

## MINING DEVELOPMENT.

No. 20 of 1902.

(As amended by No. 25 of 1924.)

**AN ACT to subsidise and enable Companies or Miners to further develop Gold or other Mines, and for other purposes.**

[Assented to 11th December, 1902.]

**B**E it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

### PART I.—PRELIMINARY.

1. This Act may be cited as the *Mining Development Act*, 1902-1924. Short title.
2. This Act is divided into parts, as follows:— Division of Act.
  - PART I.—PRELIMINARY, SS. 1-4.
  - PART II.—ADVANCES FOR PIONEER MINING, SS. 5-13.
  - PART III.—ADVANCES TO MINERS FOR PROSPECTING, SS. 14-18.
  - PART IV.—ESTABLISHMENT OF PLANT FOR CRUSHING, ORE-DRESSING, CYANIDING, OR SMELTING, SS. 19-21.
  - PART V.—ASSISTANCE FOR BORING, SS. 22-25.
  - PART VI.—MISCELLANEOUS, SS. 26-30.
3. In this Act, unless inconsistent with the context,— Interpretation.

“Company” means any incorporated company registered under the Companies Act, 1893, or any amendment thereof, and includes a foreign company registered under Part VIII. of the said Act.

“Deép Lead” means an ancient watercourse or gutter below the surface of the earth containing alluvial deposits at a depth of not less than fifty feet from such surface.

“Gold” means any gold, or gold-containing mineral ore deposit or concentrate in which the gold is of the principal intrinsic value.

“Mineral” means any metal, metallic ore, coal, oil, or other mineral deposit.

“Mine” means any land held under the Goldfields Act, 1895, or under the Mineral Lands Act, 1892,\* or the Mining on Private Property Act, 1898,† or any Act amending the said Acts respectively, and whereon mining operations are carried on.

“Miner” means the holder of a Miner’s Right or Mining License.

“Mining Operations” are operations carried on upon any mine for the purpose of obtaining or prospecting for gold or other minerals.

“Minister” means the Minister for Mines.

“Pioneer mining” means carrying on mining operations at places where the expenditure of large sums of money extending over a considerable period of time will be necessary to test or develop the mine.

Source from which expenditure to be made.

4. All moneys advanced, granted, or expended pursuant to this Act shall be provided out of moneys authorised by Parliament to be applied for such purpose.

#### PART II.—ADVANCES FOR PIONEER MINING.

Application for advance.

5. Any person or company (hereinafter called “the borrower”) may apply to the Minister for an advance by way of loan for—

- (a) Carrying on pioneering mining.
- (b) Procuring, erecting, and connecting machinery, plant, or appliances for such purpose.
- (c) Providing other works and things which, in the opinion of the Minister, may be necessary for such purpose.

These Acts were—

\* Repealed by the Mining Act, 1904.

† Repealed by the Mining Act, 1904, except Sections 56 to 62, inclusive, and the schedule.

6. Every application for an advance shall be in the prescribed form, and be accompanied by—

Evidence and information to be submitted with application.

- (a) a description of the mine on which the operations are to be carried out, and of all workings thereon, and an accurate plan and sections thereof.
- (b) A description and valuation of all—  
Machinery, plant, and effects on the land.
- (c) A statement of the encumbrances (if any) affecting the mine or machinery.
- (d) A description of the pioneering mining proposed to be done, the object thereof, the probable cost thereof, and of any machinery, plant, and effects proposed to be purchased in connection therewith.
- (e) A statement showing the manner in which, and the work on which, it is proposed to expend such advance, and the time over which the expenditure will last, and the time when and amounts in which the advance will be required.
- (f) Such other evidence or documents and such further information as the Minister may require; and if the application is made by a company—
- (g) Evidence of the incorporation and registration of the company, and a copy of its memorandum and articles of association; and
- (h) Particulars as to the amount of uncalled capital of the company, and of its assets and liabilities.

All such evidence, statements, and information shall be verified by statutory declaration.

Verification.

