

GLADSTONE PORTS CORPORATION 50 YEAR STRATEGIC VISION

Precinct Outlook

PORT CENTRAL FISHMAN'S LANDING PORT OF ROCKHAMPTON PORT OF BUNDABERG



It is critical that our Ports are developed in a systematic and sustainable manner to facilitate the continued growth of trade. Planning is a vital part of that process.

Strategic planning is essential to sustainable economic, environmental and social outcomes. Gladstone Ports Corporation (GPC) has prepared a long term Strategic Outlook to guide the reconfiguration of development at the Port of Bundaberg. This plan forms part of GPC's 50 year Strategic Plan. The Precinct Outlook is founded on:

- Efficient operation of the port to delivering financial and economically sustainable benefits for Queensland and the Wide Bay Burnett region
- Strategic and responsible planning for resilience into the future
- Sustainable development and maintenance with a focus on continuous improvement to minimise environmental impacts
- Sustainably managing strategic infrastructure and assets
- Facilitating regional trade to support regional development
- Forging enduring connections and integration within the community in which the port operates.



The Historical Value

Operating from the Town Reach along the Burnett River, the Bundaberg Harbour Board was established in 1895 and facilitated the trade of timber, general cargo and bagged sugar. In 1958 the Port of Bundaberg moved from the Town Reach to its current location near the Burnett River mouth in support of the growing sugar industry. Significant investment into the construction of rock walls and dredging was undertaken by the Harbour Board to accommodate larger vessels of up to 180m for the sugar industry. In June 2001, a large capital dredging project was undertaken to increase the shipping capability of the Port of Bundaberg to cater for even larger vessels.

In October 2007 the Bundaberg Port Authority merged with the Port of Brisbane and following its privatisation in November 2009, the Port of Bundaberg was transferred to GPC.

CHALLENGES:

To grow, the Port of Bundaberg must evolve in conjunction with incremental opportunities to optimise existing infrastructure without over investment to service domestic trends and global shifts.

River ports are generally subject to vessel size restrictions and the influence of sedimentation due to flooding events.

RESPONSE:

The focus of this PRECINCT OUTLOOK is potential development that supports sustainable port trade and minimises impacts on the surrounding sensitive receptors. The long term planning of the Port of Bundaberg is key to unlocking the economic potential of the Wide Bay Burnett region catchment. The region is well placed to take advantage of the considerable economic development opportunities emanating from changing global and national markets.

In 2017 the State Government highlighted the strategic importance of the Port of Bundaberg to the Wide Bay Burnett region through the declaration of the Bundaberg State Development Area (SDA).

Opportunity for Port of Bundaberg

“Positioning for Prosperity? Catching the next wave”,¹ a 2018 study by Deloitte economics predicts the fastest growing sectors over the next five years will be gas, tourism, agribusiness and health. The Wide Bay Burnett region has quality agricultural land and mineral deposits and its proximity to Asia sets the region up for long term sustainable growth should it capitalise on continuing national and international demand for these growth industries.

The Fraser Coast and Bundaberg have been identified as Queensland’s fastest growing tourism industry regions with the Port of Bundaberg strategically positioned to service and intensify this regional economic growth industry.

¹ Deloitte; Positioning for Prosperity? Catching the next wave (2015)



Meeting Demand - A Role for the Port of Bundaberg

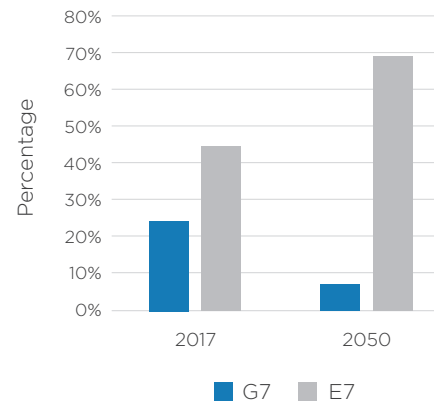
By 2050, the top 7 emerging economies (E7) are projected to have increased their share of world GDP from around 35 per cent to almost 50 per cent. The E7 economies of Brazil, China, India, Indonesia, Mexico, Russia and Turkey are forecast to expand at an annual average rate of almost 3.5 per cent over the next 34 years, compared to just 1.6 per cent for the top 7 advanced nations of Canada, France, Germany, Italy, Japan, the UK and the US. China is set to become the biggest economy in the world, with India in second place and Indonesia in fourth².

