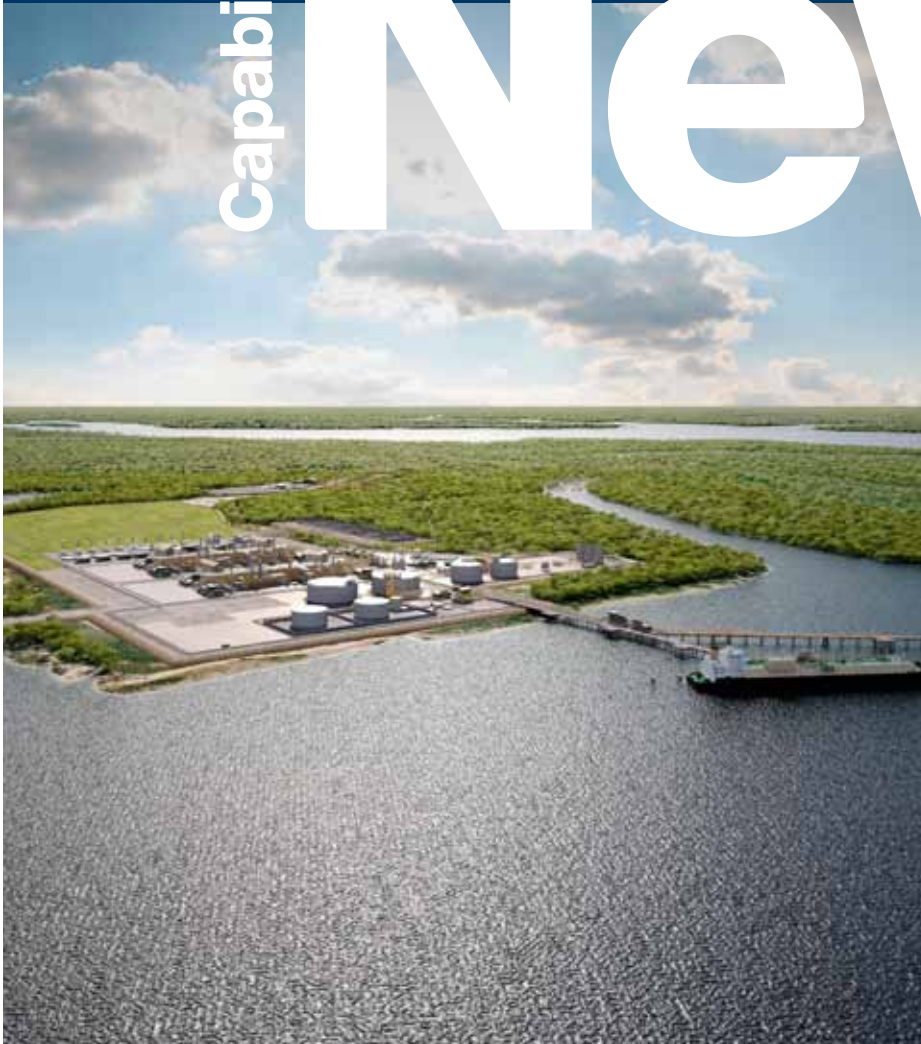


News



Latest updates from ICN, Australia and New Zealand's industry matchmaker

icn.org.au

Chairman's message



Welcome to the winter 2012 edition of Capability News.

In this edition we feature the US \$34 billion Ichthys LNG Project, an exciting project for not only the Northern Territory, but the whole of Australia. The Project will deliver LNG through the longest subsea pipeline in the southern hemisphere: 889km from the Ichthys gas field to Darwin. It will boost the NT economy by an average of almost 18% each year, during its construction and operation. It is the largest oil and gas development in the NT, and one of the biggest LNG projects globally. This Project will provide many opportunities for Australian suppliers.

