



Approvals Performance Report

During the 2012 March quarter, the Department received 1524 mineral applications reflecting high levels of mineral exploration and mining activity in Western Australia.

On 1 January 2012, the National Offshore Petroleum Safety and Environment Authority (NOPSEMA) and the National Offshore Titles Administrator (NOPTA) were established. As part of the transition arrangements the Department assessed Commonwealth notifications and provided advice for 6 exploration permits, pipeline licences and retention lease applications in Commonwealth waters. In State jurisdiction, the Department received 39 exploration permit, pipeline licence, production licences, retention leases, surveys and well applications.

During this period, 741 mineral tenure applications were received comprising 403 exploration licences, 254 prospecting licences, 58 miscellaneous licences, 22 mining leases and 4 general purpose leases. The Department finalised 97% of exploration licence applications within 65 business days. 706 programme of work applications and 77 mining proposals were received during this quarter. 98% of programme of work applications and 83% of mining proposals were finalised within 30 business days.

The Department received 12 petroleum survey and well applications during this period. 67% of petroleum well applications were finalised within 40 working days. A total of 70 petroleum environment plans were received for planned petroleum activities in the State. 100% of these environmental plans were finalised within 30 business days.

Online lodgement systems – minerals and petroleum

Since the introduction of online lodgement for key mineral title applications in March 2011, the percentage of online applications received has continued to increase. During this quarter 245 exploration licence applications were received online compared to 158 paper applications. This represents 61% of the total number of exploration licence applications received.

Online modules for programmes of work and mining proposals were introduced in August 2010. Industry uptake of this service has continued to increase with 83% of programmes of work lodged online in March 2012 (see Figure 1).

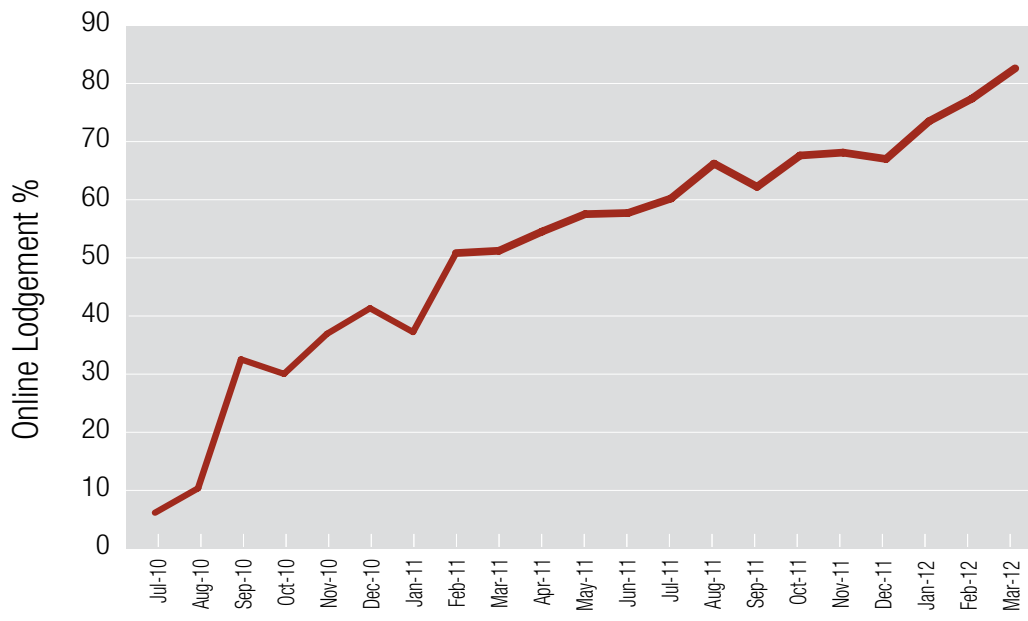


Figure 1 | Programmes of Work % Lodged Online

Source: DMP

Figure 1: Percentage of online lodgement of the total of number of programme of work applications received by Department of Mines and Petroleum.

Online PGR enhancements

New PGR online modules for Declaration of Locations and exploration permits were introduced on 15 March 2012. Under the Declaration of Location, proponents can now lodge and track the following applications online:

- Declaration of a Location;
- Extension of a Location;
- Revocation of a Location; and
- Variation of a Location.

Development of an online bidding system is on track for delivery during 2012 including acreage releases and online lodgement of exploration permit bids. Proponents will have the ability to view details of the acreage release via PGR, submit and pay for bids (whilst the release is still open) and track bids online. In addition, proponents and industry will be able to track when a preferred bid becomes an actual exploration permit application.

Approval Reform Reports

The Chamber of Minerals and Energy (CME) and The Association of Mining and Exploration Companies (AMEC) have both released reports with recommendations to Government for approval reform. The Department is working with CME and AMEC in considering these recommendations, however, generally the reports are quite complimentary on the progress made by DMP.

DMP Application Assessment Priorities

The Department has an established practice of assessing environmental application in the order in which they are received (see document <http://www.dmp.wa.gov.au/documents/ENV-ADMIN-009.pdf>). While it receives various requests from proponents to have their application 'move up the queue', the Department applies a criteria and has a process where it reports whether any application have been given priority in the assessment process. This is most likely to affect applications that have a critical safety component or complex applications that will take significant time to process in DMP to ensure they are done in the stated timeframe. During this quarter, one application was provided priority assessment. The application for mining on M08/06 was provided to address safety risks associated with a public facility.

