

Department of Energy, Mines, Industry Regulation and Safety

Guidelines for Submission of Applications for the Co-funded Geophysics Program

8 November 2023

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1. About the program

The Co-funded Geophysics Program (*CGP*) is competitive program funded by the Western Australian State Government through the Department of Energy, Mines, Industry Regulation and Safety's (DEMIRS) Exploration Incentive Scheme (EIS). The *CGP* aims to provide new information on greenfields regions of the State for exploration of new <u>mineral resources</u> including; refining regional structures including basin or province margins, identifying geophysical anomalies under cover, and redefining regions for new deposit types, and defining target geometries and depth.

The *CGP* will support geophysical exploration in the <u>mineral resources sector</u>. Higher preference will be given to:

- Greenfields projects (exploration in unexplored or under explored areas, away from known deposits or mines).
- Regional to camp-scale projects (see <u>definitions</u>, section 4).
- Projects targeting critical minerals (see Appendix 1).

The EIS will allocate approximately \$2 million per year to the Co-funded Geophysics Program. The co-funding amount will be 50% of the direct program costs (see section 5.3) up to a capped value of \$250,000 per project.

Each application period will be referred to as a 'Venture', *e.g. Venture 1 Co-funding June 2024 – May 2025.* There will only be one application process/venture per year, with the funding term coinciding predominantly with a financial year.

Each application period will have a specific area from which it will accept applications – the Venture Release Area (Figure 1). The Co-funded Geophysics Program for 2024-2025 – Venture 1 – will accept applications from Release Area 1 (Figure 1).

Figure 1. Venture Release Areas - Venture 1, 2024-2025 accepting applications from Release Area 1



2. Important dates

IMPORTANT NOTE: The CGP will only open for applications ONCE a year.

DATE	EVENT
5 February 2024	Applications open (online)
1 March 2024	Applications close (4 pm WST deadline)
Mid-April 2024	Planned announcement of successful applications
By 31 May 2024	Agreements fully executed: signed by applicants and DEMIRS
1 June 2024 –31 May 2025	Term of Funding Agreements for 2024–25 Co-funded Geophysics Program
31 May 2025	Last date for acceptance of final reports, data and invoices for 2024–25 projects (5 pm WST deadline).

3. Funding sequence



NOTE: Projects must be completed and a final geological project report, geophysical data submission, company invoice and survey provider's tax invoice, delivered to the EIS Coordinator, Geological Survey of Western Australia, Department of Energy, Mines, Industry Regulation and Safety by **31 May 2025. No extension beyond this date is allowable.** * Provided the report, data and invoices are submitted before the funding term ends.

4. Definitions

"**Director General**" means the Director General of the Department of Energy, Mines, Industry Regulation and Safety.

"**Minister**" means the Minister for Mines and Petroleum.

"**Applicant**" means the company, institution or individual submitting a proposal.

"Funding Agreement" means the agreement of conditions of funding grant between the parties. These Guidelines form part of the Funding Agreement.

"Funding Offer" means an offer of funding for the Project by the Department under the terms of the Funding Agreement.

"Funding Term" means the period from the Commencement Date until the Completion Date (inclusive of those dates).

"**Proposal**" means the documentation prepared and submitted to the Director General in an application for Government – Industry Geophysics Co-funding.

"**Project**" means the work undertaken by the successful Applicant in accordance with the Proposal.

"Closing Date" means 4 pm WST on the 1 March 2024. This is the last day to submit a proposal. The online submission of the application must be completed at this time.

"Commencement Date" means 1 June 2024.

"Completion Date" means 31 May 2025.

"Geophysics Co-funding" means monies/refund distributed to successful applicants on completion of projects.

"**Mining Tenement**" means the area (or part thereof) outlined in the Proponent's licence or lease granted under the *Mining Act 1978* (WA).

"The Department" means the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS).

"Greenfields" means exploration activity in unexplored or underexplored areas, away from known deposits or mines, where target architecture is poorly understood/defined.

"**Brownfields**" means exploration in the vicinity of an operating mine, or a deposit with an existing Identified Resource, with the purpose of growing the resource base in an area of known endowment.

"Identified Resource" means a JORCcompliant or equivalent mineral resource of Inferred status or higher (comparable to definition from <u>Australia's National</u> <u>Classification System for Identified Mineral</u> <u>Resources</u>).

"**Regional-scale**" means projects that assess the potential of a whole basin/belt/arc/district to host a mineral resource.

"**Camp-scale**" means projects that assess a specific area within a basin/belt/arc/district for mineral target(s).

"**Prospect-scale**" means exploration of a specific single or tightly clustered mineral target(s).

