

List of recommendations

3 Corporate Structure, Capital Raising and Taxation

Recommendation 1

The Minister for Industry, Tourism and Resources facilitate meetings between appropriate industry representative bodies and the Australian Stock Exchange to develop quality control and risk assessment guidelines to assist minerals and petroleum exploration companies to assemble high quality Initial Public Offerings that can achieve market acceptance and support.

Recommendation 2

The Minister for Industry, Tourism and Resources in conjunction with the Treasurer investigate the introduction of a Flow-Through Share Scheme for companies conducting eligible minerals and petroleum exploration activities in Australia.

Recommendation 3

The Petroleum Resource Rent Tax be reviewed to investigate the options of:

- Raising the carry forward rate for un-deducted general project related expenditures from the long term bond rate plus five percentage points to a minimum of the long term bond rate plus ten percentage points;
- Allowing undeducted exploration expenditure incurred more than five years prior to the provision of a production licence to be compounded forward at the Long Term Bond Rate plus 15 percentage points for the first five years and then, for the subsequent years, compounded forward at the Long Term Bond Rate; and
- Reducing the PRRT rate for petroleum production from newly discovered accumulations in waters of greater than 400 meters depth, and according to a production plan deemed by the Minister for Industry, Tourism and Resources to be in the national interest.

Recommendation 4

The administration of retention leases be reviewed to require:

- Work program technical details (excluding financial information), relating to retention leases issued to petroleum exploration companies under the *Petroleum (Submerged Lands) Act 1967*, be made public;
- Holders of retention leases under the *Petroleum (Submerged Lands) Act 1967* applying for re-issue of those retention leases, show cause why those retention leases should not be made contestable after expiry of the first five years of tenure, and any subsequent five years of tenure.

Recommendation 5

The Minister for Industry, Tourism and Resources and appropriate petroleum production and exploration peak bodies, review the feasibility of a “liquids identification” bounty scheme for junior exploration companies to encourage them to explore the margins of on-shore production basins for small accumulations of petroleum liquids.

4 Pre-Competitive Geoscience Data Acquisition

Recommendation 6

The Minister for Industry, Tourism and Resources seek additional funds to enable Geoscience Australia to accelerate onshore pre-competitive data acquisition programs.

Recommendation 7

The Minister for Industry, Tourism and Resources seek the collaboration of the states and the Northern Territory through the Ministerial Council on Minerals and Petroleum Resources, to conduct an airborne gravity gradiometry survey of the Australian landmass.

Recommendation 8

The Minister for Industry, Tourism and Resources seek the collaboration of the states and the Northern Territory through the Ministerial Council on Minerals and Petroleum Resources, to conduct a series of ground truthing drill programs to definitively test selected geophysical and geochemical anomalies to maximise the worth of existing geoscientific datasets.

Recommendation 9

The Minister for Industry, Tourism and Resources establish an advisory board charged with the oversight of the strategic direction, monitoring of performance and quality control of Geoscience Australia's pre-competitive programs. Such a board should, ideally, include Northern Territory and state government representatives as well as representatives from appropriate minerals sector and petroleum sector peak bodies.

5 Geoscience Research and Education

Recommendation 10

The National Task Force proposed by the CSIRO Division of Exploration and Mining be supported financially and charged with the task of implementing the proposal entitled *Australia's Exploration Future* to provide (in its words) breakthrough concepts, knowledge methods and techniques for transfer to minerals explorers.

Recommendation 11

CSIRO Petroleum, through its membership of the Australian Petroleum Cooperative Research Centre, encourage research into cost-effective innovation of petroleum exploration technologies such as three dimensional seismic imaging technology, for onshore petroleum exploration.

Recommendation 12

The Department of Industry, Tourism and Resources in conjunction with the Department of Education, Science and Training discuss with appropriate peak bodies and professional associations to develop, in collaboration with universities, tertiary-level short courses to encourage excellence in minerals and petroleum exploration management culture, innovative operational approach and optimisation of the national geoscientific knowledge base.

6 Titles

Recommendation 13

The Minister for Industry, Tourism and Resources, through the Ministerial Council on Minerals and Petroleum Resources, collaborate to establish and implement nationally consistent resources exploration title management processes. Attention should be directed towards exploration title type, conditions, tenure,

charges, reporting requirements and administration, with the view to having a nationally harmonised regime.

Recommendation 14

The Minister for Industry, Tourism and Resources, through the Ministerial Council on Minerals and Petroleum Resources, work with the Northern Territory and state ministers to establish harmonised and efficient procedures for processing applications for offshore mining and exploration licences under the *Offshore Minerals Act 1994*.

