

April 2025

Frequently Asked Questions

Critical Minerals and High-Tech Metals Exploration Program Drilling, Geophysics and Geochemistry

What is the Critical Minerals and High-Tech Metals Exploration Program?

The Critical Minerals and High-Tech Metals Exploration Program (the Program) is part of the NSW Government initiative to drive mining investment in NSW by co-funding explorers in NSW to search for deposits of metallic minerals including critical mineral and high-tech metals.

The objective of the Program is to support the long-term sustainability of the NSW resources sector by encouraging mineral exploration and discovery to:

- ensure a sustainable economic resource pipeline for the state, particularly in greenfield and near mine site areas of the state
- test new geological ideas and models and
- identify new deposits of Group 1, 6 and 10 minerals under the Mining Act 1992, with a focus on deposits of NSW Priority Metals as identified in the Strategy, and
- strengthen relationships between government and industry.

The Program aligns with the NSW Government's commitment to promote mineral exploration in the [NSW Critical Minerals and High-Tech Metals Strategy](#) by incentivising greenfield exploration and driving discovery of new critical minerals resources by investigating potential resources from secondary mine output sources.

The Program is modeled on the former New Frontiers Exploration Program and the New Frontiers Cooperative Drilling Program and the scope is now extended to include exploration geophysics and geochemistry.

Why has the program been expanded to geochemistry?

Exploration geochemistry is one of the fundamental datasets of mineral exploration. Most mineral exploration programs rely on geochemistry as part of the suite of exploration techniques used for mineral exploration.

The inclusion of exploration geochemistry in the Critical Minerals and High-Tech Metals Exploration Program recognises the vital contribution that exploration geochemistry makes to mineral exploration programs.

Am I eligible to apply if I am being investigated for breaches under the *Mining Act 1992*?

No. Any personal, business, or probity risks that could cause reputational or other risks to the NSW Government may make you ineligible.

You are required to declare whether you are currently under investigation. Providing false or misleading information in your application will render your application ineligible or invalid.

How is the grants program being delivered?

The Program will be delivered through an open-competitive application process. This process invites applications from eligible entities to compete for funding. This approach ensures that all applicants are assessed against the same criteria, promoting fairness and transparency.

What types of projects can be funded?

The Program is being delivered across multiple project types:

- **Exploration Geochemistry:** Sampling programs which aim to identify geochemical anomalies or targets that warrant further exploration and that have a high potential for the discovery and development of economic mineral deposits. *For example, soil and stream sediment sampling, vegetation sampling, ground water sampling*
- **Exploration Geophysics:** Acquisition using geophysical techniques used to locate and map geophysical anomalies in the earth's crust to advance further exploration and that have a high potential for the discovery and development of economic mineral deposits. *For example, airborne and ground geophysical surveys (magnetics, gravity, electrical methods)*
- **Exploration Drilling:** Drilling programs (with a focus on deep drilling) that seek to further define targets that have a high potential for the discovery and development of economic mineral deposits and have the potential to accelerate investment in the resources sector. *For example, rotary, RAB/open hole, air core, RC and diamond drilling*

Applicants may apply for funding for multiple projects and multiple project types, however, a separate application must be submitted for each project and project type.

Example 1 (multiple project types):

“Organisation A” has a single project which involves Geophysics and Drilling at the same site. Both activities are eligible for funding under the Program.

Organisation A submits two separate applications for funding, one under the project type “Exploration Geophysics” and one under the project type “Exploration Drilling”.

Example 2 (multiple projects):

“Organisation B” is undertaking a program of drilling operations across multiple projects.

Organisation B submits multiple applications for funding under the project type “Exploration Drilling”.

The maximum amount that a single applicant can be funded (across multiple projects) is \$370,000.

Who can apply for funding?

To be eligible for funding, applicants must hold an Australian Business Number (ABN) and be registered for GST, hold a title under the *Mining Act 1992* and be one of the following:

- a company incorporated in Australia
- a company limited by guarantee
- an incorporated trustee on behalf of a corporate trust
- an incorporated association or co-operative
- a partnership
- a sole trader
- an Aboriginal and/or Torres Strait Islander Corporation registered under the Corporations (Aboriginal and /or Torres Strait Islander) Act 2006.

Who is not eligible for funding?

Ineligible organisations include:

- local councils or their Section 355 Committees
- Joint Organisations of Councils
- Australian or NSW Government agencies
- unincorporated associations
- businesses that are insolvent, bankrupt or subject to ongoing legal proceedings.

Are joint applications, or applications from consortiums allowed?

Applications from consortium are eligible. A lead applicant must be nominated and must satisfy the eligibility criteria. A letter of support is required from each organisation involved in the application.

Can I apply for funding under a subsidiary company?

No, the applicant must be the entity with which a funding deed is executed.

Can applicants apply for more than one grant?

Yes. Applicants are eligible to lodge multiple applications for each project type up to the maximum funding amount per stream. Applicants are eligible to apply to multiple streams, noting that the maximum funding per applicant is limited to \$370,000.

If an applicant is applying to multiple project types or multiple projects under each type, a separate application is required to be lodged for each type and project.

Applicants can apply for funding if they have been successful in previous rounds of the New Frontiers Exploration Fund and the New Frontiers Cooperative Drilling Program.

Applicants must provide a co-contribution of at least 50% of the total project cost. Other NSW Government grants cannot be used as co-contributions.

