

## Relinquishment guideline

A guideline about the relinquishment requirements for exploration resource authorities

## Contents

<b>Relinquishment guideline .....</b>	<b>3</b>
<b>Relinquishment for mineral and coal exploration permits .....</b>	<b>3</b>
Process for making submissions about reduction in area .....	3
Relinquishment deferral for EPs in force as at 25 May 2020.....	3
<b>Reduction in area of an EP.....</b>	<b>4</b>
Voluntary reduction in area .....	4
Periodic reduction deferred if higher tenure application undecided.....	4
Limited circumstances in which a reduction in area may be delayed.....	4
<b>Relinquishment for petroleum, geothermal and greenhouse gas storage exploration resource authorities .....</b>	<b>5</b>
Standard relinquishment requirements .....	5
Standard relinquishment condition deferred while petroleum lease application is undecided .....	7
Limited circumstances in which the standard relinquishment condition may be amended .....	7

## Relinquishment guideline

This guideline provides information on the relinquishment requirements and provisions that apply to the following resource authorities:

- an exploration permit for coal or mineral (EP);
- an authority to prospect (ATP),
- a geothermal permit (EPG); and
- a greenhouse gas exploration permit (EPQ).

It outlines how the relevant provisions of the *Mineral Resources Act 1989* (MRA), the *Petroleum and Gas (Production and Safety) Act 2004* (P&G Act), the *Geothermal Energy Act 2010* (GEA) and the *Greenhouse Gas Storage Act 2009* (GHG Act) apply.

The department is committed to respecting, protecting and promoting human rights. Under the *Human Rights Act 2019*, the department has an obligation to act and make decisions in a way that is compatible with human rights and, when making a decision, to give proper consideration to human rights. To the extent an act or decision under this document may engage human rights under the *Human Rights Act 2019*, regard will be had to that Act in undertaking the act or making the decision.

## Relinquishment for mineral and coal exploration permits

### Process for making submissions about reduction in area

Relinquishment requirements may be managed via MyMinesOnline or a written request can be submitted detailing the sub-blocks to be reduced from an EP. You can view your relinquishment schedule through the Permit Registration Report in MyMinesOnline, which provides the dates for each relinquishment.

An EP holder must, **within three months** before the day relinquishment is due, make a submission to the chief executive identifying the sub-blocks of land to which the EP will apply after the reduction, pursuant to section 139(5) of the *Mineral Resources Act 1989* (MRA).

The area remaining after the reduction must consist of one or more whole sub-blocks. The reduction will take effect on the anniversary day, five years after the grant of the EP, and ten years after the grant of the EP, if the EP is renewed.

The reduction of sub-blocks is a condition of an EP granted under the MRA. If the reduction does not occur, the EP may be cancelled or other legislative enforcement action may be undertaken.

You must lodge a relinquishment report with the department via the GSQ Open Data Portal **within two months** after the area is reduced. For more information about this report, refer to the Minerals and Coal Reporting Practice Direction.

### Relinquishment deferral for EPs in force as at 25 May 2020

For EPs that are current as at 25 May 2020, relinquishment will not be required until 5 years after the first renewal that takes place after 25 May 2020. At this point a relinquishment of 50%

of the area will be required.<sup>1</sup> So if an existing EP is renewed on 15 June 2020, no relinquishment is required as of that date. The 50% relinquishment requirement will instead be met on 15 June 2025.

### **Reduction in area of an EP**

An EP is required to reduce its area by 50% at the end of its fifth year. If renewed, a further 50% reduction occurs at the end of its tenth year (section 139(1) of the MRA). This is called a **periodic reduction**.

### **Voluntary reduction in area**

An EP holder may **voluntarily reduce** the area of an EP at any time during the term. Under section 139(4), the percentage of the area that is voluntarily relinquished (under section 140) or the area of an EP reduced as a result of the grant of a higher tenure (under section 177), may be counted towards the periodic reduction required under section 139(1).

For example, if the area of an EP is voluntarily reduced by 40% at the end of year 3, a reduction of only 10% of the original area will be required at the end of year 5 to satisfy section 139(1).

### **Periodic reduction deferred if higher tenure application undecided**

Under section 139A of the MRA, the periodic reduction in the area of an EP may be **deferred** where an application for a higher tenure has been made and has not been decided before the reduction is due. The area of the EP is not required to be reduced at the end of the period stated in section 139(1) until either the application for a mineral development licence or a mining lease (higher tenure) is granted; or if the higher tenure application is withdrawn or refused – 20 business days after the day the application is withdrawn or refused.

