

Inspections

Inspections will be by Appointment only. For dates and site access, please contact Frank Lee, 0411649601 or email flee@auctions.com.au

Site access restrictions apply.

Site access will need to be requested a minimum of 2 weeks prior to preferred. Whilst on site, visitors will be required to have a short induction, and must then be accompanied at all times around the site by a representative from Rio Tinto Iron Ore.

Access to view the machines will be limited. Unless visitors hold the relevant HSE induction, Lock holders and Isolation Training for Rio Tinto there will be no access within the footprint of any machine.

Personal Protective Equipment (PPE)

Minimum standard for site visitors is HiVis collared shirt with sleeves, long trousers (jeans not permitted), Steel cap safety boots (High Ankle Lace Up Only), Medium Impact Safety Glasses and Hard Hat. These items must be worn at all times.

Visitors must supply their own Personal Protective Equipment.

Travelling to Sites

Those wishing to inspect the items will need to make their own travel arrangements to site. Paraburdoo has an airport which is located approximately 10 kms from the mine site.

Capabilities Statement:

As a requirement for the auction, the successful bidder must supply references and examples of previous projects, to ensure that Rio Tinto will have an accurate understanding of the buyers capabilities of ensuring the safe and timely removal of the equipment.

Removal of Equipment:

Removal of equipment must be completed by an approved RTIO vendor and in accordance with the Rio Tinto Iron Ore Australia Site Specific Terms attached on the web site www.auctions.com.au .

It remains at all times the responsibility of the purchaser to remove the equipment purchased from site. The purchaser will make their own arrangements for the collection of the equipment purchased from its present location.

Rio Tinto Iron Ore reserve the right to nominate preferred transport and dismantling contractor/s. For further information please contact Ross's Auctioneers and Valuers.

Due to operational activities and availability of Rio Tinto Company Representatives, the items will be available for removal in March 2019. Rio Tinto reserves the right to alter or change removal dates due to site operational activities.

Scope of Works:

A condition of sale will be the provision of a scope of works from the Buyer that will provide as a minimum the following information for the purchase of Heavy Mobile Equipment:

-) Outline of loading activities including timings, proposed routes of travel, proposed use of contractors and conformance to Rio Tinto CMS.
-) A detailed risk assessment and relevant JHA's to be completed and distributed
-) Broad safety analysis of the tasks required to load, transport and unload items purchased.
-) All removals will be supervised by a Rio Tinto Company Representative
-) All removals to be in accordance with the Rio Tinto Group "Health, Safety, Environment and Quality Management System" Site Specific Terms.

SITE SPECIFIC TERMS

1. LEGISLATION

Without limiting its obligations under the General Conditions, the Service Provider must comply with all relevant legislation (where applicable) including but not limited to the following:

- (a) *Mines Safety and Inspection Act 1994 (WA);*
- (b) *Mines Safety and Inspection Regulations 1995 (WA);*
- (c) *Rail Safety Act 2010 (WA);*
- (d) *Rail Safety Regulations 2011 (WA);*
- (e) *Aboriginal Heritage Act 1972 (WA);*
- (f) *Native Title Act 1993 (Cth);*
- (g) *Electricity Act 1945 (WA);*
- (h) *Electricity Regulations 1947 (WA);*
- (i) *Occupational Safety and Health Act 1984 (WA);*
- (j) *Occupational Safety and Health Regulations 1996 (WA);*
- (k) *Environmental Protection Act 1986 (WA);*
- (l) *Environmental Protection (Controlled Waste) Regulations 2004 (WA);*
- (m) *Environmental Protection (Unauthorised Discharges) Regulations 2004 (WA);*
- (n) *Mining Act 1978 (WA);*

- (o) *Mining Regulations 1981 (WA)*;
- (p) *Occupiers' Liability Act 1985 (WA)*
- (q) *Contaminated Sites Act 2003 (WA)*; and
- (r) *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*.

