

18 May 2017

Ms Julia Pope
Senior Compliance Officer
Department of Planning & Environment
GPO Box 39
Sydney NSW 2001

Dear Ms Pope

**WESTRAC FACILITY DRAINAGE MATTER
NSW DEPARTMENT OF PLANNING & ENVIRONMENT (DPE) - SECTION 75W ADMINISTRATION
MODIFICATION REQUEST**

We refer to your email dated 11 May 2017, and provide the following requested information to facilitate the DPE issuing its Section 75w Administration Modification (**S.75w Modification**).

History & Context

Industria outlines the following:

1. The legal description of the subject property is 1-3 WesTrac Drive, Tomago NSW 2322, being the land comprised in certificate of title folio identifier 211/1174939 and 212/1174939 (**WesTrac Site**);
2. Industria Company No.2 Pty Ltd (**Industria**) understands the drainage matter has been ongoing between the DPE and NEH since approximately 2011, which precedes the sale of the property by NEH to Industria in October 2016;
3. There is extensive documentation and differing positions by the DPE and NEH, which Industria does not comment on;
4. On 26 November 2015, a purported S.75w approval was issued by the DPE to alter the existing outlet drainage on the eastern site boundary and re-direct flows within an existing drain on the southern boundary of the WesTrac Site;
5. The drainage changes are for flows to be dispersed across a low level embankment onto the neighbouring biodiversity offset land owned and managed by National Parks & Wildlife Services (**NPWS**);
6. The DPE included additional water monitoring conditions, which NEH had previously submitted were unwarranted, unduly onerous and inappropriate to implement with the drainage changes;
7. Correspondence indicates that NEH became aware of the purported S.75w approval on 16 May 2016, and subsequently undertook discussions with the DPE regarding the previously rejected water monitoring conditions;
8. We understand that the DPE has agreed, in consultation with its expert hydrologist and NPWS, to vary the water monitoring conditions by way of a S.75w Modification;
9. On 19 April 2017, NEH issued a letter requesting the DPE issue its S.75w Modification so the matter could be promptly finalised, providing a mark-up of the agreed changes; and
10. On 11 May 2017, the DPE requested that Industria complete the online S.75w application form, and provide this letter to allow the DPE to issue its S.75w Modification.

Section 75W Administration Modification

Industria is informed by NEH and its advisors that:

1. The agreed S.75w Modification is of no environmental consequence and administrative only;
2. There is no practical benefit to, and therefore there should be no need for any further environmental assessment; and
3. The S.75w Modification can be issued in accordance with the agreement reached between the DPE and NEH, as documented in Attachment 1.

If there is any deviation from what was agreed, we would kindly ask the DPE issue a draft mark-up for review.

As advised, the matter is to be resolved by NEH ensuring that Industria is kept up to date on every aspect as the new property owner. NEH is ready to undertake the works as soon as practical and we would therefore ask that the DPE issue the S.75w approval by 22 May 2017.

Yours Sincerely



David Avery
Senior Portfolio Manager
Industria REIT

About Industria REIT

Industria (ASX code: IDR) is a listed Australian real estate investment trust which owns interests in office and industrial properties that provide functional and affordable workspaces for business. Industria's \$552 million portfolio of 16 properties located across the major Australian cities provides sustainable income and capital growth prospects for security holders over the long term. Industria has a target gearing band of 30 – 40%, providing flexibility for future growth without compromising the low-risk approach to capital management. Industria is managed by APN Property Group, a specialist real estate investment manager established in 1996, and governed by a majority independent Board.

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