The rise of emerging global markets, in particular the Asian economies, open new market opportunities for the Wide Bay Burnett region. Growing urbanisation and wealth in Asia, combined with rising food security, will drive continuing demand for agriculture, natural resources, tourism and emerging new value-added products.

In the 2017/18 financial year the Port of Bundaberg exported products to six different international markets¹.

The Wide Bay Burnett region can take advantage of emerging global markets to enhance economic growth through export revenue and attracting investment. The region has an abundance of exportable commodities and minerals that are rising in demand in these economies.

Australian export projections²



¹ Deloitte Access Economics: Building the trade and economic potential of the Wide Bay Burnett region – Report; September 2018 (unpublished)

² PwC World in 2050, 2017 <https://www.pwc.com/gx/en/issues/economy/the-world-in-2050.html>

Port of Bundaberg Strategic Context

CHALLENGES:

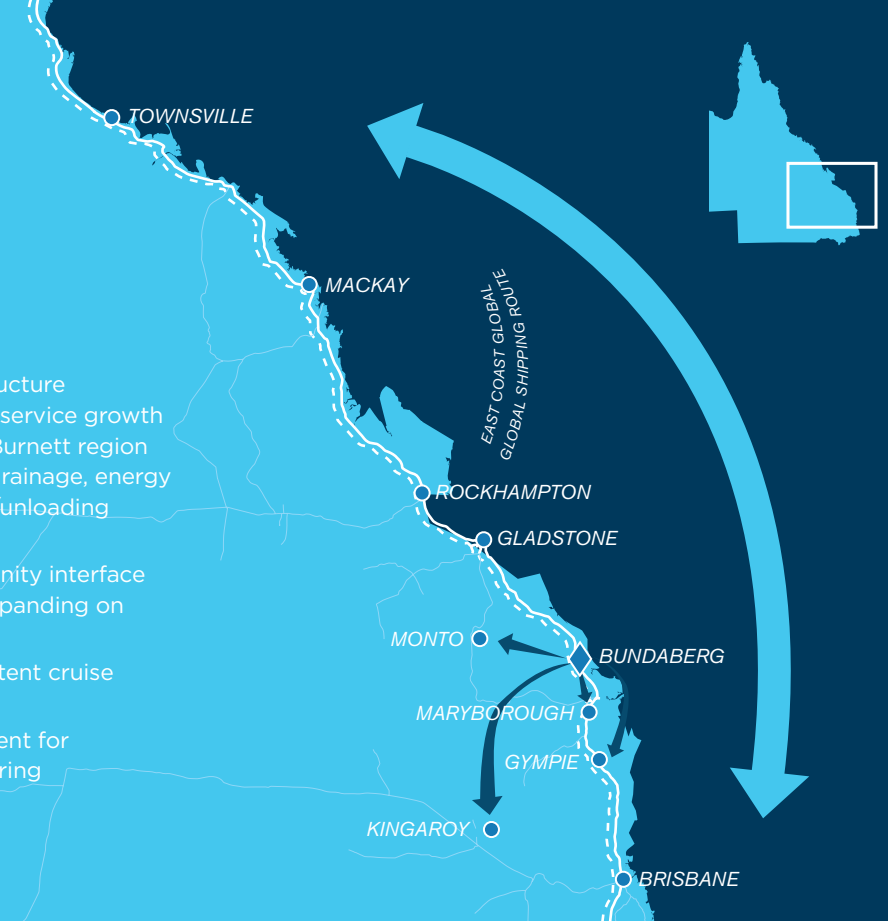
- Transport infrastructure and connectivity to make the region accessible to growing markets
- Continuing to develop the Port of Bundaberg in an economic, environmental and socially sustainable manner
- Facilitating a sustainable cruise ship industry
- Proximity to the community
- River port location
- Incremental growth without capital investment

