

Final Audit Report

Audited Body	
Puro.earth Project Proponent	Pyrocal Pty Ltd
Name of Contact for Puro.earth Project Proponent	Barry Croker
Production Facility Operator	Pyrocal Pty Ltd - Wellcamp
Facility ID	569274
Name of Contact for Production Facility Operator	Barry Croker
Production Facility Location	Wellcamp, QLD, Australia

Audit Description	
Type of Audit	Production Facility Audit and Output Audit
Number of CORCs under Audit	62
Tonnes of dry biochar under Audit	29.12
Reporting Period Covered by Audit	1 January 2022 to 31 July 2023
Objective of Audit Engagement	Provide assurance opinion against requirements of Puro.earth Rules v3.0 (Edition 2022)
Date of Auditor Engagement	7 December 2023
Date of Audit Report Submission	23 September 2024

Audit Outcomes (Finish)	
Production Facility Eligibility	Eligible
Number of CORCs given assurance	63
Tonnes of eligible dry biochar	33.251 (qualified)
CORC conversion factor (CORCs/t dry biochar)	1.895 (average factor) – actual factor differs for each biochar client depending on E _{use} distance and soil temperature
Reporting Period given assurance	1 January 2022 to 30 June 2023 – exclusion of July 2023 due to lack of supporting evidence (e.g., water, electricity consumption records)
Calculation Method	Biochar Methodology

Auditing Body	
Auditor	EnergyLink Services Pty Ltd
Lead Auditor	Rodrigo Pardo Patron
Additional Audit Personnel	Brandon Melyadi
Peer Reviewer	Mark Wallace

This document details the nature and scope of the services provided by a member of EnergyLink Services in respect of the eligibility of the CO₂ Removal Supplier Production Facility under the requirements of Biochar Methodology to the Puro Standard General Rules v3.1.

This document is issued to Puro.earth detailing audit procedures conducted and the auditor’s opinion in relation to the eligibility of the Production Facility. It should not be used for any other purpose.

Because of the inherent limitations in any internal control structure, it is possible that fraud, error, or non-compliance with laws and rules may occur and not be detected. Further, the audit was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the audit has not been performed continuously throughout the period and the procedures performed on the relevant internal controls were on a test basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

The audit opinion expressed in this report has been formed on the above basis.

Copies of relevant documentation are available on the Puro.earth website: puro.earth

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Version Control Record

Project Number – J0532				
Document File Name	Date Issued	Version	Lead Auditor	Peer Reviewer
20240923 Pyrocal Final Audit Report vF.0	23 September 2024	vF.0	Rodrigo Pardo Patron	Mark Wallace

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Abbreviation	Description
'H'	Hydrogen
'O'	Oxygen
CO ₂	Carbon Dioxide
CORC	CO ₂ Removal Certificate
C _{org}	Organic Carbon
GHG	Greenhouse Gas
LCA	Life Cycle Assessment
OC	Overcalculation
UC	Undercalculation
The Puro Rules	the Puro Standard General Rules v3.1
The New Puro Rules	the Puro Standard General Rules v4.0 (Edition 2024)
The Biochar Methodology	Edition 2022 v2 Annex A: of the Puro Rules

PART A: Auditor's Report

To: Puro.earth

Dear Sir / Madam,

EnergyLink Services Pty Ltd (EnergyLink Services) was engaged to perform a reasonable assurance audit of Pyrocal Pty Ltd's (Pyrocal) CO₂ Removal calculation from the production of biochar for the period 1 January 2022 to 31 July 2023 against the eligibility requirements of 'the Puro Standard General Rules v3.1' (hereafter referred to as "the Puro Rules").

Details of Audited Body

Puro.earth Project Proponent	Pyrocal Pty Ltd
Production Facility Operator	Pyrocal Pty Ltd - Wellcamp GSRN: 643002406801000435 Facility ID: 569274
Production Facility location	Lot 8, International Drive 1511 Toowoomba - Cecil Plains Road, Wellcamp QLD 4350

Responsibility of the Audited Body's Management

The management of the audited body is responsible for the application of the requirements of Biochar Methodology of the Puro Rules v3.1' (hereafter referred to as "the Biochar Methodology") in quantifying CO₂ Removal Certificates (CORCs) from the production of biochar, which is reflected in the proof provided to EnergyLink Services.

