



North west Victoria's vital link.



Reinstatement of the Ballarat rail freight corridor is vital.

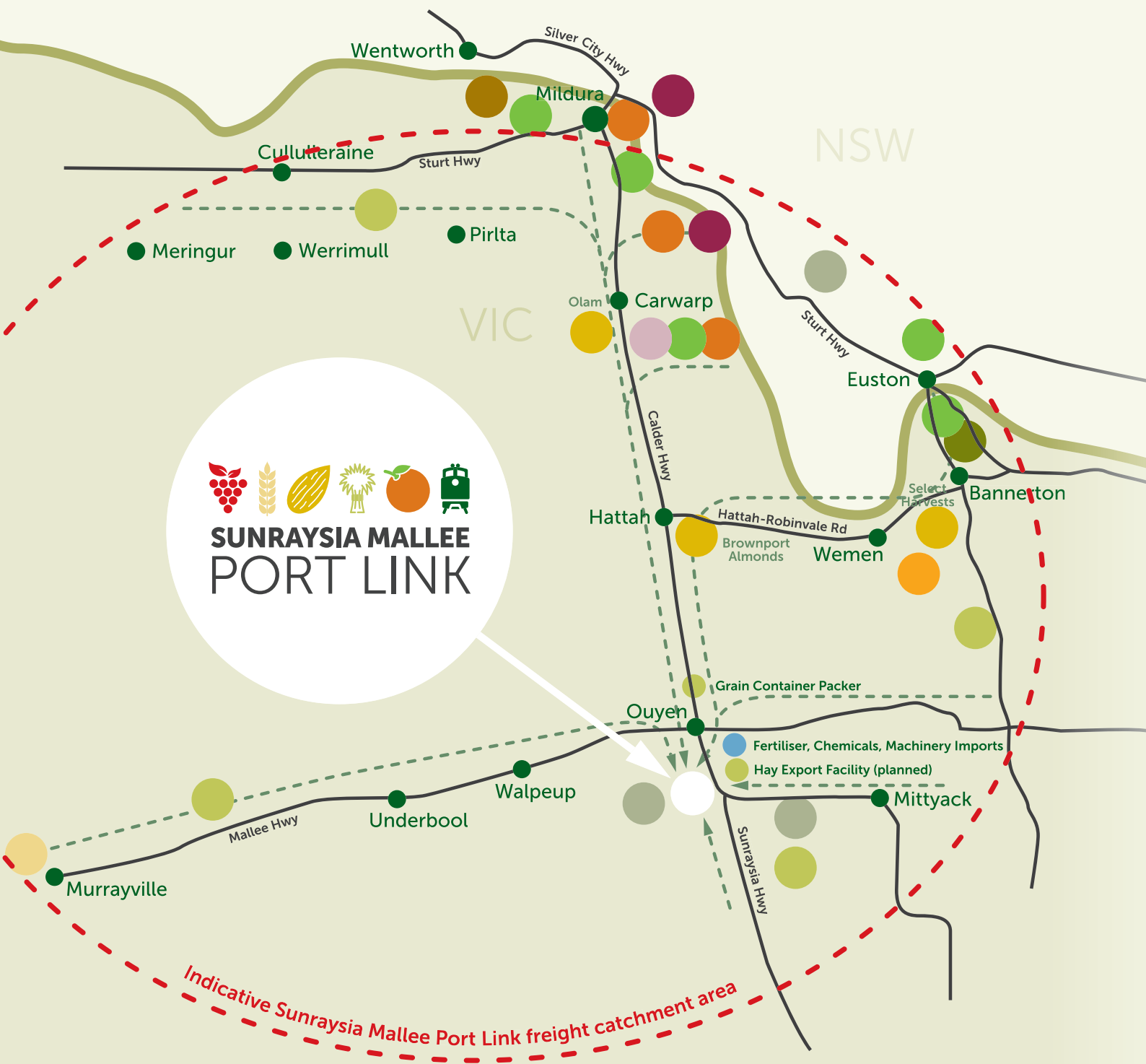
Before the Murray Basin Rail Project (MBRP) started, freight trains travelled to the Port of Melbourne via the Maryborough to Gheringhap (north Geelong) rail line. This was not to change, but under the 'revised' MBRP trains now travel 25% further distance via Ararat adding extra costs and 'crippling' trains to only three services per week when five or six are needed. In addition, the Ararat rail route is 43% greater distance than going by road using trucks.

