

DARACON GROUP CAPABILITY STATEMENT



WHAT WE OFFER

DARACON GROUP offers a comprehensive service in civil engineering construction and project management, including:



- ◆ Civil works
- ◆ Subdivision Development
- ◆ Mining Services
- ◆ Contract Crushing & Screening
- ◆ Supply of Quarry Products
- ◆ Plant Hire
- ◆ Site Remediation
- ◆ Heavy haulage
- ◆ Landscaping
- ◆ Rail Infrastructure Works

The effective integration of these activities provides a single point solution to clients' needs that contributes significantly to savings in project delivery.

Daracon has major offices in Newcastle, Sydney, Mount Thorley and Gunnedah with a dedicated workforce of handpicked personnel who have a broad range of expertise to cover your project requirements.

Daracon is a family owned group of companies that places high regard on customer satisfaction and this ethic is mirrored in every member of staff. The high level of repeat business demonstrates the outstanding performance in satisfying customer needs.

CIVIL CONSTRUCTION

In the Sydney and Hunter Regions Daracon has extensive experience in large earthwork projects with special expertise in sites where multiple contractors operate simultaneously and coordination is a critical issue e.g. Stadium Australia and Port Waratah Coal Loader expansion.

Daracon is pre-qualified with RTA to **R80/B20/K2** and has an excellent reputation for delivering projects on time and budget. RTA references can be provided if required.

Project Profiles at the end of this document give details of some relevant projects that are underway or recently completed. Client contacts are shown for each project and may be contacted to confirm Daracon's excellent reputation.

DARACON MINING

As a part of the Daracon, the Mining Division provides clients with mining contract capabilities short and long term, utilising a near new fleet of specialist heavy mining equipment and professional personnel.

The division is also responsible for the specialist service that provides a rapid response team to meet the infrastructure maintenance needs of the Hunter Valley mining industry.

Drawn from long term associations with the civil engineering industry,

the Mining Division applies its know-how to deliver one stop solutions for asset maintenance and civil construction associated with the mining industry.

The Mining Division has undertaken many large scale projects involving the use of subcontractors and joint venture partners to complete projects requiring many disciplines.

Daracon Coal Services forms part of the mining division. Coal services provide transport and stockpile management to a number of mines within the Hunter Valley. We are the largest supplier of on road coal transport operations along with the largest fleet of specialised stemming trucks within the Hunter Valley. The Coal Services area prides itself on being able to deliver specific transport solutions to the mining industry.

As with other Daracon personnel, our Mining staff are individually selected with extensive experience in mining, infrastructure development and maintenance combined with a reputation for co-operative relationships and successful outcomes. As well as having their own personnel the Mining division is able to call on the resources of the other Daracon entities to provide a professional service in the area's of civil construction.

The Mining Division is based in the Mount Thorley industrial estate and offers the following services:

- Contract Mining
- Bulk Earthworks
- Water Cart Operations
- Environmental Spill Remediation
- General Labour
- Loading and Cartage (on road & off road)
- Train Loading
- Painting
- Road Works
- Major Plant Hire
- Site Rehabilitation
- Concreting
- Fencing
- Landscaping And Hydro mulching
- Stockpile Management
- Under Belt Cleaning
- Pipe Work



FINANCIAL CAPACITY

Daracon's financial capacity is confirmed by the rigorous financial assessments that have been satisfied as part of gaining pre-qualification with a variety of public and private clients (e.g. RTA roadwork to **\$80M** and bridgework to **\$20M**) and concrete pavements to \$2M.

SYDNEY WATER/HUNTER WATER ACCREDITATION

Daracon has an excellent reputation in the provision of public utility services and has completed rigorous prequalification processes to gain accreditation with Sydney Water and Hunter Water for the construction and testing of water and sewer facilities.

Daracon's capability includes mains up to 1,050mm in diameter that have been installed on several projects around Sydney and Newcastle.

