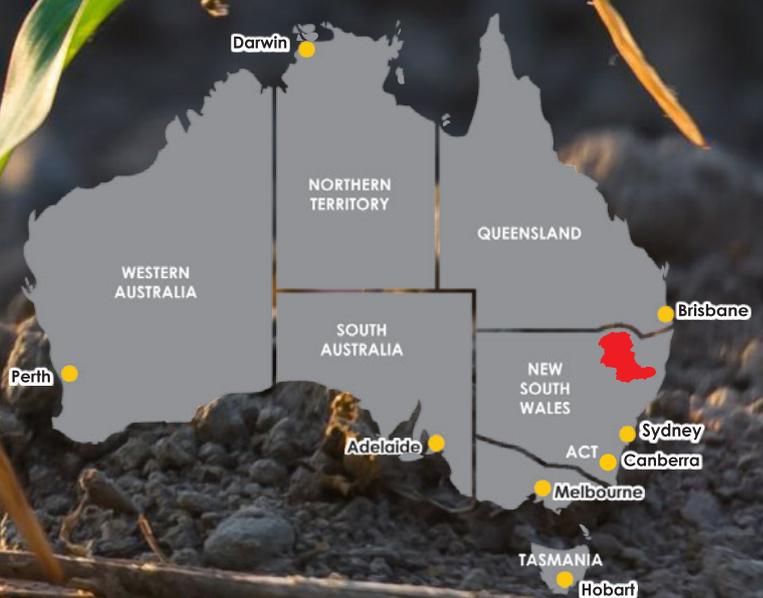


NAMOI INVESTMENT PROSPECTUS

NORTH WEST NEW SOUTH WALES



QUALITY. CLEAN. GREEN.



1. Foreword

Namoi Investment Prospectus North West New South Wales



Welcome to the Namoi Investment Prospectus. The Namoi region is the premier agricultural region in the state of New South Wales, Australia, producing over \$2 billion annually in agricultural production, more than any other area in the state. We are open for business and can offer attractive investment opportunities across a wide range of agricultural commodities and agribusinesses.

Namoi region is experiencing strong economic growth, particularly in the agricultural sector. Australia is renowned for its stable investment environment. Within our region, we have strong relationships with and links to the NSW and Australian governments.

We already have significant overseas investment established in the region and realise the many positive benefits this investment provides for both investors and our communities.

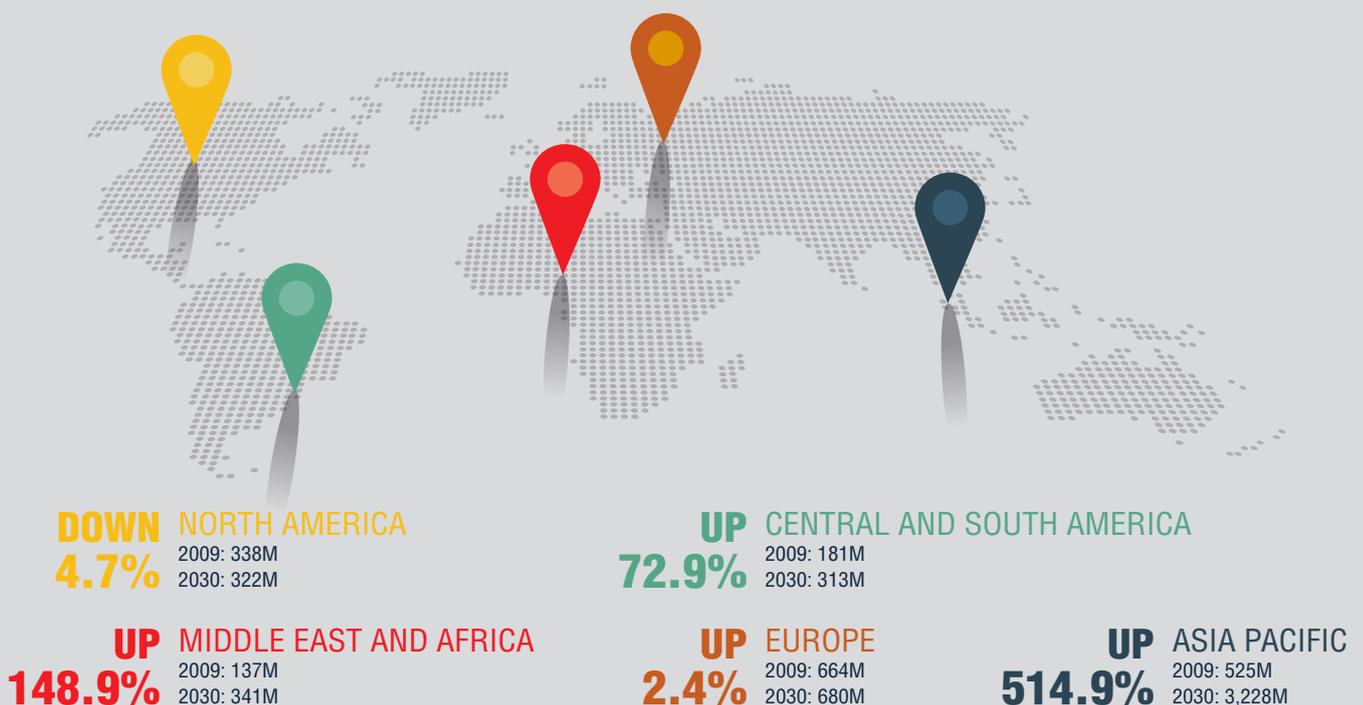
The growing affluence of our close Asian Neighbours, as well as new Free Trade Agreements with our major trading partner, China, open up immense opportunities for new and expanding markets, and for inward investment in partnerships in the region which benefit all.

The Local Governments of the North West region have the knowledge and connections to make your investment a success and we encourage you to contact the Namoi Councils to explore your interest further. We look forward to welcoming you and your business to the North West.

**Councillor Col Murray – Chair of Namoi Councils,
Mayor of Tamworth Regional Council**

Figure 1. Increasing Affluence of Near Neighbours (Number of Middle Class)

Source: Austrade (2015)



Contents

1.	Foreword (Welcome to the Namoi Region).....	2
2.	Namoi Region At A Glance	4
3.	Namoi Region: Australia’s Premier Agricultural Investment Destination	5
	Major Producer of Crops	7
	Strong Agricultural Employment & Support Services	8
4.	North West Fresh - Diversity on Asia’s doorstep	10
	Unique, diverse, clean and green	11
5.	The Namoi Region Agricultural Value Chain	13
	Volume and Quality	13
	Farm Support Infrastructure	14
	Transport for Agriculture	15
	Strong Research & Development Activity & Support Services	16
6.	Investment Opportunities	17
	Investment Returns	19
	Opportunities by Sector	20
	Grains, Oilseeds and Legumes	20
	Cotton	22
	Cattle and Sheep	24
	Speciality Crops & Horticulture	26
	Renewable Energy	28
	Transport Logistics	30
	Other Investment Opportunities	31
7.	Local Government – Your Investment Gateway	32
8.	Skilled Migration & Significant Investment Visa	33
	Significant Investor Visa	33
9.	Appendix – Free Trade Agreements.....	34
10.	Sources	35

Disclaimer:

Nothing contained in the Namoi Region Prospectus constitutes investment, legal, business, tax or other advice. In particular, the information in the Prospectus does not take into account your investment objectives, financial situation or particular needs. In making an investment decision, you must rely on your own examination, including the merits and risks involved. You should consult your professional adviser for legal, business or tax advice. While every effort has been made to ensure that the information in this publication is reliable and accurate at the date of printing, RDA Northern Inland and Namoi Councils Joint Organisation give no warranty regarding the accuracy of such information and will not be responsible for any consequence resulting from errors contained herein. A reference within this Prospectus to any third party does not necessarily represent an endorsement by RDA Northern Inland or Namoi Councils Joint Organisation of the services of that third party nor is it intended to influence any decision to engage the services of that third party. Unless otherwise agreed in writing, all rights in the Prospectus vest in, or are assigned upon receipt to RDA Northern Inland and Namoi Councils Joint Organisation.

2. Namoi Region At A Glance



Over \$2 Billion gross value of agricultural production. More than any other region in New South Wales



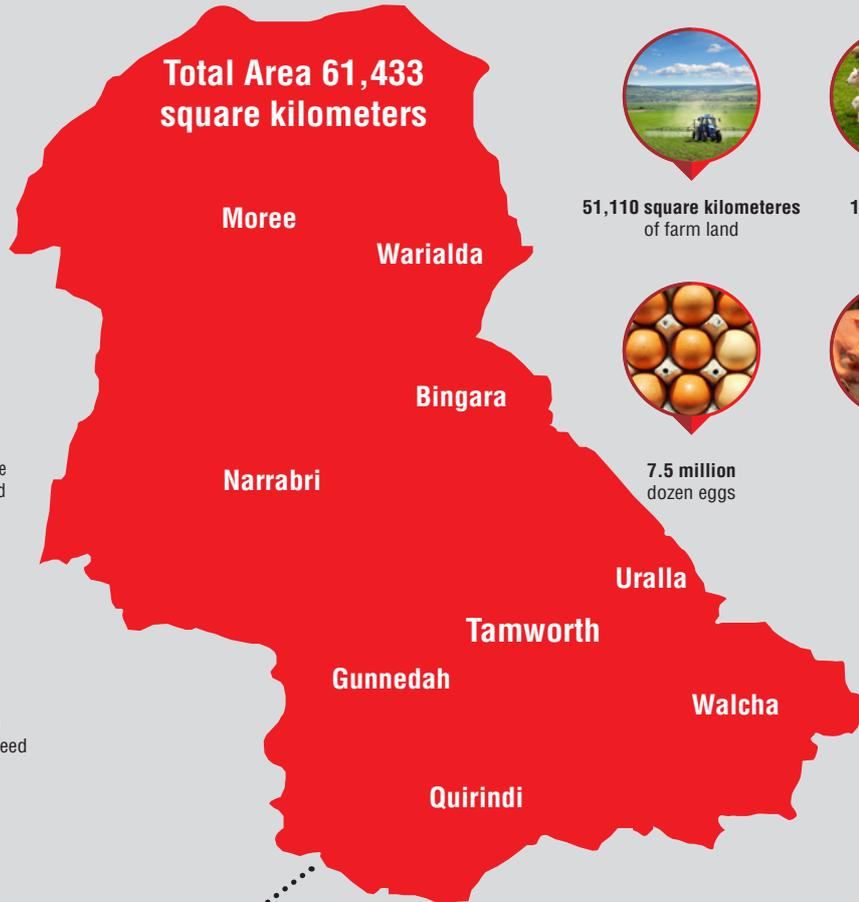
Clean, green, safe and diverse agriculture



Already over \$1 Billion of Direct Foreign Investment in the region



Biosecure and sustainable



51,110 square kilometers of farm land



1.6 million sheep



Highly fertile soils can grow two crops per year and support a diverse range of crop and livestock



Over 16.3 million square metres of industrial land available



7.5 million dozen eggs



24,000 pigs



128,000 people



324,000 bales of cotton
838,000 tonnes of cotton seed



1.1 million cattle



5.7 million poultry



Attractive Returns on Investment



Farms (ROC)



Agricultural processing (ROA)



ROC = Return on Capital, ROA = Return on Assets

3. The Namoi Region: Australia's Premier Agricultural Investment Destination

Investment opportunities exist now to value-add and capture the benefits of enhanced supply chain logistics from the abundant agricultural production in the Namoi region.

