

NOTICE OF LODGMENT
AUSTRALIAN COMPETITION TRIBUNAL

This document was lodged electronically in the AUSTRALIAN COMPETITION TRIBUNAL on 04/04/2016 4:13 pm AEST and has been accepted for lodgment under the Interim Practice Direction dated 21 August 2015. Filing details follow and important additional information about these are set out below.

Lodgment and Details

Document Lodged: INT (Toll) – Supplementary Statement of KEN CONLON - PUBLIC (REDACTED)

File Number: ACT 2 of 2016

File Title: Application by Sea Swift Pty Ltd under s 95AU of the *Competition and Consumer Act 2010* (Cth) for an authorisation under s 95AT(1) to acquire shares in the capital of a body corporate or to acquire assets of another person

Registry: NEW SOUTH WALES – AUSTRALIAN COMPETITION TRIBUNAL

Dated: 04/04/2016 4:13 pm AEST



A handwritten signature in blue ink, consisting of a stylized 'S' followed by a '4'.

Deputy Registrar

Important Information

As required by the Interim Practice Direction dated 21 August 2015, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Tribunal and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date and time of lodgment also shown above are the date and time that the document was received by the Tribunal. Under the Tribunal's Interim Practice Direction the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4:30 pm local time at that Registry) or otherwise the next working day for that Registry.

4 April 2016

FILED IN TRIBUNAL

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT of 2016

RE PROPOSED ACQUISITION OF CERTAIN ASSETS OF TOLL MARINE FREIGHT
OPERATIONS IN THE NORTHERN TERRITORY AND FAR NORTH QUEENSLAND

SUPPLEMENTARY STATEMENT OF KEN CONLON

INDEX

1. Introduction.....	2
2. Update in relation to vessels.....	2
3. Update in relation to facilities.....	2
4. Update in relation to staff.....	2
5. Commencement of Scheduled Services in NT.....	3
6. INDEX OF ANNEXURES TO SUPPLEMENTARY STATEMENT OF KEN CONLON.....	5



Filed on behalf of (name & role of party)

Toll Holdings Limited, Intervenor

Prepared by (name of person/lawyer)

Geoff Carter

Law firm (if applicable)

Minter Ellison

Tel (03) 8608 2000

Fax (03) 8608 1000

Email geoff.carter@minterellison.com

Address for service

Level 23, Rialto Towers, 525 Collins Street, Melbourne VIC 3000

SUPPLEMENTARY STATEMENT OF KEN CONLON

I, Ken Conlon, of 26 Harry Chan Avenue (William Forster Chambers Building), Darwin, Northern Territory 0800, Managing Director, say as follows:

1. Introduction

- 1.1 I provided a statement dated 16 September 2015 (**First Statement**) in relation to the proposed acquisition by Sea Swift of certain assets of the TML marine freight business in the Northern Territory (NT) and Far North Queensland (FNQ).
- 1.2 I understand that the proposed acquisition was the subject of the application for merger authorisation made by Sea Swift filed on 21 September 2015, which was withdrawn on 16 November 2015. I understand that Sea Swift is filing a new application for merger authorisation in respect of the proposed acquisition.
- 1.3 This statement is supplementary to my First Statement.

2. Update in relation to vessels

- 2.1 In paragraphs 1.6 and 1.7 of my First Statement, I stated that Barge Express had a fleet of four vessels. As at the date of making this statement, this remains the case. There are opportunities around if I wished to purchase another vessel. For example, I understand Bhagwan Marine currently has 4 vessels available for purchase due to the drop off in oil and gas work. There are also opportunities overseas, in Papua New Guinea for example.

3. Update in relation to facilities

- 3.1 In paragraph 1.10 of my First Statement, I stated that I had put in an offer for a cold storage facility in Darwin. I am still in discussions with the landlord of this facility. I do not need this facility, however, in order to commence providing a scheduled service. I plan to load refrigerated containers directly onto my vessels.

4. Update in relation to staff

- 4.1 In paragraph 1.11 of my First Statement, I discussed the employees of Barge Express. We have grown a bit since making my First Statement. We would have around 40 sea staff. There are 12 crew employed on the Bimah Tujuh, 10 on the MDT Trader, 10 on the

Sealink Darwin and 8 on the Sammy Express. Once we commence scheduled services, and as we grow, our staff numbers will increase further.

5. Commencement of Scheduled Services in NT

5.1 Further to paragraphs 3.1 and 3.2 of my First Statement, Barge Express has recently announced that we will soon commence scheduled services in the NT.

5.2 Now shown to me and marked KC-3 is a true copy of the advertisement that we published in the business section of the NT News on Thursday 11 February 2016.

5.3 We plan on launching a weekly scheduled service in March. I am currently anticipating that this service will depart Darwin on Monday and head for Elcho Island, arriving on Wednesday. It will then return towards Darwin, stopping at Maningrida, Goulburn Island and Croker Island before arriving in Darwin. [REDACTED]

[REDACTED] Depending on demand, we may also stop at Milingimbi and Ramingining. Sea Swift stopped servicing these latter two destinations for a while last year and we think there are opportunities to pick up customers who were unhappy about this.

5.4 We have held discussions with a number of potential customers for our planned schedule service and I believe based on those discussion that they will use our service once commenced and we hope to grow from there. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]


[REDACTED]

[REDACTED]

5.5 I am confident we will secure even more customers once the Tribunal makes a decision in relation to the application for merger authorisation regardless of the outcome. I believe that I will be in the same position if the proposed acquisition goes ahead or if Toll just closes its doors. I feel Barge Express is in a great position to compete in the market.

I verify that I have read the contents of this statement and the documents referred to in it and that I am satisfied that to the best of my knowledge, information and belief, it is true and correct in every particular.

DATED 3/3 / 2016

A handwritten signature in black ink, appearing to read 'Ken Conlon', is written over a horizontal line.

Ken Conlon

6. INDEX OF ANNEXURES TO SUPPLEMENTARY STATEMENT OF KEN CONLON

Annexure	Title	Confidentiality
KC-3	Barge Express New Service Advertisement, NT Times 11 February 2016	-