Project Data Summary Sheet

Project Number	**AIR6500**
Project Name	**INTEGRATED AIR AND MISSILE DEFENCE COMMAND AND CONTROL**
First Year Reported in the MPR	2024-25
Capability Type	Replacement and New
Capability Manager	Chief of Air Force
Government 1st Pass Approval	Oct 21 (Tranche 1) (Combined Government Approval) Oct 21 (Tranche 2A)
Government 2nd Pass Approval	Aug 23 (Tranche 2A)
Budget at 2nd Pass Approval	$1,086.5m
Total Approved Budget (Current)	$1,097.2m
2024–25 In-year Budget	$244.6m
Complexity	ACAT I

Section 1 – Project Summary

1.1 Project Description

The AIR6500 Phase 1, now known as AIR6500 Integrated Air and Missile Defence Command and Control (IAMD C2) project will deliver a Joint Air Battle Management System (JABMS). The JABMS comprises a foundational systems architecture for the Australian Defence Force (ADF) Integrated Air and Missile Defence (IAMD) capability, command and control systems, and sensors that will be employed to develop situational awareness of the air and space domains, manage the joint air domain, coordinate fires, and control air, ground-based air defence assets. It will create a Common Tactical Picture (CTP) that will detect, identify and coordinate the defeat of air and missile threats to the integrated, focussed force.

AIR6500 is also delivering four High Power Phased Array Radars (HPAR) to integrate with JABMS and replace current sensors. The HPAR acquisition activity is being executed as AIR6500 Tranche 1 (approved in 2021) and is broken into three key milestones: Initial Materiel Release (IMR), Operational Release 1 (OR1) and Operational Release 2 (OR2).

JABMS Minimum Viable Capability (MVC) is being delivered through AIR6500 Tranche 2A (approved in 2023) utilising an agile delivery method. System development and delivery occurs on a fixed cadence of incremental releases and scope is planned and adjusted within the releases as the project progresses. The agile delivery method allows for quicker delivery of incremental capability, whilst managing the major risks associated with high complexity integration and rapidly evolving technology and threats.

JABMS full capability and ongoing upgrades will be progressively considered for approval as a series of future 'capability target states'.

1.2 Current Status

Cost Performance

In-year

As at 30 June 2025, Financial Year (FY) 2024-25 expenditure was $231.4m against FY 2024-25 budget of $244.6m. The underspend variance is predominantly due to delivery delays of Tranche 1 HPAR.

Project Financial Assurance Statement

As at 30 June 2025, AIR6500 has reviewed the project's agreed 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 approved scope.

Contingency Statement

During FY 2023-24 AIR6500 progressed a call on contingency, which was approved in April 2024 for 'Price Escalation'. During FY 2024-25, the project has made payments associated with the approved call on contingency. No further calls on contingency have been progressed or are considered necessary for FY 2024-25.

Schedule Performance

AIR6500 Tranche 1 IMR, delivery of the first radar, is delayed due to radar production and delivery delays and currently remains at risk of further delays. Tranche 1 IMR is delayed from April 2024. Tranche 1 OR1, that provides an initial integrated operational capability, is consequently delayed from November 2024. Tranche 1 OR2, that provides additional operational capability, is delayed.

AIR6500 Tranche 2A is utilising an agile project delivery method with fixed cadence of incremental releases.

Materiel Release 1 (MR1) was delivered in December 2024 as scheduled. Planned delivery of MR2 and MR3 remain in accordance with the schedule, subject to high risks being managed including in relation to integration and certification.

The project is scheduled to deliver an agreed MVC, noting the major risks inherent with high complexity integration continue to be managed. Defence intends to define Initial Operational Capability (IOC) and Final Operational Capability (FOC) and agile delivery

of AIR6500 will continue in order to achieve IOC and FOC.

A submission for delivery of a further capability target state is under development for Government consideration.

Materiel Capability/Scope Delivery Performance

Tranche 1 (approved 2021) is delivering four CEA Technologies Pty Ltd supplied HPAR to replace existing air defence radars, integrated with the existing Air Battle Management System. These systems have not yet been delivered.

Tranche 2A (approved 2023) is delivering JABMS MVC noting the major risks inherent with high complexity integration continue to be managed. The agile delivery method is utilised to manage scope amongst the fixed schedule releases, ensuring the highest value capability is delivered to Defence as a priority. As of 30 June 2025 the project has delivered MR1.

