

Flour Cask Bay Sanctuary

Your life, our environment, coming together

A plan for innovative, sustainable eco-tourism

Business Plan

2008 - 2011



A Proud Division of:
Eco-Sanctuaries Trust
Investing in a sustainable future

Cover Photo: View across proposed Reception, shared accommodation, restaurant and conference site, Flour Cask Bay Sanctuary

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Executive summary

Flour Cask Bay Sanctuary on Kangaroo Island is the first fully sustainable eco-tourism and wildlife conservation sanctuary being developed by the Eco-sanctuaries Trust, a family Trust established by Mark and Shirley Herrmann. The unique blend of conservation management driven by the earnings from sustainable eco-tourism addresses a wide range of tourism demands and experiences currently not available in the market place. It also challenges many of the accepted business norms in relation to ecological sustainable development, by eliminating environment impacts, improving environmental conditions and making a proactive contribution to reducing climate change impacts backed by a sound business model.

The focus on conservation also provides an opportunity to develop unique partnerships with government and the community. Development of the Sanctuary will be accelerated through strategic tourism and conservation grants and the establishment of a tax deductible fund and Eco-sanctuaries Credit Card. The grants will enhance contributions to the National Reserve System by acquiring strategic conservation lands of interest to the Sanctuary. It will also address other key government initiatives for regional development, sustainability and conservation. Flour Cask Bay Sanctuary the Fund and credit card also provide a platform to launch a national Sanctuary network under the Eco-sanctuaries brand.

Flour Cask Bay Sanctuary is a unique and integrated tourism and conservation proposal for a combination of reasons including:

- The Sanctuary is a wetland of national significance, rich in wildlife including rare and threatened species of significant conservation value, and is attractive to those seeking to engage with wildlife in their natural environment.
- The Sanctuary is a spectacular and diverse coastal environment including pristine beaches, dunes and cliffs, crystal clear lagoons, lakes and swamps set amongst rolling hills with sweeping views.
- The Sanctuary will feature a range of quality food and accommodation, and nature-based experiences.
- Accommodation is very private, separated visually from adjoining accommodation but provided with services more typically found in a resort setting making it attractive for families, couples, soft adventurers and experiential travellers alike.
- A range of guided and independent activities including walking, trekking, cycling, canoeing, fishing, swimming and wildlife viewing can be undertaken on the Sanctuary.
- Guided touring and walking will be provided to other parts of Kangaroo Island.
- Visitors can contribute actively and passively to protecting and managing the Sanctuary, by visiting, volunteering, taking part in educational programs making a tax deductible donation or transferring to the Eco-sanctuaries Credit Card.
- The Sanctuary will operate sustainably by minimising its environmental footprint and offsetting impacts with positive conservation measures.

The Sanctuaries' development program is vital to achieving its overall goals and will feature investment of \$6.7M worth of land acquisition and capital investment over the next 3 years. Funds will be drawn from private equity, grants and debt finance. The Trust is currently developing an investment strategy to raise the required capital. Key development milestones over the next three years include:

- Establishment of maintenance, storage and equipment sheds incorporating temporary reception and retail.
- Upgrade the existing basic campground.
- Establish minor facilities including playground, canoe portage, bird hide and some walking facilities.
- Establishment of 12 self contained 4/5 star Eco-huts.
- Upgrade 2 existing Eco-camps and decommission existing Eco-camps to make way for New Eco-huts. Decommissioned Eco-camps will be utilised in guided walking and hire activities.
- Establishment of reception, shared accommodation, dining and conference facilities.
- Progressively increase the 4WD fleet to cater for growth of hire and guided touring from 2 to 8 vehicles.
- Progressively increase bike and canoe hire fleets.

The improvements target earnings of \$5.6M in the 2010-11 financial year with capacity to further enhance this in subsequent years through improved occupancy, efficiency improvements, business expansion and product diversification. Private equity will be converted to debt finance by December 2010 and new investment will be sought for development of additional sanctuaries to grow the Eco-sanctuaries network into all States and Territories by 2018.

Key land acquisitions will include strategic properties surrounding the existing Sanctuary. This will provide valuable conservation and scenic opportunities for nature-based recreation and prevent rural subdivision and development in the Sanctuaries' catchment. The grant contribution under the National Reserve System will assist land acquisition and typically contributes 50% but may be as high as 100%. This will improve the Sanctuaries debt to equity ratio which will provide greater capacity for future debt finance and consequently greater certainty for private equity investors requiring an exit strategy. It will also significantly enhance the capacity for a conservation partnership between the Trust and Government resulting in significant private investment funds being directed to Government conservation priorities with a mechanism to provide a sustainable management budget that reduces impact on public funds.

Flour Cask Bay Sanctuary has been testing the market for the past 2 years and has a management team that has 25 years of experience in natural resource, conservation and tourism management. It also has extensive experience in working in and with government. The team is willing to draw on the expertise of specialists to drive the business to success. The management team seek to build an exceptional and committed in house delivery team and outsource specialist skills for efficient and effective business management that maximises growth potential in a sustainable way.

