Department for the
Economy
www.economy-ni.gov.uk

Mineral Prospecting Licences

FREQUENTLY ASKED QUESTIONS

SEPTEMBER 2021

INDEX

click question to see answer

General Information

Q1 What is a Mineral Prospecting Licence?
Q2 How long does a Mineral Prospecting Licence usually last?
Q3 What area does a Mineral Prospecting Licence cover?
Q4 What activities are covered by a Mineral Prospecting Licence?
Q5 What minerals are not covered by a Mineral Prospecting Licence?
Q6 Who licenses gold and silver exploration?
Q7 How much does a Mineral Prospecting Licence cost?
Q8 How are applications made to the Department?
Q9 What additional licences and powers would need to be granted to a Licensee to allow them to mine in the proposed area and how might these licences be applied for and awarded?
Q10 How are people's rights under the Aarhus Convention and European Convention on Human Rights (ECHR) affected by the issue of Mineral prospecting Licences?

Department Responsibilities

Q11 Who issues a Mineral Prospecting Licence?
Q12 What is the legislative framework for Mineral Prospecting Licensing?
Q13 How does the Department regulate Mineral Prospecting Licensees?
Q14 What is the process for considering applications?
Q15 What consultation does the Department undertake?
Q16 What due diligence does the Department undertake before a Mineral Prospecting Licence is granted?
Q17 What engagement takes place prior to the issue of a Mineral Prospecting Licence?
Q18 How will the Department ensure that the proposed licensing activity does not cause conflict within the local area?
Q19 Is the Department going to review its position on Mineral Prospecting/Mining Licensing?

Licensee Responsibilities

Q20 What reporting requirements apply to a Licensee?
Q21 What is the exploration cycle?
Q22 What consents are required to carry out exploration activities?

Environmental Considerations

Q23 How does the Department ensure that exploration does not damage the environment, the water, the rivers, the air and the health of the population?
Q24 What are the Department's duties in regards to Biodiversity?
Q25 How does the Department deal with applications for a Mineral Prospecting Licence in or near Special Areas of Conservation (SACs), Special Protection Area (SPAs) and Ramsar Sites?

INDEX

click question to see answer

Q26 How does the Department deal with applications for a Mineral Prospecting Licence in or near an Area of Special Scientific Interest (ASSI)?
Q27 Is tourism considered during the Mineral Prospecting Licensing process?
Q28 What impact has the recent policy change in relation to permitted development rights on prospecting?
Q29 How does the Department assess the cumulative effect of granting Mineral Prospecting Licences (MPLs) in the region?
Q30 What should a Licensee do if they discover gold or silver while prospecting under a Mineral Prospecting Licence?
Q31 Why is consultation not accompanied by a Strategic Environmental Assessment (SEA)?
Q32 How does the Department ensure that mineral exploration and extraction does not have a negative impact on the water table, water courses and waterways?
Q33 Should there not be a moratorium on Mineral Prospecting Licences until the conclusion of the inquiry into the Gold Mine Planning application?
Q34 What happens if and when a Licensee identifies a prospective target as part of its exploration activity and wants to extract?

Mineral Mining Licences

Q35 What are Mining Licences and Leases?
Q36 How are applications made for Mining Licences and Leases?
Q37 What is the process for consideration of applications for Mining Licences and Leases?
Q38 What are the process stages in the cycle from exploration through to extraction/mining?
Q39 What is the position with Royalties and Compensation to owners of Mineral Rights?
Q40 Who looks after Leases/Licences for Mining Precious Metals?

General Information

Q1 What is a Mineral Prospecting Licence?

A Mineral Prospecting Licence is a legal permission, issued by the Department for the Economy, to explore for minerals (with some exceptions, see Q5) in Northern Ireland. Under the Minerals Development Act (NI) 1969.pdf (economy-ni.gov.uk) (the 1969 Act) a Licensee will have the exclusive right to explore for specified minerals within the area covered by the licence. Index

Q2 How long does a Mineral Prospecting Licence usually last?

Mineral Prospecting Licences are usually granted for a period of up to six years. A two year work programme detailing planned prospecting activities is agreed on granting of the licence and on a two yearly basis thereafter. Index

Q3 What size of an area does a Mineral Prospecting Licence cover?

A Mineral Prospecting Licence can cover up to 250km^2 and gives the Licensee the exclusive right to explore the whole licensed area.

A Licensee must have the consent of landowners before entering their property. Depending on the nature of the work to be undertaken, a Licensee is required to give up to four weeks' notice of their intention to enter land. Index

Q4 What activities are covered by a Mineral Prospecting Licence?

