THE CLIFFS
KANGAROO ISLAND,
SOUTH AUSTRALIA

Information Brief

CONTACT

Bobby Kennedy
Development Manager
M: +61 432 589 807
P: +61 3 9629 9732
b.kennedy@icdproperty.com.au

Jacob Griffiths
Assistant Development Manager
M: +61 402 947 599
P: +61 3 9629 9732
j.griffiths@icdproperty.com.au
PROJECT INFORMATION

ICD Property are happy to present this Information Brief to Wendy Campana, Commissioner for Kangaroo Island, for the purpose of the “Future Directions – Economic Growth Opportunities on Kangaroo Island” presentation.

DEVELOPMENT HIGHLIGHTS

The Team

In July 2018, ICD Property (ICD) and development partner Aurumstone Group (AG) acquired the site from Kangaroo Island Links (KIL). Following the acquisition, ICD, AG and KIL formed The Cliffs Development Group, together will deliver the project through to completion. Highly experienced project managers and architects, Sinclair Brook and Hassell, have also been appointed to assist with design and delivery of the project. Rounding out the team and providing the appropriate expertise to ensure a quality outcome for the golf course and resort.

The Site

Previously used as farming land, the development site sits on 202 hectares of beautiful Kangaroo Island coastline. The site has “Major Development Project” planning approval for an 18-hole championship golf course, a clubhouse (inc. dining/ function/ conference facilities etc.), 180-bed hotel and a number of residential holiday accommodation land parcels.

It is envisaged that the development will be delivered over a number of stages.

Stage 1 will consist of approximately 40 luxury hotel villas, a championship golf course, clubhouse/restaurant and approx. 50 residential lots. With an aim for the golf course, club house and villas opening to the public by the start of 2021, the first stage of the development has an end value of $100M+.

As design continues alternative hotel formats will be explored for the balance of the site (Stage 2). This may include a variety of different hotel offerings to cater for golf play, but may also address other local attractions and experiences complementary to golf and the resort.

Timeframes for delivery of Stage 2 are yet to be determined and will be dictated by the market demand and response to Stage 1.
ECONOMIC OUTCOMES

STRENGTHENING THE ECONOMY

To further drive economic growth and prosperity for Kangaroo Island and South Australia, ICD and AG through The Cliffs Development Group will invest $82M+ into the South Australian economy to deliver a world-class destination golf course and 6 Star-hotel development (for Stage 1 only)

It is anticipated that 15,000 rounds of golf will be played annually on The Cliffs course. The hotel at 60% capacity generating an estimated 11,388 new visitors to the island annually, 8,760 additional room nights, combined generating $14 million in additional revenue, while delivering many new ongoing fte (full-time equivalent) jobs.

It is envisaged that The Cliffs will partner with Island touring companies and the likes to ensure visitors venture beyond The Cliffs to experience the greater offerings of Kangaroo Island. This will generate increased revenues throughout island businesses and services.

JOB CREATION

The following table details a conservative estimate of fte job requirements to deliver and operate Stage 1 of The Cliffs Development. Golf Course metrics are based on initial resources to build and operate the Cape Wickham golf course on King Island in its first year of operation, and overall ongoing job creation is based on a metrics used and supplied by SATourism.

<table>
<thead>
<tr>
<th>JOB CREATION</th>
<th>Construction</th>
<th>Ongoing operations post completion of Stage 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Timeline</td>
<td>2019 – 2021</td>
<td>2021 ongoing</td>
</tr>
<tr>
<td>Water Pipeline &amp; Dam Construction</td>
<td>12 – 20 (envisaged to move onto other infrastructure and resort construction)</td>
<td>1 long term water and infrastructure maintenance</td>
</tr>
<tr>
<td>Other Infrastructure (power, intersections, roads etc.)</td>
<td>10 – 20</td>
<td></td>
</tr>
<tr>
<td>Golf Course and Clubhouse Construction</td>
<td>25</td>
<td>27*</td>
</tr>
<tr>
<td>Luxury Villas Construction</td>
<td>60</td>
<td>10 resort maintenance*</td>
</tr>
<tr>
<td>Residential Allotment Construction</td>
<td>70-100</td>
<td></td>
</tr>
<tr>
<td>Luxury Resort Operations</td>
<td></td>
<td>90 – 130</td>
</tr>
</tbody>
</table>

NOTE: The above job numbers should be considered as estimates only
*Included in Luxury Resort Operations

Although unquantifiable, there will be a flow on affect of job opportunities created outside of The Cliffs Development. With an expected influx in tourists to the Island created by the development, indirect jobs will be created through a number of different channels i.e. touring companies, F&B, local retail stores, other hotels etc.

Apprenticeships and traineeships will be offered during the various development and operational stages and it is anticipated that 10 or more of the 16 persons working on the pipeline element will have the opportunity to move on to work on the golf course/ clubhouse element. These will be fte jobs.

The aim is to maximize employment of Kangaroo Island based labour, with potential to employ a large number local labour and contractors. This approach also assists in minimising the need for additional housing, as there is a serious lack of available housing on the island.

Where possible materials will be provisioned from Kangaroo Island suppliers followed by South Australian and Australian suppliers.