

South Australia's

PACE

Plan for Accelerating Exploration

Minerals

Investment Guidelines
FY2027 to FY2030



Government
of South Australia

Department for
Energy and Mining

energymining.sa.gov.au

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Introduction

A strong resources sector is an essential component of South Australia's prosperity. Accounting for more than 35% of state exports, increased mining, mineral processing and supply chain activities are crucial to achieving South Australia's economic growth objectives.

Resource sector growth relies on sustained exploration activity and a healthy pipeline of mineral discoveries.

Despite proven potential to develop commercial, globally significant deposits of copper, gold, uranium, heavy-mineral sands, graphite, iron ore and other in-demand commodities, vast areas of the state remain underexplored. The remoteness of, and in some instances, the depth of the state's mineral deposits below ground surface, are widely recognised as a challenge to exploration.

Collaboration and innovation in exploration activities and approaches is key to unlocking the state's significant resource opportunity and accelerating discovery.

Continued advances in global technology and innovation can have the potential to further accelerate mineral discovery, improve exploration efficiencies, reduce costs and resource needs, reduce exploration footprints and support the potential for commercialisation of exploration innovation.

The **Plan for Accelerating Exploration (PACE)** embraces innovation, collaboration and capacity building to advance exploration activity in South Australia, reinforcing the state's international reputation as a leader in mining and mineral exploration.

ABOUT THE INITIATIVE

PACE Minerals aims to make a major contribution to achieving South Australia’s economic growth objectives. To achieve this, co-funding contributions will be provided from Government toward exploration activities.

A total program of approximately \$12 million is available for four years (FY 2026-2027 to 2029-2030) to support approved co-funding exploration activities. The first funding round will commence in FY 2026-2027, and all funding rounds will be accessible via annual Request for Proposals (RFP).

This document provides guidance for proponents considering submitting a proposal for co-funding from *PACE Minerals* by describing the:

- Objectives
- Important dates and funding process
- Method of investment
- Proposal assessment
- Legal parameters
- Acceptance criteria

Table 1 Summary of the *PACE Minerals* funding categories that form the scope of the program.

CATEGORY	DESCRIPTION
Exploration drilling	Exploration drilling – single deep holes and/or multiple hole programs in frontier terrains or testing new concepts in other areas
Geophysical / geochemical programs	Geophysical or geochemical programs that focus on the application of innovative technology and concepts and/or provide for a significant improvement in the density or quality of data at a district or regional scale.
Regional geophysical or remote sensing programs	Regional geophysical or remote sensing programs that bring together multiple tenement holders to focus on applying innovation technology or improving the density or quality of data and data sharing amongst the exploration sectors.
Data driven geoscience and spatial analytics	Improving data science analytical approaches for resolving new targets in mineral exploration to accelerate discovery.
Aboriginal heritage	Contribution to the cost of Aboriginal heritage clearances.
Groundwater	Increasing sampling and testing of groundwater encountered during mineral exploration – groundwater identification and testing to Environment Protection Authority (EPA) prescribed guidelines.
Research collaboration	Research collaboration and/or technology development projects that support exploration drilling and geophysical/geochemical programs that will benefit mineral exploration and accelerate discovery.

Objectives

The objectives of PACE Minerals are to:

- Accelerate mineral discovery
- Facilitate the application of new and innovative technology that may lead to the next generation of future mineral discoveries
- Increase greenfield mineral exploration collaboration and activity
- Generate new geoscientific datasets that will stimulate and increase exploration activity to contribute to the achievement of a sustained \$350m in annual exploration expenditure
- Build South Australia's international market profile through the attraction of new investors to the state's mineral resources sector
- Increase the understanding of new and existing groundwater resources that will aid the development of new resource projects, regional communities and agricultural

Important dates and funding process

Table 2 Important dates for PACE Minerals Round 1 (these dates are subject to change)

DATE	MILESTONE
[TBC] June-August 2026	Call for Proposals
[TBC] August 2026 11:59 pm ACST	Closing date for proposals
August – October 2026	Proposal assessments
October 2026	Announcement of successful proposals
November – December 2026	Draft and execute Grant Funding Agreements

PACE Minerals Rounds 2, 3 and 4 Request for Proposals will follow a similar timeframe in FY 2027-2028, 2028-2029 and 2029-2030.

