Cycle Tourism Investment Opportunities in Victoria’s High Country

February 2019
Disclaimer

The purpose of this document is to provide recipients with information relating to the cycle tourism investment opportunity in Victoria’s High Country.

This document is not intended to contain all the information required to make an investment decision.

Before investing, investors should conduct their own independent review and investigation of the opportunities presented, and consult professional advice where necessary.
Located in one of the safest countries in the world for investment, Victoria offers a stable and prosperous investment climate with rich opportunities for new products and services.

Victoria is a remarkable, beautiful state. Vast numbers of visitors are attracted each year by Melbourne's sophisticated city experiences, world class major events and by regional Victoria’s nature-based attractions.

Its reputation as a fascinating and visitor-friendly destination is growing steadily.

In the year ending June 2018, Victoria received 80.6 million total visitors, contributing 27.3 billion to the Victorian economy - an increase of 8.3% on the previous year.

While it’s the Chinese market that underpins Victoria’s international visitor and expenditure growth, Melbourne is also Australians' most preferred domestic leisure destination, attracting significant interstate visitation and expenditure.
Visitors to Victoria – Year Ending June 2018

$27.3 BILLION ▲ 8.3%
total tourism spend

International overnight spend
$8.0 billion ▲ 7.3%

Domestic overnight spend
$14.0 billion ▲ 8.0%

Domestic daytrip spend
$5.3 billion ▲ 10.7%

$74.8 MILLION
visitor spend per day in Victoria

growth in total tourism spend
YE June 2013 to YE June 2018
+7.1% p.a.  +$8.0b

80.6 MILLION ▲ 7.7%
total visitors

International overnight visitors
3.0 million ▲ 7.9%

Domestic overnight visitors
24.7 million ▲ 6.4%

Domestic daytrip visitors
53.0 million ▲ 8.3%

140.4 MILLION ▲ 4.9%
total number of visitor nights spent in Victoria

growth in total visitors
YE June 2013 to YE June 2018
+4.9% p.a.  +17.0m

To note: All growth rates noted on this page are year-on-year percentage changes.
Top 10 Source Markets by Overnight Spend (total visitors) - Year Ending June 2018

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Sources: International and National Visitor Surveys, Tourism Research Australia (T RA), year ending June 2018
Factsheet produced by the Tourism, Events and Visitor Economy Research Unit, November 2018.
Due care is taken in the production of this factsheet, however DEDJTR accepts no responsibility for use of this information.
Data is considered correct at time of publishing.
Melbourne On Your Door Step

Melbourne is a thriving market, rapidly growing in size with an economy larger than Singapore and New Zealand.

Melbourne has an affluent society of 5 million people with a strong demand for goods and services. Melbourne's population has grown more quickly than any other Australian city over the past 10 years.

Rapid increase in international migrants and a growing visiting friends and relatives market seeking new visitor experiences creates a unique opportunity for regional Victoria.

Melbourne Airport is Australia's busiest curfew-free passenger and container airport with over 32 million passengers each year boarding almost 650 international flights per week. It is served by 29 international airlines offering direct flights to 33 international destinations.

It is predicted that Melbourne will become Australia's largest city by 2030.
Untapped Investment Potential In Regional Victoria

Although the experience economy is Victoria’s second busiest export sector after international education, Victoria’s rich regional landscapes still have considerable untapped investment potential.

A strongly supportive government is working with investors to develop new services and infrastructure to provide ever increasing quality experiences for new and returning visitors.
VICTORIA’S TOURISM REGIONS

- THE MURRAY
- THE GRAMPIANS
- GREAT OCEAN ROAD
- MELBOURNE
- DAYLESFORD & MACEDON RANGES
- GOLDFIELDS
- YARRA VALLEY & THE DANDENONGS
- MORNINGTON PENINSULA
- PHILLIP ISLAND
- GIPPSLAND
- HIGH COUNTRY
VICTORIA’S HIGH COUNTRY REGION
Victoria’s High Country

Located 3-4 hrs North East of Melbourne

Spectacular natural environment.

Vibrant and thriving communities and friendly villages.

Abundant with nature-based and outdoor adventure experiences: including cycling, hiking, skiing, gliding and climbing.

Supported by gourmet restaurants, farm-gates, wineries and boutique breweries
Visitation Growth

Tourism is one of five key ‘super growth’ sectors, driving jobs and growth in regional economies over the next decade.

In the year ending June 2018, Victoria’s High Country received over 3.6 million visitors, spending over $1.1 billion.

Visitor numbers are forecast to increase to 5.2 million visitors by 2025.

The region currently receives 103,000 cycle tourists per year, spending $50 million when in region – more than any other regional destination.

Cycle tourism visitor growth is forecast to continue, with the mid-growth scenario projecting 255,000 visitors participating in cycling in Victoria’s High Country by 2025.

The region’s entrepreneurial community will further help drive this growth with the development of new, innovative visitor experiences.
Visitors to Victoria’s High Country
Year Ending June 2018

In 2016-17, tourism was estimated to be worth $710 million to the region’s economy (in direct and indirect Gross Regional Product), representing 18.7 per cent of the region’s economy.

Tourism generated employment of approximately 8,300 people, or 21.0 per cent of the region’s employment.

Domestic overnight expenditure in Victoria’s High Country in the year ending June 2018 was estimated to be $851 million (+36.5 per cent year-on-year), with visitors spending an average of $177 per night and $503 per visitor.

