Austwide Newsletter

March 2016 Edition

(WA) Exploration Rehabilitation Reports

Exploration Rehabilitation Reports are required to be submitted for all Programs of Work (**PoW**) once all rehabilitation work has been completed.

If you have a current PoW please forward completed reports to Austwide so that our records can be updated.

This information also assists us when preparing the Mining Rehabilitation Fund (MRF) returns as in the report there is an option regarding "All disturbances have been completely rehabilitated. This excludes historical ground disturbance."

The Exploration / Prospecting Rehabilitation Report must have been previously submitted to Department of Mines and Petroleum (**DMP**) to select the above option in the MRF.

For further information regarding these reports please contact either Steve Milner (steve@austwidemining.com.au) or Eldon Stone (eldon@austwidemining.com.au)

(NT) Changes to Claimable Expenditure

The Department of Mines and Energy release of an updated Guideline 6 included amendments to the claimable expenditure.

We are pleased to advise that some Land Access costs (for example, costs of heritage surveys) are now claimable expenditure. Further, tenement administration costs may be claimed as a part of Overheads (to which a 15% cap applies).

The <u>Form 17 Expenditure</u> <u>Report</u> has been updated accordingly.

*Guideline 6 and Form 17 are available online:

http://www.nt.gov.au/d/Mineral s_Energy/index.cfm?newscat1= &newscat2=&header=Mineral% 20Titles%20Forms%20and%20G uidelines

(WA) Austwide Ground Monitoring Service

We advise that Austwide provides a ground monitoring service for the following areas:

- All mining tenements within a specified distance from the nominated prime tenement.
- All mining tenements within a certain mineral field(s).
- Subject to providing a plan of the area of interest, Austwide can extract all mining tenements within this area and monitor the tenements.

In addition, Austwide can provide the following services:

- Advising of all mining tenements which are outright surrendered, voluntarily surrendered, withdrawn, forfeited, expired or refused within the area of interest;
- Monitoring the Government Gazette which displays all tenements which are non-compliant and may be forfeited;
- Monitoring all **fines** (unpaid fines will result in the tenement being forfeited as of that night);
- Monitoring all **expiries**;
- Monitoring all compulsory surrenders which go to release;
- Monitoring extensions of term which are refused;
- Tenements of extreme interest can be placed on our **urgent list** with an application prepared in the case the ground is relinquished.

Austwide holds the most up to date monitoring systems which are scanned throughout the day. Also, a member of our team is always available to apply for ground on demand.

Please contact **Paul Humberston** (<u>paul@austwidemining.com.au</u>) if you would like to discuss this service.

(NT) Greater Flexibility of Expenditure Conditions (ELs only)

At AGES 2016, the Department of Mines and Energy (**DME**) released details of their updated policy regarding forward work programs and related expenditure (referred to as **Covenants**), which form a condition of title.

Previously, DME provided guidelines regarding calculation of the expenditure expectations, in accordance with which work programs were to be proposed referred to as "Benchmark Indicative Minimums".

These Benchmark Indicative Minimums have been repealed (with the exception of years 1 and 2 of grant), with the new policy (<u>Guideline 6</u>) providing greater flexibility for explorers.

Under this new policy, "Title holders must nominate realistic and practical work programs and proposed expenditure levels that reflect the maturity of the title and the knowledge of and type of resource. Work programs should be designed to actively progress the potential discovery and assessment of minerals in the title area."

At time of proposing covenants in tenement renewal applications and annual expenditure reports, DME will review the proposed covenants and consult with the title holder where the proposed work is considered insufficient. This allows the title holder and DME to negotiate a better outcome, inclusive of the title holder being provided an opportunity to substantiate their position.

Updated policy regarding Expenditure Project Areas (EPAs) will be made available in due course and affected holders will be advised accordingly. However, if you are incurring significant costs on your granted ELs, and require greater flexibility with respect to allocation of costs across a project, we welcome you to contact us for further information on EPAs.

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(WA) Environmental registrations and DMP's Reforming Environmental Regulation (RER) program

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In May 2012 DMP announced the RER program with the objective of implementing the principles of best practice regulation of the resources sector to ensure environmental integrity is maintained. Objectives of the RER include:

- Establish clear and enforceable environmental obligations for mining activities
- Implement a robust and transparent relinquishment process
- Implement a full risk-based assessment and compliance methodology for environmental regulation

The RER includes mining proposal reform, introduction of mine closure plans, a framework for low impact authorised activities, introduction of the MRF (Mining Rehabilitation Fund), introduction of online systems for reporting and submission of approvals, and changes to Programs of Work amongst other things.

Also under the Environmental Protection Act (Clearing of Native Vegetation) Regulations, clearing permits are required in many different circumstances.

Changes to mining proposals will see the introduction of Environment Management Systems for operators of all mining operations.

The RER program has resulted in a much higher level of auditing and compliance management by DMP with many companies and individuals being fined for breach of conditions such as expansion of activities outside of approvals, and clearing outside of approved footprint.

The WA Government is also planning to introduce the Mining Legislation Amendment Bill 2015 in July 2016. This legislation will bring into force many of the changes proposed under the RER.

Austwide has many clients that are still operating under the old Notice of Intent system of mining approvals, and it is possible that the NOIs are now not sufficient for current operations.

A random review of mining leases (not Austwide clients) across WA has shown that many may not be in compliance.

Are you operating in compliance?

Contact Steve Milner

(<u>steve@austwidemining.com.au</u>) to discuss whether you are operating in compliance with the new reforms.