



POLICY ON MINING AND COAL SEAM GAS EXPLORATION AND EXTRACTION

Preamble

Norco Co-operative Ltd was established in 1895 and has been representing the interests of dairy farmers and the broader agricultural sector for over 118 years. Norco is connected to its rural communities through its diverse range of businesses, including its milk processing and packing factories, its Rural Stores network and its Goldmix stockfeed and animal nutrition business.

Norco has and will continue to advocate for appropriate outcomes for rural communities and businesses, having regard always to the obligation of society generally to respect and protect our valuable agricultural resources, not least of which is the precious environment in which we all live and work. In that context Norco has adopted the following policy on mining and Coal Seam Gas (CSG) exploration and extraction.

Policy

1. Environmental Responsibility and Future Food Security

The integral beauty of our rural regions on which we rely in promoting and marketing our products in Australia and as exports overseas, and which we hold on trust for future generations, must be protected. Any proposed project relating to mining and CSG exploration and / or extraction must satisfy all government and statutory regulations including procedures for on-going monitoring and auditing of the regulations for each site. Further, any such project must not interfere unreasonably with the productive capacity of farms.

2. The Use of Prime Agricultural Land

Prime agricultural land and land which is subject to intensive agricultural activities such as dairying and horticulture, in general, should be protected from mining and CSG exploration and extraction. This land should be preserved as such in order to maintain the agricultural productivity of the relevant region and in order to protect the future food security of Australia.

3. Landowners' Rights

Mining and CSG exploration and / or extraction should not occur on land without the consent of the owner(s) of that land. Where mining or CSG exploration and / or an extraction project has been demonstrated to satisfactorily address the environmental and food security issues referred to in paragraph 1 above, commencement of that project should be subject to appropriate compensation being paid to the relevant land owner(s). Such compensation should address, without limitation, any adverse impact on the concurrent agricultural use of the relevant land and should be commensurate with reasonable commercial outcomes.

4. Quality Assurance and Food Safety Commitment

Norco is committed to providing its customers with the highest quality product through employing rigorous quality control measures which include, among other things, detailed monitoring of developments in its supply regions in relation to Mining and CSG production. Norco is constantly undertaking risk assessments and precautionary measures to ensure that it can continuously meet our customers' quality expectations in addition to requiring that its producers adhere to a stringent on farm quality assurance program. In response to this, Norco requires that its suppliers provide notification of any developments involving Mining or CSG activity on the farms that are used for the production of milk supplied to Norco. In addition, Norco does not permit its suppliers to use produced water from Mining and CSG production on their farms without prior consent from Norco.

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