The management of the audited body is responsible for preparation and presentation of the evidence in accordance with the Biochar Methodology. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation and presentation of proofs that are free from material misstatement, whether due to fraud or error.

Our independence and quality control

EnergyLink Services has complied with the relevant ethical requirements relating to assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence, due care, confidentiality, and professional behaviour. These include all the requirements defined in the *Fortum – Supplier Code of Conduct*¹.

Furthermore, EnergyLink Services maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements, in accordance with *ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information*.

¹ Fortum (2020), Fortum – Supplier Code of Conduct, available at: www.fortum.com/about-us/contact-us/suppliers/code-of-conduct

Our responsibility

EnergyLink Services' responsibility is to express an opinion on the audited body's quantification of CORCs and compliance with the *Puro Rules* based on the procedures we have performed and the evidence we have obtained.

We have conducted a reasonable assurance engagement in accordance with the *Puro Rules* and relevant international standards, as listed below:

- International Standards on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information.
- ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagement.

A reasonable assurance engagement in accordance with relevant international standards involves performing procedures to obtain evidence about the Production Facility process controls and quantification of CORCs in accordance with the *Puro Rules*. The nature, timing and extent of procedures selected depend on the assurance practitioner's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, we considered internal controls relevant to the audited body's preparation of proofs. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Summary of procedures undertaken

The procedures we conducted in our reasonable assurance engagement included:

- reviewing evidence provided by the audited body;
- assessing the audited body against eligibility criteria;
- conducting interviews and a site visit to validate the evidence provided;
- analysing procedures that the audited body used to gather data;
- testing of calculations that the audited body performed; and
- identifying and testing assumptions supporting the calculations.

Use of our reasonable assurance engagement report

This audit report has been prepared for use by the audited body and Puro.earth for the sole purpose of reporting on the audited body's quantification of CORCs and compliance with the *Puro Rules*. Accordingly, EnergyLink Services expressly disclaims and does not accept any responsibility or liability to any party other than Puro.earth and the audited body for any consequences of reliance on this report for any purpose.

Inherent limitations

There are inherent limitations in performing assurance audits - for example, assurance engagements are based on selective testing of the information being examined - and because of this, it is possible that fraud, error, or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an assurance engagement is not performed continuously throughout the period that is the subject of the engagement, and the procedures performed are based on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and sampling or estimating such data.

Corrective Action Requests / Recommendations

During the audit process, the auditor issued four (4) corrective action requests, five (5) recommendations and one (1) suggestion for improvement.

Corrective Action Request 1: LCA template

Pyrocal's Life Cycle Assessment (LCA), developed by a third-party using SimaPro software, could not be fully verified by the auditor due to the matters discussed in Recommendation 2: LCA. Additionally, Pyrocal had not included the period of January 2022 to June 2022 in their CORC calculation. The auditor requested Pyrocal to provide its LCA in a format that enabled the auditor to verify inputs, calculations and outputs. Consequently, Pyrocal provided a new LCA using the Puro.earth LCA template.

Corrective Action Request 2: LCA reporting period and inputs

The new LCA provided by Pyrocal, as a result of, Corrective Action Request 1: LCA template considered a different reporting period and inputs which had considerable discrepancies with the supporting documents. Subsequently, Pyrocal updated the LCA; however, the following issues were then identified by the auditor:

- Further inconsistencies with the supporting documents associated with the quantity of feedstock;
- Energy use data was available until June 2023, as such July 2023 was excluded from the LCA and associated CORC claim; and
- Pyrocal had used theoretical figures based on a model as inputs to the LCA, instead of actual data where available.

Pyrocal amended its LCA to incorporate the changes to address the issues identified above and to ensure that the theoretical figures used as inputs based on the LCA model were similar to the actual data.

Corrective Action Request 3: Client Declarations and CORC Calculation

The auditor requested Pyrocal to provide the full list of sales for the reporting period, including sales that were not part of Pyrocal's CORC claim. The full list of sales included sales that had declarations for proof of no double-counting and biochar end-use and sales that did not. Furthermore, the auditor requested Pyrocal to provide all the declarations available. The auditor confirmed the final CORCs claim only contains sales that include declarations.

Additionally, errors were identified in the formulas used to calculate the adjusted CORC factor for different clients (i.e., distance to client and soil temperature), these issues were rectified during the course of the audit.

