

NTNewsletter



January edition: Ichthys FID Announced, **GM's Welcome**, INPEX, **Eni Kitan Oil Field**, Shell, **Falcon Oil & Gas - Shanandoah #1**, Vista Gold – Mt Todd, **MRM/Xstrata/Milestone Engineering**, Eastern Indonesian Mining Opportunities, **Darwin Abattoir**, Darwin Prison, **NT Marine Supply Base**, SIHIP, **NBN**, Government Tenders

Did You Know?

On 1 February 2012, there will be some changes to the Northern Territory's road rules. These amendments follow those made at the national level by the Australian Transport Council under the Australian Road Rules and apply to all road users

For further information contact the road safety team on 1800 720 144.

Stats

January 2012*

Number of enquiries processed: 308

Total estimated value: \$347.126 million

Number of NT nominations: 381

Number of new companies registered: 49

*Figures only for 1– 31 Jan. 2012 inclusive

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Top Story

Ichthys FID Announced

INPEX and Total confirmed on 13 January 2012 the Final Investment Decision (FID) on the US\$34 billion Ichthys LNG Project.

INPEX Chairman Naoki Kuroda made the announcement in Darwin, "The Ichthys FID announced today by INPEX and Total signals the start of construction of one of the world's largest LNG facilities based on an estimated 40 years of gas and condensate reserves from the Browse Basin offshore Western Australia," Mr Kuroda said.

"In delivering this important Project into production we will be securing vital long-term energy supply to Japan and our other customers while delivering sustainable economic and social benefits across Australia."

"Ichthys production volumes represent more than 10% of Japan's LNG imports at current levels," Mr Kuroda said.

"Ichthys will contribute significantly to the growth of the Australian economy while

strengthening friendly ties between Japan and Australia."

Mr Kuroda said the Ichthys LNG Project's commercial strength would help INPEX achieve its objective of doubling oil and gas production over the next decade.

INPEX and Total recently announced binding Sales and Purchase Agreements for the entire LNG production from the Project for 15 years from 2017.

Mr Kuroda said mobilisation for construction of the Project would start immediately with preliminary works at the Blaydin Point site due to commence within weeks.

Mr Kuroda confirmed that Engineering, Procurement and Construction (EPC) of the onshore LNG plant and associated infrastructure would be undertaken by the JKC joint venture, comprising JGC Corporation, KBR and Chiyoda Corporation. JGC, KBR and Chiyoda are leading global LNG companies, with JGC and Chiyoda headquartered in Japan and KBR headquartered in the United States.

Source: www.inpex.com.au

GM's Welcome

Industry Associations, along with NT Government, have been advising Northern Territory business to prepare themselves for the minimum requirements to work on large projects, such as Ichthys, for the last few years.

Prime contractors of the Ichthys Project have now begun expressing their concern over the readiness of local businesses to work on this project as minimum project requirements are just not being met.

Part of a Prime's contractual arrangement is that they adhere to Australian Industry Participation Plans and engage local contractors, but they can not engage any

company, regardless of their geographical location, if they have not met minimum project requirements.

The time is now; Ichthys is a World Class Project that is happening on your doorstep - minimum requirements must be met in order for you to be involved.

Minimum Requirements are:

- Industrial Relations Policy
- WHS & E
- Financial Capacity
- Project Readiness
- Resourcing & Staff
- Quality Management policy

Get ready so you don't miss out.



Projects

INPEX

As at 31 January 2012, 4787 company registrations had been received for the Ichthys project, NT companies had received 2271 nominations and the total ANZ nominations is currently 4508.

Eni Kitan Oil Field

Bluewater advised that they have issued 4 large contracts in the last few months of 2011 – two of which have been awarded to Australian based companies. Bluewater have indicated recently that the smaller packages will likely be actioned during Q2 of 2012 as the FPSO continues production. There is anecdotal evidence of engagement by Bluewater with a number of NT based businesses.

Shell

Supply & Logistics related packages with specific relevance to NT business continue to be released through ICN Gateway, and packages with more general scope are available via Project Connect (ICNWA). A supplier briefing seminar held in Darwin during January has given a complete run down on timelines and opportunities that are likely to be available for Darwin companies. A copy of the presentation is available on ICN Gateway.