The region boasts some of the most productive agricultural land in Australia. The rich and fertile black soils of the Liverpool Plains in the eastern part of the region, and highly productive black, red and brown earths to the west and up to the Moree Plains Shire are ideal locations for agricultural investment in value-added production.

The soils are underpinned by secure and abundant groundwater for irrigation from the Great Artesian Basin. In addition, major water impoundments including Copeton, Keepit, Split Rock and Chaffey Dams supply surface irrigation water under a secure licencing system.

Both water sources are supplemented by an annual rainfall ranging from 585mm per year at Moree to 808mm per year at Walcha.

This highly sought after area can support a myriad of summer and winter crops including grains such as wheat, barley, oats and triticale, oilseeds such as canola and sunflower, and legumes including soybeans, chickpeas, faba and mung beans.

The region also produces magnificent cotton crops – one of the most profitable crops in the region – and of a quality which sets the world benchmark. The Namoi region grows the highest quality cotton in the world.

Extensive livestock production is another dominant feature of Namoi region farming systems including beef, mutton, lamb and pork. There is a large and rapidly expanding chicken meat and egg industry around the Tamworth region.

In addition to these mainstream farm products, there are a number of niche enterprises including pecan nuts, oranges, horse breeding, linseed and dairy cattle.



Competitive Advantages



Highly productive soils



Abundant and legally secure irrigation water



Grow two crops per year



Located between Sydney and Brisbane = market/port access



Proposed inland rail link to open up market opportunities to Melbourne & Brisbane



Highly developed agricultural support services



Centre of broad-acre crop and cotton research



Welcoming outdoors lifestyle and facilities



Ample educational opportunities



Investment-ready and supportive local government



Bindaree Beef Equity Arrangement with Chinese Meat Processor

Bindaree Beef, located at Inverell on the edge of the Namoi region, is one of Australia's largest meat processors and a leader in the Australian meat industry. Bindaree Beef continues to be a family owned and operated business today; a business built on a reputation for product quality and business integrity.

In 2015, the family sold a 45% share of the operation to China's fourth-largest pork processor Shandong Delisi Food Co for \$140M.

Most of the capital will be used to improve the current facilities at Inverell in terms of chilling, boning and freezing facilities. They will also export beef to China as part of the Delisi Group's network and will fit into that network selling beef.

Whilst the Delisi Group is listed on the Shenzhen Stock Exchange in China, they were originally a family business, so there is a level of cultural fit between the two businesses.

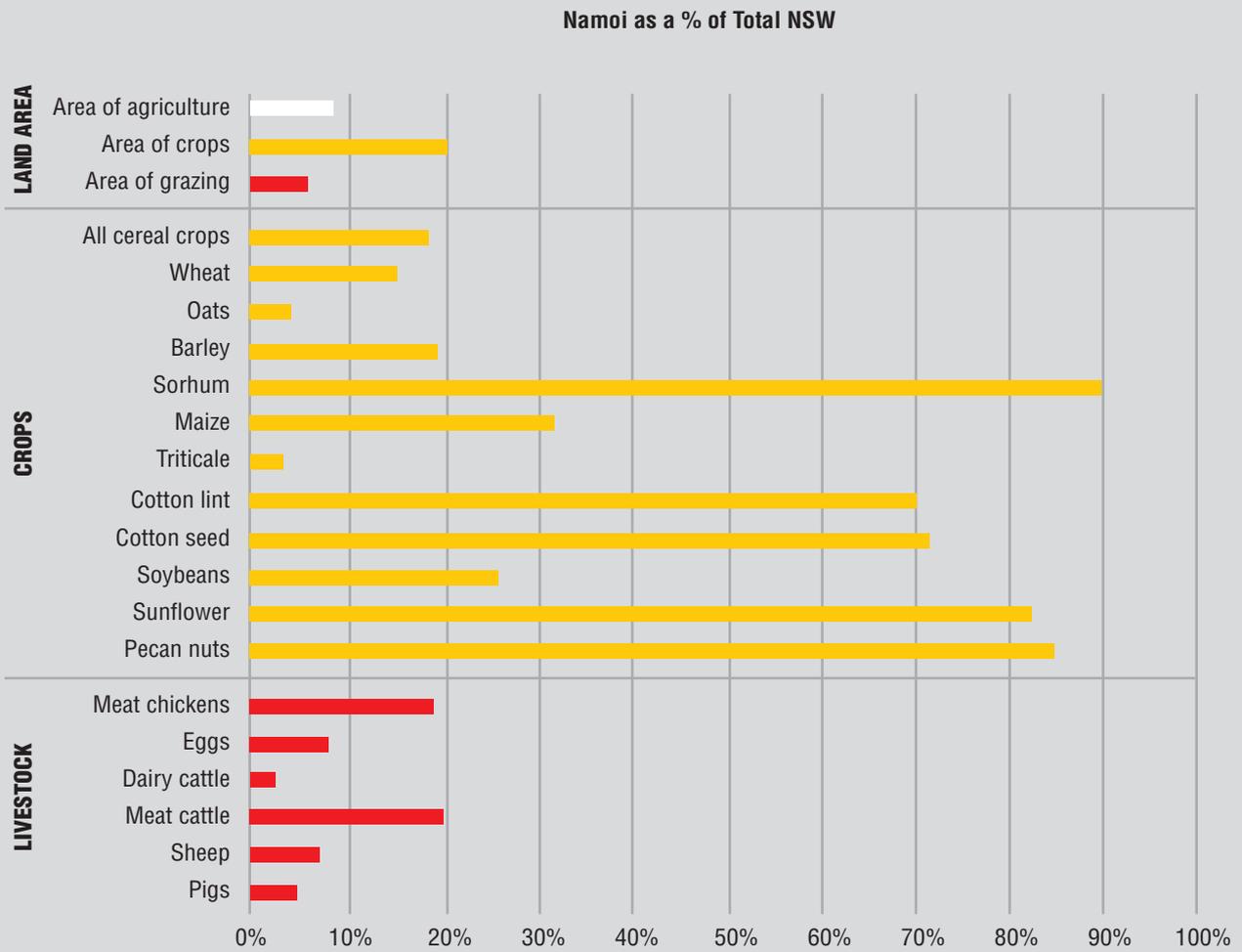
This is an excellent example of an Australian agricultural business attracting foreign equity investment as a means of improving their operations, expanding into new markets, and boosting local economic activity and employment while still retaining majority Australian ownership.





Major Producer of Crops

Figure 2. Namoi Region Agricultural Production as a Percentage of New South Wales Production



Source: ABS (2012)

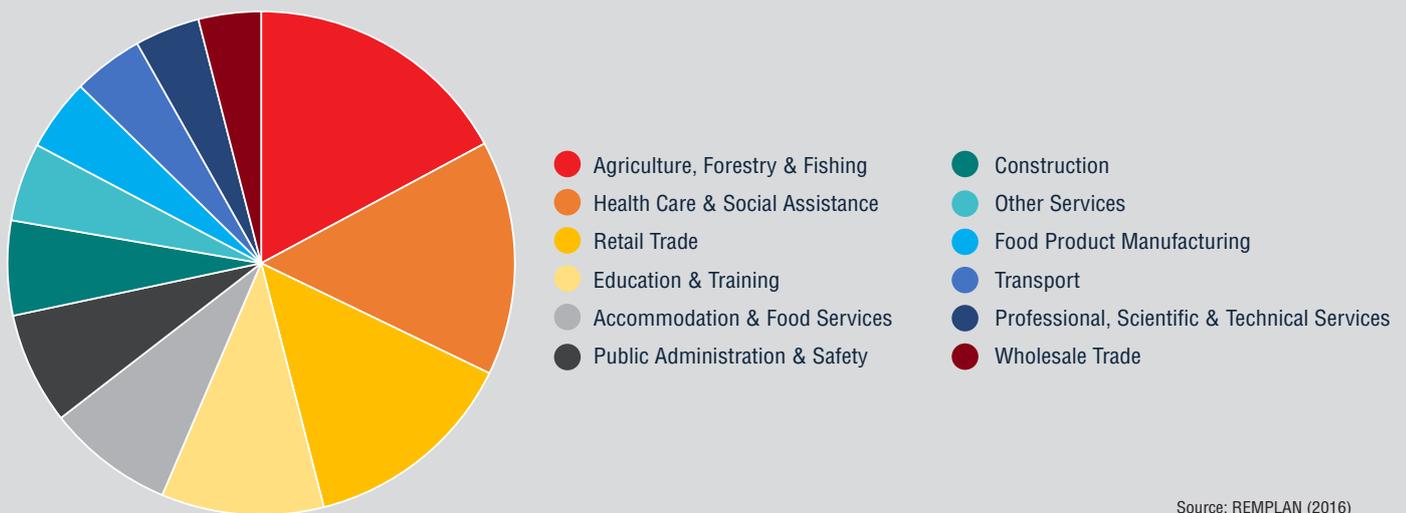


Strong Agricultural Employment & Support Services

Employment in the region is dominated by agriculture, and services that support agriculture including the further processing of agricultural commodities into higher value products (e.g. cotton ginning, meat processing, grain processing, cattle feedlots and niche products such as honey and linseed meals).

