



Australian Government

[REGS 76 attachment C]

Department of Transport and Regional Services

Southern Queensland Regional Office

Our Ref: N20005/1937

Dr Clive Keenan
Coral Coast Mariculture Pty Ltd
PO Box 9046
BURNETT HEADS QLD 4670

Dear Dr Keenan

Funding Agreement Variation Number 1

I refer to your email dated 4 April 2006 with additional information regarding the Milestone Report 1 regarding the Funding Agreement between the Commonwealth of Australia and Coral Coast Mariculture Pty Ltd for funding through the Sustainable Regions Programme for the **Coral Coat Soft Shell Crabs** project.

I wish to advise that the Department is agreeable to the request to amend the project's milestone activities described at Item 2 of the Schedule to the Funding Agreement.

This Funding Agreement Variation Number 1 amends the original Funding Agreement by **replacing Item 2 of the Schedule to the Funding Agreement with Item 2 of the Schedule in this Funding Agreement Variation Number 1.**

To confirm your agreement to these changes, please countersign where indicated below on both copies, **retain one copy for your records** and return the other copy to this office.

Yours sincerely

the terms of this Variation are accepted for and on behalf of Coral Coast Mariculture Pty Ltd by

Gary Eilersen
Area Manager North East

.....
(signature) (print name above)

April 2006

who certifies that they have the authority to bind Coral Coast Mariculture Pty Ltd.

Dated.....2006.

2. FUNDING AND PAYMENT (subclauses 1.1, 4.1, 5.3(b), 5.6, 5.9, 5.10, 6.1, 6.2)

- 2.1 The total funding for this Activity is **\$550,000** which represents **\$500,000** the total amount of Funding to be provided by Us for the Activity, and **\$50,000** being the total GST payable in accordance with clause 4.
- 2.2 You are to obtain written approval from Us for any transfer of Funds between categories of Budget expenditure items, which exceed 10% of the total Budget expenditure items. The total amount of transfers in any financial year must not exceed 20% of the total Activity Budget.
- 2.3 Milestone payments will be paid only on receipt of evidence from You in the form of milestone reports and/or proof of expenditure, which is satisfactory to Us. The funding will be paid as follows:

<u>MILESTONE OUTPUTS</u>	<u>MILESTONE INDICATIVE TIMELINE</u>	<u>DOTARS PAYMENTS</u>	<u>PARTNER AND OTHER CONTRIBUTIONS</u>
<ul style="list-style-type: none"> • Signing of Funding Agreement 	10 November 2005	\$ 150,000	
<p>Milestone Report 1</p> <ul style="list-style-type: none"> • Purchase pond liner • Negotiate and purchase hatchery/office • Detailed pond design <p>Milestone Report 1 Due:</p>	<p>Start Date: 10/11/05 End date: 31/01/06</p> <p>28 February 2006</p>	\$ 150,000	<p>Cash: \$455,571 (Applicant)</p> <p>In-kind: \$40,715 (BPA); \$19,286 (BIARC); \$19,286 (Applicant)</p>
<p>Milestone Report 2</p> <ul style="list-style-type: none"> • Begin pond construction, Phases 1 and 2 • Design hatchery and order equipment • Development and trials of shedding system • Continue detailed pond design • Update on progress towards achieving all relevant approvals and/or licences <p>Milestone Report 2 due:</p>	<p>Start Date: 01/02/06 End Date: 31/03/06</p> <p>30 April 2006</p>	\$ 150,000	<p>Cash: \$122,963 (Applicant)</p> <p>In-kind: \$27,143 (BPA); \$12,857 (BIARC); \$12,857 (Applicant)</p>

[REGS 76 attachment C]

Sustainable Regions Funding Agreement Variation Number 1
Coral Coast Soft Shell Crabs Project