2. HSEQ MS AND OTHER HEALTH, SAFETY AND ENVIRONMENT REQUIREMENTS

- 2.1 Without limiting its obligations under the General Conditions, the Service Provider must comply with the Company's requirements set out in its Health, Safety, Environment and Quality Management System (**HSEQ MS**) which can be found at <http://rtio.riotinto.com/rtiocms>.
- 2.2 The Service Provider must read, understand and comply with the HSEQ MS, including but without limitation, the requirement for its Personnel to complete all necessary inductions and to comply with all aspects of the Company's permit requirements.
- 2.3 Without limiting the obligations of the Service Provider and its Personnel under the General Conditions or the HSEQ MS, the Service Provider must also comply with the following:
 - (a) **Safety, Site Procedures and Induction Courses**
 - (i) **Inductions**

In addition to Company Induction Courses, the Service Provider must ensure that all of its relevant Personnel attend an induction conducted by the Service Provider which must cover the following issues where appropriate, prior to each such person commencing work on Site:

 - (A) introduction to the Service Provider's safety officer, elected safety representatives and first aiders;
 - (B) the specific work environment and hazards as outlined in, but not restricted to, relevant hazard studies and/or site risk assessments;
 - (C) safe work practices and management of hazards including job hazard analyses (**JHAs**) and standard work procedures (**SWPs**) for each task in each work location;
 - (D) explanation of the Service Provider's health, safety and environment (**HSE**) program, procedures and systems of work;
 - (E) the function of tool box HSE meetings and mandatory attendance for Personnel;
 - (F) the issue of, and strict use of, personal protective equipment (**PPE**) and Site safety rules;

- (G) reporting of unsafe conditions, dangerous occurrences, incidents or near misses occurring on Site; and
- (H) any special requirements relevant to the scope of work, for example, special work permits and hazardous materials.

(ii) **Meetings and Inspections**

The Service Provider must ensure that:

- (A) HSE meetings are conducted by the Service Provider with all relevant Personnel each month (which the Company Representative may attend at his or her option) and that a copy of the minutes of those meetings are forwarded to the Company Representative;
- (B) Site work area inspections are conducted each working day by the Service Provider's masters or engineers;
- (C) the Service Provider's records of the inspections referred to in clause 2(a)(ii)(B) of this Schedule, including details of action items, dates and times, and any outstanding actions, and the status of actions arising from inspections, are reported to the Company Representative on a weekly basis; and
- (D) the Service Provider circulates the minutes of all HSE meetings to its Personnel and the Company, and posts all minutes on a HSE bulletin board on Site. The HSE bulletin board must also include all HSE notices received from the Company which are relevant to the Services.

(iii) **First Aid Services**

The Service Provider must provide appropriate first aid services and a qualified first aider for all work areas on Site during the Term. All first aid treatment injuries must be reported to the Company Representative

(b) **Hazardous Materials and Work Areas**

- (i) Where appropriate, the Service Provider must institute procedures, subject to the Company's approval, for:
 - (A) the removal, transport and disposal of hazardous waste;
 - (B) the installation of fire detection and protection equipment in all fire hazardous work areas and storage areas on Site;
 - (C) all hazardous material storage and removal; and
 - (D) the provision of safety data sheets (**SDS**) and maintenance of the hazards register.
- (ii) The Service Provider must ensure that no chemicals or hazardous materials are brought onto the Site without the prior written approval of the Company. All chemicals and hazardous materials brought onto the Site must be accompanied by the relevant SDS.

- (iii) The Service Provider must ensure that no materials, equipment or goods with an asbestos content are used on any Company works, plant or Site unless there is no substitute asbestos free goods or materials available. If the latter is the case, then full technical details of the material and its compounding must be provided to the Company Representative, and the Service Provider must obtain the specific written approval of the Company Representative before using the material. Any asbestos waste must be contained, transported and unloaded by the Service Provider at the local designated site (in accordance with Australian Standards). The use of the site and payment of any fees will be through direct arrangement between the Service Provider and the relevant Local Authority.

