

TerraCom Limited

34 Hewitts Avenue Thirroul, New South Wales, 2515 Australia +61 2 4268 6258 ABN: 35 143 533 537

www.terracomresouces.com

David Grosse Department of Transport and Main Roads 31 Knight St, Rockhampton, Australia, 4701

4th August 2017

Dear DAVID,

In accordance with the Minerals Resources Act, Section 318EP, we hereby give notice of our intent to undertake a notifiable road use activity. This activity being the haulage of coal from the Blair Athol Coal mine on roads which are controlled by the Department of Transport and Main Roads as the road authority, commencing on the 18th August 2017.

The proposed roads to be used for this activity are as follows:

- Blair Athol Development Road
- Gregory Development Road
- Peak Downs Highway (to the intersection at the Isaac Plains Mine)

The type of haulage under the use is proposed as follows:

- Vehicle Type Type 1, AB Triple (not exceeding 36.5m in length)
- Mineral Hauled Coal
- Frequency of Vehicle Movements 4 per hour (in 1 direction)

The rate at which the haulage is proposed to be carried out is included in the table below:

Operating Month Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
Forecast Monthly Hauled Tornes 37,440	74,880	149,760	172,800	126,720	167,040	161,280	161,280	155,520	172,800	172,800	178,560

The proposed to start and end dates for the use are as follows:

- Commencement: 18th August 2017
- Completion: 30th July 2018

The contact details to discuss the matters stated in the notice are as follows:

- 1 -



TerraCom Limited

34 Hewitts Avenue Thirroul, New South Wales, 2515 Australia +61 2 4268 6258 ABN: 35 143 533 537

www.terracomresouces.com

Primary: Steve Jukes Email: <u>sjukes@jukestodd.com</u> Ph: 07 3<u>077 6200</u>

N/R

Secondary: David Stone Email: <u>dstone@terracomresources.com</u> Mobile: <u>N/R</u>

We look forward to receiving your directions regarding this notifiable road use.

Yours sincerely,

Mobile:

Sch 4 CTPI

2 .

455/20042 01 E 130820



Department of Transport and Main Roads

Our ref 455/00042(1) RMY:rmy E130664 Your ref Enquirles Ross Young

11 August 2017

Terracom Limited 34 Hewitts Avenue Thirroul NSW 2515

Attention: David Stone

Dear David

Road Use Direction Blair Athol Coal Mine

Proposed Temporary Haulage of Coal on the State-controlled Road Network Gregory Developmental Road (98A) and the Peak Downs Highway (33A)

Thank you for your letter of 4 August 2017 giving notice of your intent to undertake a notifiable road use activity being the haulage of coal from the Blair Athol Coal mine on roads which are controlled by the Department of Transport and Main Roads.

In your letter, you provided details of your proposed notifiable road use for haulage along the proposed route between the Blair Athol Coal Mine on Gregory Developmental Road and Isaac Plains Mine on the Peak Downs Highway.

Based on your information provided about your proposed notifiable road use, under section 64 of the *Mineral and Energy Resources (Common Provisions) Act 2014*, the Department of Transport and Main Roads (the department) gives the following road use direction:

- The proponent is to prioritise connection to the rail network for long term haulage of coal from the Blair Athol Coal Mine.
- 2. Haulage of coal by road shall only occur for a maximum time period from August 2017 to July 2018.
- 37/Haulage by road is limited to a maximum of 1,800,000 tonnes.
 - Undertake haulage with a largest design vehicle of AB Triple road train, with a maximum length of 36.5m.

Mackay/Whitsunday District Program Delivery and Operations Floor 2 | Mackay Office | 44 Nelson Street Mackay Qld 4740 PO Box 62 Mackay Queensland 4740
 Telephone
 +61 7 4951 8555

 Facsimile
 +61 7

 Website
 www.tmr.qld.gov.au

 Email
 mackay.office@tmr.qld.gov.au

 ABN 39 407
 690 291

- 5. Undertake a precondition survey and submit to DTMR prior to the commencement of haulage. This shall be undertaken by a suitably qualified engineering consultant.
- 6. Cease haulage operations at any time under the direction of DTMR during periods of wet weather to limit potential pavement damage.
- Install asphalt surfacing (as determined by DTMR) at existing intersections and accesses if needed to correct the existing pavement surface which has deteriorated as a result of the concentrated heavy vehicle turning movements.
- 8. Prior to the 31 October 2017, submit a Road Impact Assessment (RIA) prepared by a suitably qualified engineering consultant in accordance with the department's *Guide to Traffic Impact Assessment (GTIA)* to determine potential reduction in pavement life and/or accelerated maintenance of the State-controlled road network.

