The State Government’s investment in this Project is creating an exciting new economic growth centre in Northern Australia. It strengthens the East Kimberley’s potential to supply agricultural produce for Australian and international markets. It develops Kununurra as a major regional hub with a vibrant economy based on agriculture, mining and eco and cultural tourism, providing sustainable employment and partnership opportunities for the region’s Miriuwung and Gajerrong peoples.

The State Government has invested $311 million through the Royalties for Regions program and a further $11.5 million through the Department of State Development for the delivery of key infrastructure to expand the Ord Irrigation Scheme.

A National Partnership Agreement between the State and Australian Governments has seen the investment of an additional $195 million of Federal funding in social and community infrastructure in Kununurra, Wyndham and surrounding communities. Significant upgrades have been made to school and health facilities, social and transitional housing, Kununurra airport and the Port of Wyndham.

This investment recognises the growing strategic importance of agricultural development of Australia’s north, which will see the Ord Irrigation Scheme double to 29,000ha.

The current Ord Irrigation Scheme economy of around $120 million a year is expected to double following the completion of the Ord-East Kimberley Expansion Project.

The Ord Irrigation Scheme needs both industry scale and diversity. The State Government’s approach captures these aims.

The key State-owned infrastructure established under the Ord-East Kimberley Expansion Project will assist in unlocking the full agricultural potential of the region.

Up to 14,000ha of land has also been identified for development in the Northern Territory and a further 30,000ha around and to the north of Kununurra, may also be suitable for agricultural development in the future. Public road infrastructure built and owned by the State under the Ord-East Kimberley Expansion Project will also support the potential development of mineral deposits and land-based gas deposits adjacent to the new agricultural land.

Western Australia welcomes private sector investment and believes successes in the energy and resources sector can be paralleled with building agricultural capacity and contributing to food security for Australia and the world.

Hon Colin Barnett MLA
Premier; Minister for State Development

Hon Brendon Grylls MLA
Minister for Regional Development; Lands

The Miriuwung and Gajerrong peoples agreed to relinquish their native title interest over 65,000ha of the East Kimberley region in exchange for support to help our people and their future generations to participate in the community and the economy.

Many of our people see the developments now occurring as a once in a lifetime opportunity to improve the lives of the current and future generations.

We are looking forward to developing our own farm lands in the Goomig Farm Area and the Knox Plain, as provided under the terms of the Ord Final Agreement (2005).

MG Corporation, on behalf of the Miriuwung and Gajerrong peoples, will continue to explore opportunities for further development on MG traditional lands and trust that dealings and discussions with all stakeholders will continue to be based on good-will to help us further realise our needs and aspirations.

Edna O’Malley
Chair, Yawoorroong Miriuwung Gajerrong Yirrgeb Noong Dawang Aboriginal Corporation (MG Corporation)
Kununurra has great potential to develop into a strategic agricultural centre with its close proximity to Asia, favourable climate and reliable water. It is fast becoming the focus of national and international interest.

The Ord-East Kimberley Expansion Project is a major stimulus for the East Kimberley economy.

The Project has successfully partnered with the Australian Government to secure an additional $195million for social and community infrastructure bringing the combined investment by State and Australian Governments to more than $515million. Housing construction doubled in Kununurra during 2009-2010 following the announcement and commencement of the Project.

New businesses have been either created or moved to Kununurra as a result of the Project and around 35 per cent of the Project funds are being channelled through regional businesses.

An average of 20-25 per cent of the workforce on this Project are indigenous. In August 2012, the construction workforce was 280 people of which 96 people were indigenous. A review of the Project (2010 and 2011 indigenous outcomes) highlighted:

- 117 indigenous people were engaged in the Ord Project
- 86 (74 per cent) of these people were unemployed before the Project

The $700million KAI proposal to lease and develop the Goomig Farm and Knox Plain areas is expected to provide:

- Contract-grower opportunities for existing landholders in sugar and rotational cropping
- Production of up to four million tonnes of sugar cane producing up to 500,000 tonnes of sugar crystal per annum
- Multiplier effects on local businesses from a large-scale sugar industry
- Development of sugar mill at an estimated cost of $425million with potential for expansion
- Development of a co-generation power plant with potential output of 60 to 80 megawatts and ability to supply surplus power back into the grid
- Strategy to underpin local indigenous civil contractors

- Construction employment averaging 350 persons from 2014-2018
- Operational staff starting at approximately 100 in 2017 ramping up to more than 400 by 2021 once full production is achieved
- Potential ethanol plant
- Potential for a medium density fibre board plant producing up to 300,000 tonnes per annum
- Possible establishment of an industrial park
- Major upgrade of Wyndham Port facilities

WHAT THIS MEANS FOR THE EAST KIMBERLEY, WESTERN AUSTRALIA AND AUSTRALIA

The following key assets will have been created at the completion of the Project:

- A new 31km main irrigation channel built with the capacity to expand into the Northern Territory, to be transferred to the Water Corporation
- 40km of new public roads to be transferred to the Shire of Wyndham-East Kimberley
- Secondary irrigation channels, drains and flood protection levy
- Garrjang Village providing accommodation for 252 workers

PROJECT FINANCIALS
ORD STAGE 1 INFILL
Ongoing program to identify suitable land parcels in and adjacent to Ord Stage 1.