If the higher tenure application is withdrawn or refused, the EP holder has 20 business days to amend the earlier submission to the chief executive and identify the sub-blocks the EP holder wants to keep after the reduction. The chief executive must consider the amended submission instead of any earlier submission.

If the area of the higher tenure application is either amended or replaced with a new application for a higher tenure, the sub-blocks must be relinquished within 20 business days after the amended or replaced application is withdrawn or refused.

### **Limited circumstances in which a reduction in area may be delayed**

The area reduction for an EP may be **delayed in limited circumstances** only.

Under section 141C(1) of the MRA, the EP holder may apply to vary the relinquishment requirement **only** if:

- there has been an exceptional event affecting the permit to justify varying the relinquishment requirement; or
- the EP is part of a project that has been given exploration project status.

---

<sup>1</sup> See section 857 of the *Mineral Resources Act 1989*.

An EP holder that is considered to be part of a project may apply to reallocate the relinquishment requirement for a particular EP over one or more other EPs that are within the project area.

For example, if a variation is approved and all or part of the relinquishment requirement for EP1 is reallocated to EP2 in the same exploration project, relinquishment will instead occur from EP2. The relinquishment will still occur on the relinquishment day for EP1 (even if the relinquishment day for EP2 was not yet due). When the relinquishment day for EP2 becomes due, 50% relinquishment is still required and the area relinquished on behalf of EP1 does not count towards the EP2 relinquishment.

EP holders should apply to vary the relinquishment requirement for an EP as soon as they become aware of the need for the amendment. To facilitate timely assessment, an application should be made within three months before the relinquishment is due.

If applying to vary relinquishment on the basis of project status, the EP holder must have an approved exploration project or an application for project status that is still under consideration by the department. The holder should provide supporting documentation including a statement detailing:

- the variation sought (i.e. year of tenure, the details of the reallocation of sub-blocks from what is required to be relinquished from one EP which has proposed to be relinquished from another within the project); and
- any changes to technical or human resources to support the new rationale.

Refer to Operational Policy MIN/2015/1252, Project-based exploration administration, for further detail on acquiring exploration project status.

## Relinquishment for petroleum, geothermal and greenhouse gas storage exploration resource authorities

### Standard relinquishment requirements

The relinquishment requirements for petroleum, geothermal and greenhouse gas storage exploration resource authorities are set out in the applicable legislation.

Below is a summary of the different requirements for these types of resource authorities:

Resource authority	Act	Relinquishment method	Area to be relinquished	Period
Authority to prospect (ATP) in force as at 24 May 2020	<i>Petroleum and Gas (Production and Safety) Act 2004</i>  <i>Petroleum Act 1923</i>	By sub-blocks or blocks and must be of at least 1 block	8.33% of the area initially granted	Annually, or 33% every 4 years, depending on relinquishment schedule for the ATP
Authority to prospect (ATP) granted	<i>Petroleum and Gas (Production and Safety) Act 2004</i>	By sub-blocks or blocks and must be of at least 1 block	50% of the area initially granted	At least at the end of year 6 and remaining 50% at the end of year 12

since 25 May 2020	<i>and Safety) Act 2004</i>			
Geothermal permit (EPG)	<i>Geothermal Energy Act 2010</i>	By whole blocks or sub-blocks	33.33% of the area initially granted	At least every five years during the term of the EPG
Greenhouse gas permit (EPQ)	<i>Greenhouse Gas Storage Act 2009</i>	By whole blocks	8.33% of the area initially granted	Annually, or 33% every 4 years, depending on relinquishment schedule for the EPQ

*Note: the relinquishment method for an ATP may be by sub-blocks or blocks, pursuant to section 70 of the P&G Act.*

The usual<sup>2</sup> or standard relinquishment<sup>3</sup> will take effect on the next day after the relinquishment day (this does not include sub-blocks that are deferred, pending a decision on a higher tenure application).

A relinquishment schedule for a usual or standard relinquishment can be viewed through the Permit Registration Report in MyMinesOnline, which provides the dates for each relinquishment and defines how many blocks/sub-blocks are required for each relinquishment.

