

RELOCATION UPDATE – 14th JULY 2009

The Relocation Team met today with Lend Lease for a planned progress report on Project matters. For the information of Members the following matters which were discussed may be of interest.

- Lend Lease are progressing well with their Due Diligence which they are confident of completing within the agreed 8 week period which commenced on 4th June.
- They have outlined the multitude of tasks which are being undertaken including new valuations based on the latest Council plans for the Maroochydore Principal Activity Centre and a revisit of budgets for the New Courses in light of latest Council requirement and the Club's Paramount Objectives.
- Whilst they will not be in a position to outline their proposed offer until the end of their Due Diligence period they reiterated that they were still "very keen to do a deal".
- During the Due Diligence period Lend Lease have agreed to fund the ongoing cost of consultants being used by the Project on both sites. The Club will not be liable for these costs should we not be able to reach a deal in the future.
- The Council plans for the Maroochydore PAC are now with the Department of Infrastructure and Planning (DIP) who are currently awaiting input from other State agencies on Council's plans. These are due to be returned to DIP within the next few days and DIP will then prepare a State response to Council. Council will then consider the response before engaging with key stake holders. A period of public consultation will follow with a target of finalizing the process in December.
- In the meantime our consultants are addressing a number of issues raised by Council with regard to plans submitted for the New Site. Council requirements have required some modifications to the original layout and this in turn has meant a review of some of the water courses flowing through the property. Our Course Architects and drainage consultants are involved in these matters and are confident that the issues can be dealt with within the Paramount Objectives.
- There has been some difficulty with regard to the extension of Options on land at the new site due mainly to a perceived conflict between Council requirements on our site and that of a vendor who has a development application under appeal. It is hoped that the matter will be resolved through tri party dialogue in the very near future.

Whilst we are continually in phone and email contact with Lend Lease on these matters we do not expect to have another update meeting with them prior to receiving their formal offer in early August. As soon as possible after that offer is received and negotiated (and provided that the Board believes that the offer is acceptable) Members will receive a full written briefing and be given the opportunity to discuss the offer in detail. The Heads of Agreement provide for this to occur and also provide that should the Club reject the Lend

Lease offer the Club will be under no financial obligation to Lend Lease for any of the consultancy costs currently being incurred.

We will endeavour to continue to inform Members of any key matters which arise as soon as we are able to.

Tony Nicholson

Director Relocation