Corrective Action Request 4: Biochar yield

The auditor identified that the biochar yield percentage of 27% that was used in the LCA model was considerably difference to the supporting documents that indicated a yield of 15.9%. Subsequently, Pyrocal amended their LCA and CORC calculation to incorporate the 15.9% biochar yield figure.

Recommendation 1: Measuring Procedures

Finding

The auditor observed that Pyrocal recorded the biochar production output based on the volume of biochar bags and the bulk density of the biochar. Pyrocal maintained invoices detailing the quantities and volume of bulk bags sold. The auditor noted that the density of biochar used to calculate the weight was an average of three different measurements (February to April 2023, July to August 2023 and November to December 2023), with two of the measurements being outside of the reporting period.

Recommendation

The auditor recommends that Pyrocal implement a procedure to measure the actual mass of dry biochar produced, for example, by using a calibrated weighbridge, to ensure accuracy and consistency.

Recommendation 2: LCA

Finding

The auditor observed that Pyrocal engaged a third-party company to develop its LCA. The third-party company used SimaPro. According to SimaPro's website, the LCA calculation involves accessing various databases, such as EcoInvent v3. However, the auditor was not provided direct access to the SimaPro software. This restricted the ability of the auditor to verify the emissions factors and calculations used, including:

- **Calculations:** the auditor could not verify the accuracy and completeness of calculations used to determine the final CORC figure;
- **Emissions Factors:** The auditor could not verify the emissions factors used were the relevant emissions factors;
- **Input Data:** The auditor could not validate that all data was appropriately and accurately included in the LCA calculations; and
- **Input Data's Units:** The auditor identified that the input data's units can be easily adjusted within the LCA software and do not directly impact the calculations as the calculations in the software are independent of the units. The auditor notes that all LCA calculations are directly correlated to the correct units within a calculation. Therefore, using inappropriate units may lead to miscalculations.

Due to the uncertainty regarding the input data's units, the emissions factors used, and the calculations used, the auditor could not provide assurance of the accuracy of the inputs used or the calculations in the LCA software. Additionally, Pyrocal's initial CORC calculation did not include the biochar sold for January 2022 to June 2022. Subsequently, Pyrocal provided a new LCA using the Puro.earth LCA template, however the following issues were identified:

- The new LCA had considered a different reporting period; and
- Pyrocal used theoretical figures based on a model as inputs to the LCA, instead of actual data where available. Upon comparison, the auditor identified that the theoretical figures had substantial differences to the actual data (e.g., biochar yield %, feedstock quantity, etc.). Subsequently, Pyrocal updated the LCA model to ensure that the theoretical figures were similar or more conservative than the actual data.

Recommendation

The auditor recommends that Pyrocal augment their LCA calculation and quality assurance procedures to ensure that:

- All data, assumptions, and formulas are traceable, transparent, well-documented, complete, and consistent across documents and cover the relevant reporting period;
- Actual data is used as inputs to the LCA, instead of theoretical figures based on a model; and
- All relevant emissions sources are traceable, well-documented and consistent with the LCA.

This is expected to increase the auditability of the records and reduce the risk of errors.

Recommendation 3: CORC Calculation

Finding

The auditor identified that the formula used to calculate the adjusted CORC factor for different clients (i.e., distance to client and soil temperature) was incorrect.

Recommendation

The auditor recommends that Pyrocal augment its CORC calculation and quality assurance procedures to ensure that the adjusted CORC factors used to calculate CORCs for each client are accurate and correct.

Recommendation 4: Client Declarations

Finding

The auditor noted that Pyrocal had provided signed client declarations as proof of no double-counting and end use of biochar. However, not all client declarations had been provided for the biochar sold in the reporting period. As such, biochar sold with no declaration was excluded from the CORC calculation.

Recommendation

The auditor recommends that Pyrocal augment its record keeping and quality assurance procedures to ensure that proof of no double-counting and biochar end-use (i.e., client declarations) are collected for all clients.

Recommendation 5: Biochar yield percentage

Finding

The auditor identified, using supporting documents, that the biochar yield during the reporting period was 15.9%, while 27% had been considered in the LCA model. Subsequently, Pyrocal noted that the 15.9% yield was low and that they were currently operating at 33 - 36%; however, no supporting documents were available to support this claim for the reporting period.

