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| REPORT FOR: | Strategic Management Committee | | |
| MEETING DATE: | 19 October 2015 | | |
| REPORT FROM: | Chief Executive Officer | | |
| REPORT TITLE: | Airport Land Development – Reduced Development Proposal | | |
| FILE NAME: | F10/610 | RECORD NO: | AR15/39259 |

| COMMUNITY VISION & STRATEGIC PLAN OUTCOMES | |
|--|--|
| <p>1 We Thrive</p> <p>1.1 Identify and support new opportunities for our city to change and grow through bold and innovative projects including alternative energy and infrastructure.</p> <p>1.2 Continue to promote Port Augusta as a great location to live, learn, work and visit.</p> <p>1.3 We use and manage our financial and physical resources in the best interests of our community, now and for the future.</p> <p>1.4 Develop partnerships to attract investors in business proposals and new developments that contribute to a diversified and robust economy.</p> <p>4 We Care</p> <p>4.3 Value, protect and enhance the quality of our natural and built environment.</p> | |

PURPOSE

Council direction is sought in respect to a request that has been received from Mr Pat Cheetham of Augusta Developments Pty Ltd to purchase specific lots of land and for Council to release to Bowhill Property Group Ltd funds held by Council.

RECOMMENDATION

Strategic Management Committee recommends Council:

1. Requests a further report in respect to the proposition that Council does not wish to negotiate the transfer of funds to Bowhill Property Group Pty Ltd.
2. Requests a further report in respect to the potential sale of specific Lots of land to Bowhill Property Group Pty Ltd.

BACKGROUND

Council at its meeting held on 25/05/2015 resolved as follows:

“Council:

1. Not proceed with Augusta Developments Pty Ltd’s proposal to purchase the Airport land as referred to in its 27 April 2015 email (AR15/15157).
2. Notes that the legal advice attached to report (AR15/18705) will not be released to the public as it is subject to legal privilege provisions.”

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Council's decision was referred to Mr Cheetham on 26 May 2015. Mr Cheetham visited Port Augusta on 28 May 2015 and took the opportunity to meet with the Chief Executive Officer.

Since the meeting on 28 May, two emails have been received from Mr Cheetham which are attached – 06/08/2015 (AR15/30128) and 12/08/2015 (AR15/31018)

Mr Cheetham gave a presentation to Council at its Operations Committee Meeting held on 14 September 2015.

A further email was received from Mr Cheetham on 08/10/2015 (AR15/39051), confirming details of his company, which is attached.

DISCUSSION

Mr Cheetham is requesting that Council sell him lots of land identified in his email of 12 August and further that Council pay to Bowhill Property Group Pty Ltd, funds transferred via ASIC to Council relating to a previous sale proposal that did not proceed.

The investigation of these matters will incur costs associated with:

- Property Valuations
- Legal advice
- the preparation of reports
- the preparation of contracts

Council's direction is sought as to which of three options it may wish to allocate resources to and further investigate:

1. The sale or all or a portion of the lots requested at the nominated price and/or;
2. the allocation of all or a portion of funds held by Council to Bowhill Investments Pty Ltd;

Or

3. the provision of advice to Mr Cheetham that it does not wish to further negotiate the sale of land with Bowhill Property Group Pty Ltd, and nor to negotiate the allocation of funds to Bowhill Property Group Pty Ltd.

All three options will require some expenditure on Legal advice and potentially further reports to Council.

It is important to note that this report does not seek to appraise Council of the benefits, costs or risks associated with the proposal of Mr Cheetham, indeed considerable work is required to be undertaken in describing each proposal. The intent of this report is to determine Council's interest in any of the described options thus to target resources accordingly.

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CONFIDENTIALITY PROVISIONS

Council is satisfied, pursuant to Section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information could reasonably be expected to prejudice the commercial position of the person who supplied the information, regardless of whether the Council is, or proposing to, conduct business with the person and may result in the person refusing to negotiate with Council in the future and this may have a detrimental impact on future development within the City.

It is recommended that Council maintain the confidential provisions as outlined above until negotiations with the person have been either terminated or renegotiated and fully executed.

RISK MANAGEMENT

1: Financial/Budget

Costs may be incurred if litigation by the person is instigated in relation to the matters outlined within this report.

2: Legal/Policy

n/a

3: Environment/Planning

n/a

4: Community

4.1 General
n/a

4.2 Aboriginal Community Consultation
n/a

4.3 OPAL Program
n/a

JOHN BANKS

19/08/2015

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ARIS/30128

Melanie Jenkins

From: John Banks
Sent: Thursday, 6 August 2015 10:29 AM
To: Melanie Jenkins
Subject: FW: deposit release and rates and legals deducted
Attachments: EPSON228.pdf; ATT00001.txt

trim

-----Original Message-----

From: Pat [mailto:augustadevelopment@bigpond.com]
Sent: Wednesday, 5 August 2015 3:13 PM
To: John Banks
Cc: augustadevelopment@bigpond.com
Subject: Fwd: deposit release and rates and legals deducted

Good afternoon John

Further to our discussions regarding the large council owned portion of land I would ask that council read my explanation of things below and at the same time refer to the attached PDF

In or about late 2006 / 2007 , I approached the PACC regarding the possibility of a major Rezone of an area known as Port Augusta West
2 helicopters were chartered and council members were flown over the Port Augusta region to explain where future growth was best situated As we are now aware the current land along with my adjoining 100 acres was chosen and subsequently are now Rezoned

What should have been and certainly verbally indicated to me at the time by government departments was an indicative time frame of around 18 months to gain the necessary zone change for the land to be classified residential This process took over 5 years

After exhaustive studies and huge expense

Not limited to

Traffic including bridge movements and almost every junction on the Westside Aboriginal studies involving ACH the Bungala Nukunu and Kokatha tribes and representatives Flora and Fauna Topographical Aircraft Noise analysis studies Native vegetation EPA Storm water and drainage design Key stake holder meetings for key services infrastructure The engagement by myself of Consultants Connor Holmes and water sensitive design experts for numerous years

All of these studies (with the exception of half the aboriginal study cost by council) related to the Westside all at an enormous cost to me and undertaken by my representatives in 2007 / 2008 and onwards We are not talking small monies upwards of a half a million dollars !!

As we now know as per the February 2011 press release by the minister Paul Holloway the new plan was adopted to guide development growth and ensure the city can respond to mining and defence industry growth in the North and West of the State .

This rezoning process took around 5 years a ridiculous amount of time with studies having to be undertaken twice in some instances as they had lapsed past a three year time frame .

Not to mention holding costs over this duration of the 100acres at the time purchased for \$1.2 million dollars

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10/10/2011 PACC issue a media release Port Augusta will be lifestyle capital of the North This was released following the State Government approval of BHP Billitons Expansion of Olympic Dam

Housing shortage worries PACC as far back as April 2008 as per the ABC news release

Master plan created for the future Westside growth

Historic indenture agreement signed for \$30 Billion Olympic Dam Expansion by BHP and State Government 10/2011

Rents surge as Roxby overflows May 2011

3/2011 Caterpillar announce it will be the largest order in world history of dump trucks for the Olympic Dam Expansion

BHP propose new unloading facility for near Shack Road Port Augusta West and a new Haughlage road all the way to Roxby Downs

BHP Contacted me regarding accommodation requirements I am told they will require over 300 Kms of new Electricity lines and a purpose built Water pipe also over 300kms in length this will generate accommodation issues with both coming from Port Augusta / Whyalla region

Woomera zone open to mineral explorers

Mike Rann Martin Ferguson and defence minister Stephen Smith announce Trillion dollar mining colossus possible after lifting the 60 year ban in Woomera Thousands of permanent Jobs was indicated

State government announce plans for a \$600 million dollar new Port Facility at Port Bonython First shipments in 3 years and 400 jobs !!

A new Desalination plant is announced for Port Bonython !!!

Beach Energy announce plans for a Billion dollar LNG Facility in SA A billion dollars to set up billions generated from it and thousands of jobs !!!

Arafura buys 800ha in Whyalla Once again a Billion Dollar Plant !!!

