

Landholders' Rights - Common Questions

What is exploration?

The purpose of exploration is to identify the quantity and quality of resources and to determine the viability of proceeding to mine the resource.

An exploration licence gives the licence holder exclusive rights to explore for specific minerals within a designated area but it does not permit mining, nor does it guarantee a mining lease will be granted.

Only a very small percentage of land that is subject to exploration licences ever proceeds to a mine.

Read more about [exploration](#).

How do I know if an exploration licence has been applied for over my land?

After lodging an application, the applicant is required to publish notification in both a newspaper circulating state-wide and in a newspaper circulating in the locality of the proposed exploration area.

Information in relation to areas held under exploration licences or applications for exploration licences can be obtained from the Department's on-line Title services at the following online applications:

- [Minview](#)
- [Tasmap](#)

If there is an exploration licence over my land can I add any improvements, i.e., shed, house, dam etc?

An exploration licence does not prohibit you from making improvements on your land.

Refer to section 62 of the *Mining Act 1992* for further information in relation to improvements.

What does an exploration licence entitle the holder to do?

An exploration licence gives the holder the exclusive right to explore for the minerals specified in the licence.

It does not automatically entitle the holder to enter any of the lands in the area covered by the licence without a prior access arrangement with the landholder.

Landholders' Rights - Common Questions

What rights do I have as a landholder?

No landholder should suffer a loss resulting from interference to the operations of his or her enterprise without compensation.

The normal rights and courtesies associated with private ownership of property are to be protected.

An access arrangement must provide compensation for loss or interference. Read more about [land access arrangements for mineral exploration](#).

It may include provisions to minimise loss or interference (such as measures to prevent the introduction of disease or weeds), or take into account periods of crop harvesting or animal breeding.

Can the exploration licence applicant immediately commence work?

No. Until the application is granted and access arrangements have been negotiated with the respective landholders, an applicant cannot carry out any on ground exploration.

No exploration activities can take place on land claimable under the provisions of the Commonwealth's *Native Title Act 1993* before the right to negotiate process has been completed.

What happens when we reach agreement regarding access and compensation?

Once an exploration licence has been granted and access arrangements are in place, a licence holder can commence exploration.

The licence contains strict conditions designed to minimise the effects of exploration on the environment and to ensure rehabilitation of disturbed areas.

A substantial security deposit is held by NSW Trade & Investment, Resources & Energy (the Department) to ensure that all conditions are complied with.

The licence allows limited exploration activities without further notification and approval of the Department.

The required level of expenditure on exploration varies depending upon the size of the licence area and the minerals being explored.

The licence holder must submit regular reports to the Department on exploration carried out.

Landholders' Rights - Common Questions

What methods are likely to be used in the exploration program and what impact will they have on my land?

An exploration program involves conducting research before concentrating on very specific areas of interest.

Initial work may involve a visit by a geologist or technical officer to walk the area and undertake geological mapping of rock outcrops. Small samples may be gathered from streams, rocks or soil for chemical analysis.

If an area of interest is identified during this initial phase, further testing may occur.

This may involve additional sampling for analysis and geophysical exploration (the collection of information on subsurface geology by using electronic instruments).

Most of these techniques do not involve significant disturbance of the ground.

If resources are indicated, the next phase of exploration may involve drilling activities usually using truck mounted drill rigs.

There is generally only a minimal area of disturbance, if any, to allow for the preparation of a safe drill site.

All disturbed areas must be fully rehabilitated to strict environmental standards.

Will my land be left in a mess?

No. Strict conditions are attached to exploration licences which require any sites of disturbance to be rehabilitated.

The Department holds a substantial security deposit to be used in case the licence holder fails to rehabilitate the area to the Department's satisfaction.

How long will the licence be granted for?

The term of an exploration licence depends on what type of mineral is being explored.

An exploration licence for non-coal minerals is generally granted and renewed for terms of two years, while exploration licences for coal are generally granted and renewed for terms up to five years.

Petroleum exploration licences may be granted and renewed for terms up to six years.

Landholders' Rights - Common Questions

Will this exploration inevitably lead to a mine?

No. Only a very small percentage of land that is subject to exploration licences ever proceeds to a mine. Exploration in most cases does not lead to the discovery of a viable mineral deposit.

How does the company obtain the right to mine?

If exploration identifies a deposit of an economic size and grade, the titleholder must obtain development consent and a mining lease before mining can commence.

Coal and petroleum developments are classified as State Significant Development projects and are therefore subject to the *Environmental Planning and Assessment Act 1979* and require approval of the Minister for Planning before they can commence.

An application needs to be lodged with the NSW Department of Planning & Environment and requires an Environmental Impact Statement to be prepared.

The Environmental Impact Statement is a comprehensive document that covers issues such as air quality, noise, transport, flora and fauna on the site, water management, methods of mining and rehabilitation.

Extensive public consultation requirements are also associated with this process, with community members encouraged to make submissions on the application.

This material is reproduced from the NSW Government: Trade & Investment, Resources & Energy website at:

http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/landholders-rights/common_questions

This material is for general information only. You should seek assistance from a legal officer if you require more specific advice on matters relating to the *Mining Act 1992*.

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