A relinquishment report must be lodged with the department via the GSQ Open Data Portal **no less than six months** after your scheduled relinquishment. For more information refer to the Petroleum and Gas Reporting Practice Direction. If the relinquishment conditions of a resource authority are not met, the resource authority may be cancelled or other legislative enforcement action may be undertaken.

An ATP holder that is locked out due to an overlapping coal resource authority may apply under section 60 of the P&G Act to amend the work program for the authority. Under section 62(4), the relinquishment day may be deferred for a period that relates to the circumstances for the approval to amend the work program.

The application must be lodged **at least six months** before the end of the approved work program period for the ATP. Applications lodged less than six months from the end of the approved work program period will be considered less favourably. It is recommended that pre-lodgement and post lodgement meetings are held with an assessment officer of the department to assist in timely assessment and decision making.

### **ATP, EPG or EPQ holders may relinquish more area than required**

At any stage, a holder may relinquish more than the area that is required, under the usual or standard relinquishment condition, by giving a relinquishment notice to the chief executive. The notice must identify the blocks or sub-blocks you no longer want to form part of the resource authority.

<sup>2</sup> *Petroleum and Gas (Production and Safety) Act 2004*, s 66.

<sup>3</sup> *Petroleum and Gas (Production and Safety) Act 2004*, s 69, *Geothermal Energy Act 2010*, s 109; *Greenhouse Gas Storage Act 2009*, s 72.

An application for voluntary relinquishment resulting from sole occupancy by an ML (coal) holder in an overlapping area must include a notice from the ML (coal) holder issued under section 120 of the *Mineral and Energy Resources (Common Provisions) Act 2014*. The voluntary relinquishment takes effect on the date it is approved.

### **Compliance with relinquishment condition**

The relinquishment condition is taken to have been complied with:

- if the holder gives a relinquishment notice for all of the balance;<sup>4</sup> and
- if the only way to comply with the relinquishment condition would be to relinquish all or part of a potential commercial area / potential geothermal area / potential storage area, then the relinquishment condition is taken to be complied with if all remaining original sub-blocks of the authority's area, other than any blocks that consist of the potential commercial area / potential geothermal area / potential storage area, are relinquished.<sup>5</sup>

### **Standard relinquishment condition deferred while petroleum lease application is undecided**

Under section 66A of the P&G Act, the standard relinquishment of an ATP may be **deferred** where the ATP holder has applied for a PL that has not been decided before the relinquishment is due.

The relinquishment condition provided in section 66 of the P&G Act does not apply until either the PL application is granted; or 20 business days after the day the PL application is withdrawn or refused.

For clarification, section 66A applies to all ATPs with PL applications including those that exist before commencement of this provision.

Under section 66B of the P&G Act, the area of an ATP that has been converted to a PL before the relinquishment day may be counted towards the relinquishment condition.

### **Limited circumstances in which the standard relinquishment condition may be amended**

An ATP holder may apply for a special amendment of the ATP relinquishment requirements under section 107A of the P&G Act, only if it is necessary because of:

- an exceptional event affecting the ATP; or
- circumstances arising from the ATP forming part of an exploration project.

Refer to Operational Policy MIN/2015/1509, Special amendment of an authority to prospect work program, for further detail on applying for a special amendment.

---

<sup>4</sup> *Petroleum and Gas (Production and Safety) Act 2004*, s 68(2), *Geothermal Energy Act 2010*, s 114(2), *Greenhouse Gas Storage Act 2009*, s 76(2).

<sup>5</sup> *Petroleum and Gas (Production and Safety) Act 2004*, s 69, *Geothermal Energy Act 2010*, s 115(2), *Greenhouse Gas Storage Act 2009*, s 77.

