

Mineral Exploration in Ireland

KEY FEATURES

- Exploration is regulated by the State and is undertaken by private industry
- Exploration is undertaken under Prospecting Licences, valid for six years and renewable
- Joint Ventures are welcomed
- Only Prospecting Licence holders can apply for a mining facility in the same area
- Exploration is not subject to the Local Government (Planning and Development) Act, 2000
- Environmental guidelines apply to exploration

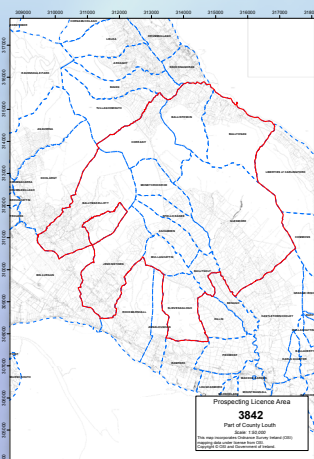
THE REGULATORY FRAMEWORK

The Minerals Development Acts 1940 to 1999, under the aegis of the Minister for Communications, Climate Action and Environment, governs exploration for and development of all minerals other than ordinary clay, stone, sand and gravel. Petroleum and gas are covered by separate legislation. The Exploration and Mining Division (EMD) of the Department is the regulatory authority for minerals' exploration.

Exploration

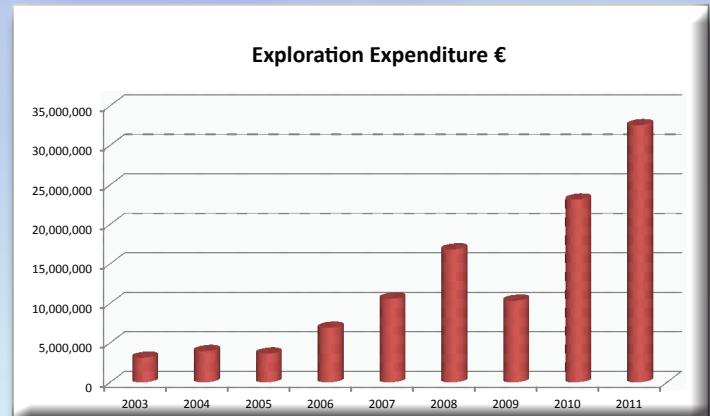
Exploration is done through a Prospecting Licence which typically covers some 35 sq. km and is issued for six years, with the option of renewal if the holder has met the agreed requirements.

The Prospecting Licence (PL) gives the holder the right to explore for certain specific minerals. Only holders of current licences will be considered for Mining Facilities to develop minerals within the licence area.



- Licences carry a minimum expenditure is required (see table).
- You can aggregate expenditure on contiguous areas, as long as 25% of the basic minimum requirement for each area has been achieved, and

the total block expenditure is met. Progressively increasing work and expenditure commitments are a requirement of a licence.



- You must provide a minimum work programme, the details to be agreed with EMD.
- You must provide work reports every two years, and these are held confidential for six years or until surrender of the licence (if earlier).
- You must provide Third party insurance cover indemnifying the Minister for the period of the licence, but this need not be licence-specific i.e. the same insurance policy can cover all ground held by the licensee.

Fees	Standard / Competition	Incentive
First 2 years	€750	€375
Second 2 years	€875	€375
Third 2 years	€1,500	€500
Total	€3,125	€1,250
Minimum Expenditures		
First 2 years	€10,000	€2,500
Second 2 years	€15,000	€5,000
Third 2 years	€20,000	€10,000
Total	€45,000	€17,500

Fee structure

The initial application fee is €190, and "consideration fees" are payable for each two-year period of the licence. These increase progressively, but there are substantial reductions for 'incentive ground' (see table). After the sixth year, a fee of €2,500 is payable for each subsequent two-year term.

EXPLORATION GROUND

Licence area boundaries are clearly defined by "townlands" and the boundaries of the areas are clearly identified on Ordnance Survey maps.

The applicant for a Prospecting Licence has a choice of three options:

1) Open areas: these are defined licence areas which are available for application at any time for minerals of choice. Applications are normally considered on a "first come, first-served" basis.

2) Open areas with Incentives: areas for which substantially reduced fees and expenditure commitments are available, in order to stimulate interest in underexplored ground by encouraging new exploration ideas. There are two categories of Incentive ground:

- open areas that have been available for application for over four years
- areas that are currently licensed for certain minerals, but available for exploration for other minerals. (Licences in this category will only be issued if EMD is satisfied there will be no conflict of interests).

3) Competition ground: as areas become available, they are released in a Competition, currently on 1st February, 1st May, 1st August and 1st November. Applications submitted in the following two months are considered on their merits, without any regard to time priority. Factors for assessment of applications include: the aggressiveness and quality of exploration programmes; the track record of applicants; the availability of funds and proximity of other ground that may be held by the applicant.

Ground availability

Ground status is updated live on our website through our interactive maps GIS server at www.mineralsireland.ie – online services.

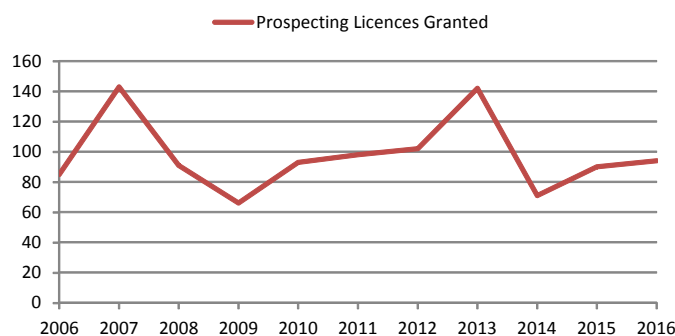
Statements of Interest

You can make a Statement of Interest over any ground that is shown as "available" prior to making a prospecting licence application. You will be notified by EMD if an application is made in the area, but no other details will be given. You will then have two weeks to make your application. If made, the original applicant may make a revised application. EMD will then consider both applications on their merits.

Joint Ventures

Joint Ventures are welcomed with current licence holders, but please note that they cannot be undertaken until you have satisfied EMD that the agreed work programme and expenditure requirements for the first two-year term of the Prospecting Licence have been fulfilled.

Prospecting Licences Granted



Application and Issue Procedures

You must make your application on a standard form, providing evidence of technical capability and financial viability; your reasons for seeking particular minerals, and an appropriate exploration programme for all such minerals. You must give a commitment to the minimum expenditure requirement (see table) and provide evidence of suitable insurance against third party claims or environmental damage (n.b. this must provide an indemnity for the Minister).

Your application will be evaluated, and if acceptable, EMD will issue you with an offer setting out the terms of the licence. If accepted, EMD will publish a notification of intention to grant a licence. There is a statutory 21-day period to allow for submissions. If there are no serious impediments, EMD will then issue the licence.

Access to land; planning; environmental

- EMD will provide you with its publication 'Guidelines for Good Environmental Practice'.
- Exploration is exempted from controls under the Local Government (Planning and Development) Act, 2000.
- You must respect the wishes of the landowners regarding access to their lands, and be environmentally responsible.
- EMD must be notified two weeks in advance of drilling and trenching as these require prior approval from EMD, with immediate rehabilitation thereafter. Stricter controls are applied in environmentally sensitive areas, and EMD will notify you at offer stage in regard to these areas.

Legislation and Publications

For legislation and publications relevant to Mineral Exploration please visit our website www.mineralsireland.ie