"Target" means a site where mineralisation could conceptually be found based on geochemical or geophysical anomalies, or geological setting.

5. Eligibility criteria

5.1 Applicant eligibility

The Applicant is a legal entity that can enter a legally binding Funding Agreement with the WA Government, has an active Australian Company Number, and is registered for GST.

The Applicant must hold a **granted tenement/s** in the State of Western Australia (see Table 1). Applications on pending tenements will not be accepted. If the proposed project is over tenements not held by the Applicant, the Applicant must still hold a granted tenement in the State of Western Australia.

Table 1. Tenement status accepted and excluded from co-funding.

	Mining	Comment
Accepted	Granted tenement	
Not Accepted	Pending tenement	As at the time of application submission.

The Applicant must provide a quote showing the estimated project cost and indicating the availability of the contractor to conduct the survey within the Funding Term.

All quotes will be treated as *Commercial in Confidence* information.

Where required, as part of the assessment process the Department will take into consideration any of following criteria which may impact the eligibility of the application:

- History in meeting reporting/compliance commitments to the Department
- History in meeting reporting/completion commitments to previous EIS programs
- Financial and technical capacity of the Applicant to complete/undertake the proposed program.

5.2 Project requirements

Project activities must comply with the *Mining Act* 1978 (WA).

Mine site, borehole scale, and 3D seismic projects are not eligible for funding (see Table 2).

Table 2. Geophysical survey types eligible for co-funding (see Appendix 2 for examples).

Eligible Geophysical Surveys	Ineligible Geophysical Surveys
Ground-based surveys	Mine site surveys
Airborne surveys	Borehole surveys
	3D active seismic surveys

Projects cannot be retrospective and can only begin when the successful applicants have been publicly announced, the Funding Agreement has been fully executed, and on or after the Commencement Date.

Data acquisition and processing costs claimed for the grant must be undertaken and invoiced by an independent third party (contractor/supplier) with a different company name, ACN and business address, to that of the Applicant.

Acquisition and processing may be undertaken by different third party suppliers. All contractors/suppliers must provide invoices for work undertaken within the funding period.

Before applying, the Applicant should ensure that all land access, tenement, and heritage issues are resolved. Where appropriate, a current Indigenous Land Use Agreement (ILUA) is seen as favourable.

Projects must be conducted on a tenement/s within the Venture Release Area for the Venture (Figure 1), this can also be viewed on the Co-funded Geophysics website: <u>Co-funded Geophysics Program (CGP) (dmp.wa.gov.au)</u>

If a tenement falls across the boundary of the Venture Release Area, it is still eligible provided the majority of the survey and target occurs within the Venture Release Area (Figure 2).

Figure 2. Geophysical program with a target falling within the Venture Release Area and outside of the Venture Release Area.

SUPPORTED



NOT SUPPORTED



5.3 Claimable costs

Co-funding is available for up to half (50%) of the direct program costs, but no more than the offered amount. Where 50% of the direct program costs are more than the funding offer, the co-funding amount will be the funding offer. All eligible costs must be itemised on the contractors invoice(s).

Direct program costs include activities or items specifically required for the satisfactory completion and delivery of the proposed project to industry accepted standards.

Direct program costs

- Survey acquisition cost; invoices charged by geophysical contractors for active work and consumables.
- Mobilisation/demobilisation (combined) up to a maximum of \$25,000 for projects that are completed¹

Costs not funded

- Standby (e.g. weather, waiting on parts)
- Applicant personnel costs (e.g. company geologist salary)
- Administration costs (e.g. heritage surveys and ground clearance

Data processing

5.4 Multiple applications

A maximum of two applications may be submitted by a single applicant/company. There will be no handicapping of second applications, however, two applications by the same company over the same area are not seen as favourable. Where a company chooses to submit two applications over the same area, it must be clearly demonstrated that the undertaking of the project in one application is not contingent on the completion and results of the project in the company's other, separate, application.

If more than two applications are submitted by a single applicant/company the Department will request (by email) that the company choose two projects to remain active and proceed through the assessment phase. If the applicant/company does not provide a response before the date designated by the Department in the request, the applications (2) with the highest marks will remain eligible and the application(s) with lower mark(s) will be made ineligible.

An application should be limited to one type of geophysical survey, unless two forms of data will be collected in a single survey, e.g. airborne magnetics and radiometrics.

Applicants can apply to multiple EIS co-funding programs at the same time e.g. Cofunded Exploration Drilling Program. Applications across different co-funding programs will be treated on individual merits of the applications, not co-jointly.

¹ Mobilisation/demobilisation costs cannot be claimed for

projects that do not acquire and report data.