Recommendation

The auditor recommends that Pyrocal augment its record keeping, quality assurance and measurement procedures to ensure that the correct and accurate biochar yield percentage is used for the LCA calculation and supported by relevant evidence.

Suggestion for Improvement 1: Moisture Content

Finding

The auditor noted that Pyrocal used their own measurements to calculate the moisture content of the biochar between three different periods (February to April 2023, July to August 2023 and November to December 2023). The moisture content varied between 34.72%, 10.53% and 35.83%.

Recommendation

The auditor recommends that Pyrocal implement a procedure to determine and appropriately record the moisture content for every batch of biochar that is produced/delivered. These moisture content measurements can be conducted on-site and are expected to be used to calculate the dry biochar mass. If the moisture testing demonstrate a consistent moisture content through time, then Pyrocal may be able to consider reducing the frequency of testing.

Overall Conclusion

Based on the evidence provided, the auditor has provided the following conclusions:

- Production Facility Audit: **Positive conclusion**
- Production Output Audit: **Qualified conclusion**

Production Facility Audit

In the lead auditor’s opinion, the carbon removal activity performed in the audited CO₂ Removal Supplier’s Production Facility met the eligibility requirements of the Puro Rules.

Production Output Audit

Biochar Sold

In the lead auditor’s opinion, subject to the qualification outlined in Basis for Qualified Conclusion, and subject to the implementation of Recommendation 1 to Recommendation 5, the quantification of biochar sold is fairly presented, free of material misstatement and has been calculated in accordance with the Puro Standard General Rules version 3.1.

CORCs claim

The lead auditor is able to express a reasonable assurance opinion that, in all material respects, the quantification of **63 CO₂ Removal Certificates (CORCs)** by the audited body for the period 1 January 2022 to 30 June 2023 was correct. For recalculation details, refer to Appendix B.

Biochar produced for the period	CORCs Under Audit	Abs. Error (CORCs)	Net Error (CORCs)	Eligible CORCs	Absolute Error Rate (%)	Net Error Rate (%)
1 January 2022 to 31 July 2023	62	67	1 (UC)	63	108.06%	1.67%

*OC = Overcalculation / UC = Undercalculation

Basis for Qualified Conclusion

The auditor identified systematic issues with the LCA and supporting documents that resulted in an absolute error rate exceeding the 5% materiality threshold. A summary of the errors identified include:

- The biochar quantification was based on the volume of biochar sold and bulk density of biochar. The auditor noted that the density of biochar used to calculate the weight was an average of three different measurements (February to April 2023, July to August 2023 and November to December 2023), with two of the measurements being outside of the reporting period.
- The auditor noted that Pyrocal used its own measurements to calculate the moisture content of the biochar between three different periods (February to April 2023, July to August 2023 and November to December 2023). The moisture content varied between 34.72%, 10.53% and 35.83%.
- Pyrocal had used theoretical figures based on a model as inputs to the LCA, instead of actual data where available.
- The auditor identified that the formula used to calculate the adjusted CORC factor for different clients (i.e., distance to client and soil temperature) was incorrect.
- The auditor identified, using supporting documents, that the biochar yield during the reporting period was 15.9%, while 27% had been considered in the LCA model. Subsequently, Pyrocal noted that the 15.9% yield was low and that they were currently operating at 33 - 36%; however, no supporting documents were available to support this claim for the reporting period.

Ongoing Issuance and Digital Monitoring, Reporting and Verification

Despite the audit being completed under the Puro Rules v3.1 (Edition 2023), the auditor has considered the requirements of Appendix A of the Puro Standard General Rules v4.0 (Edition 2024) (the New Puro Rules). The auditor considered the Production Facility and the internal processes, controls and systems to form an opinion over the ongoing issuance and digital monitoring, reporting and verification (dMRV).

In the auditor's opinion, the Pyrocal – Wellcamp Facility has not:

- Demonstrated adequate record keeping and quality assurance practises; and
- Completed a successful performance verification review (i.e. this audit), as the Audit Report yielded a qualified conclusion for the production output audit.

Consequently, the auditor recommends Pyrocal to undertake a new Output Audit, under the New Puro Rules, prior to be eligible to the ongoing issuance of certificates.