OPPORTUNITIES:

- State Development Area
- Outside the Great Barrier Reef World Heritage Area
- Additional wharf options
- Optimising existing under-utilised assets
- Global economic trade shifts
- Growing regional tourism demands
- Coastal and transhipping facility

RESPONSE:

- Identified infrastructure improvements to service growth in the Wide Bay Burnett region including roads, drainage, energy and bulk loading/unloading infrastructure
- Improved community interface differentiation: expanding on buffers
- Securing a consistent cruise ship industry
- Access arrangement for infrastructure sharing



Purpose

The Port of Bundaberg Precinct Outlook is intended to convey GPC's long term vision for the precinct and provide guidance on the likely reconfiguration and development of the precinct.



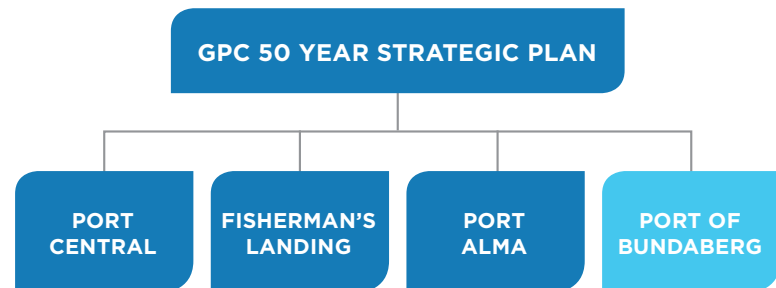
GROWTH SCENARIO -INFRASTRUCTURE MILESTONES



All infrastructure improvements or upgrades identified will be triggered by project demands and requirements. All infrastructure improvements are interchangeable between growth scenarios.

The beyond 50 year plan identifies a possible outer harbour development. The trigger for this level of development will require capital investment from a significant project. The outer harbour development is not committed to a timeframe due to scale and magnitude of development. There is no immediate underpinning trade requirement.

The Port of Bundaberg Precinct Outlook is one of the informing elements to GPC's overall 50 year Strategic Plan.



Australian and Queensland Government Alignment

The Port of Bundaberg Precinct Outlook has been prepared to align with the federal and state government policy positions on maximising regional economies through trade facilitation, protection of supply chain infrastructure, infrastructure optimisation, delivering sustainable economic, environmental and social outcomes through strategic and responsible planning. The following legislation, polices and plans have been considered in this document.

- Australian Infrastructure Plan
- National Ports Strategy
- Wide Bay Burnett Regional Plan
- Queensland Moving Freight Strategy
- State Infrastructure Plan
- Deloitte Access Economics : Building the trade and economic potential of the Wide Bay Burnett region – Report; September 2018 (unpublished)



Sustainability Objectives



Economic

OPPORTUNITIES

- Promote, facilitate and develop prosperity for the Wide Bay Burnett region through the facilitation of new trade
- Unique natural environment with abundant natural resources
- Tourism industry including boutique cruise ship destination
- Transshipping facility
- Long term planning
- Job creation for the region
- Adjoining the State Development Area
- Waterfront residential development.

CHALLENGES

- Focus on optimisation of existing infrastructure prior to new infrastructure
- Ensure future land uses are compatible with the future direction of the Port of Bundaberg.

FUTURE RESPONSES

- Identification of trade pathways and infrastructure requirements
- Diversification of trade options into and from the Port of Bundaberg
- Facilitate landmark waterfront residential developments
- Facilitate improvements in supply chain efficiency and resilience
- Facilitate master-planned tourism, lifestyle and leisure precinct within Burnett Heads Boat Harbour
- Infrastructure sharing and optimisation arrangements.

Environmental

OPPORTUNITIES

- Outside of the Great Barrier Reef Marine Park and World Heritage Area boundary
- Guide innovation for new tenants to incorporate sustainable design and clean energy outcomes
- Existing land & sea infrastructure.

