

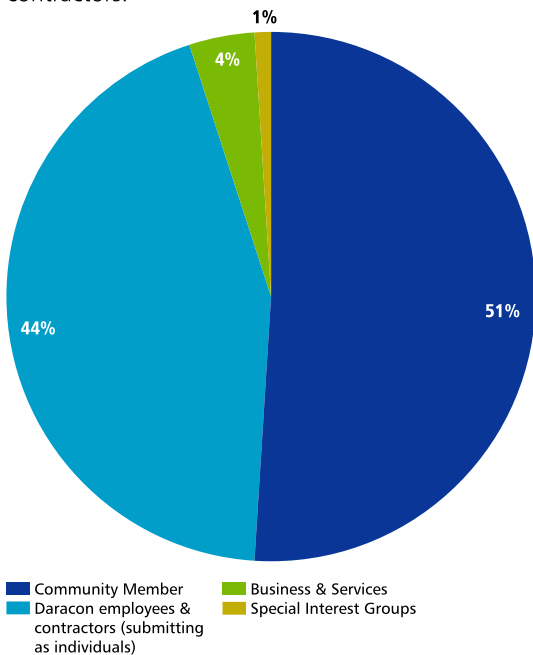
Martins Creek Quarry Update INFORMATION SHEET 1

June 2018

Background

In September 2016, Daracon submitted an Environmental Impact Statement (EIS) to the Department of Planning and Environment (DP&E) to support an application for a proposed expansion of the Martin's Creek Quarry and to consolidate all existing consents and operations under a single development consent.

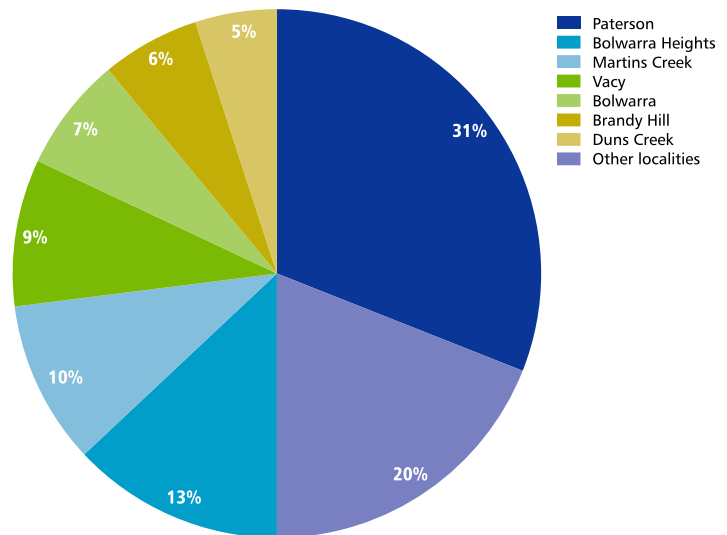
The EIS was on public exhibition between 13 October and 24 November 2016 and during that time about 900 submissions were received from both government agencies and the broader public. Of these, a total of 878 individual submissions were made from non-Government agencies and members of the public, including community members, local businesses and service providers, community groups and Daracon employees and contractors.



Community Submissions by Category of Stakeholder Group

The majority of community member submissions were received from Paterson, followed by Bolwarra Heights, Martins Creek and Vacy with a number of submissions also received from other localities.

Resident Submissions by Location



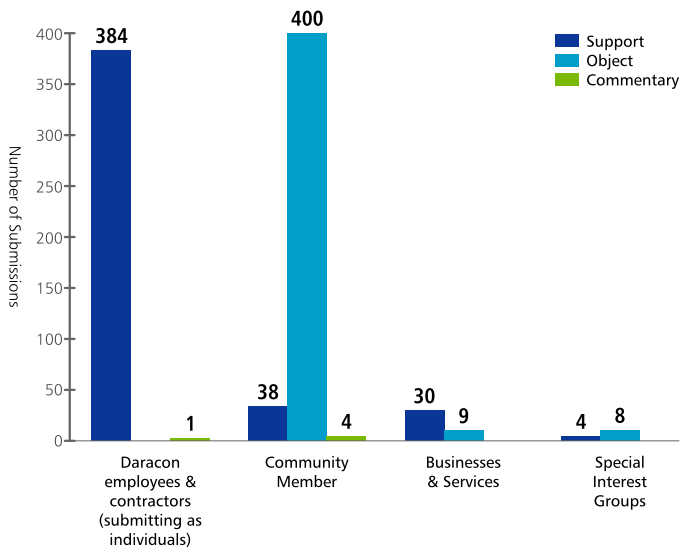
Due to the complexity and nature of submissions, Daracon has engaged Umwelt, an organisation experienced in assessing similar resource projects. Umwelt is a specialised environmental and social consultancy and will assist in completing a review of submissions and refinement of the Project. A full analysis of all submissions has been undertaken to understand the key environmental and social issues. As a result of submissions on the Project, Daracon and Umwelt are undertaking a Project refinement process to reduce environmental and social impacts whilst maintaining an economically viable Project.