PLANT AND EQUIPMENT

Over the years Daracon has built a strong relationship with plant manufacturers and has an extensive array of earthmoving and associated equipment. It is maintained to the highest standard as evident by the continuing accreditation for supply to the NSW Roads and Traffic Authority. Refer to attached plant list.

SUBDIVISION DEVELOPMENT

Daracon group has over 30 years involvement in subdivision development with projects in value to \$30m. These projects include single stage developments, infill development, through to large scale multiple stage developments. Our clients include Mirvac, Stockland, CPG, Delfin Lend Lease, Creighton Properties.



SITE REMEDIATION

Daracon has the resources to manage all types of remediation work. Current licences are held for both demolition and asbestos handling as well as having a range of plant to satisfy the most stringent environmental constraints.

- Remediation projects completed include:
- Nestle Site on Parramatta River – Abbotsford
- Sydney Showground – Homebush
- Australia Stadium – Homebush
- Fox Studios – Moore Park
- Balls Head Coal Loader
- Jackson's Landing – Pyrmont (Former CSR Sugar site)
- Tar Plant – BHP Newcastle
- Pasminco Smelter Environmental Mound

QUARRY OPERATIONS AND CONTRACT CRUSHING

Daracon Group operates three quarries in the Hunter Region that are run as independent commercial enterprises supplying a variety of clients such as, councils, contractors and the public.



The quarry and contract crushing fleet contains some of the latest technology available in the marketplace – particularly the track mounted units that are truly state of the art technology for mobile processing plant. The variety of equipment in the fleet also provides a broad range of flexibility that enables Daracon to cater for a wide range of crushing and screening requirements. The integration of the quarry fleet and general

earthmoving plant allows access to all types on loaders, excavators, dozers, dump trucks, etc required for specific contract crushing projects. As with Daracon's earthmoving plant, its crushing plants are maintained to the highest standard by highly trained internal personnel or specialised contractors.

COMMERCIAL LANDSCAPING

In the Sydney and Hunter Regions Daracon has completed numerous land development projects such as, subdivisions, landscaping, waterways and golf course that involved extensive site enhancements. The landscaping teams have excellent qualifications and experience in all types of site preparation, planting and remediation activities.

Projects include:

- Subdivision and landscape works at Wallarah Peninsula, Nelsons Ridge, Tallwoods, Nikkinba Ridge
- Speers Point Playground
- Murrays Beach
- Sydney International Aquatic Centre
- Mt Penang Gardens
- The Vintage Golf Course



RAIL INFRASTRUCTURE

The construction and maintenance of the Australian Rail network is critical in moving products and people across this vast continent.

Through the Daracon Rail entity, skilled engineers are available to manage civil works projects surrounding the rail network. Safety and quality systems ensure high quality outcomes required by rail network owners.

In addition to civil works management and execution, Daracon Rail has access to the vast Daracon plant and equipment fleet. This provides ready resources for rail network owners who require resources for internally controlled maintenance and construction.

Through the Daracon Quarries operations, Daracon Rail is able to source and produce high quality rail ballast and other gravel materials for use in rail construction.

NORTH WEST DIVISION

Daracon's newest division established in Gunnedah in April 2007 to service the expanding coal industry in the area, along with other developing industry's such as rail infrastructure and property development.

AUSTWICK PTY LTD

Austwick is an integral part of Daracon Group specialising in wick drain installation. It is wholly owned by Daracon and has served Government Authorities and the private sector since 1993. Using state of the art technology and innovative technical procedures developed in the USA by Nilex, Austwick is now the leader in catering for the ever-increasing demand for wick drains.

INDIGENOUS COMMUNITY INVOLVEMENT

Daracon Group recognises that aboriginal participation in civil construction projects provides benefits to all stakeholders at both project and enterprise levels. So where opportunities exist, we are pleased to implement strategies that have positive social, economic and regional benefits to aboriginal communities.

We have an excellent record for involving indigenous communities in our projects and have fostered cooperative relationships with several Local Aboriginal Land Councils (LALC) particularly in the Lower Hunter Valley e.g.

