

Derivative Mining Rights

1 July 2022

Under the Mining Act 1978 (Mining Act) , the holder of a prospectinonrn onsooctr

In both circumstances set out above, the purchaser must grant the derivative mining right within 90 days after the transfer or any longer period allowed by the Commissioner. An application for more time must be made by lodging form [FDA48 'Derivative Mining Rights - Request for Longer Period to Grant'](#) within 90 days after the transfer.

The holder of a prospecting or an exploration licence may have granted a derivative mining right to another person before the tenement is converted to a mining lease. The right is extinguished when the tenement is converted and must be re-granted.

In this case, duty does not apply to the grant of a derivative mining right to a person if:

- x the right relates to a mining lease and
- x before the grant of the mining lease the holder of the lease held a prospecting or an exploration licence in relation to the land the subject of the mining lease and
- x the person held a derivative mining right in relation to the prospecting or exploration licence that was substantially the same as the right in relation to the mining lease and
- x the original grant of the derivative mining right is duty endorsed, or was not a dutiable transaction .

Landholder duty

Landholder duty applies to acquisitions of an interest in a corporation or unit trust where it, or a linked entity, is entitled to land assets in Western Australia valued at \$2 million or more (a landholder). A land asset includes a mining tenement and a derivative mining right. See the ['L \(w\)1h420053u22 -1.2618.196 0 Td 0.001 d-0.001 ts](#)