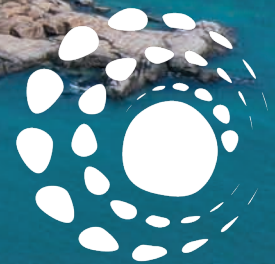


ANNUAL REPORT 2020/21



DEVELOPING
EAST ARNHEM

WE SHARE AN OPTIMISTIC VISION FOR THE FUTURE OF EAST ARNHEM. THE REGION IS WELL PLACED TO MEET NEW CHALLENGES OVER THE NEXT FIFTEEN YEARS, BUILDING ON PROGRESS TO DATE.



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ABOUT DEAL

Developing East Arnhem Limited (DEAL) is an independent not-for-profit company with an experienced Board of Directors.

Our mission is to drive economic development in East Arnhem to promote the resilience of the region and opportunity for its people.

ABOUT EAST ARNHEM

The East Arnhem region, in Australia's Northern Territory, is home to the world's longest continuing culture. Set against a spectacular natural environment, the region has a history of trade and entrepreneurship, and is connected with both national and international markets.

To learn more about doing business in East Arnhem, visit developingeastarnhem.com.au/invest/

To learn more about visiting East Arnhem, visit eastarnhemland.com.au

OUR STRATEGIC DIRECTION

DEAL's Strategic Plan for 2020-2025 was released in November 2019.

The Strategic Plan outlines DEAL's 2035 economic development vision for the East Arnhem region and identifies five integrated activities over the next five years that will lay the foundation to realising our 2035 vision.

Moving forward, DEAL is also looking to develop a tangible image of what the region might look like in 2035. Building on the work done to date, this will enable us to create an integrated roadmap where activities across all key stakeholders can be aligned towards a common purpose, the 2035 vision.

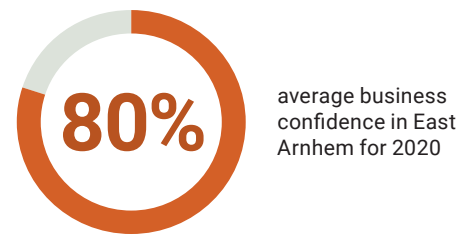
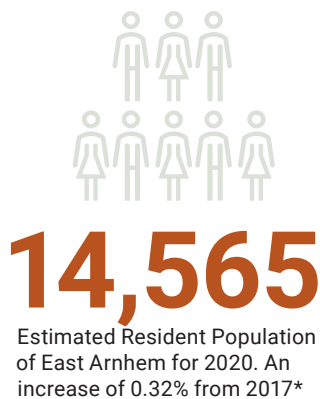
An integral part of our operations is the commitment to measure our performance and the performance of the East Arnhem region. Our work to develop a tangible image of the region and a supporting roadmap will also enable us to establish meaningful and quantifiable targets (and timelines) that we can measure, track and report our performance against.

MEASURING EAST ARNHEM'S SUCCESS

In measuring our performance, DEAL currently uses a range of economic and community indicators and has commenced producing dashboard reports to communicate these indicators with stakeholders. A snapshot of these indicators is included in this Annual Report, and you can view our full economic profile of East Arnhem on our website.

As we develop a tangible image of the future of East Arnhem and supporting roadmap, we will further refine these economic and community indicators and start to report against clearly defined targets in order to better measure progress towards the 2035 vision.

A resilient East Arnhem economy



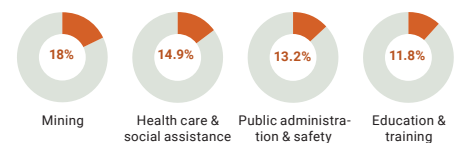
Main industries of employment in East Arnhem in 2019/20



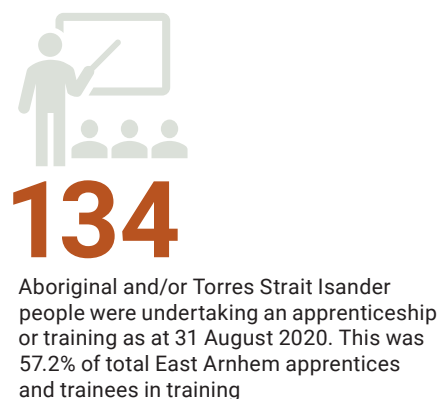
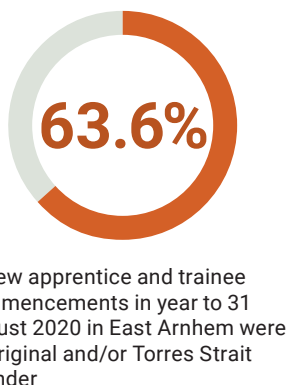
Nhulunbuy as a sustainable regional centre



Main industries of employment in Nhulunbuy in 2016.



Yolŋu are leaders and partners in economic life



Date sources: EconomyID, Australian Bureau of Statistics, the Northern Territory Government's Remote Jobs Profile, Australian Government Labour Market Information Portal, Northern Territory Department of Industry, Tourism and Trade and the Northern Territory Chamber of Commerce.

* The Estimated Resident Population (ERP) is the Australian Bureau of Statistics' official 2020 population figure for all Local Government Areas (LGAs) - but is subject to review after the next Census release.

DEVELOPMENT DOMAINS

Each of our five integrated activities contributes to four key development domains. We map our contribution across these four development domains to ensure we are complementing the roles of others and contributing to an integrated approach to economic development in East Arnhem.

These domains are informed by our understanding of the regional policy context, consultations with our stakeholders and economic development theory – which emphasises the need for integrated approaches to development, targeting a range of social, economic, political and environmental drivers.



Businesses

To grow and thrive, regional businesses and entrepreneurs require access to finance and support from formal and informal networks. Businesses require strong management practices to support strategic and innovative decision-making.



Human capabilities

Economic development requires that people live healthy lives and have an adequate standard of living, with access to housing and appropriate social services. They feel empowered to participate in their community and the economy. Regional communities are inclusive and connected.



An enabling environment

There are broader policy and governance conditions needed to enable success across the other domains. These conditions include strong and culturally appropriate institutions that enable local leadership, and the right policy settings to facilitate development. Regions require strong economic planning and cross-sector coordination, and financial investment from both the public and private sectors.



Infrastructure

Transport and information infrastructure is required to facilitate access to markets, and promote agglomeration and innovation. Energy and essential services infrastructure must be reliable and affordable for residents and businesses, and promote environmental sustainability.

In delivering on our Strategic Plan, DEAL maps our activities against the development domains to ensure we are contributing to an integrated approach to economic development. The domain icons are mapped against our achievements in each activity area throughout this report.

ACTIVITIES

In measuring our performance in this report, we outline delivery of projects across the five integrated activity areas of our work. These activities are designed to lay the foundations for realising our 2035 vision.



