

Digging Deeper 9

Queensland Government ***Exploration Grant Initiatives***

7 December 2011



Summary of Initiatives

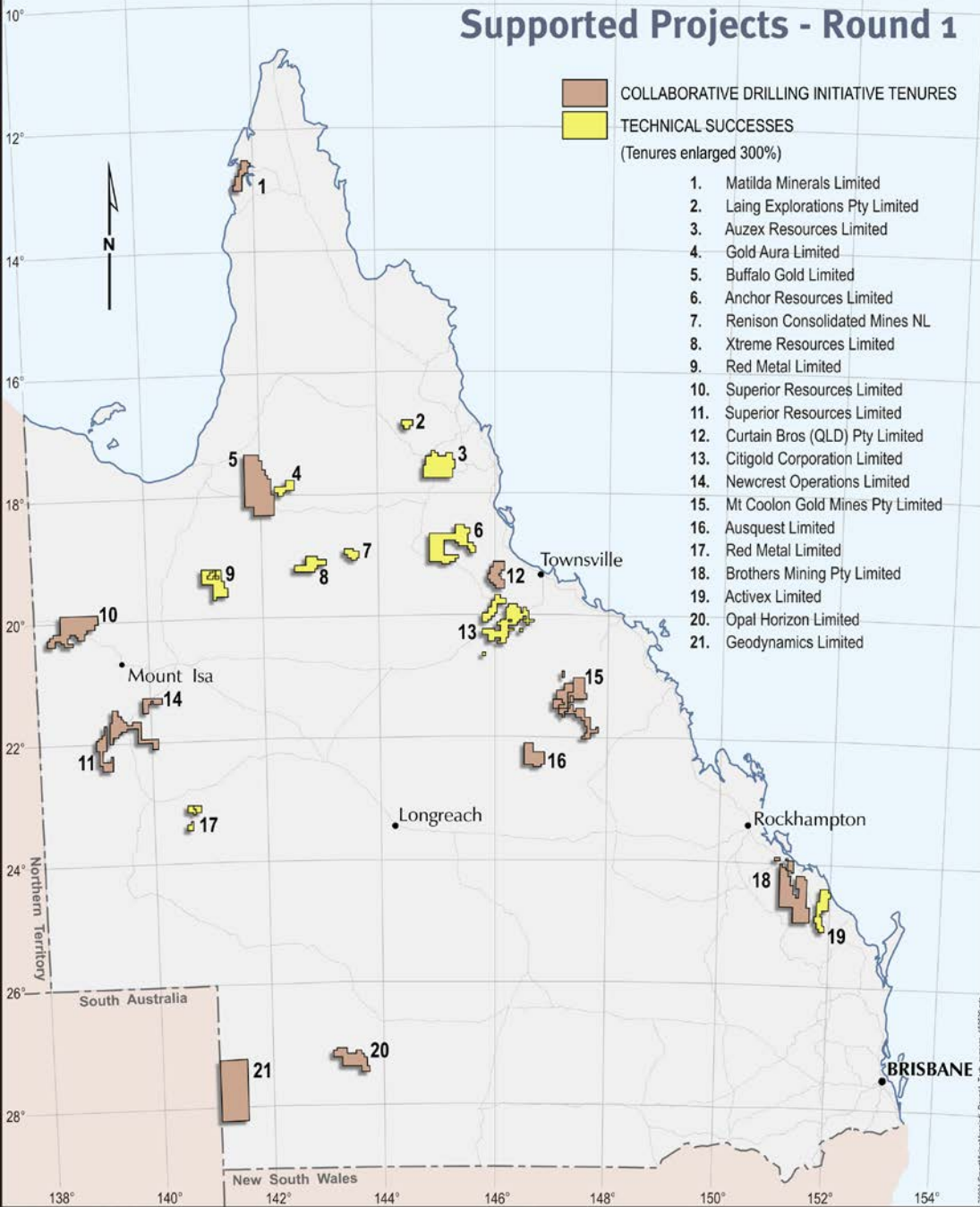
Smart Mining – Future Prosperity and Greenfields 2020 Programs

- **Collaborative Drilling** – provides funding assistance of 50% of a project up to \$150,000 for the drill testing of innovative exploration concepts including targets in under-explored regions of Queensland.

Smart Mining – Future Prosperity Program

- **Cluster Formation** – funds 50% of a project up to \$50,000 for mobilisation of drill rigs and geophysical equipment to encourage explorers to share resources.
- **Industry Network** – funds 50% of a project up to \$40,000 to encourage the growth of junior mineral exploration companies by assisting them to access a network of specialist services and support industries for innovative exploration research projects.

COLLABORATIVE DRILLING INITIATIVE Supported Projects - Round 1



Round 1 Collaborative Drilling Initiative (2007)

