

Operational Policy

Project-based permit administration

MIN/2015/1252
Policy number 8/2012
30 June 2019
Version 1.02

Purpose

This policy provides guidance to industry on the processes and expectations about how a project based exploration permit is defined; how project based permits will be conditioned and how an application to vary the conditions of a project based permit will be assessed.

This policy is written to:

- provide guidance and clarity to both applicants and departmental officers;
- promote consistency of tenure administration and regulation across the state; and
- increase the department's timeliness and efficiency of processing exploration permit applications and requests.

The information contained in this policy does not override legislative requirements, and reflects current practices within the department. These practices may change from time to time with all changes to be published through a revised version of this policy.

Policy Determination

Relevant legislation

This policy relates to the following sections of the MRA:

- s. 139 Periodic reduction in area of exploration permit
- s. 141 Conditions of exploration permit
- s. 141C Application to vary conditions of existing permit
- s. 392 Substantial compliance with Act may be accepted as compliance.

These sections are to be considered when conditioning a project based exploration permit or assessing an application to vary the conditions of an exploration permit.

What is a project and what would qualify for project consideration?

To have exploration permits (EPs) considered part of a project, holders must substantiate why the EP, when looked at together with other EPs, can qualify as a project. Only EPs held by the same tenure holder will be considered for project-based administration and management.

A project may be defined as a local group of EPs situated within a specific geological terrain that has a unifying exploration concept or proposed development outcome and that are individually integral to the whole resource economic concept.

The separate parts of the project may be adjacent EPs or may be separated by a maximum distance of 50-100 kilometres, depending on the unifying concept or commodity.

Some examples of what may be termed a project include but are not limited to:

- A group of EPs that are being explored for, and/or are producing a commodity in a geological unit/s (or sequence) using a particular geological model even though the EPs are separated from each other.
- A group of EPs that are for the same mineral/s and have different geological models, but will utilise a central processing site when progression is made to a mining lease.

- A group of EPs that have different target commodities but form part of the same value added project with centralised infrastructure - such as limestone, coal, iron, and chromium, for the production of steel or other refinery products.
- A group of EPs exploring for different coal types in different portions of the same basin / sub-basin, and using the resources for blending for the export market.
- A logical demonstrable reason that a group of local EPs can be linked as an integral group for exploration and reporting purposes.

Some examples of what is unlikely to be termed a project:

- A group of EPs that do not have a common linking element such as a geological concept, processing plant, target market, or product.
- A group of EPs linked by a common objective but having a totally separate and unlinked project embedded within the tenure which comprise the main project.
- A group of EPs that are for different minerals and under different geological concepts and do not have a linking element such as common processing or product.

EPs within the first three years of their initial term

Generally EPs which are in the first three years of their initial term may not be considered for project based administration and management. However, if an EP holder is seeking to apply their relinquishment requirement to an alternative permit, they may apply for project consideration in the first three years of the initial term.

If the EP holder is granted project based consideration in the first three years of the term, it will only apply to their relinquishment condition. Project consideration **will not** apply to the work program condition until the first three years of the initial term is complete.

Making your application

The permit holder must supply in writing to the Mining Registrar and include justification as to what and why EPs should be managed as part of a project.

The submission should contain:

- project name;
- current EPs in the project;
- EPs to be included;
- targeted minerals;
- contact company name and address; and
- justification for inclusion in a project.

Conditioning project based exploration permits

All EPs are subject to the **work program and relinquishment conditions policy**. This policy recognises that compliance with a work program and/or expenditure should be assessed in year three of the EP term and at the renewal, rather than on a yearly basis. This policy provides freedom to the EP holder to comply with their program of work and expenditure commitments over a longer period.

EPs will continue to be assessed individually, but proponents may also use participation in an approved project to spread the individual program of work and expenditure commitments over the range of project EPs. This gives an EP holder even greater freedom to meet their commitments, as EPs that are a part of a project may use the extension of the individual programs of work and expenditure commitments to demonstrate compliance.

Varying the conditions of project-based exploration permits

Under s.141C of the MRA an EP holder may apply to the Minister to vary the conditions of an EP.

The department is aware that many larger exploration and mining programs are administered by proponents on a project basis. This contrasts with the MRA and departmental systems, which manage EPs on an individual basis.

All applications to vary will be subject to the requirements of the **application to vary conditions of an exploration permit policy**. EP holders may use their involvement in a project to satisfy prerequisites of a variation request under this policy. However the Minister's assessment of an application made by a project based EP holder may include consideration of the participation of an EP the subject of the application, in a project comprised of a number of related EPs.

The permit holder will be required to supply exploration expenditure details (conditioned and actual), relinquishment schedule (conditioned and actual) and the reporting status details for each EP in any project.

Important note: Consideration for project-based EPs does not restrict the Minister from taking non-compliance action pursuant to s. 160 of the MRA where it is considered there has been contravention by the holder of an EP.

Availability:	External
Location	Business Industry Portal
Owner:	Georesources Division
Date of this Version	30 June 2019
Review Date	30 June 2021
Approving Authority	Deputy Director General
Related documents	This policy should be read in conjunction with Application to vary conditions of an exploration permit and Work program and relinquishment conditions operational policies.
Contact:	<p>For help and information contact the Coal or Mineral Assessment Hub:</p> <p>Phone: (07) 4936 0169 Email: CoalHub@dnrme.qld.gov.au</p> <p>Phone: (07) 4447 9230 Email: MineralHub@dnrme.qld.gov.au</p> <p>For technical support contact the MyMinesOnline Helpdesk. Telephone: +61 7 3199 8133 Email: mines_online@dnrme.qld.gov.au</p> <p>8.30am – 4.30pm (AEST) Monday to Friday on Queensland business days.</p>

Disclaimer

The purpose of this policy is to provide a framework for consistent application and interpretation of the legislation administered by the department. Policies may be applied flexibly where individual circumstances require an alternative application of policy. Where this policy, or part of this policy, is inconsistent with relevant legislation, the legislation will prevail to the extent of the inconsistency. While this document has been prepared with care it contains general information and does not profess to offer legal, professional or commercial advice. The Queensland Government accepts no liability for any external decisions or actions taken on the basis of this document. Persons external to the Queensland Government should satisfy themselves independently and by consulting their own professional advisors before embarking on any proposed course of action.