

Information Memorandum

FOR SALE FOR REMOVAL

(as a total package or parts thereof)

Swanbank B Power Station Ipswich, Queensland, Australia



Under Instructions from Stanwell Corporation Limited



**Expressions of Interest Including Firm Offers To Purchase
Are Invited –
c/- Offices of the Agents for the Vendor
(Neither The Highest Nor Any Offer Necessarily Accepted)**

www.grahammesser.com.au

Inspections by prior arrangement, enquiries to:

Graham Messer Industrial Auctioneers & Valuers

(As Agents for the Vendor)

PO Box 5541, Brendale, QLD 4500

Tel: +61 (0)7 3256 4942

Fax: +61 (0)7 3861 5906

Contact: Graham Messer Mobile: 0417 771 642
Email: graham@grahammesser.com.au

**GRAHAM
MESSER**
INDUSTRIAL
AUCTIONEERS
& VALUERS
PTY LTD

ACN 141 578 725
ABN 5414 1578 725

- ▶ Project Marketers
 - ▶ Industrial Auctioneers
 - ▶ Valuers
 - ▶ Technical Appraisers
-
- ▶ 1A 692 Gympie Road,
Chermside, Qld 4032
P.O. Box 5541 Brendale 4500
Phone: 07 3256 4942
Fax: 07 3861 5906
www.grahammesser.com.au
 - ▶ Mobile / Email:
0417 771 642
graham@grahammesser.com.au
-
- ▶ Associations:
Auctioneers & Valuers
Association of Australia (inc)
Australian Property Institute

Table of Contents

1.0	Introduction	3
2.0	Disclaimers.....	4
3.0	Method of Sale and Closure Date	5
4.0	Goods and Services Tax (GST)	5
5.0	Enquiries and Inspections.....	5
6.0	Conditions of Sale	6
7.0	Terms of Payment.....	9
8.0	Notice to Prospective Purchaser	9
9.0	Asbestos/Hazardous Fibres	9
10.0	Removal.....	10
11.0	Summary.....	10
12.0	Major Power Station Components	11

Appendices

(i)	Appendix 1: Declaration By Prospective Purchaser	14
(ii)	Appendix 2: Site Plan.....	15

1.0 Introduction

Graham Messer Industrial Auctioneers & Valuers, Project Marketers as Agents for the Vendor Stanwell Corporation Ltd, are offering for sale by Expressions of Interest, the Swanbank B Power Station. The entire power station and associated infrastructure is offered for sale for removal as a total package, or parts thereof.

This is an opportunity to purchase a well constructed and well maintained power station at a fraction of the cost of a new plant.

The Swanbank B Power Station was commissioned in 1971. The power station is a coal fired power station comprising four 120MW steam turbines.

Coal for Swanbank B comes from the coal fields of South East Queensland including the New Ackland Mine. Water is supplied from Lake Moogerah and the Western Corridor Recycled Water Project.

Only one of Swanbank B's four generating units remains in operation. The three remaining units have been decommissioned and dry stored for long term storage.

The remaining generation unit at Swanbank B still operates at full capacity and the three decommissioned units were operating at full capacity prior to shut down.

The power station has been and continues to be well maintained.

Full service history and maintenance records are available for inspection to prospective purchases.

Location

Swanbank B Power Station is located approximately 10km from Ipswich, South East Queensland. Ipswich is approximately 60km west of the Port of Brisbane.