- Mindaribba LALC
F3 Freeway
Holmwood Business Park
- Awabakal LALC (Mr Ron Gordon)
Marylands residential developments
- Worimi LALC (Mr Len Anderson)
Tomago to Nelson Bay water pipeline
Tanilba Bay residential development

MANAGEMENT SYSTEMS

OHS Management

Daracon is committed to the health, safety and welfare of not only its employees, but also our clients, subcontractors, visitors and the wider community. An effective and comprehensive OHS Management System enables us to achieve our goal of safety excellence.

The Daracon Group OHS Management System is accredited to the Australian/New Zealand Standard AS/NZS 4801 – *Occupational Health and Safety Management Systems – Specifications with guidance for use*. Daracon has also been successful in achieving all benchmarks in the Premium Discount Scheme, which confirms the effective implementation of our system.

The OHSMS enables Daracon to systematically identify, assess and control all hazards and risks encountered through the execution of our work. The intention being to eliminate preventable workplace injuries and illness prevent avoidable costs and maintain productivity and efficiency.

Components of the Daracon Group OHSMS include (but are not limited to):

- mechanisms for hazard identification and risk management
- the provision of on-going education and training including induction training
- establishment of targets and objectives and role responsibilities/accountabilities
- incident reporting, investigation and controlling and reviewing corrective actions
- injury management
- procedures and systems for plant, equipment and hazardous substance control
- inspections, audits and reviews
- subcontractor management and control

Daracon continually reviews and monitors the OHSMS to ensure that it is effective, current and continues to meet the requirements of clients.

Quality Assurance

SAI Global has certified Daracon Group to ISO 9001:2000 with registration for civil engineering activities that include:

- Earthworks,
- Road construction,
- Concrete and steel structures,
- Drainage
- Services (water, sewer, landscaping, remediation and demolition)
- Quarry products
- Plant hire and heavy haulage
- Design

The Quality System has operated on major projects since 1995 and has matured over that time into an effective management tool for all aspects of Daracon's business. Audit reports from principal clients confirm this and copies of all reports are available on request for your review.

Environmental Management

Integrated with the Quality System is an Environmental Management System that is also certified by SAI Global to ISO 14001 (Licence C10016) and focuses on protection of the environment and prevention of pollution. To confirm our ongoing compliance Daracon has a monthly inspection of each project by independent environmental specialist who reports directly to the Managing Director. Samples of these reports and the follow up corrective actions can be made available on request.

Daracon Group's personnel are well trained and competent in the application of our AS14001 Environmental Management System. They are very experienced in dealing with the environmental aspects that you have identified for the site and would ensure that work is managed in a way that avoids any breach of regulations.