1 Business profile

This Business Plan primarily addresses the development of Flour Cask Bay Sanctuary, which is a wholly owned and operated trading entity of the Eco-sanctuaries Trust. While the Trust and Sanctuary are run concurrently, the business has been established to allow separate financial tracking. There are a number of proposals and strategies in this document that are more relevant to the umbrella Trust organisation than the individual Sanctuary and these form an important developmental stage as the ideas and learning's from establishing Flour Cask Bay Sanctuary are also being utilised to position and develop the Trust to its full potential. As the Trust continues to develop and broaden its initiatives, a separate Business Plan will be prepared.

1.1 Business description

Business name:	Eco-sanctuaries Trust
Trading Name:	Flour Cask Bay Sanctuary
Business ownership:	Mark and Shirley Herrmann
Business type:	Ecotourism and conservation management
Zoning:	General Farming

1.2 A vision for Eco-sanctuaries (Flour Cask Bay Sanctuary)

Flour Cask Bay Sanctuary is a place where conservation management and sustainable ecotourism are the underlying principals of sustainable business management and transparent marketing. It is a place where guests can feel comforted that tangible initiatives actively support and enhance Kangaroo Island's clean, green image while they relax, rejuvenate and experience some of the best of Kangaroo Island's spectacular scenery, wildlife, foods, wines, art and crafts. The Sanctuary will also provide a base to access the Island's many spectacular natural and town-based attractions while also attracting day visitors to a new destination.

The Sanctuary will make a significant private contribution to the conservation of Kangaroo Island and will also give guests the opportunity to make a meaningful contribution to the on-going sustainability of their holiday destination.

This Sanctuary will be the first of a network of sanctuaries across Australia branded under the Eco-sanctuaries Trust, a private conservation trust that is "***Investing in a sustainable future***" through Flour Cask Bay Sanctuary and other initiatives. The proposed sanctuary network will be supported by common systems and practices that will be benchmarks in their fields. Eco-sanctuaries will include a branch overseeing the planning, design, technology, and consumables used across the sanctuary network. This expertise will also be made available to consumers on a commercial basis.

Developing a diverse portfolio of complementary services will build an in-house expertise that is unrivalled and Eco-sanctuaries will be recognised as a leader in conservation management, sustainable ecotourism, and the

application of appropriate technology, systems and design. This ethical and sustainable conservation and business environment will enable Eco-sanctuaries and its proposed sanctuary network to deliver its promise to the market: “***Your life, our environment, coming together***”.