HOW TO APPLY FOR GRANT FUNDING

PACE Minerals funding is awarded through an annual Request for Proposals (RFP) process. Proponents must submit their application electronically to the Department for Energy and Mining (DEM) via email DEM.PACEMinerals@sa.gov.au Applications should be marked 'Commercial in Confidence – 2026-2027 PACE Minerals Investment Grant Proposal'.

Questions relating to the *PACE Minerals Proposal Form* can be directed to:
DEM.PACE Minerals@sa.gov.au

It is the proponent's responsibility to ensure all information is submitted by the specified closing date/time. Acknowledgment will be made on receipt of each application in accordance with the contact details provided.

Late proposal submissions will not be accepted under any circumstances.

Proposal structure

Reference and upload all supporting maps, sections, models and diagrams. Consider the assessment criteria in your application.

Part A – Applicant (s) details

- Include all current company/companies contact details.
- Listed companies should ensure the Registered Office is the same as provided to the stock exchange.
- If the Applicant is not the registered exploration licence holder, reference the type of relationship (e.g. Joint Venture, Registered Agency Agreement).

PART B – Project description, objectives and results

Provide a description of the project, including the target area, mineral system, commodity, and primary aims. What specific geoscientific objectives will be tested, and what final results do you expect to achieve?

- Proposed Exploration Activity Project

Provide specific scientific reasoning for the proposed project and details of the exploration activity. How will the proposal enhance the state's geoscience information by addressing a key knowledge gap and positively contribute to mineral exploration and development in South Australia? Where appropriate, attach additional maps/diagrams that would help to provide further information. Consider opportunities for knowledge sharing in your response.

PART C – Project details and funding

- Provide a clear, logical and achievable project with a phased and costed breakdown of activities, including estimated project costs itemised into:
 - Direct drilling costs
 - Core assay budget
 - Down-hole geophysical or petrological logging costs
 - Direct geophysical/geochemical program costs
 - Direct groundwater testing/sampling costs
 - Land access and clearance costs
- Specify the total project cost and the amount of government funding sought.
- Explain how the proposal will effectively test the geological model or exploration concept, methods, techniques or technologies.
- With reference to assessment criteria, how will this proposal stimulate a new generation of mineral discoveries?

PART D – Operational capability

- Provide a statement of financial capability supported by evidence documenting available financial resources.
- If relevant, list any current or previous (within the last five years) non-compliance relating to departmental instructions/directions/orders and indicate their status and rectification timelines. List any currently overdue exploration licences (EL) related reports.
- List appropriately qualified and knowledgeable resources to implement the proposed exploration project, including geoscientific, environmental, and social aspects.
- Provide the relevant qualifications and operational experience for all nominated personnel.

PART E – Tenements, location and timing

- List all exploration licences (EL) that are linked with the Proposal.
- Note all licence holders and share of tenements.
- Provide the best approximation as to the timing of the project.
- Upload a detailed project schedule.

PART F – Exploration model and geological context

Provide an overview of the regional and local geological setting of the project area as well as details of the deposit model being applied. This section should be supported by relevant maps, cross sections, geochemical data and/or geophysical models.

PART G – Previous work

Provide a review of the past work on the tenement which has been used to define the target. In particular, this should include any historic and recent exploration activities.

PART H – Environmental management

Summarise the environmental management project that will be implemented during/post drilling including discussions of site management, rehabilitation and timing. This discussion could include items such as the use of tanks rather than sumps, sample collection and disposal of drilling spoils, water availability/carting, aquifer management and post drilling site management and rehabilitation. Please attach the relevant program for environment protection and rehabilitation (PEPR) if one has already been completed.

PART I – Project risk management

This section requires a summary listing of potential project risks (e.g. drilling logistics/safety, rig availability, site access, tenement approvals, timing, personnel, environmental incidents, funding), and a brief discussion of the effects on the project and how the risk will be managed.

