

## Project Data Summary Sheet

|                                 |                                    |
|---------------------------------|------------------------------------|
| Project Number                  | SEA1448 Phase 4B                   |
| Project Name                    | ANZAC AIR SEARCH RADAR REPLACEMENT |
| First Year Reported in the MPR  | 2018-19                            |
| Capability Type                 | Replacement                        |
| Capability Manager              | Chief of Navy                      |
| Government 1st Pass Approval    | Mar 15                             |
| Government 2nd Pass Approval    | Jun 17                             |
| Budget at 2nd Pass Approval     | \$427.8m                           |
| Total Approved Budget (Current) | \$429.5m                           |
| 2024–25 In-year Budget          | \$4.0m                             |
| Complexity                      | ACAT II                            |



### Section 1 – Project Summary

#### 1.1 Project Description

SEA1448 Phase 4B is replacing the eight AN/SPS-49(V) Air Search Radar on the eight Anzac Class Frigates with a modern digital long range air search Radar. The project will also replace the existing Identification Friend or Foe (IFF) system with a new system. By replacing the existing air search radar and IFF system, the project will deliver an integrated and supportable modern Long Range Air Search Capability (LRASC) into the Anzac Class Frigates.

#### 1.2 Current Status

##### Cost Performance

###### In-year

As at 30 June 2025, Financial Year (FY) 2024-25 expenditure was \$4.0m against FY 2024-25 budget of \$4.0m resulting in a zero variance. This reflects effective financial management throughout the year by the project.

###### Project Financial Assurance Statement

As at 30 June 2025, SEA1448 Phase 4B has reviewed the project's approved scope and budget for those elements required to be delivered by Defence. Having reviewed the current financial and contractual obligations of Defence for this project, current known risks and estimated future expenditure, Defence considers, as at the reporting date, there is sufficient budget remaining for the project to complete against the agreed scope.

###### Contingency Statement

The project has not spent contingency in FY 2024-25.

##### Schedule Performance

The project has progressed through the Design phases and is now within the Delivery phase. The first mast was installed on His Majesty's Australian Ship (HMAS) *Arunta* in December 2018 and Sea Acceptance Trials (SAT) were completed in February 2020, with all reports delivered in Quarter 2, 2020. In March 2020, Government was advised of a schedule review with industry that determined an additional 26 weeks was critical to the Anzac Mid-life Capability (AMCAP) upgrade realisation across the class. The schedule for ship availability to replace the LRASR and integrated IFF system was amended as a consequence but did not affect the SEA1448 Phase 4B Final Operating Capability (FOC) date.

Initial Operating Capability (IOC) was delayed from the original planned date due to the complexities in achieving United States IFF certification requirements. Additionally, COVID-19 international travel restrictions prevented United States IFF certification authorities from participating in certification activities as originally planned. Rescheduled certification activities concluded in October 2020. Notification of IFF certification was achieved in April 2021. IOC was achieved in July 2021.

Materiel Release refers to individual ship installations, commencing with Materiel Release1 (MR1) for second ship installation. Materiel Release 2 (MR2) for the third ship installation in HMAS *Warramunga* was achieved in November 2021. Materiel Release 3 (MR3) for the fourth ship, HMAS *Perth*, commenced SAT in February 2022 and MR3 was achieved in November 2022. MR3 was accepted with three extant issues, one of which has been resolved and two are outstanding and remained outstanding with the achievement of Materiel Release 4 (MR4) for the fifth ship installation, HMAS *Toowoomba* in July 2023. These two issues being the Electromagnetic Interference/Electromagnetic Compatibility report and infra-red signature report have subsequently been resolved and were resolved in HMAS *Stuart*, which was accepted in June 2024 as reported in the Materiel Release 5 (MR5) Decision Brief. Subsequently the seventh installation has been achieved in HMAS *Ballarat* in June 2025 as reported in the Materiel Release 6 (MR6) Decision Brief.

