

Opal Prospecting Licence Conditions for OPA 4

June 2018

Conditions of an Opal Prospecting Licence for Opal Prospecting Area 4

Section 229 of the *Mining Act 1992*

I, pursuant to Section 229 of the *Mining Act 1992*, determine the Opal Prospecting Licence Application No ## by granting the opal prospecting licence described in Schedule 1 to **Holder** subject to the conditions set out in Schedule 2.

These conditions are required to:

- ensure the mineral bearing capacity of the licence area is adequately researched;
- prevent, minimise, and/or offset adverse environmental impacts;
- ensure the area disturbed by prospecting activities is appropriately rehabilitated.

The rights and duties of a Licence Holder are those prescribed by the *Mining Act 1992*, subject to the terms and conditions of this Licence. This Licence does not override any obligation on the Licence Holder to comply with the requirements of other legislation and regulatory instruments unless specifically provided in the *Mining Act 1992* or other legislation or regulatory instruments.

SIGNED

For The Secretary

Lightning Ridge: 00/00/0000 File No: #####

Schedule 1

Description of Licence

Licence Number #####

Land: The land within Opal Prospecting Block number ## as depicted on the attached plan.

Exclusions: Any portion of the land identified as an Excluded Area as depicted on the attached plan.

Minerals in respect of which Licence is granted: Opal

Term: 28 days

Expiry Date: 00/00/0000

Schedule 2

Conditions

Definitions

For the purposes of these conditions:

Access Management Plan means the Access Management Plan under Part 10A of the *Mining Act 1992* that is in force in relation to the subject area.

department means the Department of Planning & Environment, Division of Resources & Geoscience.

Drill Hole Log Sheet means the current version of the publication of The Secretary titled "Opal Prospecting Licence – Drill Hole Logs", as attached.

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Environmental Incident Report means a report in accordance with Departmental guidelines titled: ESB28: Environmental Incident Reporting Requirements Version 1.0 dated 22-10-07.

Environmental Management Report means a report prepared in accordance with the Guidelines titled: EDG12: Small Mine Annual Environmental Management Report Guideline - 2012. A copy of these guidelines is available on the Department website www.resourcesandgeoscience.nsw.gov.au or free of charge from the Lightning Ridge office.

holder means the holder of the licence or any person acting with the authority of the holder of the licence.

land disturbance includes removal of topsoil and native vegetation including grasses, dry litter, dead timber and rocks located on the subject area.

licence means the opal prospecting licence described in Schedule 1.

prospecting operations means the operations identified in Appendix 1.

subject area means the land described in Schedule 1 less any exclusions described in Schedule 1.

General Conditions

Note: The holder must comply with the relevant provisions of all relevant mining, safety and environmental legislation.

1) The holder must conduct prospecting operations on the subject area only.

Note: The holder must notify the landholder of their intention to commence prospecting before any prospecting can be carried out.

2) The Licence Holder may apply to The Secretary to have additional Operations added to the list of Approved Operations (Appendix 1).

3) The holder must comply with the publication of the Department of Industry and Investment titled "A Code of Conduct for Land holders and Opal Miners and Prospectors in the Narran-Warrambool Reserve Lightning Ridge".

4) The holder must comply with the Access Management Plan.

5) The holder must ensure that the subject area is effectively prospected.

6) The holder must take all precautions to prevent the outbreak of fires.

7) The holder must cease operations immediately if directed to do so by an authorised officer of the Department.

8) Any drilling rig used in connection with operations under the licence must be registered with The Secretary. The holder must:

a) Notify The Secretary and landholder of each rig that will be used in the subject area prior to the rig commencing operations.

b) Clearly display the registration number for each rig used on the subject area must be clearly displayed at all times on both sides of the drilling rig at a height of at least 1.5m above ground level and on the roof of the vehicle to which the drilling rig is attached.

Note: If more than one rig will be used on any given day to carry out prospecting operations on the licence area, additional security is required before the additional rigs can operate (See Appendix 2).

