. Alinta's obligations in this document are absolute, unconditional and irrevocable. Alinta's obligations under this document are principal obligations and the liability of Alinta under this document extends to and is not affected by any circumstance, act or omission which, but for this subclause, might otherwise affect it at law or in equity.

9.5 Indemnity in respect of the Guaranteed Obligations

Alinta (as primary obligor) unconditionally indemnifies Uecomm against, and must pay Uecomm on demand the amount of, any loss that Uecomm may suffer (directly or indirectly) because the Guaranteed Obligations are unenforceable.

10. NOTICES

10.1 How to give a notice

A notice, consent or other communication under this document is only effective if it is:

(a) in writing, signed by or on behalf of the person giving it;

(b) addressed to the person to whom it is to be given; and

(c) either:

(i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or

(ii) sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full.

10.2 When a notice is given

A notice, consent or other communication that complies with this clause is regarded as given and received:

(a) if it is delivered or sent by fax:

(i) by 5.00 pm (local time in the place of receipt) on a Business Day - on that day; or

(ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day; and

(b) if it is sent by mail - on actual receipt.

10.3 Address for notices

A person's address and fax number are those set out below, or as the person notifies the sender:

Uecomm
Address: 126 Trenerry Crescent, Abbotsford, Victoria

Fax number: (03) 9221 4193
Attention: General Counsel

UE Finance
Address: Level 13, 101 Collins Street, Melbourne, Victoria
Fax number: (03) 9222 9120
Attention: Company Secretary

Alinta Finance
Address: 422 Warrigal Road, Moorabbin, Victoria
Fax number: (03) 9265 7703
Attention: Company Secretary

Alinta
Address: 422 Warrigal Road, Moorabbin, Victoria
Fax number: (03) 9265 7703
Attention: Company Secretary

11. GENERAL

11.1 Governing law

(a) This document is governed by the law in force in Victoria.

(b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Victoria, and any court that may hear appeals from any of those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

11.2 Liability for expenses

Each party will bear and be responsible for its own legal, accounting and advisory costs and expenses in connection with the negotiation, preparation, completion and carrying into effect of this deed and any instrument or transfer contemplated in or necessary to give effect to this deed.

11.3 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that any other party may reasonably require to give full effect to this document.

11.4 Amendment

This document can only be amended, supplemented, replaced or novated by another document signed by the parties.

11.5 Counterparts

This document may be executed in counterparts.

11.6 Attorneys

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

EXECUTED as a deed.

SIGNED for **UNITED ENERGY FINANCE PTY LIMITED** under power of attorney in the presence of:	
	Signature of attorney
Signature of witness	Name
Name	Date of power of attorney

SIGNED for **UECOMM LIMITED** under power of attorney in the presence of:	
	Signature of attorney
Signature of witness	Name
Name	Date of power of attorney

SIGNED for **ALINTA FINANCE PTY LTD** under power of attorney in the presence of:

Signature of attorney

Signature of witness

Name

Name

Date of power of attorney

SIGNED for **ALINTA LIMITED** under power of attorney in the presence of:

Signature of attorney

Signature of witness

Name

Name

Date of power of attorney

ANNEXURE A

UECOMM LOAN AGREEMENT

United Energy Limited
(ACN 064 651 029)
Level 13, 101 Collins Street, Melbourne, Victoria 3000

Date: 29 June 2000

UE Comm Pty Limited (ACN 079 083 195)

Attention: the Company Secretary

Dear Sir

Following recent discussions we offer you a loan facility (the ***Facility***) on the following terms and conditions.

1. **LIMIT**

The maximum principal amount of the cash advances to be made available under the Facility is A$80,000,000 or such higher amount as the parties may agree from time to time (the ***Limit***).

2. **DRAWINGS**

Subject to this Agreement, you may at any time commencing on the Commencement Date and ending on the Repayment Date make drawings under the Facility, provided that the Principal Outstanding after any drawing does not exceed the Limit.

3. **REPAYMENT**

You will repay the whole of the Principal Outstanding together with accrued interest and all other amounts outstanding under this Agreement to us on the date which is 7 years from the date that this offer is accepted (the ***Repayment Date***).

4. **TEMPORARY PREPAYMENT**

You may prepay in whole or in part amounts drawn under this Agreement at any time.

5. **INTEREST**

5.1 **Payment and rate**

Interest will accrue on the Principal Outstanding in respect of each Interest Period and will be due and payable by you in arrears on each Interest Due Date.

The interest rate applicable to the Principal Outstanding will be 8% per annum or such other rate as we may agree, calculated on daily balances of the Principal Outstanding.

A certificate signed by one of our directors or secretaries will be conclusive evidence (in the absence of manifest error) of all amounts payable by you under this Agreement.

5.2 Carry-forward

If in respect of any Interest Due Date you consider that you will have insufficient operating cash flow to pay all or part of the interest due, you must give us as much written notice as practicable, with all relevant details.

We may, at our discretion, agree to defer payment of all or part of the interest due to a subsequent Interest Due Date and such interest will not be due until that subsequent Interest Due Date. Interest continues to accrue on any amount of interest so deferred. Any payments made by you on subsequent Interest Due Dates will be applied so far as they extend:

(a) first, in or towards payment of interest accruing on the Principal Outstanding after the original Interest Due Date;

(b) secondly, in or towards payment of the amount of interest deferred under this Clause 5.2 and interest on the deferred interest.

6. CHARGES AND EXPENSES

You will pay and/or reimburse us on demand all charges and expenses which we may incur or become liable to pay in connection with the preparation, execution, implementation or enforcement of this Agreement, including, without limitation, any stamp duty, financial institutions duty, debits tax, any other tax, duty or impost, legal fees (on a full indemnity basis) and out-of-pocket expenses.

7. OVERDUE MONEY

You will pay interest, on each Interest Due Date, on all amounts which from time to time fall due for payment under this Agreement but are unpaid both before and (as a separate and independent obligation) after judgment, at the Overdue Money Rate from time to time computed on daily balances from the date such amounts fall due for payment until they are paid or satisfied.