7. Every application shall be referred by the Minister to the Government Geologist, State Mining Engineer, or other professional officer for report. Such report shall be made after personal examination of the mine in which the borrower proposes to carry on the intended operations, and shall—

Report on application by Government Geologist.

- (a) Fully describe the character of the mine and of the lead, lode, reef, vein, seam, or other mineral formation contained therein;
- (b) State whether the proposed mining operations would or would not be of a pioneer character;

- (c) State whether, in the opinion of the person making the report, there is reasonable probability of such mining operations proving to be of a remunerative character, giving the reasons and grounds for such opinion;
- (d) State whether the machinery, working plant, and appliances are of a character and description properly adapted to the proposed mining operations; and
- (e) Give such other information as may be prescribed by regulation, or the Minister may require.

Power to grant application.

8. (1.) After considering all the evidence and reports relating thereto, the Minister, with the approval of the Governor, may grant such application, with or without modification.

and enter into agreement.

(2.) Thereupon the Minister may, on behalf of His Majesty, enter into an agreement with the borrower undertaking, subject to this Act and the regulations, to advance by way of loan to the borrower any sum or sums not exceeding in the whole One thousand pounds.

Instalments.

(3.) Such advance shall be payable in instalments of such amount and at such times as shall be specified in the agreement.

Conditions precedent to paying any instalment.

(4.) No instalment shall be paid until it is proved to the satisfaction of the Minister that—

- (a) For every pound to be advanced the borrower has, out of his own capital, previously, but since the date of the agreement, actually and properly expended in mining operations on the mine a like sum of One pound; and that
- (b) The borrower has properly expended, in mining operations on the mine, all previous instalments advanced by the Minister, and has paid all interest (if any) due on any such instalment.

Interest.

(5.) The borrower shall pay to the Minister interest on the amount of the advance, calculated from the dates of the payment of the respective instalments, at the rate of Five pounds per centum per annum, by half yearly payments, on dates to be specified in such agreement.

Agreement to certain covenants, etc.

(6.) Such agreement shall contain all such covenants, conditions, restrictions, and provisions consistent with this Act, as the Minister may require.

9. Before receiving any instalment of an advance, the borrower shall execute at his own cost, and to the satisfaction of the Minister, a first mortgage of the whole of the mine and, in the case of a company, its other property and assets (except uncalled capital) to secure the repayment of the advance and interest, and the due performance of the terms of such agreement, and the provisions of this Act.

Company to execute mortgage.

10. Until full performance of all the terms of the agreement, no money or property of the borrower (being a company to which an advance is made) shall be paid or divided by way of dividend or otherwise amongst, or be received or retained by, any member or members of the company.

Payments to Minister to form first charge on company's profits.

11. All moneys advanced to or payable by a borrower under this Act shall be a debt due and payable to His Majesty, and payment thereof may be enforced in the name of His Majesty.

Liabilities of company made a Crown debt.

12. Until all moneys advanced have been repaid, and the terms of the agreement have been complied with, the following provisions shall apply—

Application.

(1) The Minister may appoint any person to inspect and report upon the progress of the works, and upon the state and condition of the property and plant of the borrower.

Minister empowered to inspect construction of works.

(2) The borrower shall, when so required by any person appointed by the Minister, allow full inspection of and copies and extracts to be taken from all or any of the books, documents, or records belonging or relating to the business of the borrower.

Minister entitled to inspect books and documents; also to demand information.

(3) The borrower shall, within fourteen days, supply such information as the Minister may demand in relation to the company, property, assets, and undertaking, and its work and operations, and shall, if required, verify such information by statutory declaration.

(4) In case of default by the borrower, the Minister may give notice to the borrower of his intention to enforce the security.

Minister's action in case of default.

(5) If, after the expiration of fourteen days from the service of such notice, the default continues, the Minister may appoint some person on his behalf

to enter into possession of the mine and all other the property and assets of the borrower comprised in the mortgage.

