



20 Reasons To Invest in Darwin



Capital: Darwin Area
Population: Appr. 127,500 people and growing
Area: 1,352,176 square km
Density: 0.2 per square km
Average Temp: 32 degrees
Climate zone: tropical

Contents

Darwin & Palmerston Overview

1. Gateway to Asia

DISCLAIMER: While all due care has been taken to ensure that the content of this document is accurate and current at the time of writing, there may be errors or omissions in it and no legal responsibility is accepted for the information and opinions in this with held. Although this information is provided in good faith, it is general in nature and is not intended to constitute investment or financial advice.



Overview

Darwin & Palmerston

Darwin has a relaxed outdoor lifestyle and enjoys warm weather all year round. Perched on a peninsula with sea on three sides, Darwin is an excellent base to explore the natural attractions of World Heritage listed Kakadu National Park, Litchfield and Nitmiluk National Parks, the Tiwi Islands and Arnhem Land. Darwin was founded as Australia's most northerly harbour port in 1869, and its population rapidly expanded after the discovery of gold at nearby Pine Creek in 1871. World War II put Darwin on the map as a major allied military base for troops fighting the Japanese in the Pacific. Today you can see evidence of Darwin's World War II history at a variety of preserved sites including ammunition bunkers, airstrips and oil tunnels in and around the city. Darwin again made world news when the city was rebuilt in the wake of Cyclone Tracy in 1974 - an event well documented at the Museum and Art Gallery of the Northern Territory.

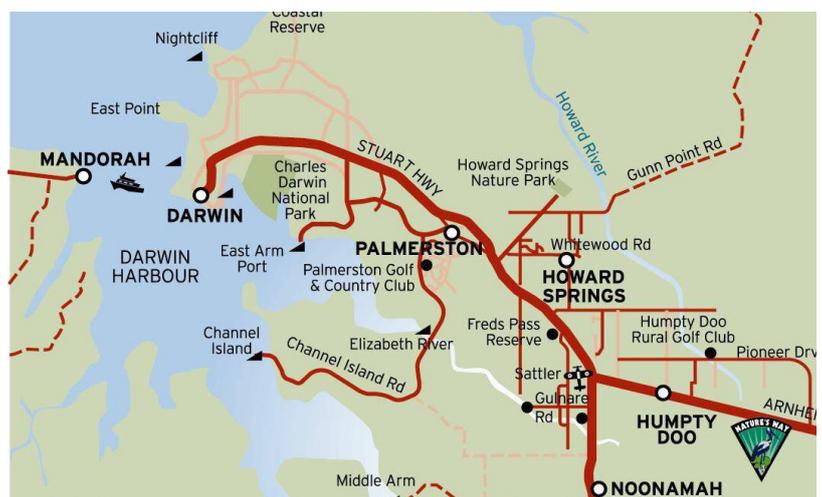


Darwin is the smallest capital city in Australia, with approximately 106,000 residents. It is located closer to Jakarta than Canberra, nearer to Singapore than Melbourne, and has a harbour twice the size of Sydney Harbour hence why it has been named 'Australia's Gateway to Asia'.

The City of Palmerston is located in the top end of the Northern Territory, about 21 kilometres south-east of Darwin and is referred to as Darwin's Satellite City. Palmerston is bounded by Litchfield Shire in the north, east and south, and generally by the East Arm in the west. Palmerston is a rapidly growing residential area, with two small light industrial areas and some commercial land use. The City encompasses a total land area of about 56 square kilometres. Palmerston is named after Lord Palmerston, a British Prime Minister.

Residential development of Palmerston dates from 1982 when the City was developed as the main urban growth centre of the wider Darwin region. Suburbs were developed in stages, beginning with Gray and Driver in the early 1980s, followed by Moulden, and then Woodroffe and Marlow Lagoon. Suburbs developed in the 1990s included Bakewell and Rosebery, and then Durack, Farrar and Gunn from the very late 1990s. Extended developments currently underway are those of Bellamack, Jonstone and Zuccoli. The population of the City more than doubled during the 1990s, increasing from under 8,000 in 1991 to nearly 21,000 in 2001 to 30,100 in 2010. Major features of the City include Charles Darwin University (Palmerston Campus), Palmerston Central Business District, Palmerston Golf & Country Club, Archer Sporting Complex, Palmerston Aquatic & Lifestyle Centre and Marlow Lagoon Recreation Area.

The Top End, which includes Darwin, Palmerston, Kakadu and Arnhem Land, has a tropical climate. Darwin and Palmerston have an average temperature of 32 degrees Celsius all year, with varying humidity. The tropical summer, from December to March, is considered by many to be the region's most beautiful time of year. The summer rains bring the natural landscape to life and deliver the picturesque storms and sunsets the Northern Territory is renowned for. The dry season, from May to October, has warm, sunny days and cool nights. At the end of the year, the build up, or pre-monsoon season, begins and humidity levels start their rise.



