ADVICE TO LESSEES

HOW DO I APPLY?

You will need to put a ***Marking Out Notice*** on a post on one corner of the area you wish to have as a Mining Lease. You must then send in a copy of the Marking Out Notice and a Mining Lease Application to Mineral Resources Tasmania (MRT). The application must be submitted within seven days of you marking out the land.

Fill out the ***application form***. **Applications that are not complete will not be accepted**.

WHAT DO I INCLUDE IN THE APPLICATION?

There is a checklist at the back of the application form to assist you. The level of detail will vary depending on the complexity or scale of the proposed operation. Applications must include information on:

1. The available resource. For metallic, industrial or fuel minerals applicants should provide a resource estimate according to the Joint Ore Reserves Committee (JORC) Code preferably in part to Indicated or higher status.
2. The proposed mining activities. (Your application will be processed more quickly if you also include a completed ***Environmental Impact Information*** form and a Mining Plan).
3. The financial and technical resources available to the applicant. Applicants should demonstrate that they have the resources necessary to undertake the proposed mining activities.
4. The likely impact on the environment. Applicants should provide information on surrounding land use, threatened species and likely impacts on the environment. Geological risks may be summarised in the application or in the Mining Plan. An environmental management plan will be required for a permit under the *Land Use Planning and Approvals Act 1993*. (Applications for permits are made to the local council).

A Mining Plan must be included with the application. If it is not supplied you will be required to provide one. A completed ***Environmental Impact Information (EII)*** form will often suffice for smaller scale operations. The EII form is based on the *Quarry Code of Practice*, and is designed to assist applicants prepare a mining plan and provide self assessment of small-scale quarry developments.

Applications for larger scale quarries, or for mineral developments with low geological or environmental risk, should provide plans and a report based on the EII. (MRT should be consulted in such cases). Contents of the EII are as follows:

- ☐ Material to be extracted and resources
- ☐ Royalty
- ☐ Public safety
- ☐ Public liability insurance
- ☐ Operation summary
- ☐ Site selection and planning
- ☐ Access
- ☐ Staging of operations
- ☐ Clearing and progressive rehabilitation
- ☐ Site plan
- ☐ Noise and dust control
- ☐ Blasting
- ☐ Excavation and disturbance benching
- ☐ Noxious weeds and plant diseases
- ☐ Drainage and erosion control
- ☐ Waste disposal and storage
- ☐ Rehabilitation
- ☐ Revegetation

The Mining Plan should include a schedule and timing of proposed work and include plans and drawings where appropriate and describe:

1. The location, geological setting, mineral resource, access to the lease and to the site.
2. The overall design plan of major infrastructure including mine, concentrator or treatment plant, maintenance or service facilities, waste and tailings storage.
3. The mining method, whether open cut, underground, strip, alluvial etc., with a description of its major features and required infrastructure, waste handling and surface stockpiling.
4. Ore treatment and transport. A general description of the proposed treatment method should be provided, including tailings storage and handling.
5. The water requirements for the operation, together with drainage provisions and environmental infrastructure.
6. Stages of development and rehabilitation.
7. Rehabilitation and closure provisions. Progressive rehabilitation should be considered wherever possible. If a long-term mining program is proposed conceptual rehabilitation and closure provisions should still be provided.
8. The geological risks in developing the mining plan and its potential environmental impacts. These should be separately discussed or be included in the description of the elements of the mining plan. Subjects may include slope stability, acid drainage, other induced salinity, groundwater impacts and interaction with surface water. Ore treatment should consider the complexity of the ore, which may result in adverse mineral recovery, contaminants or disposal of tailings.

WHAT IF MORE THAN ONE PERSON APPLIES FOR THE SAME AREA?

If the applications are complete, the person who marks out the land first has priority.

WHAT IF SOMEONE OBJECTS TO MY APPLICATION?

If any objections to the application are received the matter will be referred to the Mining Tribunal.

WHAT IF THE APPLICATION IS OVER PRIVATE LAND?

If you own the land you will need to provide proof of ownership of the land.

If you do not own the land you will need to provide a copy of a **compensation agreement** between you and the landowner before the mining lease can be granted.

If a lessee and a landowner are unable to agree on compensation then either party may have the matter referred to the Mining Tribunal.

WHAT IF MY APPLICATION AREA IS HELD UNDER AN EXPLORATION LICENCE?

If your mining lease application is for the same category of minerals as that held under exploration licence over the same area you will need the permission of the licence holder to lodge your lease application.

DO I NEED TO SUPPLY A SECURITY DEPOSIT?

