

a national training vessel for australia

briefing paper | ntu australia

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A NATIONAL TRAINING VESSEL FOR AUSTRALIA

Briefing Paper | Updated 11 March 2013

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EXECUTIVE SUMMARY

A National Training and Trading Vessel for Australia (NTV Australia) is proposed to address the need for a reliable long-term freight solution for Tasmania, and the need to build Australia's maritime skills base in support of national shipping reforms.

Reliable Long-term Freight Solution for Tasmania

NTV Australia is a long-term solution to helping Tasmania solve freight issues arising from a lack of international shipping services to and from Tasmania. By having a weekly feeder service (with a short 3-day voyage) from Bell Bay to Brisbane for direct connection to major international lines, Tasmanian exporters and importers will gain access to competitive freight rates, enjoy a frequency of service to a wide range of international trade routes, and most importantly, not be vulnerable to only one international shipping line for their future cargo movements.

Building Australia's Maritime Skills Base

NTV Australia solves a critical bottleneck in building Australia's maritime skills by providing valuable sea time at a scale needed to combat the combined effects of an ongoing skills shortage and an aging workforce. Seafarers require both training and sea time to qualify for employment. However, although training is easy to complete, sea time on a trading vessel is extremely hard to earn. With 110 seafarer berths, NTV Australia has the capacity to offer more sea time opportunities than all of the 24 Australian-flagged trading ships today.

Greater Synchronization in Maritime Training

NTV Australia improves the efficiency of current maritime training by better synchronization of sea time and training, including assessments. Sea time can be integrated into seafarers' training regimes at their respective training providers, thereby enabling seafarers to be qualified for employment more quickly.

Job-ready Graduates

Because it trains and trades, NTV Australia provides practical real-time work experience. All maritime training providers can use the NTV for all their practical and hands-on training needs. This will ensure seafarers are job-ready once they graduate, thereby eliminating the current inefficiency where many shipowners have to provide qualified seafarers with practical training before they are deemed competent to assume seafaring positions.

Robustness of the NTV Australia proposal

The business model underlying the NTV Australia proposal is very robust. It is able to draw revenue from not only freight but also sea time and training, and is therefore not subject to the vagaries of seasonal trade. This gives the venture greater long-term sustainability.

With 110 seafarer berths and 600 containers per voyage, the proposed RoRo vessel has the capacity to make an impact in both training and freight for Tasmania. The vessel will be leased for the first 5 years under a bareboat charter then purchased by NTV-Australia at the beginning of year 6.

Projected 10 year financials demonstrate that after 3 years of support both in terms of infrastructure and operating costs, the venture is able to produce solid performance and steer its course after that time.

Requested Government Support

To get this venture up and running, this proposal requests Federal Government support of \$A38,831,795.

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1. PURPOSE

This briefing paper outlines the key features of a proposed National Training Vessel for Australia.

The National Training Vessel is designed to support the national shipping reforms, especially those aimed at securing the maritime skills base, by enabling seafarers to complete their maritime training and gain their qualifications onboard a training vessel.

The National Training Vessel not only allows seafarers to be trained but also earn valuable sea time, and it is this combination which has attracted a lot of attention and strong support from all sectors of the maritime industry.

2. PROPONENTS

This paper has been prepared by NTV Australia, a joint venture between two Tasmanian companies, Asia Pacific Maritime Institute and Pivot Maritime International, which specialise in maritime training, research and simulation, and Perth (WA)-based shipping company Gardline Australia.

For further information about this paper, please contact:

DR JEFFREY HAWKINS
Chairman, NTV Australia
0419 368 082
jhawkins@apmi.edu



3. THE NEED FOR SHIPPING REFORMS

Shipping carries 99% of Australia's international trade and around 25% of its domestic freight. Fuelled by the resources boom, it is expected to grow in the order of 80% over the next decade. How ready is Australia's maritime industry for this enormous challenge?

Based on maritime industry statistics, not at all. Indeed, over the last few decades, shipping has steadily declined: Australian ships are getting fewer and older, employment numbers are spiralling down, and the workforce is ageing.

- Only 22 major trading ships are Australian registered, down from 55 in 1995.
- About 1,300 are currently employed on Australian-registered trading ships, down from 2400 in 1996.
- The average age of Australian ships is 19 years, compared to a global average of 12 years.
- The average age of employed seafarers is 48 years old (71% are over 40 years old, 42% are over 50, and 16% are over 60).

These downward trends have not been ignored, however. Persistent calls to revitalise the Australian maritime industry have finally led to the introduction of national shipping reforms.

The reforms aim to encourage Australian ships to compete with foreign ships through tax incentives, the creation of an international shipping register, maritime workforce development, innovations in navigation, environmental protection, and seafarers rights.

As proudly announced at a national maritime conference recently, these shipping reforms carry one singular message: Australian shipping is open for business.



*Revitalising
Australian
shipping*

4. ADDRESSING THE SHORTAGE OF QUALIFIED SEAFARERS

One of the four key platforms of the national shipping reforms is the establishment of a Maritime Workforce Development Forum aimed at securing the essential skills base to meet the increase in maritime trade.

This is not going to be an easy task. Any approach taken must consider what to do with an ageing workforce, the lack of opportunities for younger people to enter the maritime industry due to entry barriers (eg, lack of opportunities to gain seagoing experience), and competition for qualified personnel from other sectors, notably the offshore industries.

The high cost of maritime training and the lack of opportunity to gain practical skills are particularly critical issues for shipowners. These issues have been major contributors to the decline of the Australian maritime industry and continue to significantly block the increase in the numbers of qualified personnel entering the industry.

To gain certification and thus be qualified to work on trading ships, all seafarers require a combination of coursework and sea service. While a number of training institutions enable trainees to complete the coursework, there is, and has been for a long time now, a lack of capacity onboard existing ships to provide sea service berths. Thus, while many may complete the coursework at training institutions, all too often they lack the practical skills to carry out shipboard operations. Shipowners then have to provide practical training to enable new recruits to perform their jobs.

Maritime trainees also have great difficulty earning sea service. Even if existing and new ships were to dedicate 1-2 berths onboard for sea service opportunities, given the ageing workforce, this is only likely to generate small increases in new entrants. It is also highly likely that this approach may not keep pace with retirements or movements to offshore industries.

Reasons for the labour shortage	
Ageing workforce	✓
Movements to other industries	✓
Lack of practical training	✓
Difficulty getting sea time	✓
High overall training costs	✓

Clearly, to secure this pivotal skills base, and put Australia on a competitive footing, innovative solutions must be found.

5. PROPOSED: NATIONAL TRAINING VESSEL

To effectively address the issues of sea service, practical training and overall training costs, NTV Australia proposes to run a National Training Vessel for Australia.

5.1 Overview

The National Training Vessel is envisioned to be an Australian commercial vessel that will train and trade. Its aim is to significantly boost the number of seafarers trained and qualified to Australian standards within a relatively shorter time frame than what is available under current training arrangements in Australia. Through its trading operations, it also aims to provide an international freight service to and from northern Tasmania.

The National Training Vessel offers the following benefits:

TRAINING	
Ongoing opportunities for sea time	✓
Coursework synchronised with sea time	✓
Practical shipboard training	✓
Shipboard final assessment (orals)	✓
Graduates ready and competent to assume shipboard duties	✓
Opportunities for other maritime training institutions to organise sea time for their trainees	✓
Reduced overall training time	✓
Reduced overall training costs	✓
TRADING	
Weekly international feeder service	✓
Direct 3-day voyage from Bell Bay to Brisbane	✓

5.2 TRAINING

5.2.1 Scope of Training

Training will cover all mandatory STCW training (deck and engineering) for all qualification levels, from Integrated Rating to Master/Engineer Class 1, as well as mandatory specialist courses. In support of shipping reform priorities, training priority will be placed on identified occupations in demand, based on industry survey results.

5.2.2 Competitive Advantages

The National Training Vessel has two distinct competitive advantages over traditional maritime training:

- **It will deliver high quality training in a shorter period of time.**
Seafarer training is normally organized into two streams: coursework, which is done face to face and/or by distance education; and qualifying sea service (also called sea time), which is calculated on the basis of training completed, size and power of ship (GT/kW power), voyage length, and certificates held.

The total length of time it takes to achieve a maritime qualification is greatly influenced by one's ability to gain the necessary qualifying sea service and take the required coursework at a maritime training institution. Scheduling coursework and sea service, usually in the course of one's employment, often requires substantial juggling.

Under the normal training system, it is very common for candidates to wait before they can fit into semester coursework or get onboard ships. In most cases, this results in a higher cost for employers and significantly increases the total cost of training.

The National Training Vessel, in contrast, will allow a synchronised scheduling of coursework and sea service, effectively giving trainees the opportunity to substantially reduce the duration and cost of training. Onboard the training vessel, trainees will complete coursework through several methods (classroom, self study, mentoring, simulation) and, as they complete training milestones, they will be assigned watchkeeping duties in order to earn sea service.

Reducing training time is not enough, however; the National Training Vessel must also provide high quality training. To this end, having a carefully crafted and well managed training program and having the right training staff are pivotal to the success of the model.

Educational and training research shows that combining theoretical and practical delivery has enormous learning benefits. It allows trainees to apply, and more importantly test, theoretical knowledge under a variety of shipboard and environmental conditions. The result: trainees with the knowledge and skills to competently deal with the practicalities and challenges of shipboard operations.

- **It will provide trainees with practical competence to perform their jobs.**

Seafarer training and certification have come under renewed global scrutiny following the amendment of the International Convention of Training, Certification and Watchkeeping for Seafarers (STCW) in 2010. STCW applies in 153 countries and ensures the consistent application of minimum training and certification standards for the world's 1.2 million seafarers. The new training standards under STCW 2010 will be mandatory commencing 1 July 2013 and should be fully in force by 1 July 2017.

One of the most significant changes in STCW 2010 is the requirement for practical demonstration of competence in the assessment of deck and engineering qualifications.

This practical demonstration requirement is designed to counteract widespread reliance on theoretical 'paper-and-pencil' assessments which has led to a rapidly growing number of seafarers with maritime qualifications but without the requisite practical skills for shipboard operations. This in turn has led to a duplication in training, as many shipowners and manning managers/agents have had to provide additional training to new recruits to build their competence to requisite levels.

The National Training Vessel is ideally suited to meet the practical demonstration requirement. It will be a significantly quality advantage over traditional maritime training where there is no realistic shipboard environment for practical demonstrations of competence.

However, it is important to emphasize that the National Training Vessel does not compete with traditional maritime training providers; rather, it complements what they do by allowing them full access to berths on the National Training Vessel so they can provide their students with opportunities for sea service. This will considerably cut down the waiting time between completing the coursework and gaining a maritime qualification.

A national training vessel that can be accessed by all maritime training providers to meet the sea service requirements of their students.

For all, it will mean: Quality training. Reduced training time. Lower overall training costs. Graduates ready and competent to assume shipboard duties.

5.3 TRADING

5.3.1 Reasons for Trading

The National Training Vessel must trade for three reasons: regulatory compliance, commercial viability, and support for Tasmanian exporters.

- Sea service is recognised by the national maritime regulator, the Australian Maritime Safety Authority (AMSA), only if it is completed on trading vessels and only while the vessel is moving and at sea. Any sea time provided by the training vessel must also be undertaken during qualifying trading voyages.
- Trade is also necessary for commercial viability. Although widely acknowledged that practical seafarer training on a training vessel is far superior to onshore training, the experience of many training institutions across the world shows that the costs of maintaining a purely training vessel are prohibitive and in the long run unsustainable without ongoing funding assistance. To avoid the same fate as previous training vessels, the proposed training vessel will carry freight to pay for vessel operations.
- Trade serves a third purpose: to provide an international freight service to and from northern Tasmania, and in so doing fill the gap created by the withdrawal of international shipping services from Bell Bay in 2011.

5.3.2 Trade Services

To meet all three reasons for trading, a wide range of optimal trading routes were investigated and analysed.

Based on feasibility studies and industry consultations conducted by NTV Australia over the last 12 months, the most efficient route is Bell Bay/Brisbane/Bell Bay. This is a direct 3-day voyage in each direction.

The Port of Brisbane is a critical hub port for Australian exports as the main international shipping lines operating to North and East Asia conclude their outbound voyage with Brisbane as the last port, making a direct route to major trading destinations.

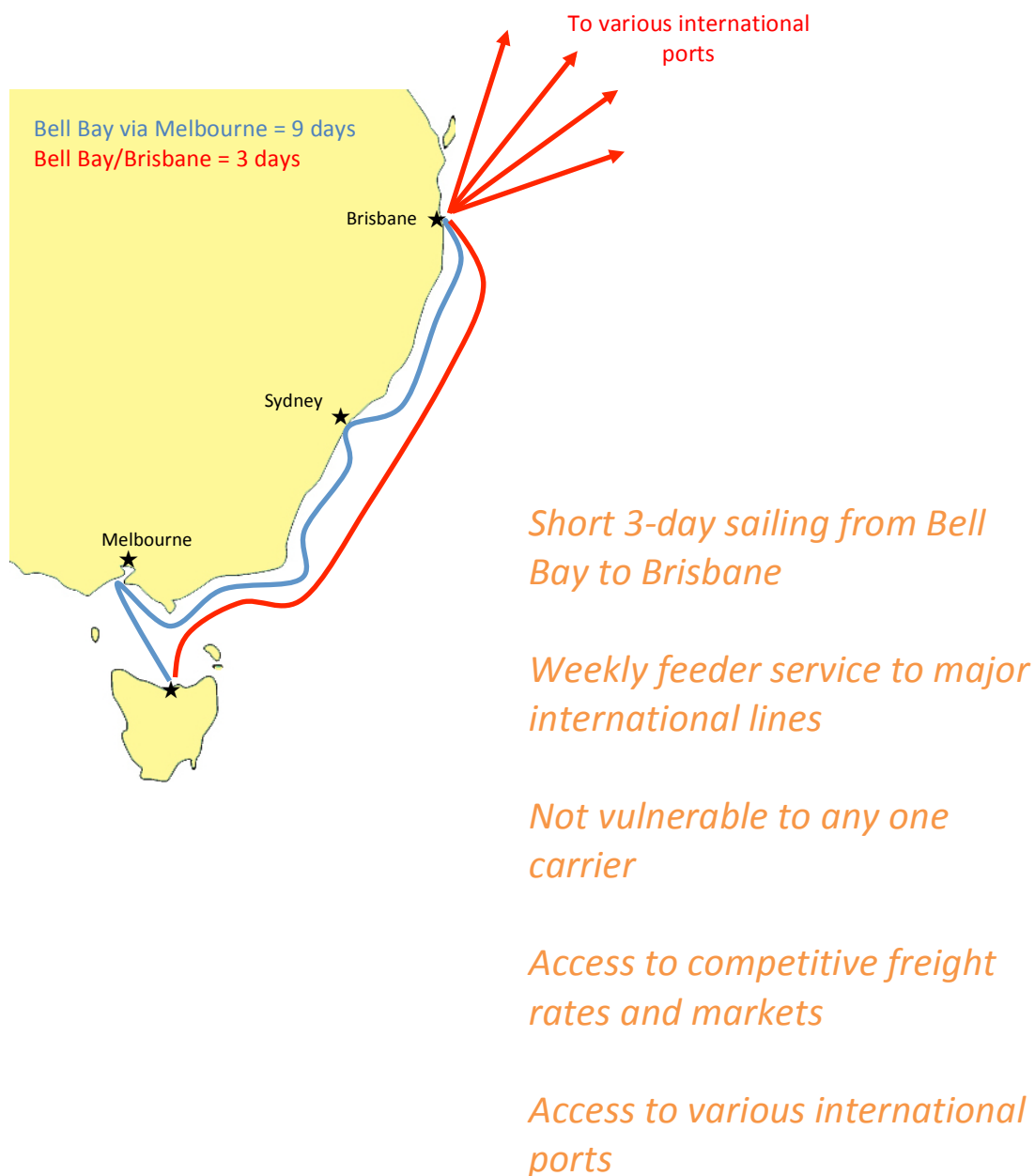
Melbourne on the other hand has a degree of inefficiency tied to the voyage schedules; main international shipping lines call from Melbourne, Sydney and Brisbane on their outward route, resulting in an 8-9 day variance between arrival in Melbourne and arrival in Brisbane.

In addition to timing, Tasmania to Melbourne export cargoes incur the additional cost of domestic transfers from coastal Webb Dock to the international Swanson Dock before making their way to Sydney and Brisbane. In some cases, due to the lack of international ISO (International Standard Organization) container availability, some export cargoes are transported in domestic two pallet wide containers or RACE containers (Railways of Australia Container Express) which need to be repacked into ISO containers before being exported resulting in another cost.

In contrast, the National Training Vessel will be an international feeder service taking only 3 days to steam from Bell Bay to Brisbane and docking at the same international terminal where cargo is directly transferred to international lines. No additional cargo movement, or repacking, is required.

The key is to provide a feeder service for all major international lines servicing Australia, and not be limited to any one carrier.

To satisfy the capacity requirement of the major lines, the NTV must have the capacity to carry 600 containers per week in each direction. In return for this capacity, the major lines are prepared to commit the volumes.



6. ECONOMIC CONTRIBUTION TO NORTHERN TASMANIA

NTV Australia will contribute to the economic growth of Northern Tasmania.

The majority of the estimated \$A13.8 million allocated for vessel modifications will be spent in Northern Tasmania and the venture will directly create 76 new jobs. More significantly, NTV Australia will spend between an estimated \$A20-\$A26 million per year in the region which will directly benefit other Northern Tasmanian businesses as the table below demonstrates.

Annual Revenue Spent in Northern Tasmania	AUD
Professional training services	1,550,000
Technical engineering services	1,161,000
Travel services (NTVA and clients)	1,100,000
Accommodation services (NTVA and clients)	1,432,000
Local transport	232,000
Ship providers and supplies	650,000
Franchise and hotel personnel	901,550
Training personnel	4,076,700
Seagoing personnel	4,208,018
Admin/operational/technical personnel	1,584,011
Marine simulation services	2,100,000
Port costs	800,000
Bunkers and lubes	6,500,000
Total (AUD)	26,295,279

7. THE VESSEL

To meet both training and trading requirements, the National Training Vessel must meet the following specifications:

- It should be greater than 3000GT for deck officers and 3000kW for engineers to give it the capacity to offer sea service up to the highest qualification levels, which will significantly shorten the sea service period and offer quality sea service.
- It should have a sufficient number of training berths to accommodate a range of qualifications (deck officers, engineers, integrated ratings). To be cost effective, the vessel should have at least 100 berths.
- It should have the physical capacity and facilities (training and accommodation) to enable the synchronisation of training and sea service activities, thereby reducing the overall training period.