PART J – Stakeholder engagement

Summarise how the company intends to engage with the relevant stakeholders throughout the project and the current status of the relevant approvals. Include discussion on steps in gaining access to the project area and the clearance of drill sites, including both previous and future work.

Specific stakeholders include (but are not limited to):

- Native Title Groups/Traditional Owners (including information on Indigenous Land Use Agreements (ILUAs); Native Title Mining Agreements under Part 9B of the *Mining Act 1971*; applications under the *Aboriginal Heritage Act 1988*; and Aboriginal heritage clearance surveys)
- Landowners (including access notifications and rehabilitation)
- DEM (e.g. PEPR, exploration work approval (EWA) and declaration of environmental factors (DEF) submissions)
- Commonwealth (e.g. Woomera Prohibited Area (WPA) Exploration Access Permit)

While it is not a requirement that the proponent has already received any relevant approvals upon proposal submission, information on their status is requested (where appropriate).

Confidentiality and commercial in confidence

If a proponent believes that any information provided in their proposal is confidential or commercial-in-confidence, the proponent must clearly identify such information and the reason for its confidentiality. Proponents should be aware the PACE Minerals is subject to certain legislative and administrative accountability and transparency requirements of the Australian Government and Government of South Australia, including public disclosure in accordance with Department for Energy and Mining policy.

Any information contained in, or relating to a proposal submitted to PACE Minerals including information identified by a proponent as confidential, may be disclosed by DEM:

- to its employees, advisers or third parties in order to evaluate and assess a proposal
- within the South Australian government or other entities where this serves the legitimate interest of DEM
- in response to a request by a House or Committee of the Parliament of South Australia
- if the proposal is successful, for promotion of project activities and outcomes
- where information is authorised or permitted by law to be disclosed
- where the information is already in the public domain

Conflict of interest

Proponents should declare to the best of their knowledge, any matters which might give rise to a real or perceived conflict of interest.

Contact details

Include the signature block of the most appropriate company / personal contact for correspondence.

Guidance notes

Nothing in the investment guidelines should be construed as creating any binding contract, estoppel, expectation or other legal relationship (express or implied) between the proponent and the state, and each proponent irrevocably releases the state in relation to any claims, actions, damages, judgements, losses, remedies or other matters whether in contract, negligence, tort, under statute, equitable relief or otherwise, in conjunction with this process.

Method of investment

ELIGIBLE EXPLORATION ACTIVITIES

Mineral exploration activities may include, but are not limited to:

- Exploration drilling - single deep holes and/or multiple hole programs in frontier terrains, or drill testing new models and concepts. This activity includes:
 - Direct drilling costs (including mobilisation and demobilisation)
 - Geochemical assays and petrology
 - Downhole geophysical investigations
- Geophysical or geochemical programs that focus on the application of innovative technology and concepts and/or provide for a significant improvement in the density or quality of data at a district or regional scale.
- Regional geophysical or remote sensing programs that bring together multiple tenement holders to focus on applying innovation technology or improving the density or quality of data and data sharing amongst the exploration sectors.
- Costs associated with Aboriginal Heritage Clearances.
- Groundwater identification and increased sampling and testing to Environment Protection Authority (EPA) prescribed guidelines.
- Research collaboration and/or technology development projects associated with drilling and geophysical/geochemical programs that will benefit mineral exploration and accelerate discovery. Proponents should be operators themselves, or work in close partnership with on the ground operators, with a clear emphasis on drill target resolution.

NON-ELIGIBLE EXPLORATION ACTIVITIES

The following exploration activities are not within the scope of *PACE Minerals* and will not be supported for funding:

- The conduct of geotechnical test work and collecting bulk samples required to evaluate the metallurgical and physical properties of a mineral deposit or the economic potential of such a deposit.
- Environmental studies required to support the development of a retention lease (RL) / mining lease (ML) application and a program for environment protection and rehabilitation (PEPR) submission.
- Projects conducting resource evaluation drilling or incremental evaluation of existing mineralisation.
- Programs proposed within mineral claims, exploration licence applications (ELA), private mines, retention leases and mining leases.
- Projects that do not share learnings, data, technology or the option to commercialise Intellectual Property.
- Land access negotiation, including native title agreement-making.
- Other local government departments submitting applications.