Falcon Oil & Gas - Shanandoah #1

The drill and testing program is now finished and the well is being abandoned until further testing has been undertaken. Unfortunately, there has not been any further enquiries received from Falcon

Vista Gold – Mt Todd

GMP Securities reported to their US Stock exchange clients:

“Mis-priced development play: Vista Gold is a U.S. based explorer-developer focused on advancement of its Mt. Todd project in northern Australia, a lower-risk brownfield re-start opportunity with good resource upside potential (9.0Moz currently).

Projects

Ex - cash & equity investments (\$135mm in MAX-T), with an adjusted EV of \$70mm (Vista Gold) is mis-priced in our opinion. The feasibility study expected Q1'12 and permitting Q3'12 are two important de-risking catalysts that should help trigger a re-rating of the shares. “

MRM/Xstrata/Milestone Engineering

As part of the MRM expansion and new crushing/conveyor plant a WA company with links back to the NT, Milestone Engineering, have been awarded the project management of the construction, installation and commissioning of a number of modules. Milestone are utilizing NT suppliers for the majority of their requirements.

Eastern Indonesian Mining Opportunities

The Department of the Chief Minister is calling for expressions of interest from local companies interested in participating in a trade mission to the Ozmine expo and conference being held at the Shangri-La Hotel Ballroom in Jakarta from 16-18 April 2012.

Darwin Abattoir

AACo and their design and engineering partner, Meateng, are continuing with their plans for an abattoir to be located at Livingstone and are liaising with the ICN to begin sourcing of potential NT suppliers.

Darwin Prison

Thanks to the late arrival of the Wet, civil works have progressed ahead of time at the Holtze site. Construction is likely to begin in April 2012 and Boulderstone are likely to begin posting vendor opportunities on ICN Gateway during February and March.

NT Marine Supply Base

NTG announced that ShoreASCO is their preferred partner for this project. It is understood that final contractual arrangements will soon be finalised.

Projects

SIHIP

As at 30 November, work was complete in 45 communities and underway in 14 communities and a number of town camps across the Territory. More than 250 Indigenous people were employed in the delivery of the Australian and Northern Territory governments' construction program for remote public housing. Across the Territory 1879 refurbishments and rebuilds were complete and 34 were underway.

A total of 393 new houses had been built and work was continuing on the construction of another 266.

National Broadband Network (NBNC0)

Visionstream and Syntheo have been contracted to undertake the rollout of the NBN throughout the NT and will begin searching for potential local suppliers during February and March 2012 prior to main works beginning in April.

Future Government Tenders

Did you know available to you through the NT Government tender website www.nt.gov.au/tenders is a great opportunity for you to look at upcoming future opportunities.

These may assist you in your forward planning.

“Want to Win Northern Territory Government Work”? - Having problems responding to the “value for money” criteria? Procurement Liaison is able to visit your premises and provide guidance and access to Business Support programs to improve your tendering capability. For assistance contact Procurement Liaison:

Telephone: 08 8999 5212 or

Email: tony.eggington@nt.gov.au



Info for Business...

AOG
 22-24 February, 2012.
 Perth Convention and Exhibition Centre
 In the past few years it has broken records and become Australia's largest oil and gas exhibition, with over 450 exhibitors from 16 countries. In addition to the exhibition there will also be a conference, oil and gas careers day and a variety of networking opportunities.
 Visit www.agexpo.com.au for further information

Call for Applications
 The Textile, Clothing and Footwear (TCF) Small Business Program offers grants of up to \$50,000. AusIndustry invites applications from established small businesses or consortiums for projects to be undertaken in 2012/13.
 For more information contact Clalia Mar on 08 8941 9250 or visit www.ausindustry.gov.au

2012 APPEA Conference & Exhibition | May 13 - 16
 Adelaide Convention & Exhibition Centre
 'Where the World Meets Australian Oil & Gas'
 The 2012 APPEA Conference will be held in Adelaide, South Australia 13-16 May 2012 and is anticipated to attract over 2500 delegates for the premier annual oil and gas event in the Southern Hemisphere.
 Visit www.appea.com.au for further information

Have you set your profile up to receive automated notifications?

- Visit www.icngateway.org.au
- Login to your company profile
- Click 'Company Details'
- Scroll down to 'Email Notifications for Major Projects'
- Complete this section to ensure you are kept up-to-date on new work package releases for Projects that match your capabilities!

So we can identify business opportunities for you we ask that you review your details held with ICN every 6-12 months. This ensures that your details are still accurate so you do not miss out!

