

NORTH LINK



Invest in Melbourne's North

Investment Prospectus

October 2018



REGION OVERVIEW



An economic powerhouse
Producing over **\$40bn** worth of goods and services every year and **growing by 4.7%** per annum

A robust and growing local economy
with **75,000** local businesses supported by over **360,000** local jobs

Home to over **1 million residents** with annual population growth of **2.8%** compared to the national average of **1.6%**

with **60%** of residents working age

and adding approximately **5,000** new businesses every year



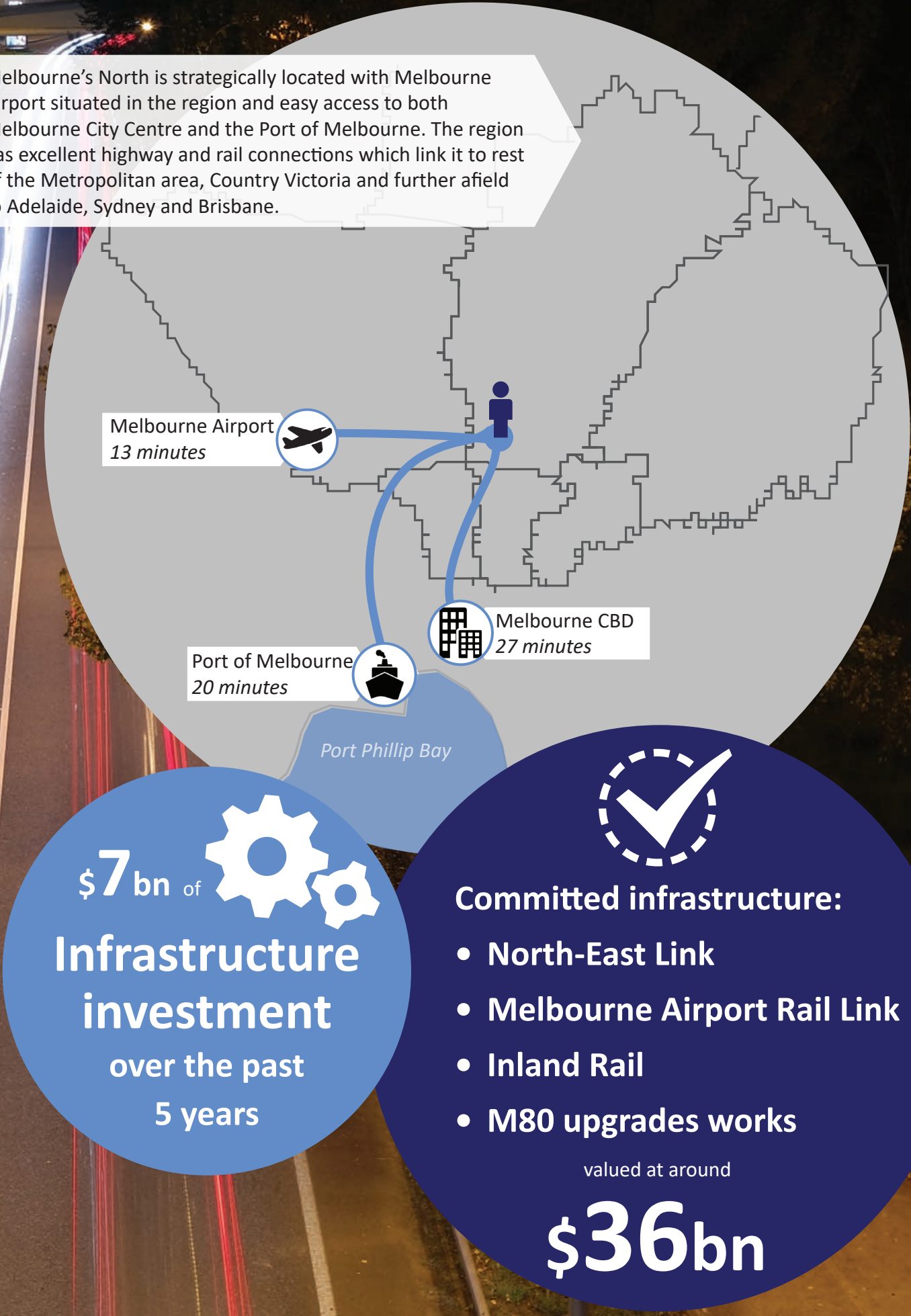
- 1 Shire of Mitchell
- 2 City of Hume
- 3 City of Whittlesea
- 4 Shire of Nillumbik
- 5 City of Moreland
- 6 City of Darebin
- 7 City of Banyule



CONNECTIVITY



Melbourne's North is strategically located with Melbourne Airport situated in the region and easy access to both Melbourne City Centre and the Port of Melbourne. The region has excellent highway and rail connections which link it to rest of the Metropolitan area, Country Victoria and further afield to Adelaide, Sydney and Brisbane.



