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Karuah East Quarry

## **Annual Compliance Report 2025-26**


# **Commonwealth EPBC Approval 2022/9164**

02 July 2025 to 26 April 2026



## Declaration of Accuracy

**Table 1 KEQ Annual Compliance Report 2025-26 Declaration of Accuracy (EPBC 2022/9164).**

<p><i>In making this declaration, I am aware that sections 490 and 491 of the Environment Protection and Biodiversity Conservation Act 1999 (Cth) (EPBC Act) make it an offence in certain circumstances to knowingly provide false or misleading information or documents. The offence is punishable on conviction by imprisonment or a fine, or both. I declare that all the information and documentation supporting this compliance report is true and correct in every particular. I am authorised to bind the approval holder to this declaration and that I have no knowledge of that authorisation being revoked at the time of making this declaration.</i></p>	
<b>EPBC Approval:</b>	<b>EPBC 2022/9164</b>
<b>Project Name:</b>	<b>Karuah East Quarry MOD10 Stockpile Extension Project</b>
<b>Reporting Period:</b>	<b>02 July 2025 to 26 April 2026</b>
<b>Signed:</b>	
<b>Full Name:</b>	<b>Todd Kalajzich</b>
<b>Position:</b>	<b>General Manager</b>
<b>Approval Holder:</b>	<b>Karuah East Quarry Pty Limited</b>
<b>Organisation ABN:</b>	<b>80 141 505 035</b>
<b>Date:</b>	<b>25 May 2026</b>

## Revision History

**Table 2** *KEQ Annual Compliance Report 2025-26 Revision History (EPBC 2022/9164).*

Version	Date Reviewed	Author	Approved	Status	Amendment Details
1A	22/05/2026	Scott Ellerton	–	Draft	Draft Annual Compliance Report for the 2025-26 Reporting Period.
1B	25/05/2026	Scott Ellerton	Todd Kalajzich	Final	Final document.

# Contents

**Declaration of Accuracy..... 2**

**Revision History ..... 3**

**Contents ..... 4**

**List of Tables ..... 5**

**List of Figures ..... 5**

**Terms, Definitions and Abbreviations ..... 6**

**1.0 Introduction..... 7**

    1.1 Overview ..... 7

    1.2 Project Site ..... 8

    1.3 Summary of Approved Operations ..... 8

    1.4 NSW Project Approval (MP09\_0175)..... 10

    1.5 Commonwealth EPBC Approvals (EPBC 2014/7282 & 2022/9164) ..... 10

    1.6 Matters of National Environmental Significance ..... 11

**2.0 Compliance Assessment ..... 13**

    2.1 Scope and Purpose..... 13

    2.2 Compliance Status Definitions ..... 13

    2.3 Compliance Assessment..... 13

## List of Tables

Table 1	KEQ Annual Compliance Report 2025-26 Declaration of Accuracy (EPBC 2022/9164).....	2
Table 2	KEQ Annual Compliance Report 2025-26 Revision History (EPBC 2022/9164). ....	3
Table 3	Summary of Terms, Definitions and Abbreviations used in this Annual Compliance Report. ....	6
Table 4	Summary of Modifications to the NSW Project Approval. ....	10
Table 5	Summary of Variations to the 2014 Commonwealth EPBC Approval. ....	11
Table 6	Designated Definitions of the Compliance Assessment (Commonwealth DCCEEW, 2023). ....	13
Table 7	Compliance Assessment of the EPBC 2022/9164 for the Reporting Period. ....	14
Table 8	Compliance Assessment of the NSW Offset Conditions for the Reporting Period. ....	22

## List of Figures

Figure 1	Karuah East Quarry Site Layout and Biodiversity Offset Areas. ....	9
Figure 2	EPBC Approvals applying to the Karuah East Quarry.....	12

## Terms, Definitions and Abbreviations

**Table 3 Summary of Terms, Definitions and Abbreviations used in this Annual Compliance Report.**

Abbreviation / Term	Meaning
Action Area	The approved MOD10 Additional Disturbance Areas
ACR	Annual Compliance Report
ADWJ	ADW Johnson
Black-eyed Susan	<i>Tetratheca juncea</i>
BOAMP	KEQ Biodiversity Offset Area Management Plan
BOS	KEQ Biodiversity Offset Strategy
2014/7282	Commonwealth EPBC Approval (EPBC 2014/7282)
2022/9164	Commonwealth EPBC Approval (EPBC 2022/9164)
the Department	Commonwealth Department of Climate Change, Energy, the Environment and Water
EBOA	Eastern Biodiversity Offset Area established under EPBC Approval 2014/7282
EP&A Act	NSW <i>Environmental Planning and Assessment Act 1979</i>
EPBC Act	Commonwealth <i>Environment Protection and Biodiversity Conservation Act 1999</i>
Grey-headed Flying Fox	<i>Pteropus poliocephalus</i>
KEQ	Karuah East Quarry
KEQPL	Karuah East Quarry Pty Limited
Koala	<i>Phascolarctos cinereus</i>
MNES	Matters of National Environmental Significance
MOD1	Modification 1 to the NSW Project Approval approved on 27 April 2018.
MOD2	Modification 2 to the NSW Project Approval approved on 19 December 2018.
MOD8	Modification 8 to the NSW Project Approval approved on 23 December 2020.
MOD9	Modification 9 to the NSW Project Approval approved on 02 December 2021.
MOD10	Modification 10 to the NSW Project Approval approved on 18 May 2023.
NSW Project Approval	NSW Project Approval (MP09_0175)
NSW DCCEEW	NSW Department of Climate Change, Energy, the Environment and Water
NSW Planning	NSW Department of Planning, Housing and Infrastructure
Project Area	Approved Disturbance Boundary outlined by NSW Project Approval MP09_0175.
Small-flower Grevillea	<i>Grevillea parviflora subsp. parviflora</i>
the Reporting Period	02 July 2025 to 26 April 2026
WBOA	Western Biodiversity Offset Area established under EPBC Approval 2014/7282
WPC	Wedgetail Project Consulting

## 1.0 Introduction

### 1.1 Overview

Karuah East Quarry Pty Limited (KEQPL) operates the Karuah East Quarry (KEQ), located approximately 5 km northeast of the village of Karuah, in the MidCoast Local Government Area and is accessed via Blue Rock Close and Andersite Road leading from the northern Tarean Road interchange with the A1 Pacific Highway. KEQ supplies hard rock quarry products to the construction, civil infrastructure and land development industries, with markets in the Greater Newcastle, Hunter Valley and Mid-North Coast regions.

