



Capability Statement



About Us

Quarrico Products Pty Ltd (“Quarrico”) is a local, family-owned company operating quarries and supplying concrete in Central Queensland.

Our main business is quarrying and the supply of gravel materials, road bases and aggregates to the mining and construction industries in the Bowen Basin. Our customers include mining and civil construction companies and contractors working in the Bowen Basin, and we are certified with the Department of Main Roads.

We have state-of-the-art on-board weighing technology fitted to our sales loaders, so we can accurately measure each and every load, and ensure your product is delivered as efficiently as possible.

Quarrico is also able to offer equipment hire services (wet or dry hire), and we have a mobile concrete batch plant that allows us to set up concrete production on our customers’ sites, thereby eliminating haulage costs for the supply of concrete.

At Quarrico, we aim to provide first class service and high quality products to ensure that our customers’ projects can proceed without delay. Our dedicated sales team work closely with our site personnel and crushing and haulage subcontractors to track deliveries, and our director, Joe Zarb, is always contactable, should after hours assistance be required.

Our goal is to maintain the highest levels of quality, safety, reliability and service to all of our customers.

“Our hard-working team is eager to work with you on your construction or maintenance project”



Our Quarries

Quarrico currently operates three quarries in the Bowen Basin:

| Name | Location | Produces |
|---|---|--|
| Grosvenor Quarry (Basalt Quarry) | Located on Moranbah Access Road, approximately six kilometres from the Peak Downs Highway turnoff, north of the Moranbah Airport. | <input type="checkbox"/> Cover aggregate (types A, B, C and D) <input type="checkbox"/> Concrete aggregate <input type="checkbox"/> Railway ballast (types 1, 2, and 3) <input type="checkbox"/> Unbound paving material (types 2 and 3) |
| Winchester Quarry (Igneous Rock Quarry) | Located off the Winchester Downs Road near Peak Downs Mine, this quarry is located approximately 3km west of the Isaac River Highway near the Moranbah Access Road turnoff. | <input type="checkbox"/> Cover aggregate (types A, B, C and D) <input type="checkbox"/> Concrete aggregate <input type="checkbox"/> railway ballast (types 1, 2, and 3) <input type="checkbox"/> Unbound paving material (types 2 and 3) <input type="checkbox"/> Sand |
| Doctor's Claim Quarry (Metamorphic Rock Quarry) | Located on Fitzroy Development Road south-west of Nebo, approximately seven kilometres south of the Peak Downs Highway turnoff. | <input checked="" type="checkbox"/> Cover aggregate (types A, B, C and D) <input type="checkbox"/> Concrete aggregate <input type="checkbox"/> Unbound paving material (types 2 and 3) |

Area of Operation or Supply

Our major area of operation is within a 100km radius of Moranbah, which incorporates numerous mine sites, including Moranbah North, Daunia, Goonyella Riverside, Peak Downs, Saraji, Grosvenor, Caval Ridge, Millennium, and Broadmeadow. We are in the process of establishing more quarries in the Isaac and Whitsunday Regional Council areas, which will allow us to serve a broader region.



Products and Services

We are able to supply you with:

- Unimproved, high quality products for roadways – this includes our range of quarry sands and gravels, sized to suit your needs
- Value added products utilising concretes and waterproofed plasters from our quarries
- Budget, no frills concrete for use in pathways, footings, fence posts, blinding, donga aprons
- Batching plant and pug mill products
- Specialist fill materials
- Power station bottom ash with cement injection for large volume, low cost work
- Moderate strength void fillers in bulk – for applications such as filling predriven roadways or consolidation of falls and designed to be cuttable with a shearer and transported by mine conveyor system for disposal. Available in 1 to 5 mPa (or higher) batched mixes or bagged kiln dried cementitious materials. Delivery preferably by borehole in large scale volumes.
- High strength void fillers in bulk for rib and wide roadway stabilisation
- High strength, fast set road builder - the finished mix can be walked on in minutes and will achieve reasonable (10 mPa) strength within a couple of hours. Comprises a bagged component that is mixed with fine aggregates via FEL bucket on site, typically providing 3 tonnes of road builder material for each tonne of binder.
- Waterproofed shotcretes, concretes and plaster
- Rated ventilation devices (seals, bulkheads and stoppings) with independent certification - available with all necessary materials, drawings and installation procedures for installation
- Fabricated, rated ventilation devices with independent certification - including bi-directional portal frame overcasts, machine doors, man access doors, regulators, airlocks, and non-rated coffin seals and specialist fabrications such as ramps, steps and underpasses.
- Void Fill - Supply and Installation of Void Fill products for Pre Driven Longwall Recovery Roads. Grout pumped from surface to Underground Roadway via drop holes.
- Stone Dusting utilising the new Aero Dust System. This is a wet dusting process, thus improving available cutting hours for Longwalls and the ability for crews to work in-bye of dusting locations improving production and decreasing downtime.
- General Site Maintenance & rehabilitation – currently have machinery available locally to carry out site maintenance or rehabilitation work
- Repairable items such as water pumps, conveyor structure etc. can be repaired locally at our Moranbah location, thus reducing turnaround time and decreasing transportation costs.