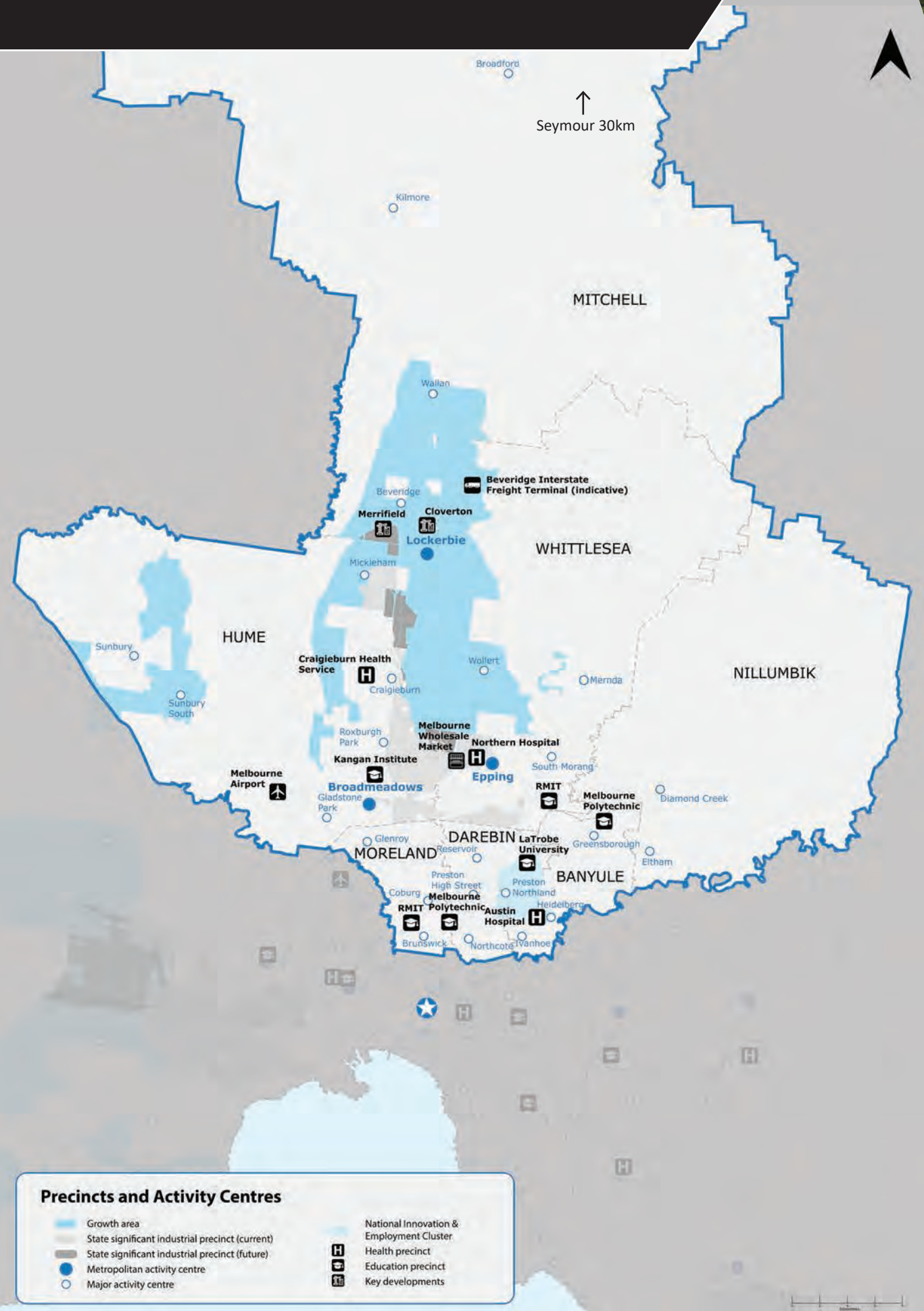
\$7 bn of Infrastructure investment over the past 5 years