1. Asia's Gateway with Australia

Darwin, is the closest Australian capital city to Asia, providing the shortest transport routes for two way trade between the Asian economies and Australia. The Northern Territory has two international airports with Darwin Airport operating 24/7. The deep water Port of Darwin provides modern freight handling facilities, a dedicated bulk liquids berth and links with an inter-modal road rail network. The Northern Territory is within a two-hour time zone of major Asian cities such as Beijing, Shanghai, Hong Kong, Macau, Kuala Lumpur, Singapore, Manila, Seoul, and Tokyo.

2. Lifestyle

The lifestyle offered by Darwin is unlike that of any other Australian city. Set apart by its climate and remoteness from other state capitals, it's also competitively located within close proximity to the thriving cities of South East Asia. In fact, it is the unique location of Darwin that has enabled the region to experience a period of high economic growth through industries such as mining, gas and energy. As a result, migration to the region has been boosted, increasing the demand for property and sparking record increases in capital gains and yields. With a humming resources sector and myriad of infrastructure projects in the pipeline it's no wonder that investors are keeping a close eye on Darwin.

3. Population Growth

The Darwin Area is home to approximately 127,500 people from more than 60 nationalities and 70 different ethnic backgrounds. According to figures released by the NT Government on projected growth statistics, the population of Darwin is expected to increase by 25,900 in the next 10 years to 2021 then a further 23,419 by 2030 which equates to a massive 34.1% growth.

The Australian Bureau of Statistics also reported that in January 2011 Darwin was home to the second highest wages of any capital city (after Canberra) and the Northern Territory had the country's lowest unemployment rates.



4. Property Market Performance

In February this year Tim Lawless, RP Data's National Research Director, dedicated his February blog post to the current and future state of the Darwin property market.

'Capital gains within the Darwin housing market have been outperforming the broader capital city average since early 2004. Over the last ten years the growth rate has averaged 12.7% per annum which is well above the combined capital city average of 9.2%. Over five years the average rate of growth is even higher at 13.0% per annum compared with the broader benchmark growth rate of 6.8% across the capitals,' he said.

Mr Lawless also discussed the impressive yields the Darwin market is currently experiencing, 'Despite the high capital gains, rental yields in Darwin are still the highest of any capital city with houses returning an average gross yield of 5.3% and units returning 5.7%.'

And, according to the Housing Industry of Australia, demand is already systemically miles beyond supply.

The most recent HIA Darwin outlook says the city needs to build 2680 dwellings a year between now and 2020 to ensure an adequate supply, but government figures show a mere 1200 are being built.

If this rate continues, there will be a shortfall of 14,000 dwellings by 2020. The HIA calculations did not factor in the INPEX effect. Not surprisingly, HIA chief economist Harley Dale says that relative to the rest of Australia, Darwin is "a very good prospect for capital gain and also rental yields", especially once INPEX begins.

REINT Boss Quintein Killan said "I asked an INPEX executive what the effect of the project would be on Darwin and he said, *'In the 20th century, there were three sleepy little villages in the Middle East - Dubai, Qatar and Abu Dhabi. Look what oil and gas did to them'*. So, we have to assume, whether it's on the same scale or less, there will be a huge impact that will change the face of Darwin."



5. NT Economy

The Northern Territory economy is markedly different from other Australian jurisdictions. It has an abundance of natural resources, a large public sector and a significant defence presence. The importance of mining and mining-related production will grow as production reaches full capacity following the completion of major infrastructure projects.

A large mining and energy industry means the economy is capable of strong growth as resources are developed. This is balanced by the government and the Defence industry—the largest employers in the Northern Territory.

The Northern Territory's 10-year (1999-00 to 2009-10) annual average GSP growth is 4.4%.

In 2009-10, the value of the Territory's GSP (inflation adjusted) increased by 1.3% to \$16.9 billion.

The NT GSP accounts for 1.31% of Australia's Gross Domestic Product (GDP).

Growth in the Northern Territory economy is underpinned by the extraction of minerals and energy resources (for example, bauxite, manganese, zinc, crude oil and natural gas), the manufacture of alumina and liquefied natural gas (LNG), and provision of retail, tourism and government services.

The major industry contributions to NT GSP include:

Mining \$4.2 billion - 25% of GSP

Public Administration and Safety \$1.6 billion - 9.5% of GSP

Construction \$1.5 billion - 8.6% of GSP

Manufacturing \$1.0 billion - 5.9% of GSP

Retail and Wholesale Trade \$746 million - 4.4% of GSP

These five industry sectors together make up 53.4% of the total of industry sector contributions to the Territory's GSP. The combined value of their contribution to the NT economy is over \$9 billion.

Growth for the NT in 2010-11 is estimated to strengthen to 2.2%. Growth will be driven by consumption and public investment.

Source: ABS Cat No. 5220.0 and 2011-12 NT Budget.



6. Investment in local infrastructure

Darwin's economy was transformed from stagnant to booming in 2002 when major oil and gas company, ConocoPhillips, decided to develop a \$1.75 billion Liquefied Natural Gas (LNG) plant in Darwin Harbour. Completed in 2006, the LNG plant created thousands of jobs, is Australia's second major international gas hub and contributes an additional \$450 million per annum to the Territory's exports.