An artist rendition of the proposed vessel and the vessel specifications are provided in the next two pages.

8. LEASE/PURCHASE OF THE VESSEL

The proposed vessel will be leased for 5 years under a bareboat charter arrangement and purchased by NTV Australia at the end of 5 years.

From years 6-10 years of operation, NTV Australia will maintain retained earnings for vessel replacement which is planned for years 10-12 depending on the condition of the vessel.



Dimensions	
Length o.a.	157.6m
Length b.p.	146m
Beam mld	25.3m
Draft, scantling	7.05m
Depth of main deck	13.9m
Tonnage	
GT	20,783
NT	6,276
Deadweight	8,842
Propulsion	
Twin engines, Twin Shafts, Twin Props, Twin Rudders	
Main engines (2) Sulzer/Wartsila 12Zav40	
Output 7,680 kW / BHP 10,440 each	
RPM 580	
Twin independent rudders	
Economical speed 12 – 13 kts one engine	
Service speed 18 – 19 kts two engines	
Fuel HFO/IFO 380/180	
Two liaaen E 147/4 C.P. propellers	
One liaaen TT 83/56 – 220 bow thruster	
Capacities	
Water	211 m3
HFO	1078 m3
Marine Gas Oil	270 m3
Accommodation	
Certified for 142	
LSA for 170	

VESSEL SPECIFICATIONS

Auxiliaries (MGO)			
2 x Wartsila 8 R 22 HF	1,180kW		
1 x Wartsila 6 R 22 HF	890kW		
2 x Emergency gensets			
Auxiliary boiler stocznia G danska 5263 providing MGO fuel heating and accommodation heating			
Two exhaust gas economisers (water tube boilers)			
Two flash evaporators for water making (existing)			
Domestic power 220v/50Hz			
Cargo Capacity			
Deck 4	66 x 20' containers, dock crane to be used to load/discharge		
Deck 3	Lane length	853m	
Deck 2	Lane length	513m	
Deck 1	Lane length	281m	
As Deck 3 will be used for additional facilities there remains substantial space for vehicles/ storage/training areas in Deck 2 and 1. Access is via a stern ramp and forward starboard side ramp on Deck 3.			
Classification			
DNV IAI ICE-1A* Car Ferry A EO			
Solas passenger vessel			
Flag Swedish			
The DNV rules applicable for passenger and cargo vessels intended to operate unassisted in ice infested waters of sub-Arctic, Arctic and or Antarctic regions define ICE-1A* (equivalent to Finnish – Swedish Ice Class 1A super) specify 'normally capable of navigating in difficult ice conditions without the assistance of ice breakers' with ice floes of up to 1m level thickness.			

9. MANAGEMENT

9.1 Management Structure

NTV Australia will be responsible for the overall management and operation of the National Training Vessel.

There will be a Board of Directors, composed of the joint venture partners and a Chief Executive Officer (CEO), and a management team.

There will also be an advisory board whose members will be drawn from key sectors of the maritime industry (unions, shipowners, safety regulators, key stakeholders).

The National Training Vessel will have two divisions, Training and Freight. Each will be headed by a Division Manager, both of whom will report to the CEO.

9.2 Personnel

For a 100-110 berth capacity, 16-20 crew and 8-12 trainers/assessors will be available on board.

Selection of training staff and vessel crew will be based on AMSA and ASQA requirements. Recruitment, pay, leave, crew fatigue and other human resource and industry relations matters will be mapped out in accordance with NTV Australia policies and applicable legislation.

In terms of onboard operations, multi-tasking among training staff and crew will be expected. Depending on qualifications and expertise, training staff can perform shipboard operations and crew members can serve as mentors to trainees.

This will not only minimise manning costs and achieve efficiencies, it will also improve the quality of training. Training staff provide them with the theoretical knowledge; the crew give them practical knowhow. It also provides valuable independence of training assessment.

9.3 Organization of Onboard Facilities

In the case of onboard facilities, training requirements will take precedence over freight requirements. Joint planning for these facilities between the training and freight divisions will be required to ensure the requirements of both divisions are given due consideration.

9.4 Managing Energy Efficiency

Although shipping is considered the most carbon-efficient mode of transportation, the International Maritime Organization (IMO) continues to spearhead the drive to improve the fuel efficiency, carbon footprint, and energy efficiency of ships.

International standards limiting certain emissions (nitrogen oxide, sulphur oxide, particulate matters, ozone-depleting substances) have been in place since 2008. From 1 January 2013, mandatory energy efficiency standards - the Energy Efficiency Design Index (EEDI) for new ships and the Ship Energy Efficiency Management Plan (SEEMP) for all ships - will enter into force. Discussions on carbon emissions are still in progress, with market based instruments being developed to provide additional financial incentives for reducing carbon emissions.

NTV Australia will actively monitor such developments and comply with mandatory requirements to improve the training vessel's energy efficiency and carbon footprint. NTV Australia will also lead by example by adopting carbon emission reduction initiatives as a dedicated Sky Kite, Silicon hull paint, and propeller polishing, all of which will reduce the vessel's carbon footprint.

10. INDUSTRY CONSULTATIONS AND STUDIES

Over the last 12 months, NTV Australia has had extensive consultations with the maritime industry (maritime unions, shipping companies, maritime regulators, maritime training providers) and the international shipping lines to lay the ground work for its proposed National Training Vessel.

NTV Australia has also undertaken a two-phase study into the feasibility of a National Training Vessel.

An initial feasibility study (Phase 1) completed in January 2012 demonstrated a clear need for the National Training Vessel and a strong support from all maritime unions, shipowners and maritime regulators.

A more detailed study (Phase 2) was subsequently conducted from April 2012 to February 2013 to investigate operational requirements.

Annex 2 lists the industry sectors consulted for the studies. Annex 3 includes indications of support from the industry.

11. PROJECTED REVENUE AND COSTS FOR THE FIRST TEN YEARS OF OPERATION

Table 1 shows the projected revenue and costs of the National Training Vessel for the 10 years of operation. These figures are based on extensive consultations with Tasmanian exporters, major freight forwarders, main international shipping lines, port authorities, and stevedores.

Establishing a viable shipping service between Bell Bay and Brisbane is estimated to take 3 years. Exporters and freight forwarders have contracts in place that would need to be honoured, and the National Training Vessel would need time to prove the reliability of its service before it can increase its freight uptake.

We firmly believe that after 3 years, the National Training Vessel would have established itself and be able to independently steer its own course.

A detailed cost breakdown is provided in Annex 1.

Table 1
Projected Revenue and Costs for the First 10 Years of Operation of the National Training Vessel (AUD)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Revenue											
Vessel revenue	\$10,326,050	\$14,950,750	\$18,004,250	\$23,864,500	\$25,366,250	\$28,127,500	\$29,586,250	\$31,403,750	\$34,346,250	\$36,745,000	\$252,720,550
Training revenue	\$6,780,000	\$7,254,600	\$8,001,824	\$8,641,970	\$9,046,908	\$9,725,426	\$10,454,833	\$11,238,946	\$12,081,866	\$12,988,006	\$96,214,380
Total Revenue	\$17,106,050	\$22,205,350	\$26,006,074	\$32,506,470	\$34,413,158	\$37,852,926	\$40,041,083	\$42,642,696	\$46,428,116	\$49,733,006	\$348,934,930
Cost of Sales											
Operating costs	\$15,371,607	\$16,444,919	\$17,267,166	\$20,344,830	\$20,967,742	\$17,795,455	\$23,546,180	\$19,603,320	\$20,583,486	\$27,257,647	\$199,182,352
Port & handling costs	\$2,193,185	\$2,492,163	\$2,835,987	\$3,231,385	\$3,686,093	\$4,044,702	\$4,055,202	\$4,449,698	\$4,461,274	\$4,684,337	\$36,134,027
Training costs	\$6,250,350	\$6,562,867	\$7,153,525	\$7,654,272	\$8,055,188	\$8,457,947	\$8,880,845	\$9,324,887	\$9,791,131	\$10,280,688	\$82,411,700
Total Cost of Sales	\$23,815,142	\$25,499,949	\$27,256,678	\$31,230,487	\$32,709,023	\$30,298,105	\$36,482,227	\$33,377,905	\$34,835,891	\$42,222,672	\$317,728,079
Finance Cost	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$785,546	\$487,543	\$365,033	\$231,031	\$84,458	\$4,903,609
Depreciation charge						\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$14,000,000
Net Operating Profit/Loss	(\$7,299,092)	(\$3,884,599)	(\$1,840,604)	\$685,983	\$1,114,135	\$3,969,276	\$271,313	\$6,099,758	\$8,561,195	\$4,625,876	\$12,303,241

12. REQUEST FOR FUNDING

For its first three years of operation, the National Training Vessel would require funding assistance for vessel infrastructure and operational support costs. The level of funding requested is summarised in Table 2.

Table 2
Requested Funding for the National Training Vessel

VESSEL INFRASTRUCTURE COSTS		AUD
1	Mobilisation to/from Australia	2,700,000
2	Vessel modifications to Australian requirements	4,500,000
3	Training modifications to vessel	7,200,000
4	Environmental and carbon efficiency modifications	2,100,000
5	Bareboat charter fixed costs (\$A8,500/day x 3 years)	9,307,500
Total Infrastructure Costs		25,807,500

OPERATIONAL SUPPORT COSTS		AUD
1	Year 1 freight deficit	7,299,092
2	Year 2 freight deficit	3,884,599
3	Year 3 freight deficit	1,840,604
Total Operational Support Costs		13,024,295

Total Funding Requested	38,831,795
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Vessel infrastructure costs cover bringing the vessel to Australia and doing modifications to the vessel to meet regulatory and training requirements (eg training bridge, training engine control room, cargo handling facilities, simulators, engineering workshops, seamanship and survival workshops, library, classrooms). Majority of these modifications will be done in Tasmania by Tasmanian companies, with preference given to northern Tasmanian businesses.

Operational support costs cover the operational losses for the first three years up to the specified amount highlighted above. Any losses greater than these specified amounts will be covered by NTV Australia.

ANNEX 1

Cost Breakdown

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NTV Australia- Financial Overview

Projected revenue and costs for the first 10 years of operation of the National Training Vessel

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Revenue											
Vessel revenue	\$10,326,050	\$14,950,750	\$18,004,250	\$23,864,500	\$25,366,250	\$28,127,500	\$29,586,250	\$31,403,750	\$34,346,250	\$36,745,000	\$252,720,550
Training revenue	\$6,780,000	\$7,254,600	\$8,001,824	\$8,641,970	\$9,046,908	\$9,725,426	\$10,454,833	\$11,238,946	\$12,081,866	\$12,988,006	\$96,214,380
Total Revenue	\$17,106,050	\$22,205,350	\$26,006,074	\$32,506,470	\$34,413,158	\$37,852,926	\$40,041,083	\$42,642,696	\$46,428,116	\$49,733,006	\$348,934,930
Cost of Sales											
Operating costs	\$15,371,607	\$16,444,919	\$17,267,166	\$20,344,830	\$20,967,742	\$17,795,455	\$23,546,180	\$19,603,320	\$20,583,486	\$27,257,647	\$199,182,352
Port & handling costs	\$2,193,185	\$2,492,163	\$2,835,987	\$3,231,385	\$3,686,093	\$4,044,702	\$4,055,202	\$4,449,698	\$4,461,274	\$4,684,337	\$36,134,027
Training costs	\$6,250,350	\$6,562,867	\$7,153,525	\$7,654,272	\$8,055,188	\$8,457,947	\$8,880,845	\$9,324,887	\$9,791,131	\$10,280,688	\$82,411,700
Total Cost of Sales	\$23,815,142	\$25,499,949	\$27,256,678	\$31,230,487	\$32,709,023	\$30,298,105	\$36,482,227	\$33,377,905	\$34,835,891	\$42,222,672	\$317,728,079
Finance Cost	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$785,546	\$487,543	\$365,033	\$231,031	\$84,458	\$4,903,609
Depreciation charge						\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$14,000,000
Net Operating Profit/Loss	(\$7,299,092)	(\$3,884,599)	(\$1,840,604)	\$685,983	\$1,114,135	\$3,969,276	\$271,313	\$6,099,758	\$8,561,195	\$4,625,876	\$12,303,241

Requested funding for the National Training Vessel

Vessel Infrastructure Costs	
Mobilisation to Australia	\$2,700,000
Vessel modification to Australian requirements	\$4,500,000
Training modifications to vessel	\$7,200,000
Environmental and carbon efficiency modifications	\$2,100,000
Bareboat charter fixed costs (\$A8,500/day x 3 years)	\$9,307,500
Total Infrastructure Costs	\$25,807,500
Operational Support Costs	
Year 1 Deficit	\$7,299,092
Year 2 Deficit	\$3,884,599
Year 3 Deficit	\$1,840,604
Total Operational Support Costs	\$13,024,295
Total Support	\$38,831,795

NTV Australia - Cashflow

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Profit after tax	\$11,040,000	(\$2,760,000)	(\$2,760,000)	(\$2,074,017)	(\$1,645,865)	\$2,298,493	(\$290,081)	\$3,789,831	\$5,512,836	\$2,758,113
Add										
Depreciation	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000
Taxtion P&L						\$1,670,783	\$561,394	\$2,309,927	\$3,048,358	\$1,867,763
Operating expense (refit of vessel 3 year)	\$300,000	\$321,000	\$337,050	\$337,050	\$349,184					
Operating expense (refit of vessel 5 year)	\$500,000	\$535,000	\$561,750	\$561,750	\$581,973					
Loan interest						\$599,546	\$487,543	\$365,033	\$231,031	\$84,458
Loan taken out						\$7,200,000				
Less										
Capital expenditure	(\$13,800,000)					(\$14,000,000)				
Vessel refit			(\$958,050)			(\$3,426,707)				
Loan repaid						(\$1,793,522)	(\$1,793,522)	(\$1,793,522)	(\$1,793,522)	(\$1,793,522)
Taxation paid							(\$1,670,783)	(\$561,394)	(\$2,309,927)	(\$4,916,121)
Movement in working capital	\$1,633,927	\$115,854	\$127,633	\$331,151	\$109,028	(\$221,318)	\$493,915	(\$281,193)	\$97,874	(\$2,406,871)
Cash movement	\$2,433,927	\$971,854	\$68,383	\$1,915,934	\$2,154,320	(\$4,872,725)	\$588,466	\$6,628,682	\$7,586,650	(\$1,606,180)
Opening cash balance	\$0	\$2,433,927	\$3,405,781	\$3,474,164	\$5,390,098	\$7,544,418	\$2,671,693	\$3,260,159	\$9,888,841	\$17,475,491
Closing cash balance	\$2,433,927	\$3,405,781	\$3,474,164	\$5,390,098	\$7,544,418	\$2,671,693	\$3,260,159	\$9,888,841	\$17,475,491	\$15,869,311

NTV Australia - Balance Sheet

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Fixed Assets NBV											
Vessel Modifications	\$0	\$11,040,000	\$8,280,000	\$5,520,000	\$2,760,000	\$0	\$11,200,000	\$8,400,000	\$5,600,000	\$2,800,000	\$0
Current Assets											
Debtors											
Cash	\$0	\$2,433,927	\$3,405,781	\$3,474,164	\$5,390,098	\$7,544,418	\$2,671,693	\$3,260,159	\$9,888,841	\$17,475,491	\$15,869,311
	\$0	\$2,433,927	\$3,405,781	\$3,474,164	\$5,390,098	\$7,544,418	\$2,671,693	\$3,260,159	\$9,888,841	\$17,475,491	\$15,869,311
Current Liabilities											
Creditors (30 days) until year 10		\$1,633,927	\$1,749,781	\$1,877,414	\$2,208,565	\$2,317,593	\$2,096,275	\$2,590,190	\$2,308,997	\$2,406,871	\$0
Loan due within one year							\$1,709,064	\$1,709,064	\$1,709,064	\$1,709,064	\$0
Corporation tax							\$1,670,783	\$561,394	\$2,309,927	\$3,048,358	\$0
	\$0	\$1,633,927	\$1,749,781	\$1,877,414	\$2,208,565	\$2,317,593	\$5,476,122	\$4,860,648	\$6,327,988	\$7,164,294	\$0
Net current assets/(liabilities)	\$0	\$800,000	\$1,656,000	\$1,596,750	\$3,181,533	\$5,226,825	(\$2,804,429)	(\$1,600,489)	\$3,560,853	\$10,311,197	\$15,869,311
Provision for refit		\$800,000	\$1,656,000	\$1,596,750	\$2,495,550	\$3,426,707	\$0	\$0	\$0	\$0	\$0
Loan due after one year							\$4,296,960	\$2,990,981	\$1,562,491	\$0	\$0
Net assets/(liabilities)	\$0	\$11,040,000	\$8,280,000	\$5,520,000	\$3,445,983	\$1,800,118	\$4,098,611	\$3,808,530	\$7,598,361	\$13,111,197	\$15,869,311
Reserves											
Profit & Loss	\$0	\$11,040,000	\$8,280,000	\$5,520,000	\$3,445,983	\$1,800,118	\$4,098,611	\$3,808,530	\$7,598,361	\$13,111,197	\$15,869,311
	\$0	\$11,040,000	\$8,280,000	\$5,520,000	\$3,445,983	\$1,800,118	\$4,098,611	\$3,808,530	\$7,598,361	\$13,111,197	\$15,869,311

