

EARTH

Resources

INFORMATION SHEET

PROSPECTING AND MINING FOR OPAL WITHIN PROCLAIMED PRECIOUS STONES FIELDS

INTRODUCTION

The *Opal Mining Act 1995* was assented to by the South Australian Parliament in November 1995 and proclaimed and brought into operation on 21 April 1997. Several new provisions contained within the Opal Mining Act and Regulations are summarised and explained in this Information Sheet.

This Information Sheet is not a substitute for the statutory requirements of the Act and Regulations. Every opal miner is expected to know and follow the provisions of the legislation.

This Information Sheet covers mining and prospecting for opal within a proclaimed precious stones field only. For information relating to opal mining outside of the proclaimed precious stones fields, refer to Information Sheet M8 *Prospecting and mining for opal outside proclaimed precious stones fields.*

KEY DEFINITIONS

Authorised person means a person appointed as an authorised person under section 77.

Corporation means a body corporate.

Declared equipment means:

- a trench digger or excavator, or
- mechanically driven equipment, equipped with a blade or bucket of a width exceeding 0.75 metres, capable of ripping, gouging, scooping or digging earth or rock material, or
- equipment that is capable of digging, boring or tunnelling underground, generally in a horizontal plane, with a cross-sectional dimension greater than 0.75 metres, or
- equipment of a kind prescribed by the regulations for the purposes of this definition,

but does not include surface drilling equipment.

Designated area means an area within a precious stones field declared by the Minister under

Section 5 of the Act to be a designated area. These will be declared in consultation with appropriate mining associations and will be gazetted. They will be located away from established workings in order to encourage prospecting over new ground.

Exclusion zone means land declared by the Minister under Section 5 to be an exclusion zone for the purposes of this Act.

Fossicking means the gathering of precious stones ('precious stones' means opal for the purpose of this Act):

- as a recreation, or
- without the intention to sell the stones or to utilise them for a commercial or industrial purpose,

but does not include the gathering of precious stones through the disturbance of land by machinery or explosives.

A fossicker cannot go onto a precious stones claim without the owner's permission or enter land outside a precious stones field without the landowner's consent. It is an offence to enter or remain on land comprised in a claim without obtaining the permission of the owner of the claim.

Holder of a tenement means the person who is registered as the holder of the tenement under this Act.

Machinery means a device operated other than solely by muscular force exerted by the operator.

Mining operator or **operator** means a person by whom, or on whose behalf, mining operations are carried out under this Act.

Mining operations means operations carried out in the course of prospecting or mining for precious stones, or rehabilitation operations, but does not include fossicking.

Opal development lease means an opal development lease registered under Section 19 of the Act.



Mineral Resources



Precious stones tenement or tenement means:

- a precious stones claim, or
- an opal development lease.

Prospecting means operations carried out in the course of exploring for precious stones, including the pegging out of an area for a tenement, but does not include operations that involve disturbance of land by declared equipment or explosives, and ‘to prospect’ has a corresponding meaning.

MAJOR PROVISIONS OF THE OPAL MINING ACT

Proclaimed Precious Stones Fields

The laws for opal mining apply throughout the State but there are special provisions within the Act which apply to the proclaimed precious stones fields. The opal fields at Andamooka, Coober Pedy, Mintabie and Stuart Creek have been proclaimed to be precious stones fields. **Mining is not permitted within the boundaries of the townships of Andamooka, Coober Pedy and Mintabie.**

Precious Stones Prospecting Permit

Every person prospecting or pegging a claim for opal must have a current precious stones prospecting permit. Application for a permit must be made personally at an office of the Mining Registrar. A permit is valid for a period of one year and may be renewed by personal application within one month before its expiry. The Mining Registrar has offices in Adelaide, Andamooka, Coober Pedy and Mintabie. A person is entitled to only one permit and it must not be lent or transferred to anyone else.

