

I laud the efforts to provide an increased incentive for active greenfield exploration, however I would like to point out the following:

- Junior exploration companies generally have no taxable income and hence not a lot of incentive to earn tax credits
- The reason there has been a massive downturn in exploration in Australia is due to a lack of investment in the exploration industry, a Junior explorer no-matter how committed to putting dollars into greenfield work cannot do it unless there are dollars to spend, this scheme will not provide capital or assist in the raising of that capital to conduct the exploration.
- This scheme if enacted in its suggested form will be of assistance to companies that are already in production, as they can offset any tax incurred through production by expenditure on exploration, this is not necessarily a bad thing, but it does little to assist the junior explorer.
- A far more effective scheme would be to provide tax-breaks to those who invest in exploration companies, set some goals, like meeting or exceeding expenditure commitments on the Exploration tenements for the shareholders to receive these tax-breaks, this would both encourage investment, thus providing capital to the explorers and ensure they keep management targeted on meeting exploration goals so that they receive their tax-breaks.
- Repeal the stamp duties on Exploration licences, this is a grossly unfair burden on those wishing to conduct exploration or obtain value via sale of an exploration tenement that they have added value on. How can a stamp duty apply to something that one is essentially leasing and must drop 50% by area every 4 years?

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