Safety Conditions

9) Operations are to be carried out in a manner that does not endanger the safety of any persons, stock or native fauna.

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- 10) All shafts and drill holes are to be protected as per requirements included in the Department publication titled “Safety – Minimum Standards for Securing Shafts and Auger Holes”.
- 11) Any shaft or drill hole is to be filled as soon as it ceases to be used, as per requirements included in the Department publication titled “Rehabilitation Standards for Cancelled Claims” under the section heading “New Fields”.

Operational Conditions

Landholder’s consent

- 12) The holder must not, without the prior consent of the landholder conduct any operations:
- on the land or within 50 metres of any land used as a garden or orchard.
 - on the land or within 200 metres of the principal homestead of a property.
 - on the land or within 200 metres of a woolshed, a shearing shed or stock watering place.
 - on the land or within 50 metres of the land, a significant improvement other than an improvement constructed or used for mining purposes and for no other purposes.
 - that interfere with fences on or adjacent the subject area.

Note: Despite any consent of a landholder to the operation described in clause 12), relevant legislative requirements must be observed.

- 13) The holder must not interfere with fences on or adjacent to the subject area except with the written consent of the landholder of the land.

Access

- 14) The holder must:
- use existing tracks wherever available and minimise the creation of new tracks;
 - allow free and uninterrupted access along any road or existing track within the licence area;
 - ensure the stability of any track is not compromised by reason of the holder’s operations and must restore the surface of any road or track to its original condition on completion of prospecting operations and prior to the expiry of this licence;
 - minimise the use of any road or track on the area during wet weather and minimise any damage to all roads and tracks.
- 15) The holder must leave all gates, whether within or outside the licence area, in the state in which they were found before use, unless otherwise directed by the landholder or in accordance with the Access Management Plan.

Infrastructure

- 16) The holder must not conduct prospecting operations within ten (10) metres from, the centre line of any road, fence, telephone line, or power line.
- 17) The holder must not:
- bring onto, or keep on the licence area, any dog(s), or bring any dog(s) onto areas in the vicinity of the OPL or other areas of OPA4 used in association with the carrying out of mining operations.
 - deposit any refuse except in properly constructed containers.
 - prevent the access of stock to any watering places or their approaches.
 - interfere with any well, water pump, dam, pipeline, tank, bore or bore drain, windmill or existing tank drains.

Environmental Conditions

- 18) The holder:
- must limit land disturbance to the minimum necessary to conduct prospecting operations.

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- b) must not interfere with the flow of water in any stream or watercourse
 - c) must not drill within 10 metres of a natural drainage line.
 - d) must not clear or damage any hollow bearing tree.
 - e) except as provided in f), must not clear any tree or shrub, including dead standing timber, with a trunk or branch diameter of seventy-five (75) millimetres or more (measured at a height of one metre from ground level), without the approval of The Secretary.
 - f) may only clear White Cypress (*Callitris glaucophylla*), Black Cypress (*Callitris endlicheri*) and Mulga (*Acacia aneura*) species where the trunk diameter is less than two hundred (200) millimetres (measured at a height of one metre from the ground).
 - g) must take all precautions to prevent the movement of plant material or seeds of noxious weeds into or through the subject area.
Note: Vehicles must be checked so that spines and plant segments of species such as "Hudson Pear" are not introduced to any new areas.
 - h) must ensure that all persons authorised by them to conduct prospecting operations under this licence have completed the Safety Awareness and Environmental Awareness Courses conducted by the Department.
- 19) Prior to the expiry of this licence the holder must:
- a) rehabilitate all disturbed areas to the satisfaction of The Secretary.
 - b) not limiting the generality of a) the holder must;
 - i) remove all mullock not required for rehabilitation purposes
 - ii) remove all machinery and leave the licence area in a clean and tidy condition.

Environmental Reporting

20) The Licence Holder must lodge an Environmental Incident Report with The Secretary for any incidents causing or threatening material harm to the environment.