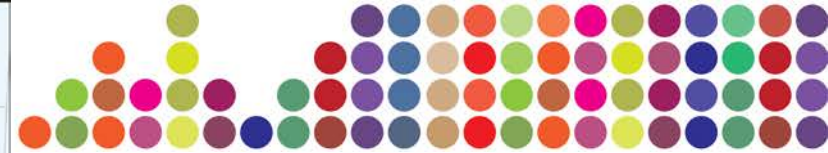
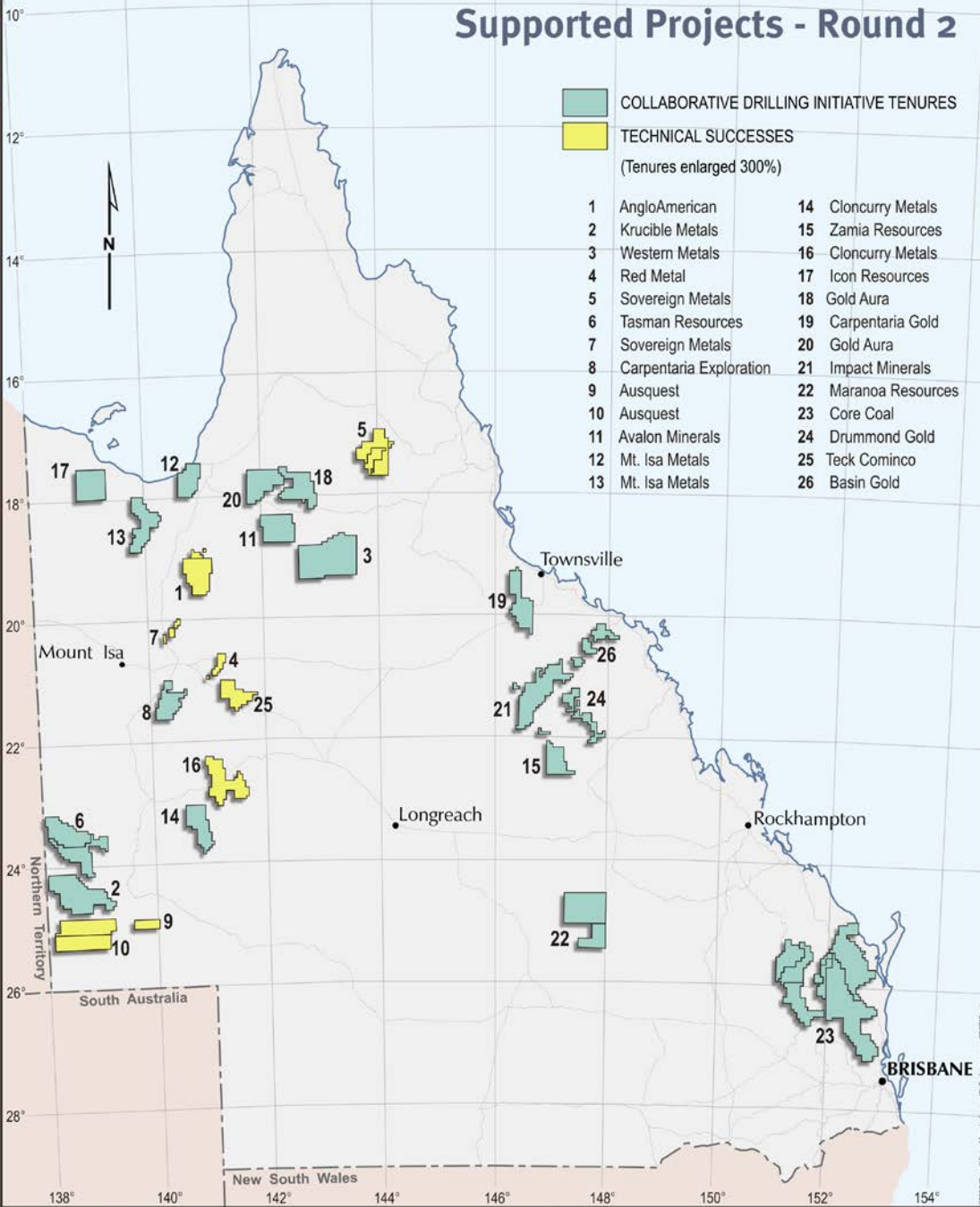
Results from Round 1:

\$1.27 million paid

16 projects completed

10 technical successes

COLLABORATIVE DRILLING INITIATIVE Supported Projects - Round 2

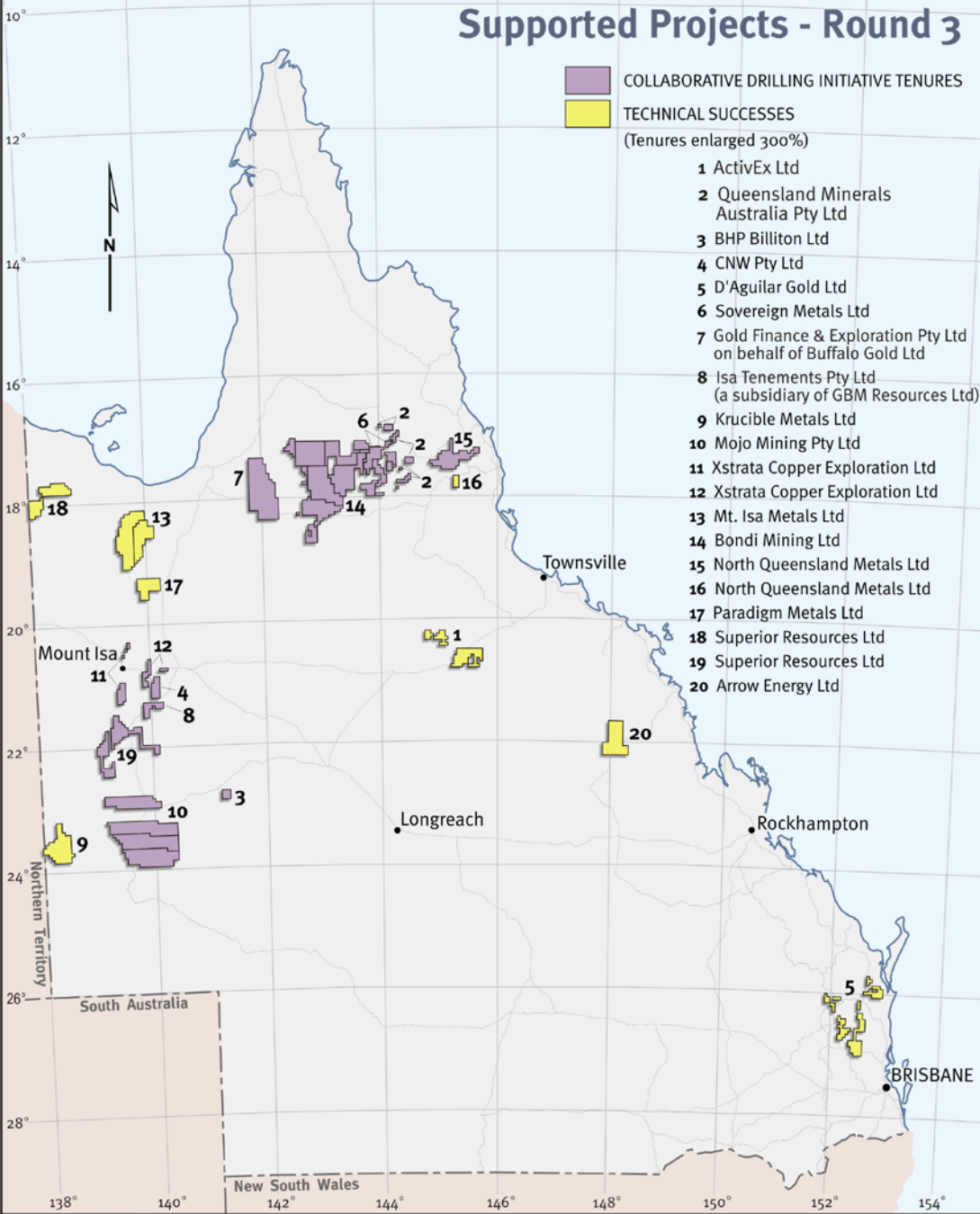


Round 2 Collaborative Drilling Initiative (2008)

Results from Round 2:

\$1.01 million paid
12 projects completed
8 technical successes

COLLABORATIVE DRILLING INITIATIVE Supported Projects - Round 3



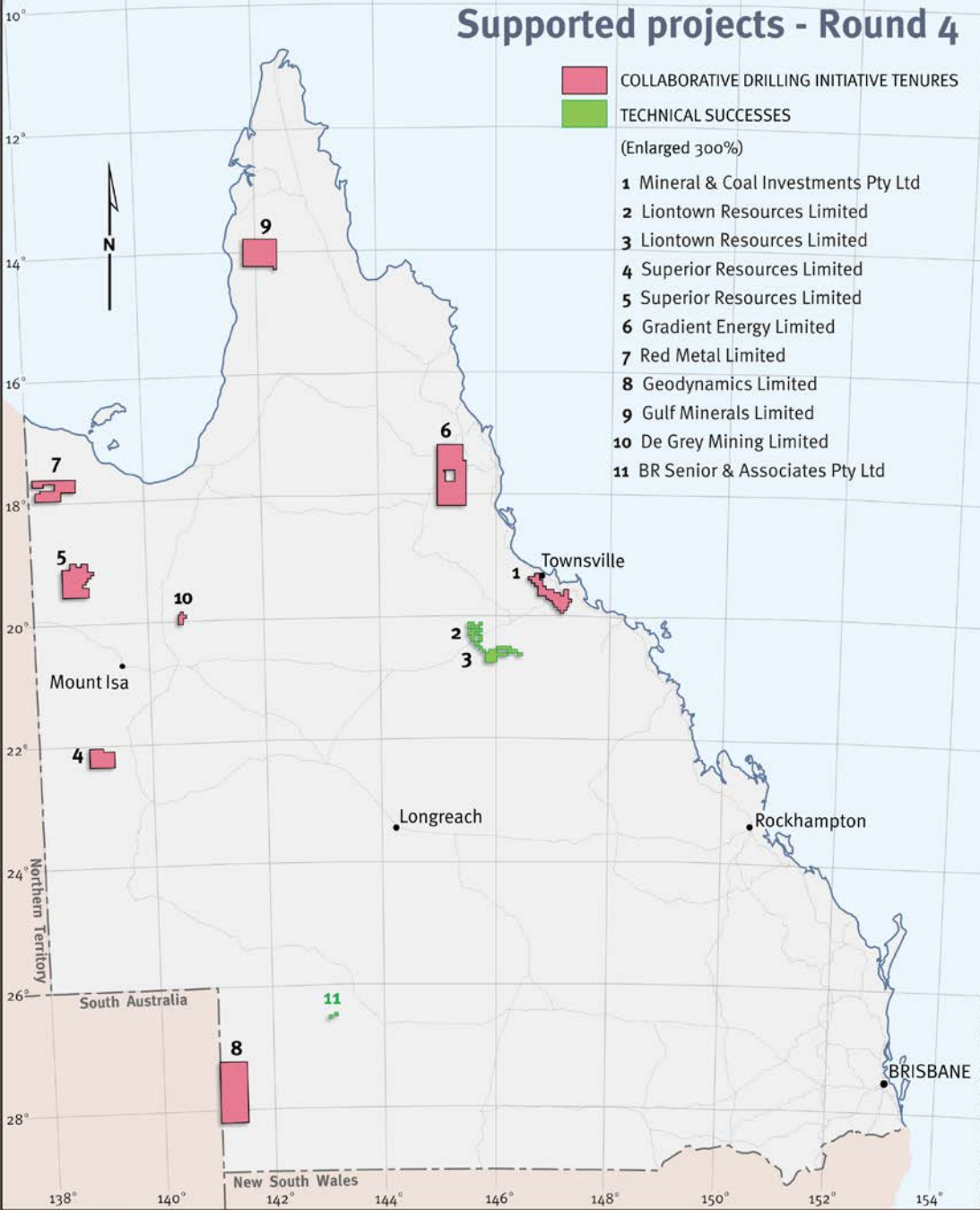
Round 3 Collaborative Drilling Initiative (2009)

Results from Round 3:

\$0.99 million paid
12 projects completed
8 technical successes

COLLABORATIVE DRILLING INITIATIVE

Supported projects - Round 4



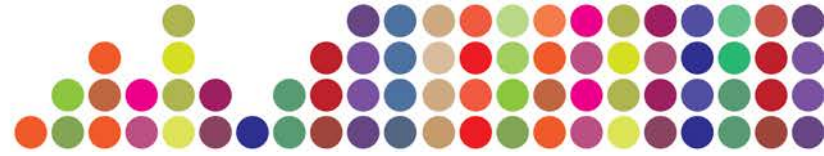
Round 4 Collaborative Drilling Initiative (2010)

