



TENDER DOCUMENT

BHP

Under instructions from BHP Towage Services PTY LTD (BHP)

Tender closes Friday 25th August 2017 at 4:00pm (AWST)

Contact: Matt Kalinski +61 (0) 418 488 011 or matt@auctions.com.au

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Under instructions from **BHP Towage Services Pty Ltd**, offers are invited for the purchase and removal of a Z-Tech Tug 'Mt Florance' located in Mackay, Hay Point, Queensland.

Please ensure you have read the limiting conditions of this tender document. Submission of tenders will be considered as acceptance of these conditions.

Please direct all enquires to Matt Kalinski +61 (0) 418 488 011 or matt@auctions.com.au

2 TENDER DETAILS

2.1 TENDER CONDITIONS

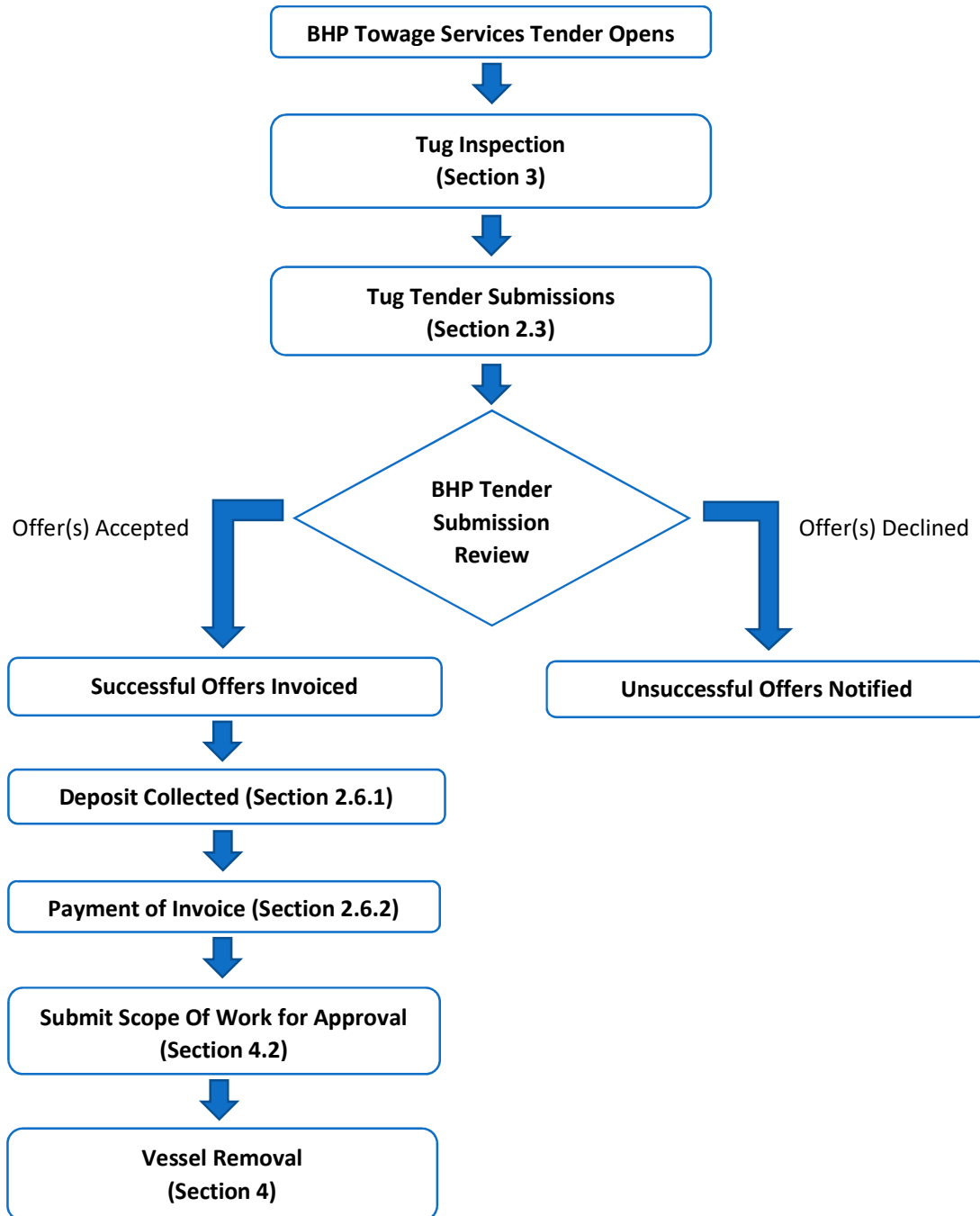
BHP Towage Services Pty Ltd and Ross's Auctioneers and Valuers expressly disclaim all implied consumer guarantees to the fullest extent permitted by law.

