

LAND 400 PH2 PUBLIC AIC PLAN (Support)

1. COMPANY DETAILS

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2. CONTRACTED WORK-SCOPE

Rheinmetall Defence Australia has entered into a Support contract with the Commonwealth of Australia to provide the service and support for the specified armoured Combat Reconnaissance Vehicles (CRVs) for the Australian Defence Forces (ADF). The scope of the contracted services includes all activities necessary to manage and deliver the spare parts and services required for the maintenance of the vehicles for the Commonwealth in accordance with the contract.

The LAND 400 Phase 2 Support contract is valued at over \$192 million AUD (GST Inclusive) with the Australia expenditure of the contract being \$173 million AUD. Work will begin under this contract from June-2023.

3. SOVEREIGN INDUSTRIAL CAPABILITY PRIORITIES WORK PACKAGES

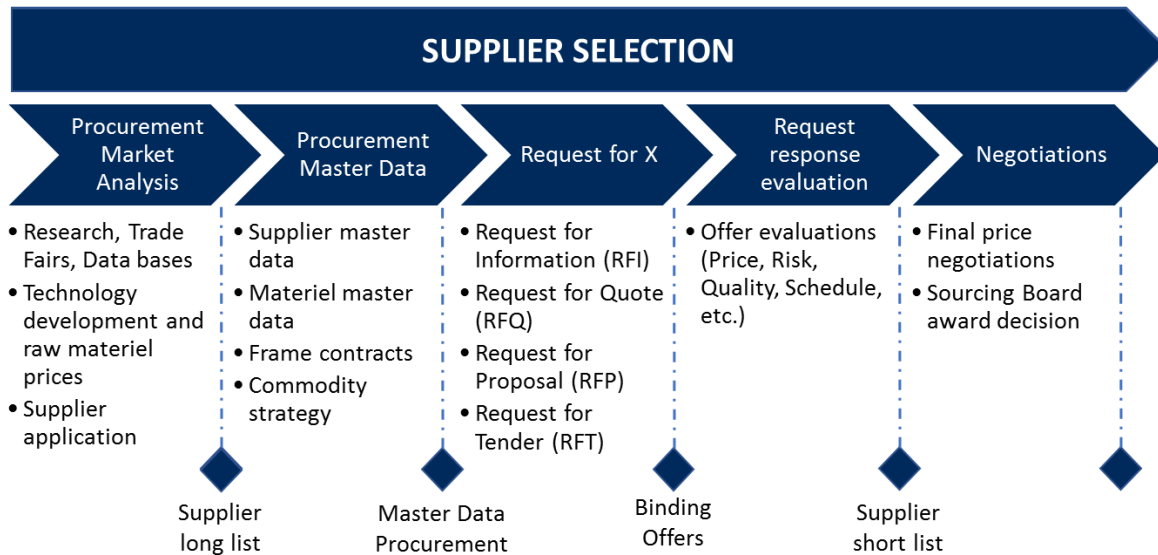
The SICP's for the LAND 400 Phase 2 Support Contract are listed below:

SICP Number	SICP Title	Work Packages
SICP 3	Test, Evaluation and Certification and Systems Assurance	Conduct test and evaluation, certification, and systems assurance of the CRV, in order to provide Technical Certification to introduce the Vehicles into service
SICP 4	Enhanced Active and Passive Phased Array Radar Capability	The ability to support and phased array radar systems supplied under the contract. This may include, but not limited to, the development and maintenance of overseas developed Active Protection Systems to meet operational needs
SICP 5	Land Combat Vehicle and Technology upgrade	The capability and capacity to integrate new systems and equipment and the ability to upgrade the CRV to meet the challenges of the day

4. SUBCONTRACTOR DETAILS

In addition to ongoing supplier identification and development, Rheinmetall is working with Australian industry to meet the quality and price targets for the LAND 400 Phase 2 Support Program. After the price and quality targets have been met, Rheinmetall will award work

packages to Australian companies. The graphic below shows the supplier selection process for new suppliers entering the supply chain.