You must provide a security deposit to cover the cost of rehabilitation or environmental liability. The amount required will be determined by MRT and will reflect the cost to government for carrying out rehabilitation in the event of default by the lessee. The amount is determined according to proposed stages of development and rehabilitation in the mining plan, hence applicants are encouraged to provide information on stages of development and rehabilitation. Simple applications are included in the EII assessment. Complex assessments are based on *MRT Bond Calculations Development of a Methodology GHD Pty Ltd 2006*.

Crown Land attracts a $200 per hectare basic security deposit.

ASSESSMENT OF APPLICATIONS

The Minister may only grant an application for a lease if satisfied that the applicant:

(a) has demonstrated that there is sufficient quantity of minerals to justify mining;

(b) intends to mine;

(c) intends to comply with the *Mineral Resources Development Act 1995*;

(d) has an appropriate mining plan;

(e) is likely to have sufficient financial and technical resources to carry out the mining plan;

(f) has provided the Director with sufficient information relating to the likely impact on the environment;

(g) if the application is in respect of private land, has entered into a compensation agreement with the owner or occupier of the land; and

(h) has provided a security deposit.

If an applicant fails to comply with these provisions the Minister is unable to grant the application.

WHEN CAN I START MINING?

If the Minister grants your application for a Mining Lease you will be advised and provided with a lease document. You may not start mining until the lease has been granted and you have also obtained a Land Use Permit under the *Land Use Planning and Approvals Act 1993*.

You will also need to abide by all other legislative requirements including the:

(1) *Industrial Relations Act 1984*.

(2) *Workplace Health and Safety Act 1995*.

(3) *Environmental Management and Pollution Control Act 1994*.

(4) *Fire Service Act 1979*.

(5) *Dangerous Goods Act 1998*.

REHABILITATION ON THE LEASE

The Mining Plan must also provide for rehabilitation of the land to be disturbed by mining. Staging of or progressive rehabilitation is generally required. Soil conservation, drainage and erosion control, revegetation and weed management are required.

If you rehabilitate the leased area to the satisfaction of MRT then your security deposit will be returned at the cessation of mining.

DO I NEED TO REPORT PRODUCTION AND PAY ROYALTIES?

You will need to fill in and return a Production and Royalty Return every quarter. The form will be mailed to you by MRT. Even if there is no production you must return the form.

Royalties are payable where the Crown owns the minerals.

AREA OF APPLICATION

The area of land to be comprised in a lease will be determined by the size and location of known mineral reserves and may include land for the establishment of treatment plants, freshwater dams, ore stockpiles, tailings dams and any other infrastructure associated with the mining operation.

Mining leases should be in the shape of squares or rectangles, with boundaries based on either magnetic or grid north. Where this is impractical applicants should consult with Mineral Resources Tasmania to discuss acceptable alternatives. Roads, rivers or private property boundaries may also be used as mining lease boundaries in some circumstances.

DESCRIPTION OF LAND IN APPLICATION

If possible, evidence from the Lands Titles Office of the Department of Primary Industries and Water in relation to the parcels and owners of land should be submitted with the application.

If applicable, the background tenure of the parcels of land in which the lease application is situated, including the access land, should be described as in the following examples:

(Purchased)		*(Crown Land)*	
Title Reference/Plan No.:	**24478 /2**	Title Reference/Plan No.:	-
Tenure:	**Private Property**	Tenure:	**State Forest** **Multiple Use Forest Land**
Land District:	**Devon**	Land District:	**Cornwall**
Locality:	**Beaconsfield**	Locality:	**Fingal**
Current Usage:	**Rural/Residential**	Current Usage:	**Extractive Industry**

EXCLUSIONS TO WORKING AREAS

A lessee may not work on private land within 100 m of the surface of any natural lake, artificial lake, dam, reservoir, water producing well or artificial pond without the consent of the owner or occupier of the land.

A lessee may not work within 200 m of an occupied dwelling without the consent of the owner or occupier of the dwelling.

SIGNATURES

If an agent is signing the application form on behalf of an applicant or applicants, the agent must produce written evidence of his authority to sign the form and act for the applicant/s.

Where the applicant is a company, the application form should be signed in accordance with the Articles of Association of the company.

REPORTING

You must keep records of the following and produce them on demand:

(a) the quantities and values of products sold or held in stock;

(b) the quantities of ore and waste mined and ore treated;

(c) the sources of ore and waste mined and details of waste disposed of;

(d) details of any mine development undertaken;

(e) details of any process development;

(f) a breakdown of any capital expenditure;

(g) the operating costs of any mining and exploration carried out;

(h) number of people employed (direct or contract labour);

(i) details of ore reserves and resources in accordance with the standards as published in the Joint Ore Reserves Committee (JORC) Code.