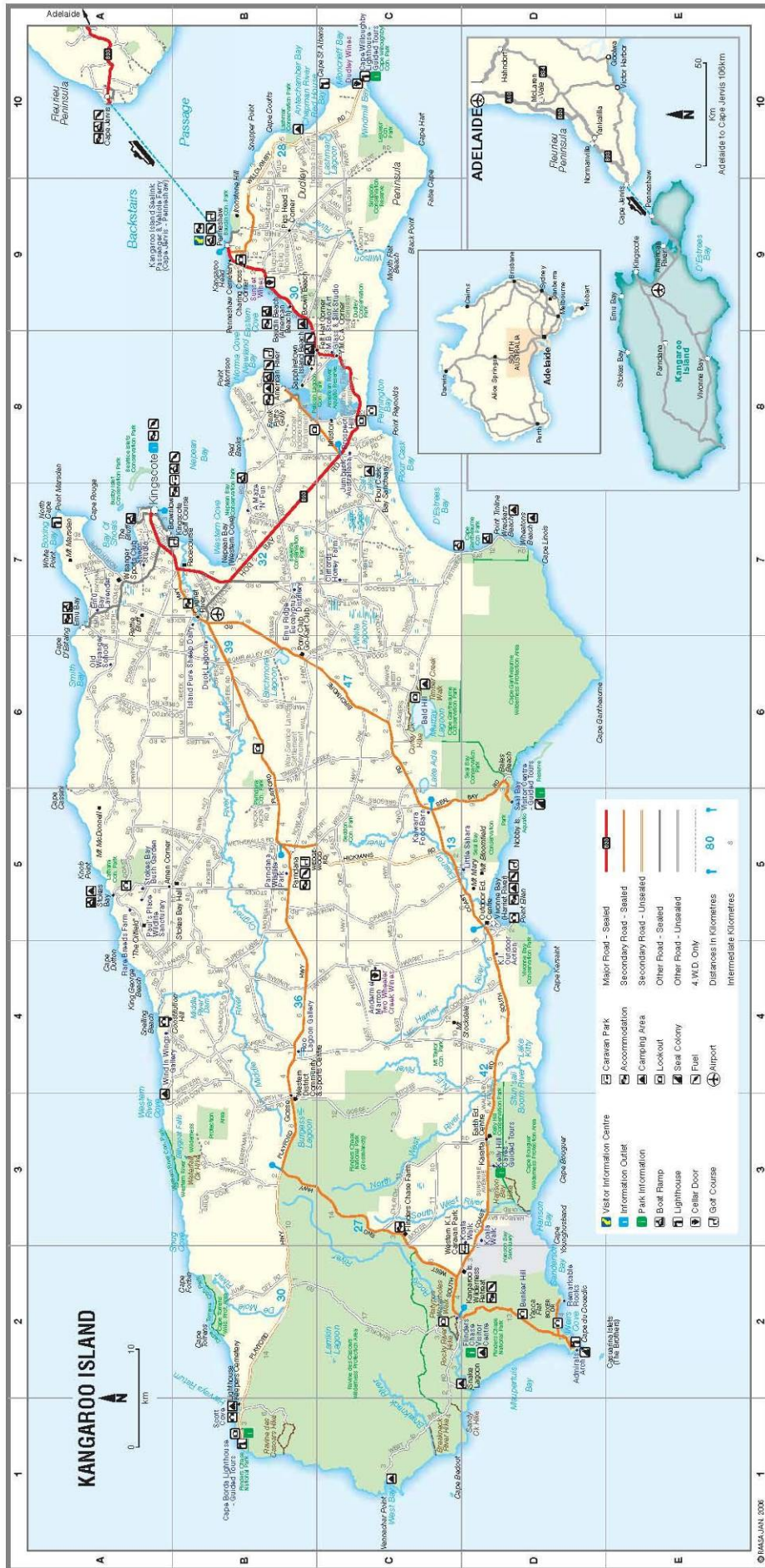
1.3 Location

Flour Cask Bay Sanctuary is located 3km along Flour Cask Bay Road in Flour Cask Bay (Haines), Kangaroo Island, South Australia (Map 1). Kangaroo Island is widely recognised as South Australia’s major icon tourist destination and is internationally acknowledged as one of Australia’s top 10 recognisable destinations (SATC). Kangaroo Island was recently voted best island in the Asia-Pacific and ranked 5th internationally by National Geographic Traveller Magazine (November-December 2007) who’s 522 expert panellists evaluated 111 islands for their authentic experience and sustainable eco-tourism.

Iconic island attractions include wildlife such as the Australian Sea Lion, seals koalas, kangaroos and rare birds and plants. Its spectacular coastal scenery and white sandy beaches are well known features. Kangaroo Island is also known for some of its iconic national park locations containing spectacular geological features such as Remarkable Rocks and Admirals Arch and is becoming increasingly well known as a boutique food and art destination with numerous wineries, great sea food, honey, dairy and a thriving artist community.

Flour Cask Bay Sanctuary includes an important remnant area of vegetation, wetlands and coastal dune and cliffs fronting the remote and untouched Flour Cask Bay. The Sanctuary is centrally located being close to most of the major centres of Kangaroo Island including Kingscote, the capital of Kangaroo Island, American River and Penneshaw. The property currently comprises 240ha of freehold coastal land overlooking Salt Lake and the sand dunes of Flour Cask Bay to the coast. The Sanctuary incorporates access to adjoining Crown Lands comprising a further 400ha and is surrounded by other native vegetation and farmland. The landscape includes limestone, ironstone and sand hills with diverse mallee woodland and heaths, grassy dunes; samphire fringed salt lake, fresh and brackish water lagoons and springs with an outstanding array of readily visible wildlife. The undulating and secluded landscape provides significant opportunities to develop sensitive and private accommodation venues with spectacular scenic views, access to wildlife viewing, and ready access for water based activities including swimming, canoeing, beach activities, walking, cycling and other nature-based outdoor activities.

Flour Cask Bay Sanctuary is close to the Kingscote Airport and ferry terminals at Penneshaw and Kingscote. It is well placed to access all major attractions of the Dudley Peninsula, the central north and south coast and the west end of the island including Flinders Chase National Park. It is also close to all major Kangaroo Island services and evening activities in the three major centres making it an ideal location for visitors.



Map 1 Kangaroo Island – Flour Cask Bay Sanctuary located at C8

1.4 Awards

Flour Cask Bay Sanctuary was recently announced as the South Australian section winner of the Hidden Jewels Award for 2008. This Award recognises tourism businesses that provide a fascinating and unusual visitor experience but are relatively undiscovered. The awards are assessed by a judging panel from Australian Traveller, Getaway and AAT Kings. Further information on the awards is available at <http://om4tourism.com/hidden-jewel/award-winners-2008/>



1.5 Products and services

1.5.1 Accommodation and ancillary buildings

Flour Cask Bay Sanctuary proposes developing a range of accommodation styles to cater for a wide range of visitors and price points. A Concept Plan and initial concept design has been prepared in conjunction with Morris Nunn and Associates (Map 2). The Principal Architect, Robert Morris Nunn, is well known for his innovation and sustainable buildings in hospitality, commercial and domestic architecture winning multiple major awards in all categories.

All accommodation and service infrastructure will feature high levels of sustainability including self sufficiency for power, water and waste management with reuse and recycling a significant feature. Accommodation buildings will take advantage of the high levels of privacy by integrating the outdoor environment with the indoor accommodation. Materials including timber, local stone and large transparent walls will provide a bright but relaxing environment that is engaged with the outdoors. Materials will have low embodied energy and a long service life. They will be sourced from renewable or plantation sources where-ever possible.