## Application to relinquish part of authority – steps for MyMinesOnline

What you need to do	Supporting information
<p>Log in to <i>MyMinesOnline</i>, select <i>Change permit area</i>, then <i>Relinquish area</i> under the <i>I want to...</i> options at the right of the <i>My dashboard</i> tab. Information on <i>Mining Tenure</i> types and the relevant forms are also <a href="#">available to download</a>.</p> <ol style="list-style-type: none"> <li>1. Enter a permit identification, by typing in the permit identification number for the relinquishment and select <b>Next</b></li> <li>2. Review the permit details on the <i>Permit summary</i> page and select <b>Next</b> or <b>Back</b> to enter a different permit identification number.</li> <li>3. Review the information provided on the <i>Identify sub-blocks to relinquish</i> page and <b>deselect</b> the sub-blocks to be relinquished by <b>unticking</b> the relevant sub-block boxes in the table.</li> </ol> <p>NOTE: This page displays a table of sub-blocks for the permit. The sub-blocks that are ticked will be retained, the sub-blocks not ticked will be relinquished. Inactive sub-blocks are not included in the permit and cannot be actioned. The sub-block information panel displays a real-time count of how many sub-blocks have been relinquished all totals are adjusted as the deselections are made).</p> <ol style="list-style-type: none"> <li>4. Select <b>Save</b> (a records successfully saved message confirms the changes. Select <b>Next</b> to proceed. A secondary message confirms the changes have been saved before continuing, select <b>OK</b> to continue and Cancel to return to the screen and save relinquished sub-blocks.</li> <li>5. Review the sub-blocks that have been selected for relinquishment and confirm the details are correct. Select <b>Back</b> to change the sub-blocks or <b>Next</b> to proceed with the relinquishment.</li> <li>6. Attach a signed <a href="#">consent of all holders</a> and a justifying statement (if you are lodging a nil relinquishment) and select <b>Save</b>.</li> </ol> <p>NOTE: Refer to the <a href="#">Permit administration guideline</a> for acceptable consent formats. Environmental authority applications must be lodged directly with the <a href="#">Department of Environment and Science</a> (DES) using the <a href="#">Connect</a> system or lodging a paper application.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Permit identification number</li> <li><input type="checkbox"/> The sub-blocks to be relinquished</li> <li><input type="checkbox"/> Signed letter of consent by the holder/s</li> <li><input type="checkbox"/> A statement justifying the relinquishment</li> <li><input type="checkbox"/> You will be required to submit relevant EA application directly to DES using <a href="#">Connect</a></li> </ul>



7. Select **Submit**.

NOTE: MyMinesOnline automatically calculates how many blocks/sub-blocks you are required to relinquish and your next relinquishment date. It will also automatically determine if it is a scheduled relinquishment (i.e. within **60 business days** of your next relinquishment date). Anything outside of this time period will be treated as a voluntary relinquishment.

## Document information

**Availability and location:** External Business Industry Portal

**Owner and approver:** Deputy Director-General, Georesources Division

**Review date:** September 2022

**Related documents:** Operational Policy MIN/2015/1509, Special amendment of an authority to prospect work program, and Operational Policy MIN/2015/1252, Project-based exploration administration, the Minerals and Coal Reporting Practice Direction, and the Petroleum and Gas Reporting Practice Direction.

**Contacts:** For help and information contact the relevant assessment hub.

Coal Assessment Hub on phone: (07) 4936 0169 or email: [CoalHub@dnrme.qld.gov.au](mailto:CoalHub@dnrme.qld.gov.au).

Mineral Assessment Hub on phone: (07) 4447 9230 or email:

[MineralHub@dnrme.qld.gov.au](mailto:MineralHub@dnrme.qld.gov.au).

Petroleum Assessment Hub on phone: (07) 3199 8118 or email:

[petroleumhub@dnrme.qld.gov.au](mailto:petroleumhub@dnrme.qld.gov.au)

For technical support contact the MyMinesOnline Helpdesk on phone: (07) 3199 8133 or email: [mines\\_online@dnrme.qld.gov.au](mailto:mines_online@dnrme.qld.gov.au) 8.30am – 4.30pm (AEST) Monday to Friday on Queensland business days.

This publication has been compiled by Georesources Division, Department of Natural Resources, Mines and Energy.  
© State of Queensland, 2020

The Queensland Government supports and encourages the dissemination and exchange of its information. The copyright in this publication is licensed under a Creative Commons Attribution 4.0 International (CC BY 4.0) licence. Under this licence you are free, without having to seek our permission, to use this publication in accordance with the licence terms.



You must keep intact the copyright notice and attribute the State of Queensland as the source of the publication. Note: Some content in this publication may have different licence terms as indicated. For more information on this licence, visit <https://creativecommons.org/licenses/by/4.0/>.

The information contained herein is subject to change without notice. The Queensland Government shall not be liable for technical or other errors or omissions contained herein. The reader/user accepts all risks and responsibility for losses, damages, costs and other consequences resulting directly or indirectly from using this information.