The Road Impact Assessment should also include a road safety assessment of the proposed haulage route, prepared by a suitably qualified consultant.

- 9. Implement the measures identified in the Road Impact Assessment which have been agreed to and approved by DTMR that are necessary to address the impacts of your proposed notifiable road use on the safety and efficiency of the Statecontrolled road network. These measures may include:
 - a. only undertaking the notifiable road use on State-controlled roads approved by the department;
 - b. paying any compensation required to address the impacts of the notifiable road use on the State-controlled roads identified in the road impact assessment; and
 - c. undertaking such further works identified in the road impact assessment as may be necessary to ensure that the notifiable road use is undertaken without adversely impacting upon the safety and efficiency of the Statecontrolled road network.
- 10. If compensation payments for the impact on the State-controlled road network are required, submit to this department, within 30 days of the haulage ceasing, a statement summarising the total quantity of material hauled on the road. DTMR will then issue an invoice for the amount payable.
- 11. Execute with TMR an agreement confirming compensation arrangements.
- This proposal has the potential to impact on other stakeholders including Isaac
 Regional Council. You will need to provide evidence to DTMR that you have
 consulted with Council to obtain their specific views of this amended proposal and how you intend to deal with their concerns.

The reason for the road use direction is to identify and mitigate the likely impacts of your notifiable road use on existing road safety, traffic flows and road pavement condition of the State-controlled road network.

If you are dissatisfied with this road use direction, you may appeal to the Land Court to review the decision made by the department about this road use directions under Section 406 of the *Mineral Resources Act 1999*.

Please continue to address all correspondence in the first instance to:

District Director Department of Transport and Main Roads PO Box 62 Mackay Qld 4740 Attention: Pat Aprile.

Thank you for your continuing assistance in helping manage potential road impacts of this haulage.

Yours sincerely

hile for District Director

Department of Transport and Main Roads Decision Brief MC99220

To: Minister for Main Roads, Road Safety and Ports Minister for Energy, Biofuels and Water Supply

SUBJECT:	Urgent
TerraCom's movement of coal via the road network	As requested by the Minister's
between Blair Athol Mine and Isaac Plains	Office

Summary

• The following brief provides information on the intended road use activity by TerraCom to transport coal from Blair Athol Mine to Isaac Plains Mine.

Recommendations

- That you approve and sign the attached response to Mr Noel Lang, Chairman, Road Accident Action Group (Attachment 1).
- That you note:
 - the Department of Transport and Main Roads (TMR) is only able to restrict road access if TerraCom fail to comply with the road use direction issued by TMR (Attachment 2)
 - any requests for TerraCom to transport coal by rail should be directed to the Department of Natural Resources and Mines.

Financial Implications

• There are no financial implications associated with accepting the above recommendations.

Background

- TerraCom intend to use the road network to transport coal from Blair Athol Mine to Isaac Plains Mine.
- The road haulage is a temporary measure to allow Blair Athol Mine to open, while a new connection to the existing rail network is established.
- The intended haulage route is 220 kilometres (110 kilometres each way) along the Peak Downs Highway, Gregory Developmental Road and local government roads.
- Feak Downs Highway is an approved heavy vehicle route for Type 1 road trains (36.5 metres in length).

Gregory Developmental Road is an approved heavy vehicle route for Type 2 road trains (up to 53.5 metres in length).

Action Officer: Dave Grosse

Regional Director (Central Queensland)

Tel: 4931 1504 Date: 9 October 2017

MC99220

Endorsed by: Amanda Yeates General Manager (Program Delivery and Operations) Tel: 3066 5498 Date: 12 October 2017

Endorsed by: DDG Bill Lansbury Acting Deputy Director-General (Infrastructure Management and Delivery) Tel: 3066 7118 Date: 16 October 2017 Endorsed by: DG Neil Scales Director-General

135-05916 released documents.pdf - Page Number: 6 of 15

- Haulage has not yet commenced on the state-controlled network.
- Refer to DLO1867 (Attachment 3).

