Eden Marina Project Report

June 2012

Prepared by:

Phone: +61 2 80051811
Email: info@coriolis.com.au
Web: www.coriolismarine.com.au
Table of Contents:

1. Introduction ............................................................................................................................ 3
2. Background ............................................................................................................................ 3
3. Scope ..................................................................................................................................... 4
4. Process ................................................................................................................................... 4
5. Eden Marina Supply & Demand Analysis ............................................................................. 5
6. Land Interface ........................................................................................................................ 17
7. Suggested Marina Design ........................................................................................................ 17
8. Suggested Berth Pricing Point ............................................................................................... 18
9. Management .......................................................................................................................... 19
10. Public Benefit ....................................................................................................................... 19
11. Conclusion ............................................................................................................................ 21

Disclaimer – Copyright © .......................................................................................................... 22

Appendix -A- Management Model ........................................................................................... 23
Appendix -B- Royal Haskoning Memo Wave Attenuator and Marina Berth Costings ................. 33
1. Introduction
Coriolis Marine Pty Ltd (Coriolis) has been engaged by Eden Resort Hotel Pty Ltd to provide a report to assist building a business case for a potential marina development at Cattle Bay Eden.

2. Background
A marina has been proposed by the owners and developers of the Cattle Bay “Cannery” site to provide recreation boating facilities and to value add to the future proposed land development.

The property is owned freehold by the owners except for a portion of foreshore land to the mean high water mark which was assigned to the Bega Valley Shire Council after Concept Plan approval was received in August 2008. All water areas to the mean high water mark are owned by the Crown and managed by The Land and Property Management Authority (LPMA). LPMA have indicated their support in writing for a marina development at Cattle Bay.

An Investigation License over the required water space will need to be obtained from LPMA prior to any Development Application.

Bega Valley Shire Council have advised that they would be the assessment authority for both proposals, however the Joint Regional Planning Panel would be the determining authority for both the land based development and marina development as it would most likely fall within the definition of Designated Development under the Environmental Planning and Assessment Regulation.
The proposed marina site is identified in the image below.

3. Scope
The scope of this report focuses on the following key elements;
- Boating Supply and demand analysis in relation to the proposed Eden marina;
- Suggested berth mix and staging options. Berth mix to include potential Superyacht, Fishing Fresh Catch and temporary Food and Beverage / Shopping berths;
- Suggesting pricing point for sale and renting of marina berths;
- An anticipated budget for a 125 berth marina;
- Design considerations in reference to land / water interfaces;
- Possible management model and fee structure for mobilisation and ongoing management of the facility; and
- Indicative price for construction of the marina and operating budget.

4. Process
The comments, information or recommendations provided in this Study has been developed after compiling and assessing data from the following sources;
- Site visit
- Review of Regional data
- NSW Maritime Annual Report 2010
- MIAA Australian Marine Survey
- Advice provided by coastal engineers
- Coriolis survey of Eden and NSW regional marinas
- Australian Standard “Guidelines for Design of Marinas” AS 3962-2001 (Standard)
5. Eden Marina Supply & Demand Analysis

The proposed marina site is situated in Eden a regional town on the south coast of NSW. The town is easily accessed by the Princess Highway (National Highway) which passes through the town and a regional airport at near-by Merimbula (20 minute drive) which has several daily flights from Sydney and Melbourne. Population growth for Eden is between 1 to 3% per annum.

Traditional boating markets in the Eden area include;
- Commercial fishing
- Research / Salvage vessels
- Australian Navy
- Local recreational
- Transient cruising boats on north south or south north journeys
- Supply boats for the oil and gas exploration in the Base Straight and southern ocean

The region has a strong maritime heritage which dates back to deep sea tuna fishing, whaling activities and the traditional land owners.

Eden Harbour is one of the deepest natural harbours in the southern hemisphere. The common trend for vessel occupancy in regional areas of Australia is observed in the 12 to 15Mtr range. The main drivers of this is are;
- the quantity of production vessels in this category,
- 12 to 15Mtr is traditionally a good size cruising vessel to manage by 2 persons,
- Vessel purchase, maintenance, running and berthing costs increase exponentially above 15Mtr.
Whilst Superyachts do venture past Eden on their journeys north or south, this number is considered minimal with only short stays expected as most Superyachts operating north in Sydney or the northern Great Barrier Reef Cruising Grounds.