Leadership

Working with partners, DEAL drives and coordinates economic development planning. We advocate for East Arnhem, gather evidence to guide development, and produce clear communications to ensure stakeholders understand changes, risks and opportunities in the region.



Industry attraction and development

DEAL facilitates planning and coordinated action to support emerging industries in the region, and act as a 'front door' for businesses and investors from Australia and around the world.



Housing

DEAL manages and maintains its housing in Nhulunbuy to create opportunities for new and local businesses. We use our role and knowledge as a housing provider to leverage investment in diversified housing across the region.



Business support

Through our partnerships across the region, DEAL supports East Arnhem businesses to access information, networks, services and capital.



Capital

DEAL invests in businesses and critical enabling infrastructure.

CHAIR REPORT

MICHAEL MORLEY



It is with pleasure that I provide my first Chair's report for DEAL. Having been appointed shortly following the end of the 2020/21 Financial Year, it's been beneficial to reflect on the significant work achieved by the DEAL Board and team over the last 12 months as we look to the future of the organisation and the East Arnhem region.

Reflecting on DEAL's achievements

Over its life, DEAL has done an amazing job of responding to the needs of the region and positioning itself to add value to the economic development environment. Through its early years, it provided an important and agile response to curtailment of the Rio Tinto refinery and contributed in a significant way to the rebound of the Nhulunbuy economy. More recently, DEAL has built strong foundations for coordinated and inclusive regional economic development based on stakeholder feedback and consultation, and best practice approaches to development. The outcomes delivered this financial year are a testament to this.

It's important also to recognise the efforts of both John Cossons and Andy Lloyd. John was DEAL's inaugural Chair, and Andy the inaugural Rio Tinto appointed director of the DEAL Board, and we farewelled both in 2020/21. They were instrumental in the establishment of DEAL and made significant contributions to its success during the first seven years of operation.

Building on solid foundations

In joining DEAL, I am looking forward to building on these foundations and working with traditional owners and regional stakeholders to leverage East Arnhem's unique natural and cultural assets and to create an exciting, resilient and sustainable future for the region. I believe there are many opportunities here, and it is critical that we move to the next phase of delivering on our Strategic Plan by building momentum and delivering tangible results for the region. As part of this, one of my focus areas will be building on DEAL's 2035 vision for East Arnhem and five activity areas as outlined in our Strategic Plan 2020-25 to create a tangible image of what a sustainable regional economy could look like, and the role of stakeholders in achieving this. Part of this will be ensuring we are clear on the outcomes we are working towards and what success looks like, where the gaps are and how DEAL and others are working to fill these.

Supporting a successful transition

We recently announced the appointment of Paul Dobing as our next CEO. Paul joins DEAL having had over 30 years of senior executive leadership experience across the private, public and higher education sectors with roles based in Australia, India and the US. Paul has been a leader in areas of significant transformation and reform, with a focus on delivering tangible outcomes against strategic objectives.

Paul replaces our current CEO Jordy Bowman. During Jordy's seven years in the region and three years with DEAL, Jordy has made an enormous contribution to East Arnhem. Jordy has been instrumental in driving the conscious shift in the way DEAL has worked over the last few years, with a focus on expanding DEAL's efforts more regionally and working closely with traditional owners to understand and support their aspirations. Jordy's keen understanding of the region has enabled DEAL to expand its offerings to ensure we are responding to the needs of the region. Importantly, Jordy has grown the DEAL staff significantly, and created a strong, supportive team environment in which DEAL has been able to successfully recruit and retain highly skilled professionals.

On behalf of the Board I would like to thank Jordy for her tremendous efforts during her tenure as CEO. We are also excited to have Paul joining the DEAL team and we look forward to introducing Paul to our stakeholders and the contributions he will make in this role.

In closing, I would like to thank our Members – Rio Tinto and the Northern Territory Government – for their ongoing support of and commitment to DEAL. I appreciate the opportunity presented to take on the role of independent Chair, and am excited to work with DEAL's valued stakeholders across the East Arnhem region as we continue to deliver on our mission to drive economic development to promote the resilience of the region and opportunity for its people.

CEO REPORT

JORDY BOWMAN



The 2020/21 Financial Year was again a busy and productive one for the DEAL team as we returned to our core business as the impacts of the global pandemic eased in the Northern Territory. We continued to work strategically and collaboratively with regional stakeholders and government to leverage resources and funding into the region, as well as supporting the entry of a range of new support offerings for East Arnhem businesses to ensure they are well positioned to take advantage of opportunities across the region.

Our team

A highlight was further growing the DEAL team to ensure we have the resources and expertise to respond to the economic development needs of the region. We added two new positions to our team, welcoming Emma Drew in February in the newly created Business Support Manager position and promoting Rebecca Johnston to the newly created Projects Officer role. Lucy Marsters joined DEAL as our Administration Officer in June, rounding out our full complement of experienced staff working to support the region.

The team continued to challenge themselves and drive innovation across all our activity areas. It has been heartening to see our diverse cohort form a collaborative, motivating and cohesive work environment. The team should again be commended for their significant efforts, and their ongoing commitment and passion to driving economic development in East Arnhem.

Business support

A key focus was ensuring we have the necessary supports in place in the region for new, emerging and growing businesses. Following extensive stakeholder engagement and a review of business support in the region, we were pleased to add three additional services to the region to fill identified gaps. The first of these was our new Business Support Manager position, created to provide comprehensive back-end support for Yolŋu businesses. This position is now fully subscribed with a waitlist of businesses seeking support. We also partnered with Enterprise Learning Projects to deliver their business incubation program to three established Yolŋu businesses in the region to support their growth and diversification. Finally, we partnered with the Chamber of Commerce NT (Chamber) and Industry Capability Network Northern Territory (ICN) to place a joint Chamber and ICN position in the region to better service East Arnhem businesses.

Promoting East Arnhem

This year saw us gain momentum in the promotion of the work of DEAL and the East Arnhem region across media, events, social media and through awards. We have enjoyed some fantastic opportunities to promote the unique role of DEAL in driving economic development in the region and fostering connections with other regions facing similar challenges. We have also been focussed on promoting the East Arnhem region, particularly in relation to tourism, and have seen significant increases in engagement and awareness of our region as a destination as a result.

Finally, I would like to thank the DEAL Board, our Members, the DEAL team and our regional stakeholders for their contributions and support during my tenure as CEO. As I prepare to transition out of the CEO role in November 2021, it has provided an opportunity to reflect on the experience I have had working with DEAL. We have achieved some tremendous success and growth as an organisation over the last three years, and I personally have gained invaluable experience during my time here. Our achievements and my passion for this role would not have been possible without my incomparable team and the support and friendship of our stakeholders. I look forward to watching DEAL and the East Arnhem region continue to go from strength to strength under the guidance of our new Chair Michael and the incoming CEO Paul, who will be well supported by our experienced staff.