Final Materiel Release (FMR) with the eighth ship installation in HMAS *Parramatta* is delayed.

FOC will be delayed owing to an agreed schedule extension in amendment to the CEA Technologies Pty Ltd contract.

**Material Capability/Scope Delivery Performance**

The project expects to deliver eight modern digital air search radars with integrated IFF system in the Anzac Class Frigates. The first mission system ship set capability with associated support systems was scheduled for acceptance in Quarter 1, 2021 dependent on IFF certification. Additionally, the project has delivered the CEA Technologies Pty Ltd Phased Array Radars (PAR) simulator for ship Onboard Training Systems and for the HMAS *Watson* training simulator.

Initial Materiel Release (IMR) was split into two IMRs. The first release enabled the project to support acceptance of the radar to enable the Royal Australian Navy (RAN) to utilise the capability on HMAS *Arunta*, realign the CEA Technologies Pty Ltd payment schedule and commence the warranty period. The second release was aligned with IFF certification being sufficiently completed. Initial Materiel Release 1 (IMR1) was declared December 2020 and Initial Materiel Release 2 (IMR2) was declared in April 2021.

IOC was declared in July 2021. MR2 was the first release after declaration of IOC, and was declared in November 2021. MR2 for the third ship installation in HMAS *Warramunga* was achieved in November 2021.

The fourth ship, HMAS *Perth*, commenced SAT in February 2022 and MR3 was achieved in November 2022.

Achievement of MR4 for the fifth ship installation, HMAS *Toowoomba* was achieved in July 2023.

HMAS *Stuart*, which was accepted in June 2024 as reported in the MR5 and seventh installation has been achieved in HMAS *Ballarat* in June 2025 as reported in the MR6.

**1.3 Project Context****Background**

Government at Gate 1 (March 2015) was presented multiple options including Developmental and Militarily Off-The-Shelf (MOTS) options, with the MOTS approach based on an upgraded variant of AN/SPS-49(V) not progressing further as it did not resolve the obsolescence issues. Government did approve Defence's proposal to select CEA Technologies Pty Ltd as the sole Australian supplier of PAR to replace long-range air search radar using the developmental technology successfully installed under SEA1448 Phase 2A and 2B Anti-Ship Missile Defence (ASMD) programs. This solution provided a three-dimensional PAR with six fixed faces and an integrated IFF capability. Industry participants of the Anzac Warship Asset Management Agreement (WAMA) (previously Anzac Ship Integration Materiel Support Program Alliance) are undertaking the Mission System Integrator role. The project adopted the Smart Buyer Framework proceeding to Gate 2 approval throughout the 2016-17 period.

In November 2016, Government approved early access to Acquisition Phase funding which enabled the project to progress a number of time-critical activities prior to Second Pass Approval. This allowed the project to maintain schedule and effectively mitigate 2016-17 schedule risks (subsequently retired) identified during Smart Buyer process. These activities included advanced material purchases for CEA Technologies Pty Ltd and BAE Systems Australia Ltd to commence mast production.

At Gate 2 (June 2017), Government approved Defence's proposal to be the prime integrator for LRASC, and for the project to have overall responsibility for procuring and managing final Mission System key components. The integration of the LRASR and IFF system into the Anzac platform and Combat Management System (CMS) are delivered under the Anzac WAMA. Acquisition of supporting equipment and services are being delivered under Foreign Military Sales (FMS). Production timings and integration of the mission system(s) into the Anzac Class is driven by the AMCAP schedule, managed by the Anzac System Program Office.

**Uniqueness**

The CEA Technologies Pty Ltd PAR technology, on which SEA1448 Phase 4B is based, is considered to be a Strategic Industry Capability. The acquisition of which will ensure the RAN has regionally superior technology into the future. The IFF system will be integrated into the PAR faces. This is a world leading technological step to have the IFF interrogator integrated into the PAR faces without a secondary system requirement.

**Major Risks, Emergent Risks and Issues**

- The project is not currently managing any risks categorised above Medium/Low.
- The project is not currently managing any emergent risks categorised above Medium/Low.

