

Annexure A – Application pursuant to Section 75W of the Environmental Planning and Assessment Act 1979

THE PROPOSED MODIFICATIONS

Proponent: Champions Quarry 2 Pty Ltd ACN 600 281 061
Address: 1668 Wyrallah Road, Tuckurimba, New South Wales, 2480
Land: Lot 5 / DP1191905

Below is an overview of the requested amendments.

Overview of Champions Quarry Requested Amendments

Proposed Modification	Schedule/Condition	Current Condition	Requested Amended Condition	Reasons/Justification for Amendment
1	Schedule 2, Condition 9 Amendment sought is shown in <u>underline</u> .	Extractive Material Transport The Proponent shall not: (a) transport more than 250,000 tonnes of extractive material from the site in any calendar year; (a1) transport more than 100,000 tonnes of extractive material from the site in any calendar year without having first installed a weighbridge; (b) dispatch more than 50 laden trucks from the site on any day; or (c) dispatch more than 5 laden trucks from the site in any hour.	Extractive Material Transport The Proponent shall not: (a) transport more than 250,000 tonnes of extractive material from the site in any calendar year; <u>(a1) delete in full;</u> (b) dispatch more than 50 laden trucks from the site on any day; or (c) dispatch more than 5 laden trucks from the site in any hour.	Condition (a1) was included in Project Approval following Notice of Modification (09_0080 Mod 1) Schedule 2 Condition 3. The Proponent does not wish to install a weighbridge. There are several reasons for this including the following: 1. There is significant expense in installing a weighbridge that offers little benefit as opposed to utilising the existing system of accredited scales fitted to front end loaders; 2. The suitable location for the weighbridge will change as the development progresses throughout different stages; and 3. The existing system of using accredited scales fitted to front end loaders is very effective and is a widely accepted industry method to determine weights.
2	Schedule 2, Condition 12 Amendment sought is shown in <u>underline</u> .	Within 6 months of the commencement of extraction activities within the Southern Extraction Area, the Proponent must seal the internal haul road that connects the Southern and Central Extraction Areas, to the satisfaction of the Director-General.	Either delete in full or amend to read: <u>"The Proponent must either seal the internal haul road that connects the Southern and Central Extraction Areas to the satisfaction of the Director-General, or water the road at the rate 2L/m²/minute as required to minimise dust emissions."</u>	It is impractical to seal any road that connects the CEA and the SEA as heavy machinery including front-end loaders, excavators and dump trucks will continually track over the road. If the area was sealed the heavy machinery would rip up the seal resulting in potential contamination of product.
1	Schedule 3, Condition 26 Amendment sought is shown in <u>underline</u> .	Road Maintenance During the project, the Proponent shall pay Council \$0.06442 per tonne per kilometre for every tonne of extractive materials in excess of 8,500 tonnes per annum transported from the site on roads for which Council is liable for road maintenance funding, in accordance with Council's <i>Section 94 Contributions Plan 2004</i> and relevant <i>Development Control Plan</i> . Each payment must be:	Road Maintenance During the project, the Proponent shall pay Council \$0.06442 per tonne per kilometre for every tonne of extractive materials in excess of 8,500 tonnes per annum transported from the site on roads for which Council is liable for road maintenance funding, in accordance with Council's <i>Section 94 Contributions Plan 2004</i> and relevant <i>Development Control Plan</i> . Each	Refer to proposed modification 1 above.

