

## **MINERAL PROSPECTING LICENCES – MODEL CLAUSES**

**Mineral Prospecting licences issued by the Department under section 11 of the Mineral Development Act (Northern Ireland) 1969 are deemed to incorporate the Model Clauses set out in Schedule 2 to the Mineral Development (Applications, Fees and Model Clauses) Regulations (Northern Ireland) 1970.**

**For the convenience of licence holders the Model Clauses are reproduced below.**

### Local Resident Manager

1. The licensee shall, before commencing any operations in the licensed area, furnish to the Department the name and address of the Manager resident in Northern Ireland under whose supervision the operations are to be carried on. Any notice which the Department or any person authorised by it is in accordance with the terms of the licence required or entitled to serve upon the licensee shall be sufficiently served if it is sent by recorded delivery service to the Manager at such address.

### Prospecting Obligations

2. The licensee shall, as soon as practicable, after the commencement of the licence carry out with due diligence the scheme of prospecting including any geological survey by physical or chemical means or programme of test drilling or any of them agreed by the Department and the licensee and set out in a schedule to the licence.

### Conduct of Operations

3. The licensee shall execute all operations in or in connection with the licensed area in a proper and workmanlike manner in accordance with the methods customarily used in good prospecting practice, and shall keep all works, buildings, plant and machinery used or made in connection with prospecting operations in good and proper repair, order and condition. The licensee shall comply with any instructions given from time to time by the Department in writing for securing the safety, health and welfare of persons employed in or about the licensed area.

### Limitations on Working

4. The licensee shall work mines and minerals only to such extent as is reasonably necessary for enabling him to ascertain the existence, character, extent or value thereof and shall not sell or otherwise dispose of minerals worked by him except for the purpose of ascertaining the character or value thereof.

### Quantifying of Minerals

5. The licensee shall cause to be quantified (by weighing or in such other manner as the Department may approve) all minerals worked by him and shall keep records in the form set out in the Appendix to this schedule of all minerals worked or sold or otherwise disposed of by him and shall produce such records and other supporting evidence for inspection by the Department when so required.

### Findings

6. The licensee shall keep the Department informed of any knowledge gained by him as to the existence, character, extent or value of the mines and minerals in the lands to which the licence relates and of the result of any analysis, test, trial or experiment carried out by him or on his behalf in relation to such minerals.

### Plans, Information and Records

7. The licensee shall furnish to the Department such plans and information as to the progress of operations in the licensed area as the Department may require. All records, results, plans and information which the licensee is or may be from time to time required to furnish under the provisions of the licence shall be supplied at the expense of the licensee and shall be treated as confidential on terms similar to those applying under sub-sections (4) and (5) of Section 4 of the Minerals (Miscellaneous Provisions) Act (Northern Ireland) 1959 as amended by Schedule 3 of the Mineral Development Act (Northern Ireland) 1969 to information supplied to the Department under that section.

### Rights of Access

8. The licensee shall permit the Department by its officers, servants and agents to enter and inspect the works, buildings, plant, machinery, records and materials of the licensee.

### Compensation for Damage

9. The licensee shall make reasonable amends and satisfaction or pay compensation to the owners and occupiers of the lands the subject of the licence for any damage caused directly or indirectly by prospecting operations and to the owners of the sporting and other rights (if any) affected by the same.

### Indemnity

10. The licensee shall at all times keep the Department effectually indemnified against all actions, proceedings, costs, charges, claims

and demands whatsoever which may be made or brought against the Department by any third party by reason of any matter or thing done or purported to be done by the licensee, his servants or agents under the licence or any breach by the licensee of the terms and conditions of the licence.

