

ROOKWOOD

EXPRESSION OF INTEREST

sunwater

ROOKWOOD WEIR
WATER ALLOCATION SALES

LANDHOLDER EXPRESSION OF INTEREST

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WEIR

Rookwood Weir

Rookwood Weir is a \$352 million project that aims to provide Central Queensland with an additional source of water for agriculture, urban and industrial needs. The weir is anticipated to supply a total of 76,000 megalitres (ML) of Medium Priority (MP) or 50,000 ML of High Priority (HP) water allocations, subject to final design.

The agricultural opportunity

An assessment of the land within five kilometres either side of the Fitzroy River (Rookwood Weir Assessment Area) identified over 45,000 hectares of land as being potentially suitable for irrigated crops. Of this land, a significant portion may be highly productive and suitable for high value perennial horticulture crops, such as macadamias, citrus (mandarins) and table grapes. There are also extensive areas that may be suitable for niche horticulture crops such as pecans and lychees, and broadacre crop production.

Macadamias and citrus (mandarins) may be particularly attractive opportunities, as strong growth in export demand has resulted in significant increases in production and profitability of these crops in Central Queensland. Net margin modelling within the Rookwood Weir Assessment Area estimates net annual returns from converting land from grazing to the production of macadamias and citrus may achieve around \$4,600 per hectare or more. This compares to a typical range for net annual returns from grazing of \$60 to \$150 per hectare in the Fitzroy region.

In 2000, the Department of Natural Resources, Mines and Energy (DNRME) assessed land suitability for 10 crops in the Lower Fitzroy region. In 2019, the Department of Agriculture and Fisheries (DAF) provided funding for this list to be extended by an additional six crops, based on contemporary agricultural investor information from Rockhampton Regional Council. DAF's analysis assessed the suitability of land within the Rookwood Weir Assessment Area by cross-matching soil polygons in the study area with a specific crop's agronomical needs, as well as the suitability of the soil for an irrigation methodology.

Every polygon is assigned a numeric suitability rating of 1 to 5 for each specific crop. A suitability rating of 1, 2 or 3 represents soil polygons that are 'suitable for the crop's production', with negligible, minor, and moderate limitations respectively. It is expected that interested landholders may use this data to help narrow down a search for suitable soils for a crop to one or more areas of interest, and then conduct a more refined analysis of the soils to find a more accurate measure of soil features.

To view the location and details of land suitable for growing different irrigated crop types in the Rookwood Weir Assessment area, visit: <https://cropsuitabilitytool.daf.qld.gov.au/RookwoodWeir/>

For further information on the agricultural opportunity and suitability of land within the Rookwood Weir Assessment Area, refer to Section 5 of the *Sunwater Rookwood Weir Water Allocation Sales: Information Memorandum*.

The process for selling water allocations

Sunwater released an Information Memorandum about the Rookwood Weir water sales allocation process on 27 May 2020. The Information Memorandum is available at: www.sunwater.com.au > Dams and infrastructure > Projects > Rookwood Weir Project. As outlined in this document, Sunwater is proposing to sell water allocations from Rookwood Weir through a two-step process:

- Tender One, for the sale of lots of 500 ML and greater to be held in July 2020, with contracts expected to be finalised by September 2020.
- Tender Two for smaller lots of less than 500 ML expected to be held in 2022.

Expression of Interest for Tender Two

An *Expression of Interest (EOI)* form is available for landholders to nominate their interest in obtaining assistance from Sunwater to prepare for Tender Two.

The EOI requests the same information as the *Registration of Interest (ROI)* form released in May 2020. Landholders who have submitted an *ROI* form do not need to submit an *EOI* form.

To ensure there is appropriate time to engage with landholders, Sunwater has extended the EOI submission timeframe until late-2020.

During this engagement, Sunwater will work with landholders to determine the level of support they require to participate in Tender Two. Sunwater will then use this feedback to design support packages to meet landholder needs, building on land and soil suitability work previously undertaken by DAF.

The packages will support selected landholders in understanding or gathering the relevant information to participate in Tender Two. This information may include details specific to their landholdings or assessing commercial feasibility of various cropping options. Table 1 provides information landholders should consider if preparing for Tender Two (2022).

In 2021, Sunwater will provide information about the support packages available and open applications to landholders.

Table 1: Considerations for Tender Two

Item	Considerations
Productive use	<ul style="list-style-type: none">• Identification of how the water allocation will be used• Previous investigations undertaken as to the suitability of land for the planned uses (e.g. agronomic assessments, business plans, review of DAF Rookwood Weir crop suitability tool)
Irrigation water use	<ul style="list-style-type: none">• Proposed scale of production (in hectares) and planned volume of water purchase• Proposed irrigation method• Irrigation concept designs
Investment required	<ul style="list-style-type: none">• Estimated capital investment required for commercial production (including land preparation, irrigation infrastructure, machinery and equipment, and processing and packing facilities)• Details of past assessments of investment requirements
Commercial feasibility	<ul style="list-style-type: none">• Details of market analysis undertaken (e.g. marketing plan, market research report)• Assessment of future market outlook for identified crops• Planned logistics arrangements (i.e. from farm gate to market)• Planned access to necessary processing facilities or services

For more information about this opportunity:

🖱 www.sunwater.com.au > Dams and infrastructure > Projects > Rookwood Weir Project

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