		<p>(a) based on the quantity of extractive materials transported from the site recorded by either accredited scales fitted to front-end loaders or weighbridge records until the end of December 2015, and thereafter based on weighbridge records only;</p> <p>(b) paid by the date required by the invoice issued by Council; and</p> <p>(c) increased over the life of the project in accordance with the annual CPI.</p> <p><i>Note: This rate is in accordance with the rate of \$0.05/tonne/kilometre set out in Council's Section 94 Contributions Plan 2004, subject to CPI adjustments since December 2003, as required under that Plan.</i></p>	<p>payment must be:</p> <p>(a) <u>based on the quantity of extractive materials transported from the site recorded by either accredited scales fitted to front-end loaders or weighbridge records;</u></p> <p>(b) paid by the date required by the invoice issued by Council; and</p> <p>(c) increased over the life of the project in accordance with the annual CPI.</p> <p><i>Note: This rate is in accordance with the rate of \$0.05/tonne/kilometre set out in Council's Section 94 Contributions Plan 2004, subject to CPI adjustments since December 2003, as required under that Plan.</i></p>																
3	Schedule 3, Condition 40 and Figure 9 in Appendix 6.	<p>Biodiversity Offset Strategy</p> <p>The Proponent shall implement the Biodiversity Offset Strategy, as described in the EA, summarised in Table 7 and shown conceptually in the figure in Appendix 6, to the satisfaction of the Director- General.</p> <p><i>Table 7: Biodiversity Offset Strategy</i></p> <table><tr><th>Area</th><th>Offset Type</th><th>Minimum Size (ha)</th></tr><tr><td>Area 1</td><td>Existing vegetation to be enhanced</td><td>1.71 ha</td></tr><tr><td>Area 2</td><td>Existing vegetation to be enhanced</td><td>2.56 ha</td></tr><tr><td>Area 3</td><td>Existing vegetation to be enhanced</td><td>2.14 ha</td></tr><tr><td>Protected Revegetation Area,</td><td>Vegetation to be established with the planting of native endemic flora species</td><td>1.5 ha</td></tr></table>	Area	Offset Type	Minimum Size (ha)	Area 1	Existing vegetation to be enhanced	1.71 ha	Area 2	Existing vegetation to be enhanced	2.56 ha	Area 3	Existing vegetation to be enhanced	2.14 ha	Protected Revegetation Area,	Vegetation to be established with the planting of native endemic flora species	1.5 ha	<p>Figure 9 in Appendix 6 of the Project Approval titled "Biodiversity Offset, shown as Areas 1, 2 and 3" is to be replaced with a new figure prepared by RCS Group and known as the "Plan of Operational and Extraction Areas with Current Aerial Image" dated 17 February 2016 attached as Annexure B.</p> <p>Key differences between Figure 9 and the new Appendix 6 attached as Annexure B include the following:</p> <ol style="list-style-type: none">1. Removal of the area to the north of the main access road from the "Protected Revegetation Area". This is in line with Schedule 3, Condition 42 which notes "the tree screening on the northern side of the quarry access road" is excluded.2. Amendments to the location of the boundaries of Areas 1, 2 and 3 and the Protected Revegetation Areas. This is as a result of the areas being surveyed and ground truthed.	<p>The figure in Appendix 6 required amendment as:</p> <ol style="list-style-type: none">1. The area to the north of the main access area was incorrectly included as part of the Protected Revegetation Area; and2. The boundaries of the Biodiversity Offset Areas were only conceptual and did not correspond with the surveyed/ground truthed areas. <p>All minimum sizes in Table 7 in the Project Approval have been met/have not decreased following the change.</p>
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Protected Revegetation Area,	Vegetation to be established with the planting of native endemic flora species	1.5 ha																	

		TOTAL	7.91		
4	<p>Schedule 5, Condition 6</p> <p>Amendment sought is shown in <u>underline</u>.</p>	<p>Community Consultative Committee The Proponent shall establish and operate a CCC for the project to the satisfaction of the Director-General. This CCC must be operated in general accordance with the <i>Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects</i> (Department of Planning, 2007, or its latest version), and be operating prior to any development being carried out on site under this approval.</p> <p>Notes:</p> <ul style="list-style-type: none">• The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Proponent complies with this approval.• In accordance with the guideline, the Committee should comprise an independent chair and appropriate representation from the Proponent, Council, recognised environmental groups and the local community.	<p>Community Consultative Committee The Proponent shall establish and operate a CCC for the project to the satisfaction of the Director-General. This CCC must be operated in general accordance with the <i>Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects</i> (Department of Planning, 2007, or its latest version), and be operating prior to any development being carried out on site under this approval.</p> <p><u>Notwithstanding the Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects, the CCC may reduce the number of CCC Meetings from twice annually to annually if unanimously passed by all CCC Members present at the CCC Meeting.</u></p> <p>Notes:</p> <ul style="list-style-type: none">• The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Proponent complies with this approval.• In accordance with the guideline, the Committee should comprise an independent chair and appropriate representation from the Proponent, Council, recognised environmental groups and the local community.	<p>Interest in the CCC by the local community representative and the local community generally was waning. The last three CCC Meetings have proceeded without a local community representative being present. As a result, the Members of the CCC at the most recent CCC Meeting on 16 October 2015 expressed their preference to reduce the number of CCC Meetings required annually or alternatively suspend the meetings altogether.</p>	