2.0 Disclaimers

- 2.1. The assets will be sold for removal as they stand with all faults and defects existing therein whether the same are apparent or ascertainable on inspection or not, and with no warranty or representation (express or implied) whatsoever as to the quality or fitness for its purpose. All details are approximate only and are subject to verification on inspection by intending purchasers.
- 2.2 The agents and the Principals for whom they act give notice that whilst every care has been taken in the preparation of this material it is given without any responsibility being accepted and intending purchasers should satisfy themselves as to the truth and accuracy of all information in these particulars by their own searches, inspections, enquiries, advices or as otherwise necessary.
- 2.3 Except as required by law and only to the extent that is required, neither the vendor, officers, agents, employees nor advisers make any representation, warranty or undertaking, express or implied, as to, or shall in any way be liable (including liability in negligence) directly or indirectly for any loss, damages, costs, expenses or reliance arising out of or in connection with, the accuracy, currency, authenticity, completeness or balance of (or otherwise), or any errors in or omissions from, this document or any other written or oral information statement or forecast provided to potential purchasers in relation to the equipment.
- 2.4 The assets are offered for sale for removal on an “as-is-where is” basis. Interested parties must conduct their own thorough examination of the equipment, and must not rely on any representation of the vendor or the vendor’s agent whether written, verbal or otherwise.
- 2.5 Note: the vendors and the marketing agents acting for the vendors, reserve the right to withdraw any or all of the assets from sale without prior notice.
- 2.6 Neither the highest nor any offer necessarily accepted.
- 2.7 The vendor reserves the right to accept any offer/s prior to the closing date for Expressions of Interest

3.0 Method of Sale and Closure Date

Sale is by Expressions of Interest including firm offers to purchase.

Offers to purchase should be submitted in the specified format set out in Appendix 'I' and posted in a sealed envelope, clearly marked 'Swanbank B Power Station - expression of interest'.

**Expressions of Interest including Firm Offers to Purchase Close
c/- Graham Messer Industrial Auctioneers & Valuers
Agents for the Vendor
PO Box 5541, Brendale QLD 4500**

(Neither The Highest Nor Any Offer Necessarily Accepted)

The assets are offered on an "as-is where-is" basis, Ex Swanbank B Power Station, Ipswich, Queensland, Australia.

4.0 Goods and Services Tax (GST)

The assets will be sold on the basis of plus GST, if GST is applicable).

5.0 Enquiries and Inspections

Inspections are available by prior arrangement with the marketing agents; Prospective purchasers seeking further information should contact:

Graham Messer Industrial Auctioneers and Valuers:

Office Ph: +61(0)7 3256 4942
Fax: +61(0)7 3861 5906

Email: graham@grahammesser.com.au

Graham Messer Mobile: +61 417 771 642

6.0 Conditions of Sale

Expressions of Interest, including firm offers to purchase, shall be deemed to have been submitted in accordance with these conditions of sale which, upon acceptance, shall be incorporated in, and form part of a Contract of Sale between the successful purchaser and Stanwell Corporation Limited on whose behalf this 'Invitation for Expressions of Interest' is issued.

6.1 GLOSSARY

"Closing Date" means the time specified in the invitation by which offers are received;

"Invitation" means this Invitation to Offer;

"Offer" means an offer lodged by a buyer;

"Principal" means Stanwell Corporation Limited;

"Graham Messer Industrial Auctioneers & Valuers" means the Agent authorised to act on behalf of the vendor;

"GST" means the goods and services tax

Words in the singular include the plural and words in the plural include the singular according to the requirement of the context.

6.2 EXPRESSIONS OF INTEREST VALIDITY PERIOD

Expressions of Interest, including firm offers to purchase, must remain valid for a minimum period of thirty (30) days after the closing date.

6.3 LANGUAGE

Each Expression of Interest, together with any documents submitted by the tenderer, will be written in the English language.

6.4 FORMAT

The Expression of Interest, including firm offers to purchase, must be submitted in the format specified in Appendix '1'

All Expressions of Interest, including firm offers to purchase, must be executed in an appropriate manner so as to bind the purchaser and, in the case of joint purchasers, each purchaser.

6.5 LATE OR NON-CONFORMING EXPRESSIONS OF INTEREST.

Any Expression of Interest, including firm offers to purchase:

- (a) not lodged before the closing date; or
- (b) which does not comply in every respect with the requirements of this Invitation document, may not be considered.

6.6 PRICES OFFERED

Prices offered must be in Australian currency.

6.7 POST OFFER NEGOTIATIONS

Graham Messer Industrial Auctioneers & Valuers reserves the right to have post offer negotiations with one or more prospective purchasers who have been short listed on the basis of their Expression of Interest.