While we have endeavoured to provide correct asset details, any descriptions and photographs of the Asset are deemed to be a guide only. The asset is used and is sold in "As is, Where is" condition.

By submitting an offer you agree that:

- You have been given sufficient opportunity to inspect the asset to which your tender bid relates, and that such inspection was sufficient to satisfy all your inquiries as to the quality and fitness for the purpose to which you intend to use the Asset;
- Your offers for purchase are made based on your inspection and assessment of each Asset; and
- If you do not inspect and assess the Asset, your offer for purchase will be deemed to have been made on the basis that you are aware of the quality of the Asset to that extent that such quality would have been evident had you inspected the Asset.

2.2 TENDER PROCESS FLOW



2.3 TENDER DATE SCHEDULE

Tender Submission Deadline: All tender offers must be received no later than **4pm Friday 25th of August 2017 (AWST)**

Inspection Period: Asset inspection will be permitted during the prescribed inspection period between **Tuesday 15th of August and Wednesday 16th of August 2017**.

Please refer to section 3 for full details of inspection dates and attendance registration and requirements.

Tender Decision: A formal tender response by BHP Towage Services should be made within ten (10) working days of tender close, estimated on **Friday 8th of September 2017** (Section 2.5).

Tender Deposit: A minimum deposit of \$50,000 will be required from successful tenderers no later than five (5) days after successful tender notification (Section 2.4).

Full Payment: Full payment will be required no later than 15 working days from successful tender notification.

Vessel Removal: All successful tenderers must remove their vessel, per the vessel removal schedule (Section 4)

2.4 LODGEMENT OF TENDERS

In order to successfully lodge a tender you **must comply** with the following:

- (i) Lodge the tender prior to the closing date of **4pm Friday 25th August, 2017 (AWST)**;
- (ii) Lodge the tender using approved methods outlined in section 2.4.1/2.4.2; and
- (iii) Complete a Capability Statement (Section 4.1).

All offers are to be made in Australian Dollars, exclusive of GST. Please note all offers will be subject to 0.5% Buyers Premium and GST. GST Exemptions for International buyers will need to conform to Australian Taxation Offices rules.

For example, an offer of \$2,000,000 AUD will become:

\$2,000,000 + \$10,000 (0.5% Buyers Premium) + \$201,000 (10% GST) = \$2,211,000 AUD

GST Exempt Purchases, are required to comply with all Australian Tax legislation including proof of export.

Important: Please ensure you clearly state any special conditions on your tender bids; for example "Only want Lot 2 if successful on Lot 1". Special conditions must be clearly stated in the Comments/Special Conditions parts of the tender submission document or electronic portal.

2.4.1 Electronic Lodgement

Tenders can be submitted electronically via the Ross's Auctioneers & Valuers website

<http://www.auctions.com.au/tenders>

Please note: Only Premium Members of the Ross's Auctioneers & Valuers website can use this tender submission method.

If you are not a Premium Member, visit <https://www.auctions.com.au/register> to become a Premium Member - no fees apply.

Upon receiving a successful online tender bid, a system generated confirmation email will be sent to your registered member email account. If you do not receive the confirmation email or need help lodging your tender bid through the online portal, please contact Matt Kalinski +61 (0) 418 488 011 or matt@auctions.com.au

2.4.2 Written Lodgement

Written tender offers will be accepted. If you wish to lodge a tender in writing, you are required to use the tender submission document provided (see Annexure A) in order for your submission to be considered.