8. GST

All amounts payable under this Agreement are expressed to be exclusive of GST. If GST is payable on a Taxable Supply made by us under this Agreement the amount payable by you for that Taxable Supply will be the amount provided for in or under this Agreement to be payable or deductible, plus GST.

In this Clause, ***GST*** and ***Taxable Supply*** have the meanings given in section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999*.

9. SUBORDINATION

Notwithstanding any other provision of this Agreement, we acknowledge that our rights under this Agreement are subject to the subordination deed to be entered into with you on or about the date of this offer.

10. APPLICATION OF FUNDS

Subject to Clause 5.2, funds available to you must be applied in respect of us, in the following order:

(a) first, interest payments under Clause 5.1;

(b) secondly, interest payments (if any) under Clause 5.2;

(c) thirdly, prepayments under Clause 4; and

(d) fourthly, in other payments or repayments under the Facility as and when they accrue.

11. CONDITIONS PRECEDENT

11.1 General condition precedent

It is a condition precedent to the availability of the first drawing that you deliver to us an acceptance in the form of the Acceptance of Offer, duly signed by way of formal acceptance.

11.2 Further conditions precedent to each drawing

Our obligation to make available any drawing is subject to the further conditions precedent that:

(a) **(representations true)** your representations and warranties in this Agreement are true in all material respects as at the date of the relevant drawing as though they had been made at that date in respect of the facts and circumstances then subsisting; and

(b) **(no default)** no Event of Default or event which with the giving of notice or passage of time or both would become an Event of Default is subsisting as at the date of the relevant drawing or will result from the drawing.

12. PAYMENTS

You will pay all money due to us under this Agreement in normal banking hours to the account nominated by us from time to time in immediately available funds without set-off, counterclaim or any deduction of any kind.

If any payment is due on a day which is not a Business Day it will be made on the next Business Day and interest adjusted accordingly.

13. REPRESENTATIONS AND WARRANTIES

By your acceptance of the offer contained in this letter, you represent and warrant as follows.

(a) **(Corporate power and authorisation)** You have the power to enter into and perform this Agreement and have taken all corporate and other action necessary to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement.

(b) **(Document binding)** This Agreement is your valid and binding obligation enforceable in accordance with its terms.

The representations and warranties set out above will survive the execution and delivery of, and the provision of accommodation under, this Agreement. They will be deemed repeated on each date a drawing is made under Clause 2.

14. EVENTS OF DEFAULT

14.1 Events of Default

Each of the following is an Event of Default (whether or not it is in your control).

(a) **(Obligations under documents)** You fail:

(i) to pay within 3 Business Days an amount payable by you under this Agreement when due;

(ii) to comply with any of your other obligations under this Agreement and, if in our reasonable opinion that failure can be remedied within 30 days after it occurs, to remedy the failure within that period; or

(iii) to satisfy within the stipulated time anything which we made a condition of our waiving compliance with a condition precedent or undertaking in this Agreement.

(b) **(Misrepresentation)** A representation, warranty or statement by you in this Agreement, or in connection with the Facility, proves to have been incorrect or misleading in any material respect when made or repeated.

(c) **(Cross default)**

(i) Any present or future indebtedness exceeding $10,000,000 of you or any of your subsidiaries for money borrowed or raised or any financial accommodation whatever (including without limitation any lease or hiring arrangement):

(A) is not paid when due (or within an applicable grace period); or

(B) becomes due and payable before its stated maturity or expiry; or

(ii) a facility or obligation granted or owed by a person to you to provide financial accommodation of an amount exceeding $10,000,000 is prematurely terminated.

(d) **(Winding up, arrangements, insolvency etc)**

(i) You or any of your subsidiaries ceases, suspends or threatens to cease or suspend the conduct of all or substantially all of your or its respective business or disposes of or threatens to dispose of all or substantially all of your or its respective assets (other than, in any case, for the purposes of a bona fide solvent intra-group reorganisation);

(ii) you or any of your subsidiaries stops or suspends or threatens to stop or suspend payment of all or any class of your or its respective debts;

(iii) you or any of your subsidiaries is insolvent within the meaning of section 95A of the Corporations Law;

(iv) an administrator is appointed to you or any of your subsidiaries; or

(v) an application or an order is made, proceedings are commenced, a resolution is passed or proposed in a notice of meeting or an application to a court or other steps are taken for:

(A) the winding up or dissolution of you or any of your subsidiaries; or

(B) you or any of your subsidiaries entering into any arrangement, compromise or composition with or assignment for the benefit of its creditors or any class of them or any of them,

and any such application or proceeding is not dismissed, withdrawn or stayed within 21 days.

(e) **(Enforcement against assets)**

(i) A controller (within the meaning of section 9 of the Corporations Law) or similar officer is appointed to;

(ii) a Security Interest is enforced over; or

(iii) a distress, attachment or other execution is levied or enforced over,

all or any material part of your assets and undertaking or those of any of your subsidiaries.

(f) **(Reduction of capital)** Without our prior consent, you or any of your subsidiaries:

(i) reduces its capital (including, without limitation, a purchase of its shares but excluding a redemption of redeemable shares);

(ii) passes a resolution to reduce its capital or to authorise it to purchase its shares or a resolution under section 254N or 260B of the Corporations Law or any equivalent provision, or calls a meeting to consider such a resolution; or

(iii) applies to a court to call any such meeting or to sanction any such resolution or reduction.

Nothing in this paragraph (f) prevents you from purchasing your shares in an amount up to $130,000,000 *million* on or prior to 30 June 2000.

(g) (Vitiation of this Agreement)

(i) All or any material part of this Agreement is terminated or is or becomes void, illegal, invalid, unenforceable or of limited force and effect;

(ii) a party (other than ourselves) becomes entitled to terminate, rescind or avoid all or part of this Agreement.

14.2 Consequences

In addition to any other rights provided by law or by this Agreement, but subject to Clause 9, at any time after an Event of Default we may by notice to you declare all money actually or contingently owing under this Agreement immediately due and payable, and you will immediately repay the Principal Outstanding and pay accrued interest and fees and all such other money.

