



Western Australian Government grants latest round of Exploration Incentive Scheme funding.

Thursday, June 27, 2013

The latest round of WA State Government exploration funding, with recently announced 7th round of Co-funded Exploration Drilling subsidies, are part of its Exploration Incentive Scheme.

With subsidies totalling almost \$7.2 million, are to be shared between 61 drilling projects in under explored and Greenfield areas during the 2013/14 financial year.

This represents an increase from the previous two rounds of funding, which saw \$5.94 million allocated between 57 projects to be undertaken between January and December 2013 and \$6.2 million allocated between 56 projects undertaken during the 2012/13 financial year. The Exploration Incentive Scheme was established four years ago to support the search for minerals and petroleum across Western Australia, and is funded by the State Government's

Royalties for Regions program.

The Scheme's flagship Co-funded Drilling Program provides co-funding of up to 50 percent of direct drilling costs, capped at \$150,000 for a multi-hole project, \$200,000 or \$400,000 for a single deep hole (depending on the target commodity) and \$30,000 for prospecting projects.

Grants are paid to successful applicants in two tranches. Explorers are eligible for a refund of 80% of the grant on submission of an interim report following completion of the drilling project, with the remaining 20% refunded on submission of the final report.

Results of co-funded drilling are released on the Department of Mines and Petroleum website after a maximum confidentiality period of six months from the end of drilling.

Two rounds of co-funding are available per year, with applications for the next round of funding due to open in the coming months.

The grant process is competitive, with applicants required to submit an application form addressing both administrative and technical criteria.

Applications are then assessed and ranked, and grants offered until available funding is exhausted.

Guidelines for the submission of applications for the most recent round of funding indicated that preference would be given to technically and economically sound proposals that promote new exploration concepts and technologies. Industry reaction.

The announcement of the latest round of subsidies has been welcomed by the Association of Mining and Exploration Companies (AMEC).



AMEC CEO Simon Bennison

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Simon Bennison described the funding as a “much needed stimulus for investment in exploration in Western Australia” at a time where “a lack of investor confidence has made access to equity finance almost impossible”.

For further information see:

Media Statement by the Hon. Bill Marmion MLA, Minister for Mines and Petroleum

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**Government of Western Australia
Department of Mines and Petroleum**



The Geological Survey of Western Australia’s (GSWA) mineral exploration group promotes investment in the resources sector by:

- improving the exploration industry’s geological understanding of Western Australia (WA)
- providing geoscientific data to the exploration industry
- improving exploration efficiency
- helping reduce exploration risk.

Geological advice

GSWA provides geological advice to the exploration industry on the following legislation:

- Mining Act 1978
- Offshore Minerals Act 1994.

This legislation requires mineral explorers to report annually on their work programs. After a period of confidentiality, exploration reports and data are made publicly available so that past exploration work is not repeated unnecessarily. These reports are available in the Western Australian Mineral Exploration Index.

The mineral exploration group also gives geological advice on applications for mining leases where the applicant is proceeding under the Significant Mineralisation route (Sections 74 and 74A of the Mining Act 1978). These mineralisation reports are made publicly available online once approved by GSWA.

Greenfield exploration

The mineral exploration group manages the Exploration Incentive Scheme an \$80 million State Government initiative aimed at encouraging innovative exploration, particularly in Greenfield areas of WA.