



Exploration Licence Fact Sheet

West Yilgarn Nickel-Copper-PGE Project

Western Australia

Updated October 2021

Key Information:

The following suite of fact sheets can be found at the Enegex website (<https://www.enegex.com>)

- Community Fact Sheet
- Exploration Licence Fact Sheet
- Environment Fact Sheet

1. What does mineral exploration mean?

Mineral exploration is the process of searching for mineral deposits in the ground. The information gathered during exploration is used to assess the size and quality of a mineral deposit and to determine if it can be economically recovered.

2. What is an exploration licence?

All exploration and mining activity in WA must be conducted under an Exploration Licence authorised by the Department of Miners, Industry Regulation and Safety (DMIRS).

Exploration licences can cover up to hundreds of square kilometres and are typically granted and renewed for periods of between two and five years. Exploration licences allow licence holders to explore for minerals on limited areas of land.

An exploration licence contains detailed conditions to protect the environment and complete rehabilitation of areas disturbed during exploration.

Exploration licences do not permit mining, nor do they guarantee that a mining lease will be granted in the future.

Economically recoverable mineral resources are very rare, which means that exploration does not always lead to mining. If there is the potential for a mine to be developed, any mine proposal must undergo a rigorous assessment under the Mining Act 1978 – Western Australia. This assessment involves a series of stages that normally take several years.

3. What does exploration involve?

Mineral exploration is the process in which geologists gather information through a range of scientific methods to assess the economic potential for minerals. The type of exploration undertaken depends on the type of minerals being sought, and the geology of the area.

Early-stage activities may include field geological mapping and sampling. Here the geologist walks the area on foot, taking detailed observations. They may also take rock chip or soil samples, using hand tools.

Drilling may be conducted to obtain detailed information about the rocks below the surface. There are many different types of drilling methods which will be used, based on the stage of exploration, exploration budget, geology of the area and the information being sought.

4. What happens if Enegex wants to access my land?

If your property falls within the area of an exploration licence, it does not automatically follow that entry to your land is required. Enegex will contact only those landowners whose land falls within targeted exploration areas, with the majority of areas within these exploration licences not affected.

Enegex must reach a land access agreement with the landholder before exploring on their land.

An access agreement details the conditions on which an explorer will access the land and any compensation. Enegex will respect the rights of all landowners and seek to minimise any potential disturbance associated with our activities as much as possible.

5. How are the environmental impacts of exploration managed?

Enegex is committed to ensuring all aspects of its exploration program cause minimal disturbance to the environment. There are a number of legal requirements in the Mining Act 1978 and in exploration licence conditions to minimise the impacts of exploration on the environment and the land. Under law, Enegex is required to rehabilitate the land to pre-disturbance conditions.

The access agreement between the landholder and explorer also contains provisions covering terms of entry, exploration methods, precautions to minimise the risk of disease or weed introduction and compensation for damage.

6. More information:

Copies of various fact sheets are available on Enegex's website.

The Department of Mines, Industry Regulation and Safety (DMIRS) has published The Private Land Provisions Fact Sheet by DMIRS at www.dmp.wa.gov.au/Documents/Minerals/Minerals-Information-brochures-private_land_provisions-4.pdf They can also be contacted directly via telephone or email.

The Association of Mining and Exploration Companies (AMEC) have prepared a number of independent fact sheets for the wheatbelt community of Western Australia.

<https://www.amec.org.au/2021/09/wheatbelt-working-group-land-access-documents/>

For more information, or to contact AMEC, visit <http://www.amec.org.au/>

7. Contact Us

Visit our website at www.enegex.com , follow us on Twitter, LinkedIn or subscribe to receive our updates.

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