Qualifications to permits

A precious stones prospecting permit does not authorise a person to prospect for opal on exempt land nor does it allow operations that involve the use of declared equipment or explosives, other than where explosives are used to assist in sinking a prospecting shaft.

In the case of a corporation, the precious stones prospecting permit does not authorise the pegging of a precious stones tenement within a precious stones field unless the land is:

- within a designated area, or
- not within 500 metres of a registered tenement at the time of pegging, or
- not within an exclusion zone.

A precious stones prospecting permit does not authorise any miner to peg an opal development lease within a precious stones field unless the land is:

- within a designated area, or
- not within 500 metres of a registered tenement at the time of pegging, or
- not over ground previously disturbed by mining operations.

A precious stones prospecting permit does not authorise the pegging out of an area for a precious stones tenement on land that is:

- within an opal development area under the Mining Act 1971, or

- within an area that has been pegged out by another person, and that pegging has not lapsed or been cancelled, or
- within an existing precious stones tenement (unless the holder of an opal development lease pegs out a claim within the area of the lease).

Major Working Area — Coober Pedy

A major working area has been defined by survey as shown in Schedule 1 of the Regulations and marked out on the ground with wooden posts (Fig.1). The area extends for approximately 34 kilometres in a northwesterly direction and is up to 20 kilometres wide, within the centre of the Coober Pedy Proclaimed Precious Stones Field. It covers an area of almost 8% of the total field and includes 85% of the currently held precious stones claims.

Within the major working area the heritage associated with small mining operations will be protected and the terms and conditions of pegging and working a claim will remain as they were under previous legislation, i.e. each miner may have one claim only, which must be personally worked. The new initiatives in the Act relating to new forms of tenements, multiple tenements and larger claims will not apply to those miners operating within the defined major working area.

Thus, a miner with a claim within the major working area is restricted to one claim only, having a maximum area of 5000 square metres. A corporation is prohibited from pegging any area within the major working area.

Identification Plates

On the issue or renewal of a precious stones prospecting permit, a mining registrar may issue to the holder of the permit up to three sets of identification plates — two sets for precious stones claims and one set for an opal development lease.

A set consists of four plates and each must bear the relevant permit number and date of expiry.

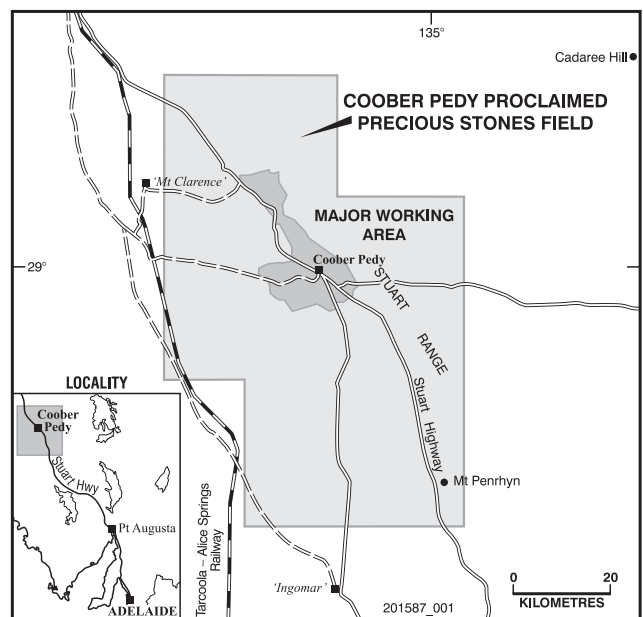


Fig. 1 Major Working Area – Coober Pedy.

An appropriate plate must be attached to each post of any tenement pegged under the permit; pegging is invalid if plates are not attached.

If plates are lost or destroyed, replacements may be obtained upon lodging a declaration of loss and payment of the appropriate fees at any office of the Mining Registrar.

A permit and its associated identification plates may be cancelled by order of the Warden's Court for a serious breach of any of the laws relating to mining.

The holder of a permit may surrender it, together with the associated identification plates, to the Mining Registrar at any time.