In analysing Eden and the region, the following markets have been determined;
- Eden Local
- South Coast NSW / North Coast Victoria Region
- Canberra
- Sydney / Melbourne
- Cruising Vessels

National and State Trends

National and NSW trends have seen a steady increase in boat ownership and participation over the recent years. The NSW Maritime Annual Report 2010 demonstrates this trend with steady increases over a ten year period. A sharp increase in boat licenses was seen from 2008 which indicates that more people are turning to boating for recreation and leisure.

As per recreational vessels, the commercial sector has also seen a steady increase in registrations even though a decrease in commercial fishing licenseses has occurred at the same time.
14% of the states recreational vessels and 12% commercial are registered on the South Coast which is the 3rd highest region in boat ownership in NSW. Annual growth of vessels greater than 6 mtrs on the South Coast has averaged 5.8% over the last 10 years.

The average boat owner age has increased from 49.3 to 52.1 in the period 1999 to 2009 with 52 recreational boats owned per 1000 population or 0.44 boats per km2. The North Coast results show 64 boat owners per
1000 people and 0.66 boats per km². As there are substantial more marina berths in the North Coast region, an assumption could be made that a similar result could be achieved in the South Coast if adequate marine infrastructure were available. A total of 556 boats are identified as possible marina users on the South Coast.

The South Coast has experienced the second largest growth in registrations behind the North Coast. This trend positions the South Coast well for continual growth in the future. Eden as part of the South Coast could stand to benefit from this growth.
The storage method for boats is demonstrated in the table below which shows marina berths accounting for only 3% for all storage types.

<table>
<thead>
<tr>
<th>Storage Method</th>
<th>Recreational Vessels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boatshed</td>
<td>4890</td>
</tr>
<tr>
<td>Dry Storage</td>
<td>4866</td>
</tr>
<tr>
<td>Jetty</td>
<td>1516</td>
</tr>
<tr>
<td>Marina Berth</td>
<td>5951</td>
</tr>
<tr>
<td>Mooring</td>
<td>20888</td>
</tr>
<tr>
<td>Not Known</td>
<td>1118</td>
</tr>
<tr>
<td>Other</td>
<td>6935</td>
</tr>
<tr>
<td>Slipway</td>
<td>767</td>
</tr>
<tr>
<td>Trailer</td>
<td>176167</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>223098</strong></td>
</tr>
</tbody>
</table>

*Storage method NSW (Reference – Maritime Boat Storage Forecast Report 2010)*

Boats in the size categories most likely to use a marina berth account for 4% or 8350 of registered boats in NSW.

*Vessel Size Proportion (Reference – Maritime Boat Storage Forecast Report 2010)*

Ownership data shows that the 3 largest growth categories are 14mtr and over, 6 to 8 mtr and 12 to 14mtr. These figures are consistent with market observations and are deemed as positive indicators for the marina market as boats over 10mtrs in length are typically stored on a mooring or marina berth as they are too heavy and difficult to store on a trailer.
Following the market demands, marinas in the last 10 years marinas have increased the sizes of berths they build. The 12 to 18mtr range accounts for the majority of new build marina berths on the market. The 0 to 10mtr range is inflated due to a large number of old marinas whereby maximum boat sizes rarely eclipsed the 10mtr mark 20 years ago. Current trends see the majority of boats over 10mts long in marinas with all new marina construction rarely seeing a berth built under 12mtrs long.

Boat registration trends clearly show that power boat ownership has grown significantly in comparison to sail. To cater for this trend, marina operators often consider the sale of fuel to service these clients.
Existing Facilities

There is a limited boating facility south of Sydney with most boats being stored on land, swing moorings or limited fixed jetties.

A number of marina redevelopments have been proposed on the south coast including:
- Shell Harbour (Approved 1993);
- Jarvis Bay (Early Planning);
- Ulladulla (Unsuccessfully tendered by LPMA in 2008);
- Batemans Bay (Development Application being lodged); and
- Bermagui (Planning)

If completed, these new marina facilities will open up the South Coast and encourage boating as it will provide safe harbours along the coast at key strategic locations. This being said, it is unlikely that any will be completed within the next 2 years with only Shell Harbour and Batemans Bay being most likely to be constructed within 5 years.

