

EXPLORATION GUIDELINE

Work programs for prospecting titles

Mining Act 1992 and Petroleum (Onshore) Act 1991

Published by NSW Department of Industry, Skills and Regional Development, Division of Resources and Energy

Title: Exploration guideline: work programs for prospecting titles

First published: July 2015

Document control

Authorised by: Geological Survey of NSW

RM8 Reference: PUB16/95

Amendment schedule		
<i>Date</i>	<i>Version #</i>	<i>Amendment</i>
1 March 2016	2	Updated references to new legislation

© State of New South Wales through the NSW Department of Industry, Skills and Regional Development 2016.

This publication is copyright. You may download, display, print and reproduce this material in an unaltered form only (retaining this notice) for your personal use or for non-commercial use within your organisation. To copy, adapt, publish, distribute or commercialise any of this publication you will need to seek permission from the NSW Department of Industry, Skills and Regional Development.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (March 2016). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the NSW Department of Industry, Skills and Regional Development or the user's independent advisor.

Contents

Part A: Introduction	1
1. Purpose	1
2. When this guideline applies	1
3. What is a work program?	2
4. Lodgement of work programs	2
5. Legislative obligations	3
6. Related codes, policies and guidelines	3
7. Public disclosure	4
8. Contact details	4
Review.....	4
Part B: Contents of a work program	5
Exploration and mining operation projects.....	5
1. Objectives	6
2. Exploration activities	6
3. Environmental management and rehabilitation activities	7
4. Community consultation activities	8
5. Progressive variations to proposed work program activities	8
6. Assessment	9
General.....	9
Exploration activities.....	10
Environmental management, rehabilitation and community consultation.....	10
Expenditure.....	10
Work program dates.....	10
Performance.....	11
Exploration and mining operation project.....	12
Part C: Submission of a work program	13

Part A: Introduction

1. Purpose

Mineral and petroleum resources in NSW are principally owned and managed by the government on behalf of its citizens. Exploration is an essential process to build knowledge about these resources and the potential for their extraction to support economic development. Investment by the private sector in exploration is essential to the discovery and development of the state's resources.

Prospecting titles (that include exploration licences, assessment leases, petroleum exploration licences, petroleum assessment leases and petroleum special prospecting authorities) are granted to facilitate this process, with the objective of encouraging ecologically sustainable development, social responsibility and building economic wealth for the people of NSW. In granting a prospecting title, the government ensures titleholders undertake effective and competent exploration, and have the financial and technical capability to do so.

A work program describes the nature and extent of operations to be carried out during each year of a prospecting title, and the estimated expenditure for those operations.

Work programs are used:

- to assess applications for the grant or renewal of a prospecting title
- if a prospecting title is granted, to ensure the titleholder carries out effective exploration during the term of the title.

If a prospecting title is granted, the work program becomes a single document maintained for the term of the prospecting title, varied as required.

As compliance with the approved work program is a condition of every prospecting title, the work program document will be a record of all approved work program activities (including variations) for the life of a prospecting title.

Approved work programs will also be attached to prospecting title documents.

The NSW Department of Industry (the department) is responsible for receiving, assessing and approving work programs, and monitoring work program performance.

This guideline has been prepared to assist explorers (which includes applicants and titleholders), their agents and representatives in preparing work programs.

2. When this guideline applies

This guideline applies to prospecting titles granted, renewed or transferred in respect of applications received after 1 July 2015. This guideline applies to all petroleum exploration licences and petroleum assessment leases renewed after 1 July 2015.

3. What is a work program?

A work program is a description of the nature and extent of exploration, environmental management and rehabilitation, and community consultation activities that are proposed to be performed under a prospecting title. The work program is the way the department ensures an explorer will achieve the objectives of resources legislation.

The type of exploration activities proposed in a work program should be appropriate to the level of pre-existing geological knowledge and previous exploration of the area. As a general rule, where there is advanced geological knowledge of resources within the title, then an advanced level of exploration activity is expected to be proposed within an appropriately detailed work program.

