

TREASURY EXECUTIVE MINUTE

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Minute No. 10/1310

17 May 2010

Treasurer

MINING PROJECTS AND ROYALTIES IN SOUTH AUSTRALIA

Timing: Your office requested this briefing urgently.

Recommendation/Issue:

- That you note this briefing.

Noted

Signature:/...../2010

*Noted by the Treasurers Office.
Copy provided to the Treasurer.
J.M.C 21/5/10.*

KEY POINTS

- On 16 May 2010, your office requested information regarding mining projects and royalty rates in Western Australia.
- South Australia currently has around 15 major development projects in the pipeline with start dates ranging between 2010 and 2021. The majority of these projects are in the uranium and copper/gold sectors. The largest of these is the Olympic Dam Expansion. Information on South Australia's major development projects is at Attachment A.
- In 2007-08, the total value of commodities produced in South Australia was approximately \$3.92 billion. This represents 3 per cent of the value of total Australian resource production. Further details are contained in Attachment B.
- Before announcement of the Resource Super Profits Tax on 2 May 2010, there was no indication that the South Australian Government was intending to increase the royalty rates.
- On 3 May 2010, Treasurer Kevin Foley indicated that the State was reviewing the royalties imposed on mining developments, with a view to increase the current rate of 3.5 per cent. He has stated that he has been encouraged by actions in Western Australia which had a royalty rate of seven per cent, a level which had not deterred mining investment in that state.
 - Royalties in South Australia are charged at 3.5% of the value of the minerals as they leave the mine gate, with new mineral mines eligible for a lower rate of 1.5% for the initial five years.
- Details of the State royalty regimes as of 2007-08 are contained in Attachment C.

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ATTACHMENT A

ATTACHMENT A

MAJOR DEVELOPMENT PROJECTS IN SOUTH AUSTRALIA

Olympic Dam

- The project is a proposed expansion of Olympic Dam. The expansion would be a progressive development requiring construction activity over a period of 11 years.
- The draft Environmental Impact Statement (EIS) was released 1 May 2009. BHP expects government decisions on the draft EIS by mid 2010. Following that, the project will depend on completing all required feasibility studies and final investment approval from the BHP Billiton Board.

As at October 2009.

Uranium

Project	Company	Stage	Expected Start Up
Honeymoon	Uranium One/Mitsu	Under Construction	2010
Four Mile	Quasar Resources/Alliance	Finalising Lease	2010
Oban ISR	Curnamona Resources	Feasibility Study	2010
Crocker Well/Mount Victoria	Pepinnini Minerals/SinoSteel	Feasibility Study	2011
Mt Gee	Marathon Resources	Scoping Study	2013

Copper/Gold

Project	Company	Stage	Expected Start Up
Kalkaroo	Havilah Resources/Glencore	Feasibility Study	2010
White Dam	Exco Resources/Polymetals	Under Construction	2010
Kanmantoo	Hillgrove Resources	Awaiting Govt Approval	2011
Olympic Dam Expansion Stage 1	BHP Billiton	EIS	2016
Olympic Dam Expansion Stage 2	BHP Billiton	EIS	2018
Olympic Dam Expansion Stage 3	BHP Billiton	EIS	2021
Mt Gunson	Gunson Resoures	Feasibility Study	n/a

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Iron Ore – Infrastructure

Project	Company	Stage	Expected Start Up
Port Lincoln	Centres Metals	Awaiting Govt Approval	2010

Base Metals

Project	Company	Stage	Expected Start Up
Reliance	Perilya	Feasibility Study	n/a

Mineral Sands

Project	Company	Stage	Expected Start Up
Jacynth/Ambrosia	Iluka Resources	Under Construction	2010