The project is currently managing the following issue:

- A security issue related to the PAR System Simulator (PSS) is preventing it from being installed in the HMAS *Watson* Tactical and Training Centre.

**Other Current Related Projects/Phases**

The deliverables provided by SEA1448 Phase 4B have been incorporated into the overall AMCAP schedule. The AMCAP involves a suite of upgrades to the Anzac platform being delivered by multiple projects, of which SEA1448 Phase 4B is one. Delays or issues with other AMCAP projects can delay the schedule of SEA1448 Phase 4B.

The AMCAP projects consist of:

**SEA1448 Phase 4A – Anzac Electronic Support System Improvements.** This phase delivered a contemporary Electronic Support Measures system as part of the ASMD upgrade program and is being re-installed under the SEA1448 Phase 4B program.

**SEA1442 Phase 4 – Maritime Communications Modernisation.** This phase will upgrade the communication capability in the eight Anzac Class Frigates and address communications system obsolescence in the Anzac Class.

**Anzac Platform System Remediation (PSR) Program.** The PSR will see the upgrade of on-board systems that includes ventilation, the propulsion control system to improve power and efficiency, waste management and water production systems.

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## Section 2 – Financial Performance<sup>1</sup>

### 2.1 Project Budget (out-turned) and Expenditure History

| Date            | Description   | \$m            | Notes |
|-----------------|---|----------------|-------|
|                 | <b>Project Budget</b>   |                |       |
| Oct 13          | Original Approval   | 3.0            | 1     |
| Jun 14          | Real Variation – Scope  | 5.9            | 2     |
| Mar 15          | Government First Pass Approval  | 45.2           | 3     |
| Jan 17          | Real Variation – Scope  | 20.4           | 4     |
| Aug 17          | Government Second Pass Approval   | 353.3          |       |
|                 | <b>Total at Second Pass Approval</b>  | <b>427.8</b>   |       |
|                 |   |                |       |
| Jun 25          | Exchange Variation  | 1.7            |       |
| Jun 25          | <b>Total Budget</b>   | <b>429.5</b>   |       |
|                 | <b>Project Expenditure</b>  |                |       |
| Prior to Jul 24 | Contract Expenditure – CEA Technologies Pty Ltd   | (174.2)        |       |
|                 | Contract Expenditure – Warship Asset Management Agreement (WAMA)  | (153.7)        |       |
|                 | Other Contract Payments/Internal Expenses   | (29.9)         | 5     |
|                 |   | <b>(357.7)</b> |       |
| FY to Jun 25    | Contract Expenditure – CEA Technologies Pty Ltd   | (2.7)          |       |
|                 | Contract Expenditure – WAMA   | (1.2)          |       |
|                 | Other Contract Payments/Internal Expenses   | (0.1)          | 5     |
|                 |   | <b>(4.0)</b>   |       |
| Jun 25          | <b>Total Expenditure</b>  | <b>(361.7)</b> |       |
|                 |   |                |       |
| Jun 25          | <b>Remaining Budget</b>   | <b>67.7</b>    |       |
|                 |   |                |       |
| <b>Notes</b>    |   |                |       |
| 1               | The project's original approved budget was the amount received for project initiation prior to Government Second Pass Approval.                                   |                |       |
| 2               | To advance the L-PAR Risk Reduction Program.  |                |       |
| 3               | Government First Pass approval to advance the progress of the risk reduction program to Gate 2.   |                |       |
| 4               | Early release of funding to commence activities in advance of Gate 2 Approval.  |                |       |
| 5               | Other Contract Payments/Internal Expenses comprise of FMS payments, operating expenditure and other capital expenditure not attributable to the listed contracts. |                |       |