LEADERSHIP

DEAL continued to increase our focus on the leadership role we play in the East Arnhem region. A significant part of this work is a continued effort to increase our media footprint and awareness of East Arnhem in the national media, working closely with our communications firm N2N Communications to refresh our Communications Strategy and to proactively seek out media opportunities that align with our values and marketing goals. DEAL also hosted various events throughout the year, including three events as part of October Business Month, and workshops for tourism operators in partnership with Tourism NT and Treeti Business Consulting.



October Business Month

DEAL was involved in three events over the two day October Business Month calendar that provided East Arnhem businesses the opportunity to connect and hear about important work happening across the region.

- Jordy spoke in her capacity as the Vice Chair of the East Arnhem Regional Reconstruction Committee (RRC) at the Future of East Arnhem session during the opening, providing an overview of the RRC and its priorities and path forward.
- DEAL's Tourism Development Officer Ryley Heap provided businesses with the skills required to navigate the Google My Business tool at the Online Marketing, Websites and Social Media session that was co-hosted by Treeti Business Consulting.
- DEAL also had the pleasure of hosting Business Golf at Sunset in partnership with the Chamber of Commerce NT (Chamber). More than 45 people from businesses around the region attended to hear updates from Jordy and the Chamber's CEO Greg Ireland. Jordy spoke of the stimulus and support provided by DEAL to businesses in East Arnhem in response to COVID-19, as well as the region's resilience and strength throughout this unique and challenging time. After the formalities, 16 teams took to the golf course, enjoying some friendly competition in a round of night golf played under the full moon.



Business Golf at Sunset - OBM 2020




East Arnhem Regional Reconstruction Committee (RRC)

Jordy, as the Vice Chair of the East Arnhem RRC, led a strategic planning session for the Committee with Nous Consultants to support better understanding of the role the RRC should play over the next ten years, understanding the skills of members, and how it can position itself to support the region. DEAL continued to support the RRC to determine how it can better communicate its work to a broader audience, as well as to support building business confidence in the East Arnhem region.



Annual Community Update

On 9 November 2020, DEAL brought together local community, business and strategic stakeholders, along with our Board and team, for our annual Community Update which was attended by about 30 people. At the event, we launched our 2019/20 Annual Report and former DEAL Chair John Cossons and Jordy spoke of the conscious shift in the way DEAL is working, with a greater focus on the broader region as we work to promote business and community resilience and the boundless opportunities that exist.



Cooperative Research Centre (CRC) on Transitions in Mining Economies

This year, DEAL joined the CRC on Transitions in Mining Economies as a Supporting Participant. Jordy was invited to be a member of the Impact Committee of the CRC. The CRC has been established to undertake social, economic, environmental and technical research and work directly with industry and communities to support transitions to prosperous and sustainable post-mining futures across Australia.

In support of the CRC, DEAL has been working with the Gove Peninsula Futures Reference Group on establishing Nhulunbuy as a regional hub and site for CRC research to support the transition planning that is underway. An initial meeting was held between CRC and the reference group in February 2021, and a site visit was conducted over two days in May 2021. Jordy also presented on a panel with other CRC board and committee members at the Life of Mine Conference in late April, where her contribution focussed on the importance of collaboration, the role that mining companies can play in the future regional workforce and the need for well-sequenced asset transition.





Economic Development Australia webinar

In June 2021, Jordy, Business Support Manager Emma Drew and Ryley Heap hosted an Economic Development Australia webinar on best practice approaches to economic development on Aboriginal land. More than 50 people registered for the webinar, and the feedback and questions following the session showed it was an area of keen interest for those in attendance. A recording of the webinar can be viewed at <https://bit.ly/3nqWhMT>



DEAL website economic and community profile

Launched in June 2021, the economic and community profile for East Arnhem is located on the main DEAL website and has been designed to track the progress of East Arnhem against our vision for the region as outlined in our Strategic Plan 2020-25 (see page 4 for more information on this). In this economic and community profile, various data and indicators have been used to create a baseline understanding of East Arnhem's current profile against our vision areas. These indicators will be monitored and updated annually, along with analysis against previous years' data, to assist the community and stakeholders in understanding the progress of the East Arnhem region. The economic and community profile can be viewed at developingeastarnhem.com.au/economic-and-community-profile/



COVID-19 response – business communications

As part of the NT Government's Local Emergency Plan in response to COVID-19, a Public Information Group was established in early 2020 to oversee the communications response for East Arnhem. The Public Information Group nominated DEAL to coordinate and provide regional business updates.

DEAL continued to provide businesses with the most up-to-date information to ensure they had the tools they required to continue to operate effectively and safely in the East Arnhem region. This included updates on our website's dedicated COVID-19 business update hub, via email and on social media when new information became available. In developing these materials, DEAL worked closely with the Northern Territory Government and other regional stakeholders to ensure the veracity and timeliness of the information.



Future of East Arnhem session - OBM 2020



Communications and achievements

DEAL continued to focus on our communications to build the DEAL brand and to promote the East Arnhem region across media, events, social media and through awards.

Media coverage

Broadcast media on SkyNews, AusBiz and TickerTV covered potential future opportunities for investment in the region and promoted existing and emerging industries, such as tourism. A number of print and online articles also provided audiences an insight into the business support services provided by DEAL and the diversity of work happening across the region. These pieces appeared across NT News, TimberBiz, BusyContinent, NT Independent, Wood Review, EcoVoice and the Sustainability Report.

Digital media

We continued to grow our online presence via regular posts across Facebook and LinkedIn and kept businesses and stakeholders up to date via our website and regular email newsletters. Our email newsletters were particularly pertinent during the COVID-19 crisis as we distributed relevant information regarding access to resources or financial incentives available.

Events

DEAL team members attended various conferences, including the Regions Rising Conference in Canberra and the Tourism 2030 conference in Darwin, which provided great opportunities to network with various stakeholders and promote the region.

Awards

Ryley was named Economic Development Rising Star in the 2020 Economic Development Australia awards. This was well-deserved recognition of the significant contributions Ryley has made to our team and to the development of the tourism industry in East Arnhem. Jordy was named as a finalist in the Economic Development Leadership Award category.

DEAL received a silver commendation in the Public Relations Institute of Australia awards for the best small budget campaign for the East Arnhem Live series, a testament to the campaign's success and the national and international attention it received.

DEAL received a nomination for Best Use of Sponsorship for the East Arnhem live series; recognising the partnership between Yolŋu artists, Yolŋu Radio, Melbourne's Federation Square and DEAL to drive awareness of the region, and highlighted how the campaign built an audience for future engagement via email and social media. In addition to the nomination itself, the awards also connected DEAL with Airbnb to explore future partnership opportunities.