CHALLENGES

- The Port is located within the Burnett River
- Neighbouring the environmental reserve Mon Repo
- The establishment of low impact, ecologically sustainable trades
- Support minimal draft vessels into the Port of Bundaberg berths.

FUTURE RESPONSES

- Focus on optimisation of existing infrastructure prior to construction of new infrastructure
- Land reconfiguration to enhance environmental maturity
- Long Term Maintenance Dredging Management Plan.

Social

OPPORTUNITIES

- Job creation for the region
- Boutique cruise ship destination
- Progressively expand buffers between port land and urban neighbours.

CHALLENGES

- Urban and port compatibility
- Continuous improvement of the residential and Port interface areas. Focus on improving the amenity experience of our urban neighbours
- Inter-related activities of a commercial port, marine precinct and urban development.

FUTURE RESPONSES

- Forging enduring connections with the community and the Port to ensure the functions of the port can service the State and Nation in perpetuity
- Developing a transition between port and urban borders
- Facilitating community amenities within the Burnett Heads Boat Harbour.

Future of Minerals, Agribusiness and Tourism - Opportunities for the Port of Bundaberg

The Wide Bay Burnett region has advantages of being rich in high quality mineral deposits. These commodities can be used in the production of goods by a variety of growing demands, exemplified by ilmenite, which is used in the manufacturing of high performance parts and tools for aircraft equipment.¹

The region accounts for approximately 10 per cent of Queensland's agricultural production. Agricultural activities include timber production and processing, beef, pork and poultry production and processing, sugarcane production and processing, tree crops (in particular macadamias and avocados), fruit and vegetable production (especially citrus and tomatoes), and seafood production and processing. These agricultural industries will continue to be important for the region into the future.²

The significance of tourism is evident. A destination on climate, regional beauty and proximity to the Southern Great Barrier Reef. Securing the cruise industry will allow the tourism offerings of the region to expand.¹

1 Deloitte Access Economics : Building the trade and economic potential of the Wide Bay Burnett region - Report; September 2018 (unpublished)

2 Wide Bay Burnett Regional Plan)

CHALLENGES:

- Port of Bundaberg catchment
- Relevant port infrastructure
- Trade connections locally, nationally and globally
- Ship size constraints.

OPPORTUNITIES:

- Port of Bundaberg diversity catchment
- Under utilised infrastructure and optimising existing assets
- Improve transport corridors
- Proximity to the Great Barrier Reef Marine Park
- Complementary State Development Area.

RESPONSE:

- Targeted regional development collaboration
- Inter-agency coordination for infrastructure planning
- Land Use synchronisation across multiple regulating authorities
- Shared infrastructure and access regimes
- Marketing and 'Open for Business' awareness.

Future Trades of the Port of Bundaberg



Dry Bulk Commodities – import and export

To service the minerals potential of the Wide Bay Burnett region, the port industry area will be predominantly allocated for the purpose of commodity stockpiling and loading/unloading facilities. Potential for transshipment to deep water in the outer harbour.



General Cargo & Break Bulk

The general cargo and break bulk trade at the Port of Bundaberg can be accommodated with ships cranes at the Sir Thomas Hiley Wharf.

Manufacturing

Manufacturing industries which require port infrastructure are encouraged at the Port of Bundaberg. Limited port dependent manufacturing industries will be considered in port industry areas, but may be better placed within the Bundaberg State Development Area.



Bulk Liquids

The import and export of bulk liquids will be serviced in the port industry areas.



Temporary uses

Temporary uses and intermittent trade can be accommodated.



Chemical Storage or Major Hazard Facility

The Strategic Port Land on the Western side of the Burnett River lends itself to being a bulk liquids or chemical storage area. This can be connected to the Eastern side of the Burnett river via an underwater pipeline.

Light Industry/Commercial

Small pockets of land will provide a supporting role to the main port industrial land. The land uses will generally require water frontage but do not directly require port infrastructure. Potential for mid class marine craft service and manufacture.

