Relinquishment guideline

A guideline about the relinquishment requirements for exploration resource authorities
Relinquishment guideline


The relinquishment requirements that commenced under the Natural Resources and Other Legislation Amendment Act 2019 (NROLA) on 25 May 2020 do not apply to authorities to prospect (ATP) granted under the Petroleum Act 1923 or to ATPs granted prior to 24 May 2020.

Key information

This guideline relates to the reduction in area of an exploration permit (EP) and a relinquishment of area from an ATP, geothermal permit (EPG) and greenhouse gas exploration permit (EPQ). The associated requirements vary across all resources legislation.

The periodic reduction of 50% of the area of an EP (mineral, coal or special) occurs before the end of year 5 and, if renewed, at the end of year 10 (section 139(1) of the MRA).

The standard relinquishment for an:

- The relinquishment requirements that commenced under the Natural Resources and Other Legislation Amendment Act 2019 on 24 May 2020 do not apply to ATPs granted under the Petroleum Act 1923.
- ATP is 50% of the original notional sub-blocks by the end of the relinquishment day; i.e. by the end of year 6 (section 66 of the P&G Act);
- EPG is 33.33% of the original sub-blocks of the EPG before the end of each period of 5 years after the EPG was granted (section 109 of the GEA Act); and
- EPQ is 8.33% of the original sub-blocks for each year before the end of the work program period (section 72 of the GHG Act).

The holder of an EP may voluntarily reduce the area of an EP at any time during the term.

The holder of an ATP, EPG or EPQ may relinquish more than the area that is required for an ATP, EPG or EPQ at any time during the period.

The area that is voluntarily reduced from an EP or relinquished from an ATP, EPG or EPQ may be counted towards the relinquishment requirement for that authority – including a relinquishment requirement associated with the remainder of that term or with a future term.

For EPs that are current at the commencement of the NROLA, there is only one relinquishment point, which is 5 years after the first renewal is made after commencement. At this point a relinquishment of 50% of the area is required. Where a holder reduces more than 50% of the area, the additional percentage of the area is carried over to the next relinquishment. For example, if the holder of an EP that comprises 100 sub-blocks, reduces the area by 60 sub-blocks (instead of the required 50 sub-blocks) at the end of 5 years, the holder will be required to reduce the area by 40 sub-blocks at the end of the second term.
Reduction in area of an EP

The periodic reduction of 50% of the area of an EP (mineral, coal or special) occurs before the end of year 5 and, if renewed, at the end of year 10 (section 139(1) of the MRA).

The holder of an EP may voluntarily reduce the area of an EP at any time during the term. Under section 139(4), the percentage of the area that is voluntarily relinquished (under section 140) or the area of an EP reduced as a result of the grant of a higher tenure (under section 177), the area may be counted towards the periodic reduction required under section 139(1). For example, if the area of an EP is voluntarily reduced by 40% at the end of year 3, a reduction of only 10% will be required at the end of year 5 to satisfy section 139(1).

The periodic reduction in the area of an EP may be deferred where an application for a higher tenure has been made and has not been decided before the reduction is due.

The area to be reduced for an EP or an ATP may be delayed in limited circumstances – due to an exceptional event or because of circumstances arising from the EP or ATP forming part of an exploration project.

Relinquishment requirements may be managed via MyMinesOnline or a written request can be submitted detailing the sub-blocks to be reduced from an EP, or blocks or sub-blocks to be relinquished from an ATP.

The holder of an EP must, within three months before the day before the five year anniversary of the grant of the EP (i.e. 5 years after the date the area of the EP must be reduced) make a submission to the chief executive identifying the sub-blocks of land to which the EP will apply after the reduction.

You can view your relinquishment schedule through the Permit Registration Report in MyMinesOnline, which provides the dates for each relinquishment.

The area remaining after the reduction must consist of one or more whole sub-blocks. The reduction will take effect on the anniversary day, five years after the grant of the EP, and ten years after the grant of the EP, if the EP is renewed. You must lodge a relinquishment report with the department via QDEX within two months after the area is reduced.

The reduction of sub-blocks is a condition of an EP granted under the MRA. If the reduction does not occur, the EP may be cancelled or other legislative enforcement action may be undertaken.

Application to vary a relinquishment requirement – exploration projects

The holder of an EP may apply to vary the relinquishment requirement only if the EP is part of a project that has been given exploration project status or if there has been an exceptional event to justify varying the relinquishment requirement.

