



Perenjori Offset Proposal (CPS 10589/1)

20 January 2025

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1 Introduction

Co-operative Bulk Handling Limited (CBH) proposes to expand its existing Perenjori Rail Out-loading infrastructure (the Project) located approximately 3 km northwest of Perenjori in the Wheatbelt region of Western Australia (WA).

The Project is expected to result in the clearing of 2.50 ha of native vegetation, defined as Disturbance Footprint within a 21.45 ha Development Envelope (Figure 1-1). After the application of avoidance and mitigation measures, the Project will result in the following residual significant impact:

- The loss of 2.50 ha of native vegetation mapped as Vegetation Association (VA) Perenjori 352, which is a significant remnant within an extensively cleared landscape and an under-represented vegetation association.

As a result, an offset is proposed to mitigate the significant residual impacts.

This document outlines the Offset Proposal to compensate for the significant residual impact resulting from the clearing of 2.50 ha native vegetation.

1.1 Project description

Established in 1933, CBH is Australia’s largest co-operative and a leader in the Australian grain industry with operations extending along the value chain from fertiliser to grain storage, handling, transport, marketing and processing. Owned and controlled by approximately 3,700 WA grain growing businesses, CBH’s purpose is to sustainably create and return value to WA grain growers through its core business activities: operations, marketing and trading, and fertiliser. The CBH storage and handling system is world class, receiving and exporting around 90% of WA’s grain harvest through a network of more than 130 grain receival sites and four export terminals.

The record 2022-23 harvest of over 22.70 Mt delivered to the CBH network highlighted the need for improvements to move grain efficiently to ports to meet market demand and maximise economic output for the State and CBH grower members.

The grain receivals in Perenjori are currently split between two locations; the Perenjori Town Site (PTS) and the Perenjori North Receival Site (PNRS). The PTS is constrained within the Perenjori town and expansion at this location would likely result in the potential to increase noise and dust issues for surrounding resident. Currently, 95% of the tonnes from Perenjori are transported via rail to Geraldton Port. The increased tonnages are stored at the PNRS and then transported via road to the rail loadout at the PTS.

The proposed project aims to enhance the capacity and efficiency of rail loading at the PNRS and to remove the pressures on the PTS. The project will involve installing various upgrades, including new out-loading and rail infrastructure. The improvements will feature approximately 1,300 metres of rail siding that will connect to the mainline.

Key issues addressed by the project include:

- Excessive splitting and shunting of trains.
- Poor out-loading performance.
- Limited ability to store a full train load of product on demand.
- Safety concerns related to trains blocking roads and the mainline.

Upon the implementation of this project, there will be a substantial reduction in road out-loading requirements. This will result in fewer trucks on the road, specifically in the Perenjori town area and close to the school adjacent to the Town Site thereby improving safety and amenity.

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The 21.45 ha Development Envelope is inclusive of all ancillary infrastructure, such as signalling, communication equipment, access for maintenance and emergency vehicles, fences and gates, stations, and stormwater drainage. The location of all infrastructure was informed by data collected from flora, vegetation and fauna surveys. Prior to finalising the design, the study analysed multiple options to improve rail loading performance at Perenjori. These reviews were also important in limiting the extent of vegetation to the smallest extent possible.

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Esri, TomTom, Garmin, FAO, NOAA, USGS, Landgate / SLIP
 Locate Mosaic (LGATE-322)
 Cadastre (LGATE-002)



Figure 1-1 - Perenjori Development Envelope & Disturbance Footprint

LEGEND

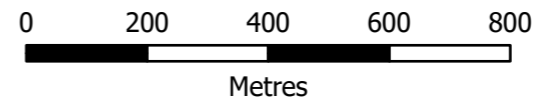
Boundaries

- Survey Area
- Development Envelope
- Cadastre (LGATE-002)

Areas

- Disturbance Footprint
- Bulkhead

Development Envelope Area	21.5 ha
Disturbance Footprint	2.50 ha



Publication Date: 20/03/2024 1:40 PM
 Map Scale: 1:12,500 (when printed at A3)
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1.2 Project location

The PRNS is located on Lot 101 (DP 65758) on the Wubin - Mullewa Road in the Shire of Perenjori, approximately 3 km northwest of the Perenjori townsite and approximately 327 km northeast of the Perth CBD. Lot 101 is located immediately west of a railway reserve (Land ID 3124047) and south of a public road reserve (Land ID 3692162) and adjacent to railway that runs parallel to the Wubin - Mullewa Road.

The Development Envelope comprises:

- Lot 101 on Deposited Plan 65758, owned by CBH.
- Lot on Plan A Rail Way-Land ID 3124047, owned by the Government of Western Australia Public Transport Authority.
- Lot P Road- Land ID 3692162 has also provided an authority to access and clear native vegetation.

Under the Shire of Perenjori Local Planning Scheme No. 3 (District Scheme), most of the Development Envelope is zoned as 'Rural', with a small area zoned 'Railways' and 'Local Road'.

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2 Requirement for Offset

2.1 Western Australian offsets policy and guidance

Environmental offsets are applied to proposals subject to environmental impact assessment and as a condition of permits for clearing native vegetation under the *Environmental Protection Act 1986* (EP Act). Additionally, offsets may be considered under other legislation, including planning developments under the *Planning and Development Act 2005* and mining proposals under the *Mining Act 1978* (Government of Western Australia 2011, 2014).

Environmental offsets under State legislation should only be applied where the residual impacts of a project are determined to be significant, after avoidance, minimisation and rehabilitation have been applied.

The WA environmental offsets framework consists of the following policy and guidance documents:

- Policy (Government of Western Australia 2011) - outlines principles for the use of offsets; developed to provide certainty, predictability and transparency to government and businesses.
- Guidelines (Government of Western Australia 2014) - complement the policy by clarifying how environmental offsets will be determined and applied.
- Register (Government of Western Australia 2022b) - a central public record of all offset agreements in WA, providing transparency and accountability.
- Metric calculator and guideline (DWER 2021) - a calculator to assist help quantify offsets and guidelines on how to use it.
- Draft procedure for environmental offsets metric inputs (DWER 2022) - a draft procedure to improve the consistency and transparency of offset calculations, noting the need for guidance on metric inputs.

2.2 Proposed clearing

The proposed clearing includes 2.50 ha of remnant native vegetation within 21.45 ha Development Envelope.

On 10 July 2024, after considering the avoidance and mitigation activities outlined by CBH in the Supporting Documentation provided as part of the Native Vegetation Clearing Permit (NVCP) application, DWER advised that significant residual impacts still remained and that environmental offsets were required.

DWER advised that offsets would be required for:

- the loss of 2.50 ha of native vegetation mapped as VA Perenjori 352 which retains 17.27% of its Pre-European vegetation extent.

2.3 Avoidance and mitigation

CBH has worked with project designers and engineers to undertake an extensive redesign and options analysis to avoid and minimise impacts to environmental values as far as reasonably practical. Details of avoidance and mitigation are detailed in the NVCP Application Supporting Document submitted to the Department. Measures taken to avoid and mitigate clearing and associated impacts included (but are not limited to):

- Siting of infrastructure to avoid were possible vegetation in Good, Very Good or Excellent condition, the selected location on the south side of rail mainly intersects vegetation in Degraded condition.
- Siting of infrastructure to avoid populations of several priority species immediately to northeast of the Development Envelope.

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- Revision of planned siding length leading to reduction from planned 58 wagons to 54 wagons to avoid clearing of Very Good Condition vegetation.
- Deliberate design cutoff in northwest to minimise clearing to 0.05ha, in VSA 2 Complex Shrublands, which has the highest foraging habitat score for Black Cockatoo. Development Envelope was designed to maximise use of habitat type VSA 1, which has lowest score of 1/10 for foraging habitat quality.
- All laydowns and infrastructure supporting construction located in existing cleared CBH land to avoid additional clearing.
- Construction access to siding area designed within existing cleared paddocks to the south and to utilise existing breaks in vegetation to access rail corridor tracks, avoiding additional clearing along edges of rail corridor.
- Implementing operational measures to manage impacts associated with weeds and/or disease, wastewater or stormwater run-off, excessive dust and/or contamination from hazardous material with the objective of minimising indirect impacts to areas of surrounding vegetation or habitat.
- Undertaking clearing progressively in the direction of a vegetated boundary to reduce the potential impact of the Proposal on fauna, thereby allowing fauna to move away from clearing activities to the surrounding remnant vegetation.

The Project is an expansion to the existing rail out loading facility at Perenjori and is located adjacent to the existing infrastructure. The options for the expansion were focused on locations proximate to the local community and the existing CBH receival site. Locating and expanding rail loading facility within proximity to town areas are important criteria for CBH due to safety and staffing considerations.

2.4 Residual impact to be offset

After following the mitigation hierarchy, the project is considered to result in residual impacts to native vegetation that comprises of 2.50 ha of native vegetation.

The Development Envelope is located in the northeast part of the Merredin subregion of the Avon Wheatbelt Interim Biogeographical Regionalisation for Australia (IBRA) bioregion (DoEE 2018). The Avon Wheatbelt bioregion is described as a dissected plateau of Tertiary laterite in the Yilgarn Craton with a semi-arid (dry) warm Mediterranean climate (AECOM, 2023). The Merredin subregion is further described as having no connected drainage and streams, which are remnants of ancient drainage systems flow only during wet years and drain to chains of salt lakes (AECOM, 2023).

The native vegetation type extent that will be disturbed as a result of the Development Envelope are shown in Table 2-1.