Results from Round 4:

\$0.22 million paid

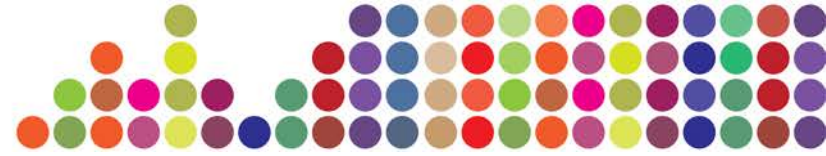
5 projects completed

3 technical successes

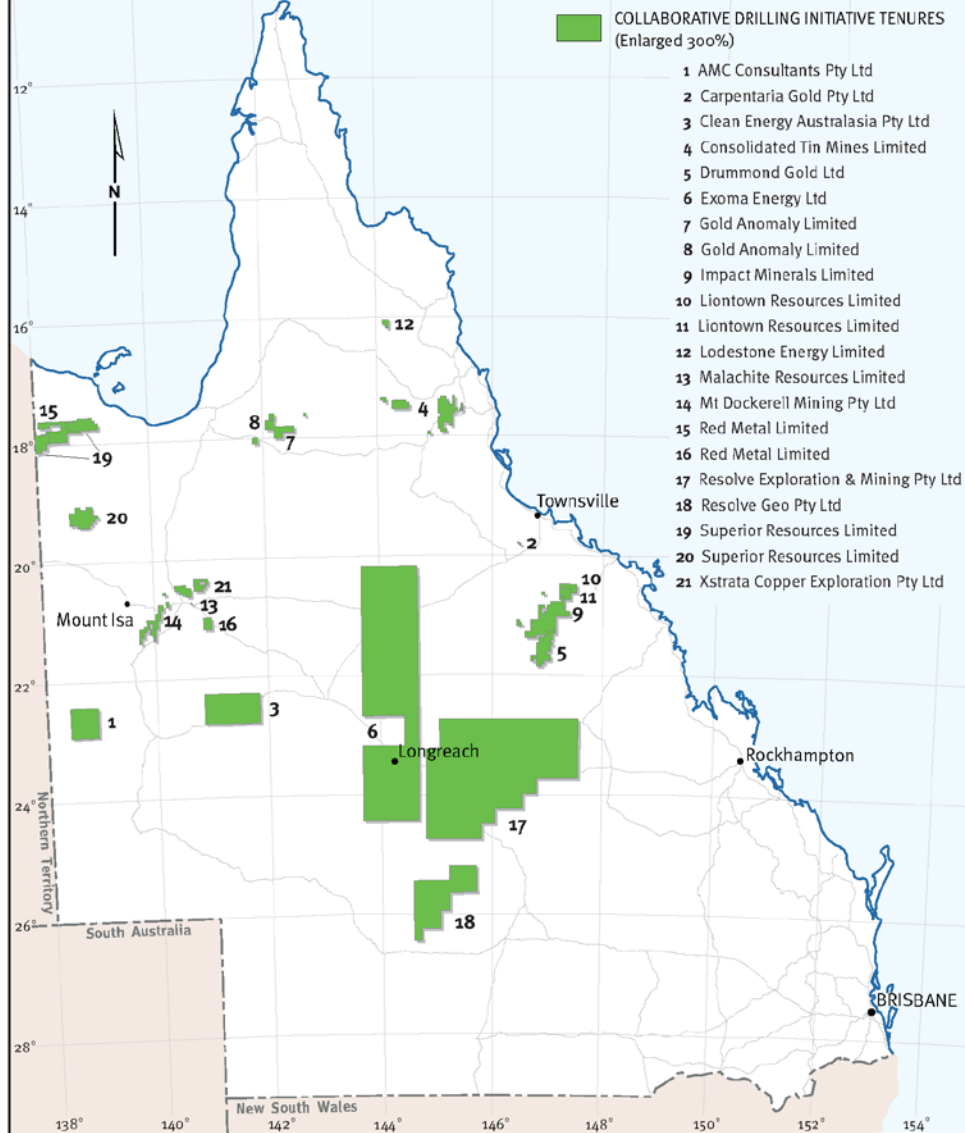


Round 5 Collaborative Drilling Initiative (2011)

- **Greenfields 2020 CDI commences under this round**
- **Status of Round 5:**
 - **\$2.2 million was available**
 - **56 submissions received**
 - **Three month assessment process**
 - **Commencement date was 14 March 2011**
 - **Project period extended from 12 months to 15 months**
 - **Final reports to be received 3 months after completion of project**
 - **Payments dependent on acceptance of submitted reports after project completion**
 - **Round 5 to be completed mid-October 2012**



COLLABORATIVE DRILLING INITIATIVE Supported projects - Round 5



Round 5 Collaborative Drilling Initiative (2011)

Results from Round 5:

21 projects successful
\$2.35 million allocated

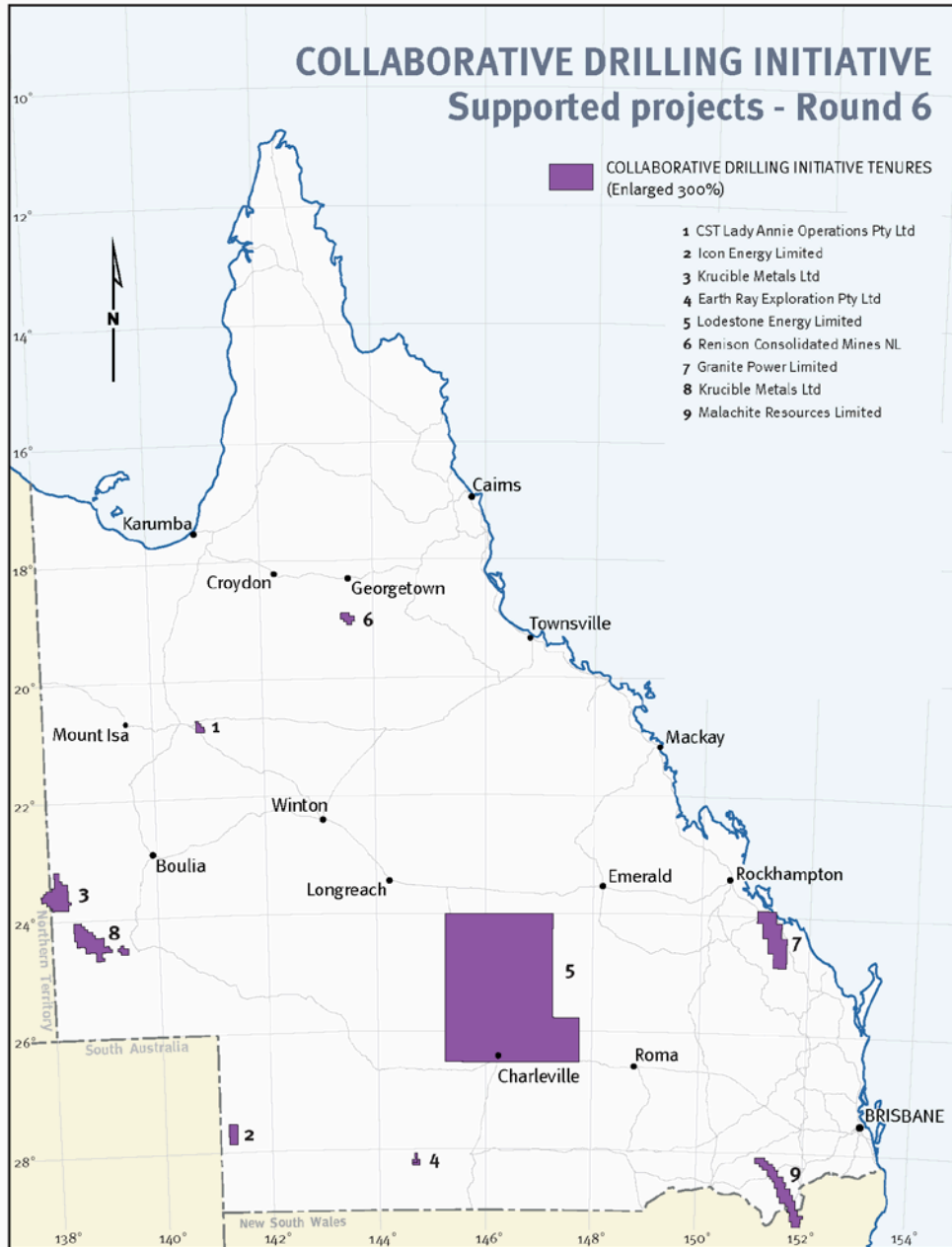


Round 6 Collaborative Drilling Initiative (2011)

- **Status for Round 6:**
 - **\$1.0 million was available**
 - **23 submissions received**
 - **Three month assessment process**
 - **Commencement date was 27 June 2011**
 - **Project period extended from 12 months to 15 months**
 - **Final reports to be received 3 months after completion of project**
 - **Payments dependent on acceptance of submitted reports after project completion**
 - **Round 6 to be completed early February 2013**



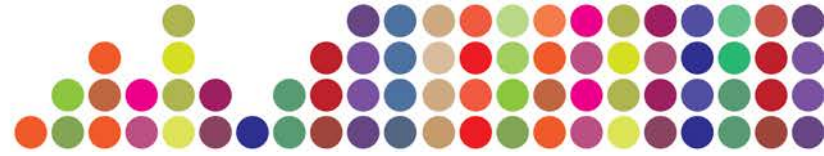
COLLABORATIVE DRILLING INITIATIVE Supported projects - Round 6



Round 6 Collaborative Drilling Initiative (2011)

Results from Round 6:

9 projects successful
\$1.17 million allocated



Round 7 Collaborative Drilling Initiative (2012)

- **Status for Round 7:**
 - **\$1.0 million available**
 - **22 submissions received**
 - **Three month assessment process**
 - **Commencement date anticipated mid-March 2012**
 - **Project period extended from 12 months to 15 months**
 - **Final reports to be received 3 months after completion of project**
 - **Payments dependent on acceptance of submitted reports after project completion**
 - **Round 7 to be completed mid-October 2013**



Round 7 Collaborative Drilling Initiative (2012)