The KEQ has approval to extract, process, stockpile and transport up to 1.5 million tonnes of andesite material annually until the end of 2034.

The NSW Project Approval (MP09\_0175) was granted for the KEQ on 17 June 2014 by the Independent Planning Commission (formerly the NSW Planning Assessment Commission) on behalf of the Minister for Planning and Public Spaces (formerly Minister for Planning).

The overall KEQ project is subject to two (2) approved controlled actions under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) including:

- EPBC 2014/7282 – original EPBC approval issued on 20 March 2015 for the original project which has subsequently been the subject of two (2) variations:
  - Variation 1 (issued on 04/10/2018) was required as a result of MOD1 to the NSW Project Approval (MP09\_0175) which impacted 0.25 Ha of native vegetation.
  - Variation 2 (issued on 07/05/2025) was required as a result of MOD10 to the NSW Project Approval which consisted of a 7.17 Ha increase in land disturbance and associated clearing of 6.98 Ha of native vegetation from within an existing Biodiversity Offset Area.
- EPBC 2022/9164 – issued on 02 July 2025. This additional EPBC approval was granted specifically to facilitate the KEQ MOD10 Stockpile Extension Project under the Bilateral Agreement between the NSW and Commonwealth Governments.
- In addition to the above, on 26 March 2026, correspondence was issued by the Commonwealth Department of Climate Change, Energy, the Environment and Water (the Department) confirming that the Annual Compliance Report (ACR) and Independent Audit periods for both EPBC 2014/7282 and EPBC 2022/9164 has been aligned to the existing period of 27 April to 26 April.

This ACR has been developed to satisfy Condition 14, 15 and 16 of EPBC 2022/9164 and covers a reporting period from **02 July 2025** to **26 April 2026** (noting that approval was only granted on 02 July 2025).

This ACR should be read in conjunction with the accompanying ACR for EPBC 2014/7282.

## 1.2 Project Site

The overall KEQ site is located adjacent to the A1 Pacific Highway and is situated on the following lands:

- Lot 12 and 13 DP1024564 (the KEQ site);
- Lot 14 and part Lot 13 DP1024564 and Lot 5 DP838128 (Eastern Biodiversity Offset Area [EBOA]); and
- Part Lot 201 DP1042537 (Western Biodiversity Offset Area [WBOA]).

**Figure 1** illustrates the site layout, approved project disturbance boundary and biodiversity offset areas.

Relevant to the controlled action approved under EPBC 2022/9164, the project site is located on Lot 13 DP1024564 adjacent to the existing quarry operating areas across three physically distinct areas known as the KEQ MOD10 Northern, Central and Southern Disturbance Areas as illustrated by **Figure 2**.

It should be noted that the KEQ's land-based offsets consisting of the EBOA and WBOA are established to compensate for biodiversity impacts to the original project (inclusive of MOD1) as approved under EPBC 2014/7282 only. Conversely, credit-based offsets will be retired, prior to the commencement of construction, to compensate for biodiversity impacts associated with the MOD10 Stockpile Extension Project as approved under EPBC 2022/9164.

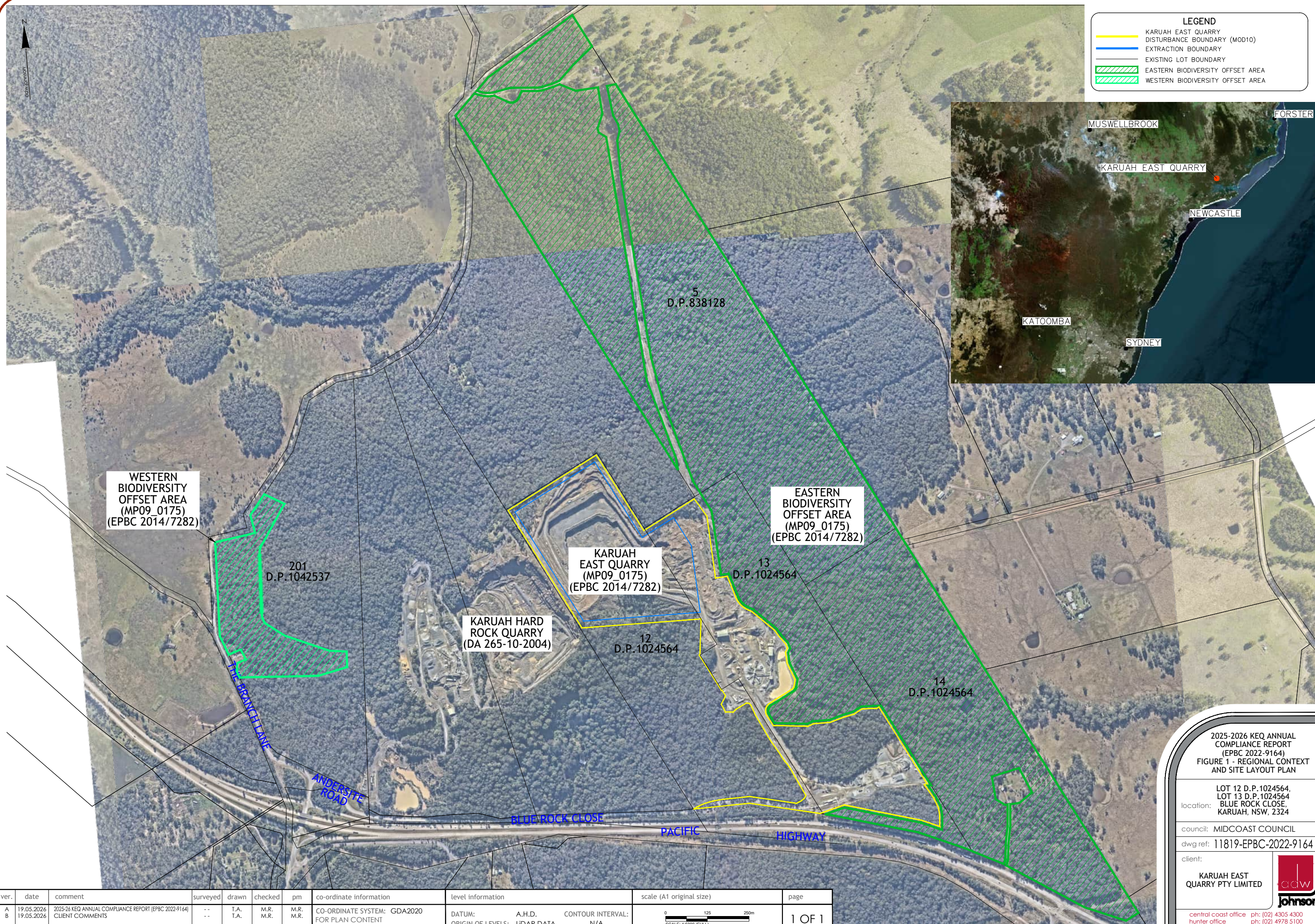
## 1.3 Summary of Approved Operations

The key features of the NSW Project Approval include the following key elements:

- Quarrying operation is permitted on the site until 31 December 2034;
- A total permitted disturbance area of 40.18 Ha on Lots 12 and 13 DP 1024564;
- Vegetation removal;
- Establishment and use of quarry plant and associated infrastructure;
- The extraction (excluding overburden), processing, stockpiling and transport of quarry products is limited to 1.5 million tonnes in any calendar year;
- Roadworks to secure access to the site including upgrade and extension of Blue Rock Close, realignment of the Andersite Road and Blue Rock Close intersection and adjust road markings at Branch Lane and Andersite Road intersection;
- Conditions apply to manage / mitigate potential impacts associated with a range of environmental conditions including noise; blasting; air quality; soil and water; transport; biodiversity; heritage; emergency and hazards management and waste; and
- Progressive rehabilitation of the subject site.

Existing and approved site improvements include:

- quarry pit (extraction area);
- crushing plant and processing infrastructure;
- wash plant and workshops;
- stockpiling areas;
- internal haulage roads;
- weighbridge office;
- weighbridge (two weighbridges approved);
- stormwater management infrastructure including three (3) dams;
- parking areas for light and heavy vehicles;
- administration office;
- amenity facilities;
- other minor structures; and
- fencing and access gates.



**LEGEND**

- KARUAH EAST QUARRY DISTURBANCE BOUNDARY (MOD10)
- EXTRACTION BOUNDARY
- EXISTING LOT BOUNDARY
- ▨ EASTERN BIODIVERSITY OFFSET AREA
- ▩ WESTERN BIODIVERSITY OFFSET AREA

2025-2026 KEQ ANNUAL COMPLIANCE REPORT (EPBC 2022-9164)  
**FIGURE 1 - REGIONAL CONTEXT AND SITE LAYOUT PLAN**

location: LOT 12 D.P. 1024564, LOT 13 D.P. 1024564, BLUE ROCK CLOSE, KARUAH, NSW, 2324

council: MIDCOAST COUNCIL

dwg ref: 11819-EPBC-2022-9164

client: KARUAH EAST QUARRY PTY LIMITED



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A	19.05.2026	2025-26 KEQ ANNUAL COMPLIANCE REPORT (EPBC 2022-9164)	--	T.A.	M.R.	M.R.	CO-ORDINATE SYSTEM: GDA2020	DATUM: A.H.D. CONTOUR INTERVAL: N/A	0 125 250m SCALE: 1:5000 (FULL)	1 OF 1
B	19.05.2026	CLIENT COMMENTS	--	T.A.	M.R.	M.R.	FOR PLAN CONTENT ORIGIN OF CO-ORDINATES: MGA 56	ORIGIN OF LEVELS: LIDAR DATA		

## 1.4 NSW Project Approval (MP09\_0175)

The NSW Project Approval has been modified five times as summarised by **Table 4**.

**Table 4 Summary of Modifications to the NSW Project Approval.**

MOD	Approval Date	Description
–	17/06/2014	Original approval granted for the site under NSW <i>Environmental Planning and Assessment Act 1979</i> .
1	27/04/2018	MOD1 approved a nominal expansion to the approved area of disturbance by 0.25 Ha to allow for improved vehicle manoeuvring in proximity of the crushing plant and processing area.
2	19/12/2018	MOD2 approved a 1.133 Ha increase to the site disturbance area to allow for improved environmental management and improved operational safety (for quarry vehicles).
MODs 3 – 7 withdrawn		
8	22/12/2020	MOD8 approved revised operational acoustic criteria in line with the <i>NSW Noise Policy for Industry 2017</i> . MOD8 also formalised a number of industry best practice acoustic mitigation measures that have been installed at the quarry. No change to disturbance footprint occurred.
9	02/12/2021	MOD9 extended the approved operating hours of the KEQ. No change to disturbance footprint occurred.
10	18/05/2023	MOD10 provides approval to increase the disturbance area of the KEQ by 7.17 Ha (bringing the total disturbance area of the KEQ to 40.18 Ha). The purpose of MOD10 was to increase the approved disturbance area to establish additional stockpiling areas, facilitate improved surface water management, construct a new administrative building and expand the vehicle manoeuvring and parking at site.

## 1.5 Commonwealth EPBC Approvals (EPBC 2014/7282 & 2022/9164)

### EPBC 2014/7282

KEQPL received EPBC approval (2014/7282) on 20 March 2015 for the proposed action:

*“To develop a hard rock (andesite) quarry and associated infrastructure in the Lower North Coast, Pacific Highway, 3 km north of Karuah, NSW.”*

EPBC 2014/7282 has been subject to one previous variation which was granted on 04 October 2018. This variation was required as a result of MOD1 to the NSW Project Approval.

During the Reporting Period, EPBC 2014/7282 was subject to a second variation which was granted by the Commonwealth Department of Climate Change, Energy, the Environment and Water (the Department) on 07 May 2025. This variation was required as a result of MOD10 to the NSW Project Approval.

No other modification approvals to the NSW Project Approval (i.e. MOD2, MOD8 or MOD9) have necessitated a variation to EPBC 2014/7282.

A summary of these matters is provided by **Table 5**.

**Table 5 Summary of Variations to EPBC 2014/7282.**

NO.	Approval Date	Description
–	20/03/2015	Original approval granted for the site under Commonwealth <i>Environment Protection and Biodiversity Conservation Act 1999</i> .
1	04/10/2018	Variation 1 was required as a result of MOD1 to the NSW Project Approval which impacted upon 0.25 Ha of native vegetation.
NOTE: MOD2, MOD8 and MOD9 to the NSW Project Approval did not necessitate a variation due to: <ul style="list-style-type: none"> <li>■ MOD2 did not disturb any Matters of National Environmental Significance (MNES);</li> <li>■ MOD8 and MOD9 did not change the KEQ disturbance footprint.</li> </ul>		
2	07/05/2025	Variation 2 was required as a result of MOD10 to the NSW Project Approval which consisted of a 7.17 Ha increase in land disturbance and associated clearing of 6.98 Ha of native vegetation from within an existing biodiversity offset area.  Additionally, Variation 2 included the application of contemporary conditions to the original EPBC approval.