The department understands that due to the nature of exploration, it may be appropriate to conduct exploration on a project basis. To cater for this, explorers may request that a number of contiguous titles that are a part of a broader exploration project or mining operation be granted 'project status'. If project status is approved, assessment of the work program for those prospecting titles will consider the broader exploration objectives of the project. This concept is explained further in Part B of this guideline.

For strategic energy projects, the NSW Government expects an accelerated level of work program detail to demonstrate a serious commitment to developing the state's resources.

A work program should aspire to:

- achieve the discovery and definition of potential economic resources through exploration and assessment, consistent with legislation
- improve the knowledge of the mineral and petroleum resources in NSW
- promote best practice exploration science to allow for adaptive and innovative exploration
- be implemented in a way that ensures exploration activities are undertaken:
 - competently and effectively
 - in an ecologically sustainable manner
 - with appropriate community consultation.

4. Lodgement of work programs

A proposed work program must accompany any application for a new prospecting title, or the renewal or transfer of an existing prospecting title.

It is likely that the work program document submitted with an application will be progressively varied over the term of the title. It is expected that very few work programs approved at application will not require any variations. This reflects the nature of exploration.

The assessed and approved work program document, originally submitted with an application, must be resubmitted at the following times:

1. annually, in conjunction with annual activity reporting, whether or not the titleholder also seeks to vary the approved work program. However, the approved work program does not have to be submitted with annual activity reporting due at the end of the final year of the licence term. Instead, a new work program must be submitted with the renewal application
2. at any other time when the titleholder wishes to apply for a variation to the approved work program
3. with any application to transfer a prospecting title
4. for petroleum work programs adopting the progressive agenda format, not less than two calendar months days before the end of the period covered by the *fixed* agenda. In this case, there is no

requirement to re-lodge the work program again for that year in conjunction with annual activity reporting.

The work program must be submitted using the relevant template from the department website:

- Prospecting title work program, *Mining Act 1992*
- Prospecting title work program, *Petroleum (Onshore) Act 1991*

5. Legislative obligations

Work programs must be prepared in accordance with relevant legislation and regulations. These include:

- Section 129A of the *Mining Act 1992*
- Clauses 4, 5 and 6 in Schedule 1B of the *Mining Act 1992*
- Clauses 18, 22, 27, 32 and 33A of the *Mining Regulation 2010*
- Sections 14, 19 and 96 of the *Petroleum (Onshore) Act 1991*
- Clauses 3, 4 and 5 in Schedule 1B of the *Petroleum (Onshore) Act 1991*
- Clauses 5, 6 and 7 of the *Petroleum (Onshore) Regulation 2007*

Satisfactory completion of an approved work program is a condition of all prospecting titles. A titleholder will be required to report annually on its compliance with the work program in annual activity reports (also required pursuant to standard prospecting title conditions).

Compliance with work programs will also be considered when assessing applications to renew prospecting titles.

However, it must be noted that an approved work program is not an approval to undertake those activities. Rather, the approved work program defines the benchmark against which exploration performance is measured during the term of a prospecting title. On-ground exploration is not permitted unless the titleholder first obtains a [land access arrangement](#) with the relevant land holder. Community consultation, environmental assessment and notification obligations may also apply before exploration activities can be undertaken.

From 1 July 2015, under the [NSW Gas Plan](#), the Environment Protection Authority was the sole authority to regulate compliance with and, enforcement of all conditions (excluding work health and safety) contained within petroleum titles. This includes conditions imposed in relation to specific activity approvals.

6. Related codes, policies and guidelines

Codes, policies and guidelines set out requirements and provide information to assist with the performance to be achieved during the term of a prospecting title. These are summarised below.

