

PROGRESS TO DATE

Ashington began work on the project in late 2007 with the appointment of Architectus, a leading planning, urban design and architectural firm to assess the site and current building and examine its potential for redevelopment and/or reuse.

In early 2008 Ashington approached Woollahra Council and presented several options of the proposal with the intention of commencing design review and consultation with them on the project. Based on feedback received from Council Ashington formed a view at this time that Council was unwilling to consider a development on the site that was outside the planning controls, which the existing building already exceeds.

In April 2008 Ashington held a Community Information Day to better understand community attitudes regarding the redevelopment of the Stamford Plaza Hotel site. The key areas of interest or concern recorded during these sessions have formed part of the design considerations for the site, wherever possible.

In August 2008 the NSW Department of Planning confirmed that pursuant to Clause 6 of the State Environmental Planning Policy (Major Projects) 2005 (hereafter referred to as the Major Projects SEPP), that the proposed development constituted a Major Project and in so doing determined that it is of state or regional significance. Shortly afterwards the Director-General's Requirements for the project were issued by the Department.

In September 2008 the NSW Department of Planning acting on behalf of the Minister of Planning established an Urban Design Review Panel in order to examine the urban design principles and built form concept for the project and evaluate the various redevelopment options for the site. The Panel included an Urban Designer representing the NSW Department of Planning, a senior planner from Woollahra Council, and an external design expert to chair the Panel. Essentially the panel was assessing how the existing floorspace could be redistributed across the site to deliver the best overall environmental outcome and to balance the public and community benefits of the proposal with the resulting built form. Two formal meetings were conducted with Ashington, the project architect, Architectus, and the Urban Design Review Panel.

- The findings of the Urban Design Review Panel included;
- Acceptance that the existing quantum of floor space should remain on the site.
 - Preference for opening up the building form to create a public piazza as a destination rather than a thoroughfare.
 - Retail activation of street frontages in preference to internalised shopping arcades.
 - Pedestrian spaces that are vehicle free.
 - That floor space should be accommodated in slender buildings above podiums to facilitate solar access into the town centre and Cross Street and minimise view impact.
 - Podium levels should complement the scale of adjacent developments at each site boundary.

This design review process was completed in November 2008 with the recommendations incorporated into the proposed scheme for the site.

Based on the feedback from the Urban Design Review Panel and the Department of Planning, Ashington and Architectus have commenced the preparation of a new redevelopment concept for the project that responds to the extensive process undertaken to date. This new concept will be the basis for the Environmental Assessment process to now be embarked upon.

WHAT'S NEXT

Community Consultation on the new design concept will be conducted from mid January through to February 2009.

Incorporating feedback from the consultation processes, the designs will be refined where possible and finalised.

The Environmental Assessment (equivalent to a development application) will be prepared and will address all the potential environmental impacts of the proposal and in particular the matters outlined in the Director-General's Requirements.

The Environmental Assessment, incorporating information of the entire design and planning evolution process and the consultation programs undertaken for the project, will be lodged with the Minister for consideration.

Disclaimer: The information held in this document has been prepared with all reasonable care and thought, however Ashington and its related companies and agents and Urban Concepts do not warrant the accuracy of any information shown and do not accept any liability for negligence, any error or discrepancy or otherwise in the items shown. Illustrations and images throughout this document are depictions and impressions only and are for presentation purposes only and will be subject to change as the design process progresses.

A VIBRANT NEW VISION / AN EXCLUSIVE CENTRE OF LUXURY

ASHINGTON'S VISION FOR 33 CROSS STREET IS TO REVITALISE THE DOUBLE BAY PRECINCT BY REPOSITIONING THE EXISTING PROPERTY INTO A WORLD CLASS, FIVE-STAR HOTEL AND LIFESTYLE DESTINATION – PROVIDING THE AREA WITH A LEVEL OF RETAIL AND RESIDENTIAL AMENITY THAT REFLECTS ITS EXCLUSIVE LOCATION.

Ashington understands the keen interest of the community in the redevelopment of 33 Cross Street Double Bay, the Stamford Plaza Hotel site.

We are committed to thorough consultation with the community and key stakeholders prior to lodging the final development concept and Environmental Assessment with the NSW Minister for Planning. This newsletter contains details about our intended consultation and the planning process that we will follow under Part 3A of the Environmental Planning and Assessment Act 1979.