This information sheet:

- Provides a summary of the key community issues raised during the public exhibition process and within associated submissions;
- Outlines proposed project refinements that are currently being considered by Daracon in consultation with technical specialists;
- Introduces the technical studies that are currently being undertaken to assess the refined proposal; and
- Provides an overview of the proposed engagement process moving forward, including inviting community stakeholders to participate in the future community engagement process.

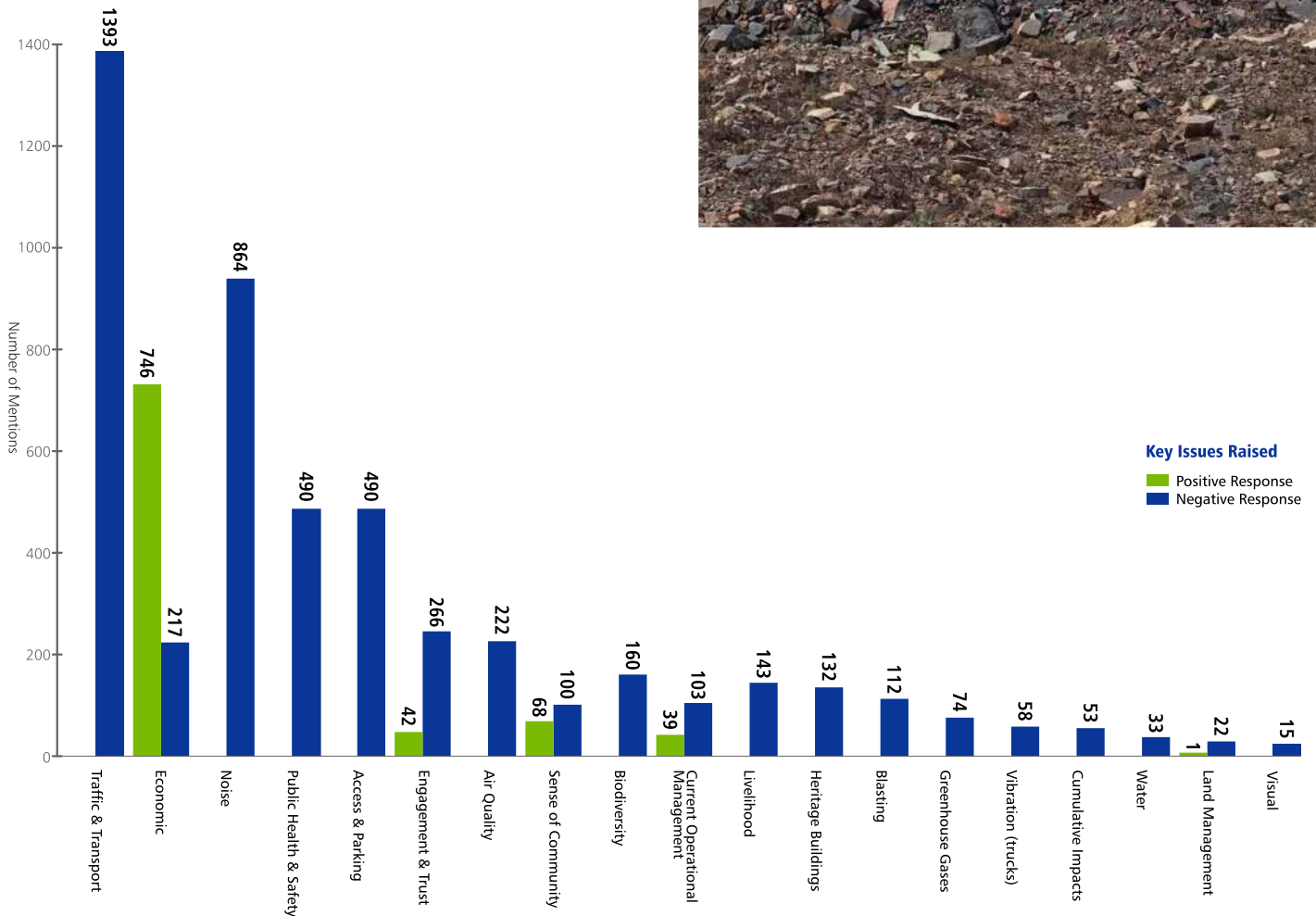
What we have heard...