By 2023, the volume of intermodal freight alone from far north west Victoria is expected to be greater than 1 million tonnes.

80 per cent of this freight is being transported over 400-500 km adding 19 million truck kilometres to the road network each year and this is going to get worse.

There has been a long running need to cut 'paddock to port' freight costs. A Deloitte Access Economics report from 2019 titled: 'The Impact of Freight Costs on Australian Farms', includes '*freight costs are highest for grains at 27.5 per cent of gross income, and fruit and vegetables at 21 per cent of GVAP*'. These higher freight costs, compared to our international competitors, is impacting our bottom line. The Sunraysia Mallee Port Link and the reinstatement of the Ballarat rail corridor will go a long way toward addressing this as well as reduce carbon emissions and road trauma.

For the Sunraysia Mallee Port Link to fully achieve its objectives and to move large volumes of freight on rail, the Maryborough to Gheringhap corridor needs to be reinstated.



- | | | |
|----------------|-----------------|---------------------|
| ● Grain & Hay | ● Wine | ● Tartaric Products |
| ● Table Grapes | ● Mineral Sands | ● Carrots |
| ● Almonds | ● Dried Fruits | ● Potatoes |
| ● Citrus | ● Olives & Oil | |

Sunraysia Mallee Port Link

By 2023, the volume of intermodal freight (exported in shipping container) from far north west Victoria is expected to be greater than 1 million tonnes or 75,000 shipping containers (TEU)*. 80% of this freight will be transported over 400 - 500 km via the road network requiring 19 million truck kilometres per annum and growing (without Sunraysia Mallee Port Link, this will not change post MBRP).

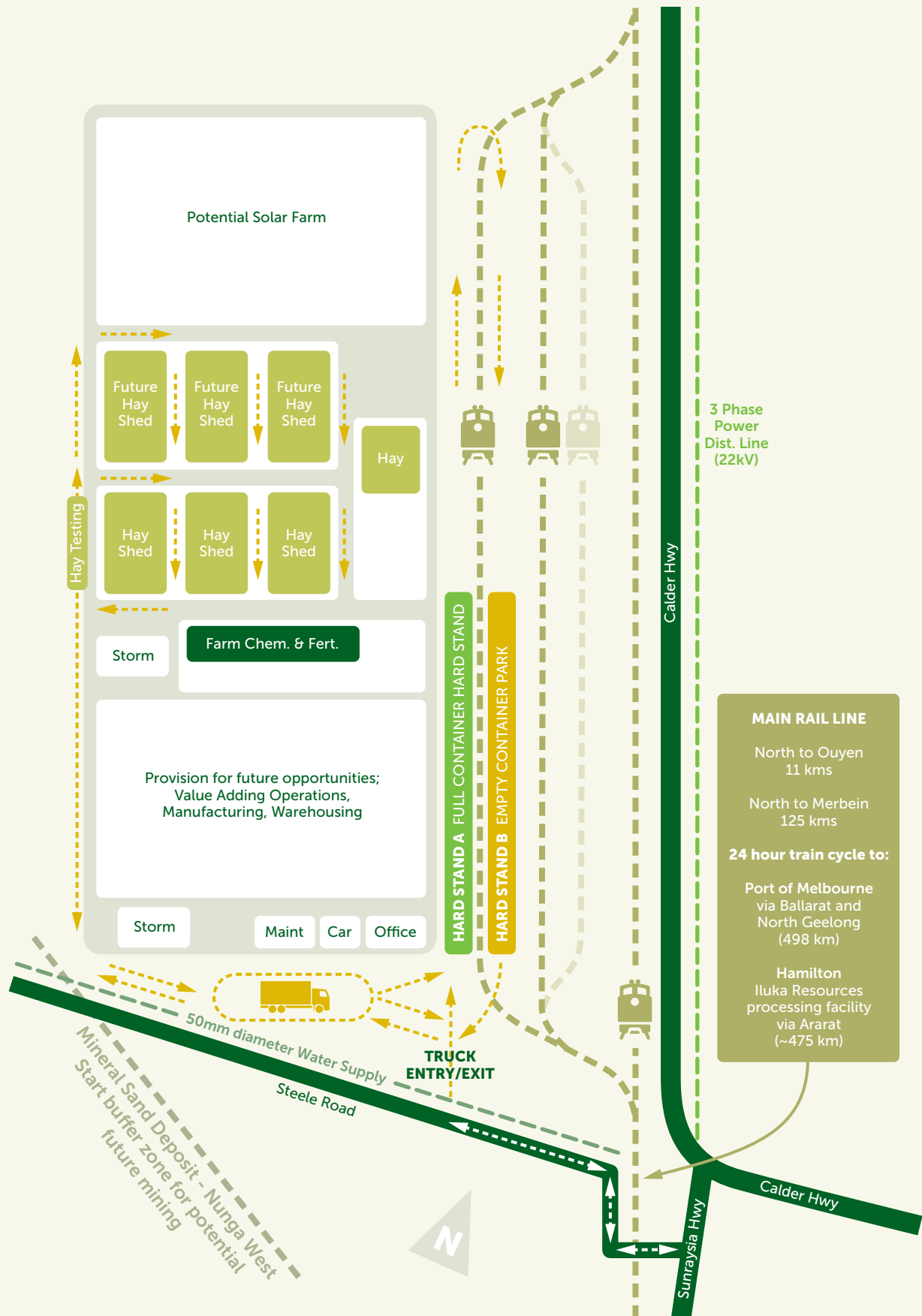
Currently, producers and exporters in north west Victoria rely predominately on road transport to get freight to the port, as the existing rail connections are a significant distance from their warehouses, farms or coolrooms and/or are in the opposite direction to the port.

