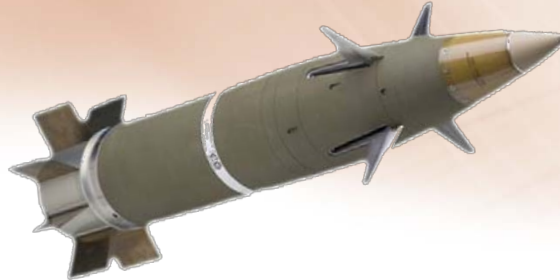


EXPLOSIVE ORDNANCE DIVISION

Key Priorities and Future Work Program



Mr Anthony Klenthis
Head Explosive Ordnance Division

SENIOR EXECUTIVES



Mr Martin Weir
Director General Guided Weapons
Responsible for acquisition and in-service support of
guided weapons for the ADF



Brigadier Steve Kinloch csc
Director General Munitions
Responsible for acquisition and in-service support of
munitions for the ADF

**Air Commodore Bill Hayden will take over as DG Munitions in 2012.
He is currently DG Explosive Ordnance in Joint Logistics Command.**

PRINCIPAL LOCATIONS

Australian Capital Territory

Divisional Executive
Guided Weapons Branch

New South Wales

Munitions Branch
Guided Weapon Missile Maintenance
Navy Mine Maintenance
Propellant & Explosives Manufacturing*

Victoria

Munitions Manufacturing*
Countermeasures Manufacturing*

Queensland

Guided & GP Bomb Sustainment

Western Australia

Torpedo Maintenance Facility

Around 550 Military, Defence APS and Contractor Staff

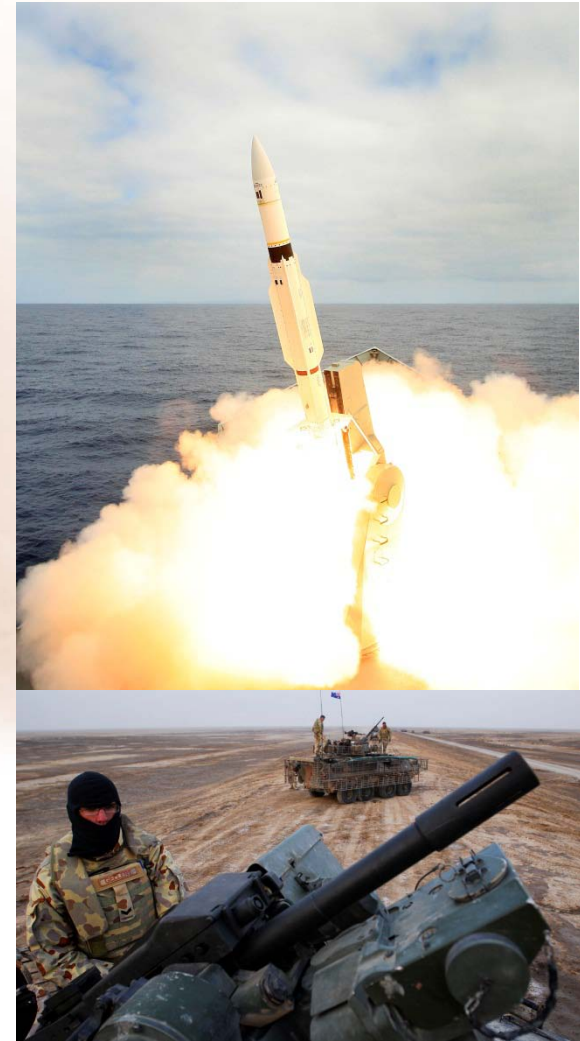
2011-12 FINANCIAL PLAN

Approved Projects \$166m

EO Sustainment \$244m

New Funding \$66m

Operations Support \$124m



PROJECTS BEING DELIVERED

Maritime

SEA 1390 Ph 4B

SM-1 missile replacement for FFG

SEA 1428 Ph 4

ESSM Block I for FFG and FFH

JP2070 Ph 2 & 3

Lightweight Torpedo replacement for
FFG and FFH and war stock

JP1 Ph R

Harpoon Block II upgrade

Air 9000 Ph 8

MH-60R weapons – MK54
torpedo and Hellfire missiles



PROJECTS BEING DELIVERED

Land

JP2085 Ph 1B War reserve stocks and precision guided 155mm munitions

JP2086 Ph 1 Mulwala Propellant Plant replacement

Land 17 Ph 1a 155mm munitions certification for M777



PROJECTS BEING DELIVERED

Aerospace

AIR 5349 Ph 2

Super Hornet weapons

AIM-9X, AMRAAM C-7, JSOW C/C-1

Air 5409 Ph 1

Bomb Improvement Project (JDAM)

