



Mining (Royalties) Regulations 2025

On 1 September 2025, administrative functions relating to the collection of State mining and petroleum royalties were transferred from the Department of Mines, Petroleum and Exploration (DMPE) to the Department of Treasury and Finance, RevenueWA.

The *Mining Amendment (Transfer of Royalty Administration) Act 2025* (Royalty Transfer Act) amended the *Mining Act 1978* (Mining Act) and the *Taxation Administration Act 2003* (TAA) to effect the transfer of mineral royalties collection and administration functions to RevenueWA.

The Royalty Transfer Act inserted new Part 5A into the Mining Act, containing the provisions relating to royalty administration and collection. Administration of the new Part was committed to the Minister for Finance, who has delegated certain functions to the Commissioner of State Revenue (Commissioner). Administration of the other Parts of the Mining Act remains with the Minister for Mines and Petroleum.

The amendments to the TAA confer functions relating to the collection and administration of mining royalties under the State Agreement Acts on the Commissioner. They do not vary the substantive provisions of the State Agreements, treat State Agreement Acts as taxation Acts or convert royalties into taxes under the TAA.

The *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum (Submerged Lands) Act 1982* and related regulations have not been amended except as outlined below. The Minister for Mines and Petroleum has delegated petroleum royalty collection and administration functions to RevenueWA officers.

Mineral (Royalties) Regulations

The *Mining (Royalties) Regulations 2025* (Royalties Regulations) have been made to support the amendments to the Mining Act and to transfer the mineral royalties administration function from DMPE to RevenueWA.

The Royalties Regulations are based on the previous royalties-related regulations in Part V, Division 5 of the *Mining Regulations 1981* (previous regulations). The Royalty Transfer Act and the Royalties Regulations aimed to achieve a like-for-like transfer of the royalty administration and collection functions for Mining Act royalties. This means the Royalties Regulations do not change the substance or policy of the royalties regime that existed under the previous regulations. No changes have been made to the royalty rates, which are the same as the rates under the previous regulations.

The Royalties Regulations modernise the language of the previous regulations. As these are new regulations, they have been drafted in accordance with Parliamentary Counsel's current drafting practices, which has led to a restructuring of the regulations. Outdated and irrelevant references have also been updated.

The table in Annexure A explains the purpose of each new Royalties Regulation and lists the equivalent previous regulation. The table also explains the differences between the new Royalties Regulations and the previous regulations.

Mines and Petroleum Regulations Amendment (Transfer of Royalty Administration) Regulations

The previous regulations have been deleted from the Mining Regulations by the *Mines and Petroleum Regulations Amendment (Transfer of Royalty Administration) Regulations 2025* (Amendment Regulations).

The Amendment Regulations made consequential amendments to the Mining Regulations to support the Royalty Transfer Act and Royalties Regulations, including:

- deleting provisions which have been relocated to the Royalties Regulations
- clarifying that the Royalties Regulations provide for the process for lodging certain documents and providing notices relating to royalties and
- ensuring confidential information relating to royalties is released in accordance with the Mining Act and the Royalties Regulations.

The Amendment Regulations also amended the *Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2025* and the *Petroleum (Submerged Lands) (Resource Management and Administration) Regulations 2015* to authorise the disclosure of documentary information to RevenueWA officers for the purposes of administering and collecting petroleum royalties.

The information provided in this circular is not an exhaustive explanation of the Royalty Transfer Act, Royalties Regulations or the Amendment Regulations. For full details, please refer to the regulations available on the WA Legislation website.

19 September 2025

Annexure A – Mining (Royalties) Regulations 2025

Regulation title		Previous equivalent	What regulation achieves	Notable differences
Part 1 - Preliminary				
1	Citation	N/A	This regulation cites the title of the Royalties Regulations.	N/A
2	Commencement	N/A	Part 1 of the Royalties Regulations commenced on the day the regulations were published on the WA legislation website (28 August 2025). The remainder of the Royalties Regulations commenced on 1 September 2025 to align with the transfer of royalty functions from DMPE to RevenueWA.	N/A
3	Terms used	85(1)	This provides defined terms for the purposes of the Royalties Regulations.	Previous definitions modernised. New definitions inserted: <ul style="list-style-type: none"> • additional rent • additional rent return • approved form • Commissioner • Commissioner's website • financial year • lodge • mineral • mining tenement • produced • production report These definitions have been included to simplify or modernise the language of the

