Central Gawler Craton Workshop 2019

Exploration Tenement Activity and EL/ERA Application Process

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Tenement activity/coverage in SA

- Significant reduction in area covered by exploration licences and applications since 2012
- 716,769 km² (2012) to 376,707 km² (2019); 53% of 2012 coverage
- Large reduction in Central Gawler Craton area.
Gawler Craton Airborne Survey (GCAS) Area

- Exploration licences (blue) 41%
- EL Applications (purple) 7%
- No-go areas (red) 5%
- Exploration Release Areas (green) 1%
- **VACANT LAND** (yellow) **46%**

(dark green line = Gawler Craton boundary)
Access to exploration ground

1. **Vacant ground** - Apply online via SARIG

2. **Exploration Release Areas** - Apply online via SARIG
   - 713 areas released in last 5 years (av. 143 pa)
   - Published assessment criteria in MG17 guideline
   - See next slides: tips for success

3. **Granted EL’s**
   - Consider joint ventures, exploration alliances, co-operative arrangements
   - Large proportion of junior explorers in the Central Gawler Craton area – see Information Sheet M04 on DEM website for contacts
   - SA Mining Act discretions allow DEM to consider flexible expenditure/area reduction arrangements if in best interests of the State (in line with the State’s economic growth agenda/focus on mineral discovery)
Exploration Release Area (ERA) competitive process – overview

- EL’s that are expired, fully surrendered or cancelled are released as ERA’s for competitive application
- ERA’s are published on SARIG and DEM website ([Public Notices](#)) for a 2-3 month Moratorium Period when no applications can be made
- 1 week application period follows end of the Moratorium Period
- Application open weeks occur in the first full week of every month (except January)
- [MG17 Guideline](#) – ERA policies, procedures and assessment criteria
- DEM Assessment Panel comprising Minister’s Delegate and Senior Geoscientists from GSSA and Exploration Assessment/Regulation areas
- Typical decision timeframe - 4-8 weeks
ERA competitive process – 6 tips for success

1. Use the MG17 Guideline “Criteria to be assessed” dot points as a checklist to ensure your application covers all scored criteria

2. It’s not all about the money
   - DEM places more importance/weighting on the technical strength of the application in terms of; a good understanding of the geological context/past exploration, exploration rationale, geological/mineralisation model, how the proposed work program will effectively test the model, and applicant capability/resources to effectively implement the program.
   - Broad score weightings are;
     - Exploration target/model, work program (incl. expenditure) – 40%
     - Applicant capability, technical/operational resources, current SA tenure – 30%
     - Past performance, regulatory compliance, ERA specific criteria – 30%
   - Minimum ERA expenditure is at the standard rate – NOT double (common misconception) – ie. the “standard rate x2” shown in the ERA application form and MG17 relates to the required 2-year term for the application
ERA competitive process – 6 tips for success

3. Don’t assume company size or reputation will get you through
   • The technical assessment is based only on information provided in the application (incl. technical resources/personnel to implement the program)
   • The information provided in the application is then scored against the published assessment criteria

4. Don’t forget to provide independent evidence of financial resources
   • As per Information Sheet M05 requirements
   • eg. latest ASX financial report, annual report, accountant or bank statement for applicant entity

5. Don’t forget to check if “ERA Specific Criteria” are applicable
   • See SARIG meta-data for the ERA Layer, or DEM website for published “ERA specific criteria”
   • DEM looking for: understanding of the criteria, additional approvals required, special management requirements, previous experience managing same or similar issues

6. Ensure you have a good compliance record
   • Points are lost for current DEM non-compliances, and formal non-compliances in last 5 years
   • eg. EL reporting, rehabilitation directions/instructions/orders, previous ERA non-compliance
Thank you
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