

MEDIA RELEASE

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WORK TO BEGIN ON \$230M PORT SPENCER GRAIN PORT AFTER PUBLIC ENVIRONMENTAL REPORT AMENDMENT APPROVED

South Australian government approval of an amendment to the Public Environmental Report (PER) for Peninsula Ports' \$230 million Port Spencer grain port has paved the way for work to start on the project next month.

The approval by the Minister for Planning and Local Government, Hon Vickie Chapman MP, means the new facility is planned to be ready to receive grain for the 2021 grain harvest, which will deliver significant benefits to local growers and the wider Eyre Peninsula community.

The PER amendment removes the storage and export of iron ore from the evaluated project to reconfigure the site for efficient grain storage, handling and export, with the potential for managing other commodities in the future. The amendment follows Peninsula Ports' purchase of the land from Centrex Metals in June 2019.

Peninsula Ports Chief Executive Officer, Greg Walters, said approval of the PER amendment followed significant public consultation across the region.

"We thank the State Government departments, regional authorities, grain growers and other stakeholders for their contributions to the consultation and approvals process," Mr Walters said.

"We're committed to delivering a new export terminal for the Eyre Peninsula, which will aid in protecting the clean and green reputation of the region's grain industry and significantly improving the competitiveness of the industry in reaching global markets.

"When complete, Port Spencer will be one of two deep water ports in the region, enabling large Panamax vessels to be loaded efficiently, cost effectively and largely irrespective of weather conditions.

"The Port Spencer facility will provide the opportunity for grower ownership and control of critical grain supply infrastructure.

"It will also have potential to manage other commodities, but this remains a long-term consideration and would need to be compatible with the primary purpose of clean, green local grain export at the site."

The project will create up to 150 jobs during construction and a further 20 permanent local operational jobs including employment opportunities for Barngarla community members. Operational staff numbers are expected to further peak at 80 staff during harvest.

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A historic, first of its kind, Indigenous Land Use Agreement (ILUA) supporting the development of the Port Spencer deep water export facility has been signed between the Barngarla Determination Aboriginal Corporation (BDAC) and Peninsula Ports Pty Ltd (PPPL). The agreement reflects the intent of both parties to work together to deliver a project that supports the region in a manner which includes the Barngarla Community.

The ILUA recognises the Barngarla Community's traditional ownership and cultural connection to the land and sea and lays the foundation for working together to deliver the Port Spencer project.

The agreement will enable the Barngarla people to share ownership in the facility and create the basis for the future development of an indigenous ranger program in the region.

Development of the Port Spencer deep water port facility will also improve road safety on Eyre Peninsula, by diverting significant truck movements into and out of Port Lincoln.

Peninsula Ports will be working with the Tumby Bay Council to ensure that in the maintenance of access roads to the port, that local ratepayers won't be disadvantaged.

Growers will benefit from:

- Increased competition resulting in freight savings and supply chain savings for growers;
- Advanced receipt and storage technology;
- The largest at-port storage facility in the region (planning for approximately 800,000 tonne capacity);
- New access to affordable shipping capacity, particularly for small to medium traders, which will bring greater competition to global trade. This should contribute to higher prices paid for SA grain.

Port Spencer will support global grain traders by providing:

- Additional shipping slots in the peak demand period from December to March;
- Wharf loading of Panamax-sized vessels (83,000DWT) and associated cost efficiencies;
- Value-add blending capacity to meet buyers' needs;
- Flexibility to further expand 'at port' storage.

Eyre Peninsula residents will benefit from:

- The diversion of significant truck movements away from Port Lincoln (it is estimated that up to an additional 30,000 truck movements traverse Port Lincoln each season following the recent closure of the grain rail freight services on Eyre Peninsula);
- A reduction in road maintenance costs through fewer total vehicle movements and improved road safety.

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