The holder of an EP that is considered to be part of a project may apply to reallocate the relinquishment requirement of an EP over one or more other EPs that are within the project area.
For example, if a variation is approved and all or part of the relinquishment requirement for EP1 is reallocated to EP2 in the same exploration project, relinquishment still occurs on the relinquishment day for EP1 (even if the relinquishment day for EP2 was not yet due), and on the relinquishment day for EP2 50% relinquishment is still required, not counting the area relinquished on behalf of EP1.

Holders should make an application to vary the relinquishment requirement of an EP as soon as they become aware of the need for the amendment but to facilitate timely assessment, an application should be made at least three months before the end of the year to which the changes would apply.

When applying to vary an EP relinquishment requirement, the holder must have an approved exploration project, or earlier applied for project approval (with the application for project approval still under assessment by the department), and should provide supporting documentation including a statement detailing:

- the variation sought (i.e. year of tenure, prescribed areas and proposed areas, project-based administration); and
- any changes to technical or human resources to support the new rationale.

Refer to Operational Policy, Project-based exploration administration, MIN/2015/1252, May 2020, Version 1.03 for further detail on acquiring exploration project status.

### Relinquishment for petroleum, geothermal and greenhouse gas storage exploration resource authorities

The relinquishment requirements for petroleum, geothermal and greenhouse gas storage exploration resource authorities are set out in the applicable legislation.

Below is a summary of the different requirements for these types of resource authorities:

<table>
<thead>
<tr>
<th>Resource authority</th>
<th>Act</th>
<th>Relinquishment method</th>
<th>Area to be relinquished</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority to prospect (ATP)</td>
<td>Petroleum and Gas (Production and Safety) Act 2004</td>
<td>By sub-blocks or blocks and must be of at least 1 block</td>
<td>50% of the area initially granted</td>
<td>At least at the end of year 6 and remaining 50% at the end of year 12</td>
</tr>
<tr>
<td>Geothermal permit (EPG)</td>
<td>Geothermal Energy Act 2010</td>
<td>By whole blocks or sub-blocks</td>
<td>33.33% of the area initially granted</td>
<td>At least every five years during the term of the EPG</td>
</tr>
<tr>
<td>Greenhouse gas permit (EPQ)</td>
<td>Greenhouse Gas Storage Act 2009</td>
<td>By whole blocks</td>
<td>8.33% of the area initially granted</td>
<td>Annually, or 33% every 4 years, depending on relinquishment schedule for the EPQ</td>
</tr>
</tbody>
</table>
The usual\textsuperscript{1} or standard relinquishment\textsuperscript{2} will take effect on the next day after the relinquishment day (this does not include sub-blocks that are deferred, pending a decision on a higher tenure application).

A relinquishment schedule for a usual or standard relinquishment can be viewed through the Permit Registration Report in MyMinesOnline, which provides the dates for each relinquishment and defines how many blocks/sub-blocks are required for each relinquishment.

A relinquishment report must be lodged with the department via QDEX no less than six months after your scheduled relinquishment. If the relinquishment conditions of a resource authority are not met, the resource authority may be cancelled or other legislative enforcement action may be undertaken.

An ATP holder that is locked out due to an overlapping coal resource authority may apply under section 60 of the P&G Act to amend the work program for the authority. Under section 62(4), the relinquishment day may be deferred for a period that relates to the circumstances for the approval to amend the work program.

The application must be lodged at least six months before the end of the approved work program period for the ATP. Applications lodged less than six months from the end of the approved work program period will be considered less favourably. It is recommended that pre-lodgement and post lodgement meetings are held with an assessment officer of the department to assist in timely assessment and decision making.

**Holder of an ATP, EPG or EPQ may relinquish more area than required**

At any stage, a holder may relinquish more than the area that is required, under the usual or standard relinquishment condition, by giving a relinquishment notice to the chief executive. The notice must identify the blocks or sub-blocks of land to which you no longer want the resource authority to apply.

The number of blocks or sub-blocks to be relinquished should be selected from your resource authority.

The relinquishment condition is taken to have been complied with if:

For an ATP:

- the ATP holder gives a relinquishment notice for all of the balance;\textsuperscript{3} and
- the ATP ends if all of the area of the ATP is relinquished;\textsuperscript{4}

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\textsuperscript{1} Petroleum and Gas (Production and Safety) Act 2004, s 66.