Well when we look at all of the above NOT ONE OF THESE PROGRESSED into anything tangible , this is nothing short of Spruiking the region and dragging innocent businesses into false hope and enormous expenses along the way .

Through the delays associated with the prolonged Rezone my funders became anxious wondering if the Rezone would actually happen .

Obviously the land had less than a \$100,000 value if not Rezoned .

In late 2010 early 2011 my funder called up my loan for lot 103 Shirley street as they stated investors had lost faith in the process and Port Augusta and became nervous . The years taken to Rezone the culprit .

This was through no fault of my own .

My belief remained in Port Augusta

I had no choice under difficult circumstances and having invested millions of dollars into the project to find an alternative funding solution.

With BHP not fully announcing the expansion and continual goal posts shifting Combined with the Government introducing hurdles in the form of additional Carbon and mineral resource taxes , this proved extremely difficult to achieve a new funder Basically not one had the belief in Port Augusta to take the funding and project on .

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Eventually I secured a Perth based funder that charged exorbitant rates but was willing to fund it for 4 months on the basis this bought me more time to refund the loan into a main stream institution This initial exercise was to cost me in excess of \$600,000 fees and charges for 4 months (exorbitant charges) but with so many years already spent and with millions invested add to this my belief in Port Augusta itself , this was agreed to .

With this new funding now in place for 4 months time was of the essence , I set about to either find a buyer for my 100 acres or alternatively a main stream funder to take it on .

Through the Perth based short term funder a buyer introduced himself and the property was negotiated to be sold A cash unconditional contract was undertaken this would not only clear my existing debt but also would of provided millions in surplus funds allowing faster progression into the council owned area .

The contract was signed off and a settlement date set for the same date as my short term loan expiry date was offered .

I kept the short term funder aware of this and sent confirmation of the contract to them

Given the property was now on a cash unconditional contract I saw no need to have the property refinanced as it was due to be discharged .

Little was I to know the buyer defaulted on my 100 acres and this immediately placed my short term loan into default The dilemma now was that I had no funder that believed in the Port Augusta region and a loan that technically was in default through no fault of my own .

I also had a short term loan that was going backwards to the tune of millions of dollars within the span of months I had no choice but to liquidate JLKT pty ltd this effectively stopped the loans going backwards The funder took control of Lot 103 and set about to advertise this for sale in mainstream papers

Once again with my 100 percent belief in Port Augusta I set about to find a way to restructure and source a new funder and take the property back on .

The issue was the previous short term funder wanted almost \$4 million dollars for the site .

I subsequently established with the consent of the liquidator of JLKT and previous funders a company to buy back the 100 acres Augusta developments pty ltd was formed and managed to secure Angas Securities to fund and support the development on the West side current funders to this date.

St eyre Estate was created (refer back to the PDF) To date almost a kilometre of road has been laid along Shirley Street and 26 new houses and rates created Power installed , please see PDF photo , this was at a cost of almost \$1 million dollars and was installed on the basis of not just lot 103 but future large stages also catered for . Effectively the power supply can handle up to a couple thousand houses without an upgrade Water was installed all the way from Caroon road along Baluch road to the corner of the estate A 350 water pipe and rising main was installed once again I paid a lot higher initial costs in excess of \$350,000 so this can cater for thousands of homes not just Lot 103

Also all of the existing houses along Baluch road benefit as mains Water now runs past there properties instead of relying on water tanks .

Lot 103 Shirley street will shortly (next 8 weeks) be 50 % completed There are around 36 houses constructed in stages 1,2,3 Approximately 25 lots remaining in Stage 3 are titled / 4 house and land packages were sold last week My contractors are currently installing roads and titles for an additional 60 lots at present Costs to date Over \$2 million stages 1 & 2 Over \$1.4 million stage 3 Approximately \$2.5 million stages 4 and 5a Initial purchase of lot 103 Shirley street \$4 million

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This represents 122 allotments created over 36 homes to date and around \$10 million spent by myself and I am effectively only at 50 % completed of the first 100 acres

This is 122 additional rates to council

The next phase of the development is a lifestyle village high Dependency aged care child care facility and a further 107 lots

My belief and commitment in Port Augusta is evident by my actions

I was instrumental in the rezoning of Stirling North see PDF Red areas

I was in town last week for two days with Harvey Norman as part of them becoming my main anchor tenant in a proposed multi million dollar home maker centre on the gateway main entrance to Port Augusta please refer to PDF I have secured 20 acres . I am in serious negotiation with numerous smaller. business including Harvey Norman to be involved in my new development

I have secured 5 acres on the corner of the Eyre Highway and Stuart highway (next to Standpipe Motel) I am in serious negotiations and have been pro active in attracting a new Bunnings Warehouse to be built on that site

I created the Footner road industrial estate 43 additional rates for council

I am currently finalising a 38 lot development on coats road Stirling North awaiting storm water approval by Brenton Daw

With not one of the large projects as per the PDF becoming a reality add to this the job losses in Olympic Dam 140 Arrium one steel 400 Power station announcement 400

This has made it a very challenging environment to be investing in Port Augusta

In the interests of keeping the next 50 acres of Shirley street progressing I would ask council view me as a serious developer and business worth supporting

It is my intention to negotiate a revised plan down the track to expand St Eyre Estate into the council land This is not a priority at present as there is still 50 acres to finalise in my first stages Part of this process involves designing and installing a mains sewer line to the development This is also essential to progress into the council area

I would ask council recognise I have invested millions into the Westside estate I face daily challenges with attracting investment into the estate Marketing sewer design and installation and development of roads tree scapes are not cheap In the best interest of St Eyre moving forward I would ask that council please release my original \$250,000 deposit / interest less amounts outlined below , back to me to further assist my development

Council retain \$20,000 deposit for negotiation of a lot smaller parcel of council owned land

I would ask that any outstanding rates / legal fees / council keep a deposit retained \$20,000 for future negotiation of smaller portion of council land (there was an outstanding invoice) for the contract negotiation be deducted from this , and the balance forwarded back to me

I 100 percent believe in and have invested in your town I should not be penalised , when in fact not one of the attached PDF press releases that the government spruced went ahead I entered the contract in good faith in an economic climate completely different to what it is at present It is definitely my intention to re negotiate smaller sections of the councils land moving forward and council retaining \$20,000 is evidence of this I want to be developing in Port Augusta long term please work with me

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But it is impossible to take on more land at present when 50 acres remains undeveloped Add to this the current woes of the power station closure and general negativity towards mining and unemployment in the state and Port Augusta in general

Council obviously will loose rates when the Power Station closes my estate supported by council has the ability to put an additional 110 rates over and above the 122 current and under construction into council if I continue they way I am over the next 12 months

I would ask you please not penalise me for believing and investing millions in Port Augusta

I would ask you please release the deposit paid and interest less the items above in the interest of moving forward

I look forward to your response

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News Release

www.premier.sa.gov.au



Hon Paul Holloway
Minister for Mineral Resources
Development
Minister for Urban Development and
Planning
Minister for Industrial Relations
Minister Assisting the Premier in Public
Sector Management

Friday, 21 January 2011

PORT AUGUSTA PLAN PREPARES CITY FOR MINE, DEFENCE EXPANSION

Minister for Urban Development and Planning Paul Holloway today said a new plan adopted to guide development and growth in Port Augusta aims to ensure the city can respond to mining and defence industry growth in the north and west of the State.

Mr Holloway says the *Port Augusta Structure Plan* formally adopted into the State Planning Strategy from today outlines a clear vision for development of the city, managing future population and economic growth, while protecting environmental, cultural and heritage assets.

"It seeks to ensure there is a supply of well located, market ready and affordable industrial, commercial and residential land, when needed," Mr Holloway says.

"The Structure Plan identifies where this land is located, with great consideration to how appropriate infrastructure and services can be provided.

"In turn, this will provide Port Augusta with a competitive advantage as an investment destination.

"The detailed analysis undertaken to develop the Structure Plan also ensures the city is equipped to respond to a range of demand scenarios which could be generated as a result of economic activity in the region."