Daytrip visitors spent an estimated $193 million in the year ending June 2018, an increase of 22.5 per cent compared to the previous year.

International overnight expenditure in Victoria’s High Country was estimated to be $25 million in the year ending June 2018, a decrease of 19.9 per cent year-on-year.

<table>
<thead>
<tr>
<th></th>
<th>GRP</th>
<th>% of Economy</th>
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</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>$851 M</td>
<td>36.5%</td>
</tr>
<tr>
<td>International</td>
<td>$25 M</td>
<td>19.9%</td>
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<table>
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<tr>
<th></th>
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<tr>
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<tr>
<td>International</td>
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<td>34,000</td>
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Sources: International and National Visitor Surveys, Tourism Research Australia (TRA), year ending June 2018
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Total Tourism Spend in Victoria’s regions (Daytrip, Domestic and International Overnight) Year Ending June 2018

Sources: International and National Visitor Surveys, Tourism Research Australia (T RA), year ending June 2018
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Victoria’s High Country is the leading cycle tourism destination in Australia, attracting more cycle visitation and yield than any other destination.

The quality and extensiveness of its cycling infrastructure, combined with its unique nature-based and culinary experiences delivers strong destination appeal to visitors.
Victoria’s High Country Cycling Experience

Strengths

Victoria’s High Country is one of very few cycling destinations in Australia with a strength in all three cycling typologies

Rail Trails
Three signature rail trails including the longest and best quality offerings in Australia - Great Victorian (134 km), High Country (59 Km) and the iconic Murray to Mountains (116 km).

Mountain Biking
Seven unique mountain bike parks and 50% of all formalised mountain bike single track in Victoria, including the only internationally recognised trails in Australia.

Road Cycling
Six of the toughest 15 road cycling climbs in Australia, including five category 1 and hors category.

Events
Highly regarded cycling events for every rider level. Family friendly rides, to advanced road and mountain biking competitions.
Regional Cycling Events

- **Shimano Enduro Tour**
  - Dec 2018
  - Mt Buller

- **RACV Great Victorian Bike Ride**
  - Nov 2019
  - Bright

- **Peaks Challenge**
  - March 2019
  - Falls Creek

- **The Hunger Ride**
  - March 2019
  - Beechworth

- **Lake Hume Cycle Challenge**
  - Feb 2019
  - Wodonga

- **Sam Miranda Tour of King Valley**
  - Aug/Sep 2019
  - Oxley

- **High Country Women's Cycling Festival**
  - March 2019
  - Bright

- **Chiltern Mo Ride**
  - Nov 2018
  - Chiltern

- **Alpine Classic**
  - Jan 2019
  - Bright

- **7 Peaks hosted rides**
  - March 2019
  - Mt Hotham - Dec 2018
  - Mt Buller - Feb 2019
Victoria’s High Country Culinary Experience

Strengths

Regional Produce
Local farm gates & fresh produce such as handmade cheese, butter, chocolate, fresh fruit, jams & preserves.

Craft Breweries & Distilleries
Locally made beers, ciders and spirits

Wine
6 wine regions with different climates, topography, history and wines - cool climate vineyards, Mediterranean wines and 100-year-old muscats.

Dining
Friendly pubs, stylish cafes and elegant restaurants.

Culinary Festivals and Events
High Country Harvest Festival, La Dolce Vita, Tastes of Rutherglen.
Victoria’s High Country Nature-Based & Adventure Experience Strengths

Icon Walks
One of Victoria’s icon walks, the 57km Falls-Hotham Alpine Crossing is a 3 day/2 night walk through the Alpine National Park, linking the resort villages of Falls Creek and Mt Hotham.

The walk winds its way along alpine ridges through snow gum woodlands and snow grass plains, over rocky summits and past historic huts.

Mt Buffalo National Park
Sheer cliffs, imposing granite tors, tumbling waterfalls, snow gums and stunning wildflowers. The park features over 90km of walking tracks, panoramic scenery, waterfalls and scope for adventurous pursuits such as rock climbing and hang-gliding.

In summer, wildflowers are plentiful and the park is a cool retreat from the heat of the lowlands. In winter the park is ideal for cross-country skiing with its gentle undulating landscape, spectacular sub-alpine environment and the convenience of over 14km of marked ski trails.
Mt Buller
Australia’s most accessible snow resort and bustling alpine Village, offering 22 lifts, ski-in, ski-out accommodation, 300ha of terrain and plenty of off-snow activities. The green season provides numerous opportunities for trail running, hiking and downhill mountain biking with the only accredited Epic trail in Australia.

Mt Hotham
Known as the 'powder capital' of Australia, Hotham is the highest Victorian resort and is renowned for its double black diamond terrain. The green season provides a wealth of biking, trail running and hiking opportunities, including the Falls Creek to Mt Hotham Alpine Crossing.