Codes of practice

- *Exploration code of practice: environmental management*
- *Exploration code of practice: rehabilitation*
- *Exploration code of practice: produced water management, storage and transfer*
- *Exploration code of practice: community consultation*

Policies

- *Compliance and enforcement policy*
- *Policy on grant of assessment leases*

- *Policy on renewal of exploration licences for minerals*
- *Policy on renewal of exploration licences for coal*
- *Petroleum minimum standards and merit assessment procedure*

Guidelines

- *Exploration guideline: annual activity reporting for prospecting titles*
- *Exploration reporting: A guide for reporting on exploration and prospecting in New South Wales*
- *Guidelines for reporting and data submission of onshore petroleum exploration and production in New South Wales*
- *Guideline for community consultation requirements for exploration*
- *Exploration guideline: petroleum land access*
- *Guideline for mineral exploration drilling and drilling and integrity of petroleum exploration and production wells*
- *Exploration and production guideline: petroleum drilling and well servicing competencies*
- *ESG4: Guideline for the preparation of an environmental and rehabilitation compliance report for exploration*

7. Public disclosure

Prospecting title decisions will be publicly disclosed consistent with the *Government Information (Public Access) Act 2009*. However, geological information will be kept confidential in accordance with the provisions of, and regulations made under the *Mining Act 1992* and *Petroleum (Onshore) Act 1991*.

8. Contact details

NSW Department of Industry
Division of Resources and Energy
516 High Street, Maitland NSW 2320
PO Box 344, Hunter Region Mail Centre NSW 2310
Phone 02 4931 6666
Fax 02 4931 6790
Website: www.resourcesandenergy.nsw.gov.au

Email:

Minerals: webmineral.titles@industry.nsw.gov.au

Coal: webcoal.titles@industry.nsw.gov.au

Petroleum: petroleum.titles@industry.nsw.gov.au

9. Review

This guideline will be reviewed after the first year and then every five years after publication. During this period the effectiveness of the guideline will be monitored.

Part B: Contents of a work program

Work programs for a prospecting title have three separate, yet closely related components:

- exploration activities and methods
- environmental management and rehabilitation activities
- community consultation activities.

The exploration activities will significantly influence the environmental and community consultation activities.

Consequently, the contents of a work program must include:

- proposed exploration rationale, objectives, activities and methods of exploration
- proposed activities for environmental management and rehabilitation
- proposed activities for community consultation
- estimated work program expenditure on a yearly basis.

A work program for petroleum prospecting titles must also comply with the Minister's minimum standards, in the in the document [Minimum standards and merit assessment procedure](#).

Due to the difficulty in accurately planning exploration activities, applicants may submit a proposed work program with a combination of *fixed/specified* activities and *intended* activities (Table 1). *Fixed/specified* activities describe the nature and extent of the proposed activities to be carried out in detail. *Intended* activities provide a general indication of the likely exploration to be undertaken.

A work program with a combination of *fixed/ specified* and *intended* activities provides recognition of the often progressive and iterative nature of exploration. Alternatively, an explorer may choose to submit a work program with only *fixed/specified* activities for the term of title if it has reasonable confidence about proposed activities due to an advanced understanding of resources within a title area.

When the NSW Government offers new prospecting titles via a competitive process, that process may require applicants to submit detailed proposed work programs, which set out *fixed/specified* activities for each and every year of the term of a title.

Exploration and mining operation projects

An explorer may apply to have contiguous titles that form a broader exploration project or mining operation granted 'project status' by completing the appropriate section of the template work program document.

The explorer must justify why project status should be granted and clearly indicate the level of activity on each of the prospecting titles in the proposed project. If a reduced level of activity is proposed for any title, the rationale and time frames must be given.

Each project must have a nominated index title and project name. The justification provided with the work program for the index title will be the main reference for all other prospecting titles in the project. All work programs for individual titles in the project must reference the index title and the other prospecting titles in it.

The dates for submitting work programs for prospecting titles that form part of an approved project will not be aligned with the index title, but continue to be determined by the anniversary of their grant date.

A project may also be varied when the work program is re-submitted annually in conjunction with annual activity reporting or at any other time.

1. Objectives

The department expects a titleholder to acquire data to increase knowledge of the mineral and/ or energy resource potential of the title area, with the ultimate aim of discovery, definition and development of resources in an environmentally sustainable manner and with appropriate community consultation.

The proposed work program should be designed to generate new exploration targets, assess new or existing targets, progress towards resource definition and development planning, or be related to the expansion of an existing resource or operation

The work program must provide an overall **objective** for the term of the title, relevant to the commodity and deposit type(s) sought, and an indication of the exploration model(s) being used to test the title area.