Regulation title	Previous equivalent	What regulation achieves	Notable differences
			<p>Royalties Regulations. Most of the new definitions are self-explanatory.</p> <p>The definition of <i>produced</i> has been inserted to avoid repeating throughout the Royalties Regulations that a mineral is produced from a mineral obtained from a mining tenement.</p> <p>Definition of <i>allowable deduction</i> has been modified for clarity.</p> <p>Definitions from elsewhere in the previous regulations have been relocated to this provision (e.g. beneficiation plant).</p>
4 References to mineral and mining tenement	85(2)	<p>The Royalties Regulations should be interpreted so that:</p> <ul style="list-style-type: none"> all references to a mineral include a material containing that mineral and a form of that mineral and all references to a mining tenement include an application for a mining tenement. 	<p>The following provisions have been added:</p> <ul style="list-style-type: none"> all references to a mineral include a form of that mineral and all references to a mining tenement include an application for a mining tenement. <p>These provisions are a drafting technique to avoid repetition throughout the Royalties Regulations.</p>
5 Effect of GST and net input tax credit on royalty	85AA	This regulation ensures that GST is excluded when calculating the value or price of a mineral for the purposes of the Royalties Regulations.	The language of the provision has been modernised.
6 Australian currency	N/A	A reference to an amount of money or a cost or price is a reference to the amount, cost or price in Australian currency, unless otherwise stated.	This is a new provision that has been inserted to avoid repeating “in Australian currency” throughout the Royalties Regulations.

Regulation title		Previous equivalent	What regulation achieves	Notable differences
7	Conversion to Australian currency	85AB	<p>This regulation sets out how to convert foreign currency to Australian dollars when calculating mineral royalties. It uses the average Reserve Bank of Australia (RBA) exchange rates for the quarter in which the shipment date for the mineral occurred.</p> <p>However, when converting gold spot prices (for the purpose of calculating the royalty payable on gold metal), this is calculated using the RBA exchange rate on the day the price was fixed, or, if there is no RBA exchange rate, the last available rate before that day.</p>	<p>The language of the provision has been modernised.</p> <p>The definition of 'RBA rate', which referred to the 'daily representative rate', has been replaced with the definition of 'RBA exchange rate' because the RBA does not currently publish a 'daily representative rate'.</p>
Part 2 — Royalty payable for mineral				
Division 1 — Introduction				
8	Purpose of Part	N/A	Part 2 of the Royalties Regulations prescribes matters relating to the royalty payable for a mineral obtained from a mining tenement.	This new provision explains the purpose of Part 2 of the Royalties Regulations.
9	Royalty payable	86(1) 86(2)	<p>A royalty is payable for each mineral obtained or produced from a mining tenement by the holder of (or applicant for) the mining tenement.</p> <p>The royalty is payable at the rate as prescribed in the Royalties Regulations.</p>	The obligation to pay a royalty was previously set out in two sub-regulations. It is now contained in one regulation with modernised language.
10	Payment of royalty	86A(1) 86A generally	<p>Royalties (including part payments) must be paid to the Commissioner within 30 days after the end of the quarter in which they are payable.</p> <p>The relevant quarter for payment for a mineral is set out elsewhere in the Royalties Regulations.</p>	This enables simplified drafting throughout the Royalties Regulations so that the phrase "30 days after the end of the quarter" does not need to be repeated.