A survey of the existing berthing facilities shows a capacity for 369 boats on the South Coast. This equates to 66% a potential market supply with 556 boats of a suitable size in the region. It should also be noted that all existing marina infrastructure on the South Coast is aged in below par in comparison to most marina facilities throughout Australia.
Local Market

A survey of recreational boats moored in the local area found a total of 58 boats in the area (10% of South Coast market) with the majority of these below 15 meters in length and of low value between $30 to $100K. This number and value is not uncommon in areas where little infrastructure exists and vessels are exposed to the elements. Due to the exposed nature of all mooring areas, it is most likely that all these vessels are owned locally in the Eden region.

Like many regional coastal towns, the socioeconomic status for Eden is below average for the country with low job opportunities and fairly low medium house price. These indicators will normally cap vessel ownership until quality developments are built attracting additional people with higher disposable cash and increased tourism visitation.

Based on marina occupancy on the east coast of Australia, most owners whom berth a vessel in a marina will normally pay no more than 10% of the vessel’s value per year. By using this figure, it can be derived that to satisfy the suggested berthing rates in Section -8-, vessel values will need to be starting from $86,000.

<table>
<thead>
<tr>
<th>Berth Size</th>
<th>Rate / Month</th>
<th>Vessel Take-up Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>12m</td>
<td>$719.48</td>
<td>$86,337</td>
</tr>
<tr>
<td>15m</td>
<td>$987.16</td>
<td>$118,460</td>
</tr>
<tr>
<td>18m</td>
<td>$1,113.00</td>
<td>$133,560</td>
</tr>
</tbody>
</table>

Table -3- Estimated Vessel Take-up Value
Using this assumption, it is estimated that approximately 23 (40%) of existing vessels could take up occupancy in the marina.

As witnessed in other regional areas in Australia, it is typical for vessel ownership and value to increase significantly once adequate and safe infrastructure is in place. The adage “Build it they will come” has been proven correct in most cases in Australia where facilities have not been provided in the past. It is estimated that this trend will repeat in Eden with possibility of either converting all potential 23 vessels, or converting a portion of this and achieving new vessel growth to the same number.

It can also be assumed that a number of these vessels will occupy the marina from a successful Serviced Apartment marketing campaign selling a berth with a unit which is included in the land based development of Eden Resort Hotel Pty Ltd.

South Coast NSW / North Cost Victoria Catchment Area

A number of regional towns exist in the 100km catchment area. It is normal for vessel owners to accept travel times of up to 2 hours to the vessel berthing location. This is more the case in country areas where travel is an excepted factor of living in a regional area.

The following regional towns are considered potential markets for the Eden Marina;

<table>
<thead>
<tr>
<th>Town</th>
<th>Travel Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marimbula</td>
<td>20min drive</td>
</tr>
<tr>
<td>Barnesdale</td>
<td>3.5hr drive</td>
</tr>
<tr>
<td>Narooma</td>
<td>1.75hr drive</td>
</tr>
<tr>
<td>Cooma</td>
<td>2hr drive</td>
</tr>
<tr>
<td>Mallacoota</td>
<td>1hr drive</td>
</tr>
<tr>
<td>Bega</td>
<td>1hr drive</td>
</tr>
<tr>
<td>Orbust</td>
<td>2hr drive</td>
</tr>
</tbody>
</table>
It is estimated that this market will represent approximately 20% of the marina occupancy.

**Canberra**

One of the largest potential markets Canberra is located 264km to the north west 3.5 hours’ drive from Eden. Canberra has the highest medium disposable income in Australia with locals frequently recreating in coastal towns on the South Coast.

It is believed that once appropriate marine and land based infrastructure is constructed, Eden will become an attractive recreational option for the Canberra residents.
As demonstrated at Batemans Bay, approximately 2.5 hours’ drive east of Canberra, Canberra residents are keen boaters and represent approximately 60% of boat ownership in this town. Using this as an example, it is possible that the Canberra market could account for at least 32% of the market.

**Sydney / Melbourne**

Rex Airlines operate daily flights from Sydney and Melbourne to nearby Mirimbula Airport. This easy link to Australia’s largest population bases provides possibility of home-porting a vessel in a safe marina for those people with or desiring to have holiday homes in the area.

An occupancy level of 5% has been attributed to this market.

**Cruising**

In 2009 interstate / overseas boats accounted for 7483 boats in NSW with a growth of 26% over a 10 year period. Cruising boats on their seasonal northern and southern legs regularly pass through and stay in Eden to provision and fuel.

