

# CESSNOCK

## s u m m a r y

*Cessnock City Council v 123 259 932 Pty  
Ltd [2024] HCA 17*

### FACTS

Cutty Sark entered a lease agreement with Cessnock City Council for land to build an airport hangar, but the Council breached it.

### ISSUE

The issue was determining Cutty Sark's entitlement to damages for wasted expenditures due to the Council's breach of the lease agreement.

### FINDINGS

The High Court affirmed the "facilitation principle" and allowed recovery of wasted expenditure due to contractual breaches. These must be rebutted by the breaching party where there are evidential uncertainties.

### EFFECT

The *Cessnock* decision may shift commercial practice as commercial lawyers will draft exclusion clauses that relate to damages for wasted expenditure.