TBA

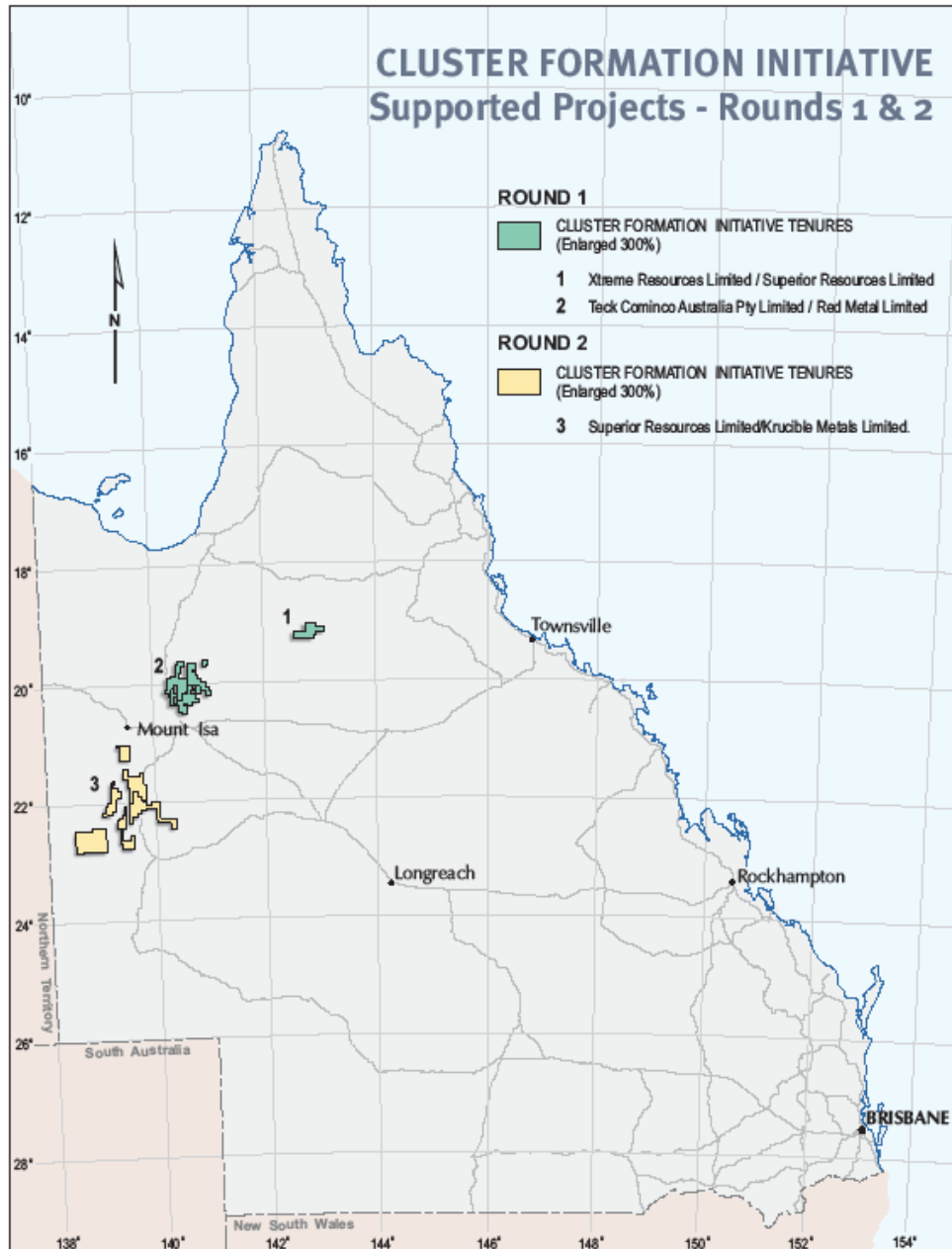
Results from Round 7:

Currently being assessed



Cluster Formation Initiative (2007- 2008)

- **Results from Rounds 1, 2 and 3:**
 - **4 applications in total**
 - **3 awarded**
 - **\$57,250 in grants allocated in Round 1 and \$11,250 in Round 2**
 - **1 project completed**
 - **2 withdrawn**
 - **No submissions in Round 3**
 - **Companies found initiative problematic based on aligning resources**