The harbour also sees additional visitation during the Sydney to Hobart yacht race where it is the last safe harbour for races and support vessels on the southward journey.

It is anticipated that 5% of the annual occupancy will be attributed to cruising vessels.

![ interstate / Overseas - boats > 6m](image)

Intersate and Overseas boats >6tr forecast (Reference – Maritime Boat Storage Forecast Report 2010)

**Anticipated Demand**

To anticipate the actual number of berths that would be occupied (demand) at the Eden Marina is very difficult using an analytical process as there are no quality marina facilities or historical data of marina berth take-up south of Sydney.

From an analytical point of view, and based on the North Coast registrations of 60 boats per 1000 with 4% of these being of a size (10mtr +) that could use a marina; we could deduct the following possible available market per population base.
As shown in this table, the greatest opportunity exists in the Canberra market using Eden as a weekend destination or holiday home.

In comparing other successful regional marina developments around Australia and in consideration of the supply and demand analysis within this document, it is estimated that a marina design capacity of 148 berths could be achieved in a normalised market. The design should also allow for further expansion past 148 to allow for long term growth in the boating market.

Being consistent with the National and State boat demands and marina supply, the following berth size arrangement is recommended;

<table>
<thead>
<tr>
<th>Total Berths</th>
</tr>
</thead>
<tbody>
<tr>
<td>12m</td>
</tr>
<tr>
<td>15m</td>
</tr>
<tr>
<td>18m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

The estimated market share displayed in the table below shows the marina at 85% occupancy and the majority of the market being Eden, South Coast NSW / North Coast Vic and Canberra. It would then be suggested that marketing efforts be concentrated in these areas to obtain best traction and occupancy potential.
6. Land Interface

Both the land based and water components of a waterfront development mutually benefit as they both can value add to the other. This is normally achieved through the right balance of land elements which are complemented by the visual amenity that the marina creates. A recreational hub adjoining the marina has been proposed for the Eden development. This hub could include restaurants, cafes, tourism / recreational retail and a conference centre. All of these components will benefit from the relaxed visual amenity the marina creates as will the marina from these recreational options being provided for its boat owners.

The land and water components of the development will have very different markets and will require differing approaches to maximise their potential. Traditionally marinas are best promoted through direct “word of mouth” and strategic brand placement both locally and domestically, whereas the land commercial components can benefit from tourism and recreation marketing techniques.

Including a marina berth with the sale of a serviced apartment within the development will provide additional sales potential of the marina berths and a point of difference for the apartments. This, along with promotion of investment berths with rental guarantees have been previously successfully marketed elsewhere within Australia.

7. Suggested Marina Design

Based on the anticipated demand, the following berth arrangement could be constructed.
The proposed design allows for 148 standard marina berths for recreational or light commercial boats. The design also provides berthing options for transiting Superyachts and possible fresh catch commercial fishing boats that could sell direct to the public from the back of the boat.

To provide a satisfactory wave climate for the marina, advice was sort by suitably qualified marine engineers in regards to possible wave protection / attenuation solution. Further to this, an expression of interest process was undertaken to determine an estimated cost for the wave protection. The results of this process are displayed in Appendix –B-.

A possible staging plan is shown below.

8. Suggested Berth Pricing Point

An analysis of NSW regional marina prices is provided in the table below. When deciding on a pricing point for Eden Marina it is recommended that Batemans Bay be eliminated from the analysis as the facility is of poor standard and current rates are well below market value.
The proposed rates for Eden Marina are:

<table>
<thead>
<tr>
<th>Berth Size</th>
<th>12m</th>
<th>15m</th>
<th>18m</th>
<th>20m</th>
</tr>
</thead>
<tbody>
<tr>
<td>12m</td>
<td>$719.48</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15m</td>
<td>$987.16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18m</td>
<td>$1,113.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20m</td>
<td>$1,259.81</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As a check to validate the proposed rates, an analysis of Victorian rates (Table-B-) are also provided as this market may contribute to the marina occupancy.

<table>
<thead>
<tr>
<th>Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>To ensure operational risks are kept to a minimum and the business achieves its full potential, it is recommended that an experienced marina operator be engaged to oversee the management of the facility. Included in Appendix –A- is a suggested management model from Advanced Marina Management detailing the structure and services available.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Public Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marina developments typically require substantial capital works to create a safe marina basin with an acceptable wave climate. Unlike major population bases, most regional marinas have historically had to rely on Government funding to provide the breakwater solutions to create the protected marina basin.</td>
</tr>
</tbody>
</table>
social and economic benefits of a marina development to a regional centre can be substantial and should be acknowledged by the public and Government.

