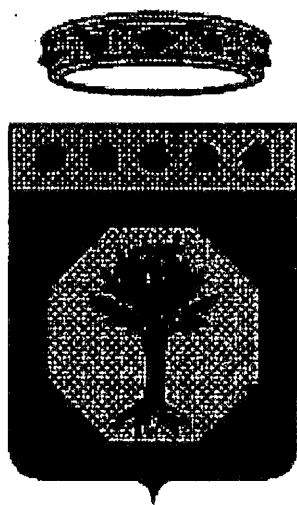


DATE: 15 FEBRUARY 2008



REGION of APULIA



SOUTH AUSTRALIA

LETTER OF INTENT

BETWEEN

THE GOVERNMENT OF SOUTH AUSTRALIA ("THE SA GOVERNMENT")

AND

THE GOVERNMENT OF THE REGION OF APULIA

1. PREAMBLE

- 1.1 South Australia has a large Italian community who contribute significantly to the prosperity, diversity, cohesion and success of the State.
- 1.2 A Memorandum of Understanding (MOU) was signed by the Premier of South Australia and the President of the Government of the Region of Apulia on 11 May 2007, in Bari, Southern Italy that outlines mutual aims to promote cooperation in the areas of research and education between the two regions.
- 1.3 On 18-19 October 2007 the Apulia Regional Government indicated it's intention to fund paid scholarships for Apulia students to study in Adelaide, funded by the Apulia Regional Government partly using European Union funds.

2. STATEMENT OF INTENTION

- 2.1 The Government of the Region of Apulia has committed to providing scholarship funding for 10 Apulian students per year to study at universities in Adelaide over three years, for a total of (€) 750,000 in funding for the scholarships, to be set up within the framework of the regional operational programme, as indicated in clause 3.1.
- 2.2 The Government of South Australia will provide AUD\$1.2 million over three years for collaborative research initiatives, particularly the facilitation of research proposals and other student and academic exchange with South Australia in areas of interest to both parties. These initiatives will take into account the specific characteristics of the respective academic systems and of the relations between the two Parties and their local universities.
- 2.3 This collaboration will include contracts with and between the collaborating universities.

- 2.4 The areas identified for scholarships and research collaboration are: biotechnology, energy, integrated logistics, nanotechnology, mechatronics, agriculture, conservation, water, IT and tourism. Research and education in these areas will focus on a multi-disciplinary approach and take into account the desire to learn and exchange the cultural, language and social heritage of the two parties.

3 GENERAL

- 3.1 Initiatives will be based on the Apulia Regional government's "Puglia Regional Operational Programme, European Social Fund 2007-2013 Axis IV- Human Capital" and "South Australia's Strategic Plan" which sets the priorities and direction for the State of South Australia.
- 3.2 All of the universities in the State of South Australia and the Region of Apulia will be invited to be collaborative partners in this arrangement.
- 3.3 There may be a wish in the future to further develop this arrangement by developing centres for excellence in the identified areas for collaborative research and education.
- 3.4 There will also be an intention to foster collaboration with other world-class research institutions, universities, researchers and academics as well as to work with industry and gain further financial support from a range of sources.
- 3.5 The parties will identify and allocate personnel for the implementation and monitoring of this agreement, which will operate within the bilateral working group to be set up under the auspices of the aforementioned MOU. The University City Project within the Department of the Premier and Cabinet will lead this initiative on behalf of the Government of South Australia. The Government of the Region of Apulia will designate a suitable office to lead the project activities on its behalf within 30 days of the signing of this Letter of Intent.
- 3.6 This agreement is subject to change at any time in order to reach the specific aims set out herein.

4 LEGAL NATURE

- 4.1 It is agreed and acknowledged by the Government of South Australia, the Apulia Regional Government that this Letter of Intent is not legally binding and is a non-binding statement of understanding and indicative of intention. It does not create legally binding obligations.