Supporting Infrastructure

Road Network

The Port of Bundaberg is undertaking an upgrade of its internal port roads to B-double standard to ensure the safe and efficient transport of products and people within the port precinct. The port ring road is in place with identified future corridors.



Rail Network

Bundaberg is located on the main North Coast Railway Line between Brisbane and Cairns. This line is not connected to the Port of Bundaberg. Inter-modal access sites allow for road and rail connection.



Electricity Supply

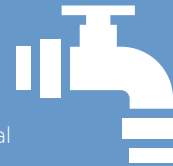
State agencies have been working together to understand the electrical needs of the future trade growth of the Port of Bundaberg.



Gas Supply

A 28.5km Bundaberg Port Gas Pipeline, branching off the existing Wide Bay gas pipeline west of Bundaberg, provides gas for industrial use at the Port of Bundaberg. The pipeline currently provides gas to the Knauf Plasterboard facility at the Port of Bundaberg and has the capacity to provide gas to other new industries should they wish to establish at the port.

The pipeline has the capacity to deliver a further 0.5 Tj/d of gas above the 1.1Tj/d required by Knauf and by doing so, provides the catalyst for significant new investment by business and industry in the area.



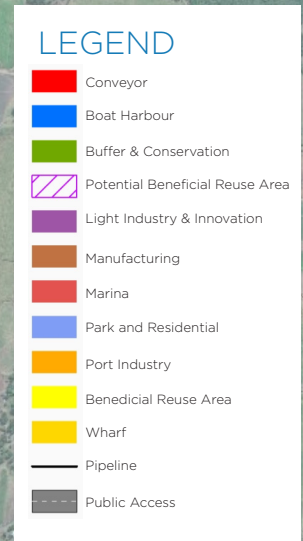
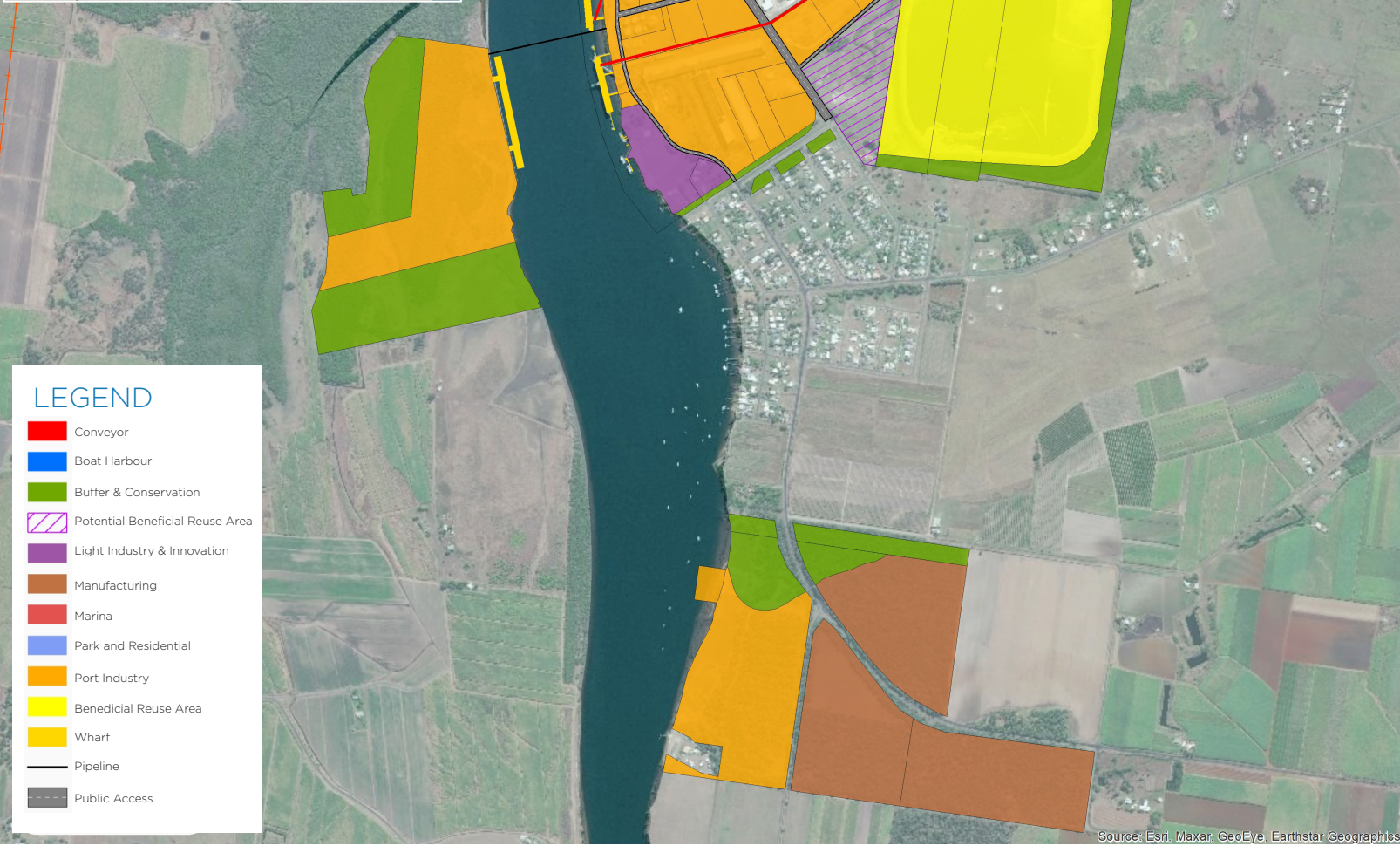
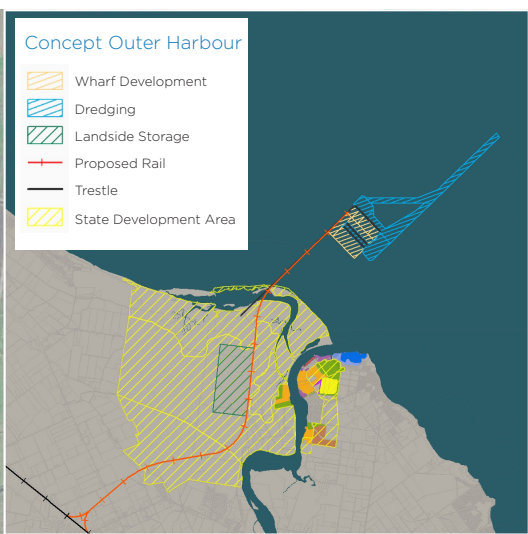
Infrastructure waterside