Is there a minimum or maximum grant amount?

Yes, each project type has a separate funding allocation, and minimum and maximum thresholds of funding for each application as per the table below:

Project Type	Total Funding allocation (GST exclusive)	Minimum Funding per application (GST exclusive)	Maximum Funding per applicant (GST exclusive)
Exploration Geochemistry	\$350,000	\$5,000	\$50,000
Exploration Geophysics	\$500,000	\$20,000	\$70,000
Exploration Drilling	\$1,650,000	\$50,000	\$150,000 for projects with a drilling depth of up to 250m \$250,000 for projects with a drilling depth greater than 250m

Is co-contribution required?

Yes, applicants must provide a co-contribution of at least 50% of the total project cost. Government co-funding will be to a maximum of 50% of the total, or up to the capped values for each project type.

Other NSW Government grants cannot be used as co-contributions.

Land access agreements

Applicants must have suitable land access arrangements at the time of application. Applicants will be required to provide evidence of land access arrangements to the Department as part of the application.

Does my project need to be based in NSW?

All applications must deliver, or have the potential to deliver, significant benefits to NSW and must be conducted in NSW.

Projects must relate to a resource located in NSW.

Is it necessary to hold a mineral title in NSW?

Yes, applicants must hold a relevant title in NSW under the *Mining Act 1992*.

What kind of projects are eligible for funding?

To be eligible for funding, the project must:

- align with the objectives of the Program
- support exploration for Group 1, 6 and 10 minerals under the *Mining Act 1992*
- be completed by 30 September 2027
- deliver, or have the potential to deliver, significant benefits to NSW.

Applicants may apply for funding under one or more of the three project types:

- Exploration Geochemistry
- Exploration Geophysics
- Exploration Drilling.

What kind of projects are not eligible for funding?

The following will not be eligible for funding:

- Resource definition drilling that is not exploration
- Rehabilitation of sites
- Research and academic studies
- Exploration for minerals not in Group 1, 6 and 10 minerals under the *Mining Act 1992*
- Geotechnical surveys
- Works that have been completed at the time that the Department notifies applicants of successful application by a Letter of Offer.

Do I need insurance?

Applicants must hold or commit to obtaining public liability insurance of not less than \$20 million prior to executing a Funding Deed.

Applicants must also hold relevant workers' compensation insurance and any additional insurance policies specified by the Department.

If the applicant does not have any employees, then workers compensation is not required.

What if the project has already commenced?

Applications can be made for projects that have already commenced; however, applicants are not eligible to claim funding for works that have been completed prior to receiving a Letter of Offer.

There is no promise of funding until both the applicant and the Department have executed a funding deed (and the applicant has met any other funding conditions).

Importantly, this means that any financial commitments you make for funded activities prior to the execution of a funding deed by the Department are made at your own risk.

What happens if the application is successful?

Successful applicants will be required to enter into a Funding Deed. The Funding Deed sets out the project delivery, reporting requirements and other obligations of the applicant and the Department, including terms of payment.

What are the reporting requirements?

Successful applicants will be required to submit quarterly reports to update the Department on the progress of the project.

Reports are submitted through the SmartyGrants portal and payment of grant funding is dependent on the submission of satisfactory reporting.

If I have a construction materials quarry, can I apply for funding?

No, projects must support exploration for Group 1, 6 and 10 minerals under the *Mining Act 1992*.

What can grant funds be used for?

Funding is only claimable for all direct costs of drilling, geophysical or geochemical survey costs as charged by a contractor and described in the relevant invoices.

The work must be directly related to the target described in the application.

Eligible costs for each project type include:

- **Exploration Geochemistry**
 - Survey costs including data acquisition and supporting costs
 - Sampling costs including contractor costs
 - Analysis and assay costs.
- **Exploration Geophysics**
 - Study costs including supporting costs
 - Acquisition and data processing.
- **Exploration Drilling**
 - Costs relating to drilling including supporting costs such as mobilisation
 - Drilling costs
 - Sampling costs including drill hole sampling and assays.

How will the applications be assessed?

The Department will assess each application on its merits and competitively against the other applications and provide a report to an Assessment Review Panel. The Assessment Review Panel will provide recommendations to the decision maker.

The Assessment Review Panel may consider principles including, for example:

- Alignment with the Strategy, including whether the project targets one or more of the identified NSW priority metals: Rare Earth Elements, Scandium, Cobalt, Copper and Silver
- the total amount of funding available
- previous and current compliance with relevant legislation and policy
- previous funding received under NSW Government funded projects
- viability of the outcomes
- geographical spread
- industry impact
- other factors deemed relevant or important in a regional context
- any personal, business and/or probity risks that could cause reputational or other risk to the NSW Government
- suitability of a project for other government funding opportunities
- alignment with other immediate and long-term NSW Government policies and strategies.

The Assessment Review Panel also may consider input from other NSW Government agencies or other sources (such as regulatory bodies and probity advisors).

An independent probity advisor will be present during Program Review Panel meetings. Funding recommendations made by the Program Review Panel will be considered and approved by the Department.

When will successful applications be announced?

Successful projects are expected to be announced in September 2025.

Who can I contact with questions?

Applicants can obtain support in preparing their applications, for example, technical support with online forms and practical guidance on eligibility or how to complete an application by contacting the Department:

Phone: (02) 4063 6860

Email: NSW.Resources@dpir.nsw.gov.au