(c) **Rail Requirements**

Before the Service Provider or any of its Personnel commence work within five metres of the toe of the ballast of any railway track, mainline or yard, the following procedures must be followed:

- (i) The Service Provider must nominate one of its Personnel to supervise the work and that person will be in charge of a gang or operations and is directly responsible for the safety of the Personnel in his/her work area (the **Supervisor**).
- (ii) The Supervisor must be present and contactable at all times while a gang is working and the gang must stop working and clear themselves and all equipment and obstructions from within five metres of the toe of the ballast of any rail tracks if the Supervisor is not present.
- (iii) Each Supervisor must hold a certificate of competency (**Certificate of Competency**) in accordance with the Company's operating rules titled "Railway Operating Rules" (**Railway Operating Rules**), a copy of which will be made available by the Company to the Service Provider (on request) for distribution to each Supervisor.
- (iv) A Supervisor may apply for a Certificate of Competency by advising the Company Representative of the requirement at least 21 days before the Certificate of Competency is required, being the date on which construction is scheduled to start.
- (v) For the purposes of obtaining a Certificate of Competency, the Company will arrange a Form 23 medical examination for the Supervisor at the Service Provider's expense and the results of the examination will be sent to the Company.
- (vi) On fulfilling all necessary requirements to the satisfaction of the Company, the Supervisor will be issued with a Certificate of Competency which may be annotated to include any special conditions or restrictions applicable to the Supervisor.

- (vii) Without limiting any of the clauses above in relation to rail requirements, the Service Provider and its Personnel must comply with all relevant requirements of the Railway Operating Rules.

(d) **Vehicles/Transportation**

- (i) The Service Provider must ensure that all vehicles to be operated by the Service Provider on the Site display a Company approved form of identification in order to gain admission to the Site. The identification must contain details of the Service Provider's name and be displayed on each side of the vehicle.
- (ii) The Service Provider must ensure that all vehicles to be used on the Site are licensed and roadworthy and the Company's Personnel may inspect any of the Service Provider's vehicles on entering the Site. Any vehicles deemed by the Company to be defective or unroadworthy will be denied access to the Site.
- (iii) Any vehicle of the Service Provider's which it proposes to operate on the Site and which is more than eighteen months old must undergo an inspection by a qualified automotive mechanic. A vehicle inspection certificate, in a form approved by the Company, must be completed by the Service Provider and provided to the Company's security Personnel prior to the Service Provider being granted access to the Site.
- (iv) Any vehicle that the Service Provider uses on Site must have a pre-start book (**Vehicle Pre-start Book**) in the vehicle in a form that is acceptable to the Company Representative. The Service Provider must ensure that pre-start safety checks of all vehicles are conducted daily or at least before each use of the vehicles unless a risk assessment demonstrates otherwise.

(e) **Health, Safety and Environment Audits**

- (i) The Service Provider must initiate periodic HSE audits of its established systems and work methods, retain such records of audit and provide the Company with copies of such records on request.
- (ii) The Company Representative may direct the Service Provider to conduct an audit at any time to ensure compliance with the HSE Management Plan.
- (iii) The Company may conduct a full HSE audit of the Service Provider's work practices to ascertain whether the Service Provider is in compliance with the Company's HSEQ MS requirements whether set out in the Contract or in any other documented policy.

(f) **Incident Management Procedures**

- (i) For the purposes of this clause 2:
Environment means components of the earth including:
 - (A) land, air or water;

- (B) any layer of the atmosphere;
- (C) any organic or inorganic matter and any living organism;
- (D) any human-made or modified structures and areas;
- (E) the aesthetic or amenity values of an area; and
- (F) humans

Environmental Event means any event or series of events which results in any actual or potential harm to the Environment including any event or series of events not authorised by or in breach of any law (whether statute or common law), consent, licence or other Government Agency requirement.

An **Incident** includes any Near Miss Incident; Serious Personal Injury; equipment or property loss or damage; fire, electrical incident or Environmental Event which occurs on Site.

Near Miss Incident means:

- (A) an incident that could have resulted in a Serious Personal Injury, equipment or property loss or damage, fire, electrical incident or Environmental Event; and / or
- (B) an occurrence described as a near miss incident under relevant legislation regarding health and / or safety as applies to the Site, including, without limitation, those occurrences described in section 78(3) of the *Mines Safety and Inspection Act 1994* (WA).