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MINERAL	NEW SOUTH WALES (1)	VICTORIA (2)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Lead/Zinc	Cobalt zinc - as for copper. Broken Hill - 20 percent of profit with adjustments for grade of ore and mean depth of ore mined. Other S/L/Z - 4 percent of ex mine value (mine mouth)	2.75 percent of net market value	As for copper except processing discounts are 25 percent for lead and 35 percent for zinc	5 percent of royalty value for concentrates. 2.5 percent for metallic form.	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 2.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value".	As for coal	No production in Victoria
Bauxite / Alumina	\$0.35/tonne - bauxite \$0.70/tonne - alumina (mine mouth)	2.75 percent of net market value	For bauxite mined for consumption outside the State royalty is: a) 10 percent of value, or b) \$1 per tonne, whichever is the higher The royalty rate per tonne payable on bauxite mined for consumption within the State is half the royalty worked out under the above provisions	Bauxite - 7.5 percent of value (alumina - 1.65 percent of value - rate specified in several State Agreement Acts)	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 2.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", except for Government project where a special historical arrangement exists	As for coal	No production in Victoria
Silica	(5)	\$1.43 per cubic metre	Currently 5 percent of value or \$0.50/tonne whichever is the greater. Transition arrangements for 2005-06 with minimum of \$0.70 per tonne. From 2006-07 onwards, \$0.90 per tonne	\$0.56/tonne from 1 July 2005 moving in equal increments to \$0.80/tonne on 1 July 2009 (from 1 July 2010 subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	Industrial 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 2.5 percent for the first 5 years Extractive minerals \$0.35/tonne	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	Metallurgical, greater of \$1.20/tonne or 5 percent of value, other uses \$0.60/tonne	(5) silica is not defined as a mineral in NSW
Mica	4 percent of ex mine value (mine mouth)	2.75 percent of net market value	Fixed rate of 2.7 percent or variable ad valorem rate (1.5 percent-4.5 percent) as advised by Department each quarter applied to payable metal value. Rate applies to the revenue base less \$7,500 per quarter. A reduced royalty (50 percent) applies to the next \$4m/p.a. Discount of 20 percent applies when processed in the State to 70 percent contained metal	2.5 percent of value of contained niche	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 2.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria

MINERAL	WESTERN AUSTRALIA (1)	VICTORIA (2)	QUEENSLAND (3)	SOUTH AUSTRALIA (4)	NORTHERN TERRITORY (5)	TASMANIA (7)	COMMENTS
Mineral Sands (6)	4 percent of FOB value	2.75 percent of net market value	5 percent of the value of the concentrate	5 percent of royalty value. Limestone feedstock - \$4.16/tonne escalated annually (limestone feedstock that is of a marketable quality, 3.5 percent of royalty value from 1 July 2005 with the rate moving in equal annual adjustments to 5 percent on 1 July 2008)	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years.	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal (6) applies to rutile, monazite, zircon and limonite
Kaolin	\$0.50/tonne (mine mouth)	2.75 percent of net market value	Currently - \$0.50/tonne 2005-06 - \$0.75/tonne 2006-07 - \$1.00/tonne	5 percent of royalty value (7)	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	\$1.20/tonne (mine gate) (7) unless an "extractive mineral lease" (EML) or "extractive mineral permit" (EMP) has been granted under the Mining Act (in which case no royalty is payable). Rental of an EMP or an EML is higher to compensate the lack of royalty
Limestone-Lime Earth	\$0.35/tonne (mine mouth)	\$1.43 per cubic metre	Limestone (when used for its chemical properties) - \$0.30/tonne. Lime, earth - \$0.25/tonne	Limestone (including limestands and shell-sands) used for agricultural or construction purposes or as a neutralising agent \$0.34 per tonne from 1 July 2005 moving in equal increments to \$0.50/tonne on 1 July 2009 Limestone (including limestands and shell-sands) used for metallurgical purposes \$0.56 per tonne from 1 July 2005 moving in equal increments to \$0.80/tonne on 1 July 2008 (from 1 July 2010 both rates subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	Industrial 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years. Extractive minerals \$0.35/tonne	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", if the material is used as a mineral and not as an "extractive" mineral product	Chemical and metallurgical: \$1.20/tonne. Other Uses: \$0.60/tonne (mine gate) (8) Included under construction materials