Falls Creek
Falls Creek is Australia’s only true ski in, ski out Resort, featuring Victoria’s largest skiable terrain, 65km of cross country trails and a vibrant village lifestyle. The green season here provides over 40km of world class mountain biking gravity trails, and numerous hiking opportunities, including the Falls Creek to Mt Hotham Alpine Crossing.
<table>
<thead>
<tr>
<th><strong>Cycle friendly villages</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEECHWORTH</strong></td>
</tr>
<tr>
<td>Elevation: 560 m</td>
</tr>
<tr>
<td>Australia’s best preserved gold mining town</td>
</tr>
<tr>
<td>Acclaimed food and wine scene set amid stunning gold rush architecture.</td>
</tr>
<tr>
<td>Historic &amp; Cultural Precinct, e.g. Ned Kelly</td>
</tr>
<tr>
<td>Cycle Product: Murray to Mountains Rail Trail, Beechworth Mountain Bike Trails, Road Cycling</td>
</tr>
</tbody>
</table>

| **BENALLA** |
| Elevation: 170 m |
| Cultural arts hub – visual and public arts |
| World class street art |
| Regional Gallery, cafes and restaurants |
| Lakes and Wetlands – Lake Mokoan, Benalla Lake, Winton Wetlands |
| Cycle Product: Road Cycling, recreational cycling |
Cycle friendly villages

**BRIGHT**

- Elevation: 319 m
- Picturesque village on the ovens river, deciduous trees in Autumn splendour
- Proximity to Victoria's alps, national parks and local food and wine.
- Cycling product: Murray to Mountains Rail Trail, Mystic Mountain Mountain Bike Park, Road Cycling
- Good base for winter and summer adventure activities

**MANSFIELD**

- Elevation: 247 m
- 2.5 hrs from Melbourne.
- Picturesque village at the foothills of the Victorian alps
- Proximity to Lake Eildon, great food and wine, Mt Buller (snow/ski, hiking, adventure and mountain biking)
- Cycling product: Great Victorian Rail Trail, Road Cycling
Cycle friendly villages

MT BULLER & MT STIRLING

Elevation: 1,805 m
2-3 hrs from Melbourne Airport. Spectacular alpine and high country views
Winter and green season activities – skiing, boarding snow play, toboggan, dog-sledding, trail running, hiking, cross country & downhill mountain biking
Extensive and lengthy trail network, & Australia’s only accredited Epic trail
Most popular snow resort in Victoria & the largest lift network in Victoria (Mt Buller)

MT HOTHAM, DINNER PLAIN & OMEO

Elevation: 1,962 m (Mt Hotham)
Winter and green season Mt Hotham Alpine village resort
Breathtaking alpine views, skiing, mountain biking, hiking, walking
Known as the ‘powder capital’ with the best snow in Victoria
Cafes, restaurants and accommodation.
Cycle Product: Road Cycling, Dinner Plan Mountain Bike Park
Cycle friendly villages

**Falls Creek**

- Elevation: 1,500 m
- All season alpine village resort with the highest lake in the state (Rocky Valley Lake)
- Skiing, mountain biking, hiking, walking, fishing, canoeing/kayaking
- Fabulous cafes, restaurants and accommodation.
- Cycle Product: Falls Creek Mountain Bike Park - 40km+ of single-track, Road Cycling (Mount Beauty)

**Mount Beauty**

- Elevation: 366 m
- Picturesque alpine village in the heart of the Kiewa Valley
- 30 minutes from Falls Creek
- Cycling, hiking, walking, fishing, canoeing/kayaking
- Local wineries and brewery.
- Cycle Product: Road Cycling, Big Hill Mountain Bike Park
Cycle friendly villages

MYRTLEFORD

Elevation: 223 m
Picturesque Alpine Valley township
Home to vineyards and farms selling vegetables, berries, nuts & olives.
Good base for cycling, hiking, walking and fishing
Local wineries
Cycle Product: Murray to Mountains Rail Trail, Road Cycling

KING VALLEY

Elevation: 243 m (Whitfield)
Artisan winemakers and food producers
Strong Italian heritage and pioneers of ‘Prosecco’ in Australia
Breathtaking rural landscapes.
Cycling product: Road Cycling,
Cycle friendly villages

**RUTHHERGLEN**

- Elevation: 175 m
- Picturesque wine and food destination with magnificent fortified wines and muscats
- Over 20 award-winning wineries, outstanding restaurants and cafes, and world-class local produce
- Camping, fishing, cycling, swimming and boating
- Cycle Product: Murray to Mountains Rail Trail, Road Cycling, recreational trail riding/entry level mountain biking in Chiltern Mt Pilot National Park

**YACKANDANDAH**

- Elevation: 286 m
- Historic township and charming streetscape
- Progressive community with a strong focus on environmental sustainability
- Modern dining options and charming accommodation
- Cycle Product: Murray to Mountains Rail Trail (timing 2021), Yackandandah Mountain Bike Park
Cycle friendly villages

**WANGARATTA**

- Elevation: 154 m
- Buzzing retail, cafes and riverside restaurants
- Home to a variety of events, including the Wangaratta Jazz Festival
- Cycling product: Road Cycling, Murray to Mountains Rail Trail, shared local paths

**UPPER MURRAY**

- Elevation: 258 m (Tallangatta)
- Main townships - Tallangatta & Corryong
- Pristine rivers, lakes, deep valleys and forested areas to explore.
- Angling, cycling, 4WD experiences and bushwalking
- Cycling product: Road Cycling, High Country Rail Trail, Mountain Biking (trails under development)
Projected accommodation demand

Visitation to North East Victoria will grow to 5.2 million, including 2 million overnight visitors by 2025, using the mid-point growth scenario.

Additional overnight visitors projected to visit the region are estimated to drive demand for an additional 1000-1300 guest rooms by 2025.

It is estimated that of the 1000-1300 guest rooms required to meet projected demand, around 250 will be required for cycle visitors.

Source: Visitation modelling undertaken by consultants Urban Enterprise 2017
Cycling Visitor Target Markets

The region is targeting three cycling disciplines.