Proposed Modification 1 - Weighbridge and Scales Fitted to Front-End Loaders

The Proponent requests Schedule 2, Condition 9 and Schedule 3, Condition 26(a) be amended so that either a weighbridge or accredited scales fitted to front end loaders may be used to weigh the product. In addition, the Proponent requests the removal of the 100,000 tonne limit from Condition 9(a1) Schedule 2 and the December 2015 time limit from Condition 26(a) Schedule 3.

The existing conditions read as follows:

Schedule 2, Condition 9: *"The Proponent shall not...:*

(a1) transport more than 100,000 tonnes of extractive material from the site in any calendar year without having first installed a weighbridge;..."

Schedule 3, Condition 26(a): *"...Each payment must be:*

(a) based on the quantity of extractive materials transported from the site recorded be either accredited scales fitted to front-end loaders or weighbridge records until the end of December 2015, and thereafter based on weighbridge records only;"

The modifications being sought are for several reasons

1. Due to the staged nature of the project and the progressive development and rehabilitation of the site, it is extremely difficult to establish a site for a weighbridge that would be capable of servicing all stages of the development.
2. Having to relocate a weighbridge if it was to be installed would be at significant cost and disruption to the supply of the resources and therefore unproductive.
3. Limiting a non-weighbridge consent to 100,000 tonnes per annum effectively creates a supply shortage significantly impacting larger clients such as the RMS for the upgrade of the Pacific Highway.
4. All of the Proponent's loaders which load transport vehicles are fitted with accredited scales capable of accurately weighing and monitoring the transport of all resources. Loader scales are used for determining the sales quantities throughout the quarrying industry as an accurate and accountable means of measurement.
5. Being able to utilise accredited scales for loaders up until the point that 100,000 tonnes of extractive material is transported and before December 2015 is indicative of the fact that this method is an effective, accurate and appropriate method.

Overall, using scales fitted to front end loaders as the alternative to a weighbridge is far more practical and flexible. The process is already adopted and used by the Proponent for purposes of sales and is maintained to ensure its reliability and accuracy for materials sold and transport weights of trucks.

The scales are fitted to the front end loader/s that load the trucks. Scales used by Champions Quarry (ie Loadrite LR918) measures weight by sensing the hydraulic pressure required to lift a load and a trigger mechanism senses the position of the lifting arms. Typical accuracy is $\pm 1\%$ for most bucket loaders. Each bucket load is weighed and electronically recorded on the electronic system. Once the truck is fully loaded a loading docket is printed in duplicate noting the weights, time and date of the load. One loading docket is provided to the truck driver for his records and the other loading docket is retained by Champions Quarry for their records. This system is accepted by major contractors including RMS and all other local contractors, the system is also currently used by Champions Quarry.

The scales are also tested for accuracy at least annually or otherwise in accordance with manufacturers specifications using known test weights or if no test weights are available by testing the total of weights recorded at an RMS accredited weigh bridge (scale house) over a period of time. In the event of an inaccuracy, the scales are adjusted and calibrated and then re-tested.

The Proponent currently uses more than 2 loaders with accredited scales for loading and determining weights of trucks to ensure the trucks are not overloaded. This improves the efficiency of the operation and is something that a single weighbridge alone could not accomplish.

