

Guide

Completing a renewal justification statement

Mining Act 1992

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Part A: Introduction

Purpose

Applications to renew an exploration licence, assessment lease or mining lease (collectively referred to as an 'authority/authorities' in this guide) granted under the *Mining Act 1992*) must be supported by a renewal justification statement (RJS).¹

This guide provides information to assist authority holders with completing a RJS. It explains when and why an RJS is required, and the required information to facilitate the timely and effective processing of renewal applications received by Mining, Exploration and Geoscience (MEG) within the Department of Regional NSW.

Before completing a RJS and lodging a renewal application, it is the renewal applicant's responsibility to understand and consider relevant requirements relating to authority renewals in the Mining Act and the Mining Regulation 2016, and the following documents:

- [Renewal of mineral and coal exploration licences policy](#)
- [Policy on the grant and renewal of mineral and coal assessment leases](#)
- [Mineral prospecting minimum standards: For work program and technical and financial capability](#)

In particular, the renewals policy and Assessment lease policy provide information about the intent of exploration licences and assessment leases and the objectives of the renewal process to inform a renewal applicant in preparing and justifying their renewal application.

This guideline does not relate to petroleum titles granted under the *Petroleum (Onshore) Act 1991*. Renewal justification statement forms for petroleum titles can be found at www.resourcesregulator.nsw.gov.au/meg.site/mining-and-exploration/applying-to-explore-and-mine-nsw/petroleum-onshore-act-1991-forms

What is a renewal justification statement?

An RJS is a statement by the renewal applicant which the decision-maker will consider the in assessing the applicant's geoscientific rationale (and other rationale) to justify having an authority renewed for another term.

The RJS is required by the Regulation as part of the renewal process, and is specific to the assessment requirements for the renewal of prospecting and mining authorities. In terms of exploration licences, the decision-maker may also take the RJS into account in considering whether an area of land is genuinely required to support a proposed work program.²

An RJS includes key details required by the Regulation (with some differences depending on the type of authority) relating to the operations carried out on the land. The RJS also provides a summary of the activities conducted during the previous term to demonstrate if the approved work program for that term has been completed.

The RJS requires the renewal applicant to provide information required under the Mining Act, Mining Regulation, the [Renewals policy](#), the [Assessment lease policy](#), and the [Minimum standards](#). The RJS is prepared using the appropriate form for the type of authority that is sought to be renewed. These forms are available on the 'Mining Act 1992 Forms' page of MEG's website at www.regional.nsw.gov.au/meg/exploring-and-mining/application-forms-and-fees/mining-act-1992-forms.

¹ Clauses 18(1)(e), 23(1)(e) and 28(1)(d), Regulation.

² Clause 32C(b), Regulation.

What is the legal framework for renewal justification statements?

The relevant clauses of the Mining Regulation that set out the RJS requirements are:

- For exploration licences – clause 18(1)(e) and clause 32C(b).
- For assessment leases – clause 23(1)(e)
- For mining leases – clause 28(1)(d).

How to submit a RJS?

1. If lodging the renewal application in the Titles Management System (TMS):

- a) Complete the RJS online in TMS (web-based form), or
- b) Complete the RJS in word format and submit in either word or PDF format as an attachment in TMS.

2. If lodging the renewal application by email:

- a) Complete the RJS in word format and submit either in word or PDF format and as an attachment to the renewal application.

Part B: How to complete a renewal justification statement for exploration licences or assessment leases

Activities conducted in the previous term

What does 'previous term' mean?

The phrase 'previous term' means:

- for first renewals – the period of time from the date the authority was granted until the current expiry date; and
- for second and subsequent renewals – the period of time from the day after the previous expiry date until the current expiry date,

regardless of the date of any transfer of authority, or the date that a renewal of authority is determined. For example:

- First renewal example: If an exploration licence was granted on 17 October 2019 and expires on 17 October 2022, the **previous term** for the purposes of preparing an RJS is the period between 17 October 2019 and 17 October 2022.
- Second and subsequent renewal example: If an exploration licence was granted on 24 February 2015, had an expiry date of 25 February 2020, but was determined to be renewed on 1 September 2021 with a new expiry date of 24 February 2026, the **previous term** for the purposes of preparing an RJS is the period between 26 February 2020 and 24 February 2026 (and **not** the period between 26 February 2020 and 1 September 2021).

