

Project Title
Auscarbon Biodiversity Project
Gold Standard ID
GS-3040
Type of Certification
<input checked="" type="checkbox"/> Initial Certification <input type="checkbox"/> Performance Certification <input type="checkbox"/> New Area Certification <input type="checkbox"/> Annual Reporting

For each item listed below, please provide a general description in the corresponding box. In total, this document shall not exceed 5 pages. Be aware that carbon market specific terms may not be appropriate for the readers of this summary. The formatting requirements provided in chapter 7.4 must be followed.

1. Key Project Information

(a) Project activities

The project involves reforestation of 5 properties in the mid-west region of Western Australia. The land selected is low rainfall and agriculture productivity. Project plantings are of native vegetation types including provenance seed collected from the project properties. Seed and seedlings are planted with the design objective of restoring the project landscape to its natural condition of vegetation.

(b) Organisations that are involved in the project (project participants)

Auscarbon is the developer and manager of the projects. The company either directly or via wholly owned subsidiary entities owns the projects. Auscarbon engages specialist planting contractors to undertake project establishment. The first property was planting by Greenoil Tree Nursery and Escapes and the subsequent 4 properties using Escapes.

(c) Communities involved in the project

The properties are in the shire of Perenjori and Morawa in the mid-west region of Western Australia. The shires are small agricultural communities. Most of the community is involved directly in farming activity or provides services to that industry. It was previously contemplated that the two shires would amalgamate. In April 2011, the Shire of Perenjori voted against the local government amalgamation proposal and therefore the proposal did not proceed. The two shires continue to operate as independent authorities. See "Attachment 2.1 Key Project Information - Shire amalgamation not proceeding".

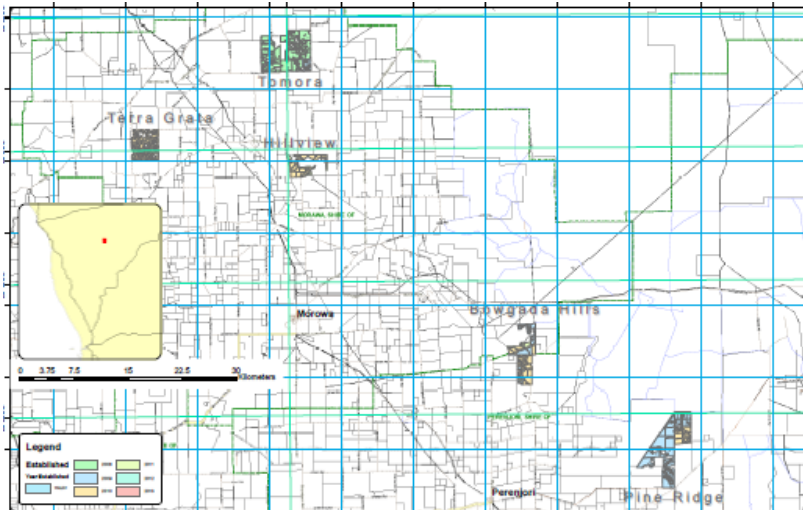
(d) Location of the project area and the planting area

The project areas are located near the respective towns of Perenjori (Shire of Perenjori) and Morawa (Shire of Morawa) in the mid-west region of Western Australia.

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(d) Location of the project area and the planting area



See “Attachment 2.1 Key Project Information - Auscarbon property location map and Shire of Perenjori and Shire of Morawa information” and “Attachment 2.1 Key Project Information - Project area maps v2”.

(e) Size of the project area and the planting area

Auscarbon has a total of 5 planted properties that are included in this project. The company also intends purchase and plant new properties in the future that will also be added to the biodiversity project.

The project area has been defined as the area of land that Auscarbon identified for planting and that meets the requirement of having clearly defined boundaries managed to a set of explicit long term management objectives. The planting area is the part of the project area where tree planting activities have taken place.