Key Issues

Relevant legislation

- The movement of coal via the road network, more than 50,000 tonnes a year, is a notifiable road use activity under the *Mineral and Energy Resources (Common Provisions) Regulation 2016*. The regulation requires the proponent to provide advice to the appropriate road authority on the intended activity.
- TerraCom notified TMR of its intention to transport coal via the road network on 4 August 2017.
- Under Section 64 of the *Mineral and Energy Resources (Common Provisions) Act 2014*, TMR issued TerraCom with a road use direction on 11 August 2017.
- The road use direction aims to identify and mitigate the likely impacts of the notifiable road use on the existing roadway in terms of safety, traffic flows and pavement condition.
- TMR may restrict TerraCom from transporting coal via road if it fails to comply with conditions set out in the road use direction.
- If dissatisfied with the road use direction and/or decisions made under the direction, TerraCom is able to appeal to the Land Court to review the decision under Section 406 of the *Mineral Resources Act 1989*.

Addressing impacts to road condition

- Condition eight of the road use direction is that TerraCom is required to provide a road impact assessment (RIA) to determine potential reduction in pavement life and accelerated maintenance of the state-controlled roads. The RIA is due on 31 October 2017.
- A pre-condition survey (condition five of the road use direction) has been completed.
- Further conditions to address potential road impacts are outlined in conditions six, seven and nine of the road use direction.

Safety concerns

- Concerns have been raised about the potential safety risks associated with the increase
 of heavy vehicle traffic, particularly on the Peak Downs Highway.
- The vehicle type proposed by TerraCom to undertake haulage (Type 1 AB Triple road train not exceeding 36.5 metres in length) is approved for use on the Peak Downs Highway and Gregory Developmental Road, according to current Type 1 and Type 2 road train route classifications.
- Based on this vehicle type, it is intended that eight vehicles per hour (four loaded, four unloaded) would be used to undertake haulage.
- TerraCom is required to provide a road safety assessment of the proposed haulage route and a road use management plan as part of the RIA.

The road use management plan addresses the management of heavy vehicle operations including fatigue management strategies.

- TMR has stipulated that the movement of coal can only occur until June 2018 and the proponent is to prioritise connection to the rail network.
- The quantity of coal to be hauled has been limited to 1.8 million tonnes.

There are widening and rehabilitation works programmed in the 2017–18 Queensland Transport and Roads and Investment Program for sections of the Peak Downs Highway between Wuthung Road and Caval Ridge, however, these are not scheduled for construction until 2018–19 financial year.

Financial Implications

 TerraCom is required to pay compensation for any adverse impacts to the state-controlled road network and enter into an agreement with TMR confirming compensation arrangement (as per condition 10 and 11 in the road use direction).

Consultation with Stakeholders

- Ministerial correspondence on this matter has been received by the following stakeholders:
 - Member for Gregory, Mr Lachlan Millar MP (MC99016)
 - Mr Peter McCallum, Mackay Conservation Group (MC99022)
 - Member of the public (MC99027).
- TMR has received two media enquiries about this issue from local media including the Daily Mercury and ABC Tropical North radio (ME10150 and ME10151).
- Key issues raised by stakeholders include:
 - potential safety risks with the increased heavy vehicle traffic and congestion
 - fatigue management of haulage operators
 - damage to the existing Peak Downs Highway and cost of repairs
 - concerns about the current infrastructure being unable to safely support haulage.
- As part of the road use direction. TerraCom is required to consult with Isaac Regional Council to assess impacts on the local government road network.
- TerraCom is holding a public meeting in Clermont on 17 October 2017 to answer any public enquiries.

Employment

• There are no employment impacts associated with this matter.

Election Commitments

This matter does not relate to an election commitment.

Summary of Actions

- That you approve and sign the attached response to Mr Noel Lang, Chairman, Road Accident Action Group (Attachment 1).
- That you note:
 - TMR is only able to restrict road access if TerraCom fail to comply with the road use direction issued by TMR (Attachment 2)
 - any requests for TerraCom to transport coal by rail should be directed to the Department of Natural Resources and Mines.

