
MINERALS AND PETROLEUM

MP301*

Mining Act 1978

Mining Amendment Regulations (No. 5) 2004

Made by the Governor in Executive Council.

1. Citation

These regulations are the *Mining Amendment Regulations (No. 5) 2004*.

2. Commencement

These regulations come into operation on 1 July 2005.

3. The regulations amended

The amendments in these regulations are to the *Mining Regulations 1981*.*

[* Reprint 5 as at 16 July 2004.]

4. Regulation 86 amended and saving provision

(1) The Table to regulation 86 is amended as follows:

(a) by deleting the item relating to ilmenite and inserting instead —

(i) in the column headed “Mineral” —

“

Ilmenite (other than ilmenite feedstock
as defined in regulation 86AC)

”;

(ii) in column 2 —

“ 5% ”;

(b) in the item relating to “Any other mineral”, in the column headed “Mineral”, by deleting “within the meaning of regulation 86AA” and inserting instead —

“

as defined in regulation 86AA and ilmenite
concentrate as defined in regulation 86AC

”.

(2) Despite the amendment effected by subregulation (1), the Table to regulation 86 of the *Mining Regulations 1981* as in force immediately before the commencement of these regulations continues to apply for the purpose of determining the rate of royalty payable for ilmenite produced before that commencement.

5. Regulation 86AC inserted

After regulation 86AB the following regulation is inserted —

“

86AC. Rates of royalty for ilmenite feedstock

(1) In this regulation —

“beneficiation plant” means a mineral processing plant located in Western Australia that produces or is designed to produce upgraded ilmenite with an average titanium dioxide content of not less than 90%;

“ilmenite feedstock” means ilmenite concentrate intended for use as feedstock in a beneficiation plant that is owned or operated by —

- (a) the producer of the ilmenite concentrate; or
- (b) a body corporate which, in relation to that producer, is a related corporation.

(2) For the purposes of this regulation ilmenite feedstock is of marketable quality if it is of a quality determined by the Minister, after consultation with the producer, to be suitable for sale without further processing or other treatment.

(3) When ilmenite feedstock is produced from ilmenite that was obtained from a mining tenement, royalties shall be paid by the holder of, or applicant for, the mining tenement.

(4) The rate of royalty payable for ilmenite feedstock that is of marketable quality is —

- (a) if it is produced in the period beginning on 1 July 2005 and ending on 30 June 2006, 3.5% of its value;
- (b) if it is produced in the period beginning on 1 July 2006 and ending on 30 June 2007, 4% of its value;
- (c) if it is produced in the period beginning on 1 July 2007 and ending on 30 June 2008, 4.5% of its value; or
- (d) if it is produced after 30 June 2008, 5% of its value.

(5) The value of ilmenite feedstock for the purposes of subregulation (4) is to be worked out using the method determined under subregulation (6).

(6) The Minister may from time to time determine a method for working out the value of ilmenite feedstock that takes into account prices obtained for ilmenite

(7) The rate of royalty payable for ilmenite feedstock that is not of marketable quality is \$1.50 per tonne adjusted each year on 30 June in accordance with the F.O.B. export price of all bulk ilmenite concentrate sales from Western Australian production for the year ending on that date when compared with the corresponding price of all bulk ilmenite concentrate sales from Western Australian production for the year ending on 30 June 1987.

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M. C. WAUCHOPE, Clerk of the Executive Council.