### 2.2A In-year Budget Estimate Variance

| Estimate PBS \$m | Estimate PAES \$m | In-year Budget \$m | Explanation of Material Movements  |
|------------------|-------------------|--------------------|--|
| 12.8             | 4.0               | 4.0                | <u>Portfolio Budget Statements (PBS) to Portfolio Additional Estimates Statements (PAES)</u> : The variation is driven by a reduction in budget required for WAMA milestones (\$5.3m) which appear to have slipped to FY 2025-26 and decrease in CEA Technologies Pty Ltd (\$2.6m) driven by Contract Proposal 10 to reschedule milestones to incorporate AMCAP schedule delays and rescheduling of CEA Technologies Pty Ltd forecast to incorporate the PAR Simulator security requirement and (\$0.9m) due to other expenses.<br><u>PAES to In-year Budget</u> : No variation. |
| Variance \$m     | (8.8)             | (0.0)              | Total Variance (\$m): (8.8)  |
| Variance %       | (69.0)            | (0.0)              | Total Variance (%): (69.0)   |

### 2.2B In-year Budget/Expenditure Variance

| In-year Budget \$m | Actual \$m | Variance \$m | Variance Factor     | Explanation  |
|--------------------|------------|--------------|---------------------|--|
|                    |            | -            | Australian Industry | SEA1448 Phase 4B Anzac Air Search Radar Replacement actuals for FY 2024-25 was equal to in-year budget. No variance to report. |
|                    |            | -            | Foreign Industry    |  |
|                    |            | -            | Early Processes     |  |
|                    |            | -            | Defence Processes   |  |

#### <sup>1</sup>Notice to reader

As per the JCPAA MPR Guidelines, financial figures in the PDSS have been rounded to one decimal point. Section 2 financial tables may include totals and percentages that are impacted due to the rounding of the original financial data.

|     |     |       |  |  |
|-----|-----|-------|--|--|
|     |     | -     | Foreign Government Negotiations/Payments |  |
|     |     | -     | Cost Saving                              |  |
|     |     | -     | Effort in Support of Operations          |  |
|     |     | -     | Additional Government Approvals          |  |
| 4.0 | 4.0 | (0.0) | <b>Total Variance</b>                    |  |
|     |     | 0.0   | <b>% Variance</b>                        |  |

### 2.3A Details of Project Major Contracts – Price

| Contractor                         | Signature Date   | Price at      |               | Type (Price Basis)            | Form of Contract          | Notes   |
|------------------------------------|--|---------------|---------------|-------------------------------|---------------------------|---------|
|                                    |  | Signature \$m | 30 Jun 25 \$m |                               |                           |         |
| Warship Asset Management Agreement | Aug 17   | 136.1         | 162.2         | Variable                      | Alliance                  | 1, 2, 4 |
| CEA Technologies Pty Ltd           | Sep 17   | 166.6         | 168.9         | Fixed with indices escalation | Standard Defence Contract | 2, 3    |
| <b>Notes</b>                       |  |               |               |                               |                           |         |
| 1                                  | WAMA consists of Commonwealth of Australia, BAE Systems Australia Ltd, Saab Australia Pty Ltd and Naval Ship Management (Australia) Pty Ltd. The primary industry partners for SEA1448 Phase 4B tasking is BAE Systems Australia Ltd and Saab Australia Pty Ltd.   |               |               |                               |                           |         |
| 2                                  | Contract value as at 30 June 2025, is based on actual expenditure to 30 June 2025 and remaining commitment at current exchange rates, and includes adjustments for indexation (where applicable).  |               |               |                               |                           |         |
| 3                                  | SEA1448 Phase 4B contract execution date is official order under the Head Contract DMO/ESD/00297/2013 Standing Offer for PAR Development Services, executed 30 October 2013. The Contract Change Proposal (CCP) reduced the contract price by removing the performance security as the technology had been demonstrated. |               |               |                               |                           |         |
| 4                                  | WAMA price at 30 June 2025 includes a cost pain share - gain share provision.  |               |               |                               |                           |         |

