



Environmental Management Principles

CRITERIA FOR CANCELLATION OR NON RENEWAL OF MINING LEASES

1. INTRODUCTION

In its accepted role as a steward of the State's mineral resources, the Department of Mineral Resources aims to maximise the amount of land available for responsible mineral exploration and development in NSW. The Department has an existing Policy Statement (1996) regarding this – see below.

To ensure a clear, consistent and transparent approach to implementing this policy, the Department has recently developed a brief "Criteria for Cancellation or Non Renewal of Mining Leases in NSW" statement. This is reproduced below for the information of all stakeholders in the State's minerals industry.

2. POLICY STATEMENT

1. The Department aims to maximise the amount of land available for responsible mineral exploration and development in a fair and transparent manner.
2. The Department will review individuals' or companies' claims on the State's mineral resources, to ensure that the people of New South Wales derive maximum benefits from development of these resources.
3. Legitimate mining and employment creation projects will not be impeded.
4. Cancellation should not occur if continuation of leases is deemed to be of strategic importance to the State.
5. Dormant leases should not stifle exploration and resource development.
6. Dormant leases which are part of bona fide mining operations should be preserved. (bona fide mining operations may also include clay mines and granite quarries, etc which are market dependent on production and may have infrequent demand).
7. The Department will develop and implement fair and effective procedures for ongoing monitoring of performance of mining lease holders.
8. Lease cancellation (and assessment lease application) is preferred to conversion of a mining lease to an assessment lease - which is administratively impractical.
9. Hobby mining under a mining lease should not be encouraged (Mineral Claim is appropriate title).
10. The Department aims to minimise the negative environmental, safety and aesthetic impacts that inactive mine sites may have on the community.

3. CRITERIA FOR CANCELLATION OR NON RENEWAL OF MINING LEASES IN NSW (June 2001)

Circumstances when the Department will consider cancellation or non renewal of inactive mining leases

Cancellation or non renewal will be considered where the following circumstances apply:

- No significant mineral production has been recorded in the past five years.
- Non-compliance with lease conditions (eg, no Mining Operations Plan in place; failure to comply with Mining Operations Plan; failure to lodge required lease security).

The following *extenuating factors* may be taken into consideration by the Department:

1. Leaseholder can clearly demonstrate that lease will commence/return to production within two years.
2. Continuation of the lease is of strategic importance to the leaseholder's long-term mining plans and the Department determines that this is also in the best interest of the responsible development of the State's mineral resources.
3. Leaseholder can demonstrate to the Department's satisfaction that effective prospecting operations are being conducted on the lease area.

For further information and contact details see www.dpi.nsw.gov.au/minerals
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