Committed infrastructure:

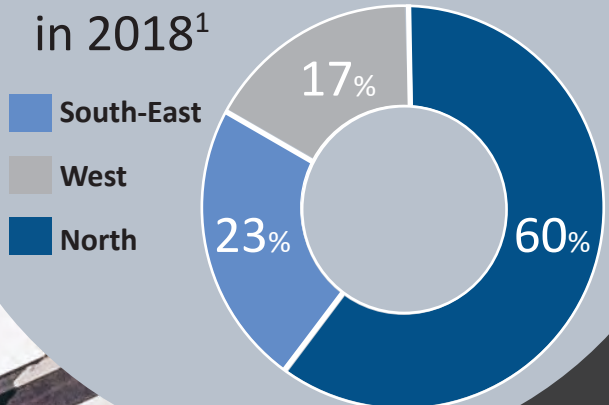
- North-East Link
- Melbourne Airport Rail Link
- Inland Rail
- M80 upgrades works

valued at around **\$36bn**

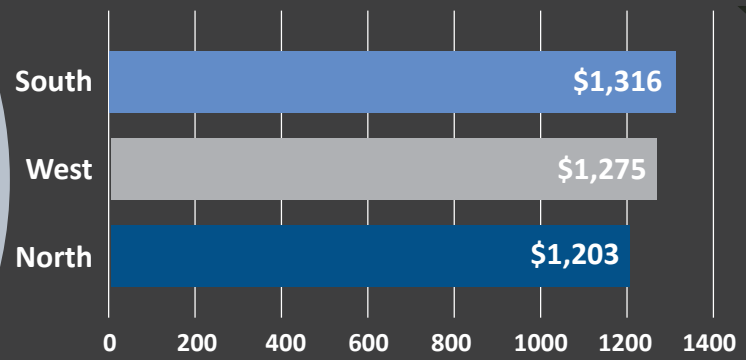
PRECINCTS



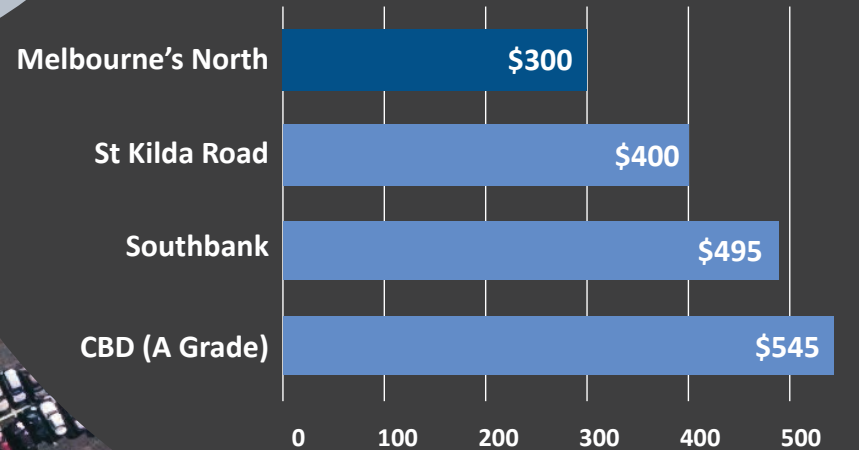
The North will supply
60% of Melbourne's
new industrial floorspace
in 2018¹



With the lowest cost of non-residential land (\$/sqm)²



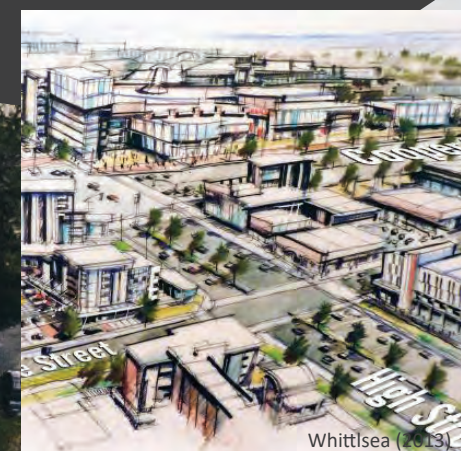
And competitive office rentals (\$/sqm)³



