Australian Industry Participation (AIP) plan Summary - Operations Phase

1. Facility Details

Nominated operator: KEPCO BYLONG AUSTRALIA PTY LTD

Facility name: Bylong Coal Project

Description of the facility:

KEPCO proposes to develop the Bylong Coal Project, located approximately 55 km north-east of Mudgee and 53 km from Denman in New South Wales, Australia. The purpose of the project is to extract, wash and export coal. The Bylong Coal Project proposes to mine up to 6.5 million tonnes of run of mine coal per annum for supply to the thermal coal export market. The mine will cover an area of approximately 3,000 ha and will include two opencut mining areas and an underground mining area. Activities involved in the project include:

- Front end engineering and design
- Procurement
- Construction
- Commissioning
- Operations

The life of mine is expected to be approximately 25 years, with both open-cut operations and installation and operation of an underground mine Coal will be transported from the Project site to the Port of Newcastle via rail, which will require the construction of a dedicated rail loop connecting to the existing Sandy Hollow-Gulgong Line. The procurement strategy for the project will be the responsibility of the EPC contractor once this contract is awarded.

Facility location: The Project is approximately 55 km north-east of Mudgee and 53 km west of Denman, NSW.

Link to facility information: http://www.bylongproject.com.au

Operator contact for procurement information:

Name: Tim Jo Title: Project Manager Contact phone number: 0401673847 Contact e-mail

address: tim.jo@kepcoaustralia.com

Other operators involved in the facility: N/A

2. Opportunities to supply Goods and Services

Key goods and services	Opportunities for Australian entities*	Opportunities for non-Australian entities
Goods		
It hardware/ software	Yes	Yes
Mining equipment	Yes	Yes
Complete longwall system	Yes	Yes
Development suite comprising continuous miner, feeder/breaker and shuttle cars or continuous haulage	Yes	Yes
Underground and surface conveyors	Yes	Yes

Key goods and services	Opportunities for Australian entities*	Opportunities for non-Australian entities
Coal handling and preparation plant (CHPP)	Yes	Yes
Stockpile equipment, including stackers and dozers	Yes	Yes
Ancillary apparatus including electrical supply system	Yes	Yes
Services		
Design / Engineering services	Yes	Yes
Transportation services	Yes	Yes

Disclaimer: The information provided in the table above is based on an initial assessment by the company. Any questions or issues should be raised with the project contact.

Explanation for item(s) in list above where it is indicated 'No Opportunities for Australian entities'

N/A

3. Standards to be used in the facility

• Australian Standards will be specified in all tender documents where an Australian Standard exists, otherwise an appropriate international standard will be specified.

4. AIP activities to be undertaken by the Operator

KEPCO's EPC Contractor will publicly list opportunities to supply the Project through an online presence (ICN Gateway) to disseminate Project information.

KEPCO's EPC will request assistance from the ICN to identify capable, competitive pre-qualified Australian entities to supply goods and services to the Project. The assistance provided by the ICN will broadly include the:

- hosting of opportunities on ICN Gateway
- generation of automatic response to companies registered for the Project

through the ICN Gateway

seeking of additional responses to work packages if insufficient responses

received

- invite known companies to register expressions of interest
- closure of work package registration
- application of "First Gate" registration filter to find possible suppliers and

produce Ranking Report

- Pre-qualify expressions of interest to identify capable tenderers and supply shortlist of companies to KEPCO
- provide general assistance as requested.

Presentation through MESCA and or Hunternet in the Hunter region will be as procurement opportunities arise to give ample time to suppliers to participate and before tenders are issued.

Advertising in Regional Papers to attract responses from Regional Businesses once procurement begins.

5. AIP activities to be undertaken by procurement entities

KEPCO's EPC will put select employees through ICN training, which ensures that they can navigate and utilise the ICN Gateway website to its full extent, enabling it to identify relevant Australian entities.

- KEPCO will make available to its major suppliers/contractors a copy of its AIP Plan and this will be publicly available on KEPCO's website.
- KEPCO will make this AIP Plan available to all employees.
- Standard tenders and contracts will include a requirement to provide full, fair and reasonable opportunity to Australian industry.
- Major suppliers will be briefed on their AIP obligations and KEPCO expectations at the relevant 'kick-off' meeting.
- Relevant contract clauses will cover the requirement for procurement entities to promote contact officer details and communicate on process being carried out.