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Table 2-1: Native Vegetation Type Extent Summary within the Disturbance Footprint

Vegetation community	Disturbance (ha)
Melaleuca Tall Open Shrubland	1.22
Eucalyptus Mid Open Woodland	0.02
Grevillea Tall Open Shrubland	1.23
Total native vegetation communities	2.47
Total Disturbance Footprint	2.50

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3 Proposed Offset Site

3.1 Site identification process

CBH has relied upon WA Environmental Offsets Guidelines and previous advice from DWER in forming recommendations for what would be considered a suitable offset site for the proposed clearing. This advice identified that an offset site for the Perenjori project should include:

- VA Perenjori 352.

CBH identified a site suitable for offset; Lot 8269 on Deposited Plan 148612 (the Proposed Offset Site).

The site was found using the CBH's Strategic Offset Model, this model is informed by the advice received from DBCA and DWER during correspondence for recent projects as well as by the WA Environmental Offsets Guideline 2014. The values of each offset site would vary as per the proposed action and the environmental values being impacted; however, high-level criteria used to identify a potential offset sites include:

- Provide better condition/less disturbance compared with the impacted environmental value.
- Contains habitat structure as similar as possible to the undisturbed examples of the vegetation type to be impacted.
- Be situated locally to the application area.
- Should be relatively large (e.g. >5 ha).
- Have favourable edge-to-area ratios (e.g. be square rather than long and narrow) .
- Have vegetated linkages to other conservation reserves or remnant patches.

The analysis identified hundreds of patches of vegetation within 50 km of the CBH Perenjori site that could potentially fit the criteria for an offset site. Each of these sites was given a final scoring rank based on:

- Proximity to the proposed action.
- IBRA subregions.
- Remaining native vegetation extent.
- Pre-European vegetation associations.
- Favourable edge to area ratio.
- Likely condition.
- Linkages to conservation reserves.

Of these, 10 highest ranking sites identified as containing relevant environmental attributes were prioritised for further investigation (i.e. the highest scoring patches were investigated first through to the lowest scoring patches).

CBH investigated tenure, zoning and the potential availability of these 10 sites based on the desktop analysis score ranking. Suitability for subdivision and management access also informed the investigation at this stage, with vegetation patches favoured that formed all or the majority of a cadastral land parcel adjacent to or readily accessible to an existing road to ensure compliance with planning policies concerning subdivision approvals. Smaller, isolated patches within paddocks that had no ability to access or subdivide were discounted.

Landowners were then identified where possible and contacted to gauge interest in sale and/or establishment of a conservation covenant on the subject land, and permission to access site for on-ground assessments.

Further interest from the landholder indicated Lot 8269 on Deposited Plan 148612 as the most likely to be available for establishment of a conservation covenant on the subject land.

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Ecological survey of the Proposed Offset Site was conducted on 2nd December to establish detailed environmental values of the offset site for the Project. The final survey report should be available by Early March 2025. However, the post survey summary assessment provided by Onshore Environmental is detailed below.

3.2 Site information

3.2.1 Perenjori Offsite Site

CBH Group commissioned Onshore Environmental Consultants to conduct a reconnaissance flora and vegetation survey of the 8.63 ha survey area (Lot 8296) near Perenjori in the northern wheatbelt of WA (Figure 3-1). The site was visited by a Principal Botanist on the 2nd of December 2024.

The survey area of 8.63 ha sits within a total area of 64.70 ha, approximately 11km north-east of the Perenjori Disturbance Footprint. Conservation covenant will be put over the 8.64 ha within the 64.70ha Lot 8296. Of this 8.64 ha Covenant Area, approximately 5.52 ha area in Good to Very Good Condition is proposed to be used as Perenjori Offset Site.

The survey area is bordered by agricultural paddocks on the north and east, native vegetation to the south and an unsealed road to the west (Solomon Road). A larger native remnant exists to the west of Solomon Road, with which the study area was formerly connected to.

Four vegetation communities were observed within the survey area (Figure 3-2), and these broadly correspond to the different landform types as detailed below and further in Table 3-2:

1. York Gum (*Eucalyptus loxophleba*) open low woodlands and low woodlands on stony hill slopes.
2. Acacia/ Melaleuca thicket or scrub on stony plains and minor floodplains.
3. Melaleuca/ Allocasuarina/ Acacia open scrub on lateritic outcrops, breakaways and stony hill slopes.
4. York Gum (*Eucalyptus loxophleba*) low woodlands with Acacia thicket or scrub on drainage lines and adjacent minor flood plains.

5.55ha of the survey area was in Very Good condition, although over grazing by kangaroos, proximity to farming activities and roadside edge effects have had a clear impact on vegetation structure and diversity. The drainage line community (Vegetation Unit 4) and the eastern flank of the study area were in Good condition due to the higher levels of non-aggressive weeds, the presence of some aggressive weeds (e.g. Patersons Curse, *Echium plantagineum*) and scattered farm debris. The extreme northern tip of the study area was Degraded due to historical clearance, farm debris and low diversity of native species. Vegetation Condition within the survey area is further detailed in Table 3-1 and shown in Figure 3-3.

Vegetation Communities 1 and 4 correspond to the 'WA Wheatbelt Woodlands ecological community', which is currently listed as Critically Endangered (EPBC Act) and Priority 3 (DBCAs).

During the survey, a small population (c. 100 plants) of *Baeckea* sp. Perenjori (J.W. Green 1516) (P2) was found occurring across the lateritic hill slopes (Figure 3-4).

Approximately 5.52 ha of the survey area in Good to Very Good Condition is Proposed Offset Site for Perenjori. Applying this condition to the DWER offset calculator, the land acquisition of approximately 5.52 ha meets the required offset of 100.10% (Appendix D).

CBH has finalised the consultation with the property owner to establish a Conservation Covenant Deed over the 8.64 ha Covenant Area (Attachment E).

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Table 3-1: Vegetation Condition within the Covenant Area

Vegetation Condition	Survey Area (ha)
Very Good	5.55
Good	2.1
Degraded	0.98
Total Area	8.63

Table 3-2: Vegetation Communities within the Covenant Area

Vegetation Community	Survey Area (ha)
1. Low Woodland A of Eucalyptus loxophleba subsp. supralaevis over Open Scrub of Acacia acuminata, Acacia tetragonophylla and Melaleuca stereophloia over Open Low Scrub B of Senna artemisioides subsp. filifolia and Senna charlesiana and Herbs of Asteraceae spp. on red brown sandy clay loam on stony slopes	3.26
2. Thicket of Acacia acuminata, Melaleuca hamata and Acacia tetragonophylla over Open Dwarf Scrub D of Ptilotus obovatus and Solanum lasiophyllum over Very Open Low Grass of Austrostipa spp. and Herbs of Asteraceae spp. and Haloragis gossei on red brown clay loam on floodplains	0.12
3. Scrub of Acacia sibina, Allocasuarina acutivalvis, Melaleuca nematophylla and Acacia ramulosa var. ramulosa over Low Scrub A of Grevillea paradoxa, Acacia assimilis subsp. assimilis, Hakea recurva subsp. recurva and Eremophila clarkei over Open Dwarf Scrub D Baeckea sp. Perenjori (J.W. Green 1516), Hemigenia botryphylla, Xanthosia kochii and Hibbertia arcuata over Herbs of Asteraceae spp., Goodenia spp. on brown (orange/pink) silty loam on lateritic hillcrests and hillslopes	4.50
4. Thicket of Acacia acuminata, Dodonaea inaequifolia, Melaleuca hamata, Acacia tetragonophylla and Melaleuca stereophloia with Low Woodland A of Eucalyptus loxophleba subsp. supralaevis over Open Low Scrub B of Senna artemisioides subsp. filifolia and Hemigenia yalgensis over Open Low Grass of Austrostipa spp. over Herbs of Asteraceae spp. on brown clay loam on minor drainage lines and floodplains	0.75
Total Area	8.63