NTV Australia - Profit & Loss

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Revenue											
Vessel revenue	\$10,326,050	\$14,950,750	\$18,004,250	\$23,864,500	\$25,366,250	\$28,127,500	\$29,586,250	\$31,403,750	\$34,346,250	\$36,745,000	\$252,720,550
Training revenue	\$6,780,000	\$7,254,600	\$8,001,824	\$8,641,970	\$9,046,908	\$9,725,426	\$10,454,833	\$11,238,946	\$12,081,866	\$12,988,006	\$96,214,380
Government funding	\$26,901,592	\$6,987,099	\$4,943,104								\$38,831,795
Total Revenue	\$44,007,642	\$29,192,449	\$30,949,178	\$32,506,470	\$34,413,158	\$37,852,926	\$40,041,083	\$42,642,696	\$46,428,116	\$49,733,006	\$387,766,724
Cost of Sales											
Mobilisation	\$2,700,000										\$2,700,000
Bareboat charter	\$3,102,500	\$3,102,500	\$3,102,500			Included in Operating costs					\$9,307,500
Operating costs	\$15,371,607	\$16,444,919	\$17,267,166	\$20,344,830	\$20,967,742	\$17,795,455	\$23,546,180	\$19,603,320	\$20,583,486	\$27,257,647	\$199,182,352
Voyage & handling costs	\$2,193,185	\$2,492,163	\$2,835,987	\$3,231,385	\$3,686,093	\$4,044,702	\$4,055,202	\$4,449,698	\$4,461,274	\$4,684,337	\$36,134,027
Training costs	\$6,250,350	\$6,562,867	\$7,153,525	\$7,654,272	\$8,055,188	\$8,457,947	\$8,880,845	\$9,324,887	\$9,791,131	\$10,280,688	\$82,411,700
Depreciation of vessel modifications	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$27,800,000
Total Cost of Sales	\$32,377,642	\$31,362,449	\$33,119,178	\$33,990,487	\$35,469,023	\$33,098,105	\$39,282,227	\$36,177,905	\$37,635,891	\$45,022,672	\$357,535,579
Gross Profit/(Loss)	\$11,630,000	(\$2,170,000)	(\$2,170,000)	(\$1,484,017)	(\$1,055,865)	\$4,754,821	\$758,856	\$6,464,791	\$8,792,225	\$4,710,334	\$30,231,145
Overheads											
Finance cost	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$785,546	\$487,543	\$365,033	\$231,031	\$84,458	\$4,903,609
Net Profit Before Tax	\$11,040,000	(\$2,760,000)	(\$2,760,000)	(\$2,074,017)	(\$1,645,865)	\$3,969,276	\$271,313	\$6,099,758	\$8,561,195	\$4,625,876	\$25,327,536
Taxation											
[AD] Tax Liability						(\$1,670,783)	(\$561,394)	(\$2,309,927)	(\$3,048,358)	(\$1,867,763)	(\$1,670,783)
[AD] Refundable Offset											\$0
Deferred tax						\$0					\$0
Net Profit After Tax	\$11,040,000	(\$2,760,000)	(\$2,760,000)	(\$2,074,017)	(\$1,645,865)	\$2,298,493	(\$290,081)	\$3,789,831	\$5,512,836	\$2,758,113	\$23,656,753
EBITDA											
Net profit before tax	\$11,040,000	(\$2,760,000)	(\$2,760,000)	(\$2,074,017)	(\$1,645,865)	\$3,969,276	\$271,313	\$6,099,758	\$8,561,195	\$4,625,876	\$25,327,536
Add back Depreciation	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$27,800,000
Add back Interest	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$785,546	\$487,543	\$365,033	\$231,031	\$84,458	\$4,903,609
EBITDA	\$14,390,000	\$590,000	\$590,000	\$1,275,983	\$1,704,135	\$7,554,821	\$3,558,856	\$9,264,791	\$11,592,225	\$7,510,334	\$58,031,145

NTV Australia - Vessel Revenue

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total Revenue	\$10,326,050	\$14,950,750	\$18,004,250	\$23,864,500	\$25,366,250	\$28,127,500	\$29,586,250	\$31,403,750	\$34,346,250	\$36,745,000
Total Revenue	\$10,326,050	\$14,950,750	\$18,004,250	\$23,864,500	\$25,366,250	\$28,127,500	\$29,586,250	\$31,403,750	\$34,346,250	\$36,745,000

NTV Australia - Government Funding

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Mobilisation to Australia	\$2,700,000									
Vessel modification	\$4,500,000									
Training modification	\$7,200,000									
Environmental modification	\$2,100,000									
Deficit funding	\$7,299,092	\$3,884,599	\$1,840,604							
Bareboat	\$3,102,500	\$3,102,500	\$3,102,500							
Total Government Funding	\$26,901,592	\$6,987,099	\$4,943,104	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROPOSAL: A NATIONAL TRAINING VESSEL FOR AUSTRALIA
Commercial in Confidence

NTV Australia - Vessel Modifications

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Depreciation period- Initial mods	5										
(1) Vessel modification		\$4,500,000									
(2) Training modification		\$7,200,000									
(3) Environmental modification		\$2,100,000									
Vessel Purchase							\$14,000,000				
Depn Period	5										

Total vessel mods	\$13,800,000	\$0	\$0	\$0	\$0	\$14,000,000	\$0	\$0	\$0	\$0
Depreciation of vessel mods	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,760,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000
Net Book Value	\$11,040,000	\$8,280,000	\$5,520,000	\$2,760,000	\$0	\$11,200,000	\$8,400,000	\$5,600,000	\$2,800,000	\$0

(1) Vessel Modification

Flag repairs/modifications	\$420,000
NTV modifications AU service	\$2,000,000
Class inspections	\$50,000
Training inspections	\$30,000
Quarter ramp modifications	\$2,000,000
Total vessel modifications	\$4,500,000

(2) Training Modification

Training bridge & training engineering control room	\$1,920,000
Training simulations (bridge/engine/cargo handling)	\$3,750,000
Computer labs, library & classrooms	\$850,000
Seamanship & engineering workshops	\$680,000
Total training modification	\$7,200,000

(3) Environmental & Carbon Efficiency Modification

Sky kite	\$1,250,000
Silicon hull painting & propeller polishing	\$850,000
Total for environmental and carbon efficiency	\$2,100,000

Total for NTV Modifications	\$13,800,000
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NTV Australia - Mobilisation & Modification

Year 1

Mobilisation to Australia

Surveys & Inspections	
Owner / Charterer	\$20,000
Class	\$10,000
Flag	\$10,000
Other (AMSA/Unions)	\$10,000
Stocktake / Audits Onboard	\$10,000
Banking	\$20,000
Legal	\$20,000
Voyage Repairs and Maintenance	\$200,000
Fuel and Lubes (see Table 2)	\$800,000
50 Sea Days (45.5 +10%)	\$1,000,000
20 Harbour Days (18 +10%)	\$400,000
Port A - Baltic	\$20,000
Port B - Yarmouth	\$20,000
Canal - Suez	\$60,000
Port C - Singapore	\$100,000

\$2,700,000

Repairs and Maintenance

Flag repairs / mods	\$420,000
NTTV modifications AU Service	\$4,000,000
Class inspections	\$50,000
Training inspections	\$30,000
NTTV optimisation Tng	\$3,450,000
Simulation	\$3,750,000

Total for vessel modifications \$11,700,000

Being Items 2 & 3

Environmental & carbon efficiency \$2,100,000

\$2,100,000

TOTAL MOBILISATION & MODIFICATION \$13,800,000

NTV Australia - Bareboat

	Year 1	Year 2	Year 3	Year 4	Year 5
8500 per day	\$3,102,500	\$3,102,500	\$3,102,500	\$3,102,500	\$3,102,500
Total bareboat charter	\$3,102,500	\$3,102,500	\$3,102,500	\$3,102,500	\$3,102,500

NTV Australia - Finance Cost

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Finance cost		\$590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$599,546	\$487,543	\$365,033	\$231,031	\$84,458
Loan Arrangement fees							\$126,000				
Legal Fees							\$60,000				
Total Finance Costs	\$0	\$590,000	\$590,000	\$590,000	\$590,000	\$590,000	\$785,546	\$487,543	\$365,033	\$231,031	\$84,458

NTV Australia - Port & Handling Equipment Lease Costs

[illegible]

NTV Australia - Operating Costs

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Variable Costs											
Fuel and Lubs		\$6,822,138	\$7,299,688	\$7,664,672	\$7,664,672	\$7,940,600	\$8,337,630	\$8,754,512	\$9,192,238	\$9,651,849	\$10,134,442
		\$6,822,138	\$7,299,688	\$7,664,672	\$7,664,672	\$7,940,600	\$8,337,630	\$8,754,512	\$9,192,238	\$9,651,849	\$10,134,442
Fixed Costs											
Bareboat charter					\$3,102,500	\$3,102,500		- Purchased vessel -			
Crew Management		\$4,208,018	\$4,502,580	\$4,727,709	\$4,727,709	\$4,897,906	\$5,142,801	\$5,399,942	\$5,669,939	\$5,953,436	\$6,251,107
General Cost		\$19,000	\$20,330	\$21,347	\$21,347	\$22,115	\$37,886	\$24,382	\$25,601	\$26,881	\$28,225
Accommodation & Technology Upgrade								\$1,924,876			
Repair Cost		\$1,440,000	\$1,540,800	\$1,617,840	\$1,617,840	\$1,676,082	\$782,172	\$3,772,756	\$862,344	\$905,462	\$6,595,721
Maintenance Cost		\$91,000	\$97,370	\$102,239	\$102,239	\$105,919	\$111,215	\$116,776	\$122,615	\$128,745	\$135,183
Stores Cost		\$140,000	\$149,800	\$157,290	\$157,290	\$162,952	\$171,100	\$179,655	\$188,638	\$198,070	\$207,973
Spare Parts Cost		\$175,000	\$187,250	\$196,613	\$196,613	\$203,691	\$213,875	\$224,569	\$235,797	\$247,587	\$259,966
Provisions		\$50,000	\$53,500	\$56,175	\$56,175	\$58,197	\$61,107	\$64,163	\$67,371	\$70,739	\$74,276
Communication Cost		\$60,000	\$64,200	\$67,410	\$67,410	\$69,837	\$73,329	\$76,995	\$80,845	\$84,887	\$89,131
Commercial Management		\$283,600	\$303,452	\$318,625	\$289,806	\$300,239	\$315,251	\$331,014	\$347,564	\$364,942	\$383,190
Operational Management		\$558,000	\$597,060	\$626,913	\$626,913	\$649,482	\$681,956	\$716,054	\$751,856	\$789,449	\$828,922
Insurance		\$488,300	\$522,481	\$548,605	\$548,605	\$568,355	\$596,773	\$626,611	\$657,942	\$690,839	\$725,381
Franchise & Hotel Staff Cost		\$901,550	\$964,659	\$1,012,892	\$1,009,433	\$1,045,773	\$1,098,062	\$1,152,965	\$1,210,613	\$1,271,144	\$1,334,701
		\$8,414,469	\$9,003,481	\$9,453,655	\$12,523,879	\$12,863,048	\$9,285,527	\$14,610,756	\$10,221,124	\$10,732,181	\$16,913,776
General Management		\$135,000	\$141,750	\$148,838	\$156,279	\$164,093	\$172,298	\$180,913	\$189,958	\$199,456	\$209,429
Total Operating cost		\$15,371,607	\$16,444,919	\$17,267,166	\$20,344,830	\$20,967,742	\$17,795,455	\$23,546,180	\$19,603,320	\$20,583,486	\$27,257,647
<i>Cash workings</i>											
Total Operating cost		\$15,371,607	\$16,444,919	\$17,267,166	\$20,344,830	\$20,967,742	\$17,795,455	\$23,546,180	\$19,603,320	\$20,583,486	\$27,257,647
Pay in month											
Crew Management		-\$4,208,018	-\$4,502,580	-\$4,727,709	-\$4,727,709	-\$4,897,906	-\$5,142,801	-\$5,399,942	-\$5,669,939	-\$5,953,436	-\$6,251,107
Add other costs											
Voyage & handling costs		\$2,193,185	\$2,492,163	\$2,835,987	\$3,231,385	\$3,686,093	\$4,044,702	\$4,055,202	\$4,449,698	\$4,461,274	\$4,684,337
Training costs		\$6,250,350	\$6,562,867	\$7,153,525	\$7,654,272	\$8,055,188	\$8,457,947	\$8,880,845	\$9,324,887	\$9,791,131	\$10,280,688
Costs		\$19,607,123	\$20,997,369	\$22,528,969	\$26,502,778	\$27,811,117	\$25,155,303	\$31,082,286	\$27,707,966	\$28,882,456	\$35,971,565
Creditor one month		\$1,633,927	\$1,749,781	\$1,877,414	\$2,208,565	\$2,317,593	\$2,096,275	\$2,590,190	\$2,308,997	\$2,406,871	

NTV Australia - Training Revenue and Costs

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Training Revenue	\$6,780,000	\$7,254,600	\$8,001,824	\$8,641,970	\$9,046,908	\$9,725,426	\$10,454,833	\$11,238,946	\$12,081,866	\$12,988,006
Training Costs	\$6,250,350	\$6,562,867	\$7,153,525	\$7,654,272	\$8,055,188	\$8,457,947	\$8,880,845	\$9,324,887	\$9,791,131	\$10,280,688
	\$6,250,350	\$6,562,867	\$7,153,525	\$7,654,272	\$8,055,188	\$8,457,947	\$8,880,845	\$9,324,887	\$9,791,131	\$10,280,688
Total training profit	\$529,650	\$691,733	\$848,299	\$987,698	\$991,720	\$1,267,479	\$1,573,988	\$1,914,059	\$2,290,735	\$2,707,319

NTV Australia - Training Revenue

	Year 1	Year 2	Year 3	Year 4	Year 5
Deck	1,200,000	1,320,000	1,398,400	1,500,272	1,565,272
Engineering	1,450,000	1,551,500	1,681,500	1,843,280	1,912,780
Ratings	729,500	765,975	852,524	907,718	985,956
Short/Special Courses	1,600,500	1,605,125	1,755,000	1,892,500	1,929,700
Seatime	1,800,000	2,012,000	2,314,400	2,498,200	2,653,200
Total Revenue	6,780,000	7,254,600	8,001,824	8,641,970	9,046,908

	Year 6	Year 7	Year 8	Year 9	Year 10
Deck	1,682,667	1,808,867	1,944,533	2,090,372	2,247,150
Engineering	2,056,239	2,210,456	2,376,241	2,554,459	2,746,043
Ratings	1,059,903	1,139,395	1,224,850	1,316,714	1,415,467
Short/Special Courses	2,074,428	2,230,010	2,397,260	2,577,055	2,770,334
Seatime	2,852,190	3,066,104	3,296,062	3,543,267	3,809,012
Total Revenue	9,725,426	10,454,833	11,238,946	12,081,866	12,988,006

NTV Australia - Training Costs

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Costs	6,250,350	6,562,867	7,153,525	7,654,272	8,055,188

	Year 6	Year 7	Year 8	Year 9	Year 10
Total Costs	8,457,947	8,880,845	9,324,887	9,791,131	10,280,688

NTV Australia - Training Personnel

Based on current rates for qualified maritime teaching staff (onboard teaching)

		PER PERSON			Total Annual Wage Cost
Labour Classification	No	Actual Annual Wage	Annual Wage OnCost (Direct)	Annual Wage OnCost (Indirect)	
Training Managers	2	180,000	39,600	9,000	457,200
Deck Lecturers	6	165,000	36,300	8,250	1,257,300
Engineering Lecturers	6	150,000	33,000	7,500	1,143,000
Ratings Lecturers	4	105,000	23,100	5,250	533,400
Learning Development Manager	2	125,000	27,500	6,250	317,500
Academic Records Officer	2	75,000	16,500	3,750	190,500
Administrative Officer	2	70,000	15,400	3,500	177,800
Total	24				4,076,700

NTV Australia - Training Cost Year 1

1 Training Crew Costs

Training crew costs	4,076,700	
Training crew travel costs	124,450	
Total training crew costs		4,201,150

2 Training RTO Management

Curriculum design	142,500	
Course development	315,750	
Management of RTO system	205,000	
RTO audits and ASQA coordination	125,000	
Student database & records management	178,500	
Course marketing	188,000	
Administrative support services	350,000	
AMSA/ASQA accreditation/audit fees	42,000	
Total RTO management		1,546,750

3 Teaching Resources

Deck teaching resources	87,500	
Engineering teaching resources	152,000	
Ratings teaching resources	78,200	
Short/specialist course teaching resources	89,500	
Lease of teaching equipment & supplies	95,250	
Total teaching resources		502,450

Total Training Cost		6,250,350
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NTV Australia - Training Cost Year 2

1 Training Crew Costs

Training crew costs	4,156,908	
Training crew travel costs	130,000	
Total training crew costs		4,286,908

2 Training RTO Management

Curriculum design	156,750	
Course development	347,325	
Management of RTO system	205,000	
RTO audits and ASQA coordination	125,000	
Student database & records management	196,350	
Course marketing	206,800	
Administrative support services	350,000	
AMSA/ASQA accreditation/audit fees	37,500	
Total RTO management		1,624,725

3 Teaching Resources

Deck teaching resources	98,000	
Engineering teaching resources	170,240	
Ratings teaching resources	87,584	
Short/specialist course teaching resources	100,160	
Repair, replace & upgrade teaching resources	100,000	
Lease of teaching equipment & supplies	95,250	
Total teaching resources		651,234

Total Training Cost		6,562,867
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NTV Australia - Training Cost Year 3

1 Training Crew Costs

Training crew costs	4,260,830	
Training crew travel costs	133,250	
Total training crew costs		4,394,080

2 Training RTO Management

Curriculum design	205,500	
Course development	388,500	
Management of RTO system	255,000	
RTO audits and ASQA coordination	125,000	
Student database & records management	196,350	
Course marketing	250,000	
Administrative support services	350,000	
AMSA/ASQA accreditation/audit fees	32,000	
Total RTO management		1,802,350

3 Teaching Resources

Deck teaching resources	149,465	
Engineering teaching resources	221,705	
Ratings teaching resources	139,049	
Short/specialist course teaching resources	151,626	
Repair, replace & upgrade teaching resources	200,000	
Lease of teaching equipment & supplies	95,250	
Total teaching resources		957,095

Total Training Cost		7,153,525
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NTV Australia - Training Cost Year 4

1 Training Crew Costs

Training crew costs	4,367,351	
Training crew travel costs	140,912	
Total training crew costs		4,508,263

2 Training RTO Management

Curriculum design	255,500	
Course development	438,500	
Management of RTO system	255,000	
RTO audits and ASQA coordination	125,000	
Student database & records management	196,350	
Course marketing	305,000	
Administrative support services	400,000	
AMSA/ASQA accreditation/audit fees	42,000	
Total RTO management		2,017,350

3 Teaching Resources

Deck teaching resources	217,356	
Engineering teaching resources	289,596	
Ratings teaching resources	206,940	
Short/specialist course teaching resources	219,517	
Repair, replace & upgrade teaching resources	100,000	
Lease of teaching equipment & supplies	95,250	
Total teaching resources		1,128,659