The total project and planting area is summarised as follows:

Property	Shire	Total Area	Management Unit (MU)	Established Areas	Not Adequately Stocked Area (NAS)	Salt Establishment Areas	Eligible Area
		(ha)	(Estab year)	(ha)	(ha)	(ha)	(ha)
Hillview	Morawa	1,523.83	HV 2010	574.08	21.88		552.20
			HV 2011	110.9	110.90		0.00
		Sub-Totals		684.98	132.78		552.20
Terra Grata	Morawa	1,640.72	TG 2010	799.31	31.37		767.94
			TG 2011	185.62	91.82	4.2	89.60
		Sub-Totals		984.93	123.19	4.2	857.54
Canna (Tomora)	Morawa	3,685.75	CA 2008	2,380.85	108.57	21.11	2,251.17

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(e) Size of the project area and the planting area

		Sub-Totals		2,380.85	108.57	21.11	2,251.17
Pine Ridge	Perenjori	3,497.37	PR 2009	2,337.81	115.94		2,221.87
		Sub-Totals		2,337.81	115.94		2,221.87
Bowgada Hills	Perenjori	2,787.64	BH 2009	496.71	199.82	27.63	269.26
			BH 2010	811.32			811.32
			BH 2011	91.95	25.93		66.02
		Sub-Totals		1,399.98	225.75	27.63	1,146.60
Combined Area (ha)		13,135.31		7788.55	706.23	52.94	7029.38

(f) Risk of change to the project area (during the crediting period)

There is no risk of change to the project area during the crediting period for the current properties included in the project. The crediting period for the project is 50 years from the year of establishment. The properties have been planted and are now under permanent maintenance programs. The properties have specifically been planted for long term carbon sequestration. The company intends to add new properties and plantings in the future. Any changes to the project will increase rather than decrease the overall area and will be designed on the same basis as existing properties.

(g) Risk of change to the project activities (during the crediting period)

There is no risk of change to the project activities during the crediting period. The crediting period for the project is 50 Years from the year of establishment. The properties have been planted and are now under permanent maintenance programs. The properties have specifically been planted for long term carbon sequestration. Any new additions to the project area will be conducted on the same basis.

(h) Timeframe for the project activities

The project plantings were completed 2008 and 2011 planting programs. Auscarbon now monitors the plantings under its maintenance program which includes regular visits to site to assess condition of the project. Each year of planting for each property is considered to be a different Modelling Unit.

The timeframe of the 50 year crediting period for the project is 1 July 2008 to 30 June 2058.

See "Attachment 2.1 – Key Project Information – Project area summary v2",
"Attachment 2.1 Key Project Information - Planting records Canna property",
"Attachment 2.1 Key Project Information - Planting records Pine Ridge property",
"Attachment 2.1 Key Project Information - Planting records Bowgada Hills property",
"Attachment 2.1 Key Project Information - Planting records Hill View property" and
"Attachment 2.1 Key Project Information - Planting records Terra Grata property".

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(i) Number of (predicted) CO₂-certificates

The total predicted CO₂-certificates over the 50 year crediting period is gross fixation amount 1'267'889 and net after baseline, leakage and other emissions 1'257'550.

The crediting period for each management unit is:

Management Unit	Crediting Start	Crediting End
HV 2010	1-Jul-10	30-Jun-58
HV 2011	1-Jul-11	30-Jun-58
TG 2010	1-Jul-10	30-Jun-58
TG 2011	1-Jul-11	30-Jun-58
CA 2008	1-Jul-08	30-Jun-58
PR 2009	1-Jul-09	30-Jun-58
BH 2009	1-Jul-09	30-Jun-58
BH 2010	1-Jul-10	30-Jun-58
BH 2011	1-Jul-11	30-Jun-58
Total	1-Jul-08	30-Jun-58

See "Attachment 2.1 – Key Project Information – Project area summary v2".

(j) Land-use history and current situation of the project area

The project area is situated land that was historically cleared for wheat cropping. The project area borders the eastern zone of the 'wheat belt' district and desert.