### Security

11. As security for observance and performance by the licensee of the terms and conditions of the licence and without prejudice to any other rights or remedies of the Department in respect of any breach, non-observance or non-performance thereof the licensee shall on the execution of the licence furnish to the Department a banker's guarantee or any other suitable guarantee or security in or for such sum in such form and on such terms as the Department may require. If within 28 days of the receipt from the Department of an account of expenditure incurred by the Department in connection with or arising out of the licence, the licensee fails to discharge the account, the Department may recoup itself for such expenditure from and to the extent of the guarantee or security as aforesaid, without prejudice to any other right of the Department under or by virtue of such guarantee or security.

### Commencement of Legal Proceedings

12. The licensee shall inform the Department in writing forthwith of the commencement of any action, suit, proceeding or arbitration arising out of the exercise of the rights and privileges granted by the licence and shall furnish to the Department such information as to any such action, suit, proceeding or arbitration as the Department may from time to time require.

### Fencing

13. The licensee shall make and maintain adequate fencing for the protection of man and beast round every open pit or hole which may be opened during the prospecting operations.

### Prospecting Boundaries

14. The licensee shall not do or permit to be done under the authority of the licence any work within the curtilage of any dwelling house without the consent of the owner or occupier thereof. Neither shall the licensee do or permit to be done any such work within 100 feet of the boundary of the licensed area without the consent in writing of the Department.

### Preservation of Amenities

15. The licensee shall exercise the rights conferred on him by the licence in such manner as not to interfere unnecessarily with the amenities of

the locality in which are situate the land and minerals the subject of the licence.

### Statutory and Other Requirements

16. The licensee shall observe all statutory provisions and all requirements of any competent authority for the time being in force relating to the exercise of the rights granted by the licence.

### Financial Responsibilities

17. The licensee shall pay all rates, taxes, charges, assessments, duties and outgoings which may become payable by reason of the prospecting operations.

### Assignment

18. The licensee shall not assign, part with or share the benefit of the licence without the previous consent in writing of the Department .

### Advertisements, Prospectuses, etc.

19. No statement shall be made in any notice, advertisement, prospectus or other document issued by or to the knowledge of the licensee or in any other manner, claiming or suggesting whether expressly or by implication that the Government of Northern Ireland or any Department or any person or body acting on behalf thereof has formed or expressed any opinion that the licensed area is, from its geological formation or otherwise, one in which minerals are likely to be obtainable.

### Reclamation

20. The licensee shall take all such measures and shall carry out all such works and directions as may be required by the Department for drainage and reclamation of lands affected by prospecting operations provided that the lands need not be restored to a better condition than before the prospecting operations commenced.

### Expiry or Determination of Rights

21. The licensee shall upon the expiration, revocation or termination of the licence (unless the Department in the meantime has agreed to grant a renewal thereof or to grant a mining lease) render safe and secure within 3 months from such expiration, revocation or termination as aforesaid (or such longer period as the Department may agree) all pits, shafts, borings and holes and shall level and restore to a fit state for cultivation any of the lands capable of being used for cultivation at the date of the licence.

### Power of Revocation

22. If there is any breach or non-observance by the licensee of any of the terms and conditions of the licence or if the licensee becomes bankrupt or makes or enters into any agreement or composition with his creditors or if, where the licensee is a body corporate, a receiver is appointed or the licensee enters into liquidation whether compulsory or voluntary (except a voluntary liquidation of a solvent company for the purposes of reconstruction) or if the licensee fails to perform and observe the programme of prospecting set out in the licence, [or if the licensee being an individual ceases to be resident in the United Kingdom or being a body corporate, ceases to have its central management and control in the United Kingdom] then and in such case the Department may revoke the licence and thereupon the same and all rights thereby granted shall cease and determine but subject nevertheless and without prejudice to any obligation or liability imposed by or incurred under the terms and conditions thereof.

### Proper Law

23. The proper law of the licence shall be the law of Northern Ireland.

### Interpretation

24. In this Schedule where the context so requires or admits "licensee" includes the permitted assigns and personal representatives of the licensee, and "statutory provision" has the same meaning as in Section 1(b) of the Interpretation Act (Northern Ireland) 1954.

*The words in [ ] in Clause 22 are deemed to be omitted.*