Completed tender documents must be returned to:

Attn: Matt Kalinski
Ross's Auctioneers & Valuers
453 Orrong Road,
Welshpool, Western Australia 6106

or scanned and emailed to matt@auctions.com.au

Upon receiving a successful written lodgement, Ross's Auctioneers & Valuers will advise via email or phone call.

2.5 TENDER ACCEPTANCE

BHP Towage Services Pty Ltd anticipate that the final decision on successful tender will be made within ten (10) working days of the tender close date.

Acceptance of any offer will be communicated in writing (by email, fax or letter) and will be deemed to have been communicated to the successful purchaser immediately (in the case of an email or fax where no notice of transmission error has been received by the sender) or by close of business on the day following mailing (in the case of a letter).

Date of such deemed communication will be the "Agreement Date".

Upon the Agreement Date, a binding contract of sale will arise as between The Vendor and the successful purchaser effective on the Agreement Date, the terms and conditions of which are those set out in the Conditions of Tender (Section 2.1).

A Tax invoice will be generated once acceptance has been communicated.

Unsuccessful tenderers will be notified by email.

2.6 TENDER PAYMENTS

2.6.1 Tender Deposit

If your tender bid is successful, you are required to pay a fifty thousand (\$50,000.00) AUD deposit within five (5) days of being notified in order to secure your tender bid.

This deposit must be paid via Electronic Funds Transfer into the following Trust account:

Ross's Auctioneers & Valuers Trust Account

Bank: Commonwealth Bank of Australia

BSB Number: 066 000

Account Number: 11832725

Please advise of the payment name when making the deposit. Please ensure you have recorded the transaction ID for verification.

If the successful purchaser fails to comply with the Conditions of Tender, The Vendor reserves the right to retain the deposit and/or any other monies paid and the right to resell the Asset in any manner and upon such terms and conditions they may see fit.

2.6.2 Tender Invoice Payment

Full payment of the Tax Invoice is required within fifteen (15) days of tender acceptance. Payments are to be made via Electronic Funds Transfer (EFT) into the following Trust account.

Ross's Auctioneers & Valuers Trust Account

Bank: Commonwealth Bank of Australia

BSB Number: 066 000

Account Number: 11832725

Deposit Reference: Please use the Tax Invoice ID which was supplied by Ross's

Please ensure you have recorded the transaction ID for verification.

3 VESSEL INSPECTIONS

Vessel inspection will be available on site at Mackay, Hay Point, Queensland.

Vessel inspection will **only** be available during the designated period inspection times outlined in table 3, and only available to registered parties (see section 3.1).

Lot	Vessel	Inspection Dates	Meeting Point	Meeting Time
1	Mount Florance	15 – 16 August 2017	Half Tide Tug Harbour	TBC

All persons wishing to attend inspection are required to adhere to prerequisites detailed in sections 3.1 to 3.4. Any schedules of sea trials for the Asset will be announced closer to the inspection date.

3.1 INSPECTION REGISTRATION

All persons wishing to carry out inspection of the assets are required to complete a registration form and email it to matt@auctions.com.au no later than **Thursday 10th of August 2017**. The form can be found in Annexure B. Failure to submit a registration form by the specified deadline may result in refusal of inspection.

3.2 TRAVELLING TO SITE

Inspection attendees are required to make their own travel arrangements to the specified meeting points at the specified meeting times (Refer to table 3).

Both Qantas Airways and Virgin Australia operate flights to Mackay Airport, direct from Perth. Please refer to their respective websites for flight schedules and costs.