DMP Approval Performance and "Stop the Clock"

DMP's approval performance is a measure of the number of business days taken to finalise an application compared to a target timeline. Performance is expressed as the percentage of applications finalised within the target timeline. Target timelines are published on the DMP website.

DMP approval performance measures exclude the time taken by processes outside of DMP's control. When an application process is outside of DMP's control the time taken during this process is not included when calculating DMP's approval performance. In effect the "Clock" is stopped whilst external processes outside of DMP's control are in effect.

Examples of external processes outside of DMP's control include the Native Title process, objections lodged in the Warden's Court, other State government assessment processes administered by the Environmental Protection Authority, the Department of Indigenous Affairs and/or the Department of Environment and Conservation.

Another external factor would be the time taken by a proponent to provide information required to make an application complete or to finalise an assessment process. An example of proponent time outside of DMP's control would be the time taken by a proponent to lodge an environmental bond (up to 3 months) as a condition of approval of a Mining Proposal.

APPROVALS DATA TABLE – FIRST QUARTER 2012

The below table provides information regarding the number of mining and petroleum applications received by the Department of Mines and Petroleum (DMP) during the specified period. DMP timeline target, approval performance measures and number of applications carried over to the next quarter are provided for key approval processes. The timeline target applies to processes completed by DMP and does not include, for example, the time taken for assessment by other government agencies or where the assessment process is put on hold while additional information is being sought from applicants. As part of the WA approval reform process Government is developing systems to provide a whole of project approval timeline for key approval processes.

| Minerals Sector | | | | | | | | |
|--|---------------------------------|--|---------------------------|------------------------|--|--|------------------------------------|----------------------------------|
| | Timeline target (business days) | No. carried over from previous quarter | No. applications received | Total No. finalised | No. refused, lapsed, rejected or withdrawn within timeline | Total no. finalised within timeline target | % finalised within timeline target | No. carried over to next quarter |
| Tenure Applications | | | | | | | | |
| Data used to assess performance against the timeline target only applies to applications received since 1 January 2009 (when the tracking of applications commenced). The total number of applications in the system have been separated into two categories – those received since 1/1/2009 and those received prior. | | | | | | | | |
| Prospecting Licence | 65 | 1269 | 254 | 272 | 70 | 263 | 97% | 1255 |
| - pre 1/1/09 | | 235 | | 15 | 5 | | | 220 |
| Exploration Licence | 65 | 2865 | 403 | 499 | 282 | 486 | 97% | 2769 |
| - pre 1/1/09 | | 678 | | 60 | 17 | | | 618 |
| Mining Lease | 65 | 221 | 22 | 22 | 10 | 18 | 82% | 221 |
| - pre 1/1/09 | | 899 | | 45 | 17 | | | 854 |
| Others (i.e. Miscellaneous Licence, General Purpose Lease, Retention Licence) | 65 | 520 | 62 | 98 | 59 | 98 | 100% | 484 |
| - pre 1/1/09 | | 235 | | 6 | 2 | | | 229 |
| Programme of Work | 30 | 394 | 706 | 622 | 65 | 613 | 98% | 478 |
| Mining Proposal | 30 | 153 | 77 | 70 | 13 | 58 | 83% | 160 |
| Native Veg. Clearing Permits | 90 calendar days | 64 | 78 | 89 | 21 | 84 | 94% | 53 |
| Note: DMP assesses native vegetation clearing permit applications from the resources sector via a delegation from Department of Environment and Conservation (DEC). DEC target timelines include 100% of applications within 90 calendar days and 80% within 60 calendar days. | | | | | | | | |
| Mine Safety Approvals | | | | | | | | |
| Project Management Plan | 30 | 8 | 17 | 14 | 2 | 13 | 93% | 11 |
| Petroleum and Geothermal Sector | | | | | | | | |
| | Timeline target (business days) | No. carried over from previous quarter | No. applications received | Total number finalised | No. refused, rejected or withdrawn within timeline | Total no. finalised within timeline target | % finalised within timeline target | No. carried over to next quarter |
| Tenure Applications | | | | | | | | |
| Includes grant or renewal of Exploration Permits, Production Licences and Retention Leases; grant, renewal or variation of Pipeline Licences; "Surveys" also incorporate Special Prospecting/Access Authorities and Scientific Investigations. | | | | | | | | |
| Exploration Permit | 120 | 64 | 17 | 15 | 1 | 11 | 73% | 66 |
| Production Licence Retention Lease | 90 | 14 | 2 | 6 | 0 | 0 | 0% | 10 |
| Pipeline Licence | 90 | 14 | 8 | 4 | 0 | 4 | 100% | 18 |
| Well | 40 | 18 | 6 | 3 | 0 | 2 | 67% | 21 |
| Survey | 40 | 49 | 6 | 9 | 4 | 4 | 44% | 46 |
| Environmental Approvals | | | | | | | | |
| Incorporates environmental plans and oil spill contingency plans in both Commonwealth and State jurisdictions. | | | | | | | | |
| Environmental Plans | 30 | 48 | 70 | 67 | 49 | 67 | 100% | 51 |

Footnote: The Department receives referrals and requests from other agencies for advice. For example, The Department received 108 referrals from the Western Australian Planning Commission for comment on land development proposals that may affect access to resources during the 1Q 2012.