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## FORECAST REPORT 2010-11

### INTRODUCTION

On 1 July 2009 Ports Corporation of Queensland and Mackay Ports Limited merged together to become North Queensland Bulk Ports Corporation (NQBPC) responsible for the Queensland ports of Hay Point, Mackay, Abbot Point and Weipa.

During a period of unprecedented global economic turmoil, NQBPC has performed well by improving the overall commercial performance and competitiveness of its ports while minimising the impact of port operations and development on the natural and social environment.

	Forecast for 2010-11*	Explanation
<b>EBIT</b> (Earnings before interest and tax).	\$18.0M.	Continuing good result as the business completes significant components of its major capital works program.
<b>Total Trade Throughput (million tonnes (MT)).</b>	148.5mt	Improving market conditions are expected to result in increased demand for throughput over the previous year.

### STRATEGIC PRIORITIES FOR 2010-11

NQBPC's strategic priorities for the year are:

- value adding growth for NQBPC ports;
- sustainable port development and operations by minimising environmental and social impacts of NQBPC activities and those of our commercial partners; and
- leadership and a working environment that enables NQBPC employees to excel.

### MAJOR PROJECTS FOR 2010-11

#### Abbot Point –

- **Proposed Lease of Terminal 1**– NQBPC is providing the Queensland Government with assistance as necessary, to offer a 99 year lease, with the sale process planned to commence in late 2010.
- **Terminals 2 and 3** – BHP Billiton Ltd. and Hancock Coal Pty. Ltd. have been awarded Preferred Developer status and NQBPC will be liaising with them to develop and execute Framework Agreements by February 2011.

**Dudgeon Point Development** – NQBPC is conducting Development Studies which are planned to be 50% completed by end of 2010/11.

**Mackay Port land use** – NQBPC, in consultation with stakeholders, is progressing development planning which is planned to be 70% completed by end of 2010/11.

### MARKET ENVIRONMENT IN 2010-11

- As the global financial crisis abates NQBPC anticipates that there will be increased pressure for timely provision of bulk port infrastructure.
- Port infrastructure will also be needed to support new industries wishing to establish in the Abbot Point State Development Area in addition to the planned development of the Townsville – Bowen – Mt. Isa Economic Triangle.
- In response to more stringent environmental requirements on new projects, increasing costs, extending approval times etc. NQBPC will ensure sufficient planning time to allow for more agency consultation and a longer approval process.

*This report has been prepared based on information available as at 31 May 2010 and has been prepared for general information purposes. Representations made in this report are forecasts only, are subject to change and should not be relied upon.*

*\* The financial information provided in this document is unaudited.*