5.5 Projects covering multiple tenements

5.5.1 General conditions

Where two or more companies form an agreement to undertake a single survey across the tenement holdings, there can be only one company listed as the applicant/company.

The designated Applicant/company is the company that enters into the agreement with the Department and is;

- a) Responsible and liable for all project conditions as outlined in the Funding Agreement, including deliverables to the Department; reports, data, and invoices.
- b) The only company that may invoice the Department for co-funding.
- c) Is the only company that any eligible grant payment is made to.

The Department takes no responsibility for the arrangements made between the participating companies over which the survey takes place.

The Department takes no responsibility for any disputes that may arise between participating companies.

5.5.2 Airborne

Airborne projects may cover multiple tenements, however, there can be only ONE applicant/company per application (see above).

5.5.3 Ground-based

Ground-based projects may cover multiple tenements, however, there can be only ONE applicant/company per application (see above)

If the Applicant is not the holder of the tenement on which a ground-based survey is planned, then a letter of agreement is required from the tenement holder and should be attached to the Co-funded Geophysics Program application.

Where a project area covers multiple tenements with different tenement holders, a letter of agreement is required from each tenement holder and should be attached to the Co-funded Geophysics Program application.

6. Application process

6.1 Applying online

Complete the Application form online, accessible at the EIS Co-funded Geophysics Program homepage: <u>Co-funded Geophysics Program (CGP) (dmp.wa.gov.au)</u>

Each application will require:

- Administrative information about the Applicant (Name, ACN, business address)
- Contact details for the primary company person with whom the Department will correspond with

Project details - survey type, basic survey details as applicable (area, line km's, line spacing, number of stations)

A quote of the estimated project cost and funding requested for project

Indication of the survey providers' availability to conduct the program and proposed start date

A project description which addresses the technical assessment criteria within the online application. This should include figures, tables and maps to support the application.

For ground-based activities, an indication that the Aboriginal Cultural Heritage Act and Management Codes have been reviewed/considered.

Attachments

- GIS format files of proposed survey boundaries (mandatory)
- Survey provider quote and indication of availability (mandatory)
- Tenement holder agreement/s (if applicable)

6.2 Assessment process

All applications will be assessed by an expert panel of officers from the GSWA and independent industry specialists.

The panel will use the predefined assessment criteria specified in the online application.

The assessment will focus on the technical merits of the project and its capacity to broaden geological knowledge in greenfields areas of WA.

All decisions made by the panel will be final with no right of appeal.

6.3 Endorsement of panel assessment pre-selection

Endorsement of the panel's assessments and pre-selection of successful applicants will be overseen by a co-funding Advisory Panel, consisting of members from industry bodies and DEMIRS. This will be the same panel that oversees the other co-funding projects. The panel currently has representatives from AMEC, CMEWA, academia and senior officers of DEMIRS (e.g. ED of the GSWA and a Deputy Director General of DEMIRS)

All decisions made by the panel will be final with no right of appeal.

6.4 Notification

On completion of the assessment process, all applicants will be notified of the outcome of their application via email immediately after the Minister for Mines and Petroleum releases a media statement of the successful applicants. Successful applicants will be formally notified in writing and of the date of the compulsory briefing.

7. Successful applicants

7.1 Funding Agreement

All successful applicants will be required to enter into a Funding Agreement with the State of Western Australia acting through the Department of Energy, Mines, Industry Regulation and Safety.

The following principles will apply to management of funding for successful applicants:

- a) Management of the successfully funded projects will be undertaken by the project applicants. All liabilities associated with the project remain with the project applicants.
- b) Where 50% of claimable costs for a completed project are:
 - a. More than the offered refund amount (as stated in the Letter of Offer), the refund will be the offered amount.
 - b. Less than the offered refund amount (as stated in the Letter of Offer), the refund will be 50% of the direct program cost.
- c) A tax invoice from the Applicant, together with a concise summary of direct program costs (including copies of tax invoices from analysis contractors/providers) must be provided.

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- d) Geophysical projects must be conducted according to land access, heritage, and environmental procedures for Western Australian mining tenements.
- e) A single invoice payment will be made on submission and acceptance of the project deliverables as defined in 7.4.
- f) Geophysics co-funding contributions from the Department cannot be included as part of company expenditure commitments for mining tenements.
- g) Geophysical survey acquisition must be undertaken by a third party, whereby submitted contractor invoices show a different company name, address and ACN from the successful Applicant awarded the EIS co-funding.

7.2 Fieldwork

Any changes to the project must be submitted to the EIS coordinator in writing and granted approval before being undertaken. A change of project deliverables may invalidate the Funding Agreement.

