



NEWS RELEASE

The Hon. Kristina Keneally MP

Member for Heffron

Minister for Planning

Minister for Redfern Waterloo

Thursday 11 December, 2008

\$120 MILLION REDEVELOPMENT OF FORMER STEELWORKS SITE

Buildev Intertrade Consortium Pty Ltd has been selected to redevelop over a third of the 150 hectare Intertrade Industrial Park, which has been unused since BHP ceased steelmaking in 1999.

Buildev Group partnered with logistics company Toll to form the successful consortium selected by the Government, which will provide general and freight related industry on the site.

Minister for Planning, Kristina Keneally, said today's announcement would help pave the way for a new era of industry at the former BHP steelworks site at Mayfield.

“This deal will bring \$120 million of new investment and up to 3000 jobs into Newcastle, with industry expected on site from as early as 2011,” Ms Keneally said.

“This will be a welcome, significant and relatively expedient shot in the arm for the Hunter's industrial sector.

“The consortium will develop 62 hectares of the site: 10 hectares in the Intermodal Zone which will be capable of supporting Port-related industry, and 52 hectares in the General Industry Zone.

“The approval allows for a range of businesses to set up on site, including light industry, warehousing, distribution and commercial office use.”

Ms Keneally said the consortium's proposal for the staged delivery of a range of general industrial and freight uses was consistent with the Master Plan developed for the site. The project includes:

- The purchase of 52 hectares of land for general industrial use;
- The lease of 10 hectares of land which is capable of supporting port related industry;
- The provision of roads, drainage, water, sewerage and electricity infrastructure; and
- Further remediation works to the \$62 million worth already undertaken by the Government, with another \$48 million to be completed in the coming years.

“Significantly, the infrastructure will benefit both the 62 hectares included in the bid and the balance of the 150 hectare site,” Ms Keneally said.

The Government and the consortium will now proceed to the final documentation phase. Once an agreement is executed, the consortium must then meet a range of conditions including obtaining planning approvals and finance.

Minister for the Hunter, Jodi McKay, said the approval was a big win for Newcastle and The Hunter.

“Today's announcement of a new life for the former BHP site recognises the changing needs of the region. The project will play a key role in the economic future of the Hunter,” Ms McKay said.



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“Since BHP ceased steelmaking on the site in 1999 and completed demolition of the buildings and structures on site in around 2004, the NSW Government has been working hard to get it ready for development.

“Stage One of this remediation project was completed in July 2008 and included \$27 million of new drains and surfacing 30 hectares of land most affected by steelmaking operations.

“After the Buldev-Toll Consortium secures the relevant approvals, it will undertake further remediation of the site, which will save the State in the order of \$24 million.”

The selection of the Buldev Intertrade Consortium follows an extensive international Call for Proposals which commenced last year. Three proponents were originally shortlisted. This was reduced to two - Mirvac and the Buldev-Toll Intertrade Consortium.

BHP Steelworks site chronology

- **1915** BHP steelworks began production
- **1999** BHP ceases steelmaking in Newcastle
- **2001** BHP Billiton Development Application approved. Consent issued subject to additional groundwater remediation.
- **2003-2004** Remediation plans expanded following extensive groundwater modeling.
- **Mid 2004** BHP Billiton completes demolition & removal of old buildings. Government takes possession of the Site.
- **2005** Site regrading and drainage works redesigned.
- **Sept 2005** Remediation strategy approved by Dept of Environment and Conservation.
- **2006** Priority remediation works start.
- **2006** Master Plan complete. Site named Intertrade Industrial Park.
- **Early 2007** International marketing of Site commences.
- **2008** Priority remediation works completed.
- **Dec 2008** Buldev Intertrade Consortium selected.

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