The Structure Plan is the result of a collaborative process led by the Department of Planning and Local Government with the Port Augusta City Council, Regional Development Australia - Far North and state government agencies.

Editions of the draft Structure Plan were released for public consultation in 2008 and meetings were also held, including a special briefing for indigenous and business communities. Copies of the final plan are available online at: www.dplg.sa.gov.au/go/port-augusta-structure-plan

Fifty-six submissions were received during the consultation process, from state government agencies and councils. These submissions resulted in changes which ensure the final Plan considers up to date research about infrastructure investment and planning undertaken by other agencies or organisations.

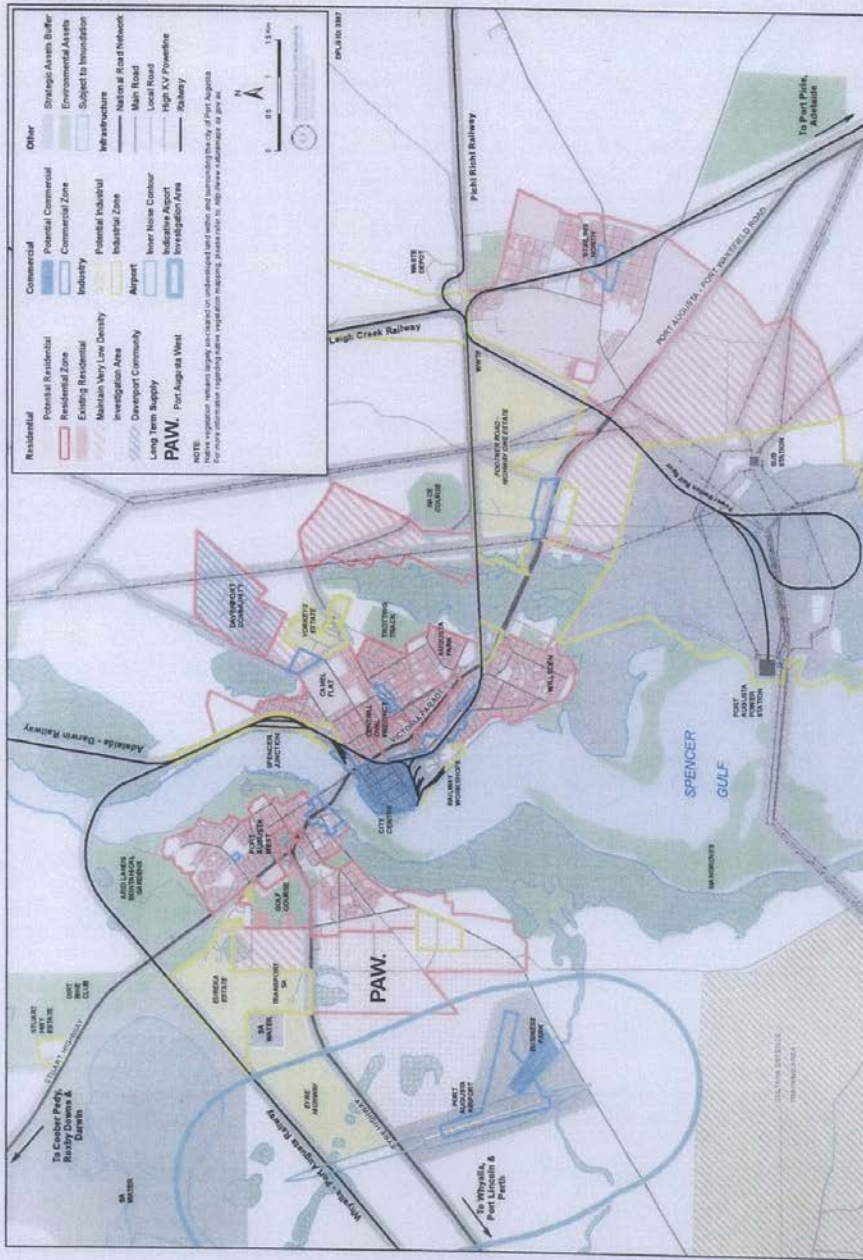
The final Plan, for example, incorporates research undertaken by the Port Augusta City Council about the need to change zoning in Port Augusta West to ensure adequate provision of residential land in that area of the city.

For further information contact Owen Brown on 0437 267 997

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Map 2

An integrated vision for the growth and development of Port Augusta



Govt Structure Plan.

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Port Augusta

CITY COUNCIL

MEDIA RELEASE

Port Augusta will be Lifestyle Capital of the North

Port Augusta is positioning itself to be the lifestyle capital of the north, following the State Government's approval of BHP Billiton's expansion of Olympic Dam today.

Port Augusta Mayor Joy Baluch and City Manager Greg Perkin jointly welcomed the announcement, saying there are exciting times ahead for Port Augusta and the region.

"Today's announcement has been long awaited by all cities in the Upper Spencer Gulf and it takes us another step closer to the multi-billion dollar expansion of Olympic Dam," Mayor Baluch said.

"As the regional city closest to Olympic Dam and Roxby Downs, we will be promoting Port Augusta as the place for workers and their families to live and enjoy all the benefits our city offers.

"The close proximity of Port Augusta to the mine, means workers are able to drive to and from the site for their rostered shift blocks while basing their families in Port Augusta.

"They can then enjoy the best of both worlds - the income derived by working in mining and the lifestyle of a centrally-located regional city, with great shopping facilities, schooling, parks, further education options including university, great fishing and water sports, and the Flinders Ranges on its doorstep."

As well as the great lifestyle options, City Manager Greg Perkin said the affordable cost of housing is another draw card to attract new residents to the city.

"There are also a number of residential land developments underway throughout Port Augusta, offering a range of lifestyle options from smaller residential blocks to larger rural living blocks. We also have a number of established homes for sale which are still very affordable."

Mr Perkin said Port Augusta's close location to Olympic Dam means workers are little more than two hours drive time away from their families, giving them the ability to return home quickly should the need arise.

"Workers have little more than a two hour drive home and are not delayed by flight schedules or the inability to secure a seat for a late booking," Mr Perkin said.

Port Augusta City Council is working with the local business community through Business Port Augusta and RDA Far North on ways to maximise the opportunities to grow Port Augusta and is seeking to work with the State Government on similar issues.

ENDS

GREG PERKIN
CITY MANAGER
10/10/2011

AR11/21447



* ANZ Study Expect 50% population growth in the next 3 to 5 years. ??

Housing shortage worries Port Augusta council

Updated April 03, 2008 15:26:00

Port Augusta City Council is concerned the current housing shortage could hold the city back at a time when mine workers are looking to move into the region.

An ANZ study shows the city could expect an estimated 50 per cent population growth in the next three to five years alone.

The council's city manager, John Stephens, says the current builder and resource shortage should respond accordingly to the population and market growth.

But he says the current housing shortage will continue unless the council can find new opportunities for residential development.

"We are stifled to some degree because of the lack of land for the purpose and we are working on that with our new development plan, which will rezone the city and open up some new residential opportunities," he said.

"But that probably won't be in place until probably the end of this calendar year."

Topics: housing-industry, local-government, port-augusta-5700

First posted April 03, 2008 15:13:00



Full-body scanners that produce a generic outline of airline passengers are being trialled at Sydney's international termi



Leading EU animal welfare expert Peter Stevenson says the suspension of live cattle to Indonesia was lifted too early.