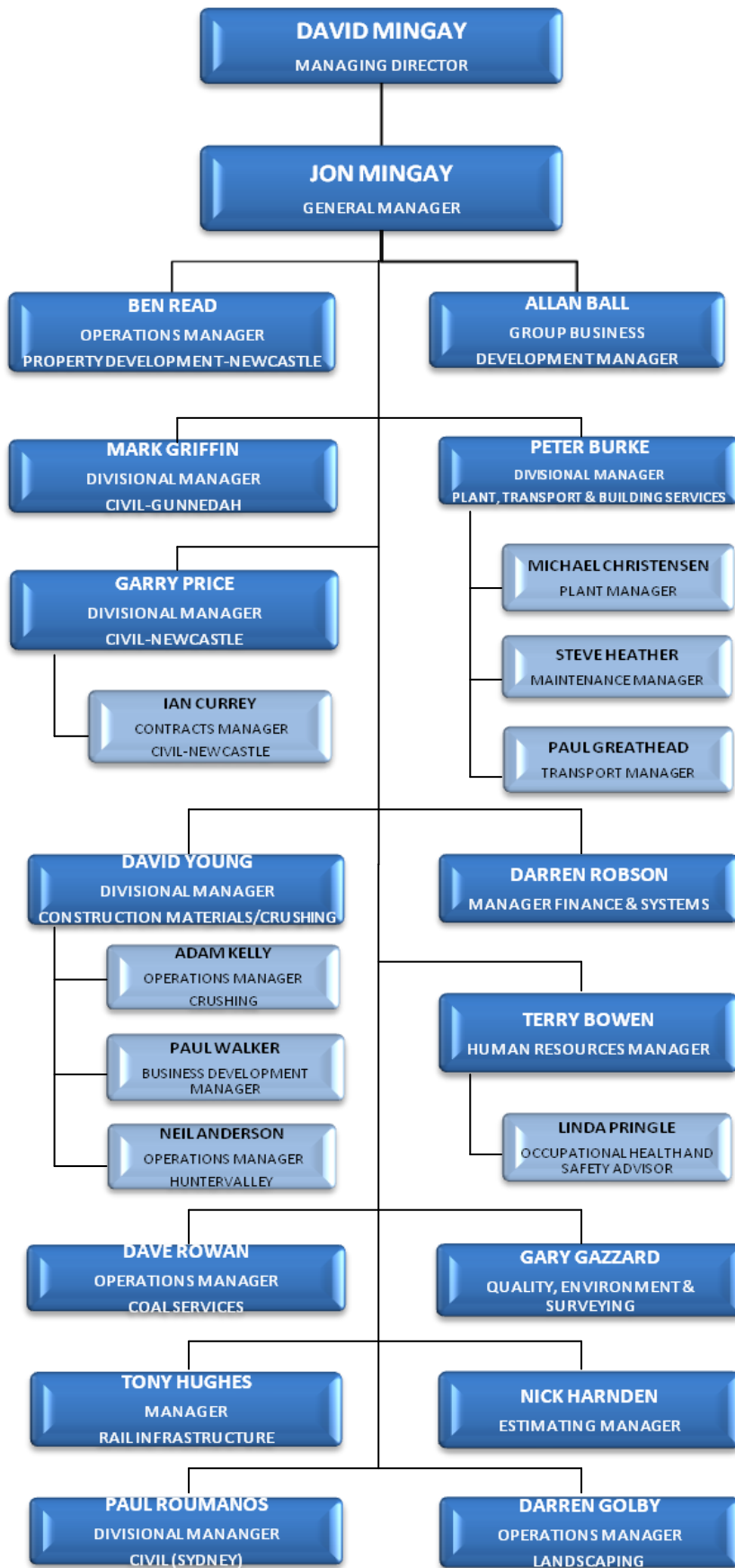
Some of our projects that have involved particular environmental sensitivity include;

Magenta Shores integrated residential and golf course development
 The site is one big sandhill 2.4 km long located between Tuggerah Lake and the Pacific Ocean. The site had environmentally significant areas of native vegetation and aboriginal heritage that had to be preserved although it had previously been sand mined and part of it used as a Council garbage tip. Our extensive use of GPS machine control ensured that all sensitive areas were clearly identified as no-go areas and were not disturbed.

Murrays Beach, Wallarah Peninsula an eco-friendly residential development
 Winner of 2006 UDIA Award for Sustainability this development had extremely stringent requirements for preserving native vegetation and ensuring that no environmental damage was caused beyond the construction footprint. Each of the 30,000 trees on site were individually assessed for their ecological value and a special permit system was implemented to protect valuable specimens. Also traffic movement on site was carefully planned to confine it within the works area and so prevent damage to future building envelopes.

Project	Environmental Performance	Client Contact Person
Port Waratah Coal Loader expansion, Kooragang Island	The work site on Kooragang Island in the Hunter River is a haven to birds, amphibians and fish that required careful environmental assessment and control before any work could begin.	Bryan Stevens (PWCS) 4920 1352
Nelsons Ridge subdivision, Greystanes for Delfin Lend Lease	This development occupied a disused quarry and adjoined residential areas that required sensitive treatment of the environmental aspects of stormwater, dust and noise.	Toby Mathews (Delfin Lend Lease) 9688 8700
Windsor Road Duplication at Vineyard	A known sensitive habitat of the Cumberland Land Snail adjoined a section of Windsor Road and special measures were developed to prevent the migration of the threatened species onto the works footprint	Kevin Hays (RTA) 8814 2398

DARACON GROUP MANAGEMENT ORGANISATIONAL CHART



DARACON GROUP PERSONNEL



PERSONNEL

Daracon has a very stable, well-trained workforce with broad experience and intense loyalty. The benefit of this to clients is that Daracon's project teams remain intact from one project to another and usually develop partnering relationships that enhance project delivery.