Sunraysia Mallee Port Link will:

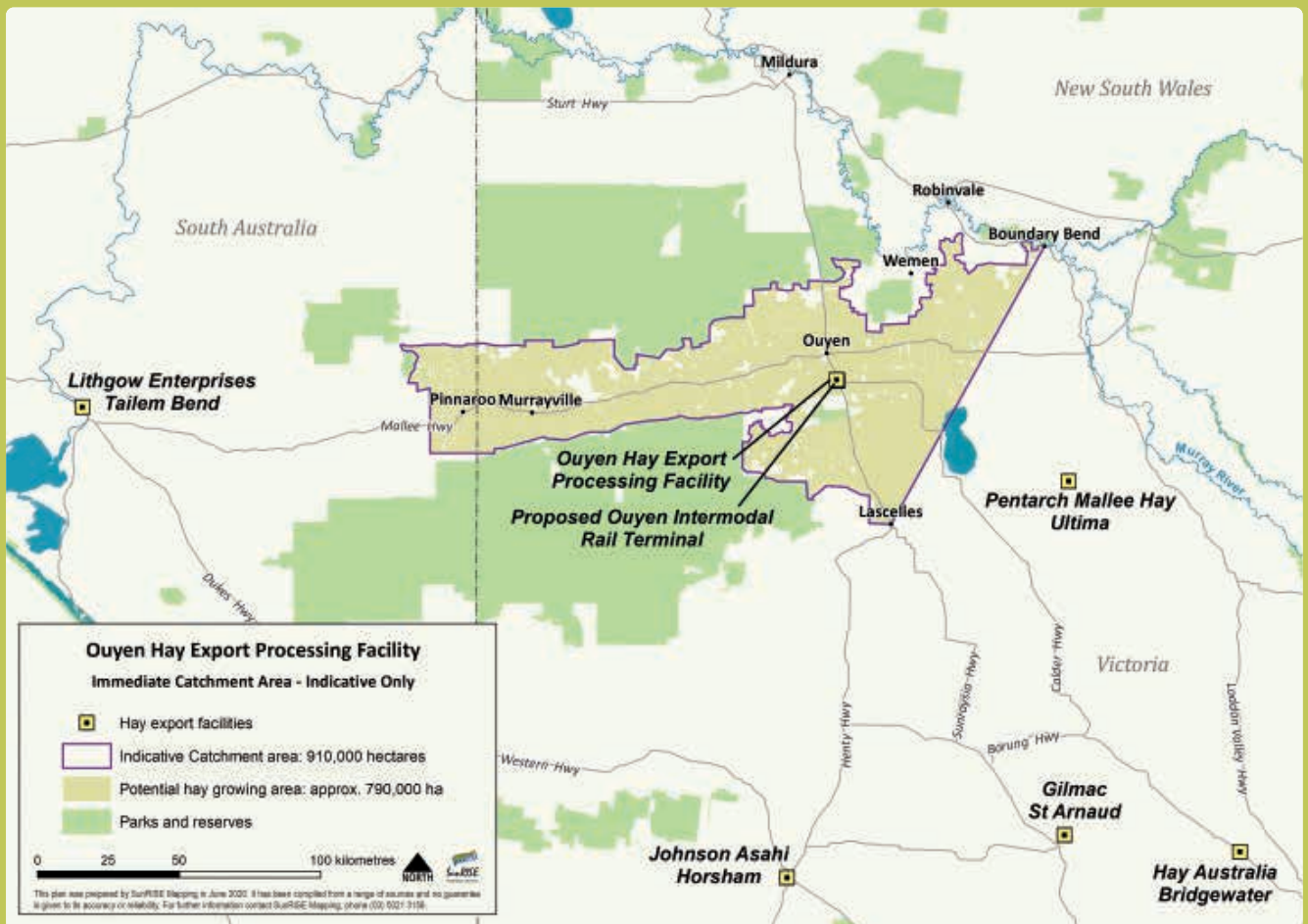
- along with the reinstatement of the Ballarat rail freight corridor, **maximise efficiencies by matching the shortest truck trip from farm or pack house to a train that travels up and back to the Port of Melbourne in 24 hours. This lowers costs as well enabling 5+ services per week.** Road transport and freight accumulation operators have conveyed the need for 5+ trains per week in order for them to put freight into trains. They do not use trains, when there is say, only three services per week because they need to run a full fleet of trucks to port for those days when there is not a train, and have the dilemma of deciding what to do with surplus trucks and drivers on those days when they put freight onto trains.
- with a reinstated Ballarat rail freight corridor, attract \$10 million investment in an export hay facility, create 75 to 90 jobs on site and across the region and generate an \$11.3 million economic injection (before flow on effect)
- **be located at the base of a large diversified freight 'funnel'** that includes three of the four largest Australian almond exporters, four of the ten largest Australian wineries, the huge Euston/Robinvale table grape region, table grape and citrus from south of Mildura and the large tracts of the Victorian Mallee and south west NSW grain and hay producing areas through to Pinnaroo SA. Such diversification will ensure all year round freight demand and train utilisation, further lowering train costs.
- **be attractive to miners.** Iluka Resources have advised; 'the facility would certainly be an important consideration in its assessment of the economic viability of developing its deposits in north west Victoria' and upcoming mining in south west NSW (could start in 2023)
- **work with the north west Victorian road transport industry.** Rather than being a competitor and threat. It is essential that the terminal be "truck friendly", that is, as many local trucking companies as possible must be confident that bringing their business to the terminal will not compromise their own business
- want to be independently owned and managed by a remunerated skills based board focused on achieving the objectives of the project whilst generating a modest profit each year for Ouyen Inc to reinvestment into other community initiated projects

