# Operational Summary

Proposed Development –

14 Distribution Drive, Orchard Hills, 2748

Rev1

snackbrands AUSTRALIA

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# 1 Introduction

This operational summary accompanies SSD-18204994, which seeks to deliver the operation of a food manufacturing facility for Snack Brands Australia, attached to their existing warehouse and distribution facility at 2 and 14 Distribution Drive, Orchard Hills.

This document summarises the proposed operation and management of the development.

# 2 Occupier information

Since its beginnings in the early 1990's, Snackbrands has made a significant contribution to manufacturing in Australia, producing famous household brands such as Kettle Chips, Thins, CC's, Natural Chip Company, Cheezels and Jumpys.

Over the years, Snackbrands has played a key role in overall market growth, leveraging its strategic relationships across both retail and wholesale trade, building brands, continually innovating, and driving overall sales from humble beginnings of 15 million packs per year, to its current day at over 200 million. Of course, to produce volumes of this magnitude, Snackbrands leverages an extensive network of Australian famers, sourcing 100% of its potato and corn requirement from local Australian farms - continuing its proud history to provide all Australians with Australian grown and manufactured snacks.

# 3 Proposed Operation

This proposal seeks to develop a food manufacturing facility, office space and car parking adjacent to SBA distribution centre at Orchard Hills. Currently SBA manufactures food products at two facilities located in Blacktown and Smithfield prior to transporting the finished Goods to our Orchard Hills distribution centre. The development will look to develop an Australian manufacturing footprint that makes world class products at globally competitive prices, ensuring sustainable Australian manufacturing of snacks for the next 30 years. The new manufacturing facility will be a combination of new lines and relocation of existing Australian based manufacturing lines.

The project seeks to reduce production costs through

- Elimination of freight between existing manufacturing plants and Orchard Hills distribution centre
- Reduce loss of product.
- Increase energy efficiency.
- Reduced energy consumption

Current production volume is over 36,000 metric tonnes (mT) per year with the investment in capacity for future growth to approximately 50,000 mT/year. The proposed development involves the transfer of operations and the replacement of outdated equipment:

- Development and installation of a Corn processing and packaging plant.
- Development and installation of a Potato processing and packaging plant
- Transfer and installation of a Cereal processing and packaging plant
- Transfer and installation of associated end of line equipment and Wastewater treatment plant

The food products that will be manufactured primarily comprise of potato, corn and extruded snack food products sold under well-known brands such as Kettle, Thins, CC's, Cheezels, Jumpy's and The Natural Chip Company. The site will operate 24 hours per day, seven days per week

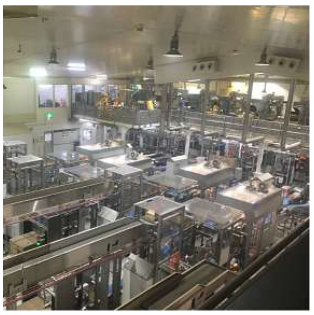
SBA currently has a Quality Management System and HACCP plans for all current and proposed processes, which will be updated with any new equipment at the new factory.

Stage 1 of the development (including variety packing lines) has been HACCP certified and SQF (global food safety standard) certified, which will be expanded to include certification for Stage 2 (including raw materials & manufacturing) once the site starts operating. Customer standards will also be implemented (CFMSR, WSE, Aldi) as per current SBA sites.

## 3.1 Operational Flow


A typical potato processing line is shown below from Potato storage to Potato processing to the packaging equipment.





The process between different plants largely changes only in the way the raw materials are stored.

## 3.2 Product storage

The new site will be equipped to store potato, oil and corn in enclosed product silos or bunkers similar to those shown below.

*Representative photos of potato storage, Oil storage silo, Corn storage silos and bulk bag unloading*

All other raw materials and packaging will be stored in traditional pallet storage warehouse

## 3.3 Staff

The maximum anticipated employee numbers on site at any one time is expected to be approximately 250 staff spread across the manufacturing, warehousing and front office operations.

## 3.4 Carparking and traffic

Employee, contractor, and visitor parking will be accommodated on site with an average daily peek of approximately 250 spots and allowing for a seasonal a peak of approx. 270 spots.

## 3.5 Hours of operation

The proposed development is expected to operate 24 hours a day, 7 days a week. This is consistent with the existing operation and is required to ensure viability of the site.