You can also read about the interesting work ICN did with Opal Producers of Australia Limited (OPAL) in the development of a technology that could provide effective, consistent and objective grading and certification of Australian opals. With this new technology, Australia's opal industry will be able to join other major industries such as coal, gold, wheat and wool in having a recognised grading system to maximise market acceptance and prices.

Capability News will also maintain regular features – providing information on current projects and profiling recent and upcoming industry events. Enjoy!

Philip Sellars
Chair, ICN Executive Directors

ICN Gateway the short path to Ichthys

LNG is soon to flow through the longest subsea pipeline in the southern hemisphere: 889km from the Ichthys gas field to Darwin. ICN Gateway is the surest path for local firms to get involved.

The US \$34 billion Ichthys LNG Project will boost the Northern Territory economy by an average of almost 18% each year, during its construction and operation. It's being developed by INPEX, a Japanese oil and gas company that has been part of the Australian industry since 1986 in partnership with French supermajor, Total.

As with other large resource and infrastructure projects, the Project has agreed with the Northern Territory Government and Australian Government on a Local Industry Participation Plan. Firms interested in these opportunities are directed to ICN Gateway, gateway.icn.org.au, rather than engaging initially with INPEX.

"The Project will run for 40 years, and so we have to have an efficient, transparent way of telling potential suppliers what the Ichthys LNG Project needs", says ICN's David Ewing. "That's what ICN is delivering."

One of the first firms to register on ICN Gateway was Peddle Thorp WKM, which started life in Darwin back in 1968 as Wilkins, Klemm and Morrison.

Its Director, Bruce Baldey had an eye on the Project's "off-plant buildings": warehouses, laboratories, training and administrative centres, contractors' offices and the main control building.

As anyone who lives in Darwin knows, especially anyone who witnessed Cyclone Tracy in 1974, the city can get more than a little windy. Peddle Thorp WKM cut their teeth by helping to rebuild Darwin after Tracy, and has kept developing its knowledge of high-wind building principles.

ICN Consultant, David Ewing knew Peddle Thorp WKM and its Director, Bruce Baldey well. He introduced them to the Project and short-listed them for the tender for the off-plant buildings, along (*cont. overleaf*)

with a number of national architectural firms.

“Knowledge of post-disaster and disaster-resistant infrastructure is essential for any project based in Australia’s north”, agrees Mr Baldey. “This was some of the local knowledge that I could bring to their planning.”

The Project recognised that local knowledge, on top of demonstrated capability and awarded Peddle Thorp WKM the contract to design the off-plant buildings in competition against some very fine national firms.

Once in, Peddle Thorp WKM had more scope than they anticipated. “We contributed to the scope of works as well, providing technical services for the preliminary designs and also advice to the Project’s Yokohama and Perth engineering teams.”

The Peddle Thorp WKM buildings are designed to last for the full 40 years of Ichthys operations. A long lasting symbol of ICN’s partnerships in action.

Southern Expressway Duplication



The South Australian Government’s \$407.5 million construction of a duplicated Southern Expressway is now underway. The project involves 18.5km of road lane construction on the western side of the existing lanes, and the duplication of nine road bridges and five pedestrian bridges. The main driver for the project is to improve transport accessibility to and from the southern suburbs at any time, not just during peak times. The duplication will be open to traffic in mid 2014 and will improve access for commercial traffic, improve access to tourist destinations and provide economic development opportunities for the south. To register your interest for this project, visit gateway.icn.org.au

For further information:

contact Jeff Camburn
email jeff.camburn@icnsa.org.au
call 08 8303 2268



Victorian Comprehensive Cancer Centre

The Victorian Comprehensive Cancer Centre Project is a new \$1 billion world-class comprehensive cancer centre to be built in Parkville, Victoria, to drive the next generation of progress in the prevention, detection and treatment of cancer. The Centre will speed up the discovery of new treatments, house the nation’s leading cancer researchers and provide a centre of excellence for people affected by cancer.

The Centre is jointly funded by the Australian and Victorian Governments, with combined contributions of \$854.6 million. The remaining funds will come from member contributions, the sale of surplus land and philanthropic donations.