I believe that this site provides a unique opportunity to create a development that is truly exceptional. A considered design concept that opens up the site to the Double Bay streetscape, complimenting the exclusive local character whilst giving back to the community a vibrant public space to be enjoyed by all.

Our vision is to create a world class, five star hotel and lifestyle development of a quality commensurate with its exclusive Double Bay location. To achieve this, the existing building would be demolished to make way for a scheme that will lead the market in design quality and environmental sustainability. Driving this vision will be a commitment to;

- An iconic development incorporating exemplary design that will reinvigorate and brand Double Bay as Sydney's, and Australia's, premier centre of luxury.
- To provide Double Bay with an open, sun drenched piazza that will enhance the local shopping and dining experience, offering fine fashion and vibrant cafes.
- A built form that will improve sunlight to public spaces throughout the year.
- Deliver a hotel that will re-position the existing property into Australia's leading luxury hotel, breathing life into this exclusive precinct and re-activating Double Bay as Sydney's most prestigious tourism destination.
- Creating pedestrian linkages to the laneways and thoroughfares that characterise the Double Bay shopping experience.
- Deliver a mix of uses that will generate flow on economic benefits to boost existing retail business.

We believe that Ashington's capital investment of \$114 million in the project combined with the more than 170 jobs in the retail and tourism sector generated by the project will substantially contribute to the future prosperity of Double Bay and the wider community.

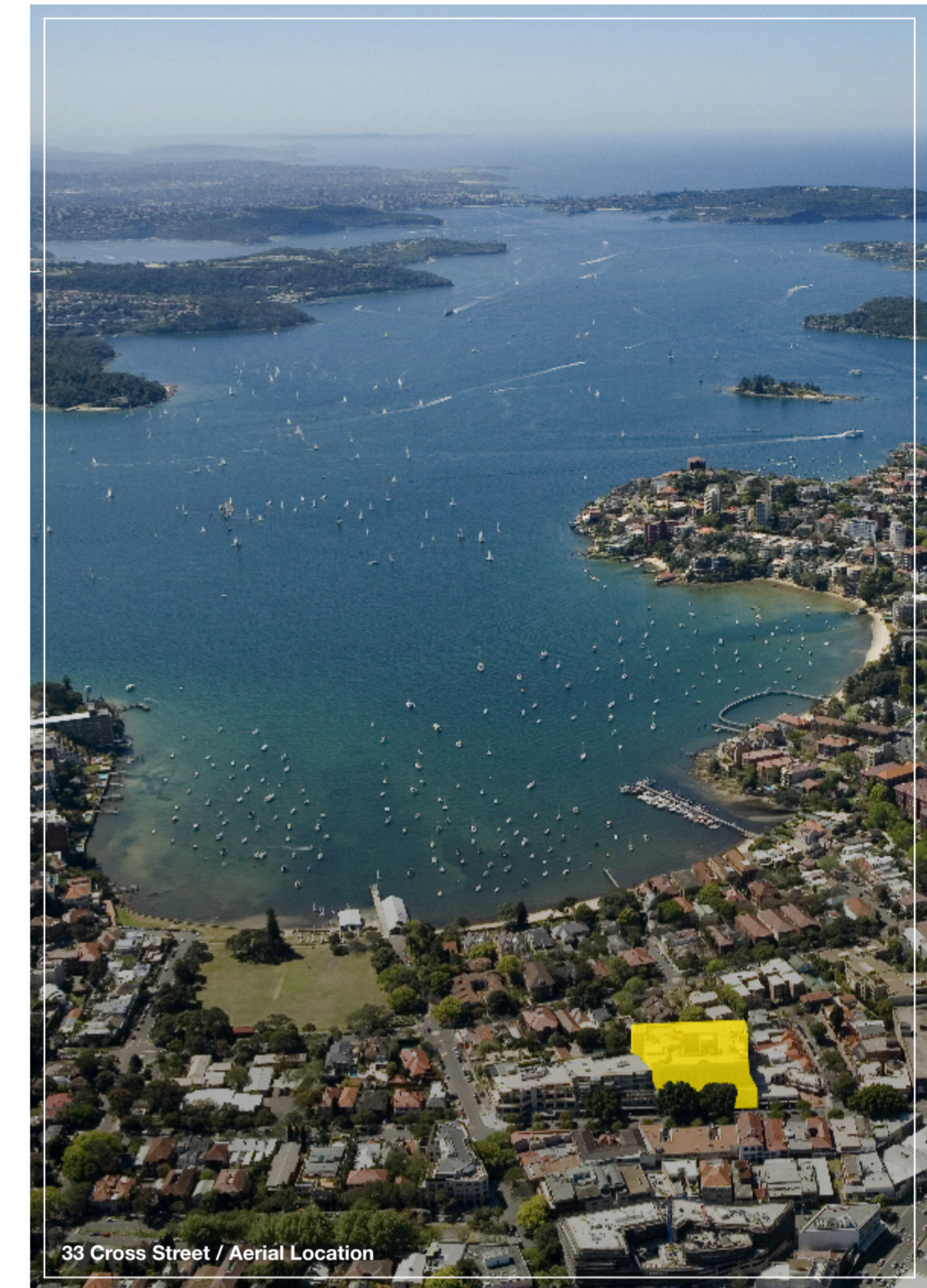
Ashington look forward to sharing our vision with you at a series of Community Forums which will commence in mid January 2009. During these Forums we will present the development to the community and key stakeholders in its entirety allowing each component to be reviewed on its design, economic and planning merits.