How to describe exploration activities

Exploration activities are the geoscientific activities completed in the conduct of a work program. They are designed to assess or evaluate the mineral potential of the land. They may include activities such as desktop studies, mapping, geochemical sampling, geophysical surveying, drilling, bulk sampling, remote sensing and modelling.

For the purposes of an assessment lease work program, exploration activities may also include work conducted to advance a mineral resource to mining status. These include (but are not limited to) marketing studies, environmental studies, metallurgical or coal testing studies, mine scoping studies, economic and feasibility studies.

The RJS should summarise the activities proposed and undertaken in the same format as the work program. The format of the information provided will depend on the timing of the latest application for grant, renewal, or transfer.

To help with a renewal application, applicants should quantify the extent of the work conducted. For example, provide the number and type of samples/drillholes, or a description of the area covered by geophysical surveying.

If the approved work program for the **previous term** is in the five-stage exploration model (in accordance with minimum standards) the relevant exploration proposed, commenced and completed must be selected (check boxes) and described (free form). Clear distinction must be made between activities that have commenced (but not completed) and those that have been completed. A summary of the exploration stages proposed must also be included as a numerical range (e.g 'Stages 1 to 3').

If the approved work program is in a previous format, the activities previously proposed, commenced and completed must be described (free form) including expenditure.

The proposed and actual expenditure for the **previous term**, inclusive of exploration, environmental and community activities, must be included.

Answers to questions about exploration conducted during the previous term must be consistent with other information provided to MEG. For example, exploration reports submitted under section 163C of the Mining Act.

What are ‘proposed activities’?

Proposed activities are the activities proposed at either grant or last renewal for the term, that is, the activities proposed in the approved work program. These activities include exploration, environmental management and rehabilitation and community consultation.

Work program performance is determined by comparing the **proposed activities** with the completed and **commenced activities** in the term.

What are ‘commenced activities’?

Commenced activities (or ‘activities commenced’) are all exploration, environmental management and rehabilitation, and community consultation activities that were commenced during the **previous term**, but where further work is planned to complete the activities during the term of the renewed authority being sought. An example would be a geophysical survey that had been started but was not complete when the RJS was submitted with the renewal application.

What are ‘completed activities’?

Completed activities (or ‘activities completed’) are all exploration, environmental management and rehabilitation, and community consultation activities that have been completed during the **previous term**. They should include the activities proposed in the approved work program and may also include additional activities that were completed.

Map of completed activities and commenced activities in previous term

A map must be provided showing the location of **completed activities** and **commenced activities** in the **previous term**. The map must be legible, provide enough detail to demonstrate the type and location of exploration activities conducted in the term, and the location of those activities in relation to the boundary of the authority, and include the location of any targets and/or prospects.

Where the renewal application is in respect of part only of the land subject to the authority, the map should also include an indicative outline of area which the applicant seeks to retain.

Additional maps may be provided if necessary and should be provided as an attachment to the RJS.

Map of completed activities to date (exploration licences only)

A map must be provided showing the location of all completed activities to date (since grant) on an exploration licence. The map be legible, provide enough detail to demonstrate the type and location of all exploration conducted, and the location of those activities in relation to the boundary of the authority, and include the location of any targets and/prospects.

Additional maps may be provided if necessary and should be provided as an attachment to the RJS.

The information provided in this map provides a context for assessing how and where the authority has been explored through time, and how the results of previous exploration efforts been used to inform the prospectivity of the area and the future exploration planned in the proposed work program. This will inform the assessment of whether the proposed work program meets the Minimum standards.

Summary of exploration results and conclusions

This section requires a summary of results of the exploration conducted during the **previous term**. It should also include conclusions arising from the results regarding the extent to which the exploration objectives for the term were achieved. This section should focus on the relationship between the results and the resource potential of the area subject to the authority. This section

should also include any maiden or revised resource estimates resulting from exploration conducted in the term.

For an assessment lease, this section should explain the progress made towards advancing the mineral resource toward mining status.