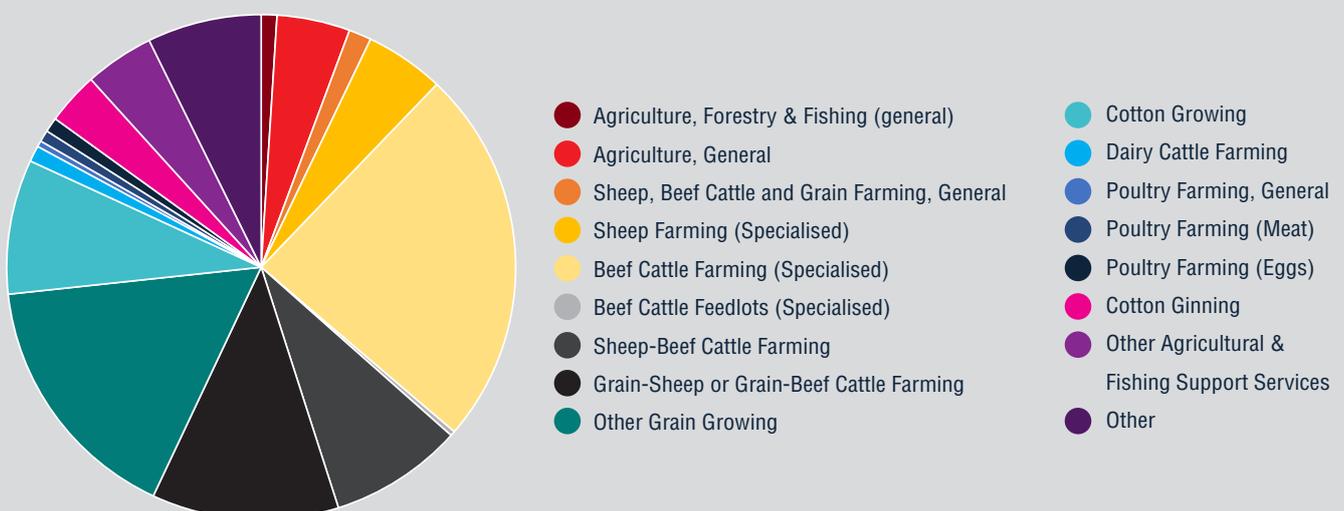
Within the agricultural sector itself, employment is dominated by broad-acre cropping, grazing and cotton production.

Figure 3. Main Employment Sectors in the Namoi Region



Source: REMPLAN (2016)

Figure 4. Agricultural Employment



Source: ABS (2012)



Namoi Region: A great place to live

Not only is the region a dynamic place to invest, it's a great place to live and work. The region is home to the major cosmopolitan city of Tamworth as well as larger towns like Bingara, Gunnedah, Moree, Narrabri, Quirindi, Uralla, Walcha and Wyallda. With affordable housing, a wide range of employment opportunities, great schools, universities, no traffic and plenty of room to grow, why not come on inland to the Namoi region and see how good life can be?

The Namoi region hosts a range of industries including agriculture, agri-business, aviation, manufacturing and processing, mining, natural resources development, tourism, transport and distribution, education and training, engineering and construction, information technology, and research and development. Away from the bigger centres, there are stunning National Parks and wide open stretches of country to explore. The diversity of the region has its own appeal and offers something for everyone.

Why live in the Namoi region?

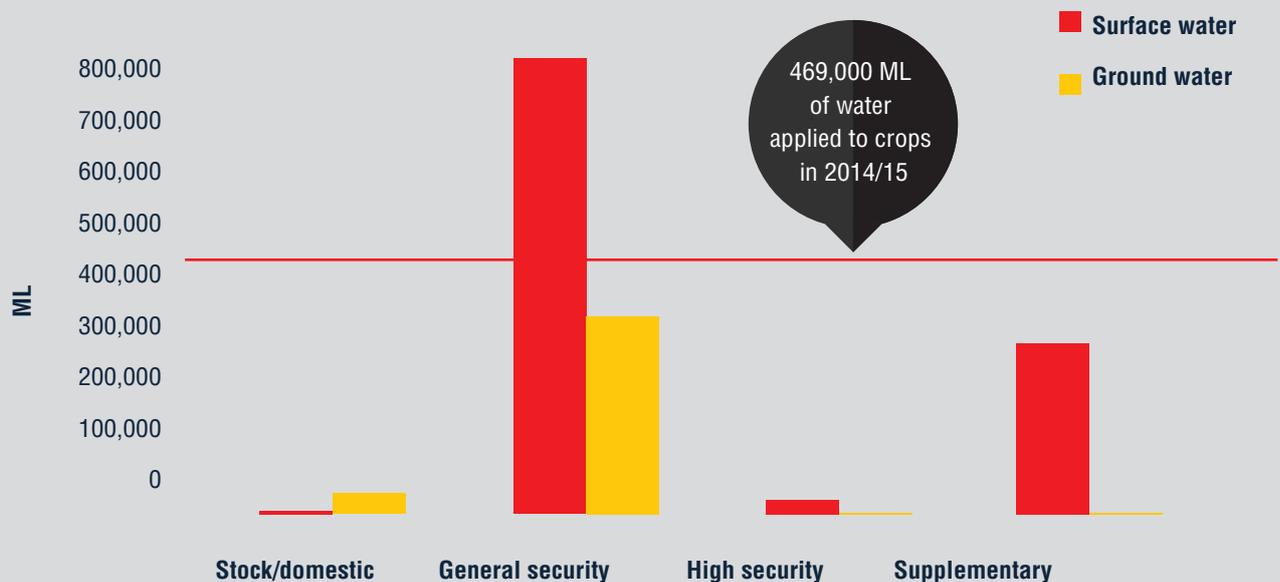
- Enjoy breakfast with your family every day of the week
- Dynamic and growing job market
- Affordable housing
- Relax in your own backyard
- Fast internet speed allows you to work from anywhere
- A short relaxed commute to work
- Immerse yourself in a stunning clean and green natural environment
- World class education at your doorstep
- Daily return air flights to Sydney and Brisbane
- Passenger rail connections to Sydney and Newcastle

4. Namoi Fresh Diversity on Asia's doorstep

Abundant water and highly productive soils means the region offers investors a reliable and fresh supply of clean, green produce across a diverse range of commodities. The region has a summer dominant rainfall and a climate allowing for crop and pasture growth across most of

the year. There are significant groundwater resources, together with surface water allocations enabling the irrigation industries to contribute 48% of the gross value of agricultural production to the region's economy.

Figure 5. Namoi Region Irrigation & Stock Water Licenced Entitlements



Sources: NSW Office of Water (2011a, 2011b, 2016a, 2016b), ABS (2016)



Strong track record in attracting international investment throughout the agricultural supply chain.



The region sustains a wide range of agribusiness enterprises.



Proximity to Asian economies, extensive free trade agreements and counter-seasonal production for the Northern Hemisphere means that trans-national companies can deliver produce throughout the year.



Competitive advantage for agribusiness is derived from locally-developed production methods and technologies and international research and development collaborations.



The Namoi region is a logical supply source for agricultural products, food and fibre. The professional farming community represents an educated and reliable supply chain partner for international customers.



There are robust procedures in place with governments to ensure access to surface and ground water for primary producers. Water security is ensured by the NSW Government water licensing system, which incorporates the ability for temporary and permanent trades.



Namoi region agribusiness consultants work across all aspects of the sector, helping producers and landholders apply the latest research, practices and technology to their farms and businesses.



Unique, diverse, clean and green



Key food and beverage categories include meat, grains, dairy, horticulture and beverages (wine). The industry supplies a diverse range of products to all distribution channels; retail, food service and food ingredients. Flexibility within the industry means product supply quickly matches consumer trends such as health and wellbeing, as well as convenience and value for money.



Food processing is a major industry sector for the region's economy, in terms of both its financial contribution and employment. Food processing is the region's largest manufacturing industry. Industry players are diverse in size; from multinationals producing large volume fast-moving consumer goods through to smaller players with flexibility to meet demand for niche gourmet items.



The agricultural industry is highly dynamic and driven by demanding consumers seeking diversity, quality and value. The ethnic and cultural diversity of Australia is reflected in the food range available. Many specialty products have European, Asian and Middle Eastern influences. Foods with specific attributes including kosher, halal and organic are catered for by food certification systems and standards.



The region has a reputation for supplying clean and natural products. Quality and safety is paramount with strict safety standards regulated and enforced along the supply chain.



Well established education and training facilities catering to the agriculture and food industries, create an exceptionally skilled and adaptable workforce with specialised skills.



The region is well positioned to meet Asia's rapidly growing demand for protein-based processed food products and the capacity to increase production to meet market demand. Our region's products have high safety and quality standards, driven by the Australia's robust regulatory, governance and compliance frameworks.



They Invested in the Namoi Region: Barley Exclusively for Peroni Beer

On the Sunbury farm at Garah near Moree, the Crowe's work on the simple philosophy of growing what their land can produce and what the market wants.

In this case it is malting barley for beer production; in fact they are the sole supplier of barley for the Peroni brand of beer.

Attention to detail in growing and storing the grain is essential to producing a product that can be used in a premium beer brand.

The heavy, black, self-mulching soil and naturally treeless plain are ideal for barley production, and the grain is delivered about 80km to central facilities en-route to Brisbane or Tamworth malting plants.

Electronic water probes - AquaSpy units – are placed around the farm for different soil profiles, which report back to a server showing exactly what the soil profiles are at specific depths.

This clever use of the latest irrigation technology ensures that crops are only irrigated when needed, helping to sustain the precious water resources of the region.



5. The Namoi Region Agricultural Value Chain

Agricultural investment opportunities in the Namoi region are attractive due to the reliable volume of high quality agricultural output available. This is essential to provide the scale and continuity of throughput needed to support

further processing and value-adding activity; activities which will ensure a larger proportion of economic growth from agriculture is retained in the region.