* Does not include mineral sands.

Proposed facility



Hay/grain exporting



Stock & Land

JC Tanloden looks at a third hay processing plant - at Ouyen

Andrew Miller | [REDACTED] | Sep 2020, 7:53 a.m.



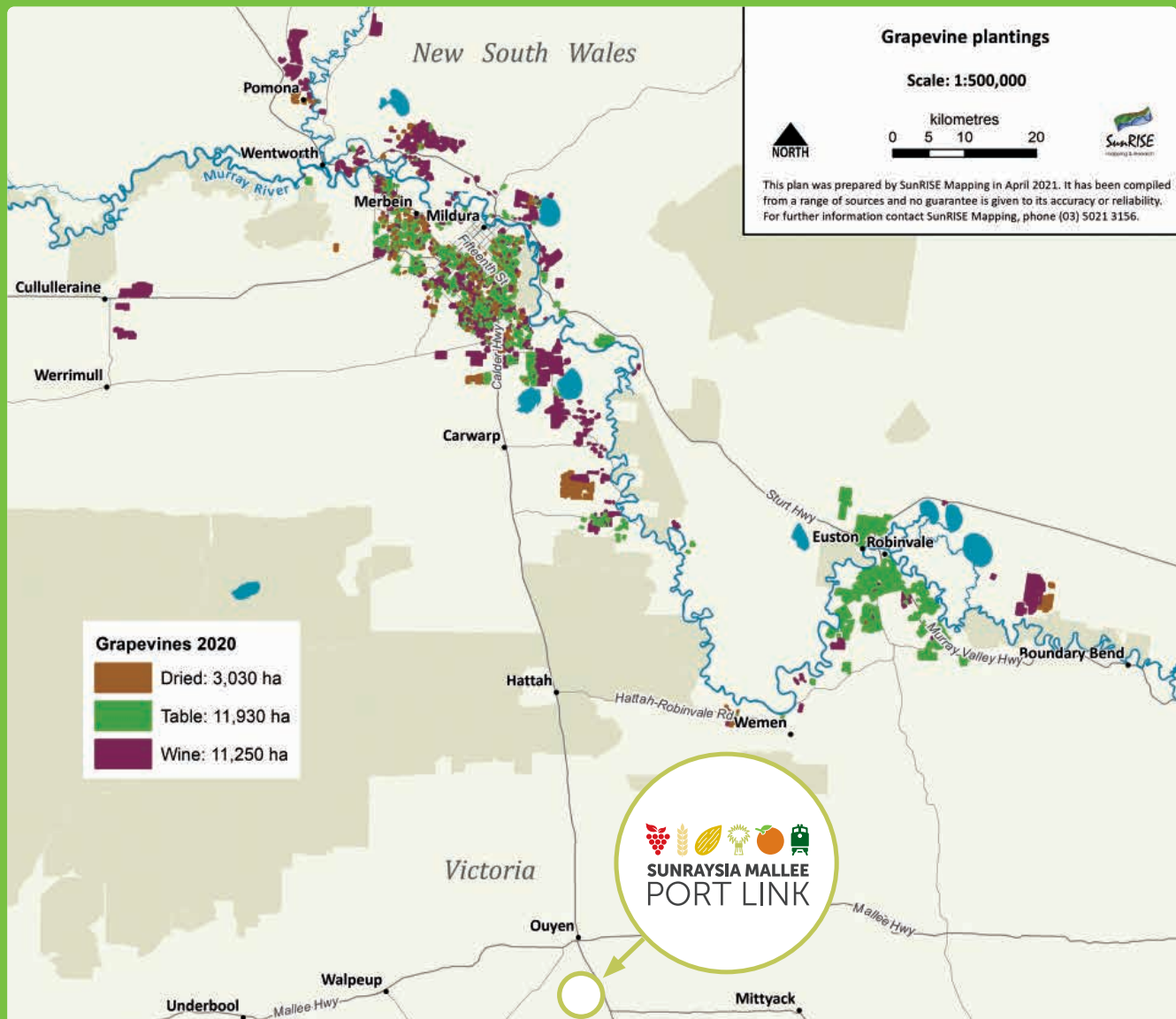
OATEN HAY: Plans for a hay export plant at Ouyen would mirror the one already being run by JC Tanloden at Epsom and Raywood.

Prized oaten hay from the Ouyen region could be loaded onto rail for export to south-east Asia, if Victorian exporter JC Tanloden's plans come to fruition.

JC Tanloden, owned by Wingara Ag, has two export hay processing facilities, at Epsom and Raywood, and is investigating building a third at Ouyen.