The information in this section provides a context for assessing the effectiveness of the exploration conducted in the **previous term** and the exploration activities proposed in the work program for the renewal term.

Summary and status of other activities (if applicable)

This section requires a summary, if applicable, and the status of other activities (not including exploration, environmental management and rehabilitation, and community consultation activities as these should be provided in sections above) conducted during the **previous term** that may be required to enable exploration activities to be conducted, support the overall exploration objectives of the authority being met and/or support progression of the authority/project/resource toward mining status, either in the **previous term** or renewal term sought.

Generally, 'other' activities are considered to be those not listed as 'Typical activities' in the five-stage exploration model under the minimum standards (Appendix 1) and are therefore not captured in the approved work program for the **previous term** or the proposed work program for the renewal term.

Examples of other activities include development consent applications, native title procedural requirements, commercial arrangements or acquiring approvals or consents required for exploration activities under other relevant legislation.

This section should not include extenuating factors for non-completion of a work program or special circumstances to retain a larger area, it should focus on the activities, and how they contribute to the exploration objectives and progression of the authority/project toward mining. It should provide overall context and status of the authority.

Summary of known and potential resources (assessment leases only)

This section requires a summary on the prospectivity of the assessment lease area including the known and/or potential resources,³ and potential undiscovered resources.

The section may include a summary of known resources, the potential for inclusion of further resources subject to further exploration or assessment activity, work being done to improve the quantity, confidence or classification of resources, and potential for the assessment lease to contribute to any resources/reserves classified within other authorities for potential development as part of the applicant's broader resource development strategy.

The resource classification as defined by JORC is covered specifically in Section 7, where applications for renewal of assessment leases are assessed against the criteria of the Assessment lease policy.

Summary of potential for development of resources (assessment leases only)

This section requires a summary on the potential for the development of resources.⁴ It may include a summary of timing of project development, project economics, factors most likely to affect project viability, and if applicable the potential for development as part of the applicant's broader resource development strategy.

³ Clause 23(1)(e)(ii), Regulation.

⁴ Clause 23(1)(e)(iii), Regulation.

Details on conceptual mine planning, scoping/evaluation studies or pre-feasibility/feasibility studies are covered specifically in Section 7, where applications for renewal of assessment leases are assessed against the criteria of the Assessment lease policy.

Additional requirements for authorities in a ‘project’

This section requires additional information for authorities within a ‘project’, as defined by the minimum standards. It should summarise the results of the exploration conducted across the project. It should also include conclusions arising from the results, and how the exploration at a project level has informed the evaluation of prospectivity of all authorities in a project, or progression towards mining. This section should focus on the relationship between the results at a project level and the resource potential of the prospecting authority under renewal.

The summary should focus primarily on work completed that in the **previous term** of the authority under renewal.

This section may also include a summary of any relinquishment of authorities at the project level, and longer term plans for the project.

This information provides a context for assessing the effectiveness of the exploration conducted in the **previous term** for authorities in a project, and the exploration activities proposed in the work program for the renewal term.

Justification for renewal of an exploration licence

Applications for renewal of an exploration licence are assessed against the Renewals policy. Parts 6 and 7 of the RJS for exploration licences asks questions that inform the assessment as to whether the Renewals policy criteria are met. This includes whether the approved work program for the **previous term** has been completed and if the area sought for the renewal is genuinely required to support the proposed work program.

Answers to questions about exploration conducted during the previous licence term must be consistent with other information provided to MEG. For example, exploration reports submitted under section 163C of the Mining Act.

Work program completion

As per the Renewals policy, the decision-maker may renew an exploration licence where the renewal applicant has **completed the approved work program over the previous term**. Parts 2-5 of the RJS for ELs provide the basis for determining if a work program has been completed. This culminates in Part 6 which asks if the work program has been completed or not. If it has, only a brief summary with reference to the exploration stages is required.

If the work program has not been completed in full, the decision-maker may still renew the exploration licence if the applicant has cited **valid extenuating factors that prevented completion**. The Renewals policy prescribes the valid extenuating factors that may be taken into for non-completion of an approved work program. It also provides examples of matters or events that would not normally be considered to be extenuating factors.