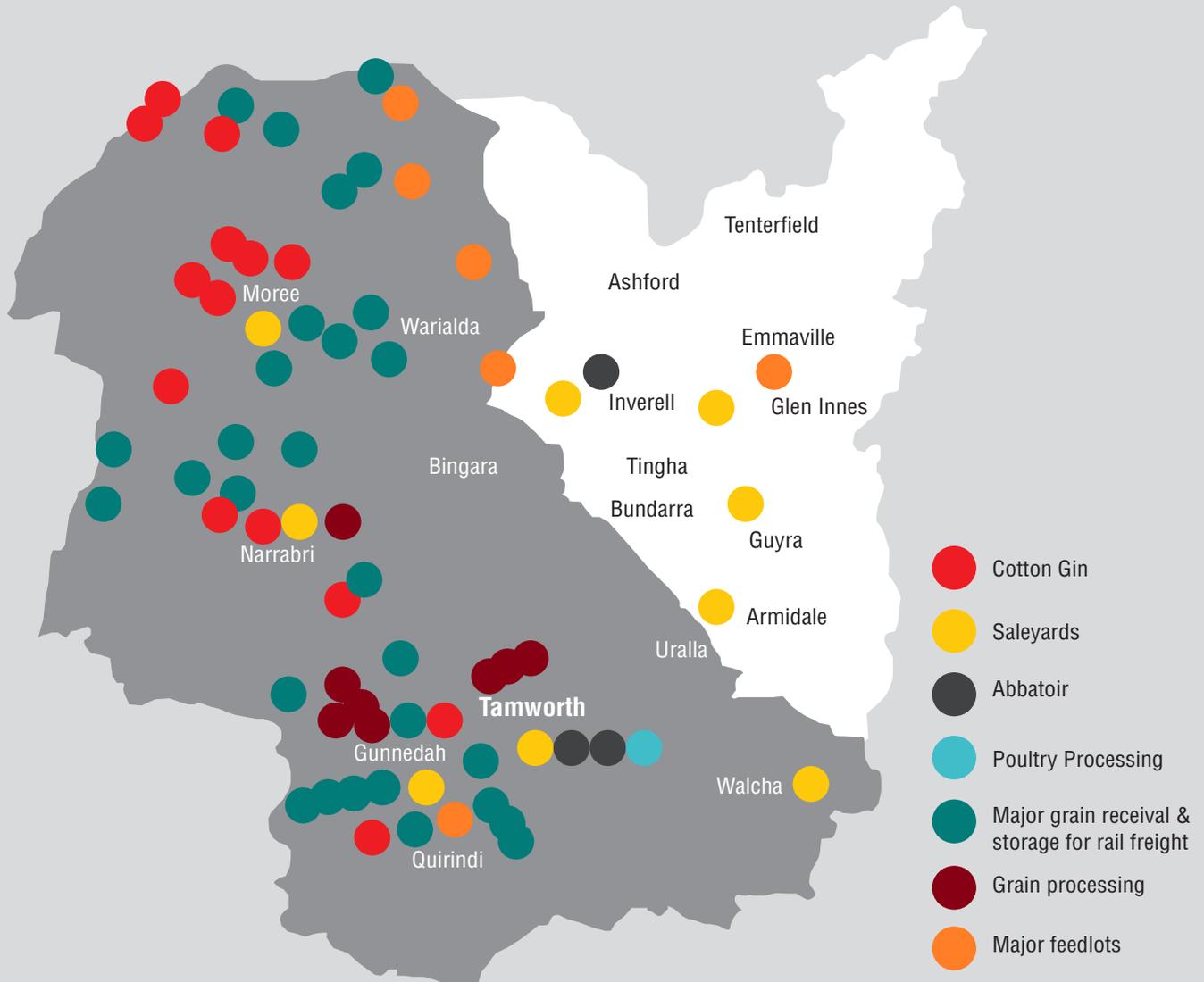
Volume and Quality

Figure 6. Namoi Agricultural Production



Farm Support Infrastructure

Figure 7. Key Namoi Region Agricultural Infrastructure



The region is well served with infrastructure specifically dedicated to the task of value-adding and accessing markets for agricultural goods including:



Numerous cotton gins to process the lint ready for export. More than 94% of the Namoi cotton production is exported via the ports of Brisbane and Sydney.



Saleyards service all major towns in the region handling all classes of livestock (cattle, sheep, lambs and pigs).



Major cattle and sheep processing facilities in the region, both in Tamworth (Teys processing beef cattle and Peel Valley Exporters processing sheep and lambs). Also just outside the region at Inverell is the major cattle processing firm Bindaree Beef.



Baiada poultry meat processing plant in Tamworth.



Numerous grain receiving and storage facilities along the major rail lines throughout the region.



Grain processing and flour milling operations in Gunnedah and Tamworth.



Major cattle feedlot businesses at Caroona, Delungra and Northstar, and just outside the region at Rangers Valley.

Transport for Agriculture

The region is well serviced by major road and rail freight infrastructure.



Gwydir Highway from Grafton on the east coast through Inverell and Moree providing access to western NSW via the Kamilaroi Highway west of Walgett. Also links with the Carnarvon and Newell Highways at Moree providing access to southern Qld.



The Newell Highway through Moree also provides access south to Narrabri, providing the option of linking with the Kamilaroi Highway to access western NSW or the Oxley and Mitchell Highways which provide access to Adelaide and South Australia via the Barrier Highway.



The Kamilaroi Highway from Narrabri also runs east to Gunnedah where it links with the Oxley Highway. The Kamilaroi can be followed south east to link with the New England Highway providing access to Newcastle, Sydney and the Central Coast of NSW.



The Oxley Highway provides access south west to Dubbo, or east to Tamworth and the New England Highway heading north to Armidale and Brisbane.

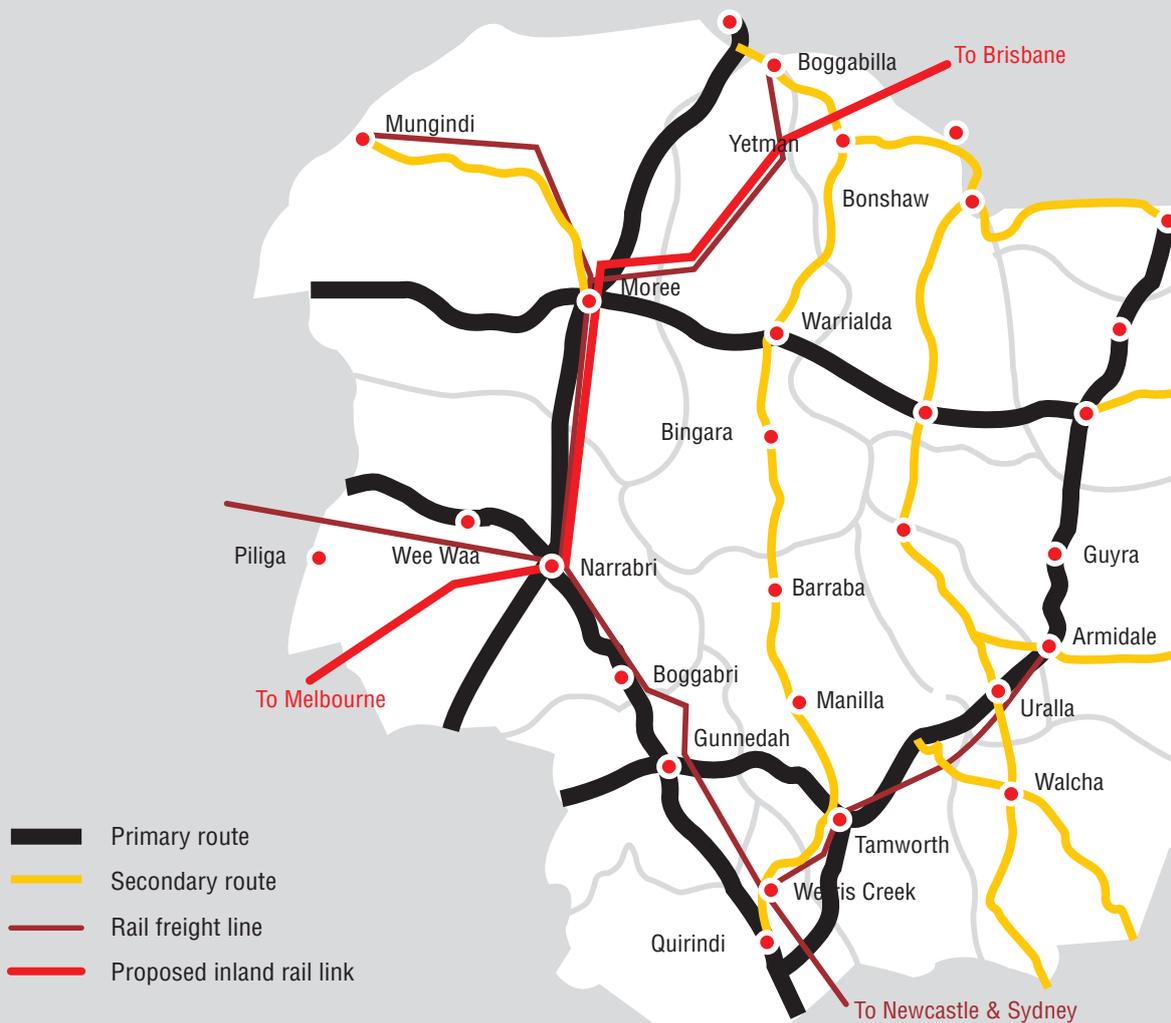


The main rail freight lines all channel freight south east via Werris Creek to the ports of Newcastle, Sydney (Botany Bay) and Wollongong (Port Kembla), also linking with the coastal rail lines which runs north-south.



With the proposed development of the Inland Rail Link, the rail freight opportunities for the region will be significantly enhanced, providing a much more direct rail route north to Brisbane and south to Melbourne. This is important because rail freight is currently around 30-40% of post farm-gate costs for export grain (Stretch et al 2014).

Figure 8. Road and Rail Network Servicing the Namoi Region



Strong Research & Development Activity & Support Services

The Namoi and surrounding region has a vast array of agricultural support and research and development services including:

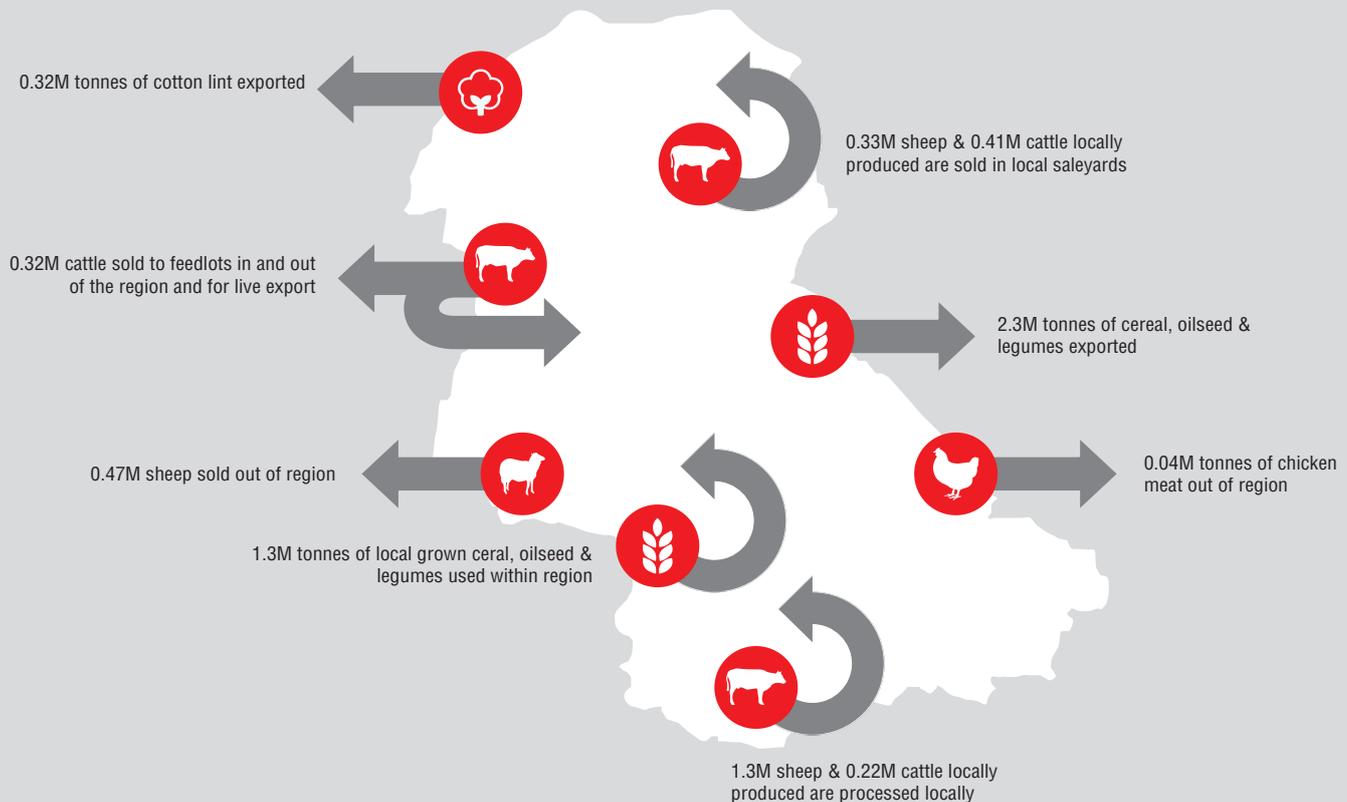
- Cotton and other irrigated crop research;
- Agricultural education facilities;
- Precision agriculture technology development;
- Remote sensing research and development;
- Agricultural consulting firms;
- Farm contracting services (e.g. crop planting/harvesting, shearing, fencing, earthworks, irrigation development);
- Aerial agricultural services;
- Agricultural machinery construction, modification and repair services;
- Specialist agricultural construction services;
- Australian Quarantine & Inspection Service in Narrabri;
- Livestock specialists;
- Cattle breed societies and genetics recording services (Armidale)