Serious Personal Injury means a workplace injury which:

- (A) is likely to result in the injured person being disabled from following their ordinary occupation for two or more weeks;
 - (B) involves unconsciousness whether arising from inhalation of fumes or poisonous gases or asphyxiation due to lack of oxygen or displacement of oxygen by an inert gas or otherwise; and / or
 - (C) results from an Incident, including fumes arising out of the use of explosives or blasting agents.
- (ii) All Incidents occurring on the Site must be reported as soon as reasonably practical, but in no event later than the end of the shift on which the Incident occurred or was discovered to the Service Provider's relevant management Personnel. Incident reports must be accurate to ensure proper investigation, discussion and remedial action.
 - (iii) The Service Provider must notify the Company Representative immediately of the occurrence of any Incidents occurring on Site.
 - (iv) The Service Provider must submit to the Company Representative preliminary Incident reports within twenty four hours of the occurrence

of any Incident. A detailed report must be submitted to the Company Representative within forty eight hours of the occurrence of any Incident, or such other time as may be agreed by the Company Representative, using the Company's standard Incident procedures including, without limitation, the Company's standard Incident investigation form (copies of which will be made available to the Service Provider by the Company on request).

- (v) Upon completion of the investigation, remedial action must be initiated by the Service Provider as necessary, including the issue of significant points of the case, to the Service Provider's management, Supervisors and workforce.

(g) **Health, Safety and Environment Statistics**

- (i) Prior to the commencement of Services on the Site the Service Provider must contact the Company Representative at the Site to ascertain the reporting requirements for that Site.
- (ii) The Service Provider must report any required information separately for each Site on which the Services are performed.

(h) **Cyclones**

- (i) In the event of a cyclone, or anticipated cyclone, at the Site the Service Provider must comply with the requirements of the Company's cyclone drill procedures, a copy of which will be provided to the Service Provider upon request.
- (ii) If the Service Provider fails to comply with the procedures referred to in clause 2(h)(i) of this Schedule, the Company may take whatever steps it considers necessary to prepare for the imminent cyclone, and the Service Provider will not be entitled to any claim for an amendment to the completion date of the Services or an increase in the Contract Price by reason of the consequences of any steps so taken by the Company.
- (iii) The Service Provider must reimburse the Company upon demand for the reasonable costs incurred by the Company pursuant to clause 2(h)(ii) of this Schedule and the Company may treat the failure of the Service Provider to reimburse any such costs as a default under the Contract.

(i) **Rules**

The Service Provider must, and must ensure that its Personnel, whilst they are on the Site or in any of the Company's Facilities, comply with the following as applicable:

- (i) the Company's HSE requirements including, but not limited to the requirements and procedures pertaining to isolation, hot work, working at heights, operation of mobile equipment, confined spaces and permits;

- (ii) the Company's Site and environmental protection rules;
 - (iii) the directions of the Company Representative given pursuant to any Company requirements, or the Contract; and
 - (iv) the directions, demands or orders of any person duly authorised by the Company to make or give the same in relation to any such requirement, or the Contract.
- (j) The Company Representative must provide the Service Provider with copies of the Company's requirements as are in effect from time to time, on request. The Service Provider will at all times be deemed to be, and must ensure that all persons to whom this clause 2 applies are, familiar with the Company's requirements contained in this clause 2.
- (k) Without limiting the Service Provider's obligations under the General Conditions or this clause 2, the Service Provider must not, and must ensure that its Personnel do not, do any of the following on or in relation to the Site, without the prior written consent of the Company Representative:
 - (i) enter the Site;
 - (ii) work other than during the agreed normal working hours;
 - (iii) use or store explosives;
 - (iv) commence any excavation or penetration work;
 - (v) drive a vehicle in a mining area;
 - (vi) commence any electrical installation; or
 - (vii) use the Site or permit or suffer the Site to be used for camping or any residential purposes.
- (l) The Service Provider must comply with the Australian Maritime Safety Authority and the Company's fatigue management systems.
- (m) Prior to entering the Site, all Service Provider Personnel must complete a Service Provider hire form to allow Personnel details to be entered in the Company's Business Solution system.
- (n) Prior to commencement of any Services, the Service Provider must obtain, and at all times during the performance of the Services, maintain and, at the request of the Company Representative, make available to the Company Representative for inspection copies of all relevant Certificates of Competency, licences and inspection certificates required by law in relation to any Personnel, plant, vehicles and equipment required for the provision of the Services on the Site.
- (o) Notwithstanding any other clause of the General Conditions or the Contract, in the event of any breach of this clause 2, the Company will be entitled to:
 - (i) require the Service Provider, Service Provider's Personnel and/or any other person to leave the Site immediately; and

(ii) require the Service Provider and/or any of its Personnel to remove any material or substance from the Site at the Service Provider's cost,

and the Service Provider must, at its own cost, ensure that any such request is immediately complied with and must take all possible action to ensure the protection and safety of all Services, Personnel and the environment.