## 3.6 Customer/visitors

The site is designed to accommodate customer visits and tours; however, these visits are not regular and on as needs bases and are managed through normal business hours

Visitors to the site are limited to auditors, suppliers of packaging material, raw material, equipment providers and contractors. Packaging material, raw material and equipment providers visitor are managed to normal business hours. Equipment contractors are managed through our maintenance operating system and are expected to be on site as per agreed schedules.

## 3.7 Deliveries and truck movements

The development will enable the elimination of the shuttle transfer of finished products from the existing manufacturing facilities in Smithfield and Blacktown (approx. 4 trucks per hour). The deliveries of raw materials to the new site will be the same as the consolidated number to the existing sites. (approx. 5 trucks per hour).

The remaining vehicle movements through the site are to accommodate the current warehouse operations 5 delivers or dispatches per hour and employ entering and exiting the site

## 3.8 End-product customers

Transfer of finished products to our end customer is achieved via a 3PL transport provider or retailer primary freight, with the site design to accommodate 3 dispatch loads per hour.

Finished goods are distributed via the retail or wholesale trade with the retail trade accounting for approximately 90% of all vehicle movements.

## 3.9 Volumes of materials

The just in time principle of raw materials delivery and storage is adopted rather than on site storage. Potato, Corn and Oil are delivered daily by truck to the site and each delivery (up to 46,000kg) is stored in an individual bunker or silo until utilised. The potatoes and corn are cleaned and weighed as required and mechanically transferred to the processing halls for cooking. Other raw and packaging materials are stored within the main building and transported to area of use, as and when required.

The new site will be able to store up to 460T of raw potatoes, 240T of raw corn, 360T of cooking oil and approx. 3,500 pallet spots for raw materials and packaging

## 3.10 Waste management

The solid waste generated through the manufacture of snacks is collected and >85% recycled through green waste, animal feed or simply cardboard recycling. This new facility will look to reduce production losses and further increase our recycling content, targeting >92%.

## 3.11 Mechanical and plant

### Potato Plant

The potato process starts with mechanical transfer to the potato prep area. This area of the plant will wash, peel and quality sort the potato preparing it to be cooked. Post sorting, the potato is hydraulically transfer to the processing hall. Each potato is then sliced to the required thickness and profile ready to be cooked through one of 5 potato fryers. Once the frying process has been completed, the chip is once again quality sorted via an automated optical station ready for mechanical transfer to product seasoning.

### Corn Plant

The Corn process starts with mechanical transfer to the corn cooking area. This area of the plant will cook and soak corn preparing the cooked corn kernels to be hydraulically transferred to the corn processing hall where the corn will be washed and milled into a masa dough across two processing lines. The dough will be sheeted and cut to the required size and shape. The shapes are cooked via an inline oven and oil frying process. The cooked chip is then mechanically transferred to product seasoning.

### Cereal Plant

The Cereal processing starts with bulk bags of corn and rice flour being transferred pneumatically to a mixing silo. Once the correct blend is achieved, the mix is pneumatically transferred to one of two extrusion cooking process to form the desire shape and texture before being oven dried. The cooked snack is then mechanically transferred to product seasoning.

### Multipurpose Plant

The multipurpose plant is capable of creating both pellet and sheeted snacks.

The pellet product is brought into the site as a preform and mechanically unloaded onto the processing line prior to the fryer. The pellet is cooked before being mechanically transferred to product seasoning.

The sheeted snacks utilise a number of ingredients that come in bulk bags (approx. 15kg) bags. Ingredients are then tipped into a mixing vessel, blended and mechanically transferred to a wet mixing vessel where a dough is generated. The dough is then sheeted and cut to the required size and shape. The shapes are cooked through a fryer before mechanically transferred to product seasoning

### Packaging & Palletising

Following the cooking process, the product is supplied directly to seasoning units before being weighed into

individual packets (bagging). Each bagging station is similar and independent. The packs are mechanically transferred to automatic case packers. The finished case is conveyed to automatic palletisers and transferred to the ASRS warehouse on site for storage. Customer orders are subsequently picked and loaded onto truck for delivery.

Utilities

Wastewater Treatment Plant. The Wastewater treatment plant is designed to allow for the recycling of water through the manufacturing process and any water discharge to sewer to be cleaned to meet Sydney Water consent to discharge requirements.

Compressed Air Plant. The compressed air plant consists of three oil-free screw compressors. The compressed air is dried in glycol cooled air dryers

Electrical Power Supply Electrical power will be supplied to the site by up to four 11 kV incoming lines to an Energy Australia substation. The substation is connected to high voltage (HV) main distribution board in Substation 1. The HV is supplied to 7 transformers.

# Appendix A – Annotated Site Plan