The Plenary Health Consortium has been awarded the contract to deliver this project, and consists of Plenary Group as sponsor, Grocon/PCL as builder, Honeywell as facilities manager and architects Silver Thomas Hanley, DesignInc and McBride Charles Ryan.

Construction commenced in late 2011 and is due for completion by the end of 2015, with the delivery of services to commence in 2016.

To register your interest for this project, visit gateway.icn.org.au

For further information:

contact Chris Reilly
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Solar Dawn

The Solar Dawn Consortium, led by Areva Solar, will build a 250 megawatt (MW) solar thermal power plant near Chinchilla in South West Queensland.

Solar Dawn will be one the most environmentally responsible power production plants in the world with 100% of its power generation being entirely emissions-free. The project consists of approximately 450 hectares of infrastructure including a ‘solar field’ containing the mirrors and steam boiler tubes, and a ‘power block’ with the steam turbine generators and ancillary equipment.

It is expected that the proposed project will commence operation in early 2015 following three years of construction.



To register your interest, visit gateway.icn.org.au

For further information:

email gateway.projects@icnqld.org.au
call 07 3364 0670

ICN sees the true value of opals

Opals' shimmering colours make their value hard to assess. For the first time, Australia can grade its opals quickly and accurately. As always, ICN was there from beginning to end.

Opals are extremely difficult to grade, even by experts. Their iridescent colours are hard to describe. And that makes them hard to sell internationally – the buyer needs to be able to see the stone.

Even though Australia produces around 95% of the world's jewellery-quality opals, worth a cool \$60-100 million each year, the market isn't what it should be.

"We were losing 20-50% of our market's value", explains Graham Hornabrook of Opal Producers of Australia Limited (OPAL). "Without a recognised way to grade our opals, we weren't getting the international sales and prices we deserved. We needed a solution."

OPAL wanted a new technology to accurately and consistently 'read' an opal's colouring. It approached ICN to help find a suitable colour engineer.

Jeremy Cubitt of ICN's NSW office knew that Dr Paul Wong of Applied Robotics had created machines capable of sorting items by their colour. Dr Wong thought CSIRO would add additional expertise to make the idea viable.

"The way ICN were able to bring the right people together, people with ability and enthusiasm for our mission was just fantastic", says Mr Hornabrook.

The Gemmological Digital Analyser was about to be born. Its main challenge was consistency, so that the same gem would always be graded the same. Another was to 'see' what people see, so that a buyer would appreciate the different grades.

It took 4 years to crack these challenges, but the result is a world-beater.

"The beauty of the GDA is that it has all the expertise you need to accurately grade an opal. You don't need to be an opal assessor or an instrument engineer to use it," explains Mr Hornabrook.

With GDA's recognised grading and certification of opals, OPAL will be able to offer brand marketing to the opal industry for the first time. Already, a delegation from India (the world's largest jewellery market) has come to see what the GDA and OPAL can offer.

The benefits are also clear to the economy of Australia's harsh interior. With the GDA, opal communities such as Coober Pedy and Lightning Ridge will be able to cut, polish, grade and trade their opals, and not just sell the unpolished 'raw' opals.

ICN has been proud to be a part of this innovation, from the initial idea through to its international acceptance.

Tony Carney, National Sector Manager – Rail



Tony Carney has more than 30 years experience in business development, procurement, manufacturing and contract management, including 12 years within the Australian rail industry.

He has extensive knowledge of the rail passenger, freight and infrastructure sectors, specialising in rolling stock build and refurbishment, whole-of-life maintenance and major infrastructure projects.

Prior to joining ICN, Tony was the General Manager, Business Development at United Group Rail. Tony's achievements include successful negotiations for major passenger train build and refurbishment contracts and freight wagon and locomotive contracts. He also established and reviewed major maintenance contracts for both the passenger and freight sectors.