Figure 9. Agricultural Support Services



6. Investment Opportunities

Figure 10. Namoi Agricultural Commodity Flows



Source: PEECE (2012), ABS (2012)

Currently, key agricultural commodities produced in the Namoi region have a number of destinations.

 64% of grains, oilseeds and legumes are sent out of the region. These are transported to ports on the eastern seaboard for international export, sold for processing into animal feeds or for human food products outside the Namoi region. The remaining 36% of grains are sold within the region either for further processing for human consumption or sold for animal feed.

 96% of the cotton produced in the region is exported overseas. The majority of Namoi cotton is sent by road to Port Brisbane. The advent of the Inland Rail line would open up the option of rail transport to Brisbane.

 67% of sheep and lambs in the region are sold directly for local processing in Tamworth, 17% are sold to other producers in the region for re-stocking and 16% are sold for re-stocking to producers outside the region.

 23% of cattle are processed within the Namoi (Tamworth) or nearby (Inverell), 43% are sold to producers within the region for re-stocking and 34% are sold for re-stocking to producers outside the region.

 Virtually all chickens are exported out of the region as chicken carcasses. Most are sold within the Australian market.

 A large amount of agricultural production leaves the region for further processing and value-adding elsewhere, either domestically or overseas. There is considerable scope for capturing more of this economic activity within the Namoi region.



They Invested in the Namoi Region: Lively Linseed

After 150 years of farming “Plain Camp” in the black soil plains near Mullalley, Lively Linseed’s decision to grow linseed and value-add with linseed products was so innovative that they have essentially pioneered a health food product.

Linseed is not a common crop in the region and generally grown for the Omega 3 in linseed oil. Linseed products are high in fibre and fatty acids while being gluten free.

Lively Linseed went from growing a niche commodity to also being the manufacturer, distributor and marketer of nutritious milled linseed products, which range from coarse flour and breakfast cereals to biscuits. The health benefit packed products are sold throughout Australia and to high-end Asian supermarkets.

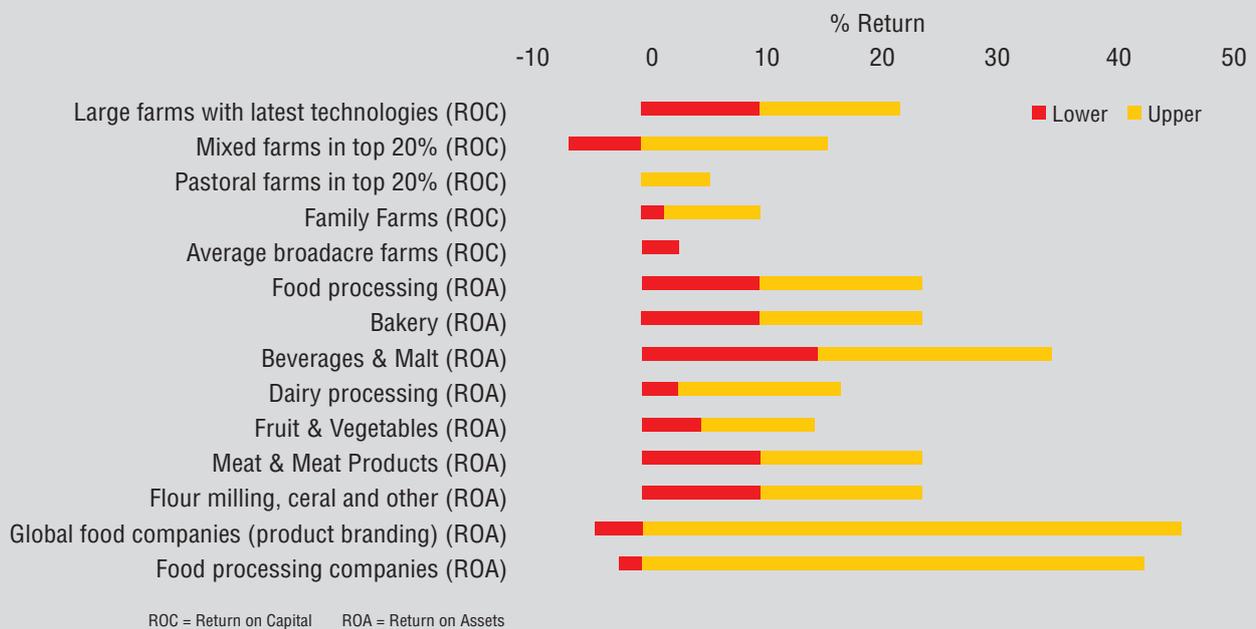


Investment Returns

Investment returns vary on a case by case basis and over time, however Figure 11 illustrates typical investment returns in Australian agriculture and agribusiness activities across a range of sectors over the past decade or so.

Note that global food companies have shifted emphasis towards brand management rather than food manufacturing, preferring strong alliances with suppliers of ingredients or finished products to heavy ongoing investments in plant and other fixed assets (Spencer 2004).

Figure 11. Agricultural Investment Returns



Source: ABARES (2016), Australian farm survey results 2013–14 to 2015–16. CC BY 3.0., AAIF (2016), Food Processing Industry Strategy Group (2012), Spencer (2004)

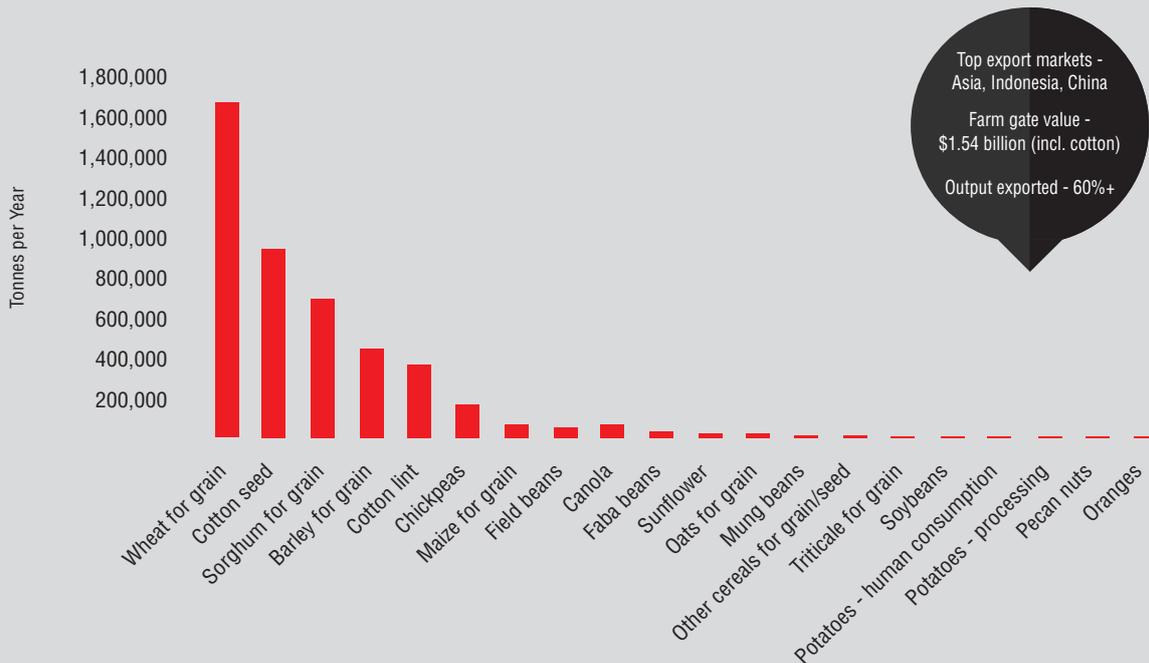
Opportunities by Sector

Grains, Oilseeds and Legumes

Highly fertile soils are combined with secure irrigation water, a climate which allows two growing seasons per year (a summer and winter crop), and the latest crop genetics and production methods.

Lower shipping costs (30-50% less) to South East Asia (Indonesia, Thailand, Vietnam and Malaysia) provide a cost advantage over North America and Europe (Austrade 2015).

Figure 11. Namoi Region Crop Production



Source: ABS (2012)

Investment Opportunities



Clean/green premiums & market access in North Asia - food safety is a unique selling point with growing Asian affluence. Price premiums can be gained by becoming a trusted supplier. This is brand recognition – not just ‘branding’. There may be opportunities to produce stock feeds for the Asian market as they seek to expand their animal-based protein consumption. Investors can secure strategic supplies of high quality grains, oilseeds and legumes.



Research & Development – the region is a national leader in crop and irrigation research. This opens up opportunities for partnerships with North Asian countries who are trying to increase their food production, and for exporting related technology. This will boost high value knowledge driven jobs in the local economy, leading to higher flow-on expenditure in other sectors.