In addition, an overall **rationale** for the objective must be provided which outlines why the explorer believes that the deposit type is likely to occur in the title area, and why the proposed exploration model and techniques are considered to be suitable. The proposed work program should be consistent with the rationale for exploration.

2. Exploration activities

The exploration activities component of a work program must be based on the current geological knowledge, exploration rationale and objectives. The department will assess whether proposed exploration activities and estimated expenditure are appropriate to meet the stated exploration objectives. Where unconventional exploration programs are proposed, the department may seek further details from the applicant and/or external expert advice.

To provide flexibility, *fixed/specified* exploration activities may contain ranges in the extent of activities proposed to be undertaken for any year. However, if ranges of exploration activities are provided, the minimum aggregated amount of exploration activities proposed for that year must still constitute a satisfactory proposed exploration program.

Further flexibility to manage the changing and adaptive nature of exploration is provided by the use of equivalent alternatives in exploration activities. This provides explorers with the opportunity to justify variations to work programs where different exploration techniques are used from those approved that achieve the same objectives. For example, equivalent alternatives may include EM vs IP geophysical surveys, RAB vs aircore drilling techniques, stream sediment vs regional soil sampling surveys.

Upon application for the grant or renewal of a prospecting title, proposed work programs must be submitted with a minimum period of *fixed/specified* activities.

1. For prospecting titles under the *Mining Act 1992*:
 - a) *specified* activities are mandatory for the first year of the title term sought and
 - b) *intended* activities are mandatory for all other years of the title term sought.
2. For prospecting titles under the *Petroleum (Onshore) Act 1991*:
 - a) *fixed* activities are mandatory for the first two years of the title term sought
 - b) *intended* activities are mandatory for all other years of the title term sought.

Titleholders must also apply to vary approved work programs at the end of each period of fixed activities. This is explained further in section 5.

Table 1. Examples of *intended* vs *fixed/specified* activities

INTENDED	FIXED/SPECIFIED
<ul style="list-style-type: none"> • drilling to test target/anomaly at X location/s • airborne geophysical survey • ground IP geophysical survey • pilot testing at X location/s • geological/resource modelling • bulk sampling at X • surface sampling to test geophysical anomaly at X location • drilling to achieve inferred resource status at the X prospect • drilling to commence quantifying contingent petroleum resources at the X lead • seismic survey to identify potential petroleum traps in the X area. 	<ul style="list-style-type: none"> • drill 5–10 RC holes for a total of 500–1000 m on the target X • drilling up to X holes to test anomaly at X location • 3–5 pilot wells at X target/location • geophysical interpretation of X survey over the X target • airborne magnetic survey, 200 line km, 10 lines at 500 m spacing at location X • 30–40 stream sediment samples to test anomaly at X location • 7.5 km seismic survey at X location • commence a 20–25 hole diamond core drilling program (1500 m in total) to achieve inferred resource status • a 2 Mt bulk sample to conduct metallurgical assessment to test for recovery of X metals • analysis of Sn mineral occurrences and the relationship to intrusive styles in the licence area.

3. Environmental management and rehabilitation activities

The environmental management and rehabilitation activities component of a work program should provide a summary of the proposed environmental management and rehabilitation activities and expenditure over the term of the title. These activities should be proportionate to the likely risk, type, scale, phases and length of individual exploration activities, and the potential impact on the environment. It may be necessary or appropriate to expand this part of the program during the term of a title as a result of, and to reflect, specific activities carried out during the term of the prospecting title.

A summary of all proposed environmental and rehabilitation activities for a work program must be submitted on application with a minimum of *fixed/specified* and aggregated *intended* activities.

1. For prospecting titles under the *Mining Act 1992*:
 - a) *specified* activities are mandatory for the first year of the title term sought
 - b) *intended* activities are mandatory, however, are aggregated for the remainder of the title term sought.
2. For prospecting titles under the *Petroleum (Onshore) Act 1991*:
 - a) *fixed* activities are mandatory for the two years of the title term sought
 - b) *intended* activities are mandatory, but, are aggregated for the remainder of the title term sought.

Standard title conditions will separately require titleholders to comply with the *Exploration code of practice: environmental management* and *Exploration code of practice: rehabilitation*.

