

GWELO – BUILDING IN DARWIN SINCE 1975

It was good to receive a briefing this week from Gordon McIntosh, Director of Aberdeen City Council. Introduced by the Chief Minister, this was an important opportunity to understand the impacts of oil and gas on a city like Darwin – not just about the arrival of major companies but also the spawning of small local companies with relevant expertise. The presentation entitled “The Past, The Present, The Future” outlined many of the lessons learnt from Aberdeen’s experience with the oil and gas industry over the past forty years.

Traditional jobs such as fishing and ship repair moved elsewhere due to the pressure on the harbour and oil related industries became the major source of employment. At its peak in the 1990s, the oil and gas industries employed 54,000. Yes, the famous export of beef and whisky continued, but Aberdeen harbour became utilised almost exclusively for oil and gas.

Although, initially, everything was brought into Aberdeen by the oil and gas companies, it was swiftly seen that if locals could define exactly what services those companies required, local businesses could get involved and new concerns could be established. Today, more than 80% of oil-industry workers are employed not by the international companies but by local businesses. Altogether such businesses, encompassing everything from catering and construction to geology and engineering, have a turnover of more than £10 billion a year.

Industrial estates, science parks and technical centres developed and the city itself has benefited from world class facilities such as the 1,400 seat, refurbished, extended His Majesty’s Theatre, the award-winning Aberdeen Maritime Museum and Union Square city centre shopping complex, total retail space 65,000m².

Aberdeen’s affluence is reflected in the fact that of the Top 100 Scottish companies, twenty-eight are from Aberdeen although the region has only 4% of the population (approx. 250,000). Average weekly gross earnings are £640 and almost three-quarters of residents (74%) own their own home (over the past ten years average house prices have been the fastest growing in the UK, currently £202,217 compared to national average of £160,159.)

Gordon McIntosh noted oil and gas industries sought cities that offered safety, health facilities, fully integrated transport network (Aberdeen’s include hydrogen powered buses), schooling including International Baccalaureate, a clean city and an excellent quality of life. Housing choices are vital and Aberdeen’s suburban areas have quadrupled in size.

The experience gained by Aberdeen provides a glimpse into Darwin’s future opportunity as a shop window for Australia’s oil, gas and resources; opportunities that include new expertise, strengths and relationships. Our huge advantage is the proximity Darwin has to prime Asian markets. Our priorities include providing the infrastructure and accommodation that will be urgently needed – and here Gwelo will play an integral part.

I look forward to your call.

Best Regards,



Jim Downs, 0418 250879



Darwin Economic News

2011-11-10 Big need for properties

NT News

Tourism & Transport Forum Chairwoman Ann Sherry ... said high occupancy figures in capital cities showed there was a big need for properties to be built....

SkyCity's resort and the SOHO project are the only hotel developments under way in the Territory... The 26-storey SOHO building in Wood Street will be a residential hotel complex with 150 apartments. Everybody living there will have access to full hotel facilities, such as restaurant and swimming pool ... economists warn that the Territory should be building hotels now to cater for an upswing. They say that the gas-fired economic boom will lead to a huge increase in hotel demand. *(SOHO is Gwelo's forthcoming project.)*

2011-11-09 Investor demand is high

NT News

Glenn Grantham of Raine & Horne Darwin ... named Darwin CDB and suburbs on the outskirts of Palmerston as investment "hot spots". ... Mr Grantham said he expected significant rent increases over the next year.

2011-11-07 Litchfield ahead of the field

Australian Bureau of Statistics

Litchfield has overtaken Palmerston as the fastest growing local government area in the Northern Territory, according to the Australian Bureau of Statistics (ABS). In 2010, Litchfield's population increased by 3% .. compared to 2.7% for Palmerston. Darwin's population increased by 2.2% in 2010.

(Gwelo's forthcoming commercial and residential development is located at Coolalinga, the heart of Litchfield Shire.)

2011-11-10 Heron work ready to fly

NT Business Review – New Horizon

MEO Australia and Eni said Ensco would provide a 109 Jack-up rig for Heron-3 and work would start in March... Heron is 300km from Darwin.

2011-11-07 International ranking placed CDU in world's top 400 unis

Charles Darwin University enews

Charles Darwin University has made a remarkable entry into the world's top 400 universities. The youngest university in Australia, CDU has been ranked number 306 in the world in the prestigious Times Higher Education World University Rankings. Times Higher Education also places CDU at number 13 in the rankings of Australian universities. Vice-Chancellor Professor Barney Glover: "This puts CDU firmly within the top four per cent of world universities".

2011-11-07 Mining investment in Northern Australia is booming **NT Government Press Release, Minister for Resources**

"Our China investment Strategy is paying off, with more than 167 market visits made to the Territory by Chinese investors and exploration companies and 16 agreements signed between Chinese and NT Companies.... The resource-rich Territory is ideally placed to capture this very important market.

2011-11-10 Territory ready for take off **NT Business Review**

The Chief Minister, Paul Henderson, predicts a prosperous future for northern Australia: After many years of thinking, working and effort, northern Australia is poised to truly become the centre of economic opportunity for all. And Darwin and the Territory will lead Australia in coming years to be the economic growth and jobs capital of our region... The Australian Bureau of Statistics has released figures that show Darwin is the second fastest growing capital city in Australia next to Perth.

2011-11-10 second gas train **NT Business Review – New Horizon**

Hopes are again rising that the closest gas field to Darwin could be opened up. ... Adding just one production train would cost more than \$1 billion and employ more than 1000 construction workers.

2011-11-10 China eyes golden riches **NT News**

CHINESE investment in gold mining in the Territory will increase on the back of high prices and as a hedge against a weak US economy, Thor Mining chairman Mick Billing says.... the price of gold was at almost record highs.

2011-11-10 Mango Growers enjoy sweet time **NT Business Review**

The Northern Territory is heading towards a record mango season. Darwin harvested just over two million trays.

2011-11 China Market Development Plan **Tourism NT**

Tourism NT and industry partners have had a presence in the China market since 2004 and annual visitation from China to the NT is currently around 4,000... The Territory has strong business, education, trade and economic ties with China; a vibrant and dynamic Chinese community; world renowned natural and cultural attractions; and reputable accredited tourism businesses operating in a safe and welcoming environment.

2011-11-08 \$13.4 Million Deal Signed for Mount Peak Project
NT Government Press Release, Minister for Resources

Resources Minister Kon Vatskalis last night witnessed the signing of a landmark agreement between Australian resources company TNG Limited and Ao-Zhong International Mineral Resources Pty Ltd, a subsidiary of the East China Mineral Exploration and Development Bureau (ECE). The \$13.4 million agreement will contribute to key pilot plant test work as part of TNG's Mount Peake Iron-Vanadium Project in the Territory.

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Mount Peake – one of Australia’s largest Iron Vanadium Titanium Projects is located close to the Darwin to Alice Gas Pipeline, Stuart Highway, Adelaide to Darwin Railway
Mine Life: 24 years. Total FeV (*Ferro-Vanadium*) metal production: 105,000 tonnes

2011-11-09 Latest of the 173 Work Packages currently listed for Ichthys
ICN Gateway

The Scope of Work for this package encompasses the main civil work for the onshore LNG facilities. Indicative work volumes:

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|---------------------------------------|------------|
| Excavation: | 350,000 m3 |
| Concrete: | 100,000 m3 |
| Roads, Asphalt Paving & Asphalt Seal: | 295,000 m2 |
| Concrete Paving: | 275,000 m2 |

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