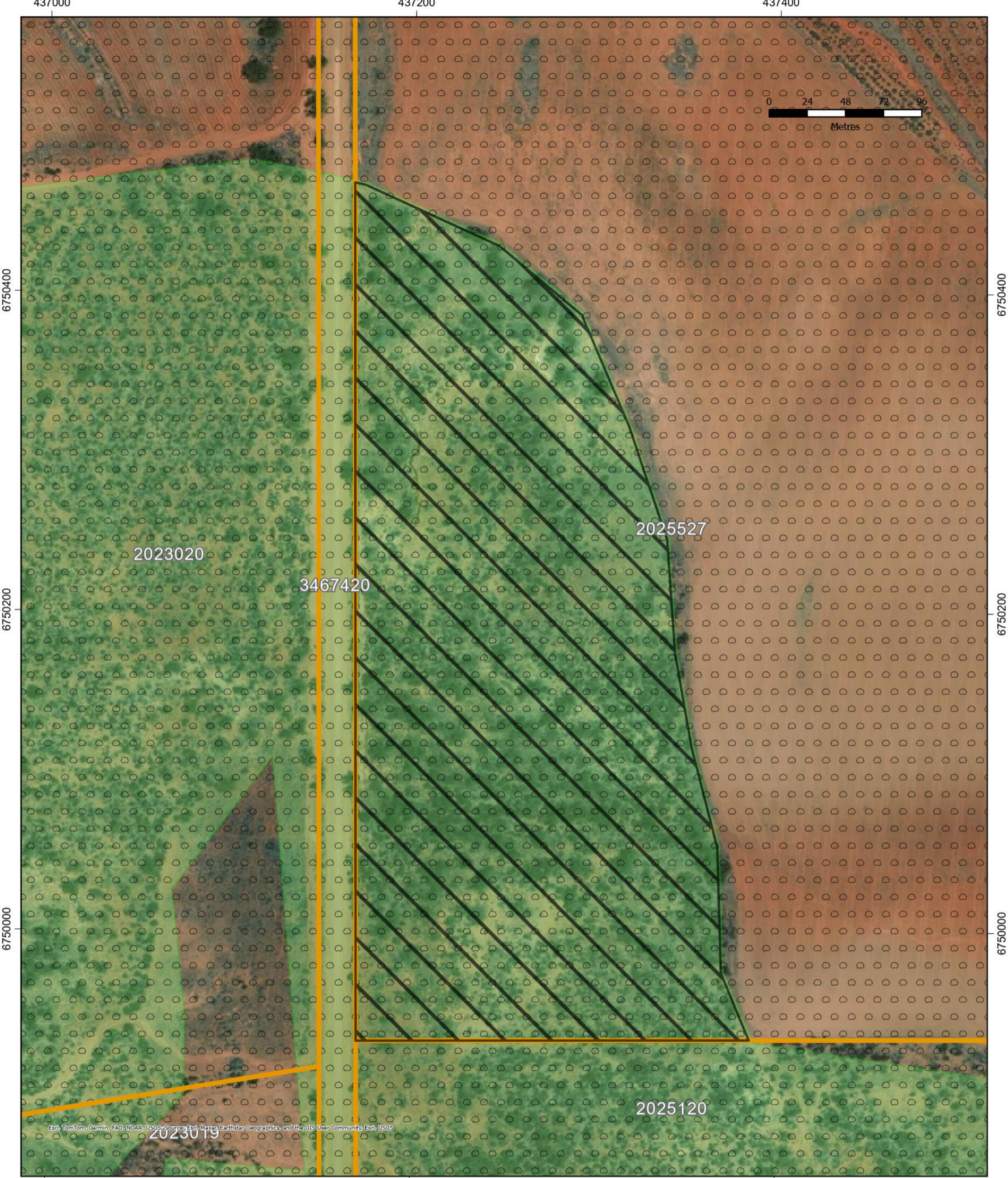


Figure 3.1
Perenjori Strategic Offset Site

- Legend**
-  Selected Vegetation Patches
 -  Pre-European Vegetation (DPIRD-006)
 -  Cadastre (Land ID number)
 -  Native Vegetation Extent (DPIRD-005)



Map Scale: 1:2,179 (when printed at A3)
Reference System: GCS GDA 1994
Datum: GDA 1994
Map Units: Metres

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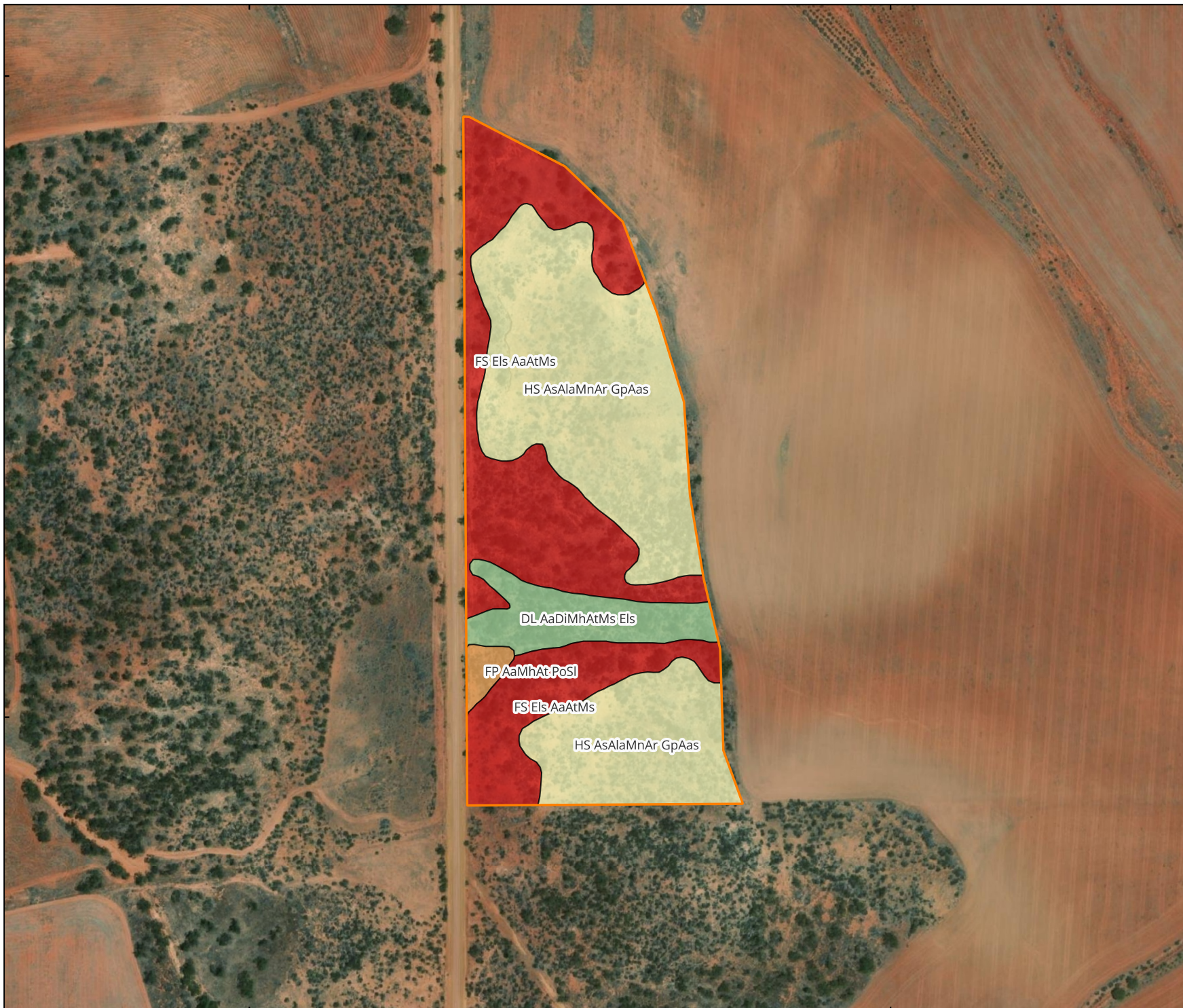
Figure X: Vegetation Types within the study area

Legend

- Study Area
- Vegetation Types**
- FS Els AaAtMs
- FP AaMhAt PoSI
- HS AsAlaMnAr GpAas
- DL AaDiMhAtMs Els

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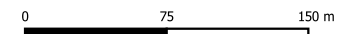


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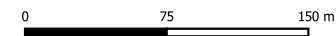
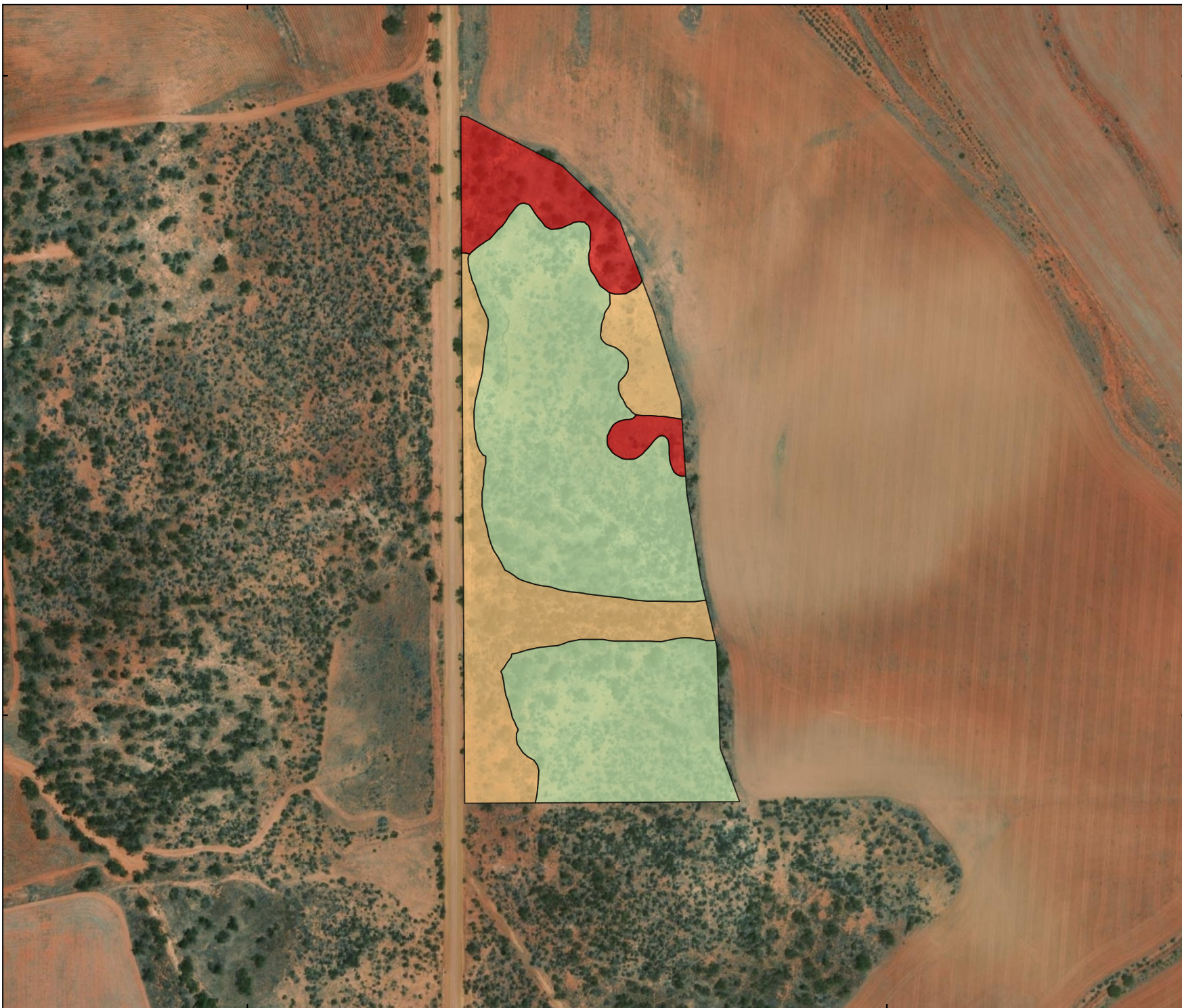
**CBH GROUP
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**Figure X: Vegetation
Condition within the study
area**

Legend

Vegetation Condition

- Degraded
- Good
- Very Good



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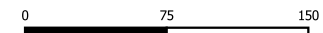


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PERENJORI OFFSET**

**Figure X: Significant Flora
within the study area**

Legend

- Study Area
- Significant Flora
 - *Baeckea* sp. Perenjori
 - *Stenanthemum poicilum*



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Status:	Final
Figure:	X
Sheet Size:	A3
File Reference:	CBH_PO_FigX_sigflora

Datum: GDA 2020
Projection: MGA Zone 50

3.3 Summary of Proposed Offset Site values

A summary of the values of the Proposed Offset Site, is provided in Table 3-1.