11	Rate of royalty for minerals sold in a blend	86(2AA)	When calculating royalties where different minerals or different forms of a mineral are sold together in a blend, the price of each mineral or form within the blend is taken to be the price at which the entire blend is sold.	The language of the provision has been modernised.
Division 2 — Rates of royalty				
12	Royalty based on quantity of mineral obtained or produced	86A(2) 86 – title of Table Column 1	<p>This regulation applies to minerals listed in Schedule 1 Division 1, where royalties are calculated based on a set amount per tonne of the mineral (as described in regulations 26, 27 and 28).</p> <p>Royalties under this regulation are payable 30 days¹ after the end of a quarter for the quantity of the mineral obtained or produced during that quarter.</p>	<p>This consolidates the provisions for minerals where the royalty is based on the quantity obtained from the tenement.</p> <p>The language of the previous regulations has been modernised.</p>
13	Royalty based on royalty value of mineral	86A(3) 86A(5C)(b) & 86AD(3) 86AE(3) 86A(4) 86A(5A) 86A(5) & 86A(5C)(a) 86A(4A) 86A(6) 86A(7a)	<p>This regulation applies to minerals listed in Schedule 1 Division 2, where royalties are calculated based on a certain percentage of the royalty value (as described in regulation 14).</p> <p>Royalties under this regulation are payable 30 days² after the end of a quarter -</p> <ul style="list-style-type: none"> • for gold – for the quantity of gold metal produced or deemed produced • for iron ore that is not exported – for the quantity sold • for lithium concentrate described in regulation 38 – for the quantity sold or used • for nickel and cobalt or copper (as nickel by-products) – for the quantity sold 	<p>This consolidates the provisions for payment of a royalty for those minerals where the royalty is based on the 'royalty value'.</p> <p>The language of the previous regulations has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p>

¹ See regulation 10(2).

² See regulation 10(2).

		<ul style="list-style-type: none"> • for rare earth elements – for the quantity contained in sold product and • for other minerals – for the quantity for which the gross invoice value was paid, during that quarter. <p>If the royalty amount can't be determined by the due date (in the case of nickel, cobalt or copper sold as by-product), or only part of the invoice is paid (in the case of other minerals described, in regulation 13(2)(f)), a part-payment is allowed.</p> <p>The amount of the part-payment is calculated using a method approved by the Commissioner under regulation 18(1).</p>	
14	<p>Royalty based on royalty value of mineral: rate of royalty</p> <p>86(2)</p> <p>85 - definition of 'royalty value': (e), (b), (c), (d), (a)</p> <p>86AD(2)(a)</p> <p>86: Table - garnet</p>	<p>This regulation sets out how to determine the rate of royalty for minerals listed in Schedule 1 Division 2.</p> <p>The royalty is calculated as a percentage of the royalty value of the mineral, as specified in Schedule 1 Division 2.</p> <p>The definition of 'royalty value' varies depending on the mineral.</p> <p>Generally, 'royalty value' means the 'gross invoice value' of the mineral, less the total of the 'allowable deductions' for the sale of the mineral.</p> <p>However, gold, iron ore, nickel and copper or cobalt sold as a nickel by-product, certain lithium concentrate and rare earth elements each have their own definition of 'royalty value'.</p> <p>For exported garnet, allowable deductions are calculated as if the garnet left from the nearest available port, even if transported further before export.</p>	<p>This modernises the language of the definition of 'royalty value'.</p> <p>Certain lithium concentrate and rare earth elements have also been added to the list, as the royalty for those minerals is also based on 'royalty value'.</p> <p>This also clarifies what it means for the royalty value of exported garnet to be "calculated on the basis of the nearest available port".</p>

15	Royalty based on value of mineral other than royalty value	No specific equivalent, but see 86A(5B) for timing of payment for vanadium	<p>This regulation applies to minerals listed in Schedule 1 Division 3, where royalties are calculated based on the value of the mineral, not its 'royalty value'.</p> <p>Royalty is payable 30 days³ after the end of a quarter for the quantity of the mineral sold during that quarter.</p>	See further explanation on regulation 16 below.
16	Royalty based on value of mineral other than royalty value: royalty rate	No specific equivalent, but see the description of the value of the relevant minerals in the Table in regulation 86.	<p>Royalties under this regulation are calculated by multiplying the quantity of the mineral (in the form in which it is first sold) by the 'price' of the mineral, then subtracting the allowable deductions.</p> <p>The price can be:</p> <ul style="list-style-type: none"> the price specified in an invoice a listed price on a recognised international mineral exchange or publication (e.g. London Metal Exchange) or another price accepted by the Commissioner. 	<p>This provision covers the minerals in Division 3 of Schedule 1 – certain tin, tantalum and vanadium.</p> <p>Previously, the table in regulation 86 set out specific descriptions of the calculation of the value of those minerals. Those descriptions were unclear or out of date (e.g. it wasn't clear what was the source of the 'vanadium pentoxide price').</p> <p>This regulation explains how the royalties for those specific minerals are calculated in practice. As royalties are self-assessed, the royalty payer usually nominates the appropriate value (the 'price') when lodging the royalty return (e.g. invoice value, a listed price or another 'price'). If there is an issue with the 'price' elected by the royalty payer (i.e. it wasn't accepted by the Commissioner), this would be raised during an audit process.</p>

³ See regulation 10(2).