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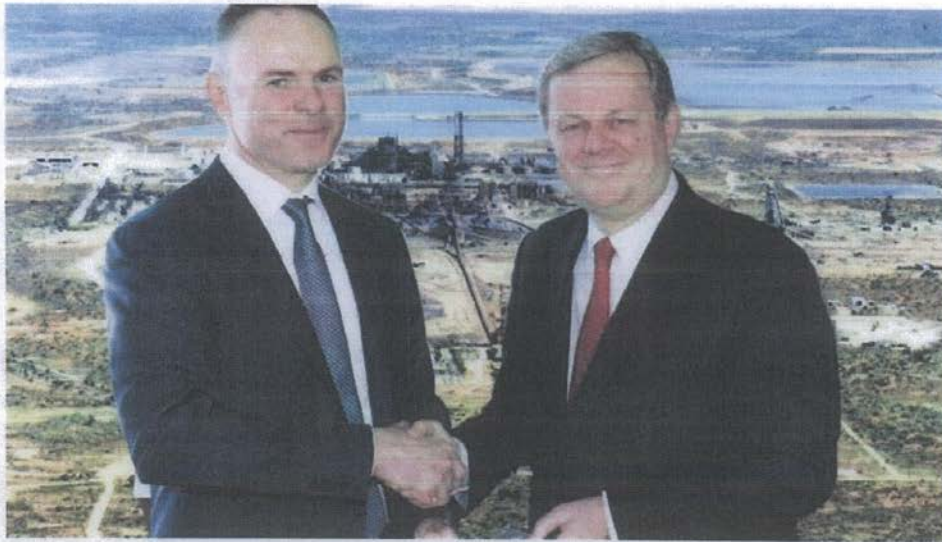
Pat Cheetham

Subject: FW: Emailing: Historic indenture agreement signed for \$30 billion Olympic Dam mine expansion by BHP Billiton and State Government Adelaide Now

Mining & Energy

Historic indenture agreement signed for \$30 billion Olympic Dam mine expansion by BHP Billiton and State Government

- by: *State Editor Greg Kelton*
- From: *AdelaideNow*
- October 13, 2011 12:00AM



BHP Billiton chief executive Marius Kloppers and Premier Mike Rann shake after signing the Olympic Dam indenture agreement in Melbourne yesterday. *Source: The Advertiser*

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Pat Cheetham

From: Pat Cheetham [pat@jikt.com.au]
Sent: Friday, 9 September 2011 9:30 AM
To: 'ray@aztecproperty.com'
Subject: Emailing: Rents surge as Roxby overflows Adelaide Now

Rents surge as Roxby overflows

- Sarah Mennie
- From: *Sunday Mail (SA)*
- May 21, 2011 11:00PM



Nathan Pepall, here with his children Tequayla, Nakita, Lakeisha and Kianna, has decided to live in Andamooka instead of in Roxby Downs. Picture: Andrea Laube *Source: Sunday Mail (SA)*

ROXBY Downs is set to burst with the likely development of the world's biggest open-cut mine, but residents are already being squeezed out, forced to pay big bucks for housing.

That's if they can find anywhere to live at all.

In recent weeks some rents have almost doubled, permanent caravan park residents have lost their homes and there are almost no properties available to rent.

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Pat Cheetham

Subject: FW: Emailing: Caterpillar talks give Olympic plan legs
The Australian

THIS IS FANTASTIC NEWS FOR PORT AUGUSTA

BIGGEST ORDER OF TRUCKS AND OTHER MINING EQUIPMENT IN HISTORY !!!

Caterpillar talks give Olympic plan legs

- Michael Owen
- From: *The Australian*
- March 16, 2011 12:00AM

THE world's biggest maker of construction and mining equipment, Caterpillar, is in negotiations with the Rann government to invest heavily in South Australia ahead of a proposed expansion by BHP Billiton of its massive Olympic Dam mine.

The talks, which are understood to be in their early stages, are the strongest sign yet that the state government expects BHP to give the go-ahead early next year to create the world's largest open-cut mine in the state's far north.

Olympic Dam has the world's biggest uranium deposit, which, along with its copper and gold deposits, gives it a life of more than 100 years.

State Mineral Resources Development Minister Tom Koutsantonis yesterday said he was very confident the project's draft environmental impact statement would meet the requirements of the federal, South Australian and Northern Territory governments.

The Australian understands Mr Koutsantonis met executives from Caterpillar in Chicago last Wednesday and toured the manufacturer's operations.

Mr Koutsantonis refused to comment on Caterpillar's interest but said that while in the US on an industry trade mission he met with several companies looking to invest in South Australia, including one related to the proposed expansion of Olympic Dam.

"A decision to expand Olympic Dam is ultimately up to BHP and its board but the government would like to exploit our natural resources and for Olympic Dam to go ahead, absolutely," he said.

"My job is to make sure all the tools that are needed to expand mining in South Australia are here and readily available.

Roxby/Andanoodka Airport.



Port Augusta Landing Facility

Landing facility

The preferred location for the landing facility avoids the need for dredging a navigational channel, avoids impacts on mangroves and limits disturbance to the owners of nearby coastal homes.
Amy Irving, Logistics Specialist, EIS Team



Airport

A new airport is being built to cater for the expanding workforce and Andanoodka to cater for the expanding workforce.
Japan Steel, Project Director, Infrastructure, Olympic Dam Expansion

The materials handling and transport method chosen for the expansion would maximise the bulk transport of materials by rail with some transport to continue by road.

Landing facility – Port Augusta

Some components of the expansion would be prefabricated as modules in other parts of Australia or overseas. Because of their bulk and irregular dimensions (up to 15 metres wide by 15 metres high and 500 tonnes in weight), a landing facility would need to be constructed to enable these modules to be unladen prior to transporting them by road to Olympic Dam.

The preferred location for the landing facility is about 12 kilometres south of Port Augusta on the western shore of Upper Spencer Gulf at Snapper Point, north of O’Connell Court. The site would be linked to a preassembly yard at Port Augusta by a dedicated access corridor.

Outer Harbor

Additional materials would be imported through Adelaide’s Outer Harbor, which already receives these commodities for the existing operation. Outer Harbor has access to rail and can receive the Panama-class vessels required for the large shipments of sulphur. Additional product (refined copper and a portion of uranium oxide) would be exported via existing facilities at Outer Harbor.

Olympic Dam airport

Development of the new rock storage facility would encroach on the existing airport at Olympic Dam Village, requiring it to be moved. A new airport to cater for commercial and company flights would be built about 17 kilometres east of Roxby Downs on the Andanoodka Road. A new all-weather runway would handle larger jet aircraft than the current airport and would support both day and night flights.

Port of Darwin

The Port of Darwin (East Arm) is already used by BHP Billiton to export a portion of the uranium oxide produced at Olympic Dam. The expanded operation would construct facilities at East Arm to export additional uranium oxide and up to 1.6 Mtpa of copper concentrate containing uranium, gold and silver (concentrate).

Dedicated rail wagons fitted with waterproof lids would transport the concentrate from Olympic Dam to the Port of Darwin using the existing rail line and the proposed spur linking the operation to Pimba.

A closed system would prevent the release of dust during transportation and at the storage and handling facility at East Arm. The concentrate would be transferred from the storage facility to dedicated export vessels in enclosed conveyors and a dedicated BHP Billiton ship loader to be installed on the East Arm wharf.

Key commitments

- A ‘best practice’ closed system of transport for copper concentrate containing uranium would be used for all rail transport from Olympic Dam to the ports of Adelaide and Darwin.
- Inconvenience to the general public due to the transport of over-dimensional loads and pre-assemblies between Port Augusta and Olympic Dam would be managed by regular community announcements and by aiming to transport over-dimensional loads out of peak transport periods.

\$35 Billion over Next Decade

24-hour news updates adelaide.now.com.au

6 NEWS

Woomera zone opens to mineral explorers

MARK KENNY
POLITICAL EDITOR
CANNBERRA

MINING companies will get the go-ahead today to explore in the grant Woomera Prohibited Area, finally unlocking vast gold, uranium, copper, and iron-ore reserves worth up to \$35 billion over the next decade.

Several companies, including state-owned Chinese interests, are expected to be granted licences.

Defence Minister Stephen Smith will make the announcement today in tandem with SA Premier Jay Weatherill, who predicts the zone will rapidly become "one of Australia's most significant resource provinces".

Previous geological estimates have suggested the WPA, which covers 13 per cent of the state, contains up to \$1.4 trillion in minerals.

The move to grant exploration licences comes after protracted negotiations between the state and federal

of agreement will finally allow them to move their drills in and begin searching for the minerals we know are there," Mr Weatherill told *The Advertiser*.