### **EPBC 2022/9164**

KEQPL received EPBC approval (2022/9164) on 02 July 2025 for the proposed action:

*“To increase the approved disturbance area of the existing Karuah East Quarry, primarily to establish additional stockpiling areas [See EPBC Act referral 2022/9164].”*

This EPBC approval was granted specifically to facilitate the MOD10 Stockpile Extension Project and was assessed under the Bilateral Agreement between the NSW and Commonwealth Governments.

As noted above, MOD10 includes an expansion to the KEQ disturbance footprint of 7.17 Ha (inclusive of clearing of 6.98 Ha of native vegetation) which also extends into part of the approved biodiversity offset area on Lot 13 DP1024564.

EPBC 2022/9164 has not been subject to any variation applications.

Figure 2 illustrates the jurisdictional areas associated with each EPBC Approval.

## **1.6 Matters of National Environmental Significance**

The MOD10 Stockpile Extension Project was determined to be a controlled action due to resulting impacts to *“listed threatened species and ecological communities”* under Section 18 and 18A of the EPBC Act.

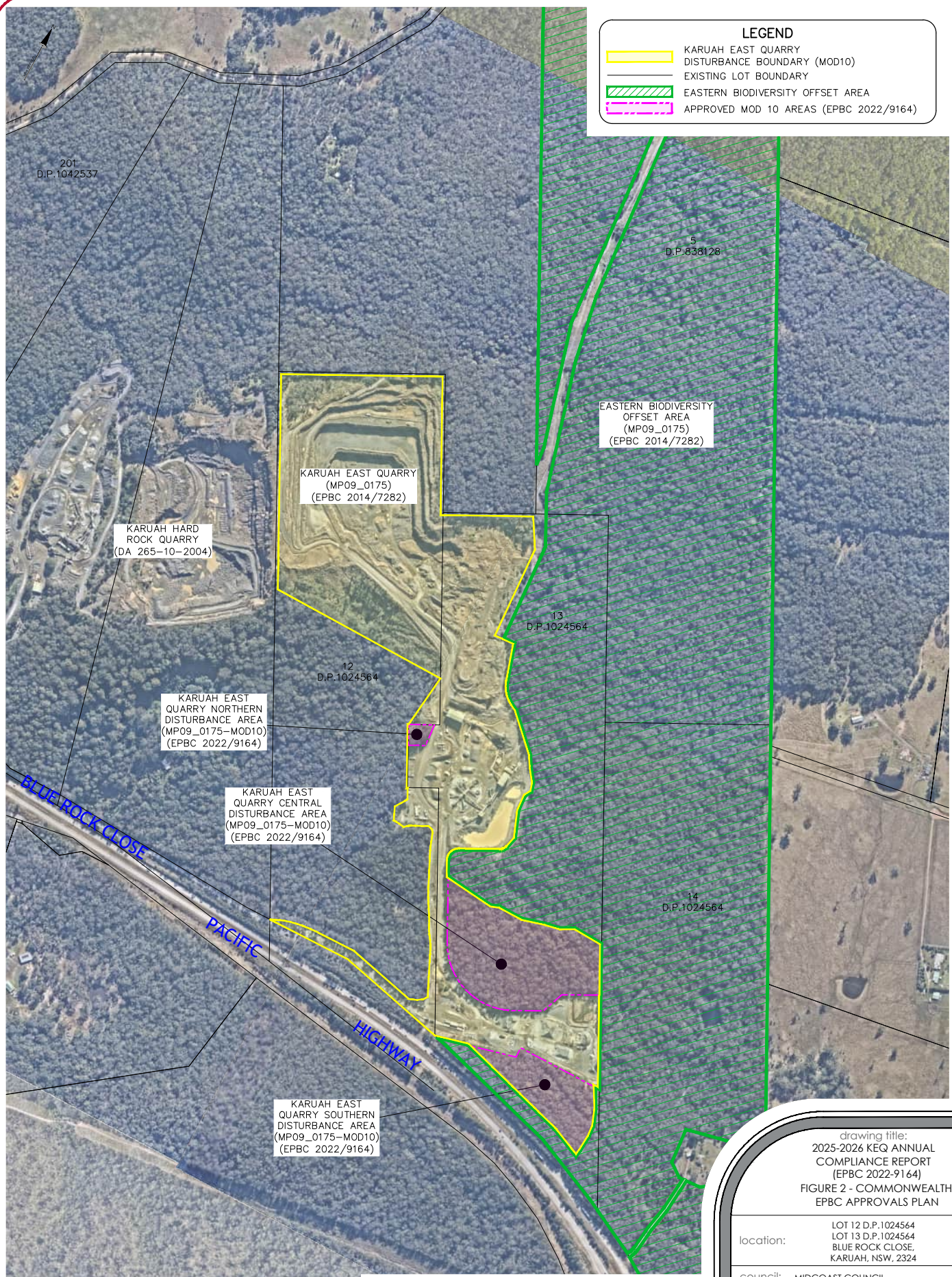
In particular, habitat for four species that were then listed threatened species under the EPBC Act were identified as being impacted by the project by the approved Biodiversity Development Assessment Report (BDAR) (Kleinfelder, dated 23 May 2023) including:

- Black-eyed Susan (*Tetratheca juncea*);
- Small-flower Grevillea (*Grevillea parviflora subsp. parviflora*);
- Grey-headed Flying-fox (*Pteropus poliocephalus*); and
- Koala (*Phascolartos cinereus*).

Mitigation and management measures for the four identified species were considered as part of the assessment and incorporated into the EPBC 2022/9164 approval with 33 conditions.