17	Royalty for ilmenite feedstock of marketable quality	86AC(1) 86AC(2) 86AC(4)-(6)	<p>Ilmenite concentrate used as feedstock in a beneficiation plant owned by the producer of the ilmenite, or a related body corporate of the producer, is subject to specific royalties.</p> <p>If the feedstock is suitable for sale without further processing, it's considered marketable quality (as determined by the Minister).⁴</p> <p>The Minister decides how to calculate the value of the ilmenite feedstock, based on prices for similar-grade ilmenite concentrate.</p>	<p>The language of the provision has been modernised.</p> <p>The provision clarifies that, in practice, the royalty is payable when the feedstock is used, not produced.</p>
18	Part-payment of royalty	86A(7a) 86A(8)	<p>The Commissioner may approve a method for calculating the amount of a part-payment of royalty for a mineral.</p> <p>The part-payment may be adjusted if it's found to be incorrect due to:</p> <ul style="list-style-type: none"> • miscalculation of the gross invoice value or allowable deductions • miscalculation of shipping costs (for iron ore) or • any other reason deemed valid. 	<p>This consolidates the provisions relating to part payments of royalties.</p> <p>The language of the provision has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p>

⁴ All references to the 'Minister' in the Royalties Regulations are to the Finance Minister.

Division 3 — Value of mineral decided by Minister				
19	Minister may decide value of mineral for purpose of calculating royalty	87 87A	<p>This regulation empowers the Minister to determine the value (including royalty value) of a mineral for royalty calculation purposes if:</p> <ul style="list-style-type: none"> the reported value does not reflect market value allowable deductions or shipping costs are excessive or the first sale was not a genuine commercial transaction or was structured to minimise the royalty payable. <p>The royalty is then reassessed considering the market value on the relevant day for a similar sale on an arm's length basis.</p> <p>The Minister must then notify the royalty payer of the reassessed amount. The royalty payer must pay any additional amount within 14 days.</p>	<p>The language of the provision has been modernised.</p> <p>It has been clarified that the provision allows the Minister to determine the 'value' of the mineral (which includes royalty value). This ensures the provision applies to minerals where the royalty is based on 'value', rather than 'royalty value' (e.g. certain tin, tantalum, vanadium).</p>
Division 4 — Exemptions from royalty				
20	Application of Division	N/A	This Division applies despite regulation 9 (which sets out that a royalty is payable for each mineral obtained or produced from a mining tenement).	N/A
21	Exemption: first 2 500 ounces of gold metal produced	86AA(6)	<p>This regulation exempts the first 2,500 ounces of gold metal produced in a financial year from royalty payments.</p> <p>The exemption applies per gold royalty project.</p>	The language of the provision has been modernised.

22	Separate gold royalty projects	<p>86AA(11) – definition of ‘gold royalty project’</p> <p>86AA(12)</p> <p>This defines ‘gold royalty project’ for the purposes of applying the exemption under regulation 21.</p> <p>Each of the following is a gold royalty project:</p> <ul style="list-style-type: none"> • a tenement or a group of tenements associated with the same treatment facility • tenements approved by the Commissioner to be treated as a separate project or • an arrangement designated as a separate project by the Minister. <p>Tenements are associated with the same treatment facility if gold-bearing material from those tenements is treated or processed at the same facility or facilities.</p> <p>The Commissioner will approve treating tenements that are associated with the same treatment facility as separate gold royalty projects if:</p> <ul style="list-style-type: none"> • the tenements are not held by the same person or • the Commissioner is satisfied that: <ul style="list-style-type: none"> ○ there is no connection between the holders of the tenements and ○ the tenements can fairly be treated as separate projects. <p>Certain persons may request the Commissioner’s approval.</p>	<p>The language of the provision has been modernised.</p> <p>To align with current drafting practice, there is a clearer description of which persons can ask for approval for a separate gold royalty project.</p> <p>References to the ‘Director General’ have been replaced with the ‘Commissioner’.</p>
23	Exemption: sand obtained from mining tenement in Carnarvon Irrigation District	<p>86B</p> <p>No royalty is payable on sand obtained from a mining tenement within the Carnarvon Irrigation District.</p>	<p>The language of the provision has been modernised.</p>