The Port of Bundaberg has two wharves. The Sir Thomas Hiley Wharf handles the exportation and importation of dry bulk commodities and the John T. Fisher Wharf handles bulk liquids. Current utilisation of the Sir Thomas Hiley Wharf is approximately 20 per cent. There is sufficient wharf and shipping capacity in the existing channels to accommodate incremental growth without.



FUTURE | CURRENT - 50+ YEARS

BUNDABERG PRECINCT



- ## Growth Scenario Infrastructure Milestones
- Current Growth rate - up to 1.5million tonnes**
- Upgrade to Buss St and Port Access Road to B-double standard
 - Multi-commodity ship loading/unloading system
 - Multi-user bulk commodity conveyor system
 - Burnett River dredged insurance trench
 - John T Fisher Wharf upgrade to accommodate cruise ships
 - Upgrade to electrical network to increase load capacity
- Medium Growth rate - 1.5-3.5 million tonnes**
- Realignment of the Port Access Road
 - Second multi-user bulk commodity conveyor system
 - John T Fisher Wharf upgrade to a standard to accommodate general cargo and bulk commodity ships
 - Construction of internal road ways
 - Expansion of onshore Beneficial Reuse Area
 - Transhipment facility
- High Growth rate - 3.5+ million tonnes**
- West Burnett River wharf and associated land backed development
 - Outer Harbour development - subject to further studies

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



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Growth, prosperity, community.

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