1.3 Project Context

Background

The AIR6500 IAMD C2 project will deliver a JABMS. The JABMS comprises a foundational systems architecture for the ADF's IAMD capability, command and control systems, and sensors that will be employed to develop situational awareness in the air and space domains, manage the joint air domain, coordinate fires, and control air and ground-based air defence assets. It will create a CTP that will detect, identify and coordinate the defeat of air and missile threats to the integrated, focussed force.

Project name has changed from AIR6500 Phase 1 Joint Air Battle Management System, to AIR6500 Integrated Air and Missile Defence Command and Control as an outcome of the 2024 Integrated Investment Program.

As highlighted within the 2024 National Defence Strategy, the strategic and technological environment in which JABMS will operate is changing rapidly as the IAMD threat evolves. As such, the JABMS is being designed with an open extensible design and a development process that is optimised to respond to the changing threat and operating environment.

In October 2020, Government approved the AIR6500 Competitive Evaluation Process (CEP) to select a Strategic Partner (including Prime System Integrator (PSI)) for delivery of the JABMS. The CEP Stage 1 proceeded with four Australian subsidiaries of United States (US) Primes: Lockheed Martin Australia Pty Ltd, Northrop Grumman Australia Pty Ltd, Boeing Defence Australia Pty Ltd and Raytheon Australia Pty Ltd. In August 2021, the Commonwealth of Australia (CoA) announced the selection of Lockheed Martin Australia Pty Ltd and Northrop Grumman Australia Pty Ltd to proceed to CEP Stage 2. CEP Stage 2 consisted of a series of risk reduction activities and a tender evaluation, culminating in the recommendation for selection of a single Strategic Partner.

In October 2021, Government provided Combined Pass Approval of the acquisition of four HPAR sensors from CEA Technologies Pty Ltd to replace the current Tactical Air Defence Radar System. AIR6500 is executing the HPAR acquisition activity as Tranche 1, broken into three key delivery milestones; IMR, OR1 and OR2.

In August 2023, Government announced selection of Lockheed Martin Australia Pty Ltd as the AIR6500 Strategic Partner and funding approval for delivery of Tranche 2A.

Tranche 2A will deliver improved network architecture, deployable air-battle management systems and initial integration with priority in-service Joint Force capabilities.

In September 2023, the CoA executed an Advanced Work Arrangement (AWA) with Lockheed Martin Australia Pty Ltd. This contract successfully allowed the CoA and Lockheed Martin Australia Pty Ltd to collaboratively develop the JABMS Capability Delivery Roadmap (CDRM), mobilise Lockheed Martin Australia Pty Ltd in preparation for the Head Contract, negotiate the terms of the Head Contract, and deliver an Operational Evaluation System (OES) to enable operational feedback to the JABMS development environment.

In March 2024, the CoA executed a Head Contract with Lockheed Martin Australia Pty Ltd as the Strategic Partner and PSI for Tranche 2A delivery.

JABMS full capability and ongoing upgrades will be progressively considered for approval as a series of future 'capability target states', the next of which is currently in development.

Uniqueness

The JABMS MVC being delivered in AIR6500 Tranche 2A forms the foundation of the future ADF IAMD capability to allow accelerated insertion of new capability to counter emerging and future threats.

The JABMS is a novel approach to multi-domain operations, with no mature global exemplars directly related to the Australian context. The core JABMS architecture is not available off-the-shelf and is being developed within Australia, with reach back to US expertise and technology allowing Australia to control how and when it integrates new functions and capability. Capability needs and schedule are driving the following project management and execution principles:

- Adoption of an agile (rather than waterfall) system development and capability delivery methodology that is viewed as best practice for software intensive development, allowing incremental capability upgrades sooner.
- Lockheed Martin Australia Pty Ltd as the Australian Industry Strategic Partner acts as both the PSI, working with other suppliers to deliver and integrate JABMS, and as an enterprise partner. Together with Defence, Lockheed Martin Australia Pty Ltd uses its IAMD and project execution expertise to plan and deliver best-for-Defence JABMS capability cognisant of broader IAMD capability program needs.
- Implementation of an open approach to mission and support systems, to maximise opportunities for technological enhancement, sovereignty and avoid vendor lock in.