Contact ICN if you encounter difficulties p. 08 8922 9422 or e. info@icnnt.org.au

What about you?

Would your business make a good Showcase company? Well if your company has recently been involved in an **exciting** or **innovative** project or has increased its capability in order to broaden your contracting opportunities, we think so!
 Please email Elena Tsangari e. elena.tsangari@icnnt.org.au or call p. (08) 8922 9422 to discuss.

Please Note: inclusion of information in the ICN (NT) newsletter is at the discretion of the ICN (NT). Contributing Showcase company will be contacted and confirmed prior to publication.

Snip'its from EnergyNewsBulletin.net

Magellan Petroleum has begun work to retrofit existing production and compression facilities at the Palm Valley gas field in the NT that will allow gas to be delivered to a new unnamed buyer.

Magellan said deliveries to the new buyer were expected to begin early next month once an interim gas sales agreement was finalised.

McDermott has signed a \$US2billion (\$A1.88 billion) contract to manufacture more than 16,000 tonnes of subsea equipment for the Ichthys project in Darwin – the largest contract it has received to date.

McDermott's specialty subsea vessels North Ocean 102 and Emerald Sea will undertake the installation of subsea hardware, moorings, risers, umbilicals and flowlines as part of the subsea work on the project.

THE flow of contracts for the Ichthys LNG project in Darwin is starting to gain momentum with GE Oil & Gas securing more than \$US1 billion (\$A944 million) in contracts.

GE will supply a range of equipment and services for the 8.4 million tonne per annum project including gas turbines and compressors.

Snip'its from MiningNews.net

Thundelarra Exploration has received further gold results from the Priscilla prospect in the Northern Territory.

Drilling hit 4m at 4.6gpt gold from 64m and 4m at 1.6gpt gold from 52m but 12 out of the 30 holes hit gold grading more than 0.5gpt gold with a peak intersection of 4m at 118gpt gold.

TORONTO-based Crocodile Gold has tipped production from its Northern Territory mines to increase to 75,000-85,000 ounces of gold this year.

It comes after the company produced 68,019oz gold last year, meeting its 2011 guidance of 66,000-69,000oz. Cash costs for this year are forecast at \$US1100-1300 per ounce.

Western Desert Resources has confirmed a new deposit at Roper Bar Area B in the Northern Territory.

The company expects to release a maiden JORC-compliant resource for the area this year, with 133 holes completed to date.

Hematite mineralisation typically is 5m thick with grades up to 62.6% iron and averaging 45%.



Info for Business... | Showcase Company

AusIndustry and NT Research and Innovation, DBE, invite you to a workshop on how to transform your idea or invention into a product you can take to the market.

When: Thursday 16 February 2012

Where: CPA Australia Conference Room Level 3, 62 Cavenagh St, Darwin

RSVP: Friday 3 February
Contact Clalia Mar e. clalia.mar@innovation.gov.au or p. 08 8941 9250 for info

Into Business - Workshop A Katherine | 23 February
Indigenous Business Australia (IBA) is holding free *Into Business* workshops for Aboriginal and Torres Strait Islander peoples who are interested in turning a business idea into reality.

Workshop A – your business idea, goals and expectations.

Contact IBA on 1800 107 107 for further information

Sustainable Business Strategies

When: 9 February, 2012
Where: Holiday Inn Esplanade

AIDN-NT, supported by Enterprise Connect, is conducting a workshop aimed at assisting business owners to develop strategies to diversify and grow their business.

Registrations close 6 February. Contact AIDN-NT p. 08 8947 2033 e. xo@aidnnt.com.au

Company: Reomart
Contact: Malcolm Tonkin
Location: Gate 2, 81-89 Marjorie St, Pinelands NT
Tel: 08 8931 3311
Email: mt@reomartnt.com.au



Reomart is a manufacturer and distributor of reinforcing fabric, welded mesh and cut & bent reinforcing bar. They are part of the building materials company, the Metroll Group, which has been operating around Australia since 1999. This group comprises over seventy businesses and manufacturers including names like Mesh & Bar, Fence Fab, Pipemakers Australia and Bondor.

The Reomart operation began in 2005 operating from the Metroll complex before moving into a compound with over 2000m² of factory and office space, on 20,000m² of land. This space was purpose built to produce reinforcing materials to the construction industry and allows room to stock pile product for busy periods.