15 NOTICES

Any notice, demand, consent or other communication (the *Notice*) given or made under this Agreement:

(a) must be in writing and signed by a person duly authorised by the sender;

(b) must either be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or fax to the address, or fax number below or the address or fax number last notified by the intended recipient to the sender:

(i) to you: Ue Comm Pty Limited

Attention: The Company Secretary
Fax No: 03 9222 9120

(ii) to us: United Energy Limited

Attention: The Company Secretary
Fax No: (03) 9222 9120

(c) will be taken to be duly given or made:

(i) in the case of delivery in person, when delivered;

(ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and

(iii) in the case of fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages, the correct destination fax machine number and the result of the transmission as "OK",

but if the result is that a Notice would be taken to be given or made on a day which is not a business day in the place to which the Notice is sent or is later than 4 pm (local time) it will be taken to have been duly given or made at the commencement of business on the next business day in that place.

16. ASSIGNMENT

Neither of us may assign or transfer any of our rights or obligations under this Agreement without the prior written consent of the other.

17. REMEDIES

For the avoidance of doubt, but subject to Clause 9, nothing in this Agreement or any interest that any of our Related Bodies Corporate may hold in you, affects the nature of any advance made to you pursuant to this Agreement as a loan or prohibits or fetters in any manner our ability to enforce our rights in respect of this Agreement.

18. GOVERNING LAW

This Agreement is governed by the laws of Victoria. You submit to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this Agreement.

19. DEFINITIONS AND INTERPRETATION

19.1 Definitions

The following definitions apply unless the context requires otherwise.

Acceptance of Offer means the form of acceptance of offer set out in the enclosed copy of this letter.

this Agreement means the agreement constituted by your acceptance of the offer contained in this letter.

Business Day means a day on which banks are open for business in Melbourne.

Commencement Date means the date on which all the conditions set out in Clause 11 have been satisfied.

Event of Default means any of the events specified in Clause 14.

Governmental Agency means any government or any governmental, semi-governmental or judicial entity or authority.

Interest Due Date means the last Business Day of each Interest Period.

Interest Period means, in relation to any advance under this Agreement, any period agreed between you and us except that:

(a) if an Interest Period would otherwise end on a day which is not a Business Day, it will be extended to the next Business Day;

(b) the final Interest Period will end on the Repayment Date.

Limit has the meaning specified in Clause 1.

Overdue Money Rate means at any time the sum of 2% per annum and the interest rate specified in Clause 5 for periods of such length as we may reasonably select applicable from time to time (expressed as a percentum per annum).

Principal Outstanding means the aggregate principal amount of all advances provided under this Agreement and from time to time outstanding.

Repayment Date has the meaning specified in Clause 3.

Security Interest includes any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind or any other right of, or arrangement with, any creditor to have its claims satisfied in priority to other creditors with, or from the proceeds of, any asset. Without limitation it includes retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security but it excludes a charge or lien arising in favour of a Governmental Agency by operation of statute unless there is default in payment of money secured by that charge or lien.

20. INTERPRETATION

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

(a) References to 'you' or 'your' mean Ue Comm Pty Limited and references to 'we', 'us' or 'our' mean United Energy Limited.

(b) The singular includes the plural and conversely.

(c) A gender includes all genders.

(d) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(e) A reference to a Clause is a reference to a Clause of this Agreement.

(f) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of the foregoing.

(g) A reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes or assigns (and, where applicable, the party's legal personal representatives).

(h) A reference to an agreement or document is to the agreement or document as amended, novated, supplemented or replaced from time to time.

(i) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

21. ACCEPTANCE

The offer contained in this letter remains open for acceptance until 11.59pm (Melbourne time) on 30 June 2000 (or any later time or date agreed by us). If you wish to accept the offer, you may do so by signing the Acceptance of Offer and returning it to us at our address specified in Clause 15.

22. AGREEMENT

A contract resulting from the acceptance of the offer outlined in this letter constitutes an agreement between the parties and not rights and obligations imposed by deed.

Yours faithfully

Signed for and on behalf of **United Energy Limited** by its duly authorised attorney in the presence of:

Attorney's Signature

LGOULDING

Print Name

Witness Signature

TRUDI LODGE

Print Name

Amendment Agreement

ALLENS
ARTHUR ROBINSON
GROUP

Uecomm Limited

and

United Energy Limited

Arthur Robinson & Hedderwicks
Stock Exchange Centre
530 Collins Street
Melbourne 3000 Australia
Tel 61 3 9614 1011
Fax 61 3 9614 4661

bkm M0110744035v1 949133 TAL:DYB

Amendment Agreement

Arthur Robinson
& Hedderwicks

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Amendment Agreement

Arthur Robinson
& Hedderwicks

Date

Parties

1. **Uecomm Limited** (formerly Ue Comm Pty Limited) (ACN 079 083 195) of Level 13, 101 Collins Street, Melbourne, Victoria 3000.

2. **United Energy Limited** (ACN 064 651 029) of Level 13, 101 Collins Street, Melbourne, Victoria 3000.

Recitals

A The parties have entered into to an Agreement dated 29 June 2000 under which United Energy Limited agreed to make available to Uecomm Limited an A$80,000,000 loan facility (the ***Principal Agreement***).

B The parties wish to amend the Principal Agreement in the manner set out in this Agreement.

It is agreed as follows.

1. Definitions and interpretation

(a) Words which are defined in the Principal Agreement and which are used in this Agreement have the same meaning in this Agreement as in the Principal Agreement, unless the context requires otherwise.

(b) The provisions of Clause 22 of the Principal Agreement form part of this Agreement as if set out at length in this Agreement.

2. Amendments

The Principal Agreement is amended to read as set out in the Schedule.

3. Effective Date

This Agreement takes effect, and the parties agree to be bound by the Principal Agreement as amended by this Agreement, from the date of this Agreement (the ***Effective Date***).

4. Remaining provisions unaffected

Except as specifically amended by this Agreement, all terms and conditions of the Principal Agreement remain in full force and effect. With effect from the Effective Date (as defined in Clause 3), the Principal Agreement as amended by this Agreement is to be read as a single integrated document incorporating the amendments effected by this Agreement.

5. Governing law and jurisdiction

This Agreement is governed by the laws of Victoria. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction in connection with matters concerning this Agreement.