The activities listed below can be carried out within the licence conditions. However, a number of these activities are subject to further agreement from the Department and additional relevant consents being obtained.

- Reviews, geological surveys and assessments
- Geochemical surveys
- Geophysical surveys
- Physical prospecting (including trenching, pitting and rock sampling)
- Drilling
- Bulk sampling, metallurgical testing and trial mining
- Assaying, chemical analysis and laboratory studies
- Resource assessments
- Engineering studies
- Environmental audits
- Feasibility studies

Further detail on Common Exploration activities can be found at:
https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Common-Exploration-Methods.docx. Index

Q5 What minerals are exempted by the Mineral Development Act (NI) 1969?

The 1969 Act covers all minerals with three main exceptions (the scheduled substances):

- gold and silver which belong to the Crown Estate and were not vested in the Department,
- any mineral deposits (mainly salt) which were being worked at the time of the 1969 Act were not vested in the Department; and
- 'common' substances including crushed rock, sand, gravel and brick clays.

A full list of these exceptions can be found in Schedule 1 to the 1969 Act. Index

Q6 Who licenses gold and silver exploration?

The Crown Estate Commissioners (CEC) issue lease options for prospecting for gold and silver. Historically, companies wishing to explore for gold and silver and other minerals often apply simultaneously to CEC for a lease option and to the Department for a Mineral Prospecting Licence covering the same geographical area.

Further information can be found at the following link: The Crown Estate Index

Q7 How much does a Mineral Prospecting Licence cost?

The relevant application fee is currently £450 payable to the Department for the Economy's Minerals and Petroleum Branch. Details of the current fees are provided in the 1991 amendment to the 1971 regulations: Mineral Development (Applications, Fees & Model Clauses) (Amendment) Regulations 1991 (economy-ni.gov.uk) Index

Q8 How are applications made to the Department?

Applications may be made either on an application form or in the form prescribed in Schedule 1 of the Mineral Development (Applications, Fees and Model Clauses) Regulations (Northern Ireland) 1970.

An application must be accompanied by two Ordnance Survey of Northern Ireland (OSNI) maps clearly indicating the area that the application covers (these may be in digital form). The relevant fee and audited accounts of the applicant for the three years prior to the making of the application (together with, if applicable, similar audited accounts from any parent company) must also be included.

The Department will expect an applicant to provide a rationale for the proposed work programme showing an understanding of the geological information already available and to submit a phased and costed work programme. Index

Q9 What additional licences and powers would need to be granted to a Licensee to allow them to mine in the proposed area and how might these licences be applied for and awarded?

Applications for Mineral Prospecting Licences and Mining Licences are two separate and distinct processes. The application process for a mining licence is covered in detail in a separate section on Mining Licences (Q35 to 40). Index

Q10 How are people's rights under the Aarhus Convention and European Convention on Human Rights (ECHR) affected by the issue of Mineral prospecting Licences?

The Aarhus Convention is intended to cover public access to environmental information, participation in the environmental decision making process and access to environmental justice. Index

The Aarhus Convention provides for:

- the right of everyone to receive environmental information that is held by public authorities ("access to environmental information"). This can include information on the state of the environment, but also on policies or measures taken, or on the state of human health and safety where this can be affected by the state of the environment. Applicants are entitled to obtain this information within one month of the request and without having to say why they require it. In addition, public authorities are obliged, under the Convention, to actively disseminate environmental information in their possession;
- the right to participate in environmental decision-making. Arrangements are to be made by public authorities to enable the public affected and environmental non-governmental organisations to comment on, for example, proposals for projects affecting the environment, or plans and programmes relating to the environment, these comments to be taken into due account in decision-making, and information to be provided on the final decisions and the reasons for it ("public participation in environmental decision making"); and
- the right to review procedures to challenge public decisions that have been made without respecting the two aforementioned rights or environmental law in general ("access to justice"). Index

The ECHR is an international human rights treaty, which is an agreement between Governments. It gives all people – adults, children and young people - a set of rights, such as the right to life and the right to freedom of religion.