Temperature control will be managed by incorporating high thermal mass into the buildings. Innovative ideas including utilising water supply, fire water storage and battery capacity as part of the thermal mass will buffer summer and winter temperature extremes and reduce operating and maintenance costs. Supplemental winter heating will be provided by the warm glow of a wood fire. Wood will be sourced from sustainable wood lots. Summer evenings will be enjoyed on open verandas which will take advantage of refreshing breezes and the golden twilight of the setting sun across Salt Lake. Electricity, water and effluent will be provided and managed by benchmark green technologies including solar and wind power, rain water storage, eco-toilet technologies and grey water management systems to provide guests with quality, sustainable accommodation services with negligible environmental impact contributing to very high energy star ratings and low running costs.



KEY

- Primary Rd (Duct base 5.5m wide 25m/yr)
- Secondary Rd (Unsealed asphalt base with parking bays 3.6m wide 20m/yr)
- Walking trails
- Management Vehicle only, Walking & cycle trail
- Contours @ 10m intervals

ECO-SANCTUARIES - PRELIMINARY DEVELOPMENT PLAN - revision 2 12/07/07



Map 2 Flour Cask Bay Sanctuary Concept Plan

1.5.1.1 Reception, shared accommodation, dining and conference facility

A central reception, accommodation and conference facility is planned and will incorporate dining and bar facilities that will service the whole of the Sanctuary. The front office will contain a general reception where all visitors will make first contact. This area will also contain the orientation and educational information for the Sanctuary and retail space.

Approximately ten 3/4 star accommodation rooms will be provided and are anticipated to be suitable for flash packer or family market but also service corporate requirements. In combination with different accommodation styles across the Sanctuary, this facility will provide a reasonable accommodation capacity at a number of different price points to service small conferences or corporate experiential retreats with an opportunity to cater specifically to groups looking for solitude or nature-based activity and experiences.

Dining and facilities with a commercial kitchen will have capacity to initially service 50 people expanding to 65 people. The conference facility will provide meeting rooms and capacity for presentations.

Public areas of the building will be very engaging with the outdoor environment offering expansive scenic vistas. Other areas of the building will require more privacy but still engage the outdoors.

1.5.1.2 Private self-contained Eco-huts

Twelve fully self contained 4/5 star Eco-huts are proposed to be built. Eco-huts will comprise a mix of one, two and three bedrooms and will be flexible in design so that they can cater for a variety of family units ranging from couples to extended family groups. Each Eco-hut will be located so that it is secluded and private, set amongst the mallee woodland, with its own vehicle access,



Plate 1 Innovative sustainable cabin design – Morris Nunn and Associates ©

dedicated access to the walking network and expansive views across Salt Lake to the coast. Two Eco-huts are proposed to have a longer walk in access and will be set in the canopy of the mallee forest to provide additional privacy and a more unique experience.

The number of Eco-huts will be limited to ensure that privacy and the quality of the experience and service is high and can be maintained in the long term. Construction will be staged to allow accommodation units to come on line quickly but also maintain efficiencies for construction volume. Later development stages will not impact on the operation of completed infrastructure as the development stages can progress without noticeable impact on adjoining areas of the property due to its large size and dispersed nature of the infrastructure.

1.5.1.3 Quality camping

Flour Cask Bay Sanctuary currently provides quality camping equipment and venues including:



Plate 2 Rocky Ridge Eco-camp – Permanent hard floor tented accommodation

- Two fully self contained Eco-camps that sleep up to six people in a hard floor permanent tented accommodation style. They are serviced and equipped in a similar manner to regular self contained accommodation and include a kitchen, dining area, shower, toilet and two queen size beds as standard.
- One luxury camper trailer comes fully equipped with all equipment, linen and is serviced on return from hire. Only personal belongings and

food are required. A camping site at Flour Cask Bay Sanctuary is included in the cost of hire.



Plate 3 Camper Trailer at Sunset Lagoon private camp site

- A basic camper trailer option includes a raw camper trailer only. It is designed to cater for campers with personal camping equipment and capacity to clean the trailer before return. Locals going on touring holidays are a target market.
- Car camping kits with or without a box trailer option.
- Individual camping equipment items.
- Ten private and semi-private camping sites with basic services in a natural bush setting.

It is proposed to enhance the camping facilities including upgraded eco-toilet and shower block with sustainable waste management and water storage (temporary toilets are currently in place), surfacing of vehicle tracks and camping pads and solar power for some powered sites and facilities. Some shared barbeque, wash up and laundry facilities are also required. The character of Flour Cask Bay Sanctuary camping fits between a that of a caravan park and a national park. It provides a relatively remote and very private camping experience with a small number of well spaced out sites but with the key caravan park services and on-site support.

The existing Eco-camps are currently being trialled to determine if there is sufficient demand to warrant a more permanent Eco-camp facility. The existing Eco-camps will be relocated to service seasonal activities or overnight camping for guided walks. The current sites will be used for Eco-huts.

Additional Eco-huts will replace the proposed new Eco-camps if demand for Eco-camps proves to be inadequate.



Plate 4 Sunset lagoon campsite

1.5.1.4 Service and maintenance area

Service and maintenance sheds will be located near the entry to the Sanctuary. The sheds will cater for in-house cleaning, laundry, wash down, preparation, maintenance and storage of all hire and operating equipment including machinery, vehicles, camper trailers, bikes, canoes and other hire equipment. It will also provide substantial water capture and storage for accommodation and fire prevention. The area will deal with all deliveries and avoid unnecessary entry to the Sanctuary for hire clients, passing trade and most delivery services. This facility will be critical to ensure secure storage of building materials during the construction phase of major facilities and will include a temporary office/reception prior to construction of the permanent reception facility.

