



**Independent
Cement**

Independent Cement and Lime Pty Ltd
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Friday, 11 November 2016

The Secretary
NSW Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Martins Creek Quarry Project SSD 14_6612 - Letter of Support

This letter is to confirm that Independent Cement and Lime Pty Ltd supports the Martins Creek Quarry Project.

ICL is a specialist distributor of cement and supplementary cement products to the construction materials industry. ICL is part of a National network and is owned by the Adelaide Brighton Group Ltd and the Barro Group. We have a unique position in the cement industry being able to actively innovate and promote the throughput of Supplementary Cement Materials (SCM's) as an alternative to traditional Ordinary Portland Cement (OPC).

These SCM's are recognised under the Australian Standards AS3582.1 and also the NSW RMS 3211 specifications.

The process of burning Limestone to produce cement clinker or burnt Lime, for a binder is very energy and resource intensive. One tonne of OPC is responsible for approx. one tonne of Carbon Dioxide Emission.

One of our cement alternatives or SCM's, is fly-ash. Fly-ash is a by-product or residue which comes from your local Bayswater power station. This fly-ash by-product is created in abundance and is very difficult and costly to dispose of. Daracon's Martins Creek operation has innovated one of its product offerings to incorporate fly-ash as the binder instead of OPC and to reduce the amount of Lime used as a binder activator. This is at the forefront of innovation in our industry and meets the triple bottom line objectives we talk about in creating a sustainable product and supply chain.

This process helps our environment and social standing in the Hunter Valley on a few fronts:

- 1) The fly-ash utilised by Daracon Martin's Creek helps to underpin a commercial supply chain from the Bayswater Power Station. The volume consumed helps us to amortise the cost of capital which contributes to the operations viability.



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- 2) The fly-ash utilised also averts product going to land fill or into ash dams which have an impost on future generation in terms of monitoring and management costs.
- 3) Using fly-ash instead of OPC cement and minimising hydrated lime usage, also helps abate the carbon emissions associated with the production of Lime and Cement. These are significant savings.
- 4) The procurement of this fly-ash from Bayswater Power Station is responsible for local employment in terms of collection of the ash, despatching and loading the ash, transporting the ash and the administration of the business.

Our organisation has been conducting business with Daracon for many years in a number of market segments. Martins Creek provides an important logistical piece in ICL having the critical mass of transport available in the Hunter Valley. Our business is reliant on quarries such as Martins Creek Quarry to maintain our commercial viability.

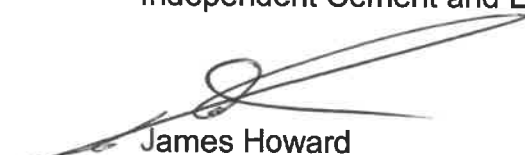
We understand the Environmental Impact Statement has addressed issues raised by various government agencies and community.

Daracon operates one of three hard rock quarries within the Hunter Region. Without Martins Creek Quarry operational, this reduces the supply and their market availability of quality hard rock material, with the potential to increase the cost of material, therefore increase the cost of construction. This will have cost implications for road building authorities such as RMS and local councils.

We also note that the recently released Hunter Regional Plan 2036 clearly outlines a growing Hunter population requiring approximately 70 000 additional houses to house the population by 2036. With this will come the need for construction materials that Martins Creek Quarry produces.

Our business supports the proposal by Daracon, and believe it will have a significant and direct impact on our business and that of the industry if it were not to be successful.

Yours sincerely
Independent Cement and Lime Pty Ltd



James Howard
Group Marketing Manager