

Government of South Australia
Department of State Development
Mineral Resources Division
Business Plan 2016-17



Government
of South Australia

Department of
State Development



test tool

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SAMPLE ID: LOW

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5199	5.29%	110
2307	2.30%	47
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Introduction

For more than 175 years, our mineral resources industry has made a significant contribution to the economic and social development of South Australia. The mining and quarrying sectors have been a major generator of jobs in our regions, an important employer for Aboriginal communities, and a driver of an equipment, processing, and supply services sector that leverages activity into new opportunities in global supply chain markets.

The Government of South Australia through the Department of State Development (DSD) actively encourages the sustainable development of our mineral resources under South Australia's *Economic Priority: Unlocking the full potential of South Australia's resources, energy and renewable assets*.

The Mineral Resources Division of DSD has the lead responsibility in Government for administering the State's mining legislation and managing South Australia's mineral assets including streamlined regulation of exploration, mining and quarrying activities which will attract investment that delivers balanced economic, social and environmental outcomes of sustainable benefit to the people of our State.

The Division is committed to principles of national standard setting, performance and risk-based and transparent regulatory practices, recognising that the exploration, mining and quarrying sectors require predictable procedures for access to land, security of exploration and/or mining tenure and predictable regulatory processes, in order to commit to higher risks for investment in exploration, new mine and quarry development and life-of-mine operations.

The Division also has the lead responsibility across Government for state-wide and regional programs of geoscience mapping and collection of mineral resources information and knowledge, which supports balanced land use decision-making and sustains private investment in exploration activity, leading to new discoveries and new mining developments. The Division's Geological Survey of South Australia mapping and investigation programs, Resource Information on-line SARIG information delivery and PACE Copper exploration programs together with the new world-class South Australia Drill Core Reference Library at Tonsley will play a vital role in the next two years in bringing forward new discoveries and developments.

The Mineral Resources Division Business Plan 2016-17 sets a visionary direction and outlines a strategic program of work within the resourcing constraints of DSD, that will further unlock the potential of South Australia's resource wealth.

Strategic portfolio initiatives

Deliver on the Government's economic priorities and the Department's strategic priorities -through continuous improvement, alignment of delivery and prioritisation of timely advice and services to the Office of Minister for Mineral Resources and Energy; DSD CE and DCE and across Government.

Proactive engagement across DSD and Government to deliver on:

- Achieving the objectives of the Economic Priority: Unlocking the full potential of South Australia's resources, energy and renewable assets.
- The Government response to Nuclear Fuel Cycle Royal Commission Report - recommendations 1-5.
- Supporting reform of Aboriginal Heritage legislation.
- Overseeing leading practice review of mineral resources legislation.
- The Government's strategic economic initiatives, specifically the outputs and outcomes for the Copper Strategy and PACE Copper.

KPI/MILESTONES

- Proactive delivery of advice and policy guidance on all aspects of the mineral resources industry.
- Delivery of speech notes, presentations, briefings and workflows to the Minister, Chief Executive and Deputy Chief Executive for all state, national and international mining sector events – estimated at more than 40 high profile presentations/events – 95% delivered on time and endorsed by Minister.
- **Economic Priority objective** – Create opportunity of 4 major announcements/releases at the state or national level to promote South Australia as a preferred destination for resource sector investment.
- **Nuclear Fuel Cycle Report** – response recommendations completed and endorsed on time (by quarter 2, 2016/17).
- **PACE COPPER** – delivery of major outputs/outcomes of the 2016/17 program with a progressive schedule of announcements/releases by the Minister for Mineral Resources and Energy.
- **Copper and Iron Ore Strategies** play lead role in progressively delivery of milestones.
- **Aboriginal Heritage Reform** – provide input into the development of regulations and guidelines under the Aboriginal Heritage (Miscellaneous) Amendment Act 2016.
- **Leading Practice Mining Acts Reviews** – Significant package of amendments tabled in 2017.