The ECHR is divided into "articles", or sections. Each article contains a different right. The rights in the ECHR are:

- Article 2 – the right to life
- Article 3 – freedom from torture and inhuman or degrading treatment or punishment
- Article 4 – freedom from slavery
- Article 5 – right to liberty and security

- Article 6 – the right to a fair trial
- Article 7 – no one can be punished for an act that was not a criminal offence when it was carried out
- Article 8 – the right to respect for private and family life, home and correspondence
- Article 9 – the right to freedom of thought, conscience and religion
- Article 10 – the right to freedom of expression
- Article 11 – the right to freedom of assembly and association
- Article 12 – right to marry and start a family
- Article 14 – protection from discrimination in respect of these rights and freedoms

The Department ensures that the principles of the Aarhus Convention and ECHR are met by making information on the intention to grant mineral prospecting licences publicly available, by consulting with the public and other statutory and non-statutory bodies and taking into consideration any representations made to it as a result. The Department believes that the issue of mineral prospecting licences does not contravene either the Aarhus Convention or the ECHR and are content with the regulatory safeguards which are in place for mineral exploration. Index

Responsibilities of the Department

Q11 Who issues a Mineral Prospecting Licence?

Minerals and Petroleum Branch within the Department for the Economy have responsibility for the licensing of mineral exploration in Northern Ireland.

The Mineral Development Act (Northern Ireland) 1969 ("the 1969 Act") Minerals Development Act (NI) 1969.pdf (economy-ni.gov.uk) vested all minerals (with three main exceptions) in the Department. The 1969 Act and supporting regulations enable the Department to grant mineral prospecting licences to search for minerals and metals. Licensees prospecting for minerals are doing so on behalf of the Department for the Economy.

The 1969 Act contains separate provisions for the licensing of mining activities. The holder of a mineral prospecting licence is not guaranteed a mining licence. Index

Q12 What is the legislative framework for Mineral Prospecting Licensing?

The following legislation is relevant to Mineral Prospecting Licensing in NI.

- Minerals (Miscellaneous Provisions) Act (Northern Ireland) 1959 (legislation.gov.uk)
- Mineral Development Act (Northern Ireland) 1969 (legislation.gov.uk)
- The Mineral Development (Applications, Fees and Model Clauses) Regulations (Northern Ireland) 1970 (legislation.gov.uk)
- The Mineral Development (Applications, Fees and Model Clauses) (Amendment) Regulations (Northern Ireland) 1986 (legislation.gov.uk)
- The Mineral Development (Applications Fees and Model Clauses) (Amendment) Regulations (Northern Ireland) 1991 (legislation.gov.uk) Index

Q13 How does the Department regulate Mineral Prospecting Licensees?

Before a Mineral Prospecting Licence is issued the Department agrees a work programme for the first two years' exploration activity. At the end of each year, the Department will review the delivery of the work programme for that period, to ensure that all the agreed work has taken place. In advance of years three and four, the Department will agree a further two year plan for years three and four. This process is repeated before the end of year four for the final two year period.

The Licensee is required to report annually, and at such times as the Department requires, on how they have met the work programme agreed for that period. Should the Licensee intend to carry out any development activity, they must notify the Department in advance to allow any environmental considerations and requirements to be addressed. See the Environmental section below for further information. If the Licensee fails to deliver the agreed work programme for any period their licence may be revoked.

The Department also normally meets with licensees at least twice a year to review the work carried out over the previous period and to discuss the scheme of prospecting for the coming period. The second meeting will usually encompass a one day field visit to the licence area around six months into each prospecting year. Index

Q14 What is the process for considering applications?

When considering an application for a mineral prospecting licence, the Department conducts due diligence checks to be satisfied that the applicant has the technical capacity and financial resources to carry out the proposed exploration work programme.

Once all documentation is in place and these checks are completed, the Department deems the application valid. Having deemed an application valid, under the provisions of the 1969 Act the Department is required to consult other NICS Departments, other public bodies and the general public about the intention to issue a Mineral Prospecting Licence.

All representations are considered by the Department in making a decision on whether to award the licence. If a decision to award the licence is made, the representations are passed to the Applicant together with a proposed draft Mineral Prospecting Licence and a '*letter of offer*'. The licence terms may incorporate additional conditions as a result of the issues raised by the representations to the Department.

When the conditions in the '*letter of offer*' are accepted and the terms of the draft Mineral Prospecting Licence agreed, the final versions (engrossments) of the licence are prepared and then executed by the Applicant and the Department.

Every application for a Mineral Prospecting Licence is treated on its own merits and in accordance with the provisions of the 1969 Act. Index

Further information on the assessment process is contained in the following link - https://www.economy-ni.gov.uk/publications/how-mineral-prospecting-licence-application-assessed. Index

Q15 What consultation does the Department undertake?

The specific notification arrangements for Mineral Prospecting Licences are as specified in sections 11 (3) and (4) of the 1969 Act.

