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Subject: Andritz
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Gilbert

This is my assessment of the situation.

Andritz and especially their sub contractors Canmec/CRT will not accelerate without the amending agreement they have put forward. They will simply work towards the M23 Milestone which will not allow us to Impound in the window of opportunity 2018. It is important to note that there is a grace period of LD's on that Milestone as well there is an amount of work post milestone which requires work in the intake floor area. So they have all the leverage and however unpalatable that fact is, it is the reality .

So I believe we have a critical decision to make - do we agree to the contract amendment as proposed or do we cancel all the purchase of the extra hydromobiles, bulkhead gates and hoardings and revert to the current Contract .

I do not believe there is a middle ground here that Canmec.CRT will accept - they simply do not trust us and we cannot force them to go to a middle ground position. It is my opinion that if we do not make this call within the next days we will have lost the opportunity and if so we should cut our losses on the extra kit and stick to the current contract and take our chances/

Regards Paul

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