Tony is dedicated to the continued growth of the Australian rail manufacturing sector, by helping improve its competitiveness and maximising opportunities, both locally and internationally.

As ICN's National Sector Manager – Rail, Tony works with government, rail industry and local suppliers to help maximise local content and identify opportunities, as well as promotes Australian and New Zealand rail capabilities.

Tony's extensive knowledge, along with his commitment to building and maintaining stakeholder relationships, will deliver significant benefits for both SMEs and project managers within the industry.

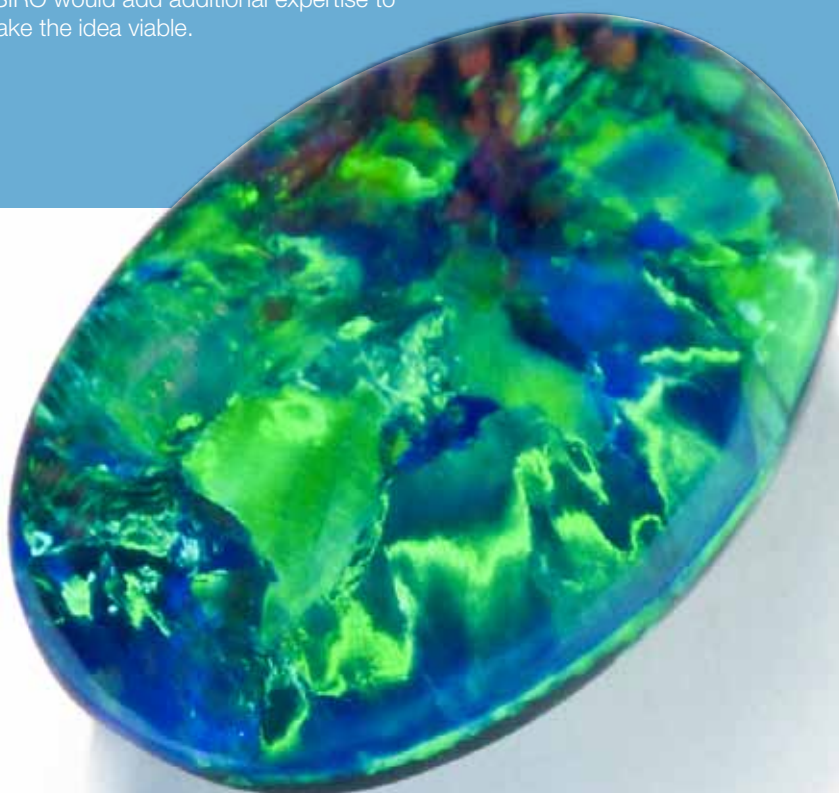
For further information:

contact Tony Carney

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call 03 8689 2531

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New initiatives

Access Auto

Access Auto Australia is a new website that promotes the quality, innovation and technology of the Australian auto industry to international markets. Funded by the Australian Government and developed by industry partners, Access Auto Australia is the primary marketing tool for international trade representatives, auto envoys and trade missions.

To list your company or for further information:

contact Michael Hough

web accessautoaustralia.com

email michael.hough@icn.org.au

phone 02 6285 2033



Resources Sector Supplier Advisory Forum

Last year the Australian Government established the Resources Sector Supplier Advisory Forum. The Forum, which has met twice and is chaired by the Hon Peter Beattie, aims to help key stakeholders strengthen Australian industry participation in the resource sector. The Forum has recommended that the Australian Government initiative, Buy Australian at Home and Abroad, promote and facilitate discussions between suppliers, resource companies and procurement firms at the earliest stages of a project. Mr Beattie said, "the best way to do this is for suppliers to register with the Industry Capability Network (ICN) which serves as a major conduit for resources companies looking for capable Australian firms".