Of the 878 individual submissions that were received from members of the public during the public exhibition stage, approximately 50% opposed the project and approximately 50% were in support. A high number of those expressing support were from stakeholders with an existing relationship with Daracon, such as employees, contractors and suppliers.



Project Support by Stakeholder

Multiple issues were raised in each individual submission. The following graph illustrates these issues.



'Your Say' in Detail...

The following sections provide an overview of the nature of issues and impacts identified in the submissions received.

Traffic and Transport

Many of the issues raised in submissions were linked to concerns associated with the proposed increase in traffic and truck movements due to increased quarry production volumes and the flow on effects of this increase on existing road infrastructure and amenity of the community.

"The number of the proposed truck movements is totally unacceptable."

"The roads through Bolwarra Heights, Tocal, Paterson and up to Martins Creek are struggling with current traffic load, and were never designed/built to handle the heavy traffic."

There was also concern expressed regarding the ability of existing local roads and associated infrastructure to cope with increased truck movements and resulting road damage, increasing potential for safety issues.

"The increased road haulage will destroy the roads."

"The historic single lane bridge over the Paterson River on Dungog Road is also clearly prone to damage by increased heavy traffic flows."

Submissions also questioned why the company had not considered rail as an alternative for the movement of their product.

"The quarry has its own rail line, why put people's lives at risk? Why not make them do a rail expansion and ship it out by rail?"

Road User Safety

Submissions also detailed concerns related to potential impacts of road user safety – particularly for pedestrians, cyclists and motorists – as a result of increased traffic movements.

"Current traffic levels are already proving to be unsafe with the speed and volume of heavy vehicles moving through the built up community, passing by a school and retail shops and residential homes."

"There is no pedestrian crossing in the township for pedestrians to safely cross while up to 80 trucks per hour pass through the town."

"The safety of children, old people, dog walkers etc. is going to be at risk."

"Martins Creek Road ...is a narrow road with dangerous blind corners and hills to traverse for other drivers in the area."

Access

A number of submissions on current truck movements and concerns related to impeding local residents' ability to move around the community easily, e.g. make turns at intersections or turn out of their driveways; and that any further increase in trucks would exacerbate access issues.

"The current proposed access road onto Dungog Road, is not in a safe place at the top of a rise with visibility of traffic coming from Dungog side limited."

"What about trying to leave your driveway safely? "

"It would, for example, make it almost impossible for residents of the Hunterglen to join Paterson Road because of the traffic."

"As noted above, there were also concerns raised regarding the safety aspects of the shared use of public road infrastructure and pathways."

'Your Say' in Detail (continued)...

Noise

Submissions have also noted concerns relating to noise levels in the area due to quarrying operations generally, and truck movements and use of other machinery as well as blasting activities.

"There are days when there is continuous noise from the crushers and other machinery"

"I live off Martins Creek Road a stone throw away from the quarry and have to now listen to the droning noise of trucks and machinery clucking away."

"The possibility of additional trains 24 hours per day and the associated wheel squeal, engine noise and carriage jaunting will make sleep difficult for all members of our family"

"Trucks at decent times during the weekdays are acceptable, just. Trucks late at night and on weekends is unjust, cruel and a sign of greed."

"The noise level and frequency of the truck traffic is already unacceptable, let alone increasing it to 80 truck movements per hour."

Blasting

"The ever increasing blasting and production noise from as early as 6.00am is very disruptive for retired, elderly, school children and shift workers"

"The noise from the extra blasting and extra trucks will greatly impact on our lives."