The La Trobe NEIC provides around 28,700 jobs to the region, specialising in education, research, health and retail



The Northern Industrial Precinct is a State Significant Precinct comprised of approximately 6 square miles of highly developed manufacturing and Industrial businesses



The Epping Major Activity Centre is home to the world-class Melbourne Wholesale Market and multiple freight and logistics firms given access to the Hume Highway

1. Colliers International, Industrial First Half 2018
2. Colliers International, Metro Office First Half 2018
3. Valuer-General Victoria land value data

AGRITECH + FOOD TECH

Melbourne's North has a well developed food and beverage industry, together with world class research facilities. This combination positions the region well to be leaders in the emerging agritech and food tech industry.

A global megatrend

\$1.6bn of venture capital invested in 2017

For a growing population and higher consumption, there is an increased need to grow more food with less land. Agritech and food tech is a global megatrend and stands to revolutionise the food and agriculture industry.



Support in bringing ideas to life

Australia's leading bioscience facility, Centre for AgriBiosciences – a joint initiative between La Trobe University and DEDJTR (Department of Economic Development, Jobs, Transport and Resources, State Government) focuses on delivering cutting edge research and development for the agriculture sector, and supports bringing agritech to life. Coupled with significant areas of agricultural land, Melbourne's North provides a unique opportunity for agritech venture capital.



R&D professionals

Access to over

2,000 natural and life science professionals



Home to some of Australia's leading research and education providers, Melbourne's North has a unique clustering of highly skilled research and development professionals working in the region.

Ingredients for success in food tech

Melbourne's North is home to an established food and beverage sector including growers and rural-based producers. This is enhanced and supported by RMIT's Food Research and Innovation Centre aimed at driving innovation in food technology.



Commercialising innovation in the food sector

Case study:
RMIT Food Research & Innovation Centre

The state-of-the-art Food Research & Innovation Centre at RMIT's Bundoora campus brings together multidisciplinary research and development capabilities in all areas related to the post-farm gate food value-chain to stimulate innovation and fill the capability gap that is critical for the future success of the Australian food industry in the global market place. The Centre is an incubation facility stimulating the development of new high-value food and beverage manufacturing enterprises, and enabling existing food manufacturers, especially SMEs, in increasing value add, efficiency and competitiveness.

Tatura (Bega) Milk Limited worked with RMIT University in the application of bovine lactoferrin in milk products. Lactoferrin (LF) is used in high value food formulations including infant formula powders. Currently LF powder is produced using a freeze drying method which is an expensive process. A more cost effective process that maintained the properties of the milk was developed, whereby spray drying could be used as alternative for producing LF powder.



DIGITAL + PROFESSIONAL SERVICES

As Melbourne continues to grow, professional services are increasingly pushing out into the North. In addition, the roll-out of next generation digital infrastructure to parts of Melbourne's North provides a unique opportunity to further develop the digital sector.

A professional workforce

100,000+

professionals living in the region.

Growing by 2,500 every year

Home to Melbourne's best coffee shops and restaurants, Melbourne's vibrant inner North is a highly appealing destination for skilled professionals living and working in the areas surrounding Melbourne's CBD.

World class digital infrastructure



The roll-out of next generation digital infrastructure in Melbourne's North, going beyond NBN, gives digital businesses a competitive advantage for developing new and innovative products and services, as well as creating and adapting to disruptive business models.

Support for your business

Home to 10 incubators and accelerators hubs

Start-ups in Melbourne's North are supported by the region's incubator and accelerator network, which helps transform ideas into reality by bringing together like-minded people and providing the necessary tools for growth.



Competitive office rentals in a prime location

As Melbourne continues to grow, the CBD, being the key centre of Victoria's productivity and innovation is expanding outwards. Melbourne's North proximity to the CBD makes it a prime alternative, offering some of Melbourne's most competitive office rentals.

Digital infrastructure meets business support

Case study:
Brunswick Business Incubator

In 2016 the Brunswick Business Incubator installed fibre optic broadband connections which increased the internet speed at the facility by a factor of ten. The following tenant feedback is testament to the benefits of world class digital infrastructure, alongside the broader nexus of support offered at the incubator facility:

"Professional services such as reception, mail, IT, meeting rooms and telephone are all very helpful. We're very connected to the local area through our connection with local makers (who are part of the supply chain). A lot of us here at the BBI use

each other and use local businesses whenever we can.