The connection by rail to Alice Springs and further to Adelaide was completed in 2003 and links the southeast of Australia to the Port of Darwin and onward, by sea, to the fast-growing economies of Asia. The rail link now accounts for 90% of the market share from Adelaide to Darwin in the general freight business. With increased exploration and export to Asia of minerals, oil and gas, the importance of this trade route will continue to grow.

According to the Greater Darwin Region Land Use Plan – Towards 2030, the Territory Government is delivering a record \$1.8 billion infrastructure program and is pursuing major projects that will sustain the economy into the future. These include the INPEX gas project, the development of a Marine Supply Base and a Defence Support Hub.

7. Sound Economic Base

Economic stability in the Territory over the next decade will be ensured by:

- major construction projects
- recognition as an international gas hub
- growing pastoral and horticulture sectors
- numerous mineral discoveries
- developing trade gateway to the Asia region.



8. Future Projects

Oil, Gas & Mining projects that are set to have an impact on Darwin's economy.

Kitan	Eni/Inpex/Talisman Energy	Timor Sea 500km NW Darwin	Under construction	US \$600M
Montara/Skua oilfield	PTTEP	Timor Sea 650km W Darwin	Under Construction	US \$700M
Cosmo Deeps	Crocodile Gold	150km S Darwin	Under Construction	NA
Ichthys gasfield (inc Darwin LNG Plant)	Inpex Holdings/ Total	440km N Broom	Feed Studies Complete	US\$2,500M or \$25B
Condensate Processing Darwin	Darwin Clean Fuels	Darwin	Feasibility Study Underway	US\$500M
Puffin Oil Field	AED Oil/Sinopec	700km W Darwin	Feasibility Study Underway	NA
Sunrise Gas Project	Woodside Energy/ Conoco Phillips/Shell/Osaka Gas	Timor Sea 500km NW Darwin	New Project, prefeasibility study	NA
Talbot oil Field	AED Oil/Sinopec	600km W Darwin	Feasibility Study Underway	NA
Tassie Shoal Methanol Project	MEO Australia	Timor Sea 275km NW Darwin	New Project Prefeasibility study	NA
Timor Sea LNG Project	MEO Australia	Timor Sea 275km NW Darwin	New Project Prefeasibility study	US \$2,100M or \$2.1B
Darwin Iron ore Berth	Darwin Ports	Darwin	Feasibility Study underway	US\$300M

Source: adl.brs.gov.au/data/warehouse/.../MEprojectsApril2011_LISTING.xls



9. The INPEX Gas Project

INPEX has chosen Darwin its site for a gas processing facility to be constructed by the Joint Venture proponents INPEX and Total E&P Australia.

The project involves three key elements:

- Development of the Ichthys gas field 820 km southwest of Darwin
- Piping the gas onshore via a subsea pipeline
- Processing gas and storing the Liquefied Natural Gas (LNG) onshore for export.

As the largest single private sector investment ever made in the Northern Territory, the project will be a major driver for growth in the greater Darwin region.

Proposed Facilities

Onshore

Blaydin Point is the proposed site for the gas processing plant and will include:

Two LNG trains with a capacity to produce 8.4 million tonnes a year of LNG per annum

- LPG plant
- Condensate plant
- Administration facilities
- Utilities and services
- Power generation infrastructure
- Product loadout jetty

Offshore

Ichthys is one of Australia's largest undeveloped gas fields. It covers an area of 80km² and has estimated recoverable reserves of 12.8 trillion cubic feet of gas and 527 million barrels of condensate.

Offshore facilities include:

- Semi-submersible central processing facility (CPF)
- Floating production storage and offtake vessel (FPSO)
- Umbilicals, risers and flowlines
- 885 kilometre pipeline to Blaydin Point in Darwin harbour



9. Inpex Contd.

Creating Jobs

The project is estimated to cost around US\$25 billion and directly employ more than 2000 people in Darwin at the peak of construction and about 300 during its operational phase. The company aims to employ as many Territorians as possible and to give back to community it has already invested \$3m towards the Larrakia Trade Centre to train young indigenous & non-indigenous people in all areas of construction trades and it has also committed to \$3m to CDU to establish the Hydrocarbon Excellence CAPEX, to be set up by Barney Glover and train NT locals in oil and gas mining to assist in securing Darwin as an Oil and Gas hub of Australia.

Life of the Project

Once all relevant approvals and permits are gained from Government and a Final Investment Decision (FID) is made by the Joint Venture, construction can begin. FID is anticipated in Q4 2011 with construction starting in 2012. Construction and commissioning (in stages) would take up to five years. The plant's first exports are due in late 2016. The project has an expected life of 40 years with an approximate turnover of AUD \$72Billion during its life. For the Ichthys Project, INPEX as the operator has formed a joint venture partnership with Total E&P Australia, the fourth largest oil and gas company in the world with well over half of the expected gas output already contracted to buyers.