Strategic divisional initiatives

Leading Practice Mining Acts Review

Comprehensive review of mining legislation – (Mining Act, Opal Mining Act and Mines and Works Inspection Act) to facilitate creation of sustainable jobs and maximise economic and social benefits of resource development to all stakeholders.

KPI/MILESTONES

- Urgent amendments to Mining Act considered by Cabinet by end October 2016.
- Delivery of amendment package to Parliament by mid-2017.

Plan for Accelerating Exploration - PACE Copper

PACE Copper, the Government's \$20 million, 2 year exploration initiative is a critical upstream component of the State's Copper Strategy, driving the discovery of new high-quality copper resources and supporting the exploration industry to recover from the challenging global economic cycle of the last five years.

The outcomes of the comprehensive PACE Copper programs will drive exploration investment and discovery of the new high-quality copper resources required to meet the State's Copper Strategy goal of 1 million tonnes per annum of copper metal production by 2020.

KPI/MILESTONES

PACE Copper comprises four key work programs:

1. The **Next Generation Copper Discovery Program** will deliver data and information from geoscientific surveys in the highly prospective but under explored Gawler Craton including the world's largest geophysical survey program to encourage further exploration and investment in the Gawler Craton and South Australia's Copper Belt.

The major projects comprising this Program are:

- Gawler Craton Airborne Survey
 - Olympic Domain Airborne Electromagnetics
 - Olympic Domain Magnetotellurics
 - Mineral Systems Drilling Extension
 - 3D Data Integration Modelling.
- Tenders for major geophysical surveys, undertaken in partnership with Geoscience Australia, are released – throughout 2016-17.
2. The **Far West Discovery Program** includes;
 - Coompana Gravity
 - Fowler Domain Airborne Electromagnetics
 - Geophysical Cover Characterisations
 - Coompana Drilling
 - Far West Geochemistry
 - Release to market of 14 new mineral Exploration Licenses through a merit based Exploration Release Area process – July 2016.
 3. The **PACE Discovery Drilling Program 2016** provides direct funding for exploration projects within South Australia with results and data available to all explorers.
 - Industry grants assessed and announced by August 2016.
 - Discovery Drilling 2015 data released by July 2016.
 4. **Far North Discovery Program**
 - Delivery of Deep Crustal Magnetotellurics data across far north South Australia as part of the national AusLAMP program.

South Australia Drill Core Reference Library

Commission all operations at the South Australia Drill Core Reference Library at Tonsley to facilitate resource discovery, collaboration and partnerships between industry, research partners and government.

KPI/MILESTONES

- Full operations implemented at the South Australia Drill Core Reference Library.
- Sale and divestment completed of former facilities at Whyalla, Moonta and Thebarton.

MER Information Management and Technology STRATEGY and ROADMAP

A leading, innovative, contemporary end-to-end digital service for all stakeholders is a key strategic goal to maintain our international ranking as a preferred investment destination.

This strategy will position South Australia to continue as a leading international jurisdiction for resource investment through the use of Information Management and Technology by ensuring:

- Industry has a single, easy to use, self-service, digital presence for all regulatory processes, that will reduce regulatory burden on industry, and
- A focus on the creation of innovative data products and services that showcase the investment opportunities in South Australia's resources sector.

KPI/MILESTONES

- Delivery of an Information Management and Technology Strategy and five year road map, to transition business to be agile and efficient through end-to-end digital service delivery by September 2016.
- Completion of a business case to government for funding to deliver the transformation strategy by October 2016.

Regulation and Compliance Program

Mineral Resources Division is responsible for delivering leading-practice environmental regulation and sustainable development of the state's mineral resources through the regulation and compliance programs.

