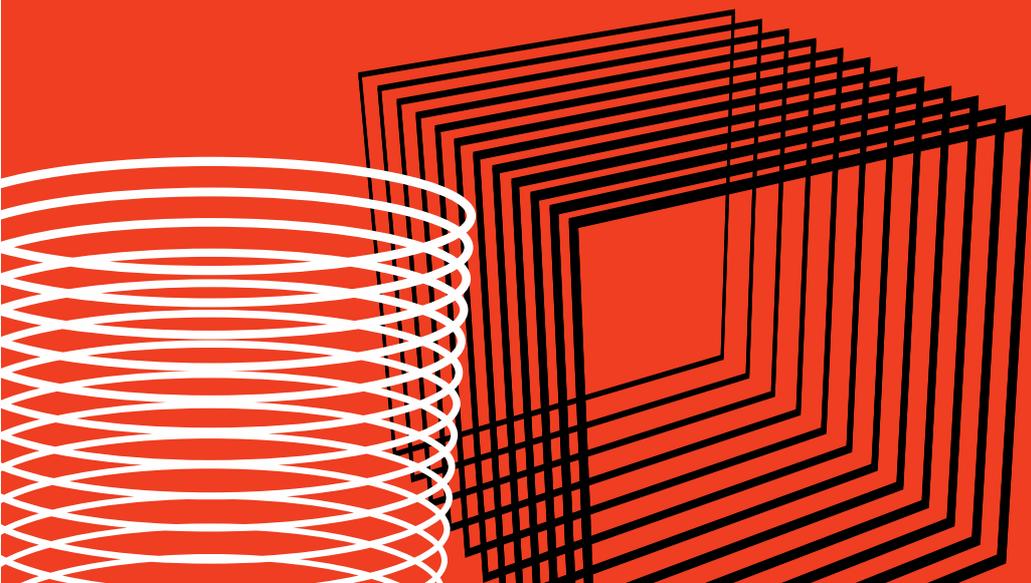


ORORA



1 Introduction

Orora was granted Project Approval by the NSW Government Department of Planning for the Construction of a new paper mill at Amcor's Matraville Plant (Project B9) under Application Number 05_0120 in July 2007.

As part of this approval, condition 34 requires an Annual Environmental Monitoring Report (AEMR) to be submitted.

This AEMR details environmental performance and works carried out during the 12 month reporting period from July 2015 to June 2016.

2 Description of Works

2.1 Works Conducted

The majority of the demolition of the B5 building was completed during the reporting period, with just a small portion to finalise in 2016/17.

The construction of the noise wall behind the properties on Partanna and Moorina Avenues was planned to begin in 2015, however delays during community consultation and a change in position of the new owners of the land meant the wall was not built. A new noise mitigation strategy will be investigated during 2016/17.

2.2 Works Planned for the next reporting period

Modification 5 was granted approval in September 2015. This approval is for the demolition of the B7 building, amendment to the subdivision plan, and relocation of an existing site access from McCauley Street 30 metres south.

The demolition of B7 has not yet started, and is dependent on Orora finding an alternative approved noise mitigation strategy, as mentioned in Section 2.1.

The sale of the "Hangar Block" was finalised in April 2016. This parcel of land is bordered by Partanna Avenue, Moorina Avenue, the Energy Australia easement and Botany Road, and is therefore no longer part of the Orora site.

3 Environmental Performance

3.1 Community Complaints

During the reporting period, B9 received 20 complaints via the Orora Environment Hotline and the EPA.

These complaints were divided between the following categories:

- Noise: 7 complaints
- Odour: 7 complaints
- Trees: 3 complaints
- Other: 3 complaints

All eight odour complaints were over a two-month period in July and August 2015. During these two months, the effluent to sewer flow (water bleed from the plant) was on average 4.5 ML/day. This was found to be too low, allowing odorous compounds to increase in the mill water system. The fresh water input into the mill was increased, thereby increasing the effluent flow to sewer up to 5.4 ML/day for the remainder of the 12 months. This resulted in better water quality and no further odour complaints for the year.