1.5.1.5 Nature-based and outdoor activities

A number of shared facilities are proposed to add value for visitors by increasing the variety of activities available and promoting longer visits and improved levels of occupancy for the Sanctuary. These include:

- A children's playground and educational activity area
- Canoe portage at Salt Lake
- Bird hide at Salt Lake
- Board walk to improve beach access
- Walking and cycling tracks



Plate 5 Existing beach access

- A public picnic area and lookout.

The public picnic area is an important component of providing an opportunity for locals living in the Flour Cask Bay area and offers an opportunity to capture passing trade and increased exposure to the market. The picnic area will link to the main walking network. A short walking loop will lead to the Reception and Visitor Centre where public can find out more about the Sanctuaries' opportunities and services, access retail or plan outdoor activities such as canoeing or cycling.



Plate 6 Canoeing on Salt Lake, Flour Cask Bay Sanctuary

1.5.2 Packaged tourism

Kangaroo Island has a wide variety of tourism opportunities which can be packaged along with accommodation. Generally commissions fall between 10% for domestic product and 25% for wholesale. Flour Cask Bay Sanctuary has offered limited packaging options on an opportunistic basis to date but will be introducing fully packaged products into the market during 2008. There is significant capacity to increase the level of uptake on packaged product by increasing the level of first contact with Flour Cask Bay Sanctuary and positioning the Sanctuary as a preferred service provider for Kangaroo Island.

1.5.2.1 Ferry and airfares

Packaging travel from Adelaide is a convenient add-on for some clients. Flour Cask Bay Sanctuary has offered this service on an opportunistic basis over the past 12 months and has had some uptake. Commissions have been 10% but recent renegotiations with Sealink have established a 25% wholesale commission rate for ferry travel bookings. Travel will be offered as part of packaged product during 2008.

1.5.2.2 Vehicles

Flour Cask Bay Sanctuary owns and operates a small fleet of Mercedes Benz four wheel drive vehicles. These are currently hired out separately or packaged with camper trailers or accommodation on an opportunistic basis. The vehicles are also used for day to day business requirements both on and off the Sanctuary. Consequently one vehicle is not always available for hire.

Vehicle hire includes pick up and drop off at either the ferry or airport but can also be delivered to hotel accommodation at Kingscote, American River or Penneshaw.



Plate 7 Camper trailer and Mercedes Benz 4WD package, Flour Cask Bay Sanctuary

While it is not the intention for the Sanctuary to compete with hire car companies Hertz and Budget, hire vehicles have been one of the mechanisms to get the Sanctuary exposure while growing our market segment. Some cross hiring to Hertz has also occurred periodically and there has been some interest from tour operators in cross hiring the vehicles for private touring. There are no other large or medium four wheel drive vehicles for hire on Kangaroo Island. Our vehicles are marketed for their comfort, reliability, safety, efficiency and up to seven seat capacity. They can be packaged with our camper trailers for an efficient touring package where trailers and four wheel drives carry interchangeable wheels and tyres for extended touring on Kangaroo Island and the mainland.

Vehicle/accommodation packaging offers significant potential for growth of our vehicle fleet in conjunction with new accommodation coming on line and advertised package products due for release later in 2008. It is anticipated that there is room to expand the four wheel drive segment which provides the greatest flexibility to travel around Kangaroo Island for self guided touring. As our client base increases, there will also be a need to cater for guided touring and ferrying to and from the airport and ferries or shuttle bus links to accommodate efficient transfer of more than one group while maintaining the hire fleet availability. Similarly a suitable work vehicle for the property is also required to increase flexibility.

1.5.2.3 Bikes and canoes

Flour Cask Bay Sanctuary currently operates a small mountain bike and canoe fleet available for separate hire. Bikes and canoes are proposed to be packaged as part of an experiential add-on activity in association with accommodation. There is no other bike hire and limited canoe hire only on the south west of Kangaroo Island. Bikes and canoes can be delivered if required

and racks are available to transport both on private vehicles and camper trailers.

Providing bikes and canoes is part of a strategy to extend accommodation on the Sanctuary by offering quality outdoor experiences. Many of the existing tracks and trails are suitable for bikes. Some are suitable for biking and walking.



Plate 8 Bike touring

1.5.2.4 Guided and self-guided walking

While the Sanctuary currently offers some short walking opportunities, there are plans to expand these to provide some longer half day walks based on the Sanctuary and the adjoining coastline. Sanctuary based activities encourage longer stays and improved occupancy while providing an improved sense of value. Guided walk opportunities including plant walks taking in some of the unusual and rare plants, star walks, bird watching on the wetlands and some



Plate 9 Trekking remote Flour Cask Bay

extended beach and cliff trekking.

Trekking opportunities include a half day, one day, or multiple days with overnight camping.

The current Eco-camps would be relocated to service this opportunity. Longer walks would require a small bus for drop off and pick up. Walking groups will be small to ensure a quality experience and good guide to visitor ratio. Currently there are no guided or supported trekking opportunities offered on Kangaroo Island.