Total Training Cost		7,654,272
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NTV Australia - Training Cost Year 5

1 Training Crew Costs

Training crew costs	4,476,535	
Training crew travel costs	145,957	
Total training crew costs		4,622,492

2 Training RTO Management

Curriculum design	255,500	
Course development	438,500	
Management of RTO system	255,000	
RTO audits and ASQA coordination	125,000	
Student database & records management	196,350	
Course marketing	305,000	
Administrative support services	400,000	
AMSA/ASQA accreditation/audit fees	35,000	
Total RTO management		2,010,350

3 Teaching Resources

Deck teaching resources	287,278	
Engineering teaching resources	359,517	
Ratings teaching resources	286,861	
Short/specialist course teaching resources	293,440	
Repair, replace & upgrade teaching resources	100,000	
Lease of teaching equipment & supplies	95,250	
Total teaching resources		1,422,346

Total Training Cost		8,055,188
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NTV Australia - Training Cost Year 6

1 Training Crew Costs

Training crew costs	4,700,362	
Training crew travel costs	153,255	
Total training crew costs		4,853,617

2 Training RTO Management

Curriculum design	268,275	
Course development	460,425	
Management of RTO system	267,750	
RTO audits and ASQA coordination	131,250	
Student database & records management	206,168	
Course marketing	320,250	
Administrative support services	420,000	
AMSA/ASQA accreditation/audit fees	36,750	
Total RTO management		2,110,868

3 Teaching Resources

Deck teaching resources	301,642	
Engineering teaching resources	377,493	
Ratings teaching resources	301,204	
Short/specialist course teaching resources	308,112	
Repair, replace & upgrade teaching resources	105,000	
Lease of teaching equipment & supplies	100,013	
Total teaching resources		1,493,463

Total Training Cost		8,457,947
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NTV Australia - Training Cost Year 7

1 Training Crew Costs

Training crew costs	4,935,380	
Training crew travel costs	160,918	
Total training crew costs		5,096,297

2 Training RTO Management

Curriculum design	281,689	
Course development	483,446	
Management of RTO system	281,138	
RTO audits and ASQA coordination	137,813	
Student database & records management	216,476	
Course marketing	336,263	
Administrative support services	441,000	
AMSA/ASQA accreditation/audit fees	38,588	
Total RTO management		2,216,411

3 Teaching Resources

Deck teaching resources	316,724	
Engineering teaching resources	396,367	
Ratings teaching resources	316,264	
Short/specialist course teaching resources	323,518	
Repair, replace & upgrade teaching resources	110,250	
Lease of teaching equipment & supplies	105,013	
Total teaching resources		1,568,136

Total Training Cost		8,880,845
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NTV Australia - Training Cost Year 8

1 Training Crew Costs

Training crew costs	5,182,149	
Training crew travel costs	168,963	
Total training crew costs		5,351,112

2 Training RTO Management

Curriculum design	295,773	
Course development	507,619	
Management of RTO system	295,194	
RTO audits and ASQA coordination	144,703	
Student database & records management	227,300	
Course marketing	353,076	
Administrative support services	463,050	
AMSA/ASQA accreditation/audit fees	40,517	
Total RTO management		2,327,231

3 Teaching Resources

Deck teaching resources	332,560	
Engineering teaching resources	416,186	
Ratings teaching resources	332,077	
Short/specialist course teaching resources	339,693	
Repair, replace & upgrade teaching resources	115,763	
Lease of teaching equipment & supplies	110,264	
Total teaching resources		1,646,543

Total Training Cost		9,324,887
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NTV Australia - Training Cost Year 9

1 Training Crew Costs

Training crew costs	5,441,256	
Training crew travel costs	177,412	
Total training crew costs		5,618,668

2 Training RTO Management

Curriculum design	310,562	
Course development	532,999	
Management of RTO system	309,954	
RTO audits and ASQA coordination	151,938	
Student database & records management	238,665	
Course marketing	370,729	
Administrative support services	486,203	
AMSA/ASQA accreditation/audit fees	42,543	
Total RTO management		2,443,593

3 Teaching Resources

Deck teaching resources	349,188	
Engineering teaching resources	436,995	
Ratings teaching resources	348,681	
Short/specialist course teaching resources	356,678	
Repair, replace & upgrade teaching resources	121,551	
Lease of teaching equipment & supplies	115,777	
Total teaching resources		1,728,870

Total Training Cost		9,791,131
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NTV Australia - Training Cost Year 10

1 Training Crew Costs

Training crew costs	5,713,319	
Training crew travel costs	186,282	
Total training crew costs		5,899,601

2 Training RTO Management

Curriculum design	326,090	
Course development	559,649	
Management of RTO system	325,452	
RTO audits and ASQA coordination	159,535	
Student database & records management	250,598	
Course marketing	389,266	
Administrative support services	510,513	
AMSA/ASQA accreditation/audit fees	44,670	
Total RTO management		2,565,773

3 Teaching Resources

Deck teaching resources	366,648	
Engineering teaching resources	458,845	
Ratings teaching resources	366,115	
Short/specialist course teaching resources	374,512	
Repair, replace & upgrade teaching resources	127,628	
Lease of teaching equipment & supplies	121,566	
Total teaching resources		1,815,314

Total Training Cost		10,280,688
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NTV Australia - Freight Notes

The first year of trading activity would be considered as a start-up period whereby introductory freight rates would be offered into the market to secure early first bookings and contract terms would be offered at levels to secure base volume bookings on consecutive sailings.

FEEDER SERVICE BETWEEN BELL BAY AND BRISBANE

For relative ease of operation, a key component of this start-up phase will be to target Connecting Carrier Agreements (CCA) business with international main line carriers, whereby the NTV would act primarily as a feeder between Bell Bay and Brisbane. The basis of this feeder agreement would be terms of sale of the container slots whereby the NTV would offer Free in/Free Out (FIFO) terms consistent with customary conditions in many feeder trade routes.

BENEFITS TO NTV AND INTERNATIONAL LINES

The benefit to the NTV of such terms would be the removal of the burden, while establishing itself in the trade, of fixing and paying stevedoring for load and discharge. The benefit to the international main line carriers is that they would leverage their buying power from existing stevedoring contracts when arranging load and discharge operations on the NTV.

Associated with such terms is that the negotiated freight rate slot under the CCA would be excluded from the Terminal Handling Charge (THC). This is customarily used as a recovery or part recovery for stevedoring costs. This approach will provide increased flexibility when negotiating contract terms for volume CCA fixtures with the main line carriers. Similarly the cost items associated with the stevedoring would also be removed and thus cargo handling costs are dramatically reduced in overall quantum. The freight related costs factor into the NTV freight model for these CCA arrangements are limited to the port costs associated with each voyage.

CONTRACTUAL ARRANGEMENTS WITH STEVEDORES

As domestic freight volumes are estimated to constitute about 1/3 of Year 1 freight, steps will be taken to cater for these requirements. The NTV will enter in contractual arrangements with stevedores and these handling costs will be passed on the shipper within the unit freight cost. However, given the NTV is intended to be a RoRoPax vessel, specialist cargo handling equipment will likely have to be provided to the stevedores both in Bell Bay and Brisbane. Within the NTV freight cost model, allowance has been made for the leasing of the cargo handling equipment needed.

WEEKLY ROTATION SHUTTLE SERVICE

The escalation in cargo volumes from year one through to year five are aligned to assessed business take-up and market growth on the corridor. A key business strategy is the intent to deliver a weekly rotation shuttle service between Bell Bay and Brisbane for international feeder containers, as described under CCA arrangements, and domestic cargoes. The provision of a weekly service with a single ship will provide the reliability and capacity to successfully compete with overland rail and road line haul operations. New motor vehicle imports requiring distribution to Tasmania and domestic road trailers also form target cargo groups and are relevant in the consideration towards maintaining a weekly fixed voyage cycle.

The volumes and associated revenues within the NTV freight model are conservative estimates based upon the freight analysis and studies conducted with major freight forwarders, international shipping carriers, and exporters.

NTV Australia - Freight Revenue and Costs

TABLE 1	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Total Freight Revenues	\$ 10,326,050	\$ 14,950,750	\$ 18,004,250	\$ 23,864,500	\$ 25,366,250	\$28,127,500	\$29,586,250	\$31,403,750	\$34,346,250	\$36,745,000
Freight Costs										
Port Costs	\$ 1,993,185	\$ 2,292,163	\$ 2,635,987	\$ 3,031,385	\$ 3,486,093	\$3,834,702	\$3,834,702	\$4,218,173	\$4,218,173	\$4,429,081
Vessel Operating costs	\$ 15,598,290	\$ 16,690,170	\$ 17,524,189	\$ 20,597,875	\$ 21,143,542	\$22,200,719	\$23,310,755	\$24,476,293	\$25,700,107	\$26,985,113
Cargo Handling Equipment Lease/ Maintenance	\$ 679,983	\$ 626,520	\$ 402,986	\$ 385,958	\$ 272,551	\$286,179	\$300,487	\$315,512	\$331,287	\$347,852
Total Freight Costs	\$ 18,271,458	\$ 19,608,853	\$ 20,563,162	\$ 24,015,218	\$ 24,902,186	\$26,321,600	\$27,445,945	\$29,009,977	\$30,249,567	\$31,762,046
Profit/Loss Before Admin Costs	\$ (7,945,408)	\$ (4,658,103)	\$ (2,558,912)	\$ (150,718)	\$ 464,064	\$ 1,805,900	\$ 2,140,305	\$ 2,393,773	\$ 4,096,683	\$ 4,982,954

NTV Australia - Freight Calculations Year 1

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	700	1	7	50	14	\$770,000.00	\$1,100.00	\$1,100.00	\$15,400.00	\$770,000.00
		GENERAL CARGO			400	1	7	50	8	\$480,000.00	\$1,200.00	\$1,200.00	\$9,600.00	\$480,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	450	1	7	50	9	\$495,000.00	\$1,100.00	\$1,100.00	\$9,900.00	\$495,000.00
				Total Unit	1100				31	\$1,745,000.00			\$34,900.00	\$1,745,000.00
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	1500	1	7	50	30	\$1,125,000.00	\$750.00	\$750.00	\$22,500.00	\$1,125,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	1000	1	7	50	20	\$750,000.00	\$750.00	\$750.00	\$15,000.00	\$750,000.00
		GENERAL CARGO			0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	2500				50	\$1,875,000.00			\$37,500.00	\$1,875,000.00
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	990	1	7	50	20	\$990,000.00	\$1,000.00	\$1,000.00	\$19,800.00	\$990,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	350	1	7	50	7	\$420,000.00	\$1,200.00	\$1,200.00	\$8,400.00	\$420,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	2700	1	7	50	54	\$2,160,000.00	\$800.00	\$800.00	\$43,200.00	\$2,160,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	1300	1	7	50	26	\$1,040,000.00	\$800.00	\$800.00	\$20,800.00	\$1,040,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	500	1	7	50	10	\$650,000.00	\$1,300.00	\$1,300.00	\$13,000.00	\$650,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	550	1	7	50	11	\$990,000.00	\$1,800.00	\$1,800.00	\$19,800.00	\$990,000.00
				Total Units	6390				128	\$6,250,000.00			\$125,000.00	\$6,250,000.00
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1000	1	7	50	20	\$350,000.00	\$350.00	\$350.00	\$7,000.00	\$350,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	303	1	7	50	6	\$106,050.00	\$350.00	\$350.00	\$2,121.00	\$106,050.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	1303				26	\$456,050.00			\$9,121.00	\$456,050.00
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0	1	7	50	0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL UNITS				11293					\$10,326,050				
	TOTAL CBU				1303					\$0				
	TOTAL REVENUE									\$10,326,050.00			\$206,521.00	\$10,326,050.00

NTV Australia - Freight CalculationsYear 2

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1000	1	7	50	20	\$1,100,000.00	\$1,100.00	\$1,100.00	\$22,000.00	\$1,100,000.00
		GENERAL CARGO			750	1	7	50	15	\$900,000.00	\$1,200.00	\$1,200.00	\$18,000.00	\$900,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	750	1	7	50	15	\$825,000.00	\$1,100.00	\$1,100.00	\$16,500.00	\$825,000.00
				Total Unit	2500				50	\$2,825,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2000	1	7	50	40	\$1,500,000.00	\$750.00	\$750.00	\$30,000.00	\$1,500,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	1601	1	7	50	32	\$1,200,750.00	\$750.00	\$750.00	\$24,015.00	\$1,200,750.00
		GENERAL CARGO			0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	3601				72	\$2,700,750.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1160	1	7	50	23	\$1,160,000.00	\$1,000.00	\$1,000.00	\$23,200.00	\$1,160,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	500	1	7	50	10	\$600,000.00	\$1,200.00	\$1,200.00	\$12,000.00	\$600,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	2800	1	7	50	56	\$2,240,000.00	\$800.00	\$800.00	\$44,800.00	\$2,240,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	1550	1	7	50	31	\$1,240,000.00	\$800.00	\$800.00	\$24,800.00	\$1,240,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1100	1	7	50	22	\$1,430,000.00	\$1,300.00	\$1,300.00	\$28,600.00	\$1,430,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1200	1	7	50	24	\$2,160,000.00	\$1,800.00	\$1,800.00	\$43,200.00	\$2,160,000.00
				Total Units	8310				166	\$8,830,000.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1200	1	7	50	24	\$420,000.00	\$350.00	\$350.00	\$8,400.00	\$420,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	500	1	7	50	10	\$175,000.00	\$350.00	\$350.00	\$3,500.00	\$175,000.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	1700				34	\$595,000.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL units				16111					\$14,950,750				
	TOTAL CBU				1700					\$0				
	TOTAL REVENUE									\$14,950,750.00			\$299,015.00	\$14,950,750.00

NTV Australia - Freight Calculations Year 3

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME		NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1200		1	7	50	24	\$1,500,000.00	\$1,250.00	\$1,250.00	\$30,000.00	\$1,500,000.00
		GENERAL CARGO			1000		1	7	50	20	\$1,200,000.00	\$1,200.00	\$1,200.00	\$24,000.00	\$1,200,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1000		1	7	50	20	\$1,400,000.00	\$1,400.00	\$1,400.00	\$28,000.00	\$1,400,000.00
				Total Unit	3200					64	\$4,100,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2000		1	7	50	40	\$1,650,000.00	\$825.00	\$825.00	\$33,000.00	\$1,650,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2000		1	7	50	40	\$1,700,000.00	\$850.00	\$850.00	\$34,000.00	\$1,700,000.00
		GENERAL CARGO			0		1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	4000					80	\$3,350,000.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1250		1	7	50	25	\$1,625,000.00	\$1,300.00	\$1,300.00	\$32,500.00	\$1,625,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	500		1	7	50	10	\$700,000.00	\$1,400.00	\$1,400.00	\$14,000.00	\$700,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	2800		1	7	50	56	\$2,310,000.00	\$825.00	\$825.00	\$46,200.00	\$2,310,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	1550		1	7	50	31	\$1,317,500.00	\$850.00	\$850.00	\$26,350.00	\$1,317,500.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1100		1	7	50	22	\$1,595,000.00	\$1,450.00	\$1,450.00	\$31,900.00	\$1,595,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1200		1	7	50	24	\$2,280,000.00	\$1,900.00	\$1,900.00	\$45,600.00	\$2,280,000.00
				Total Units	8400					168	\$9,827,500.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1200		1	7	50	24	\$510,000.00	\$425.00	\$425.00	\$10,200.00	\$510,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	510		1	7	50	10	\$216,750.00	\$425.00	\$425.00	\$4,335.00	\$216,750.00
		Option 3	Brisbane	Bell Bay	0		1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	1710					34	\$726,750.00				
O	Other	Breakbulk	TBA	TBA	0		1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0		1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0		1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0					0	\$0.00				
				Total Bbulk rt	0						\$0.00				
	TOTAL units				17310						\$18,004,250				
	TOTAL CBU				1710						\$0				
	TOTAL REVENUE										\$18,004,250.00			\$360,085.00	\$18,004,250.00

NTV Australia - Freight Calculations Year 4

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1500	1	7	50	30	\$2,400,000.00	\$1,600.00	\$1,600.00	\$48,000.00	\$2,400,000.00
		GENERAL CARGO			610	1	7	50	12	\$732,000.00	\$1,200.00	\$1,200.00	\$14,640.00	\$732,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1200	1	7	50	24	\$1,860,000.00	\$1,550.00	\$1,550.00	\$37,200.00	\$1,860,000.00
				Total Unit	3310				66	\$4,992,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2800	1	7	50	56	\$2,450,000.00	\$875.00	\$875.00	\$49,000.00	\$2,450,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2200	1	7	50	44	\$1,980,000.00	\$900.00	\$900.00	\$39,600.00	\$1,980,000.00
		GENERAL CARGO			0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	5000				100	\$4,430,000.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1400	1	7	50	28	\$2,240,000.00	\$1,600.00	\$1,600.00	\$44,800.00	\$2,240,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	600	1	7	50	12	\$900,000.00	\$1,500.00	\$1,500.00	\$18,000.00	\$900,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	3500	1	7	50	70	\$3,062,500.00	\$875.00	\$875.00	\$61,250.00	\$3,062,500.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2100	1	7	50	42	\$1,890,000.00	\$900.00	\$900.00	\$37,800.00	\$1,890,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1600	1	7	50	32	\$2,400,000.00	\$1,500.00	\$1,500.00	\$48,000.00	\$2,400,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1500	1	7	50	30	\$3,150,000.00	\$2,100.00	\$2,100.00	\$63,000.00	\$3,150,000.00
				Total Units	10700				214	\$13,642,500.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1500	1	7	50	30	\$750,000.00	\$500.00	\$500.00	\$15,000.00	\$750,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	100	1	7	50	2	\$50,000.00	\$500.00	\$500.00	\$1,000.00	\$50,000.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	1600				32	\$800,000.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL units				20610					\$23,864,500				
	TOTAL CBU				1600					\$0				
	TOTAL REVENUE									\$23,864,500.00			\$477,290.00	\$23,864,500.00