We invite you to share our vision which we believe can transform this site and create value for residents and business operators.

Sincerely,



Craig Anderson
Managing Director, Ashington



33 CROSS STREET / DOUBLE BAY

CONTRIBUTION TO THE LOCAL ECONOMY, LOCAL & METROPOLITAN PLANNING STRATEGIES AND TOURISM

/ THE LOCAL ECONOMY

With a capital investment of \$114 million the project will generate 170 jobs, improving tourism and increasing visitor numbers, whilst attracting a high quality hotel and premium retailers to the Double Bay area. The project will also be important in achieving state and regional planning objectives by providing an exemplary town centre development that will stimulate the revitalisation of the Double Bay Town Centre.

/ LOCAL AND METROPOLITAN PLANNING STRATEGIES

Ashington is of the belief that our vision compliments the key objectives outlined in the 2008/2011 Woollahra Council Management Plan by:

- Enhancing the quality of the built environment in a sustainable manner,
- Complimenting existing development whilst respecting neighbourhood amenities, and;
- Significantly enhancing important public spaces through the creation of an open air piazza.

It is also our belief that the project is in line with the objectives set out in the NSW Government Metropolitan Strategy for Sydney, and the Draft East Subregional Strategy prepared by the NSW Department of Planning. The proposal promotes tourism and the sustainable economic growth of the Town Centre, and utilises a strong existing network of infrastructure to support the Government's targets for higher density in city centres.

/ TOURISM

The April 2008 edition of The Australian Hotel Development Register produced by Jones Lang LaSalle Hotels states that;

"Hotel development in Australia remains largely unfeasible as hotel values have not kept pace with the growth in construction costs over the last twelve years - the peak of the last development cycle. Thus, the viability for the development and construction of new hotels is extremely limited."

In order to build a hotel at 33 Cross Street, and for it to be both viable for the operator and Ashington, a mixed use development that also incorporates retail and residential is the only feasible option. With the Stamford Plaza Hotel closing in March 2009, this mix of uses provides the only alternative for a hotel to re-open on the site.

Tourism NSW has identified that the luxury, five-star market is not being serviced adequately with a chronic lack of supply of hotels in this category to service growing domestic and international demand.

Tourism NSW reports that of all domestic travellers in Australia in 2007, 9.4 million were luxury travellers. NSW received 2.8 million of these luxury visitors, which accounted for 12% of all visitors to the state, and an expenditure of \$2.7 billion. Of all international visitors to Australia, 1.5 million were in the luxury segment, with expenditure totalling \$2.6 billion. Sydney was the main gateway for almost half of these international luxury visitors.

Further research has also shown that interest in visiting Double Bay from both the local and interstate markets has declined between 2004 and 2007 (Sydney Precincts Research 2007, Tourism NSW). A landmark development that provides a unique combination of retail and dining options and a world class hotel will no doubt contribute to reversing this trend.

/ REGISTRATION FORM FOR COMMUNITY FORUMS

We hope that you will attend one of our Community Forum Sessions. We ask that you register by indicating your 1st and 2nd preference for a session. We will then confirm the session time with you either via email or by telephone. It is therefore essential that the contact details along with your preferences are completed.