The agile delivery method means system development and delivery occurs on a fixed cadence of incremental releases and scope is planned and adjusted within the releases as the project progresses. The agile delivery method allows for quicker delivery of incremental capability, whilst managing the major risks associated with high complexity integration and rapidly evolving technology and threats.

Major Risks, Emergent Risks and Issues

Project is not managing any High or Very High Risks.

The project is managing the following High or Very High emergent risks:

- Insufficient expertise and workforce capacity available.
- Integration across all project elements.
- Supply Chain issues impacting delivery.

The project is managing the following High or Very High issues:

- On-time delivery of interdependencies.

Other Current Related Projects/Phases

The AIR6500 has dependencies on ADF projects across the integrated force due to the projects role as a Command and Control (C2) system. Other related project dependencies include integrated force IAMD capabilities, C2 systems, and communications systems, network capabilities, targeting enterprise, surveillance capabilities and space-based capabilities. Critical Dependencies include:

JP9347 – Joint Data Network. JP9347 will deliver capability that enhances command and control and shared situational awareness of the ADF by enabling the assured exchange of tactical data across the integrated force, allies and partners.

AIR2025 – Jindalee Operational Radar Network (JORN) (all Phases). AIR2025 will deliver a major redesign and enhancement to the JORN and extend the Life of Type.

Section 2 – Financial Performance[1]

2.1 Project Budget (out-turned) and Expenditure History

Date	Description	$m		Notes
	Project Budget			
Apr 20	Early Access Funding	43.9		
Mar 21	Early Access Funding Supplementation	16.7		
Sep 21	Real Variation – Transfer	6.0		1
Oct 21	Original Approval (Government First Pass Approval)	286.5		2
Apr 22	Real Variation – Transfer	(15.4)		3
Apr 23	Real Variation – Transfer	30.0		4
Aug 23	Government Second Pass Approval	718.8		
	Total at Second Pass Approval		**1,086.5**	
Jun 25	Exchange Variation		10.7	
Jun 25	**Total Budget**		**1,097.2**	
	Project Expenditure			
Prior to Jul 24	Contract Expenditure – Lockheed Martin Australia Pty Ltd	(113.8)		5
	Contract Expenditure – Competitive Evaluation Process (CEP)	(95.5)		6
	Contract Expenditure – CEA Technologies Pty Ltd	(91.1)		
	Contract Expenditure – Amentum Australia Pty Ltd (Integrated Work Package [IWP]).	(45.4)		
	Other Contract Payments/Internal Expenses	(22.1)		
			(367.9)	
FY to Jun 25	Contract Expenditure – Lockheed Martin Australia Pty Ltd	(196.7)		
	Contract Expenditure – Amentum Australia Pty Ltd (IWP)	(11.6)		7
	Contract Expenditure – CEA Technologies Pty Ltd	(7.2)		
	Other Contract Payments/Internal Expenses	(15.9)		
			(231.4)	
Jun 25	**Total Expenditure**		**(599.3)**	
Jun 25	**Remaining Budget**		**497.9**	

Notes	
1	Transfer of Air Force Headquarters project administrative budget to Capability Acquisition and Sustainment Group (CASG) to manage.
2	Government Approval in October 2021 provided Tranche 1 Combined Pass Approval and Tranche 2A – First Pass Approval.
3	Transfer of CASG budget to Security and Estate Group to manage.
4	Transfer of Defence Digital Group budget to CASG to manage.

[1]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.

5	Includes both the AWA Contract and Head Contract as Strategic Partner.
6	The CEP consisted of shortlisting from four contenders to two, prior to selecting the Strategic Partner, to inform Government Second Pass Approval. The four companies were Lockheed Martin Australia Pty Ltd, Northrop Grumman Australia Pty Ltd , Boeing Defence Australia Pty Ltd and Raytheon Australia Pty Ltd.
7	During FY 2024-25, Jacobs Australia Pty Ltd merged with Amentum Australia Pty Ltd to continue the IWP arrangements for AIR6500.