3. CONTRACTOR MANAGEMENT SYSTEM AND PRE-QUALIFICATION

- 3.1 The Service Provider acknowledges that it accepts as a requirement and has applied to the Company for recognition as a 'pre-qualified supplier' in terms of which it has been assessed by the Company in relation to its standards of health, safety, environmental and commercial practices, risk management, and quality of contract performance. Service providers which have been assessed by the Company and demonstrated work practices which meet or exceed the Company's standards in accordance with the pre-qualification process ("pre-qualification") will be referred to as 'pre-qualified suppliers'. A pre-qualified supplier may also be referred to as a 'probationary pre-qualified supplier' if its pre-qualification status is limited in any manner including to a period of time.
- 3.2 The Service Provider acknowledges that it has been advised of the Company's standards referred to in clause 3.1 of this Schedule during pre-qualification.
- 3.3 The Company will from time to time provide updated standard policies and procedures in relation to pre-qualification to the Service Provider which may be in the form of written advice, amended documentation, in electronic format or other written form. The Service Provider undertakes to continually monitor and comply with all such updated standard policies and procedures.
- 3.4 The Service Provider acknowledges that its pre-qualified status is subject to review by the Company Representative every six months and by the Company on an annual basis.
- 3.5 The Service Provider must at all times maintain a standard of work and commercial practices which are at least those required by the Company in terms of the pre-qualification process referred to in clause 3.1 of this Schedule as amended pursuant to clause 3.3 of this Schedule.
- 3.6 The Service Provider acknowledges that at any time, the Company may conduct an audit of the Service Provider's pre-qualified status.
- 3.7 The Service Provider acknowledges that the maintenance of its pre-qualified status is not a guarantee of the award of any further contract for works to be performed for the Company.
- 3.8 The Service Provider acknowledges that the Company may conduct performance reviews to evaluate the Service Provider's performance against set performance indicators.

4. ENVIRONMENTAL REQUIREMENTS

Without limiting its obligations under the General Conditions, the Service Provider and its Personnel must ensure that while upon the Site, they comply with the Company's HSEQ MS and with all reasonable directions of the Company Representative regarding the protection of the environment. In particular, the Service Provider and its Personnel must abide by the following environmental requirements of the Company:

(a) **Toxic and Hazardous Substances**

No hazardous or toxic substance may be brought onto the Site without the written permission of the Company Representative. Fuels, oils and chemicals used in the construction work or the operation of transport/equipment must be contained in tanks or containers which comply with the relevant Australian Standards. All hazardous substances must be itemised and details, including the relevant SDS, must be submitted to the Company Representative prior to the substance being brought onto the Site. The Service Provider is responsible for the suitable storage and disposal of all such substances.

(b) **Flora and Fauna**

(i) The Services performed by the Service Provider must not destroy fauna or disturb trees, shrubs, protective bunds, water courses or alter the natural soil surface at the Site except as directed by the Company Representative. Where necessary and accepted, any such changes and disturbances will be subject to either remedial works as defined by the Contract and specifications or to an obligation to reinstate the environment to a condition acceptable to the Company Representative or nominee. This clause 4(b) also relates to adjacent areas which may be affected by the Services to be performed by the Service Provider.

(ii) The Company Representative's approval must be obtained before any soil, grasses or plants are brought onto the Site by the Service Provider.

(iii) The Service Provider and its Personnel must use only recognised roads and footpaths on the Site and must keep only to recognised work areas.

(c) **Ground/Surface/Water/Contamination**

Contaminant, liquid or solid, must not be discharged to the ground or to water directly or indirectly via spillage or washdown or any other means, whether concentrated or diluted. Where required, the removal of paints, protective coatings and other similar substances from construction materials or equipment may need to be carried out in designated areas or be carried out under the specific direction of the Company Representative.

