How to apply for a **Special Prospecting** Licence (SPL) and the mistakes that will ruin your day!.

Step One - before you apply for it

- Clean out the patch by detecting every part of the patch.
- Use every coil or machine that you think is suitable.
- "Vacuum clean" it and remove all the recoverable gold that you can.
- Try to leave nothing for the opportunists that will see your SPL on Tengraph. It's a target.
- Get in your mind the area that you think will contain the reef or the most alluvial gold patch.
- Get the GPS points of the corner posts for your mark out

SPL has a maximum size & preferred shape

- SPL's have a max size of 10 hectares (ha) and one hectare is 10,000 sq mtrs
- So you get 100,000 sq mtrs on one SPL.
- That's approximately a 315 mtr square.
- But you can apply for any rectangular shape as long as the area is less than 10 hectares. But if the SPL area is hemmed in by impinging boundaries it can be shaped to fit.
- You can own a maximum of 10 SPLs at any one time
- An SPL can only be applied for by a person. It cannot be applied for in a company name.
- An SPL is not negotiable. It cannot be sold, transferred or become part of a mortgage arrangement.

SPLs have a maximum term

- SPLs have a max term of 4 years
- You MUST SPECIFY the term you are applying for by actually writing it onto the Forms 20 and Form 21 application forms. Otherwise you only get a 3 month term when its granted.
- > SPL can be applied for on Prospecting Licences and Exploration Licences and does not need the permission of the underlying primary tenement holder.
- > SPLs can be applied for on a Mining Lease but only with the permission of the primary tenement holder. These are rare.
- Any SPL that goes the full 4 year term can be converted to a Special Mining Lease For Gold. These are also rare.

SPLs have a ratio of application to primary tenement size

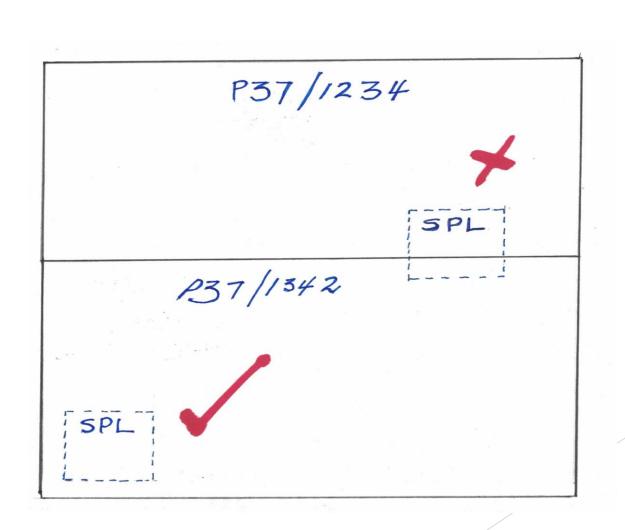
- ▶ SPLs can only be applied for in the ratio of one SPL per every 200 hectares of primary tenement. This means that Prospecting Licence can only "carry" one SPL at any time because the maximum size of any PL is 200 hectares. But it also means that a smaller PL of less than 200 ha can also have only one. E'g. PL size is only 90 ha therefore it can "carry" one SPL.
- An Exploration Licence can have as many as the "200 ha ratio" will allow but subject to your max holding of ten only.

SPL marking out 3

► The underlaying tenement on which you propose to mark out your SPL must have been granted for at least 12 months or your application will be refused.

► The boundaries of the SPL must lay wholly inside the boundaries of the underlying primary tenement. It cannot cross over into any adjacent tenements.