www.qantas.com.au

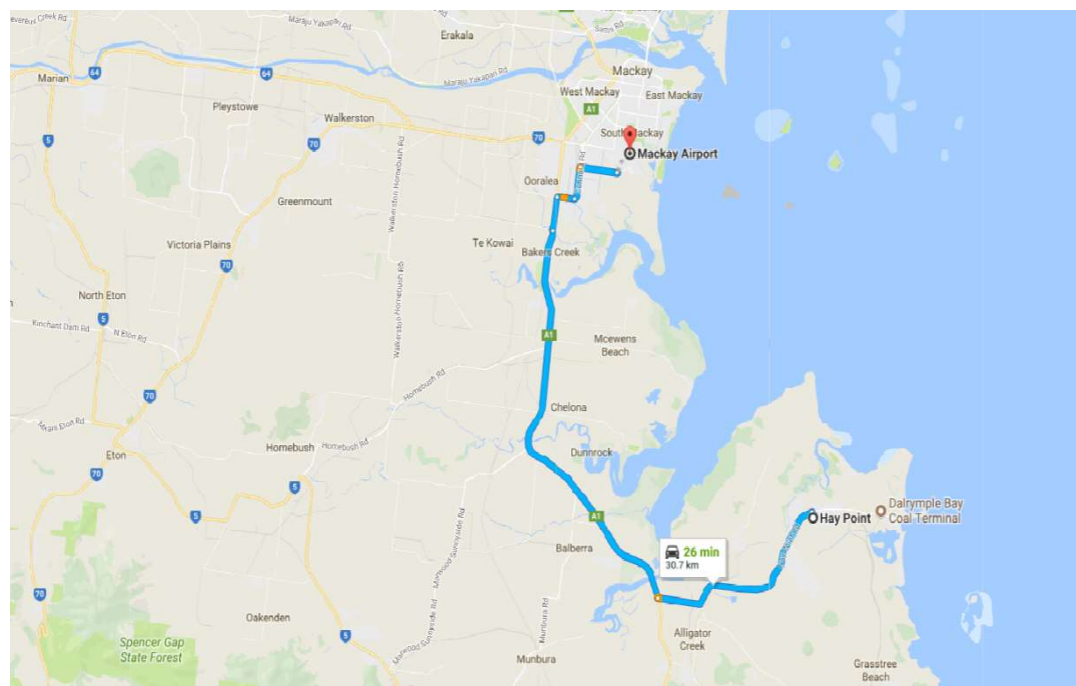
www.virginaustralia.com.au

<https://www.mackayairport.com.au/travelling/arriving/>

3.3 ACCOMMODATION

Mackay has many hotel and motels available. Please make your own bookings with your chosen hotel/motel. Some suggestions and contact details are listed below:

- Shamrock Gardens Hotel - **Ph:** (07) 4839 7603
- International Lodge Motel - **Ph:** (07) 4951 1022
- Mackay Rose Motel - **Ph:** (07) 4957 6572



3.4 PERSONAL PROTECTIVE EQUIPMENT REQUIREMENTS

The inspection site is an active site, thus you must adhere to strict Personal Protective Equipment (**PPE**) Requirements. You must supply and wear the following PPE equipment at all times:

- (1) Long sleeve High Visibility Shirt;
- (2) Long Trousers;
- (3) Safety Helmet;
- (4) ANSI approved Eye protection;
- (5) Gloves; and
- (6) Safety-toed boots (Over ankle), lace up only.
- (7) Personal Flotation Device

Please note that failure to wear the requisite PPE equipment may result in denied access to the inspection area.

3.5 SITE INDUCTIONS

Site specific inductions will not be required. All attendees will undertake an initial safety brief every morning prior to any inspections. All attendees will be supervised by authorised personnel at all times while they are on site.

3.6 SITE CONDUCT

As attendees will be visiting an active port site, attendees are required to comply with all site conduct requirements.

Site conduct summary

- PPE must be worn at all times;
- You must stay within the designated inspection areas at all times; and
- No equipment can be operated during inspections unless by authorised BHP personnel.

3.7 OCCUPATIONAL SAFETY AND HEALTH OBLIGATIONS

Legislation of Queensland imposes mandatory obligations, such as providing and maintaining a safe work environment, preventing exposure to, and protection from hazards on persons who use or operate plant in a workplace, and on employers whose employees use or operate plant. If the buyer intends to use plant purchased at a workplace then it is the responsibility of the Buyer to inform themselves of these obligations.

Unless otherwise stated the plant to be sold has not been assessed or inspected by a competent person and it may or may not be affected by faults or defects, which make it unsafe for use. It is the responsibility of the Buyer to ensure assessment and inspection by a competent person.

