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Note:

WELCOME WALFORD CREEK

The announcement of moves to progress the development of important base metal deposits at Walford Creek north of the Century Zinc Mine near the Northern Territory border west of Burketown represents a developmental opportunity for the Gulf Savannah section of the Tropical North Queensland Region. Also prospective in the area is the Westmoreland Uranium deposits right next to the border.

Further development of mining in this area also represents an opportunity for Cairns as the closest major regional city, the Tablelands and Tropical Coast area.

See following map and https://aeonmetals.com.au/walford-creek-project/.

But this development, along with the development of the new Beetaloo Gas Basin and the existing McArthur River Mine further west in the Northern Territory highlights the need for State and Federal funding to progress the sealing of the final unsealed sections of the Savannah Way between Normanton and Burketown and north of Doomadgee to the Queensland border.

The following brochure produced by Cummings Economics for the North West Queensland Regional Organisation of Councils in 2023 sets out the case for sealing this section of the road network across the Far North providing about a 400km shortening of the sealed road access between Cairns and Darwin and across to the Kimberleys.

It also highlights a need for contact between the TNQ region and Northern Territory to mount a joint case for sealing the Northern Territory section from the border through to Borroloola, thus completing the missing sealed road access right across the Far North from Cairns to Broome.

Walford Creek, along with the Westmoreland uranium prospect and the Redbank copper deposits, have long appeared on maps of mineral prospects that would be advantaged by completion of the last sealed sections of the Savannah Way.

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EXPORT PORTS
TOWNS
OPERATING MINES
MAJOR ROADS
AEON METALS APPLICATIONS
AEON METALS TENEMENTS
N
NT Minerals
Redbank Copper
Laramide
Westmoreland
(Uranium)
Basin Edge Project
Burketown
Port Karumba
Normanton
Savannah Way
Doomadgee
Walford
Creek
Project
JUBILEE
Gregory Limestone
Gregory
CENTURY
CENTURY
TAILINGS DAM
MELLISH PARK
QUEENSLAND
NORTHERN TERRITORY

Unemployment is typically high and personal incomes low.

Sealing of roads is especially valuable for population with lower standard vehicles. It is estimated that current specific indigenous support programs in the Gulf area have been costing in the order of $160M a year. Sealing of the road will improve economic opportunities for employment generating tax revenue and reducing welfare dependency.

Defence

Northern Australia plays a key role in Australia's defence and sealing of the last section of the Savannah Way will be important in improving the efficiency of deployment of defence units and assets into this currently remote area and improve connectivity between northern surveillance units and the important defence bases in the North including naval bases in Darwin and Cairns and airforce bases at Weipa, Katherine and Derby.

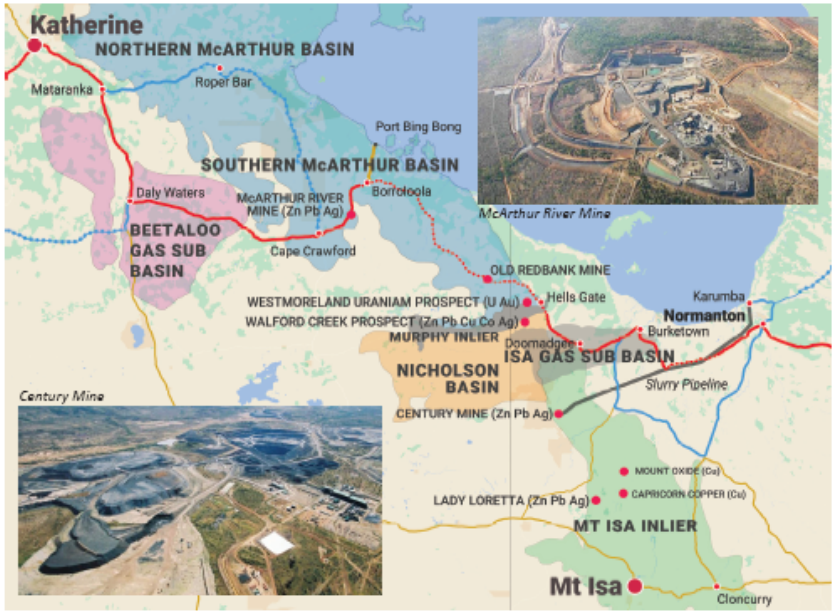
Biosecurity

The remote status of the Gulf area and difficulties of access to the area's coastline results in higher chances of biosecurity threats going undetected. The sealing of the road, the increase in economic activity and population, will reduce this threat.