4. Community consultation activities

The community consultation activities component of a work program should provide a summary of the proposed community consultation activities and expenditure over the term of the title. These activities and estimated expenditure should be proportionate to the likely risk, type, scale, phases and length of exploration activities, and the potential impact upon and concerns of landholders, including neighbouring landholders and local communities. It may be necessary or appropriate to expand this part of the program during the term of a title as a result of, and to reflect, specific activities carried out during the term of the title, or to address local community concerns.

Coal and petroleum explorers must conduct these activities in accordance with the *Guideline for community consultation requirements for exploration* (NSW Government, March 2012) or the *Exploration code of practice: Community consultation*, as required by the relevant title condition.

Mineral explorers must conduct these activities consistent with the standard community consultation condition applying to mineral prospecting titles, or the *Exploration code of practice: Community consultation*.

A summary of all proposed community consultation activities for a work program must be submitted, on application, with a minimum of fixed/specified and aggregated intended activities.

1. For prospecting titles under the *Mining Act 1992*:
 - a) *specified* activities are mandatory for the first year of the licence term sought
 - b) *intended* activities are mandatory, but, are aggregated for the remainder of the licence term sought.
2. For prospecting titles under the *Petroleum (Onshore) Act 1991*:
 - a) *fixed* activities are mandatory for the first **two** years of the licence term sought
 - b) *intended* activities are mandatory, but, are aggregated for the remainder of the licence term sought.

5. Progressive variations to proposed work program activities

The department recognises that work programs must accommodate the iterative and dynamic nature of exploration, changing geological understanding, emergence of new technology and opportunities for innovation.

To cater to the nature of exploration, the compulsory annual re-submission of the approved work program in conjunction with annual activity reporting, enables titleholders to progressively vary a work program. The template work program document is specifically designed to provide for these progressive variations on an annual basis, as well as at any other time, if required:

1. to provide for *fixed/specified* activities, where only intended activities have been approved.
 - a) where there are both *fixed/specified* and *intended* activities in a work program, titleholders should provide, annually, additional detailed activity information for the following year(s) of the work program consistent with the approved *intended* activities. This may mean providing *fixed/specified* activity details for approved *intended* activities. The *fixed/specified* activities are not necessarily required for all remaining years of the licence term, but must be provided for at least:

- i. for prospecting titles under the *Mining Act 1992*, the following one year of the work program and
- ii. for prospecting titles under the *Petroleum (Onshore) Act 1991*, the following two years of the work program, no later than 2 calendar months before expiry of a *fixed* agenda period.
Alternatively, title holders can provide *fixed/specified* activities for the following two years of a work program on an annual basis

2. to vary approved activities.

This request can be made annually (in conjunction with annual activity reporting) or at any other time. A variation made at any other time need only be requested for the remaining part of that year of the work program, and does not have to vary all remaining years of the title's term.

In all cases, changes proposed to the work program must be approved by the department. However, justification and reasons are only required where the proposed activities are inconsistent with the activities which have already been approved. The justification to vary already approved activities in a work program will typically be done (if required) at the beginning of each year of the work program in conjunction with annual activity reporting

If the proposed changes to the work program are assessed as unsatisfactory by the department, the title holder will be required to resubmit the work program with revised proposed activities.

If a variation to activities is approved, the changes will become part of the approved work program and the approved activities will be used to assess performance.

However, variations **cannot** be made in respect of years of the work program which have already elapsed. If a titleholder fails to meet the work program requirements by the end of a particular year, this will simply be considered non-performance of the relevant component of the work program for that year, unless satisfactory justification is provided in the relevant annual activity report.

6. Assessment

General

The proposed activities in a work program will be assessed by an integrated team within the department that includes suitably qualified geoscientists, environmental scientists and community liaison officers.

The titleholder will be required to report annually (via annual activity reports) on the progress of the activities undertaken. The department will assess the work completed and described in these reports against the approved work program.

Assessment of the work program will take place at the following times:

1. prior to the grant, renewal or transfer of a prospecting title, to determine whether the application should be granted
2. annually, in conjunction with the assessment of annual activity reports, to determine any application to vary the approved work program and compliance with prospecting title conditions during the term of the title
3. at any other time when an application to vary the approved work program is made, to determine that application.