2.2A In-year Budget Estimate Variance

Estimate PBS $m	Estimate PAES $m	In-year Budget $m	Explanation of Material Movements
235.4	243.3	244.6	Portfolio Budget Statements (PBS) to Portfolio Additional Estimates Statements (PAES): The variation is due to a combination of additional Government Furnished Material requirements, increased Lockheed Martin Australia Pty Ltd head contract costs, and increased costs associated with Tranche 2B facilities planning within FY 2024-25. PAES to In-year Budget: Increase of $1.3m between PAES and In-year Budget was due to updates from the Mid-Year Economic and Fiscal Outlook FY 2024-25 price basis to the PBS FY 2025-26 price basis.
Variance $m	7.9	1.3	Total Variance ($m): 9.2
Variance %	3.3	0.5	Total Variance (%) 3.9

2.2B In-year Budget/Expenditure Variance

In-year Budget $m	Actual $m	Variance $m	Variance Factor	Explanation
		(12.2)	Australian Industry	Australian Industry: • Predominantly due to delays with Tranche 1 Radar deliveries. • Changes to planned Industry Advisory Team activities. Defence Processes: • Delays in tasking under US Foreign Military Sales activities.
			Foreign Industry	
			Early Processes	
		(1.0)	Defence Processes	
			Foreign Government Negotiations/Payments	
			Cost Saving	
			Effort in Support of Operations	
			Additional Government Approvals	
244.6	231.4	**(13.2)**	**Total Variance**	
		(5.4)	**% Variance**	

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			
Amentum Australia Pty Ltd	Jun 20	21.0	58.5	Variable	Standard Defence Contract	1
Competitive Evaluation Process (CEP)	Jul 20	96.6	95.5	Firm (or Fixed)	Standard Defence Contract	2
CEA Technologies Pty Ltd	Nov 21	102.8	129.0	Firm (or Fixed)	Standard Defence Contract	-
Lockheed Martin Australia Pty Ltd – Advanced Work Arrangement (AWA)	Sep 23	101.3	101.3	Cost Ceiling (capped)	Standard Defence Contract	3
Lockheed Martin Australia Pty Ltd – Strategic Partner - Head Contract	Mar 24	624.6	624.6	Cost Ceiling (capped)	Standard Defence Contract	4

Notes	
1	During FY 2024-25, Jacobs Australia Pty Ltd merged with Amentum Australia Pty Ltd. Contract value is the estimated project share of the Branch IWP Contract and is based on the estimate of project expenditure to 30 June 2025 and remaining commitment. This contract is expected to increase as further work packages are agreed.
2	The CEP consisted of shortlisting from four contenders to two, prior to selecting the Strategic Partner, to inform Government Second Pass Approval. The four companies were Lockheed Martin Australia Pty Ltd, Northrop Grumman Australia Pty Ltd, Boeing Defence Australia Pty Ltd and Raytheon Australia Pty Ltd.
3	Lockheed Martin Australia Pty Ltd was awarded the AWA prior to undertaking Contract negotiation for the Strategic Partner Head Contract that ran from September 2023 to March 2024.
4	Defence engaged Lockheed Martin Australia Pty Ltd under the Head Contract in March 2024 as Strategic Partner for the development of the JABMS under Tranche 2.

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

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 25		
Amentum Australia Pty Ltd	N/A	N/A	Service based IWP.	-
CEA Technologies Pty Ltd	4	4	4 x HPAR-64SG radar systems.	-
Lockheed Martin Australia Pty Ltd - Strategic Partner – Head Contract	N/A	N/A	Delivery of all elements of the project CDRM, including Tranche 2A delivery. Including incremental delivery of Joint Tactical Operations Centre capabilities, communication, integration with sensors, persistent operations equipment, power supply, transport, training & maintenance support, and facilities. MVC as defined by the Capability Manager.	-
Lockheed Martin Australia Pty Ltd – Advanced Work Arrangement (AWA)	N/A	N/A	Development and delivery of the planning baseline for the Tranche 2A Operational Capability in preparation for the Head Contract. Conduct of early work to support timely delivery of the Tranche 2A Operational Capability. Planning and reduction of technical debt for potential future Tranches.	-

Major equipment accepted and quantities to 30 Jun 25
Tranche 1 – These systems have not yet been delivered.
Tranche 2A – MR1 (delivered December 2024) comprising the first configuration of JABMS, which is a series of hardware and software components, to the CASG. This included the first elements of the first increment of the modular Joint Tactical Operations Centres on initial hardware running the initial software configuration, persistent operations equipment and software, support and training. Interim Operational and Test Evaluation of MR1 will commence in 2025.

