

Date: 11 August 2023
File ref.: CPB-1005-LET-0238



Worley Services Pty Ltd
Craig Ramm
Engineer Representative
Level 1, 93-95 William Street
Perth WA 6000

Attention: Mr Craig Ramm

Dear Sir,

CONTRACT NO. WR/C/CC/1005
WESTERN RANGE PROJECT – MAIN INFRASTRUCTURE BULK EARTHWORKS
Clause 9.2(b) Statement of potential Variation; Clause 56.2(c)(i) Delay Event Update
RE: VAR-0101/NOD-0101: NPI Direction to Cease Works – Variation Update

In accordance with Clause 9.2(b) of the General Conditions of the Contract and further to initial notice provided to the Engineer, the Contractor hereby submits a statement to the Engineer:

1. setting out the reasons why the Contractor believes that there is a Variation; and
2. advising of its opinion of the impact of the claimed Variation on the Contract Price and the Completion Date (if any).

The Contractor refers to the following documents and correspondence:

1. Letter reference CPB-1005-LET-0198, from the Contractor titled “VAR-0101/NOD-0101: NPI Direction to Cease Works”, dated 14 July 2023.
2. Email correspondence from the Engineer’s Deputy Project Manager, dated 7 July 2023, subject “WMRI – NPI”.
3. Letter reference 1005-0092, from the Engineer titled “Direction of Variation– Reduction of Scope”, received 5 August 2023.

1. DETAILS

As detailed within the initial notice provided to the Engineer on 14 July 2023 (refer *Letter CPB-1005-LET-00198*) the Engineer’s Deputy Project Manager issued an email to the Contractor’s Construction Manager (refer **Attachment 1**) directing the Contractor to cease Works at the NPI Production Hub. The correspondence noted that a “formal response” will be issued by Monday (10/7/23).

The Contractor has complied with the correspondence considered a Direction by the Engineer, whilst awaiting the “formal response”. This has still not been received.

Subsequently the Engineer issued a Direction to reduce the scope of Works, including the NPI Hub and associated infrastructure (refer Letter 1005-0092).

Accordingly, there is an impact to the Contract Price for the ceasing works as per the Engineer’s Deputy Project Manager email and making safe the area prior to vacating. The impacts associated with letter 1005-0092, will be addressed separately in response to that letter.

2. IMPACT OF CLAIMED VARIATION ON CONTRACT PRICE

As part of the make safe works to the area, the Contractor built approximately 400m of windrows around the working area at the NPI Pad. The final costs and impact to the Contract Price for these works is **\$25,487.71 ex GST**.

This is broken down as below, priced in accordance with Clause 9.3(a), utilising rates from the Schedule of Rates that the Contractor considers applicable:

SoR Item	Description	Qty	Unit	Total Unit Rate	Total Amount
2.1.35.3.03	Windrow Construction: LV windrow (at NPI Hub (LV46 - LV50))	587.33	ccm	\$30.39	\$17,848.81
2.1.35.2.01	Excavation in Common from local Cuttings (at NPI Hub (LV46 - LV50))	690.97	bcm	\$7.91	\$5,465.58
2.1.1.01	Flights	118.31	hr	\$3.77	\$446.02
2.1.1.02	Accommodation	118.31	hr	\$14.60	\$1,727.30
				TOTAL	\$25,487.71

The Contractor requests that the Engineer confirms the Direction, values the Works in accordance with Clause 9.3, adjusts the Contract Price and issues a Variation document.

3. IMPACT OF VARIATION ON COMPLETION DATES

The Contractor notes it does not consider any impact to the Milestone Completion Dates due to the ceasing of the NPI works, in consideration of the subsequent Direction (refer 1005-0092).

The Contractor reserves all its rights under the Contract and at law.

Yours sincerely

CPB Contractors Pty Ltd



Richard Walford

Contractor's Representative

Attachment 1 – Email correspondence from the Engineer's Deputy Project Manager, dated 7 July 2023, subject "WMRI – NPI".