

LEGISLATIVE COUNCIL
Question On Notice

Thursday, 24 August 2017

314. Hon Robin Chappie to the Minister for Regional Development representing the Minister for Mines and Petroleum

I refer to land, the subject of exploration licences, not to be again marked out for a certain period of three months and the *Mining Act 1978*, and ask:

- (a) can the Minister explain how the State Government of Western Australia benefits from not allowing any person within a period of three months, who was the holder of the exploration licence immediately prior to the date of the surrender of the tenement, from then marking out and applying for another prospecting licence or exploration licence over part of or the same area;
- (b) if no to (a), why not;
- (c) can the Minister explain what is the functional purpose of section 69(1) a of the *Mining Act 1978* aimed at achieving;
- (d) if no to (c), why not;
- (e) can the Minister explain what is the definition and meaning of the word "interest" used in section 69(1) b which does not appear to be defined under the *Mining Act 1978*;
- (f) if no to (e), why not;
- (g) can the Minister explain what is the functional purpose of section 69(1) (b) of the *Mining Act 1978* aimed at achieving;
- (h) if no to (g), why not;
- (i) can the Minister explain what is the functional purpose of section 69 (1)(c) of the *Mining Act 1978* aimed at achieving;
- (j) if no to (i), why not;
- (k) can the Minister explain what is the functional purpose of section 69(2) under the *Mining Act 1978* in relation to the holding of shares in a listed public company aimed at achieving;
- (l) if no to (k), why not;
- (m) can the Minister explain how a exploration licence tenement holder, a person who has an "interest" or a person who is "related to the holder", would benefit from not having to comply with section 69(1) parts (a) to (c) of the *Mining Act 1978*;
- (n) if no to (m), why not; and
- (o) does section 69(2) of the *Mining Act 1978* apply to proprietary limited companies which are not listed or only listed public companies?

Answer

- (a) Preventing the holder of an exploration licence immediately prior to its relinquishment (either through surrender, forfeiture or expiry) from then marking out and applying for a prospecting licence or exploration licence over part of or the same area within a period of three months enables any other interested parties the opportunity to mark out and apply for the land as a prospecting licence or exploration licence. This ground turnover principle encourages ongoing prospecting or exploration for mineral resources, giving other parties the opportunity to apply different methodologies in the search for economic mineral resources within the State. The discovery and development of new economic resources is in the State's interest. It is therefore in the State's interest to encourage ground turnover for prospecting and exploration purposes.
- (b) Not applicable.

- (c) The purpose of section 69(1)(a) of the *Mining Act 1978* is to enable other interested parties the opportunity to secure title to the ground and carry on the search for the State's mineral resources and prevent the previous holder party from hoarding ground under prospecting or exploration title.
- (d) Not applicable
- (e) The dictionary definition of an interest includes; *a share in the ownership of property, in a commercial or financial undertaking, or the like, any right of ownership in property, commercial undertakings, etc., the relation of being affected by something in respect of advantage or detriment.* I refer to section 119(2) of the *Mining Act 1978* which states: *A legal or equitable interest in or affecting a mining tenement is not capable of being created, assigned, affected or dealt with, whether directly or indirectly, except by an instrument in writing signed by the person creating, assigning or otherwise dealing with the interest.*
- (f) Not applicable
- (g) The purpose of section 69(1)(b) of the *Mining Act 1978* is to prevent a person with an interest in a relinquished exploration licence from hoarding ground under prospecting or exploration title, and enable other interested parties the opportunity to secure prospecting or exploration title to the ground and carry on the search for the State's mineral resources.
- (h) Not applicable
- (i) The purpose of section 69(1)(c) of the *Mining Act 1978* is to prevent the previous holder party or interested party from hoarding ground under prospecting or exploration title, through the use of a relation, and enable other interested parties the opportunity to secure prospecting or exploration title to the ground and carry on the search for the State's mineral resources.
- (j) Not applicable
- (k) The purpose of section 69(2) of the *Mining Act 1978* is explicit; that the holding of shares of a public listed company does not of itself mean each of those shareholders have an interest in the exploration licence. Shareholders therefore are not disqualified from applying for the ground relinquished as an exploration licence immediately after its relinquishment merely because they hold shares in the public listed company.
- (l) Not applicable
- (m) Non-conformance with the provisions of section 69(1) of the *Mining Act 1978* would enable the former exploration licence holder, a person who has an "interest" or person who is "related to the holder" to pick up the ground immediately on the surrender, forfeiture or expiry of the exploration licence thereby preventing any other party from picking up the ground so that it may be further explored or mined in terms of answer (a) above.
- (n) Not applicable
- (o) Section 69(2) explicitly applies to a listed public company only.

