



## **MEDIA RELEASE**

**Tuesday 3 September, 2024**

### **ADELAIDE AIRPORT LAUNCHES SIGNIFICANT FREIGHT AND LOGISTICS UPGRADE**

Adelaide Airport has commenced the next significant phase of its Airport Junction precinct with the release of a further 27 hectares of developable land - its biggest single land release since 2002 and one of the biggest development sites in Adelaide's inner-metropolitan area over the past two decades.

With the recent completion of new state-of-the-art facilities for FedEx and DHL, Adelaide Airport will expand its industrial land footprint to within the current airfield space, offering direct airside freight access to the main international and domestic terminal via the airside road network in under four minutes.

Adelaide Airport Executive General Manager, Property, James Sangster, said Airport Junction's prime central location will be an attractive proposition for freight and logistics companies. It is located just 6km from Adelaide's CBD, 13km from Port Adelaide, 11km from the Adelaide Freight Terminal (rail) and 2.5km from Adelaide's busiest freight route, the North-South Corridor, which is currently undergoing a \$15.4b road upgrade.

A B-double connection will be created, connecting Airport Junction with the North South corridor via Richmond Rd.

"Airport Junction will be Adelaide's new economic powerhouse, designed for the future of freight and logistics, with a total project value at completion in the region of \$250m facilitating the creation of up to 1,800 jobs. It will be development-ready and scalable to meet the diverse requirements of freight and logistics companies," Mr Sangster said.

"Adelaide Airport is a seasoned developer that can deliver projects to tenant specifications. We're currently seeking expressions of interest for multiple sites ranging from 1 to 10 hectares in size. These opportunities extend from full turn-key development to tenant specific premises project managed by Adelaide Airport, to long term ground leases.

"We intend to further activate Airport Junction with freight and logistics companies, making it an attractive location for businesses looking to create supply chain efficiencies and form part of a vibrant commercial community.

"Adelaide Airport has a sizeable land bank remaining for future development, with approximately 100 hectares, including Airport Junction, at Adelaide Airport and a further 100 hectares at Parafield Airport.



“Industrial land in Adelaide is at a premium, with a recent JLL report on behalf of the Property Council indicating that of the 1,500 hectares of vacant ‘employment lands’ identified by Plan SA in 2021, more than 90 per cent is no longer available or not development-ready.

“With the current severe shortage of large parcels of employment-use land in Adelaide, the timing for the release of Airport Junction is ideal and will help to meet the pent-up demand for industrial land.”

Adelaide Airport’s Head of Property Development, Shimon Spina, said the South Australian Government’s recently-released Freight and Supply Chain Strategy identified the importance of increasing direct air freight access into and out of Adelaide, and to reduce leakage of air freight via other Australian ports such as Melbourne and Sydney.

“In 2023, 21 per cent of air freight imports and 70 per cent of air freight exports moved via road links to interstate airports to access direct flights,” Mr Spina said.

“We want to create opportunities for this freight to travel through Adelaide Airport direct to key markets the quickest way possible rather than having to travel by road to interstate ports. To do this we’re working to increase capacity through more international services, but we’re also investing in the necessary on-airport freight and logistics infrastructure to improve supply chain efficiency.”

### **Background:**

Adelaide Airport Ltd (AAL) has a 99-year lease from the Commonwealth to operate Adelaide and Parafield Airports until 2097.

Air freight handled through Adelaide Airport is valued at approximately \$1.5b per year.

Over the past 5 years, there have been 11 commercial developments across 23 hectares at Adelaide Airport. Commercial tenants include Australia Post, BlueScope, Bunzl, Australian Clinical Labs and the national headquarters for Mitsubishi Motors Australia.

Agreement has already been reached with national tiles retailer, Beaumont Tiles for 19,000 sqm in lettable space with discussions continuing with several other freight and logistics operators.

The 59,000sqm FedEx freight facility and 20,000sqm DHL freight facility were completed in 2023.

For more information, visit [www.airportjunction.com.au](http://www.airportjunction.com.au).

The SA Government’s latest Freight and Supply Chain Strategy can be found here: <https://www.dit.sa.gov.au/about-us/strategies-plans/freight-supply-chain-strategy>