For further information:

web innovation.gov.au/BuyAustralian



Investment in Tasmania

26 Tasmanian companies will be receiving grants totalling \$8.3 million, as part of the Australian Government's Tasmanian Innovation and Investment Fund to help broaden Tasmania's economy. The grants will generate almost \$20 million of investment and create over 260 new jobs, helping to strengthen local communities. The grants support exciting projects such as re-establishing the Bicheno abalone farm, purchasing new boats to expand tourism operations on Bruny Island and a new glasshouse complex near Wynyard. A list of successful grant applicants can be found on the AusIndustry website, ausindustry.gov.au

What's new on ICN Gateway

Australian water and cleantech suppliers can now stay up-to-date with the activities of the Water and Cleantech Industry Capability Teams, through the associated ICN directories. From the directories, suppliers can be updated on the Teams' activities, and be informed on how they can get involved. Both Teams are currently seeking registration from interested businesses. To find out more, visit the ICN water and cleantech directories, water.icn.org.au and cleantech.icn.org.au

Suppliers interested in sub-contracting to projects can now contact the appointed contractor directly, with awarded company details now visible against work packages. These work packages will appear on Gateway with a status of 'awarded', and when you click on the plus (+) icon next to the work package name (or on the word 'awarded') the contact details of the company or companies that were awarded the contracts are displayed. This new update to Gateway will mean that interested suppliers can be in direct contact with project contractors.

Visit gateway.icn.org.au

Capability News is now online!

You can now receive Capability News online. To sign up to the online version, email newsletter@icn.org.au with 'subscribe' in the subject field.



Upcoming events



Irrigation Australia Conference and Trade Show 2012

Irrigation Australia is inviting the irrigation, drainage and flood management community to join them at the largest industry event ever to be held in Australia on 24 to 29 June 2012 in Adelaide. The conference's themes include, integrated water management, horticulture, agriculture, drainage and flood management, water for the environment, and regional cooperation. Running alongside the conference will be the trade show, which promises to be the largest irrigation show in the Southern Hemisphere. To register or to find out more about the conference, **visit irrigation.org.au**



Asian trade mission for steel suppliers

ICN along with the Australian Government's Steel Supplier Advocate, Dennis O'Neill, is planning an Asian trade mission, which will target China and Thailand. The mission will be an opportunity to introduce key Australian steel companies to Asian suppliers. The mission is planned to take place late June/early July 2012. For further information, contact Andrew Kiloni, National Sector Manager – Steel, at **andrew.kiloni@icn.org.au** or **call 0448 101 763**



Rail Suppliers Forum 2012

The Australian Rail Association's Rail Supplier Forum is an opportunity for representatives across the rail manufacturing sector to gain valuable insights into current initiatives that aim to build on existing successes and further develop the capabilities of the industry. The Forum is a great opportunity to meet with senior representatives across the rail manufacturing and contracting sectors, as well as rail operators and government officials. The Forum will take place on 17 July 2012 in Sydney. To register or to find out more about the forum, **visit informa.com.au**



APPEA National Oil and Gas Workforce Development and Productivity Conference

This inaugural conference will be held in Darwin from 17 to 19 July 2012. The event will bring together industry leaders, government representatives and workforce development professionals, to share strategies that will deliver the workforce and skills required by the oil and gas sector. The conference will also address ways to improve productivity for the oil and gas industry and Australia generally. To register or to find out more about the conference, **visit appeaworkforceconference.com.au**



Pilbara Mining and Resource Expo

The Pilbara region of WA is seeing continued unprecedented and accelerated growth in the mining, gas and oil sectors, with exports valued at more than \$50 billion. The Pilbara Mining and Resource Expo will provide an opportunity for attendees to network with the decision makers who drive the day-to-day operations of some of the world's largest mining, gas and oil projects located in the Pilbara region. The expo is being held in Karratha, WA on 19 to 21 July 2012. To find out more, **visit pilbaraminingexpo.com**

Peter McCracken, Regional Manager



Peter is the Victorian Regional Manager for Barwon and the South West. His role is to maximise opportunities for local businesses through being the connection point for local suppliers and major projects. He is also working alongside ICN's National Sector Manager – Cleantech, Rob McCullagh on clean technology projects.

