

Earth Resources Regulator

Royalty Information Sheet - Extractives

Annual reports

The holder of a work authority must lodge an Annual Report no later than 31 July following the end of the financial year. The Annual Report takes the form of Schedule 2 of the *Mineral Resources (Sustainable Development) (Extractive Industries) Regulations 2019* (Regulations) and includes details of volumes extracted, the rock type and product type and the value of total sales at gate.

The value of total sales at gate determines the **annual fee** payable for the work authority for that year. An Annual Report is therefore required of all work authority holders regardless of whether they are liable to pay a royalty or not.

Royalty on extractives

Section 12 of the *Mineral Resources (Sustainable Development) Act 1990* (MRSDA) requires that “the holder of an extractive industry work authority that contains crown land is required to pay **royalties** in accordance with the rate or method of assessment”.

Regulation 26 states that “for the purposes of assessing or verifying the amount of royalties payable, the holder of an extractive industry work authority must, within 31 days of the end of the financial year, give to the Department Head a royalty return.”

Regulation 25 gives the royalty rate as:

1. For all stone other than dimension stone and marble:
 - cubic metres of stone @ \$1.43 per cubic metre or
 - tonnes of stone @ \$0.87 per tonne
2. For dimension stone and marble:
 - cubic metres of stone @ \$8.07 per cubic metre or
 - tonnes of stone @ \$3.23 per tonne

Work authority holders may report on either a cubic metre or tonnage basis. The reporting basis must be clearly stated on the **royalty return**.

Note: Regulation 25(4) the measurement of cubic metres or tonnes is to be the loose measurement of the material.

Pursuant to Section 12 of the MRSDA, the quantity upon which royalties must be paid:

- (a) includes the amount of stone sold or otherwise removed from Crown land
- (b) includes the amount of stone extracted from Crown land and intended for use in the manufacture of concrete, asphalt, bricks, tiles or cement products on the same site where the stone is extracted.

Crown land

Crown land includes any land beneath the **depth limit of private land** as stated on the certificate of title of private land. The depth limit is measured from natural ground level at any point on title from which material is extracted.