### 2.3B Details of Project Major Contracts – Contracted Quantities and Scope

| Contractor   | Contracted Quantities as at   |           | Scope                                 | Notes |
|--|---|-----------|---------------------------------------|-------|
|  | Signature   | 30 Jun 25 |                                       |       |
| Warship Asset Management Agreement   | 8   | 8         | Mast, Ship Systems and integration    | -     |
|  | 8   | 8         | CMS upgrades and integration          | -     |
| CEA Technologies Pty Ltd   | 1   | 1         | Qualification and Verification System | -     |
|  | 8   | 8         | Mission System Ship Sets              | -     |
|  | 2   | 2         | Depot Spare Systems                   | -     |
|  | 4   | 8         | Training Simulators                   | 1     |
| <b>Major equipment accepted and quantities to 30 Jun 25</b>  |   |           |                                       |       |
| As at 30 June 2023, the fourth ship installation HMAS <i>Perth</i> (MR3) has been fully accepted (which includes aft mast installation, integration, Harbour Acceptance Trials (HAT) and SAT). Ships accepted are HMAS <i>Arunta</i> , HMAS <i>Anzac</i> , HMAS <i>Warramunga</i> , HMAS <i>Perth</i> , HMAS <i>Stuart</i> and HMAS <i>Ballarat</i> was accepted in June 2025. |   |           |                                       |       |
| <b>Notes</b>   |   |           |                                       |       |
| 1  | CEA Technologies Pty Ltd CCP was accepted to modify the number of training simulators from four to eight to support the training requirements solution put forward by the WAMA. |           |                                       |       |

### 2.4 Australian Industry Capability

|   |
|---|
| <b>Summary</b>  |
| The project has a contracted Australian Industry Capability (AIC) Plan based on Local Industry Capability, which is captured in CEA Technologies Pty Ltd and Saab Australia Pty Ltd's AIC Plans across the areas of manufacturing, project management, engineering, and Integrated Logistics Support and training material. |
| <b>Note</b>   |
| AIC Plans for contracts worth more than \$20 million are published on Defence's website.  |

## Section 3 – Schedule Performance

### 3.1 Design Review Progress

| Review              | Major System/Platform Variant                                   | Original Planned | Current Contracted | Achieved/ Forecast | Variance (Months) | Notes |
|---------------------|---|------------------|--------------------|--------------------|-------------------|-------|
| System Requirements | CEA Technologies Pty Ltd Radar System Performance Specification | N/A              | N/A                | Aug 17             | N/A               | -     |
| Preliminary Design  | Mast  | N/A              | N/A                | Apr 17             | N/A               | 1     |
|                     | Platform  | N/A              | N/A                | Sep 17             | N/A               | 1     |
|                     | Whole of Ship   | N/A              | N/A                | Nov 17             | N/A               | 1     |

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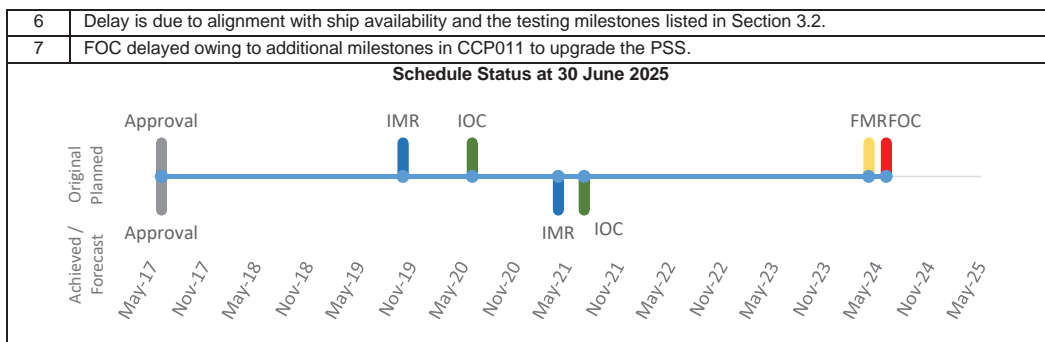
|                 |   |     |     |        |     |   |
|-----------------|---|-----|-----|--------|-----|---|
| Critical Design | Mast  | N/A | N/A | Sep 17 | N/A | 1 |
|                 | Platform  | N/A | N/A | Jun 18 | N/A | 1 |
|                 | Whole of Ship   | N/A | N/A | Jun 18 | N/A | 1 |
| Notes           |   |     |     |        |     |   |
| 1               | Original Planned dates for completion of Preliminary and Critical Design activities not disclosed within the Integrated Master Schedule as these dates were determined prior to Second Pass Approval. |     |     |        |     |   |