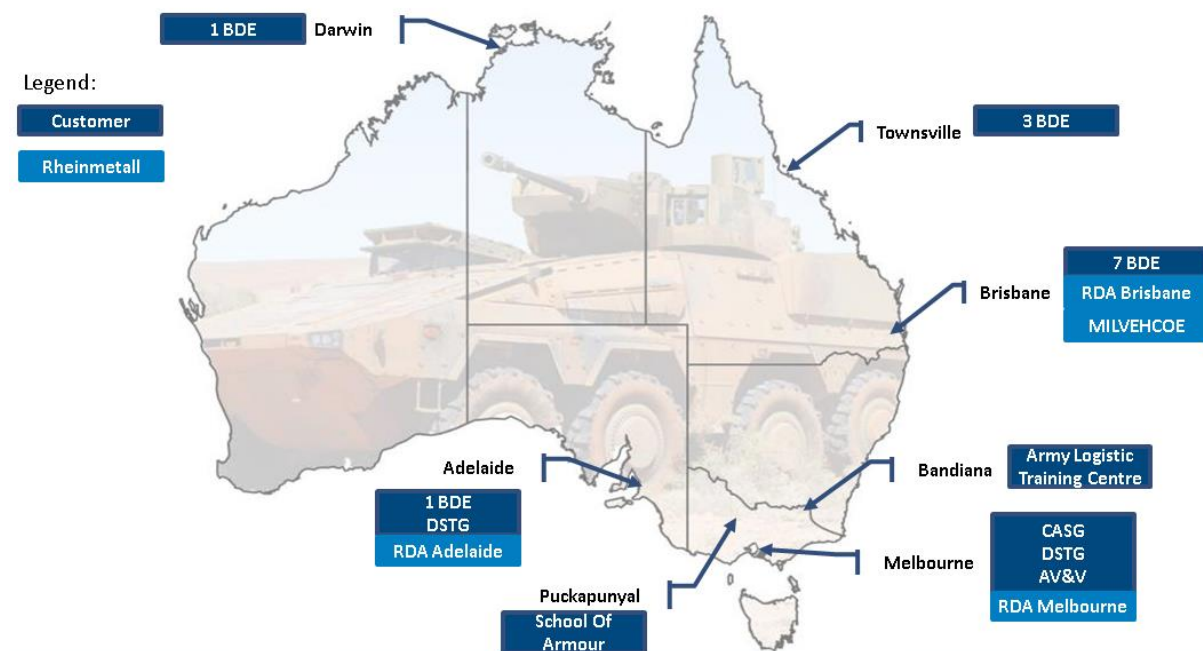


Rheinmetall will use those SMEs that have been qualified through the LAND 400 Phase 2 Acquisition program and are part of the Rheinmetall Global Supply Chain to deliver the spare parts and services required for the maintenance of the vehicles.

5. LOCATION

As the centrepiece of the LAND 400 Phase 2 Support Program, Rheinmetall will establish Australia's premier, globally competitive Military Vehicle Centre of Excellence (MILVEHCOE) in Ipswich, Queensland with a number of other sites throughout Australia. Initially, the MILVEHCOE will contribute to the development, assembly and support requirements for the 211 BOXER CRVs. It will later be used to do the maintenance and through life support of the vehicles.

The MILVEHCOE will create enduring relationships with the Commonwealth, industry and academia to develop innovative technologies and capabilities to contribute to Australia's long-term defence objectives. This will also give staff employed at the MILVEHCOE opportunities to develop their own skills and experiences through the secondment to Rheinmetall facilities across the world.



Rheinmetall presence in Australia

6. KEY OFFERINGS FOR AUSTRALIAN INDUSTRY

Rheinmetall will transfer technological knowhow and provide training support to Australian industry to achieve the capabilities required to support the LAND 400 Phase 2 Support Program, provide an Australian based support for the Australian war fighter, and create a globally competitive industrial base.

Rheinmetall will use those suppliers developed as part of the Acquisition contract to deliver the required spare parts and services into the support contract. Rheinmetall is currently evaluating and down selecting the Australian supply chain for the Acquisition contract. As the supplier capabilities are demonstrated over the course of the the Acquisition contract, Rheinmetall will contract suppliers for the support contract. Below is a list of the type of components and services that will need to be provided in the support contract.