In summary the 1969 Act requires the Department to:

- notify its intention to grant a mineral prospecting licence by publicising for two successive weeks in the Belfast Gazette and in one or more newspapers circulating in the locality where the land is situated;
- consult other Departments, public bodies and local authorities (Local Councils) concerning the intention to issue a licence;

- name a place or places (including at least one place in the locality) where maps identifying the land are available for inspection at all reasonable hours; and
- consider representations made to it within one month of publicising its intention in respect of the licence application when taking a decision.

The Department exceeds the minimum requirements for consultation as set out in legislation by ensuring that in addition to the above:

- all relevant documentation pertaining to the application is placed on the Department's website;
- the notification of the intention to award the licences is placed in relevant local newspapers for the required 2 week period; and
- the period of notification/consultation is extended to 12 weeks. Index

Q16 What due diligence does the Department undertake before a Mineral Prospecting Licence is granted?

The Department carries out due diligence checks on the financial viability of companies applying for a Mineral Prospecting Licence including, where appropriate, seeking a Parent Company Guarantee for the monies required to deliver the agreed Work Programme over the full term of the licence.

This due diligence is undertaken by the Department in line with all current regulations in terms of the operational programme. Index

Q17 What engagement takes place prior to the issue of a Mineral Prospecting Licence?

As detailed in question 15 above, before a licence is issued the Department, through its consultation process seeks the views of local residents as well as statutory and non-statutory bodies. These views are considered as part of the decision making process.

On the wider issue of mineral prospecting and development, the Department proactively engages with Local Councils in the crafting of Local Development Plans, as prescribed in the Strategic Planning Policy Statement (SPPS). The key Regional Strategic Objectives for Minerals from the Strategic Planning Policy Statement are:

- Facilitate sustainable minerals development through balancing the need for specific minerals development proposal against the need to safeguard the environment;
- Minimise the impacts of minerals development on local communities, landscape quality, built and natural heritage, and the water environment; and
- Secure the sustainable and safe restoration, including the appropriate re-use of minerals sites, at the earliest opportunity.

Any community outreach activity is a matter for Licensees. The Licensee must have landowner/s permission for access before any prospecting activity can take place. Index

Q18 How will the Department ensure that the proposed licensing activity does not cause conflict within the local area?

Community outreach activity is the responsibility of the Licensee. However, the Department stresses to applicants that they should have a Community Engagement Programme in place as there can be different views on exploration within a local area. A Licensee is encouraged to engage with stakeholders to explain their activities and the legislation under which they operate. Licensees are encouraged to use this engagement to better understand and address local concerns. Index

Q19 Is the Department going to review its position on Mineral Prospecting/Mining Licensing?

The Department has begun a wide ranging review of both minerals and petroleum licensing policies. The legislation surrounding both licensing regimes dates back to the 1960s and the review is intended to ensure that the regimes remain fit for purpose. The ongoing review is intended to ensure that the licensing regimes continue to be effective in delivering key Programme for Government objectives to grow the economy and protect the environment.

As a first step on the minerals review the Department has commissioned research into the economic, societal and environmental impacts of mineral exploration and mining in Northern Ireland. This research will collate and use relevant contemporary qualitative and quantitative information and research on the economic, social and environmental aspects of the mineral life cycle (from exploration to mine development through to mine closure and restoration). In addition, the research will consider the relevant strategic policy context, the global demand and supply position for minerals and NI's potential prospectivity. The research will focus on the interaction of all of these key aspects and will inform the Department's initial consideration of the scope of the issues to be considered as part of a review of mineral exploration and mining policy and legislation. Index

Licensee Responsibilities

Q20 What reporting requirements apply to a Licensee?

A Licensee must report on the data gathered from their prospecting activities on an annual basis at a minimum. Under the minerals legislation, this information can be kept confidential, if the Licensee so requires, for up to ten years after submission, but after that may be made publicly available.