1.5.2.5 Food and wine

Kangaroo Island is renowned for its high quality food and wine, which is grown and processed in a clean and natural environment. Quality food and wine will

be an important aspect of an optional bed and breakfast experience in the self contained Eco-huts and Eco-camps. The outdoor entertainment area will be available for catered meals on request. Menus will be diverse and flexible and vary seasonally to take advantage of seasonally available produce and pricing. Gourmet meal packs will allow guests to experience semi-catered meals incorporating local produce, for private first night arrivals, for picnics and barbeques or in gift baskets on departure.



Plate 10 Eco-camp picnic hamper

1.5.2.6 Third party experiential tours

A number of operators offer specialty experiential tours and products including marine charters, dolphin watching, diving, fishing, food and wine tours and

arts and crafts that can be packaged as part of an overall product. Currently some limited packaging is provided by selected tour companies but there is an opportunity to negotiate specific services as part of self guided touring and package this. Flour Cask Bay Sanctuary has been offering itinerary planning to its clients for about 18 months and this is reasonably popular. This experience can be translated to a packaged product that makes it easy for prospective visitors to plan for a longer stay. One of the biggest disappointments experienced by Kangaroo Island visitors is that they did not realise how large the Island is and do not allow enough time to visit. It is usually difficult to extend a visit length during the booking process or after travel arrangements have been set. Packaged itinerary product would be an informative mechanism to set the seed for a longer stay during early trip planning.

1. 6 Appropriate and sustainable retail

Retail opportunities will be managed in conjunction with the Reception/Visitor Centre and will be open to guests and the general public. Retail is primarily intended to provide useful and interesting products for guests that will enhance their visitor experience, provide essential requirements during their stay or offer a small but meaningful reminder of their visit. Retail will be sustainably managed to reduce packaging on both purchased and sold products and will ensure only suppliers providing products from ethical sources are utilised. The hire/maintenance office will stock limited retail for hire clients

1.6.1 Art, craft, photographs and cards

Kangaroo Island hosts a significant number of artists who produce a wide range of quality arts and crafts, photographs and cards. Accommodation and other public buildings on the Sanctuary will be decorated with appropriate local art and craft products that will be for sale. A selection of art and craft will also be on retail display.

Flour Cask Bay Sanctuary holds a range of high quality Sanctuary and Kangaroo Island photographs suitable for sale. These could be catalogued and made available for sale over the internet for tourism and inspirational advertising. A select range could be developed into Sanctuary specific mementos for retail sale and marketing incentives.

1.6.2 Books, maps and information

There are a number of publications relevant to Kangaroo Island and Flour Cask Bay. Accommodation will include access to good local information for enhanced visitor experience and enjoyment. A selection of these publications will be available for sale.

There are also plans to develop a range of children's activities, some of which will be saleable items or part of supervised activities.

1.6.3 Food and drink

A selection of food for campers, snacks, alcohol, drinks, toiletries and personal items will be available. Snacks, alcohol and drinks will also be

available in self-contained accommodation. Gourmet meal packs for picnics barbeques or for semi-catered evening meals will be prepared on request.

1.6.4 Sustainable technology and design

The progressive learning from developing and operating a sustainable network of Eco-sanctuaries will be utilised to branch out into project management, design and technology sales providing a consolidated one stop shop for quality and appropriate design, technologies, services and consumables and make these available to the consumer. These services will be promoted across the Eco-sanctuaries sanctuary network but will be developed as a separate trading entity at a future date. The distinct advantage of doing this is that guests will be able to see technology applied in a commercial context and experience using the technology during their stay inspiring challenge and change in domestic and commercial arena.

1.7 Wood lot

Development of a sustainable wood lot is proposed to cater all of the wood heating and camp fire requirements. The wood lot will be located on previously cleared land and utilise local native species that will not impact on the local environment but still contribute to the properties biodiversity. Wood supplies will need to be outsourced during the early growth period of the Sanctuary wood lot and will be drawn from other local sustainable supplies. Ash from fires will be utilised on the Sanctuary to redistribute nutrients and provide a nutrient boost for broad acre seeding being undertaken as part of on-going rehabilitation of the Sanctuaries' native vegetation communities.

1.8 Organic fruit, vegetables, native plants and weed control

The provision of sanctuary grown organic fruit and vegetables for use in the preparation of meals and for retail will be implemented as Flour Cask Bay Sanctuaries' water supply becomes more secure. The Sanctuary would establish sufficient for its own needs as a means of maintaining highest quality and freshness with lowest carbon footprint.

The Sanctuary also has ongoing requirements for locally grown native species for replanting and rehabilitation programs, and the wood lot. Currently this service is outsourced. Similarly there is an ongoing need for weed control and eradication. It is feasible to combine development of a native nursery and weed control program utilising the same skill and resource base required for fruit and vegetables. These specialist services will be provided on a commercial basis for conservation and Landcare projects.

1.9 Eco-sanctuaries Credit Card

A partner will be sought to develop a green credit card initiative. The benefits to Eco-sanctuaries will include joint marketing to a range of clients through the banking sector, a donation percentage committed to the Trust to progress environmental initiatives including conservation land purchases and restoration activities. This will generate significant carbon credits that can provide for a range of management operations and guest activities and any surplus will be tradable in a future National Carbon Credit Scheme.

