IN THE MATTER of an application pursuant to Regulation 67 of the Regulations to the Mining Act 1978 as amended to extend time within which an Objection may be lodged against Application for Exploration Licence 70/479.

BELL BASIC INDUSTRIES LTD

and

SILICA SALES PTY LTD

Prospective Objector

REASONS FOR DECISION

WARDEN D.J. REYNOLDS S.M.

On the 30th day of March 1987 Bell Basic Industries Ltd ("Bell") made an application for exploration licence 70/479 ("the Application"). By its letter dated the 24th day of November 1987 Silica Sales Pty Ltd ("Silica") sought an extension from the Warden pursuant to regulation 67 for the lodging of an objection to the Application. Before determining the Application for the extension I caused correspondence to be forwarded to Silica directing that it provide the reasons for the delay on its part and also that it provide the proposed grounds of objection to the Application.

On the 7th day of December 1987 Silica filed an objection document with the principal registrar. An attachment to the objection document provided various grounds of objection. I then caused the application for the extension by Silica to
be brought to the attention of Bell. I also caused Bell to be provided with copies of the various documentation setting out the reasons for the delay by Silica and the grounds that would be relied upon by Silica should the application for extension within which to lodge the objection be successful. Bell was then given an opportunity to respond to the application for the extension. Bell objects to any extension being granted in favour of Silica.

Regulation 67 of the regulations to the Mining Act 1978 as amended provides as follows:

"67. Within 30 days of the date of application for a Mining Tenement or such further period as the Warden considers reasonable any person may upon payment of the prescribed fee lodge at the office of the Mining Registrar an objection in the form No. 16 in the First Schedule and the objector shall serve a copy of such objection on the applicant."

Any objection by Silica should have been lodged at the office of the Mining Registrar on or before the 29th day of April 1987. The period of the delay by Silica is from the 30th day of April 1987 to the 24th day of November 1987. The period of delay is in excess of 6 months.

Silica has submitted that the reason for the delay was caused by a technical oversight. It says that during the time when an objection should have been made it was engaged in preparing and shifting into new offices and that it was busy with the workload involved in the preparation of a public environmental report for a project at Gnangara. It also says that it was involved in extensive work associated with the marketing of silica sand on the international market and marketing of its other imported products. It further says that field work at Gnangara in the opening of a trial excavation and rehabilitation plot caused the objection period to be overlooked.

With respect to Silica, it cannot be said that the delay was caused by a technical oversight. It is essential for any party having an interest in any particular area to ensure that it sets up a system whereby it keeps itself informed of any applications within the area. It is necessary for applications to be advertised in a newspaper and daily checks of newspapers circulated in the area should be made. In addition to this contact can be made with the local Mines Department office to
check on the filing of applications for land within the area of interest. There is no
evidence before me that Silica had any system of checking on applications. If a
particular person who would normally carry out such checks is assigned to perform
another important function then one would expect that another person would be
delegated the responsibility of performing the checks to ensure that no time went
by within which the checking was overlooked. In my firm opinion there is no
reasonable cause for the delay in this instance. Further, the length of the delay is
grossly excessive.

The land the subject of the Application abuts land the subject of a mining lease
held by Silica. The tenement held by Silica contains highgrade silica sand and
concrete aggregate sand. Silica has conducted extensive exploration and research
over the last 5 years and has concluded that a project utilising its tenement is
economically justified. It is presently negotiating the sale of silica sand with
customers throughout the world. Silica is concerned that the developmental work
conducted to date and the economical potential of its project may be placed at
risk if any further tenements are granted in the immediate area for the purpose of
obtaining silica sand. Silica is adament that if any demand exists for silica sand or
concrete aggregate for domestic or export markets then it can quite adequately
fulfil the demand. It says that if Bell is wanting any silica sand or concrete sand
aggregate then it should be directed to Silica for very competitive supplies.

The proposed grounds of objection by Silica as referred to by me are commercial
ones. At this stage the likelihood of there being any competition between Silica
and Bell in the future is a matter of speculation. Further and in any event, in my
opinion it is not part of the function of the Warden under the Mining Act to
concern himself with the commercial competition that may arise between parties
as a consequence of any grant.

Silica also proposed to raise a number of environmental issues by way of
objection. It says that the high levels of noise from machinery and possible dust
from stockpiles will impact and reduce the quality of the driving experience along
Gnangara Road. It also says that a grant would impact on a pine plantatation
within the boundaries of the Application. It also claims that any extra mining
operations in the region will lead to greater potential to introduce and facilitate
the spread of fungal disease.

I do not propose to comment on these grounds of proposed objection. I have
already concluded that the delay is grossly excessive and in this particular instance I note that the application by Bell is for an exploration licence and not a mining lease.

The application by Silica to extend the time within which it may lodge an objection to the application is refused.

D.J. Reynolds S.M.
Mining Warden