If a person renews a permit and is the holder of a current precious stones tenement, that person must place the plates issued with the renewed permit on each post within 14 days.

Precious stones tenements

Rights of tenement holders

A precious stones tenement confers on the holder (i.e. the person whose permit number appears on the posts) an exclusive right to prospect, mine and sell or dispose of precious stones recovered from the tenement. A person may hold only one precious stones claim at any time if this claim is pegged within the major working area at Coober Pedy. Outside this area, a person may hold up to three tenements at the same time, i.e. two precious stones claims and one opal development lease.

A precious stones tenement may be cancelled by order of the Warden's Court for a serious breach of any of the laws relating to mining.

Tenement size and shape

Precious stones claims may be pegged in three sizes (Fig. 2):

- The small claim must approximate a square with no side longer than 50 metres and a maximum area of 2500 square metres.
- The large claim shall have a maximum area of 5000 square metres and the shape must be a rectangle with a breadth not exceeding 50 metres and a length not exceeding 100 metres.
- The new legislation allows for the pegging of an extra large claim measuring 100 x 200 metres (20 000 square metres in area) but only on ground covered by an opal development lease which is pegged in a designated area or is located outside a proclaimed precious stones field. If the lease is inside a proclaimed precious stones field and not in a designated area, then only a small or large claim can be pegged.

An irregularly shaped claim may be pegged if adjoining boundaries prevent the pegging of an extra large or small claim. An irregularly shaped claim is subject to the Mining Registrar's approval.

Opal development leases are short-term (three month) prospecting leases and may be up to a maximum of 40 000 square metres (200 x 200 metres) in area (Fig. 2). They may not be renewed.

Method of pegging

Posts at least 70 millimetres thick must be securely placed in the ground at each corner of the tenement and must project at

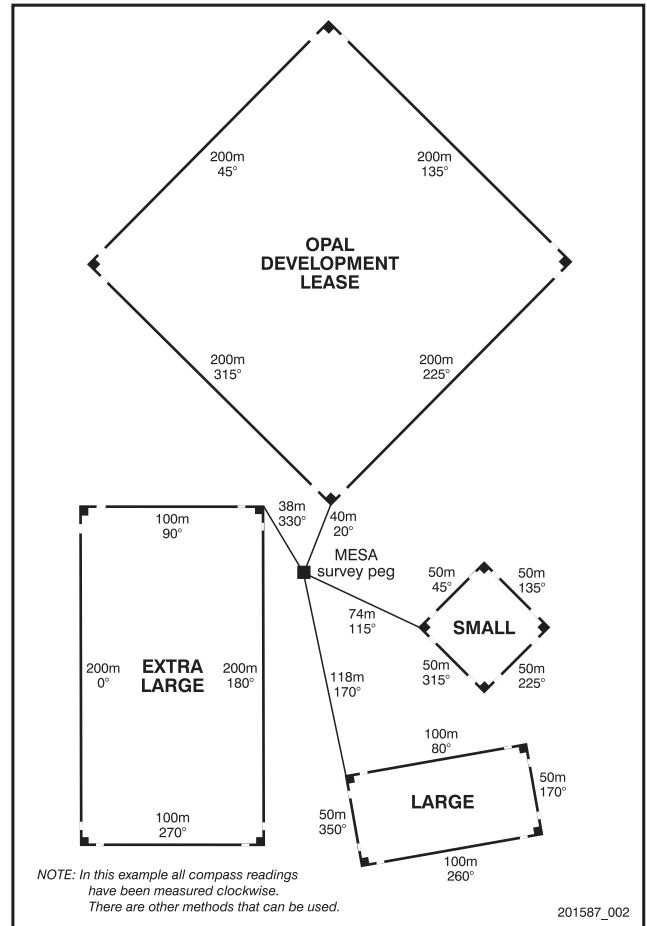


Fig. 2 Examples of tenement sizes.

least 0.75 metres above the surface. Posts must not show any information of a previous pegging. Only indicator arms can be used on a precious stones tenement to show the direction of the tenement boundary (Fig. 3).