NTV Australia - Freight Calculations Year 5

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1300	1	7	50	26	\$2,145,000.00	\$1,650.00	\$1,650.00	\$42,900.00	\$2,145,000.00
		GENERAL CARGO			500	1	7	50	10	\$625,000.00	\$1,250.00	\$1,250.00	\$12,500.00	\$625,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1000	1	7	50	20	\$1,580,000.00	\$1,580.00	\$1,580.00	\$31,600.00	\$1,580,000.00
				Total Unit	2800				56	\$4,350,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2600	1	7	50	52	\$2,470,000.00	\$950.00	\$950.00	\$49,400.00	\$2,470,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2000	1	7	50	40	\$2,000,000.00	\$1,000.00	\$1,000.00	\$40,000.00	\$2,000,000.00
		GENERAL CARGO			0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	4600				92	\$4,470,000.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1600	1	7	50	32	\$2,640,000.00	\$1,650.00	\$1,650.00	\$52,800.00	\$2,640,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	1000	1	7	50	20	\$1,550,000.00	\$1,550.00	\$1,550.00	\$31,000.00	\$1,550,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	3700	1	7	50	74	\$3,515,000.00	\$950.00	\$950.00	\$70,300.00	\$3,515,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2100	1	7	50	42	\$1,995,000.00	\$950.00	\$950.00	\$39,900.00	\$1,995,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1600	1	7	50	32	\$2,480,000.00	\$1,550.00	\$1,550.00	\$49,600.00	\$2,480,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1400	1	7	50	28	\$3,080,000.00	\$2,200.00	\$2,200.00	\$61,600.00	\$3,080,000.00
				Total Units	11400				228	\$15,260,000.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1600	1	7	50	32	\$840,000.00	\$525.00	\$525.00	\$16,800.00	\$840,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	850	1	7	50	17	\$446,250.00	\$525.00	\$525.00	\$8,925.00	\$446,250.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	2450				49	\$1,286,250.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL units				21250					\$25,366,250				
	TOTAL CBU				2450					\$0				
	TOTAL REVENUE									\$25,366,250.00			\$507,325.00	\$25,366,250.00

NTV Australia - Freight Calculations Year 6

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1400	1	7	50	28	\$2,345,000.00	\$1,675.00	\$1,675.00	\$46,900.00	\$2,345,000.00
		GENERAL CARGO			600	1	7	50	12	\$765,000.00	\$1,275.00	\$1,275.00	\$15,300.00	\$765,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1100	1	7	50	22	\$1,760,000.00	\$1,600.00	\$1,600.00	\$35,200.00	\$1,760,000.00
				Total Unit	3100				62	\$4,870,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2700	1	7	50	54	\$2,632,500.00	\$975.00	\$975.00	\$52,650.00	\$2,632,500.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2100	1	7	50	42	\$2,205,000.00	\$1,050.00	\$1,050.00	\$44,100.00	\$2,205,000.00
		GENERAL CARGO			0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	4800				96	\$4,837,500.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1750	1	7	50	35	\$2,975,000.00	\$1,700.00	\$1,700.00	\$59,500.00	\$2,975,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	1050	1	7	50	21	\$1,680,000.00	\$1,600.00	\$1,600.00	\$33,600.00	\$1,680,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	3800	1	7	50	76	\$3,705,000.00	\$975.00	\$975.00	\$74,100.00	\$3,705,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2200	1	7	50	44	\$2,145,000.00	\$975.00	\$975.00	\$42,900.00	\$2,145,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1750	1	7	50	35	\$2,887,500.00	\$1,650.00	\$1,650.00	\$57,750.00	\$2,887,500.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1600	1	7	50	32	\$3,680,000.00	\$2,300.00	\$2,300.00	\$73,600.00	\$3,680,000.00
				Total Units	12150				243	\$17,072,500.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1600	1	7	50	32	\$880,000.00	\$550.00	\$550.00	\$17,600.00	\$880,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	850	1	7	50	17	\$467,500.00	\$550.00	\$550.00	\$9,350.00	\$467,500.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	2450				49	\$1,347,500.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL units				22500					\$28,127,500				
	TOTAL CBU				2450					\$0				
	TOTAL REVENUE									\$28,127,500.00			\$562,550.00	\$28,127,500.00

NTV Australia - Freight Calculations Year 7

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM	LOAD STEVE
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1450	1	7	50	29	\$2,465,000.00	\$1,700.00	\$1,700.00	\$49,300.00	\$2,465,000.00	\$210.00
		GENERAL CARGO			650	1	7	50	13	\$845,000.00	\$1,300.00	\$1,300.00	\$16,900.00	\$845,000.00	\$210.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1150	1	7	50	23	\$1,897,500.00	\$1,650.00	\$1,650.00	\$37,950.00	\$1,897,500.00	\$120.00
		Total Unit			3250				65	\$5,207,500.00					
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2750	1	7	50	55	\$2,750,000.00	\$1,000.00	\$1,000.00	\$55,000.00	\$2,750,000.00	\$0.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2200	1	7	50	44	\$2,420,000.00	\$1,100.00	\$1,100.00	\$48,400.00	\$2,420,000.00	\$0.00
		GENERAL CARGO				1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		Total TEU			4950				99	\$5,170,000.00					
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1800	1	7	50	36	\$3,150,000.00	\$1,750.00	\$1,750.00	\$63,000.00	\$3,150,000.00	\$210.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	1100	1	7	50	22	\$1,815,000.00	\$1,650.00	\$1,650.00	\$36,300.00	\$1,815,000.00	\$120.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	3850	1	7	50	77	\$3,850,000.00	\$1,000.00	\$1,000.00	\$77,000.00	\$3,850,000.00	\$0.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2250	1	7	50	45	\$2,250,000.00	\$1,000.00	\$1,000.00	\$45,000.00	\$2,250,000.00	\$0.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1750	1	7	50	35	\$2,975,000.00	\$1,700.00	\$1,700.00	\$59,500.00	\$2,975,000.00	\$210.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1600	1	7	50	32	\$3,760,000.00	\$2,350.00	\$2,350.00	\$75,200.00	\$3,760,000.00	\$210.00
		Total Units			12350				247	\$17,800,000.00					
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1600	1	7	50	32	\$920,000.00	\$575.00	\$575.00	\$18,400.00	\$920,000.00	\$30.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	850	1	7	50	17	\$488,750.00	\$575.00	\$575.00	\$9,775.00	\$488,750.00	\$30.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		Total CBU			2450				49	\$1,408,750.00					
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00					
				Total Bbulk rt	0					\$0.00					
		TOTAL units			23000					\$29,586,250					
		TOTAL CBU			2450					\$0					
		TOTAL REVENUE								\$29,586,250.00			\$591,725.00	\$29,586,250.00	

NTV Australia - Freight Calculations Year 8

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1500	1	7	50	30	\$2,625,000.00	\$1,750.00	\$1,750.00	\$52,500.00	\$2,625,000.00
		GENERAL CARGO			700	1	7	50	14	\$945,000.00	\$1,350.00	\$1,350.00	\$18,900.00	\$945,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1150	1	7	50	23	\$1,955,000.00	\$1,700.00	\$1,700.00	\$39,100.00	\$1,955,000.00
				Total Unit	3350				67	\$5,525,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	2800	1	7	50	56	\$2,940,000.00	\$1,050.00	\$1,050.00	\$58,800.00	\$2,940,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2250	1	7	50	45	\$2,587,500.00	\$1,150.00	\$1,150.00	\$51,750.00	\$2,587,500.00
		GENERAL CARGO				1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	5050				101	\$5,527,500.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1800	1	7	50	36	\$3,240,000.00	\$1,800.00	\$1,800.00	\$64,800.00	\$3,240,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	1100	1	7	50	22	\$1,870,000.00	\$1,700.00	\$1,700.00	\$37,400.00	\$1,870,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	4000	1	7	50	80	\$4,100,000.00	\$1,025.00	\$1,025.00	\$82,000.00	\$4,100,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2350	1	7	50	47	\$2,408,750.00	\$1,025.00	\$1,025.00	\$48,175.00	\$2,408,750.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1750	1	7	50	35	\$3,062,500.00	\$1,750.00	\$1,750.00	\$61,250.00	\$3,062,500.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1750	1	7	50	35	\$4,200,000.00	\$2,400.00	\$2,400.00	\$84,000.00	\$4,200,000.00
				Total Units	12750				255	\$18,881,250.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1600	1	7	50	32	\$960,000.00	\$600.00	\$600.00	\$19,200.00	\$960,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	850	1	7	50	17	\$510,000.00	\$600.00	\$600.00	\$10,200.00	\$510,000.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
						1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	2450				49	\$1,470,000.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL units				23600					\$31,403,750				
	TOTAL CBU				2450					\$0				
	TOTAL REVENUE									\$31,403,750.00			\$628,075.00	\$31,403,750.00

NTV Australia - Freight Calculations Year 9

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1500	1	7	50	30	\$2,775,000.00	\$1,850.00	\$1,850.00	\$55,500.00	\$2,775,000.00
		GENERAL CARGO			700	1	7	50	14	\$1,015,000.00	\$1,450.00	\$1,450.00	\$20,300.00	\$1,015,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1150	1	7	50	23	\$2,070,000.00	\$1,800.00	\$1,800.00	\$41,400.00	\$2,070,000.00
				Total Unit	3350				67	\$3,790,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	3000	1	7	50	60	\$3,450,000.00	\$1,150.00	\$1,150.00	\$69,000.00	\$3,450,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2400	1	7	50	48	\$3,000,000.00	\$1,250.00	\$1,250.00	\$60,000.00	\$3,000,000.00
		GENERAL CARGO				1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	5400				108	\$6,450,000.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1850	1	7	50	37	\$3,515,000.00	\$1,900.00	\$1,900.00	\$70,300.00	\$3,515,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	1150	1	7	50	23	\$2,070,000.00	\$1,800.00	\$1,800.00	\$41,400.00	\$2,070,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	4100	1	7	50	82	\$4,510,000.00	\$1,100.00	\$1,100.00	\$90,200.00	\$4,510,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2400	1	7	50	48	\$2,640,000.00	\$1,100.00	\$1,100.00	\$52,800.00	\$2,640,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1700	1	7	50	34	\$3,145,000.00	\$1,850.00	\$1,850.00	\$62,900.00	\$3,145,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1850	1	7	50	37	\$4,625,000.00	\$2,500.00	\$2,500.00	\$92,500.00	\$4,625,000.00
				Total Units	13050				261	\$20,505,000.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1600	1	7	50	32	\$1,000,000.00	\$625.00	\$625.00	\$20,000.00	\$1,000,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	850	1	7	50	17	\$531,250.00	\$625.00	\$625.00	\$10,625.00	\$531,250.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
						1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	2450				49	\$1,531,250.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL units				24250					\$32,276,250				
	TOTAL CBU				2450					\$0				
	TOTAL REVENUE									\$32,276,250.00			\$686,925.00	\$34,346,250.00

NTV Australia - Freight Calculations Year 10

DIRECTION	CARGO CONTROL	ROUTE/CARGO	PORT OF LOADING	PORT OF DISCHARGE	ANNUAL VOLUME	NUMBER OF SHIPS	VOYAGE TIME	CALLS PER ANNUM	VOLUME PER CALL	Base Freight Total Revenue	NOMINAL F/RATE	TOTAL REV/UNIT	TOTAL REVENUE per VOYAGE	TOTAL REVENUE per ANNUM
S	SOUTHBOUND	General cargo (Qld domestic market) TEU	Brisbane	Bell Bay	1600	1	7	50	32	\$3,040,000.00	\$1,900.00	\$1,900.00	\$60,800.00	\$3,040,000.00
		GENERAL CARGO			850	1	7	50	17	\$1,275,000.00	\$1,500.00	\$1,500.00	\$25,500.00	\$1,275,000.00
		General cargo (Qld domestic market) Trailer	Brisbane	Bell Bay	1200	1	7	50	24	\$2,220,000.00	\$1,850.00	\$1,850.00	\$44,400.00	\$2,220,000.00
				Total Unit	3650				73	\$4,315,000.00				
S	SOUTHBOUND	Coastal MLO TEU (Intl import CCA - 1)	Brisbane	Bell Bay	3100	1	7	50	62	\$3,720,000.00	\$1,200.00	\$1,200.00	\$74,400.00	\$3,720,000.00
		Coastal MLO TEU (Intl import CCA - 2)	Brisbane	Bell Bay	2500	1	7	50	50	\$3,125,000.00	\$1,250.00	\$1,250.00	\$62,500.00	\$3,125,000.00
		GENERAL CARGO				1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total TEU	5600				112	\$6,845,000.00				
N	NORTHBOUND	General cargo (BBY domestic market) 2PW TEU	Bell Bay	Brisbane	1900	1	7	50	38	\$3,705,000.00	\$1,950.00	\$1,950.00	\$74,100.00	\$3,705,000.00
		General cargo (BBY domestic market) Trailer	Bell Bay	Brisbane	1200	1	7	50	24	\$2,220,000.00	\$1,850.00	\$1,850.00	\$44,400.00	\$2,220,000.00
		Coastal MLO TEU (Intl Export CCA - 1)	Bell Bay	Brisbane	4200	1	7	50	84	\$4,830,000.00	\$1,150.00	\$1,150.00	\$96,600.00	\$4,830,000.00
		Coastal MLO TEU (Intl Export CCA - 2)	Bell Bay	Brisbane	2500	1	7	50	50	\$2,875,000.00	\$1,150.00	\$1,150.00	\$57,500.00	\$2,875,000.00
		General cargo (BBY Newsprint NSK) TEU	Bell Bay	Brisbane	1650	1	7	50	33	\$3,135,000.00	\$1,900.00	\$1,900.00	\$62,700.00	\$3,135,000.00
		General cargo (BBY Frz veg SP) RFR FEU	Bell Bay	Brisbane	1900	1	7	50	38	\$4,845,000.00	\$2,550.00	\$2,550.00	\$96,900.00	\$4,845,000.00
				Total Units	13350				267	\$21,610,000.00				
N	SOUTHBOUND	M-Vehicles CBU (Intl import) CBU MV1	Brisbane	Bell Bay	1700	1	7	50	34	\$1,105,000.00	\$650.00	\$650.00	\$22,100.00	\$1,105,000.00
		M-Vehicles CBU (Intl import) CBU MV2	Brisbane	Bell Bay	1000	1	7	50	20	\$650,000.00	\$650.00	\$650.00	\$13,000.00	\$650,000.00
		Option 3	Brisbane	Bell Bay	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
						1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				Total CBU	2700				54	\$1,755,000.00				
O	Other	Breakbulk	TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			Other	Other	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			TBA	TBA	0	1	7	50	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
				TOTAL BRK BULK	0				0	\$0.00				
				Total Bbulk rt	0					\$0.00				
	TOTAL UNITS				25300					\$34,525,000				
	TOTAL CBU				2700					\$0				
	TOTAL REVENUE									\$34,525,000.00			\$734,900.00	\$36,745,000.00

NTV Australia - Voyage Costs (Aggregated)

Port From	Port To	Distance NM	Hours	Days At Sea	Days In Port	Cycle Days	Fuel / Lubes Sea	Fuel / Lubes Alongside
Bell Bay	Brisbane	985	59.7	2.5	0		\$ 61,394	
Brisbane	Bell Bay	985	59.7	2.5	1		\$ 61,394	\$ 4,112
Bell Bay			0	0.0	1		\$ -	\$ -
			0	0.0			\$ -	\$ 4,112
N.B. Passage speed 14 kts Days in port inclusive of pilotage				5.0	2	7.0	\$ 122,788	\$ 8,224

Sea per day	\$ 22,438.50
With Lubes 10%	\$ 24,682.35

Alongside per day	\$ 3,738.00
With Lubes 10%	\$ 4,111.80

7 day voyage cycle cost fuels and lubes	\$ 131,012
52 voyages pa	259 days \$ 6,385,000
Alongside 106 Days	106 days \$ 437,138
Annual Cost	\$ 6,822,138
Daily Cost Fuel and Lubes	\$ 18,691

Aggregated Daily Cost	
Fuel and Lubes	\$ 18,691 Variable
Crew Management	\$ 11,529 Fixed
Technical Management	\$ 5,411 Fixed
Commercial Management	\$ 777 Fixed
Management Fee	\$ 1,529 Fixed
Insurances	\$ 1,338 Fixed
TOTAL	\$ 39,274

Aggregated Daily Cost Year 4 -5	
Fuel and Lubes	\$ 18,691
Crew Management	\$ 11,529
Technical Management	\$ 5,411
Commercial Management	\$ 9,294
Management Fee	\$ 1,529
Insurances	\$ 1,338
TOTAL	\$ 47,791

VOYAGE COST	\$ 273,927
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ANNUAL COST	\$ 14,335,057
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NOTE: 1. FUEL COSTS ARE ALSO INCLUDED IN THE FREIGHT MODEL
2. NO DAILY CHARTER RATE INCLUDED

NTV Australia - Fuel and Lubes Consumption Price

SEA	Tonnes per day	
	IFO	
Mains	One engine	
Power	70%	
Speed	16.5kts	30
		\$ 21,300.00
Mains	Two Engines	
Power	85%	
Speed	20kts	55
		\$ 39,050.00
Auxiliaries	MGO	
	700kw	1.15
		\$ 1,138.50
Boiler		0
Daily Rate		22,438.50

ALONGSIDE	Tonnes per day	
IFO		0
Boiler		1.5
	\$	1,065.00
MGO		
Auxiliaries		2.7
	\$	2,673.00

Price as at Oct 12	IFO Tonne	
Excise Free Inc Delivery	\$	710.00
AUD\$	MDO Tonne	
	\$	990.00

Daily Rate	\$	3,738.00
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NTV Australia - Crew Management Costs

	Item Description	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST
		Year 1	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1	Crew Costs	<i>(Inflated 16.5%)</i>						
1.1	Crew Wages	\$ 3,891,280	\$ 4,529,240	\$ 4,755,702	\$ 4,993,487	\$ 5,243,162	\$ 5,505,320	\$ 5,780,586
1.2	Crew Training Cost	\$ 116,738	\$ 135,877	\$ 142,671	\$ 149,805	\$ 157,295	\$ 165,160	\$ 173,418
1.3	Crew Travel	\$ 100,000	\$ 116,395	\$ 122,214	\$ 128,325	\$ 134,741	\$ 141,478	\$ 148,552
1.4	Crew PPE	\$ 50,000	\$ 58,197	\$ 61,107	\$ 64,163	\$ 67,371	\$ 70,739	\$ 74,276
	Total Crew Costs	\$ 4,158,018	\$ 4,839,709	\$ 5,081,695	\$ 5,335,779	\$ 5,602,568	\$ 5,882,697	\$ 6,176,832
2	Crew Insurance Cost							
2.1	SRCA Insurance	\$ 50,000	\$ 58,197	\$ 61,107	\$ 64,163	\$ 67,371	\$ 70,739	\$ 74,276
	Total Crew Insurance Cost	\$ 50,000	\$ 58,197	\$ 61,107	\$ 64,163	\$ 67,371	\$ 70,739	\$ 74,276
3	Other Cost							
3.1	Spare	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
3.2	Spare	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
	Other Cost Cost	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -

SUMMARY								
	Crew Management Cost							
1	Total Crew Costs	\$ 4,158,018	\$ 4,839,709	\$ 5,081,695	\$ 5,335,779	\$ 5,602,568	\$ 5,882,697	\$ 6,176,832
2	Total Crew Insurance Cost	\$ 50,000	\$ 58,197	\$ 61,107	\$ 64,163	\$ 67,371	\$ 70,739	\$ 74,276
3	Other Cost Cost	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
	Total Crew Management Cost	\$ 4,208,018	\$ 4,897,906	\$ 5,142,802	\$ 5,399,942	\$ 5,669,939	\$ 5,953,436	\$ 6,251,108

Daily Cost	\$ 11,529	\$ 13,419	\$ 14,090	\$ 14,794	\$ 15,534	\$ 16,311	\$ 17,126
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NTV Australia - Crew Data (Based on Gardline EBAs)

Labour Classification	Number Of Employees	Actual Annual Wage	Annual Wage OnCost (Direct)	Annual Wage OnCost (In-Direct)	Total Annual Wage Cost
Labour Category	Annual Estimate	As per wage agreement	Annual Wage OnCost (Direct)	Annual Wage OnCost (In-Direct)	Total Annual Wage Cost
Master	2.00	\$160,000.00	\$35,200.00	\$8,000.00	\$406,400.00
Chief Officer	2.00	\$135,000.00	\$29,700.00	\$6,750.00	\$342,900.00
Second Officer	2.00	\$125,000.00	\$27,500.00	\$6,250.00	\$317,500.00
Third Officer	2.00	\$110,000.00	\$24,200.00	\$5,500.00	\$279,400.00
Chief Engineer	2.00	\$145,000.00	\$31,900.00	\$7,250.00	\$368,300.00
Second Engineer	2.00	\$125,000.00	\$27,500.00	\$6,250.00	\$317,500.00
Third Engineer	2.00	\$115,000.00	\$25,300.00	\$5,750.00	\$292,100.00
Fourth Engineer	0.00	\$100,000.00	\$22,000.00	\$5,000.00	\$0.00
Chief IR	2.00	\$97,000.00	\$21,340.00	\$4,850.00	\$246,380.00
IR	6.00	\$82,000.00	\$18,040.00	\$4,100.00	\$624,840.00
Chief Cook	2.00	\$97,000.00	\$21,340.00	\$4,850.00	\$246,380.00
Second Cook / Steward	2.00	\$80,000.00	\$17,600.00	\$4,000.00	\$203,200.00
Security Officer	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Medical Attendant	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Trainees	4.00	\$48,500.00	\$10,670.00	\$2,425.00	\$246,380.00
Total Cost	30.00	\$1,419,500.00	\$312,290.00	\$70,975.00	\$3,891,280.00

NOTES: Two Swings Annualised 22.00% 5%

NTV Australia - Technical Management Costs													
	Item Description	Annual Cost - Ex GST	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
a	b	c											
1	General Cost												
1.1	Medicine Chest Replenishment	\$2,000.00	\$2,140.00	\$2,247.00	\$2,247.00	\$2,327.89	\$2,444.29	\$2,566.50	\$2,694.83	\$2,829.57	\$2,971.05		
1.2	Linen / Uniform	\$12,000.00	\$12,840.00	\$13,482.00	\$13,482.00	\$13,967.35	\$29,331.44	\$15,399.01	\$16,168.96	\$16,977.40	\$17,826.27		
1.3	Radio Traffic	\$5,000.00	\$5,350.00	\$5,617.50	\$5,617.50	\$5,819.73	\$6,110.72	\$6,416.25	\$6,737.06	\$7,073.92	\$7,427.61		
1.4	SPARE	\$0.00											
	Total General Cost	\$19,000.00	\$20,330.00	\$21,346.50	\$21,346.50	\$22,114.97	\$37,886.44	\$24,381.76	\$25,600.85	\$26,880.89	\$28,224.93		
2	Repair Cost												
2.1	Accom / Galley / Hotel / Entertainment	\$15,000.00	\$16,050.00	\$16,852.50	\$16,852.50	\$17,459.19	\$18,332.15	\$19,248.76	\$20,211.19	\$21,221.75	\$22,282.84		
2.2	Deck Machinery	\$25,000.00	\$26,750.00	\$28,087.50	\$28,087.50	\$29,098.65	\$30,553.58	\$32,081.26	\$33,685.32	\$35,369.59	\$37,138.07		
2.3	Cargo Systems	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
2.4	Navigation & Radio Sys	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
2.5	Hull Structures	\$30,000.00	\$32,100.00	\$33,705.00	\$33,705.00	\$34,918.38	\$36,664.30	\$38,497.51	\$40,422.39	\$42,443.51	\$44,565.68		
2.6	Main Propulsions	\$375,000.00	\$401,250.00	\$421,312.50	\$421,312.50	\$436,479.75	\$458,303.74	\$481,218.92	\$505,279.87	\$530,543.86	\$557,071.06		
2.7	Auxiliary Engines	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
2.8	Boiler	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
2.9	Electrical / Electronics /Auto	\$75,000.00	\$80,250.00	\$84,262.50	\$84,262.50	\$87,295.95	\$91,660.75	\$96,243.78	\$101,055.97	\$106,108.77	\$111,414.21		
3	Other Machinery	\$80,000.00	\$85,600.00	\$89,880.00	\$89,880.00	\$93,115.68	\$97,771.46	\$102,660.04	\$107,793.04	\$113,182.69	\$118,841.83		
3.1	Stevedore Damage (Insurance)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
3.2	Docking Year 3 (\$1.5m) Year 7 \$2.3m	\$300,000.00	\$321,000.00	\$337,050.00	\$337,050.00	\$349,183.80		\$2,951,476					
3.3	Docking Year 5 (\$2.5m) Year 10 \$3.8m	\$500,000.00	\$535,000.00	\$561,750.00	\$561,750.00	\$581,973.00					\$5,644,987		
	Total Repair Cost	\$1,440,000.00	\$1,540,800.00	\$1,617,840.00	\$1,617,840.00	\$1,676,082.24	\$782,171.71	\$3,772,756.37	\$862,344.31	\$905,461.53	\$6,595,721.32		
3	Maintenance Cost												
3.1	Survey Fee	\$55,000.00	\$58,850.00	\$61,792.50	\$61,792.50	\$64,017.03	\$67,217.88	\$70,578.78	\$74,107.71	\$77,813.10	\$81,703.76		
3.2	Riding Gangs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
3.3	Fuel Treatment / Analysis Fuel Lubes	\$6,000.00	\$6,420.00	\$6,741.00	\$6,741.00	\$6,983.68	\$7,332.86	\$7,699.50	\$8,084.48	\$8,488.70	\$8,913.14		
3.4	Life Rafts / Co2Ext Services	\$20,000.00	\$21,400.00	\$22,470.00	\$22,470.00	\$23,278.92	\$24,442.87	\$25,665.01	\$26,948.26	\$28,295.67	\$29,710.46		
3.5	Rentals / Hired Equipments	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
3.6	SPARE	\$0.00											
	Total Maintenance Cost	\$91,000.00	\$97,370.00	\$102,238.50	\$102,238.50	\$105,919.09	\$111,215.04	\$116,775.79	\$122,614.58	\$128,745.31	\$135,182.58		
4	Stores Cost												
4.1	Charts / Nautical Pubs	\$20,000.00	\$21,400.00	\$22,470.00	\$22,470.00	\$23,278.92	\$24,442.87	\$25,665.01	\$26,948.26	\$28,295.67	\$29,710.46		
4.2	Mooring Ropes / Wires / Cables	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
4.3	Sea stock Paints	\$5,000.00	\$5,350.00	\$5,617.50	\$5,617.50	\$5,819.73	\$6,110.72	\$6,416.25	\$6,737.06	\$7,073.92	\$7,427.61		
4.4	Cabin Stores	\$20,000.00	\$21,400.00	\$22,470.00	\$22,470.00	\$23,278.92	\$24,442.87	\$25,665.01	\$26,948.26	\$28,295.67	\$29,710.46		
4.5	Deck General	\$15,000.00	\$16,050.00	\$16,852.50	\$16,852.50	\$17,459.19	\$18,332.15	\$19,248.76	\$20,211.19	\$21,221.75	\$22,282.84		
4.6	Chemical / Gases	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
4.7	Electrical Stores	\$20,000.00	\$21,400.00	\$22,470.00	\$22,470.00	\$23,278.92	\$24,442.87	\$25,665.01	\$26,948.26	\$28,295.67	\$29,710.46		
4.8	Engine General	\$40,000.00	\$42,800.00	\$44,940.00	\$44,940.00	\$46,557.84	\$48,885.73	\$51,330.02	\$53,896.52	\$56,591.35	\$59,420.91		
4.9	SPARE	\$0.00											
	Total Stores Cost	\$140,000.00	\$149,800.00	\$157,290.00	\$157,290.00	\$162,952.44	\$171,100.06	\$179,655.07	\$188,637.82	\$198,069.71	\$207,973.19		
5	Spare Cost												
5.1	Accom / Galley / Hotel / Entertainment	\$12,000.00	\$12,840.00	\$13,482.00	\$13,482.00	\$13,967.35	\$14,665.72	\$15,399.01	\$16,168.96	\$16,977.40	\$17,826.27		
5.2	Deck Machinery	\$12,000.00	\$12,840.00	\$13,482.00	\$13,482.00	\$13,967.35	\$14,665.72	\$15,399.01	\$16,168.96	\$16,977.40	\$17,826.27		
5.3	Cargo Systems	\$8,000.00	\$8,560.00	\$8,988.00	\$8,988.00	\$9,311.57	\$9,777.15	\$10,266.00	\$10,779.30	\$11,318.27	\$11,884.18		
5.4	Main Propulsions	\$35,000.00	\$37,450.00	\$39,322.50	\$39,322.50	\$40,738.11	\$42,775.02	\$44,913.77	\$47,159.45	\$49,517.43	\$51,993.30		
5.5	Auxiliary Engines	\$3,000.00	\$3,210.00	\$3,370.50	\$3,370.50	\$3,491.84	\$3,666.43	\$3,849.75	\$4,042.24	\$4,244.35	\$4,456.57		
5.6	Boiler	\$3,000.00	\$3,210.00	\$3,370.50	\$3,370.50	\$3,491.84	\$3,666.43	\$3,849.75	\$4,042.24	\$4,244.35	\$4,456.57		
5.7	Electrical / Electronics /Auto	\$12,840.00	\$13,482.00	\$13,967.35	\$13,967.35	\$14,665.72	\$15,399.01	\$16,168.96	\$16,977.40	\$17,826.27			
5.8	Fuel, Lube / Air / Water / Sewage Sys	\$10,000.00	\$10,700.00	\$11,235.00	\$11,235.00	\$11,639.46	\$12,221.43	\$12,832.50	\$13,474.13	\$14,147.84	\$14,855.23		
5.9	Other Machinery	\$50,000.00	\$53,500.00	\$56,175.00	\$56,175.00	\$58,197.30	\$61,107.17	\$64,162.52	\$67,370.65	\$70,739.18	\$74,276.14		
6	Safety Equipment	\$25,000.00	\$26,750.00	\$28,087.50	\$28,087.50	\$29,098.65	\$30,553.58	\$32,081.26	\$33,685.32	\$35,369.59	\$37,138.07		
6.1	Freight Forwarding	\$5,000.00	\$5,350.00	\$5,617.50	\$5,617.50	\$5,819.73	\$6,110.72	\$6,416.25	\$6,737.06	\$7,073.92	\$7,427.61		
6.2	SPARE	\$0.00											
6.3	SPARE	\$0.00											
	Total Spare Parts Cost	\$175,000.00	\$187,250.00	\$196,612.50	\$196,612.50	\$203,690.55	\$213,875.08	\$224,568.83	\$235,797.27	\$247,587.14	\$259,966.49		
6	Provisions												
6.1	Initial Outfit Replenishment	\$50,000.00	\$53,500.00	\$56,175.00	\$56,175.00	\$58,197.30	\$61,107.17	\$64,162.52	\$67,370.65	\$70,739.18	\$74,276.14		
6.2	Crew Victualling - see Commercial Costs	\$0.00											
6.3	SPARE	\$0.00											
	Total Provisions	\$50,000.00	\$53,500.00	\$56,175.00	\$56,175.00	\$58,197.30	\$61,107.17	\$64,162.52	\$67,370.65	\$70,739.18	\$74,276.14		
7	Communications												
7.1	Ship Communications	\$60,000.00	\$64,200.00	\$67,410.00	\$67,410.00	\$69,836.76	\$73,328.60	\$76,995.03	\$80,844.78	\$84,887.02	\$89,131.37		
7.2	SPARE	\$0.00											
7.3	SPARE	\$0.00											
	Total Communication Cost	\$60,000.00	\$64,200.00	\$67,410.00	\$67,410.00	\$69,836.76	\$73,328.60	\$76,995.03	\$80,844.78	\$84,887.02	\$89,131.37		

SUMMARY													
1	Technical Management Cost												
1	Total General Cost	\$19,000.00	\$20,330.00	\$21,346.50	\$21,346.50	\$22,114.97	\$37,886.44	\$24,381.76	\$25,600.85	\$26,880.89	\$28,224.93		
2	Total Repair Cost	\$1,440,000.00	\$1,540,800.00	\$1,617,840.00	\$1,617,840.00	\$1,676,082.24	\$782,171.71	\$3,772,756.37	\$862,344.31	\$905,461.53	\$6,595,721.32		
3	Total Maintenance Cost	\$91,000.00	\$97,370.00	\$102,238.50	\$102,238.50	\$105,919.09	\$111,215.04	\$116,775.79	\$122,614.58	\$128,745.31	\$135,182.58		
4	Total Stores Cost	\$140,000.00	\$149,800.00	\$157,290.00	\$157,290.00	\$162,952.44	\$171,100.06	\$179,655.07	\$188,637.82	\$198,069.71	\$207,973.19		
5	Total Spare Parts Cost	\$175,000.00	\$187,250.00	\$196,612.50	\$196,612.50	\$203,690.55	\$213,875.08	\$224,568.83	\$235,797.27	\$247,587.14	\$259,966.49		
6	Total Provisions	\$50,000.00	\$53,500.00	\$56,175.00	\$56,175.00	\$58,197.30	\$61,107.17	\$64,162.52	\$67,370.65	\$70,739.18	\$74,276.14		
7	Total Communication Cost	\$60,000.00	\$64,200.00	\$67,410.00	\$67,410.00	\$69,836.76	\$73,328.60	\$76,995.03	\$80,844.78	\$84,887.02	\$89,131.37		
	Total Technical Management Costs	\$1,975,000.00	\$2,113,250.00	\$2,218,912.50	\$2,218,912.50	\$2,298,793.35	\$1,450,684.10	\$4,459,295.37	\$1,583,210.26	\$1,662,370.77	\$7,390,476.03		

Daily Cost	\$5,410.96		

NTV Australia - Commercial Management Costs YRS 1-3		
	Item Description	Annual
1	General Costs	
1.1	Security	\$30,000.00
1.2	Victualling For Standard Crew	\$233,600.00
1.3	Safety & Risk Management	\$10,000.00
1.4	S & Q Audits	\$10,000.00
1.5	SPARE	\$0.00
1.6	Agents	\$0.00
1.7	Pilots	\$0.00
1.8	Channel/Port Dues / Berthing	\$0.00
	Total General Cost	\$283,600.00
2	Other Costs	
2.1	Bareboat Charter Rate to J/V	\$0.00
2.2	Freight Costs	\$0.00
2.3	SPARE	
2.4	SPARE	
2.5	SPARE	
2.6	SPARE	
	Total Other Cost	\$0.00

SUMMARY		
	Commercial Management Cost	Annual
1	General Cost	\$283,600.00
2	Other - Charter	\$0.00
	Total Commercial Management Cost	\$283,600.00

Daily Costs	\$776.99
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NTV Australia - Commercial Management Costs YRS 4 &5		
	Item Description	Annual
1	General Costs	
1.1	Security	\$34,206.00
1.2	Victualling For Standard Crew	\$233,600.00
1.3	Safety & Risk Management	\$12,000.00
1.4	S & Q Audits	\$10,000.00
1.5	SPARE	\$0.00
1.6	Agents	\$0.00
1.7	Pilots	\$0.00
1.8	Channel/Port Dues / Berthing	\$0.00
	Total General Cost	\$289,806.00
2	Other Costs	
2.1	Bareboat Charter Rate to J/V	\$3,102,500.00
2.2	Freight Costs	\$0.00
2.3	SPARE	
2.4	SPARE	
2.5	SPARE	
2.6	SPARE	
	Total Other Cost	\$3,102,500.00

SUMMARY		
	Commercial Management Cost	Annual
1	General Cost	\$289,806.00
2	Other - Charter	\$3,102,500.00
	Total Commercial Management Cost	\$3,392,306.00

Daily Costs	\$9,293.99
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NTV Australia - Commercial Management Costs YRS 6-10						
	Item Description	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
	<i>Inflation Year on Year</i>	5%	5%	5%	5%	5%
1	General Costs					
1.1	Security	\$35,916.30	\$37,712.12	\$39,597.72	\$41,577.61	\$43,656.49
1.2	Victualling For Standard Crew	\$245,280.00	\$257,544.00	\$270,421.20	\$283,942.26	\$298,139.37
1.3	Safety & Risk Management	\$12,600.00	\$13,230.00	\$13,891.50	\$14,586.08	\$15,315.38
1.4	S & Q Audits	\$10,500.00	\$11,025.00	\$11,576.25	\$12,155.06	\$12,762.82
1.5	SPARE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1.6	Agents	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1.7	Pilots	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1.8	Channel/Port Dues / Berthing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total General Cost	\$304,296.30	\$319,511.12	\$335,486.67	\$352,261.00	\$369,874.05
2	Other Costs					
	Total Other Cost					

SUMMARY		
	Commercial Management Cost	Annual
1	General Cost	\$304,296.30
2	Other - Charter	\$0.00
	Total Commercial Management Cost	\$304,296.30

