

NOTIFICATION OF INTENTION BY THE DEPARTMENT FOR THE ECONOMY, (DfE), TO GRANT MINERAL PROSPECTING LICENCES KARELIAN DIAMOND RESOURCES LIMITED

MINERALS PROSPECTING

MINERALS BACKGROUND

Minerals are a finite natural resource and can only be worked where they are found. Mineral prospecting is licensed activity by the Department to identify our available natural resources. Companies prospecting for minerals are operating on behalf of the Department for the Economy.

It is important that we identify our available natural resources as minerals are essential to support sustainable economic growth and quality of life. It is vital that there is a sufficient supply of raw materials for manufacturing, construction, power generation, transportation and agriculture. In the UK trade in minerals and minerals-based products makes up over 20% of total trade, with exports of £66 billion and imports of £85 billion in 2014 (Source: UK Minerals Yearbook, 2015).

The Department recognises the need to make the best use of our mineral resources while also minimising the impacts on the environment and society. All licensees are required to provide appropriate notice to the Department to enable legislated environmental screening to be carried out in consultation with other Government Departments, where work is proposed within, or in close proximity to, Areas of Special Scientific Interest, Special Areas of Conservation or Special Protection Areas. Licensees are required to comply with any restrictions or mitigation measures as notified. Licensees are also required to ensure all best practices are adhered to for every exploration technique employed to reduce the environmental impact of exploration activity.

More information on Minerals their purpose and use can be found in the document at the link below.

<https://www.economy-ni.gov.uk/sites/default/files/publications/economy/DfE%20Minerals%20Information%20paper.pdf>

OVERVIEW OF THE CONSULTATION/NOTIFICATION PROCESS

The specific notification/consultation arrangements for Mineral Prospecting Licences are as specified in the Minerals Development Act (Northern Ireland) 1969, sections 11 (3) and (4). In summary this requires the Department to notify its intention to grant licences by publicising in two consecutive weeks in the Belfast Gazette and in one or more newspapers circulating in the locality where the land is situated. In addition the Department places all documentation on the Department's website and provides all documents and maps to Local Council Offices in the areas covered by the licence. Local Councils are then required to make the maps available for inspection. In addition to notification through local newspapers and online the Department also notifies

- Every other Government Department
- Every Local Authority within whose area the land, or any part of the land proposed to be licenced is situated
- Every Public Body which, in the opinion of the Department may have an interest in the licence activity

Responses are accepted by letter to:-

Department for the Economy
Minerals and petroleum Branch
Dundonald House
Upper Newtownards Road
Belfast
BT4 3SB

Or, by email minerals@economy-ni.gov.uk **Responses by email are preferred.**

PROSPECTING ACTIVITY

DfE has responsibility under the above legislation for prospecting for base/non-precious metals only. Prospecting for precious metals, (gold and silver), is undertaken by option approvals issued by the Crown Estate and DfE has no role in this process. You should contact the Crown Estate directly with any queries concerning prospecting for gold enquiries@thecrownestate.co.uk .

A prospecting licence does not automatically lead to mining. It can take many years of exploration to identify a potential target resource. Mining would only be considered if a resource is identified and that resource can be extracted economically, subject to environmental and planning regulations. Should extractable resources be found a company must apply to DfE for a mining licence which would be subject to a separate assessment and consultation process in addition to the necessary planning approvals.

GENERAL SOURCES OF INFORMATION

Further information on Minerals Licencing is available on the DfE website but we wish to highlight in particular the two documents at the links below. One is Frequently Asked Questions which covers the broad spectrum of Minerals Licencing and the second explains the common exploration/prospecting methods and what it means in practice.

<https://www.economy-ni.gov.uk/sites/default/files/publications/economy/minerals-prospecting-licence-faqs.pdf>

<https://www.economy-ni.gov.uk/publications/mineral-prospecting-common-exploration-methods>

WORK PROGRAMME

Prospecting Licences are normally granted for a period of 6 years. Licensees are required to carry out an agreed scheme of prospecting and to report the results of their Work Programmes to the Department on an annual basis or more frequently. Please see **Annex A** attached for a summary of the Work Programme for this Karelian Diamond Resources Limited application.

KARELIAN

Work Programme Summary

Environmental and Regulatory obligations:

- Provide appropriate notice to the department to enable legislated environmental screening to be carried out in consultation with other government departments, where work is proposed within, or in close proximity to, Areas of Special Scientific Interest, Special Areas of Conservation or Special Protection Areas.
- Comply with any restrictions or mitigation measures as notified.
- Ensure all best practices are adhered to for every exploration technique employed to reduce the environmental impact of exploration activity.
- Provide appropriate notice to the Department, where required by Minerals (Miscellaneous Provisions) Act (Northern Ireland) 1959

Prospecting Activity – Diamonds and Base Metals

- Desktop exercise and collation of data for the licence area into computer mapping software
- Interpretation of information already collected by Northern Ireland government which covers the licence area
- Low impact exploration sample collection at selected localities within the licence area.
- Identify targets for geophysical surveying