An identification plate appropriate to the particular type of tenement must be securely attached as near as possible to the top of each post and the date of pegging must be written in clear, legible characters below each identification plate, together with the letter 'S' or 'L' depending on whether the claim is small or large. In the case of extra large claim, the letter 'X' is to be shown on the post.

With an opal development lease, the letters 'ODL' are to be indicated and each post must be completely white.

Notice of pegging

When a claim is pegged out, a notice of pegging must be personally lodged no later than 5 pm on the next working day on the appropriate PIRSA (Primary Industry and Resources) form at the nearest office of the Mining Registrar to that field. For example, for a claim pegged on Monday, notice must be lodged by 5 pm Tuesday but if pegging is done on Friday, notice must be lodged by 5 pm the next Monday. If the notice of pegging is not lodged as required, the claim ceases to exist and the posts are liable to be removed by PIRSA officers.

A notice of pegging is not required for an opal development lease.

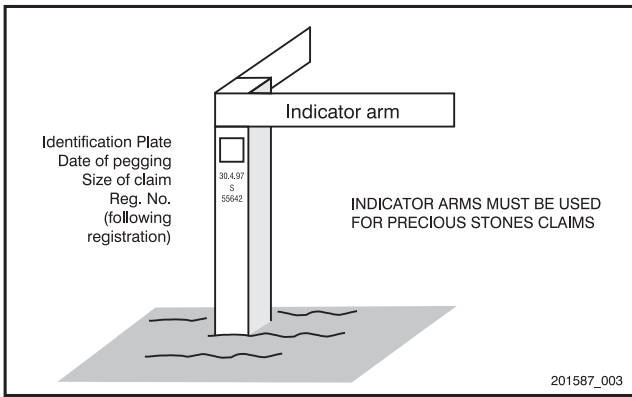


Fig. 3 Method of pegging.

Registration

Application for registration of a tenement must be made at the nearest office of the Mining Registrar within 14 days after the day of pegging. The application is to be made personally on the appropriate PIRSA form and be accompanied by the prescribed fee. Failure to apply for registration within the allowable time of 14 days results in lapsing of the tenement.

Registration of a claim is valid for three months from the date of lodging the application, and may be renewed.

Registration for an opal development lease is valid for three months from the date of notice from the Mining Registrar.

The registered number of the claim must be clearly marked on each post within seven days of registration, and of an opal development lease within 14 days of registration.

An application for registration of any precious stones tenement must be accompanied by a location sketch.

Renewal and surrender of tenements

A claim may be renewed within 60 days of its expiry and the renewal period after initial registration will be for one year. The application must be made personally at the nearest office of the Mining Registrar to the location of the claim and must be on the appropriate PIRSA form and accompanied by the prescribed fee. **Opal development leases may not be renewed.**

To surrender a tenement, the posts must be removed and a notice of surrender must be personally lodged at any office of the Mining Registrar.

When a claim lapses, is cancelled or is surrendered the holder cannot re-peg another tenement within the previous claim unless:

- at least 12 months has elapsed since the previous claim came to an end, or
- written approval has been given by the Mining Registrar.

When an opal development lease lapses or is surrendered, the holder may not re-peg another lease on land within that lease. Further, no other person may peg out a lease on land within the previous lease unless at least 30 days have elapsed since the previous lease came to an end.

Maintenance of claims

Failure to keep the posts in their original position, indicator arms in place, identification plates on each post, and the

registered number and date of pegging clearly legible, could result in an application to the Warden's Court by another person for forfeiture of the claim.

PIRSA officers carry out regular inspections of the opalfields and issue rectification orders for any deficiencies in pegging. If these are ignored, the Department can apply to the Warden's Court for forfeiture of the claim.

