

## **EXPLORATION INCENTIVE SCHEME AND ENERGY ANALYSIS PROGRAM**

*Statement by Minister for Mines and Petroleum*

**MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum)** [12.04 pm]: I rise to update the house on the exploration incentive scheme co-funded drilling program and the energy analysis program. Applications for round 26 of the EIS and series 4 of the EAP are open until 26 August.

As minerals exploration remains the bedrock of Western Australia's mining success, the McGowan government has increased the capped values for EIS drilling refunds. Explorers can now receive a refund of up to \$180 000 for a multi-hole project, \$220 000 for one or two deep holes, and \$40 000 for prospectors. The co-funded EAP offers a refund of up to \$50 000 per application. The EAP promotes the reanalysis of existing data to better understand the state's energy systems, which Strike Energy did successfully to discover South Erregulla 1. The drilling program extended the known gas field in the North Perth Basin.

Since 2017, the McGowan government has provided nearly \$80 million in funding for innovative programs and strategies designed to attract exploration investment. The EIS has supported 49 mineral discoveries in the state since 2017. A recent highlight of the EIS was a target tested at a depth of 1 020 metres at the Mt Weld project in the goldfields by Lynas Rare Earths. I am pleased to say that the significant mineralisation discovered at Mt Weld by Lynas with money used from the scheme's co-funded drilling program contributed to the company's decision to proceed with expansion plans at the mine. Last week, Lynas announced it would invest \$500 million in the Mt Weld rare-earth mine expansion. Rare earths are essential ingredients for permanent magnets in motors. It is expected that demand for motors in automobiles and for use in wind turbines, which are crucial for the renewable energy sector, will continue to grow. Lynas plans to start work on the expansion in 2023, meaning that 300 jobs will be created in the goldfields region during the construction phase and more than 200 jobs will be required for ongoing operations in 2025 and beyond.

More mines like Mt Weld will need to be expanded and new discoveries will need to be made to drive the globe's decarbonisation journey. There is six times more metal in an electric car than there is in a traditional vehicle, so members can see the challenge the globe has to provide the minerals that are going to change the world. I am pleased to say that Western Australia is well placed to respond to this challenge through mineral exploration. Western Australia accounts for 65 per cent of the nation's mineral exploration expenditure, with a record \$2.4 billion invested in 2021—an increase of 30 per cent on 2020. The McGowan government looks forward to continuing to support exploration in the state through the EIS.