



Australian Adventure Tourism Group

ONWARD+UPWARD

For release to Market

PRICE SENSITIVE

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Whitsunday Skyway – Airlie Beach, Whitsundays

Queensland Government announces \$1,000,000 contribution to commence Whitsunday Skyway Project

Australian Adventure Tourism Group Limited (AAT, or the Company) has previously advised shareholders and the market about its proposed development of the Whitsunday Skyway Project at Airlie Beach on the Whitsundays mainland.

Whitsunday Skyway is a gondola cableway project proposed to be developed and operated by AAT, to connect the centre of Airlie Beach to the summit of an un-named hilltop in the adjacent Conway National Park, to provide magnificent scenic vistas over the Coral Sea and Whitsunday Islands. The Whitsunday Skyway Project has been on AAT's drawing boards seeking regulatory approval for several years.

The Palaszczuk Government has announced it is backing the Whitsunday Skyway Project. Premier Anastacia Palaszczuk said a re-elected Labor government would contribute \$1 million in matched funding towards the project for the purchase of additional land for Conway National Park. (See attached full text of the Government's announcement).

The effect of this backing is to effectively allow for additional freehold land adjoining the Conway National Park to be acquired to add to Conway National Park, to more than replace the small parts of the Conway National Park that will accommodate the proposed Whitsunday Skyway infrastructure. In practical terms this announcement marks the removal of the main obstacle to the commencement of the Whitsunday Skyway Project, which will be a major new project and long term employer and revenue generator for the Whitsunday Mainland and nearby islands.

Since 1984, AAT has owned and operated the Magnums Backpackers Resort in central Airlie Beach on the Whitsunday mainland, which has traditionally catered primarily to Australian and International Backpackers.

While this market segment has progressively diminished over the last decade, for many regional Australian towns like Airlie Beach, the dominant industry and employer is Tourism, and the

tourism infrastructure must change to adapt to the needs and demands of the changing tourism markets.

The AAT directors believe Whitsunday Skyway Project will be a catalyst for transitioning and expanding the existing tourism base of the Whitsundays mainland - catering to new markets such as Cultural, Environmental and Sustainability education as well as the traditional drive and coach tour markets.

The Board will keep shareholders advised of progress on the Whitsunday Skyway project and other material financial aspects of the Group on an ongoing basis as the Covid-19 pandemic develops and its implications for the Group are addressed.

AUSTRALIAN ADVENTURE TOURISM GROUP LIMITED

ELIZABETH HACKETT

Executive Chairman



Annastacia Palaszczuk

WORKING TOGETHER FOR QUEENSLAND

Palaszczuk Government backs Whitsunday Skyway

The Whitsundays region could be set for a major new tourist attraction with the Palaszczuk Government backing the \$55 million Whitsundays Skyway development.

Premier Annastacia Palaszczuk said a re-elected Labor government would contribute \$1 million in matched funding towards the project for the purchase of additional land for Conway National Park.

The Premier said Australian Adventure Tourism Group's Whitsundays Skyway cableway and ecotourism adventure proposal had the potential to support hundreds of jobs and create a brand new tourism experience for the Whitsundays.

"The Whitsundays is an iconic Queensland destination and with one in three jobs relying on tourism the region has been hit hard by COVID-19 and Tropical Cyclone Debbie in 2017," Ms Palaszczuk said.

"The region's attractions are heavily based on its stunning maritime environment however, a key priority for the local tourism industry is to diversify the region's offering to include more land-based experiences."

The proposal includes:

- a summit café with spectacular views of the Whitsunday islands,
- an Indigenous cultural interpretive centre,
- one kilometre cableway,
- treetop ropes course,
- new bike trail and other off-road bike and walking trails.

To enable the development to go ahead a small parcel of land in Conway National Park – adjacent to a residential area in Arlie Beach – would be required to be revoked and the proponent would need to provide a suitable land offset with higher ecological values.

Labor Candidate for Whitsunday Angie Kelly said Labor was right behind the project.

"This private investment proposal is a strong vote of confidence in the future of Whitsundays tourism," she said.

"If this proposal stacks up, Labor will be on board to help it grow with \$1 million towards the purchase of higher quality land offsets to expand Conway National Park.

"Tourism is critical to our economic success, so we need to prioritise exciting ideas like the Skyway that mean more jobs and new high value ecotourism experiences."

The Premier said the proposal had progressed to a detailed assessment under State Development's Exclusive Transaction Framework.

The Queensland Government is currently engaging directly with the Gia and Ngaro Peoples on the Skyway proposal.

ENDS

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