Areas of public benefit which are being proposed or will result from the Eden Marina project include;
- The hand back of foreshore to Council for public access;
- Promotion of the region from the Development attracting people to the region through provision of a quality 4 to 5 star accommodation 60 rooms, 74 serviced apartments, wedding / conferencing centre catering for 350 pax and commercial and boating recreational facilities;
- Creation of approximately 200 jobs through construction and 85 jobs during operation;
- Activation of the waterfront and connection to the town centre enhancing the recreational experience for locals and tourists;
- Creation of public children’s playground;
- Creation of public waterfront dining precinct;
- Creation of public foreshore and jetty interpretive walk;
- Creation of marine tourism facilities;
- Creation of casual visitor berthing;
- Creation of Superyacht berthing;
- Linking the town centre to the waterfront via a feature walkway; and
- Annual taxable revenue of over $1.5 million dollars.

Public Feature Town and Foreshore Walkway
Each of these elements will individually and collectively provide substantial regional economic and social benefit to the public.

The marina is an important element to the success of the development and creates the linkage between land and water. This concept needs be embraced by both the public and Government to realise the potential of the regional benefit.

11. Conclusion

Like most marina projects, the capital investment required to create a marina basin is significant and if this is looked at as a cost of the marina only, can make the business case unviable. Most regional developments similar to Eden rely on Government support to assist in the capital costs of the long term core infrastructure such as wave protection or creation of the marina basin.

The proposed development provides for significant community benefit in the form of public access, infrastructure, employment and recreational opportunities.

It is considered that the most likely markets for the marina exist within the 100km Eden catchment area and Canberra making it a significant regional development providing short and long term employment and investment in to the greater community.
Disclaimer – Copyright ©

Eden Resort Hotel Pty Ltd engaged Coriolis Marine Pty Ltd (Coriolis) as per the accepted proposal Reference No. EMBA200911 to develop this Eden Marina Project Report (“Document”).

The Document is provided in the context of “Best Practice / Best Outcome”. Eden Resort Hotel Pty Ltd and Readers should consider the comments and information and make their own decisions, assessments and judgments based off their own reviews and assumptions and or advice from suitably qualified or licensed persons.

The Document is intended to be used as a guide only and does not constitute advice. While the Document has been prepared in good faith and with due care, no representations or warranties are made (express or implied) as to the accuracy, currency, completeness, suitability or otherwise of such information.

At the time of drafting this document, the effects of the Global Economic Crisis are still being felt in the marina and general property sector. The figures and comments provided are based on a midpoint or normalised market.

Coriolis, its officers, employees, subcontractors and agents shall not be liable (except to the extent that liability under statute or by operation of law cannot be excluded) to any person for any loss, liability, damage or expense arising directly or indirectly from or connected in any way with any use of or reliance on such information as provided in this report, subsequent reports or any verbal or written communications.

Coriolis shall be deemed to have been discharged from all liability in respect of the Services whether under contract, in tort, in equity, under statute or otherwise, at the completion of works as detailed in the executed consultant agreement.

Coriolis grants Eden Resort Hotel Pty Ltd permission to use the intellectual property (IP) contained within this document. Eden Resort Hotel Pty Ltd acknowledges that the ownership of the IP Rights vests in Coriolis as the authors and providers of this Document.

Coriolis Marine specialises in the development, operations, management and training solutions for the marine industry. For further information regarding services offered, please contact Coriolis Marine on the numbers below.

Phone: +61 2 80051811
Email: info@coriolis.com.au
Web: www.coriolismarine.com.au

Eden Marina Project Report - 22 -
Appendix -A- Management Model

30 November 2011

Eden Resort Hotel Pty Ltd

Attn: Mr Heinrich Ruiz de Roxas
Email: ruizde@ozemail.com.au

Dear Henri,

Thank you for your time taken in outlining the exciting Eden Marina NSW, project to us. It was also great to discuss some of the other exciting projects that we have undertaken over time. Eden Marina is well known to us and we have previously visited the site.

As you are aware Advanced Marina Management offers management at many levels to suit the individual needs of owners, remote investors, company strata’s and international structures. Over the past number of years we have been excitingly working on these services to marinas on the east coast of Australia as well as offshore with great success.