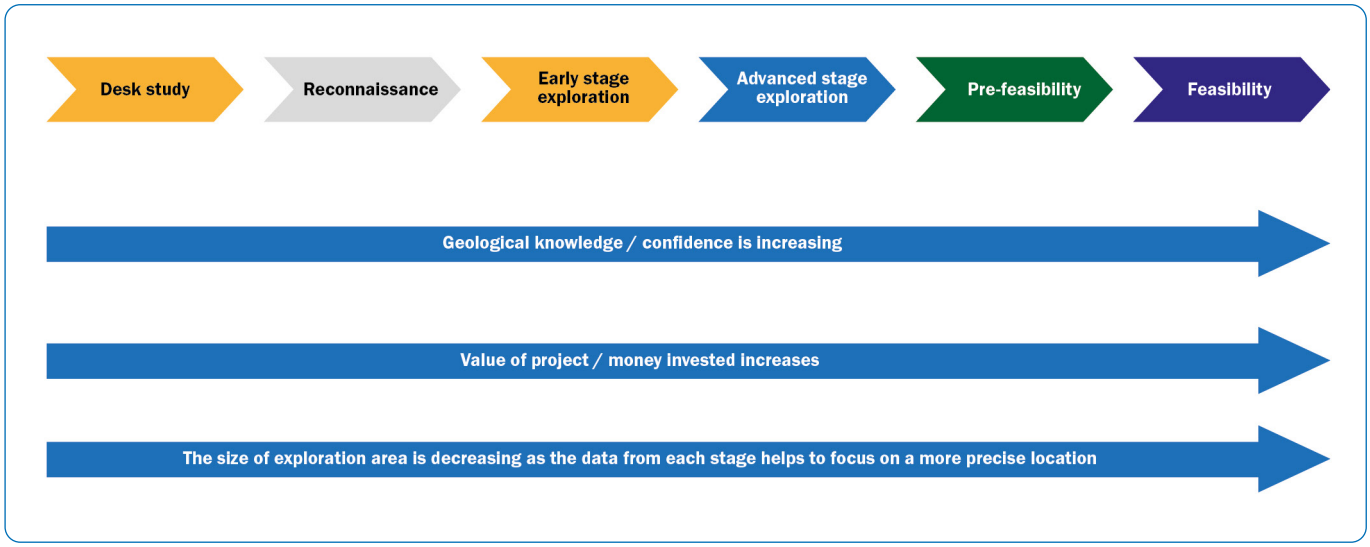
These reports are significant in augmenting the overall geological database which is maintained by the Geological Survey of Northern Ireland and the licensee is required to ensure that they are as comprehensive, accurate and up-to-date as possible.

Reports must demonstrate that the work programme agreed with the Department has been met and include details of expenditure incurred during the reporting period so that actual activity on the ground can be compared with the previously agreed exploration budget. The Licensee is required to ensure that there is a clear link between spending and planned work programme activities. Index

Q21 What is the exploration cycle?

The diagram below outlines the key steps/phases in the exploration process. Index

The Exploration Cycle



Source University of Exeter, Camborne School of Mines

More detail can be found in the following link:
https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Common-Exploration-Methods.docx. Index

Q22 Are there any additional consents or permissions required to carry on exploration activities?

Under section 4 of the Minerals (Miscellaneous Provisions) Act (Northern Ireland) 1959, Licensees must notify the Department of any development work they propose to take within the licence area. This allows the Department to complete any necessary environmental assessments and reviews and advise of any additional conditions that must be met. See the environmental considerations section for further information.

Additional consents and permissions from other regulatory bodies may be required throughout the mineral prospecting processes, for instance planning permission or permitted development consents.

Whilst planning permission is not required for the initial stages of exploration, the Planning Service of the Local Council and Department for Infrastructure may be kept informed of the nature and scale of the Licensees activities so that if necessary, they can provide more accurate advice on their specific requirements. It is likely that development activities at the advanced stages of exploration will require permissions from the planning authorities under Permitted Development legislation. Licensees considering advanced exploration must discuss any such proposals with Minerals and Petroleum Branch and the Planning authorities at an early stage. Index

Environmental Considerations

Q23 How does the Department ensure that exploration does not damage the environment, the water, the rivers, the air and the health of the population?

The NI Government Departments have a statutory duty to carry out functions in a way that promotes sustainable development. In Northern Ireland mineral exploration takes place within a framework of environmental legislation that is intended to protect the natural heritage, mitigate and minimise environmental impacts.

A number of environmental European Directives are implemented through locally enacted rules and regulations. These are administered by the Department of Agriculture, Environment and Rural Affairs (DAERA), the Department for Infrastructure (DfI) and Local Councils.

Northern Ireland Environment Agency (NIEA), within DAERA is consulted on any relevant activities under the licence and, as the regulatory body responsible for the environment, they will advise the Department on impacts resulting from exploration activities including advising on lessons learned from previous activities.

The award of a Mineral Prospecting Licence is subject to all other necessary approvals being obtained and all relevant regulations being adhered to. The Department will ensure that all exploration activities are carried out in accordance with all regulatory consents and to best practice and standards.