The announcement comes only weeks after a major disappointment for the state when BHP Billiton decided to mothball its \$25 billion expansion plans at the Olympic Dam site - situated in the colossal Gawler Craton, which also takes in the WPA.

Minister for Resources and Energy Martin Ferguson said the WPA had "great economic potential", which, when commercialised, would "help secure the longevity of our minerals sector".

He said time-sharing arrangements between the Department of Defence and resource companies would ensure the two could operate side by side.

Four names already existed within the WPA under special arrangements at Challenger, Cairn Hill, Prominent Hill and Peculiar Knob.



SIGNIFICANT: The Arkata mine at Prominent Hill and, inset, a map of the protected area.

governments to reconcile weapons testing and defence training conducted in the zone with full-scale mining.

Mr Weatherill said getting the green light after so long was "one of the most significant milestones for the advancement of South Australia's resources sector".

A brace of new ventures is expected to move quickly with exploratory drilling possible within weeks.

Ex-union boss faces 20 fraud charges

VINCENT MORELLO

MORE arrests are expected in the Health Services Union fraud scandal after police laid 20 charges yesterday against its former boss Michael Williamson.

Detectives have charged the former HSU national president with hindering their investigation into the union by allegedly directing high-ranking union officers, including his son, to destroy documents and computer files.

Williamson, 59, appeared fatigued when he fronted up to Maroubra police station, in Sydney's east, yesterday.

More than a dozen detectives raided his home in nearby Meagher Ave.

"There are separate allegations that he approached others and instructed them to delete computer files," Fraud and Cybercrime Squad commander Colin Dyson said.

Fifteen other charges against Williamson relate to false statements he allegedly made to intentionally mislead the organisation's members.

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Pat Cheetham

Subject:

FW: Emailing: Trillion-dollar mining colossus possible after lifting of 60-year ban in Woomera Adelaide Now

FANTASTIC NEWS CLOSEST REGIONAL CITYPORT AUGUSTAPROMISES OF THOUSANDS OF PERMANENT JOBS

Trillion-dollar mining colossus possible after lifting of 60-year ban in Woomera

- Political Editor Mark Kenny in Canberra
- From: *AdelaideNow*
- May 03, 2011 12:22PM



Federal Energy Minister Martin Ferguson, Premier Mike Rann and Defence Minister Stephen Smith in Woomera yesterday. Picture: Chris Mangan *Source: The Advertiser*

A trillion-dollar mine matching or exceeding the Olympic Dam is possible in the state's north after the lifting of a 60-year ban on exploration in the Woomera Prohibited Area.

The decision to allow mixed use of the 127,000 sq km area, via a new "time-share" model, promises thousands of permanent jobs by unlocking at least \$35 billion in mineral resources known to be there - but the real value could be much higher. SA Chamber of Mines and Energy chief executive Jason Kuchel hailed it as a significant boost for the state.

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Pat Cheetham

Subject: FW: Emailing: State Government to announce plans for new deep sea port at Port Bonython Adelaide Now

State Government to announce plans for new deep sea port at Port Bonython

- Russell Emmerson
- From: *The Advertiser*
- May 15, 2011 11:30PM



Google Earth picture of Port Bonython and where the proposed deep-sea port is likely to be located. Image: Google Earth *Source:* The Advertiser

THE State Government has revived plans for a \$600 million deepwater port at Port Bonython.

The Government will announce today that it has asked Spencer Gulf Ports Links (SGPL) to prepare an environmental impact statement, giving the company the green light to move ahead with the project after a three-year delay.

The statement is essential to detail the project, its likely impact on surroundings and how the group intends to manage its risks. Infrastructure Minister Patrick Conlon said the project, which could receive its first shipments in just three years and create 400 jobs, was a vital piece of regional infrastructure.

"Port Bonython will be incredibly important," he said.



Figure 5-27 Conceptual layout of the proposed coastal desalination plant

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Pat Cheetham

Subject: FW: Emailing: Beach Energy announces plans for billion-dollar LNG facility in South Australia Adelaide Now

GREAT NEWS FOR PORT AUGUSTA THOUSANDS OF POTENTIAL JOBS CREATED

Beach Energy announces plans for billion-dollar LNG facility in South Australia

- CHRISTOPHER RUSSELL
- From: *The Advertiser*
- November 26, 2010 12:01AM



An LNG export ship being loaded. Picture: Justin Sanson *Source: The Advertiser*

THOUSANDS of jobs will be created by a joint venture to build a gas export plant in the Upper Spencer Gulf, Adelaide company Beach Energy said yesterday.

Beach and Japanese partner ITOCHU Corporation aim to invest in a liquefied natural gas plant with a target of first exports from 2014-15.

"It'll cost about \$1 billion to set it up and many billions of dollars will be generated from it," Beach chairman Bob Kennedy told the company's annual meeting. "It's a very exciting opportunity."

CONFIDENTIAL

Pat Cheetham

Subject:

FW: Emailing: Arafura buys 800ha in Whyalla from OneSteel for its rare earths plant Adelaide Now

**FANTASTIC NEWS FOR PORT AUGUSTA WEST ,
THIS IS LESS THAN A 40 MINUTE DRIVE A PROPOSED \$1 BILLION DOLLAR RARE EARTH
PROCESSING PLANT
LAND HAS JUST BEEN PURCHASED !!!**

Arafura buys 800ha in Whyalla from One Steel for its rare earths plant

- Cameron England
- From: *The Advertiser*
- July 01, 2011 2:34PM



Arafura chief executive Steve Ward (left) with Whyalla Lord Mayor Jim Pollock near the site for the proposed plant with some unprocessed ore containing rare earth minerals. Picture: Jo-anna Robinson
Source: The Advertiser

ARAFURA has bought 800ha of land at Whyalla for a \$1 billion rare earths processing plant.

The Perth company would not disclose the sale price but said the purchase from One Steel was an important step in progressing the project.

OPEN TIME SATURDAY 31st MAY 11am - 2pm



St Eyre Estate

PORT AUGUSTA

turning over a new leaf

HUGE NEW DEVELOPMENT FOR PORT

AUGUSTA WEST

- * Stages one, two and three sold out
- * Stage four, only 9 lots remaining
- * St Eyre Estate includes: residential, retail, schools, parks and so much more
- * House & Land Packages available
- * Limited Number of 1200m² allotments remaining