Development of just-in-time supply chains – for niche premium customers. Will require investment in improved supply chain logistics.



Local processing/value-adding – there are opportunities for further investment in local grain processing, particularly the production of stock-feeds for domestic and export markets.



They Invested in the Namoi Region: GrainCorp Pty Ltd

GrainCorp has a diverse range of grain storage, handling, marketing and processing operations, including in the Namoi region.

Through an integrated supply chain they market grain to local and global markets, and are a large buyer of grain for their malt, edible oils and flour processing business.

GrainCorp has the largest grain storage and logistics network in eastern Australia, spanning regional storage facilities, rail/road and bulk grain ports.



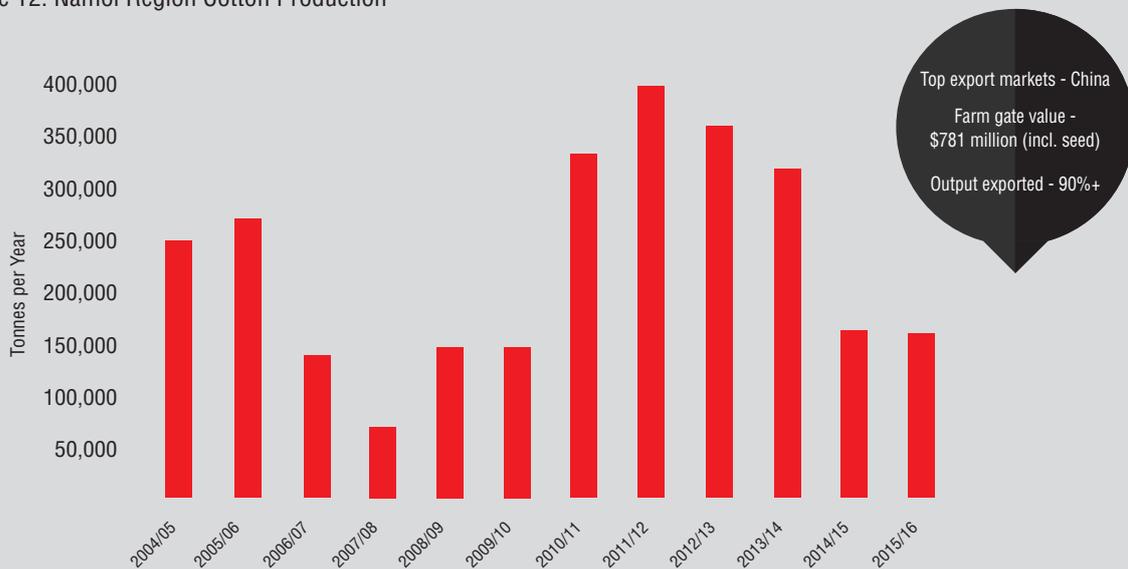


Cotton

The region is renowned for producing the highest quality, highest yielding and most water efficient cotton in the world, using cutting edge production techniques and is the Australian epicentre for cotton research, with large

production efficiencies being generated over recent decades in water use and storage, pest control, genetic modification to reduce herbicide applications and fertiliser use.

Figure 12. Namoi Region Cotton Production



Source: Cotton Australia (2016)

Investment Opportunities



Quality premiums in China and North Asia – currently most Australian cotton is blended with lower quality cotton from other countries in the manufacturing process overseas. There is scope for attracting a premium for the higher quality Namoi region cotton by establishing a niche brand.



Developing supply relationships with North Asia – there is potential through joint ventures or other business arrangements with investors who are also buyers to overcome the vagaries of international commodity price fluctuations by establishing longer-term supply relationships, rather than selling on the spot market.



Research & Development – the region is already an international leader in cotton production research. This opens up opportunities for partnerships with other cotton producing countries who are trying to increase production, and for exporting related technology. This will boost high value knowledge driven jobs in the local economy, leading to higher flow-on expenditure in other sectors.



Renewable energy – each year around 60,000t of cotton trash is generated which could be used as biomass to produce renewable sources of heat/electricity. This could be supplemented with significant quantities of other agricultural, forestry and municipal organic residues generated within the region.

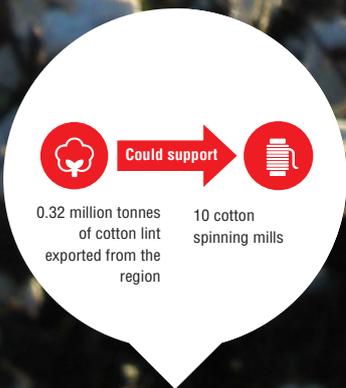


They Invested in the Namoi Region: Auscott Limited

Auscott made their first Australian investment in the cotton industry in the region in 1963. Since that time they have expanded into other areas of NSW.

The early technology they brought remains one of the great strengths Australian cotton and is reflected in the high standards of irrigation and resource management seen today.

They are a vertically integrated agribusiness with production, ginning, classing, marketing and shipping capabilities for their own production and that of other Australian cotton growers, and enjoy a first class international reputation.





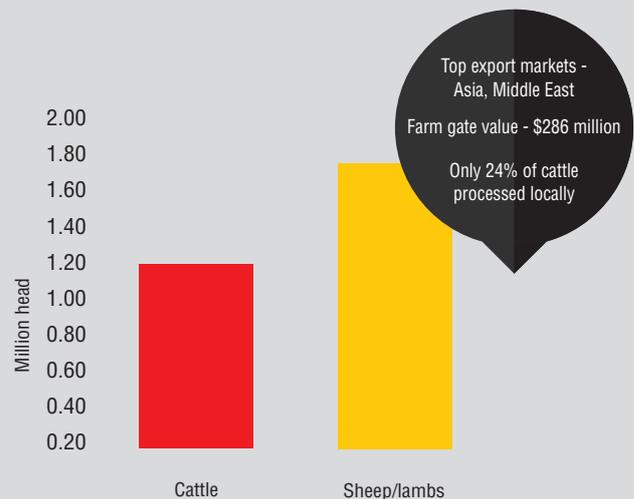
Cattle and Sheep

Cattle and sheep production are primarily for the purpose of processing into beef and lamb/mutton. While the majority of cattle and almost all sheep are grass-fed, there are several large and numerous smaller cattle feedlots in the region. The feed-lotting of sheep is also commencing.

Individual traceability of beef cattle via electronic ear tag recording is critical for international consumers who are seeking food safety in their meat products.

The development of the Inland Rail line would allow the rapid transit of chilled containerised meat to key ports in Brisbane and Melbourne, enhancing the opportunity for airfreight to Asian markets.

Figure 13. Namoi Region Cattle & Sheep/Lamb Production



Source: ABS (2012)

Investment Opportunities



Developing value-added meat exports - based on grass and grain-fed, organic and provenance attributes.



Local processing/value-adding – there are opportunities for further investment in local livestock processing (abattoirs) as many livestock are currently processed outside the region. Also in processing to the carcass stage only, thus catering for the labour cost advantages in many Asian countries of further value-adding to specific cuts of meat used locally.



Production intensification – local landowners and processors could form joint ventures with investors to increase beef and sheep meat production to supply export markets through investment in additional feed-lot facilities. This is another method of doing more with existing resources. There are already several cattle feedlots in the region, and sheep feedlots techniques are also being developed.



Research & Development – the Namoi and surrounding region is an international leader in livestock production and genetic research providing opportunities for partnerships with other countries who are trying to increase meat protein

production, and for exporting related technology. This will boost high value knowledge driven jobs in the local economy, leading to higher flow-on expenditure in other sectors.



Renewable energy – manure from feedlots and waste at abattoirs provides feedstock for biogas production. One local abattoir has already halved its used of propane gas by capturing methane from effluent ponds and another is using imported technology to produce biogas from livestock offal.



New livestock products – there is an untapped market in Asia and other parts of the world for livestock offal and the extraction of pharmaceutical products from material which is often disposed of as waste at Australian abattoirs.



Recording technologies - commercialising world-leading sensing and objective measurement technologies in processing to improve cost-competitiveness of supply chains.




Could support


0.32 million cattle exported from the region 1.6 beef abattoirs



They Invested in the Namoi Region: JBS Australia

JBS is Australia’s largest meat packer, marketer and exporter, supplying top quality grain fed and pasture fed meats to export and domestic customers for more than 20 years.

With approximately 8,500 employees spread across offices, processing plants and feedlots, JBS exports to more than 50 countries around the world.

Their Caroonna Feedlot in the region is a 23,500 head capacity, 1,390 hectare feedlot situated 35 kilometres west of Quirindi, in the centre of the major cattle and crop-producing area of the fertile Liverpool Plains. Through four steam flaking mills, Caroonna utilises locally-grown wheat, barley and sorghum grains, in addition to corn and sorghum silage, cereal crop hay, cotton seed/hulls and molasses, to manufacture exceptional quality rations.

Feeder cattle are sourced from throughout central New South Wales.



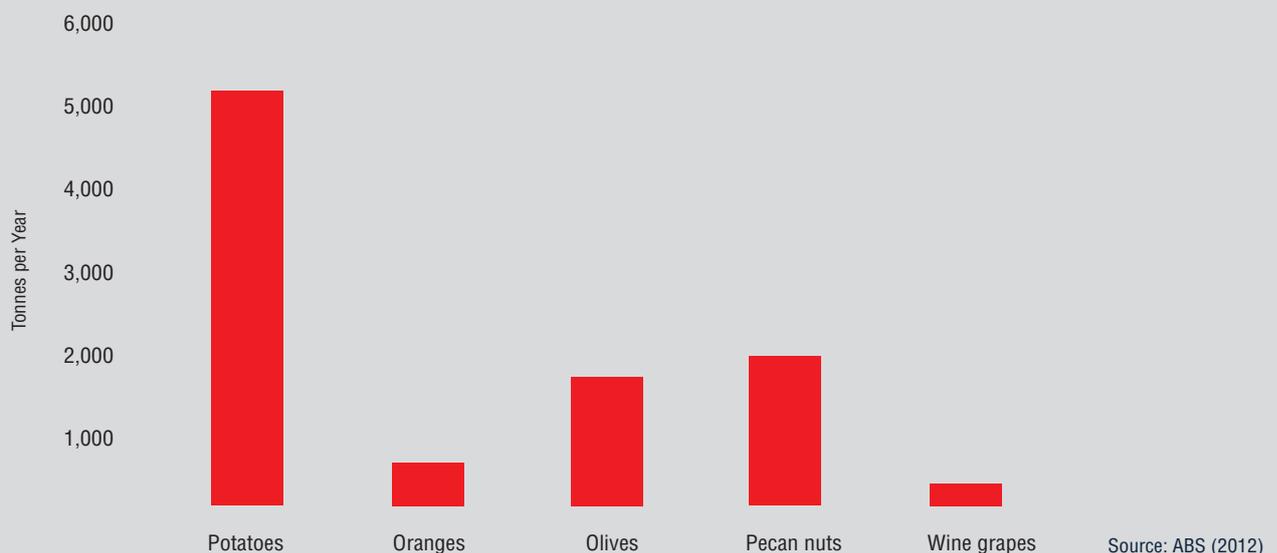


Speciality Crops & Horticulture

Vegetables and horticultural crops make up a small proportion of the region's crop output, however there is potential for significant expansion as illustrated by the nearby Costa's Tomato Glasshouse farm at Guyra which will eventually produce 21,000 tonnes of tomatoes per year and the Stahmann Pecan Farm at Moree – the largest pecan farm in the Southern Hemisphere.