Notes	
N/A	N/A

2.4 Australian Industry Capability

Summary
The project has no contracted Australian Industry Capability (AIC) Plan with Amentum Australia Pty Ltd however indirectly has an AIC Plan for CEA Technologies Pty Ltd and directly a contracted AIC Plan with Lockheed Martin Australia Pty Ltd. Amentum Australia Pty Ltd are one of several contractors under the Defence CASG wide Major Service Provider contract that only provides an above the line 100% Australian work force to projects through discreet work packages. CEA Technologies Pty Ltd is an Australian designer and manufacturer of sovereign advanced phased array radars. CEA Technologies Pty Ltd do have an AIC Plan which is managed outside the project within another part of CASG. CEA Technologies Pty Ltd key AIC Plan commitment is to deliver four identically configured HPAR-64SG. Lockheed Martin Australia Pty Ltd's AIC Plan includes an Australian Contract Expenditure percentage commitment of 60% for the initial contract period. In part they are achieving this through four pillars namely: • Sovereign Capability to maximise sovereign content and applying the best Australian technologies and Intellectual Property. • Co-Development of Joint Technologies with the U.S. to embed Australian Industry into Next Generation IAMD capability development. • Australian Industry Engagement including with Subject Matter Experts and research organisations in key areas to maximise opportunities for Australian Industry. • Skilling, Industry Development and Science, Technology, Engineering and Mathematics engagement to strengthen the IAMD workforce pipeline in Australia to deliver enduring competitive, sustainable industry capabilities for the future.

Note
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
SCT2A.02 Technical Review	T2A JABMS System Configuration Tranche 2A.02 (SCT2A.02)	Aug 24	Aug 24	Aug 24	0	1
SCT2A.02 Test Readiness Review	T2A JABMS SCT2A.02	Nov 24	Nov 24	Nov 24	0	1
SCT2A.02 Physical Configuration Audit	T2A JABMS SCT2A.02	Dec 24	Dec 24	Dec 24	0	1

T2A System Acceptance Audit	T2A JABMS	NFP	NFP	NFP	NFP	1

Notes	
1	AIR6500 T2A utilises a continuous approach to design reviews. The design review process is implemented against smaller capability work packages, called Epics, which are assessed for design maturity through Technical Reviews. Technical Reviews combined with other activities achieve the purpose of design reviews on an Epic-by-Epic basis. Technical Reviews occur at regular intervals in every Program Increment. Program Increments (PIs) are three month blocks of time. Each System Configuration, which results from a collection of Epics, undergoes Physical Configuration Audit, Test Readiness Review and System Acceptance Audit prior to delivery, which occur at the end of each Program Increment.

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	T2A-MR1	Dec 24	Dec 24	Dec 24	0	1
System Integration	T2A-MR2	NFP	NFP	NFP	NFP	1
System Integration	T2A-MR3	NFP	NFP	NFP	NFP	1
First of Type Factory Acceptance Test (FAT)	HPAR 64SG	Nov 23	Nov 23	Oct 24	11	2
Factory Release Test (FRT) Unit No.2	HPAR 64SF No.2	Nov 23	Nov 23	NFP	NFP	2
Factory Release Test (FRT) Unit No.3	HPAR 64SF No.3	May 24	May 24	NFP	NFP	2
Factory Release Test (FRT) Unit No.4	HPAR 64SF No.4	Jun 24	Jun 24	NFP	NFP	2
Acceptance	T2A-MVC	NFP	NFP	NFP	NFP	3

Notes	
1	The AIR6500 Tranche 2 JABMS Test and Evaluation Master Plan details the test and evaluation lifecycle.
2	System defects identified in radar construction delayed the production run of the CEA Technologies Pty Ltd radars, resulting in the subsequent delay to all FAT milestones.
3	Achievement of Tranche 2A MVC constitutes Materiel System Acceptance.