MINERAL	NEW SOUTH WALES (1)	VICTORIA (2)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Salt	4 percent of ex mine value (mine mouth)	It is outside the scope of mineral, extractive and the petroleum legislations in Victoria	\$1.00/tonne	\$0.34/tonne from 1 July 2005 moving in equal increments to \$0.50/tonne on 1 July 2009 (from 1 July 2010 subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index (a number of different rates are also contained in various State Agreement Acts for specific projects)	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years. Certain existing operations pay royalty under State or Crown Agreements	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	
Comestone	4 percent of ex mine value (mine mouth)	2.75 percent of net market value	2.7 percent of value after deducting \$30,000	7.5 percent of royalty value	Currently not applicable but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", unless produced by recreational fossicking which is exempt	As for coal	No production in Victoria
Magnetite	4 percent of ex mine value (mine mouth)	2.75 percent of net market value	\$0.50/tonne	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Bentonite	\$0.70/tonne (mine mouth)	2.75 percent of net market value	Currently - \$1.00/tonne 2005/06 - \$1.40/tonne 2006/07 - \$1.80/tonne	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Exempt from Act	As for coal	No production in Victoria

MINERAL	NEW SOUTH WALES (2)	VICTORIA (2)	QUEENSLAND (8)	WESTERN AUSTRALIA (9)	SOUTH AUSTRALIA (9)	NORTHERN TERRITORY (6)	TASMANIA (7)	CORAL REEFS
Clay	Brick clay - \$0.25/tonne. Pottery clay - \$0.50/tonne (mine mouth)	Fine clay 2.75 percent of net market value Building clay \$1.43 per cubic metre	Clay shale - \$0.25/tonne. Fireclay - \$0.25/tonne. Pottery clay - \$0.50/tonne. Building brick roof tile & glazed earthenware pipe clay - \$0.25/tonne	\$0.34/tonne from 1 July 2005 moving in equal increments to \$0.50/tonne on 1 July 2009 (from 1 July 2010 subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	\$0.35/tonne	Exempt from Act	\$1.20/tonne (mine gate)	(9) as Isolith in Victoria
Tin Concentrate	4 percent of ex mine value (mine mouth)	2.75 percent of net market value	2 percent of value after deducting \$30,000	2.5 percent of royalty value of tin metal (or 2.5 percent of contained tin metal value)	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years.	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value".	As for coal	No production in Victoria
Dolomite	\$0.50/tonne (mine mouth)	2.75 percent of net market value	\$0.25/tonne	\$0.34/tonne from 1 July 2005 moving in equal increments to \$0.50/tonne on 1 July 2009 (from 1 July 2010 subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", if the material is used as a mineral and not as an "extractive" mineral product	Chemical and metallurgical: \$1.20/tonne, other uses \$0.60/tonne (mine gate)	No production in Victoria
Diatomite	\$0.50/tonne (mine mouth)	\$1.43 per cubic metre	\$0.50/tonne	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Exempt from Act	As for coal	No production in Victoria
Peat	\$0.70/tonne (mine mouth)	2.75 percent of net market value	2 percent of value after deducting \$30,000	N/A	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Exempt from Act	As for coal	No production in Victoria

MINERAL	NEW SOUTH WALES (1)	VICTORIA (2)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Phosphates	\$0.50/tonne (mine mouth)	2.75 percent of net market value	Phosphate royalty formula per tonne of phosphate rock: $\frac{1.33 \times G}{3.3 \times 8.9}$, where G is the average P2O5 content of the rock for the period Pcur is the average price in SA of Moroccan phosphate rock with 32.3 percent P2O5 content Minimum rate is \$0.80 per tonne	N/A	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 1.8 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Magnesite	\$0.70/tonne (mine mouth)	2.75 percent of net market value	\$0.50/tonne	N/A	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 1.8 percent of the "Net Royalty Value"	As for silica	No production in Victoria
Iron Ore-Iron Stone	\$0.35/tonne (mine mouth)	2.75 percent of net market value	\$0.35/tonne	Lump export - 7.5 percent FOB, fine export - 5.625 percent, beneficiated - 5.0 percent (a number of different rates are also contained in various State Agreement Acts for specific projects)	Minimum \$1.10/tonne plus agreed adjustments delivered to steelworks (BHP Indenture Act)	Subject to the Mineral Royalty Act at 1.8 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Tungsten	4 percent of ex mine value (mine mouth)	2.75 percent of net market value	2 percent of value after deducting \$30,000	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 2.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 1.8 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Marble	\$0.50/tonne (mine mouth)	\$8.07 per cubic metre as dimension stone	\$ 0.50/tonne	N/A	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years.	Exempt from Act	As for coal	(10) provided under construction materials for Victoria

