



MEDIA RELEASE

MINERALS COUNCIL OF AUSTRALIA – Victorian Division

MINERS QUESTION NEED FOR NEW VIC MINING LAWS

The Minerals Council of Australia, Victorian Division today questioned whether the Minerals Resources Amendment (Sustainable Development) Bill introduced into Parliament today by the Minister for Energy and Resources, the Hon Peter Batchelor, will increase exploration activity in the State.

The Bill seeks to amend the licencing arrangements for exploration licences in Victoria and to make a number of relatively minor amendments to improve the operation of the Mineral Resources (Sustainable Development) Act.

Mr Chris Fraser, Executive Director, Victorian Division said: “The minerals industry in Victoria does not see the need to amend the exploration licencing requirements but does support the other amendments proposed such as the introduction of a retention licence, the improved landowner consent provisions and the improved work plan approval processes.”

“The proposed changes to the exploration licence arrangements are claimed to be necessary to make Victoria more attractive to investors by increasing the turn-over of licences. For its part, the industry cannot reconcile this government objective with the current reality and is extremely concerned that the amendments create a sovereign risk issue for companies that have invested significant resources in assembling their exploration licence portfolios from a piecemeal of historic mining and exploration tenements.”

“Any reasonable analysis of Victoria’s exploration industry shows that it is performing at about the mid range of the industry in other States. For example, explorers in Victoria spend a comparable amount per square kilometre of exploration licence each year to that done in other states and the success of turning exploration results into mine development expenditure is about average when compared with other states.”

“Unfortunately, the proposed changes to exploration licences will not improve these metrics; the existing laws simply need to be effectively administered to encourage greater investment.”

“Further, there is no queue of explorers wanting access to land held by others. In fact, the extent of Victoria covered by exploration licences is above average when compared with other states which would indicate that we have a healthy interest in exploring in the state.”

“The minerals industry supports the introduction of the proposed retention licence as an intermediary between an exploration licence and a mining licence and we look forward to being consulted extensively during the development of practical guidelines.”

“The MCA calls upon the Government to modify the amendment Bill to remove the unwelcomed sovereign risks to the exploration licencing provisions.”