



# **The Hon Chris Hartcher**

## **Minister for Resources and Energy**

### **Special Minister of State**

### **Minister for the Central Coast**

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## **MEDIA RELEASE**

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Wednesday 13 July 2011

### **NSW GOVERNMENT TO CONDUCT STATE-WIDE AUDIT OF EXPLORATION LICENCES**

The NSW Government will undertake a state-wide audit of all coal and coal seam gas exploration licences as part of the staged implementation of its Strategic Regional Land Use Policy.

Minister for Resources and Energy, Chris Hartcher today announced the audit would involve a desktop analysis of existing licences to identify areas of non-compliance.

“Inconsistencies or non-compliance may require the licence holder to provide any necessary additional information and may prompt further examination. Further investigations of specific licenses may also be warranted,” Mr Hartcher said.

“This is an important step in ensuring transparency and proper process in the award and application of exploration licences. The full audit process is expected to be completed by November this year.”

Mr Hartcher also announced a steering committee would develop a revised fees structure to remove major cash payments for exploration licences. Project-related fees would only be paid where the project passes stringent assessment requirements and obtains a Mining Licence.

“Under the former Labor Government, the community rightly felt that fair process was at risk with hundreds of millions of dollars demanded at the exploration stage.

“We are now working to implement a system where fees paid will be based on a pre-determined ‘Schedule of Fees’ and based on the scale and tonnage of the approved mine.

“Exploration licences will only be granted based on pre-determined criteria including the ability to implement best practice environmental standards, as well as safety performance and management,” Mr Hartcher said.

The new framework will also examine the applicant’s ability to develop the mine, economic credentials to carry out exploration activity and sustain the potential mining project over the life of the mine, and the proximity of existing licence holders and operators.

“The NSW Liberal & Nationals Government will also consult with the community prior to the tender for a Coal or Coal Seam Gas Exploration Licence.

“We are committed to balancing the rights of landowners and the expectations of miners but ultimately, the community must be the first to hear about any exploration activity,” Mr Hartcher said.