In assessing proposed *exploration* activities of the work program, the department must be satisfied that the applicant has:

- demonstrated an understanding of the geology and why the area is considered prospective for the commodity(s) sought
- that the proposed exploration activities are appropriate to discover and/or define potentially economic resources
- that the proposed exploration activities reflect the stated objectives.

Titleholders should also note that the provision of false or misleading information is an offence under the *Crimes Act 1900*, the *Mining Act 1992* and the *Petroleum (Onshore) Act 1991*.

Exploration activities

In assessing proposed exploration activities in the work program, the department must be satisfied that the applicant has:

- demonstrated an understanding of the geology and why the area is considered prospective for the commodity(s) sought
- proposed exploration activities that are appropriate to discover or define potentially economic resources
- proposed exploration activities that reflect the stated exploration objectives.

The assessment of a proposed work program with an application for the grant or renewal of a title will include a review of the nominated exploration technical manager's qualifications and experience. The department must be satisfied that they are able to competently guide the exploration program. The department may also undertake a review of the exploration technical manager at other times, such as if a titleholder nominates a replacement.

Environmental management, rehabilitation and community consultation

In assessing proposed environmental management and rehabilitation, and community consultation work program activities, the department acknowledges that specific potential impacts and requirements may not be known until land access is available and approval is sought for exploration activities.

Expenditure

An assessment of the proposed estimated expenditure will be carried out to ensure:

- the estimated expenditure reasonably reflects the likely costs, with due consideration of the inherent variability in estimating costs of undertaking all proposed activities
- the applicant has the capacity to finance the proposed work program.

Work program dates

Each year of a work program will have a defined commencement date and a defined end date. For new titles, the commencement date of each year will be the date the title was granted, and the end date will be the day before the anniversary of that grant date. The end date of the final year of the work program will be the expiry date.

This means that for newly granted titles, each year of the work program will align with each annual reporting period.

Titles renewed under the *Mining Act 1992* will generally be granted for a term which expires on a date that corresponds to the expiry of the initial grant of the title. This is to enable each year of the work program to continue to align with annual reporting periods.

For these titles, upon renewal, each year of the work program should continue to have the same end date (being the anniversary of the expiry date). However, the commencement date for the first year of the work program will be the date the title is renewed, not the anniversary of the date the title was initially granted. This date will therefore vary depending on the time taken to renew the title (ordinarily, a maximum of two months from the expiry date), and means that the first year of a work program for a renewed title may not be a full 12 months.¹

However, this potential reduction in the first year of a work program (not being a full 12 months) will ensure that each work program year will still align with, and be fully covered by each corresponding annual reporting period. Titleholders thus must ensure that the proposed work program for the first year of a title submitted with a renewal application can be completed prior to end date for that year. Titleholders should prepare the first year of a proposed work program on the assumption that it will have at least ten months to carry out the work proposed in the first 'year' of the work program. If there are delays in renewing a title, these delays may be considered a mitigating factor in assessing work program performance.

For renewed titles under the *Petroleum (Onshore) Act 1991*, unlike those renewed under the *Mining Act 1992*, expiry dates of a renewed title will not align with the expiry date of the initial grant. Therefore, all years of the work program will be full calendar years.

Performance

As set out above, for titles renewed under the *Mining Act 1992*, the period between the commencement date and the end date for the first year of the work program may not be a full 12 months. If the period is less than 10 months (e.g. due to delays in assessing and determining the renewal application) then this will be taken into account when assessing any failure of the titleholder to carry out all *fixed/specified* activities of the approved work program for that year

For titles renewed under the *Petroleum (Onshore) Act 1991*, the reporting period (which runs according to the anniversary of the initial grant of the title) may not align with the work program periods (which run according to the anniversary of the renewal of the title).

In these cases, work program performance will still be assessed annually in conjunction with annual activity reports. However, this means that for renewed titles, any assessment of performance against an approved work program as **non-compliant** will be based on the assessment of the **two** subsequent annual activity reports to ensure that the assessment of any work program year fully considers all reports against that period.