For the purposes of this condition, harm to the environment is material if:

- a) it involves actual or potential harm to the health or safety of human beings or to ecosystems that is not trivial, or
 - b) it results in actual or potential loss or property damage of an amount, or amounts in aggregate, exceeding \$10,000.
- Loss includes the reasonable costs and expenses that would be incurred in taking all reasonable and practicable measures to prevent, mitigate or make good harm to the environment.*

21) The Licence Holder must lodge an Environmental Management Report (EMR) with The Secretary as part of any application for cancellation of the licence, or at the expiry of the licence. The EMR must be prepared in accordance with Departmental guidelines to the satisfaction of The Secretary.

Exploration Reporting Conditions

22) The holder must lodge with the The Secretary after the completion of the term of licence the following Reports:

- a) All Drill Hole Log Sheets; and
- b) All Drill Hole Plans.

23) The holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print, adapt and reproduce all reports lodged in any form and for the full duration of copyright.

24) The holder must record the results of all drilling by the completing all the information requested on the Drill Hole Log Sheet, for each drill hole. The Drill Hole Log Sheet must be completed to the satisfaction of The Secretary.

25) The holder must create a suitable plan or plans to show the location of all drill holes. The plan(s) must be completed to the satisfaction of The Secretary and must include the following details:

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- a) An arrow indicating the direction of magnetic North;
- b) The Boundary of the subject area;
- c) Prominent features including main roads/tracks, fences, tanks, bores, opal fields, survey marks, 140 m contour (boundary between red and black soil); and
- d) The location and number of each hole (or group of holes) shown by relevant GPS coordinates.

Security

26) The holder must not carry out any activity identified in Appendix 1 unless the appropriate level of security, calculated in accordance with Appendix 2, has been lodged, as security for the fulfilment of the holder's obligations arising under the *Mining Act 1992* in relation to the licence.

Appendix 1

Approved Operations

1. Any of the following operations conducted for the purpose of testing the mineral bearing qualities of the subject area:

- a) geological mapping and airborne surveying,
- b) sampling and coring using hand-held equipment,
- c) geophysical (but not seismic) surveying and downhole logging,
- d) auger drilling up to a diameter of 250mm; and
- e) sampling of drill cuttings.

2. The following operations conducted for the purpose of testing the mineral bearing qualities of the subject area:

- a) auger drilling or calweld drilling up to a diameter of 1200mm, limited to a maximum of four (4) holes.

Note: The operation in paragraph 2 is only approved after the lodgement of additional security in accordance with Appendix 2.

Appendix 2

Security

1. For each rig carrying out operations described in paragraph 1 of Appendix 1, an amount of Five Hundred Dollars (\$500)/rig must be lodged; or
2. For each rig carrying out operations described in paragraph 2 of Appendix 1 (whether in addition to or, instead of those described in paragraph 1 of Appendix 1), an amount of Five Hundred dollars (\$500)/rig must be lodged.

To avoid any doubt, if more than one rig will be operating on the subject area on any given day during the term, the appropriate level of security must be lodged for each rig. For example, if three rigs will be operating on the subject area on an given day, and one will be carrying out 250mm auger drilling (operations described in paragraph 1 of Appendix 1) and 2 will be carrying out calweld drilling (paragraph 2 Appendix 1 operations), a total amount of \$1500 (\$500 for the first rig and \$500 each for the other two rigs) must be lodged before all rigs can operate.

If two rigs will be used but never on the same day, the appropriate level of security is whichever is the higher amount required for the two rigs. For example, if a rig breaks down and an additional rig is brought in but the two never operate on the same day, the security required is that which is appropriate for the rig operating at the time.

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Note: It is an offence to carry out prospecting in contravention of the conditions of this title. If operations are being carried out without the appropriate level of security being lodged, the titleholder may be liable for a penalty of up to \$110,000.00.

I/WE HEREBY ACCEPT THE OPAL PROSPECTING LICENCE AND AGRE TO BE BOUND BY ITS PROVISIONS, CONDITIONS AND STIPULATIONS.

X..... X.....

Date..... Date.....

Licence Holder(s)

Witness