Notice of Intent – Extraction Quantity Limit Increase, Mole Creek Limestone Quarry

February 2022

Name of Quarry:	Graymont Mole Creek
Location:	380 Den Road, Mole Creek TAS 7304
Postal Details:	PO Box 174, Mole Creek TAS 7304
Mining Authorisations:	ML1885P-M, ML96M-1971, EPN 290/1, EPN 9516/1
Name of Authorisation holder:	Graymont (Tasmania) Pty Ltd
ABN:	96 009 332 174
Plant Manager:	Leon Porter Email: leon.porter@graymont.com Phone: 03 6363 1187 Mobile: 0418 301 985
Environmental Representative:	Michelle Monson Email: michelle.monson@graymont.com Phone: 03 6363 1187 Mobile: 0429 969 909
NOI application contact:	Leon Porter Email: leon.porter@graymont.com Phone: 03 6363 1187 Mobile: 0418 301 985
Project Name:	Mole Creek Extraction and Crushing Limit Increase
Project Location:	380 Den Road , Mole Creek TAS 7304 (see Figure 1 and 2 below)

1. Background of the project proponent

Graymont is a global leader in lime and limestone solutions. Our products are essential in addressing today's most pressing environmental issues, while supporting vital industrial processes and agricultural needs. Uses for our products include the purification of air and water, and the production of items essential to a modern economy such as steel, paper, and metals. Headquartered in Canada, Graymont serves markets throughout North America and Asia-Pacific.

Professionally managed and family owned, the company has been in operation for over 70 years. Graymont aims to be the preferred supplier, employer, and partner of choice wherever we operate.

Graymont acquired lime and limestone assets in Australia from Sibelco in August 2019, including operations located in Tasmania, South Australia, Victoria, New South Wales and Queensland. Amongst other operational sites, this acquisition included the Mole Creek site. In Asia-Pacific, Graymont has regional offices in North Sydney, Melbourne, Adelaide, and overseas in Manila, Kuala Lumpur and Hamilton, New Zealand.

In 2020 Graymont injected around $5.5M into the local community through wages, freight and local contractors.

The Mole Creek quarry has been in operation since the early 1970's. The site produces lime and limestone products for uses including water purification and improving soils. The site employs 26 full time employees.

Graymont's Mining Services Department provides practical and technical support for the Australian mine sites, including 6 mining professionals.