Now we're developing an online catalogue that will make us an international business. The incubator helped us to think in this way. We've achieved a lot since we started here and it would have been hard to do without the BBI. I'd have gone and worked for someone else instead, I think."

Julia Van Der Sommen,
The Sample Room



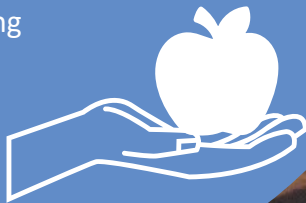
FOOD, FIBRE + BEVERAGE

Victoria is Australia's largest exporter of food and fibre by value. Melbourne's North is a key driver of this with Melbourne Wholesale Market in Epping and Melbourne Airport being important assets. The agricultural food bowl, incubators and sophisticated education and research in the region complete this picture.

A skilled workforce

35% of Melbourne's food and beverage workers are employed in Melbourne's North

Over **35%** of Melbourne's food and beverage workers are employed in Melbourne's North creating a unique clustering of industry specific skills, and giving the region's food and beverage industry access to a diverse and resilient workforce.



Unparalleled growth

Doubling to **\$5bn** per annum over 10 years

The food and beverage industry is experiencing significant growth in Melbourne's North, with output forecast to double over the next ten years to \$5 billion dollars, creating an additional 7,000 new jobs in the sector.

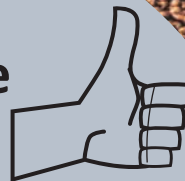


A thriving industry

\$2.5bn per annum

Melbourne's North has a well-established food and beverage sector, home to hundreds of food and beverage manufacturers, including major Australian brands and multinational food labels. Together these existing firms generate over \$2.5 billion dollars per annum in output and employ more than 10,000 workers.

Region wide support



The region's food and beverage industry is supported by Melbourne's North Food Group which works to enhance the competitiveness of local industry, expand access to export markets, and connect the region's universities and TAFEs into the food and beverage industry.

Working with industry to develop skills

Case study:
Melbourne Markets Authority

Melbourne Markets Authority has entered into a partnership agreement with Melbourne Polytechnic, one of four major tertiary providers in Melbourne's North, to provide workplace training for a broad range of programs, spanning food and fibre to logistics and business.

The training includes forklift and materials handling, warehousing, occupational health and safety, food and produce handling, logistics, brand and visual merchandising, customer services, small business management and supply chain management.

This program gives the food and beverage industry an opportunity to engage workers within the region and offer clear career pathways through the development of skills that align with the industry's needs.

The partnership between Melbourne Markets Authority and Melbourne Polytechnic is a prime example of the competitive advantage that could be achieved by investing in Melbourne's North and partnering with our tertiary education providers.



FREIGHT + LOGISTICS

Melbourne's North has an established freight and logistics network being ideally positioned with proximity to Melbourne Airport and Port of Melbourne. Connectivity through the Hume, Calder and Geelong freeways as well as access to the M80 Ring Road further the value proposition.

A thriving industry

Moving over **360** million tonnes of freight in Victoria every year

An established freight and logistics industry, connected by world class transport infrastructure and access to global export markets, makes Melbourne's North one of Australia's leading freight and logistics locations.



Proximity to Melbourne Airport

\$5.5bn in international freight exports

Melbourne's North is home to Australia's largest 24-hour international airport, Melbourne Airport, providing a gateway for time critical and flexible freight solutions. Supported by the region's logistics industry, almost a third of the nation's air freight is handled at Melbourne Airport every year.



A robust sector

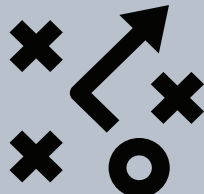
Employing **25,000** people in freight and logistics

The proximity of Australia's largest container and general cargo port, the Port of Melbourne, gives the region's freight and logistics industry low-cost access to global markets. Every year, the port handles more than a third of the nation's container trade with significant growth expected in the future.



Transport connectivity

Melbourne's North is served by major road freight corridors to regional Victoria through the Hume, Calder and Geelong freeways, and is connected by major interstate transport corridors to South Australia and New South Wales.