Air 5418 Ph 1

Joint Air-to-Surface Standoff Missile



JASSM & JSOW VIDEO

AGM-158 JASSM
Live Fire
China Lake
3 Dec 2010

CURRENT SUSTAINMENT PRODUCTS

Munitions SPO

Small arms, medium calibre, pyrotechnics, CADs, PADs, countermeasures, mortar and artillery munitions, 155mm PGM, grenades, rockets, tank munitions, battlefield simulators



Navy Guided Weapons SPO

SM2, ESSM, Harpoon
Mk48 HWT, Mk46 LWT, MU90 LWT
Stonefish Exercise Mine, MCM Charges

Army Guided Weapons IPT

Javelin, Hellfire, Bolide

Air Force Guided Weapons SPO

JSOW, JDAM, ASRAAM, AMRAAM, AIM-9, bombs



NEW DCP PROJECTS

SEA 1352 Ph 1

ESSM Block II

SEA 4000 Ph 3.2

SM-2 Conversion for AWD & Upgrade

SEA 1778 Ph 1

Deployable Mine Countermeasures EO

JP2085 Ph 2/3

War Reserve Stocks

LAND 17 Ph 1C

Self Propelled Artillery – Future family of munitions

JP 3027 Ph 1

JDAM Enhancements – Dual seeker & Extended Range

EMERGING PROJECTS

SM-6 missiles for AWD

Future Frigate Weapons

Future Submarine Weapons

Tiger Helicopter Upgrade Weapons

Ground Based Air Defence Missiles

P-3 Replacement weapons

JSF Weapons

Air-to-Air weapons for JSF and Super Hornet

Maritime Strike Missile for JSF

Long range strike missile for AWD, Future Submarine & Future Frigate



MULWALA REMEDIATION & IM

Upgrades, repairs and remediation of the Mulwala Facility

- Managing risk prior to delivery of new propellant plant under JP 2086
- Facility currently operated by Thales Australia
- Close cooperation between DMO, DSG and Thales
- New Policy Proposal funding of \$144m over 10 years
- A proportion of budget preserved to fund the insertion of Insensitive Munitions (IM) capabilities post-2015.
- IM priorities currently being developed with the three Services and JLC

NAVY GW FACILITIES

Removing single points of failure in Australia's capacity to undertake depot level certification and maintenance of Navy missiles

- Upgrades to current Surface Weapons Complex in Western Sydney
- Second-site scoping study completed
- Long lead items being ordered, including new Harpoon test set
- Workforce planning for new maintenance staff well advanced
- Examining expansion of torpedo support facilities in WA to cover missile maintenance capabilities and more EO storage
- New Policy Proposal funding of \$148m over 10 years
- Further informed by Hawke-Smith 'Force Disposition Review'

STRATEGIC PARTNERS

Thales Australia

- Long term capability based contract
- Operation of the Mulwala propellant and explosives facility (GOCO)
- Operation of the Benalla munitions facility (COCO BOOT)
- Provision of EO storage and distribution services to JLC
- Specialist services to DMO for the commissioning and introduction into service of the modernised propellant facility under JP2086 Ph 1

Chemring Australia

- Long term supply based contract
- Operation of the Lara Countermeasures facility (COCO)
- Large company investment to enable increased domestic manufacture and product development
- Excellent global supply chain opportunities and reach back support

POST-2015 ARRANGEMENTS

- Agreements with Thales for Benalla and Mulwala capability expire on 30 June 2015
- By that time Defence will have committed well over \$1billion to the domestic capability
- **Domestic Munitions Manufacturing Arrangements (DMMA) Project** launched
- To define future arrangements for the two sites and supply of domestically manufactured munitions to ADF
- ITR released – closes 8 Aug 2011
- Restricted RFT to be released in 2012
- Two-Pass approach to Government
- 4 End-State Objectives

MADE IN AUSTRALIA?

- Key questions to be addressed on the importance of domestic manufacturing of munitions
- PIC aspects but 'tensions' with FMA Act application

Key strategic considerations:

1. Price comparisons or long term investment?
2. Military strategic requirements?
3. Supply chain risks?
4. Sovereign capabilities and market trends?
5. 'Regret Factor' – barriers to exit and then re-enter?

QUESTIONS?