Reomart has an Italian made 'Beta Systems' model, the only mesh manufacturing machine in Darwin, which can produce over five hundred sheets of mesh in varying sizes a day on a normal shift. The complex also boasts the latest automated Stema Reo Benders to process any reinforcing bar that is required for a project. Being able to manufacturer the product locally allows the company to work outside of seasonal conditions that affect the traffic flow into the Territory.

Reomart employ over 14 staff from the manufacturing and construction industry and as they are the sole local manufacturer of reinforcing mesh they have been able to supply directly to the; defence housing project in Larrakeyah, AFL NT project in Palmerston and the soccer project in Gray, while still being able to supply many of the local home builders.

Info for Business... | Industry News

**Construction Snapshot
September 2011 Figures Now Available!**

Construction Snapshot is published by the Department of Construction and Infrastructure to provide an overview of Construction Industry activity greater than \$1million in the Northern Territory. Input and feedback is encouraged by contacting the Construction Snapshot Project team on e.

Constructionssnapshot.dci@nt.gov.au or p. 08 8924 7300. Construction Snapshot is produced on a quarterly basis and available from www.nt.gov.au/constructionssnapshot

OneSteel has overturned market concerns it might be readying for a capital raising, announcing the \$100 million sale of its piping systems business and sending its shares on their biggest one-day percentage jump in 2 1/2 years.

The announcement, and confirmation OneSteel would receive \$64m from the Gillard government's carbon tax compensation package for steelmakers, boosted its ailing stock price by 7c, or 10 per cent, to 75c.

Announcing the pipe sale, OneSteel said: "There is nothing before the board that would see the board consider raising further debt or equity, or that puts the company in a position of having concern with its borrowing covenants."

Source: *The Australian*, 'One Steel pipe sale eases capital concern', 23 December 2011.



COMMITTED PROJECTS

Project	Proponent	Project type	Start	Value (AU\$M)
Darwin Waterfront Redevelopment	NTG/ Darwin Cove Consortium	Hotels, Apartments, public spaces	2005	800
Pit expansion	ERA, Ranger	Uranium	2007	TBA
Weddell Power Station	Power Water	Power Station	2007	126.6
SIHIP	Territory Housing	New and upgraded remote housing	2008	672
RAAF Darwin	Dept of Defence	Base Redevelopment Stage 2	2008	49.8
Robertson Barracks	Dept of Defence	Redevel & Hardened Network Army	2008	72
Marine Supply Base	NT Government	Marine Supply Base	2012	TBA
Darwin Prison - Northern Territory New Secure Facilities PPP project (NTSF)	NT Government	Prison	2011	495
Kitan	Eni	FPSO	2010	TBA
Single LEAP Accommodation	Dept of Defence	New accommodation at NT Defence locations	2012	230
Prelude	Shell	FLNG	2011	TBA
Ichthys	INPEX	LNG Plant, Darwin	2012	US\$34B
Peko tailings removal	Peko Resources	Magnetite Tailings	2011	TBA

PLANNED PROJECTS

Nolan's Bore	Arafura Resources	Rare Earths	2013	TBA
Bonaparte LNG	GDF Suez/Santos	Petrel/Tern/Frigate FLNG	TBA	TBA
Wonarah Phosphate Mine	Minemakers	Phosphate	2013	200
Crux	Nexus Energy	Oil & Gas	2011	TBA

PROPOSED / POTENTIAL PROJECTS

Montara	PTTEP	Oil & Gas (potential FLNG)	TBA	TBA
Darwin LNG Train 2	ConocoPhillips	LNG	TBA	TBA
Sunrise Gas Project	Woodside	Natural Gas / LNG	TBA	TBA
Tassie Shoal	MEO	Methanol / LNG	TBA	TBA
Evans Shoal	Magellan	Methanol / LNG	TBA	TBA
Roper Bar	Western Desert Resources	Iron Ore	2012	TBA
McArthur River	Redbank Copper	Copper	2012	TBA
Hodgson Downs	Sherwin Iron	Iron Ore	2012	180
Mount Peak	Unnamed Chinese engineering and development group	Vanadium Pentoxide / Ferrovandium	TBA	5B

Due to the nature of projects this information is subject to change. Please confirm currency with ICN (NT).

Information sourced from: NTG Construction Snapshot www.nt.gov.au/constructionsnapshot; NTG Potential Mining Projects in the NT www.orestruck.nt.gov.au

