Minerals Exploration and Mining

The following information is from the link below including power point presentation by Andrew Radojkovic for Mineral Exploration in Victoria


Defining minerals

The MRSD Act defines minerals as substances which occur naturally in the earth’s crust. They include both metallic minerals such as gold and base metals, and non-metallic minerals such as gypsum, kaolin, zircon, rutile, ilmenite, coal and coal seam methane.

Minerals do not include petroleum (oil and gas), which is administered under the Petroleum Act 1998. Nor do they include stone, such as hard rock, sand, gravel and clay, which are extracted by the state’s extractive industries (quarries).

Who owns the Minerals?

- Crown - issues rights to access minerals (ie: Licences).
- Mineral Resources (Sustainable Development) Act 1990
  - EL – right to explore for minerals
  - MIN – right to commercially produce (mine) minerals

Go to link below for map of mineral deposits
http://www.communityovermining.org/mineral_deposits.pdf

Exploring for mineral resources

Includes:
- conducting geological, geophysical and geochemical surveys
- drilling
- taking samples for the purpose of chemical or other analysis
- recovering minerals from land, other than for the purpose of producing them commercially
- in relation to an exploration licence, anything else (except mining) that is specified in the licence.

Exploration on Private Land

Prior to commencing work, a licensee must:
- obtain landowner consent (informed verbal or written), or
- make and register a compensation agreement.

Licensing and Work Approvals - Two Stage Process

Stage 1: Licence Grant
- Only Low Impact exploration can be undertaken without further approvals
Matters the Decision Maker considers

s15(6) – an applicant for a licence must satisfy the Minister that the applicant:
   a) is a fit and proper person to hold the licence; and
   b) intends to comply with this Act; and
   ba) genuinely intends to do work; and
   c) has an appropriate program of work; and
   d) is likely to be able to finance the proposed work and rehabilitation of the land.

s24 – Any person may object to a licence being granted....in writing....include the grounds on which the objection is made.

s25(2) – the Minister may grant or refuse a licence after considering any objections made under section 24.

Stage 2:

- Approval to commence Work (Work Approval EL)

Exploratory drilling

Exploratory drilling only takes place if mineralisation has been indicated by prior inspection (approximately one in 10 exploratory projects involve drill tests). Small holes, usually less than 15 centimetres in diameter, are made in rock and/or soil to obtain samples of materials at depth. These samples are extracted for the purposes of chemical or other analysis, rather than commercial production.

Community Engagement (s39A)

If a licence is granted, a licensee has a Duty to Consult:
   • Applies throughout term of licence
   • Share information with the community
   • Allow community to express views about activities

Provides opportunity for licensee to:
   • seek, listen to and consider community feedback.
   • be aware of community attitudes and expectations.

In the case of mining, the licensee is also required to develop a formal Community Engagement Plan as part of the Work Plan (s40)

Work Plan (s40)

Describes the work to be undertaken - includes:
   • Site plans & description
   • Rehabilitation
   • Environmental Management
   • Community Engagement (Mining)
   • Other requirements
     • eg Native Vegetation, Aboriginal Cultural Heritage
   • Review and comment by relevant agencies- who input into the conditions of the Work Plan
   • Standard Conditions – covers all environmental, amenity and locality concerns
   • Conditions of approval – address specific issues

Compliance audited by DPI

→ Minerals exploration and mining in Victoria: Landholder information booklet
Compensation (s85)
Compensation may be payable for:
- deprivation of possession of land
- damage to land or improvements
- severance of land
- loss of amenity
- loss of opportunity to make improvements
- decrease in market value

Current mineral exploration licences – November 2011

Current mining licences – November 2011
<table>
<thead>
<tr>
<th></th>
<th>Exploration Licence</th>
<th>Mining Licence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rights to?</td>
<td>explore for minerals</td>
<td>commercially produce (mine) minerals</td>
</tr>
<tr>
<td>Objection process?</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Is Mining permitted?</td>
<td>x</td>
<td>✓</td>
</tr>
<tr>
<td>Area reduction?</td>
<td>✓ year 2 (25%) and year 4 (35%) (leaves 40% of granted area after Y4)</td>
<td>x</td>
</tr>
<tr>
<td>Planning Consent?</td>
<td>x</td>
<td>✓ Planning Permit (PP) or Environmental Effects Statement (EES)</td>
</tr>
<tr>
<td>Work Plan required?</td>
<td>✓ for all but low impact exploration</td>
<td>✓ for all but low impact exploration</td>
</tr>
<tr>
<td>Rehabilitation Bond?</td>
<td>✓ If Work Plan</td>
<td>✓ If Work Plan</td>
</tr>
<tr>
<td>Consent / Compensation prior to work commencing?</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Public Liability Insurance</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Work Authority</td>
<td>x</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Mining**

- Opportunities for public input:
  - To object to the application (like ELs) – prior to grant
  - To have input to the planning process (PP or EES) – prior to work approval
  - Where other approvals are required ie; EPA Works Approval or Licence; Licence under the Water Act etc, there may also be opportunities for public input.

- Mining Licence on Agricultural land:
  - s26A ‘statement of economic significance’ which articulates:
    - proposed benefits from mining and
    - the benefits from use of land for agricultural purposes (see Environmental Defenders Office for advice, [http://www.edovic.org.au/](http://www.edovic.org.au/))
  - Statement provided to landholder/occupier
  - Landholder/occupier may request Minister excise land from licence
  - Minister decides which activity has greater economic benefit to Victoria

**Further Information**

Community Engagement: Guidelines for Mining and Mineral Exploration in Victoria  

DPI  