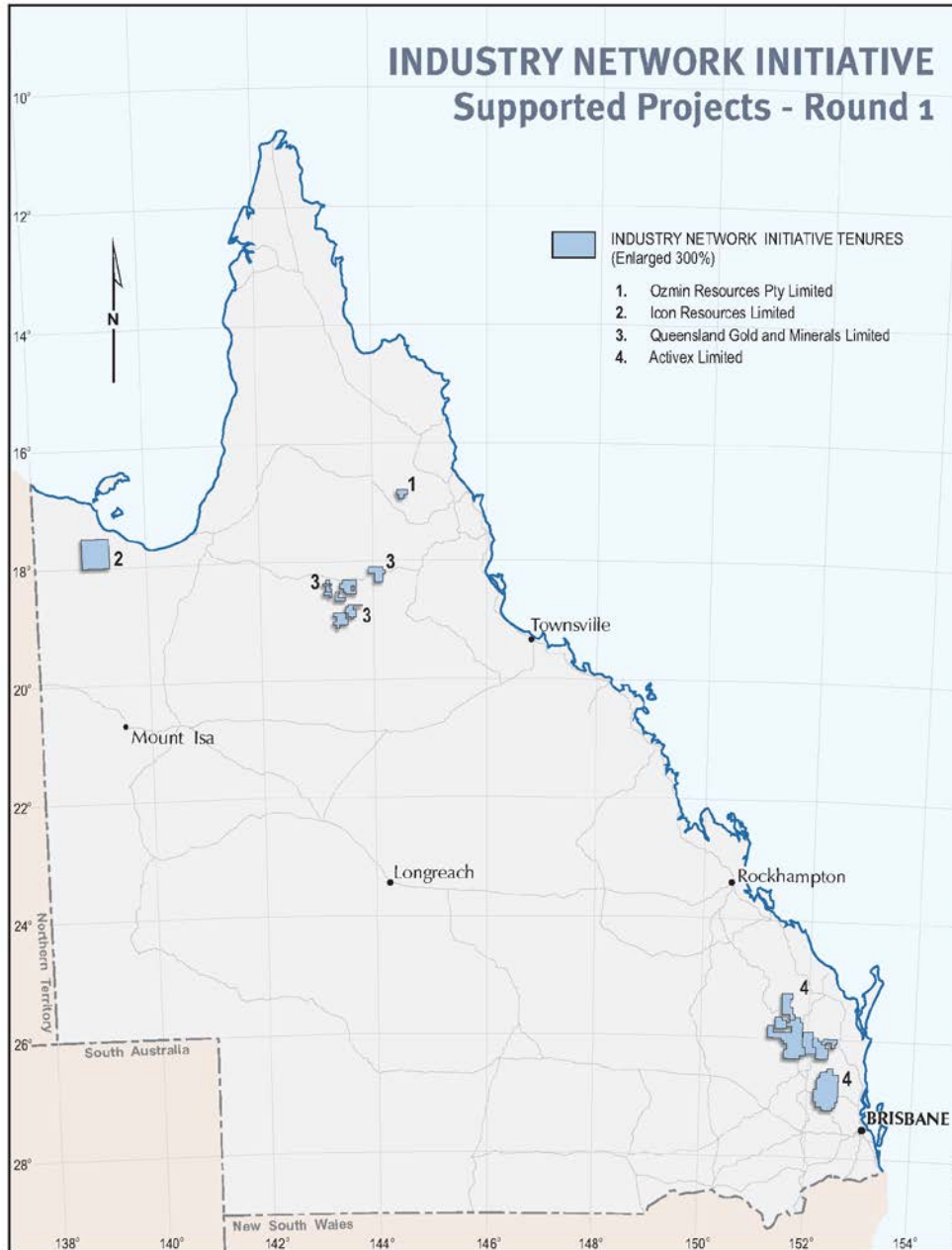


Supported projects

Rounds 1 and 2 Cluster
Formation Initiative



INDUSTRY NETWORK INITIATIVE Supported Projects - Round 1



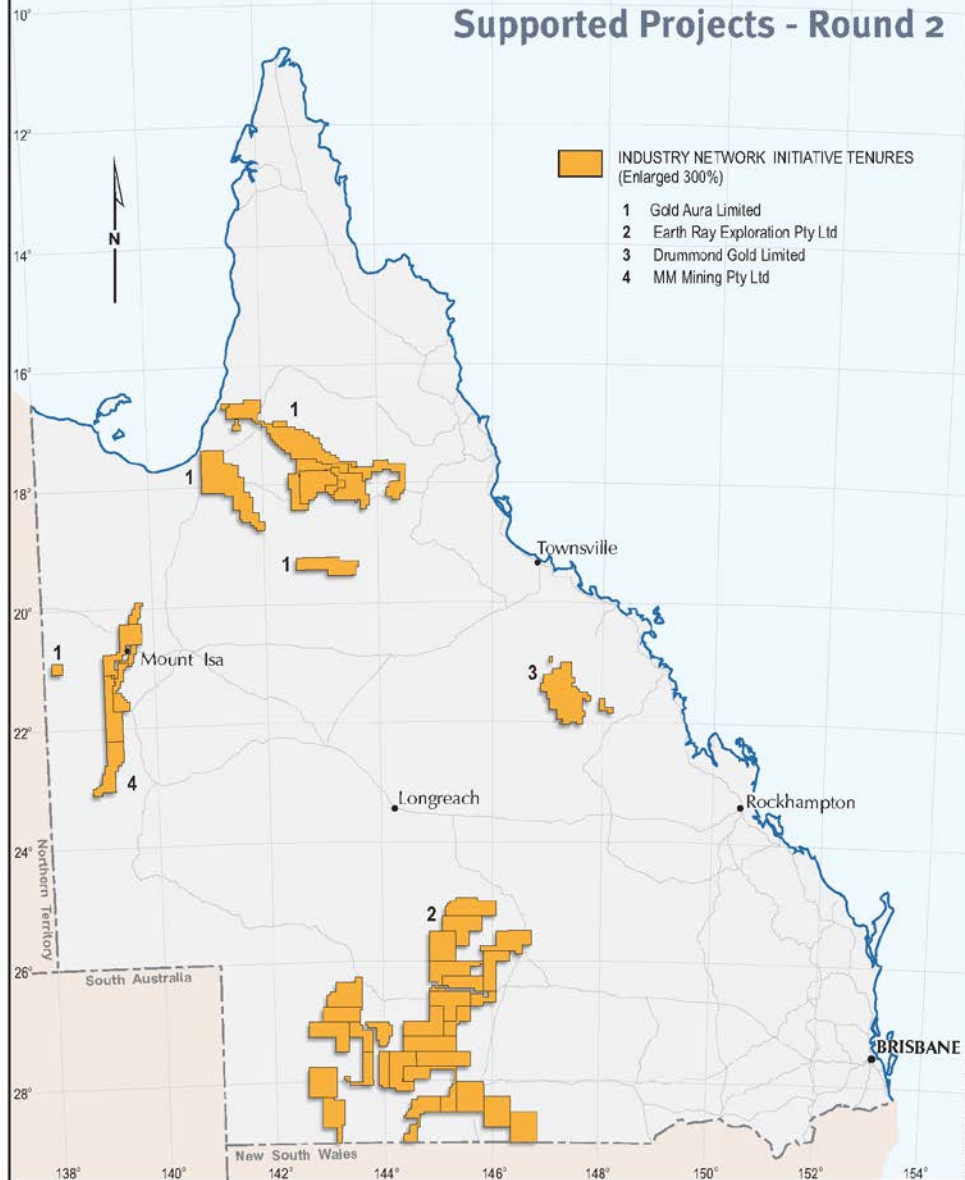
Round 1 Industry Network Initiative (2007)

Results from Round 1:

4 projects awarded
\$145,000 in grants allocated
\$88,907 paid



INDUSTRY NETWORK INITIATIVE Supported Projects - Round 2



Round 2 Industry Network Initiative (2008)