MINERAL	NEW SOUTH WALES (1)	VICTORIA (2)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Chromite	4 percent of ex mine value (mine month)	2.75 percent of net market value	\$0.50/tonne	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years.	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Granite/Sandstone	\$0.50/tonne (mine month)	\$1.43 per cubic metre (11)	\$0.50/tonne	N/A	Dimension Stone 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years Extractive minerals \$0.35/tonne	Exempt from Act	Building stone - \$5/cu.m. (mine gate)	(11) under Extractive Industries Development Act Provided under construction materials for Victoria
Calcite	\$0.35/tonne (mine month)	\$1.43 per cubic metre (12)	\$0.25/tonne	N/A	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", if the material is used as a mineral and not as an "extractive" mineral product	As for coal	(12) under Extractive Industries Development Act
Serpentine	\$0.50/tonne (mine month)	\$1.43 per cubic metre (13)	\$0.25/tonne	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Exempt from Act	As for coal	(13) under Extractive Industries Development Act
Cobalt	4 percent of ex mine value (mine month)	2.75 percent of net market value	Fixed rate of 2.7 percent or variable ad valorem rate (1.5 percent-4.5 percent) as advised by Department each quarter applied to payable metal value. Rate applies to the revenue base less \$7,500 per quarter. A reduced royalty (50 percent) applies to the next \$4m/p.a. Discount of 20 percent applies when processed in the State to 50 percent contained metal	2.5 percent of royalty value in metallic form, 5 percent in concentrate form (for cobalt sold as nickel by-product 2.5 percent of cobalt metal value)	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria

MINERAL	NEW SOUTH WALES (1)	VICTORIA (2)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Gypsum	\$0.35/tonne (mine mouth)	2.75 percent of net market value	\$0.25/tonne	\$0.34 per tonne from 1 July 2005 moving in equal increments to \$0.50/tonne on 1 July 2009 (from 1 July 2010 subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", if the material is used as a mineral and not as an "extractive" mineral product	As for coal	
Manganese Ore	4 percent of ex-mine value (mine mouth)	2.75 percent of net market value	Currently 2 percent of value after deducting \$30,000. From 2005/06, 2.7 percent of value after deducting \$30,000. Discount of 35 percent applies when processed in the State to 75 percent contained metal	7.5 percent of royalty value	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Platibolds	4 percent of ex-mine value (mine mouth)	2.75 percent of net market value	2 percent of value after deducting \$30,000	2.5 percent of royalty value for metals	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Construction Materials	Various (mine mouth)	\$1.43 per cubic metre (14)	\$0.50/tonne (only if used on mining lease) (14)	Rock - \$0.34 per tonne from 1 July 2005 moving in equal increments to \$0.50/tonne on 1 July 2009 (from 1 July 2010 subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	Extractive minerals \$0.35/tonne	Exempt from Act	Building stone \$5/ m ³ Gravel \$0.60/tonne Pebbles \$2.40/tonne Stone crushed and broken \$0.60/tonne (mine gate)	(14) construction materials are not classified as minerals in Victoria and Queensland
Quartzite	\$0.45/tonne (mine mouth)	\$1.43 per cubic metre (15)	As for gemstones 2 percent of value after deducting \$30,000	N/A	Extractive mineral \$0.35/tonne.	Exempt from Act	As for coal	(15) under Extractive Industries Development Act

