Executive Summary:

NIOA is Australasia’s largest privately owned supplier of weapon systems, ammunition and related products. The company was established in 1973 and services both the commercial and government markets in Australia and New Zealand. NIOA carries exclusive distribution and representation agreements for over fifty international companies.

On 30 June 2015, NIOA was contracted by the Commonwealth to supply the MK47 Automatic Lightweight Grenade Launcher, associated spares, ILS data and training. The contract will run for approximately two years and has a value of AUD $51.12 million of which approximately $7.88 million will be delivered by Australian Industry.

The scope of work falls within the Priority Industry Capability (PIC) for Infantry Weapons and Remote Weapon Stations, with the following defined Industry Requirements (IR):

- IR 1: LWAGL System design and production
- IR 2: Workforce skilling – Development and delivery of ILS Contract Data Items and Training
- IR 3: IR 3 Test and evaluation - Undertaking Verification and Validation and Acceptance Test activities

Table 1 below details the Local Industry Activity. Given the MOTS nature of the product, the scope for Australian involvement is limited to design and supply of ancillary items.

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<th>IRPIC No</th>
<th>IRPIC Title/Work</th>
<th>Local Industry Activity</th>
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| IR 1     | Weapon System design and production | The following peripheral items will be design and manufactured and sourced in Australia:  
Backpacks for Man Portable state and Gun weather covers: Armor Australia Pty Ltd (QLD)  
Transit Cases: Trimcast Pty Ltd (VIC) |
| IR 2     | Development and delivery of ILS Contract Data Items and Training | Development of ILS Contract Data and Training Design: Logistic Engineering Services Pty Ltd (VIC)  
Training Delivery: NIOA (QLD) |
| IR 3     | Undertaking Verification and Validation activities and the Acceptance Test program | Conduct Verification and Validation activities and the Acceptance Test program: NIOA (QLD) |

In addition, NIOA will also be conducting all Program Management activities.
Scope of Future Work Opportunities:

NIOA has well-established relationships for the supply of ancillary items and services for the LAND 40-2 LWAGL program. NIOA will continue to utilise these subcontractors based upon the experience, flexibility and value for money that they offer the program.

Should the scope of the program change, or should the continuing engagement of the current subcontractors need to be re-evaluated, NIOA will conduct market testing for possible alternative sub-contractors and suppliers.

Future Opportunities / Industry Engagement:

In the future, NIOA anticipates requirements for the following services:

- Precision engineering
- Non-destructive laboratory testing,
- Environmental testing
- Acoustic testing

In circumstances where NIOA is looking to conduct market testing for future suppliers, industry will be first engaged via the Australian Industry and Defence Network (AIDN) or the Industry Capability Network (ICN), both of which NIOA is a member, in order to determine industry and organisational capabilities.

Point of Contact:

The NIOA LAND 40-2 Project Manager is the point of contact for AIC matters regarding the LAND 40-2 LWAGL project:

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Authorised on Behalf of NIOA

Patrick Whitty
National Sales Manager - Government

Dated: 20 Oct 2016