1. Road cycling - high intensity road climbers & flat road riding enthusiasts
2. Rail trail riders – all-rounders
3. Mountain biking – all rounders and technical riders.

Market analysis indicates an incredibly strong cross over between riders of each discipline.

Of the 1.2 million people in Australia who class themselves as mountain bikers, 46% of them also participate in road cycling, 28% ride rail trails and 54% ride on bike paths.

Victoria’s High Country is therefore one of very few cycling destinations in Australia with a strength in all three cycling typologies.
## Road Cycling Segment summary

<table>
<thead>
<tr>
<th>Segment (% of market)</th>
<th>% Value</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Higher Intensity Climbers</strong></td>
<td>28%</td>
<td>• Majority male with an average age of 35 years • Fitness &amp; getting outside the key drivers for cycling • Well aligned to hilly terrain &amp; long mountain climbs • Take greater than average overnight trips per year</td>
</tr>
<tr>
<td><strong>Flat Riding Enthusiasts</strong></td>
<td>25%</td>
<td>• Majority male aged between 25 and 45 • Motivations for cycling are fitness, getting outside, though some also ride to commute • Prefer flat terrain, though also well aligned to scenic rides • Above average for annual cycling trips &amp; spend per trip</td>
</tr>
<tr>
<td><strong>Fitness Flat Riders</strong></td>
<td>19%</td>
<td>• ~70% male with an average age of 36 • Ride for chiefly for fitness and getting from A to B • Prefer leisure &amp; faster rides on easy terrain as well as rides with scenic stopovers • ~ Average trips per year, with spend per trip above average</td>
</tr>
<tr>
<td><strong>Lower Intensity Climbers</strong></td>
<td>17%</td>
<td>• 65% male, 35% female, majority aged under 35 • Fitness the key driver, above average for getting outside &amp; spending time alone • Well aligned to hilly terrain and long distance touring • More than average trips per year, though lower on spend</td>
</tr>
<tr>
<td><strong>Low Involvement Flat Riders</strong></td>
<td>11%</td>
<td>• More even gender skew (~60% male), more than average in older age groups • Cycle easy &amp; scenic rides for fitness &amp; commuting • Well below average on trips per year &amp; spend, representing less opportunity than other segments</td>
</tr>
</tbody>
</table>

There are 2.2 million road cyclists in Australia who can be categorised according to the above consumer segments, of which the first four segments represent the greatest latent demand and opportunity:
## Rail Trail Segment summary

<table>
<thead>
<tr>
<th>Segment (%) of market</th>
<th>% Value</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cycling All-rounders  (54%)</td>
<td><img src="image1" alt="Image" /></td>
<td><img src="chart1" alt="Pie Chart" /> 55%</td>
</tr>
</tbody>
</table>
| - Mostly males under 45  
- Rail trail riding one of the types of cycling enjoyed, though other types more frequent (& generally more preferred)  
- Rail trailing is for fitness, enjoying nature & doing something different to the routine  
- Take ~3 overnight trips per year on which they go Rail trailing |
| Rail Trail Families  (16%) | ![Image](image2) | ![Pie Chart](chart2) 30% |
| - More even gender spread with an average age of ~40  
- Key motivations for rail trail riding are spending time with the family & enjoying the natural environment  
- Take an average no. of trips per year, but larger travel party leads to higher spend |
| Rail Trail Only  (31%) | ![Image](image3) | ![Pie Chart](chart3) 15% |
| - 60% male, 40% female, majority below 35 years  
- Rail trailing allows them to enjoy nature & try something different whilst exercising  
- Rail Trail the preferred type of cycling, though other hobbies more important  
- Fewer than average trips per year, below average spend |

There are 750,000 cyclists who specifically identify themselves as rail trail riders, complemented by a further recreational cycle market of 3.3million cyclists who ride on bike paths. Those who specifically ride rail trails are segmented as per the table.
## Mountain Biking Segment Summary

<table>
<thead>
<tr>
<th>Segment (%) of Market</th>
<th>% Value</th>
<th>Summary</th>
</tr>
</thead>
</table>
| High Involvement All-rounders (33%) | 38% | • Mostly males under 35  
  • Ride for fitness & the challenge  
  • Enjoy testing themselves over a range of intermediate & advanced trails  
  • Mountain Biking a key consideration in destination choice |
| Technical Riders (17%) | 31% | • Mostly males under 35  
  • Ride for fitness & ‘time out’ in nature  
  • Enjoy a range of intermediate technical trails (downhill, slopestyle, pump tracks)  
  • Well above average for overnight trips per year & spend per trip |
| Endurance Riders (27%) | 22% | • Mostly males under 45  
  • Focused on fitness & also ride for the immersion in the natural environment  
  • Enjoy a range of Cross-country trails  
  • Take fewer than average trips annually, though spend per trip above average |
| Low Involvement (24%) | 10% | • Even gender split, older skew  
  • Ride for passive enjoyment of nature & the environment  
  • Prefer easy trails  
  • Fewer than average annual trips, and spend per trip well below average |

There are an estimated 1.2 million residents across the key domestic markets of VIC, NSW, SA and QLD that have ridden a mountain bike in the past 12 months. This table provides a summary of the mountain bike consumer segmentation, which identifies both the size of each segment and their value.
$4 million ‘Ride High Country’ Marketing Campaign

Acknowledging the cycle tourism growth opportunities for Victoria’s High Country, the Victorian Government has committed $4 million to raise awareness of the region’s unique cycling offer amongst visitors.