Through careful selection and development Daracon's staff have a high level of motivation and commitment to safety, quality and environmental conformance. The overall company organisation is attached.

The senior civil engineering personnel have been drawn from a cross-section of major Australian organisations and are very customer focussed. They apply their particular skills and abilities to assist clients achieve the best outcomes for each project.

Allan Ball, Business Development Manager has a background in Military Engineering applications having been in the regular army for 10 years (including service in Northern Ireland) and later joined the NSW Roads and Traffic Authority where he supervised several major roadwork projects. He has been with Daracon since 1993 and has worked as a Project Manager then Construction Manager before his current appointment.

Terry Bowen, Human Resources Manager, has in excess of thirty (30) years in Industrial Relations and Safety Management. He was instrumental in the accreditation process of the company OHS&R Management System with the NSW Government's OHS&R Management System Guidelines in both 1996 and following enhancements in 1999. Terry is a registered Assessor with Construction Training Australia for Civil Operations and Structures and holds Certificate IV in Assessment and Workplace Training to AQF Level IV. He represents DARACON Group on the executive of the Civil Contractors Federation as Honorary Treasurer and is a member of the Training and Workplace Reform Committee.

Linda Pringle, Occupational Health and Safety Advisor, has a proven background in the implementation of OHS managements systems in the construction and mining (materials handling) industries. Linda has held senior positions in OHS in both local and multi-national organisations and has demonstrated abilities in Worker's Compensation and Injury Management processes, training and instruction, auditing, policy and procedural development and implementation. Linda has a Degree in Occupational Health and Safety (University of Newcastle), holds a *Certificate IV in Assessment and Workplace Training*, is a WorkCover Accredited Trainer and Assessor for the *OHS Induction Training for Construction Work Course* and is a WorkCover certified Rehabilitation Coordinator.

Gary Gazzard, Quality Systems Manager is a Registered Surveyor (since 1975) and Quality Auditor with ten years experience in the use and application of quality standards in civil works, surveying and property management. He has implemented Quality Systems to ISO 9001 for RTA and has lead audit teams in a variety of functional areas.

Paul Roumanos and **Garry Price**, Managers of Civil Engineering Operations in Sydney and Newcastle respectively each have wide experience in organisations such as Abigroup, Leighton Contractors, Barclay Mowlem and John Holland Constructions where they held very senior positions.

Peter Burke, Divisional Manager, Plant and Services has a background in civil construction plant and is Daracon's contact with Caterpillar Australia. Peter is very knowledgeable in RTA requirements and is the driving force behind implementation of Daracon's National Heavy Vehicle Accreditation Scheme. Peter is also on the committee of the Northern Division of the NSW Road Transport Association.

Michael Christensen, Plant Manager has worked in the civil construction and plant hire industry for the past 20 years. He is also a registered Assessor with Construction Training Australia for Civil Operations and Structures.

Ben Read, Operations Manager of Property Development in Newcastle has a wealth of knowledge and experience in development processes and construction.

Darren Golby, Landscaping Operations Manager, has an Associate Diploma in Landscape as well as being a qualified horticulturist.

David Young, Mining, Quarries and Contract Crushing Manager, has extensive experience in materials processing and is responsible for the overall management and profitability of fixed quarries and mobile crushing plants.

Tony Hughes, Operations Manager Rail Division, has managed plant and services contracts to various rail entities for the last ten years. Extensive experience in rail plant and managing subcontractors and rail personnel for a variety of rail infrastructure works throughout NSW.