A full Environmental Impact Assessment (EIA), is required at planning stage for a mine. However, this is not required for exploration as these activities are small scale and temporary in nature as outlined in the Common Exploration Methods Paper available at:

https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Common-Exploration-Methods.docx.

The Department encourages prospecting companies to engage proactively with the local community. In addition landowner permission must be obtained for access onto private land. Index

Q24 What are the Department's duties in regards to biodiversity?

The Wildlife and Natural Environment Act (Northern Ireland) 2011 places a statutory duty on the Department to conserve biodiversity. This is referred to as the Biodiversity Duty.

The conservation of biodiversity is an essential part of the Government's commitment to sustainable development contained in the Sustainable Development Strategy published in 2010. This included the vision of a Northern Ireland "with a diverse, healthy and resilient natural environment". Index

The biodiversity duty extends beyond current legislative requirements for protected sites and species and requires all public bodies to further the conservation of biodiversity when considering applications for Mineral Prospecting Licences. The department must consider not only the potential impact of any exploration activities but also the need to protect and maintain biodiversity on the land under consideration and to look for opportunities to enhance or restore biodiversity.

Further information can be found at:
Biodiversity Duty - Guidelines for Public Bodies (daera-ni.gov.uk) Index

Q25 How does the Department deal with applications for a Mineral Prospecting Licence in or near Special Areas of Conservation (SACs), Special Protection Area (SPAs) and Ramsar Sites?

Under the Conservation (Natural Environment, etc.) Regulations (Northern Ireland) 1995 (as amended) (commonly referred to as the Habitats Regulations) certain sites have been designated as either Special Areas of Conservation (SACs) or Special Protection Areas (SPAs). Ramsar sites have been designated under the Ramsar Convention on Wetlands. Together these sites form part of the Natura 2000 network in Europe.

Under this legislation the Department, as the Competent Authority, in considering issuing a mineral prospecting licence where the land area is designated as being part of the Natura 2000 network, undertakes assessment to meet the requirements of the Habitats Regulations.

When an application for mineral prospecting licence is received, designated environmental areas that might be affected by the work carried out under the terms of the licence are identified and noted for future reference. These areas may be within the licence boundary or outside it. Formal Habitats Regulation Screening is not carried out at this stage. However once a Licensee notifies the Department of specific development work under the licence that may have an impact on a designated area, a screen of the activity is carried out. If the results of the screen indicate that one is necessary, a formal Habitats Regulation Assessment is completed within the required guidelines in order to ensure the protection of Natura 2000 sites.

Habitats Regulations Assessments are carried out against specific work activities and in consultation with the Northern Ireland Environment Agency. The Department ensures that assessment in accordance with the Habitats Regulations is carried out where a Mineral Prospecting Licence includes any activities that are likely to cause a significant disruption or disturbance to the designated features of a protected area. The Licensee must comply with the outcome of any Habitats Regulations assessment made by the Department. Index

Q26 How does the Department deal with applications for a Mineral Prospecting Licence in or near an Area of Special Scientific Interest (ASSI)?

As with sites designated under the Natura 2000 network, when an application for a mineral prospecting licence is received any ASSI location that falls within the boundary of the licence is noted for future reference. If a subsequent exploration activity is proposed within the boundary of an ASSI, the Department makes an Article 40 Notification to the Department for Agriculture, Environment and Rural Affairs (DAERA). In considering whether to permit the proposed exploration, the Department considers the advice provided by DAERA. Index

Q27 Is tourism considered during the Mineral Prospecting Licensing process?

The Department is committed, within the existing regulatory framework, to ensuring that Mineral Exploration does not have a detrimental impact on tourism and or the associated landscapes.

The geology of Northern Ireland is some of the most diverse in the UK and Ireland and has resulted in a huge range of different natural landscapes, many of which are enjoyed by tourists. The framework of environmental legislation within which mineral exploration takes place is intended to protect the various natural landscapes that tourism depends upon. Index

Q28 What impact has the recent policy change in relation to permitted development rights on prospecting?

In December 2016 the Department for Infrastructure, (Dfl), consulted on proposals to remove permitted development rights for petroleum extraction but retain these rights for mineral exploration where the methods are small scale and temporary in nature. Dfl has now finalised this policy and developed legislation in the form of The Planning (General Permitted Development) (Amendment) Order (Northern Ireland) 2020 (legislation.gov.uk). The changes in respect of mineral exploration are contained in Schedule 2 of the Order.

The permitted development rights for mineral exploration are not unfettered and require consideration by local councils before the activities are permitted. The local council may consider that the proposal should go through the full planning process to ensure that all risks have been identified and mitigated.