**LEGEND**

- KARUAH EAST QUARRY DISTURBANCE BOUNDARY (MOD10)
- EXISTING LOT BOUNDARY
- EASTERN BIODIVERSITY OFFSET AREA
- APPROVED MOD 10 AREAS (EPBC 2022/9164)



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drawing title:  
 2025-2026 KEQ ANNUAL COMPLIANCE REPORT (EPBC 2022-9164)  
 FIGURE 2 - COMMONWEALTH EPBC APPROVALS PLAN

location:  
 LOT 12 D.P. 1024564  
 LOT 13 D.P. 1024564  
 BLUE ROCK CLOSE,  
 KARUAH, NSW, 2324

council: MIDCOAST COUNCIL

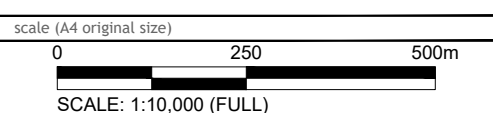
dwg ref: 11819-EPBC-2022-9164

client: KARUAH EAST QUARRY PTY LIMITED



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ver.	date	comment	survey	drawn	check	pm	co-ordinate & level information	page
A	19.05.26	2025-26 KEQ ANNUAL COMPLIANCE REPORT [EPBC 2022-9164]	--	T.A.	M.R.	M.R.	CO-ORDINATE SYSTEM: GDA 2020	1 OF 1
B	19.05.26	CLIENT COMMENTS	--	T.A.	M.R.	M.R.	ORIGIN OF CO-ORDINATES: MGA 56	Date of Surv:
							DATUM: A.H.D.	
							ORIGIN OF LEVELS: S.S.M./P.M.	
							CONTOUR INTERVAL: N/A	

## 2.0 Compliance Assessment

### 2.1 Scope and Purpose

The purpose of this ACR is to address the reporting requirements outlined by Conditions 14, 15 and 16 of EPBC 2022/9164 that were in-force during the Reporting Period from **02 July 2025** to **26 April 2026**.

Condition 14:

The approval holder must prepare a **compliance report** for each **Annual Compliance Report period (ACR Period)**.

Condition 15:

The approval holder must ensure each **compliance report** includes:

- (a) accurate and complete details of compliance and any non-compliance with:
  - (i) each condition attached to this approval decision, and
  - (ii) all commitments made in each plan,
- (b) a schedule of all plans in effect in relation to these conditions during the ACR period,
- (c) accurate and complete details of how each plan was implemented during the ACR period, and
- (d) if any incident occurred, accurate and complete details of each incident.

Condition 16:

The approval holder must ensure each **compliance report** is completed to the satisfaction of the **Minister** and is consistent with the *Annual Compliance Report Guidelines, Commonwealth of Australia 2023*.

### 2.2 Compliance Status Definitions

The designated definitions for the assessed compliance status are summarised by **Table 6** below.

**Table 6 Designated Definitions of the Compliance Assessment (Commonwealth DCCEEW, 2023).**

Status	Description
Compliant	'Compliance' is achieved when all the requirements of a condition have been met, including the implementation of management plans or other measures required by those conditions.
Non-Compliant	A designation of 'Non-Compliant' must be given where the requirements of a condition or elements of a condition, including the implementation of management plans and other measures, have not been met.
Not Applicable	A designation of 'Not-Applicable' must be given where the requirements of a condition or elements of a condition fall outside of the scope of the current Reporting Period. For example, a condition that applies to an activity that has not yet commenced.

### 2.3 Compliance Assessment

Each of the 33 conditions of EPBC 2022/9164 have been assessed in accordance with the Status Definitions provided by **Table 6** and reported in **Table 7** in accordance with the Annual Compliance Report Guidelines (Commonwealth DCCEEW, 2023). Additionally, **Table 8** assesses the relevant conditions of the NSW Project Approval (MP09\_0175-MOD10).

**Table 7 Compliance Assessment of the EPBC 2022/9164 for the Reporting Period.**

NO.	Condition	Assessed Status	Assessment Comments
<b>Clearing Limits</b>			
1	<i>In taking the Action, the approval holder must not clear outside of the Action area.</i>	Compliant	Construction will not commence until all secondary approvals have been obtained and biodiversity offsets have been retired.  Therefore, no clearing within or outside the Action area has occurred during the Reporting Period.
2	<i>In taking the Action, the approval holder must not clear more than:</i> <b>(a)</b> 6.98 ha of <b>Koala habitat</b> <b>(b)</b> 6.98 ha of <b>Black-eyed Susan habitat</b> <b>(c)</b> 6.68 ha of <b>Small-flower Grevillea habitat</b> <b>(d)</b> 6.98 ha of <b>Grey-headed Flying-fox habitat</b>	Compliant	
<b>Offsets</b>			
3	<i>To compensate for impacts to protected matters, the approval holder must retire biodiversity credits, in accordance with Schedule 3, Condition 28 and 29 of the state development consent, to the extent that these conditions relate to protected matters.</i>	Compliant	<b>Refer to Table 8 for details regarding offset conditions of the NSW Project Approval.</b>  Schedule 3, Condition 28 – Biodiversity Offset Strategy Schedule 3, Condition 29 – Long-Term Security of Offsets
4	<i>To avoid, mitigate and compensate for impacts to protected matters, the approval holder must comply with conditions 30, 31, 32 and 33 of Schedule 3 of the State Development Consent to the extent that they relate to protected matters.</i>	<b>Refer to Table 8 for details regarding offset conditions of the NSW Project Approval.</b>	
		Not Applicable	Schedule 3, Condition 30 – Rehabilitation Objectives Schedule 3, Condition 31 – Progressive Rehabilitation
		Compliant	Schedule 3, Condition 32 – Landscape & Rehabilitation Management Plan Schedule 3, Condition 33 – Biodiversity Offset Area Management Plan
<b>Notification of Date of Commencement of the Action</b>			
5	<i>The approval holder must notify the department electronically of the date of commencement of the Action, within 5 business days following commencement of the Action.</i>	Not Applicable	The Action did not commence during the Reporting Period.
6	<i>If the commencement of the Action does not occur within 5 years from the date of this approval, then the approval holder must not commence the Action without the prior written agreement of the Minister.</i>	Not Applicable	The Action did not commence during the Reporting Period and the 5-year commencement period has not yet been reached (i.e. 02 July 2030).