Recommendation 15

The Minister for Industry, Tourism and Resources establish a function in the Department of Industry, Tourism and Resources to take the lead role in coordinating and expediting the Commonwealth, Northern Territory and state (as appropriate) processes for the approval of onshore and particularly offshore petroleum exploration permits.

Recommendation 16

The Minister for Industry, Tourism and Resources, through the Ministerial Council on Minerals and Petroleum Resources, work with the Northern Territory and state ministers to investigate the feasibility of introducing to all Australian jurisdictions, optional conjunctive exploration/production titles combined with uniform mandatory relinquishment requirements.

Recommendation 17

The Minister for Industry, Tourism and Resources, through the Ministerial Council on Minerals and Petroleum Resources, work with the Northern Territory and state ministers to store all public domain geoscientific data (legacy and pre-competitive) in digital form in a national data repository.

7 Exploration and Native Title

Recommendation 18

Income tax legislation be amended to allow one hundred percent immediate deductions for expenditure incurred in conducting negotiations required by the *Native Title Act 1993* or *Aboriginal Land Rights (Northern Territory) Act 1976*, whichever applies, for the purposes of permitting minerals and petroleum exploration to proceed.

Recommendation 19

The Attorney-General and the Minister for Immigration and Multicultural and Indigenous Affairs, in consultation with relevant state and Northern Territory Ministers, provide additional resources to Native Title representative bodies. The resources should be targeted and limited to support activities that facilitate negotiation processes.

Recommendation 20

The Attorney-General, the Minister for Industry, Tourism and Resources and the National Native Title Tribunal liaise with state and the Northern Territory governments and the resources industry to promote the use and better understanding of the expedited procedures contained in sections 32 and 237 of the *Native Title Act 1993*, for low impact exploration.

Recommendation 21

The Minister for Immigration and Multicultural and Indigenous Affairs implement a simplified and accelerated process for granting exploration licences on land granted under the *Aboriginal Land Rights (Northern Territory) Act 1976* with a view to reducing the economic transaction costs emanating from the existing provisions of the Land Rights Act.

Recommendation 22

The Minister for Environment and Heritage consult with state and Northern Territory counterparts to formulate an action plan to review and amend the legislation governing the management and protection of Indigenous cultural heritage to ensure that it is consistent across all states and the Northern Territory.

Recommendation 23

The Minister for Environment and Heritage ensure that the International Union for Conservation of Nature category related to multiple land use is the adopted conservation management option for Indigenous Protected Areas.

8 Environmental and Other Approval Regimes

Recommendation 24

Environment Australia consult with the resources industry as a matter of urgency to finalise sufficiently detailed sectoral guidelines for mineral exploration activity – both terrestrial and offshore - contained in the *EPBC Act Administrative Guidelines on Significance*.

Recommendation 25

The Minister for Environment and Heritage and the Minister for Industry, Tourism and Resources amend the environmental approval processes under the *Environmental Protection Biodiversity Conservation Act 1999* and the *Petroleum (Submerged Lands) Act 1967* (and associated regulations) to ensure the consistency and harmonisation of requirements.

Recommendation 26

The Minister for Environment and Heritage and the Minister for Industry, Tourism and Resources harmonise Commonwealth, state and Northern Territory environmental and cultural heritage regulatory regimes as they affect the resources exploration (and production) industry.

9 Resources Exploration and the Community

Recommendation 27

The Minister for Industry, Tourism and Resources bring together representatives of Indigenous communities and resources exploration interests to facilitate them developing a better appreciation of the sensitivities of all parties involved in negotiating land access for exploration purposes under the *Native Title Act 1993* and the *Aboriginal Land Rights (Northern Territory) Act 1976*.

Recommendation 28

The Attorney-General and the Minister for Immigration and Multicultural and Indigenous Affairs, in consultation with relevant state ministers, consider introducing transparent accountability processes and guidelines to encourage fair and reasonable compensation outcomes for access to land for exploration purposes in Indigenous Land Use Agreements under the *Native Title Act 1993*. Such accountability mechanisms should form a requirement for acceptance of any additional administrative funding provided to Native Title representative bodies.

The Minister for Immigration and Multicultural and Indigenous Affairs, in consultation with the Northern Territory government, consider introducing transparent accountability processes and guidelines to encourage fair and reasonable compensation outcomes for access to land for exploration purposes in Part IV agreements under the *Aboriginal Land Rights (Northern Territory) Act 1976*.