

Henderson - Stage 1 - Continuity of Service Funding

FEDERATION FUNDING AGREEMENT - INFRASTRUCTURE

Table 1: Formalities and operation of schedule													
Parties	Commonwealth of Australia (Commonwealth) State of Western Australia (State)												
Duration	This Schedule will commence on the date that the last party signs this Schedule and is expected to cease upon 31 December 2026 unless the parties agree in writing to an earlier date.												
Purpose	This Schedule will support the delivery of Continuity of Service (CoS) arrangements between the Commonwealth and the Western Australian Governments and provides Stage 1 funding for activities that will support the design and commencement of early works for interim facilities for non-defence industry displaced by Defence usage of the Australian Marine Complex - Common User Facility in Henderson for the Landing Craft Heavy build program.												
Estimated financial contributions	<p>The Commonwealth will provide a financial contribution to the State of \$30.0 million in respect of this Schedule.</p> <table border="1"> <thead> <tr> <th>Table 1 (\$ million)</th> <th>2025-26</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>30.0</td> <td>30.0</td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td>30.0</td> <td>30.0</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table>	Table 1 (\$ million)	2025-26	Total	Estimated total budget	30.0	30.0	Less estimated National Partnership Payments	30.0	30.0	Balance of non-Commonwealth contributions	0.00	0.00
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Additional terms	<p>Governance</p> <p>Oversight and reporting for this Schedule will occur through the joint governance forums established under the <i>Cooperation agreement between the Commonwealth of Australia and the State of Western Australia to deliver and sustain Australia's future Defence capabilities</i> (announced 16 October 2024).</p>												

	<p>Implementation, monitoring and reporting</p> <p>The State will provide written updates to the Commonwealth every two months and through the Governance framework above, including all relevant documents (including drafts) that detail progress against the Stage 1 activities.</p> <p>Funding arrangements</p> <p>If projects are delivered at a cost lower than the estimated amount set out in the Federation Funding Agreement schedule (FFA), the difference will be retained within the Continuity of Service program as a contingency. The parties will determine the allocation of this contingency to existing or new projects related to the Continuity of Service program by mutual agreement on a case-by-case basis. The State must report any savings to the relevant governance forums and work with the Commonwealth to agree on the reallocation of these savings.</p>
<p>Variations</p>	<p>Variations to this Schedule, including project milestones, project budgets and additional projects, may, by written agreement, be made by the relevant parties from time to time.</p> <p>Movement of funds between financial years within the Program are subject to Commonwealth consideration on a case-by-case basis.</p>

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Table 2: Performance requirements, reporting and payment summary			
Output	Performance milestones	Report due	Payment
on FFA execution	Execution of this agreement between Commonwealth and the State will allow the delivery of key works, including: <ul style="list-style-type: none">• Preparation of a detailed Project Implementation Plan.• Engagement of key consultants including a project manager and quantity surveyor.• Engagement of a contractor through an Early Contractor Engagement (ECI) process.• Industry engagement.• Define the detailed scope and cost plan for the proposed works.• Progress detailed site investigations including geotechnical, planning, heritage, environmental and servicing studies.• Preliminary site works / servicing to the Common User Facility North.• Transition planning and early works. (Hardstand and transfer corridor).	N/A	\$30m

The Parties have confirmed their commitment to this schedule as follows:

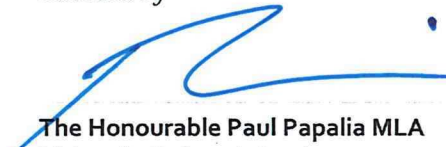
Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Richard Marles MP
Deputy Prime Minister
Minister for Defence

8/5 2026

Signed for and on behalf of the State of Western
Australia by



The Honourable Paul Papalia MLA
Minister for Defence Industries
15/5/2026

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