



Miners warned over high-speed land grab

EXCLUSIVE

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FORTESCUE Metals Group and Rio Tinto have been warned they will be locked out of the online tenement system in Western Australia if they continue to engage in a controversial practice that has allowed them to pick up new ground within minutes of it being surrendered.

The cutting-edge technique — known as “data mining” or “web scraping” — has been used by Rio, Fortescue and others to gain an advantage over rivals in securing tenements as soon as they become available.

When lucrative mining tenements are surrendered in WA, they are lodged with the Department of Mines and Petroleum’s electronic system and the information is made public some time later.

But several companies have gained backdoor access to the incoming data on the system by intercepting it and analysing it for tenement availability before the DMP is even aware of the ground being surrendered.

The practice — a breach of the terms and conditions for access to the system — has led Mines and Petroleum Minister Bill Marmion to warn that he will consider legislative changes in a bid to outlaw the practice, which is not presently illegal.

The DMP declined to name the companies that have benefited from using the practice, which uses highly sophisticated software to analyse data.

But *The Australian* has confirmed that the DMP has identified Rio, Fortescue and a Perth-based company called Austwide Mining Title Management, which secures tenements on behalf of

others, as being among the companies most heavily involved.

It is understood the companies have been warned they will be

suspended from using the online system if the practice continues — a move that would have a detrimental effect on their operations.

The Australian has seen evidence — available through the DMP’s online system — that Fortescue, Rio and Austwide have picked up tenements within minutes of them being surrendered on scores of occasions over the past three months.

The practice is known to have occurred for several years, but has recently become far more widespread.

Fortescue and Rio declined the opportunity to confirm or deny whether the DMP had warned them about data mining and web scraping.

A Fortescue spokesman said: “Fortescue uses publicly available information from a range of sources for the benefit of our business, as others in the industry will also do.”

Rio would not comment and Austwide managing director Robin Humberston did not return

phone calls or emails. Austwide’s website says its clients include ASX-listed companies and its employees include people who previously held senior positions in the DMP.

“We utilise state-of-the-art computer systems to monitor critical dates and actions that affect mining tenure, land availability for acquisition, and title maintenance issues for our clients,” the website says.

Mr Marmion said he was closely monitoring the data mining situation and he had full confidence in his department’s

capacity to deal with this issue. “While legislative action is a last resort, we will consider this if necessary,” he said.

Greens MP Robin Chapple, a former mining industry employee, questioned the DMP’s response to the “scam” of data mining which he claimed was a form of “hacking”.

“This is anti-competitive,” he said. “They have used the process to gain an unfair advantage.”

The DMP’s executive director of mineral titles, Ivor Roberts, said the department’s online systems were being monitored.



How 'data mining' works

1 Powerful computers search publicly available mining databases



2 When an exploration or mining lease either expires or becomes available, a claim is lodged



3 Rio Tinto and Fortescue are among those that have applied for tenements within minutes of the land becoming available

