

EXPLORATION INCENTIVE SCHEME

Statement by Minister for Mines and Petroleum

MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum) [9.06 am]: It is with pleasure that I provide an update on the recent mineral exploration successes arising from the state government's exploration incentive scheme. Through the Department of Mines, Industry Regulation and Safety, the state government has contributed \$12.5 million this financial year to the EIS to stimulate resource exploration and generate new discoveries. In the past six months, EIS co-funded drilling projects have reported successes in the exploration for gold and battery minerals, including nickel and rare earth elements. Co-funding recipients Lefroy Exploration announced an initial resource estimate of almost 500 000 ounces of gold, 58 000 tonnes of copper and 489 000 ounces of silver at its Burns Central deposit in May 2023. The company was awarded co-funding in round 24 for a diamond drilling program, which included drilling a 1 245.8-metre deep hole designed to evaluate the continuity of the Burns system. Results from the drilling program conducted in 2022 confirmed multiple new zones of gold and copper mineralisation 400 metres below the previous drilling. Furthermore, Hamelin Gold also reported success from its two round 25 co-funded diamond drilling projects in West Tanami, 280 kilometres north of Lake Mackay on the state's eastern border. Drilling intersected high-grade gold mineralisation in one program and confirmed a depth-extensive gold system in the other.

During April, Western Mines Group announced the discovery in the eastern goldfields of a significant nickel system with positive assay results from its round 26 co-funded diamond drilling program. Rare earth element success was announced by Caspin Resources in May after the company re-assayed material from a round 24 co-funded air core program originally targeting gold, copper and molybdenum. Two rare earth element discoveries were also reported by Dreadnought Resources at its Gascoyne Mangaroon project in January. Extensive reverse circulation drilling utilising round 25 EIS co-funding aided the discoveries. Exploration in the state remains strong and filled with opportunity, with four of those companies awarded co-funding in the round 27 program announced in April this year. Activity in WA's exploration industry continued to grow in 2022 with record breaking expenditure of \$2.54 billion. Spending on the search for critical minerals continued to impress, with \$267 million for nickel–cobalt; \$195 million for copper; and \$293 million for other minerals that are dominated by lithium and rare earth elements. Western Australia remained the leading destination for exploration investment in Australia, accounting for 63 per cent of the national spend in 2022. The government will continue to support explorers in the state with an increase in EIS co-funded drilling funding to \$16.1 million committed in the 2023–24 state budget. I look forward to the EIS continuing to support exploration and drive discovery in our state.