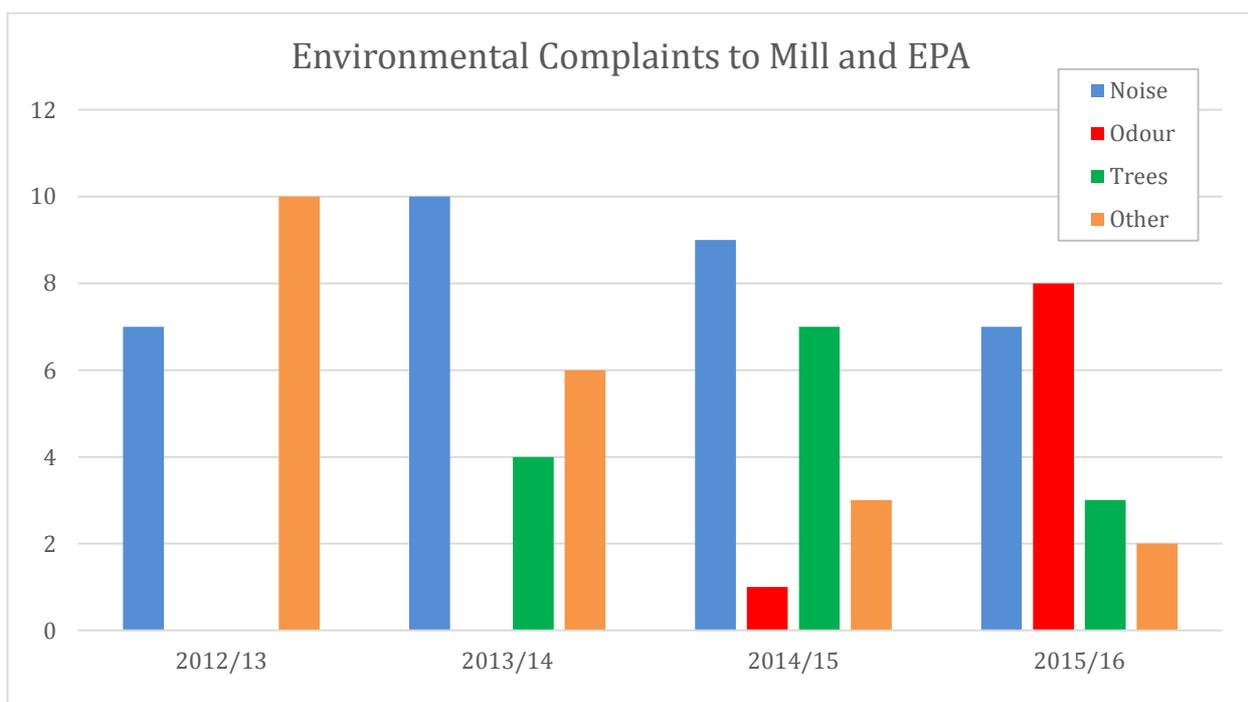
All seven noise complaints were due to steam safety release valves, five of which occurred between July 2015 and September 2015. A number of changes were made to help reduce the frequency at which the safety valves were opening. The speed of the paper machine, adjustment to boiler reaction time and reduced pressure in the steam header were all changed to reduce these noisy events. Extra alarms were also put into the computer control system for early detection of these events, should they still occur, as generally the noise was not detectable inside the paper machine, so could carry on for a significant period of time without being noticed by the operations team.

Feedback was given to the NSW EPA on both the odour and noise complaints and corrective action taken to address each at the time.

Complaints about trees were in relation to neighbours requesting tree branches from Orora property overhanging their fences to be trimmed. All requests were attended to.

The two “other” complaints were in relation to the proposed noise wall. One objected to the noise wall proposal, whilst the other was not happy that it was not being built once the land had been sold. Discussions were held with both complainants.

Figure 1: Historical Complaints Data



3.2 Community Liaison group meetings

Community Liaison group meetings were held on a 4-monthly basis during the reporting period on the following dates:

- July 1st, 2015
- November 19th, 2015
- February 25th, 2016

Information relating to progression of works, production performance and environmental complaints were presented and discussed.

