

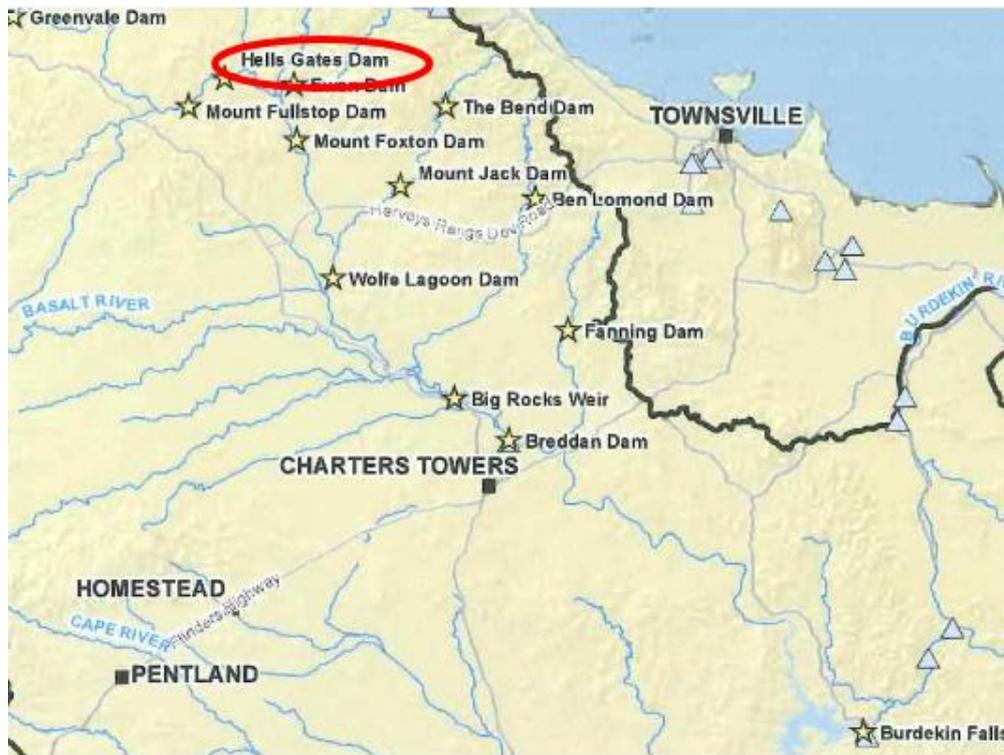


Hells Gates Dam Questions and Answers

Where is Hells Gates?

For the Google Earth initiated – the coordinates for Hells Gates are -19.124511, 145.639765. It is approximately 120 kilometres north of Charters Towers and north-west of Townsville (almost on a straight line between Townsville and Greenvale) and approximately 50 kilometres west of Paluma.

The area of the dam is on private property and is not easily accessible by conventional vehicle.



How long will the Hells Gates Dam Feasibility Study take?

From the time of the appointment of consultants, the study will take around 12 months.

The Hells Gates Dam Feasibility Study will be delivered in line with the following milestones:

- Milestone 1: Project Inception and Planning
- Milestone 2: Information Identification and Gap Analysis
- Milestone 3: Agronomy, Water Resource and Environmental Analysis
- Milestone 4: Technical Feasibility
- Milestone 5: Financial Feasibility and Economic Impact
- Milestone 6: Final Feasibility Report

Scheduling for the project is outlined in the table below, with the final report to be delivered in April 2018

| | May 17 | Jun 17 | Jul 17 | Aug 17 | Sep 17 | Oct 17 | Nov 17 | Dec 17 | Jan 18 | Feb 18 | Mar 18 | Apr 18 |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Milestone 1 | | | | | | | | | | | | |
| Milestone 2 | | | | | | | | | | | | |
| Milestone 3 | | | | | | | | | | | | |
| Milestone 4 | | | | | | | | | | | | |
| Milestone 5 | | | | | | | | | | | | |
| Milestone 6 | | | | | | | | | | | | |

Who is conducting the study?

International engineering and development consultants, SMEC, is leading a consortium of Townsville businesses to undertake the detailed feasibility study for the proposed Hells Gates Dam. The consortium includes local engineering firm Premise, consulting firm Brazier Motti and economic consultants AEC. SMEC has had a long association with Townsville and the North Queensland region and a history that stretches back to the original Snowy Mountains Hydro-electric Scheme. Townsville Enterprise is the project manager for the study with finance from the Federal Government's National Water Infrastructure Development Fund.

Is Townsville Enterprise working with the State and Federal Governments?

Townsville Enterprise is working closely with the Queensland Department of Department of Energy and Water Supply and liaising regularly with the Federal Department of Agriculture and Water Resources. SMEC's team of consultants will liaise with a number of State and Federal agencies, throughout the feasibility process.

Why another feasibility study?

While there have been numerous studies on the potential for a dam on the Upper Burdekin, none have examined the broader potential for irrigated agriculture and the role of a dam at Hells Gates to supply water to Townsville. This feasibility study is addressing the potential to expand the North Queensland's agricultural capabilities, with potential to unlock significant arable land

and offer the agricultural sector large growth opportunities, ultimately benefiting the output and GRP of the region.

Who will be consulted during the study and can I have my say?

A range of community groups, government agencies, farmers, graziers and land owners will be consulted during the 12-month study. It is important to gain a comprehensive understanding of not only the engineering challenges of building the proposed dam, but also how the water may be used and its value to end users, especially for agricultural production.

Is Big Rocks part of the study?

Yes. The scope of the feasibility is relatively broad. It is investigating the water infrastructure necessary to support a large scale irrigated agricultural precinct. Big Rocks is among the water storage options to be considered.

Will Hells Gates Dam provide urban water supply for the Townsville community?

It has been suggested that Townsville could more cost effectively access the water it needs from a dam at Hells Gates. This has never been studied and therefore proven. The Hells Gates Dam Feasibility Study will undertake the studies necessary to determine the feasibility and cost effectiveness against other options. This information will be used by Townsville City Council, the State and Federal Governments, to determine the best solution for Townsville's long-term water needs.

What is the involvement of Townsville Enterprise?

Townsville Enterprise is the primary engine for economic development, charged with leveraging North Queensland's asset and strengths to drive jobs, growth, infrastructure investment and improve quality of life. With this role, we strongly advocated for the use of National Water Infrastructure Development Fund (NWIDF) to fund the feasibility study now being undertaken. Townsville Enterprise leads the management of the Hells Gates Dam Project Leadership Group which is fundamental in ensuring all community stakeholders are well engaged throughout the feasibility process.

Is the Townsville Water Taskforce considering the outcome of the Hells Gates feasibility study?

The Townsville Water Taskforce is awaiting the results of the feasibility study. The interim report from the Water Taskforce released at the end of June 2017 has expressed consideration of the Dam as a long-term water supply option, though they have highlighted it is more an opportunity to open up additional agricultural land.

What are the next steps?

The feasibility study is due for submission by SMEC in April/May 2018. If the project is considered feasible, appropriate funding and resource allocation will need to be secured.