Table 3-3: Summary of Proposed Offset Site values

Values	Lot 8269
IBRA Subregion	Avon Wheatbelt Bioregion and AVW01 – Merredin subregion (DAWE 2021)
Distance from proposed action	Approximately 11 km
Land tenure	Privately owned, CBH has finalised the consultation with the property owner to establish a Conservation Covenant Deed over the 8.64 ha Covenant Area.
Land size	Offset area of 5.52 ha in a lot of approximately 64.70 ha
Land zoning	Rural
Vegetation Association	Perenjori 352
Impacts and threatening processes	Grazing of livestock and kangaroos, edge effects, weeds and clearing, vehicular and other human access, dumping of rubbish, spray drift from nearby agricultural practices, rural zoning, potential for development.



4 Offset calculations

CBH has calculated offset required for the residual impact using WA Offset Calculator and proposes to place conservation covenant over a 8.64 ha area, of which 5.52 ha area will be used as Perenjori Offset Site.

This section describes the Proposed Offset package and how the Proposed Offset Site will be managed and maintained to achieve conservation gains to address the residual impacts associated with clearing linked to the Project.

Table 4-1: Clearing of native vegetation within a highly cleared landscape

Description	Input	Assumption
Impact site		
Description	2.50 ha of native vegetation within a highly cleared landscape	Mapped by AECOM (2023)
Area	2.50 ha	Clearing of native vegetation that is within a highly cleared landscape
Quality	0.22 ha in Very Good condition 0.36 ha in Good condition 1.89 ha in Degraded condition 0.01 ha in Completely degraded condition	Vegetation quality was mapped as very good to completely degraded
Information source	AECOM (2023)	Perenjori-Flora and Vegetation Assessment (Detailed and Targeted spring season survey) (AECOM, 2023)
Proposed Offset Site		

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<p>Proposed Offset</p>	<p>Conservation Covenant Deed on a land of 8.64 ha containing "like for like" offset values, of which 5.52 ha is proposed as Perenjori Offset Site</p> <p>Protection: establishing an enduring legal mechanism to prevent clearing of native vegetation through a conservation covenant and restrict access through fencing of the site.</p>	<p>Conservation Covenant Deed and protection</p> <p>Utilisation of 5.52 ha of the 8.64 ha Covenant Area for offset purposes.</p> <p>CBH has received verbal confirmation from the property owner they are willing to allow 8.64 ha area within Lot 8269 on DP 148612, under Conservation Covenant for use as an Offset Site.</p> <p>CBH has formalised the Conservation Covenant Deed with the property owner and is attached Appendix E of this document.</p> <p>When confirmation is received, CBH will then arrange to have a conservation covenant placed over the 8.64 ha area within the property.</p> <p>CBH will arrange for the site to be fenced to restrict threatening processes including unauthorised access and grazing animals.</p>
<p>Current Quality</p>	<p>6</p>	<p>CBH propose to use 5.52 ha area in Good to Very Good condition, as the Perenjori Offset Site, more details in section 3.2.1.</p>
<p>Future quality without offset</p>	<p>5</p>	<p>A future quality without offset score of 5 reflects the potential for the vegetation to degrade further over the next 20 years without protection provided under conservation covenant due to over grazing by kangaroos, proximity to farming activities and roadside edge effects, which already have had clear impact on the vegetation structure and diversity. There is presence of higher levels of non-aggressive weeds and the presence of some aggressive weeds (e.g. Paterson's Curse, Echium plantagineum) and scattered farm debris. The extreme northern tip of the survey area was Degraded due to historical clearance, farm debris and low diversity of native species.</p>
<p>Future quality with offset</p>	<p>6</p>	<p>Vegetation quality in the Offset Site will be at least maintained (if not improved) through on-ground management activities, including fencing and weed management. These management actions will assist in maintaining or improving the vegetation condition through exclusion of threatening processes such as grazing and unauthorised access.</p> <p>As the Offset Site will be formally recognised and secured under conservation covenant, the site will be awarded protection from potential future clearing and allow broad-scale threat management.</p>
<p>Time until ecological benefit</p>	<p>5 years</p>	<p>The benefits of weed control and fencing are expected to be realised within 5 years, also considering the time taken to execute the covenant and undertake these measures.</p>

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		<p>Arrangements for implementing conservation covenant has begun, and it is expected that process will be complete within 2 years.</p> <p>The placement of a conservation covenant on the site, weed management and fencing would result in an initial ecological benefit within 2 years.</p> <p>The majority and most significant gains, to mitigate further degradation and improve the condition of the native vegetation, will be noticeable within the first three years of management.</p>
Confidence in result (%)	90%	There is a high level of confidence that the Proposed Offset will be put under conservation covenant and that the vegetation quality will not deteriorate with the offset's implementation.
Time until offset site secured (Years)	2 year	It is expected that the Conservation Covenant Deed will be finalised within 2 years of the clearing.
Risk of loss without offset	15%	<p>The risk of losing vegetation or habitat without an offset is considered to be moderate within the next 20 years.</p> <p>The offset site is located in a rural-zoned area, so there is a moderate risk of loss as the land zoned Rural can be gradually cleared with current exemptions afforded to agriculture, as well as the potential for this land to be developed. The risk of loss is also affected by the potential increase in vegetation degradation from weed invasion and other indirect impacts (such as those from grazing) without protection, further leading to Fringe effect and reduction of connectivity to the adjoining remnant vegetation. During the survey, clear signs of over grazing by Kangaroos, proximity to farming activities and roadside edge effects were observed. Signs of non-aggressive weeds and some aggressive weeds like Paterson's curse and farm debris were there. Due to small size of remnant, and the edge effects from farming and roads, it is difficult for this remnant improving in condition over time without intensive management.</p>
Risk of loss with offset	5%	As the Proposed Offset Site (currently rural zoned) will be formally recognised and secured under Conservation Covenant it will be awarded protection from potential future clearing and managed to reduce threatening processes by CBH. While status as a conservation covenant awards the maximum level of protection available, Moderate to low risk of loss is captured through the value of 5% rather than 0% to reflect the inability to have absolute uncertainty, e.g., in event of bushfire. This should, however, be recognised as a conservative approach.

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% Direct offset	100.10%	The offset meets the required 100% and more.
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4.1 Type of offset

The Proposed Offset is a direct offsets and includes placement of a Conservation Covenant Deed under the *Soil and Land Conservation Act 1945*. It is expected that the environmental values will be protected through improved security of tenure (i.e., a conservation covenant) and restricting the use of the land (access control and fencing).

Permanent protection are direct offsets and CBH believes no other offsets are required (i.e., indirect offsets) as the placement of the conservation covenant over the site addresses over 100% of the residual impact.

4.2 Security of offset

The Proposed Offset Site (5.52 ha area of the 8.64 ha Covenant Area of Lot 8269 on DP 148612) is currently privately owned. CBH proposes to enter a Conservation Covenant deed with the private landowner of Lot 8269 on DP 148612, the protection of the offset site will adhere to mechanisms for offsets on private lands including:

- legally secured for conservation purposes in perpetuity.
- actively monitored for compliance, with covenant requirements enforced.

Following the previously endorsed “security of offset” process for CBH sites, such as Broomehill and Cranbrook, CBH will consult with the Department of Primary Industries and Rural Development (DPIRD), that administers the *Soil and Land Conservation Act 1945* and implement the following steps:

- CBH to engage a licensed surveyor to draw up an Interests Only Deposited Plan (IODP) that identifies the area to be protected by a covenant. The surveyor will then lodge the IODP with Landgate.
- Once this is lodged at Landgate, a copy of the IODP will be forwarded to DPIRD (with a digital map file, e.g. .shp or .dwg). DPIRD will complete the paperwork for the covenant.
- Where applicable, the draft paperwork will then be sent to landholders for review. Once agreed DPRID will send the final paperwork and multiple copies will need to be printed, approved and signed by the proprietors, then returned to DPIRD for Commissioner signing.
- The copies will be: 1 x Statement of undertaking (A4 b&w) and 4 x Conservation Covenant documents (A3 colour single sided) for: Landgate (1), DPIRD file (1), Valuer General (1) Owner (minimum 1).
- Signed covenants to be lodged with Landgate for registration of the memorial on the Certificate of Title.

The land in question is subject to an existing exploration licence (E 70/5572) held by Surefire Resources NL, valid until November 16, 2026. We have completed our due diligence process by obtaining written consent from Surefire Resources NL, who have confirmed that the area is not of interest to them. DPIRD has verified that this written consent from the exploration licensee is necessary for the conservation covenant to be binding. DMIRS was consulted to identify any potential obstacles from their perspective. Under Section 29 of the Mining Act, they noted that any future mining activities, including geotechnical investigations and exploration, would require formal consent from both the landowner and occupier. In response, we have included specific provisions in the formal Deed that explicitly prohibit exploration activities within the designated 8.64 ha Covenant Area.

