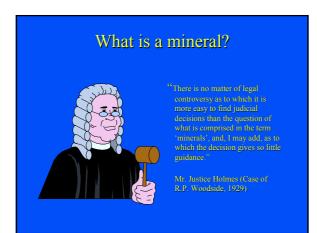


Current Legislation - Principal Act

- Minerals Development Act 1940
 - Defined Minerals
 - Prospecting Licences
 - State Mining Leases
 - Ancillary Rights
 - Compulsory Acquisition of Minerals (repealed in 1979)
 - Compensation and the Mining Board

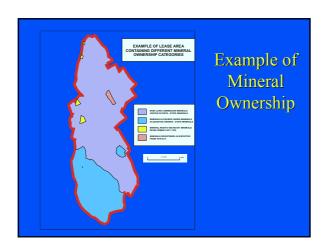
Definition of Minerals

- Minerals Development Acts
 - all substances (other than the agricultural surface of the ground and other than turf or peat) in, on, or under land, whether obtainable by underground or by surface working
 - includes all mines and the cubic space occupied or formerly occupied by minerals
 - does not include stone, gravel, sand or clay unless listed in the Schedule to the 1940 Act
 - petroleum and natural gas excluded
- Other Definitions in other Acts



Mineral Ownership

- Mix of ownership
 - State, under the 1940 Act acquired through various mechanisms and no compensation
 - Private, but right to work vested in State by 1979 Act subject to compensation
 - Purely Private no State involvement in ownership



Other Legislation

- Minerals Exploration and Development Company Act 1941
 - Acquisition of State Minerals
- Petroleum and Other Minerals Development Act 1960
 - Separate regulation for Petroleum and Natural Ga
- Minerals Development Act 1979
 - Right of working Private Minerals vested in Minister
- Minerals Development Act 1995 & Minerals Development Act 1999
 - Technical Amendments

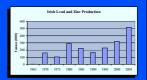
General Policy

- Substantial role for the Private Sector
- In the national interest for both State and Private Minerals to be developed
- Regulation of both therefore required e.g. PLs
- State should be recompensed Royalties



Generally Successful Policy

- About 1,000 PLs issued
- 80 new PLs this year
- Always in top 20 in Fraser Institute Survey
- >150 Mining Facilities
- Zinc production



But nothing is perfect

Programme for Government

- Encourage further exploration while maximising the value added to the Irish economy
- Consolidate and update the Minerals Development Acts

Issues for New Bill

- Clarify distinction between "minerals" and "stone gravel sand and clay"
- One type of Mining Facility for State and Privat Minerals
- Greater clarity re royalties
- Simplify process for permitting Private Minerals and clarify basis for setting compensation
- Restrict applications for a mining lease to relevant PL holder
- Modernise procedures relating to ancillary rights
- · Rehabilitation of abandoned mine sites

The Constitution

- Art 43 "... The State ... guarantees to pass no law attempting to abolish the right of private ownership or the general right to transfer, bequeath, and inherit property."
- Case Law clarifies this

Time scale

- 2005 2006 Preparation of Heads of a new Bill
- 27 June 2006 Government approval to draft a new Bill
- 2nd quarter 2007 Target for completion

EU

Ex Africa semper aliquid novi Pliny the Elder 1st Century AD

Always something new out of Brussels



EU Extractive Industry Specific

- Subsidiarity Minerals policy a matter for Member States
- Two Health and Safety Directives (92/91/EEC & 92/104/EEC)
- Directive on the Management of Waste from the Extractive Industry (2006/21/EC)
- Communications from the Commission
 - Promoting sustainable development in the EU non-energy extractive industry (COM(2000) 265 final)
 - Safe operation of mining activities: a follow-up to recent mining accidents (COM(2000) 664 final)

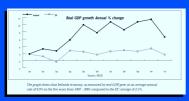


Horizontal Legislation

- Not specifically directed at any one industry
- Covers areas of EU Competence such as
 - Environment
 - Health and Safety
- Examples:
 - Water Framework Directive
 - Birds and Habitats Directive
 - Directive on chemical agents at work
 - etc, etc, etc

EU Benefits

- Free movement of Goods, Services and People
- Cohesion and Structural Funds
- Better Environment and Industry Credibility (e.g. EPA Directive)



Influencing Proposed Legislation

- Make your views known
- Some European Groups
 - European Federation o Geologists
 - Euromines (metal mines)
 - IMMA (Industrial minerals)
 - LIEPG (Construction materials
- Government Departments
 - DCMNR
 - DoEHL®
 - DETE, etc





Lisbon Agenda

- Objective: make the Union "the most competitive and dynamic knowledge-driven economy by 2010"
- Some actions
 - Study on the impact of raw materials and energy supply on competitiveness of the metal industry SEC (2006) 1069
 - Study on competitiveness of the non-energy extractive industry (in draft)
 - High Level Group on Competitiveness, Energy and the Environment
 - Communication on Competitiveness?
 - European Minerals Strategy?

Some Other Relevant EU Actions

- Thematic Strategy on the Sustainable Use of Natural Resources COM (2005) 670
 - Decoupling Economic Growth from Environmental Impacts
 - Information deficits
 - Access to resources
- Proposed Directive establishing a Framework for the protection of soil COM (2006) 232
 - Risk-based inventories
 - Contaminated Land
 - Landslides
- PEACH Chamicals I

Key Issue

 Knowledge of and access to "mineral" resources in Europe



Successful Rehabilitation Navan, County Meath