Specialised Capabilities

SharePoint

All of our sites, including our head office located in Mackay, are connected via our SharePoint system, a web-based program that allows us to share information across our business in real time. We are able to communicate complex information to all our sites instantaneously, which allows our supervisors and managers to monitor test results and track production across all sites, regardless of where they are located.

LoadRite

To ensure that our products are accurately weighed prior to delivery to our customers, Quarrico has invested in world leading load weighing technology called 'Loadrite'. This system enables the wheel loader scale to pre-weigh loads and has eliminated the need for a weighbridge. The Loadrite system is trade certified by the National Measurement Institute and the scales are calibrated in accordance with the National Measurement Act 1960 (Cth) to ensure accuracy and precision at all times.

Key benefits include:

- Reduced Waiting Times – our fleet are in and out of site faster, as unloading, reloading and reweighing are virtually eliminated. Our operation ensures truck turnaround efficiency and keeps wait queues much shorter;
- Reduced Cost – efficient loading saves on overload fines, wear and tear on trucks and wheel loaders, and it also stops trucks leaving with void space on-board;
- Customer Satisfaction – by providing quicker turnaround times without sacrificing accuracy in weighing loads, our customers' satisfaction with our service is assured.

Crush to Order

At Quarrico we understand that some projects require specialised materials and that our standard products may not always meet our customers' specifications. In addition to our standard products, we also have the capacity to crush to order. Our dedicated team is happy to work with you to identify your product needs and determine what we can do to meet them.

Equipment

Our quarries are fully-equipped with all the machinery and tools necessary to produce a wide range of high quality gravel and rock products. We have crushing, screening, loading and excavating equipment, which is regularly maintained and serviced. We also have a pugmill, which allows us to mix materials with water and ensure it is evenly saturated. Pugged material provides much better and more even compaction, which is an essential requirement for some of our customers.

We are also licensed to operate a mobile batch plant, which allows us to set up concrete production on our customers' sites, thereby eliminating haulage costs for the supply of concrete. This is useful for those of our customers with ongoing construction projects that require a near constant supply of concrete.

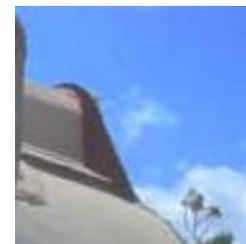
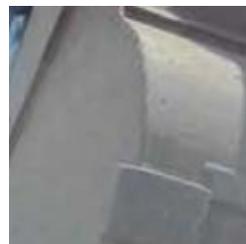
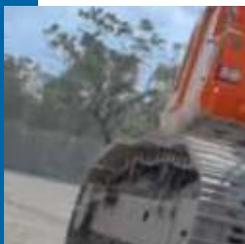


Track Record

We have a proven track record of providing reliable, on-time service and delivery to all of our customers. Our customers know that they can count on us to meet their needs, and this is the basis upon which we have built long-standing relationships. We are a supplier of choice and can be relied upon to fulfil our customers' needs.