Economic Opportunities

At more than US\$20 billion, the Ichthys LNG Project is one of the largest private sector investments in the history of Australia. The Northern Territory Government is working to maximise the economic and social benefits for the local community it commissioned an independent study conducted by ACIL Tasman into the economic impact of a generic LNG project similar to the Ichthys Project; the study estimates significant opportunities for business, employment and economic growth. Australian Gross Domestic Product is anticipated to increase by 0.2% as a result of Inpex alone and the project will provide the Federal Government with revenue of approximately \$23-\$42 Billion over its lifespan.

Housing the Growth

Inpex is building a workers camp to ease the burden short term on housing however it is expected by the 2013 there will be a need for at least 100 dwellings to house their administration and management teams. Darwin already has a shortage of available homes and therefore this is expected to increase both Capital growth and rental yields.



10. Construction and Property

Construction is one of the major sectors of the Northern Territory economy and was the fifth largest contributor to Gross State Product in 2008-09.

Major projects such as the ConocoPhillips Wickham Point LNG plant, the Alcan G3 refinery expansion project in Gove and the \$1 billion Darwin Waterfront redevelopment project have had a dramatic effect on the construction landscape in terms of dollars injected into the economy from construction and flow-on effects to the rest of the economy.

11. Defence

Defence is an important contributor to the NT economy with the Australian Bureau of Statistics (ABS) estimating that Defence expenditure in the Territory was \$1.34 billion, equivalent to 7.9% of the Territory's Gross State Product (GSP) in 2009-10.

The Northern Territory, and in particular Darwin, has a strategic importance where the defence of the nation and its interests are concerned. The Army, Air Force and Navy all maintain a significant presence in the Northern Territory, providing a broad range of opportunities for industry support.

For the past 10 years Darwin has been an important mounting base, particularly for the Army, in deployments to Iraq, Timor Leste and Afghanistan as well as in the Asian Tsunami relief efforts.

New Defence platforms and technologies are based in the Top End including:

- 17 of Australia's 22 Tiger Armed Reconnaissance Helicopters
- 10 of Australia's 14 Armidale Class Patrol Boats
- 41 of Australia's 59 Abrams main Battle Tanks.

The combined Australian Defence Force presence in the Northern Territory, including families, represents approximately 6.5% of the Northern Territory population.

The Northern Territory is also home to large defence force training areas. These include Bradshaw Field Training Area which covers an area of more than 8 000 square kilometres, Mt Bundy Training Area, Delamere Air Weapons Range and the North Australia Exercise Area. These facilities regularly host joint exercises and training by Australian and foreign forces.



12. Defence Support Hub

The Northern Territory Government has released 53 hectares of land near Robertson Barracks (near the city of Palmerston) for the development of an Industry Park incorporating a Defence Support Hub. The hub will facilitate industry development and the co-location of key industry services. It will also enable prime contractors and small businesses to establish strategic clusters to deliver valuable support for Defence platforms based in the north.

13. Education

The Education and Training sector contributed 3.4% to the Territory's gross state product in 2009-10 and employed approximately 9.1% of the workforce. International education is considered to be one of Australia's largest exports, ranked third in earnings behind coal and iron ore. Charles Darwin University is the main provider of higher education to international students in the Territory. With Darwin's advantage of having shorter travel times to international destinations than other Australian cities, the Territory has scope to increase the number of international students studying in the NT.

The NT's growing population creates ongoing demand for skilled training. Major projects in the growing oil and gas sector, such as the Inpex LNG plant will require large numbers of highly skilled workers. With the Territory's growing need for skilled workers, there are ongoing opportunities for providers of skilled training.



14. Fisheries and Aquaculture

The seas, inshore areas and waterways of the Northern Territory (NT) hold an abundance of aquatic life and are underpinned by the relatively pristine nature of much of the NT's environment. As a result, the harvesting of resources from the aquatic environment continues to contribute strongly to both the economic and social development of the NT.

For the continued benefit and use of these valuable resources into the future, fishing and related activities are managed in an ecologically sustainable manner, with minimal impact on the broader ecosystem. The Department of Resources is responsible for administering the NT's Fisheries Act 1988 which provides for the regulation, conservation and sustainable management of fisheries and fishery resources. Close consultation and liaison with key stakeholder groups, including commercial, recreational and indigenous fishing sectors as well as conservation groups, is essential for achieving these objectives .

Key Industry Facts

- In 2009 the estimated gross value of production (GVP) at the point of first sale from wild stock harvest fisheries and aquaculture activities in the NT was \$34.6 million and \$25.1 million, respectively. This does not include the Northern Prawn Fishery which is managed by the Commonwealth.
- The three highest estimated catch value wild harvest fisheries in the NT in 2009 were the offshore snapper fisheries (\$13.4 million), mud crab (\$11.2 million) and barramundi (\$4.9 million). Other high value fisheries include the offshore net and line (shark and grey mackerel), finfish trawl and Spanish mackerel.
- The two highest production value aquaculture activities in 2009 were pearling (\$18.9 million) and barramundi (\$4.9 million).