The Conservation Covenant deed has subsequently been signed by the landholder awaiting the outcome of environmental approvals.

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4.3 Management activities

On-ground management activities will be undertaken, and will include clearing rubbish, installing/upgrading fencing, restricting access, and weed control, where required, on advice from a land rehabilitation specialist. On-ground management actions are intended to prevent further degradation and maintain the quality and condition of existing environmental values.

A brief overview of the proposed on-ground management activities is set out in Appendix B.

4.4 Conservation outcomes and timeframes

The main conservation outcome will be the maintenance and protection of habitat values for the underrepresented vegetation association, with primarily VA Perenjori 352.

Conservation gains will be achieved over both the short and long term, with initial conservation gains expected within 12 months of implementation from the lodgement of conservation covenant. The initial ecological benefits are expected over a short to medium term period resulting from fencing and weed management to exclude threatening process of unauthorised access and grazing of animals. The actual time to achieve conservation gain is summarised in Table 4-2.

Table 4-2: Time until conservation outcome is realised

Timing	Management actions	Conservation outcome
Short-term (1-5 years)	Baseline surveys Grazing animals removed(where needed) Fencing and signage (if required) established Weed control of primary target weeds within the first year of management	Detailed ecological information of the site. Protection of VA Perenjori 352 Protection of habitat in perpetuity Decrease in weeds and competition Increase in species of relevance Development afforded under Rural zoning scheme restricted
Long term (>5 years)	Weed control where required Maintenance of fencing where required Maintenance of fire breaks where required	Potential for increase in vegetation cover and habitat condition or quality.

4.5 Relevance of offset

The Proposed Offset Site is proportionate to the level of impact and significance of the environmental values being impacted, as it is part of VA Perenjori 352 and represents the similar values to the vegetation proposed to be cleared, the Vegetation Association Perenjori 352, described as “York gum, salmon gum etc. *Eucalyptus loxophleba*, *E. salmonophloia*. Goldfields; gimlet, redwood etc. *E. salubris*, *E. oleosa*. Riverine; rivergum *E. camaldulensis*. Tropical; messmate, woolybush”.

Additional environmental values present within the Proposed Offset Site are as following:

- Vegetation Communities 1 and 4 correspond to the ‘WA Wheatbelt Woodlands ecological community’, which is currently listed as Critically Endangered (EPBC Act) and Priority 3 (DBCAs).
- A small population (c. 100 plants) of *Baeckea* sp. Perenjori (J.W. Green 1516) (P2) was found occurring across the lateritic hill slopes. This species was found sterile near but outside the Perenjori Development Envelope.

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Due to the small size of the remnant, and the edge effects from farming and roads, it is difficult to envisage this remnant improving in condition over time without intensive management. However, the presence of a TEC and a relatively intact lateritic ridge and its associated vegetation is a net positive factor for conservation.

Table 4-3: Consideration of WA offset principles with respect to the Proposed Offset Site

Principle	Response
<p>Environmental offsets will only be considered after avoidance and mitigation options have been pursued.</p>	<p>CBH has implemented a lengthy avoidance process, including redesigning the Disturbance Footprint to avoid impacts to native vegetation, flora and fauna as far as practicable. As well as avoidance, a number of management strategies are proposed to reduce the risk of indirect impacts to areas of surrounding vegetation and habitat. Mitigation and management actions are summarised in Section 2.3.</p>
<p>Environmental offsets are not appropriate for all projects.</p>	<p>Given the proposed development will have a significant residual impact on the 2.50 ha native vegetation within an extensively cleared landscape, representing underrepresented VA Perenjori 352, offsets are considered appropriate for the Project. The establishment of conservation covenant on the Covenant Area of 8.64 ha of which 5.52 ha is proposed as Perenjori Offset Site, protects the native vegetation extent and maintains the quality of the VA Perenjori 352.</p>
<p>Environmental offsets will be cost-effective, as well as relevant and proportionate to the significance of the environmental value being impacted.</p>	<p>The Proposed Offset relates to the environmental values being impacted, that is vegetation representative of being like for like values. The proposed offsets are proportionate to the significance of the environmental values being impacted, with an impact to offset ratio greater than 1:1.</p> <p>The Proposed Offset will protect like for like environmental values relevant to VA Perenjori 352, through lodgement of a Conservation Covenant over the area. The vegetation within the offset area is part of the VA Perenjori 352, characterised as Woodland, and has vegetation better representative of the VA Perenjori 352 than the Disturbance Footprint vegetation, which is dominated by shrubland. The site is also located 11 km from the Disturbance Footprint.</p> <p>The offset site occurs within the Avon-Wheatbelt IBRA region which is a highly cleared and fragmented landscape. The vegetation within the offset site is not contiguous with an existing conservation area; however, it will provide ecological stepping stones and biological corridor as it connects to other remnant patches to south and the west. Given the highly fragmented nature of the landscape, preserving patches of remnant vegetation is important to provide ecological linkages and network corridors for the persistence of many species of flora and fauna. The offset site also has a better area to perimeter ratio than the Disturbance Footprint.</p> <p>VA Perenjori 352 is described as Medium woodland having dominant species such as <i>Eucalyptus loxophleba</i>, <i>Allocasuarina huegeliana</i> in upper storey, in tree form. The trees are of height 10-30meters and having foliage cover of 10-30% (DCCEEW, 2015).</p> <p>The Flora and Vegetation survey at the Perenjori Site mapped 0.73ha of the survey area as Eucalyptus Open Woodland, of which two patches were defined. These patches were assessed against the key diagnostic characteristics of the Approved Conservation Advice of the Eucalyptus Woodlands of the WA Wheatbelt (DCCEEW, 2015). The patches did not meet the key diagnostic characteristics to be considered part of the federally protected TEC as it did not meet the minimum size threshold of 2ha for the non-roadside vegetation patch criteria and dominant overstorey species <i>Eucalyptus loxophleba</i> subsp. <i>Supralaevis</i> being not recognised as key overstorey species.</p> <p>Vegetation Communities 1 and 4 found in the Proposed Offset Site correspond to the 'WA Wheatbelt Woodlands ecological community',</p>

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	<p>which is currently listed as Critically Endangered (EPBC Act) and Priority 3 (DBCAs). Hence, the presence of a TEC and a relatively intact lateritic ridge and its associated vegetation is a net positive factor for conservation.</p> <p>A small population (c. 100 plants) of <i>Baeckea</i> sp. <i>Perenjori</i> (J.W. Green 1516) (P2) was also found occurring across the lateritic hill slopes. This species was found sterile near but outside the Perenjori Development Envelope.</p>
Environmental offsets will be based on sound environmental information and knowledge.	The Proposed Offset is based on the sound environmental information as detailed in sections 3 and 4.5. Further information of the Proposed Offset Site and its environmental values will be detailed in the Final Survey report, which will be submitted once available to CBH.
Environmental offsets will be applied within a framework of adaptive management.	The uncertainty of offset success is included in the calculation of a suitable offset extent in accordance with the offset calculator.
Environmental offsets will be focussed on longer term strategic outcomes.	The Proposed Offset have been designed to provide short-term and long-term conservation gains (i.e., strategic outcomes) for native vegetation, targeting, but not limited to, VA Perenjori 352.



4.6 Conclusion

Under the WA Offset Policy, environmental offsets are actions that provide environmental benefits which counterbalance the significant residual environmental impacts or risks of a project or activity (Government of WA 2014). Environmental offsets will be used as a last resort, after due consideration of avoidance and mitigation measures.

The Proposed Offset aims to maintain and improve the viability of a remnant portion of VA Perenjori 352. The Proposed Offset has been developed, following a lengthy project design process, to avoid and mitigate impacts associated with the proposed action.

The Proposed Offset is proportionate to the level of impact and significance of the environmental values being impacted and aligns with the Western Australian Offset Policy Principles, described in Table 4-3. CBH has factored in risks of failure in the calculation of a suitable offset extent in accordance with the offset calculator and provided contingency measures that can be implemented to ensure certainty of success (Appendix C).

Given all the above, the 5.52 ha offset proposed is considered adequate as it meets and exceeds the required significant residual impacts (Conservation Covenant Deed over a 8.64 ha area), with a focus on environmental feature; VA Perenjori 352. The Proposed Offset Site is also deemed to meet the required environmental offsets, as the site is to be conserved in perpetuity under a conservation covenant.

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5 References

Department of Climate Change, Energy, the Environment and Water (DCCEEW) 2015. Appendix B of Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) *Approved Conservation Advice (including listing advice) for the Eucalypt Woodlands of the Western Australian Wheatbelt*.

Department of Water and Environmental Regulation (DWER) 2022. *DRAFT Procedure for environmental offsets metric inputs*. For use with the WA environmental offsets metric. May 2022.

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Department of Primary Industries and Regional Development (DPIRD) 2024. *Soil landscape mapping (Best Available)*.

Government of Western Australia. 2022b. *Environmental Offsets Register*. Available from: [WA Government - Environmental Offsets Register](#).