The integrated marketing campaign will be implemented by Tourism North East, the region’s peak tourism board, and will drive awareness, visitation, yield and dispersal from cycling visitors.

The campaign will be an important component in driving visitor demand for cycle tourism experiences in the region, therefore providing a platform for increased cycle tourism related investment.
‘Ride High Country’ Marketing Campaign Approach

**Broad Brand Awareness - Year 1 & 2**

Focus on driving brand awareness.

Above the line campaign incorporating a range of mass media channels to stimulate brand recall and recognition.

**Conversion - Years 3 & 4**

Strong brand awareness component to keep Ride High Country front of mind with the market.

Using consumer insights to deliver integrated and targeted activities to key consumer segments.

Focus on consumer engagement and conversion, with the promotion and uptake of new product and services - complemented by existing heroes.
The following provides an overview of investment opportunities across the region.
The region’s depth and breadth of visitor experiences creates a wealth of opportunities to create unique and compelling touring products for visitors. The following provides some example itineraries of the types of touring experiences that can be created in the region.

1. TOURING EXPERIENCE DEVELOPMENT OPPORTUNITIES
Example itineraries

The 3 Peaks Challenge*

This ride provides cyclists with one of the world’s toughest and most picturesque cycling challenges. It can be compared with the toughest Stages in the Tour de France.

Day 1: Transfer Melbourne to Falls Creek. Enjoy the afternoon relaxing. Overnight Falls Creek.

Day 2: 3 Peaks Challenge day: Three major climbs; Tawonga Gap, Mt. Hotham and the back of Falls Creek. Up to 13 hours to complete. Overnight Mount Beauty.

Day 3: Morning at leisure to rest and visit local wineries, farm gates or just relax before late afternoon transfer back to Melbourne.

* Could be combined with rides up Dinner Plain, Mt Buffalo, Mt Buller & Mt Baw Baw to create a cross regional 7 peaks ride
3 Day Murray to Mountains Rail Trail

Day 1: Transfer to Beechworth (3+ hours north east of Melbourne)

Overnight Beechworth - dinner & breakfast

Day 2: cycle the Murray to Mountains Rail Trail from Beechworth to Myrtleford, including wine tastings & a winery lunch

Overnight in Myrtleford

Day 3: ride the Murray to Mountains Rail Trail from Myrtleford to Bright – including stops at local farm gates & a winery lunch

Afternoon: transfer to Melbourne or onwards throughout region
Day 1: Starting at the epicurean centre of Milawa, partake in some pre-cycling cheese tasting at the Milawa Cheese Factory before riding to Tarrawingee where we join the famous Murray to Mountains Rail Trail to Beechworth. Enjoy the serene natural bush, striking gums and abundant birdlife. Overnight in the historic town of Beechworth.

Day 2: Relax and enjoy a sleep in before heading off on a walking tour of Beechworth’s historic town. Relax at one of the many cafés, visit the home of Beechworth Honey, immerse yourself in Ned Kelly history, or linger over a local pale ale at the Bridge Rd Brewery. Overnight Beechworth.

Day 3: Begin the day with a short climb to Stanley before the long scenic downhill run through the Mount Stanley Scenic Reserve. We then cycle alongside the picturesque Barwidgee Creek all the way into Myrtleford.

After lunch, we will cycle up the scenic Ovens Valley on the Murray to Mountains Rail Trail. We’ll visit the lovely towns of Everton and Porepunkah, and then make our way into Victoria’s most bike-friendly village, Bright. Overnight Bright.
Day 4: Enjoy a morning wander through Bright, indulge in the local café and food culture and visit the Bright Brewery for lunch. After lunch we’ll cycle either to the top of Mt Buffalo, one of Australia’s most satisfying alpine climbs, or an easier ride through the beautiful Buckland Valley. Overnight Buckland Valley.

Day 5: Transfer by vehicle to the King Valley. We will visit Brown Brothers Wines, Milawa Mustards and Sam Miranda King Valley Wines along the way arriving into Whitfield for lunch. After lunch, you will be introduced to Prosecco with Dalzotto Wines then enjoy a late afternoon walk to Powers Lookout the hideout of Ned Kelly’s mentor Harry Power. Overnight King Valley.

Day 6: We’ll begin with a ride alongside the King River to Lake William Hovell, the perfect place for a picnic lunch. After lunch we transfer across to Mansfield. Overnight Mansfield.

Day 7: Enjoy a leisurely morning exploring the village of Mansfield before cycling along the Great Victorian Rail trail from Mansfield to Bonnie Doon. Leaving the Old Mansfield Railway Station, the trail passes through the Mullum Wetlands before crossing Lake Eildon and to Bonnie Doon. Afternoon transfer back to Melbourne or onwards throughout region.
Epic High Country Mountain Bike Adventure

Day 1: Arrival - Build your bike, or get to know your hire bike and explore Melbourne. Tour briefing.

Day 2: Transfer to Bright – lunch, followed by an afternoon at Mystic Mountain Bike Park, dinner at the Bright Brewery. Overnight Bright.

Day 3: Breakfast and transfer to Mount Beauty followed by a day at the Big Hill Mountain Bike Park. Afternoon swim and Sweet Water Brewery visit. Dinner and overnight in Mount Beauty.

Day 4: Breakfast and transfer to Falls Creek. All day riding on the Falls Creek mountain bike trails. Finish with an epic High Country sunset at Mount McKay.