Sincerely,



Rodrigo PARDO PATRON | Director of Engineering
EnergyLink Services Pty Ltd
Lead Auditor
23 September 2024

Part B: Detailed Findings

Audit Findings and Conclusions

Table 1 to Table 4 summarise the findings from the Production Output Audit. As part of the audit procedures, the auditor performed interviews with site representatives and a (virtual) site visit to the Production Facility. Where possible, the findings from these procedures were used to validate that the eligibility criteria under the methodology had been met, that the proofs and evidence provided by the audited body were accurate, and that the metering used to quantify the Output was appropriate and correctly calibrated.

Eligibility Assessment

Table 1: Eligibility Assessment

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
Confirm that the biochar is used in applications other than energy.	Y	The auditor confirmed that the produced biochar subject to this audit was used as soil amendment for agricultural applications. However, the auditor identified that that not all clients had declarations for proof of no double-counting and biochar end-use.	Corrective Action Request 3 Recommendation 4
Confirm that the biochar is produced from sustainable forest or waste biomass raw materials.	Y	The auditor confirmed that the biochar was produced from waste biomass from pecan shells and confirmed that the biochar was produced from waste biomass raw materials.	N/A
Confirm that the producer demonstrates net-negativity with results from a LCA that shows: <ul style="list-style-type: none"> – carbon footprint of the biomass production and supply. – emissions from the biochar production process. – carbon footprint of the biochar end use. – cradle to grave. 	Y	The auditor confirmed that the LCA provided by Pyrocal included the relevant information on the emissions arising from the different stages of the biochar cradle-to-grave life cycle. However, the auditor identified issues with the LCA, for more information please refer to Table 3.	Recommendation 2

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
Confirm that the biochar production process meets requirements 1.1.4 to 1.1.6 of the Biochar Methodology, namely that: <ul style="list-style-type: none"> – It has considered the emissions related to the use of fossil fuels (coal, oil, natural gas). – there is no co-firing of fossil fuels and biomass in the same reaction chamber. – the pyrolysis gases are recovered or combusted. – the molar H/C_{org} ratio is less than 0.7. 	Y	The auditor verified that while the gasification system operated as an auto-thermal process, generating the necessary thermal energy from the processed feedstock, it initially relied on a diesel burner to initiate and stabilise the syngas flame within the reactor. Based on the above, the auditor confirmed that the emissions related to the use of fossil fuels were considered and there is no co-firing of fossil fuels and biomass in the same reaction chamber.	N/A
		The pyrolysis gases are combusted.	
		The average molar H/C _{org} ratio is 0.28, which is less than 0.7.	
Confirm that measures are taken for safe handling and transport of biochar to prevent fire and dust hazards.	Y	The auditor confirmed during the site visit that appropriate measures had been implemented for safe handling and transport of biochar.	N/A

Standing Data

Table 2: Record Keeping

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
Confirm that the standing data of the Production Facility and the CO ₂ Removal Supplier was collected and checked.	<u>Finding</u>	Except for the errors outlined in the Basis for Qualified Conclusion, the auditor confirmed that the standing data of the Production Facility and the CO ₂ Removal Supplier was collected and checked.	Corrective Action Request 3 Recommendation 1 Recommendation 2 Recommendation 4

Production Facility Assessment

Table 3: Production Facility assessment

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
Confirm the Production Facility Eligibility under the general rules of Puro Standard.	Y	The auditor confirmed that the Production Facility is eligible under the general rules of Puro Standard and that all necessary evidence had been provided.	N/A
Confirm that the Production Facility demonstrate Environmental and Social Safeguards.	Y	Pyrocal provided a Stakeholder Engagement Report and biochar Safety Data Sheets. Based on the information outlined above, the auditor confirmed that the CO ₂ Removal Supplier showed sufficient evidence to demonstrate that the Production Facility does not cause significant harm to the surrounding natural environment and local communities.	N/A
Confirm that the Production Facility demonstrate additionality, that the CO ₂ removals are a result of carbon finance, and that the project is not required by existing regulations or other obligations.	Y	The auditor confirmed that the CO ₂ Removal Supplier showed sufficient evidence to demonstrate that the project meets the requirements of Clause 1.2.3 of the Biochar Methodology.	N/A
Confirm that the quantity of biochar produced and sold is documented via appropriate processes.	<u>Finding</u>	The auditor observed that Pyrocal recorded the biochar production output based on the volume of biochar bags and the bulk density of the biochar. Pyrocal maintained invoices detailing the quantities and volume of bulk bags sold. The auditor noted that the density of biochar used to calculate the weight was an average of three different measurements (February to April 2023, July to August 2023 and November to December 2023), with two of the measurements being outside of the reporting period.	Recommendation 1