DARACON GROUP PLANT LIST



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Units	Make	Model
DOZERS		
2	Caterpillar	D11R Dozer
2	Caterpillar	D10T Dozer
2	Caterpillar	D10R Dozer <i>w/GPS</i>
1	Caterpillar	D9R Dozer
1	Caterpillar	D9L Dozer
1	Caterpillar	D8T Dozer
1	Caterpillar	D7R SERIES II
3	Caterpillar	D6R Swamp Dozer (winch) <i>w/GPS</i>
5	Caterpillar	D6RXL <i>w/GPS</i>
SCRAPERS		
2	Caterpillar	637G Push & Pull
4	Caterpillar	631G (air conditioned)
2	Caterpillar	627G Push & Pull <i>w/GPS</i>
1	Caterpillar	615C Series II Elevating Scraper
EXCAVATORS		
Hammers, Grabs, Timber Shears, Augers to suit Various		
1	Komatsu	PC1800 12m ³ Bucket
1	Hitachi	EX1800 12m ³ Bucket
2	Komatsu	PC600LC 3.5m ³ & 4.5m ³ Buckets
1	Caterpillar	345 DLM 3.2m ³ Bucket
1	Komatsu	PC400LC 2.3m ³ Bucket
2	Caterpillar	336 DR Various Buckets
7	Caterpillar	330 Various Buckets Angle Tilt <i>w/GPS</i>
1	Hitachi	ZX330 Various Buckets <i>w/GPS</i>
5	Komatsu	PC300 Various Buckets
1	Caterpillar	324 DL Various Buckets
1	Hitachi	ZX240LC Various Buckets
2	Caterpillar	322L Various Buckets Angle Tilt Rubber Tracks
2	Komatsu	PC220
2	Komatsu	PC228U Various Buckets
1	Caterpillar	321D Various Buckets
1	Caterpillar	320C Angle Tilt / Various Buckets
1	Caterpillar	M318D Rubber Wheel Excavator

DARACON GROUP PLANT LIST...cont

1	Caterpillar	318 BL Various Buckets
1	Komatsu	PC160 Tilt Bucket
2	Caterpillar	315 Various Buckets Angler Tilt
2	Caterpillar	314 Rubber Track, Zero Swing, Angle Hitch
1	Komatsu	PC138 Rubber Track, Offset Boom, Zeroswing
2	Caterpillar	312, Various Buckets, Angle Tilt
1	Caterpillar	7 tonne Excavator, Angle Tilt
2	Komatsu	PC78UU-6 Tilt Bucket Rubber Track Zero Swing, Angler Tilt
3	Yanmar	7 Tonne High Rail & Attachments
1	Komatsu	PC40 Rubber Track Various Buckets

TRACTOR

1	Caterpillar	CH55 Challenger and Spreader
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PUGMILLS

3	Aran	Day Hire includes Operator
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GRADERS

1	Caterpillar	14H
2	Caterpillar	143H 6WD w/GPS & ATS
1	Caterpillar	140M
5	Caterpillar	140H w/GPS
6	Caterpillar	12H w/GPS
1	Noram	E65

LOADERS

1	Caterpillar	992
2	Caterpillar	988H
3	Caterpillar	980G Coal
2	Caterpillar	972H
5	Caterpillar	972G
1	Caterpillar	966G
1	Caterpillar	IT62G
1	Volvo	BM4400
1	Caterpillar	930G
2	Caterpillar	914G

BACKHOES

2	Caterpillar	434 4WD Extender Hoe
5	Caterpillar	432 4WD Extender Hoe
5	Caterpillar	428 4WD Extender Hoe
2	Caterpillar	426 4WD Extender Hoe

SKID STEER LOADER

3	Caterpillar	247 Rubber Track Loader + Tipper Combo
1	Caterpillar	226 Skid Steer Loader + Tipper Combo

ROLLERS & COMPACTORS

3	Caterpillar	825 Compactor
2	Caterpillar	815 Compactor
1	Pacific	Multi-tyre
2	MacDonald	3 Point Roller

DUMP TRUCKS

9	Caterpillar	740 (6WD, 40 Tonne Ejector Body)
10	Caterpillar	740 (6WD 40 tonne)
3	Caterpillar	730 (6WD - 30Tonne)
1	Komatsu	HM300 (6WD - 30Tonne)