NO.	Condition	Assessed Status	Assessment Comments
<b>Modification to State or Territory Approval</b>			
7	The approval holder must notify the <b>department</b> in writing of any proposed change to the <b>state development consent</b> that may relate to <b>protected matters</b> within 2 <b>business days</b> of formally lodging an application to modify the <b>state development consent</b> with the relevant approval authority.	Not Applicable	No modification applications were submitted to the NSW Department of Planning, Housing and Infrastructure (NSW Planning) during the Reporting Period.
8	The approval holder must notify the <b>department</b> in writing of any approved modification to the <b>state development consent</b> conditions that may relate to <b>protected matters</b> within 5 <b>business days</b> of the modification approval being granted. Such notification must include a copy of the modified <b>state development consent</b> showing what changes have been made.	Not Applicable	No modification applications were approved by NSW Planning during the Reporting Period.
<b>Compliance Records</b>			
9	The approval holder must maintain accurate and complete <b>compliance records</b> .	Compliant	KEQPL has developed a document filing system for compliance records associated with EPBC 2022/9164.
10	If the <b>department</b> makes a request in writing, the approval holder must provide electronic copies of <b>compliance records</b> to the <b>department</b> within the timeframe specified in the request.  Note: <b>Compliance records</b> may be subject to audit by the department, or by an independent auditor in accordance with section 458 of the <b>EPBC Act</b> , and/or be used to verify compliance with the conditions. Summaries of the results of an audit may be published on the <b>department's</b> website or through the general media.	Not Applicable	No requests for compliance records associated with EPBC 2022/9164 were received during the Reporting Period.  However, a request to undertake a Departmental Compliance Audit was received on 13 April 2026 in relation to EPBC 2014/7282 with a site audit being undertaken on 12 May 2026. A further update will be provided in the 2026-2027 ACR for EPBC 2014/7282.

NO.	Condition	Assessed Status	Assessment Comments
11	<p>The approval holder must ensure that any <b>monitoring data</b> (including <b>sensitive ecological data</b>), surveys, maps, and other spatial and metadata required under the conditions of this approval are prepared in accordance with the Guidelines for biological survey and mapped data, Commonwealth of Australia 2018, or as otherwise specified by the <b>Minister</b> in writing.</p>	Compliant	<p>During the Reporting Period, KEQPL engaged ADW Johnson (ADWJ) and Wedgetail Project Consulting (WPC) to prepare the available spatial data associated with the approved Action in accordance with the relevant guidelines.</p>
12	<p>The approval holder must ensure that any <b>monitoring data</b> (including <b>sensitive ecological data</b>), surveys, maps, and other spatial and metadata required under the conditions of this approval are prepared in accordance with the Guide to providing maps and boundary data for EPBC Act projects, Commonwealth of Australia 2021, or as otherwise specified by the <b>Minister</b> in writing.</p>	Compliant	<p>This available data consisting of the approved disturbance boundary and habitat areas of protected matters were submitted to the Department on 21 May 2026 and published to the Hunter Quarries' website on 22 May 2026.</p> <p>KEQPL considers that there is no 'sensitive ecological data' relevant to the KEQ site derived from either EPBC 2014/7282 or EPBC 2022/9164.</p>
13	<p>The approval holder must submit all <b>monitoring data</b> (including <b>sensitive ecological data</b>), surveys, maps, other spatial and metadata and all species occurrence record data (sightings and evidence of presence) electronically to the <b>department</b> within 12 months of the approval or in accordance with the requirements outlined in specific conditions of this approval.</p>	Compliant	<p>The data submission and publication requirements were completed within the required 12-month timeframe (i.e. due by 02 July 2026).</p>
<b>Annual Compliance Reporting</b>			
14	<p>The approval holder must prepare a compliance report for each <b>Annual Compliance Report period (ACR period)</b>.</p>	Compliant	<p>This ACR for the 2025-26 Reporting Period represents the inaugural submission for EPBC 2022/9164, and therefore some of these conditions are not relevant for this Reporting Period, however compliance is still considered to have been achieved.</p> <p>It should be noted that on 07 July 2025 a request was submitted to the Department to align reporting periods for ACR and Independent Audits around the existing 27 April anniversary date determined from the existing EPBC 2014/7282. This change to a 27 April to 26 April Reporting Period was endorsed by the delegate for the Minister in accordance with the Notice in Writing dated 26 March 2026.</p>

NO.	Condition	Assessed Status	Assessment Comments
15	<p>The approval holder must ensure each <b>compliance report</b> includes:</p> <p><b>(a)</b> accurate and complete details of compliance and any non-compliance with:</p> <p><b>(i)</b> each condition attached to this approval decision, and</p> <p><b>(ii)</b> all commitments made in each <b>plan</b>,</p> <p><b>(b)</b> a schedule of all <b>plans</b> in effect in relation to these conditions during the <b>ACR period</b>,</p> <p><b>(c)</b> accurate and complete details of how each <b>plan</b> was implemented during the <b>ACR period</b>, and</p> <p><b>(d)</b> if any <b>incident</b> occurred, accurate and complete details of each incident.</p>	Compliant	<p>This ACR for the 2025-26 Reporting Period has been compiled in accordance with these requirements.</p> <p>It should be noted that no works within the Action area have commenced. Biodiversity Offset Area Management Plans (BOAMP) for the EBOA (revision to existing) and WBOA (new BOAMP to be established) will be prepared in accordance with the NSW Project Approval and EPBC 2014/7282 to the satisfaction of NSW Planning and the Department, following the Department's endorsement of the configuration of the WBOA (submitted 27 March 2026 and currently under assessment).</p>
16	<p>The approval holder must ensure each <b>compliance report</b> is completed to the satisfaction of the <b>Minister</b> and is consistent with the <b>Annual Compliance Report Guidelines, Commonwealth of Australia 2023</b>.</p>	Compliant	<p>This ACR for the 2025-26 Reporting Period has been compiled in accordance with the guidelines.</p>
17	<p>The approval holder must, within <b>20 business days</b> following the end of each <b>ACR period</b>, in a format that is easily accessible and downloadable, publish on the <b>website</b>:</p> <p><b>(a)</b> each <b>compliance report</b>, and</p> <p><b>(b)</b> a <b>shapefile</b> showing all <b>clearing of protected matters</b>, and their habitat, undertaken within the <b>ACR period</b>.</p>	Not Applicable	<p>This ACR is the inaugural submission for EPBC 2022/9164 and will be published within the 2026-2027 Reporting Period.</p> <p>No clearing of protected matters was undertaken during the Reporting Period as outlined by KEQPL's submission of spatial data to the Department for EPBC 2014/7282 on 19 May 2026.</p>