Minutes from each meeting have been posted on the Orora website www.ororagroup.com

3.3 Community Notifications

Three community update flyers were sent to neighbouring residences, in September and November 2015, and May 2016.

The first two flyers outlined the noise wall proposal for the demolition of the B7 building, including design and landscaping aspects of the wall.

The third flyer detailed the sale of the Hangar Block land, and the decision to find an alternative noise attenuation solution before the demolition of B7.

3.4 Environmental Incidents

There were no reportable environmental incidents during the reporting period.

3.5 Noise Monitoring

Noise monitoring, as required by the Botany Mill Environmental Protection Licence (EPL) was conducted on a quarterly basis during the reporting period. These noise monitoring reports can be found on the Orora website: www.ororagroup.com.au.

Noise contribution from the site was found to be compliant.

3.6 Air emissions

As a result of consistently low emissions results from the boilers, the NSW EPA removed the requirement for annual boiler emissions testing from the Botany Mill EPL from 2016.

3.7 Water Use

B9 currently has the following water access licence (WAL) and Approval for extracting groundwater:

- WAL 36382
- Approval 10WA118709

Usage for the reporting period was within licence limits.

3.8 Sydney Water Trade Waste

Eight-day effluent testing was performed, with results sent to Sydney Water as per the Consent to Discharge Industrial Trade Wastewater.

3.9 NSW EPA Environmental Protection Licence (EPL)

The Annual return for the Botany Mill EPL 1594 was submitted in April 2016 as required. All conditions of the licence were compliant.

3.10 Waste

Operational Wastes differed from those predicted in the Operational Waste Management Plan as was submitted in 2012.

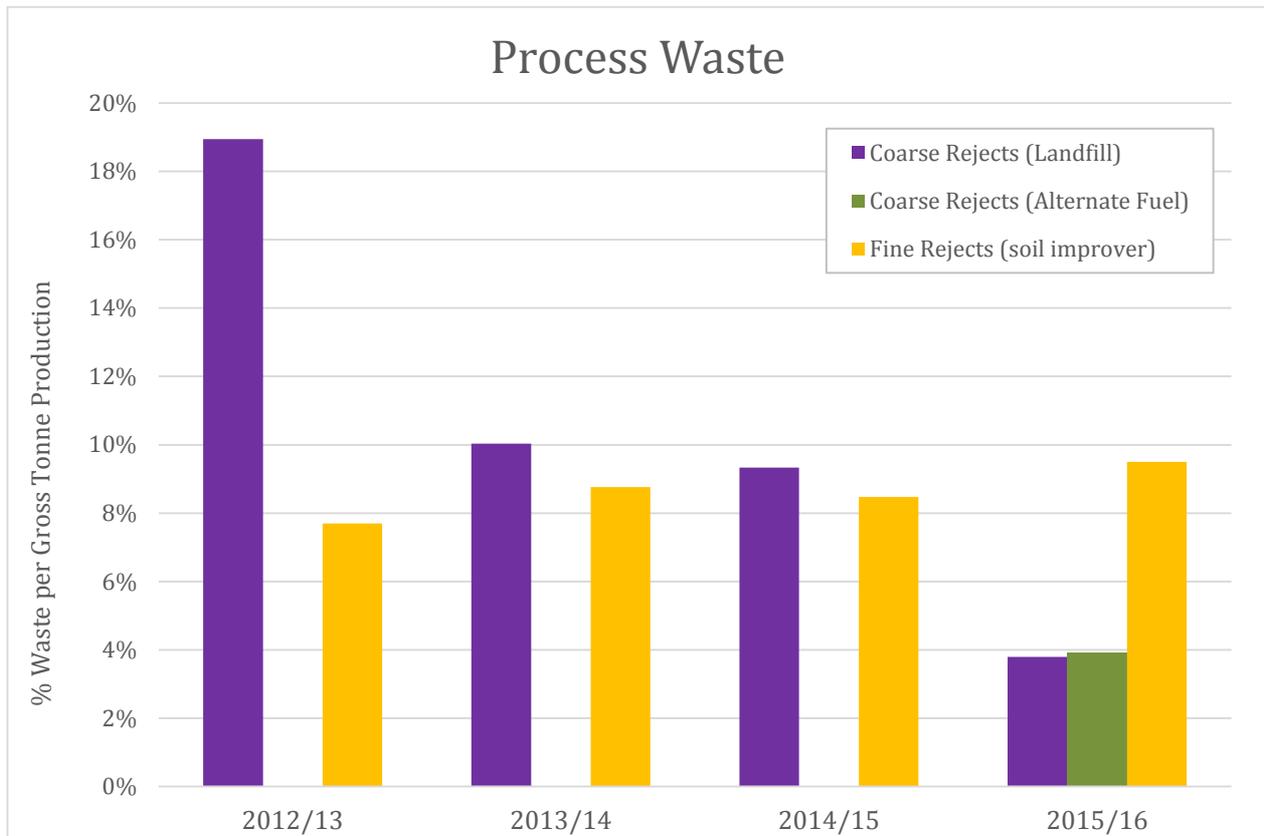
Table 1: Comparison of predicted and actual waste generation.