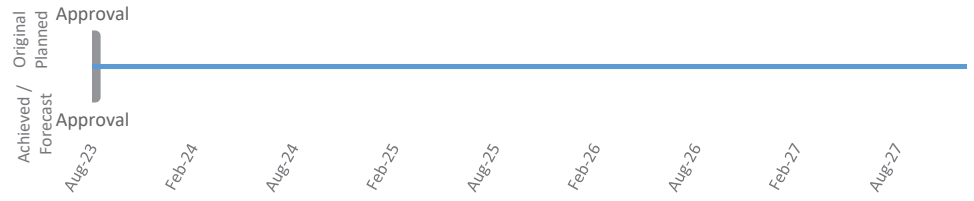
3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Tranche 1 Initial Materiel Release (T1-IMR)	Apr 24	NFP	NFP	7
Tranche 1 Operational Release 1 AIR 6500 Tranche 1 (T1- OR1)	Nov 24	NFP	NFP	8
Tranche 1 Operational Release 2 AIR 6500 Tranche 1 (T1-OR2)	Apr 25	NFP	NFP	9
Materiel Release Zero AIR 6500 Tranche 2A (Operational Evaluation System) (T2A-MR0)	Mar 24	Mar 24	0	-
Materiel Release One AIR 6500 Tranche 2A (T2A-MR1)	Dec 24	Dec 24	0	1
Materiel Release Two AIR 6500 Tranche 2A (T2A-MR2)	NFP	NFP	NFP	6
Materiel Release Three AIR 6500 Tranche 2A (T2A-MR3)	NFP	NFP	NFP	-
Minimum Viable Capability (T2A-MVC)	NFP	NFP	NFP	2
Initial Operational Capability (IOC)	NFP	NFP	NFP	3
Final Operational Capability (FOC)	NFP	NFP	NFP	4, 5

Notes	
1	MR1 was defined as System Configuration T2A.02.
2	At Government 2nd Pass Approval in August 2023, Government agreed to the project delivering a MVC in lieu of IOC.
3	At Government 2nd Pass Approval in August 2023, Government agreed to the project delivering a MVC in lieu of IOC. Defence intends to define IOC and FOC for the project.

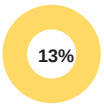
4	At Government 2nd Pass Approval in August 2023, Government agreed to an FOC to be delivered by a future Tranche.
5	An IMR and FMR Milestones are not part of approved AIR6500 project scope.
6	MR1 is defined as System Configuration T2A.05.
7	IMR has been delayed. The delay is attributed to production issues and ongoing issues with documentation to support product acceptance and introduction into service.
8	OR1 has been delayed. The delay is attributed to delays in IMR achievement and associated integration design delays.
9	OR2 has been delayed from April 2025. The delay is attributed to delays in IMR achievement and associated integration design delays.

Schedule Status at 30 June 2025
Dates associated with capability realisation are NFP



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	
	**Green:** All Tranche 1 capability is expected to be delivered. The project has delivered 18/19 Epics planned as part of the T2A-MR1 milestone. The T2A-MR2 and T2A-MVC activities are currently underway and are planned to be met within the milestone timeframes, subject to the high risks being managed, including related to integration and certification.
	**Amber:** Delivering the JABMS at speed is a difficult task with high risks being managed, including in relation to integration and certification. Whilst T2A-MVC is planned to be met within the milestone timeframe, an estimated 13% of the scope is at risk within that period. The agile delivery methodology is being used to ensure the highest value capability and support elements are delivered for operations, incrementally and as quickly as possible.
	**Red:** N/A
Note	
This Traffic Light Diagram represents Defence's expected capability delivery.	

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Tranche 1 Initial Materiel Release (T1-IMR)	IMR is a transition milestone and marks the delivery and release of project supplies. Forecast date for TR1 IMR is NFP.	Not yet Achieved
Tranche 1 Operational Release 1 AIR 6500 Tranche 1 (T1- OR1)	OR1 is the capability state relating to the in-service realisation of the first subset of HPAR integration. Forecast date for TR1 OR1 is NFP.	Not yet Achieved
Tranche 1 Operational Release 2 AIR 6500 Tranche 1 (T1-OR2)	OR2 is the capability state relating to the in-service realisation of the final subset of HPAR integration. Forecast date for TR1 OR2 is NFP.	Not yet Achieved
Materiel Release Zero AIR 6500 Tranche 2A (Operational Evaluation System) (T2A-MR0)	Release Zero incorporates the following elements: • CoA onboarding into Lockheed Martin Australia Pty Ltd systems. • Delivery to the CoA of an approvable CDRM.	Achieved