Some of these crops have high net returns (e.g. up to \$1,000 per ML of water used for oranges) compared to broadacre crops (e.g. \$200 per ML of water for cotton) and have commenced exporting to Asia (orange juice).

There are also looming opportunities for speciality products such as medicinal cannabis, citrus, tangerines, pomelos, camellias (oil), olives, nuts, natural ingredients for vitamins, minerals, and nutritional supplements.



The disease-free status and location of the Namoi region's horticultural industry mean it is well positioned for increasing exports into the future. Fresh produce can be picked, packed and airfreighted to Asia within 48 to 60 hours or shipped within 12 to 20 days.



Local processing/value-adding – there are opportunities for further investment in local processing of speciality crops. Oranges grown in the Moree region are currently sent to Qld for processing into juice, and juice is exported to Asia, South Korea and Japan. Linseed is currently sent to Young for processing, then transported back to the region.



Intensification: doing more with existing resources – local landowners and processors could form joint ventures with investors to expand the production of protected horticulture to minimise climate risk and provide supply continuity, which has already proved successful

on the border of the region (Costas tomatoes at Guyra). Through intensification of production and the application of new technology, there are options for producing more from existing land and water resources



New speciality crops – likely changes to Australian legislation and a growing demand for medicinal and health products may open up opportunities for investment in new crops such as medicinal cannabis.



They Invested in the Namoi Region: Stahmann Farms

Stahmann Farms between Moree and Wyallda is the largest pecan producer in the Southern Hemisphere.

The plantation produces 95 per cent of Australia's annual pecan crop, harvested mechanically from May to July.

The area's eight to ten metres of well-drained alluvial soils are some of the deepest and richest in the country, and good rainfall is supplemented by water drawn from the Gwydir River which almost encircles the property.

The climate is well-suited to Pecan trees, creating low pest pressure and near-perfect growing conditions.

Whilst a large percentage of the crop is sold domestically there is a considerable amount exported to many overseas countries including Europe and Asia.

The company recently launched a direct e-commerce marketing site in China.



53,000 tonnes of canola produced in the region

2 oilseed processing plants



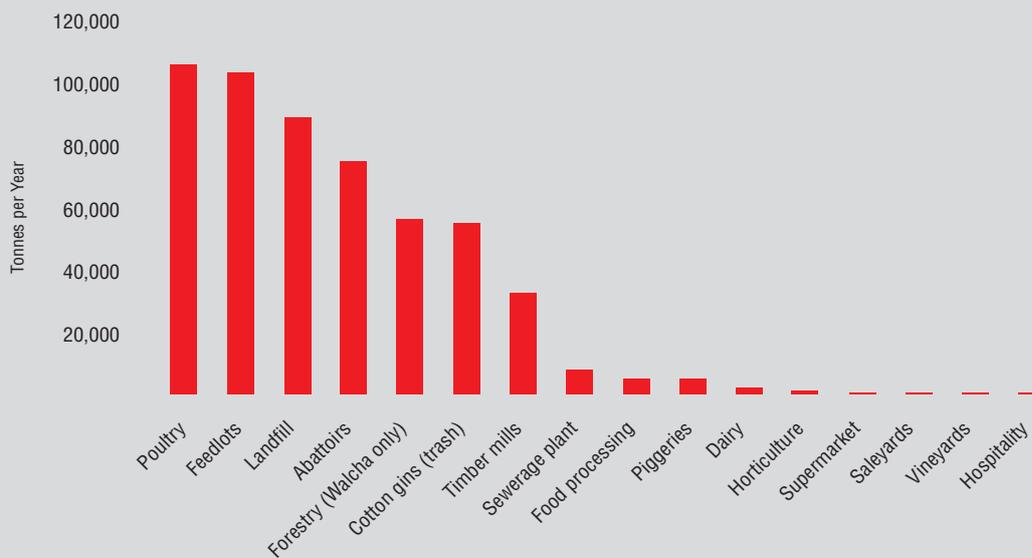
Renewable Energy

There is significant opportunity for investment in Renewable Energy in the region from sources including solar, wind and biomass.

\$164 million has already been invested in a 56MW solar farm at Moree by Fotowatio Renewable Ventures which is feeding electricity into the grid. Over \$1.2 billion investment in wind and solar electricity generation is planned for the nearby Glen Innes and Inverell areas.

Several large abattoirs in the region (Tamworth and Inverell) have already invested in, or are piloting biogas capture systems to replace natural gas and coal as a fuel source. Agricultural and municipal waste in the region presents an investment opportunity for further renewable energy production from biomass.

Figure 15. Potential Biomass Residues, Northern Inland NSW



Source: EASystems (2006), RDANI data

The current Australian Government Renewable Energy Target provides a payment of around \$70/MWh for large scale energy generated from renewable sources. Energy generated from small scale renewable sources attracts a payment of around \$40/MWh.



Investment in large scale renewables – investments in wind and solar power to feed into the electricity grid have already commenced in the region on the basis of favourable wind and solar resources.



Investment in and support for small scale renewables and energy efficiency – already many businesses in the region have embraced renewable and energy efficiency measures to enhance their business competitiveness. This

has mostly involved solar and LED lighting, but also wind, biomass and a vast array of equipment upgrades and insulation.



Investment in liquid biofuels – trials using crop oils and municipal waste to produce high quality diesel are already underway in the region. There is a massive end-market in the farming sector as most farm machinery runs on diesel.





They Invested in the Namoi Region: Fotowatio Renewable Ventures

The recently commissioned solar farm near Moree represents a \$164 million investment, and at a capacity of 56 MW supplies enough electricity to the grid to power 15,000 homes.

It is one of the largest solar power plants in Australia and the first that will utilize mechanical devices (trackers) to continually orient its solar panels with the sun to increase their power output each day.

The site was selected due to many factors, including the intense levels of solar radiation experienced in the area, the large amount of flat land available, Moree's good transport links and the site's proximity to the national electricity grid.



Transport Logistics

There are significant opportunities to improve the efficiency and cost of agricultural freight in the region, particularly with rail upgrades.



Rail transport co-investment opportunities

– there is scope for reducing rail-freight costs in the order of \$8-10/tonne by upgrading rail to cater for longer (1.2km) trains with a 25t axle limit (as opposed to the current 700-800m trains with 23t limits).



Rail loading and storage co-investment opportunities

– rail optimisation requires larger loading facilities which capture the economies of scale associated with longer trains.



Rapid container movements

– will expand the scope for containerised local processing and value-adding opportunities such as blended grains. This will increase investment potential for secondary processing and value-adding in the region.



The proposed Inland Rail Link

– will enhance rail freight opportunities for the region, providing a more direct rail route to north to Brisbane and south to Melbourne. Rail freight is currently around 30-40% of post farm-gate costs for export grain (Stretch et al 2014).



Other Investment Opportunities



Dairy – the region already has 7,000 dairy cattle, however the recent investment in a new rotary dairy near Walcha including milk storage facilities and new perennial pasture systems has illustrated a revitalised investment potential for dairy in the region. The development of the Walcha Dairy Terminal will increase farm-gate returns for milk production in the region, by providing a fresh/cold milk terminal half-way between Sydney and Brisbane. This has the potential to attract further dairy investment to the region.



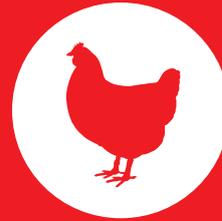
Tourism to build other investments – recognise that many Chinese/North Asian tourists are also visiting to assess investment, relocation and education opportunities. There is scope for investing in tourism products which specifically cater for these visitors.



Poultry – there is already significant investment in chicken meat and egg production in the Namoi region. The abundance of suitable space, access to clean water and close proximity to grain production for feed stocks make it an ideal investment location.



Circular Economy - The Gwydir Shire Council is currently investing in research and development to implement the framework for the development of an agri-industrial based circular economy. The core elements of the Gwydir Shire Circular Economy are regional scale agri-industrial systems incorporating a vertically integrated poultry sector, a biogas plant and a large scale glasshouse system for the production of organic food. This system is based on the optimised utilisation and cascading of local resources within local 'closed-loop' systems. Importantly, the Gwydir Shire has all of the natural, agricultural and local renewable energy resources to support this system and its investors.



They Invested in the Namoi Region: Baiada Poultry

Baiada Poultry Pty Limited is a privately owned Australian company which provides premium quality poultry products throughout Australia.

Their business operations include Broiler & Breeder Farms, Hatcheries, Processing Plants, Feed-milling and Protein Recovery. Their products include sales of live poultry including breeding stock, poultry feed, fertile eggs, primary processed chicken (raw) and further processed chicken products, and pet food.

Baiada Poultry are investing \$82 million in the region to increase their supply capacity to three million birds on-farm.