TRUCKS

11	Kenworth/Mack	6 Wheeler (12 Tonnes)
1	Kenworth	8 Wheeler
11	Kenworth/Mack	Dog Trailer (20 Tonnes)
1	Isuzu	Hiab Tilt Tray (9 Tonnes)
1	Hino	Flat Top with HIAB Hoist (6 Tonnes)
6	Toyota Dyna	2 tonne / Day Dry Hire

STEMMING TRUCKS

4	Isuzu, Hino	16 tonne Bogie Trucks
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WATERCART

1	Hino	4,500 LT -----(Plus Water Usage)
5	UD, Volvo, Scania	8,000 LT Cannon -----(Plus Water Usage)
2	International	
1	Volvo	Hydro Mulch
2	Iveco 8W	18,000 LT Cannon ----(Plus Water Usage)
2	Caterpillar 740	30,000LTS
2	Caterpillar 730	22,000 LT Cannon ----(Plus Water Usage)
2	Caterpillar 775	50,000 LT -----(Plus Water Usage)
3	Hino	Street Sweeper (Min 4hr Hire)

LOW LOADER

Up to 18 tonne	*Depot to Depot
19 to 25 tonne	*Depot to Depot
26 to 35 tonne	*Depot to Depot
36 to 40 tonne	*Depot to Depot
40 to 50 tonne	*Depot to Depot
51 to 60 tonne	*Depot to Depot
61 to 75 tonne	*Depot to Depot

PROJECT PROFILES



PROJECT PROFILES

MAJOR RAIL, ROAD and BRIDGE PROJECTS						
Project	Description	Client	Project Superintendent	Project Value	Start Date	Finish Date
Metford Rail Underpass	Replace a level crossing on Metford Road with a rail bridge and road underpass.	ARTC Arenco	Andrew Rigby 0405 110 155	\$3M	May -04	Feb-05
Murulla Rail Loop	Build a rail siding 1.3km long to accommodate coal trains on the Hunter Valley coal line	Transport Express JV	Richard Morissey 4978 9800	\$1.3M	Jan-07	Apr-07
Craven Rail Loop	Build a rail siding 1.3km long and bridge over a local road to accommodate coal trains on the Gloucester coal line	Transport Express JV	Michael Law 4978 9800	\$3M	Nov-07	Jun-08
Boggabri Coal Rail Loop & Haul Road	Infrastructure for a new coal mine in the Gunnedah Basin included a coal loading facility and 3km rail loop	Idemitsu Coal P/L	Thor Berding 0438 126 859	\$18.5M	Jan-06	Oct-06

Project	Description	Client	Project Superintendent	Project Value	Start Date	Finish Date
Tourle St Bridge Mayfield	Build a duplicate bridge over the Hunter River at Tourle St Mayfield Build realigned road approaches to the new bridge	RTA	Bob Handley 4924 0240	\$28.6 M	Jun-07	Ongoing Nov-10
PWCS Coal loader expansion Stage 3 Stage 3A Project 3D Kooragang Island	<ul style="list-style-type: none"> • Bridge over coal access line • Concrete structures associated with a large coal unloading facility • Total concrete >7000m³ • Single pour up to 250m³ • Bulk earthwork 2.4M m³ 	Port Waratah Coal Services	Bryan Stevens 0409 741 387	\$70m	2000	ongoing
M5 Motorway Moorebank Ave Interchange	<p>Construction of interchange approaches including:</p> <ul style="list-style-type: none"> • Reinforced earth walls • Bridge abutments • Approach ramps • Electrical and traffic signal services • Road pavements • Stormwater structures 	Interlink Roads	Michael Hassey (Haliburton KBR) 9911 0000	\$17M	May-02	Feb-03

The attached project profiles give more detail of some of our completed projects. Client contacts are shown for each project and we would be pleased if you contacted them to confirm Daracon's excellent reputation.