Day 5: Breakfast and transfer to Beechworth. Afternoon riding time on Beechworth’s mountain bike trails. Visit the local bakery, and take in a few beers at the Bridge Road Brewers.
Epic High Country Mountain Bike Adventure cont.

Day 6: Breakfast and transfer to Mt Buller. Afternoon riding on cross country, singular track and modular pump tracks. BBQ dinner and visit to the Social bandit Brewery. Overnight Mt Buller.

Day 7: Breakfast and ride the Australian Alpine Epic. 43km of back country riding. Climbing 1,245m in elevation and dropping 2,187m for the day. All day riding. Overnight at Mt Buller.

Day 8: Take a few runs on the picturesque Delatite River trail. 16km from the Village to the bottom of the mountain with 13 river crossings. Late lunch stop at the Mansfield Coffee Merchant then transfer to Melbourne or onwards in the region.
The following projects have been identified as integral to supporting forecast cycle tourism related growth.

2. KEY CYCLING RELATED INFRASTRUCTURE OPPORTUNITIES
Unique Experiential Accommodation

There is opportunity for boutique experiential or unique accommodation which supports cycle tourism and in particular higher yielding visitors within the cycling market.

**Scale and facilities:** 10+ rooms boutique accommodation

**Investment required:** $2-$5 million

Examples include Jackalope on the Mornington Peninsula and the Pods at Blue Derby.

Integrated Resort

There is opportunity to establish a large integrated resort facility in proximity to Bright.

**Scale and facilities:** 80+ self-contained rooms, caravan area, cabins, conference facilities, bike facilities, lounge.

**Investment required:** $50 million
Contemporary Backpackers Accommodation

The mountain biking market identified a backpackers as a preferred facility. If it were located in Bright it would also service the ski market in winter.

**Scale and facilities:** 40 bed spaces, bike facilities, lounge

**Investment required:** $3 million

Younger elite road cyclists would also be suited to this accommodation typology. The backpackers should be developed with bike facilities including secure storage lockers, bike maintenance room and shared lounge, kitchen facilities and outdoor dining and BBQ area.

Bike Hotel

There is opportunity for an existing operator to leverage from growth in cycle tourism in Bright to establish a bike hotel.

**Scale and facilities:** 40+ self-contained rooms, conference facilities, bike facilities, lounge

**Investment required:** $8 million

This opportunity may extend to the redevelopment of an existing motel operator to reformat and extend their facility in order to cater for and capture growth in the cycling market.
Mystic Mountain, Mystic Park - Bright

Rising above the valleys surrounding bright, Mystic Mountain provides a spectacular vista of the township of Bright and down the Alpine Valley.

Activity on Mystic Mountain currently consists of paragliding and Mountain Biking. It is proposed that the mountain could be transformed into a lift operated adventure park with additional facilities for Mountain Biking, trail running, zip line, visitor centre etc. The establishment of chair lifts in the park would service: MTB riders, wider cross-country riders, trail runners, hikers, paragliders and general sightseers.

Scale and facilities: lifts and associated visitor experiences.

Investment required: $13 million +

Zone: Farming. Crown Land is currently under a 99 year lease with Hancocks Victorian Plantations

Services availability: Power, water, sewerage located at the base of the mountain.

Public infrastructure investment: would be required on crown land

Will take considerable time to become investment ready.
Bike Hub – expansion of food and beverage offer

Bright’s Howitt Park is a location that visitors are drawn to due to its amenity and proximity to food and beverage establishments.

It is the logical location for a primary bike hub to be established and many bike businesses are already located within the town centre.

There is opportunity for private sector investment and expansion of the existing food and dining offer to capitalise on the cycle hub as an attractor for visitors.
Mt Buffalo Chalet - Cafe

An attractive tourism destination like Mt Buffalo requires an appropriate food and beverage facility to better service visitors. An opportunity exists to reconnect visitors with the heritage listed chalet through the development of a vibrant cafe in the existing Mt Buffalo Chalet building.

Scale and facilities: day café with indoor and outdoor seating, information office, supported by self guided chalet tours.

Investment required: $2 million

The chalet has uninterrupted views across the valley and therefore provides a unique opportunity for the establishment of an iconic visitor café facility.

All proposals must follow and progress through the Department of Treasury and Finance (DTF) Market-led proposal process. All proposals must be consistent with Crown Land Leasing Policy and the National Parks Act 1975.
Bike Hub

An opportunity exists to enhance the tourism offer in the Milawa Gourmet region. The small township is renowned as a gourmet food and wine region - home to Brown Brothers Wines, The Milawa Cheese Factory and a diverse range of gourmet food and wine products and experiences.

The following site has been identified as a suitable location for this project.

Potential site: Lot 1/ 1600 Snow Rd Milawa

- Milawa corner allotment
- Central village position on the busy Snow Road
- Set amongst popular Milawa Gourmet Region businesses
- Vineyard & mountain aspect
- Ideal for active commercial/accommodation use
- Vacant land. Township zone.
- Services: Bore water. Sewer not yet connected
- Land Size : 4049.00 m²

Potential uses: Bike Hub - including local distillery or brewery, bike shop/hire and maintenance, and self contained cycle friendly accommodation.
High quality accommodation

Located right at the doorstep of Wangaratta, the King Valley is home to artisan winemakers and food producers, peppered throughout the valley’s breathtaking landscapes.