| Waste | Waste Management Plan | Current Performance | Management |
|----------------|-----------------------|---------------------|---|
| Coarse Rejects | 28,000 T | 30,500 T | 15,000 T to processing of alternative fuel 15,500 T landfill |
| Fine Rejects | 11,000 T | 37,500 T | Re-use as Soil improver under EPA exemption |
| Waste Oil | 10,000 L | 22,000 L | Recycled |
| Scrap Metal | 10 T | 28 T | Recycled |

The Operational Waste Management plan stated that all coarse rejects would be disposed of at a licensed landfill. From July 2015, around half of the coarse rejects have been accepted at a processing facility that makes alternative fuel for export.

An upgrade to the Stock Preparation Plant is being planned for the next reporting period, which is projected to reduce fibre loss through the Fine Rejects.

Figure 2: Historical Process Waste Data



The majority of the demolition work on the old B5 building was completed. This generated the following wastes:

| Waste | Tonnes Generated | Management |
|---------------------|------------------|------------|
| Rubble | 3300 | Recycled |
| General Solid Waste | 129 | Landfill |

96.2% of the demolition waste was recycled. The “Rubble” consisted of bricks and concrete. This material was crushed and screened to produce alternatives to quarry products.

3.11 Contaminated Land Cell testing

Monitoring wells 1 and 2 in the heavy metal cells were testing for water ingress in March 2016. No water ingress was observed.

3.12 Traffic

Average daily volumes differ from those predicted in the Traffic Management Plan submitted in 2012. The differences are generally due to different types of vehicles being used, therefore changing the overall number of vehicles. This is shown below in Table 3.

Table 2: Average Daily traffic volumes

| Parameter | Approved project (From Mod #2) | Current performance |
|-------------------------------------|---|----------------------------|
| Waste Paper Deliveries: | | |
| B-Doubles | 4 | 10 |
| Semi-Trailers | 31 | 31 |
| Rigids (< 15 tonne loads) | 147 | 58 |
| Total | 182 | 99 |
| Starch/Chemicals Deliveries: | | |
| Semi-Trailers | 2 | 3 |
| Finished Product Despatch: | | |
| B-Doubles & HPV's* | 16 | 10 |
| Semi-Trailers | 31 | 30 |
| Total | 47 | 40 |
| Solid Waste Removal: | | |
| Truck and Dog Trailer | 6 | 6 |
| General Waste: | | |
| Rigids (Front load, hook bins etc.) | 1 | 1 |
| Total Heavy Vehicles | 238 | 149 |

* Note HPV trucks are twin trailer vehicles but have >15% improved carrying capacity over B-Doubles. The impact is a reduction in the number of truck movements required to move the produced volumes.

All incidents raised regarding transport and traffic were recorded and managed through the site incident reporting system by the appropriate area managers.