Upon commencement and completion of field work, the date of commencement and completion should be emailed to the EIS coordinator.

7.3 Withdrawal

Should the Applicant wish to withdraw from the Funding Agreement they are requested to notify the EIS Coordinator in writing before the end of the Funding Term. The notification should also include a general reason for the withdrawal.

7.4 Deliverables

The deliverables required for each project are:

- **Final Report** containing all technical information directly relevant to the project, submitted through WAMEX.
- **Complete raw and processed data** packages submitted through the MAGIX portal.
- Invoices, from the Applicant (for co-funding) and survey supplier (showing direct program costs) submitted by email to the EIS coordinator

All deliverables must be provided in the standard data formats for reporting results from mining tenements as required by the Department (these are available on the Department's website: <u>www.DEMIRS.wa.gov.au</u>).

7.4.1 Geophysical data

Geophysical data should be lodged through the Department's MAGIX portal.

- Applicants should apply to '*Register a Survey*' and upload their data directly into the MAGIX system.
- A *survey number* will be allocated. This number should be quoted in the final report submission into WAMEX.
- To register a survey, enter MAGIX <u>MAGIX (DEMIRS.wa.gov.au)</u> and select "Data Submission' tab. Applicants may need to create an account.

7.4.2 Final report

The final project report should be submitted online through the WAMEX Report Lodgement system quoting the relevant MAGIX survey number. <u>http://www.dmp.wa.gov.au/WAMEX-Minerals-Exploration-1476.aspx</u>

7.4.3 Tax Invoices

The Applicant tax invoice and third party service provider invoices should be submitted by email to the EIS coordinator.

7.5 Project completion

Submission of final report, data and invoices **MUST** be before the completion date.

The final invoice will be paid post submission <u>and</u> DEMIRS approval of all project deliverables as outlined in the Funding Agreement.

All reports and data will become open file three months after the conclusion of the Funding Term.

Projects submitted and finalised before the conclusion of the Funding Term will remain confidential until three months after the conclusion of the Funding Term.

8. Contact details

Enquiries should be directed to:

Dr Charlotte Hall Coordinator Exploration Incentive Scheme Department of Energy, Mines, Industry Regulation and Safety 100 Plain Street EAST PERTH, WA 6004 Phone: +61 8 9222 3410 <u>charlotte.hall@DEMIRS.wa.gov.au</u>

Secondary Contact Louisa Collins 100 Plain Street EAST PERTH, WA 6004 Phone: +61 8 9222 3768 Iouisa.collins@DEMIRS.wa.gov.au

High-purity Alumina	Manganese
Antimony	Niobium
Beryllium	Nickel
Bismuth	Platinum-group elements (PGE)
Chromium	Rare-earth elements (REE)
Cobalt	Rhenium
Gallium	Scandium
Germanium	Silicon
Graphite	Tantalum
Hafnium	Titanium
(Helium)*	Tungsten
Indium	Vanadium
Lithium	Zirconium
Magnesium	

* Excluded. This program is for mineral exploration and requires a granted mining tenement. In Western Australia, helium (a hydrocarbon gas) is managed under the *Petroleum and Geothermal Energy Resources Act 1967* (WA), which deals with petroleum titles.

Appendix 2. Examples of geophysical survey types eligible for co-funding, airborne and ground. This list is not exclusive, new techniques will be considered with good supporting documentation.

Survey type	Sub-categories
Magnetics	
Gravity	Gravity
	Gradiometery
Radiometric	Gamma ray spectrometry, gamma ray scintillometry
	Electromagnetic (EM)
	VLF EM Surveys (very low frequency)
	Horizontal Loop HLEM Surveys (Vertical loop)
	Time-domain EM Surveys (VTEM, TEM, TDEM, Geonics
Floatrical	EM37, Crone Pulse EM, UTEM)
	Frequency-domain electromagnetics (FEM)
	Induced polarization (IP) – collected by electrical
	profiling
	Electrical Resistivity (Resistivity) 1D, 2D, 3D and 4D
	forms
	Magnetotellurics (MT) – form of EM
Seismic	2D Active (reflection and refraction)
	Passive (ambient noise tomography, body wave
	tomography)
Self Potential (SP)	
	LANDSAT, Advanced Spaceborne Thermal Emission and
Remote Sensing (general	Reflection Radiometer (ASTER), Light Detection and
term) includes;	ranging (Lidar), sonar, radar, ground penetrating radar
	(GPR), hyper spectral, field spectroscopy, thermal
	infrared.
Multi-channel analyses of	
surface waves (MASW)	
Natural Magnetic	
Resonance (NMR)	