The Advanced Marina Management Team having grown out of 35 years of solid marina management has allowed us to create, train, manage, scope and deliver sensational outcomes to operate sensational marinas. Our company would be pleased to work on the Eden Marina project with Eden Resort Hotel Pty Ltd and believe that this winning team can jointly deliver sensational outcomes. We have successful experience in the development of marinas from the conceptual stages through to final daily operations.

Advanced Marina Management, is a hands on business, Diane Kuhl my Operations Manager and I would personally supervise this project from start to finish. Working on the information provided we believe that marina management for the first six months needs to be high impact to allow instant value add to customers joining the precinct on settlement. We believe that this personal approach and induction sets tremendous grounds rules and tremendous quality within the heritage on going to make this a world-class development.

The marina layout in Stage 1 allows for a well laid out marina and this will allow much utilisation and activation to create atmosphere, which adds to the success. Advanced Marina Management is well experienced in this, please review our website www.AdvancedMarinaManagement.com.au and our current projects at link www.AdvancedMarinaManagement.com.au/projects.html

Having reviewed the information provided we believe that a moorings manager role in the first year requires to be budgeted at a figure of $45,000.00 plus GST payable monthly in advance.
This will give us the ability to perform and guide you in all aspects of the site to develop it into a profitable and viable marina.
We will focus on and implement the following:

- Design and layout of rental space
- Maximisation of rental space revenue
- Maximisation of marina revenue
- Profit identification
- Milestone the marina against neighbouring marinas

The following services can be provided as part of the business mobilisation process:

- Development of business systems
- Employment and training of staff
- Implementation of business systems
- Cut-over to new systems
- Supervise staff until fully competent

Advanced Marina Managements preferred marina construction Companies are Bellingham Marine Industries and Superior Jetties. We are certified by both to oversee the construction, building and on going maintenance of their Marinas. The majority of our experience is with marinas that are built by Bellingham (www.bellingham-marine.com.au) and Superior Jetties (www.superiorjetties.com.au). Recommendation letters attached.

Advanced Marina Management successfully completed the design concept for the marina at Calypso Bay, Queensland, www.calypsobay.com.au, photo below.
Since 2008, we have managed Smiths Spit Boatshed in Middle Harbour, Sydney. In 2008 the old fixed wharf marina was replaced with a state of the art floating Bellingham marina photo below:

Since 2003 to date Advanced Marina Management are the moorings manager of Piers 6 & 7 at Walsh Bay, Sydney, we were also instrumental in the design concept of this marina facility, photo below.
Below are some photos of the Advanced Marina Management Team:

Michael Jarvin & Diane Kuhl at Coomera Shores Marina Queensland

Michael & Diane inspecting Yacht Haven Marina, Phuket, Thailand 2010
Following are recommendation letters from our preferred marina construction companies

Bellingham Marine

Innovative Harbour
and waterfront solutions

Bellingham Marine Australia Pty Ltd
ASIN 60 074 886-887

20 May 2004

Mirvac Victoria Pty Ltd
Attention: Mr Brett Howlett.
Level 6
380 St Kilda Rd
Melbourne, Vic. 3004

Dear Brett,

This letter is to confirm that we recommend Advanced Marina Management for the
management of any Bellingham Marine Australia Pty Ltd built marinas.

Advanced Marina Management have many years experience with our Uniflo® and Pacific®
systems. They know and understand how boats need to be moored on floating marinas to keep
them safe and secure.

It is our opinion A.M.M. understand the commercial realities of managing a marina.

Yours faithfully,

John Spragg
General Manager
Bellingham Marine Australia Pty Ltd
Pass. Raymond M. Williams
16 April 2010

TO WHOM IT MAY CONCERN

It is our pleasure to recommend Advanced Marina Management for the management of marinas and boatyards.

Advanced Marina Management understands the commercial realities of marina management and after 35 years in the industry, they have the operational knowledge and expertise to offer owners an efficient service.

Sincerely,

[Signature]

John Horgan
Managing Director
Advanced Marina Management also assist many boating industry auxiliary companies including Australia’s largest boat manufacturer, Riviera. Copy of thank you letter

30 June 2009

Di Kuhl
PO 50 Waterway Drive
Coomera QLD 4209

Dear Di,

Re: Sanctuary Cove Boat Show

I wanted to write to you personally to thank you for your efforts and support for Riviera at the recent Sanctuary Cove International Boat Show.