Review and continuous incremental improvement of the Regulatory Framework (legislation, policies, processes and capability) to further streamline efficient and effective delivery. Legislation administered includes; *Mining Act 1971, Opal Mining Act 1995, Broken Hill Proprietary Company's Indenture Act 1937, Offshore Minerals Act 2000, Roxby Downs (Indenture Ratification) Act 1982, Whyalla Steel Works Act 1958, Mines and Works Inspection Act 1920.*

Regulatory Framework Review projects include:

Better Informed - Statutory Decision Making Training Program

In partnership with Crown Solicitor's Office, develop and implement a training program for all regulatory staff on assessment, recommendation and decision making processes.

Policy Renewal Initiative - PRIME

Implement a phased program for developing and renewing resource exploration and extraction policy documents to provide practical information to stakeholders in order to ensure SA remains a lead mining jurisdiction.

KPI/MILESTONES

- *Better Informed* training program delivered by December 2016.
- PRIME Policy Renewal Initiative - Work program developed and commenced.

Efficient and effective administration, assessment and regulation of mineral Exploration Licence Applications and active Exploration Licence operations.

At 30 June 2016, there were 720 mineral Exploration Licences covering 284,605 km² and 212 EL applications under assessment; with 180 companies exploring primarily for copper, gold, uranium and iron ore. Exploration expenditure for 2015-16 was \$50.6 million. During 2015, 2,109 exploration-related assessments were completed, 25 inspections undertaken and 1,520 exploration technical and compliance reports were assessed.

KPI/MILESTONES

- Report on South Australian mineral exploration expenditure; SA's percentage share of Australian expenditure; SA area under tenements; number of companies active and commodities focus.
- Ongoing assessment and approval of: mineral Exploration Licence (EL) applications; renewals; relinquishments/expiries; dealings and transfers.
- Number of E-PEPR (Exploration Program for Environment Protection & Rehabilitation) applications received, assessed and approved, and number of drilling metres approved.
- Compliance Monitoring – number of inspections conducted; incidents reported; formal directions/letters issued; complaints received/resolved.
- Ongoing assessment, registration, archiving and public release of EL technical Reports and data uploaded to SARIG.
- Release, assessment and grant of Exploration Release Areas (ERA).

Efficient and effective administration, assessment and regulation of mineral claims, mining lease applications, mineral production tenements and programs, extractives and opal mining operations.

KPI/MILESTONES

- Publication of annual Mineral Exploration and Mining Regulation report - by July 2016.
- Publication of Annual South Australia's Mines and Quarries report - by October 2016.
- Assessment of major mining applications or extensions to mines - (estimated) 12 assessments.
- Number of non-compliances, identified as formal instructions issued as a percent of active mining operations - less than 20%.

- Reported non-compliances actioned, identified as a percent of total non-compliances - less than 95%.
- Number of site inspections, identified as a percent of active operations - less than 70%.
- Annual assurance review of rehabilitation liabilities and issuance of revised bond calculations - where relevant.
- Publication of Mining Act Compliance and Enforcement in South Australia by December 2016.

Continue to improve the efficient and effective administration, collection and audit of mineral royalty returns.

KPI/MILESTONES

- Audit all mineral producers over a 5 year period with the highest risk and/or material royalty payers audited every 2 years.
- Improvements to returns and how producers receive 'Value Add' from online reporting.
- Enhanced forecasting reporting.
- Continued engagement with Industry regarding legislative review and amendment.
- Alignment of mine site inspections under the compliance program with annual mining returns to validate production reporting and royalty assessments.

Administration of rehabilitation bonds and bank guarantees held by the department.

KPI/MILESTONES

- Annual assurance review of rehabilitation liabilities and issuance of revised bond calculations where relevant.
- Consultation with industry on a new rehabilitation insurance model.

Efficient and effective management of Former Mine sites

- Brukunga
- Radium Hill
- Other sites

KPI/MILESTONES

- Develop a policy for the management of legacy mine sites including funding options.
- Commencement remediation strategies as approved by Government.
- Completion of an environmental plan for the Radium Hill and Port Pirie sites.