The Legislation requires that owners of plant maintain safety and health information and records. The Auctioneers will pass on to the buyer all information made available to them by the owner, but the auctioneer does not warrant that the information and records are

complete and accurate. It is the responsibility of the Buyer to familiarise themselves with all relevant information and records.

4 VESSEL REMOVAL

It remains at all times the responsibility of the purchaser to remove the Asset purchased from port. The purchaser will make their own arrangements for the removal and collection of the Asset. All vessels will be berthed at the Half Tide Tug Harbour prior to removal. Table 4.1 below, outlines the estimated availability of each vessel for removal.

Lot	Vessel	Estimated Availability	Location
1	Mount Florance	30 September 2017	Ex Hay Point, Queensland

Table 4.1 – Vessel Availability

The Asset must be removed from berth within two (2) weeks of final availability.

BHP reserves the right to alter or change departure dates due to site operational activities, weather and tidal conditions.

4.1 CAPABILITIES STATEMENT

As a requirement for the tender, all tenderers must supply references and examples of previous equipment removal projects. This ensures that BHP and Ross's Auctioneers and Valuers will have an accurate understanding of the tenderers capabilities of ensuring the safe and timely removal of the vessels.

4.2 SCOPE OF WORK

A condition of sale will be the provision of a scope of work from the Buyer that will provide, as a minimum, the following information:

- The successful tenderer will be required to complete a sales agreement. The agreement will utilise the BIMCO Sales form (2012) format;
- All removals will be in accordance with policies and procedures as required by BHP Towage Services;
- Tenderers will be required to outline loading activities including timings, proposed routes of travel, proposed use of contractors and conformance to BHP Towage Services site specific terms and conditions;
- A detailed risk assessment and relevant JHA's to be completed and distributed for approval by BHP; and
- All removals will be supervised by a BHP Representative.

5 ANNEXURE A

Written Tender Submission

Name: _____

Company Name: _____

Company Address: _____

Contact Number: _____

Contact Email: _____

(Offers will have Buyers Premium of 0.5% and GST of 10% Applied)

Tenderer Name : _____

Tender Lot 1

Vessel Name: Mount Florance

IMO NO – 9449053

Builder: Cheoy Shipyards

Built: 2007

Length (OA): 27.4m

Breadth (MLD): 11.5m

Depth (MLD): 5.0m

Draft (MAX/Operating): 4.8m

Service Category (Class): USL 2B/ Lloyd's Register

Operating Area: 200NMiles Offshore

No. of Certificate of Survey ID: SDS9449053

Crew/Passenger Numbers: 3 Crew

Equipment Due: 16/1/2017

Hull Due: 22/12/2017

Tailshaft Due: 22/12/2018

Nett Reg. Tonnage: 98

Gross Tonnage: 327

Max Loaded Displacement: 516.3 tonnes

Service Speed: 12 knots

Bollard Pull: 57.4

Main Engines: 2x CAT 3516B (1864kw), Hours: M/E (Port) 23,200 , M/E (Stbd) 23,202 hours

Schottel Azimuthing Units, fixed pitch Propeller

Model: SRP1215

Aux Generators: Perkins 140kVA, Hours: (Port) 12,976, (Stbd)

Tender Lot 1 offer: _____

(Offers will have Buyers Premium of 0.5% and GST of 10% Applied)

Tenderer Name : _____

Offer Comments/Special Conditions: _____

In signing this tender submission, I acknowledge my full understanding of this tender document and limiting conditions.

Signed: _____ on _____

(Signature)

(Date)

6 ANNEXURE B

Inspection Request Form

This form must be completed and submitted to matt@auctions.com.au prior to making any inspection arrangements. Formal inspection period will be between **Tuesday 15th of August and Wednesday 16th August, 2017**. Please read section 3 of the Tender document for full details of inspections and requirements.

Name: _____

Company Name: _____

Company Address: _____

Contact Number: _____

Contact Email: _____

Please circle YES / NO if wish to inspect the vessel and subsequently require a sea trial. Final Sea trial times and dates will be confirmed with all registered attendees.

Lot	Vessel	Inspection	Sea Trial
4	Mount Florance	YES / NO	YES / NO