To Register: Please phone the Ashington Double Bay Information Line during business hours on 1800 068 018, or email: doublebay@urbanconcepts.net.au or alternatively you can complete this form and mail to: Urban Concepts, Ashington Double Bay Project, PO Box 780, North Sydney NSW 2059.

First Name _____ Last Name _____

Address _____

City _____ Postcode _____

Telephone _____ Email _____

Please indicate your 1st and 2nd preference for a session time by placing a 1 and 2 in the appropriate box below:

Saturday 17th January	Tuesday 20th January	Wednesday 21st January	Thursday 22nd January
<input type="checkbox"/> 9.30am - 11.30am	<input type="checkbox"/> 7.30am - 9.30am	<input type="checkbox"/> 7.30am - 9.30am	<input type="checkbox"/> 7.30am - 9.30am
<input type="checkbox"/> 1pm - 3pm	<input type="checkbox"/> 12.30pm - 2.30pm	<input type="checkbox"/> 12.30pm - 2.30pm	<input type="checkbox"/> 12.30pm - 2.30pm
<input type="checkbox"/> 4pm - 6pm	<input type="checkbox"/> 7pm - 9pm	<input type="checkbox"/> 7pm - 9pm	<input type="checkbox"/> 7pm - 9pm

No. of people attending _____

Please use an additional piece of paper for other comments.

Provision of information requested in this form is voluntary. It is for use by Urban Concepts to maintain your details for the purposes of communicating consultation information for the Ashington Double Bay Project and associated activities to you. If you do not wish to receive any further details or wish to check your information please contact us on 1800 068 018.

The information and text presented in this newsletter has been prepared in conjunction with and has been approved by Ashington Capital Limited ABN 65117115063. Urban Concepts is the trading name for Ambaska Holdings Pty Ltd ACN 074171065 ABN 96074171065 director, Belinda Barnett, Suite 3, Level 8, 15 Blue Street, North Sydney 2060 T: 9964 9655 F: 9964 9055

THE DESIGN

Ashington's vision is to deliver a project that is of a world class standard, a luxury, lifestyle development that will incorporate all the integral features of a landmark tourism destination. In order to attract an appealing mix of leading retailers and a world class hotel brand, the highest level of design is required.

The existing building, built in 1990, does not provide this high standard of urban design and amenity. It has a problematic layout and essentially turns its back on the Double Bay Town Centre. The internalised shopping arcade has no street presence or active pedestrian space, is not sympathetic to the adjoining uses, and does not provide a flowing retail experience.

The design scheme that Ashington is proposing incorporates a world-class luxury hotel, high-end retail, and residential apartments. The design has as its focus a public piazza in the centre of the site that will open to the sky, and the redistribution of the floor space mass around the periphery.

An integral component of the proposed design is the inclusion of a luxury boutique hotel. To enable such a hotel to work on the site, the building must be largely demolished and redeveloped. It is widely accepted that in considering a redevelopment proposal for a project that the existing floorspace can be retained in the redevelopment.

The existing building also underperforms from an environmental sustainability and amenity perspective. A rebuild scenario will provide the opportunity for the building to be re-designed to incorporate market leading, environmentally sustainable design.

The alternate redevelopment option is to retain the current built form and convert it into residential apartments, with the existing poorly performing retail arcade maintained. Under the current land use zoning this is permissible for the site, but due to the existing building's design shortcomings would not support the requirements of a modern-day boutique hotel layout. It is Ashington's opinion that this alternative will provide little, if no positive impact on the local economy and employment. It would add nothing to the local character, or public domain of Double Bay. The opportunity to do a project that is truly exceptional, and that contributes to the revitalisation of Double Bay, would be lost. We are confident that like Ashington, this is not something the community and local business operators would like to see for this important site.



THE PLANNING PROCESS

/ WHAT IS A MAJOR PROJECT?

A development is classified as a "Major Project" if it is deemed to provide benefits to the broader regional community, and must be assessed on criteria that goes beyond the local planning controls. Such projects are identified in the Major Projects SEPP under several categories including Specified Sites, Development Type, Retail, Residential or Commercial Projects, Rail and Related Transport Facilities, Marina Projects and Critical Infrastructure Projects.