The Proponent proposes the conditions be amended as follows:

- Schedule 2, Condition 9(a1) be deleted from the Project Approval; and
- Schedule 3, Condition 26(a) be amended so that it reads as follows:

“26(a) based on the quantity of extractive material transported from the site recorded by either accredited scales fitted to front-end-loaders or weighbridge records;”

Proposed Modification 2 – Sealing the Internal Haul Road that Connects the CEA and SEA

The Proponent requests Schedule 2, Condition 12 be either deleted in full or amend to read:

“The Proponent must either seal the internal haul road that connects the Southern and Central Extraction Areas to the satisfaction of the Director-General, or water the road at the rate 2L/m²/minute as required to minimise dust emissions.”

This amendment is consistent with previous correspondence from DP & I dated 13 January 2015, which states:

“Further, the Department accepts that there would appear to be little benefit to sealing this internal road as it would be subsequently damaged by on-site vehicles and machines and also contaminate quarry materials.

The Department notes that under the project’s approved Air Quality Management Plan, all unsealed quarry haul roads will be watered at a rate of 2L/m²/hour as required. The Department considers this to be an acceptable measure in managing dust emissions along internal roads, including the unsealed internal road between the Southern and Central Extraction Area.

Notwithstanding, the Department must pay heed to the current terms of the project approval. I therefore reiterate my previous advice that your company should give careful consideration to all existing conditions of project approval (including the Statement of Commitments), and lodge a single modification application to address all remaining concerns. It is considered that condition 12 of Schedule 2 should be addressed in this manner.”

Proposed Modification 3 – Updated Figure 9 in Appendix 6 of the Project Approval

The Proponent requests Figure 9 in Appendix 6 of the Project Approval, “Biodiversity Offset, shown as Areas 1, 2 and 3” be replaced with a new figure prepared by RCS Group and known as the “Plan of Operational and Extraction Areas with Current Aerial Image” dated 17 February 2016 attached as Annexure B.

Key differences between Figure 9 and the new Appendix 6 (as attached) include the following:

1. Removal of the area to the north of the main access road from the “Protected Revegetation Area”.

This is in line with Schedule 3, Condition 42 which notes “the tree screening on the northern side of the quarry access road” is excluded.

Appendix 6 of the Project Approval (reproduced as Figure 7.1 in the LMP) incorrectly shows the area to the north of the main access road as a Protected Revegetation Area. The area to the north of the main access road was never intended to form part of the Protected Revegetation Area, this is evidenced by the following:

- Condition 19 in Schedule 3 of the Project Approval states (emphasis added):

“The Proponent shall not extract any material in the Southern Extraction Area beyond the area shown as Progression 1, as depicted in Figure 5 of Appendix 2, before:... (b) the vegetated screening of planted trees to the north of the main access road is established, to the satisfaction of the Director-General.”

The condition states that the area is vegetative screening, not a protected revegetation area.

- Statement of Commitment 4 in the Appendix 3 also states that the proposed planting along the northern side of the main access road is “screen planting” and “visual screening”. Hence not a protected revegetation area. Statement of Commitment 4 in the Appendix 3 of the Project Approval states as follows (emphasis added):

“Measures to minimise impacts of traffic movement on fauna includes the following...:

- *selection of shrubs species and/or trees that do not provide a foraging resource for Koalas in visual screening proposed along the haul road;*
- *providing a break in screen planting near the junction of the haul road and Wyrallah Road to discourage directing terrestrial fauna on to the road,”*

- Statement of Commitment 4 in the Appendix 3 of the Project Approval states as follows:

The biodiversity offset strategy will... be aimed at retaining and managing areas of existing vegetation outside the operational quarry area and includes revegetation in adjoining areas...”

This notes the “revegetation area” also known as the “Protected Revegetation Area” is to be in “adjoining areas”. The area to the north of the main access road is not an “adjoining area” to the biodiversity offset areas (Areas 1, 2 and 3).

- Appendix 6 of the Project Approval was initially included as Figure 6.1 in Appendix C – Ecological Assessment of the EA. This states that the proposed planting along the northern side of the main access road is in addition to the revegetation planting in Figure 6.1 and is to include Casuarina plants and not part of the Protected Revegetation Area.
- Section 6.3.2 and 6.2.2 of the Appendix C of the EA states the following (underline added):

6.3.2 “Areas proposed to be identified and managed as biodiversity offset zones for the loss of the remnant and regenerating habitat in the Project Area are shown on Figure 6.1...”