6. Counterparts

This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Amendment Agreement

Arthur Robinson
& Hedderwicks

Executed in Melbourne.

Each attorney executing this Agreement states that he or she has no notice of revocation or suspension of his or her power of attorney.

Uecomm Limited

The Common Seal of Uecomm Limited was duly affixed in the presence of:

UECOMM LIMITED ACN 079 083 195
THE COMMON SEAL OF

Director/Secretary

L GOULDING

Print Name

Director

Print Name

United Energy Limited

The Common Seal of United Energy Limited was duly affixed in the presence of:

UNITED ENERGY LTD ACN 064 651 029
THE COMMON SEAL OF

Director/Secretary

L GOULDING

Print Name

Director

Print Name

Schedule

United Energy Limited
(ACN 064 651 029)
Level 13, 101 Collins Street, Melbourne, Victoria 3000

Date: 29 June 2000

Ue Comm Pty Limited (ACN 079 083 195)

Attention: the Company Secretary

Dear Sir

Following recent discussions we offer you a loan facility (the ***Facility***) on the following terms and conditions.

1. **LIMIT**

   The maximum principal amount of the cash advances to be made available under the Facility is A$80,000,000 or such higher amount as the parties may agree from time to time (the ***Limit***).

2. **DRAWINGS**

   Subject to this Agreement, you may at any time commencing on the Commencement Date and ending on the Repayment Date make drawings under the Facility, provided that the Principal Outstanding after any drawing does not exceed the Limit.

3. **REPAYMENT**

   You will repay the whole of the Principal Outstanding together with accrued interest and all other amounts outstanding under this Agreement to us on the date which is 3 years from the date that this offer is accepted (the ***Repayment Date***).

4. **TEMPORARY PREPAYMENT**

   You may prepay in whole or in part amounts drawn under this Agreement at any time.

   Any amounts prepaid under this Clause 4 may be redrawn in accordance with Clause 2.

5. **CANCELLATION**

   You may cancel the Facility in whole or part at any time without penalty or premium. Any part of the Facility which is cancelled will no longer be available to you and the Limit will be reduced accordingly.

6. INTEREST

6.1 Payment and rate

Interest will accrue on the Principal Outstanding in respect of each Interest Period and will be due and payable by you in arrears on each Interest Due Date.

The interest rate applicable to the Principal Outstanding will be 8% per annum or such other rate as we may agree, calculated on daily balances of the Principal Outstanding.

A certificate signed by one of our directors or secretaries will be conclusive evidence (in the absence of manifest error) of all amounts payable by you under this Agreement.

6.2 Carry-forward

If in respect of any Interest Due Date you consider that you will have insufficient operating cash flow to pay all or part of the interest due, you must give us as much written notice as practicable, with all relevant details.

We may, at our discretion, agree to defer payment of all or part of the interest due to a subsequent Interest Due Date and such interest will not be due until that subsequent Interest Due Date. Interest continues to accrue on any amount of interest so deferred. Any payments made by you on subsequent Interest Due Dates will be applied so far as they extend:

(a) first, in or towards payment of interest accruing on the Principal Outstanding after the original Interest Due Date;

(b) secondly, in or towards payment of the amount of interest deferred under this Clause 6.2 and interest on the deferred interest.

7. CHARGES AND EXPENSES

You will pay and/or reimburse us on demand all charges and expenses which we may incur or become liable to pay in connection with the preparation, execution, implementation or enforcement of this Agreement, including, without limitation, any stamp duty, financial institutions duty, debits tax, any other tax, duty or impost, legal fees (on a full indemnity basis) and out-of-pocket expenses.

8. OVERDUE MONEY

You will pay interest, on each Interest Due Date, on all amounts which from time to time fall due for payment under this Agreement but are unpaid both before and (as a separate and independent obligation) after judgment, at the Overdue Money Rate from time to time computed on daily balances from the date such amounts fall due for payment until they are paid or satisfied.

9. GST

All amounts payable under this Agreement are expressed to be exclusive of GST. If GST is payable on a Taxable Supply made by us under this

Agreement the amount payable by you for that Taxable Supply will be the amount provided for in or under this Agreement to be payable or deductible, plus GST.

In this Clause, *GST* and *Taxable Supply* have the meanings given in section 195-1 of the *A New Tax System (Goods and Services Tax) Act 1999.*

10. SUBORDINATION

Notwithstanding any other provision of this Agreement, we acknowledge that our rights under this Agreement are subject to the subordination deed to be entered into with you on or about the date of this offer.

11. APPLICATION OF FUNDS

Subject to Clause 5.2, funds available to you must be applied in respect of us, in the following order:

(a) first, interest payments under Clause 6.1;

(b) secondly, interest payments (if any) under Clause 6.2;

(c) thirdly, prepayments under Clause 4; and

(d) fourthly, in other payments or repayments under the Facility as and when they accrue.

12. CONDITIONS PRECEDENT

12.1 General condition precedent

It is a condition precedent to the availability of the first drawing that you deliver to us an acceptance in the form of the Acceptance of Offer, duly signed by way of formal acceptance.

12.2 Further conditions precedent to each drawing

Is it a full Benefit?
If not can be waived
If so, needs to be an arms length transaction with [illegible]

Our obligation to make available any drawing is subject to the further conditions precedent that:

(a) **(representations true)** your representations and warranties in this Agreement are true in all material respects as at the date of the relevant drawing as though they had been made at that date in respect of the facts and circumstances then subsisting; and

(b) **(no default)** no Event of Default or event which with the giving of notice or passage of time or both would become an Event of Default is subsisting as at the date of the relevant drawing or will result from the drawing.

13. PAYMENTS

You will pay all money due to us under this Agreement in normal banking hours to the account nominated by us from time to time in immediately available funds without set-off, counterclaim or any deduction of any kind.

If any payment is due on a day which is not a Business Day it will be made on the next Business Day and interest adjusted accordingly.

14. REPRESENTATIONS AND WARRANTIES

By your acceptance of the offer contained in this letter, you represent and warrant as follows.

(a) **(Corporate power and authorisation)** You have the power to enter into and perform this Agreement and have taken all corporate and other action necessary to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement.