In the case of 33 Cross Street Double Bay the Minister for Planning has formed the opinion that the proposal falls under Clause 17 of Schedule 1 of the Major Project SEPP as follows:

Clause 17 Tourist Convention and Entertainment Facilities

Development for the purpose of tourist related facilities, major convention and exhibition facilities or multi use entertainment facilities that:

- (a) has a capital investment value of more than \$100 million; or
- (b) employs 100 or more people; or
- (c) has a capital investment value of more than \$5 million and is located in an environmentally sensitive area of State Significance.

As the Ashington proposal has a capital investment value of \$114 million, and will generate over 170 jobs in the hotel, residential and retail sectors the proposal falls under the criteria of Clause 17 and consequently was declared a Major Project by the Minister.

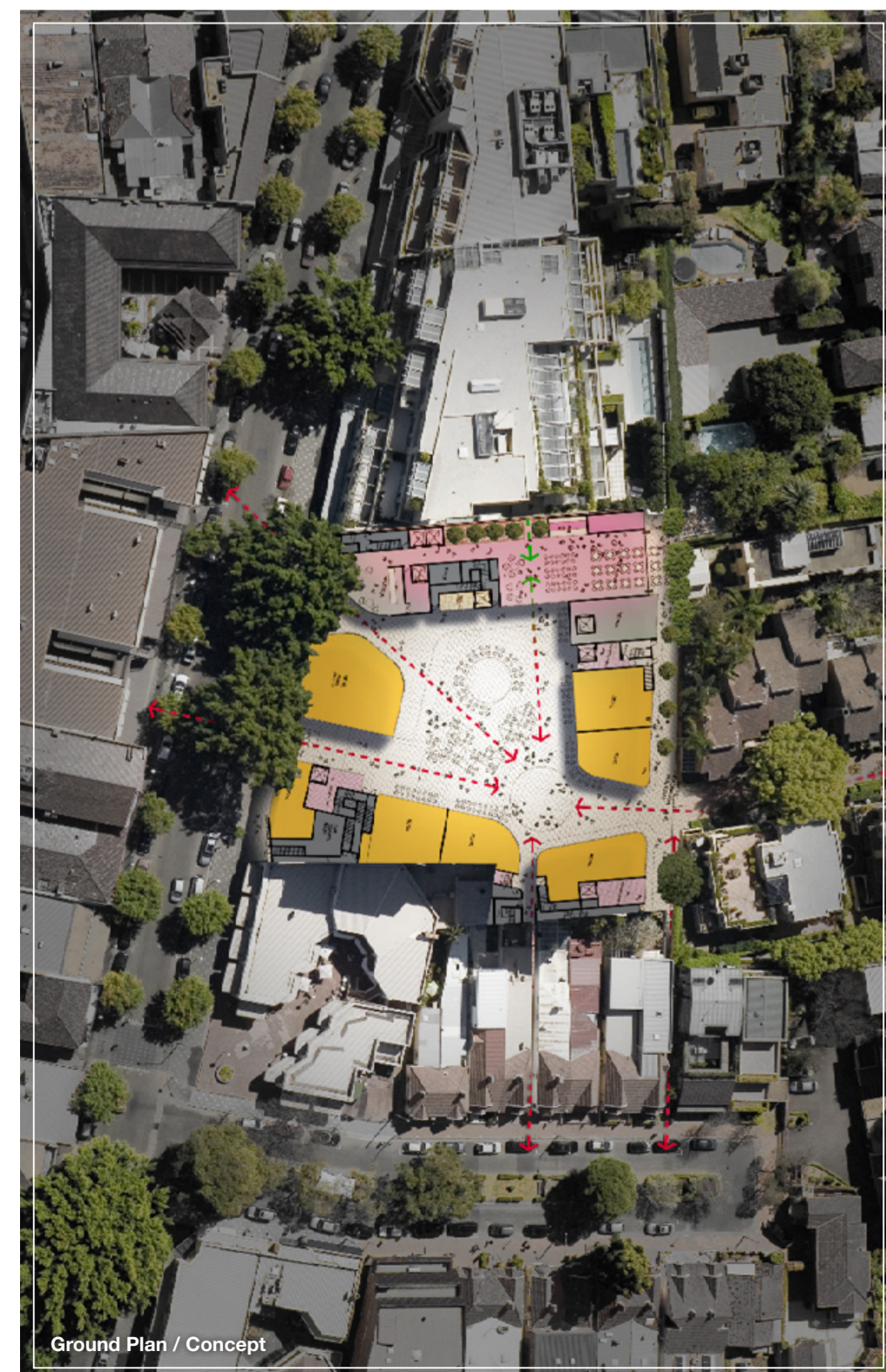
"Tourism precincts in excess of \$100million or with more than 100 employees are automatically referred to the NSW Government for assessment under the Major Projects State Environmental Planning Policy. While the project included residential dwellings, it meets the major projects criteria.