If a renewal applicant is claiming valid extenuating factors, it must be supported by evidence. This may be captured in the RJS or provided as an attachment.

Area sought for renewal (the ‘genuinely required’ test)

The area of an exploration licence sought for renewal must be genuinely required to support the proposed work program (as per section 114A of the Mining Act), unless special circumstances exist to justify retention over a larger area. This means the renewal applicant must provide geoscientific justification for the area sought in Part 7 of the RJS for exploration licences.

In assessing whether an area is ‘genuinely required’, the decision-maker may have regard to the following matters:

- (a) the applicant's performance measured against previous work programs for the exploration licence,
- (b) the renewal justification statement mentioned in clause 18(1)(e),
- (c) information or reports provided under a requirement of the Mining Act, Mining Regulation, or a condition of the exploration licence.

The decision-maker will also consider whether the exploration activities set out in the proposed work program meet the minimum standards and directly relate to the area sought for renewal will be considered. Anything surplus to this is considered not 'genuinely' required and therefore requires the citation of special circumstances.

Information provided here should aim to demonstrate how the exploration activities in the proposed work program for the renewal term sought justifies the area sought for renewal, that is, how the two are linked. Examples of the information that may be provided in response to Part 7.1 of the RJS for exploration licences include:

- how the area sought will be explored in the proposed work program
- how the proposed work program will advance the geoscientific knowledge of the exploration licence or project area, or demonstrate progression towards mining status
- how the activities completed to date on the exploration licence supports the notion of tangible and authentic exploration progress and progression towards mining status
- regional and local geology, with reference to other geoscientific information such as mineral systems
- targets and prospects identified, including ranking/prioritisation, reasons for identification and progress made to date
- medium to long term plans for the licence if known (past the renewal term being sought) – these should be tangible activities with timing and locations, not generalisations, and can include any future plans for relinquishment.

If the area sought for renewal is greater than that genuinely required to support the work program, valid special circumstances should be cited by the renewal applicant and supported by evidence. The Renewals policy prescribes valid special circumstances.

Statement of justification for renewal of an assessment lease

Applications for renewal of assessment leases are assessed against the criteria of the Assessment lease policy. Section 7 of the RJS for assessment leases asks questions that seek to determine the extent to which the policy criteria are met.

All criteria must be substantiated in the RJS, and additional relevant information may be provided in a separate document if appropriate. However, if details of resource/reserve statements, mine plans or evaluation studies have already been provided in annual reports, they are not required to be resubmitted – a reference to the reports is acceptable.

The Assessment lease policy prescribes the valid extenuating factors for non-completion of a work program. If a renewal applicant is claiming valid extenuating factors, it must be supported by evidence. This may be captured in the RJS or provided as an attachment. Statement giving the reasons for which the applicant considers the renewal to be justified

The Regulations require the renewal applicant to provide a statement giving reasons for which the applicant considers the renewal to be justified.⁵ While the RJS is a statement of such reasons, this is an appropriate place to record any other matter(s) to justify renewal that the renewal applicant believes cannot be adequately addressed by the questions in the rest of the RJS or renewal

⁵ Clauses 18(1)(e)(iii) and 23(1)(e)(iv), Regulation.

application. Do not repeat information that is captured elsewhere in the RJS or rehash extenuating factors captured elsewhere.

Part C: How to complete a renewal justification statement for mining leases

Operations conducted in the **previous term**

Mining operations

A summary of mining operations conducted during the **previous term** of the mining lease is required to be provided (refer to page 7 for the meaning of '**previous term**'). This should include mining/extraction activities, environmental management and rehabilitation activities and any ancillary mining activities.

Production statistics

Production statistics for the mine and relevant to the mining lease for the **previous term** are required to be provided, or for as long as the current holder has held the mining lease. These should include the amount of material extracted and ore shipped.

Assessment activities (if applicable)

If applicable, the RJS should provide a summary of metallurgical, coal washery or mineral processing studies, economic modelling or feasibility studies, marketing studies or any other assessment activities. The RJS should include total expenditure on assessment activities, conducted on or relevant to the lease during the **previous term**. The RJS should also include the results and main conclusions from assessment activities.