(k) Socio-economic history and current situation

During the earlier part of the 20th century the mid-west region was an active agriculture area. Over a number of decades however viable agriculture has been increasingly difficult and inconsistent. In more recent times agriculture in the region has suffered from poor historic land use practices and has seen decline in successful crop yields combined with less tolerance to unfavourable seasonal conditions. This has led to many landowners seeking opportunities to exit farming. Auscarbon has purchased land from farmers who we actively looking for opportunities to exit their farms. Some mining activity in the region helps to support the local community however much of those operations are now supported by fly in/out workers and the extent of permanent town site growth is limited. Research conducted during 2010 (by the department of Agriculture and Food WA and the University of Western Australia) assessed views of broadacre farming in WA towards year 2020. This study identified trends of declining interest in farming activity throughout the project region. The research also identified trends of the number of different land owners declining and consolidating to fewer but larger land holdings This in part provided opportunities to try and achieve larger economy of scales to reduce the cost of conducting farming activity. Equally the report identified poor yield seasons and highlighted stepped increase in the cost of chemicals and fuel further compromising the viability of agricultural activity in the area. See "Attachment 2.1 Key Project Information - Socio-economic trends in the project region".

(l) Forest management applied (past and future)

Auscarbon has established forest management programs for its projects. During planning and establishment programs the company assesses risk factors such as pest and vermin along with protection programs such as firebreaks and fencing. Once established, the company implements a management program to ensure that

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(l) Forest management applied (past and future)

the properties are regularly visited and inspected for signs of damage and general condition monitoring.

(m) Forest characteristics (including main tree species planted)

Auscarbon biodiversity projects are plantings of native vegetation types. Species are identified that are not only local but at a project scale are compatible to specific soil and topography features. Much of the seed used is provenance, collected off Auscarbon properties and prepared for planting. Primary species include varieties of eucalypt and acacia. Up to 40 sub species may be included in any particular planting. Some of these species are rare flora types and other such as saltbush are planted to specifically deal with problematic soils such as high saline ground conditions. Survival and growth rates for Auscarbon plantings are considered to be high given the degree of compatibility to landform and climate. Auscarbon's native forests are also forming valuable fauna habitats. In addition to a wide range of indigenous fauna, protected species such as Black Cockatoo and Mallefowl are present across Auscarbon properties. See "Attachment 2.1 Key Project Information - Biodiversity vegetation survey" and "Attachment 2.1 Key Project Information - Biodiversity native species mix".

(n) Main social impacts (risks and benefits)

Social impact risks

- Risk that Auscarbon the does not develop a good relationship with local communities. The company is very conscious of building strong reputation with in the local community and works hard to ensure this is achieved – see below.

Social impact benefits:

- Local employment
- Indigenous employment
- Local contract engagement
- Local suppliers for ongoing operations (fuel, stores etc)
- Engagement with local fire brigades, councils and environmental groups
- Opportunity for farmers to sell non-productive land
- Revitalised landscape

(o) Main environmental impacts (risks and benefits)

Risks

- Poor establishment does not provide the extent of environmental benefits sought

Benefits

- Restoration of areas to native vegetation
- Flora and fauna habitat zones as outlined above
- Connection of recognised Threatened Ecological Corridor zones at a regional level.
- Replenishment of salt effected areas
- Enhanced population or rare species

(p) Financial structure

Auscarbon is a private company that has been developing carbon sink projects since 2008. The properties included in the project are wholly owned by Auscarbon or Auscarbon and close associates. All properties and

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(p) Financial structure

plantings are complete and fully paid for.

2. Shapefiles

Please provide *shapefiles* in the *supporting documents* and provide a reference to these *supporting documents* in this template.

(a) Project area

Auscarbon has planted and included the following 5 properties in this project: Hill View (also known as Cunninghams), Terra Grata, Canna (also known as Tomora), Pine Ridge and Preston Waters. The company also intends purchase and plant new properties in the future that will also be added to the biodiversity project.

The project area has been defined as the area of land that Auscarbon identified for planting and that meets the requirement of having clearly defined boundaries managed to a set of explicit long term management objectives.

The total project area is 7'788.55. See "Attachment 2.1 Key Project Information - Project area summary v2" and "Attachment 2.1 Key Project Information - Project area maps v2". Note that for Hill View a block area previously labelled as "CN" is actually not part of the project area. This map has been updated to remove the 63.33ha area and other noted schedules have been updated to remove that area.