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
	<u>Finding</u>	The auditor noted that Pyrocal used their own measurements to calculate the moisture content of the biochar between three different periods (February to April 2023, July to August 2023 and November to December 2023). The moisture content varied between 34.72%, 10.53% and 35.83%.	Suggestion for Improvement 1
Confirm that metering infrastructure is in place to determine: <ul style="list-style-type: none"> – the production output. – the energy use of the Production Facility. 	<u>Finding</u>	<p><u>Production output</u></p> <p>The auditor noted that the production output had been calculated using the volume of bags and the bulk density of biochar, instead of taking actual weight measurements, such as using a weighbridge.</p> <p><u>Energy use</u></p> <p>Pyrocal provided relevant invoices as evidence for the energy use at the production facility.</p>	Recommendation 1
Confirm the CO ₂ Removal Supplier is able to calculate the CO ₂ Removal independently.	<u>Finding</u>	The auditor identified that the formula used to calculate the adjusted CORC factor for different clients (i.e., distance to client and soil temperature) was incorrect.	Corrective Action Request 2 Recommendation 3
	<u>Finding</u>	The auditor identified, using supporting documents, that the biochar yield during the reporting period was 15.9%, while 27% had been considered in the LCA model. Subsequently, Pyrocal noted that the 15.9% yield was low and that they were currently operating at 33 - 36%; however, no supporting documents were available to support this claim for the reporting period.	Corrective Action Request 4 Recommendation 5

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
<p>Confirm the calculations used to quantify emissions from the process. These must account for:</p> <ul style="list-style-type: none"> - The energy created by the biochar. - The energy source used in the production process. - Cultivating and harvesting of raw materials (forest vs other biomass). - Transporting of raw materials to the Production Facility (based on distance transported and fuel used). 	<p><u>Finding</u></p>	<p>The auditor observed that Pyrocal engaged a third-party company to develop its LCA. The third-party company used SimaPro. According to SimaPro’s website, the LCA calculation involves accessing various databases, such as EcolInvent v3. However, the auditor was not provided direct access to the SimaPro software. This restricted the ability of the auditor to verify the emissions factors and calculations used, including:</p> <ul style="list-style-type: none"> - Calculations: the auditor could not verify the accuracy and completeness of calculations used to determine the final CORC figure; - Emissions Factors: The auditor could not verify the emissions factors used were the relevant emissions factors; - Input Data: The auditor could not validate that all data was appropriately and accurately included in the LCA calculations; and - Input Data’s Units: The auditor identified that the input data’s units can be easily adjusted within the LCA software and do not directly impact the calculations as the calculations in the software are independent of the units. The auditor notes that all LCA calculations are directly correlated to the correct units within a calculation. Therefore, using inappropriate units may lead to miscalculations. <p>Due to the uncertainty regarding the input data’s units, the emissions factors used, and the calculations used, the auditor could not provide assurance of the accuracy of the inputs used or the calculations in the LCA software. Additionally, Pyrocal’s initial CORC calculation did not include the biochar sold from January 2022 to June 2022. Subsequently, Pyrocal provided a new LCA using the Puro.earth LCA template, however the following issues were identified:</p> <ul style="list-style-type: none"> - The new LCA had considered a different reporting period; and - Pyrocal used theoretical figures based on a model as inputs to the LCA, instead of actual data where available. Upon comparison, the auditor identified that the theoretical figures had substantial differences to the actual data (e.g., biochar yield %, feedstock quantity, etc.). Subsequently, Pyrocal updated the LCA model to ensure that the theoretical figures were similar or more conservative than the actual data. 	<p>Corrective Action Request 1</p> <p>Corrective Action Request 2</p> <p>Recommendation 2</p>