Source: 2011-12 NT Budget.

Investment

- The Northern Territory Seafood Council (NTSC) estimates that over \$1.4 billion is invested in licences, vessels and equipment operated in waters adjacent to the Northern Territory, land based support structures and aquaculture ventures.
- More than 650 businesses are directly involved in the professional seafood industry, many having come from interstate to re-establish in the Northern Territory.
- A significant number of businesses such as chandlers, mechanics, boat yards, electricians, refrigeration specialists, carpenters, welders and other service providers are also dependent on a healthy seafood industry for their continuing viability.
- Presently there are more than 250 registered commercial vessels in the industry.



15. Manufacturing

The Territory has a smaller manufacturing industry compared to other jurisdictions, with manufacturing accounting for 5.9% of Gross State Product (GSP) in 2009-10, compared to 8.6% nationally. Unlike other jurisdictions, the Territory's manufacturing sector is dominated by a small number of large resource-based processing facilities. These include the Rio Tinto Alcan alumina refinery at Gove and the Darwin LNG plant at Wickham Point. The Territory also has a helium manufacturing operation owned by BOC Limited that commenced production on 3 March 2010. The balance of manufacturing activity in the Territory is distributed among smaller operations that manufacture products for export and local consumption, for example steel, wood, paper and food.

Metal Products

Manufacturing in the Territory is dominated by metal products manufacturing (primarily manufacturing bauxite to alumina), which accounts for 40% of total manufacturing value added, compared to 24% nationally. The metal production sectors of the manufacturing industry also include sheet metal fabrication and the production of materials used in the construction industry.

Fuels and Chemicals

Fuels and chemicals manufacturing in the Territory is growing and, with the completion of the Darwin Liquid Natural Gas (LNG) plant in 2006, accounts for 24% of total manufacturing value added, compared to 16% nationally. This sector also accounts for 4.2% of Territory manufacturing employment. The LNG plant produced an estimated 2.9 million tonnes of LNG in 2007-08.

Machinery and Equipment

Machinery and equipment manufacturing accounts for 9% of manufacturing value added in the Northern Territory. This sector is labour intensive, accounting for about 22% of Territory manufacturing employment.

Machine and equipment manufacturing in the Territory is focused on servicing the mining and Defence sectors, in particular, producing tools and equipment for the maintenance and development of the large defence and mining machinery used throughout the Territory. The maintenance requirements of the large, and still increasing, Defence presence has the potential to significantly impact on and increase the contribution of specialist machinery and equipment manufacturing in the Territory.



16. Darwin Marine Supply Base

The development of the Marine Supply Base in Darwin's main port area will provide key infrastructure and services for the development of the offshore oil and gas industry. The Marine Supply Base will create opportunities for current and new industries involved in Darwin's development as a regional petroleum services hub.

Key Facts

- In 2009-10, manufacturing activity accounted for 5.9% of Gross State Product (\$1 billion) and 4% of total employment.
- Manufacturing continues to grow with alumina and LNG production dominating Territory manufacturing.
- Northern Territory manufacturing focus is on the repair and maintenance of major resources and Defence projects.
- There are excellent prospects to increase investment in and the value of manufacturing through new resource development projects.
- Future short and medium term growth is bright with the resources sector providing the most promising potential.
- Sustained growth will come through projects such as the proposed expansion of the Darwin LNG plant, the \$20+ billion Inpex LNG project and the Darwin Marine Supply Base as well as potential minerals development and infrastructure projects.

Source: 2011-12 NT Budget.

In the long term, prospects include Timor Sea energy production and the proposed Inpex, eight million tonnes per annum LNG development bringing gas onshore to Darwin from the Ichthys gas field in Western Australia. These projects will operate for many decades and when combined with ongoing Defence support requirements forecasts indicate long term demand for goods and services.



17. Mining

Mining is the single most significant contributor of Gross State Product (GSP), accounting for 23.6% of GSP in 2007-08 and directly employing more than 3300 people.

Key Facts

- Mining accounted for 23.6% of GSP in 2007-08, compared to 7.6% nationally.
- Mining output is volatile as production is dominated by a small number of large projects. Global supply and demand conditions and the impact of exchange rate movements on competitiveness are key factors affecting production levels and price.
- The value of Territory mining output has grown substantially in recent years, driven by increased gas and condensate production from the Bayu-Undan field, as well as increases in mineral commodities such as manganese and iron ore.
- Mineral and energy production is estimated to increase by 16.9% to \$6.7 billion in 2008-09. A contraction of 7.8% is forecast in 2009-10, mainly due to a 48.5% decrease in the value of manganese production.
- In the medium term, high levels of exploration expenditure are expected to continue, supported by Territory Government initiatives.