Investor Alert Sales Office Site For Sale with 3 Year Leaseback at 8% pa return

harris
real estate

Augusta
Developments



Domain.com.au



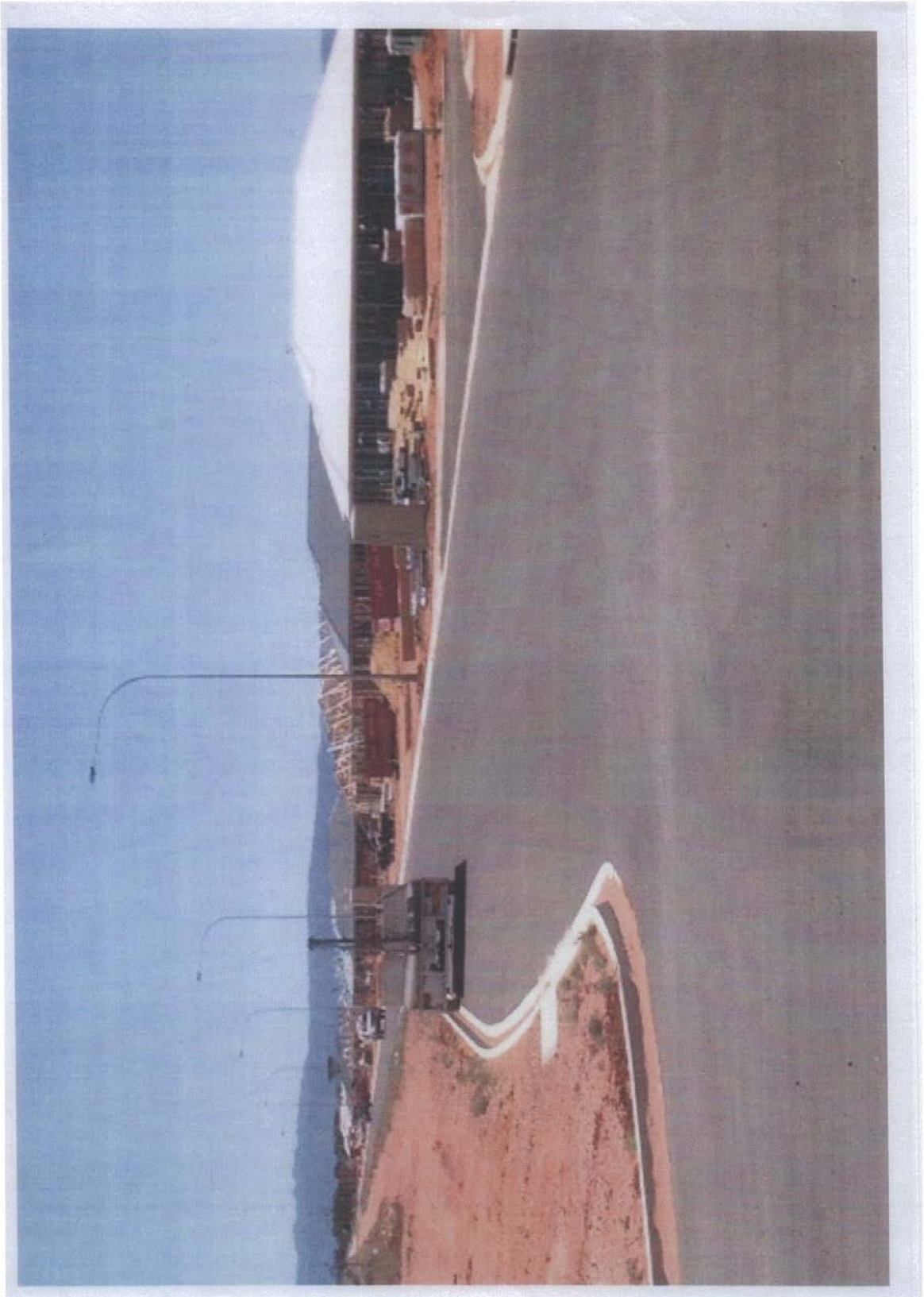
Eight New Allotments Just Released

Sales Office Here
Shirley Street Extension,
Port Augusta West

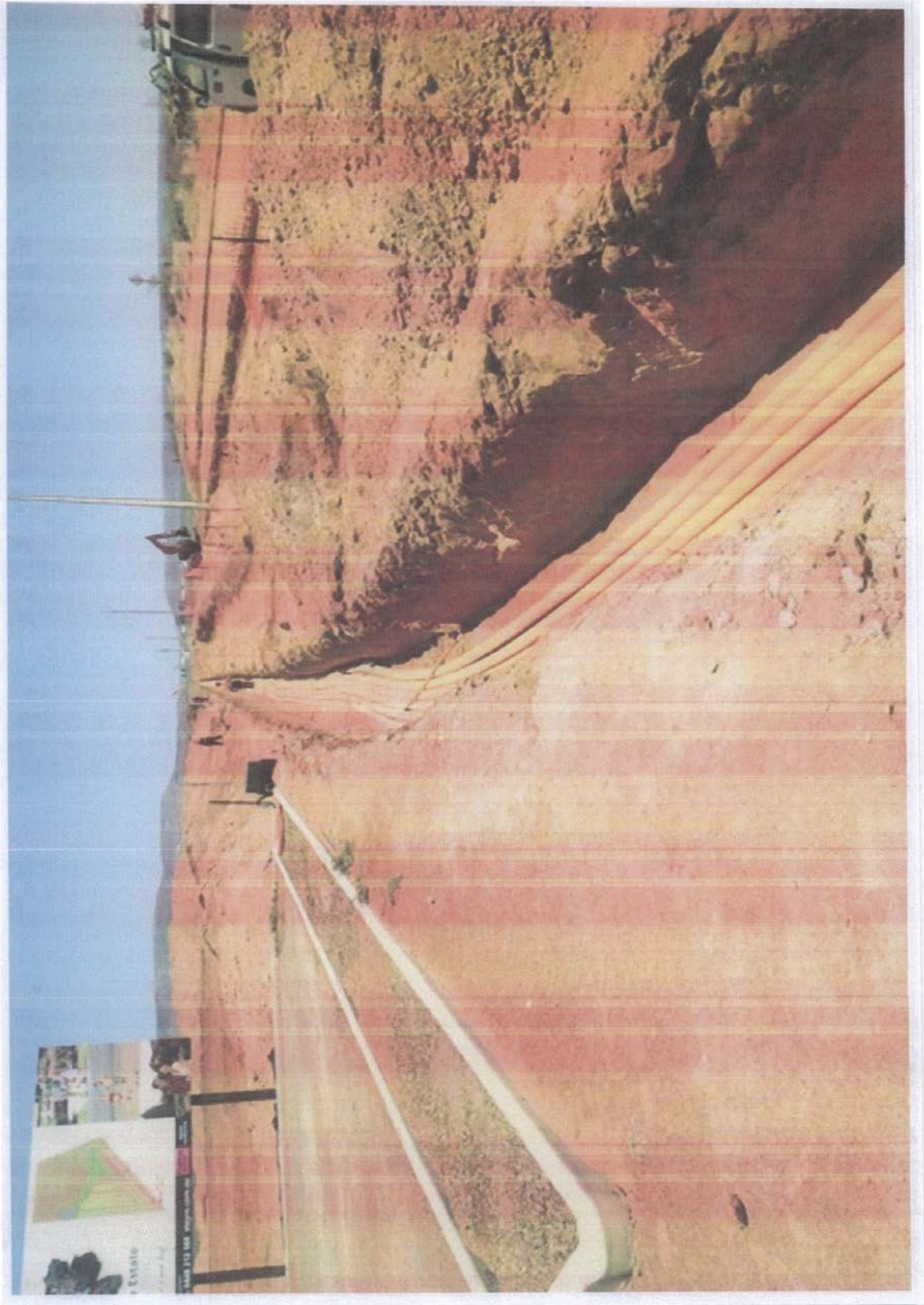
RLA211280

Craig Costello 0448 212 066 or 0412 945 644
craigc@harrisrealestate.com.au

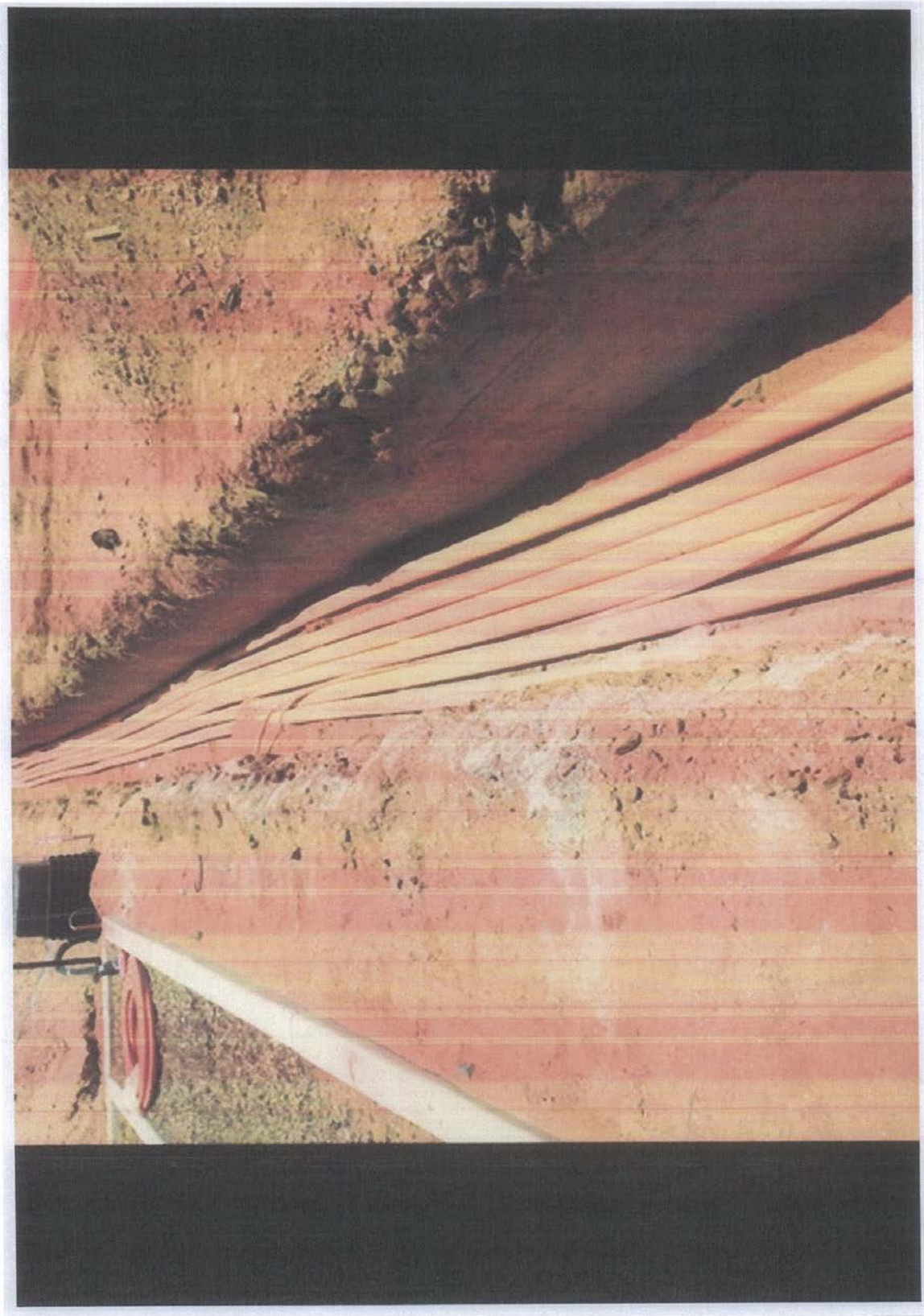
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Variation 01—Verge removal and replacement for watermain alignment as per proposed road



Alignment of Watermain through verge

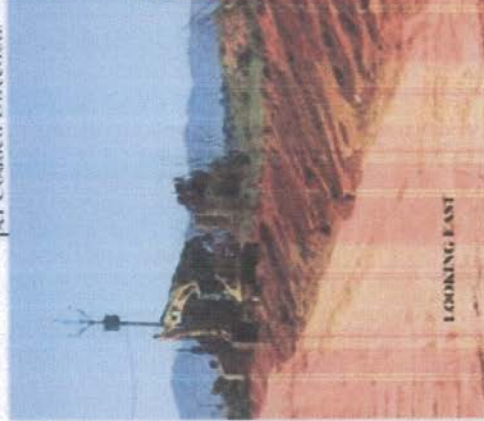


Live Tap Connection—prior to backfilling