Verification of Proofs

Table 4: Verification of proofs and documentation

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
Confirm that the standing data for the Production Facility meets the requirements of the Biochar Methodology and is consistent with other evidence.	Y	The auditor reviewed the data provided by the audited body and confirmed its consistency with both desktop testing and the site visit.	N/A
Confirm that the necessary proof and evidence documents are maintained by the Production Facility as per Section 5 of the Biochar Methodology ² .	Finding	The auditor noted that Pyrocal had provided signed client declarations as proof of no double-counting and end use of biochar. However, not all client declarations had been provided for the biochar sold over the reporting period. As such, biochar sold with no declaration were excluded from the CORC calculation.	Corrective Action Request 3 Recommendation 4

² Information in Section 5 of the Biochar Methodology includes:

- Proof of sustainability of raw material for forest and/or waste biomass.
- LCA data for biomass and biochar production.
- Justification on the soil temperature used for the calculation of the biochar sequestration.
- Proof of product quality, production volume, sales and end use of biochar.
- Proof of no double counting/C positive marketing.

Peer Reviewer Conclusion

Name of the peer reviewer	Mark Wallace
Peer reviewer's credentials	<ul style="list-style-type: none">- Bachelor of Systems Engineering (Honours), majoring in Mechanical and Materials – Australian National University.- Certified Performance Measurement and Verification Analyst (PMVA), Efficiency Valuation Organisation (EVO).- Climate Active Registered Consultant.- Certificate IV in Project Management.
Peer reviewer contact details	Email: mark@energylinkservices.com.au Phone: +61 475 894 971
Outcome of the evaluation undertaken by the peer reviewer	Clarifications and amendments to the report.

Appendix A: Table of Site Visit Findings

Table 5: Site visit summary table

Requirement	Requirement Met?	Verification Remarks	Corrective Action Request / Recommendations
Check that the raw material is of eligible type and sustainably sourced.	Y	The auditor confirmed that the biochar was produced from waste biomass raw materials.	N/A
Check that the LCA provided is consistent with observations on site.	Y	Taking into consideration the implications outlined in the Basis for Qualified Conclusion, the auditor could confirm LCA provided was a qualified representation of the Production Facility and used appropriate assumptions where necessary.	Recommendation 2
Confirm that no fossil fuel is used for heating the pyrolysis reactor, and the pyrolysis gases are recovered or combusted.	Y	The auditor noted that the pyrolysis reactor is an auto-thermal process, however it relied on diesel to start the initial pre-heating process and heat the reactor to the required temperature and pressure.	N/A
Check that the Production Facility's documentation system is accurate and reliable for recording the quantity of biochar produced and sold.	Y	Taking into consideration the implications outlined in the Basis for Qualified Conclusion, the auditor confirmed during the site visit that a system was in place to quantify the biochar produced and sold during the reporting period.	N/A
Check that appropriate metering infrastructure is in place and calibrated correctly to quantify the Production Facility output and the energy use of the Production Facility.	<u>Finding</u>	As stated in Table 3, invoices had been used as evidence to quantify the energy use of the production facility. While the number of bags and biochar bulk density were used to calculate the biochar produce.	Recommendation 1
Check that appropriate processes are in place to quantify the inputs to the Calculation formula of CO ₂ removal for the purpose of Preparing the Output Report and calculating CORCs.	<u>Finding</u>	As stated in Table 3, theoretical figures had been used as inputs to the LCA, instead of actual data.	Recommendation 2

Appendix B: Summary of Calculation Errors

A summary of the calculation errors and the associated impacts on CORC calculation is provided in Table 6.

Table 6: Summary of Calculation Errors

No.	Source of Error	CORC calculation	Corrected CORC calculation	Abs. Error (CORCs)	Net Error (CORCs)	Abs. Error Rate (%)	Net Error Rate (%)
1	Recalculation from SimaPro Software to Puro Calculator Template and inclusion of January 2022 to June 2022	62	94	32	32 UC	51.61%	-51.61%
2	Change in reporting period (exclusion of July 2023) and update inputs to the LCA	94	70	24	24 OC	25.53%	25.53%
3	Clients' declarations, minor error in E _{use} calculation and incorrect CORC factor for January 2022 to June 2022)	70	72	2	2 UC	2.86%	2.86%
4	Change of biochar yield % in LCA model to reflect actual data	72	63	9	9 OC	0.13%	0.13%
Total		62	63	67	1 UC	108.06%	1.67%

*OC = Overcalculation/UC = Undercalculation