	• Delivery of a functioning OES, to support operator feedback into Lockheed Martin Australia Pty Ltd development environment. *Note that T2A-MR0 is delivered as a milestone of the AWA Contract. TR2A MR0 was achieved in March 2024.	
Materiel Release One AIR 6500 Tranche 2A (T2A-MR1)	MR1 represents the first JABMS deliverable to CASG under the Head Contract. It represents a subset of the JABMS that the contractor has deemed ready for integration with other Fundamental Inputs to Capability elements. Operational evaluation of MR1 has commenced. MR1 is the milestone that marks the delivery and release of project supplies comprising the total output of Release 1 (R1) of the Head Contract. R1 is comprised of a number of PIs and subordinate sprints. MR1 is defined by the CDRM and Project Increment Plan (PGIP) managed in contract. High-level limitation was the system requiring additional security by design development (cyber security) to enable obtaining further Authorities To Operate in order to integrate with other Defence systems.	Achieved
Materiel Release Two AIR 6500 Tranche 2A (T2A-MR2)	MR2 represents the second JABMS deliverable under the Head Contract. It represents a subset of the JABMS that the contractor has deemed ready for integration with other FIC elements. MR2 is the milestone that marks the delivery and release of project supplies comprising the total output of Release 2 (R2) of the Head Contract. R2 is comprised of a number of PIs and subordinate sprints. MR2 is defined by the CDRM and PGIP managed in contract. Forecast date for TR2A MR2 is NFP.	Not yet Achieved
Materiel Release Three AIR 6500 Tranche 2A (T2A-MR3)	As the final deliverable, MR3 will mark the delivery and release of all project supplies needed to realise MVC under Tranche 2A. Delivery and release of all materiel required by the contract to deliver MVC is a milestone payment under the Head Contract. MR3 represents the final JABMS deliverable under the Head Contract. It represents a subset of the JABMS that the contractor has deemed ready for integration with other FIC elements. MR3 is the milestone that marks the delivery and release of project supplies comprising the remaining output of Tranche 2A delivered under the Head Contract. R3 is comprised of a number of PIs and subordinate sprints. MR3 is defined by the CDRM and PGIP managed in contract. Forecast date for TR2A MR3 is NFP.	Not yet Achieved
Minimum Viable Capability (T2A-MVC)	Tranche 2A will deliver an MVC that addresses obsolescence issues of deployable elements of the current Air Battle Management System and integrates priority IAMD capabilities. TR2A MVC is forecast to be achieved noting the major risks inherent with high complexity integration continue to be managed. Forecast date for TR2A MVC is NFP.	Not yet Achieved
Initial Materiel Release (IMR)	Not part of project scope.	Not Applicable
Initial Operational Capability (IOC)	Defence intends to define IOC.	Not yet Achieved
Final Materiel Release (FMR)	Not part of project scope.	Not Applicable
Final Operational Capability (FOC)	Defence intends to define FOC.	Not yet Achieved

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
1	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
1	Insufficient expertise and workforce capacity available. There is a risk that obtaining and maintaining sufficient expertise and workforce capacity is affected by finite resources within the market able to support level of complexity and required system capability, leading to an impact on the timely delivery of the required IAMD C2.	CoA will maintain oversight and glean insight into workforce capability levels through ongoing communications with Lockheed Martin Australia Pty Ltd as per the Strategic Partnership, supported by the Head Contract. The agreed use of Agile delivery and execution further support this through the ability to focus resources on priorities, and utilise the appropriate level of Governance. The project has an Industry Advisory Team available and will maintain situational awareness and be able to engage stakeholders to assist with forward resource planning. The underlying risks are managed in accordance with the Integrated Project Risk Management Plan, whereby Very High risks are reviewed on a weekly basis, and High risks on a monthly basis. The same are routinely reported to governance Boards at working and senior levels.
2	Integration across all project elements. There is a risk that IAMD C2 achieving required levels of integration is affected by technical, security and certification complexity, workforce capacity and unknown unknowns within external systems and interfaces, leading to an impact on ability to deliver MVC within agreed timeframes.	The project will work closely with Lockheed Martin Australia Pty Ltd via the mechanisms of Strategic Partnership and Head contract, such that the level of integration risk is understood and is able to be mitigated to the appropriate extent. The iterative and incremental nature of agile project management and governance methodology supports mitigation of complexity through scope sequencing. The project will deliver capability incrementally, allowing for iterative reduction of unknowns. The underlying risks are managed in accordance with the Integrated Project Risk Management Plan, whereby Very High risks are reviewed on a weekly basis, and High risks on a monthly basis. The same are routinely reported to governance Boards at working and senior levels.
3	Supply Chain issues impact delivery. There is a risk that delivery of IAMD C2 within the capability timeframes is affected by supply chain issues such as International Traffic and Arms Regulators considerations and long lead-time items, leading to impacts on capability outcomes.	The project will work closely with Lockheed Martin Australia Pty Ltd via the mechanisms of Strategic Partnership and Head contract, such that the level of integration and supply chain risk is understood and is able to be mitigated to the appropriate extent. The Strategic Partner is able to reach back into their parent company and utilise relationships with the US Government to assist with prioritisation of JABMS. The project has identified Stakeholders and will continue to actively and deliberately manage those to support delivery. The project will utilise established means to diversify supply chains and maximise participation of local manufacturers. The underlying risks are managed in accordance with the Integrated Project Risk Management Plan, whereby Very High risks are reviewed on a weekly basis, and High risks on a monthly basis. The same are routinely reported to governance Boards at working and senior levels.