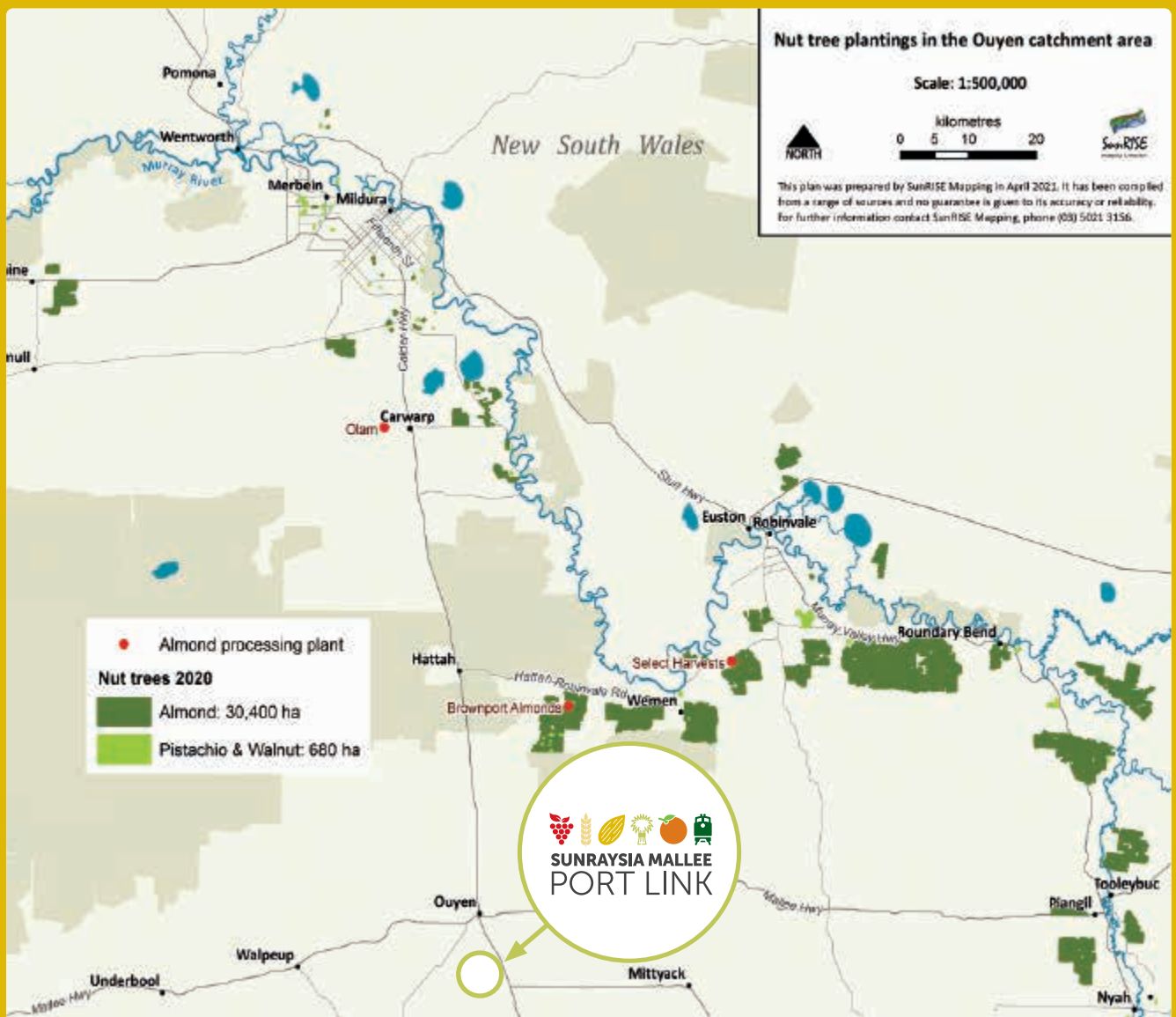
Wingara's Corporate Strategy and Investment director Roger Prezons said it made sense to set up the planned \$8-12 million plant at Ouyen, in conjunction with the town's planned road-rail intermodal facility.

Grapevine plantings



Increasing expansion of grape vines in the region are also a key opportunity with the table grapes export market growing by 20% in recent years with additional plantings yet to mature. It is estimated that the table grapes plantings in the above map could produce more than 20 million export cases by 2023.