Minister's comments: Approved / Not Approved Minister's signature 0



Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply

Our ref: MC99220

2 7 OCT 2017

Mr Noel Lang Chairman Road Accident Action Group PO Box 3105 MACKAY NORTH QLD 4740

-Noel, Dear Mr Lang

1 William Street Brisbane 4000 GPO Box 2644 Brisbane Queensland 4001 Australia Telephone 7617 3719 7300 Email main roads@ministerial.qld.gov.au Website www.stm:qld.gov.au

Thank you for your letter about the movement of coal from Blair Athol Mine to Isaac Plains Mine via the road network.

The movement of coal via the road network, more than 50,000 tonnes a year, is considered a notifiable road use activity under the *Mineral and Energy Resources (Common Provisions) Regulation 2016.* The regulation requires the proponent to provide advice to the appropriate road authority on the intended activity. In complying with the Mineral and Energy Resources Regulation, TerraCom notified my department of this notifiable road use activity earlier this year.

Upon receiving notification of the road use activity from TerraCom, my department has issued a road use direction with a number of conditions. These conditions include the requirement to supply a road impact assessment and mitigation strategies for any impacts to the road network (including fatigue management of heavy vehicle operators). This process is ongoing.

I appreciate the concerns you have taised about the safety and condition of the state-controlled road network. At this stage, haulage along the state-controlled road network is proposed for Gregory Developmental Road and the Peak Downs Highway. The Peak Downs Highway is an approved heavy vehicle route for Type 1 road trains (up to 36.5 metres in length). Vehicles exceeding this length are not permitted on the Peak Downs Highway. The Gregory Developmental Road is an approved route for Type 2 road trains (up to 53.5 metres in length).

My department is unable to provide advice on matters relating to the operations of the Blair Athol Mine and the relationship between TerraCom and Glencore. Enquiries of this nature should be directed to the parties involved or referred to the Department of Natural Resources and Mines.

I trust this information is of assistance.

Yours sincerely

MARK BAILEY MP Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply





Our ref 455/00042(1) RMY:rmy E130664 Your ref Enquiries Ross Young

11 August 2017

Terracom Limited 34 Hewitts Avenue Thirroul NSW 2515

Attention: David Stone

Dear David

Road Use Direction Blair Athol Coal Mine Proposed Temporary Haulage of Coal on the State-controlled Road Network Gregory Developmental Road (98A) and the Peak Downs Highway (33A)

Thank you for your letter of 4 August 2017 giving notice of your intent to undertake a notifiable road use activity being the haulage of coal from the Blair Athol Coal mine on roads which are controlled by the Department of Transport and Main Roads.

In your letter, you provided details of your proposed notifiable road use for haulage along the proposed route between the Blair Athol Coal Mine on Gregory Developmental Road and Isaac Plains Mine on the Peak Downs Highway.

Based on your information provided about your proposed notifiable road use, under section 64 of the *Mineral and Energy Resources (Common Provisions) Act 2014*, the Department of Transport and Main Roads (the department) gives the following road use direction:

- 1. The proponent is to prioritise connection to the rail network for long term haulage of coal from the Blair Athol Coal Mine.
- 2. Haviage of coal by road shall only occur for a maximum time period from August 2017 to July 2018.
- 3. Haulage by road is limited to a maximum of 1,800,000 tonnes.
- Undertake haulage with a largest design vehicle of AB Triple road train, with a maximum length of 36.5m.

Mackay/Whitsunday District Program Delivery and Operations Floor 2 | Mackay Office | 44 Nelson Street Mackay Qld 4740 PO Box 62 Mackay Queensland 4740
 Telephone
 +61 7 4951 8555

 Facsimile
 +61 7

 Website
 www.tmr.qld.gov.au

 Email
 mackay.office@tmr.qld.gov.au

 ABN 39 407
 690 291

- 5. Undertake a precondition survey and submit to DTMR prior to the commencement of haulage. This shall be undertaken by a suitably qualified engineering consultant.
- 6. Cease haulage operations at any time under the direction of DTMR during periods of wet weather to limit potential pavement damage.
- 7. Install asphalt surfacing (as determined by DTMR) at existing intersections and accesses if needed to correct the existing pavement surface which has deteriorated as a result of the concentrated heavy vehicle turning movements.
- 8. Prior to the 31 October 2017, submit a Road Impact Assessment (RIA) prepared by a suitably qualified engineering consultant in accordance with the department's *Guide to Traffic Impact Assessment (GTIA)* to determine potential reduction in pavement life and/or accelerated maintenance of the State-controlled road network.