Strategy and Policy Program

Legislative Reform and Policy Advice

This program is responsible for the delivery of timely advice, briefings, economic analysis and policy to the Minister on all aspects of the state's mineral resources industry, as well as leading the review and amendment of mining legislation. It provides strategic policy advice on other relevant state/federal legislation that impact on access to land for exploration and mining and leads the consultation, development and implementation of Multiple Land Use Framework (MLUF) in support of growing the mining industry in collaboration with regional communities.

KPI/MILESTONES

- Continue negotiation with Commonwealth regarding duplication and streamlining of EPBC approvals process.
- Provide representation for South Australia on working groups and the Senior Council of Officials of the COAG Energy Council, to facilitate the delivery of national policy initiatives with other jurisdictions.
- Continue to facilitate joint Department and industry workshops to support improved community engagement and regulatory outcomes.

Case Management of Major Mineral Projects

Delivers the 'One Window to Government' model for major mineral developments by working with proponents, community and across Government to minimise risk and streamline the approvals process and maximise delivery of value chain opportunities for South Australia.

KPI/MILESTONES

- Case management of *Mining Act 1971* final approvals for at least 2 major mining developments and associated infrastructure.

Industry and Public Good Information Program

The primary role of the Geological Survey of SA (GSSA) in collaboration with Resource Information is to provide a world-class geoscience information and statewide mapping framework, to underpin successful exploration, leading to new mineral discoveries across South Australia.

This Program directly contributes to South Australia's Economic Priority 1 "Unlocking our resources, energy and renewables" through:

- Proactive Ministerial and Government advice on all aspects of the state's geoscience initiatives and the mineral exploration sector
- Precompetitive Data Releases - Deliver statewide geoscience and pre-competitive exploration data and collaborative initiatives and program to drive investment attraction, leading to new discoveries and new mining developments, including alignment with the PACE Copper initiative

- Delivery of fundamental statewide and detailed regional spatial mapping coverages and prospectivity data that will inform native title and land access negotiations
- Leader, Custodian, Creator, Compiler and Delivery of the State's geoscience information and mapping coverages that will drive exploration success and support balanced decision making on impact of new land conservation proposals
- Statewide and regional Geoscience and exploration advice and support on regulatory issues and decisions of the regulatory branches of Mineral Resources and Energy Resources Divisions.

KPI/MILESTONES

- Release the products and outcomes of the Mineral Systems Drilling program including a multi-episode video of different aspects of the drilling program, 3D geophysical model; and a series of maps and reports - by December 2016.
- Deliver and strengthen international collaborations and partnerships with China, Canada and Chile Geological Surveys - by March 2017.
- Deliver and strengthen industry and research collaborations and partnerships Industry Partnerships including agreements with Mineralize and Goldsniffer - by December 2016.

International Information and Investment Attraction Program

Proactive program of information and data releases, national and international events, flagship publications and online promotion of SA's mineral resources opportunities through the world-leading South Australian Resources Information Gateway: SARIG.

KPI/MILESTONES

- South Australia's ranking in the Investment Attractiveness Index within the internationally recognised Fraser Institute annual survey of Mining Companies – top quartile.
- Lead representation of DSD and South Australia's mineral resources opportunities at more than 50 Minerals Targeted Investment Strategy priority conferences, forums and events - by June 2017.

Health, safety and high performing agency

- Deliver a workforce/succession strategy and plan aimed to ensure workforce sustainability in Mineral Resources, including programs of staff training and up-skilling (particularly in tenements and regulatory branches), opportunities for staff development/rotation, external industry experience and Mineral Resources Division succession planning.
- Deliver organisational reviews for Geological Survey of South Australia, Strategic Services and Resource Information to better align resources and service delivery and contribute towards Divisional savings targets.
- An annual review and implementation of Work, Health Safety Activity Plan, including safety in high risk areas such as field surveying and mine site visits.

KPI/MILESTONES

- Review of the Field Safety manual and processes - by March 2017.
- GSSA Review delivered - by December 2016.
- Strategic Services and Resource Information Review delivered - by February 2017.
- Workforce/Succession Strategy and Plan delivered - by June 2017.



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