Figure 1 - Mole Creek Location Plan

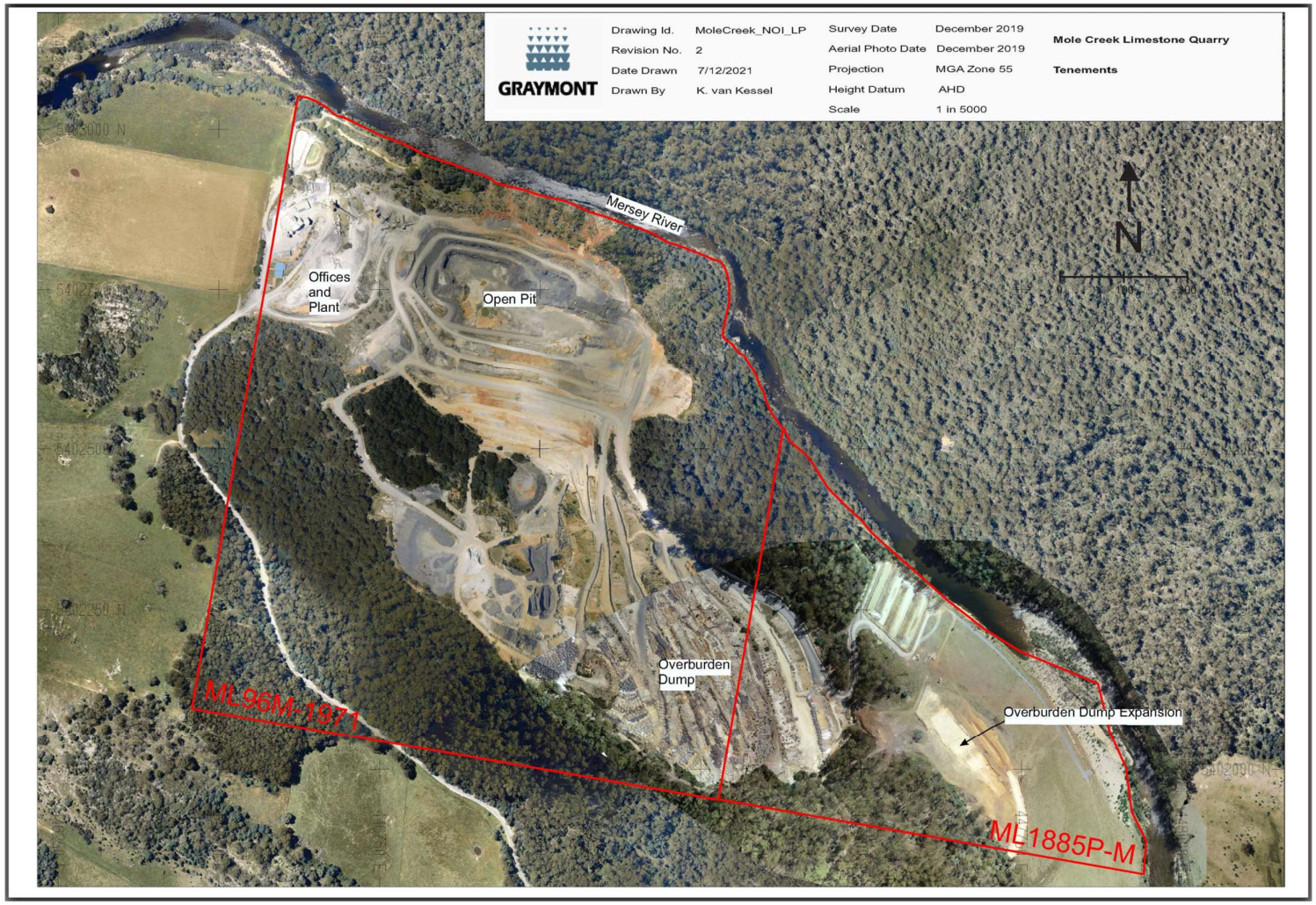


Figure 2 - Mole Creek Tenement boundaries

2. Description of the proposed project

Limestone extraction from the Graymont Mole Creek Limestone Quarry is regulated under EPN 290/1 and ML 96M/1971.

Condition Q1 of EPN 290/1 states the following:

Maximum Quantities

Q1 The quantity of materials extracted or processed by the activities must not exceed the following limits without the prior written approval of the Director:

Extractive Industry – Quarry:

Material	Tonnes Per Annum
Limestone	180,000

Chemical Works – Limestone Calcination Plant:

Raw Materials	Tonnes Per Annum
Limestone	160,000

In practice, these quantities refer to the following activities over a 12 month period from 1 January to 31 December:

- 180,000t of limestone extracted (doesn't include limestone sent to waste rock depot).
- 180,000t of limestone crushed on site.
- 160,000t of limestone processed through the lime kiln

Historically, the focus of quarry production was limestone with high calcium content, extracted for kiln processing. The removed overburden and limestone with low calcium content or clay contamination were deposited on the waste rock depot (Permit 9864) and are not required to be counted against the limits set in EPN 290/1. In partnership with our customers, Graymont has developed markets for lower calcium and clay contaminated limestone and a potential new market for overburden. Extracted overburden, lower calcium and clay contaminated limestone will be stored within the stockpile area (see attachment 1) for potential future processing or direct sale. Therefore, these materials will contribute to the 180,000 tpa quantity allowed under EPN 290/1 for extraction. Graymont reserves the liberty to decide later in time if materials from the stockpiles will be processed and sold or deposited on the waste rock depot. As a result of the growth in these new markets, Graymont is seeking to increase the extraction and crushed tonnes limits set in the current EPN 290/1.

The following annual limits are proposed, replacing the existing limits in Q1 of EPN 290/1:

- 350,000t of limestone and overburden extracted (doesn't include material sent to waste rock depot).
- 350,000t of limestone and overburden crushed on site.
- 160,000t of limestone processed through the lime kiln

Graymont has discussed the proposed increases of the annual limits with the EPA and the EPA advised to first seek advice from Meander Valley Council (MVC) to determine if planning approval would be required. Graymont approached MVC regarding this matter in November 2021 and received advice confirming a planning application would need to be submitted.