Moving more freight faster

Case study:
TNT Superhub

TNT, a FedEx company, is one of the world's largest express delivery companies. Globally, TNT delivers close to one million consignments daily, ranging from documents and parcels to palletised freight.

TNT's 38,000sqm Melbourne Airport super hub was purpose-built in 2015 to support growth and boost productivity through cutting-edge parcel sortation technology and equipment, consolidating TNT's former Tullamarine, Laverton North and Campbellfield depots into one state-of-the-art facility.

A key attraction of the location in Melbourne's North is its access to the Tullamarine Freeway, Hume Highway, Calder Freeway and M80 Ring Road Freeway, providing excellent connectivity to TNT's Sydney and Brisbane super hub facilities, as well as proximity to Melbourne Airport.

The new facility provides a 60 per cent increase on TNT's previous Melbourne sortation capacity.



HEALTH + WELLBEING

Health and wellbeing are established sectors which continue to grow. Melbourne's North already has established health precincts while sustained population growth clearly provide an opportunity for additional investment.

Skilled workforce

15,000+
health professionals

Health and wellbeing is a major employer in Melbourne's North, creating a clustering of highly skilled health and wellbeing professionals working in the region.



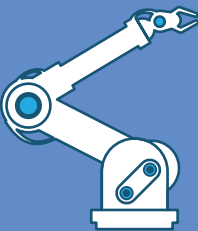
An ageing population

15% of Victorians are aged 65 or over

An ageing population will require ongoing investment in health and wellbeing as the demand for current services increase. Established health precincts in Melbourne's North, provides an opportunity to capture future growth.

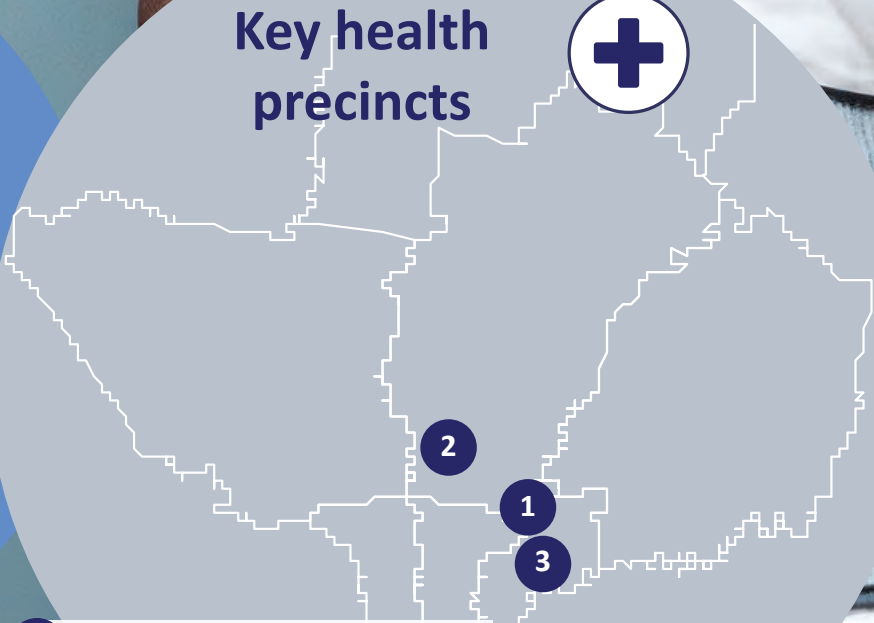


Innovation in health and wellbeing



Melbourne's North is home to some of Australia's leading health and wellbeing research centres. A successful example of this is the the Northern Centre for Health and Education Research at Northern Health in Epping, as well as private hospitals at North Park, John Fawcner and Brunswick.

Key health precincts



- 1 LaTrobe University
- 2 Northern Hospital
- 3 Austin Hospital

Working together for better health outcomes

Case study:
Olivia Newton-John Cancer Research Institute

At the globally recognised Olivia Newton-John Cancer Research Institute, integrated within the ONJ Wellness Centre at the Austin Hospital and encompassing the Latrobe University's La Trobe Cancer Medicine School, researchers and clinicians are working together every day to discover and develop crucial research breakthroughs to deliver better health outcomes for patients.