\textsuperscript{2} Geothermal Energy Act 2010, s 109; Greenhouse Gas Storage Act 2009, s 72.

\textsuperscript{3} Petroleum and Gas (Production and Safety) Act 2004, s 68(2).

\textsuperscript{4} Petroleum and Gas (Production and Safety) Act 2004, s 71.
• the only way to comply with the relinquishment condition is to relinquish all or part of the potential commercial area for the ATP.

For an EPG:

• the EPG holder gives a relinquishment notice for all of the balance;\(^5\) and
• the only way to comply with the relinquishment condition is to relinquish all or part of the potential geothermal commercial area for the EPG.\(^6\)

For an EPQ:

• the EPQ holder gives a relinquishment notice for all of the balance;\(^7\) and
• the only way to comply with the relinquishment condition is to relinquish all or part of the potential storage area for the EPQ.

An application for voluntary relinquishment resulting from sole occupancy by an ML (coal) holder in an overlapping area must include a notice from the ML (coal) holder issued under section 120 of the MERCP Act. The voluntary relinquishment takes effect on the date it is approved.

**Application steps for MyMinesOnline**

<table>
<thead>
<tr>
<th>What you need to do</th>
<th>Supporting information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log in to MyMinesOnline, select Change permit area, then Relinquish area under the I want to... options at the right of the My dashboard tab. Information on Mining Tenure types and the relevant forms are also available to download.</td>
<td>Permit identification number</td>
</tr>
<tr>
<td>1. Enter a permit identification, by typing the permit identification number for the relinquishment in and select Next</td>
<td>The sub-blocks to be relinquished</td>
</tr>
<tr>
<td>2. Review the permit details on the Permit summary page and select Next or Back to enter a different permit identification number.</td>
<td>Signed letter of consent by the holder/s</td>
</tr>
<tr>
<td>3. Review the information provided on the Identify sub-blocks to relinquish page and deselect the sub-blocks to be relinquished by unticking the relevant sub-block boxes in the table.</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** This page displays a table of sub-blocks for the permit. The sub-blocks that are ticked will be retained, the sub-blocks not ticked will be relinquished. Inactive sub-blocks are not included in the permit and cannot be actioned. The sub-block information panel displays a real-time count of how many sub-blocks have been relinquished (all totals are adjusted as the deselections are made).

\(^5\) Geothermal Energy Act 2010, s 114(2).

\(^6\) Geothermal Energy Act 2010, s 115(2).

\(^7\) Greenhouse Gas Storage Act 2009, s 76(2).
4. Select **Save** (a records successfully saved message confirms the changes. Select **Next** to proceed. A secondary message confirms the changes have been saved before continuing, select **OK** to continue and Cancel to return to the screen and save relinquished sub-blocks.

5. Review the sub-blocks that have been selected for relinquishment and confirm the details are correct. Select **Back** to change the sub-blocks or **Next** to proceed with the relinquishment.

6. Attach a signed **consent of all holders** and a justifying statement (if you are lodging a nil relinquishment) and select **Save**.

**NOTE:** Refer to Permit administration guide for acceptable consent formats.

Environmental authority applications must be lodged directly with the Department of Environment and Science (DES) using the Connect system or lodging a paper application.

7. Select **Submit**.

**NOTE:** MyMinesOnline automatically calculates how many blocks/sub-blocks you are required to relinquish and your next relinquishment date. It will also automatically determine if it is a scheduled relinquishment (i.e. within 60 business days of your next relinquishment date). Anything outside of this time period will be treated as a voluntary relinquishment.
Document information

Availability: External

Location: Business Industry Portal

Owner and approver: Deputy Director-General, Georesources Division

Review date: May 2022

Related documents: This guideline may be read in conjunction with the following:
The relevant tender documents relating to a call for tenders for an EPC or an ATP, made by the Minister for Natural Resources, Mines and Energy – see QTenders website.

Contact: For help and information contact the Coal or Mineral Assessment Hub:

Phone: (07) 4936 0169
Email: coalhub@dnrme.qld.gov.au

Phone: (07) 4447 9230
Email: MineralHub@dnrme.qld.gov.au

Phone: (07) 3199 8118
Email: petroleumhub@dnrme.qld.gov.au

For technical support contact the MyMinesOnline Helpdesk.
Telephone: (07) 3199 8133
Email: mines_online@dnrme.qld.gov.au

8.30am – 4.30pm (AEST) Monday to Friday on Queensland business days.