This is especially important if little or no mining has been conducted in the **previous term** or recently, in which case the assessment activities are expected to increase the likelihood of commencement or resumption of mining in the renewal term.

Exploration activities (if applicable)

If applicable, the RJS should provide a summary of exploration activities and total expenditure on exploration, conducted on the lease during the **previous term**. The main results and conclusions from exploration should also be included. This is especially important if little or no mining has been conducted in the **previous term** or recently, in which case the exploration is expected to increase the likelihood of commencement or resumption of mining in the renewal term.

Map of current mining operations

A map of the mining lease, and if applicable other mining leases within the mining complex, showing current mining operations and infrastructure is required. The map must be legible and show enough detail to enable the mining operations to be located on the ground and located in relation to the boundary of the current mining lease. The map should also include other details where appropriate including towns, main roads, and railways.

Map of exploration activities (if applicable)

If applicable, the RJS should include a map showing the location of the exploration activities conducted on the mining lease in the **previous term**. The map must be legible and show enough detail to enable the exploration activities to be located on the ground and location in relation to the boundary of the current mining lease. The map should also include other details where appropriate including towns, main roads, and railways.

Summary of resources of the land

This section should provide a current resource/reserve statement relevant to the mining lease that is in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (The JORC Code 2012), or equivalent, if possible.

Mineral Resource and Ore Reserve estimates should account for depletion as a result of mining, and the results of near-mine exploration and assessment activities.

Justification for renewal of a mining lease

Details of current development consent

This section requires details of current development consent to be provided. This should include details such as the grant date, current expiry date, reference name/number, consent authority and the dates and status of any modifications.

If development consent has been sought but not yet granted, include details such as lodgement date, status, reference number, consent authority, of the development consent application.

A work program that supports the proposed renewal term is required if development consent has not been granted or has expired.

Statement giving reasons that the applicant considers the renewal to be justified

This section requires a clear statement of why the applicant considers renewal of the lease to be justified. Information on mining/production and related operations, assessment activities and exploration conducted on the lease in the **previous term** should be clearly presented earlier in the RJS. This section should therefore focus on providing justification for renewal in terms of mining/production and related operations, assessment activities and exploration *proposed* for the renewal term.

Justification for the duration of the proposed renewal term should be based on the amount of economically workable quantities of mineral/coal, or mineral bearing ore on the lease, and an outline the proposed mining program. An appropriate period should be included for mine closure, if appropriate, during the proposed renewal term.

If development consent for mining has expired or will expire during the renewal term sought, information should be provided in this section about the renewal applicant's intent for the mining lease/area including whether a development consent modification has been sought or will be, if a new development consent applicant has or will be lodged, including the dates or indicative dates of development consent applications.

Other factors or comments (optional)

This section is optional and provides for a lease holder to list any other relevant factors or comments that the holder would like the considered in the assessment of the application for renewal. This is an appropriate place to record any other matter to justify renewal that the holder believes is not catered for in the rest of the RJS or renewal application.

Glossary

Term	Definition
ancillary mining activity	Ancillary mining activity are the activities prescribed in clause 7 of the Mining Regulation 2016
authority	Authority has the same meaning as in the <i>Mining Act 1992</i> An exploration licence, assessment lease or mining lease granted under the <i>Mining Act 1992</i> or in some instances, under the <i>Mining Act 1973</i> .
exploration	Exploration has the same meaning as in the <i>State Environmental Planning Policy (Resources and Energy) 2021</i> . Exploration includes the taking of samples and the assessment of deposits of minerals.
MEG	<i>Mining, Exploration and Geoscience is a group within the Department of Regional NSW</i>
mining operations	Mining operations has the same meaning as in the <i>Mining Act 1992</i> Mining operations means the operations carried out in the course of mining
prospect	Has the same meaning as in the <i>Mining Act 1992</i> .
prospecting operations	Prospecting operations has the same meaning as in the <i>Mining Act 1992</i> i.e. the operations carried out in the course of prospecting.
minimum standards	<u><i>Mineral prospecting minimum standards: For work program and technical and financial capability</i></u>