Research laboratories are only metres away from where patients are cared for and receive treatment, enabling

and inspiring the rapid translation of scientific discovery into clinical trials of new and better cancer treatments. All research activities are enhanced and supported by outstanding platform technologies, infrastructure, facilities, and technical expertise. The annual Olivia Newton-John Cancer Wellness Walk & Research Run is a major community fundraising and awareness event held on La Trobe University's campus – profiling the globally recognised research and health facilities of the North.



ADVANCED MANUFACTURING

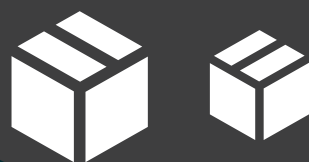
Advanced manufacturing is a global megatrend as new technology opens up a wealth of opportunities in advanced materials, 3D printing and automation. Melbourne's North has a skilled manufacturing workforce which is well suited to transitioning to advanced manufacturing.

**Existing
manufacturing base**
3,600
manufacturing
businesses in the region

Key clusters of manufacturing businesses include a food and beverage cluster around the Melbourne Wholesale Market in Epping and an automotive sector which has diversified into caravan, boat and truck manufacturing.

A global market
Projected to reach
over **\$500**bn by 2025.

CSIRO have developed a roadmap for Australia to unlock this market. The roadmap identifies specific opportunities to offer customised high-margin solutions and selling services, rather than products.



There are around
5,000 persons
employed in the caravan industry in
Victoria, which has a **90%** industry
share of **Australian caravan
manufacturing** with a
\$1.4bn industry turnover.




Redevelopment of
**La Trobe University's
R&D Park**
together with a potential
Data Analytics Hub
showing a commitment to
**advancing the
economy.**

Diversifying into advanced manufacturing

Case study:
Dolphin Products

Dolphin Products have been operating since 1946. Dolphin Products were founded by three toolmakers and specialised in injection moulding, with the automotive market being a key sector for the business.

In 1999 they moved to a purpose-built facility in Heidelberg West. Since the move, the firm has been using the rise of advanced manufacturing, together with decline in Australian car manufacturing, to diversify and modernise their offer and now provide injection moulding of complex plastics for industries including the medical sector.

Dolphin Products now export products to Europe, North and South America, India and China and continue to develop new products and adopt new technologies. In the past couple of years this has included blow moulding and high speed in mould labelling. Dolphin Products have also provided jobs and opportunities to several workers from elsewhere in the supply chain.



VISITOR ECONOMY

The visitor economy is a multi-billion dollar industry in Victoria. Melbourne's North has huge untapped potential, not least due to Melbourne Airport - the key gateway for international visitors coming to the State.

2,600 
accommodation and
food services
in Melbourne's North

The Mantra Bell City in Preston attracts around 2,000 Chinese tourists each week to their hotel and Quest Apartments have opened a 96 room hotel at Epping to service the increasingly diverse and growing economy in Melbourne's North.

Melbourne Airport
facilitates **71.9 million**
visitor nights and **\$8.9 bn** of
tourism spending in Victoria.

The airport is expected to grow

by almost **50%** to
67.8 million
passengers per annum by
2038.



 **Tourism** was worth
\$24.8 bn to Victoria
in **2016-17**
and generated **employment**
for **214,500** people 

The visitor economy is a priority sector with the State Government making a concerted effort to grow both tourism and major events in Victoria.

Melbourne's North
has a **thriving creative arts scene** in the **Inner North** and a **heritage arts scene** in the **North East**. The region also has rolling hills and spectacular scenery within easy reach of Melbourne.



Next generation visitor attractions

Case study:
URBNSURF

URBNSURF will be Victoria's first surf park opening near Melbourne Airport in early 2019. This \$28.3m development, which is located next to Essendon Football Club's training facilities, will have the same footprint as the MCG.

The surf park uses the latest wave generating technology and is able to generate a two metre high wave every four second in a 'lagoon' measuring 50m by 80m. Additionally the facility includes skate, rock-climbing and mountain-bike facilities.

This development is an excellent example of Melbourne's North leveraging available land to be able to attract a next-generation tourism attraction.

URBNSURF is expected to attract 300,000 visitors each year, employ 50 people and contribute over \$250m in spending in the region. Moreover, it is the first in what is hoped to be a sustained pipeline of visitor economy investment into the region.



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