6.8 INTERVIEW OR OTHER COMMUNICATION WITH PROSPECTIVE PURCHASER

Graham Messer Industrial Auctioneers & Valuers may interview a prospective purchaser in relation to their offer.

Graham Messer Industrial Auctioneers & Valuers may seek further information from the prospective purchaser and any other information furnished by or on behalf of the prospective purchaser other than in writing will forthwith be confirmed in writing, if so required by Graham Messer Industrial Auctioneers & Valuers.

6.9 ACCEPTANCE AND/OR REJECTION

The highest offer will not necessarily be accepted. No offer will be deemed to be accepted until advice in writing of acceptance has been given to the successful purchaser by Graham Messer Industrial Auctioneers & Valuers.

Upon acceptance by the Vendor of the successful offer, a Sale and Purchase Agreement will be executed between Stanwell Corporation Limited and the successful purchaser.

6.10 ORAL ADVICE

Oral advice or information given or obtained in respect of the Invitation shall not constitute a warranty or a representation to the purchaser or prospective purchaser and shall not be binding on Graham Messer Industrial Auctioneers & Valuers.

6.11 COMMISSIONS AND INCENTIVES

An offer will not be considered if the person who made the offer or a representative of the person or company, who made the offer, gives or offers anything to any agent of Graham Messer Industrial Auctioneers & Valuers, as the Agent, as an inducement or reward which could in any way tend to influence the person's actions in relation to the offer. For the purposes of these conditions, "agent" includes the parent, spouse, child or associate of the agent.

6.12 NO ADVERTISING

No information relating to the acceptance of any offer may be published in any advertising medium without the prior written approval of Graham Messer Industrial Auctioneers & Valuers.

6.13 VARIATIONS

These conditions may only be varied by written agreement between the parties.

6.14 DEFAULT AND TERMINATION OF CONTRACT OF SALE

If the successful purchaser:

- (a) fails to comply with any of the conditions of sale
- (b) abandons or refuses to proceed with the Contract of Sale; or
- (c) makes default or is unable to pay for the goods;

Graham Messer Industrial Auctioneers & Valuers may terminate the Contract of Sale by notice in writing to the successful purchaser as of the date of the notice.

7.0 Terms of Payment

The successful purchasers may be informed of acceptance of offer by telephone, email, facsimile, or letter.

Upon acceptance of the successful offer, payment of the price offered is to be made in Australian currency.

An initial deposit of ten per centum (10%) of the purchase price will be payable within seven days from the notification of acceptance of the purchaser's offer.

The successful purchaser will enter into a sale and purchase agreement with Stanwell Corporation Ltd upon payment of the deposit.

Full payment is required prior to removal of the assets.

8.0 Notice to Prospective Purchasers

All persons attending are notified that they will have to operate within the Stanwell Corporation safety guidelines and comply with the provisions of the Workplace Health and Safety Act (QLD) and the Regulations made pursuant to the Act.

Full Personal Protective Equipment (PPE) conditions apply onsite.

Persons attending are advised that they should at all times be accompanied by a Stanwell Corporation representative.

Any person attending shall be deemed to be there at his or her own risk. No persons shall have any claim against the Vendors, their agents, employees or principals for any injury sustained nor for damages to or loss of property which may occur from any cause whatsoever.

9.0 Asbestos/Hazardous Fibres

Prospective purchasers are advised that the Power Station insulations, valve packings and gaskets may contain asbestos, fibreglass and mineral fibres.

A register of where asbestos is located is available from the Site Supervisor.

All hazardous fibres must be disposed of in a safe and appropriate manner

10.0 Removal

Removal of plant will be co-coordinated by Stanwell Corporation Project Staff. Following settlement by the purchaser a strategic plan will be developed to ensure a safe and timely removal of assets.

In this regard particular attention is drawn to the provisions of the Workplace Health and Safety Act (QLD) and the Regulations made pursuant to the Act.