Work Packages	
Transport and Specialist Logistics	Weapon Feeding System
Lighting	Local Situational Awareness System
Casting	Box Building Complex
Electronic Assemblies	Printed Electronic Circuit Boards
Machining	Ballistics Armour
Document Translation	Build / Supply Simulation & Training Equipment
Stabilisation System	Fire Protection System
Armoured Steel Welding	Harness and Looms
Standard Welding	Engines
Cutting and Bending	Gearbox

7. SCOPE OF FUTURE WORK OPPORTUNITIES

Rheinmetall's MILVEHCOE will support the development, build and support of vehicles for programs worldwide. Rheinmetall is looking for companies who are able to increase their capabilities to meet the demands of the international defence market. This includes the upskilling of employees, obtaining company international certifications and investing in new technologies. Rheinmetall will provide guidance to those companies that want to improve their capabilities and enter the Rheinmetall industry network for domestic and global opportunities.

The below listed opportunities are the growth path for Australian companies and Rheinmetall to deliver components beyond LAND 400 Phase 2 to worldwide programs.

Program	Export Country	Description	Timeframe
Lynx product	Multiple	Currently in the development phase Rheinmetall has engaged various Australian companies in the design and material solution for a new medium-weight tracked combat vehicle (the LYNX).	2019+

Program	Export Country	Description	Timeframe
		Rheinmetall is actively bidding the LYNX vehicle into various programs in Australia, Europe and the USA.	
HX Trucks	Multiple	With the current LAND 121 program Rheinmetall has already incorporated various Australia companies into its supply chain. Deriving from this engagement various export opportunities are pursued to supply into other truck programs in Europe. In addition enhancements and development opportunities are pursued with Australian suppliers.	2019 +
BOXER	Multiple	The established LAND 400 Australian industry network for BOXER will have the chance to export into any other future BOXER program. Potential future BOXER programs include: <ul style="list-style-type: none"> • Enhancements and upgrades to current BOXER user fleets (Germany and the Netherlands). • Follow-on orders for current BOXER users. • The United Kingdom MIV program. • Targeted opportunities in Europe, the Middle East and the Asia Pacific regions. 	2019 +
BOXER	Australia	The LAND 400 Phase 2 program will require future upgrades and capability enhancements to the in-service fleet. There is also the opportunity for additional vehicles and variants that will also create new opportunities for Australia companies.	2019+

8. FUTURE OPPORTUNITIES / INDUSTRY ENGAGEMENT

Rheinmetall is a global Defence Equipment and Service provider and is committed to bringing the best Australian capabilities into its Global Supply Chain to support its growth strategies.

Australian companies with new or emerging capabilities will continue to be identified under the LAND 400 Phase 2 Support Program by the AIC Director as potential Rheinmetall Global Supply Chain members through:

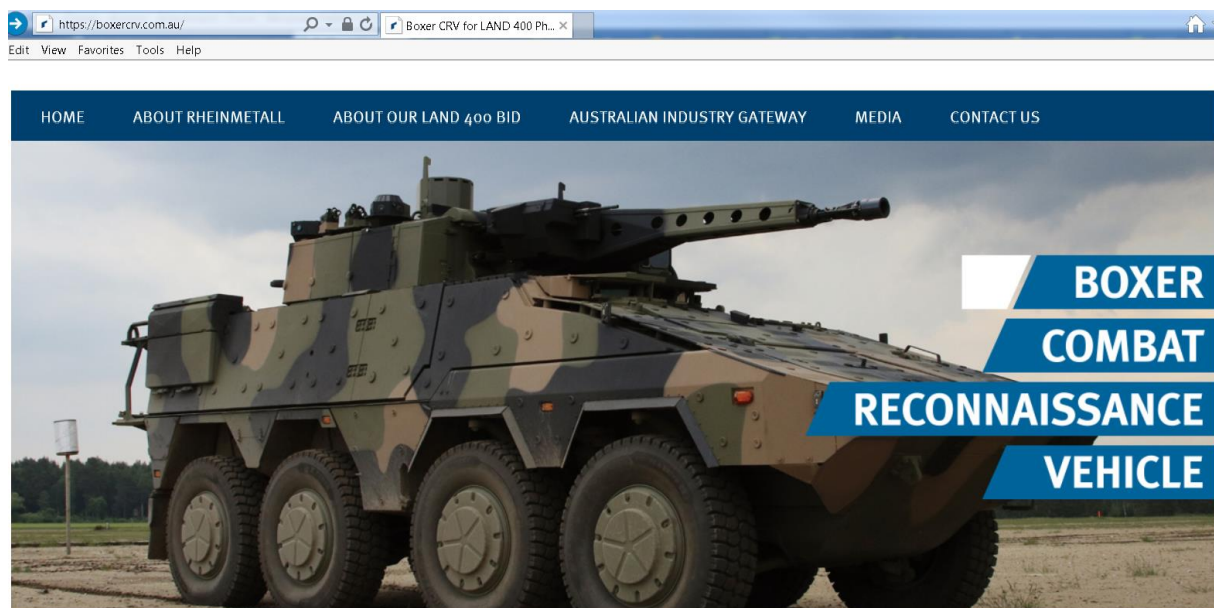
- The LAND 400 Supplier Web Portal that was created to supplement the initial AIC Road Show as a method for future AIC to register its capability directly with the LAND 400 Integrated Project team (IPT).
- an annual AIC Industry conference for existing and future AIC companies,
- Continued membership of peak industry bodies, such as Australian Industry