24	Exemption: certain clay, gravel, limestone, rock or sand	86D	No royalty is payable by the holder of a mining tenement who uses clay, gravel, limestone, rock or sand in the course of mining operations, if that mineral is not sold, or used for processing or manufacturing purposes.	The language of the provision has been modernised.
25	Exemption: rock for Eyre Highway	86E	No royalty is payable on rock sold by Central Norseman Gold Corporation Pty Ltd to Main Roads if the rock is to be used in the upgrading of the Norseman section of the Eyre Highway.	The language of the provision has been modernised. The name of the company has been updated based on recent ASIC searches.

Part 3 — Particular matters for royalties for certain minerals

Division 1 — Certain amounts for royalties based on quantity of mineral

26	Value of Amount A and Amount B	86(2a)-(2d)	<p>Amounts A and B are fixed dollar amounts per tonne that are updated every five years.</p> <p>This regulation provides the formula for calculating Amount A and Amount B.</p> <p>The base amount of Amount A started at 50 cents and the base amount of Amount B started at 80 cents. Each 5 years, these amounts are adjusted by multiplying the base amount by the ratio of the latest non-metallic minerals input price index before the new 5-year period, divided by the index value for the quarter ending in December 2003.</p> <p>The rate doesn't decrease over time.</p> <p>The amounts will be published on the Commissioner's website.</p>	<p>The language of the provision has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p> <p>The provision states the amount set for the five-year period starting on 1 July 2025. This is the same amount that applies for the period under the previous regulations.</p> <p>From 1 July 2030, the value of Amount A or B calculated by the Commissioner using the formula in the regulation will be required to be published on the website for each relevant five-year period. The value is published on the website (and has been calculated using the formula in this regulation) to provide certainty for royalty payers.</p> <p>A definition of 'non-metallic minerals input price index' has been inserted. The previous regulations referred to a specific Australian Bureau of Statistics publication</p>
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			by catalogue number, however, the ABS is phasing out catalogue numbers.	
27	Amount per tonne: coal not exported	Table in reg 86 – Coal	<p>This sets out how to calculate the royalty amount per tonne for coal (including lignite) that is not exported.</p> <p>This formula adjusts the royalty rate each financial year based on changes in the ex-mine value of Collie coal over time.</p>	The language of the provision has been modernised.
28	Amount per tonne: ilmenite feedstock: not of marketable quality	86AC(7)	If ilmenite feedstock is not of marketable quality, the rate of royalty is \$1.50 per tonne, adjusted annually based on export price changes on bulk sales since 1987.	<p>The language of the provision has been modernised.</p> <p>References to the ‘Director General’ have been replaced with the ‘Commissioner’.</p>
Division 2 — Gold				
29	Terms used	86AA(11)	This summarises the defined terms for the purposes of this Division.	<p>The language of the provision has been modernised.</p> <p>Some of the definitions have been relocated elsewhere in the Royalties Regulations.</p> <p>New definition of ‘3-month refining period’ inserted, based on 86AA(8).</p>
30	Royalty value	86AA(11) – definition of ‘gold spot price’ 86AA(7)	<p>The royalty value for gold is the amount of gold metal produced, multiplied by the average gold spot price for the month in which it is produced.</p> <p>The gold spot price is either:</p> <ul style="list-style-type: none">the ‘London PM Fix’ ora price determined by the Minister under Regulation 36(1)(b). <p>Royalty value is calculated each month for the amount of gold metal produced during that month.</p>	The language of the provision has been modernised.

