

Lynwood Quarry

Project News No. 7 July 2010

Who is Holcim Australia?

Holcim (Australia) Pty Ltd (Holcim Australia) is one of the country's leading producers and suppliers of construction materials such as concrete and quarry products.

The company has been serving the Australian construction industry since 1901, originally under the well-known brands Readymix and Humes. Many of Australia's most iconic landmarks have been built using our products, such as Australia's Parliament House in Canberra.

Today Holcim Australia has a network of over 200 concrete plants and 88 quarries, including the future Lynwood Quarry at Marulan, NSW. Holcim Australia focuses on community and environmental concerns both during and after its quarrying operations. We recognise that it is important to work in partnership with our neighbours. Good management requires that quarries must be operated in such a way that they may be effectively restored when quarrying is finished.

Purpose of this information sheet

Holcim Australia recognises that genuine partnerships with stakeholders, particularly in the local communities where the company operates, are an essential part of its business success. The company is committed to developing and maintaining long-term relationships with all stakeholders by communicating openly, honestly and in a transparent manner.

This information sheet provides an update on progress at Lynwood Quarry. Detailed studies for the implementation of the project are ongoing and construction activities for the establishment of the Quarry are scheduled to commence later this year with operations to commence in 2013. This information sheet provides an update on these activities including the proposed design of the Hume Highway-South Marulan Road Interchange. It also provides the outcomes from a detailed design process that has resulted in some proposed minor modifications to the currently approved Quarry and the associated environmental assessment process. Importantly, this information sheet also details how the local community can be involved in the environmental assessment process associated with the proposed minor modification.







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Holcim Australia (previously Readymix) was granted development consent on 21 December 2005 (DA-128-5-2005) by the NSW Minister for Planning, for the construction and operation of Lynwood Quarry. The Quarry will provide a long-term supply of high quality construction material into the Sydney, regional and local markets. Since the approval of the Project in late 2005,

Holcim has been progressing the implementation of the Project including obtaining all necessary supplementary approvals and reviewing the concept design and construction staging of the Quarry infrastructure. However, construction works at the site have not yet commenced and are scheduled to commence towards the end of 2010.

A minor modification to the 2005 approval was sought in January 2009 and subsequently approved on 7 May 2009. This minor modification related to a reduction in the western extent of the quarry due to an identified fault and other minor changes to quarry infrastructure.

Hume Highway Marulan Interchange update

As part of the approved Lynwood Quarry, Holcim Australia committed to constructing an interchange on the Hume Highway to facilitate access to the quarry.

Holcim Australia has undertaken extensive consultation with the RTA regarding the design resolution of the interchange. The RTA needs to approve the interchange design.

The interchange will consist of a bridge over the highway and on and off ramps on both the north and south bound carriageways of the Highway.

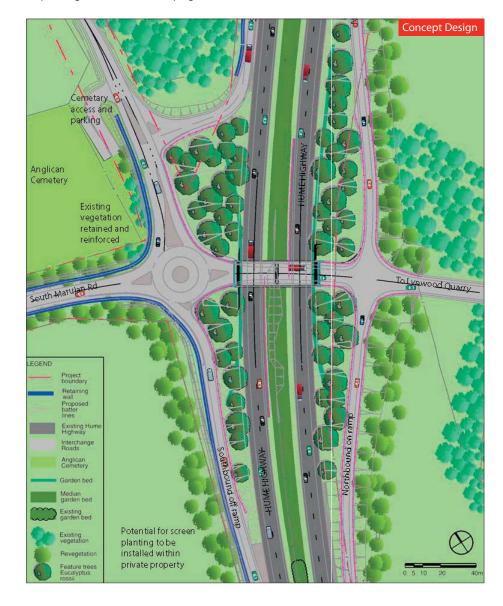
The interchange will provide access to South Marulan Road, Jerrara Road and the Lynwood Quarry Access Road.

The concept design is shown on this page.

Project Update

Since approval was granted for the project, significant progress has been made towards project implementation. Key achievements to date have included:

- preparation and approval of environmental management plans, including the Environmental Management Strategy these are all available on the Holcim Australia web site;
- obtaining the required Aboriginal heritage investigation and impact permits. The Aboriginal archaeology excavation program commenced in 2007 with fieldwork completed in Jan 10;
- obtaining the required Section 60 permit (Heritage Act 1977) for the old Marulan state
 heritage register (SHR) area. The main excavation within the SHR area was completed in late
 2007 with analysis and reporting works ongoing a community open day was completed as
 part of the excavation program;
- · obtaining the required approvals under the Water Mgt Act 2000;
- obtaining an Environment Protection Licence (EPL) for the project;
- progressing the detailed design of the Hume Highway Interchange. The Roads and Traffic Authority (RTA) has formally approved the Concept Design with the detailed design nearing completion; and
- undertaking further detailed engineering design for the implementation of the project and planning for the construction program.