## 3.2 Contractor Test and Evaluation Progress

| Test and Evaluation | Major System/Platform Variant  | Original Planned | Current Contracted | Achieved/Forecast | Variance (Months) | Notes |
|---------------------|--|------------------|--------------------|-------------------|-------------------|-------|
| System Integration  | HMAS <i>Arunta</i> – Category (Cat) 1 (Factory Acceptance Testing (FAT))   | Nov 18           | N/A                | Apr 19            | 5                 | 1     |
|                     | HMAS <i>Arunta</i> – Cat 2 (Environmental Qualifications) and Cat 3 (Integration)  | Jan 19           | May 20             | Jul 20            | 18                | 2, 3  |
|                     | HMAS <i>Arunta</i> – Cat 4 HAT   | Feb 19           | N/A                | Oct 19            | 8                 | 4     |
|                     | HMAS <i>Anzac</i> – Cat 4 HAT  | Aug 19           | N/A                | May 20            | 9                 | 4, 5  |
|                     | HMAS <i>Warramunga</i> – Cat 4 HAT   | Jul 20           | Mar 21             | Jun 21            | 11                | -     |
|                     | HMAS <i>Perth</i> – Cat 4 HAT  | Dec 20           | Dec 21             | Feb 22            | 14                | 4     |
|                     | HMAS <i>Toowoomba</i> – Cat 4 HAT  | Nov 21           | Jul 22             | Aug 22            | 9                 | 4     |
|                     | HMAS <i>Stuart</i> – Cat 4 HAT   | May 22           | Jul 23             | Jul 23            | 14                | 4     |
|                     | HMAS <i>Ballarat</i> – Cat 4 HAT   | Feb 23           | Feb 24             | Apr 25            | 26                | 4     |
|                     | HMAS <i>Parramatta</i> – Cat 4 HAT   | Aug 23           | NFP                | NFP               | NFP               | 4     |
| Acceptance          | HMAS <i>Arunta</i> – Cat 5 SAT   | Sep 19           | N/A                | Mar 20            | 6                 | 4     |
|                     | HMAS <i>Anzac</i> – Cat 5 SAT  | May 20           | N/A                | Oct 20            | 5                 | 4, 5  |
|                     | HMAS <i>Warramunga</i> – Cat 5 SAT   | Feb 21           | May 21             | Jul 21            | 5                 | 4     |
|                     | HMAS <i>Perth</i> – Cat 5 SAT  | Sep 21           | Mar 22             | Apr 22            | 7                 | 4     |
|                     | HMAS <i>Toowoomba</i> – Cat 5 SAT  | Jun 22           | Sep 22             | May 23            | 11                | 4, 6  |
|                     | HMAS <i>Stuart</i> – Cat 5 SAT   | Dec 22           | Apr 24             | Nov 23            | 11                | 4     |
|                     | HMAS <i>Ballarat</i> – Cat 5 SAT   | Oct 23           | Dec 24             | May 25            | 19                | 4     |
|                     | HMAS <i>Parramatta</i> – Cat 5 SAT   | Apr 24           | NFP                | NFP               | NFP               | 4     |
| Notes               |  |                  |                    |                   |                   |       |
| 1                   | A manufacturing delay with CEA Technologies Pty Ltd resulted in the FAT from November to December 2018. Test Reports were accepted in April 2019.  |                  |                    |                   |                   |       |
| 2                   | CEA Technologies Pty Ltd CCP approved the delay in which CEA Technologies Pty Ltd are to obtain Environmental Qualification for the LRASR.   |                  |                    |                   |                   |       |
| 3                   | Cat 3 integration activities completed in May 2019. Acceptance of Cat 3 reports occurred in September 2019. The Cat 2 test results received in July 2020. This delay was caused by the limited number of appropriately certified third party test facilities and longer than anticipated test durations. |                  |                    |                   |                   |       |
| 4                   | Delays in the AMCAP schedule have delayed acceptance trials and are reflected in Materiel Acquisition agreement (MAA) version 6.   |                  |                    |                   |                   |       |
| 5                   | HMAS <i>Anzac</i> Cat 4 testing undertaken in April 2020, with acceptance of the test reports in May 2020.   |                  |                    |                   |                   |       |
| 6                   | Variance updated to show correct difference from original planned date.  |                  |                    |                   |                   |       |