Some Of The Major Projects We Have Worked On Recently Include:

| Customer | Project | Timeframe | Value | Produce Supplied | Date of Completion |
|---------------------------|--------------------------------------|-----------|--------|--|--------------------|
| McCosker Contracting | Goonyella Riverside | 4 months | \$40K | armour rock | May 2012 |
| Murphy Pipe & Civil | Western Corridor Caval Ridge Project | 6 months | \$460K | road base 2.2 and 2.5 | October 2012 |
| BMD | Caval Ridge | 1 month | \$40K | road base | February 2013 |
| Bechtel | Daunia Mine Project | 6 months | \$2.1M | road base 2.2 and 2.5 | March 2013 |
| Enerflex | Arrow Energy Project | 2 months | \$380K | road base 2.2 and 2.5 ballast & aggregates | March 2013 |
| GOHL Joint Venture | Peak Downs Highway Project | 6 months | \$3.5M | road base 2.2 and 2.5 | April 2013 |
| Moranbah Mini Earthmovers | BMA Broadmeadows | 12 months | \$250K | ballast | June 2013 |



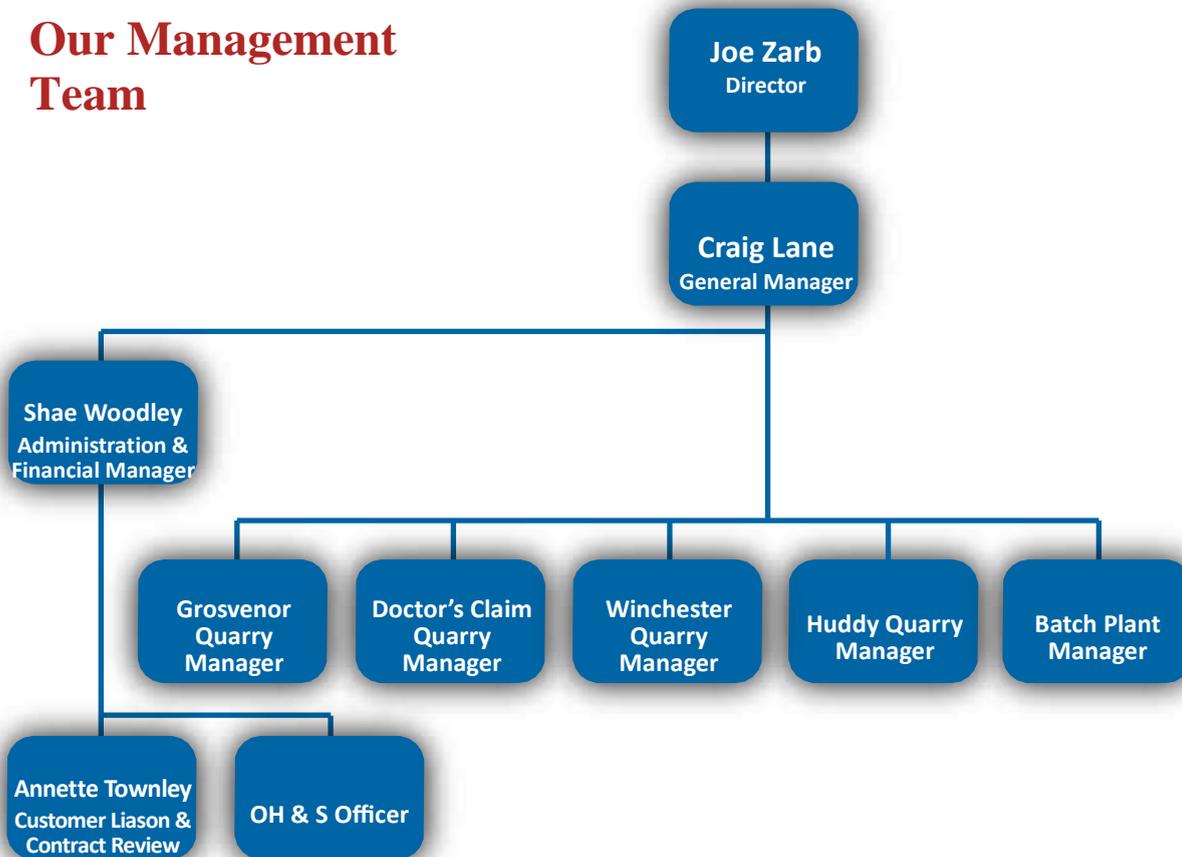
Other major customers that we work with include:

- Adept Contractors
- Anglo American
- Aurizon
- BMA
- Downer EDI
- Goldings
- Moorvale Earthmoving
- Thiess Pty Ltd

Capacity Levels

Quarrico has established long term relationships with our crushing and haulage subcontractors to ensure supply of the highest quality product that is delivered in accordance with our customers' requirements. This network of reliable subcontractors also means we have the capacity to adapt and increase our production levels to accommodate fluctuations in demand.