NO.	Condition	Assessed Status	Assessment Comments
18	<p>The approval holder must:</p> <p><b>(a)</b> Exclude or redact sensitive biodiversity data from each compliance report and shapefile published on the website or otherwise provided to a member of the public.</p> <p><b>(b)</b> If sensitive biodiversity data is excluded or redacted from a version of a <b>compliance report</b> published or otherwise provided to a member of the public, submit the full <b>compliance report</b> to the <b>department</b> within 5 <b>business days</b> of its publication on the <b>website</b> and notify the <b>department</b> in writing what exclusions and redactions have been made in the version published on the <b>website</b> or otherwise provided to a member of the public.</p> <p><b>(c)</b> If sensitive biodiversity data is excluded or redacted from a version of a <b>shapefile</b> published or otherwise provided to a member of the public, submit the full <b>shapefile</b> to the <b>department</b> within 5 <b>business days</b> of its publication on the <b>website</b> and notify the <b>department</b> in writing what exclusions and redactions have been made in the version published on the <b>website</b> or otherwise provided to a member of the public.</p>	Not Applicable	KEQPL considers that there is no 'sensitive biodiversity data' relevant to the KEQ site derived from either EPBC 2014/7282 or EPBC 2022/9164.
19	<p>The approval holder must notify the <b>department</b> electronically, within 5 <b>business days</b> of each date of publication that the <b>compliance report</b> has been published on the <b>website</b>. In this notification, the approval holder must provide the <b>department</b> with the web address for where the <b>compliance report</b> and related <b>shapefile</b> are published on the <b>website</b>.</p>	Not Applicable	This ACR is the inaugural submission for EPBC 2022/9164 and will be published to the Hunter Quarries' website within the 2026-2027 Reporting Period.
20	<p>The approval holder must keep each <b>compliance report</b> and related <b>shapefile</b> published on the <b>website</b> from the first date which that <b>compliance report</b> must be published and until the expiry date of this approval.</p>	Not Applicable	

NO.	Condition	Assessed Status	Assessment Comments
<b>Reporting Non-Compliance</b>			
21	<p>The approval holder must notify the <b>department</b> electronically, within 2 <b>business days</b> of becoming aware of any <b>incident</b>. The approval holder must specify in each notification:</p> <p>(a) any condition or commitment made in a <b>plan</b> which has not been, or may have not been, complied with,</p> <p>(b) a short description of the <b>incident</b>, and</p> <p>(c) the location (if applicable, including co-ordinates), date and time of the <b>incident</b>.</p>	Not Applicable	No reportable incidents occurred at the KEQ relating to protected matters associated with EPBC 2022/9164.
22	<p>The approval holder must provide to the <b>department</b> in writing, within 12 <b>business days</b> of becoming aware of an <b>incident</b>, the details of that <b>incident</b>. The approval holder must specify:</p> <p>(a) all corrective measures and investigations which the approval holder has already taken in respect of the <b>incident</b>,</p> <p>(b) the potential impacts of the <b>incident</b>,</p> <p>(c) the method and timing of any corrective measures that the approval holder proposes to undertake to address the <b>incident</b>, and</p> <p>(d) any variation of these conditions or revision of a <b>plan</b> that will be required to prevent recurrence of the <b>incident</b> and/or to address its consequences.</p>	Not Applicable	
<b>Independent Audit</b>			
23	<p>The approval holder must ensure that an <b>independent audit</b> of compliance with the conditions is conducted for every <b>audit period</b>.</p>	Not Applicable	The inaugural audit period will consider from 02 July 2025 (i.e. date of approval) to 26 April 2030 (i.e. first five-year anniversary date).
24	<p>The approval holder must submit details of the proposed <b>independent auditor</b> and their qualifications to the <b>department</b> within 10 <b>business days</b> following the end of each <b>audit period</b>.</p>	Not Applicable	
25	<p>The approval holder must ensure the scope of each <b>independent audit</b> is sufficient to determine the compliance status for each condition of approval, and each commitment made in each <b>plan</b>.</p>	Not Applicable	
			Page
			19 of 25

NO.	Condition	Assessed Status	Assessment Comments
26	The approval holder must ensure the criteria for each <b>independent audit</b> and the undertaking of each <b>independent audit</b> are consistent with the <b>Independent Audit and Audit Report Guidelines</b> .	Not Applicable	The inaugural audit period will consider from 02 July 2025 (i.e. date of approval) to 26 April 2030 (i.e. first five-year anniversary date).
27	The approval holder must submit an <b>audit report</b> to the <b>department</b> for written agreement from the <b>department</b> within 3 months following the end of each <b>audit period</b> , or as otherwise directed by the <b>Minister</b> in writing.	Not Applicable	
28	The approval holder must ensure each <b>audit report</b> is completed to the satisfaction of the <b>Minister</b> and is consistent with the <b>Independent Audit and Audit Report Guidelines</b> to the extent that the <b>Independent Audit and Audit Report Guidelines</b> are consistent with these conditions.	Not Applicable	
29	The approval holder must publish each <b>audit report</b> on the <b>website</b> , in a format that is easily accessible and downloadable, within 10 <b>business days</b> of the date the <b>department</b> agrees to that <b>audit report</b> in writing.	Not Applicable	
30	The approval holder must notify the <b>department</b> within 5 <b>business days</b> of the date the <b>audit report</b> is published on the <b>website</b> . In this notification, the approval holder must provide the <b>department</b> with the web address for where the <b>audit report</b> is published on the <b>website</b> .	Not Applicable	
31	The approval holder must keep each <b>audit report</b> published on the <b>website</b> from the first date which that <b>audit report</b> must be published and until the expiry date of this approval.	Not Applicable	

NO.	Condition	Assessed Status	Assessment Comments
<b>Completion of the Action</b>			
32	The approval holder must notify the <b>department</b> electronically at least 60, but not more than 70 <b>business days</b> prior to the expiry date of this approval, that the approval is due to expire.	Not Applicable	The expiry period of EPBC 2022/9164 has not yet been reached.
33	Within 20 <b>business days</b> after the <b>completion of the Action</b> , and, in any event, before this approval expires, the approval holder must notify the <b>department</b> electronically of the date of <b>completion of the Action</b> and provide <b>completion data</b> . The approval holder must submit any spatial data that comprises <b>completion data</b> as a <b>shapefile</b> .	Not Applicable	The expiry period of EPBC 2022/9164 and/or the Completion of the Action has not been reached.