Proposed minor modification

As part of the detailed design process for the Quarry, Holcim has identified opportunities to improve the plant set up and optimise the site layout. As a result of this detailed review, changes are proposed that are primarily aimed at obtaining operational efficiencies and product quality benefits, but will also result in both operational and capital cost savings.

This detailed design process has resulted in a decision to reconfigure the rail line (from a balloon loop to a spur line), which has allowed for greater flexibility in locating the components of the processing and loading out facilities, including the main access road. The detailed review has also resulted in changes to initial Quarry pit development to allow for the location of a proposed fixed in-pit primary crusher.

The changes to pit development however do not alter the maximum extent of the Quarry footprint. In addition to these changes, the revised project will also include:

- relocating components of the processing plant to the south of the Main Southern Railway and a slight change in location of the conveyor crossing over the railway;
- other associated changes to the layout of the crushing and screening plant and associated facilities in response to the changes to the rail facility and primary crusher, and to achieve improved operating efficiencies; and
- minor change to the design of emplacement areas to provide for the changes to infrastructure.

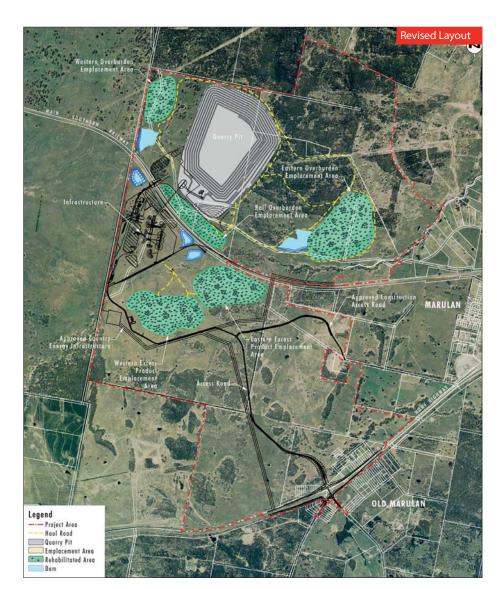
The revised layout of the quarry is shown on this page.

There are no changes to the production from the quarry, traffic arrangement or volumes, employee numbers, hours of operation, or the approved life of the Quarry, and the overall components and operation of the quarry are the same.

Although the layout of the facility has changed, the overall nature of the quarry

development is consistent with that

currently approved.



What planning and approvals will be required?

A modification to the existing Lynwood Quarry development consent will be required for the proposed changes to the Quarry from the Minister for Planning, with an application to be made to the Department of Planning (DoP). The modification application will be accompanied by a comprehensive Environmental Assessment.

Umwelt (Australia) Pty Limited, an Environmental Consultant, has been engaged by Holcim Australia to complete the Environmental Assessment for the project.

What will be assessed?

A comprehensive environmental assessment is currently being prepared for the proposed minor modifications to Lynwood Quarry.

The key environmental issues identified as requiring detailed assessment include: Ecology; Archaeology; Surface Water; Air Quality; and Noise.

All other potentially relevant environment and community issues will also be addressed in the Environmental Assessment. At this stage it is proposed to lodge an application to modify the Lynwood Quarry development consent early in the third quarter of 2010.



How can you be involved?

Holcim Australia believes that better planning is achieved through comprehensive consultation and social assessment.

As a result, community input will be a key element of the project to ensure that any community issues are recognised and incorporated into project planning and considered in the environmental assessment.

We would appreciate your feedback on the project and any issues you would like considered in the environmental assessment. You are invited to provide feedback by either completing the enclosed feedback form and returning it in the envelope provided, or by contacting Rachel Heath (Holcim Australia) or Steven Farrar (Umwelt Environmental Consultants) on the contact numbers

Holcim Australia will provide the community with further information on the results of studies being undertaken as part of the environmental assessment via a subsequent information sheet.

We look forward to your input.

Further information

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Steven Farrar

EA Project Manager

Umwelt (Australia) Pty Limited

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Preferred method for ongoing consultation: Mail [] Email [] Telephone [] In person []

NB. Your contact details will only be used for the purpose of providing you with information about this project.