

## MESSAGE FROM THE BOARD OF DIRECTORS

Developing East Arnhem was established in response to calls from regional businesses and leaders for a dedicated body to drive economic diversification and new opportunities in the region.

Our primary role is economic development and we will focus on:

- Promote investment in East Arnhem as a business destination;
- Encourage businesses to establish and expand;
- Support the establishment and growth of Indigenous enterprises and jobs including partnerships and joint ventures; and
- Increase the capability of local industry.

We have received seed funding of \$2m from each of the NTG and Rio Tinto together with up to 250 housing assets from Rio Tinto that will be administered by a professional property manager.

With these resources, Developing East Arnhem Ltd is positioned to be an assertive development body and will look to offer support and incentives to businesses looking to establish or expand in East Arnhem. From a board perspective, we are certainly excited by the breadth of opportunities that exist and believe the community should have cause for optimism as we celebrate the launch of Developing East Arnhem.

However, these resources need to be carefully managed as, while they are significant, they are not infinite. To this end, eligibility criteria and fund guidelines are still under consideration and will be released in early 2015. We will also need to develop a strategic financial plan to ensure that we are maximising income and have a sustainable long term future.

Beyond the regional economic development fund, it is too early to rule any other specific programs in or out.

One of the board's key objectives is ensuring that we do not waste these resources by duplicating what is already happening.

I would also like to make the point that delivering economic development outcomes requires a collaborative approach involving many facets of the community and industry. We cannot do this alone.

Key to our role is building the region's profile as a business destination.

## MESSAGE FROM THE BOARD OF DIRECTORS

There are some clear sectors where the region holds some comparative advantages. We know that some good work is already underway and we know of several investors who have visited the region in 2014.

The Investment Guide that was launched mid-year has been re-launched under our brand and will be further promoted.

There is also an opportunity to take advantage of infrastructure surplus to Rio Tinto's operational needs and encourage the creation and expansion of more Indigenous businesses.

At the same time, we will be working to overcome some of the obvious key challenges facing the region.

While we will be working hard to create new opportunities in the region, we need to be realistic that economic development takes time and energy- we will not instantaneously fill the gap left by the curtailment of the Gove refinery.

In terms of processes to get the company up and running, one of our first priorities is to recruit a CEO - this process has commenced and we are aiming to have a CEO on board in early 2015. This appointment is critical as the Board's key role is to work with the CEO in the development and approval of key organisational strategies – these will form the basis of the things we do and those that we won't do.

The CEO, rather than the Board members, will also be the main point of contact for the community and will be an active member of the local business community with the CEO leading engagement activities.

Once on board, the CEO will be responsible for establishing a small team here in Nhulunbuy.

Until then, the local DCM team and Rio Tinto Alcan's economic development specialist will assist the Board and contact can be made via the two interim Company Secretaries - Ryan Skehan from Rio Tinto, and Sarah Thurgood from the NT Government

In closing, thank you for your attendance today and we look forward to contributing to the development of an exciting East Arnhem region.

**John Cossons (Chairman)**

**Andy Lloyd (Director)**

**Ian Smith (Director)**