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Onshore Environmental Australia. 2024. *Perenjori Offset Site Visit, Reconnaissance Flora and Vegetation Survey*

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Appendix A: Methodology for assigning habitat scores

Quality score	Site condition		Site context	Habitat attributes/species stocking rate
		Foraging habitat quality ¹ (Carnaby's Cockatoo)		
10	Pristine: Pristine or nearly so, no obvious signs of disturbance; 0% weed cover.	High: <ul style="list-style-type: none"> Primary food sources (i.e., Woodlands with tree banksias or marri/jarrah) present at > 60% projected foliage cover; and Vegetation may be in Good or higher condition with low weed invasion and/or low tree deaths (indicating it is robust and unlikely to decline in the medium to long term). 	High site context means (any or all): <ul style="list-style-type: none"> The site is well connected to areas of native vegetation. Generally has a low edge to area ratio. Provides landscape-level connectivity. Site is within the significant and/or highly impacted part of the species or ecological community's range. The site location or occurrence of an environmental value comprises a high proportion of the known area, number of individuals or distribution. 	High habitat attributes means (any or all): <ul style="list-style-type: none"> The site has low threat levels compared with other areas of habitat. The site provides foraging, nesting and/or dispersal habitat. Where breeding habitat is a limiting factor for the species: breeding. Habitat would usually have a very high-quality score to recognise the importance of nesting habitat. The species or community has been recorded or is considered highly likely to occur due to availability of suitable habitat and proximity of numerous nearby records.
9	Excellent: Vegetation structure intact; disturbance affecting individual species; weeds are non-aggressive species; 1–5% weed cover. For example, damage caused by fire, the presence of non-aggressive weeds and occasional vehicle tracks.			
8	Very good to Excellent	Moderate to High: <ul style="list-style-type: none"> Primary food sources (i.e., Woodlands with tree banksias or marri/jarrah) with 40-60% projected foliage cover; Primary food sources (i.e., Woodlands with tree banksias or marri/jarrah) with > 60% projected foliage cover but vegetation condition reduced due to weed invasion and/or some tree deaths; Secondary food sources with >60% projected foliage cover; Pine plantations with trees more than 10 years old; and Vegetation may be in Good or higher condition. 		
7	Very good: Vegetation structure altered; obvious signs of disturbance; 5–25% weed cover. For example, disturbance to vegetation structure caused by repeated fires; the presence of some more aggressive weeds; dieback; logging; and grazing			
6	Good to Very good	Moderate: <ul style="list-style-type: none"> Primary food sources (i.e., Woodlands with tree banksias or marri/jarrah) 	Moderate site context means (any or all): <ul style="list-style-type: none"> The site provides some connection to areas of native vegetation. Adjoins or within proximity of an ecological linkage. Vegetation at the site may be fragmented, but forms part of a network/movement corridor. 	Moderate habitat attributes (any or all): <ul style="list-style-type: none"> The site may have some threats evident but also displays some resilience. The site provides foraging and/or dispersal habitat. The species or community has not been recorded but

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		<p>present at 20-40% projected foliage cover;</p> <ul style="list-style-type: none"> • Secondary food sources (i.e., Woodlands with primarily secondary food items such as Peppermint, Tuart, York gum, Wattles, etc.) present at 40-60% projected foliage cover; and • Vegetation may be in Degraded to Very Good condition. 	<ul style="list-style-type: none"> • Provides landscape-level connectivity. • Site is within the significant and/or highly impacted part of the species or ecological community's range. 	<p>is considered to have the potential to occur.</p>
5	<p>Good: Vegetation structure significantly altered by very obvious signs of multiple disturbances; retains basic vegetation structure or ability to regenerate it; 25–50% weed cover. For example, disturbance to vegetation structure caused by very frequent fires; the presence of some very aggressive weeds at high density; partial clearing; dieback; and grazing.</p>	<p>Low to Moderate foraging value including:</p> <ul style="list-style-type: none"> • Primary food sources (i.e., shrubby banksias, woodlands with banksias, marri or jarrah, Eucalypt Woodland/Mallee of small-fruited species) present at 5-20% projected foliage cover; • Secondary food sources (i.e., Woodlands with secondary food items such as Peppermint, Tuart, York gum, Wattles, being dominant) present at 20-40% projected foliage; and • Vegetation may be in Degraded or Good condition. 		
4	<p>Good to degraded</p>	<p>Low foraging value including:</p> <ul style="list-style-type: none"> • Primary food sources (i.e., shrubby banksias, marri or jarrah trees or open woodland, open Eucalypt Woodland/Mallee of small-fruited species) present at 2-5%; • Secondary food sources (i.e., Woodlands with secondary food items such as Peppermint, Tuart, York gum, Wattles being dominant.) present at 10-20% projected foliage cover; • Vegetation in Degraded condition; • Short-term and/or seasonal food sources such as paddocks with melons or other known food-source weeds (e.g., Erodium spp.). 	<p>Low site context means (any or all):</p> <ul style="list-style-type: none"> • Site is not connected to areas of native vegetation. • Site is not within an ecological corridor. • Generally fragmented vegetation (high edge to area ratio). • Site is within the species or ecological community's range. 	<p>Low habitat attributes means (any or all):</p> <ul style="list-style-type: none"> • High degree of threats are evident (e.g., weed invasion, feral animals where relevant to the environmental value). • Little foraging and/or dispersal habitat available. • The species has not been recorded and is considered to potentially occur but only on an occasional basis.
3				

2	Degraded: Basic vegetation structure severely impacted by disturbance; scope for regeneration but not to a state approaching good condition without intensive management; 50–75% weed cover. For example, disturbance to vegetation structure caused by very frequent fires; the presence of very aggressive weeds; partial clearing; dieback; and grazing	Negligible: <ul style="list-style-type: none"> • Primary food sources at < 2% % foliage cover, or secondary food sources at <10% PFC. This could include urban areas or cleared paddocks with scattered foraging trees; • Vegetation in Degraded or lower condition; • Short-term and/or seasonal food sources such as paddocks partly vegetated with melons or weeds (e.g., Erodium spp.). 		
1	Degraded to Completely degraded			
0	Completely degraded: The structure of the vegetation is no longer intact, and the area is completely or almost completely without native species. These areas are often described as 'parkland cleared' with the flora comprising weed or crop species with isolated native trees or shrubs.	Nil No foraging species present.	No site context means: <ul style="list-style-type: none"> • Not within the known distribution for the species. • No breeding, foraging or dispersal resources in proximity to site. • No connectivity or ecological corridors. 	No habitat attributes means (any or all): <ul style="list-style-type: none"> • Very high degree of threats are evident (e.g., weed invasion, feral animals where relevant to the environmental value). • No breeding, foraging and/or dispersal habitat available. • The species has not been recorded or is considered unlikely to occur.



Appendix B: On-ground management activities

BASELINE SURVEYS

CBH engaged Onshore Environmental to undertake baseline Environmental survey which includes information on weed. The survey report once finalised will provide baseline data, detailed mapping for the management activities proposed on Proposed Offset Site.

FENCING AND ACCESS MANAGEMENT

Permanent fencing that excludes vehicles (except for management vehicles), people and grazers from entering the sites will be established around the periphery of the Proposed Offset Site. Access for management vehicles (including fire trucks) will be provided at location(s) where any existing tracks already occur. Fencing will be inspected to check for any maintenance issues. Please note that fencing will be along all boundaries except south, as it would trigger fragmentation between the Proposed Offset Site and south remnant vegetation.

HYGIENE MANAGEMENT

Contractors or CBH staff entering the offset site will be required to adhere to strict hygiene measures to minimise the potential for weeds or pathogens to be introduced or spread. Specific actions to be undertaken to minimise introduction and/or spread of weeds or pathogens will include:

- ensuring that vehicles, tools, equipment and machinery brought onto the site are free of mud and soil;
- limiting vehicle access to the site to existing tracks;
- avoiding bringing soil, gravel or sand into the site;
- if material must be brought onto site, it will be purchased from a soil supplier with Nursery Industry accreditation; and
- observing susceptible plants and noting any deaths as part of annual reporting.

WEED MANAGEMENT

Weed management and control will be informed by a baseline survey, ensuring this addresses Weeds of National Significance and/or Declared Plants under the *Biosecurity and Agriculture Management Act 2007*. A weed map will be created for the site, identifying areas that require targeted management to control invasive weeds, with these weeds to be actively managed by direct spraying or hand pulling.

Weed control will be undertaken within the first 12 months of the Offset Site being acquired and then repeated as required. Follow up weed management will be informed by visual inspections by maintenance contractors.

FIRE MANAGEMENT

Perimeter fencing will include at least one access point for maintenance and fire vehicles.

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Appendix C: Certainty of success

CBH propose to engage suitability qualified experts to assist with the management of the proposed Offset Site including fencing and weed management.

RISK AND CONTINGENCY

Table C1 provides an overview of potential risks of the management plans failing to achieve and/or maintain environmental objectives, and risk management strategies that will be applied.

Table C1: Risk identification and management

Objective	Event or circumstance	Risk management	Residual Risk		
			Likelihood	Consequence	Risk
Legally secure the offset property for conservation purposes in perpetuity	Site/and or proposed management is not considered acceptable by covenanting agency	CBH will consult with various covenanting agencies as required to find an appropriate fit.	Unlikely	Moderate	Low
	Future development proposal inconsistent with the offset intent in breach of covenant provisions	Maintain the offset site in CBH Asset Register. The covenant will be listed as a restriction on titles.	Rare	High	Low
Remove and/or manage key threats for a period of 20 years	Previous leaseholders or others continue to access the site and promote degradation	Review fencing and consideration of additional signage.	Unlikely	Moderate	Low
	Weed management is not adequate to contain weed spread	Monitoring and reporting requirements combined with an adaptive management framework will address failure of the proposed management to achieve the performance targets.	Unlikely	Moderate	Low

Appendix D: Native Vegetation Calculator (Updated after DWER review)

Perenjori Offset Site

WA Environmental Offsets Calculator

Step 3: Calculating offsets

		Clear	Key:				
			Data to be entered				
			Drop-down selection				
			Automatically-generated scores				
Environmental value (step 1)	Extensively cleared landscape	Significant impact (step 2, part A)	2.50				
		Rehabilitation credit (step 2, part B)	0.00				
		Significant residual impact (step 2, part C)	0.75				
Area (offset site)							
Offset calculation Area							
Offsets calculation	Description	Proposed offset (area in hectares)	5.52	Duration of offset implementation (maximum 20 years)	20.00	Offset value	0.75
	Proposed conservation covenant under the SLC Act and weed management	Current quality of offset site (scale)	6.00	Time until offset site secured (years)	2.00		100.1%
		Future quality WITHOUT offset (scale)	5.00	Risk of future loss WITHOUT offset (%)	15.0%		
		Future quality WITH offset (scale)	6.00	Risk of future loss WITH offset (%)	5.0%	What-if Analysis	
		Time until ecological benefit (years)	5.00				
	Confidence in offset result (%)	90.0%				OFFSET ADEQUATE?	NO

Conservation Covenant Deed

DENE SOLOMON

(Owner)

CO-OPERATIVE BULK HANDLING LIMITED

(ABN 29 256 604 947)

(CBH)

Land Address

PART LOT 8269 ON DEPOSITED PLAN 148612 (CT 1263/714)

Solomon Rd BOWGADA WA 6623

CBH STORE ID: 1856283679 - 135799

Details

Definitions and interpretation – these Details contain some definitions. Other definitions and the interpretation provisions are in clause 1.