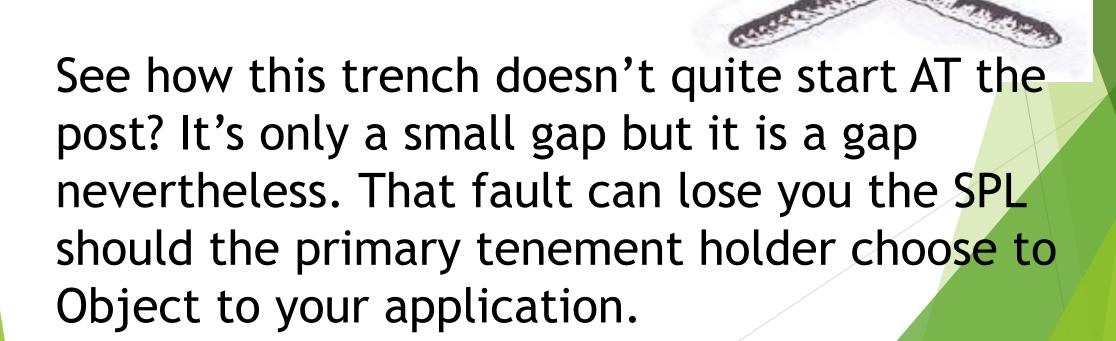
SPL crossing tenement boundaries



Marking out your SPL

- Your SPL is marked out in the same manner as any other normal Prospecting Licence (PL). See below
- ► The marker pegs or posts must be at least one metre out of the ground. Tip - the longer the better.
- You must not use old posts that you see stuck in the ground or laying on the ground. You must use "new" posts of your own. Using "someone else's posts" has led to loss of the SPL.
- ▶ The corners of your mark out must be have trenches dug to at least one hundred mills deep and at least one metre long. The trench must start at the post, exactly. Not 100 mm away from the post, not 250mm away but EXACTLY AT THE POST. The trench must not be shorter than one metre. e.g. "998 mm" is not good enough. SPL's have been lost when these strict regulations have not been met.

Marking out your SPL 2



Marking out your SPL 3

- ► Tip dig the trenches first in such a manner that they meet and then bang the peg in at the junction of the trenches. Then there can be no argument.
- ► Ensure that your trenches are dug in such a way that they indicate the direction of your marked-out boundary. People often get confused and dig it in the wrong direction. SPLs are often lost due to this
- ► The primary tenement holder will check that you have met every single requirement of the Mining Regulations. They will be seeking any they can use against you and to lodge an Objection.
- Pretty pink tape and white paint on the posts are not a requirement in the Mining Regulations. They won't help up you if you make mistakes elsewhere in the mark out.

SPL completing the paperwork

- Any application for any type of Prospecting Licence has a requirement that a boundary description is written out and affixed to the one post that is to be henceforth known as "The Datum Post". An SPL is no different. There are two forms to complete.
- First is the Form 20 that must be affixed in the datum post, preferably in a protected cover such as plastic sandwich bag or screw top container. Wrap it to the post with duct tape or pink marker tape.
- ► The second is Form 21 that is sent to DMIRS with a map of your SPL and its general location.
- ▶ The two forms must have identical information and wording of the boundary description.

SPL paperwork 2

- The boundary description must be accurate and unambiguous. Anything that is suspect or misleading will see the application rejected by DMIRS or it will be used as a reason to Object by the primary tenement holder.
- Read up thoroughly on the accepted text that is best to use on when describing your boundary. Keep to the standard and don't try to create your own wording. DMIRS are easily confused and expect that standards be maintained.
- ▶ Form 20 must be attached to Datum Post and Form 21 must be sent with maps to DMIRS within 10 days of the date you marked out your SPL. These are to be accompanied by the application fee and the first year's rent. If it's late there's a good chance it will be rejected unless you have a very good reason for late lodgement. E'g rained in and couldn't move etc, no e comms, etc. If it is rejected, you'll lose the application fee (currently about 300 bucks) but you will get the rent money back.

SPL paperwork 3

- ► Tip Take a photo of the Datum Post with the Form 20 attached to the post. Also take a photo of every other peg. The photos should include a tape measure alongside the peg showing its height.
- ► Your Forms 20 and 21 must state clearly the period for which you want the SPL. You must write this on those forms. There is no text box for this.
- If you don't state what term you're seeking you'll only get a three month term. Useless?
- ▶ Best to write clearly in both forms, "The term applied for is 4 years". That's the maximum. You won't get 4 years and that will become apparent later when the Objection to the application arrives. Which it will!

Your SPL application will attract an Objection!

- ► About 99.9% of SPL applications end up with an Objection to grant being lodged in the Mining Warden's Court. Expect it.
- Only the primary tenement holder can object to your application
- However, DMIRS sometimes send an Inspector or DMIRS official to check the marking out that you've done. This isn't common but it has happened.
- ▶ If DMIRS find an error on the marking out on the ground, they will contact the Regional Mining Registrar and the Registrar is forced to refuse the application as it is invalid. You'll lose your application fee but get the rent back.

What to do when you receive an Objection!

► This is when your real problems start!

CONTACT the APLA Technical Advisor on pres@apla.com.au or 0428679782!!! We can help.