(b) **(Document binding)** This Agreement is your valid and binding obligation enforceable in accordance with its terms.

The representations and warranties set out above will survive the execution and delivery of, and the provision of accommodation under, this Agreement. They will be deemed repeated on each date a drawing is made under Clause 2.

15. UNDERTAKINGS

You undertake, while any amounts are outstanding under this Facility or this Facility is still available for drawing, as follows.

(a) **(Financial Indebtedness)** You and your subsidiaries will not incur any Financial Indebtedness except:

(i) under this Agreement;

(ii) under the A$ Loan Agreement; or

(iii) Financial Indebtedness in a total amount not exceeding A$5,000,000, except with our prior written consent.

(b) **(Distribution)** You will not declare any dividend or pay or distribute any money or other asset (including, without limitation, interest, dividend, return of capital, repayment or redemption) to or for the benefit of a shareholder (other than us) in that capacity.

16. EVENTS OF DEFAULT

16.1 Events of Default

Each of the following is an Event of Default (whether or not it is in your control).

(a) **(Obligations under documents)** You fail:

(i) to pay within 3 Business Days an amount payable by you under this Agreement when due;

(ii) to comply with any of your other obligations under this Agreement and, if in our reasonable opinion that failure can be remedied within 30 days after it occurs, to remedy the failure within that period; or

(iii) to satisfy within the stipulated time anything which we made a condition of our waiving compliance with a condition precedent or undertaking in this Agreement.

(b) **(Misrepresentation)** A representation, warranty or statement by you in this Agreement, or in connection with the Facility, proves to have been incorrect or misleading in any material respect when made or repeated.

(c) **(Cross default)**

(i) Any present or future indebtedness exceeding $10,000,000 of you or any of your subsidiaries for money borrowed or raised or any financial accommodation whatever (including without limitation any lease or hiring arrangement):

(A) is not paid when due (or within an applicable grace period); or

(B) becomes due and payable before its stated maturity or expiry; or

(ii) a facility or obligation granted or owed by a person to you to provide financial accommodation of an amount exceeding $10,000,000 is prematurely terminated.

(d) **(Winding up, arrangements, insolvency etc)**

(i) You or any of your subsidiaries ceases, suspends or threatens to cease or suspend the conduct of all or substantially all of your or its respective business or disposes of or threatens to dispose of all or substantially all of your or its respective assets (other than, in any case, for the purposes of a bona fide solvent intra-group reorganisation);

(ii) you or any of your subsidiaries stops or suspends or threatens to stop or suspend payment of all or any class of your or its respective debts;

(iii) you or any of your subsidiaries is insolvent within the meaning of section 95A of the Corporations Law;

(iv) an administrator is appointed to you or any of your subsidiaries; or

(v) an application or an order is made, proceedings are commenced, a resolution is passed or proposed in a notice of meeting or an application to a court or other steps are taken for:

(A) the winding up or dissolution of you or any of your subsidiaries; or

(B) you or any of your subsidiaries entering into any arrangement, compromise or composition with or assignment for the benefit of its creditors or any class of them or any of them, and any such application or proceeding is not dismissed, withdrawn or stayed within 21 days.

(c) (Enforcement against assets)

(i) A controller (within the meaning of section 9 of the Corporations Law) or similar officer is appointed to;

(ii) a Security Interest is enforced over; or

(iii) a distress, attachment or other execution is levied or enforced over,

all or any material part of your assets and undertaking or those of any of your subsidiaries.

(f) **(Reduction of capital)** Without our prior consent, you or any of your subsidiaries:

(i) reduces its capital (including, without limitation, a purchase of its shares);

(ii) passes a resolution to reduce its capital or to authorise it to purchase its shares or a resolution under section 254N or 260B of the Corporations Law or any equivalent provision, or calls a meeting to consider such a resolution; or

(iii) applies to a court to call any such meeting or to sanction any such resolution or reduction.

Nothing in this paragraph *(f)* prevents you from purchasing your shares in an amount up to $130,000,000 million on or prior to 30 June 2000.

(g) **(Vitiation of this Agreement)**

(i) All or any material part of this Agreement is terminated or is or becomes void, illegal, invalid, unenforceable or of limited force and effect;

(ii) a party (other than ourselves) becomes entitled to terminate, rescind or avoid all or part of this Agreement.

16.2 Consequences

In addition to any other rights provided by law or by this Agreement, but subject to Clause 10, at any time after an Event of Default we may by notice to you declare all money actually or contingently owing under this Agreement immediately due and payable, and you will immediately repay the Principal Outstanding and pay accrued interest and fees and all such other money.

17. NOTICES

Any notice, demand, consent or other communication (the *Notice*) given or made under this Agreement:

(a) must be in writing and signed by a person duly authorised by the sender;

(b) must either be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or fax to the address, or fax number below or the address or fax number last notified by the intended recipient to the sender:

(i) to you: Ue Comm Pty Limited

Attention: The Company Secretary
Fax No: 03 9222 9120

(ii) to us: United Energy Limited

Attention: The Company Secretary
Fax No: (03) 9222 9120

(c) will be taken to be duly given or made:

(i) in the case of delivery in person, when delivered;

(ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and

(iii) in the case of fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages, the correct destination fax machine number and the result of the transmission as "OK",

but if the result is that a Notice would be taken to be given or made on a day which is not a business day in the place to which the Notice is sent or is later than 4 pm (local time) it will be taken to have been duly given or made at the commencement of business on the next business day in that place.

18. ASSIGNMENT

Neither of us may assign or transfer any of our rights or obligations under this Agreement without the prior written consent of the other.

19. REMEDIES

For the avoidance of doubt, but subject to Clause 10, nothing in this Agreement or any interest that any of our Related Bodies Corporate may hold in you, affects the nature of any advance made to you pursuant to this Agreement as a loan or prohibits or fetters in any manner our ability to enforce our rights in respect of this Agreement.

20. GOVERNING LAW

This Agreement is governed by the laws of Victoria. You submit to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this Agreement.

21. DEFINITIONS AND INTERPRETATION

21.1 Definitions

The following definitions apply unless the context requires otherwise.