**Table 8 Compliance Assessment of the NSW Offset Conditions for the Reporting Period.**

NO.	Condition	Assessed Status	Assessment Comments																						
<b>Offset Conditions of the NSW Project Approval</b>																									
<b>S3, C28</b>	<p><b>Biodiversity Offset Strategy</b>            The Applicant must, prior to the commencement of vegetation clearing activities for Modification 10, finalise the Biodiversity Offset Strategy, as described in documents listed in condition 2 of Schedule 2, summarised in Table 10 and Table 11 and shown conceptually in Figure 1 of Appendix 4, in consultation with BCD and Council, and to the satisfaction of the Planning Secretary.</p>	<b>Compliant</b>	<p><u>KEQ Biodiversity Offset Strategy</u>            The KEQ Biodiversity Offset Strategy (BOS) was originally completed in 2013 by Ecological Australia (ELA, 2013) for the original project.</p> <p>A comprehensive revision to the KEQ BOS was completed during the Reporting Period accounting for MOD10, EPBC 2014/7282 – Variation 2, and EPBC 2022/9164. This revised KEQ BOS was subsequently approved by NSW Planning on 13 February 2026.</p> <p><u>Land Based Offsets</u>            For land-based offsets the obligation will be met by the existing EBOA consisting of part Lot 13, Lot 14, and Lot 5; along with the new WBOA to replace the impacted area of the EBOA by the MOD10 Project.</p>																						
	<p>Table 10: Biodiversity Offset Strategy – land-based offsets</p>																								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Area</th> <th style="width: 50%;">Offset Type</th> <th style="width: 30%;">Minimum Size (Ha)</th> </tr> </thead> <tbody> <tr> <td>Offset Area</td> <td>Existing vegetation to be managed and enhanced</td> <td>130.36 Ha</td> </tr> </tbody> </table>			Area	Offset Type	Minimum Size (Ha)	Offset Area	Existing vegetation to be managed and enhanced	130.36 Ha																
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NO.	Condition	Assessed Status	Assessment Comments
S3, C28	<p><i>Notes:</i></p> <ol style="list-style-type: none"> <li><i>The Biodiversity Offset Strategy must direct that the land proposed as the Offset Area must be free of any dwelling-houses and associated sheds, bushfire asset protection zones and other related utilities or structures so as to preserve the integrity and function of that offset area. The Biodiversity Offset Strategy must also provide details of the revegetation of any parts of the offset area that are cleared of native vegetation or are in an otherwise substantially modified state, other than required management trails and boundary fencing buffer distances.</i></li> <li><i>Credits required for impacts to EPBC Act listed species and associated habitats must be like-for-like.</i></li> </ol> <p><i>The Applicant must implement the strategy as approved by the Planning Secretary.</i></p>	Compliant	<p>The final configuration of the WBOA on part Lot 201 was approved by NSW Planning as part of the revised KEQ BOS, with a further endorsement request submitted to the Department on 27 March 2026 in accordance with Condition 9A of EPBC 2014/7282. At the time of writing, the Department’s assessment is continuing.</p> <p><u>Credit Based Offsets</u>        Credit-based offsets will be retired in accordance with the NSW Biodiversity Offsets Scheme (NSW BOS) prior to the commencement of construction of the MOD10 project.</p> <p>Ecosystem credits have been retired with s6.33 certificates issued for:</p> <ul style="list-style-type: none"> <li>■ PCT1619 (188 of 188) on 31 October 2023, and</li> <li>■ PCT965 (7 of 7) on 10 January 2024.</li> </ul> <p>Species credits retired to-date include:</p> <ul style="list-style-type: none"> <li>■ Black-eyed Susan (21 of 260) on 24 February 2026, and</li> <li>■ Southern Myotis (107 of 107) on 04 March 2026.</li> </ul>

NO.	Condition	Assessed Status	Assessment Comments
			A credit-sale agreement was entered into on 22 December 2023 for Squirrel Glider credits (260 of 260). Remaining credits will be sourced from the market and retired prior to the commencement of construction of the MOD10 project.
S3, C29	<p><b>Long-term Security of Offsets</b>  <i>The long-term security of the offset area listed in Table 10 and the retirement of the credits listed in Table 11 must be carried out prior to the commencement of vegetation clearing activities for Modification 10, in consultation with BCD and in accordance with the Biodiversity Offset Scheme of the BC Act, or other agreed security mechanism, to the satisfaction of the BCT.</i></p>	Compliant	As outlined by the approved KEQ BOS, land-based offsets will be established via Biodiversity Stewardship Agreements (BSA) and credit-based offsets will be retired in accordance with the NSW BOS.
S3, C30	<p><b>Rehabilitation Objectives</b>  <i>The Applicant must rehabilitate the site to the satisfaction of the Planning Secretary. This rehabilitation must:</i>  <i>(a) be consistent with the rehabilitation strategy as described in the EA and shown conceptually in Figure 1 in Appendix 5; and</i>  <i>(b) comply with the objectives in Table 11.</i></p>	Not Applicable	Relevant for EPBC 2022/9164 construction has not yet commenced within the Action area.
S3, C31	<p><b>Progressive Rehabilitation</b>  <i>The Applicant must:</i>  <i>(a) rehabilitate the site progressively, that is, as soon as reasonably practicable following disturbance;</i>  <i>(b) take all reasonable and feasible measures to minimise the total area of the site exposed at any time; and</i>  <i>(c) implement interim rehabilitation strategies where areas prone to dust generation cannot yet be permanently rehabilitated.</i></p>	Not Applicable	Additionally, the approved disturbance area will consist of land that will be utilised for on-going quarry operations and will not be available for rehabilitation until quarry closure.

NO.	Condition	Assessed Status	Assessment Comments
S3, C32	<p><b>Landscape &amp; Rehabilitation Management Plan</b>            Within 6 months of the date of approval of Modification 1, the Applicant must prepare a Landscape and Rehabilitation Management Plan for the development to the satisfaction of the Planning Secretary. This Plan would relate to the area of the quarry and all perimeter lands. This plan must:</p> <p>...</p> <p>The Applicant must implement the plan as approved by the Planning Secretary.</p>	Compliant	<p>A Landscape &amp; Rehabilitation Management Plan (L&amp;RMP) addressing all the requirements of this condition has been prepared and implemented. The L&amp;RMP was last updated (October 2024) and approved by NSW Planning on 10 March 2025.</p>
S3, C33	<p><b>Biodiversity Offset Area Management Plan</b>            The Applicant must prepare a Biodiversity Offset Area Management Plan for the development to the satisfaction of the Planning Secretary. This Plan would relate to the area of the Biodiversity Offset Area required in these conditions. This plan must:</p> <p>...</p>	Compliant	<p>A Biodiversity Offset Area Management Plan (BOAMP) addressing all the requirements of this condition has been prepared and implemented. The BOAMP was updated (April 2018) and approved by NSW Planning on 04 October 2018.</p> <p>A comprehensive revision to the BOAMP will be undertaken following receipt of endorsement by the Department of the configuration of the proposed WBOA (submitted 27 March 2026 and currently under assessment).</p>