All dismantling and removal costs will be at the purchaser's expense. Contractors will need to be approved by Stanwell Corporation prior to the commencement of dismantling and removal of items.

11.0 Summary

The Swanbank Power Station offers the opportunity to purchase a well constructed, well maintained power station at a fraction of replacement cost.

For purchasers wishing to export from Australia, the power station is ideally located being some 60km from the Port of Brisbane.

12.0 MAJOR POWER STATION COMPONENTS

Conveyor Infeed System

Approx 150meters of steel framed double belt troughed conveyor,
1000mm belt
Nominal capacity 600 Tonne per hour
Maximum capacity 800 Tonne per hour

Coal Bunkers

Twelve open top inverted pyramid design coal bunkers with outlet valve and discharge chute.
Capacity 680 Tonne each

Pulverisers/Mills

Twelve Coal Pulverisers/Ball Mills. The pulveriser is a horizontal drum design supported on bearings on each end and rotated at a constant speed.

Maximum capacity of each pulveriser 20,410kg per hour.

The pulverisers are powered by Siemens 400kw/6600V/740RPM Electric motor.

The pulverisers have a ball weight of thirty two tonne and the linings are 27% chrome white cast iron.

The coal feeders are a circular table design driven by a variable speed drive through a double reduction gear box.

Boilers

Four Mitchell Engineering Boilers. The Mitchell design boilers are pulverised fuel fired, single furnace, radiant, natural circulation, watertube, drum type with superheater, reheater, and economiser, with regenerative air heater and draft plant.

The boilers provide steam at the rate of 99.9kg per second main steam flow to the High Pressure (HP) Turbine at 12,400kPa and 538 degrees C with reheat steam to the Intermediate Pressure (IP) Turbine at 2991kPa and 538 degrees C with the turbine at rated output of 120 MW load.

Weight of steam: 356,025kg per hour

Superheater Outlet Temperature: 543 degrees C

Turbines

Four Siemens 120MW Steam Turbines.

The turbine is a two-cylinder-condensing turbine of the axial-flow type. Both cylinders are split axially with the LP cylinder being double-flow.

Design Rating: 120MW

Speed: 3000 RPM

Initial Steam Pressure (design): 2140kPa

Initial Steam Temperature (design): 538 degrees C

Generators

Four Siemens 120MW Generators.

The generators are high speed rotating machines capable of producing electrical energy for the National Electricity Grid.

Model: FTHD520/62-2

Speed: 3000RPM

Capacity: 150,000kVa

Voltage: 13,000V

Hydrogen Cooled

Transformers

Four English Electric 145MVA Generator Transformers

Three-phase

13.8kV/295kV OFW

Four Alstom Unit Transformers

13.8kV/6.6kV

Two AEI Station Transformers

Three- phase

113kV/6.6kV OLTC

Two LV Station Transformers

6.6kV-415V

Eight LV Unit Transformers

6.6kV-415V

Precipitators

Four Precipitators

Capacity: 120MW

Number of Passes: 2

Number of Zones: 8

Inventory

A comprehensive range of plant specific spares is available.

Estimated replacement cost: \$4.5/\$5 million

Site Plan

See Appendix 2

APPENDIX '1' - DECLARATION BY PROSPECTIVE PURCHASER

I/we hereby offer to purchase the following asset for removal, at the price detailed below.

***Stanwell Corporation Swanbank B Power Station
Ipswich, Queensland, Australia***

Price Offered ex GST: **AUD** _____

Plus GST (if applicable): **AUD** _____

TOTAL (incl GST if applicable): **AUD** _____

Signature:

Official Position Held

Duly authorised to sign Expressions of Interest for and on behalf of:

State Full Trading Name (Block Letters)

Date: ____/____/2012

(Address of Prospective Purchaser)

Postcode: _____

(Postal Address of Prospective Purchaser)

Postcode: _____

() () ()

Telephone No. Mobile Phone No. Facsimile No.

Email: _____

Refer Enquiries to:

(Name of Signatory Above)

(Contact No.)

APPENDIX '2' – SITE PLAN