A Mineral Prospecting Licence confers limited rights on the Licensee to search for minerals, this is not a carte blanche permission to carry out all exploration related activities. Licensees are required to obtain a range of further separate permissions for more advanced operations from the Department and other regulatory authorities as set out in Question 21. This would include seeking planning permission should the local council consider it appropriate. Index

Q29 How does the Department assess the cumulative effect of granting Mineral Prospecting Licences (MPLs) in the region?

The Department has made available all information in relation to the application for Mineral Prospecting Licences and has used the notification process to inform its decision making. Exploration activities and their potential impacts are continually monitored and assessed with a view to promoting sustainability. Exploration has been carried out throughout Northern Ireland under the current legislation for over 50 years and to date the Department has no evidence to indicate that adverse cumulative effects have resulted from exploration activity. In contrast to other land use activities, mineral exploration that has been carried out across Northern Ireland in the time period has left little or no evidence of the activity. The exception is in areas where mineral deposits have been identified and advanced, focused exploration has been carried out. Index

Q30 What should a Licensee do if they discover gold or silver while prospecting under a Mineral Prospecting Licence?

A Mineral Prospecting Licence is for prospecting base metals only and not for gold or silver. Prospecting for gold and silver is conducted under an option from the Crown Estate and likewise any subsequent development of a gold target. Information on the Crown Estate can be found at this link The Crown Estate As noted above, any development beyond prospecting would be subject to other regulations and further approvals such as planning approval. Index

Q31 Why is consultation not accompanied by a Strategic Environmental Assessment (SEA)?

A Mineral Prospecting Licence does not require an SEA. Exploration is often small scale and low impact as outlined in the Common Exploration Methods Paper. https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Common-Exploration-Methods.docx. Index

The Department will continually monitor the work programme under these licences to ensure that the licensee is adhering to all necessary regulations. The NIEA will be fully consulted on any relevant activities under the licence and, as the regulatory body responsible for the environment, they will advise the Department on impacts resulting from works including learning from previous activities. Index

Q32 How does the Department ensure that mineral exploration and extraction does not have a negative impact on the water table, water courses and waterways?

All mineral prospecting activities must comply with all relevant regulations and controls put in place by Government Departments and Local Councils.

In addition exploration is small scale and low impact as outlined in the Common Exploration Methods Paper found at:

https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Common-Exploration-Methods.docx. Index

Q33 Should there not be a moratorium on Mineral Prospecting Licences (MPLs) until the conclusion of the inquiry into the Gold Mine Planning application?

The application for planning permission relates to a gold mine. Mining and prospecting for gold are governed by the Crown Estate. When a viable area has been identified for gold prospecting, the Crown Estate may require, among other things, planning permission before granting a Mining Lease for gold.

The mineral prospecting licences granted by the Department relate to base metal only. An MPL entitles the Licensee to explore for base metal and does not grant any rights to mine. They are separate from gold prospecting and gold mining. As detailed in Q21 above, planning permission is also not generally required for prospecting activities. As a result, the mineral prospecting licences are not directly linked to the gold mine nor to planning application.

In any event, planning approval or otherwise given for a specific project in a given area does not impact on wider activities such as mineral prospecting activity. Index

Q34 What happens if and when a Licensee identifies a prospective target as part of its exploration activity and wants to extract?

At the point when an economically viable base metal target is identified, a Licensee must apply to the Department for a Mining Licence or Mining Lease. This process is covered in more detail in the next section. Index

MINERAL MINING LICENCES

Q35 What are Mining Licences and Leases?

A Licensee that finds minerals in commercial quantities and seeks to develop these is required to apply to the Department for a mining licence or a mining lease under the provisions of the Mineral Development Act (Northern Ireland) 1969 (the 1969 Act). Application for a mining licence | Department for the Economy (economy-ni.gov.uk)

There are separate and distinct provisions in the 1969 Act dealing with mining licences and leases. It is also necessary to apply to the Local Council/ Department for Infrastructure for planning permission. An environmental impact assessment will be required and the Applicant will also be required to undertake its own Feasibility Study to determine the commercial viability of extraction. Index

Q36 How are applications made for Mining Licences and Leases?

An application for a mining licence should be presented in the form prescribed in Schedule 1 of the 1970 Regulations. Each application should include reserve calculations, details of the geological evidence on which they are based and a scheme of mineral working. Information should also be provided concerning the ownership of the surface land and, if known, details about the former ownership of the mineral rights.