This threshold is in place to ensure the NSW Government assesses projects which are of regional and State significance.

Consequently, the Department of Planning does not believe it made a discretionary decision to "call in" the proposal at the Stamford.

After consulting with the Woollahra Council, the department has issued requirements outlining the key issues which need to be addressed by the proponent before any proposal is placed on public exhibition."

Sam Haddad
Director-General
NSW Department of Planning
Wentworth Courier, December 3, 2008



/ THE MAJOR PROJECT ASSESSMENT PROCESS OUTLINE ONLY

1. DECLARATION OF MAJOR PROJECT

NSW Minister for Planning declares the proposal a Major Project to which Part 3A applies.

2. DIRECTOR-GENERAL REQUIREMENTS

The Director-General of the NSW Department of Planning consults relevant public authorities and establishes the key issues that must be addressed in the Environmental Assessment of the project. These are referred to as the Director-General's Requirements.

3. CURRENT STAGE: PREPARATION OF ENVIRONMENTAL ASSESSMENT DOCUMENT

The Director-General of the NSW Department of Planning consults relevant public authorities and establishes the key issues that must be addressed in the Environmental Assessment of the project. These are referred to as the Director-General's Environmental Assessment Requirements.

4. NOTIFICATION AND EXHIBITION

The Director-General advertises and exhibits the environmental assessment for at least 30 days, notifies relevant public authorities, local Councils and residents.

During the exhibition period any person can make a written submission to the Director-General regarding the proposal.

5. CONSIDERATION OF WRITTEN SUBMISSIONS

Response to issues raised in the written submissions. If changes are required for the project then a Preferred Project Report is prepared outlining the changes.

6. ASSESSMENT REPORT

The Director-General prepares an environmental assessment report to the Minister. If the Director-General recommends approval, draft conditions of approval are also prepared.

7. DETERMINATION

Minister decides to approve or reject the project. People who made a written submission are also advised and the notice of determination is placed on the NSW Department of Planning website.

Legend: Stage has been completed Stage is currently in progress Future Stages

HOW CAN YOU BECOME INVOLVED

A range of consultation initiatives have been developed to keep you informed about the project and provide you with the opportunity to have your say about the development concept for the site prior to the lodgement of the Environmental Assessment with the NSW Department of Planning.

These initiatives include:

A free call 1800 number and email address which will enable you to register for consultation events and express your views. This will be serviced Monday through to Friday during business hours 9am-5pm. The Ashington Double Bay Information Line is 1800 068 018. The email address is doublebay@urbanconcepts.net.au

The Ashington Double Bay Website. On the website you will find information relating to the Part 3A Planning Process, the development solution for the site, project fact sheets addressing urban design, tourism and economic benefits. Information concerning the consultation process and a feedback form where you can register your comments about the project. You will also be able to view important documents related to the project including the Environmental Assessment once it has been lodged. Visit the project website at www.ashingtondoublebay.net.au

Regular Media Articles. We will run regular display advertisements in local media to update you on the project and encourage participation at the Community Forums.

Community Newsletters. We will distribute newsletters to local residents at integral stages in the process. You can expect to receive your second newsletter in mid January 2009.

Community Forums. We will hold a series of community forums between Saturday 17th January and Thursday 22nd January 2009. Breakfast, lunchtime and evening forum sessions will be held providing a range of times for your convenience. To register your attendance at a Community Forum please complete the registration form in this newsletter or visit the website and register on line. The Community Forums will be held at the Stamford Hotel, Double Bay.



TO REGISTER

It is important that you register your attendance for a Community Forum in order to secure your place. You can do this by indicating your 1st and 2nd preference for a session time and placing a 1 and 2 in the appropriate box.

Telephone:
Phone the freecall Ashington at Double Bay Information Line on 1800 068 018 (during business hours 9am -5pm). If the line is unattended please leave a message and your call will be returned.

Email:
doublebay@urbanconcepts.net.au

Mail:
Ashington Double Bay Project
PO Box 780
NORTH SYDNEY NSW 2059

Register online:
At www.ashingtondoublebay.net.au