

SECURITY DEPOSITS – GUIDELINES

A security deposit must be lodged before any mineral tenement can be granted to ensure that there will be sufficient funds available for the remediation of the exploration or mining activities should the licensee or lessee default on their obligations.

All or part of a security deposit may be forfeited should the licensee fail to complete an agreed exploration program, or if the licensee fails to comply with a condition of the licence.

Acceptable forms of security deposits are either cash or a Bank Guarantee.

The Bank Guarantee must be from an authorised deposit-taking institution regulated by the Australian Prudential Regulation Authority (APRA) under the *Banking Act 1959* and must be appropriately authorised to issue the guarantee.

Security deposits are held until either replaced by another security deposit or formally released once rehabilitation obligations have been discharged.

BANK GUARANTEE

Bank Guarantees must be set up as follows:

Customer/Provider: The tenement holder.

Favouree: Minister administering the *Mineral Resources Development Act, 1995* (Tas)
(ABN 36 388 980 563)
c/- Mineral Resources Tasmania
PO Box 56, Rosny Park Tasmania 7018

Purpose: *“to cover obligations on mineral tenement(s) (Tenement Number) granted under the Mineral Resources Development Act, 1995 in the State of Tasmania.”*

Expiry: Bank Guarantees must not include an expiry date and should be payable on demand.

Bank Guarantees must be:

- From an authorised deposit-taking institution regulated by the Australian Prudential Regulation Authority (APRA) under the *Banking Act 1959* and must be appropriately authorised to issue bank guarantees in Australia under Australian law.
- An original document on the financial institution’s corporate stationery signed by authorised officers of the financial institution; or
- An original document executed with the seal and signatures of authorised officers of the financial institution accompanied by an original letter from the financial institution issuing the guarantee certifying the authenticity of the document.
- An address for the relevant branch of the financial institution for notices **must** be included.
- All fees for the setup and maintenance of the Bank Guarantee are the responsibility of the client.

CASH DEPOSIT

- Cash deposits, lodged either by cheque, credit card or Direct Deposit are held in Mineral Resources Tasmania's Cash Deposit Trust Account.
- Mineral Resources Tasmania does not charge fees or pay interest on cash deposits.

MULTIPLE TENEMENTS

- Where a licensee holds multiple licences, a single Bank Guarantee covering the total value of the required security deposits may be lodged. Mineral Resources Tasmania will record administratively the amount of the security deposit held against each licence.
- Similarly, lessees holding more than one lease may lodge a Bank Guarantee for the total amount of the security deposits that are required.

PAYMENT DETAILS

All cheques are to be made payable to Mineral Resources Tasmania.

Direct Deposit payments may be made as follows:

BSB	037 001
Account Number	259881
Bank	Westpac
Account name	Building Tasmania

If paying by direct deposit, please email payment details to info@mrt.tas.gov.au, including:

- The relevant tenement(s) numbers; or
- The invoice number(s); or
- A clear description of the purpose of the payment; and
- The name, address and contact details of the payer should we need to verify the payment details.

FURTHER ASSISTANCE

For further assistance, please contact the Tenement Administration Team by phone or email, or visit the Mineral Resources Tasmania website.

Phone 03 6165 4800
Email info@mrt.tas.gov.au
Website www.mrt.tas.gov.au