"The explosions during the day are absolutely deafening around the area"

Air Quality

"The dust and fumes from the truck affect the air quality in the area and the emissions from the diesel contain substances that can increase the risk of lung cancer and, therefore this proposal to increase tonnage is hazardous for the community and should be stopped"

"The dust settles on the roof that collects my drinking water and the dust emissions particles I must now drink have polluted my water. I now have to spend money on a filter to safely consume the water"

Amenity

Submissions also documented concerns related to impacts on the amenity of the local community due to increases in noise, dust and traffic and in particular on the village atmosphere of Paterson township and the locality.

"The Martins Creek Quarry expansion will destroy the current rural village atmosphere."

"We bought this property for the tranquillity and distance from the busy built up areas."

"We come to Paterson for peace and quiet, and yet in some ways it is noisier than in the middle of the Sydney CBD."

"Impact amenity of residents near and enroute to the quarry via onsite and associated offsite activities."

"Hours of operation should be limited to times that will not cause disturbance to residents associated with normal sleep times, particularly prior to daylight."

'Your Say' in Detail (continued)...

Trust and Engagement

It is also apparent from the submission review process that levels of trust in Daracon are currently low due, in part, to operational activities, but also to the perception that the company has not undertaken satisfactory and participatory engagement with the community and other stakeholders as part of the EIS process to date.

"There is deep rooted distrust in the community against Daracon, because of the dishonesty"

"How possibly have they engendered trust with such past behaviour?"

"The proponent should be required to undertake a comprehensive community consultation"

"The Proponent has failed to consult with the wider community and local businesses"

Economic

Despite the issues identified, it is important to also acknowledge that a number of submissions were received that have provided their support for the project, due to the potential for future employment opportunities, provision of enhanced employment security for existing employees and suppliers, contribution to economic growth in the region and also due to existing and potential future community contributions.

"Daracon has given me stable, continuous employment."

"The construction industry relies on the Quarry as one of only a couple of hard rock suppliers in the region."



Project Refinements...

Since the submission of the EIS Daracon has identified a number of refinements to the proposed project that aim to reduce impacts when compared to those previously proposed in the EIS. Each of these along with operating times associated with processing are currently being assessed by a range of technical specialists and may be subject to further refinement as result of the environmental impact assessment process. These refinements include:

A reduction in total production



A maximum of 900,000 tonnes per annum transported via road

A 25% reduction in laden truck movements per hour (maximum 30 laden trucks per hour) from the quarry



A 35% reduction in laden truck movements per day (maximum 140 laden trucks per day) from the quarry

No loading of product into trucks prior to 7am



No in pit extraction operations (quarrying) prior to 7am



Where to from here...

Feedback from government agencies and the broader community has informed the proposed process moving forward.

Daracon and Umwelt are completing a review to identify potential options to refine the project, whilst maintaining an economically viable operation. This includes consideration of environmental and social impacts which has determined that the production level previously proposed will be reduced in addition to reducing the proposed number of hourly and daily laden truck movements. Umwelt and the team of specialists are also currently undertaking:

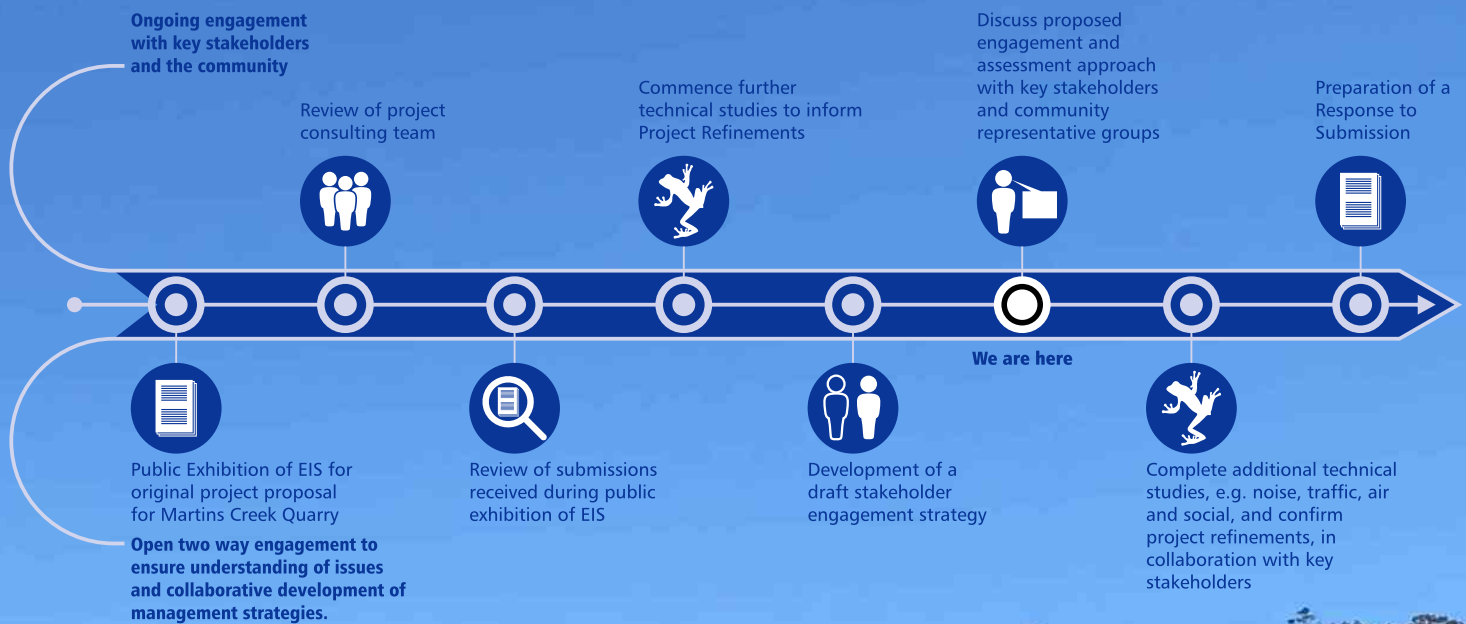
- Additional detailed modelling to assess potential air quality and noise impacts, and to review and refine relevant mitigation measures;
- The collection of updated traffic data and detailed traffic surveys to inform updated road and intersection designs;
- Updates and revisions to a number of the previous technical assessments to reflect proposed project refinements and to address relevant issues raised in government and community submissions on the EIS.

All of the above will inform a Response to Submissions document to be submitted to DP&E.

Social impact and community consultation specialists from Umwelt have also been developing a revised stakeholder engagement strategy with a focus on providing further opportunities for active consultation and collaboration with the community. Such a process will enable relevant parties to work together on the identification of project related impacts and appropriate management and mitigation measures. Further information on this process is provided below.

As you are aware, hearings in the Land and Environment Court case were completed in mid-April 2017. We were initially advised by the court that a judgement would be provided in December 2017. We specifically delayed commencing consultation to incorporate the outcomes of the court case into the next round of consultation. Our latest advice from the Court was that a decision will not be made until mid-April but at the time of printing this newsletter a decision had not been provided. Given that the approvals process has been delayed for nearly 12 months we need to commence the consultation ahead of the judgement from the court.

There will be opportunities as part of ongoing consultation program to specifically discuss the outcomes of the court case when the decision is handed down.



How can I be involved? More Information?

A key component of our current activities is collaboration with community stakeholders. Over the next few months the consultant team will be meeting with key community groups and requesting individual meetings with residents potentially affected by the Project.

A series of collaborative assessment forums are also planned. Forums will focus on confirming our understanding of key issues, sharing and seeking feedback on proposed project refinements, in addition to providing detail on the progress of revised technical study methodologies and outcomes, including key studies such as traffic, noise, air quality and blasting.

We will also be seeking to work with key stakeholders in the identification and development of potential mitigation and enhancement measures to address these issues/impacts.

If you would like to be involved in, or kept updated, of these sessions and their outcomes, please register your interest by calling **0436 606 529** or emailing **social-team@umwelt.com.au**.



Thank you

Contact Information

We understand and appreciate your submissions to date and look forward to your further input and feedback as the Project progresses.



Jacqueline Bessa
Principal Social Consultant

m: 0436 606 529
e: jbessa@umwelt.com.au
or
e: social-team@umwelt.com.au

Tim Browne
Project Manager

m: 0427 299 810
e: tbrowne@umwelt.com.au



Adam Kelly
General Manager - Construction Materials,
Transport & Plant

p: (02) 4974 9200
m: 0400 390 470
e: adamk@daracon.com.au