INDUSTRY ATTRACTION AND DEVELOPMENT

Pivoting our focus from the COVID-19 response back onto key regional projects, there has been significant work happening across the region in a range of industries including tourism and forestry, as well as important consultation work relating to the East Arnhem Landowner Prospectus. A highlight of the year was the release of Invest East Arnhem, which is an important resource for the region.



East Arnhem Landowner Prospectus

Significant progress was made on the East Arnhem Landowner Prospectus project, despite the interruptions faced due to COVID-19, including the release of the East Arnhem Landowner Prospectus Fact Base in late 2020. Following the release of the Fact Base, we worked with various stakeholders on developing an approach to sharing the opportunities contained in the Fact Base with Yolŋu traditional owners, boards, communities and homelands across the region. An early priority identified in this project was to ensure there are feedback loops on the research that has been done in this region relating to potential industry opportunities for Yolŋu. As part of this project, DEAL engaged ARDS Aboriginal Corporation (ARDS) who provided plain English summaries of the project and its objectives to support consultations, as well as plain English summaries of who DEAL is and the work we do. DEAL worked with Yolŋu advisors using these materials to ensure that the flow of the consultations and the pitch of the material were fit for purpose.

During the first part of 2021, DEAL met with Yolŋu organisations, communities and homelands across the region to share this important information and identify actions to progress opportunities where there is interest. These consultations will continue through to November 2021, whereafter a regional Prospectus document promoting investment opportunities will be developed along with a Prospectus action plan to support the progression of opportunities identified during consultations.



East Arnhem Landowner Prospectus consultation - Ramingining



Invest East Arnhem

In November 2020, we launched Invest East Arnhem, which is a critical element in promoting the region to potential investors and partners. This comprehensive document outlines key information about the region, communities, existing and emerging industries and infrastructure that can underpin development, as well as the range of investment and business supports available to existing and future investors.

Invest East Arnhem is pivotal to promoting the region and the opportunities that exist.

The Invest East Arnhem document was also converted into an online presence to ensure its contents are easily searchable and accessible by those looking for more information about our unique region. You can visit the Invest East Arnhem website at developingeastarnhem.com.au/invest/



East Arnhem Forestry Research Project

The East Arnhem Commercial Forestry Opportunities research project is well underway with some significant progress made. An increasing forest inventory database for the East Arnhem region is being developed, which includes growing an understanding of the productivity and product mix of the region's forests, and of commercial viability of such assets. This is providing a basis for determining the opportunities for regional Indigenous forestry industry development in the short, medium and long term.

We also saw members of the DEAL team volunteer in the small homeland of Birany Birany as part of the project in May 2021. Community members, project members and volunteers created trial plots/sites, mapped trees for height, diameter and species with a newly developed app made specifically for this project and cleared some trial sites of natural debris and non-targeted trees to determine whether targeted trees grow better under managed conditions. The first trees felled were used to build a shade structure and meeting place in Birany Birany, with all timber sawn on site. Bark from these trees was prepared the traditional way to use for paintings, and materials to make spears and yidaki (didgeridoo) were also salvaged. The community is also excited about a forest garden project that is underway on their lands.

The early success in selling by-product bark to art centres to use for traditional paintings is a great outcome and is generating an income for this community, and the construction of the shade structure demonstrates the opportunities for local supply and build utilising the region's resources.



Shade structure - Birany Birany



Bark being prepared for paintings - Birany Birany



East Arnhem medical retrieval funding prospectus

To support more comprehensive services in the region, DEAL was engaged by Careflight in April 2021 to develop a funding prospectus for medical retrieval services in the region. This project, which is expected to be finalised in late 2021, will outline a range of solutions to improve medical retrieval services for East Arnhem, including but not limited to the addition of a helicopter to the region if deemed viable. This will also support economic development outcomes and outcomes for those living in remote communities.



Tourism

Despite a year of uncertainty and continued restrictions due to COVID-19, this year has been particularly busy for DEAL in the tourism sector with early data suggesting the 2021 tourism season is the region's busiest yet. A focus has been consultations with key stakeholders and traditional owners from across the region to inform the development of the East Arnhem Land Destination Management Plan (DMP).

East Arnhem Land DMP

Developed by DEAL, in partnership with Tourism NT, the East Arnhem Land DMP is a ten year plan to grow the East Arnhem visitor economy. The development of DMPs for each tourism region of the Northern Territory was a core recommendation from the Northern Territory Tourism Industry Strategy 2030.

The DMP will outline the current state of tourism in East Arnhem, along with product development opportunities and present a strategy specific to the region. A diverse range of actions, led by multiple organisations, will be recommended to ensure the tourism industry has strong foundations for sustainable growth over the next decade.

DEAL is committed to ensuring the DMP captures the aspirations of the tourism industry, traditional owners, regional stakeholders and residents from across the East Arnhem region. To achieve this, DEAL hosted four workshops and travelled to all major communities and some homelands across East Arnhem to hear from over 100 representatives of 61 organisations in this reporting year.

A first draft of the East Arnhem Land DMP was released in January 2021 to enable stakeholders to provide comments and feedback for inclusion in the final document. The final document is expected to be released by Tourism NT in November 2021.

East Arnhem Live

Following the success of the online concert series East Arnhem Live in 2020, DEAL is actively exploring the possibility of transforming the concept from an online phenomenon to a physical festival of the same name.

DEAL received Event Development funding from the NT Major Events Company to develop a feasibility study for the festival being held in October 2022. The inaugural East Arnhem Live festival aims to bring the region's artists together to celebrate Yolŋu culture, music and art, all while creating a signature visitation driver for the region.

The event would build on the success of the series in 2020, which saw over 400,000 people enjoy the concert over the nine week period and increase brand awareness for East Arnhem Land among key domestic target markets.

Aussie Salvage Squad

DEAL welcomed the crew from Geographe Marine Salvage and Rescue, also known as Aussie Salvage Squad, to the region in February 2021. The team spent over three weeks filming Season 3 of the hit series at the Gove Boat Club in Gunyaṅara, undertaking much needed improvements involving the removal of four abandoned marine vessels. The project helped to address navigational safety issues around the location of the new tourism port precinct, and has contributed to the beautification of the area.

The series has been great exposure for the Gove Peninsula, having been one of the best performing local series of 2021 on Discovery Channel. Season 3 of Aussie Salvage Squad was released on 7Mate in September 2021.

This project was made possible with funding and support from the Gove Boat Club, Nṅarrariyal Aboriginal Corporation, Nhulunbuy Corporation and the Northern Territory Government.

Visitor servicing and regional promotion

Continuing our work to increase the quality and availability of visitor information, DEAL partnered with Tourism East Arnhem to design and release four itineraries and four maps to help visitors plan their journey to East Arnhem. The itineraries include important permit information, as well as insider tips for making the most of travelling to East Arnhem.