Peter has worked in or with industry for over 30 years, in the areas of electrical, manufacturing, automation, robotics, process control, management, business development, and economic development. He holds qualifications in the areas of electrical engineering, project management, and business management.

Peter is committed to Australian and New Zealand manufacturing, and in the development of new markets for existing industry. His personal challenge is to foster an environment that allows industry to be provided with every opportunity to prosper. Peter sees that clean technology offers these opportunities through the combination of ready now and long term projects.

Peter last year formed a working group to develop biofuels in the Green Triangle area in South West Victoria, which has the largest plantation timbers in the country (20% of Australian supply) offering a huge resource for new and emerging technologies.

For further information:

contact Peter McCracken
email pmccracken@icnvic.org.au
call 03 5215 8142
mobile 0407 505 477

Recent events

APLNG roadshow

ICN's National Sector Manager – Oil and Gas, Colby Hauser and Industry Engagement Manager, Soumen Dutta took part in a roadshow across the country in April to let people know how to get involved in opportunities on the Australia Pacific Liquefied Natural Gas (APLNG) Project. This project is a joint venture between Origin Energy and ConocoPhillips to deliver a coal seam gas (CSG) to liquefied natural gas (LNG) in Queensland. The Project is proposed to span from gas fields in the Surat and Bowen Basins in Queensland along a 450km pipeline to an LNG facility near Laird Point on Curtis Island off Gladstone. The roadshow visited Gladstone, Brisbane, Sydney and Melbourne, with almost 1,000 representatives from local businesses attending the events. The presentations at the events gave attendees a Project overview and update, details on the opportunities that exist for suppliers and contractors, and assistance with preparing tender responses. To find out more about the Project, or to register your interest, visit gateway.icn.org.au

Wind farm industry engagement workshop

ICN's National Sector Manager – Steel, Andrew Kiloni presented at, and National Sector Manager – Cleatech, Robert McCullagh attended the wind farm industry engagement workshop, facilitated by the Australian Government's Steel and Cleantech Supplier Advocates. 25 representatives from across the industry attended the workshop for the purpose of developing a strategy for higher levels of local content from Australian and New Zealand suppliers into wind farm projects, as well as ensure the future work is within the capability of the Australian and New Zealand supply chain.

ICN national steel workshop

Andrew Kiloni, National Sector Manager – Steel, hosted the ICN national steel workshop at BlueScope Steel's Port Kembla facility in April 2012. The workshop included a site tour of Australia's largest steel manufacturer, industry presentations, as well as a workshop focussed on developing key ICN steel milestones for the national ICN team. These milestones are a mix of short and long term objectives that will assist with improved local steel content.

For further information:

contact Andrew Kiloni
email andrew.kiloni@icn.org.au
mobile 0448 101 763



ICN's NT office turns 25

ICN in the Northern Territory has recently celebrated its 25th year of promoting local business capability. The NT Chief Minister, Paul Henderson has commended ICN for our work in the Top End and the integral work we have done for the growth of the NT economy. "Since 1987, ICN NT has facilitated more than \$1 billion

in contracts awarded to Northern Territory companies and plays a vital role in identifying local skills and matching those with industry needs," Mr Henderson said. For more information about ICN in the NT and the opportunities available to Northern Territory suppliers, call your local ICN consultant on 08 8922 9422.

2012 Formula 1 Australian Grand Prix

Due to popular demand, ICN in Victoria hosted a series of industry focused events at the 2012 Formula 1 Australian Grand Prix in Melbourne. The events focused on a wide range of topics, including skills and training, building and construction, design and engineering, and advanced technologies.

Over the course of three days, more than 900 industry peers came together to network and listen to a wide range of informative and inspiring speakers including The Hon Richard Dalla-Riva MLC, Minister for Manufacturing, Exports and Trade, as well as popular racing personalities Larry Perkins and the 2012 Grand Prix Ambassador Greg Murphy.