CBH	Name	Co-operative Bulk Handling Limited
	ABN	29 256 604 947
	Address	Level 6, 240 St Georges Terrace, Perth WA 6000
	Attention	Aaron Grant
	Email	aarongrant@cbh.com.au

Owner	Name	Dene Solomon
	Address	P.O. Box 64 Perenjori WA 6620
	Attention	Dene Solomon
	Email	Delta-ag2@bigpond.com

Land

Part Lot 8269 on Deposited Plan Solomon Rd Bowgada held on Certificate of Title Volume 1263 Folio 714.

Conservation Covenant Area	Means that part of or the whole of the Land described in the Annexure A to this Deed, relating to the 8.64Ha Portion.
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Conservation Covenant Price	\$15,000 exclusive of GST.
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Conservation Covenant Deed

Recitals

- A. The Owner is the registered proprietor of the Land.
- B. The Owner has agreed to enter into a conservation covenant in respect of the Land and perform the Owner's obligations under the conservation covenant and this Deed.
- C. CBH has agreed to pay the Conservation Covenant Price to the Owner, subject to the terms of this Deed.

Operative terms

CBH and the Owner agree with each other as follows.

1 Definitions and Interpretation

1.1 Definitions

In this Deed, unless the contrary intention appears, the following words and expressions will have the following meanings.

Authority means a state or federal government department, agency, authority or instrumentality, or any local or statutory authority or other body, having jurisdiction and lawful authority with respect to any of the Land. It includes DWER and Landgate.

Business Day means every day which is not a Saturday, Sunday or Public Holiday in Perth, Western Australia.

Clearing Permit means a clearing permit, including any replacement or amended clearing permit, granted by DWER to CBH under which the Owner is required to provide a Conservation Covenant.

Conservation Covenant means a conservation covenant in respect of the Conservation Covenant Area in the form required under the Clearing Permit or by any Authority.

Contamination means the presence in the Environment of a substance the presence of which gives rise to a risk of non-compliance with or breach of any Environmental Law.

Deed means this Conservation Covenant Deed (including any annexures or other attachments).

Details means the Details at the front of this Deed.

DWER means the government of Western Australia Department of Water and Environmental Regulation.

Environment means living things, their physical, biological and social surroundings, and interactions between all of these. In the case of humans, the reference to social surroundings in this definition is a reference to aesthetic, cultural, economic and other social surroundings to the extent to which they directly affect or are affected by physical or biological surroundings.

Environmental Law means any law (Federal, State or Local) relating to the Environment.

GST means the goods and services tax payable under the GST Act.

GST Act means A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Landgate means the Western Australian Land Information Authority trading as Landgate.

Party means CBH and the Owner, or CBH or the Owner, as the case requires.

Tax Invoice includes any document or record treated by the Commissioner of Taxation for GST purposes as a tax invoice or as a document entitling a recipient to an input tax credit.

1.2 Interpretation

The following provisions will apply to the interpretation of this Deed unless the context otherwise requires.

- (a) Words importing the singular include the plural and vice versa.
- (b) Reference to a person includes:
 - (1) a reference to a corporation (whether incorporated in Australia or elsewhere);
 - (2) a reference to a natural person;
 - (3) in the case of a corporation, a reference to the successors of the corporation; and
 - (4) in the case of a natural person, a reference to the personal representatives of that natural person.
- (c) Where a Party consists of 2 or more persons, the obligations and liabilities of those persons are joint and several.
- (d) Where the word “including” or “includes” is used it is to be construed as if followed by the words “but not limited to” or “but is not limited to” as the case requires.
- (e) Where the day or last day for doing an act or on which an entitlement is due to arise is not a Business Day, the day or last day for doing the act or on which the entitlement arises shall for the purposes of this Agreement be the next Business Day following that day.
- (f) Reference to a clause is to a clause of this Deed.
- (g) Reference to a sub-clause is to a sub-clause of the clause in which the reference occurs.
- (h) Reference to a schedule or an annexure is to a schedule or an annexure to this Deed.
- (i) Clause headings have been incorporated for guidance only and do not affect the interpretation of this Deed.
- (j) Reference to \$ or dollars is to Australian dollars.
- (k) Reference to a time or date is to the local time or date in Perth, Western Australia.
- (l) This Deed will be governed by and will be construed according to the laws of Western Australia.
- (m) Reference to an agreement includes a reference to every agreement or deed which varies that agreement.
- (n) Reference to an Act includes a reference to:
 - (1) any amendment to that Act which is in force for the time being;
 - (2) any Act which is passed in substitution for that Act;
 - (3) any subsidiary legislation which is in force under that Act for the time being; and

- (4) any order, requisition or subsidiary legislation which is made under that Act and which is in force for the time being.
- (o) Reference to any thing (including any reference in a definition in clause 1.1) includes a reference to the whole and each part of that thing.
- (p) A reference to an institute, association, Authority or statutory or other body means, where the body has ceased to exist, the body which has:
 - (1) been established in place of the original body;
 - (2) the same or substantially the same objects as the original body; or
 - (3) objects which most closely resemble the objects of the original body.

2 Condition Precedent

Clauses 3 to 6 of this Deed do not take effect unless and until CBH, in CBH's absolute discretion, provides a Conservation Covenant to the Owner for signing.

3 Conservation Covenant

- (a) The Owner must:
 - (1) provide a duly signed Conservation Covenant to CBH within 20 Business Days of CBH providing the Conservation Covenant to the Owner (and, if applicable, within five Business Days of CBH providing any replacement or amended Conservation Covenant to the Owner); and
 - (2) at all times comply with the Conservation Covenant (and, if applicable, any replacement or amended Conservation Covenant).
- (b) CBH is responsible for the Owner's costs reasonably incurred in complying with the Conservation Covenant provided the Owner obtains CBH's prior written approval before incurring any costs.
- (c) The Owner acknowledges and agrees that a perpetual memorial may be lodged with Landgate in respect of the Land in relation to the Conservation Covenant.

4 Clearing Permit

- (a) The Owner must do everything reasonably requested by CBH to enable CBH to comply with the Clearing Permit.
- (b) Without in any way limiting the extent of the Owner's obligation under clause 4(a), the Owner must permit CBH's officers, employees, contractors, agents and invitees (including but not limited to any Authority's employees and contractors) to access the Conservation Covenant Area, and any other area owned, leased or licensed by the Owner, to:
 - (1) fence the Conservation Covenant Area and include access gates to the Conservation Covenant Area, and maintain, repair and replace the fencing and access gates;
 - (2) monitor the Conservation Covenant Area for protected fauna;
 - (3) maintain or improve the vegetation and fauna in the Conservation Covenant Area, including by way of weed control, planting and direct seeding;
 - (4) assess the vegetation and fauna in the Conservation Covenant Area; and
 - (5) undertake compliance audits of the Conservation Covenant Area.

- (c) CBH must reimburse the Owner for the Owner's costs reasonably incurred in complying with clauses 4(a) and (b) provided the Owner obtains CBH's prior written approval before incurring any costs.

5 Payment of the Conservation Covenant Price

CBH shall pay the Conservation Covenant Price to the Owner within 20 Business Days after the later of:

- (a) DWER confirming in writing that the Owner's duly signed Conservation Covenant complies with the Clearing Permit; and
- (b) the Owner providing a Tax Invoice to CBH.

6 Contamination

To the best of the Owner's knowledge having made reasonable inquiries, each of the following statements is true and correct as at the date of this Deed and will remain true and correct at all times until the termination of this Deed.

- (a) The Land is free of all Contamination, including any patent or latent Contamination of the atmosphere, air, soil, sub-soil, ground water or surface waters within or adjacent to the Land, except to the extent caused by CBH.
- (b) There is and there has been no activity on the Land by or on behalf of the Owner which would or might reasonably be expected to cause any Contamination.
- (c) No hazardous materials have been used, stored or treated by or on behalf of the Owner on or adjacent to the Land.
- (d) All directions, notices, orders and requirements to the Owner given or made under any Environmental Law have been complied with.

