



Mining Rehabilitation Fund

Fact Sheet



WHAT IS THE MINING REHABILITATION FUND?

Prior to the commencement of the Mining Rehabilitation Fund (MRF), *Mining Act 1978* (Mining Act) tenement holders were required to provide Unconditional Performance Bonds (UPBs) as security to ensure that they fulfilled their environmental obligations.

The UPB system did not cover the true cost of rehabilitating abandoned mines, and increasing UPBs to cover the full rehabilitation costs would have imposed a significant financial impact on the mining industry.

UPBs discouraged investment by tying up significant funds that could have been used for developing a mining project. UPBs also had to be applied to the specific tenement/s for which the security was held. They could not be used to address the problem of legacy abandoned mines.

The MRF provides a pooled fund, levied according to the environmental disturbance existing on a tenement at the annual reporting date.

This model was chosen following extensive consultation with government, conservation and community stakeholders.

Interest generated on the fund will be used for the administration of the MRF and will also be used to undertake rehabilitation works on legacy abandoned mine sites throughout the state.

Funds from the MRF will enhance the State's ongoing capacity to manage and rehabilitate abandoned mines, leading to better environmental and community safety outcomes.

Please note that for the purposes of the MRF, an abandoned mine site is a non-operational mine or feature or a mine site where mining tenure no longer exists and the responsibility for rehabilitation cannot be applied to any individual, company or organisation responsible for the mining activities and where every other effort has been used to recover funds from the operator.

DMP will be releasing an abandoned mines policy which will provide guidance on how sites will be prioritised for rehabilitation and how to recommend an abandoned site for rehabilitation through the MRF.

WHO IS AFFECTED AND WHEN DID THE MRF START?

All tenement holders operating on Mining Act tenure, (with the exception of tenements covered by State Agreements which are not listed in the Mining Rehabilitation Fund Regulations 2013) will be required to report disturbance data and contribute annually to the fund. Tenements with a rehabilitation liability estimate (RLE) of \$50,000 or below will report disturbance data but will not be required to pay into the fund.

The MRF was implemented on 1 July 2013 on a voluntary 'opt in' basis. This provided companies with an early opportunity to have their UPBs retired where approved by DMP against specific published criteria.

Participation in the MRF is compulsory.

All tenement holders are required to provide disturbance data prior to June 30 in each levy period.

HOW IS THE MRF LEVY CALCULATED?

Tenement holders are required to report data to DMP annually using the online system, declaring the number of hectares disturbed and the type of disturbance. The disturbance types are clearly defined in the Regulations.

The levy is calculated on a per tenement basis. The fund contribution rate is one per cent of the total RLE for each tenement.

NEXT STEPS FOR TENEMENT HOLDERS

1. **All new tenement holders need to complete the online registration:** The tenement holder is required to provide or confirm their email address.

If a new tenement holder has not received the registration letter, please check that all tenement contact details held with the DMP are current.

To register, go DMPs website: www.dmp.wa.gov.au > Environment > Mining Rehabilitation Fund.

Here you will find links to the MRF registration page along with additional information such as step by step instructions, guidance material and the legislation.

If you have further questions you can email MRFenquiry@dmp.wa.gov.au.

2. **Report data online (including disturbance data, MRF):** Tenement holders are required to use the online system to report land disturbance data.

The regulations provide for a threshold where a tenement with a RLE of less than \$50,000 will be required to report disturbance but not required to contribute to the fund.

3. **MRF Levy assessment notice to be paid:** After 1 July each year an MRF levy notice based on the data reported by the tenement holder in step 2 will be sent to the email address supplied in the MRF report.

WHAT HAPPENS WITH NEW MINING PROJECTS — DO WE STILL HAVE TO PAY A BOND?

Except in cases of high risk, the majority of tenement holders will not be required to provide a bond for future approvals.

DMP has a guideline for the Administration of Mining Securities. This guideline sets out the circumstances when a bond may be retained, applied, reapplied or retired for a tenement.

WHERE CAN I GET MORE INFORMATION?

For more information on the MRF, please refer to DMPs website: www.dmp.wa.gov.au/MRF, or contact the MRF team on 9222 3162 or by emailing MRFenquiry@dmp.wa.gov.au.