31	When gold metal is produced: gold-bearing material delivered to refinery within 3 months	86AA(8)	<p>If gold-bearing material is delivered to a refinery within 3 months of being taken from the ground, it is taken to be produced on the day of delivery to the refinery.</p> <p>The amount of gold metal taken to be produced is the amount actually produced, as verified by the refiner. However, if the refiner doesn't verify in time, the Commissioner may estimate the amount under regulation 34.</p>	<p>The language of the provision has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p>
32	When gold metal is produced: gold-bearing material not delivered to refinery within 3 months	86AA(9)	<p>If gold-bearing material is acceptable for delivery to a refinery but is not delivered within 3 months of being taken from the ground, then gold metal is considered produced on the day after the 3-month refining period ends.</p> <p>The amount of gold metal in these circumstances is estimated by the Commissioner under regulation 34.</p>	<p>The language of the provision has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p> <p>A circularity issue in the previous regulations has been corrected.</p> <p>Under previous regulation 86AA(9), the gold metal is taken to have been produced when the Director General makes a determination about the amount of gold metal to be regarded as being produced. This meant there was no obligation to lodge a royalty return because the gold metal had not yet been taken to have been produced.</p> <p>To address this, the gold metal is taken to be produced at the end of the three-month period.</p>

33	When gold metal is produced: gold-bearing material exported in non-metal form	86AA(9A)	<p>If gold-bearing material is exported in a non-metallic form, gold metal is considered produced when the export ship arrives at the unloading destination.</p> <p>The amount of gold metal taken to be produced is the payable gold metal content specified in an invoice or assay results. However, if that's not practicable, then the Commissioner will estimate the amount under regulation 34.</p>	<p>The language of the provision has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p>
34	Commissioner may decide estimated amount of gold metal content of gold-bearing material	86AA(8)(b)(ii) 86AA(9)(b) 86AA(9A)(b)(ii)	<p>The Commissioner may decide an estimated amount of gold metal deemed to be produced from gold-bearing material in the circumstances described in regulations 31-33.</p> <p>The estimate must be reasonable.</p> <p>Before making the estimate, the Commissioner must consult with:</p> <ul style="list-style-type: none"> the deliverer (if the material was delivered to a refinery) or the royalty payer (in other cases). 	<p>The language of the provision has been modernised and restructured for clarity.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p>
35	Adjustment of estimated amount of gold metal content of gold-bearing material	86AA(10)	<p>The estimate made under regulation 34 may be adjusted if:</p> <ul style="list-style-type: none"> for material delivered to a refinery - the deliverer provides information about the amount of gold metal actually produced or for exported material - the royalty payer provides information about the actual amount of payable gold metal content, <p>and the Commissioner is satisfied the amount evidenced differs from the Commissioner's estimate.</p> <p>The adjustment can be factored into the next royalty payment for gold metal produced from the same mining tenement.</p>	<p>The language of the provision has been modernised.</p> <p>The type of information that would satisfy the Commissioner that an adjustment is necessary has been clarified in respect of exported material. This is the same types of information required for the initial verification (before the Commissioner makes an estimate).</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p>

36	Designation or determination by Minister	86AA(13)	<p>The Minister may:</p> <ul style="list-style-type: none"> designate an arrangement for producing, obtaining, or treating gold-bearing material as a separate 'gold royalty project' for the purposes of regulation 22(1)(c) or determine a price to be used as the 'gold spot price' for calculating royalty value under regulation 30(1)(b). 	The language of the provision has been modernised.
Division 3 — Working out royalty value for certain minerals				
37	Royalty value of iron ore first sold other than by export	86AD(2)(b)(ii) 86AD(2A)	<p>The royalty value for iron ore that is not first sold by export is to be calculated using a method decided by the Minister.</p> <p>The Minister may determine a valuation method that takes into account market factors affecting the sale of the ore in that particular case.</p>	<p>The previous regulations provided that royalty value in these circumstances would be calculated using the 'reference price' or a value determined by the Minister (because of market factors affecting the sale of the ore).</p> <p>The 'reference price' had a detailed definition which referred to a number of out-of-date publications.</p> <p>The provision is aimed at mine gate sales, but most iron ore, if not all, is currently exported. In practice, this provision was very rarely used.</p> <p>Given this, the reference to 'reference price' has been deleted and the regulation provides for the royalty value to be determined by the Minister on a case-by-case basis.</p> <p>If a royalty payer has previously used the 'reference price' (or a similar updated version of this concept) to calculate royalties under the previous regulations, the Minister may continue to accept that method for the purposes of this provision.</p>