(b) Planting areas

The planting area is the part of the project area where tree planting activities have taken place. The planting areas exclude remnant vegetation areas that have not been planted. In some instances these areas are hundreds of hectares and in other examples they may be single/few tree stems. Auscarbon has completed a thorough re-assessment of mapped areas to refine the accuracy of existing vegetation etc. This exercise has included digital map review/re-map and field checking of all properties to confirm planting area classifications.

The total project area is 7'788.55ha. See "Attachment 2.1 Key Project Information - Project area summary v2" and "Attachment 2.1 Key Project Information - Project area maps v2". Note that for Hill View a block area previously labelled as "CN" is actually not part of the project area. This map has been updated to remove the 63.33ha area and other noted schedules have been updated to remove that area.

(c) Eligible planting area

The eligible area is planted deemed to be of adequate stocking to meet the company's objectives for meeting environmental planting long term growth (recreating nature forest stands). As the project plantings are now several years old Auscarbon has the benefits of being able to assess real survival. See Attachment "1412 AC GS Application 5.7 - Template - CO2-Fixation v5" for further detail.

There are instances where it has been observed that plantings may not achieve survival/carbon expectations. Where this has occurred the company has self-assessed to exclude those areas to be conservative in its approach.

The eligible planting area is refined by excluding land for the following reasons:

1. Land that was established and does not meet the long term applicability conditions – for example

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(c) Eligible planting area

failed planting. Auscarbon refers to these areas as Not Adequately Stocked (NAS).

2. Land that was established and will not meet the long term carbon estimation due to species planted – for example salt bush successfully planted over salt degraded land for environmental purposes, however will not achieve carbon yields comparable to the native forests.

The eligible area is 7'029.38. See "Attachment 2.1 Key Project Information - Project area summary v2" and "Attachment 2.1 Key Project Information - Project area maps v2". Note that for Hill View a block area previously labelled as "CN" is actually not part of the project area. This map has been updated to remove the 63.33ha area and other noted schedules have been updated to remove that area.

(d) Modelling Units

Each of the project properties have been established using ostensibly common approaches to establishment, and contain regionally continuous soil profiles, topographies and climatic conditions. As such they are considered to be of generic characteristic for the Auscarbon growth and biomass. See "Attachment 2.1 – Key Project Information – Common property characteristics".

Planting was undertaken across properties progressively from 2008 to 2011 inclusive. Each year of planting for each property has been deemed to be a different modelling unit as the crediting period for each will be aligned to the planting year. There are currently 9 defined MU's that cover the plantings across all 5 properties. Any future plantings will be treated as new modelling units on the same basis. The modelling unit timeframe for all modelling units is constrained to the 50 year crediting period from the first planting in 2008 – ie the crediting period is 2008 to 2058 and plantings that were done later than 2008 are still bound by the 2058 end timeframe. See "Attachment 2.1 – Key Project Information – Modelling Unit Assessment v2".

(e) Infrastructure (roads, houses, etc.)

Minimal infrastructure exists such as dwellings and access roads. None of this infrastructure is included in the eligible planting area.

(f) Water bodies

Low topography areas can be subject to seasonal and localised water flow however the annual average rainfall is between 300 mm and 350 mm and therefore land saturation to form a water body does not occur on the sandy loam soils. Shallow level creek systems occur across some of the project area. These are not permanent water systems and only flow during ad hoc heavy seasonal rainfall events.

(g) Sites with special significance for indigenous people and local communities - resulting from the Local Stakeholder Consultation (LSC)

No sites were identified on these properties from local stakeholder engagement. The company has however voluntarily conducted heritage surveys and identified and mapped some sites. This information has been provide to relevant organisations to assist updating records and where relevant are excluded from planting activities.

(h) Where indigenous people and local communities are situated

There is no settlement of indigenous people on any of the the project area.

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(i) Where indigenous people and local communities have legal rights, customary rights or sites with special cultural, ecological, economic, religious or spiritual significance

See "Attachment 3.1 Do-No-Harm Assessment - Maps showing identified heritage zones"

3. Boundaries

Please provide evidence that boundaries of the project area and the planting are clearly distinguishable in the field.

See "Attachment 2.1 Key Project Information – Boundary definition and fire breaks".

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