Daily Costs	\$833.69
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NTV Australia - Operational Management Costs YRS 1-5			
	Item Description	Annual Cost - Ex GST	Annual Cost - Ex GST
		Year 1	Year 5
1	Management Fee		<i>(Inflation Years 1-5 = 16.4%)</i>
1.1	One Vessel Manager (Technical) 0.5 FTE	\$90,000.00	\$104,755.16
1.2	One Vessel Purchasing & Admin Officer 0.5 FTE	\$50,000.00	\$58,197.31
1.3	One Vessel Freight Planner Bell Bay 1.0 FTE	\$90,000.00	\$104,755.16
1.4	One Vessel Freight Planner Brisbane 1.0 FTE	\$90,000.00	\$104,755.16
1.5	Vessel Management Travel & Accommodation	\$20,000.00	\$23,278.92
1.6	Office Accommodation & Vehicle Brisbane	\$25,000.00	\$29,098.66
1.7	Office Accommodation & Vehicle Bell Bay	\$25,000.00	\$29,098.66
1.8	Technology, Office and Professional Needs	\$18,000.00	\$20,951.03
1.9	Administrative Support Bell Bay & Brisbane	\$55,000.00	\$64,017.04
	Risk Coverage	\$50,000.00	\$58,197.31
	Additional management fee		
	Total Management Fee	\$513,000.00	\$597,104.42
2	Severance Cost		
2.1	Contracts Administration	\$35,000.00	\$40,738.12
2.2	Legal Advice	\$10,000.00	\$11,639.46
	Total Severance Cost	\$45,000.00	\$52,377.58

SUMMARY			
	Management Fee & Severance Cost	Year 1	Year 5
1.0	Total Management Fee	\$513,000.00	\$597,104.42
2.0	Total Severance Cost	\$45,000.00	\$52,377.58
	Total Management Fee & Severance Cost	\$558,000.00	\$649,482.00

Daily Cost	\$1,528.77	\$1,779.40
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NTV Australia - Operational Management Costs YRS 6-10						
	Item Description	Annual Cost - Ex GST				
		Year 6	Year 7	Year 8	Year 9	Year 10
1	Management Fee	<i>Inflation Year on Year = 5%</i>				
1.1	One Vessel Manager (Technical) 0.5 FTE	\$109,993	\$115,493	\$121,267	\$127,331	\$133,697
1.2	One Vessel Purchasing & Admin Officer 0.5 FTE	\$61,107	\$64,163	\$67,371	\$70,739	\$74,276
1.3	One Vessel Freight Planner Bell Bay 1.0 FTE	\$109,993	\$115,493	\$121,267	\$127,331	\$133,697
1.4	One Vessel Freight Planner Brisbane 1.0 FTE	\$109,993	\$115,493	\$121,267	\$127,331	\$133,697
1.5	Vessel Management Travel & Accommodation	\$24,443	\$25,665	\$26,948	\$28,296	\$29,710
1.6	Office Accommodation & Vehicle Brisbane	\$30,554	\$32,081	\$33,685	\$35,370	\$37,138
1.7	Office Accommodation & Vehicle Bell Bay	\$30,554	\$32,081	\$33,685	\$35,370	\$37,138
1.8	Technology, Office and Professional Needs	\$21,999	\$23,099	\$24,253	\$25,466	\$26,739
1.9	Administrative Support Bell Bay & Brisbane	\$67,218	\$70,579	\$74,108	\$77,813	\$81,704
	Risk Coverage	\$61,107	\$64,163	\$67,371	\$70,739	\$74,276
	Additional management fee					
	Total Management Fee	\$626,960	\$658,308	\$691,223	\$725,784	\$762,073
2	Severance Cost					
2.1	Contracts Administration	\$42,775	\$44,914	\$47,159	\$49,517	\$51,993
2.2	Legal Advice	\$12,221	\$12,833	\$13,474	\$14,148	\$14,855
	Total Severance Cost	\$54,996	\$57,746	\$60,634	\$63,665	\$66,849

SUMMARY						
	Management Fee & Severance Cost	Year 6	Year 7	Year 8	Year 9	Year 10
1.0	Total Management Fee	\$626,960	\$658,308	\$691,223	\$725,784	\$762,073
2.0	Total Severance Cost	\$54,996	\$57,746	\$60,634	\$63,665	\$66,849
	Total Management Fee & Severance Cost	\$681,956	\$716,054	\$751,857	\$789,449	\$828,922

Daily Cost	\$1,868.37	\$1,961.79	\$2,059.88	\$2,162.88	\$2,271.02
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NTV Australia - Insurance Costs		Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST	Annual Cost - Ex GST
	Item Description	Year 1	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1	Insurance Cost	Inflation Years 1-5 = 16.5%)		Inflation Years 6-10 = 5% Year on Year				
1.1	Hull and Machinery Insurance Cost	\$337,000	\$392,250	\$411,862	\$432,456	\$454,078	\$476,782	\$500,621
1.2	Professional Indemnity and Public Liability	\$68,300	\$79,498	\$83,472	\$87,646	\$92,028	\$96,630	\$101,461
1.3	P&I Club Insurance	\$82,500	\$96,026	\$100,827	\$105,868	\$111,162	\$116,720	\$122,556
	Total Insurance Cost	\$487,800	\$567,773	\$596,162	\$625,970	\$657,268	\$690,132	\$724,638
2	Other Costs							
2.1	Registration Cost	\$500	\$582	\$611	\$642	\$674	\$707	\$743
	Total Other Cost	\$500	\$582	\$611	\$642	\$674	\$707	\$743
SUMMARY								
	Insurance Cost							
1.0	Insurance Cost	\$487,800	\$567,773	\$596,162	\$625,970	\$657,268	\$690,132	\$724,638
2.0	Other Costs	\$500	\$582	\$611	\$642	\$674	\$707	\$743
	Total Insurance Cost	\$488,300	\$568,355	\$596,773	\$626,611	\$657,942	\$690,839	\$725,381
	Daily Cost	\$1,338	\$1,557	\$1,635	\$1,717	\$1,803	\$1,893	\$1,987

ANNEX 2

2.1 Industry Consultation: Primary Stakeholders

Organisation	Industry Sector	Contact
ANL Container Line	Ship Operator Blue Water	Ian Redfern General Manager
Australian Institute of Marine Power and Engineers	Maritime Workforce	Henning Christiansen Federal Secretary
Australian Maritime Officers Union	Maritime Workforce	John Wydell Industrial Officer
Australian Maritime Safety Authority	Industry Regulator	Mark Eldon Roberts Manager Ship Operations & Qualifications
Australian Shipowners Association	Industry Peak Body	Teresa Lloyd Executive Director
Department of Infrastructure and Transport	Shipping Policy	Karen Gosling Executive Director-Surface Transport Policy
Farstad Shipping (Indian-Pacific)	Brown Water Offshore	Bob Venema Personnel Manager
Joint Logistics Command	Australian Defence Force	CDRE Mark Sackley Director General Strategic Logistics
MAERSK Shipping Australia	Ship Operator Blue Water	Nicolaj Noes Managing Director
Maritime Employees Training Limited	Maritime Education and Training	Adrian Denyer Chief Executive Officer
Maritime Union of Australia	Maritime Workforce	Rod Pickette Policy Executive Officer
Maritime Workforce Development Forum	Shipping Industry Think Tank	Lynell Briggs, Chairperson Sue Skermer, Secretary
Royal Australian Navy	Australian Defence Force	RADM Trevor Jones Deputy Chief of Navy
Shipping Australia Limited	Industry Peak Body	Llew Russell Chief Executive Officer
Svitzer Australia	Ship Operator Brown Water (Tug and Towing)	Mark Malone, Managing Director Tony Wilks, General Manager, Industrial and Corporate Relations
Tasmanian Chamber of Commerce and Industry	State employer and business organization	Richard Lowrie Board Director

2.2 Industry Consultation: Maritime Training Providers

Organisation	Industry Sector	Contact
Australian Maritime College	Maritime Training	Prof Neil Bose Principal
Challenger Institute of Technology	Maritime Training	Romi Kaushal, Director WA Maritime Training Centre
TAFE NSW Hunter Institute	Maritime Training	Bob Wolter, Director Faculty of Industry and Natural Resources
TAFE NSW Sydney Institute	Maritime Training	Matthew Bolton, Head Maritime and Aviation Studies

ANNEX 2

2.3 Industry Consultations: Commercial Shipping

Organization	Contact	Position
Agility Logistics	Brett Charlton	General Manager Tasmania
ANL Ship Agency	Maurice Fischer	State Manager
Austral Asia Shipping	Namir Kenbabi	Managing Director
BCR Freight	Rob Hunter	Director
BCR Freight	Andrew Crawford	CEO
BCR Freight	Bill Urwin	Commercial Manager
Bell Bay Industry Group	Bob Gozzi	Facilitator
BHP Billiton Singapore	Vikram Chawla	Freight Management
BHPB TEMCO	Greg Hannon	General Manager
Caterpillar Australia	Tony Flint	Distribution Manager
China Navigation Company	Tim Blackburn	Managing Director
Clarksons Singapore	Chris Smith	Broker
Department of Transport	Pauline Sullivan	General Manager, Shipping Policy Reform
ECKA Granules	Michael Jones	Managing Director
Glencore Trading	Dan Myserson	Group Trader
Glencore Trading	Vijay Philip	Trading Department
Glencore Trading	Dan Myerson	Trading Department
Incitec Pivot	Jason Light	Logistics Manager
Jardine Shipping Singapore	Chris Lee	General Manager Liner Operations
Jurong Port Singapore	Irwin Chan	Planning Manager
Kraft Cadburys	Satyajit Warty	Supply Chain Manager
McCains	Geoff Pollard	Distribution Manager
Mountain Industries	Kevin Bennett	Business Development Manager
MSC Melbourne	Con Makraikis	State Manager
Norske Skog	Arnold Willems	Logistics Manager
Nth Tasmania Development	Derek LeMarchant	Executive Officer
NYRSTAR Melbourne	Monique Delacorn	Marketing Manager
OOCL	Mike Chadwick	State Manager
PACC Cntr Line Singapore	Dennis Wong	General Manager Liner
Pacific Aluminium	Ray Mostogl	General Manager Plant Operations
Port Kembla Port Corporation	Dom Figliomeni	CEO
Port Kembla Port Corporation	Capt R. Kirk	Department Harbour Master
Port of Brisbane	Andrew Brinkworth	Trade Development Manager
Port of Townsville	Claudia B-Smith	Business Development
QUBE Ports Bell Bay	Chris Kettle	Tasmania Operations Manager
Queensland Nickel	Ross Goodwin	Export Superintendent
Rio Tinto Alcan	Andrew Cross	Manager Logistics
Rio Tinto Alcan Singapore	Nick Zacouras	Global Accounts Manager
Simplot	Greg Dind	Logistics Manager
Smart Logistics	Robert Gay	Managing Director
Sun Metals Corp	Paul Ryan	Logistics Manager
Swire Shipping Singapore	Jeremy Sutton	SE Asia Trade Manager
Tasmania Ports Corp	Karen Rees	Marketing Manager
Tasmanian State Government	Judy Davey	Region Manager North
TLS Stevedores Dili	John Martins	Managing Director
Vinidex Pipe Manufacturing	Ian Watson	Transport Manager
Webster's Produce	Leigh Titmus	Managing Director
Wilhelmsen Agency	Steven Petraitis	State Manager
Xstrata Copper	Merv Sharkey	Logistics Manager
Xstrata Copper	Greg O'Shea	Infrastructure Manager

ANNEX 3

3.1 Communication with Maritime Training Providers

Meetings and discussions with major maritime training providers were followed up with the following letters expressing appreciation for their support of the NTV approach.

AUSTRALIAN MARITIME COLLEGE



DR JEFFREY E HAWKINS DIRECTOR

PO Box 124 Legana TAS Australia 7277
PHONE +61 3 6330 2929
MOBILE +61 419 368 082
FAX +61 3 6330 2290
EMAIL jhawkins@pivotmaritime.com
WEB www.pivotmaritime.com

11 March 2013

Professor Neil Bose
Principal
Australian Maritime College
Locked Bag 1398
Launceston TAS 7250

Dear Neil

NTV AUSTRALIA

It was a great pleasure to discuss the NTV Australia proposal with you last week, and I deeply appreciate your support for the venture.

The prospect of having a national training vessel that all of us can access, and one that will effectively address the sea time bottleneck, is very exciting.

It will enable all of us involved in maritime training and employment to contribute significantly toward building Australia's maritime skills base as part of the national shipping reforms.

As discussed, I will be sending you our updated proposal along with more details of the vessel and the training facilities which we will have on-board.

Warm regards

A handwritten signature in black ink, appearing to read "J. Hawkins", written in a cursive style.

Dr Jeff Hawkins
Chairman, NTV Australia
Director, Pivot Maritime International

CHALLENGER INSTITUTE OF TECHNOLOGY



DR JEFFREY E HAWKINS DIRECTOR

PO Box 124 Legana TAS Australia 7277
PHONE +61 3 6330 2929
MOBILE +61 419 368 082
FAX +61 3 6330 2290
EMAIL jhawkins@pivotmaritime.com
WEB www.pivotmaritime.com

11 March 2013

Romi Kaushal
Director
WA Maritime Training Centre
Challenger Institute of Technology
1 Fleet St
Fremantle
WA 6160

Dear Romi

NTV AUSTRALIA

It was a great pleasure to discuss the NTV Australia proposal with you last week, and I deeply appreciate your strong support for the venture.

The prospect of having a national training vessel that all of us can access, and one that will effectively address the sea time bottleneck, is very exciting.

It will enable all of us involved in maritime training and employment to contribute significantly toward building Australia's maritime skills base as part of the national shipping reforms.

Thank you once again for your support.

As agreed, I shall keep you updated on our progress.

Warm regards

A handwritten signature in black ink, appearing to read "J. Hawkins", written in a cursive style.

Dr Jeff Hawkins
Chairman, NTV Australia
Director, Pivot Maritime International

NSW TAFE HUNTER INSTITUTE



DR JEFFREY E HAWKINS DIRECTOR

PO Box 124 Legana TAS Australia 7277
PHONE +61 3 6330 2929
MOBILE +61 419 368 082
FAX +61 3 6330 2290
EMAIL jhawkins@pivotmaritime.com
WEB www.pivotmaritime.com

11 March 2013

Rob Wolter
Director
Faculty of Industry and Natural Resources
TAFE NSW Hunter Institute
Newcastle Campus
Maitland Road, Tighes Hill
NSW 2310

Dear Rob

NTV AUSTRALIA

It was a great pleasure to discuss the NTV Australia proposal with you last week, and I deeply appreciate your strong support for the venture.

The prospect of having a national training vessel that all of us can access, and one that will effectively address the sea time bottleneck, is very exciting.

It will enable all of us involved in maritime training and employment to contribute significantly toward building Australia's maritime skills base as part of the national shipping reforms.

Thank you once again for your support.

As agreed, I shall keep you updated on our progress.

Warm regards

A handwritten signature in black ink, appearing to read "J. Hawkins", written in a cursive style.

Dr Jeff Hawkins
Chairman, NTV Australia
Director, Pivot Maritime International

NSW TAFE SYDNEY INSTITUTE



DR JEFFREY E HAWKINS DIRECTOR

PO Box 124 Legana TAS Australia 7277
PHONE +61 3 6330 2929
MOBILE +61 419 368 082
FAX +61 3 6330 2290
EMAIL jhawkins@pivotmaritime.com
WEB www.pivotmaritime.com

11 March 2013

Matthew Bolton
Head
Maritime and Aviation Studies
TAFE NSW Sydney Institute
Building W, Level 7, Room 42
827-837 George St
Broadway NSW 2007

Dear Matthew

NTV AUSTRALIA

It was a great pleasure to discuss the NTV Australia proposal with you last week, and I deeply appreciate your strong support for the venture.

The prospect of having a national training vessel that all of us can access, and one that will effectively address the sea time bottleneck, is very exciting.

It will enable all of us involved in maritime training and employment to contribute significantly toward building Australia's maritime skills base as part of the national shipping reforms.

Thank you once again for your support.

As agreed, I shall keep you updated on our progress.

Warm regards

A handwritten signature in black ink, appearing to read "J. Hawkins".

Dr Jeff Hawkins
Chairman, NTV Australia
Director, Pivot Maritime International

ANNEX 3

3.2 Communication from Industry

SHIPPING AUSTRALIA LIMITED



Shipping Australia Limited
ABN 61 096 012 574

Suite 2, Level 1, 101 Sussex Street, Sydney NSW 2000
PO Box Q388 QVB PO, Sydney NSW 1230

Tel: (02) 9266 9900
Fax: (02) 9279 1471

24 October 2012

Dr Jeffrey Hawkins
Chairman
NTV-Australia
PO BOX 124
Legana
Tasmania 7277
AUSTRALIA

Dear Dr Hawkins

Proposal by APMI-Pivot/Gardline Australia joint venture - National Training Vessel Proposal

John McAree has, on a number of occasions consulted Shipping Australia on the general ideas surrounding this proposal which we have supported.

Shipping Australia has been concerned for many years regarding the lack of available sea time for Australian students undertaking seagoing courses at, for example, the Australian Maritime College or the Challenger or Hunter TAFE's. Shipping Australia has itself at times and in a very limited capacity provided sea time for some students that did not have a cadetship but more recently that has become problematical.

We are supportive of any initiative such as that outlined in relation to the above joint venture that will more easily provide sea time for students undertaking seagoing courses.

SAL has also been very supportive of the initiative undertaken by the Australian Government to establish a taskforce to make recommendations on how to improve maritime training and education in Australia and we understand that the taskforce is yet to report formally to the government. We would expect that the business plan for this joint venture would be consistent with whatever recommendations emerge in relation to that future strategy once it has been accepted by the Australian Government.

It would be important, in our view, that assistance granted by the Australian Government was purely related to the training aspects of the proposal and not to the domestic trading operation of the proposed vessel.

On the above basis, Shipping Australia is very happy to support this proposal and look forward to its successful implementation.

Kind regards.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Llew Russell', with a stylized flourish at the end.

Llew Russell, AM
Chief Executive Officer

MARITIME EMPLOYEES LIMITED (METL)



25th October 2012

Dr Jeffrey Hawkins
Chairman
NTV-Australia
PO Box 124
Legana
Tasmania 7277
Australia

Re: Training Vessel

Dear Dr Hawkins

As a maritime training organisation, METL has previously investigated and discussed training vessel options as a means of supporting seafarer training in the Australian maritime industry. In principle, METL supports the proposal for a vessel engaged in trading and training, as a commercial vessel provides effective on-the-job training opportunities and satisfies qualifying sea-service requirements.