An East Arnhem visitor guide was also developed to support visitor information centre staff in Nhulunbuy, Katherine and Darwin, and other providers of visitor information, with queries about travelling to East Arnhem. The guide was presented in combination with face-to-face training sessions.

Early in 2021, DEAL received funding from Tourism Top End to attend the Brisbane and Melbourne Caravanning and Camping Shows. A member of the DEAL team attended each multiday show to promote the region as a tourism destination to a large number of interested consumers. The interest in the region was overwhelming and both shows provided a great opportunity to develop insights into the types of visitors planning a trip to East Arnhem and test the visitor information that has been developed, to ensure it is providing the information tourists are seeking.



Aussie Salvage Squad with DEAL and Nṅarrariyal Aboriginal Corporation representatives.



HOUSING

DEAL continued to work closely with our Property Manager to ensure our housing portfolio was managed effectively to benefit the East Arnhem business community and the broader economy. Significant projects included: maintenance and capital works that contributed over \$2 million to the local contractor economy; the development of a Tree Management Plan to improve our understanding of tree management requirements within the portfolio; and the distribution of tenant and occupant surveys to help us better understand the people who reside in our houses and the businesses that rent them.



Maintenance and capital works

Through our Asset Management Plan and general property maintenance, DEAL contributed over \$2 million to the local contractor economy in 2020/21. Works completed included the following asset improvements at selected properties:

- replacement of aged laminate flooring with tiles
- upgrades to hot water systems
- bathroom refurbishments
- significant yard drainage rectification works
- tree risk reduction works
- replacement of main water feeds
- full internal and external painting
- fencing improvements
- main electrical switchboard upgrades to all DEAL town flat units.

The focus of these works was to address compliance and safety concerns at our properties, as well as continue to improve the liveability of DEAL properties. Continual improvements to DEAL properties are an important part of supporting regional businesses attract and retain staff in the region.

DEAL focussed on streamlining its request for tender processes, documentation and scopes of works to ensure best practice was being followed and to improve the overall process for contractors. Additionally, DEAL's managing agent implemented a maintenance management system to improve the general maintenance reporting process for tenants and the process for engagement and payment of contractors.



Tree management plan

DEAL developed a Tree Management Plan to improve understanding of tree management requirements within the housing portfolio, introduce a streamlined process to reduce risk to persons and assets caused by trees, and move towards a proactive tree management schedule. Through the plan, each DEAL property is being assessed by an arborist, focussing on retaining and caring for trees where possible, reducing noxious weeds, and improving safety for our tenants and assets.

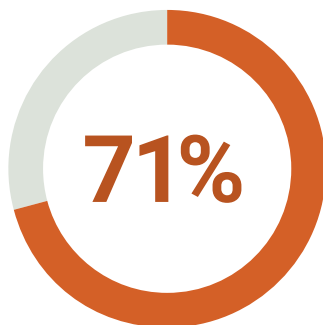
The plan was piloted in 2020/21 with full tree risk reduction works completed at 32 properties and works and assessments scheduled at an additional eight properties. The plan will be rolled out over the next few years with proactive management works being scheduled in line with recommendations. This will continue to reduce risk and maximise our ability to retain trees in properties with specialist arborist care. A tree replanting program is also set to run alongside the tree management plan.



Tenant and occupant housing surveys

In early 2021, DEAL developed and distributed surveys to occupants (those residing in a DEAL property) and tenants (those businesses renting a DEAL property). The surveys were designed to identify the strengths, weaknesses and suggested improvements in relation to our rental properties. Responses to the surveys were received by approximately 20% of tenants and 19% of occupants. The feedback received was evaluated and will be used to inform decision-making regarding maintenance and capital works on the DEAL housing portfolio moving forward. Some of the survey results are outlined below.

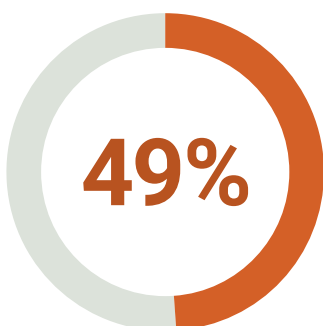
Highlights of the tenant and occupant housing survey results



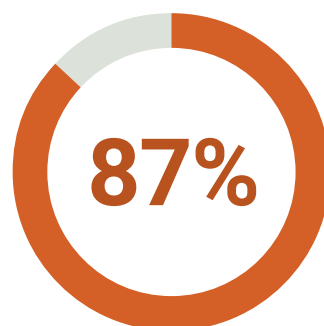
71% of business respondents who rent DEAL properties reported an expected increased need for employee accommodation over the next two years. None reported an expected reduction.



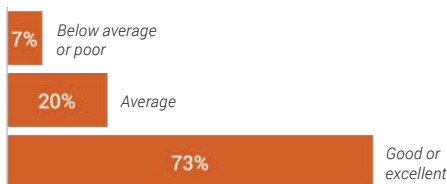
100% of business respondents who rent DEAL properties reported that their employees were satisfied residing in DEAL accommodation.



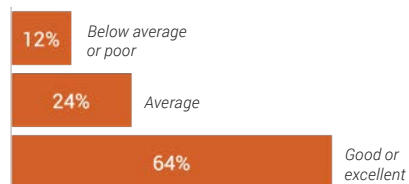
49% of occupant respondents hoped to remain in Nhulunbuy for at least another four years.



87% of occupant respondents agreed that contractors engaged to undertake maintenance at their property were professional and left work areas in a clean and tidy condition.



Occupant ratings of indoor living components of their homes.



Occupant ratings of outdoor living components of their homes.



Occupancy

With increasing demand for DEAL housing as a result of strong business establishment and growth in Nhulunbuy, DEAL has been focussed on maximising the utilisation of its housing assets. This has included reviewing lease renewals against our Housing Policy to ensure best use allocations and liaising with local businesses on relocation of tenants into more suitable dwellings where required. This continues to be a challenge as the region's economy and number of regional businesses grow, and will be a key focus of Rio Tinto, Northern Territory Government and DEAL as part of the Gove Peninsula Futures Reference Group economic transition work stream to ensure housing is not a barrier to economic and population growth as we work to create a sustainable and diverse economy.

As a result of implementing our Housing Policy, we have further increased the number of occupants in DEAL properties in the last 12 months (up over 2%). This builds on the significant work undertaken in 2019/20 which saw an increase of 37% in the number of occupants through the initial implementation of our Housing Policy.



Nhulunbuy township

In delivering on our Strategic Plan, we measure our direct economic contributions to the region through our investments in housing.