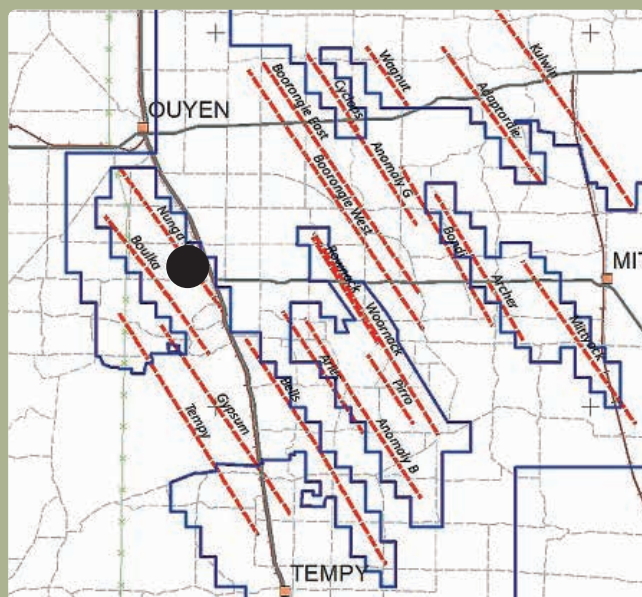
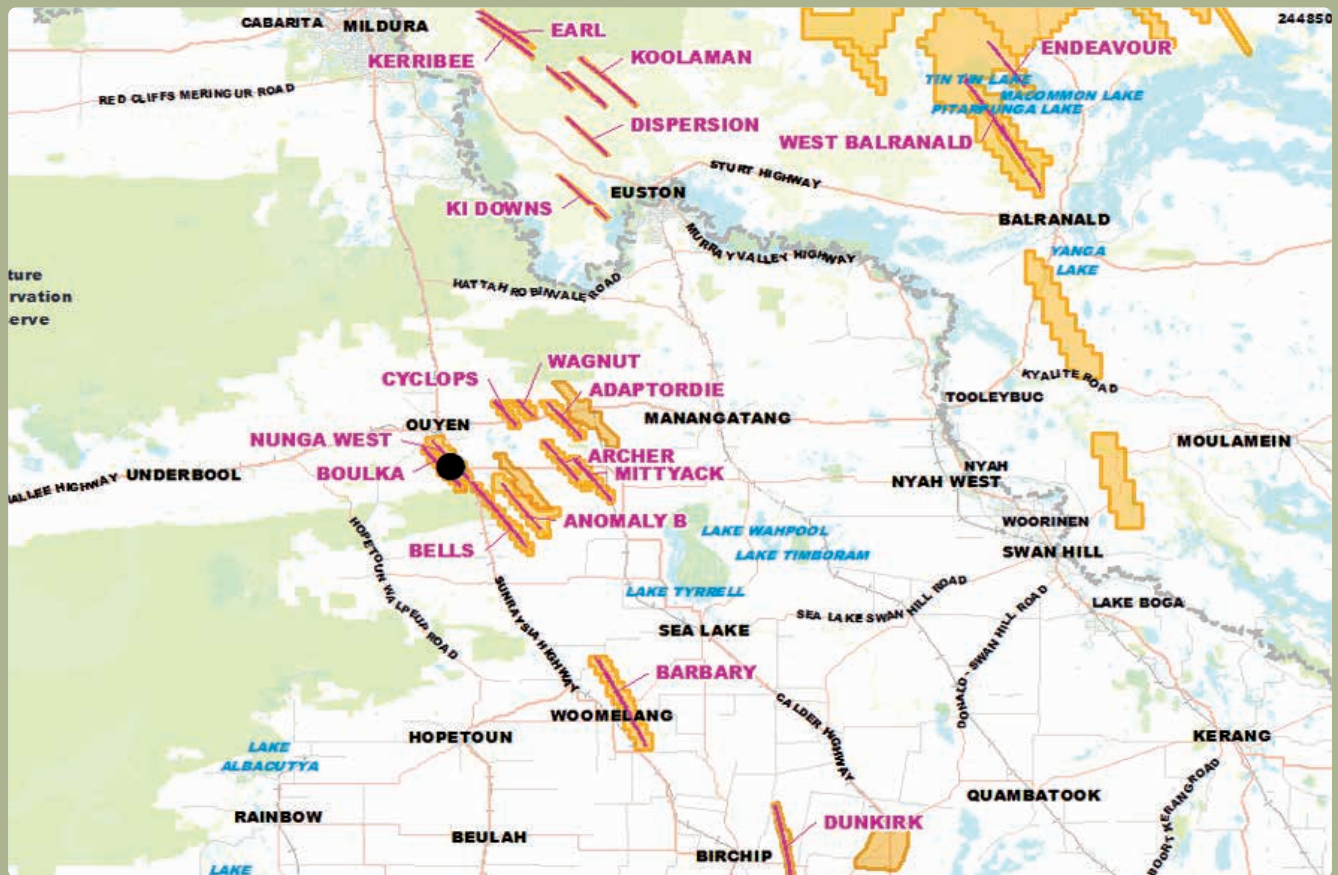
Nut tree plantings



Development of the almond and nut industry in the region has progressed in recent years with expansive new plantings and increasing acreage of production continuing to mature.

Three of the four largest Australian almond export facilities are in the Sunraysia Mallee Port Link freight catchment area.

Mineral sand mining



Incentivise resumption of mineral sand mining in north west Victoria and provide logistical services for mining in south west NSW that could start in 2023.

The provision of an additional rail siding which can cater for mining logistics is included within the scope of the SMPL site layout to facilitate future opportunities. This would potentially operate a 24 hour train cycle to a Hamilton processing plant or to the Port of Portland for bulk handling to alternative processing facilities in Western Australia.

Iluka Resources has stated, in a letter of support for the Sunraysia Mallee Port Link: *'the existence of and access to a rail loading facility at Ouyen would certainly be an important consideration in Iluka's assessment of the economic viability of developing these deposits'*.

They have indicated that future mining will most likely involve the use of mining containers (modified shipping containers). This would make the Ouyen project an attractive proposition for future logistics with potential cost sharing of on-site container handling equipment and a standard gauge linkage.