## 3.3 Progress Toward Materiel Release and Operational Capability Milestones

| Item                                 | Original Planned   | Achieved/Forecast | Variance (Months) | Notes         |
|--------------------------------------|--|-------------------|-------------------|---------------|
| Initial Materiel Release 1 (IMR1)    | Oct 19   | Dec 20            | 14                | 1, 2, 3, 4, 5 |
| Initial Materiel Release 2 (IMR2)    | Mar 21   | Apr 21            | 1                 | 2, 3, 4, 5    |
| Initial Operational Capability (IOC) | Jun 20   | Jul 21            | 13                | 1, 4          |
| Final Materiel Release (FMR)         | Apr 24   | NFP               | NFP               | 4, 6          |
| Final Operational Capability (FOC)   | Jun 24   | NFP               | NFP               | 7             |
| Notes                                |  |                   |                   |               |
| 1                                    | IMR and IOC dates are dependent on IFF certification, which was impacted by COVID-19 travel restrictions.            |                   |                   |               |
| 2                                    | IMR1 with radar acceptance occurred December 2020 and IMR2 IFF certification was completed by April 2021.            |                   |                   |               |
| 3                                    | Delays in the AMCAP schedule for HMAS <i>Arunta</i> and HMAS <i>Anzac</i> has resulted in delays to Cat 4 and Cat 5. |                   |                   |               |
| 4                                    | These milestone definitions are aligned with Section 4.2.  |                   |                   |               |
| 5                                    | MR3 was achieved with three exceptions, one of these exceptions was resolved at MR4 and the remaining two at MR5.    |                   |                   |               |



## Section 4 – Materiel Capability/Scope Delivery Performance

### 4.1 Measures of Materiel Capability/Scope Delivery Performance

| Traffic Light Diagram: Percentage Breakdown of Materiel Capability/Scope Delivery Performance |  |
|---|--|
|   | <b>Green:</b><br>The project is currently meeting capability requirements as expressed in the Joint Project Directive and MAA. |
|   | <b>Amber:</b><br>N/A   |
|   | <b>Red:</b><br>N/A   |
| <b>Note</b><br>This Traffic Light Diagram represents Defence's expected capability delivery.  |  |

### 4.2 Constitution of Materiel Release and Operational Capability Milestones

| Item                                 | Explanation  | Achievement              |
|--------------------------------------|--|--------------------------|
| Initial Materiel Release (IMR1)      | Integration of one Air Search Radar and partial IFF system into the first ship, including installation of a new aft-mast and reinstallation of all extant systems. Delivery of on-board spares and training packages. Establishment of Initial Support Contracts for both Radar and Integration. | Achieved with exceptions |
| Initial Materiel Release (IMR2)      | Integration of one Air Search Radar and full IFF system into the second Anzac Class Frigate, including installation of a new aft-mast and reinstallation of all extant systems. Delivery of on-board spares.   | Achieved with exceptions |
| Initial Operational Capability (IOC) | Installation of equipment onto ships completed to date, development of operator and maintainer training package and initial package completed, tactical doctrine updated, completion of acceptance trials on the first ship completed, and the logistics support arrangements in place.          | Achieved                 |
| Final Materiel Release (FMR)         | Integration of one Air Search Radar and IFF system into the final ship. Delivery of all outstanding logistic documentation. Delivery of a support system. Final delivery of on-board spares and depot spares.<br>Forecast dates for FMR are NFP.   | Not yet Achieved         |
| Final Operational Capability (FOC)   | Installation of equipment onto all ships is complete, training facilities have been set to work, operator and maintainer trainer is in a steady state, tactical doctrine is mature, full logistics support arrangements are in place, establishment and other fundamental                        | Not yet Achieved         |