Based on modelling through EconomyID*, our housing portfolio spend of \$2 million on capital works and repairs and maintenance on our properties created the following economic contributions to the region in 2020/21:

\$960,000

estimated direct increase of value added to the East Arnhem economy

7

estimated total jobs created for East Arnhem residents

**The EconomyID economic impact tool has been used to model these flow on benefits to the East Arnhem region. The economic impacts are calculated using an input-output model which is derived from the local economy microsimulation model by National Economics (NIEIR).*



Re-paint of a DEAL property



BUSINESS SUPPORT

DEAL continued to provide a range of support to businesses across the East Arnhem region, from microenterprise to larger organisations. To ensure we were providing the most fit for purpose support mechanisms, DEAL conducted a review of the business development supports available in East Arnhem. As a result of the review, three new programs were implemented in early 2021: our Business Support Services that are conducted in-house; a partnership with Enterprise Learning Projects (ELP) to support East Arnhem businesses to access ELP's business incubation program; and a partnership with Chamber of Commerce NT (Chamber) and Industry Capability Network Northern Territory (ICN) to place a joint position in the region. These are three exciting new programs for the region and complement the existing business support services available.



Business Support Services

In early 2021, DEAL welcomed a Business Support Manager to our team, a newly created position to support Yolŋu businesses across the East Arnhem region. Our Business Support Manager Emma Drew works with new and emerging Yolŋu businesses to support their economic and business aspirations and drive economic growth for the region.

Since the services were implemented, five businesses have signed up from communities and homelands from across the East Arnhem region. Emma has supported these businesses in a range of ways, including: three successful grant applications totalling \$1.1 million of investment for projects in the region; the establishment of a new corporation; the development of foundational policies and procedures and the creation of new partnerships with tourism operators for additional product in the region.



ELP partnership

In late 2020, DEAL announced a new partnership with ELP to support East Arnhem businesses to access ELP's business incubation program. The business incubation program is open to Yolŋu-led businesses that are looking for support to grow their operations.

ELP's business incubation program provides an opportunity for Yolŋu who have a developed business idea, or have previously established a business and are motivated to grow, but need some assistance to do so.

The three successful applications that were chosen in June were:

- Yirralka Miyalk Bush Products
- Gapuwiyak Culture and Arts Aboriginal Corporation
- Nyinyikay Dhä Wuba Aboriginal Corporation.



COVID-19 response

In response to the COVID-19 business restrictions put in place at the beginning of 2020, DEAL implemented a range of business supports as part of our broader response to COVID-19. This included incentivising East Arnhem businesses, organisations and homeowners to access the Northern Territory Government's stimulus schemes by matching the contributions required to unlock these stimulus measures. Payments for this stimulus measure continued to be paid to businesses.

DEAL has committed to nearly \$120,000 of co-contribution support to date, unlocking \$569,000 of government investment, to date injecting over \$600,000 into the local economy. This support facilitated 21 local homeowners, 15 businesses and five not-for-profit organisations to make significant improvements to their dwellings and places of business including the construction of new fences, reception areas, roofs for accommodation blocks, new air conditioning systems and much more.



Chamber and ICN partnership

In early 2021, DEAL was excited to announce a partnership with the Chamber and ICN to create a full time joint position in Nhulunbuy. This position will add significant capacity to the business support network in the region, by ensuring East Arnhem businesses have access to a Chamber and ICN resource locally. Through the Chamber, businesses can access a range of training, industrial and employment relations support. Through ICN, businesses are supported to access tendering and subcontracting opportunities on significant projects across the region.



Newly established homeland tour supported by DEAL's Business Support Manager



Foundations of Directorship course

In June 2021, DEAL hosted the Australian Institute of Company Directors (AICD) to deliver its second Foundations of Directorship course for Yolŋu directors from across East Arnhem. Scholarships funded by the AICD and the Northern Territory Government, with travel funding support from DEAL, enabled 17 attendees from across seven East Arnhem communities and homelands to attend the three day course in Nhulunbuy. Ten Indigenous organisations from across the region were represented at the course.

It was pleasing to see strong engagement from all attendees. We look forward to hearing how the participating boards and organisations will benefit from the course, as attendees apply the skills and learnings they gained.



Many Rivers partnership

DEAL continued to partner with Many Rivers in 2020/21, a not-for-profit organisation that supports the development of micro-businesses in the East Arnhem region. Individuals are provided with support to develop skills and knowledge in business planning, access to training and assistance to access finance. In 2020/21, Many Rivers supported five businesses to establish or expand their operations in the region, two of which are Indigenous owned.

While DEAL will no longer be providing financial support for Many Rivers in the next financial year, our close working relationship and collaboration to support business development outcomes in the region will continue.



AICD course attendees





CAPITAL

DEAL made significant investments in key regional projects through strategic investments and our Economic Development Fund (EDF) during the 2020/21 Financial Year. Key infrastructure projects, including the Gove Port Tourism Precinct and Telecommunications Regional Investment Strategy, have a focus on strong partnerships and delivering benefits for governments, traditional owners, businesses, investors and residents.



Gove Port Tourism Precinct

A significant milestone for the \$8 million Gove Port Tourism Precinct project was reached early in 2021 with the awarding of the design tender. The design team visited the region and project site as part of early planning works and to meet with key project stakeholders and the regional working group. A risk workshop was held in February 2021 which was attended by all stakeholders to identify risks and mitigation strategies of the project. As at the end of financial year, 30% designs for the precinct and preliminary costings were completed, with early works planned for tender later in 2021.

DEAL has been fundamental in supporting this project by working closely with regional stakeholders and businesses, engaging with them in the design of the precinct, as well as exploring key business and industry opportunities that will flow from this infrastructure project.

It is estimated that the value added economic contribution of the construction of the Gove Port Tourism Precinct project to the East Arnhem economy will be \$3.93 million and will generate 15 jobs for East Arnhem residents. Cost-benefit analysis conducted on this project indicates it could support an annual growth rate of 5% on yacht and cruise ship visits to the region, as well as support a range of indirect business development opportunities in tourism, supply and hospitality.



Telecommunications Regional Investment Strategy

Following the development of a collaborative regional investment strategy for telecommunications in 2019, funding for three joint project proposals was secured in April 2021. The three projects include: an \$8 million Arnhem Fibre (backhaul) upgrade, a \$3.45 million Yirrkala Fibre project and a \$1.24 million homelands community satellite WIFI project. DEAL has committed \$500,000 to the Arnhem Fibre upgrade project and \$100,000 to the Yirrkala Fibre project.

The Arnhem Fibre upgrade will significantly increase bandwidth availability from 5 GigBits per second to 100 GigaBits per second in all the mainland communities between (and including) Jabiru and Nhulunbuy for businesses, industry, service providers and residential customers. It is estimated that the value added economic contribution of the construction of the Arnhem Fibre upgrade project to the Northern Territory economy will be \$3.18 million and will generate 25 jobs for Northern Territory residents.