The global financial crisis has been one hurdle. Add in cyclonic conditions, the first day of the show being cancelled by the organisers because of the weather and a receivership into the mix and you have what they term a marketing challenge. One big one in fact.

I am pleased to record that Riviera had a very strong show indeed taking into account all the challenges. Orders for eleven new boats were confirmed over the three days of the show across our range with the new 5800 Sport Yacht stealing the show with public interest and sales.

Indeed in the weeks since the show, we have sold a further five new boats including a 5800 Sport Yacht to Italy. Quite remarkable all things being considered.

Without any doubt your contribution helped directly to achieve this result. With the receivership being implemented only two weeks prior to the show your understanding and support through this very challenging time is truly appreciated. As we worked through the early days of the receivership with the establishment of new systems and processes with regards to purchase orders and payments you were patient, understanding and supportive. I want you to know that this support has certainly not gone unnoticed.

We often talk about the Riviera family when refer to our valued owners around the world. In every way, you are so much a member of this family.

With your continued support and belief in Riviera I know we will emerge from this cycle a better and stronger company with a renewed and highly focused purpose.

With the greatest of respect, thank you for all that you have said and done in support of Riviera.

Yours sincerely,

Stephen Milne
Director of Brand and Communication

Cassandra Meyers
Executive Assistant

below:
Advanced Marina Management are active participants in many industry associations including the Boating Industry Association of New South Wales, Marine Queensland, the Marine Brokers Association and The Boat Owners Association to name a few.

We eagerly await your reply to our suggested proposal, please contact us at anytime to discuss further.

Yours sincerely,
ADVANCED MARINA MANAGEMENT PTY LTD

MICHAEL JARVIN
Managing Director
Ph: 0408 69 69 69

DIANE KUHL
Operations Manager
Ph: 0419 69 88 69

ADVANCED MARINA MANAGEMENT PTY LTD
www.AdvancedMarinaManagement.com.au
Ph: 0408 69 69 69
PO Box 460
DOUBLE BAY    NSW     1360
ABN: 73 082 873 256
Memo

To: Michael Jarvis, Heinrich Ruiz de Roxas
From: Davena Gooch
Date: 13 April 2012
Copy: Greg Britton
Our reference: 8A0008/M/dg

Subject: Cattle Bay Marina - Cost Summary

Further to our meeting of 04/04/2012 this memo presents a summary of the budget cost data received for Cattle Bay Marina, in relation to the Expression of Interest (EOI) issued on 03/02/2012.

Budget costs were received from six contractors in total. Each contractor provided estimates for various elements of the marina development, a summary of which is provided below. The full EOI responses should be referred to for assumptions and exclusions.

<table>
<thead>
<tr>
<th></th>
<th>Smithbridge</th>
<th>Sydney Marina Contracting</th>
<th>Australian Wharf &amp; Bridge</th>
<th>Bellingham Jetties</th>
<th>Superter Jetties</th>
<th>Walcon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marina System &amp; Piles (100 Berths, 90 piles)</td>
<td>$2,650,000</td>
<td>$2,700,000</td>
<td>$1,000,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marina System (100 Berths excl. piles)</td>
<td></td>
<td>$600,000</td>
<td>$2,430,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marina Piles (90)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Floating Attenuator</td>
<td></td>
<td>$10,000/m</td>
<td>$10,500/m</td>
<td>$12,990/m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Three budget estimates were received for the wave attenuator suggesting a budget estimate, for the construction of a 210m wave attenuator, of around $2.1M to $2.7M.

Five budget estimates were received relating to the marina. These estimates included two for the piling only, one for the marina system only, and two for the piles and marina system. These estimates suggest a budget cost estimate, for a 100 berth marina (including 90 piles), of around $2M to $2.7M.

It should be noted that all cost estimates are based on minimal or no design work, and hydrographic survey and geotechnical investigation have not yet been undertaken. It is understood that a design and construct contract would be awarded to the Contractor, with the contractor taking on the financial risks associated with items such as unknown geotechnical conditions.

It is recommended that a contingency be assigned to the above budget construction cost estimates of not less than 15%, given the preliminary nature of the investigation and design activities.

Davena Gooch

13 April 2012 8A0008/M/dg 1/1