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|  |  |  |
|--|--|--|
|  | inputs to capability arrangements are complete.<br>Forecast dates for FOC are NFP. |  |
|--|--|--|

## Section 5 – Major Risks, Emergent Risks and Issues

### 5.1 Major Project Risks

| Identified Risks (risk identified by standard project risk management processes) |             |                 |
|--|-------------|-----------------|
| Ref#   | Description | Remedial Action |
| N/A  | N/A         | N/A             |

### 5.2 Emergent Risks

| Emergent Risks (risk not previously identified, or has increased in rating, which have emerged during 2024–25) |             |                 |
|--|-------------|-----------------|
| Ref#   | Description | Remedial Action |
| N/A  | N/A         | N/A             |

### 5.3 Major Project Issues

| Ref# | Description  | Remedial Action   |
|------|--|---|
| 1    | <p>A medium level risk associated with the PSS was raised by the project on 27 September 2022. Subsequently an Independent Assurance Review (IAR) conducted September 2024 advised that project sponsor had indicated that the identified security concerns were preventing the delivery of Command Team Training and that failure to remedy this issue would prevent the declaration of FOC. The IAR report consequently made the recommendation the resolution of the PAR PSS security issue be addressed immediately through the allocation of funding to allow achievement of FOC.</p> <p>In December 2024, the project sponsor advised the project delegate that PSS security issues had negatively impacted Navy's training outcomes in the use of the CEAFA2 fitted to the Anzac Class and that remediating this issue was required to achieve FOC.</p> | <p>The previously reported Medium level Risk 1 for the PAR simulator has now been realised as a High-level issue.</p> <p>CEA Technologies Pty Ltd has been engaged through CCP to remediate this issue, however this has resulted in the revision of the final milestone.</p> |

## Section 6 – Lessons Learned

### 6.1 Key Lessons Learned

| In line with Defence Instructions and CASG Lessons policy, the project conducts scheduled reviews of its captured lessons information (including any observations, insights and/or lessons identified) as well as lessons information contained within the Defence Lessons Repository. The project has captured three lessons. The three strategic lessons are listed below. No Project level (non-strategic) lessons were identified. |                                       |
|--|---------------------------------------|
| Description  | Categories of Systemic Lessons        |
| Strategic Lesson Type – Observation. Understanding of certification authority test requirements to ensure sufficient resources, facilities and personnel can be scheduled to minimise the chance of delays.  | Program, Project & Product Management |
| Strategic Lesson Type – Observation. Understanding of operational security requirements prior to the development of the acceptance program to minimise the chance of delays.   | Program, Project & Product Management |
| Strategic Lesson Type – Observation. Improved project assurance and governance oversight requirements, due to the uniqueness of the CEA Technologies Pty Ltd technology, has necessitated a non-traditional approach to requirements specification and acceptance.   | Corporate Performance                 |
| Project Level Lessons (non-strategic) Description  | Categories of Systemic Lessons        |
| No Project level lessons were identified in current Major Projects Report reporting period.  | N/A                                   |

## Section 7 – Project Structure

### 7.1 Project Structure as at 30 June 2025

| Unit     | Name                          |
|----------|-------------------------------|
| Division | Maritime Sustainment Division |
| Branch   | Major Surface Ships Branch    |