The Yirrkala Fibre project will see Yirrkala become the first remote community in the Northern Territory to have Fibre to the Premise delivered for all commercial and residential properties. It is estimated that the value added economic contribution of the construction of the Yirrkala Fibre project to the East Arnhem economy will be \$1.69 million and will generate 6 jobs for East Arnhem residents. The upgrade will support economic diversification opportunities in cultural tourism, creative industries and the health sector, as well as improving access to telehealth and education services.



Economic Development Fund (EDF)

Historical EDF investment evaluation

Following the development of an evaluation tool in 2019 to better understand the impact of DEAL's EDF investments, significant work has been undertaken to develop a suite of acquittal and project outcomes documentation to support gathering the required data to implement the tool. Work has been undertaken to have historical EDF recipients complete acquittal and project outcome forms, and new recipients have been requested to complete these as projects are finalised and the funding anniversaries arise. The information gathered through this process was collated and summarised to demonstrate outcomes achieved through the EDF and satisfaction with DEAL's EDF processes. The evaluation captured projects funded between 2014/2015 and 2019/20.

Evaluation of EDF projects funded between 2014/15 and 2019/20

\$2.04m

total EDF investment by DEAL



\$2.22m

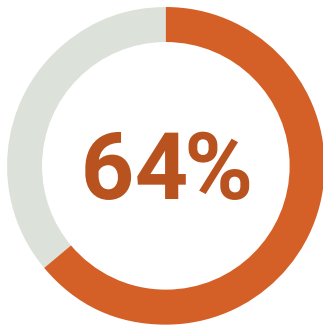
minimum unlocked investment by recipients or third parties



\$4.26m

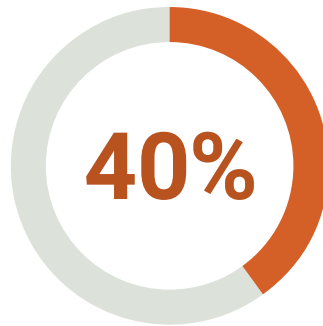
total combined investment by DEAL, recipients and third parties

Service delivery footprint



of total funds invested by DEAL have had a regional service delivery footprint (outside of the Gove Peninsula)

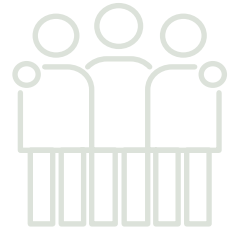
Indigenous business support



of total funds invested by DEAL have been provided to Indigenous businesses

63

total new FTE jobs in East Arnhem resulting from EDF investment (including indirect)



28

projects across

9

different industries

\$2.62m

estimated direct increase of value added to the East Arnhem economy*

* The Economy.ID economic impact tool has been used to estimate the flow-on benefits from EDF investments for the East Arnhem regional economy. The estimates are based off the total combined investment of \$4.26 million.





Economic Development Fund (EDF) continued

EDF discussions and investment in 2020/21

Discussions were held with over 30 businesses about start-up or expansion project ideas for the region and funding was provided to three new projects: Arnhem Dental Services, Gove Panel and Paint and Longreach Aircraft Maintenance. All three projects have added valuable services to the region, and we are excited to see these businesses continue to develop. Through EDF investment support of \$149,384 by DEAL in the reporting year, we unlocked \$163,951 in co-contributions, resulting in the creation of six direct jobs in the region.

Longreach Aircraft Maintenance

DEAL provided investment support to Longreach Aircraft Maintenance in 2020, assisting them to establish an onsite aircraft maintenance service at Gove Airport. Their services are available to all air charter companies in Nhulunbuy, reducing the need for these charter companies to travel outside the region to undergo aircraft maintenance or servicing, as well as creating new locally based employment. Longreach Aircraft Maintenance has been operating in the Northern Territory for many years and already has a strong working relationship with some existing East Arnhem charter operators. This project aligns with DEAL's priorities by significantly improving the region's aviation maintenance capabilities and providing a level of investment certainty for local charter companies. It also diversifies workforce development opportunities through its successful apprenticeship program for Aircraft Maintenance Engineers.

Gove Panel and Paint

Gove Rentals and Mechanical purchased Gove Panel and Paint in 2020. DEAL provided investment support to Gove Panel and Paint through our EDF to bring new and improved technology to the region through the installation of a new spray paint booth, which allows waterborne and more environmentally friendly paint to be applied to vehicles. This new service, which was previously unavailable in the region with vehicles being sent to Darwin for required works, has already seen a positive uptake.

Arnhem Dental Services

In 2020, DEAL provided investment support to Arnhem Dental Services, an important service for the liveability of the region and the health of its residents. They began operating in March 2021 and have seen a positive uptake of the services offered. Following the permanent closure of the previous private dental practice due to COVID-19 travel restrictions and prior to this investment, the only option for private non-emergency dental patients was to travel out of town to access dental services.



EDF recipient - Arnhem Dental Services

In delivering on our Strategic Plan, we measure our direct economic contributions to the region through our investments in regional businesses.

Based on modelling through EconomyID*, the jobs created through our EDF resulted in a value added economic contribution of approximately 3.5 times greater than our \$149,384 investment. The following economic contributions were made to the region in 2020/21 through job creation:

\$530,000

estimated direct increase of value added to the East Arnhem economy

6

total jobs created for East Arnhem residents

**The EconomyID economic impact tool has been used to model these flow on benefits to the East Arnhem region. The economic impacts are calculated using an input-output model which is derived from the local economy microsimulation model by National Economics (NIEIR).*



GOVERNANCE AND OPERATIONS

DEAL is committed to maintaining and improving the systems and processes that have been developed since DEAL's establishment, including financial and risk management, governance and culture.

Through our Board of Directors, we maintain independent and professional governance. The DEAL Board meets regularly throughout the year to discuss progress, challenges, projects and the organisation's finances. Each year, an Annual General Meeting (AGM) is held with the Board and its Members, the Northern Territory Government and Rio Tinto, coinciding with the DEAL annual Community Update.

In 2020/21, five formal board meetings were held on the following dates:

- 26 August 2020
- 9 November 2020 (in addition to our AGM, Members' meetings and Community Update)
- 17 February 2021
- 14 April 2021
- 19 May 2021

DEAL BOARD OF DIRECTORS

In 2020/21, there were some changes to the directorship of the DEAL Board. In early 2021, we farewelled John Cossons who was the inaugural independent Chair, and Andy Lloyd, who was the inaugural Rio Tinto appointed director. Both John and Andy were instrumental in the establishment of DEAL and made significant contributions to our success during our first seven years of operation. In January 2021, we welcomed Jo-Anne Scarini to the DEAL Board as the newly appointed Rio Tinto director. In June 2021, our Members endorsed the appointment of Michael Morley as the new Chair, with his formal appointment commencing in July 2021.