18. Oil and Gas

Darwin is rapidly emerging as a major hub for the oil and gas industry and associated services in the region. The potential for further large scale oil and gas discoveries, and the maturing knowledge of the region's geology, has stimulated international demand for acreage in recent times. The Timor Sea is regarded as a highly prospective petroleum region that already hosts world scale oil and gas fields under various stages of development.

Key Facts

- In 2010-11, the value of gas and liquids production in the Northern Territory (including condensate and LPG) is estimated to have increased by 8.0% to \$2.1 billion.
- The value of offshore oil production attributed to the Territory is estimated at \$362 million in 2010-11
- There is currently onshore oil production at Mereenie and offshore production at Laminaria/Corallina field in the Timor Sea.
- The Bayu-Undan field and its associated Darwin LNG (DLNG) facility are operated by ConocoPhillips Australia. The field has recoverable reserves of more than 3.4 TCF (trillion cubic feet) of natural gas and approximately 400 million barrels of liquid hydrocarbons (LPG and condensate). DLNG is currently producing around 4Mtpa of LNG.

Source: 2011-12 NT Budget.



19. Primary Industries

Primary Industries in the Territory Comprise:

- cattle and other livestock (including buffalo, crocodiles, poultry, pigs and camels)
- horticulture (fruit, vegetables, nursery and cut flowers)
- mixed farming (field crops, hay and seeds and forestry).

Cattle

The cattle industry is the largest contributor to agriculture, forestry and fisheries in the Territory, comprising 47.9% of the production value in 2009-10. The flow-on effects from the cattle industry, particularly transport and retail trade, are major contributors to regional economies in the Territory. The value of Northern Territory cattle production for 2009-10 is estimated at \$251.1 million, down 4.1% from 2008-09. In 2009-10, 291 048 head of live cattle, valued at \$165.5 million, were exported through the Port of Darwin. This represented 45% of Territory cattle, with the remaining 55% sent to interstate markets. As the Northern Territory does not have a commercially operational abattoir all meat products are slaughtered interstate or overseas. NT cattle represented an estimated 32.1% of total Australian live cattle exports in 2009-10. The 291 048 Territory cattle exported in 2009-10 predominantly went to South East Asia with 95% going to Indonesia, 3.2% to the Philippines and 1.6% to Malaysia and Brunei combined. The proposed reopening of the Batchelor abattoir in 2011 and the possible addition of a large scale abattoir in Darwin in 2012 would provide outlets for cattle which do not meet export specifications and may support growth in interstate imports of out-of-scope cattle.

Other livestock includes the live export of buffaloes, horses, camels, deer, pigs and goats with horses, camels and crocodiles exported live interstate. Crocodile skins and flesh are produced for local and export markets.

Horticulture

The Territory horticulture industry includes fruit, vegetables, nursery products and cut flowers. Melons and Mangos comprise about two thirds of the Territory's horticultural production by value.

In 2009-10, Department of Resources (DoR) reports that there were about 630 horticultural enterprises in the Territory. DoR estimates that the value of the Territory horticulture industry in 2010-11 was \$138.7 million, a 17.9% increase from 2009-10, largely reflecting significantly increased melon production.



20. Tourism

Australia's Northern Territory is dynamic and progressive. Strategically positioned close to South East Asia, rich in unique natural attractions and culturally diverse, the Territory should be seriously considered by investors wanting to expand their tourism portfolios. In 2009-10, Treasury estimates that tourism accounted for \$1.0 billion or 6.2% of Northern Territory Gross State Product (GSP), a higher contribution to GSP than in other jurisdictions. In 2009-10, Treasury estimates that approximately 11 132 people, or 9.3% of Territory resident employment, were employed as a result of tourism. Of persons employed as a result of the tourism industry, 25.6% were in retail trade, 21.8% in the transport, postal and warehousing industry and 17.5% in accommodation, cafés and restaurants. In 2009-10 the Territory had 1.3 million overnight visitors, staying for 10.3 million nights. Visitor numbers are forecast to remain at current levels due to the high Australian dollar and outlook on fuel prices



Media Release NT Government

Paul Henderson
CHIEF MINISTER

06 October 2011

CHIEF MINISTER: OUR CERTAINTY PUTS US FIRST

Chief Minister Paul Henderson outlined his business case for the Territory – citing certainty as the key factor putting the NT ahead of Queensland and Western Australia.

“While by size we may be overshadowed on our right and our left by Queensland and Western Australia - what we lack in size we make up for in certainty,” Mr Henderson said.

“We aren’t bogged down by kind of ongoing issues with environmentalists plaguing the west and the increasing battle farmers are taking to coal seam projects in Queensland.”

“We offer iron clad certainty – one of the reasons the Inpex-ICHTHYS project turned its focus from the West to Darwin.

Mr Henderson said the Territory’s reputation as Australia’s gas capital would be cemented by the construction of Darwin’s Marine Supply Base – a one stop service and supply hub for the oil and gas industry expected to be completed by 2013.

“It’s not just the service side – we are also making sure we have the right people with the right skills to service the industry – last month I joined Charles Darwin University’s Vice-Chancellor Barney Glover to mark the start of construction of the \$6 million North Australia Centre for Oil and Gas.