7. Local Government Your Investment Gateway

Namoi Joint Organisation of Councils

Steve Bartlett, Executive Officer:
+ 61 2 67675267 or
Email: namoicouncils@tamworth.nsw.gov.au
Web: www.fitforthefuture.nsw.gov.au

Gunnedah Shire Council

Mike Silver, Economic Development Manager:
+61 2 6740 2100 or
Email: michaelsilver@infogunnedah.com.au
Web: www.gunnedah.nsw.gov.au

Gwydir Shire Council

Georgia Standerwick, Economic Development Officer
Phone: +61 2 6724 0066 or
Email: gstanderwick@gwydir.nsw.gov.au
Web: www.gwydirshire.com

Liverpool Plains Shire Council

Donna Ausling, Director of Environmental & Economic
Development Services
Phone: +61 2 6746 1755 or
Email: Donna.Ausling@lpsc.nsw.gov.au
Web: www.lpsc.nsw.gov.au

Moree Plains Shire Council

Mark Connolly, Economic Development Manager
Phone: +61 2 6757 3247 or
Email: mark.connolly@mpsc.nsw.gov.au
Web: www.mpsc.nsw.gov.au

Narrabri Shire Council

Bill Birch, Economic Development Manager:
+61 2 6799 6850 or
Email: billb@narrabri.nsw.gov.au
Web: www.narrabri.nsw.gov.au

Uralla Shire Council

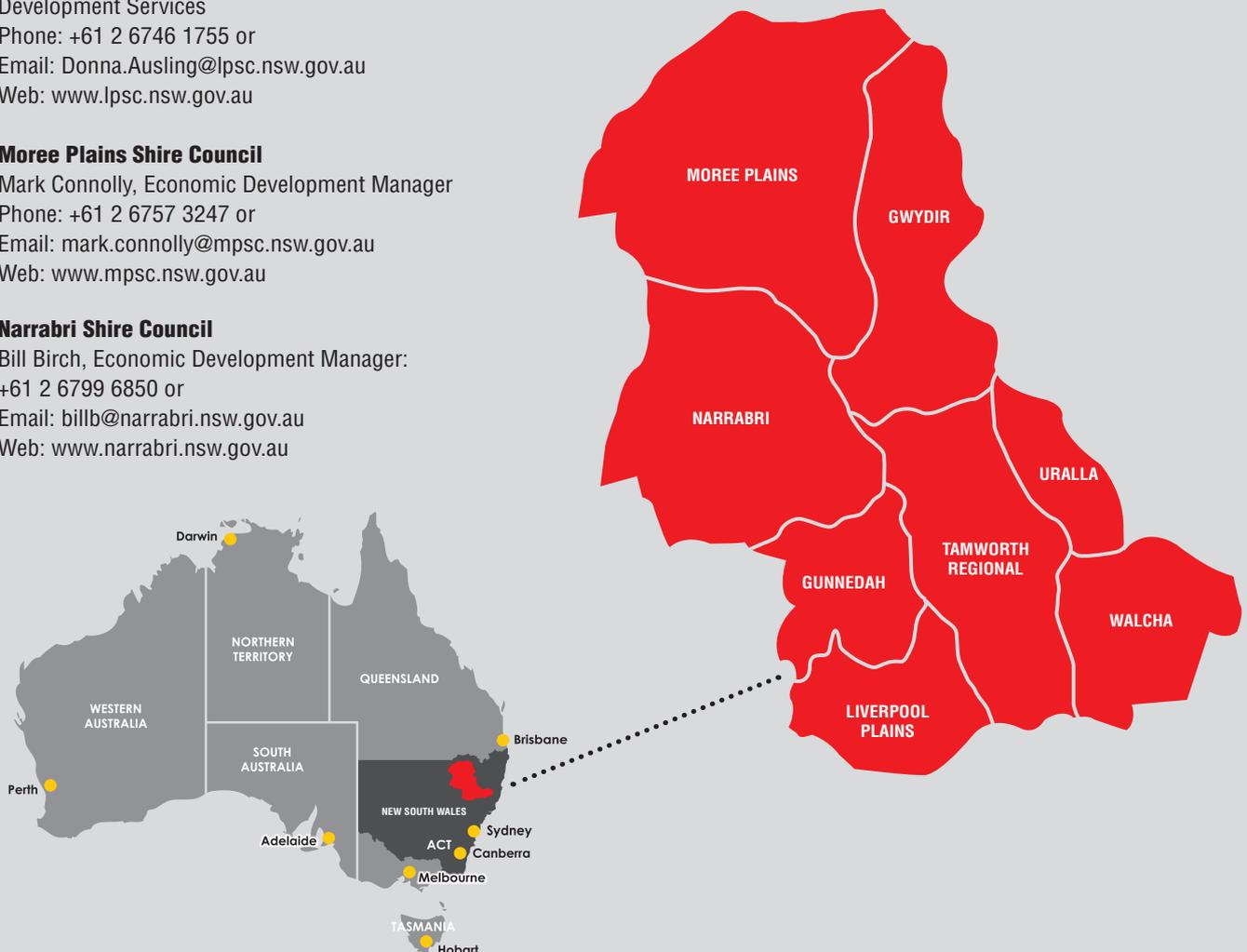
Andrew Hopkins, General Manager
+61 2 6778 6300 or
Email: ahopkins@uralla.nsw.gov.au
Web: www.uralla.nsw.gov.au

Walcha Council

Jack O'Hara, General Manager:
+ 61 2 6774 2500 or
Email: johara@walcha.nsw.gov.au
Web: www.walcha.nsw.gov.au

Tamworth Regional

Craig Dunstan, Manager Economic Development & Growth
Phone: +61 2 67675555 or
Email: c.dunstan@tamworth.nsw.gov.au
Web: www.tamworth.nsw.gov.au



8. Skilled Migration & Significant Investment Visa

Regional Development Australia Northern Inland (RDANI) makes an important contribution to the region's economy, through its skilled migration program. For employers who need a position filled and cannot do so with local labour, skilled migrant labour can be critical. For skilled workers from overseas, these pathways to permanent residency are an opportunity for a quality lifestyle in a quiet yet vibrant regional Australian community.

Under the Department of Immigration and Border Protection's Regional Sponsored Migration Scheme (RSMS), RDANI performs the Regional Certifying Body role, which entails providing advice to the Department about a nominating employer and how they meet the required criteria, including the inability to fill the nominated position locally. Nominated employees from overseas apply for the 187 visa, which is a direct entry stream (towards Permanent Residency). This visa program involves a minimum two-year commitment from both the employer and the employee.

RDANI also assesses applications from prospective skilled migrations for the NSW Government nominated Skilled Regional 489 sub-class visa. Applicants are supported by RDANI and receive a State nomination if they meet the criteria and are qualified in an occupation that is considered to be needed in the Northern Inland region. In addition to liaising with employers and skilled migrants, RDANI works with community organisations which help address the challenges of settling in and engaging with a regional community.

Significant Investor Visa

The New South Wales Government welcomes investor migrants to NSW under the state nominated Significant Investor visa program.

The Significant Investor visa (SIV) (188C) is part of the Business Innovation and Investment Program (BIIP) run by the Department of Immigration and Border Protection (DIBP). The 188C SIV is a four-year provisional visa available to high net worth investors who invest at least A\$5 million into complying investments.

If you hold a 188C SIV, you can apply for permanent residence (888C SIV) in as little as four years, provided that you meet eligibility requirements at the time. The 188C SIV can be extended twice and by two years each time. There are no English language or age requirements for the 188C SIV.

The Australian Government has overall responsibility for policy and program design in relation to the Significant Investor visa and makes final decisions to grant a visa. NSW nominates individuals for both the 188C provisional and 888C permanent visa.

To be eligible for NSW nomination you must be able to substantiate your ability to meet the requirements set out by the Department of Immigration and Border Protection for the Significant Investor visa (188C SIV). You will be asked to.

1. Demonstrate that you have at least A\$5 million in assets that are unencumbered, lawfully acquired and readily available for transfer to Australia
2. Commit to investing at least A\$5 million in complying investments as defined by the Austrade complying investment framework
3. Provide details of your complying investment intentions in your NSW nomination application form.

For further information on skilled migration contact RDANI at migration@rdani.org.au

9. Appendix Free Trade Agreements

Australia has a number of beneficial trade agreements with its close Asian neighbours which demonstrate the ease of doing business internationally. These involve the

elimination of tariffs and import quotas on agricultural goods. Some of the tariff changes include:



CHINA

Beef	Cut tariff from 38.5 to 19.5% by 2033 Remove 50% snapback tariff immediately
Grain/oilseeds	Export wheat & barley for feed tariff-free Eliminate 21.3% tariff on some processed grain products, canola, oils by 2026
Dairy	Eliminate 29.8% tariff on cheese immediately Increase tariff-free quota volumes Eliminate 8.5% tariff on other products immediately
Horticulture	Eliminate tariffs of up to 17.5% by 2026
Processed food	Eliminate tariffs of up to 25.5% by 2031



JAPAN

Beef	Eliminate 12-25% tariff by 2024
Dairy	Eliminate 10-19% tariff by 2026
Sheep	Eliminate 12-23% tariff by 2023
Pork	Eliminate up to 20% tariff by 2019
Horticulture	Eliminate 10-30% tariff by 2019
Some Grains	Eliminate 2-10% tariff by 2019
Processed food	Eliminate 7.5-30% tariff by 2022



KOREA

Beef	Eliminate 18-40% tariff by 2032
Wheat	Eliminate 1.8-8% tariff now
Dairy	Eliminate 36-89% tariff by 2034
Lamb/Pork	Eliminate up to 22.5-25% tariff by 2029
Horticulture	Eliminate 8-30% tariff by 2026

Sources: DFAT (2016a, 2016b), DFAT (2014),

10. Sources

AAIF (2016), Australian Agricultural Investment Fund, Investing in Global Food Supply, Sydney.

ABARES (2016), Australian farm survey results 2013–14 to 2015–16. CC BY 3.0.

ABS (2016), Water Use on Australian Farms 2014-15.

ABS (2012), Agricultural Commodities 2010-11.

ABS (2011), Census data.

Austrade (2015), Investment Opportunities in Australian Agribusiness and Food, Australian Trade Commission, Canberra.

Cotton Australia (2016), data supplied by personal communication.

DFAT (2016a), Japan-Australia Economic Partnership Agreement, Factsheet: Agriculture and Processed Food.

DFAT (2016b), China-Australia Free Trade Agreement, Factsheet: Agriculture and Processed Food.

DFAT (2014), Korea-Australia Free Trade Agreement, Quickguide: Key Agricultural Product Outcomes.

EASystems (2006), Business Attraction Folio for Organic Waste Industry Development, report to Northern Inland Regional Waste.

Food Processing Industry Strategy Group (2012), Final Report of the Non-Government Members, September 2012.

NSW Office of Water (2016a), General Purpose Water Accounting Report 2014–2015 Namoi catchment.

NSW Office of Water (2016b), General Purpose Water Accounting Report 2014–2015 Gwydir catchment.

NSW office of Water (2011a), Water Resources and Management Overview Namoi Catchment.

NSW office of Water (2011a), Water Resources and Management Overview Gwydir Catchment.

PEECE (2012), Final Report, Northern Inland Region of NSW Freight Study, prepared by PEECE Pty Ltd for Regional Development Australia – Northern Inland.

REMPPLAN (2016).

Spencer, S. (2004), Price Determination in the Australian Food Industry, A report, Australian Government Department of Agriculture, Fisheries and Forestry, Canberra.

Stretch, T., Carter, C. and Kingwell, R. (2014), The cost of Australia's bulk grain export supply chains: An information paper, Australian Export Grains Innovation Centre.

Wilson, R.H., Charry, A.A. and Kemp, D.P. (2005), Performance Indicators and Benchmarking in Australian Agriculture: Synthesis and Perspectives, Extension Farming Systems volume 1 number 1 – Research Forum.