Our Management Team



Management Systems

Safety Management System

At Quarrico Products Pty Ltd, the safety and welfare of our employees is of paramount importance. Quarrico's Safety and Health Management system applies to our employees and subcontractors across all of our sites, and is monitored by our dedicated Occupational Health and Safety Officer.

Through ongoing training and assessment we ensure that all our people:

- operate in a safe manner and report any unsafe act, conditions or situation;
- take action to make work conditions safe and ensure that personal safety is not at risk;
- actively participate in the development of safe work practices.

Our sites are also regularly audited by the Mines Inspectorate to ensure that we comply with the relevant safety legislation.

Environment Management System

Quarrico is committed to undertaking all activities in an environmentally responsible manner and we manage all risks that may lead to a potentially harmful environmental impact. We carefully monitor noise and dust, and conduct regular Environmental Audits of our sites to ensure we are acting in an environmentally responsible manner. As a member of the Moranbah Cumulative Impact Group, we are committed to ensuring the environment and local community are protected.

Quality Management System

Our quality management system is an integral part of our management programme, and all of our employees and subcontractors are committed to delivering quality products and services to our customers.

We have a documented internal Quality Management System, including Policy and Procedures, which is overseen by our Managing Director. Our commitment to Continuous Improvement is maintained through ongoing reviews of all test results to deliver superior products.

Our reputation has been built on providing quality products and services, and is maintained because we strice to meet all specifications and regulatory requirements whilst consistently exceeding the expectations of our customers.



Customer Service

As a family-owned and family-orientated business, we understand the importance of building strong relationships with people. We have developed long term relationships with leading contractors, and have developed a network of hard-working subcontractors that we can call on to help us meet our customers' needs. We value our customers and recognise that they are the life-blood of our business. We take pride in the fact that many of our customers continue to come back to us, year after year, project after project.

At Quarrico we understand that relationships cannot succeed without good communication. We strive to be proactive when dealing with our customers and our subcontractors to ensure that the lines of communication are kept open. We aim to be transparent with our customers and keep them apprised of the progress of their delivery, and regularly provide test results to provide peace-of-mind that our products meet specifications.

Continuous Improvement and Innovation

Continuous improvement is essential to keeping up with the fast-paced business environment in which we operate. We always aim to apply best business practices to ensure the best outcomes for our customers, employees, subcontractors and stakeholders. Continuous improvement is a key consideration in our decision-making processes.

We are always on the lookout for ways we can improve aspects of our business, from customer service and quality control, to internal efficiencies and technological advancement. At Quarrico we understand that innovation is crucial to growing our business. We encourage our employees to evaluate the current state of our processes and consider ways those processes can be improved.

We are quick to adopt new technologies, as we recognise that investment in innovative practices is an investment in the future of our business. We were one of the first companies to embrace on-board loader scales as a more efficient and more accurate alternative to traditional weighbridge technology. We are also one of the first companies in the district to have incorporated an on-site testing facility at one of our quarries.



Corporate Social Responsibility

As a socially responsible corporate citizen, we understand that we have a direct and indirect impact on the communities in which we operate. We understand the importance of creating and maintaining strong communities for our children to grow up in and to inherit, and so it is important to us that we make a positive impact on those communities.

We are committed to achieving positive environmental outcomes, which is why we are a member of the Moranbah Cumulative Impact Group (MCIG). The MCIG was established by the Isaac Regional Council and key state government, resource industry, union, and community representatives, and is working to develop and implement strategies for minimising the cumulative impacts of mining on the amenity of Moranbah.

Quarrico is also committed to contributing to a strong local economy, and we engage local subcontractors and choose local suppliers wherever possible.

We regularly sponsor events and donate to worthy causes throughout the Bowen Basin and Mackay area, which have included:

- Cancer Council Queensland
- RSPCA
- Dr Edward Koch Foundation
- QLD Police Citizens Youth Welfare Association
- Moranbah Rodeo Association
- MS Australia
- CQ Rescue
- Variety Club
- Rural Fire Brigade Association Qld
- Anglo Coal Moranbah North Mine Race Day
- Moranbah State High School
- Coppabella State Primary School





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www.quarrico.com.au