The wineries of Dal Zotto, Brown Brothers, Chrismont, Pizzini and Sam Miranda have created the Prosecco Road trail which highlights the region’s Italian heritage and is claimed as being the home of Prosecco in Australia.

An opportunity exists to develop high quality accommodation in the region to support the region’s Prosecco Road trail and subsequent visitor demand for accommodation.

Suitable accommodation options may include:

• Larger scale high-end resort style facility with spa product
• Smaller scale eco/experiential accommodation and spa product

Local wineries are open to speaking with potential investors about projects that will address the accommodation needs in the King Valley.
Bike Hotel

Beechworth presents a strong opportunity to establish a bike hotel within the town. The township already presents strong cycling infrastructure with its close proximity to the Beechworth Mountain Bike Park, Yack Tracks, road cycling loops and the Murray to Mountains Rail Trail.

Scale and facilities: 40+ self-contained rooms, conference facilities, bike facilities, lounge
Investment required: $13 million

Rail trail extensions and enhancements will improve the opportunity further with an extension between Beechworth and Yackandandah.

Bike Hub

There is opportunity to establish a bike shop and bike hire store in Beechworth to service the cycling market. The bike hub may include:

- Storage
- Retail area
- Maintenance
- Counter with visitor information
- Private shuttle service offering
With the investment in the rail trail extension between Yackandandah and Beechworth and the potential investment of a new mountain bike trail linking the towns, there is potential to establish a bike hub operator in Yackandandah to meet future need.

This operator would provide the following services:

- Bike sales;
- Bike hire;
- Maintenance;
- Shuttle services.
**Bike Hotel**

There is opportunity for an accommodation operator to leverage from growth in cycle tourism in Mansfield to establish a bike hotel

**Scale and facilities:** 40+ self-contained rooms, conference facilities, bike facilities, lounge

**Investment required:** $8 million

This opportunity may extend to the redevelopment of an existing motel operator

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**Integrated Resort**

There is opportunity to establish a large integrated resort facility in proximity to Mansfield Shire, in the Mountain Bay area on Lake Eildon

**Scale and facilities:** 80+ self-contained rooms, caravan area, cabins, conference facilities, bike facilities, lounge

**Investment required:** $50 million

This area, which overlooks Lake Eildon is in close proximity to Rifle Butts Mountain Bike Park and also is an area with good access to road cycling loops. The integrated resort could be modelled on RACV Inverloch or Cobram which includes a number of accommodation typologies.

The resort will respond to the projected growth in visitation to the region and capitalise on an area designated through a Special Use Zone which is specially for tourist and residential accommodation.
There is opportunity to establish a bike hub in Mansfield to service the cycling market.

Elements of the Bike Hub may include:

- Café
- Brewery or distillery
- Bicycle storage
- Retail
- Maintenance
- Visitor information; and
- Private shuttle service offering

The Mansfield Railway Station Precinct has been identified as a suitable site, however would require the refurbishment and extension of the existing visitor information centre building.

Alternative sites in Mansfield will be considered.
The three rail trails within the region provide the opportunity for private sector investment in accommodation and food and beverage operators at strategic sites.
Rail Trail Investment Projects

There are a number of locations suitable for investment in boutique accommodation and food and beverage to service rail trail visitors; including:

Porepunkah — expansion of the existing food, beverage and accommodation offer to service visitors using the Murray to Mountains Rail Trail;

Everton – New operators to service a gap for hospitality and accommodation;

Eurobin – Small pop up food and beverage operator;

Maindample – Pop up food and beverage operator to serve as a destination point from Mansfield.

While these locations have been identified as integral to servicing the growth in cycle tourism visitors, alternative locations will be considered.
Nestled in the secluded bushland of Blue Derby in Tasmania’s North East, the project combines a guided three-day mountain bike experience with uniquely crafted ‘off-grid’ boutique accommodation pods.

The development supports Derby’s world-class mountain bike trails, and has significantly increased visitor numbers, contributing to renewal in the local economy. The development includes a central hub building incorporating communal amenities, while the pods offer a sleeping space immersed in Tasmania’s wilderness.

The development is believed to have created over 50 full time jobs in the region, attracting over 50,000 visitors pa from both domestic and international markets.
Nature-based tourism entrepreneur Simon Currant transformed a retired hydro-electricity hub at Tasmania’s Lake St Clair into an 18-room boutique accommodation retreat. Located out on the lake, the retreat reflects Tasmania’s industrial heritage while showcasing Tasmania’s unique World Heritage wilderness assets.
The RACV Cape Schanck Resort represents the first premium accommodation of size on Victoria’s Mornington Peninsula.

The resort borders an 18-hole championship golf course and offers magnificent 180-degree panoramic ocean views. The resort features premium food and beverage outlets, a 25-metre indoor pool, sauna, steam rooms and a fully-equipped gymnasium. The resort’s One Spa, boasts eight different treatment rooms and is open to resort guests and visitors.
China’s KCC real-estate development Company (KCC) has completed work on a boutique hotel project at the Willow Creek Vineyard in Merricks North on the Mornington Peninsula. This was KCC’s first development outside of China.
Opened: 2013 (restaurant)  2016 (accommodation)
Development cost: believed to be $34m
Investor: McCorkell Brown Group

The Brae Restaurant is located at Birregurra in the Great ocean Road region. It is operated by Dan Hunter (formerly from the Royal Mail Hotel at Dunkeld) and currently holds its status at number 44 of the World’s Best Restaurants.