- (6) During such possession, such person shall have and may exercise the powers and authorities of a receiver and manager of the said mine, and all other the property and assets of the borrower comprised in the mortgage, and may, with such assistants as may be necessary, carry on the business of the borrower, and, if so directed by the Minister, may cause the mine, machinery, working plant, and appliances, and all or any other the property and assets of the borrower comprised in the mortgage, to be sold by public auction, or by tender or private contract. The moneys thereby realised shall, after payment of all expenses incurred by the Minister, be applied towards the payment of all moneys payable by the borrower to the Minister, and the balance, if any, paid to the borrower.

What to constitute default.

13. Any non-compliance by a borrower, or (being a company) by any of its officers or agents, with any of the provisions of this Act, or any regulation made thereunder, or with any of the terms of any agreement or mortgage, or with any order, demand, notice, or requirement of the Minister or any person appointed by him pursuant to this Act or any regulation, shall constitute a default by the borrower.

### PART III.—ADVANCES TO MINERS FOR PROSPECTING.

Advances for prospecting.

14. (1.) Any miner may apply to the Minister, in the prescribed form, for an advance by way of loan not exceeding Three hundred pounds.

(2.) The Minister may, after obtaining a report from the Government Geologist, State Mining Engineer, or other professional officer, and subject to the regulations, grant such advance to the applicant for the purpose of enabling and assisting him to prospect for gold or minerals.

Information to be furnished with application.

15. The applicant shall supply the Minister with—

- (a) A description of the mine upon which it is intended by the applicant to prospect for gold or minerals,

and the means by which prospecting is to be carried on;

- (b) A statement showing the period of time over which the advance is to extend, and the instalments in which the advance is required;
- (c) A statement showing what security the applicant will give to secure the repayment of the advance, and showing how and when the applicant intends to repay the advance; and
- (d) Any other and further information as the Minister may require, or as may be prescribed.

16. Such description, statements, and information shall be verified by statutory declaration. Verification.

17. No instalment shall be paid to any miner until the Minister is satisfied that— Applicant to spend pound for pound advanced.

- (a) For every pound to be advanced such miner has, out of his own resources, after making such application, actually and properly expended in mining operations on the mine held by him a sum of One pound in work, labour, or material; and that
- (b) Such miner has also previously actually and properly expended, in mining operations on the said mine, all previous instalments advanced by the Minister.

18. Before making any advance, the Minister shall enter into an agreement with the applicant, setting forth the terms of the advance and the mine on which the advance is to be expended, and shall take from the applicant such security for the payment thereof as to the Minister may seem fit. Minister to enter into agreement.

PART IV.—ESTABLISHMENT OF PLANT FOR CRUSHING, ORE-DRESSING, CYANIDING, OR SMELTING.

19. (1.) The Minister may—

- (a) Purchase and erect or hire plant for testing the value of or treating metalliferous material; or
- (b) Subsidise companies or persons who are willing to erect and work such testing plant for testing the value of or treating metalliferous material for the public, at such rates as may be agreed upon or prescribed.

Purchase or subsidising of testing plant.

(2.) Plant for testing or treating metalliferous material includes any machinery and appliances for—

- (a) Mechanically reducing any rock, gangue, matrix, ore, or other vein stuff, for the purpose of obtaining gold or other mineral therefrom; or
- (b) Classifying or dressing such rock, gangue, matrix, ore, or other vein stuff, and separating therefrom the gold or mineral therein contained; or
- (c) Extracting gold or minerals from such ores by any process whatever.

Locality where plant may be subsidised.

20. Such plant shall be erected or subsidised only in districts in which, from the report of the Government Geologist, State Mining Engineer, or other professional officer, the Minister is satisfied that—

- (a) Large deposits of metalliferous ores exist; and
- (b) The plant and appliances for testing or treating such deposits in bulk at reasonable rates are not available; and
- (c) The establishment of such plant is necessary for the development of mining.

Rates to be charged for treatment and hire.

21. The rates charged for testing or treating shall be as prescribed.

#### PART V.—ASSISTANCE FOR BORING.

Public bodies may apply for assistance towards prospecting.