7 Notices

Any notice, or other communication including any request, demand, consent or approval to or by a Party under this Deed:

- (a) must be in writing:
 - (1) addressed to the addressee Party as specified in this Deed, and where a Party is more than one person then to every person at their address as specified in this Deed; or
 - (2) to any other address specified by any Party to the sender by notice given under this clause 7;
- (b) must be signed by:
 - (1) in the case of the Owner, an attorney or solicitor on behalf of the Owner or where the Owner is a corporation by a director or under the common seal of the Owner; or
 - (2) in the case of CBH, a person with authority to send the notice on behalf of CBH;
- (c) will be treated as having been given by the sender and received by or served on the addressee:
 - (1) if by delivery in person when delivered to the addressee;
 - (2) on the day which is the sixth Business Day after the date of posting - where posted by registered post within Australia to an address within Australia;

- (3) on the day which is the tenth Business Day after the date of posting - where posted by air mail registered post from a place within Australia to an address outside Australia or from a place outside Australia to an address within Australia; and
- (4) if by email, on the date the sender sends the email (unless the sender receives a notification stating that the email was not delivered to the recipient), but if the email is sent on a day which is not a Business Day or is after 4.00 pm (addressee's time) it will be treated as having been duly given on the succeeding Business Day.

8 Costs and duty

8.1 Costs

- (a) CBH will reimburse the Owner's legal costs reasonably incurred up to a cap of \$3,000 plus GST, subject to the Owner providing a valid tax invoice.
- (b) Subject to any other provisions of this Deed, each Party will pay its own legal and other costs in respect of this Deed.

8.2 Duty

CBH must pay all duty payable under the Duties Act 2008 (WA) and any other duty in respect of this Deed.

9 GST

9.1 Definition

In this clause 9, words not defined in this Deed but which have a defined meaning in the GST Act have the same meaning as in the GST Act.

9.2 GST payable

The following applies:

- (a) GST is payable in respect of any taxable supply made under this Deed;
- (b) in respect of any taxable supply the recipient must pay to the supplier the amount equal to the GST liability on that taxable supply at the same time as the recipient is required to pay the consideration for that taxable supply to the supplier under the agreement. The GST liability for any taxable supply is the amount equal to the consideration attributable to the taxable supply made by the supplier to the recipient multiplied by the rate at which GST is imposed in respect of that taxable supply;
- (c) if one of the Parties is entitled to be reimbursed for an expense or outgoing incurred in connection with this agreement, the amount of the reimbursement will be net of any input tax credits which may be claimed by the Party being reimbursed in relation to that expense or outgoing;
- (d) the supplier must issue a tax invoice and any relevant adjustment note to the recipient for each taxable supply; and
- (e) any review or adjustment of any consideration payable for a taxable supply must take into account that this clause requires an adjustment of that consideration and must take account of any adjustment to that consideration which has already been or is required to be determined under the provisions of this clause.

10 Confidentiality

10.1 Confidential Information

In this clause the expression **Confidential Information** means:

- (a) the terms of, and transactions contemplated by or given effect to by, this Deed; and
- (b) the facts matters and circumstances surrounding the terms of this Deed and the transactions contemplated by or given effect to by this Deed; and
- (c) all information disclosed by or on behalf of one Party to another Party or anyone on behalf of a Party (whether prior to or after the date of this Deed) in connection with this Deed or any of the transactions contemplated by or given effect to by this Deed.

10.2 Limited Disclosure of Confidential Information

- (a) Each Party must keep Confidential Information confidential and must not in any way disclose, or cause to be disclosed, or permit to be disclosed where disclosure could be prevented, Confidential Information to any person except:
 - (1) with the consent of the each other Party in writing which consent will not be unreasonably delayed or withheld;
 - (2) if and to the extent required by law or any stock exchange;
 - (3) where necessarily required as the subject of legal proceedings;
 - (4) if the information is generally and publicly available other than by reason of breach of this clause by the Owner or a person acting through or on behalf of any Party; or
 - (5) in accordance with clause 10.2(b).
- (b) A Party may disclose Confidential Information to its financier (if applicable) and its financial, legal and other advisers subject to:
 - (1) the Owner preserving the confidentiality of the Confidential Information; and
 - (2) the Owner ensuring that the person to whom the Confidential Information is disclosed retains the confidentiality of the Confidential Information.
- (c) The covenants set out in this clause will operate and bind each Party irrespective of, and subsequent to, any termination or rescission of this Deed for any reason, and will survive and not merge in settlement, and shall survive and remain in full force and effect and enure for the benefit of the other Party, according to their terms.
- (d) A Party required to disclose information in accordance with sub-clause (a)(2), must notify the other Party, to the extent that is reasonably practical or legally permissible to do so, to allow that other Party to comment on or prevent the content of the disclosure.

10.3 Announcements

A Party must not make or permit to be made an announcement about the subject matter of this Deed unless it obtains the prior written approval of the other Party.

11 General Provisions

11.1 No assignment

Neither Party may assign, transfer, charge or otherwise dispose of its interest in or the benefit of this Deed nor agree so to do without the prior written consent of the other Party (which consent not be unreasonably withheld or delayed).

11.2 Jurisdiction

Each Party irrevocably submits to and accepts generally and unconditionally the non-exclusive jurisdiction of the courts and appellate courts of Western Australia with respect to any legal action or proceedings which may be brought at any time relating in any way to this Deed.

11.3 Further assurance

Each Party must do all things and execute all further documents necessary to give full effect to this Deed and the transactions provided for by this Deed.

11.4 Variation

This Deed shall not be changed or modified in any way subsequent to its execution except in writing duly executed by the Parties.

11.5 Cumulative rights

The rights, powers, authorities, discretions and remedies arising out of or under this Deed are cumulative and do not exclude any other right, power, authority, discretion or remedy of a Party.

11.6 Entire agreement

This Deed supersedes all previous agreements in respect of its subject matter and embodies the entire agreement between the Parties.

11.7 Attorneys

Each attorney (if any) who executes this Deed hereby acknowledges that, at the time of executing this Deed, the attorney had received no notice of the revocation of the power of attorney under which the attorney executes this Deed.

11.8 Execution of this Deed in counterpart, exchange by electronic transmission

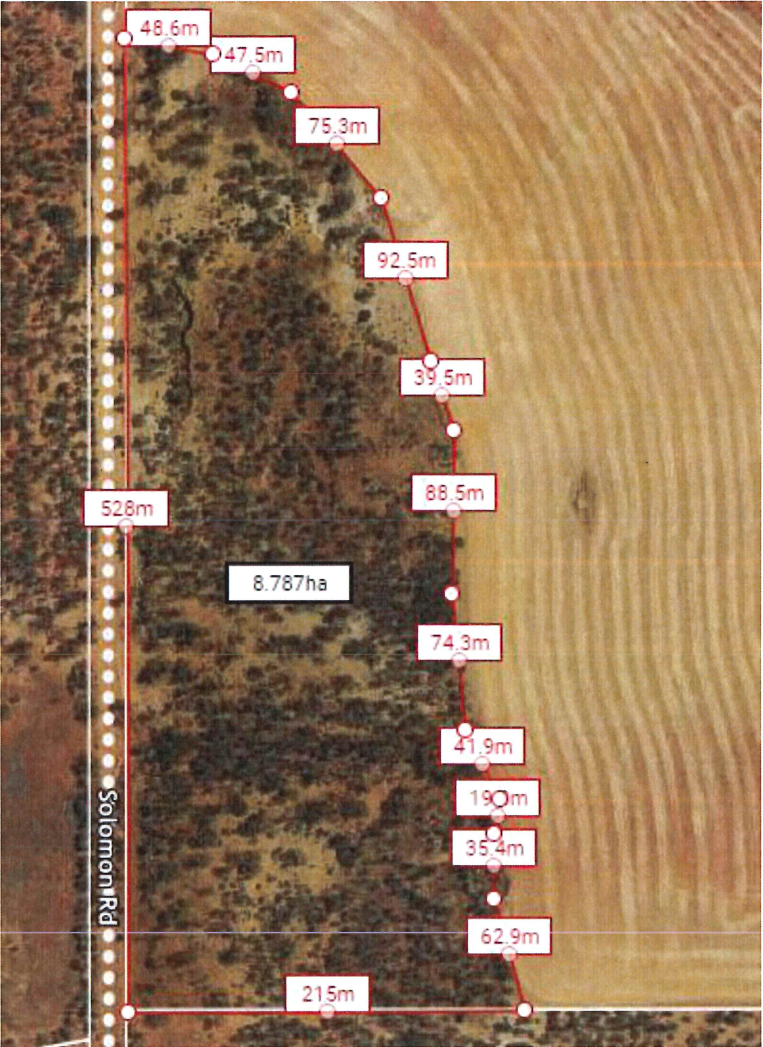
- (a) This Deed may consist of a number of counterparts, each signed by one or more parties to this Deed, and if so the signed counterparts are treated as making up the one Deed and the date on which the last copy is signed will be the date of this Deed.
- (b) This Deed if executed in counterpart may, without limitation, be exchanged by electronic transmission of pdf copies of the counterparts.

11.9 Enforceability of this Deed

If this Deed is held to have not been duly entered into as a deed, it may be enforced as a simple contract and each party agrees that the mutual promises given in this Deed are valuable consideration.

ANNEXURE 1

BOWGADA Conservation Covenant Area (Circa 8.78Ha)

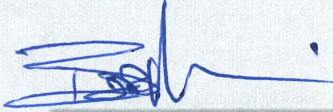


Signing page

Signed by each party as a deed

14 OCTOBER 2024

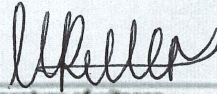
Signed for and on behalf of Co-operative Bulk Handling Limited (ABN 29 256 604 947) as Registered Power of Attorney Signature of Attorney number 0848635 (4 August 2021) in the presence of:



Signature of authorised person

BENJAMIN JOSEPH RAWDON MACNAMARA

Name of authorised person
(BLOCK LETTERS)



Signature of witness

MELISSA RUTTERS

Name of witness
(BLOCK LETTERS)

Signed by a duly authorised persons in the presence of:



Owner signature

Dene Thomas Solomon

Owner full name
(BLOCK LETTERS)



Witness signature

PATRICK JAMES LAWRIE

Witness full name
(BLOCK LETTERS)