Economic Efficiency - Benefit Cost Analysis

Preliminary analysis and modelling by Cummings Economics for Carpentaria Shire 2020-21 estimated that sealing the unsealed sections of the Savannah Way would see average annual daily traffic on the Borroloola-Hells Gate section rise to of the order of 120 vehicle movements a day and Burketown-Normanton to 165 a day compared with current Barkly Highway west of Cloncurry numbers of 320 a day and the Gulf Developmental Road east of Normanton of 200 – 340 a day.

Preliminary Economic Efficiency Benefit Cost Ratio calculations based on standard parameters and estimates of travel time savings, vehicle operating costs, safety, road closures, stock damage, market access, and indigenous employment savings, indicated estimated present value of benefits well in excess of costs for both the Hells Gate-Borroloola and Burketown-Normanton road sections over a project period of 30 years with a discount rate of 4% per annum 'real'.



NWQROC

RoperGulf REGIONAL COUNCIL
SUSTAINABLE • VIABLE • VIBRANT

This Paper has been prepared by Cummings Economics, Cairns for the North West Queensland Regional Organisation of Councils and the Roper Gulf Regional Council for presentation at the Developing Northern Australia Conference, Darwin, 24-26 July 2023.

NORTHERN AUSTRALIA ENABLING INFRASTRUCTURE
COMPLETION OF SEALING THE SAVANNAH WAY

The Savannah Way, part of National Highway 1, links regions across the far north of Australia over a distance of 3,600km from the Cairns/Tablelands area to the Queensland and Northern Territory Gulf regions, the Top End and Darwin, and the Kimberley region through to Broome.

Major investment has already been made in sealing about 3,200km of this route. An investment of about $280M sealing the last 389km currently unsealed in the Lower Gulf region will have a major impact in improving the efficiency of the route in connecting regions right across the North and especially facilitate achievement of economic and community development prospects in the currently remote poorly developed Queensland and Northern Territory Gulf regions.



Savannah Way Project

Two sections of the Savannah Way remain unsealed – 72km between Normanton and Burketown and 317km from Hells Gate Roadhouse in Queensland across to Borroloola in the Northern Territory.

The Normanton-Burketown missing section travels through flat open Flinders Grass plains with crossings of the Flinders and Leichhardt Rivers. The missing section between Hells Gate and Borroloola travels mainly through flat savannah woodland country with some sections of low hill country and river crossings of the Nicholson, Calvert, Robinson, Foelshe and Wearyan Rivers.

Estimated Project Costs

	Distance	Est. Cost
Normanton – Burketown (1)	72 km	$40 m
Hells Gate – QLD border	55 km	$41 m
QLD border - Borroloola	262 km	$196 m
TOTAL	389 km	$277 m

Note (1): An amount of $20M that would seal about 33km of this section has received preliminary approval under the 'Roads of Strategic Importance' program but is not yet confirmed.

Major Travel Efficiency Gains

At present, the unsealed sections severely restrict traffic across the Gulf region to 4WD vehicles, offroad trailers and trucks and buses built for offroad conditions..

For ordinary cars and trailers, trucks and buses wanting to travel between the Darwin, Top End Kimberley region and the eastern Gulf Peninsula, Cairns/Far North Queensland region, the travel distance saving compared with currently available routes further south, is of the order of 450-500km, resulting in major savings in terms of vehicle operating costs and travel times reducing greatly current constraints on movements of vehicles, people and freight between the two regions.

Major Benefits

Historically, much road development in the North has aimed at connecting northern regions with markets and sources of supply in southern Australia. The major benefits of sealing this section will be to connect markets and activity across the northern regions.

Major benefits will not only accrue to 'base' industries earning income from outside the North of tourism, mining and the pastoral industry but also through connecting and aggregating northern regions with efficient sealed roads it will enable the development of local and regional service industries in northern regions and strengthen



social interaction.

In addition, there will also be national defence and biosecurity benefits.

A Leap in Tourism Traffic

It can be expected that the sealing of the last sections of the Savannah Way will have a major impact on tourism across northern Australia.

At present, the long distance of unsealed road restricts the route to 4WD vehicles and offroad caravan/trailers. The major destination in the North for visitors by road is the Cairns/Tropical Far North Queensland region which records over a million road-borne visitors a year with impacts on numbers travelling through other regions up the east coast. The Gulf Savannah route saves almost 500km for those without 4WD and offroad trailers wishing to link a visit to the Cairns region with a visit to the Northern Territory/Top End/ Kimberley region. The route offers a number of strong attractions along the way including the 'Lost City' in Limmen National Park (NT), Lawn Hill Gorge, Riversleigh World Heritage Fossil Fields and the Karumba Barramundi Discovery Centre.