<u>MILESTONE OUTPUTS</u>	<u>MILESTONE INDICATIVE TIMELINE</u>	<u>DOTARS PAYMENTS</u>	<u>PARTNER AND OTHER CONTRIBUTIONS</u>
<p>Milestone Report 3</p> <ul style="list-style-type: none"> • Continue pond construction • Purchase and begin fit-out of shedding system • Begin hatchery fit-out • Continue detailed pond design • Update on progress towards achieving all relevant approvals and/or licences <p>Milestone Report 3 due:</p>	<p>Start Date: 01/04/06 End Date: 31/05/06</p> <p>15 June 2006</p>	<p>\$ 50,000</p>	<p>Cash: \$114,036 (Applicant)</p> <p>In-kind: \$27,143 (BPA); \$12,857 (BIARC); \$12,857 (Applicant)</p>
<p>Milestone Report 4</p> <ul style="list-style-type: none"> • Hatchery fitout completed • Begin Production Aug/Sept • Initial Harvest – October • Complete pond construction • Continue detailed pond design • Complete pond construction • Update on progress towards achieving all relevant approvals and/or licences <p>Milestone Report 4 due:</p>	<p>Start Date: 30/06/06 End Date:</p> <p>October 2006</p>	<p>No payment report</p>	<p>Cash: N/A</p> <p>In-kind: N/A</p>
<p>Final Activity Report and Audited Financial Statement:</p> <ul style="list-style-type: none"> • A summary report of the overall implementation of, and outcomes from the Activity; and • An audited financial statement completed by an Approved Auditor. <p>Final Milestone Report and Audited Financial Statement due:</p>	<p>30 November 2006</p>	<p>No payment report</p>	<p>Cash: N/A</p> <p>In-kind: N/A</p>

[REGS 76 attachment C]

Sustainable Regions Funding Agreement Variation Number 1
Coral Coast Soft Shell Crabs Project

<u>MILESTONE OUTPUTS</u>	<u>MILESTONE INDICATIVE TIMELINE</u>	<u>DOTARS PAYMENTS</u>	<u>PARTNER AND OTHER CONTRIBUTIONS</u>
<p>Evaluation report</p> <p>An updated summary report of the overall implementation of, and outcomes from the Activity - Establishment of Stage 1 completed including:</p> <ul style="list-style-type: none"> • 4 ha fully lined 0.25ha ponds on 6 ha of land with support infrastructure; • Juvenile crab hatchery, shedding system for controlled harvesting of moulted soft-shell crabs, processing and packing infrastructure; • Buildings to house total hatchery, processing and packing requirements • Initial harvest completed • Statistics on new full and/or part-time jobs created; • Income from initial harvest anticipated to be re-invested in Stages 2 and 3 and Project Plan for future stages. <p>Evaluation report due:</p>	<p>January 2007</p>	<p>No payment report</p>	
<p><u>TOTAL</u></p>		<p>\$500,000 (+ \$50,000 GST)</p>	<p>Cash: \$692,570 In Kind: \$185,000</p>

BUDGET (ALL FIGURES ARE GST EXCLUSIVE)

Budget Item	Our Funding (cash)	Other Contribution s (cash)	Other Contribution s (in-kind)	Source of Other Contributions	Total
Accounting		16,545		Applicant	16,545
Operating costs (rates, rents etc)	17,000	20,099		Applicant	37,099
Electricity		636		Applicant	636
Travel	3,000	5,000		Applicant	8,000
Shedding system tanks and equipment	20,000	40,000		Applicant	60,000
Hatchery & office purchase/fit-out	215,000	245,000		Applicant	460,000
Direct Costs - consumables		5,304		Applicant	5,304
Insurance and Bank charges		7,168		Applicant	7,168
Other Infrastructure & Equipment	5,000	10,000		Applicant	15,000
Pond liner and construction	180,000	183,636		Applicant	363,636
Salaries & related expenses	40,000	82,164		Applicant	122,164
Salaries & related expenses			45,000	Applicant	45,000
Motor vehicle operating expenses		5,273		Applicant	5,273
Vehicle & machinery purchase cost	20,000	42,000		Applicant	62,000
Legal Costs		10,608		Applicant	10,608
Government Approvals (eg EPA, DPI&F)		2,500		Applicant	2,500
Audit/Evaluation of project		3,000		Applicant	3,000
Rent – hatchery and office site		13,636		Applicant	13,636
Rent - pond site			95,000	Bundaberg Port Authority	95,000
External R&D support			45,000	BIARC, DPI&F	45,000
TOTAL Costs (\$)	500,000	692,570	185,000		1,377,570