A key measure of performance with respect to the work program is the progressive completion of all approved activities in the work program. In instances where activities have not been completed, consideration will be given to any reasons or justification for the non-completion of work program activities.

The justification and reasons for not completing all approved activities proposed in a work program for any year must be provided in the relevant annual activity report.

It is important to note that the justification for not completing proposed activities in a work program for any year in an annual activity report should be distinct from the justifications and reasons for requesting a variation of an approved work program, even though they may be related.

Where there is evidence of non-performance of an approved work program without satisfactory justification, then these may be regarded as non-compliance. The titleholder's history, including any history of serious non-compliances, will be considered when determining whether a prospecting title

¹ Section 117 of the *Mining Act 1992* and section 20 of the *Petroleum (Onshore) Act 1991* provide for a title to continue to have that effect over the area subject to an application for renewal beyond the current expiry date while the application is pending determination.

should be renewed. In exceptional circumstances of serious or repeated non-compliance, cancellation may be considered the appropriate remedy.

Consistent with the department's *Compliance and enforcement policy*, any actions to refuse or cancel a prospecting title will be proportionate to the non-compliance identified and the seriousness of the non-compliance.

If a titleholder applies to vary a work program to include *fixed/specified* activities for the following year in conjunction with annual activity reporting, there may be a time gap of up to six weeks between the submission and determination of that application.

In these circumstances, the approved work program in force during that period will still include *intended* activities for that year. Therefore, the titleholder is expected to continue undertaking activities consistent with the approved *intended* activities, while approval for the *fixed/specified* activities is pending.

Further, it should be noted that compliance with the work program is required to set a minimum benchmark for exploration performance under a prospecting title. The work program does not limit the exploration activities that may be undertaken by a titleholder. However, the titleholder must obtain all prior approvals required to carry out those specific activities.

Exploration and mining operation project

Where prospecting titles are part of an approved exploration or mining operation project, a work program must be submitted for **each** prospecting title. However, the work program for each individual prospecting title will be assessed having regard to, and within the context of, the broader exploration objectives of the project. This is designed to assist in the discovery and development of the state's resources, but **not** as a mechanism to hold ground or 'real estate'.

If project status is granted, a work program for one or more prospecting titles in that project may be approved to include limited work, for a nominated period, where at least one of the following conditions are met:

- there is evidence that demonstrates that the explorer has made a serious commitment and significant investment in at least one title in the project area
- there is evidence that demonstrates that the focus of exploration is appropriately focused on a target/prospect, or has appropriately increased in one title, with the objective of proving up a resource to a level to enable the application of either
 - the *Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* or
 - the *Society of Petroleum Engineers, Petroleum Resource Management System*.
- the title is a surface title that provides surface access to a sub-surface mining title or
- it is appropriate for the titleholder to hold ground adjacent to an existing mine, resource development project or power generation project for longer term exploration objectives which will benefit the state of NSW.

This exploration and mining operation project provision does not apply to newly granted prospecting titles, even if it is part of an exploration or mining project, unless strong justification is provided. The department expects active exploration on newly granted prospecting titles. Therefore, proposing to undertake limited or no exploration on a recently granted title will generally not be approved.

Part C: Submission of a work program

To submit a work program, the following options are available:

1. To accompany any application for a new prospecting title or the renewal of an existing prospecting title.
2. In conjunction with annual activity reporting, the work program document must be re-submitted via: www.resourcesandenergy.nsw.gov.au/erol
3. To apply for a variation to an approved work program, the entire work program document must be re-submitted via email:

Email

Minerals: webmineral.titles@industry.nsw.gov.au

Coal: webcoal.titles@industry.nsw.gov.au

Petroleum: petroleum.titles@industry.nsw.gov.au

4. If a petroleum titleholder is required to submit progressive agenda in the form of a *fixed* agenda, it must be submitted no later than two calendar months before the end of the period covered by the previous *fixed* agenda via email: petroleum.titles@industry.nsw.gov.au.

For work programs saved and submitted as a file, the file naming convention must be:

WP TitleTypeNumber DDMMYY (date saved for submission)

For example:

WP EL9999 230615

WP PEL800 210615

WP PAL999 240515