DEM's intent is for funded projects to be those with the greatest chance of leading to new discoveries, and generation of new (and applicable) knowledge on known mineralisation. Exclusions are intended to apply primarily to advanced resource evaluation or near-development style drilling. The DEM expert panel will address proposals based on this intent.

The exploration activities detailed in the proposal must NOT have commenced prior to formal notification that a Proposal has been awarded *PACE Minerals* funding. Projects that have already commenced or are about to commence prior to notification will not be considered in the assessment process. No retrospective funding will be provided for any activities of a successful *PACE Minerals* Proposal if they occur prior to formal notification.

Proponents will be required to detail each type(s) of activity for which funding is sought. For multiple activity proposals, the relationship between activities should be described, with each activity assessed on its own merits.

***PACE Minerals* is open to all mineral commodities.**

EXPLORATION ACTIVITY FUNDING

All grant funding is provided GST exclusive.

Co-funding is available for eligible exploration activities for 50% of direct costs, up to a maximum value depending on the activity category.

For exploration drilling, co-funding is available **for up to 50%** of direct costs, to a maximum of **\$350,000**.

For geophysical or geochemical programs, **co-funding up to 50%** of direct costs, to a maximum of **\$150,000**.

For regional geophysical or remote sensing programs, **co-funding up 50%** of direct costs, to a maximum of **\$300,000**.

Aboriginal Heritage Clearances – **co-funding up to 50%** of direct costs, to a maximum of **\$20,000**.

Groundwater testing – **co-funding up to 50%** of direct costs, to a maximum of **\$50,000**.

Research collaboration proposals not already covered by other activities in the Proposal – **co-funding up to 50%** of direct costs, maximum of **\$200,000**.

For a Proposal with more than one exploration activity, the maximum value of *PACE* Minerals co-funding available is **\$350,000** for that Proposal.

Innovation in the field of data science such as new AI/ML analytics that integrate spatial and geological information e.g. geophysical/geochemical/structural data to resolve new targets **co-funding up to 50%** of direct costs, to a maximum of **\$50,000**.

Administrative and other costs excluded

Direct exploration activity costs specifically do not include administration, program management, legal, or land access (including native title, heritage or landowner engagement and agreement-making), noting Aboriginal Heritage Clearance costs can be funded up to a maximum of \$20,000.

TIMEFRAME TO COMPLETE FUNDED ACTIVITIES

PACE Minerals has been designed to stimulate exploration activity, collaboration and investment in new or under-explored areas, new techniques and new ideas, rather than to fund existing programs.

Activities should be completed within one year, or if longer as agreed.

Payment of the grant funding will be on completion of the project and submission of an acceptable Final (or, if applicable, Interim) Report as specified in the Grant Funding Agreement.

MULTIPLE APPLICATIONS

Proponents may submit more than one Proposal in the same funding round, however applications beyond the first two (2) of a similar nature will be discounted in the evaluation process.

Proposal assessment

ASSESSMENT PROCESS

Proposals will be assessed against the criteria by an expert panel appointed by DEM.

The South Australian government is under no obligation to release any details relating to the assessment of Proposals.

There will be no right of appeal.

ESSENTIAL ELIGIBILITY CRITERIA

Essential criteria

Proposals must satisfy the following essential eligibility criteria to be considered for assessment and must be submitted using the online template provided.

The proponent:

- is a legal entity with which the South Australian government can enter into a legally binding agreement
- has an Australian Business Number.
- is registered for GST
- must be an exploration licence (EL) holder or an appointed operator on an EL. Where research organisations are partnering with EL holders, the holder will be responsible for the conduct of operations
- is financially viable, as evidenced through independently prepared financial statements and records of the proponent and its related entities
- must confirm if they have been issued a notice, direction or order within the last five years regarding non-compliance in the conduct of any authorised operations within Australia
- must be willing to share and make available all findings from their *PACE* Minerals supported exploration activities to benefit third parties (i.e. data provided in interim/ final report(s))

Compliance with Guidelines

By submitting a Proposal, the proponent accepts the terms and conditions of the Investment Guidelines.