Acceptance of Offer means the form of acceptance of offer set out in the enclosed copy of this letter.

A$ Loan Agreement means the A$130,000,000 loan agreement dated 29 June 2000 between you, us, Deutsche Bank AG and Deutsche Australia Limited.

this Agreement means the agreement constituted by your acceptance of the offer contained in this letter.

Business Day means a day on which banks are open for business in Melbourne.

Commencement Date means the date on which all the conditions set out in Clause 12 have been satisfied.

Event of Default means any of the events specified in Clause 16.

Financial Indebtedness means any indebtedness (actual or contingent) in respect of money borrowed or raised by you or your subsidiaries.

Governmental Agency means any government or any governmental, semi-governmental or judicial entity or authority.

Interest Due Date means the last Business Day of each Interest Period.

Interest Period means, in relation to any advance under this Agreement, any period agreed between you and us except that:

(a) if an Interest Period would otherwise end on a day which is not a Business Day, it will be extended to the next Business Day;

(b) the final Interest Period will end on the Repayment Date.

Limit has the meaning specified in Clause 1.

Overdue Money Rate means at any time the sum of 2% per annum and the interest rate specified in Clause 6 for periods of such length as we may reasonably select applicable from time to time (expressed as a percentum per annum).

Principal Outstanding means the aggregate principal amount of all advances provided under this Agreement and from time to time outstanding.

Repayment Date has the meaning specified in Clause 3.

Security Interest includes any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind or any other right of, or arrangement with, any creditor to have its claims satisfied in priority to other creditors with, or from the proceeds of, any asset. Without limitation it includes retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security but it excludes a charge or lien arising in favour of a Governmental Agency by operation of statute unless there is default in payment of money secured by that charge or lien.

22. INTERPRETATION

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

(a) References to 'you' or 'your' mean Ue Comm Pty Limited and references to 'we', 'us' or 'our' mean United Energy Limited.

(b) The singular includes the plural and conversely.

(c) A gender includes all genders.

(d) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(e) A reference to a Clause is a reference to a Clause of this Agreement.

(f) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of the foregoing.

(g) A reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes or assigns (and, where applicable, the party's legal personal representatives).

(h) A reference to an agreement or document is to the agreement or document as amended, novated, supplemented or replaced from time to time.

(i) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

23. ACCEPTANCE

The offer contained in this letter remains open for acceptance until 11.59pm (Melbourne time) on 30 June 2000 (or any later time or date agreed by us). If you wish to accept the offer, you may do so by signing the Acceptance of Offer and returning it to us at our address specified in Clause 17.

24. AGREEMENT

A contract resulting from the acceptance of the offer outlined in this letter constitutes an agreement between the parties and not rights and obligations imposed by deed.

Yours faithfully

Signed for and on behalf of United Energy Limited by its duly authorised attorney in the presence of:

L GOULDING

Attorney's Signature

L GOULDING

Print Name

TRUDI LODGE

Witness Signature

TRUDI LODGE

Print Name

Acceptance of Offer

To: United Energy Limited (ACN 064 651 029)

We accept your offer of a loan facility on the terms and conditions set out in your letter to us of 29 June 2000.

Signed for and on behalf of Ue Comm Pty Limited by its duly authorised attorney in the presence of:

I. GOULDING

Attorney's Signature

I. GOULDING

Print Name

TRUDI LODGE

Witness Signature

TRUDI LODGE

Print Name

Dated: 29 June 2000

Uecomm
MAKING THE CONNECTION

- 128 Trenerry Crescent
- Abbotsford Victoria 3067
- Telephone +613 9221 4100
- Facsimile +613 9221 4192

30 May 2002

Mr Carl Hunt
Treasurer
United Energy Limited
Level 13, 101 Collins Street
Melbourne VIC 3000

Dear Carl,

Re: United Energy Limited (UE) - $80 million Shareholder Loan Facility to Uecomm Limited – Request for Consent

We refer to your letter dated 15 May 2002, where you requested the consent of Uecomm Limited to transfer any of United Energy Limited's rights and obligations under the Shareholder Loan to United Energy Marketing Pty Limited (in its capacity as trustee of the United Energy Finance Trust).

Uecomm Limited consents to the transfer subject to the following provisos:

1. United Energy Limited does not undertake any further transfer or assignment without the written consent of Uecomm Limited; and

2. United Energy Finance Trust remains a 100% owned subsidiary of United Energy Limited and United Energy Limited unconditionally guarantees the performance and obligations of United Energy Marketing Pty Limited in relation to the provision of the $80 million Shareholder Loan Facility to Uecomm Limited.

Please counter sign this letter and return to Uecomm Limited to confirm your acceptance of these additional obligations.

Uecomm Limited – Authorised Signature

C. W. HUNT
TREASURER

Peter McGrath. 2-6-0.
Print Name

31 March 2003

30 MAY 2002.
Dated

MELBOURNE
SYDNEY
BRISBANE
PERTH
ADELAIDE

Amendment Agreement

Uecomm Limited

United Energy Finance Pty Limited

(in its capacity as trustee of the United Energy Finance Trust)

Stock Exchange Centre
530 Collins Street
Melbourne VIC 3000
Tel 61 3 9614 1011
Fax 61 3 9614 4661
www.aar.com.au

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Amendment Agreement

Allens Arthur Robinson

Date 18 November 2002

Parties

1. **Uecomm Limited** (formerly Ue Comm Pty Limited) (ACN 079 083 195) of Level 13, 101 Collins Street, Melbourne Victoria 3000 (***Uecomm***).

2. **United Energy Finance Pty Limited** (formerly United Energy Marketing Pty Limited) (in its capacity as trustee of the Finance Trust) (ACN 072 214 932) of Level 13, 101 Collins Street, Melbourne, Victoria 3000 (the ***Company***).

Recitals

A By a loan agreement dated 29 June 2000 (as amended) United Energy Limited (***UE***) agreed to make available to Uecomm an A$80,000,000 loan facility (the ***Principal Agreement***).

B By an assignment deed dated 15 May 2002, UE assigned its rights and obligations as lender under the Principal Agreement to the Company.

C The Company and Uecomm wish to amend the Principal Agreement in the manner set out in this Agreement.