	NEW SOUTH WALES (4)	VICTORIA (6)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Diamonds	4 percent of ex-mine value (mine mouth)	2.75 percent of net market value	As for gemstones	7.5 percent of realised value. (For Ellendale project - 7.5 percent FOB or 22.5 percent of accounting profit if greater) (For Argyle project - from 1 January 2006, a flat royalty rate of 5% of gross revenue)	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	No production in Victoria
Spodumene	4 percent of ex-mine value (mine mouth)	2.75 percent of net market value	2 percent of value after deducting \$30,000	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	As for coal
Talc	\$0.50/tonne (mine mouth)	2.75 percent of net market value	\$0.50/tonne	\$0.56 per tonne from 1 July 2005 moving in equal increments to \$0.80/tonne on 1 July 2009 (from 1 July 2010, subject to five yearly reviews in accordance with increases in ABS Non-Metallic Mineral Products Price Index)	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Tantalum	4 percent of ex mine value (mine mouth)	2.75 percent of net market value	Currently 2 percent of value after deducting \$30,000. From 2005-06, 2.7 percent of value after deducting \$30,000. Discount of 35 percent applies when processed in the State to 95 percent contained metal	5 percent of royalty value for concentrates in concentrate form if processed further before sale	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria
Pyrophyllite	\$0.85/tonne (mine mouth)	2.75 percent of net market value	2 percent of value after deducting \$30,000	N/A	N/A but would be 3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value"	As for coal	No production in Victoria

MINERAL	NEW SOUTH WALES (1)	VICTORIA (2)	QUEENSLAND (3)	WESTERN AUSTRALIA (4)	SOUTH AUSTRALIA (5)	NORTHERN TERRITORY (6)	TASMANIA (7)	COMMENTS
Uranium Oxide	Uranium mining in NSW is prohibited	Uranium mining is prohibited in Victoria	2 percent of value after deducting \$30,000 - no production in Queensland	WA Government policy does not support mining and export of uranium. All mining leases granted after 22 June 2002 exclude uranium mining	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	NT uranium is owned by the Commonwealth which determines the royalty rate to applying to each mine on a case by case basis (16)	As for coal	(16) a range of relevant issues including the world market for uranium, previously negotiated non-statutory payments to Aboriginal communities, the loss or damage likely to be suffered by Aboriginal communities and the royalty rates set for other mines are taken into account in determining the royalty applying to NT uranium mines. Ranger is subject to a 5.5 percent ad valorem royalty comprising a 4.25 percent payment to Aboriginal Benefit Account and a 1.25 percent payment to the NT in lieu of royalties. No other uranium mines currently operate in the NT
Miscellaneous	Various	Various	Unless otherwise specified, 2 percent of value after deducting \$30,000	Any other mineral not specifically listed in the Mining Regulations Table - if sold as crushed or screened material, 7.5 percent of the royalty value or if sold as a concentrate, 5 percent of the royalty value	3.5 percent of market value, ex mineral production tenement. New mines may qualify for a rate of 1.5 percent for the first 5 years	Subject to the Mineral Royalty Act at 18 percent of the "Net Royalty Value", if the material is used as a mineral and not as an "extractive" mineral product	Various	

* note:
 • base metals - copper, lead, zinc, bauxite/alumina, nickel, magnetite, tin, iron ore, magnetite, tungsten, chromite, cobalt
 • precious metals - gold, silver, germanium, diamonds, platinum, manganese, tantalum
 other minerals - mineral sands, silica, limestone/lime earth, bentonite, salt, kaolin, clay, dolomite, diatomite, phosphate, perlite, peat, marble, granite, calcite, serpentine, construction materials, gypsum, pyrophyllite, quartzite, sandstone, talc, uranium

ATTACHMENT B

TOTAL MINERAL COMMODITIES (\$m)									
	NSW	VIC	QLD	TAS	NT	WA	SA	SA as a % of Australian Total Mineral Commodities	Australia
2001-02	7869	4617	13675	577	2784	23962	1722	3.12%	55206
2002-03	6797	4510	12388	536	2470	25301	1683	3.13%	53685
2003-04	6706	4396	11740	630	1962	24046	1756	3.43%	51236
2004-05	9197	5187	16907	706	2883	30626	2425	3.57%	67931
2005-06	11783	6082	26465	1002	4042	39251	3270	3.56%	91895
2006-07	12268	6163	27229	1173	6047	49927	3410	3.21%	106216
2007-08	13925	7553	28740	1163	6097	56035	3916	3.33%	117429

Source: ABS Catalogue Number 8155.0