



Mining Law Update

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MINING AMENDMENT BILL 2004

The Mining Amendment Bill 2004 ("the Bill") was introduced into State Parliament recently. The Bill is to amend the Mining Act 1978 and if passed will result in the most fundamental changes to the Mining Act for more than 25 years.

The Bill proposes the following amendments:

- ▶ Introducing an ability to extend the term of a prospecting licence for one further period of 4 years. For prospecting licences where "retention status" (see below) has been approved more than one extension will be possible.
- ▶ Proposed changes to exploration licences, such as:
 - the Minister may extend the term of an exploration licence for one period of 5 years, followed by further periods of 2 years;
 - larger exploration licences in designated areas of the State;
 - compulsory surrenders of exploration licences will be due only once, at the end of the 5th year of the term;
 - the partial surrender required will be 40% in lieu of the present 50%; and
 - the Minister will have the ability to defer a partial surrender of an exploration licence for a period of 12 months.
- ▶ Allowing the holder of a prospecting or exploration licence to apply for the licence to be approved as "retention status" where a resource has been identified but is not economic at present. If retention status is granted, annual expenditure conditions may be replaced with compliance with an approved work programme.
- ▶ Introducing a new statutory condition to require prior approval for any proposed use of mechanised equipment on a prospecting licence, exploration licence, mining lease or retention licence
- ▶ Introducing a scheme to allow current applicants for mining leases to revert their applications to exploration licences or prospecting licences. Applications that are "reverted" will be expedited under the Native Title Act on signing of a standard indigenous heritage agreement by the tenement holder.
- ▶ Introducing a requirement that an application for a mining lease must be accompanied by either a mining proposal or a "statement" outlining mining intentions and a mineralisation report.
- ▶ Increasing the number of special prospecting licences which an individual may hold from 3 to 10. Also, lifting the restriction on the number of special prospecting licences allowed per primary tenement. However, the primary tenement holder will control this potential increase as subsequent applications will need the primary tenement holder's consent before they may be granted.
- ▶ Introducing a requirement to lodge a standard security in respect of all tenements.
- ▶ Introducing a requirement to lodge geological samples (including drill core) collected from tenements, when requested.
- ▶ Distinguishing between the different roles of the warden and the warden's court.
- ▶ Introduces auditing of Form 5's.

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