38	Method for working out royalty value of lithium concentrate in certain circumstances	86AE(1) 86AE(2)	If lithium concentrate is sold to a related corporation or used as feedstock to produce lithium hydroxide or carbonate, the Minister may decide a method for calculating the royalty value of the lithium concentrate (taking into account market prices for lithium concentrate of similar grade).	The language of the provision has been modernised.
39	Matters related to working out royalty value for nickel and cobalt and copper sold as nickel by-products	86AB(1) 86AB(4)	<p>This regulation defines the terms used in regulations 39 and 40.</p> <p>The 'list price' is a publicly listed market price. For nickel, it's the price (or average price) listed on the London Metal Exchange. For nickel by-products, it's the price listed on either the London Metal Exchange or the Metal Bulletin.</p> <p>The 'contracted list price' is the agreed sale price for the mineral in the invoice, based on the list price.</p> <p>The definition of 'allowable deduction' has also been modified. Normally, allowable deductions include reasonable transport costs incurred after the shipment day of the mineral in the form in which it is first sold. Regulation 39(4) deems that the mineral is first sold on the day the metal is delivered onto or from a ship exporting it from Australia, as evidenced by a bill of lading.</p> <p>The 'reference price' is a standard benchmark price for nickel or its by-products, based on prices from the London Metal Exchange or Metal Bulletin.</p>	<p>The language of the provision has been modernised.</p> <p>Definitions of 'London Metal Exchange' and 'Metal Bulletin' have been inserted.</p>

40	Royalty value for nickel and cobalt and copper sold as nickel by-products	86AB(2) 86AB(3)	<p>The royalty value for nickel and nickel by-products is calculated by multiplying:</p> <ul style="list-style-type: none"> the percentage of units in the material sold (as specified in the invoice) <p>by</p> <ul style="list-style-type: none"> the contracted list price (or if there is no contracted list price, the reference price), less any allowable deductions. 	The language of the provision has been modernised.
41	Royalty value for rare earth element sold in product containing rare earth element	86 – table – rare earth elements	<p>This provision sets out how to calculate the royalty value for rare earth elements when they are sold as part of a product containing rare earth oxide (REO).</p> <p>The royalty value is calculated by multiplying:</p> <ul style="list-style-type: none"> the units per hundred of REO in the product by the representative market value of the REO. <p>The Minister decides the representative market value of the REO.</p>	<p>The language of the provision has been modernised.</p> <p>The rewritten provision makes it clearer that this is an ad valorem royalty, calculated at a rate of 2.5%.</p>
Part 4 — Additional rent				
42	Additional rent payable for certain mining leases	28A	<p>Additional rent is payable for mining leases from which iron ore is obtained.</p> <p>The amount of additional rent is 25 cents per tonne, payable starting 15 years after iron ore is first obtained from the mining lease.</p> <p>Additional rent is payable quarterly and due within 30 days after each quarter (this aligns with the general payment timeframes for royalties).</p>	<p>The language of the provision has been modernised.</p> <p>In the previous regulations additional rent was payable within 30 days after the expiry of each ‘quarterly period’. The quarterly period was calculated from the date the mining tenement commenced (which could be any day of the year).</p> <p>Additional rent payments are now due within 30 days after the end of a ‘quarter’ (i.e., the three- month period ending on 31 March, 30 June, 30 September or 31 December).</p>

			This aligns with the requirements for payment of royalty under regulation 10 and what occurs in practice for payment of additional rent.
Part 5 — Reports and returns			
43 Production report	85A	<p>Mining tenement holders/applicants must lodge a quarterly production report, starting from the quarter when mineral is first obtained or produced (or gold metal is taken to have been produced).</p> <p>The report must be submitted within 30 days after the end of each quarter.</p> <p>The Commissioner may approve that a production report is not required if mining operations have ceased or it is unlikely that mineral will be obtained or produced in the future.</p>	<p>The language of the provision has been modernised.</p> <p>References to the 'Director General' have been replaced with the 'Commissioner'.</p> <p>The circumstances in which the Commissioner may approve non-lodgment of a production report have been made clearer.</p> <p>Under the previous regulations, contravention of the provision was an offence. The penalties for the offence were separately set out in regulation 115. This regulation instead sets out the penalty within the regulation.</p>
44 Royalty return (Act s. 120D)	85B	<p>A royalty return must be lodged for each quarter where royalty is payable. The return is due within 30 days after the quarter ends.</p> <p>The royalty return must include detailed information to calculate the royalty (e.g. quantity, sales, deductions).</p>	<p>The language of the provision has been modernised.</p> <p>References to the 'Department' have been replaced with the 'Commissioner'.</p> <p>This regulation sets out the penalty for contravention within the regulation.</p>
45 Additional rent return (Act s. 120E)	28A(3)	<p>An additional rent return must be lodged for each quarter that additional rent is payable.</p> <p>The return must be included in the royalty return for the same quarter (it must be lodged within 30 days after the end of the quarter) and must contain sufficient information to calculate the additional rent.</p>	<p>The language of the provision has been modernised and made clearer.</p> <p>See the explanation at regulation 42 about the references to 'quarter' instead of 'quarterly period'.</p>