“Building this centre is a clear signal that my Government will work hard to ensure projects like INPEX deliver high wage and high skill opportunities to all Territorians, now and into the future.”

“My clear message to resource companies is that the Territory has a bright future, we offer a stable and secure capital that is open for business,” Mr Henderson said.

This week Darwin will host the South East Asia Australia Offshore Conference (SEAAOC) at the Darwin Convention Centre from 5 to 7 October.

Media Release NT Government

Paul Henderson
CHIEF MINISTER

11 October 2011

Kitan Oil Field Starts Production

Chief Minister Paul Henderson has welcomed the announcement that production has started on the Kitan oil field, 550 km north of Darwin – a joint venture between Eni, INPEX and Talisman.

Speaking from Japan, Mr Henderson said the project was a strong endorsement of the Northern Territory as Australia's oil and gas capital.

“Darwin can expect to play an important role in serving the project's ongoing supply and maintenance needs.”

“The waters off north Australia hold vast reserves of oil and gas, and Darwin is ideally positioned to service projects like this.”

“That's why we're building a marine supply base next to East Arm Wharf and gearing up local industry so they can support major oil and gas developments, such as INPEX proposed \$25 billion Ichthys project.”

Oil from the Kitan field will be fed from three undersea wells to a large vessel called a floating production storage and offloading facility.

The vessel stores the oil until it can be offloaded onto tankers.

Eni also owns and operates the Blacktip Gas Project, which will meet the Territory's power needs for the next 25 years.

Media Release NT Government

Delia Lawrie
TREASURER

29 September 2011

Skilled Migration Essential to Continued Population Growth

The latest population figures release by the Australian Bureau of Statistics show the Territory grew at 0.4% through the year to March 2011.

Treasurer, Delia Lawrie, said the moderation in population growth follows one of the longest periods of sustained population growth in Territory history.

“In the last ten years the Territory population has grown by more than 31,000 with more than 20,000 new jobs created.” Ms Lawrie said.

“The Territory has traditionally experienced peaks and troughs of migration around major projects, and current population trends can be attributed to the relocation of almost 1000 defence personnel and families, and major projects in other resource states such as the rebuilding of Queensland following last year’s disastrous floods.

“However the future is bright and Access Economics forecast a strong population rebound with the advent of major projects on the horizon including INPEX, the Marine Supply Base and the new prison, which will create thousands of new jobs.

“To fuel this next stage of growth, the Territory Government continues to roll out our targeted inter-state and overseas skilled migration strategy to attract the workers we need.

28 September 2011

\$1.6 million new pilot vessel for Darwin Port

The Darwin Port Corporation is gearing up for the oil and gas boom, with the Territory Government today announcing it will acquire a new \$1.6 million, 14.2 metre Pilot Transfer Vessel to meet demands of increased shipping traffic.

Treasurer, Delia Lawrie, said the vessel was being constructed over the next 9 months and will be commissioned by the Territory Government in mid-2012.

“This is a significant investment in port capability, particularly in preparation for the increases to shipping traffic expected through the Port of Darwin in the next 3 years with the exciting oil and gas projects on our horizon,” Ms Lawrie said.

“It’s part of our Territory 2030 target to double the number of shipping links through the Port of Darwin by 2025.

“The larger, faster new pilot boat will play an important role in Marine Pilot transfers to and from ships doing business in Darwin Harbour and will be fitted with state of the art safety features, exceeding existing safety standards.

“The new vessel will not only be better value for money to operate, but will also be more environmentally friendly and efficient to run, significantly reducing the fuel consumption of the existing pilot vessel.

“Currently, there is only one Pilot Transfer Vessel operating within the Port of Darwin by the Corporation. That vessel, the John Grice is approximately 10 years old and is in heavy demand now.

“Along with the East Arm Wharf expansion and Marine Supply Base project, the new pilot boat is a crucial investment in Darwin’s capacity as the resources hub of Northern Australia.”

Media Release NT Government

Paul Henderson
CHIEF MINISTER

09 September 2011

Oil and gas centre launched

Chief Minister Paul Henderson joined Charles Darwin University's Vice-Chancellor Barney Glover to mark the start of construction of the \$6 million North Australia Centre for Oil and Gas.

"The future is bright for the Territory, we are at the crest of a boom in oil and gas projects and this centre will boost the education and employment opportunities the industry will offer our region," Mr Henderson said.

"Building this centre is a clear signal that my Government will work hard to ensure projects like INPEX deliver high wage and high skill opportunities to all Territorians, now and into the future," Mr Henderson said.

CDU Vice-Chancellor Professor Barney Glover said the centre would be a hub for training and education programs (both on campus and externally through distance learning) together with research capabilities targeted at the specific needs of oil and gas operations and developments in the region.

"A range of engineering and VET courses relevant to the oil and gas industry are already available at CDU, along with new courses such as the Associate Degree in Process Engineering, designed in consultation with industry.

