

18th November 2010

Peter Edwards
Coffey Projects
Level 10
1 Market Street
Sydney
NSW 2000

Dear Peter

New England & North West Regional Cancer Centre, Tamworth

As requested please find set out below our calculation of the Capital Investment Value (CIV) for the above project.

It is my understanding that the CIV should include all costs necessary to 'establish & operate the project'. Unless otherwise advised, I suggest that any estimate of CIV includes the following:

- All demolition & construction costs, services infrastructure costs etc
- Contingencies – Design development & Construction
- Design fees, PM & QS fees
- Escalation costs

As the LinAcc is an integral part of the development I consider that it would also need to be added to the CIV, but that the other FF&E items should be excluded.

The CIV should specifically exclude all land costs and GST.

On the basis of the above the CIV would be the estimated total project cost, based on our latest cost estimate, dated 26/8/10, of \$40,432,000

Less: Statutory Fees	\$128,000
FF&E	\$11,256,000
'Relocations'	\$26,000

Add back: 1 x LinAcc	\$2,798,000
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The CIV for this project is therefore \$31,820,000

We trust the above is sufficient for your requirements. However, should you have any comments or queries, or require any further information please do not hesitate to contact me.

Yours sincerely



Doug Rayment
Associate