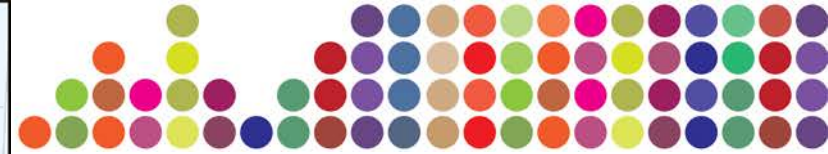
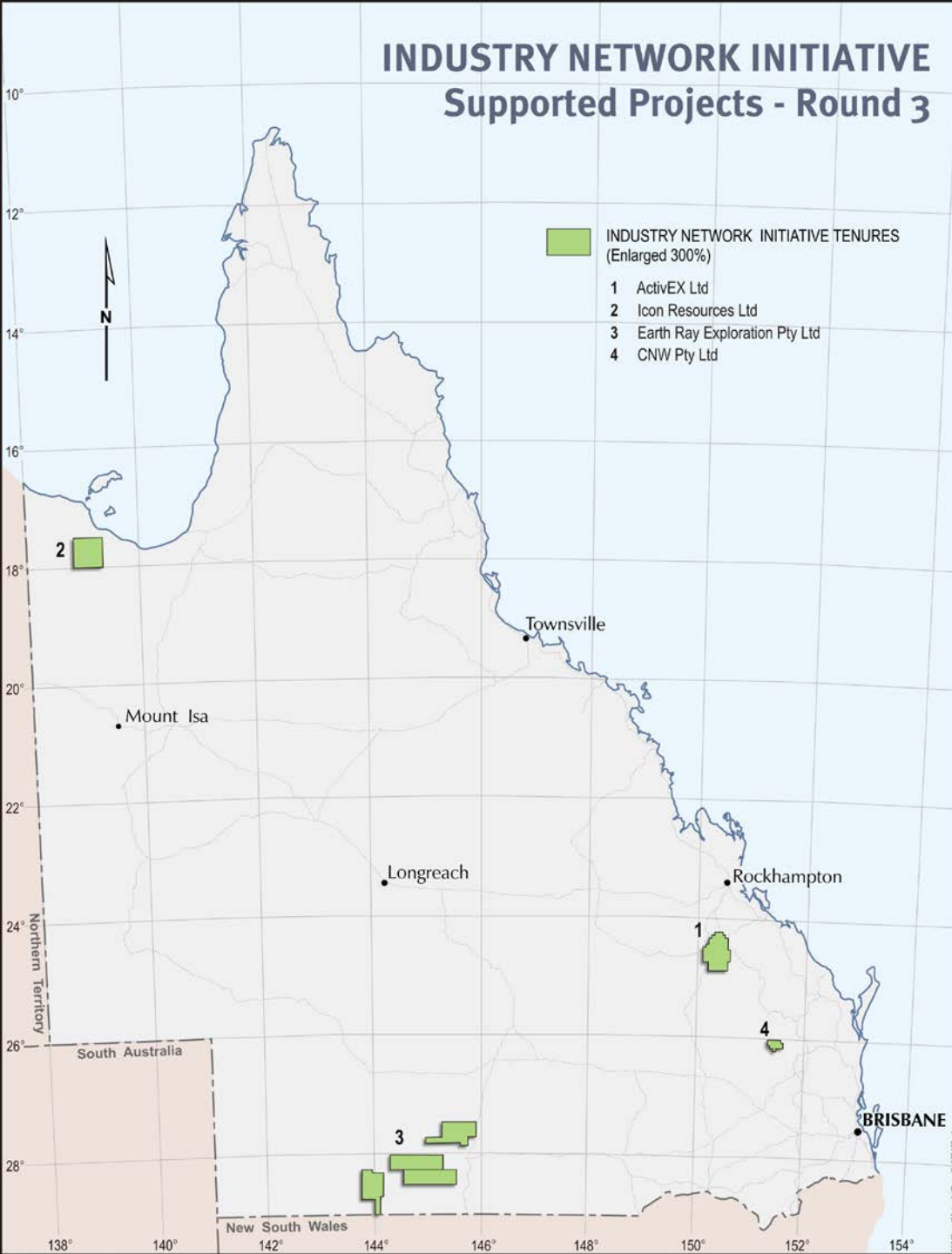
Results from Round 2:

4 projects awarded

\$160,000 in grants allocated

\$96,179 paid

INDUSTRY NETWORK INITIATIVE Supported Projects - Round 3



Round 3 Industry Network Initiative (2009)

Results from Round 3:

4 projects awarded

\$159,000 in grants allocated

\$100,694 paid



Highlights

- **Full allocation of available grant funding anticipated.**
- **For the grant funding of \$3.8 million there has been over \$11.27 million of direct expenditure by industry. This equates to a leverage of 2.96.**
- **In addition, this drilling has been carried out in frontier areas of perceived high exploration risk.**
- **29 technical successes of which 23 are related to discovery of new mineralisation by drilling.**
- **Technical success has led to companies recommending further drilling on these programs.**
- **The strong support and success of the Smart Mining – Future Prosperity grants has seen further funding under Greenfields 2020.**



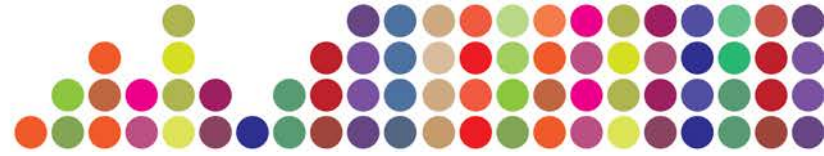
Summary

- **The four rounds of CDI, and three rounds of INI and CFI now completed under the Smart Mining – Future Prosperity Program.**
- **These CDI, CFI, and INI rounds attracted 216 submissions with over \$7 million in allocations to 94 projects worth \$107 million.**
- **Under Smart Mining 56 projects from 39 companies were completed with over \$3.8 million paid with 29 technical successes.**
- **Leverage of the grants program was 2.96. The government is getting a significant return on its investment.**



Summary (cont.)

- **CDI Round 5 closed 19 November 2010 with 56 submissions received and 21 projects successful being allocated \$2.35 million.**
- **CDI Round 6 closed 1 April 2011 with 23 submissions received and 9 projects successful being allocated \$1.17 million.**
- **Project period extended from 12 months to 15 months with final reports to be received 3 months after completion of project.**
- **Payments dependent on acceptance of submitted reports after project completion.**
- **Round 5 and Round 6 to be completed mid-October 2012 and early February 2013 respectively.**
- **Round 7 closed 18 November 2011 with 22 submissions received.**
- **Seeking further funding.**



Further information

- **Website at:**
<http://mines.industry.qld.gov.au/mining/greenfields-2020-collaborative-drilling.htm>
- **Contact Exploration Attraction:**
 - **Phone: +61 (0)7 3035 5253**
 - **Email: melissa.somerville@deedi.qld.gov.au**