(d) **Atmospheric Emissions**

Emissions to the atmosphere, whether they be products of combustion or not, must be in compliance with the Company's HSEQ MS. Preventative measures taken by the Service Provider must be such as to effectively contain dust and particulate matter, solvents and noxious gases. Where doubt exists as to the interpretation or application of standards and/or the Company's HSEQ MS policy or requirements, the Company's department responsible for the Company's compliance with environmental requirements and implementation of the Company's environmental program must be

consulted and must, through the Company Representative, determine the specific requirements for the Contract.

(e) **Fossils, Flora and Fauna**

All fossils, flora and fauna, artefacts or objects of antiquity or of anthropological or archaeological interest, found on the Site during the performance by the Service Provider of the Services, are and will remain the property of the State of Western Australia. The Service Provider must notify the Company Representative in writing of the discovery of any such item and must take all necessary action to prevent damage to such items discovered.

(f) **Use of Roads and Paths**

Where safe to do so, and only if it is necessary or expedient to pass through other parts of the Company's leases to reach the Site, the Service Provider and its Personnel may use the Company's roads and paths located on those leases. The Service Provider and its Personnel are not authorised to enter or be upon any other part of the Company's premises.

(g) **Hygiene and Weed Management**

The Service Provider must ensure all equipment and quarried material brought to Site complies with the Company's hygiene requirements and weed management requirements detailed in the HSEQ MS.

5. HERITAGE AND GROUND DISTURBANCE/LAND CLEARING

- 5.1 Without limiting the Service Provider's obligations to comply with the Company's "**Excavation and Penetration permit**" requirements, the Service Provider and its Personnel must comply with the Company's policies and procedures relating to all ground disturbance/land clearing, whether in relation to mine operations sites or aboriginal heritage sites. The Service Provider must obtain the written approval of the Company for all ground disturbance/land clearing activities prior to undertaking these activities.
- 5.2 The Service Provider must protect any overhead utility lines, underground pipes, conduits or cables on or in the vicinity of the Site. The Service Provider must report any damage to those items (whether caused by the Service Provider or not) immediately to the Company Representative. The Service Provider must bear the costs associated with repairing any damage caused by it or its Personnel.

6. OTHER REQUIREMENTS

- 6.1 Without limiting, and in addition to, the Service Provider's obligations under the Contract, during the Term of the Contract and at all times whilst on the Site, the Service Provider must comply, and must ensure that its Personnel comply, with the terms of the following Company policies, procedures and work practices, as revised from time to time:
- (a) "Alcohol and Other Drugs Policy";
 - (b) "Rio Tinto Iron Ore Health Safety Environment and Quality (HSEQ) Policy";
 - (c) "Iron Ore (WA) Vehicles and Driving Work Practice";
 - (d) "Iron Ore (WA) Fitness For Work Work Practice";
 - (e) "Iron Ore (WA) Work Attire and Adornment Work Practice";
 - (f) "Iron Ore (WA) Personal Protective Equipment Management Work Practice";
 - (g) "Iron Ore (WA) Excavation, Penetration, Formwork Work Practice";
 - (j) "Iron Ore (WA) Training, Competency and Awareness Work Practice";
 - (j) "Rio Tinto Iron Ore Electronic Resources Usage Policy";
 - (k) "Rio Tinto Approvals Co-ordination Process";
 - (l) "Rio Tinto Cultural Heritage Management Standard";
 - (m) "Rio Tinto Cultural Heritage Policy"; and
 - (n) Site specific safe driving procedures.
- 6.2 The Company will notify the Service Provider of the particular policies that will apply to a particular Site as required (which may include notification as part of its Company Induction Courses).
- 6.3 If the Service Provider has not previously received a copy of any applicable policy referred to in this Schedule, the Service Provider must request, and the Company must provide the Service Provider with, a copy of that policy and the Service Provider is responsible for the distribution of that policy to its Personnel.
- 6.4 The Service Provider and its Personnel must perform all Services in accordance with the Company's standard engineering specifications unless otherwise specified in the Contract.