Defence Network (AIDN), and directly liaison with State Industry Development bodies to build a deeper understanding of the current status of Australian Industry Capability and to promote Rheinmetall's future capability requirements.

- d. Rheinmetall presence at future Australian trade and industry events, engage with existing and emerging Australian companies to better match AIC opportunities with Australian companies.
- e. Maintaining the Public AIC Plan with all relevant emerging AIC opportunities and contact details to engage with the LAND 400 AIC Program.
- f. Developing Global Supply Chain opportunities that are complimentary to the program, or allow participants in the program to extend into other Rheinmetall programs in Australia and globally.

All existing LAND 400 Australian suppliers, as well as emerging Australian companies, will be invited to the annual Rheinmetall LAND 400 Industry Conference. During the proposed annual LAND 400 Industry Conference, Rheinmetall will, in addition to LAND 400, make presentations to specify the additional capabilities that are being sought from Australian Industry to support further global programs. Companies will be provided an opportunity to brief Rheinmetall on their relevant capabilities and to register their interest in supporting Rheinmetall.

Rheinmetall has established an online industry portal ([BoxerCRV.com.au](https://boxercrv.com.au)) for LAND 400 Phase 2 as seen below. Rheinmetall will use this portal to advertise future work, and communicate with the Australian industry network. Companies may contact Rheinmetall directly, submit capability statements, register their interest and make representations about their capability. The portal will ensure that all engagements are registered, tracked and responded to, and also ensure that stakeholders are kept informed on procurement processes.



9. CONTINUED INDUSTRY ENGAGEMENT

Rheinmetall will continue engagement with Australian companies to maximise the number qualified suppliers and incorporate those suppliers into the Rheinmetall Global Supply Chain.

Companies that were not initially rated highly for LAND 400 Phase 2 remain on Rheinmetall's database and through continued engagement will be elevated as their status changes. All registered companies are reviewed every 12 months with the following considerations:

- a. New product/service or machine/capability;
- b. New alliance with overseas manufacturer;
- c. Decision to bring manufacturing to Australia;
- d. Value-add increase on current offering (e.g. full spare parts and warranty provided in Australia);
- e. New capability requirement more aligned with companies' core capability;
- f. Failure of existing supplier in Australia or Overseas; and
- g. Single or sole source supplier undergoing a development process to achieve upgrade (e.g. achieving ISO standard).

Through the LAND 400 Phase 2 Support contract Rheinmetall in partnership with Australian industry will establish a lasting Australian sovereign military capability, while creating local jobs and delivery of high value AIC.

Australian industry companies wishing to support Rheinmetall with existing or emerging capabilities, or to make presentations of their abilities, innovations or value that they can bring to the program, are encouraged to contact Mr. Arthur Hustad, LAND 400 (Acquisition & Support) AIC Director or register through the Rheinmetall Supplier Portal.

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Best Regards,



Gary Stewart

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