Benefits to a banking partner will include establishing significant green credentials through partnered marketing and targeted media, an opportunity to take advantage of some carbon credits and being able to claim tax deductibility for the donations. A specialised environmental stewardship program will be developed to meet the financial partner's corporate needs with the successful partner to engage their staff in a range of environmental programs, staff and executive development and getaway packages.

Benefits to the consumer will include an environmentally conscious credit card that contributes to creating a carbon offset through conservation initiatives that have a positive impact on wildlife, rare plants and reducing climate change impacts. A consumer loyalty scheme providing access to Eco-sanctuaries services could be a feature of the card.

2 Eco Sustainability and Conservation – A cornerstone of business development

Eco-sanctuaries has been established with primary objectives of eco sustainability and conservation at its foundation and it remains the cornerstone of all strategic and business decisions being made in Flour Cask Bay Sanctuary and in the commercialisation and investment programs currently being developed to raise capital for the proposed Eco-sanctuaries programs. While it is not possible to describe all of the Trusts activities in detail, a snapshot of key sustainability initiatives are outlined below and complement services that are on offer or proposed which were outlined above:

Key initiatives of the existing and proposed business include:

- Electricity supplied from 100% renewable resources. Currently this is 100% grid connected solar power to office, reception and manager's residence and 100% stand alone solar power to accommodation.
- Domestic, guest accommodation and commercial water supplies are from high grade rainwater collected on site. Further development will improve collection area and storage capacity with water reuse to be integrated throughout.
- Buildings have been constructed using minimal footprint and no clearing. Materials used are from sustainable and renewable resources, recycled and of low embodied energy. Finishes and fittings avoid volatile organic compounds and are purchased from suppliers that display good environmental and social ethics.
- Placement of infrastructure addresses visitor and environmental special requirements to ensure compatibility of built infrastructure with nature-based activity and wildlife habitat. It also embodies the importance of privacy and solitude in a range of different accommodation styles ranging from basic camping to self contained and serviced accommodation. This is an important aspect of connecting visitors with the environment they utilise and aims to engender a common understanding of human connectedness with environment and how our

actions can have positive and negative impacts. Hence the Sanctuary promise “Your life, our environment, coming together”

- Appropriate technologies in all areas of construction and development and are show-cased to guests as a demonstration of what can be achieved cost effectively without compromising lifestyle. It is a longer term goal that the Sanctuary network will also provide design installation and construction services that implement Eco-sanctuaries knowledge more widely across the community providing a further income stream to continue development of the Sanctuary network.
- Purchasing decisions are used to influence suppliers by seeking modified designs, improved application of technology or reduced packaging as examples. One significant achievement was design changes to Kimberley Kamper Trailers purchased by Flour Cask Bay Sanctuary where design modifications resulted in introduction of some lighter materials to improve towing efficiency, inclusion of a rubbish and recycling rack, an integrated solar charging system and improved lighting technology. Most of these initiatives became upgrades in the subsequent year model and entered the export market.
- Consumable and chemical use is minimised and avoided completely where ever possible. This reduces environmental impact and costs.
- The principles of Reduce, Reuse and Recycle are carried out across the Sanctuary and Trust. The Trust is active in participating in a local government program that removes all recycling and rubbish to major centres off Kangaroo Island to major centres where it can be processed more efficiently. This eliminates the need for land fill but requires some additional processing of guest rubbish/recycling on-site.
- Equipment that has a long service life and is efficient is preferred over cheaper equipment. For example the Sanctuary hires 7 seat Mercedes Benz 4WD's as they are very efficient, use latest technology for safety and environment, integrate recycling and utilise recycled materials. They have a monitored servicing cycle which reduces the need for regular servicing and oil change from typical 5,000 or 10,000km to 25,000 to 32,000km depending on driving conditions.
- Flour Cask Bay Sanctuary is destocking sensitive conservation lands and utilising these for conservation and eco-tourism purposes. Landscape restoration programs include replanting and seeding with local native species, salinity prevention works, weed and feral animal programs and endangered species recovery programs including specific land purchases for endangered species recovery.
- Habitat restoration and species recovery is also utilised to generate carbon offset programs for the Sanctuaries activities. The sanctuary network will generate a significant carbon surplus which will be used to partner with industry partners and generate additional income to expand the Sanctuaries while engaging industry in a positive action and improved awareness.
- A carbon base credit card is under development and will provide carbon offsets and loyalty schemes for the sanctuary network. Both will assist the expansion of the Sanctuary network.
- A tax effective Fund is being established to take best advantage of community donations and integrate with carbon initiatives while offering business an opportunity to make tax effective contributions to reducing

Climate change impacts. The fund will focus on nature conservation and climate friendly initiatives.