General, informal discussions with Gardline have previously outlined a proposal for a Ro Ro training vessel, flagged on the general register and crewed by Australian seafarers. Our understanding is that provision of training is planned to cater for all occupational streams: Ratings, Officers and Engineers and may support a range of licences and qualifications for new entrant seafarers and existing maritime workers.

In supporting your proposal, we would assume the Training provider would be selected from among the current AMSA approved RTOs, being the Australian Maritime College, Challenger Institute and/or Hunter Institute. METL would suggest an analysis of reliable workforce data and current training activity be undertaken to ensure correlation between supply and demand. In addition, METL would be most supportive of a system which ensured all trainees or cadets had entered into a formal arrangement with an employer in order to undertake their training and that all training would lead to a VET or Higher Education qualification in conjunction with an AMSA Licence.

I look forward to further news of your proposal.

Yours Sincerely

Simon Earle
CEO, METL



MARITIME EMPLOYEES TRAINING LIMITED
ACN 132 750 061 ABN 63 132 750 061
LEVEL 6, 233 CHATFIELD STREET
SYDNEY NSW 2000 AUSTRALIA
PO BOX 20304, WORLD SQUARE NSW 2002 AUSTRALIA
P: +61 (0)2 9032 7611 F: +61 2 9263 0529 E: METL@METL.COM.AU W: WWW.METL.COM.AU

MARITIME UNION OF AUSTRALIA (MUA)

The Maritime Union Of Australia National Office

Paddy Crumlin - National Secretary | Mick Doleman - Deputy National Secretary
Ian Bray and Warren Smith - Assistant National Secretaries



Ref: 12/10/23/3834

24 October 2012

Dr Jeffrey Hawkins
Chairman
NTV-Australia
PO Box 124
Legana
Tasmania 7277

Dear Dr Hawkins

Re: Training ship

I am writing to advise that the MUA is supportive in-principle of the training ship concept on which one of the joint venture partners, Gardline, has briefed the union on previous occasions over the past year or so.

While we are aware of the broad outline of the training ship proposal and concept, we have not yet been advised on the details of the business case. We are nevertheless supportive of a training ship which also operates commercially in the domestic sea trade market, which we understand is the joint venture model.

Provided the training ship concept incorporates the following fundamental features, we would wish to see it taken to the full feasibility stage, and would welcome Government support for the proposal. The fundamental features we believe should be incorporated include:

1. That there be documentary evidence of a shortage of training berths to support the desired level of training required to meet future reductions of required seafaring labour/skill requirements to sustain and grow the Australian shipping industry, and that the business plan identify how the training ship might assist in meeting future demand in a collaborative way that complements existing training infrastructure.
2. That the selected ship be registered under the Australian General Shipping Register and that the Australian crew be engaged under an enterprise agreement negotiated with the relevant maritime unions.
3. That any Registered Training Organisation (RTO) partner be approved by the national VET regulator, the Australian Skills Quality Authority (ASQA), the tertiary education regulator, the Tertiary Education Quality and Standards Agency (TEQSA) and AMSA to deliver at least the Certificate Level IV qualifications, and that the partner RTO commit to join the partnership arrangement negotiated between the 3 existing AMSA approved seafarer RTOs that recently signed an MOU.
4. That the partner RTO commit to form a partnership with an existing or new Group Training Organisation to build collaboration and partnering arrangements in the

Page 2 of 2

industry with the aim of ensuring seafarers are provided with diverse training.

5. That the partner RTO commit to work with the MUA to implement the findings of the Ratings Innovative Pathway Project that is supported by the Maritime Workforce Development Forum for implementation over 2012 and 2013, and in particular agree to work with the MUA and industry ship-owners/operators and crewing agencies to further develop the competency based training and assessment opportunities in the Ratings stream.
6. That the training ship/RTO undertake to only enroll Ratings Trainees in VET Qualifications/Skill Sets or in courses leading to AMSA Licenses in accordance with the comprehensive structure for qualifications and licensing developed by the MUA and industry.

I look forward to being advised in more detail on the training ship proposal and business case as it is progressed.

Yours sincerely



Paddy Crumlin
National Secretary

AUSTRALIAN INSTITUTE OF MARINE POWER AND ENGINEERS (AIMPE)
Email Correspondence

Subject: RE: GARDLINE AU SEAFARER NATIONAL TRAINING SHIP - UPDATE 06 FEB 2012
Date: Fri, 26 Oct 2012 21:45:11 +1100
From: H Christiansen, AIMPE <hchristiansen@bigpond.com>
To: 'John McAree' <john.mcaree@gardline.co.uk>
CC: 'Dr Jeff Hawkins' <jhawkins@pivotmaritime.com>, 'Gregory Darling' <Gregory.Darling@ast-uk.com>

John

Thankyou.

I confirm my view as expressed to you in the email below dated 13 February 2012 remains current.

Kind Regards

Henning Christiansen, AIMPE

If arranging a meeting, please do so by TELEPHONE not email.

Tel: 0419 400 324

www.AIMPE.asn.au

From: Henning Christiansen, Federal Secretary [<mailto:HChristiansen@aimpe.asn.au>]
Sent: Monday, February 13, 2012 10:23 AM
To: John McAree
Cc: Michael Bakhaazi Senior National Organiser AIMPE Melbourne office; Martin Byrne Asst Federal Secretary AIMPE
Subject: RE: GARDLINE AU SEAFARER NATIONAL TRAINING SHIP - UPDATE 06 FEB 2012

John

This is good news. Congratulations to all.

You will recall at our meeting I discussed with you the limits on the capacity for any single vessel ['training' vessel or trading vessel] to simultaneously train more than a handful of Trainee/Cadet Engineers effectively in engineering operation especially with regard to complex maintenance tasks.

I differentiated between these engineering requirements on the one hand and the almost exclusively operational nature of the training for Ratings and Deck Officers which may well be effectively delivered in larger numbers on a hybrid training/trading vessel as you propose.

It occurs to me that if you are now at the stage of identifying a vessel for this purpose then I might offer some further thoughts on characteristics of the vessel that would benefit the training of engineers:-

- Main engine to be of *slow speed long-stroke* type of marine diesel engine: these are in short supply as the Australian trading fleet is further reduced by introduction of more foreign manned ships under Permit and Licence; and
- Main engine must have an *exhaust gas waste-heat economiser* [a boiler system installed so that the high temperatures of the exhaust from the main engine heats the water in the boiler and provides steam for power generation or heating];
- An additional auxillary-boiler system would be an advantage.
- Main engine must operate on Heavy Fuel Oil: the requirements for steam-heating of double-bottom fuel tanks, fuel-transfer to settling tanks, centrifuge purification of the oil and delivery to service tanks, then further heating to achieve optimum viscosity immediately before delivery to fuel injection system is not reproduced on machinery designed to run only on lighter oils.
- Power distribution board should require *manual-parallel*ing of diesel-alternators: don't get the fancy automation that does all these things for you.
- Size of engineers workshop [and adequacy of machine-tools installed] may well be an issue; a larger vessel is more likely to have generously-sized workshop space(s).
- An electrical workshop may also be an advantage.

For your consideration.

Please keep me apprised of your further progress in this matter.

Regards

Henning Christiansen, AIMPE

If arranging a meeting, please do so by TELEPHONE not email.

Tel: 0419 400 324

www.AIMPE.asn.au

AUSTRALIAN SHIPOWNERS ASSOCIATION



31 October 2012

Dr Jeffrey Hawkins
Chairman, NTV-Australia
PO Box 124
Legana Tasmania 7277

Dear Dr Hawkins

MARITIME TRAINING SHIP

The Australian Shipowners Association has been deeply involved in discussions on how to secure the maritime skills base for the nation for well over a decade. During this time the pressures on the workforce and the training system have been evaluated and possible solutions to key issues canvassed.

A key issue across the training system remains the ability for students to acquire the required time at sea to obtain their certificate. In this regard, it is not only the physical space that is an issue but also how that "seatime" is paid for, and by whom.

One of the options that has been considered, and remains under discussion, is the concept of a training ship to assist with providing the 'space' necessary to acquire the seatime. ASA has had discussions with Gardline regarding their interest in this area.

The workforce projections for the industry and the training necessary to fulfil future needs are currently the subject of in-depth consideration by the Maritime Workforce Development Forum (MWDF). This forum is considering some very important threshold issues such as:

- The actual numbers of seafarers required to be trained and in which positions.
- The ability for the existing 'fleet' of vessels to provide the seatime required.
- How seatime for non-company sponsored cadets might be funded.
- Delivery and quality of the training provided.

A holistic approach to the maritime training task in Australia is necessary to secure the skills base and ASA remain committed to finding a sustainable solution and supporting efforts from all parties focused in that direction.

Yours sincerely,

Teresa Lloyd
Executive Director

Member of the International Chamber of Shipping, International Shipping Federation, Asian Shipowners Forum, Australian Logistics Council

Head Office:
Level 1, 4 Princes Street
PORT MELBOURNE, VIC 3207
Telephone: +61 3 9647 6000
Facsimile: +61 3 9646 2256
E-mail: admin@asa.com.au
Website: www.asa.com.au

Canberra Office
PO Box 70
Civic Square
CANBERRA ACT 2608

Australian Shipowners Association Limited ABN 73 006 627 934

WEBSTER

WEBSTER

ABN 23 009 476 000

349 Forth Road, Devonport, Tas 7310
P.O. Box 1283, Devonport, Tas 7310
Telephone (03) 6427 5000
Facsimile (03) 6427 5001

13th November 2012

Dr Jeffrey Hawkins
Chairman - NTV-Australia
PO Box 124, Legana
Tasmania 7277
Australia

CONFIDENTIAL

Dear Mr. Hawkins

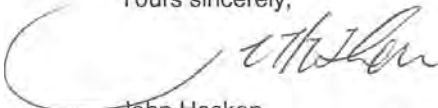
Further to our initial discussions with your consultants concerning the establishment of a the National Training Vessel (NTV) offering coastal shipping services connecting the ports of Bell Bay and Brisbane, we can confirm that Webster Ltd (Field Fresh Tasmania & Walnuts Australia) support the idea of greater choice and more competitive freight solutions for Bell Bay and Tasmanian.

It is understood the NTV is planned to commence operations from the second quarter of 2013 and we can confirm that Webster Ltd (Field Fresh Tasmania & Walnuts Australia) supports such a development in the context of additional choice of shipping providers being afforded to the industry.

Webster Ltd is continually in search of securing higher levels of service at lower cost to our clients and your initiative will provide a viable alternative to the existing Bass Strait feeder services in terms of connecting Tasmanian produce with global export markets.

This letter is provided in the strictest confidence and for the purpose of your feasibility studies and at such time when details of the service terms and container delivery times are available, Webster Ltd would be prepared to give its earnest evaluation.

Yours sincerely,



John Hosken
General Manager Sales & Marketing

BCR AUSTRALIA



13th November 2012

Dr Jeffrey Hawkins
Chairman - NTV-Australia
PO Box 124, Legana
Tasmania 7277
Australia
CONFIDENTIAL

BCR Australia Pty Ltd
ABN 87 000 711 197
39 Doody Street
(PO Box 7090)
Alexandria NSW 2015
Easy Call 1300 ONE BCR
(1300 663 227)
T +61 2 8396 0000
F +61 2 8396 0099
E enw@bcr.com.au
www.bcr.com.au

Dear Dr. Hawkins

Further to our initial discussions with your consultants concerning the establishment of a the National Training Vessel (NTV) offering coastal shipping services connecting the ports of Bell Bay and Brisbane, we can confirm that BCR Australia Pty Ltd (BCR) support the idea of greater choice and more competitive freight solutions for Bell Bay and Tasmania. It is understood the NTV is planned to commence operations from the second quarter of 2013 and we can confirm that BCR, as an independent logistics provider, supports such a development in the context of additional choice of coastal shipping service provider being afforded to the market.

BCR is continually in search of securing higher levels of service at lower cost to our clients and your initiative will provide a viable alternative to the existing Bass Strait feeder services in terms of connecting Tasmanian exporters and importers to mainland domestic and global markets. When the new service is operational BCR would be prepared to give its serious consideration to supporting the new venture to achieve its service and cost goals.

We confirm that we are not concerned about the number of feeder service providers BCR Logistics uses in Australia as our criteria for selection is based on price and efficiency. It is understood that the NTV will operate on a weekly rotation providing space for domestic freight and international feeder freight.

This letter is provided in the strictest confidence and for the purpose of your feasibility studies and to aid in advancing in the decision making process.

Yours sincerely,

Robert Hunter
Director

COASTAL BRIDGE



15 November 2012

Dr Jeffrey Hawkins
Chairman - NTV-Australia
PO Box 124, Legana
Tasmania 7277
Australia

CONFIDENTIAL

Dear Dr. Hawkins

Further to our initial discussions with your consultants concerning the establishment of a the National Training Vessel (NTV) offering coastal shipping services connecting the ports of Bell Bay and Brisbane, we can confirm that CoastalBridge support the idea of greater choice and more competitive freight solutions for Bell Bay and Tasmania. It is understood the NTV is planned to commence operations from the second quarter of 2013 and we can confirm that CoastalBridge, as an independent logistics provider, supports such a development in the context of additional choice of coastal shipping service provider being afforded to the market.

CoastalBridge is continually in search of securing higher levels of service at lower cost to our clients and your initiative will provide a viable alternative to the existing Bass Strait feeder services in terms of connecting Tasmanian exporters and importers to mainland domestic and global markets. When the new service is operational CoastalBridge would be prepared to give its serious consideration to supporting the new venture to achieve its service and cost goals.

We confirm that we are not concerned about the number of feeder service providers CoastalBridge uses in Australia as our criteria for selection is based on price and efficiency. It is understood that the NTV will operate on a weekly rotation providing space for domestic freight and international feeder freight.

This letter is provided in the strictest confidence and for the purpose of your feasibility studies and to aid in advancing in the decision making process.

Yours sincerely,



Alberto DiMaggio
Commercial Director

MELBOURNE	SYDNEY	FREMANTLE	ADELAIDE	BRISBANE
Level 3, 55 Wellington St. St Kilda, VIC 3182 PO Box 1032 Windsor, VIC 3181 AUSTRALIA Tel: (03) 9611 6860 Fax: (03) 9510 0207	Level 8,447 Kent Street Sydney, NSW 2000 PO Box Q1055 Queen Victoria Building, NSW 1230 AUSTRALIA Tel: (02) 9513 8960 Fax: (02) 9267 4164	Unit 3, 18 Norfolk Street PO Box 429 Fremantle, WA 6959 AUSTRALIA Tel: (08) 9430 0650 Fax: (08) 9433 3988	Ground Floor East 8 Butler Drive Hendon Common Hendon, SA 5014 PO Box 627 Port Adelaide 5015 AUSTRALIA Tel: (08) 8244 2377 Fax: (08) 8244 2399	95 Leichhardt St. Spring Hill, QLD 4001 PO Box 536 Spring Hill, QLD 4004 AUSTRALIA Tel: (07) 3630 6166 Fax: (07) 3630 6140

www.coastalbridge.com.au

Subject to our Standard Trading Terms & Conditions, which are available upon request.

ECKA



ECKA Granules Australia Pty Ltd

P.O. Box 382, George Town, Tasmania 7253

15 November 2012

Dr Jeffrey Hawkins
Chairman - NTV-Australia
PO Box 124,
LEGANA, TAS
7277

CONFIDENTIAL

Dear Dr Hawkins,

Further to our initial discussions with your consultants concerning the establishment of a the National Training Vessel (NTV) offering coastal shipping services connecting the ports of Bell Bay and Brisbane, we can confirm that Ecka Granules Australia Pty Ltd (EGA) support the idea of greater choice and more competitive freight solutions for Bell Bay and Tasmania.

It is understood the NTV is planned to commence operations from the second quarter of 2013 and we can confirm that EGA supports such a development in the context of additional choice of shipping providers being afforded to the industry.

EGA is continually in search of securing higher levels of service at lower cost to our stakeholders and your initiative will provide a viable alternative to the existing Bass Strait feeder services in terms of connecting Tasmanian manufactured materials to export markets.

This letter is provided in the strictest confidence and for the purpose of your feasibility studies and at such time when details of the service terms and container delivery times are available, EGA would be prepared to give its earnest evaluation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michael Jones', is written over a light blue horizontal line.

Michael Jones
General Manager

ECKA Granules Australia Pty Ltd, A.B.N. 18 050 694 935
4525 East Tamar Highway
Bell Bay 7253
Tasmania, Australia
Tel: +61 (0)3 6382 6444
Fax: +61 (0)3 6382 3420

AUSTRALIAN COASTAL SHIPPING

Australian Coastal Shipping Pty Ltd

A.B.N. 12 108 944 841
PO BOX 4071 RINGWOOD, VICTORIA 3134

16th November 2012

Dr Jeffrey Hawkins
Chairman - NTV-Australia
PO Box 124, Legana
Tasmania 7277
Australia

CONFIDENTIAL

Dear Dr. Hawkins

Further to our initial discussions with your consultants concerning the establishment of a National Training Vessel (NTV) offering coastal shipping services connecting the ports of Bell Bay and Brisbane, we can confirm that Australian Coastal Shipping Pty. Ltd. supports the idea of greater choice and more competitive freight solutions for Bell Bay and Tasmania. It is understood that the NTV is planned to commence operations from the second quarter of 2013 and we can confirm that Australian Coastal Shipping Pty. Ltd., as an independent logistics provider, supports such a development in the context of an additional coastal shipping service provider being offered to the market.

Australian Coastal Shipping Pty. Ltd. is continually seeking higher levels of service at lower cost to our clients and your initiative will provide a viable alternative to the existing Bass Strait feeder services in terms of connecting Tasmanian exporters and importers to mainland domestic and global markets. When the new service is operational Aust Coastal would be prepared to give its serious consideration to supporting the new venture to achieve its service and cost goals.

We confirm that we are not concerned about the number of feeder service providers Australian Coastal Shipping Pty. Ltd. uses in Australia as our criteria for selection is based on price, , efficiency and port rotation. It is understood that the NTV will operate a weekly service providing space for domestic freight and international feeder freight.

This letter is provided without prejudice, in the strictest confidence and for the purpose of your feasibility studies to aid in advancing the decision making process.

Yours sincerely,

Tom Pinder
Director