Lawn Hill Gorge

Tourism Research Australia data indicates that about 33,000 visitors a year pass between Outback Queensland and the Top End by road at present but only 7,000 a year pass between the Cairns region and the Top End. Traffic data and inquiries along the road indicates that only about 3,000–4,000 visitors are currently travelling over the Borroloola-Hells Gate road section. Analysis indicates that a very large increase in visitor movements will take place following the sealing of the missing sections. It can be expected that virtually all the visitors currently moving by road between the Cairns region and the Top End will use the Savannah Way plus some of those currently moving between other Queensland regions and the Top End.

A substantial increase is likely to occur in visitors to the Cairns region deciding to also visit the Top End/Kimberley area. In addition, it has been identified that there were about 7,000 Cairns or Darwin residents a year who travel by road between the two cities. The availability of a shorter sealed route is likely to see that traffic use the Savannah Way route and increase significantly.

A further special local benefit would also occur through sealing of the Normanton–Burketown section. One of the major attractions in the area, Lawn Hill Gorge, lies in the Burke Shire. With the sealing of the Normanton–Burketown road, a sealed 'loop' will be established into Lawn Hill Gorge then via Burketown to Normanton – a route that would improve the attractiveness of the Queensland Gulf area as a place to visit.

Apart from improving the attractiveness of visitation to the North in general, the sealing of the Savannah Way's unsealed sections would have a strong positive effect on local tourism development in the Northern Territory Gulf area. The currently very remote 'Lost City' attraction would arrive on the national scene.



The Lost City, Northern Territory

It is estimated that the sealing of the Normanton-Burketown section and creation of a touring loop will stimulate additional tourism expenditure in the area of the order of $6M per annum and create in the order of 30 direct and indirect jobs in the area.

It is estimated that sealing the final link will see visitor numbers travelling through the area increase to an estimated 50,000 a year resulting in expenditure in the order of $17M a year and create an estimated 80 extra direct and indirect jobs.

Support of Mining Development

As illustrated by the Map, there is an arc of mineralisation stretching from Queensland's North West Mineral Province into the Northern Territory's McArthur Basin. There are two highly prospective gas basins in the area.

The sealing of the Hell's Gate to Borroloola section will provide efficiencies for the existing mines in the area and help stimulate new mining and gas development through providing sealed road connectivity through the whole area. Coming in from the west along the Carpentaria Highway is the giant prospective Beetaloo Gas Basin that the Northern Territory Government believes could be supporting employment of 13,000 by 2040. The McArthur River mine currently employs over 1,000 with a production of $12BN in 2021-22. The prospective and previously worked Redbank copper mine area is right on the road near the Queensland border. The Westmoreland uranium prospect, the large Walford Creek base metals deposits and the Century Mine are just over the border in Queensland.

The sealing of the Burketown to Normanton section will provide sealed access to the port of Karumba. The Century slurry pipeline follows that section of the road.

Pastoral Industry Benefits

The pastoral industry in Carpentaria, Burke and Roper/Gulf Local Government Areas was recorded by Australian Bureau of Statistics as having a value of livestock disposals in 2020-21 of $350M. The sealing of the remaining unsealed sections will have efficiency benefits for those stations for which these sections provide direct access for transport of output, for transport of inputs and for movement of personnel for work, employment and social purposes to and from regional town centres.

These efficiency savings help encourage investment in property improvements resulting in rises in turnoff.

AA special benefit will come from the fact that Burke Shire is almost equidistant from Darwin and Townsville's live cattle export ports. Sealing this section will provide the industry in the Gulf area the option of being able to ship through either to take advantage of prices being offered and timings, providing additional income to the industry, although tick clearing facilities would need to be established at the border.

If Karumba was reestablished as a live cattle export port, it would be of substantial benefit to the pastoral industry to have the road sealed across the Lower Gulf area.

An Advantage to Northern Manufacturing & Service Industries

The sealing of these sections of the Savannah Way will help aggregate markets in the Gulf area. This will increase the viability of a range of local businesses and government activities supplying goods and services currently imported into the area or accessed by individuals and businesses needing to travel outside the area. This can be expected to benefit the service towns of Normanton, Karumba, Burketown and Borroloola and the nearby regional servicing centres of Mount Isa, Cloncurry and Katherine.

The sealing of the last section will help aggregate markets across the North, creating the potential for manufacturing and service providers, especially in the Darwin/Top End and the Cairns/Tablelands area, to compete in wider northern markets against southern suppliers.

Special Benefits : First Nations Population

Some 69% of the population in the Gulf area was recorded as indigenous. This population is located especially in Normanton, Doomadgee, Robinson River and Borroloola.