3. Proposed location of the project and a general site location map

Refer to Appendix 1 for the locations of extraction and crushing activities of limestone and overburden will take place.

4. General description of the physical environment that may be affected by the project.

Graymont has approximately ~200,000t of low quality and clay contaminated limestone stored on stockpiles located near the Western boundary of the waste rock depot (See Appendix 1). These stockpiles are not part of the waste depot and are used for supplementing on-site crushing activities, in addition to material extracted from the quarry. Graymont will continue to use these stockpiles for temporary storage and supplying stone for crushing activities on site.

5. The key environmental, health, economic and social issues identified for the project to date.

The proposed increase to the maximum quantity of limestone extracted and crushed, from 180,000t to 350,000t (an additional 170,000t) will deliver significant economic and social benefits to the town of Mole Creek and wider Northern Tasmania community. The quantity increase is expected to deliver 2-3 new full-time positions with our preferred contractor for the processing of low quality and contaminated limestone and overburden. These products will supply the construction, agricultural and landscaping sectors of the Tasmanian economy. These production increases will not require the clearing of any vegetation as all operations will continue to take place within the existing footprint of the current quarrying and crushing activities.

The proposed increase to extracted and crushed tonnes from the Mole Creek site will utilise the same controls for air, noise and water emissions currently in place for the existing operation. There is not expected to be any increased risk of discharge off the site causing an exceedance, nor is there any requirement to increase working hours in order to increase the extraction and crushed tonne limits.

The proposal will however lead to increased truck movements. A Traffic Impact Assessment will be commissioned to identify the impact of the increased truck movements on the impacted road network. The results of the TIA will include recommendations of required works (if any) to ensure the efficiency and safety of all road users.

Reprocessing of existing stockpiles, and a higher yield from material extracted from the quarry, is a more efficient use of the limestone and overburden resources at Mole Creek and will extend the life of the quarry. This will also reduce the quantity of material required to be disposed of and stored on the waste rock depot. The utilisation of low-grade materials for road base and aggregates will also

reduce the overall land disturbance in the Mole Creek area. If the materials are not sourced from Mole Creek another quarry will be required with all the associated infrastructure.

There will be no increase to current hours of operation to achieve the proposed increases to extraction and crushed tonne limits. Less material will need to be deposited on the existing Waste Rock Depot and instead can be processed into a saleable material. The nearest residence to the mining lease (96M/1971) on which extraction and crushing activities take place is 1.2 Km's (see Appendix 2). The proposed increase will not change the existing footprint of the operation and noise emissions are not expected to be any different from the current levels.

6. Requirements under the Land Use Planning and Approvals Act 1995

The proposed development is an intensification of an existing and approved use which is on land subject to the Rural Zone, the Kart Management Specific Area Plan, the Bushfire Prone Areas Code, the Landslip Hazard Code (low and medium landslip) and the Natural Assets Code (priority vegetation and watercourse protection corridor) of the Tasmanian Planning Scheme – Meander Valley. The proposed development increases traffic movements associated with the use and therefore the requirements of the Parking and Sustainable Transport Code as well as the Road and Railway Assets Code will be required to be complied with. Extractive industry is a permitted use in this zone however the intensification of a Level 2 activity requires a discretionary Development Application to Council.

Initial discussions were undertaken with Meander Valley Council to determine the need for a planning application and its requirements. Council classes the proposed development as substantial intensification requiring a permit. Council indicated that the proposed development will require a traffic impact assessment to determine compliance with the Planning Scheme. Council also advised that the application will be referred to the EPA and the Department of State Growth.

7. The proposed timetable for the project.

Subject to receiving the necessary approvals during the 2022 calendar year, Graymont proposes the increase to the maximum quantities commences 1 January 2022.

Under section 27B(2)(k) of the EMPC Act, a NOI is to contain the following additional details, which are answered below.