This project was the development of tourism accommodation at the restaurant, including 6 luxury overnight accommodation lodges to add to the Brae Restaurant experience.
Opening: 2021
Development cost: $120 million
Developer: Barnes Capital

Victoria’s Yarra Valley wine region is set to welcome a 170-room hotel run by global hotel manager IHG under its new upscale Voco brand.

The $120 million hotel, conference, distillery and restaurant complex is being developed by Barnes Capital and represents IHG’s second Voco-branded property in Australia. The multi-level complex will feature an on-site gin distillery, lavender farm, mirrored maze, amphitheatre and provedore.
Investor: The Trustee For Marysville Hotel And Conference Centre Unit Trust

The Project was identified as one of 8 catalyst projects that could assist in the regeneration of Marysville by providing a stimulus to its economic recovery following the 2009 Victorian Bushfires. The Project involved the construction of a 100-room, a four-star Vibe Hotel and Conference Centre in Marysville and represents the Victorian Government's $19 million election commitment to revitalise the Marysville and surrounding towns following the 2009 bushfires.

The facility includes conferencing for 300 people, a cafe/restaurant, separate pub space, a new day spa and associated recreational facilities.
CURRENT & RECENT INVESTMENTS IN VICTORIA’S HIGH COUNTRY
Upgrade development cost: estimated to be in the vicinity of $30 million
Scheduled for commencement: 2020

One of Victoria’s icon walks, the 57km Falls-Hotham Alpine Crossing is a 3 day/2 night walk through the Alpine National Park, linking the resort villages of Falls Creek and Mt Hotham. Re-development of the trail will create an experience that complements and enhances the visitor experience of the alpine region – connecting visitors to diverse landscapes, ecosystems and iconic heritage huts.

Four overnight nodes on the trail will offer a diversity in accommodation options including environmentally sound platform-based camping to complete the existing dispersed camp areas.
Development cost: $15 million
Developer: Arwon Nominees Pty Ltd  A Joss Company Group)
Scheduled for completion: end 2019

Located in the heart of Wangaratta, the development comprises 37 apartments - 72 room Quest Serviced Apartments.

Built to specific Quest Service Apartment design guidelines, the apartments include 1, 2 and 3 bedroom units over 4 levels including on grade carparking to cater for 40 vehicles.

The development will also be supported by a reception, meeting and conference rooms, gym facility and outdoor BBQ area.
Development cost: $200 million

Mixed use precinct comprising residential, cinema/entertainment, commercial offices, hotel, retail, public open spaces and a European market hall.

The Junction Place is the largest urban renewal project in regional Australia. The project will transform and activate the former railway site into a vibrant and integrated residential, community and commercial precinct in the heart of Wodonga CBD that will catalyse economic growth and development of the regional city, by increasing visitation, employment, business investment and community engagement opportunities.
The $235 million North East Line Upgrade will enable improved services for north-east Victoria, including track upgrades from Melbourne to Albury/Wodonga to a Victorian Class 2 performance standard, and upgrading supporting rail infrastructure.

In addition, the Victorian Government will deliver new modern trains for the line. The design of these new trains is underway, and their delivery will be timed to align with the completion of the North East Line Upgrade. The upgrade will enable VLocity trains to run to Albury/Wodonga for the first time, delivering a more reliable and comfortable service for passengers. This will bring the North East corridor into line with other parts of Victoria’s regional rail network.
GREAT ALPINE VILLAGE DEVELOPMENT
MT HOTHAM

Development cost: $100 million
Developer: Belgrave Group
To be completed: 2020 - 2023

Five level mixed use development, including: new Mount Hotham Alpine Resort Management HQ, offices for ski patrol, medical centre, hotel, residential apartments & retail.
Development cost: estimated $40m.
To be completed: In preparation for 2020 snow season

Set in the heart of the Village Square, Kooroora is a collection of 21 boutique residences. Originally established in 1953, Kooroora provided the first “high-end” commercial post-war accommodation on the mountain. The re-development of Kooroora will provide a drive-in, ski-out landmark, with an outstanding mix of apartments including studio, 2 bedroom and three bedroom, plus individual car spaces and storage lockers.
Buller Air Zone is the ultimate alpine freestyle playground. Suitable for elite athletes, through to children and adults, it includes a series of trampolines, an airbag challenge, and a climbing facility. Designed to allow users to work on their skills, workout, or just enjoy playtime, Buller Air Zone provides another year round attraction for families and a valuable training facility for elite skiers and our Olympic athletes.
Project completed

Developer: Partnership between Mt Buller Mt Stirling Resort Management, Olympic Winter Institute of Australia, Ski & Snowboard Australia and Buller Ski Lifts

The Olympic Training Centre at Mt Buller is now the prime location within Victoria for training future aerial and mogul world champions. The training centre includes: on-mountain athlete accommodation (upgrade of an existing lodge), an acrobatic training facility (part of the Buller Air Zone), new aerial jumps, dual moguls course each season, and improved lighting on jumps & aerials sites. The centre’s facilities are also available for non-winter athlete training programs.
Government Assistance

The Victorian Government is dedicated to growing cycle tourism in Victoria’s High Country and is committed to reduce investment timeframes via a number of initiatives:

- Financial support for accommodation investment
- Financial support for transport operators
- Funding for masterplans and feasibility studies
- Investment in public infrastructure within bike hubs
- Refurbishment of heritage buildings such as railway stations and goods sheds within bike hub locations
- Investment facilitation to assist private sector investors
- Investment in safe road cycling links