**Ord West Bank** The State Government has determined that the 1,700ha Ord West Bank lands will be sub-divided into smaller farm lots to create new opportunities for high value horticulture crops. About 1,000ha are expected to be arable, allowing for setbacks and buffer areas. This is expected to provide for up to 25 new farms run by local producers. This land is anticipated to be offered for sale by tender in 2014-15.

**Darram** 200ha variable soils, suitable for a range of horticultural crops.

**Ord East Bank** 250-800ha levee soils, suitable for a range of horticultural crops.

**NORTHERN TERRITORY (KEEP PLAINS)**
14,000ha of predominately black clay soils with pockets of levee soils suitable for a range of broad acre crops, short to medium term prospect.

**CONSOLIDATED PASTORAL CO. LANDS (PRIVATELY OWNED)**
5,000ha black clay and levee soils suitable for a range of broad acre and horticultural crops.

**COCKATOO/PAGO SANDS**
Ning Bing (25,000ha) Victoria Hwy and Carlton Hill Road precincts (5,000ha) – further investigation required (soil/water), medium to long term prospect.

**MANTINEA**
4,000ha of black clay and levee soils suitable for a range of broad acre and horticultural crops, medium term prospect.

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**THE ORD-EAST KIMBERLEY EXPANSION**
- **Green**: Late 2012
- **Brown**: Short term
- **Orange**: Medium term
- **Golden**: Long term
- **Light Green**: Conservation area
- **Yellow**: Ord Stage 1

**THE BIG PICTURE**
The need for scale is the biggest factor in growing the region. While diversity is important, it is critical for the industry to be underpinned by anchor crops that are of sufficient scale and profitability. The Government’s investment strategy focuses on providing multi user infrastructure and land availability that supports and attracts further private sector investment.
The need for scale is the biggest factor in growing the north into a resilient and productive agricultural industry to be underpinned by anchor crops that are of sufficient scale and profitability. The Government’s investment strategy focuses on providing multi user infrastructure and land availability that supports and attracts further private sector investment.

**ENVIRONMENT AND CONSERVATION**

The State is creating six conservation areas of 154,000ha to be granted freehold to the MG people for preservation of indigenous culture, environment and biodiversity.

**LAND TENURE**

The State will continue to own the new farm land. KAI will develop and farm the land under lease. For environmental control purposes, some farm areas will be leased for 10 years and the remainder for 50 years with options to negotiate lease extensions. Security of tenure is important to enable the scale of private sector investment required.

**GOOMIG AND KNOX PLAIN**

7,400ha and 6,000ha respectively with black clay soils.

**THE ORD-EAST KIMBERLEY EXPANSION PROJECTS**

**PROXIMITY TO EXPORT MARKETS**
Regular project updates have been provided to the Northern Territory and Australian Governments. A key outcome that recognises the national significance of the Ord Scheme is the establishment of an Ord Inter-governmental Working Group in July 2012 to investigate the potential of expanding the Ord into the Northern Territory.

**PRODUCE OF THE ORD IRRIGATION SCHEME**

The Ord region plays an important role in Australia’s domestic food supply chain, supplying produce in the Australian winter/spring when production in other regions is low. Foods includes rockmelon, watermelon, pumpkin, red grapefruit, mango, beans, chickpeas and chia. Ord produce is exported to New Zealand, Japan, Europe, the Middle East, North America and China.
Kimberley Agricultural Investment Pty Ltd (KAI), an Australian private company wholly-owned by Shanghai Zhongfu (Group) Co Limited whose parent company is major Chinese construction company Shanghai Zhongfu Real Estate Co Limited, is the preferred proponent for the new irrigated agricultural land in the Goomig Farm Area and the Knox Plain. Following finalisation of a Development Agreement that documents the timelines, responsibilities and obligations, KAI will lease and develop the Goomig Farm area, and progress approvals and subsequent development of the Knox Plain.

KAI proposes to invest approximately $700million to establish a sustainable large-scale sugar industry including a refinery with power co-generation and a major upgrade to Wyndham Port. The company also wishes to explore any opportunity that may arise for the future development of a further 14,000ha into the Northern Territory.

KAI is a company experienced in complex construction projects, and its proposal to establish a sugar industry will deliver significant regional development outcomes for the East Kimberley region.

KAI has engaged Australian expertise to develop a number of farming models that include corporate farming, sub-leasing and share-farming with Australian growers. The proposal allows for other horticulture and field crops to be grown in rotation with sugar cane on the new farm land.

TRADITIONAL OWNER BENEFITS

KAI will develop and implement an Aboriginal Development Package (ADP) for the Knox Plain with the Miriuwung and Gajerrong peoples. This is expected to include preferred contractor arrangements, and further training and employment opportunities for Miriuwung and Gajerrong peoples.

The ADP will build on the success of the existing ADP between the State Government and the Miriuwung and Gajerrong peoples for the Goomig Farm Area. This supports training and employment of around 150 indigenous people, new indigenous business and capacity building for the Miriuwung Gajerrong (MG) Corporation.

Continued indigenous employment options and new business opportunities will be the focus of the ADP.

The Government is proud of the strong support and collaborative partnership with the MG Corporation.
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