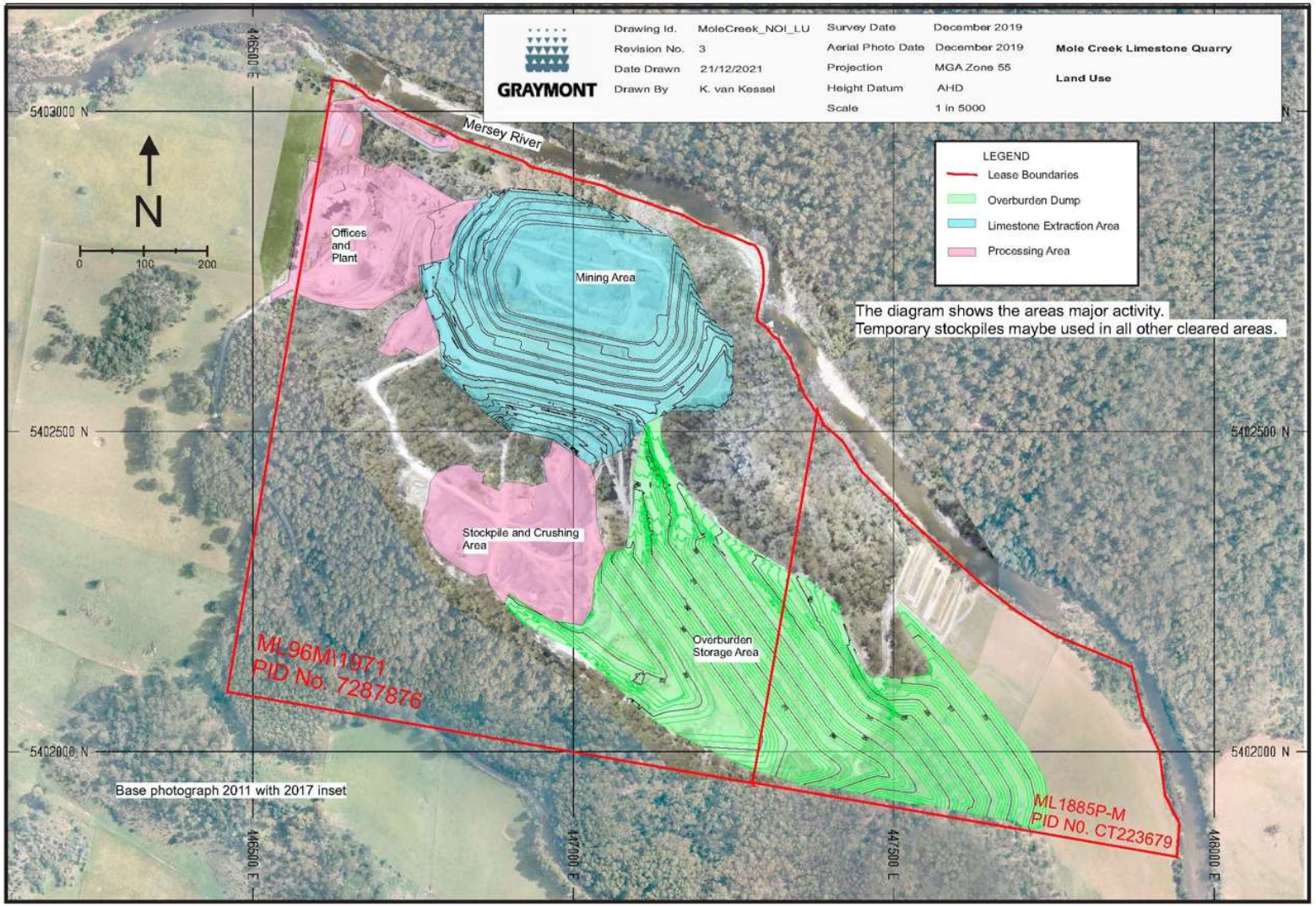
(a) *Whether the project requires or is likely to require approval under the Environment Protection and Biodiversity Conservation Act 1999 (which will be determined by the project's potential to impact upon matters of national environmental significance or upon Commonwealth land).*

(b) Whether the proponent has or intends to refer the project to the Commonwealth Government for a determination on whether approval under the Environment

(a) The proposal is to increase extraction and crushed tonne limits within the existing footprint of the current operation. The nature and scale of the project would make it unlikely to need approval under the Environment Protection and Biodiversity Act 1999.

(b) Due to the size and nature of the proposal it is unlikely to require approval from the Commonwealth Government and therefore no referral will be made

Appendix 1 - Operational Area for Limestone and Overburden Extraction and Crushing



Appendix 2 – Location of nearest residence from mining lease boundry