An application must be accompanied by two Ordnance Survey 1:10,000 maps showing the application area and three 1:2,500 maps illustrating the proposed mine design. The relevant fee (currently £2,000 for a mining licence or lease) should be included together with audited accounts of the applicant for the three years prior to the making of the application (and if applicable, similar audited accounts from any parent company) if these have not already been supplied. Index

Q37 What is the process for consideration of applications for Mining Licences and Leases?

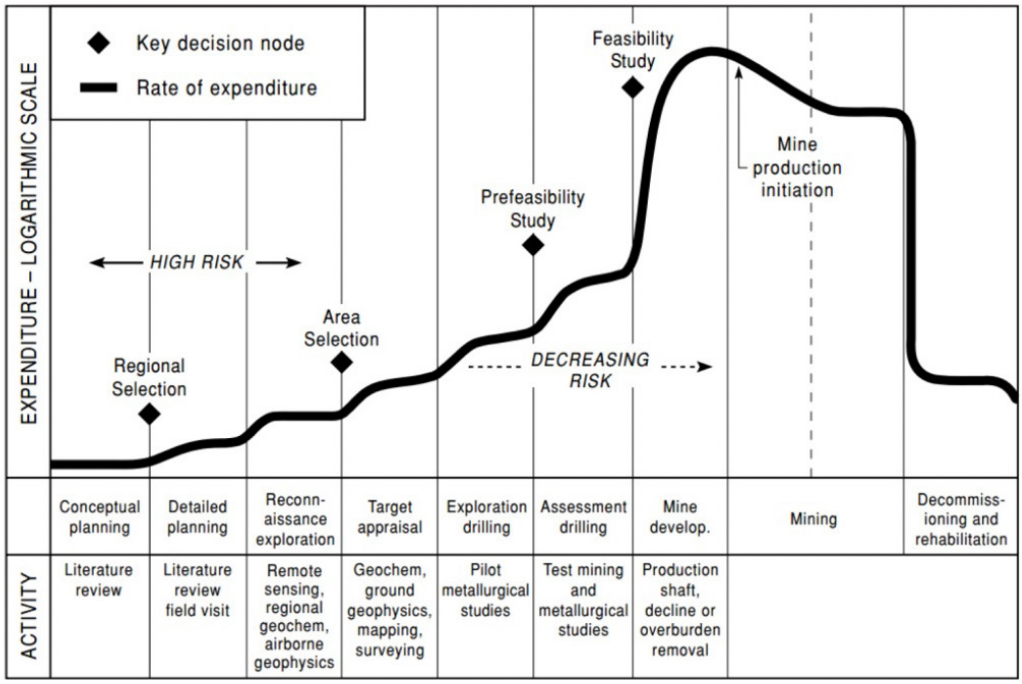
In considering any applications for mining licences and leases the Department, in accordance with the provisions of the 1969 Act, conducts due diligence checks, investigates the technical and financial resources of the applicant and carries out a consultation procedure. Advice is taken from consultants who have expertise in mining to ensure that the proposed mine design is based on adequate geological data and that potentially hazardous conditions have been located and defined.

In addition to the usual consultees, the Department consults the Health and Safety Executive for Northern Ireland about the safety aspects of the proposed mine, and the Valuation and Lands Agency on the question of royalties. Every application for a mining licence or lease is treated on its own merits and in accordance with the provisions of the 1969 Act. Index

Q38 What are the process stages in the cycle through from exploration through to extraction/mining?

The diagram below sets out the cycle and the main phases in the process are: Index

1. Mineral exploration: to discover a deposit
2. Feasibility: to prove it is commercially viable
3. Mine development: build mine infrastructure
4. Mining includes: extraction, processing, smelting refining and marketing
5. Closure: Manage the process



Stages of an exploration project, source: Introduction to mineral exploration, Moon, Whateley and Evens, (Modified from Eimon 1968.)

Q39 What is the position with Royalties and Compensation to owners of Mineral Rights?

Under the 1969 Act compensation becomes payable to 'former mineral rights owners' when minerals are extracted. The Department collects royalties from mining companies based on the quantity of minerals mined and a yearly dead rent for the lease area if appropriate. A compensation payment is then made to the owners of the mineral rights by apportioning the royalties and dead rent less a deduction for administrative costs.

In respect of any precious metals extracted, royalties are negotiated with and collected by the Crown Estate Commissioners. Index

Q40 Who looks after Leases/Licences for Mining Precious Metals?

Mining for precious metals is carried out under permission from the Crown Estate Commissioners (CEC). Companies wishing to mine for precious metals should apply to CEC for a precious metal lease/licence. Index