

## Mining Amendment Regulations 2018

Made by the Governor in Executive Council.

### 1. Citation

These regulations are the *Mining Amendment Regulations 2018*.

### 2. Commencement

These regulations come into operation as follows —

- (a) regulations 1 and 2 — on the day on which these regulations are published in the *Gazette*;
- (b) the rest of the regulations — on the day after that day.

### 3. Regulations amended

These regulations amend the *Mining Regulations 1981*.

### 4. Regulation 86AD amended

- (1) In regulation 86AD(1) delete the definitions of:

*Platts freight rate*

*Platts index*

*Platts midpoint price*

- (2) In regulation 86AD(1) insert in alphabetical order:

*Dry Freight Wire* means the publication titled “Dry Freight Wire” published by S&P Global Platts (a division of S&P Global Inc.);

*Platts daily assessments* means the table headed “Platts Daily Iron Ore Assessments” set out in the publication titled “SBB Steel Markets Daily” published by S&P Global Platts (a division of S&P Global Inc.);

*Platts daily premium spot assessment* means the table headed “Platts Daily Iron Ore Lump Premium Spot Assessment” set out in the publication titled “SBB Steel Markets Daily” published by S&P Global Platts (a division of S&P Global Inc.);

*Platts freight rate* means —

- (a) the freight rate for capesize vessels to move iron ore from Port Hedland to Qingdao published in the Dry Freight Wire on the day the iron ore for which royalty is payable is first sold; or

- (b) if there is no freight rate as described in paragraph (a), the freight rate for capesize vessels to move iron ore from Port Hedland to Qingdao last published in the Dry Freight Wire before the day referred to in that paragraph;

**Platts premium** means —

- (a) the daily spot lump premium assessment midpoint published in the Platts daily premium spot assessment on the day the iron ore for which royalty is payable is first sold; or
- (b) if there is no daily spot lump premium assessment midpoint as described in paragraph (a), the daily spot lump premium assessment midpoint last published in the Platts daily premium spot assessment before the day referred to in that paragraph;

**Platts price** means —

- (a) the daily iron ore price published in the Platts daily assessments on the day the iron ore for which royalty is payable is first sold; or
- (b) if there is no daily iron ore price as described in paragraph (a), the daily iron ore price last published in the Platts daily assessments before the day referred to in that paragraph;

(3) Delete regulation 86AD(2) and insert:

(2) The royalty value of iron ore is —

- (a) if the first sale of the ore by the tenement holder is effected by delivery onto or from a ship exporting the ore from Australia (as evidenced by a bill of lading and the invoices relating to the sale and export of the ore) — the gross invoice value of the ore less shipping costs for the ore; or
- (b) in any other case —
  - (i) the reference amount for the ore; or
  - (ii) if the Minister makes a determination under subregulation (2A), the value worked out using the method determined under that subregulation.

(2A) For the purposes of subregulation (2)(b), the Minister may in a particular case determine —

- (a) that the royalty value of iron ore is not to be the reference amount for the ore because of market factors affecting the sale of the ore; and

- (b) a method for working out the value of the ore that takes into account those factors.

(4) Delete regulation 86AD(4) and insert:

(4) For the purposes of subregulation (3)(a), but subject to subregulations (5) and (6), the index price for iron ore (the *royalty ore*) is —

- (a) the Platts price for iron ore of the same grade as the royalty ore plus, if the royalty ore is lump ore, the Platts premium; or
- (b) if there is no Platts price for iron ore of the same grade as the royalty ore, the price calculated in accordance with the following formula —

$$I = P \times \frac{G}{R}$$

where —

- I is the index price;
- P is the Platts price for iron ore of the closest grade (the *reference grade*) to the grade of the royalty ore plus, if the royalty ore is lump ore, the Platts premium;
- G is the percentage number of the grade of the royalty ore;
- R is the percentage number of the reference grade.

(5) In regulation 86AD(5) delete “midpoint” (each occurrence).

(6) In regulation 86AD(6) delete “index,” and insert:

daily assessments,

R. NEILSON, Clerk of the Executive Council.

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