...Champions Quarry has identified three specific offset areas within their land holding (Area’s 1, 2 and 3). This includes increasing the total size of Area’s 1, 2 and 3 by revegetating adjoining cleared land as shown on Figure 6.1. In addition, local Casuarina species are to be included in the corridor of vegetation planting along the northern side of the main haul road.

The offset areas include linking Area’s 1, 2 and 3, along with revegetation at the boundaries of these areas to increase their size, and reduce the potential for edge effects. As shown on Figure 6.1 this will reduce in excess of 40% edge from Area’s 1, 2 and 3. The revegetation works will involve the use of locally endemic species that are specifically selected to be consistent with the vegetation communities in these areas. The above proposed offsets do not take into account the significant amount of vegetation to be established for screening purposes at the site, and the significant amount of Koala Tree planting (in excess of 1 ha) to be undertaken along the northern boundary of the Project Site as has been outlined in the main EA report. Non-Koala screening vegetation will consist of appropriate native species. This will include a row of Casuarina to be planted along the main haul road to offset the removal of several Casuarina from the Project Area...

6.3.3 ...The proposed regeneration offset areas will improve biodiversity values within the Project Site through enhancing habitat connectivity, and in the long-term will minimise edge effects on the existing remnant vegetation within the offset areas.”

- Table 7 – Biodiversity Offset Strategy in the Project Approval does not include the area to the north of the main access road when calculating the 1.5 hectares of Protected Revegetation Area.

The inclusion of the area to the north of the main access road as a Protected Revegetation Area was an oversight. It was always intended to act as a visual screen and include some Casuarina plants. The

Protected Revegetation Area is intended to connect Areas 1, 2 and 3. The area to the north of the main access road clearly does not form part of the Protected Revegetation Area.

Further, to plant the area to the north of the main access road as a Protected Revegetation Area would provide foraging resource for fauna on either side of the main access road encouraging terrestrial fauna across the road ultimately being detrimental to the fauna and accordingly, inconsistent with the aims to be achieved in implementing a biodiversity offset strategy.

The inclusion of the area to the north of the main access road as "Protected Revegetation Area" in Appendix 6 was an oversight and is clearly inconsistent with the overall aim of the Protected Revegetation Area as the area as it does not "enhance habitat connectivity" but rather would draw terrestrial fauna across the main access road, an unintended and undesirable result.

Accordingly, Appendix 6 has been updated to exclude the area to the north of the main access area from the Protected Revegetation Area.

2. Updated Areas 1, 2 and 3 and the Protected Revegetation Areas following Ground truthing.

The figure in Appendix 6 required updating as when the Areas 1, 2 and 3 and the Protected Revegetation Areas were surveyed and ground truthed, there were some inconsistencies between the actual boundaries and those indicative boundaries in the original Appendix 6 included in the Project Approval.

The original Appendix 6 is stated in Schedule 3, Condition 40 to be conceptual and was merely an estimate/overlay on an aerial photograph that was at least 7 years old. The new figure corresponds with survey areas and are ground truthed,

All minimum sizes in Table 7 in the Project Approval have been met/have not decreased following the change.

The areas included in the new Appendix 6 (as attached) also allow for surveyed areas that can be fenced as and when required. The original Appendix 6 did not allow for areas to be fenced due to the number and type of angles on the boundaries.

Proposed Modification 4 – Reducing the number of CCC Meetings from twice annually to annually

The Proponent requests Schedule 5, Condition 6, be amended by the insertion of the following "Notwithstanding the *Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects*, the CCC may reduce the number of CCC Meetings from twice annually to annually if unanimously passed by all CCC Members present at the CCC Meeting."