Michael Morley - Chair - July 2021 - present

Michael has a wide range of operational and strategic experience having worked in Australia, the UK and Europe and managed operations throughout Europe, Australia and the US. He has a track record of delivering transformational results by engaging with people and diverse stakeholder groups (including both government and communities), driving cultural change and integrating strategy, organisation, operations, finance and analysis. Michael is also a qualified lawyer who has significant mergers and acquisitions experience across a range of industries.



Ian Smith - 2014 - present

Ian Smith AM is Joint Managing Partner of corporate advisory consultancy Bespoke Approach and a Senior Adviser to global strategy firm Albright Stonebridge Group. He chairs Barefoot To Boots, a charity supporting refugee camps, and is Deputy Chair of Prince's Trust Australia. Ian is a University of South Australia Council Member, the United Kingdom's Honorary Consul for South Australia and a director of Adelaide United Football Club.



Helen Garnett - 2016 - present

Helen is a Northern Territory local with over 25 years spent transforming technical innovation into practical commercial outcomes, and experience with local and international development initiatives. An Emeritus Professor of the University of Wollongong and Charles Darwin University, Helen has extensive experience as a CEO, Executive and Director in fields including education, agriculture, science and energy.



Jo-Anne Scarini - January 2021 - present

Jo-Anne has a strong passion for northern Australia having spent over two decades living and working in the region. She brings extensive business experience to the board with over 20 years in the resources sector. Jo-Anne holds a Bachelor of Business with an Accounting major and a Master of Applied Science, specialising in Organisational Development. She also holds the GAICD designation. In recent years, Jo-Anne has applied her business knowledge to leading mining assets, primarily in remote areas across northern Australia.



John Cossons
2014 - February 2021



Andy Lloyd
2014 - January 2021



DEAL TEAM

To support effective operations and to drive economic development in the East Arnhem region, two new positions were added to the DEAL team in early 2021. The addition of a Business Support Manager and Projects Officer provided the team with greater capacity to enable us to work towards our goals set out in the Strategic Plan.

The DEAL team finished the Financial Year at full complement with seven full time employees.



Jordy Bowman - Chief Executive Officer

Jordy commenced as DEAL's CEO in February 2019 bringing extensive experience in government relations and Aboriginal land negotiations. Having lived in the region for almost seven years, Jordy is a prominent and well-respected member of the Nhulunbuy community. As CEO for DEAL, Jordy leads our strategic direction and operations, including working with a broad range of stakeholders to encourage economic prosperity and investment in East Arnhem.



Chris Gillies - Industry Development Facilitator

Chris joined the DEAL team in 2020 with diversified experience and a sound understanding of the region and developed stakeholder relationships, working in economic development in East Arnhem for two years prior. Chris currently supports the DEAL team and CEO in developing diversified industry growth across a range of focus sectors and emerging industries.



Sarah Mitchell - Operations Officer

Sarah is an East Arnhem local with a strong understanding, connection to and love for the region. Sarah joined the DEAL team in 2017 and oversees DEAL's housing portfolio, internal operations, and the EDF, where she discusses business start-up or expansion project ideas for the region with local and external stakeholders and facilitates DEAL investment in projects that contribute to DEAL's economic vision and mission.



Ryley Heap - Tourism Development Officer

Ryley is an experienced tourism professional bringing strong expertise in digital tourism, marketing and tourism development. He joined DEAL in 2019 and holds a Master of Tourism, Bachelor of Commerce (Marketing) and a Graduate Certificate in Data Science. Ryley is working to transform the East Arnhem visitor economy to drive economic growth and meaningful employment to benefit local communities.



Emma Drew - Business Support Manager

Emma is a skilled business strategist with almost two decades of experience in international development and humanitarian experience across Africa and Asia, focussing on non-profit management, project design and management, fundraising and grant management. She joined DEAL in February 2021 in the newly created role of Business Support Manager and holds a Bachelor of Arts with majors in both in International Aid and Development and Community Development. Through her role with us, Emma provides business support services to Yolŋu enterprises including governance, administrative support, finance, HR, investment attraction and strategy development.



Rebecca Johnston - Projects Officer

Rebecca has been part of the DEAL team since April 2019, starting out as Administration Officer. Earlier this year, Rebecca was promoted into the newly created Projects Officer role. She is a highly experienced business administration professional with strong ties to the local community, having lived and worked in Nhulunbuy for nine years. Rebecca holds a Diploma of Business with a focus on marketing, and formerly held managerial roles within the health and hospitality industries. At DEAL she is responsible for marketing and communications, project support and governance support.



Lucy Marsters - Administration Officer

Lucy joined the DEAL team in June 2021 as our Administration Officer after returning to the region from Western Australia with her family. She is a hard working professional with a background in property management and hospitality. Having previously resided in East Arnhem, Lucy has a sound understanding of the region and a strong connection to the community. Lucy is responsible for DEAL's office and finance administration, meeting and event support, workplace health and safety and housing portfolio support.



DEAL team (left to right) - Emma, Sarah, Rebecca, Ryley, Jordy, Chris and Lucy.

DEAL FINANCIALS

DEAL is subject to an annual financial audit by Merit Partners, as part of a commitment to strong governance principles. The audited report is also submitted to the Australian Charities and Not-for-profits Commission, which sets out the reporting requirements for independent not-for-profit companies such as DEAL.

FINANCIAL SUMMARY

Gross income	
Investment income	6,127,143
Other income	43,401
Grant income	232,700
Total gross income	6,403,244
Expenses/Payments	
Governance and Operations	(1,354,951)
Leadership	(95,159)
Industry Development and Attraction	(210,491)
Housing	(3,474,968)
Business Support	(96,176)
Special projects*	(300,000)
Economic development project expenditure	(224,115)
COVID-19 support	(74,426)
All other expenses**	(753,843)
Total expenses	(6,584,129)
Net surplus/deficit	(180,885)
Capital improvements to housing portfolio	
Total capital improvements	(795,310)

BALANCE SHEET SUMMARY

Assets	
Total current assets	4,991,129
Non-current assets	2,608,320
Total assets	7,599,449
Liabilities	
Total current liabilities	691,030
Non-current liabilities	14,447
Total liabilities	705,477
Net assets	6,893,972

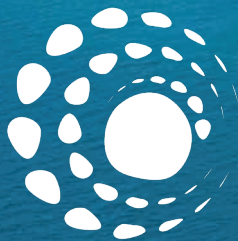
* Gove Port Tourism Precinct project

** Depreciation and miscellaneous



“DEAL HAS BUILT STRONG FOUNDATIONS FOR COORDINATED AND INCLUSIVE REGIONAL ECONOMIC DEVELOPMENT BASED ON STAKEHOLDER FEEDBACK AND CONSULTATION, AND BEST PRACTICE APPROACHES TO DEVELOPMENT. THE OUTCOMES DELIVERED THIS FINANCIAL YEAR ARE A TESTAMENT TO THIS.”

DEAL CHAIR, MICHAEL MORLEY



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