Part 6 — Miscellaneous

46	Records	87B	<p>Tenement holders/applicants must keep:</p> <ul style="list-style-type: none"> complete and accurate records about - <ul style="list-style-type: none"> the quantity of mineral obtained or produced from the tenement and each sale of the mineral and records sufficient to substantiate information in royalty returns and additional rent returns. <p>Records must be kept for 7 years.</p>	<p>The language of the provision has been modernised. It also clarifies that relevant records should be retained in relation to additional rent.</p> <p>This regulation clearly sets out the penalty within the regulation. The penalty was previously contained in regulation 115.</p>
47	Notice to royalty payer of amounts or methods decided by Minister or Commissioner	N/A	This is a new provision that ensures royalty payers are given notice of certain decisions, either by a notice or the information being made available via the Commissioner's website or Royalties Online.	N/A
48	Application for copy of document	Based on 105	This is a new provision that allows certain persons to apply for copies of documents relating to royalties and additional rent (similar to regulation 105 of the Mining Regulations).	N/A
49	Service by Minister or Commissioner	Based on 111	This is a new provision that provides how a notice or other document relating to royalties or additional rent may be given to or served upon any person by the Commissioner or the Minister.	N/A
50	When notice or other document is served or given	N/A	<p>This is a new provision provided for clarity. It specifies timing rules for when service is considered effective.</p> <p>The provision is modelled on regulation 14AA of the <i>Taxation Administration Regulations 2003</i>.</p>	N/A

51	Lodgment and giving of documents to Commissioner	Based on 59A, 59B	<p>This is a new provision that sets out how documents are to be lodged on the Commissioner (i.e. in person, by post or via the Commissioner's website).</p> <p>It specifies when lodgment is deemed to occur (and aligns with the timing rules in regulation 50 above).</p>	N/A
52	Minister may approve forms	N/A	<p>The Minister may approve forms for use under these regulations.</p> <p>This is a new provision that has been inserted to avoid repeating 'in a form approved by the Minister' throughout the Royalties Regulations.</p>	N/A
Part 7 — Transitional provisions				
53	Terms used	N/A	This sets out the defined terms for the purposes of the transitional provisions.	N/A – these are new transitional provisions.
54	Requirement to pay additional rent before commencement day continues	N/A	This makes it clear the obligation to pay additional rent continues, even though the language of the provision has been amended.	N/A
55	Royalties actions taken by Director General of Mines before commencement day	N/A	Anything relating to royalties/additional rent previously done by the Director General can now be done (or is taken to be done) by the Commissioner.	N/A
56	Royalties actions taken by Minister before commencement day	N/A	Anything relating to royalties or additional rent previously done by the Minister for Mines and Petroleum can now be done (or is taken to be done) by the Minister for Finance.	N/A

57	Adjustment of royalty that may be made under <i>Mining Regulations 1981</i>	N/A	Any adjustments made under regulation 86A(8) or 86AA(10) of the Previous Regulations can be taken into account under the Royalties Regulations.	N/A
58	Application for copy of document issued before commencement day	N/A	An application for a copy document relating to additional rent/royalties can now be dealt with by the Commissioner.	N/A
Schedule				
Schedule 1 — Rate of royalty		Table – regulation 86	This sets out the prescribed rates of royalty.	<p>The tables have been restructured to align with the operational provisions in these regulations.</p> <p>The royalty rates in the table have not changed.</p>