5.3 Major Project Issues

Ref#	Description	Remedial Action
1	On-time delivery of interdependencies. Some project interdependencies have been delayed, but the consequences have been managed so far to still achieve MVC within agreed timeframes.	The Project will continue to work with stakeholders to ensure visibility is maintained at the highest appropriate level to reduce impact of dependency issues. The iterative and incremental nature of agile project management and governance methodology supports mitigation of complexity through scope sequencing. Contracts will be leveraged to support fit for purpose and on-time delivery where possible. The underlying risks are managed in accordance with the Integrated Project Risk Management Plan, whereby Very High risks are reviewed on a weekly basis, and High risks on a monthly basis. The same are routinely reported to governance Boards at working and senior levels.

Section 6 – Lessons

6.1 Key Lessons

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 45 lessons. The three project strategic lessons and the five project level lessons (non-strategic) are listed below.	
Strategic Lessons Description	**Categories of Systemic Lessons**
Strategic Lesson Type – Observation. CASG project team's ability to embrace Agile project management methodology. CASG project teams must be ready to be agile (be trained, competent, have the right leadership team in place, and be supported by a local organisation that includes end user stakeholders [Capability Manager representatives] prepared to support the project team execute in an agile manner). Agile project delivery necessitates a different mindset and culture to be cultivated, compared to traditional project delivery.	Program, Project & Product Management
Strategic Lesson Type – Observation. CoA ability to support Agile delivery. The iterative nature and speed of agile development requires a different approach to project approval and certification processes to ensure the project has flexibility in delivery to respond to changing capability needs and technical opportunities. The CASG Quality Management System and Defence organisations and associated processes are aligned to traditional project delivery supporting 'waterfall' based acquisitions with fixed capability scope that is defined in the early stages of the One Defence Capability System. Continuous delivery of materiel (capability) may be delayed by CoA processes that are not optimised or able to be adjusted to support Agile delivery. CASG and Defence acquisition reform is underway, with AIR6500 and similar projects providing an example and focus for the reform.	Program, Project & Product Management
Strategic Lesson Type – Observation. Clearer definitions of the scope (Epics) being delivered, the roles and responsibilities and prioritisation across the Epics is required to inform system design, early identification of Government Furnished Materiel (Long Lead and Export Controlled Items), and delivery of Epics and system capability. This is intended to be improved through the Engineering processes being refined between the CoA and the Strategic Partner.	Program, Project & Product Management
Project Level Lessons (non-strategic) Description	**Categories of Systemic Lessons**
Project level lesson. Epic Prioritisation framework to be identified.	Engineering & Technical
Project level lesson. Improved Contractor understanding of Royal Australian Air Force specific processes and quality expectations required for delivery.	Commercial Management
Project level lesson. Contractors' limited exposure to Defence specific processes.	Program, Project & Product Management
Project level lesson. Innovative project assurance and governance requirements are necessary due to the uniqueness of the AIR6500 agile delivery.	Corporate Performance
Project level lesson. Appropriately resourcing Government Furnished Equipment team/deliverables.	Materiel Logistics

Section 7 – Project Structure

7.1 Project Structure as at 30 June 2025

Unit	Name
Division	Air Defence and Space Systems Division
Branch	Air Defence Systems Branch