Natural Resources and Other Legislation Bill 2019

Part 6 Amendment of Mineral Resources Act 1989



Summary of amendments and transitions for existing EPMs or EPM applications



NROLA 2019

The Bill was passed in Parliament on 15 May 2019 and the amendments to the Mineral Resources Act 1989 relating to exploration tenures/authority to prospect will commence on proclamation.

No date for proclamation has been determined

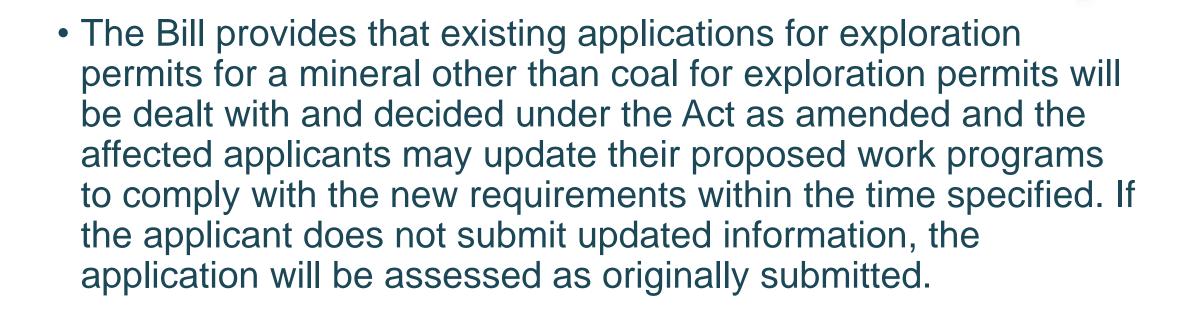
This Bill delivers on the Government commitment to continue to implement measures to improve the performance of the resources tenure management system.

The Bill supports the resource exploration sector by creating greater flexibility, reducing administrative burden and allowing more time for exploration prior to relinquishment of land.

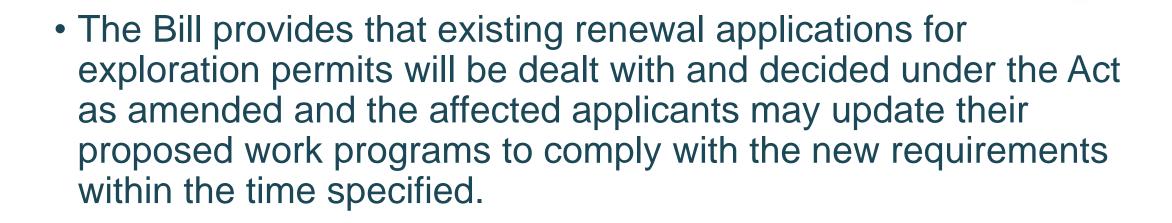
Main changes to the MRA

- <u>Capped Term</u> The cap introduced in this Bill limits the total life of an exploration permit to 15 years, with a three year extension in exceptional events.
- <u>Streamlined relinquishment</u> Relinquishment requirements have been streamlined to increase the time before the first relinquishment due date and reduce the total area required to be relinquished before the expiry of the exploration authority.
- Work programs The option of an outcomes-based work program allows explorers to adjust their activities in response to exploration results without the need to seek approval from the department to vary their work program.

Applications for new EPM



Renewal of exploration permit



 The Bill provides that existing exploration permits will be permitted further renewals totalling a maximum of 10 years from the first renewal after commencement.

Example

 An exploration permit granted in 2006 and due for renewal in 2021 may be renewed multiple times up to 10 years and will expire in 2031, if the area does not progress to a higher tenure in the meantime.

Relinquishment

 New permits that are granted after proclamation and renewed to maximum 15 year term will have relinquishment of:

- 50 percent at year 5
- 50 percent at year 10

Relinquishment Transitional Arrangements

Relinquishment requirements for exploration permit at less than year 3 of permit.

 Existing exploration permits in their first term which have not relinquished 40 per cent of their area prior to commencement of the amending sections are required to reduce their area by 50 per cent by the end of year 5 of the term, and must relinquish 50 per cent of the remaining area by the end of year 10.

Relinquishment Transitional Arrangements

Relinquishment requirements for exploration permit at year 3 to year 5 of permit.

 Existing exploration permits in their initial term which have already relinquished 40 per cent of their area prior to commencement of the amending sections are not required to further reduce their area in their initial term, but must relinquish 50 per cent of the remaining area by the end of year 10

Relinquishment Transitional Arrangements

Relinquishment requirements for exploration permit at more than year 5 of permit if standard relinquishment has happened

• Existing exploration permits in their second or later term which have already relinquished 40 per cent of their original area and a further 50 per cent of the remaining area prior to commencement of the amending sections are not required to further reduce their area in their current term, but must relinquish 50 per cent of the remaining area within 5 years after the permit is renewed after commencement.

Variations of Permit Conditions

- The Bill provides that an application to vary the conditions of an existing exploration permit may only be lodged in exceptional events or where the exploration permit forms part of an exploration project.
- The Bill provides that an application to vary the conditions of an exploration permit, lodged but not assessed prior to the commencement of the amending provisions, will be assessed as if the relevant section had not been amended

Variations of Permit Conditions

Limitation on applications to vary conditions of exploration permit

- The limitations on applications to vary conditions of exploration permits does not apply retrospectively to existing exploration permits.
- Existing exploration permits may continue to apply for variations of conditions for their current term. If the exploration permit is renewed after commencement of the amending provisions, new limitations will apply for the renewed term so that applications to vary conditions will be limited to exceptional events and exploration projects.

Conditional Surrender

 The Bill provides that on grant of a new exploration permit emanating from exploration permits surrendered in favour of the new one, that the term upon grant must end no later than 15 years from the earliest grant date the permits are surrendered in favour of the new exploration permit

Work Program

• The Bill provides that existing programs of work for exploration permits will not be affected by this amending Act, and that an existing program of work is taken to be a work program for the term of the permit. Existing programs of work may be varied under section 141C as if that section had not been amended

- The option of an outcomes-based work program allows explorers to adjust their activities in response to exploration results without the need to seek approval from the department to vary their work program.
- An outcomes-based work program includes the proposed outcomes, the strategy or strategies to pursue the outcomes, and the proposed data and information to be collected during the term.
- This allows the explorer to change the on-ground activities to accommodate the results as they become apparent
- Exploration permits awarded through a competitive process will be conditioned with an activities-based work program for the initial term, to preserve the integrity of the competitive process.

An outcomes-based work program is a document containing details about the following four components:

- the outcomes proposed;
- the strategy for pursuing the outcomes;
- the data and information to be collected as an indication of mineralisation during the term and
- the existing requirement to provide the estimated human, technical and financial resources proposed to be committed during the term of the exploration permit.

- A proposed outcome could be to ascertain, within a specified time period during the term of the permit, the likelihood of deposits of specified minerals occurring in a specified geological area within an estimated depth range of, for example, 100 to 250 metres.
- The strategy for pursuing the outcomes could include an indepth rationale that demonstrates that the applicant understands the approach required in pursuit of the outcomes to the best of their knowledge.

 Rather than activities to be conducted to achieve the outcomes, the department is seeking to understand the type of information and data the holder will collect during the exploration program. This will assist in the assessment and consideration of whether the work program is appropriate for the area.

Information

Links to the Legislation website

https://www.legislation.qld.gov.au/

For Bills

You can find a link to a Bill's explanatory notes on the Bills pages.