The CCC has met five times between 10 October 2013 and 16 October 2015. The relevant local community representative has failed to attend the CCC Meetings in the last three instances for various reasons. The CCC Chairperson and Secretary had communicated with the relevant local community representative to keep them engaged and contributing to the CCC Meetings even in their absence. The relevant local community representative has had little to no input during this time.

The Proponent also sought expressions of interest from other most closely located local community members for the position of alternative local community representative, in case the local community representative could not attend the CCC Meetings. No expressions of interest were received.

As a result the CCC Members present at the most recent CCC Meeting on 16 October 2015 expressed their preference to reduce the number of CCC Meetings required annually or alternatively suspend the meeting requirements altogether until further notice. The CCC Members who were present at the last CCC Meeting considered that the CCC could satisfy their requirements if it met annually or suspended until further notice.

A copy of the relevant extract from the Draft CCC Minutes of 16 October 2015 is set out below:

"The Chairperson advised he had received a letter from Mr Chris Woolley (the Local Community Representative) dated 30 September 2015 (and tabled the letter). The letter advised that Mr Chris Woolley was unable to attend the CCC Meeting unless it was held on a Tuesday or Wednesday due to staffing issues. Mr Chris Woolley acknowledged that other surrounding

residents had been approached in an attempt to find an Alternate Local Community Representative, with no response. Mr Chris Woolley proposed meetings be held on alternate days (ie one meeting on a Tuesday or Wednesday and the following meeting on a day other than a Tuesday or Wednesday) if no Alternate Local Community Representative was found so that Mr Chris Woolley could attend at least one meeting per year.

Various discussions took place amongst members in relation to changing the meeting day to a Tuesday or Wednesday. The Chairperson acknowledged that there were complications for some members (including the Chairperson) if meetings were on a Tuesday or Wednesday. Members of the CCC further discussed the following in relation to moving the day of the CCC Meeting and the absence of a Local Community Representative or Alternate Local Community Representative:

- CCC Members expressed that if Mr Chris Woolley had genuine concerns in relation to the Quarry he should be committed to attending the CCC Meetings.*
- All members and the Chairperson had significant work commitments, some who were also self employed, notwithstanding this they attended the CCC Meeting.*
- The fact that the six closest residences were contacted seeking applications/expressions of interest for an Alternate Local Community Representative and no responses were received. The members considered that this was an indication that the Quarry may not be a significant concern to local residents.*
- The primary function of the CCC Meeting was community consultation, in the absence of a Local Community Representative/Alternate Local Community Representative, the function of the CCC was diminishing.*
- Matt Kelly [the Lismore City Council Representative] and Andrew Gordon [the General Community Representative] questioned whether the CCC should be dissolved in the absence of a Local Community Representative/Alternate Local Community Representative. It was noted however that there was a legal requirement to have a CCC. Jeff Champion considered that it was likely the NSW Department of Planning and Infrastructure would want the CCC to be run for two or three years regardless.*
- Members discussed whether Champions Quarry may wish to approach the NSW Department of Planning and Infrastructure in the future and request the number be reduced from twice annually to once annually.*
- All members instead moved that Champions Quarry email a copy of this CCC Draft Meeting Minutes to Mr Chris Woolley once finalised. Mr Chris Woolley can then table any concerns that he may have at the next CCC Meeting even if he is unable to attend.*

Members of the CCC moved that Champions Quarry write to the NSW Department of Planning and Infrastructure on behalf of the CCC and seek guidance on the position of the CCC where there is waning or lack of local community interest and no Local Community Member present and at what point does the CCC cease to exist."

The Proponent prefers that the CCC continue to meet annually, rather than be suspended until further notice, to ensure the various positions are maintained on the CCC. Accordingly, the Proponent requests the amendment above.

Annexure B – Application pursuant to Section 75W of the Environmental Planning and Assessment Act 1979

THE PLAN OF OPERATIONAL AND EXTRACTION AREAS

Proponent: Champions Quarry 2 Pty Ltd ACN 600 281 061
Address: 1668 Wyrallah Road, Tuckurimba, New South Wales, 2480
Land: Lot 5 / DP1191905

Plan of Operational and Extraction Areas with Current Aerial Image dated 17 February 2016