The state retains the right to extend, accelerate, remove, introduce or alter any element (including timetable, eligibility criteria, method of assessment, process requirements, etc.) of the Investment Guidelines at any time, at its discretion.

Funding Agreement

Funded participants will be required to enter into a funding agreement with the Minister for Energy and Mining, on behalf of the state of South Australia.

The Draft Grant Funding Agreement will provide the legal framework for the obligations of each party and terms in relation to the funded exploration activity.

PACE Minerals standard funding agreement is provided in its FINAL form, and as such, is not open to any further renegotiation of its substantive terms. The standard funding agreement is currently under development and will be made available on the DEM website upon completion.

Exploration licence holder

Funding agreements are to be written in the name of the registered exploration licence (EL) holder.

Where the proponent is not the EL holder for the land on which the activity will take place, they must be an authorised operator. Evidence must be provided which demonstrates the proponent has authority to act as an agent for the EL holder in the submission, management and execution of work programs. This evidence is required to be provided in the form of a legally binding agreement between the proponent and registered EL holder.

Collaborative Applications

Research Collaboration Proposals are required to select a 'lead' organisation as proponent, who will be party to the funding agreement and be responsible for delivery of the agreed outcomes.

Project Reporting

The Draft Grant Funding Agreement will outline the reporting requirements.

Where the exploration activity involves drilling, geophysical/geochemical, or groundwater exploration activities, reports must follow the minimum requirements set out within DEMs published [Mineral Exploration Reporting Guidelines](#).

Further information is also available in the EPA's guidelines for groundwater sampling.

Project reports and geoscientific data submitted as part of *PACE Minerals* will be publicly available through the South Australian Resources Information Gateway (SARIG) after three (3) months.

An interim report may be negotiated by proponents to receive early release of funding, up to 50% (as agreed by both parties).

ASSESSMENT CRITERIA

Proposals will be assessed against the following criteria:

Strategic Alignment

- Adds value and/or enhances the state's geoscience information by addressing a key knowledge gap and positively contribute to mineral exploration and development in South Australia.
- Supports exploration of remote or frontier mineral resources.
- It has the potential to stimulate new mineral discoveries, enhance mineral prospectivity and exploration investment opportunities.
- Demonstrates the potential for data, knowledge and/or techniques generated or proven by the proposal to provide third party benefit toward achieving the state's strategic mineral objectives.

Collaboration and Innovation

- Provides opportunity for collaboration on data gathering and/or technology development and commercialisation between industry, government and academic research partners.
- Validates innovative applications of credible exploration technologies/ techniques.

- Uses a style of drilling that maximises information gain.
- The proposal validates new geophysical and geochemical models/ methods/ applications.
- The proposal includes petrophysical or down hole geophysical measurements.
- Tests a new method, technique or technology.

Technical

- Addresses significant knowledge gaps or critical uncertainties in the state's geological information (e.g. depth to basement, stratigraphy, age, structural relationships, geophysical target resolution).
- Sufficient evidence provided, and previous data/research appropriately referenced, to demonstrate the approach can feasibly achieve the stated objectives, outcomes and benefits.
- Project adds significant geological information about the basement under cover.
- Project potentially stimulates a new generation of mineral discoveries and further enhances the state's mineral prospectivity and exploration investment opportunities.

Legal parameters

1. Subject to Item 2 below, contents of all proposals will remain confidential, except for the relevant tenement and location of the successful proposals. All successful proposals will be made public on release of the final report. Unsuccessful proposals will remain confidential unless the proponent consents to their release.
2. Although the principal (being DEM or its representatives) understands the need to keep commercial matters confidential in appropriate circumstances, the principal reserves the right to disclose some or all of the contents of the proposal as a consequence of a constitutional convention or in order that the relevant Minister may answer questions raised in the South Australian Parliament, keep Parliament informed or otherwise discharge the Minister's duties and obligations to Parliament and to advise the Governor, Parliament and/or the South Australian Government. Any condition in a proposal that purports to prohibit or restrict the Minister's right to make such disclosures cannot be accepted. Confidentiality of proposals is also subject to the Freedom of Information Act 1991, as amended.
3. If you do not accept certain aspects of these Parameters, state which you do not accept and what you suggest as an alternative. If no such statement is made the principal will assume that you have accepted all conditions.