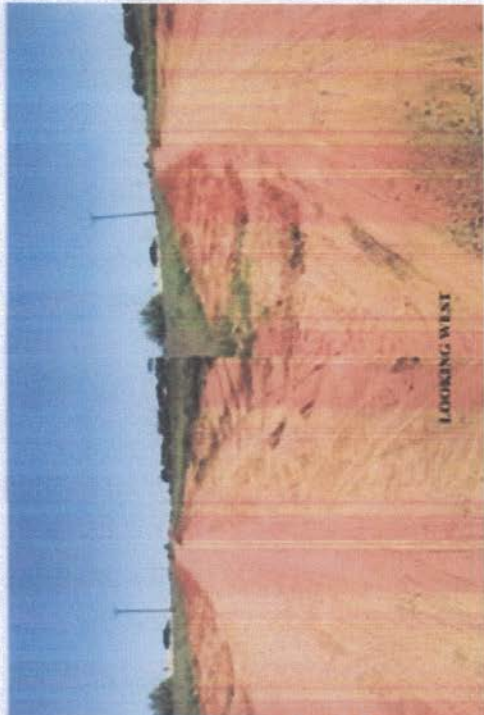


Carosona Road End watermain backfilled where verge used to be, requiring grading and compaction for road surface preparation

Verge reinstatement works and preparation for road grading and sealing off as per Council Direction.

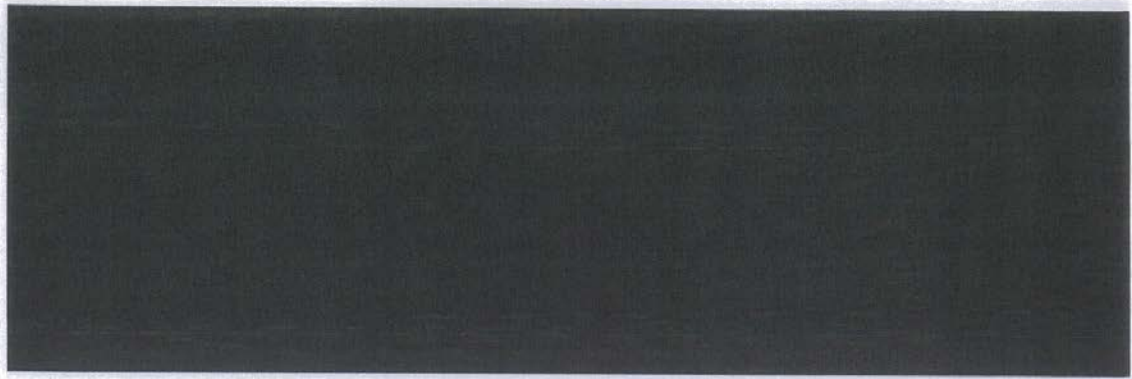


LOOKING EAST



LOOKING WEST

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RED, Brown, Blue, Pink area
all, RED are Houses Brown are title
Blue + Pink under Construction Now



TOTAL LOTS CREATED TO DATE 122



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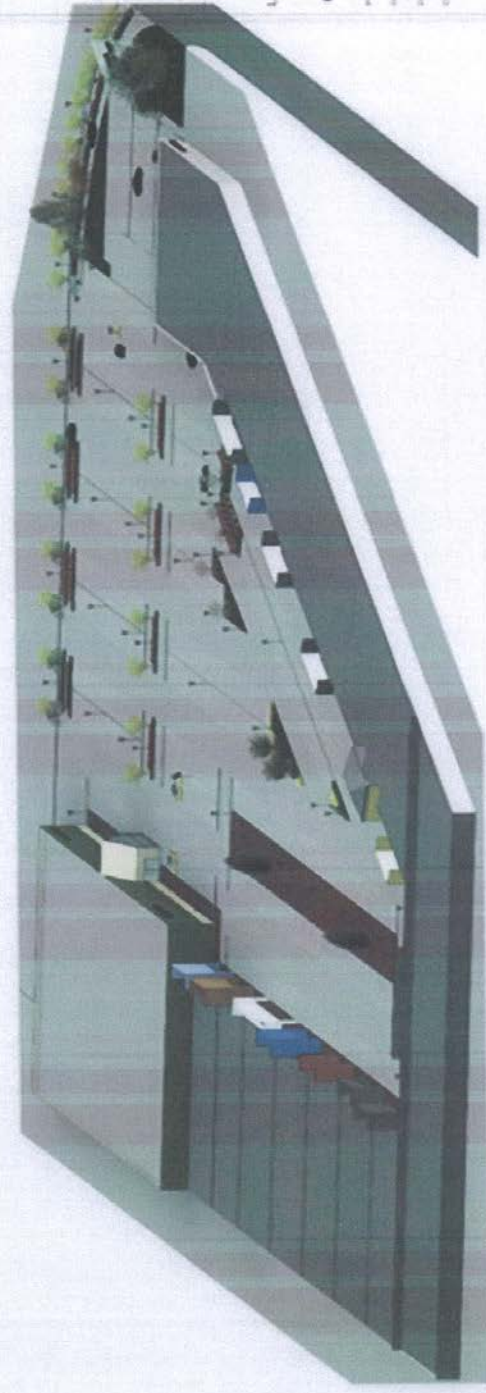


Stirling North
REZONE.
I was instrumental
this allows for future
growth.