"The facility will build on these established teaching capabilities and develop a new research focus under the general themes of process engineering and process operations, and maintenance and asset management."

The centre will include specialised equipment for teaching, research, and tailored short courses for industry. It will also include state-of-the-art facilities aimed at process control simulation and training for the oil and gas sector.

The new centre is expected to attract and train up to 200 students annually when fully operational.

Media Release NT Government

Delia Lawrie
TREASURER

19 October 2011

Territory Economy Headed in the Right Direction

A report released by Deloitte Access Economics today forecasts the Territory economy to continue to be one of the strongest in Australia over the next five years.

Treasurer, Delia Lawrie, said the report confirmed the underlying strength of the Territory Economy, forecasting strong economic growth and low unemployment despite omitting the biggest private investment project in Territory history.

“Adverse global conditions have seen a number of jurisdictions having their figures downgraded, however with several major projects close to commencement, the Territory is headed in the right direction,” Ms Lawrie said.

“Even without the INPEX Project factored in, the Access report forecasts the Territory economy to experience strong economic growth over the next five years at an average of 3.4% per annum, the 3rd best in the nation, well ahead of the national average of 2.9%. “After 24 consecutive months as the best in the nation, Territory unemployment is tipped to continue to be the lowest in Australia over the next five years.

“The Territory’s future is bright, with public projects including the \$495m prison beginning construction this month, the Marine Supply Base, Berrimah Business Park and Power and Water Corporation’s ongoing capital works program.

“This is in addition to a burgeoning private investment pipeline which includes the \$750m Montaro oil field expansion, \$60m expansion of Darwin Airport, commencement of production from the \$1.1b Kitan oil field, multiple Defence redevelopments and of course the \$25b INPEX project to reach final investment decision later this year.

“Between major projects and in difficult global conditions, the Territory Government took the responsible decision to boost public infrastructure spending to support jobs before these key economic projects kick in.

“Since the Global Financial Crisis began, the Territory government invested \$4.1b in public spending to ensure the Territory has the workforce and infrastructure necessary to take advantage of the huge opportunities on the horizon. A further \$1.5 b will be invested in 2011-12.

“Despite the support of industry and the nation’s top economists, the CLP opposed this responsible policy at every step of the way; if we had listened to them, we would have stagnant growth and skyrocketing unemployment.”

Media Release NT Government

Delia Lawrie
TREASURER

13 October 2011

Strong Signs for NT Economy

Jobs figures released by the ABS today show the Territory unemployment rate was the lowest in the nation at 3.9%.

Treasurer, Delia Lawrie, said the figures showed the underlying strength of the Territory economy.

“Today’s figures are an encouraging sign for the Territory economy, maintaining the lowest unemployment in the country for the 24th consecutive month in difficult economic times. “In monthly terms, more than 600 jobs were created last month and resident employment increased by 0.2% year on year.

“The Territory Government’s decision to support jobs through our public infrastructure spend is reaping dividends, keeping Territorians working and positioning ourselves to take full advantage of major projects on our horizon.

“The CLP opposed this bold move and continue to talk the Territory down; if we listened to them our economy would be stagnant and unemployment skyrocketing.

“There is still more to be done, however with low unemployment, the highest business confidence in the country and an economy tipped by Deloitte Access Economics to be the second fastest growing in the nation over the next five years, the future is bright for Territorians.”

Media Release NT Government

Hon Paul Henderson MLA
Chief Minister,

Minister for Major Projects and Economic Development

The Northern Territory Major Projects Conference will be held in Darwin on 29-30 November 2011 at the Darwin Convention and Exhibition Centre.

Together with private sector investments, the Northern Territory Government is focused on investing in infrastructure. The Northern Territory Government has announced a \$1.471 billion infrastructure program for 2011-12, while the Territory's Power and Water Corporation has estimated its infrastructure expenditure at \$1.8 billion over the next five years, including \$375 million in 2011-12. My Government is also working to implement a number of strategic long term initiatives including Territory 2030 and Working Future. The unprecedented level of investment in infrastructure and capital continues as the Territory defines itself as a world leader in energy development and mineral exploration and extraction.

In recent years the Territory has delivered major infrastructure and resource development projects such as the Darwin Liquefied Natural Gas facility, Darwin Waterfront and Convention Centre, new Port, new railway, new suburbs in Darwin and Palmerston and transport network upgrades, to name just a few. Such projects were and are of great importance, both locally and nationally, but today they are just part of the business as usual landscape. It's time for new developments and new major projects. And the Northern Territory has them coming on stream in abundance.

In the pipeline are new mining projects, another world-class LNG project, world first Floating LNG projects, ongoing port expansion, additional transport network upgrades, the new city of Weddell, housing, health and education projects and a dedicated Defence Support Hub and Marine Supply Base to service the needs of the Australian Defence Force and rapidly expanding offshore oil and gas activity in our region. We also have a number of regionally significant mining projects which are under development. These projects are backed by strategic country-specific investment and trade strategies we have developed to engage with the booming economies in our region.