4. Reservation of Rights – the principal reserves the right to:
 - I. Amend the proposal closing date.
 - II. Amend the Conditions for Proposals at any time prior to the closing date for proposals, provided that the amendment is notified to prospective proponents.
 - III. Clarify any aspect of a proposal after the closing date for proposals but before the evaluation of a proposal.
 - IV. Seek the advice of external consultants to assist the principal in evaluation or review of proposals; and,
 - V. Abandon the process whether before or after the receipt of proposals.
5. The principal is not obliged to accept any proposal.
6. Late proposal submissions will not be accepted under any circumstance.
7. No acceptance of a proposal will be effective to constitute a contract or to create any legitimate expectation on the part of the proponent unless a formal written contract is executed by both parties.
8. Prior to accepting a proposal, the principal may request that you provide additional information, including but not limited to, evidence of your economic capacity and financial stability.
9. The principal will notify proponents if this process has been abandoned. The principal is not obliged to give any reasons for its selection or the abandonment of this process.
10. If proponent submits a proposal, the principal, when considering the proposal will expect that the proponent will satisfy the following criteria:
 - I. You have the necessary skills, knowledge and experience to comply with the Conditions for Proposals and undertake the proposed drilling or exploration activity project; and
 - II. You have fully informed yourself of all facts and conditions relating to the *PACE* Minerals Guidelines.
11. Proponents are responsible for the cost of preparing and submitting their proposal and all other costs arising out of the process.

Acceptance criteria

The following principles will apply to management of successful *PACE Minerals* projects.

1. Management of the projects will be undertaken by the project proponents and/or operational nominees. All liabilities associated with the project remain with the lead proponent (must be an EL holder or authorised operator).
2. Proposals will be subject to an Agreement of Conditions of Grant to be prepared by the South Australian Crown Solicitors Office.
3. A final funding agreement will be prepared and forwarded to the proponent for execution.
4. A proponent must only apply the grant funding for the purpose of the project.
5. Where the cost of co-funded activities for a completed project is less than the estimate in the proposal, DEM will provide grant funding in proportion to the ratio of funding requested and the estimated total cost of funded activities (where below the cap).
6. All operations must be conducted in accordance with an approved PEPR and comply with relevant land access and environmental management requirements (e.g. Part 9B of the Mining Act 1971 and the Aboriginal Heritage Act 1988).
7. Payment schedule:
 - I. Where an interim report is agreed, Interim payment will be half of the agreed funds and paid within 15 days of acceptance of an interim report.
 - II. Final payment will be made on lodgement and acceptance of the final project report containing all technical information (correctly presented) that is directly relevant to the project.
8. Details of the interim and final project report and all deliverables will be defined in the *PACE Minerals* funding agreement between the successful proponent and the Minister for Energy and Mining.
9. *PACE Minerals* grant funding cannot be included as part of company mineral exploration licence expenditure commitments.

ACKNOWLEDGEMENT OF COUNTRY

As guests here on Kaurna land, the Department for Energy and Mining (DEM) acknowledges everything this department does impacts on Aboriginal country, the sea, the sky, its people, and the spiritual and cultural connections which have existed since the first sunrise. Our responsibility is to share our collective knowledge, recognise a difficult history, respect the relationships made over time, and create a stronger future. We are ready to walk, learn and work together.

FURTHER INFORMATION

GPO Box 618, Adelaide SA 5001
Phone +61 8 8463 3000
Email DEM.PACEMinerals@sa.gov.au

South Australian Resources Information Gateway (SARIG)
map.sarig.sa.gov.au

energymining.sa.gov.au
mers.dem.sa.gov.au



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