Working conditions

A precious stones claim must be worked for not less than 20 hours per week within 14 days of pegging out. Where a claim is located within the major working area of Coober Pedy, the work must be done personally by the claim owner or in accordance with a variation approval in the Warden's Court. In any other case, the claim must be worked by or on behalf of the claim holder for not less than 20 hours per week. Opal development leases do not carry any working conditions.

Suspension of working conditions

Upon application by the holder, the Warden's Court may suspend the working conditions of any claim if provided with good reasons why work cannot be carried out. The maximum term of suspension is six months. Suspension of working conditions does not prevent work being done during the term of the suspension.

Amalgamation of working conditions

Upon application by the holder, the Warden's Court may approve the amalgamation of working conditions of up to four adjoining small claims or two adjoining large claims (or to a maximum of 10 000 square metres) for a term not exceeding one year. The advantage of amalgamation is that it allows the parties to the amalgamation to concentrate work at one place within the boundaries of the amalgamated tenements. Where the claims are located within a major working area, it does not remove the obligation for personal working by each of the claim owners.

Pushing of overburden

Overburden or other material must not be pushed outside the boundaries of a tenement or an open cut extended beyond the boundaries of the tenement, without the written permission of an authorised person. Application must be made at the nearest office of the Mining Registrar to the tenement.

Recovery of posts

In certain circumstances, PIRSA officers are authorised to remove posts. Posts so removed may be recovered by the owner within one month, upon payment of the prescribed fee.

Declared equipment

A mining operator can only use declared equipment in the course of mining operations on a registered tenement. Severe penalties apply for a breach of the above.

Exploration licences and opal development areas

The new legislation allows for the granting of Exploration Licences for opal subject to certain conditions, which are controlled under the Mining Act 1971.

For example, an exploration licence for the recovery of opal applied for within a precious stones field must be confined to

an opal development area and cannot exceed 20 square kilometres in area, (unless otherwise specifically determined by the Minister).

Opal development areas will be carefully defined and located away from established workings and will be declared by the Minister, in consultation with appropriate opal mining associations, and be notified in the Government Gazette.

Exploration licences applied for outside precious stones fields will not be allowed on land that is within an exclusion zone under the Opal Mining Act 1995. Such exclusion zones will eventually include areas such as those at Lambina, where miners are currently active or have recently worked.

Mining development under the Mining Act

In the event that a corporation is successful in its exploration program and wishes to proceed to mining development, such development will be conducted under the Mining Act as currently applied to all other minerals. This will involve the granting of a mining lease together with all the other responsibilities under the Mining Act including the submission of six-monthly production returns, the payment of royalties on the opal recovered for sale and rehabilitation of the areas mined, and the payment of annual rental.

Offices of the Mining Registrar

The PIRSA regional offices at Andamooka, Coober Pedy and Marla, and at 101 Grenfell Street Adelaide, are offices of the Mining Registrar.

Where a regional office of the Mining Registrar is closed for a period greater than five days and a notice to this effect is prominently displayed at the office, notice of pegging, registration and renewal of tenements may be either posted to the Mining Registrar or lodged personally at the Adelaide office. Application for registration (or renewal) must reach the Mining Registrar on or before the last day for lodgement.

Enquiries can be directed to the Coober Pedy office, ph. (08) 8672 5800, fax (08) 8672 5788 or to:

Warden's Court

The Warden's Court has jurisdiction to determine all matters concerning any right claimed in relation to a tenement, or a precious stones prospecting permit or otherwise arising under this Act.

Enquiries to:

The Warden's Court
Sir Samuel Way Building
Victoria Square Adelaide SA 5000
Ph: (08) 8204 0285

Copies of the *Opal Mining Act 1995* and Regulations under the *Opal Mining Act* are available, with the appropriate fee from:

Information SA
State Government Bookshop
Australis Centre
77 Grenfell Street
Adelaide SA 5000
Ph: (08) 8204 1900
Freecall 1800 182 234

or refer to our website:
www.minerals.pir.sa.gov.au