EXPLORATION ON LEASES

If you want to undertake exploration activities on your lease in areas outside the area covered by the Mining Plan you must seek written permission from MRT and report on the exploration work. Reports are to be to the standard set out in the MRT brochure *Mineral Tenements — Guidelines for Reporting*. Exploration activities must be in accordance with the *Mineral Exploration Code of Practice*.

COMPLIANCE WITH QUARRY CODE OF PRACTICE

You must comply with the *Quarry Code of Practice*. Where conditions of the lease or a permit issued under the *Land Use Planning and Approvals Act 1993* are in conflict with the Code, the permit or lease conditions shall take precedence.

BUFFER ZONES AT EDGE OF LEASE

You must ensure that an adequate stable buffer zone of at least ten metres from any private property and/or lease boundary is maintained throughout the life of the lease. You may only encroach into the buffer zone with the prior written approval of an Inspector of Mines.

PUBLIC LIABILITY INSURANCE

You are to take out public liability insurance and keep it current throughout the term of the lease, indemnifying the Minister and the Lessees respective liability for:

- ☐ personal injury to, or death of a third party;
- ☐ either or both loss of, or damage to, property of a third party; and
- ☐ financial loss of a third party;

arising from, or attributable to, the Lessee's occupation or use of the lease area.

FIRE

You are to take care with the use of fire during mining operations. Take immediate action to suppress any fire that commences on the lease area during mining operations for which there is no permit.

You must only burn material in accordance with the *Fire Service Act 1979*.

RENEWAL OF A LEASE

A mining lease may be renewed. Prior to the expiry of a lease you will be sent a reminder. If you wish to renew the lease you will need to fill in the application for renewal. The security deposit will be reviewed at the time of renewal.

PUBLIC SAFETY AT MINE CLOSURE

Where an excavation, building, equipment, stockpile or dam on a mining lease ceases to be used for mining operations, the lessee is responsible to remove any hazards which may exist. Such work must be carried out to good engineering practice. At closure rehabilitation will also be required under lease and permit conditions.

Safety provisions should be incorporated into the rehabilitation works.

(a) Access for persons and vehicles to areas of potential hazard shall be removed or blocked.

(b) Shafts, adits, portals, stopes and other underground excavations, which intersect the surface of the land, shall be filled in or covered or fenced. Any fence shall be constructed of durable, robust materials and be secure. A prominent notice showing the position of the excavation shall be erected in the immediate vicinity of the excavation showing its location.

(c) Excavations, open cuts and quarries shall be graded, filled or reworked to reduce their height or otherwise left in a condition to remove any hazard. Where materials are potentially unstable, such as stockpiles and faces of overburden, waste and other material, they shall be graded or otherwise re-worked to leave a stable slope.

(d) Dams, sumps and ponds shall be breached, emptied or filled in. There may also be closure requirements through dam approvals under the *Water Management Act 1999*. Safety provisions should be incorporated into the rehabilitation works.

(e) Buildings and equipment shall be demolished and the materials removed. Chemicals shall be removed.

CULTURAL HERITAGE AND ALTERNATIVE USE

Cultural heritage at the time of mine closure may be a consideration. Works or arrangements may be required to retain buildings or features of historic interest.

NOTICE OF CLOSURE

You must give the Director of Mines three months notice of your intention to cease mining operations, and provide MRT with plans of the lease showing the excavations, buildings, equipment, stockpiles, dams and access routes on the mining lease and the provisions made under this regulation to remove any hazards.

NOTICE OF TEMPORARY CLOSURE

Where a temporary closure of mining operations is proposed for a period of 60 days or more, the lessee must provide the Director with the safety precautions to be taken during the period of closure.

ADDRESS FOR CORRESPONDENCE AND LODGEMENT OF FORMS

Mineral Resources Tasmania

Post:
PO Box 56
Rosny Park
Tasmania 7018

Street Address:
30 Gordons Hill Road
Rosny Park
Tasmania 7018

Telephone: (03) 6233 8377
Facsimile: (03) 6233 8338
Email: info@mrt.tas.gov.au

FURTHER ADVICE MAY BE OBTAINED BY CONTACTING:

Senior Mine Leasing and Liaison Officer
Phone: (03) 6233 8356

Leasing & Rehabilitation Officer
Phone: (03) 6233 7218

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