22. Should the Minister be satisfied, after receiving a report from the Government Geologist, State Mining Engineer, or other professional officer, that boring either for gold, minerals, or water is desirable in any mining centre or other locality, and that such boring has a reasonable prospect of success, he may agree with any Miners' Association, or other body of persons, or with any person, to pay a proportion of the cost of such boring, not exceeding one-half the total cost.

Application for assistance—how made and mode of payment.

23. Application for such assistance shall be made and granted in accordance with the regulations. The association or body of persons to which, or the person to whom, assistance is granted shall pay all wages and expenses incidental to the boring, and on production of receipted pay-sheets or vouchers, and the Minister, if satisfied that the boring is



being carried out with due care and dispatch, shall refund such proportion of the expenditure as he may have agreed to pay.

24. The Minister may, with the approval of the Governor, pay the whole cost of boring for gold, minerals, or water in any locality if satisfied, after receiving the report of the Government Geologist, State Mining Engineer, or other professional officer, that such boring is in the general interest of the State.

Minister may pay whole cost of boring.

25. (1.) When boring has been undertaken, the Minister may—

Minister may make reserves

(a) Reserve such area of Crown land adjacent to the site of the boring operations as will, in the opinion of the Government Geologist, State Mining Engineer, or other professional officer, be tested by such boring; and

(b) Grant, on such terms as he may think fit, and with the approval of the Governor, a claim, gold-mining lease, mineral lease, or other holding to any association or body of persons or person by whom the boring was undertaken, in priority to any other person.

(2.) No lease, claim, or other holding shall be granted within such area without the written consent of the Minister, who may require the applicants to pay, by way of premium, such proportion of the cost of the boring and in such manner as he may consider reasonable.

(3.) The Minister may, in his discretion, call for tenders from persons willing to take up any such lease, but shall not be required to accept the highest or any tender.

(4.) The Minister may, in his discretion, apply any premium, or part thereof, to reimburse any association or body of persons, or person, the moneys expended by them or him in boring.

PART VI.—MISCELLANEOUS.

26. The Minister may purchase any boring plant and accessories that he may deem necessary, and may hire such plant in accordance with the regulations.

Minister may purchase drills.

Minister may advance or expend money for certain purposes.

27. (1.) The Minister may advance or himself expend moneys—

- (a) To drain any mining area;
- (b) To assist mining by sinking or cross-cutting for further make of stone; or
- (c) To sink shafts for the purpose of prospecting for gold, or any mineral or metal, at great depths below the surface, at places in respect of which the expenditure of large sums of money, extending over a considerable period, will be necessary;
- (d) To provide means of transport for miners to prospect improved country.

(2.) The Minister may call for tenders, and enter into contracts for any such works.

Publication of reports.

28. In the month of August in every year the Minister shall prepare a report of all moneys advanced, granted, or expended for all or any of the purposes of this Act during the preceding financial year, with detailed statements of his accounts with any companies or persons, and lay the same before both Houses of Parliament as soon as practicable.

Central Mining Board and District Boards.

Inserted by No. 25 of 1924, sec. 2.

29. (1.) The Minister may appoint a board of five members, to be known as the Central Mining Board, and district mining boards each consisting of three members for districts to be defined by the Minister from time to time by a notification in the *Gazette*.

(2.) The members of the Central Mining Board and of each district mining board shall be appointed for two years, and shall be eligible for re-appointment.

(3.) One of the members of the Central Mining Board and of each district board shall be appointed by the Minister as the chairman.

(4.) The members of the Central Mining Board and of each district mining board shall receive such fees and travelling expenses as may be prescribed.

(5.) It shall be the duty of the Central Mining Board to make such inquiries and reports, in connection with the development of mining, as may be required by the Minister.

(6.) It shall be the duty of each district mining board to advise the Minister, through the medium of the Central

Mining Board, how and in what manner the development of mining can be advanced in the district for which the district mining board is appointed.

30. (1.) The Governor may make such regulations as are necessary for carrying into effect all or any of the provisions of this Act. Power to make regulations.

(2.) Such regulations may be for the whole State or for any particular part thereof, and when published in the *Government Gazette* shall have the force of law. Publication.