



PRESS RELEASE

For Immediate Release

DMP faces uphill battle for online lodgement acceptance

One of the more onerous requirements of holding mineral tenements in WA is lodging with the Department of Minerals and Petroleum (DMP) an Annual Operations Report or "Form 5" as it's commonly known. This report details the company's expenditure on exploration.

With the Barnett government's effort to streamline tenement administration, it is now possible to lodge many forms online, including a Form 5, through the DMP's "Mineral Titles Online" service.

There has been a mixed response to Online Lodgement in the tenement management industry. A common concern is a perceived lack of accountability or transparency. One consultant, speaking on the condition of anonymity, said that they would never use online lodgement as it was important to their clients that they received an officially stamped paper copy of the submitted form. This paper record was important when challenging errors made by data entry staff at the DMP. Another consultant uses online lodgement sometimes, but is concerned that the bulk upload lacks appropriate opportunity for review and that there is an additional assumption of responsibility by the consultant. Feedback from the three largest tenement holders in town suggests they will not be switching to online lodgement until they are required to, as their current systems have been designed for the paper form.

Recently the DMP added a new facility to 'Bulk Upload' Form 5s, where companies can submit up to 50 Form5's at a time. Rachael Chalmers, Senior Tenement Officer at Goldfields said *"The ability to upload Form 5s will result in huge time savings for us not only in the lodgement process, but also through the ability to prepare and modify the Form 5 data within our expenditure tracking system."*

The bulk upload streamlines the submission process; however it requires a separate program to generate the upload file. A local company, LandTrack Systems has been busy developing a bulk upload add-on to its Expenditure Watch product. Justin von Perger, the managing director explained: "our product already streamlines the generation of Form 5's utilizing the client's accounting system and data from Mineral Titles Online. Online Lodgement is the next logical step in streamlining the process. The bulk upload will reduce compliance costs and help break down the traditional barriers between government and business."

In order to improve statistic gathering, the DMP would like to make online submission of Form5's mandatory. Dr Ivor Roberts, Director of Mineral Titles at the Department of Mines and Petroleum, said this week: *"As part of its digitalDMP2016 program, the Department of Mines and Petroleum (DMP) is working towards the introduction of compulsory lodgement of Form 5 online as of 1 July 2016. Consultation with industry is expected to commence in the first half of 2015."*

In response, Perger said "The biggest barrier to online lodgement we hear in talking to our clients is that most mining companies have set their accounting systems up to report on the suggested exploration activities described in the guidelines on the paper Form 5. The Online form uses a completely different approach to reporting expenditure that will require a significant rethink of how expenditure is allocated. To



avoid this pain, many online users are simply classing all their expenditure as “Other”, and then describing the paper category in the description field. While legitimate, this will negate any improvements in statistical analysis which the DMP is hoping to gain.”

For More information on online lodgement, see <http://www.dmp.wa.gov.au/3968.aspx> or LandTrack Systems' Expenditure Watch go to www.landtrack.com.au

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