It is agreed as follows.

1. Definitions and interpretation

1.1 Definitions

Definitions in the Principal Agreement apply in this Agreement unless the context requires otherwise.

Finance Trust means the United Energy Finance Trust established by the Trust Deed dated 15 May 2002 executed by the Company.

1.2 Interpretation

Clause 22 of the Principal Agreement applies as if incorporated in this Agreement.

2. Amendments

With effect from the date of this Agreement (the ***Effective Date***), the Principal Agreement is amended as follows.

(a) (Clause 2) The reference in clause 2 to 'the Repayment Date' is deleted and replaced with '29 June 2003'.

(b) (Clause 3) The reference in clause 3 to '3 years' is deleted and replaced with '7 years'.

3. Remaining provisions unaffected

Except as specifically amended by this Agreement, the provisions of the Principal Agreement remain in full force and effect. With effect from the Effective Date (as defined in clause 2) the Principal Agreement as amended by this Agreement is to be read as a single integrated document incorporating the amendments effected by this Agreement.

4. Trustee capacity

The Company enters into this Agreement in its capacity as trustee of the Finance Trust.

5. Governing law and jurisdiction

This Agreement is governed by the laws of Victoria. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this Agreement.

6. Counterparts

This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Executed in Melbourne.

Uecomm Limited

The Common Seal of Uecomm Limited was affixed in the presence of:

Director Signature	~~Director~~/Secretary Signature
D. Evanson	L GOULDING
Print Name	Print Name

United Energy Finance Pty Limited (in its capacity as trustee of the Finance Trust)

The Common Seal of United Energy Finance Pty Limited (in its capacity as trustee of the Finance Trust) was affixed in the presence of:

Director Signature	Director/Secretary Signature
Doug Evanson	L GOULDING
Print Name	Print Name

Amendment Agreement No. 3

Uecomm Limited

United Energy Finance Pty Limited

(in its capacity as trustee of the United Energy Finance Trust)

Allens Arthur Robinson
Stock Exchange Centre
530 Collins Street
Melbourne VIC 3000
Tel 61 3 9614 1011
Fax 61 3 9614 4661
www.aar.com.au

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Amendment Agreement No. 3

Date 9 May 2003

Parties

1. **Uecomm Limited** (formerly Ue Comm Pty Limited) (ACN 079 083 195) of Level 13, 101 Collins Street, Melbourne, Victoria 3000 (*Uecomm*).

2. **United Energy Finance Pty Limited** (formerly United Energy Marketing Pty Limited) (in its capacity as trustee of the Finance Trust) (ACN 072 214 932) of Level 13, 101 Collins Street, Melbourne, Victoria 3000 (the *Company*).

Recitals

A By a loan agreement dated 29 June 2000 (as amended) United Energy Limited (*UE*) agreed to make available to Uecomm an A$80,000,000 loan facility (the *Principal Agreement*).

B By an assignment deed dated 15 May 2002, UE assigned its rights and obligations as lender under the Principal Agreement to the Company.

C The Company and Uecomm wish to amend the Principal Agreement in the manner set out in this Agreement.

It is agreed as follows.

1. Definitions and Interpretation

1.1 Definitions

Definitions in the Principal Agreement apply in this Agreement unless the context requires otherwise.

Finance Trust means the United Energy Finance Trust established by the Trust Deed dated 15 May 2002 executed by the Company.

1.2 Interpretation

Clause 22 of the Principal Agreement applies as if incorporated in this Agreement.

2. Amendments

With effect from the date of this Agreement (the *Effective Date*), the Principal Agreement is amended as follows.

(Clause 2) The reference to '29 June 2003' is deleted and replaced with '29 December 2004'.

3. Remaining provisions unaffected

Except as specifically amended by this Agreement, the provisions of the Principal Agreement remain in full force and effect. With effect from the Effective Date (as defined in clause 2) the Principal Agreement as amended by this Agreement is to be read as a single integrated document incorporating the amendments effected by this Agreement.

4. Trustee capacity

The Company enters into this Agreement in its capacity as trustee of the Finance Trust.

5. Governing law and jurisdiction

This Agreement is governed by the laws of Victoria. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this Agreement.

6. Counterparts

This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Executed in Melbourne.

Uecomm Limited

The Common Seal of Uecomm Limited was affixed in the presence of:

UECOMM LIMITED ACN 070 083 195 THE COMMON SEAL

Director Signature

Doug Evans

Print Name

Director/Secretary Signature

L Gouising

Print Name

United Energy Finance Pty Limited (in its capacity as trustee of the Finance Trust)

The Common Seal of United Energy Finance Pty Limited (in its capacity as trustee of the Finance Trust) was affixed in the presence of:

UNITED ENERGY FINANCE PTY LIMITED A.C.N. Common Seal

Director Signature

Doug Evans

Print Name

Director/Secretary Signature

L Gouising

Print Name

ANNEXURE B

SUBORDINATION DEED

Deed of Subordination

ALLENS
ARTHUR ROBINSON
GROUP

4

United Energy Limited
(Subordinated Party)

Ue Comm Pty Limited
(Company)

Robinson & Hedderwicks
Exchange Centre
Street
3000 Australia
9614 1011
9614 4661

20413-4 949133 OurRef TAL

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Deed of Subordination

Date 24 June 2000

Parties

1. United Energy Limited (ACN 064 651 029) of Level 13, 101 Collins Street, Melbourne, Victoria 3000 (the ***Subordinated Party***).

2. Ue Comm Pty Limited (ACN 079 083 195) of Level 13, 101 Collins Street, Melbourne, Victoria 3000 (the ***Company***).

Recitals

The Subordinated Party has agreed to subordinate claims arising under the Subordinated Documents to other liabilities of the Company on the terms set out in this Deed.

It is agreed as follows.

Definitions and interpretation

Definitions

The following definitions apply unless the context requires otherwise.

Facility Agreement means the A$130,000,000 facility agreement dated on or about the date of this Deed between Deutsche Bank AG as lender, the Subordinated Lender as guarantor, the Company as borrower and others.