Green Hydrogen production

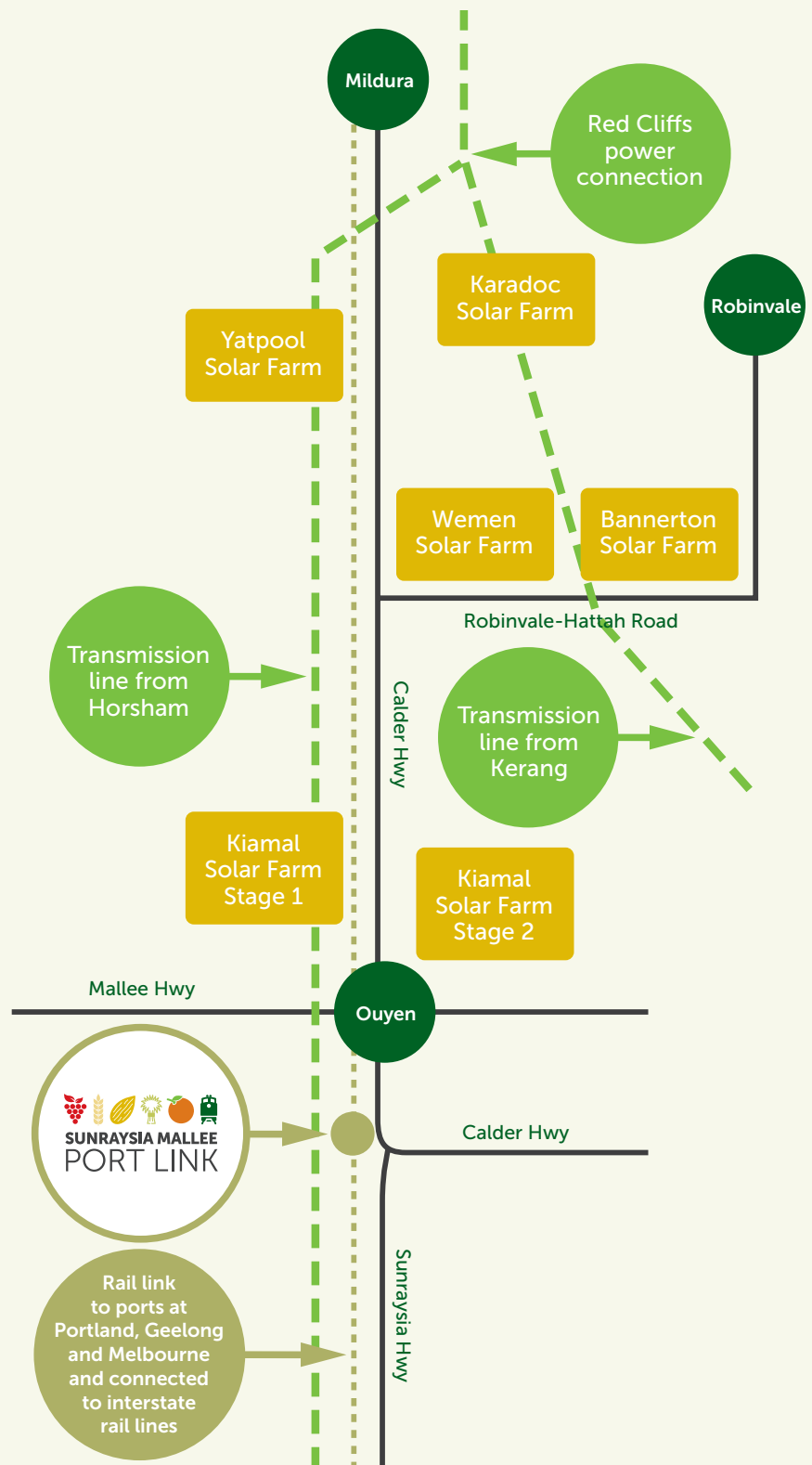
Sunraysia Mallee Port Link will help promote Green Hydrogen production in the region.

Hydrogen is touted as Australia's next biggest export and there are now opportunities and interest from within Australian and outside of Australia for parties to get involved in the establishment of the industry in Australia.

The Mallee provides a number of competitive advantages in relation to hosting a hydrogen industry.

This includes:

- A rich solar resource for renewable energy and hydrogen production and seasonal storage
- Concentrated agriculture and industrial infrastructure which could benefit from heavy duty hydrogen powered transport as well as back up generation
- Strategically positioned on the national freight corridor for transport and logistic routes
- Large biomass resource which can complement hydrogen use for power generation
- Access to **transport infrastructure** for a hydrogen export market
- Gas networks, including a natural gas pipeline
- Advantage of provenance of Mallee region



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May 2021

