

Mining Development Regulation 1957

Unvalidated References:

[Mining Development Act 1955](#)

This reprint of this Statutory Instrument incorporates all amendments, if any, made before 25 November 2006 and in force at 1 July 2001.

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Legislative Counsel

Dated 25 November 2006

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1957.

[Mining Development Regulation 1957](#)

ARRANGEMENT OF SECTIONS.

1. Interpretation.
2. Application for advance.
3. Hire of boring plant, etc.
4. Deposit of drilling charges.
5. Hiring charges.
6. Advances, etc., for draining, etc.

[Mining Development Regulation 1957](#)

MADE under the [Mining Development Act 1955](#).

Dated 200 .

1. INTERPRETATION.

In this Regulation, unless the contrary intention appears, “hirer” means a hirer of boring plant and accessories under this Regulation.

2. APPLICATION FOR ADVANCE.

An application for an advance for developmental mining under Section 2 of the Act shall be in Form 1.

3. HIRE OF BORING PLANT, ETC.

(1) An application for the hire of boring plant and accessories under Section 19 of the Act shall be in Form 2.

(2) On the approval of an application under Subsection (1), the intending hirer shall enter into a hiring agreement with the State.

4. DEPOSIT OF DRILLING CHARGES.

(1) Before the commencement of drilling operations, a hirer shall deposit with the State an amount equal to the charge, assessed at the rate specified in Schedule 2 for drilling to—

- (a) a depth of 457.2m; or
- (b) the maximum depth specified in the hiring agreement,

whichever is the less, as security for the due performance of the hiring agreement.

(2) On the due performance by the hirer of the hiring agreement, the State shall refund to the hirer the deposit paid under Subsection (1).

5. HIRING CHARGES.

(1) Where the total depth of the hole or holes drilled under a hiring agreement does not exceed 457.2m, the hirer shall pay to the State the charges for drilling only, assessed at the rates specified in Schedule 2.

(2) Where the total depth of the hole or holes drilled under a hiring agreement exceeds 457.2m the hirer shall pay to the State the charges, as assessed by the Mining Engineer, specified in Schedule 2.

(3) In computing the amount of the charges payable by the hirer under this section, no charge shall be made in respect of time lost due to—

- (a) inclement weather; or
- (b) breakdown of plant or motor transport not attributable to the fault of the hirer; or
- (c) delays in the supply of motor transport by the State.

(4) The State may from time to time render to the hirer an account of the amount then due under this section, and the amount shall be paid within 30 days after delivery of the account to the hirer or his agent.

(5) Where the hirer defaults in the payment of any amount payable under this section, the State—

- (a) may without notice cancel the hiring agreement; and
- (b) may deduct from the deposit paid under Section 4 all moneys then due and owing to it under the hiring agreement; and
- (c) shall pay the balance (if any) to the hirer.

6. ADVANCES, ETC., FOR DRAINING, ETC.

(1) An application for an advance under Section 20 of the Act shall be in Form 3.

(2) No advance shall be made under Section 20 of the Act for any project except under an agreement setting out the terms of the advance and repayment, and Sections 4 to 10 of the Act apply, with the necessary modifications, in relation to any such agreement.

(3) No money shall be expended in any mining area under Section 20 of the Act otherwise than by way of advance, unless the Minister has been advised by a report of the Departmental Head that the expenditure of the money would be in the general interest of the mining industry in the mining area.

SCHEDULE 1

PAPUA NEW GUINEA.

[Mining Development Act 1955.](#)

Form 1 – APPLICATION FOR ADVANCE OF PUBLIC MONEYS FOR DEVELOPMENTAL MINING.

Reg., Sec. [2. Form 1.](#)

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[Mining Development Act 1955.](#)

Form 2 – APPLICATION TO HIRE BORING PLANT AND ACCESSORIES.

Reg., Sec. [3. Form 2.](#)

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Form 3 – APPLICATION FOR ADVANCE UNDER SECTION 20 OF THE ACT.

Reg., Sec. 6(1). Form 3.

SCHEDULE 2 – Reg., Secs. 4, 5.
CHARGES.

Drilling–

The charges for drilling shall be calculated and charged on the total footage drilled under a hiring agreement, irrespective of the number of holes drilled, and shall be as follows:–

First 500 feet–50t per foot or part of a foot, inclusive of all charges.

From 501 feet to 1,000 feet–K1.00 per foot or part of a foot, inclusive of all charges.

From 1,001 feet to 1,500 feet (non-coring)–K1.00 per foot or part of a foot, inclusive of all charges.

From 1,001 feet to 1,500 feet (coring)–K1.50 per foot or part of a foot, inclusive of all charges.

In excess of 1,500 feet the cost, excluding driller's salary but including moving time, transport charges, freight and time lost, as assessed by the Mining Engineer.

Moving time (as logged by the driller, moving from one site to another under a hiring agreement)–25t per quarter hour or part of a quarter hour.

Motor transport charges (including freight, if any)–As assessed by the Mining Engineer.

Time lost (on account of failure of hirer to supply adequate quantities of suitable drilling water when required)–K1.00 per hour or part of an hour.

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