The Road Impact Assessment should also include a road safety assessment of the proposed haulage route, prepared by a suitably qualified consultant.

- 9. Implement the measures identified in the Road Impact Assessment which have been agreed to and approved by DTMR that are necessary to address the impacts of your proposed notifiable road use on the safety and efficiency of the Statecontrolled road network. These measures may include:
 - a. only undertaking the notifiable road use on State-controlled roads approved by the department;
 - b. paying any compensation required to address the impacts of the notifiable road use on the State-controlled roads identified in the road impact assessment; and
 - c. undertaking such further works identified in the road impact assessment as may be necessary to ensure that the notifiable road use is undertaken without adversely impacting upon the safety and efficiency of the Statecontrolled road network.
- 10. If compensation payments for the impact on the State-controlled road network are required, submit to this department, within 30 days of the haulage ceasing, a statement summarising the total quantity of material hauled on the road. DTMR will then issue an invoice for the amount payable.
- 11. Execute with TMR an agreement confirming compensation arrangements.

12. This proposal has the potential to impact on other stakeholders including Isaac Regional Council. You will need to provide evidence to DTMR that you have consulted with Council to obtain their specific views of this amended proposal and how you intend to deal with their concerns.

The reason for the road use direction is to identify and mitigate the likely impacts of your notifiable road use on existing road safety, traffic flows and road pavement condition of the State-controlled road network.

If you are dissatisfied with this road use direction, you may appeal to the Land Court to review the decision made by the department about this road use directions under Section 406 of the *Mineral Resources Act 1999*.

Please continue to address all correspondence in the first instance to: District Director Department of Transport and Main Roads PO Box 62 Mackay Qld 4740 Attention: Pat Aprile.

Thank you for your continuing assistance in helping manage potential road impacts of this haulage.

Yours sincerely

for file District Director

Advice for Acting Minister for Main Roads, Road Safety and Ports

Subject: TerraCom notifiable road use activity

Document ID: DLO1867

- Terracom notified the Department of Transport and Main Roads (TMR) of a notifiable road use activity on 4 August 2017 (attachment 1).
- TMR agreed in principle to the temporary road use activity and issued a road use direction with a number of conditions on 11 August 2017 (attachment 2).
- The temporary haulage is to enable the Blair Athol Mine to re-open and is required until a new connection to the existing rail network is established.
- The road use direction aims to identify and mitigate the likely impacts of the proposed road use on the existing roadway in terms of safety, traffic flows and pavement condition.
- There will be up to eight vehicles per hour travelling 220km (110km each way) which includes the Peak Downs Highway, Gregory Developmental Road and local government roads.
- Peak Downs Highway is an approved heavy vehicle route for Type 1 road trains (36.5m in length).
- TMR has stipulated that the movement can only occur until June 2018 and the proponent is to prioritise connection to the rail network.
- It is anticipated up to 1.8 million tonnes of coal will be moved.
- As part of the road use direction, the proponent must supply a Road Impact Assessment in accordance with TMR's Guide to Traffic Impact Assessment (GTIA) to determine potential reduction in pavement life and accelerated maintenance of the state-controlled road network by 31 October 2017.
- Consultation is also required with Isaac Regional Council to assess impacts on the local government road network.

Action Officer/Approved	Endorsed by GM	Endorsed by DDG	Endorsed by DG
Dave Grosse	Amanda Yeates	Miles Vass	Neil Scales
Regional Director (Central	General Manager (Program	Deputy Director-General	Director-General
Queensland)	Delivery and Operations)	(Infrastructure Management	
		and Delivery)	
Tel: 4931 1501	Tel: 3066 5498	Tel: 3066 7118	Tel: 3066 7316
Date: 11 September 2017	Date:	Date:	Date:

[DLO1867]

