

AustCoal Consulting Alliance

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GUIDING PRINCIPLES FOR FORMATION OF THE ALLIANCE

Preamble

Bede Boyle is Convenor of the AustCoal Consulting Alliance formed in 2006 between specialist coal development, marketing and management consultants to the Australian Coal Industry.

1 Strategic Intent

The strategic intent in formation of AustCoal Consulting Alliance (Alliance) is to create new business opportunities in the Australian coal industry by joining forces where this is seen to add value for the Client.

2 Objectives

To present a well coordinated multidisciplinary service offering to the Australian coal industry, domestic and international customers together with service providers to the industry

3 Market Model

The Client will see:

1. the benefits of the breadth and depth of the Alliance's multidisciplinary experience in the Australian coal industry
2. the Alliance as being greater than its individual Participants.

4 Participants in Alliance

Participants in Alliance

1. are independent specialist consultants who focus on the Australian coal industry and who have agreed to collaborate on designated Projects for mutual benefit.
2. maintain their independent status and can respond individually to opportunities created by the Alliance where they can fulfil the Client's requirements in a satisfactory manner.

5 Designated Projects

Are business opportunities which require collaboration between two or more Participants in the Alliance to meet the needs of the Client.

6 Fundamentals of the Business Relationship

The Alliance is a business relationship between independent consultants who focus on the coal industry and have agreed to:

1. Actively promote the Alliance for the benefit of all Participants
2. Actively promote other Participants in the Alliance with no financial benefit to themselves
3. Work cooperatively on designated Projects to achieve Win-Win outcomes.
4. While each consultant makes specific commitments to each other within designated Projects, each can work independently on Projects outside the Alliance.
5. Share in risks and rewards of the designated Project in accordance with agreed Fee-Split
6. Commit resources to the relationship to accomplish the objectives of the Alliance as agreed by the Participants

7 Role of Project Leader

The Project Leader

1. is the Participant who will lead the bid process and service delivery for a designated Project
2. will normally be agreed by the Participants as having the most credibility for the designated Project in the eyes of the Client.

8 Commercial Arrangements

Some Clients may accept a coordinated bid with each Participant tendering as a separate entity. However it is anticipated that normally the Project Leader will be the prime contractor with other Participants in a sub-contract role for the designated Project

The Participants agree to share the risks and rewards in accordance with the agreed Fee-Split for the designated Project.

9 Exiting the Alliance

Participants can exit the Alliance at any time by advising the Coordinator in writing, with no limitations on their ongoing business activities.

10 Role of Coordinator

The Coordinator is the person who will guide the formation of the Alliance and will:

1. Participate in meetings with potential new Participants
2. Coordinate business development and marketing initiatives.
3. Convene regular (perhaps bi monthly) meetings of the Alliance
4. Will receive no remuneration for this Role
5. Bede Boyle will be the initial Coordinator.

Bede Boyle

Convenor

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