Guarantee means any guarantee, indemnity, letter of credit, legally binding letter of comfort or suretyship, or any other obligation or irrevocable offer (whatever called and of whatever nature):

a) to pay or to purchase;

b) to provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets, rights or services, or otherwise) for the payment or discharge of;

to indemnify against the consequences of default in the payment of; or

to be responsible otherwise for,

...ation or indebtedness of another person, a dividend, distribution, ... premium on shares, stock or other interests, or the insolvency or ... condition of another person.

...ion means the winding up or dissolution of the Company including ... of any order for the winding up of the Company or the passing ...tion by the Company for its winding up.

Senior Creditor means any person who for the time being has a claim against the Company.

Senior Debt means all money which the Company (whether alone or with another person) is or at any time may become actually or contingently liable to pay to or for the account of a Senior Creditor (whether alone or with another person) for any reason whatever other than the Company's liabilities in respect of the Subordinated Documents.

It includes, without limitation, money by way of principal, interest, fees, costs, Guarantee, indemnity, charges, duties or expenses or payment of liquidated or unliquidated damages under or in connection with a document or agreement, or as a result of a breach of or default under or in connection with a document or agreement.

Where the Company would have been liable but for its Liquidation, it will be taken still to be liable.

Subordinated Debt means all money that the Company (whether alone or with another person) is or at any time may become actually or contingently liable to pay to or for the account of the Subordinated Party (whether alone or with another person) under or in connection with the Subordinated Documents.

It includes, without limitation, money by way of principal, interest, fees, costs, Guarantee, indemnity, charges, duties or expenses or payment of liquidated or unliquidated damages under or in connection with a document or agreement, or as a result of a breach of or default under or in connection with the Subordinated Documents.

Subordinated Documents means:

(a) the A$80,000,000 loan agreement (constituted by a letter of offer and acceptance) dated on or about the date of this Deed between the Company and the Subordinated Party; and

(b) the UEL Guarantee.

Subordination Period means the period from the date of this Deed until all amounts under the Subordinated Documents are repaid or the Subordinated Documents are otherwise no longer in effect.

UEL Guarantee means the Guarantee provided by the Subordinated Party under the Facility Agreement in favour of Deutsche Bank AG in respect of the obligations of the Company under the Facility Agreement.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

(a) The singular includes the plural and conversely.

(b) A gender includes all genders.

(c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.

(e) A reference to a party to this Deed or another agreement or document includes the party's successors and permitted substitutes or assigns (and, where applicable, the party's legal personal representatives).

(f) A reference to an agreement or document is to the agreement or document as amended, novated, supplemented or replaced, except to the extent prohibited by this Deed.

(g) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

(h) A reference to *writing* includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.

(i) A reference to conduct includes, without limitation, an omission, statement or undertaking, whether or not in writing.

(j) A reference to an amount for which a person is contingently liable includes, without limitation, an amount that that person may become actually or contingently liable to pay if a contingency occurs, whether or not that liability will actually arise.

1.3 Document or agreement

A reference to an *agreement* includes a security interest, Guarantee, undertaking, deed, agreement or legally enforceable arrangement whether or not in writing. A reference to a *document* includes an agreement (as so defined) in writing or a certificate, notice, instrument or document.

2. Subordination on Liquidation

The rights of the Subordinated Party in respect of the Subordinated Debt, in the event of the Liquidation of the Company during the Subordination Period, are subordinated in right of payment to the claims of the Senior Creditors in respect of Senior Debt to the intent and effect that the Subordinated Party will not be entitled to receive any payment out of the assets of the Company, or exercise any set-off or other right, on account of the Subordinated Debt unless and until all the Senior Creditors' claims in respect of Senior Debt which have been proven in the Liquidation of the Company receive 100 cents in the dollar for their claims.

3. Representations and warranties

Each of the Company and the Subordinated Party makes the following representations and warranties.

(a) **(Corporate power and authorisation)** It has the power to enter into and perform its obligations under this Deed and has taken all corporate and other action necessary to authorise the entry into and performance of this Deed and to carry out the instructions contemplated by this Deed.

(b) **(Documents binding)** This Deed is its valid and binding obligation enforceable in accordance with its terms.

4. Severability of provisions

Any provision of this Deed that is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of this Deed nor affect the validity or enforceability of that provision in any other jurisdiction.

5. Survival of obligations

Each representation or warranty in this Deed survives the execution and delivery of this Deed.

Governing law and jurisdiction

This Deed is governed by the laws of Victoria. Each of the Subordinated Party and the Company submits to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this Deed.

Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Deed of Subordination

Executed as a Deed in Melbourne.

Each attorney executing this Deed states that he or she has no notice of revocation or suspension of his or her power of attorney.

Subordinated Party

Signed Sealed and Delivered for and on behalf of **United Energy Limited** by its attorney in the presence of:

Attorney's Signature

L GOULDING

Print Name

itness Signature

TRUDI LODGE

int Name

ompany

ned Sealed and Delivered for and on
lf of Ue Comm Pty Limited by its
rney in the presence of:

ney's Signature

L GOULDING

Name

s Signature

TRUDI LODGE

Executed as an agreement.

SIGNED for **ALINTA LIMITED** under power of attorney in the presence of:

Signature of attorney

Signature of witness

J W L ARMSTRONG

Name

AMELIA J TOOHER

Name

13 July 2003

Date of power of attorney

SIGNED for **UNITED ENERGY LIMITED** under power of attorney in the presence of:

Signature of attorney Partner, Mallesons Stephen Jaques Sydney

Signature of witness

David Stott

Name

SARAH HANNAN

Name

23 JULY 2003

Date of power of attorney

SIGNED for **UNITED ENERGY FINANCE PTY LIMITED** in its capacity as trustee for the United Energy Finance Trust under power of attorney in the presence of:

Signature of attorney Partner, Mallesons Stephen Jaques, Sydney

Signature of witness

David Stott

Name

SARAH HANNAN

Name

23 JULY 2003

Date of power of attorney

SIGNED for **UEIP PTY LTD** under power of attorney in the presence of:

Signature of witness

SARAH HANNAN

Name

Signature of attorney Partner, Mallesons Stephen Jaques, Sydney

David Storr

Name

23 JULY 2003

Date of power of attorney