- Community education and showcasing technologies and methodologies is an important mechanism for engaging community and guests with sustainability principals and changing attitudes that will have a positive impact on climate change. The Sanctuary engages in work experience programs with schools and tertiary education programs, runs volunteer programs and engages in media and blogs that provide an insight into what the Sanctuary and Trust are trying to achieve. This area is still developing but recent achievements include, Community and schools involvement in rehabilitation of 8ha of wetland, Accommodated work experience student working on weed and rehabilitation strategies and a visit from Adelaide based tertiary education lecturers to investigate establishment of long term student programs.
- The Trust is working towards development of educational activities, books and programs for children to run on the Sanctuary.
- Eco-Sanctuaries Trust has made application to the National Reserve System to offer to contribute Trust lands to be included in the System. The System is managed by the Commonwealth government and includes national parks from across Australia. The Trust seeks to form a partnership with the Commonwealth to expand the private sanctuary network focussing on other high conservation lands and to manage these in accordance with national park principals from commercially generated revenues consequently making contributions to habitat and species conservation, limiting impacts of climate change with associated rehabilitation programs and undertaking this with limited impact on the public purse. The strategy will also contribute to sustainable regional development and provide new tourism, recreation and employment opportunities in regional communities.
- The Trust actively engages in selected grant programs that have potential to enhance the Trust's goals in partnership with Government or philanthropic organisations and seeks to use these to leverage engagement with other organisations while reinvesting and expanding the Sanctuary network.

3 Principal's profile

***Shirley Herrmann
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Shirley is a Trustee of the Eco-sanctuaries Trust and Director of Flour Cask Bay Sanctuary. Shirley has a Bachelor of Education having extensive teaching experience in primary years. She has also managed the Far-northern Region of Playgroup Queensland and the Children's Contact Centre at

Relationships Australia. These organisations specialise in providing quality services to families in the areas of child development, conflict resolution and supervised child visits where the family unit has broken down.

Shirley's extensive communication, organisational and people skills have been utilised in the day to day operation of the Sanctuary, client services, administration and sales. Her broad based professional experience with children and families as well as raising her own young family continues to ensure that Flour Cask Bay Sanctuary caters effectively for children while maintaining the appropriate settings and services for parents and childless adults.

Shirley works closely with Mark in strategic aspects of the business ensuring that client feed back is addressed and that Eco-sanctuaries services cater for a broad demographic including accommodating children's needs. She is primarily responsible for ensuring quality information packages including web based information, maps and photographs represent honesty in marketing and provide useful information. She also ensures interior design including furnishings, equipment and functionality is an appropriate standard and quality for the different accommodation segments.

Shirley has managed and operated a successful general store and developed retail and marketing experience in this specialised market that catered to university students. This business provided outstanding service to its niche clientele and specialised in providing a diverse but targeted range of goods and services at key times. Personalised and confidential service was a feature of the business that was well regarded. These skills combined with Shirley's extensive culinary skills will contribute to developing value added retail groceries and food services including the development of breakfast and picnic baskets, and special request menus and dining.

Shirley provides teaching assistance in her children's school and is an active member of Tourism Kangaroo Island. She is also active as a coach in the local Gymnastics Club, and regularly participates in Kindergym and Playgroup.

Shirley has studied commercial art and brings graphic and artistic talent to the business which when combined with her teaching background provides a range of skills well suited to the development of educational programs and



interpretive signs, brochures, books, web sites and the development of children's activities to enhance the experience of visitors and promote the business. Shirley also utilises her artistic flare in photography and contributes images to the Sanctuaries growing photographic portfolio.

Plate 11 Shirley and Mark Herrmann

Mark Herrmann
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Mark is a Trustee of the Eco-sanctuaries Trust and Director of Flour Cask Bay Sanctuary. Mark has a Bachelor of Science specialising in natural resource management, ecology and marine science. He has a 25 year history of working in government conservation and eco-tourism businesses and most recently was employed by the Department for Environment and Heritage (SA) as the Regional Conservator, Kangaroo Island Region.

Mark has worked to develop and manage high quality nature based tourism venues and visitor opportunities at icon locations including Uluru (Ayers Rock and the Olgas), Watarrka (Kings Canyon), various locations in north Queensland including premier rainforest (Daintree and the Atherton Tablelands) and Great Barrier Reef destinations out of Townsville and Cairns. His former role as Regional Conservator included leading protected area and tourism management for the Region, and leading development and operations of Kangaroo Island's premier tourist destinations, guided touring and retail sites located at venues across the national park estate. These roles involved an annual turnover of \$6.5M and responsibility for up to 150 staff. Mark has extensive experience in working across government and community and has held positions including Deputy Chair of Kangaroo Island Community Education Governing Council, Environment Minister's nominee on the Ports Steering Committee, Chair of the Cape York NRM Technical Advisory Committee and Board Member of the Kangaroo Island Natural Resources Board. He is an active Member of Tourism Kangaroo Island.

Mark has extensive experience in fleet and asset management and has directed on-ground land management and planning programs across millions of hectares of national parks in the Northern Territory, Queensland and South Australia. He has managed complex multi-million dollar capital works programs to develop and overhaul national park assets, and has ensured funds were spent on priority programs where there were competing interests.

Mark has assisted Shirley in business administration and operations during its early establishment phase and has recently progressed development of marketing and public relations strategies and Business Planning to carry the next phase of business development. He is managing design, construction and maintenance programs for buildings and grounds. He is also leads landscape protection and natural resource management. An experienced photographer, Mark continues to develop a photographic portfolio as part of the business diversification program and for use in marketing the Sanctuary and Kangaroo Island.

