

NOTIFICATION OF INTENTION BY THE DEPARTMENT FOR THE ECONOMY TO GRANT TWO MINERAL PROSPECTING LICENCES: MPLA1/22 AND MPLA2/22

Minerals Prospecting Background

Mineral prospecting is an activity licensed by the Department for the Economy (the Department) to identify our available natural resources. Companies prospecting for minerals are operating on behalf of the Department.

Minerals are a finite natural resource and can only be worked where they are found. It is important that we identify our available natural resources as minerals are essential to support sustainable economic growth and quality of life. It is vital that there is a sufficient supply of raw materials for manufacturing, construction, power generation, transportation and agriculture. In the UK, trade in minerals and minerals-based products makes up around 20% of total trade, with exports of £69 billion and imports of £88 billion in 2019 (Source: UK Minerals Yearbook, 2020).

The Department recognises the need to make the best use of our mineral resources while also minimising the impacts on the environment and society. Licensees are required to comply with any restrictions or mitigation measures as notified by the Department. Licensees are also required to ensure all best practices are adhered to for every exploration technique employed to reduce the environmental impact of exploration activity.

More information on Minerals, their purpose and use can be found at:

DfE Minerals Information paper.pdf (economy-ni.gov.uk)

Prospecting Activity

Under the Mineral Development Act (NI) 1969, minerals (other than gold and silver, and a few other minor exceptions) are vested in the Department for the Economy.

Prospecting for precious metals (gold and silver) is undertaken by option approvals issued by the Crown Estate and the Department has no role in this process. Queries concerning prospecting for gold and silver should be addressed directly to the Crown Estate directly at <u>enquiries@thecrownestate.co.uk</u>

The applicant holds option agreements for gold and silver with the Crown Estate over six areas in Northern Ireland. The applicant currently holds, or has held, Mineral Prospecting Licences from the Department for the same six areas.

A Mineral Prospecting Licence does not automatically lead to mining. It can take many years of exploration to identify a potential target resource. Mining would only be considered if a resource is identified and that resource can be extracted economically, subject to environmental and planning regulations. Should extractable resources be found, a company

must apply to the Department for a Mining Licence which would be subject to a separate assessment and consultation process and require all necessary planning approvals.

General Sources of Information

Further information on Mineral Prospecting Licencing is available on the DfE website but we wish to highlight in particular the following two documents:

- Frequently asked Questions: <u>Minerals and petroleum legislation and policy</u> <u>Department for the Economy (economy-ni.gov.uk)</u> this covers the broad spectrum of licensing
- 2. <u>Common Exploration Methods (economy-ni.gov.uk)</u> which explains the common exploration/prospecting methods and what it means in practice.

Minerals Prospecting Licence Applications under Consideration

The applications cover two areas which are currently licensed to Dalradian Gold Limited, the licences are due to expire on 31 May 2022: the area covered MPLA1/22 is currently licensed as DG5/16 and area MPLA2/22 is currently licensed as DG6/16.

The proposed Work Programmes in the current applications indicate that the exploration targets are base metals.

Work Programme

Mineral Prospecting Licences are normally granted for a period of 6 years. Licensees are required to carry out an agreed scheme of prospecting and to report the results of their Work Programmes to the Department on an annual basis or more frequently.

Copies of the applications submitted have been included at Annex A for this consultation but due to the commercially sensitive nature of the work programme, the full proposed work programme for the first two years of the licence has been redacted. However, in the interests of transparency and in order to provide greater understanding of the proposed work programme, a summary of the first two years of the work programme, omitting commercially sensitive information, has been provided below.

For Dalradian Gold Limited: MPLA1/22

- Carrying out prospecting to supplement shallow soil and deep overburden sampling results.
- Detailed shallow soil sampling.
- Carrying out deep overburden sampling
- Using appropriate methods to define potential drill targets

For Dalradian Gold Limited: MPLA2/22

- Carry out prospecting to increase low coverage of samples
- Carry out soil sampling to follow up on baseline survey
- Carry out reconnaissance soil sampling
- Use appropriate methods to define potential drill targets

Environmental and Regulatory obligations

Should be licences be granted, the licensee will be required to fulfil a number of obligations in relation to environmental and other regulatory requirements, some of which are listed below.

- Provide appropriate notice to the Department to enable legislated environmental screening to be carried out in consultation with other government departments, where work is proposed within, or at a location likely to impact, a designated area.
- Comply with any restrictions or mitigation measures as notified.
- Ensure all best practices are adhered to for every exploration technique employed to reduce the environmental impact of exploration activity.
- Provide appropriate notice to the Department, where required by Minerals (Miscellaneous Provisions) Act (Northern Ireland) 1959