PROPOSED NEW HOME MAKER CENTRE
ON BULKY GOODS ZONED LAND.
instrumental in BRINGING
HARVEY HOMES
TO
TOWN



1 Aerial View 1



2 Aerial View 2

| | | |
|-----|-----------------|----------|
| No. | Description | Date |
| | General Project | 12/01/15 |

| | |
|------------------------------|----------|
| AUGUSTA DEVELOPMENTS | |
| LOT 111 NATIONAL HWY 1 | |
| PT AUGUSTA HOME MAKER CENTRE | |
| Project Number | 13 03 15 |
| Date | 03/03/15 |
| Drawn By | COG |
| Checked By | COG |
| Drawn By | COG |
| Checked By | COG |
| 2 of 4 | |

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ARIS/31018

Melanie Jenkins

From: John Banks
Sent: Wednesday, 12 August 2015 3:49 PM
To: Mark Sallis
Subject: FW: Airport Master plan
Attachments: A104209PROP(C) MEETING.pdf; ATT00001.txt

Hi Mark,

A further Email has been received from Pat Cheetham.

Once again, any comment or advice you may offer would be appreciated.

Regards

John

John Banks
Chief Executive Officer

4 Mackay Street (PO Box 1704)
Port Augusta SA 5700
Ph: (08) 8641 9144 Fax: (08) 8641 0357
Email: ceo@portaugusta.sa.gov.au
Website: www.portaugusta.sa.gov.au

Click here to learn more about Port Augusta: www.portaugusta.sa.gov.au/goto/promovideo

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-----Original Message-----

From: Pat [<mailto:augustadevelopment@bigpond.com>]
Sent: Wednesday, 12 August 2015 1:58 PM
To: John Banks
Cc: augustadevelopment@bigpond.com; Carmel
Subject: Airport Master plan

Hi John

Further to our conversation late last week I wish to clarify as requested the following

I wish to offer a revised agreement based on the current economic climate and in the best interests of making the expansion into the Airport land work most effectively

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I would like to propose the following

For clarity the total land area measures 359.2 ha in accordance with the attached plan The area was previously contracted for \$12.5 million This equates to a price of \$34,723.18 per Ha exclusive of GST

I propose to initially purchase the following lots listed below The total area of the said lots derived on the attached plan as listed below equates to a total of 35.59ha

602 , 604 ,605 , 606 , 607 , 608 , 609 , 611 , 612 and also 1001

Using the above total area calculation this would be as follows

Price per Ha is \$34,723.18 exclusive of GST (using original purchase price)

Proposed renegotiated smaller purchase area equals 35.59 ha Total purchase price for the area as listed above using the original purchase price is \$1,238,516.14 plus GST I propose July 1st 2016 as the settlement date This allows me time to complete my engineering and construction of the Main Sewage lines which is required to undertake any development

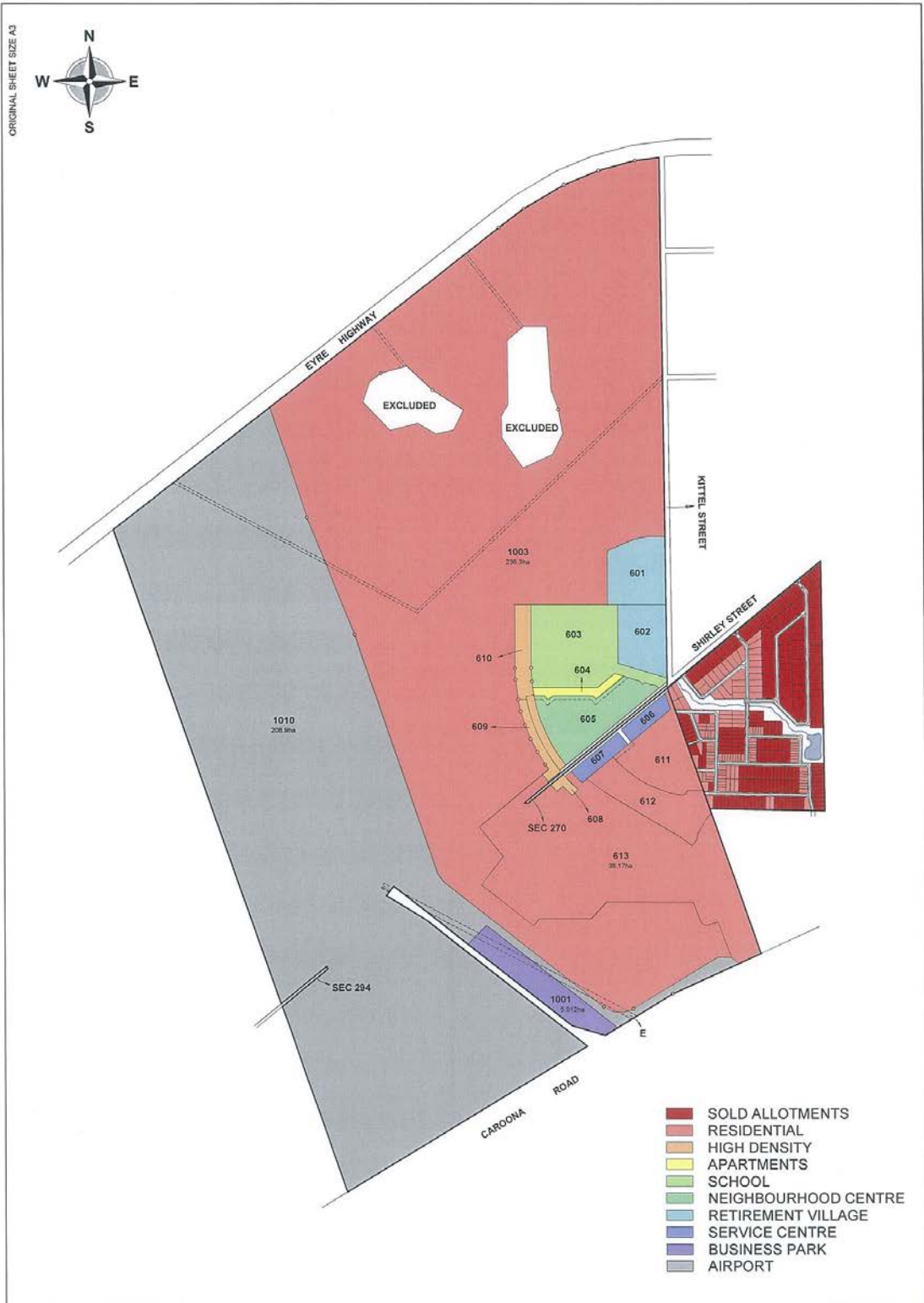
As per my previous correspondence

Council release the previous deposit and interest withheld (\$250,000 plus interest)
Council retains \$20,000 deposit non refundable for the new contract price above .
Council retains any rates outstanding from the with held deposit Council retains previous contract negotiation amount outstanding approx \$16,000 Balance released to Bowhill Property Group Pty Ltd (Same entity for new contract) which will assist on going works in the estate

I trust this gives more clarity and is in line with your request

I have spent millions of dollars on this estate and wish to continue investing more on my Port Augusta West Estate .

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AR15/39051

Melanie Jenkins

From: John Banks
Sent: Thursday, 8 October 2015 12:32 PM
To: Melanie Jenkins
Subject: Fwd: Company for deposit refund

Begin forwarded message:

From: Pat <augustadevelopment@bigpond.com>
Date: 8 October 2015 at 11:42:27 ACDT
To: John Banks <John.Banks@portaugusta.sa.gov.au>
Subject: **Company for deposit refund**

Hi John

Further to this mornings conversation the below Company is to be used for the deposit refund
This will be the same entity (new purchaser of the revised council owned section)
Bow hill Property Group Pty Ltd
ACN 168 018 415
4 Everglade Court Golden Grove 5125 SA

Kind Regards

Pat Cheetham

Ph0412945644

Augusta developments Pty Ltd

augustadevelopment@bigpond.com

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