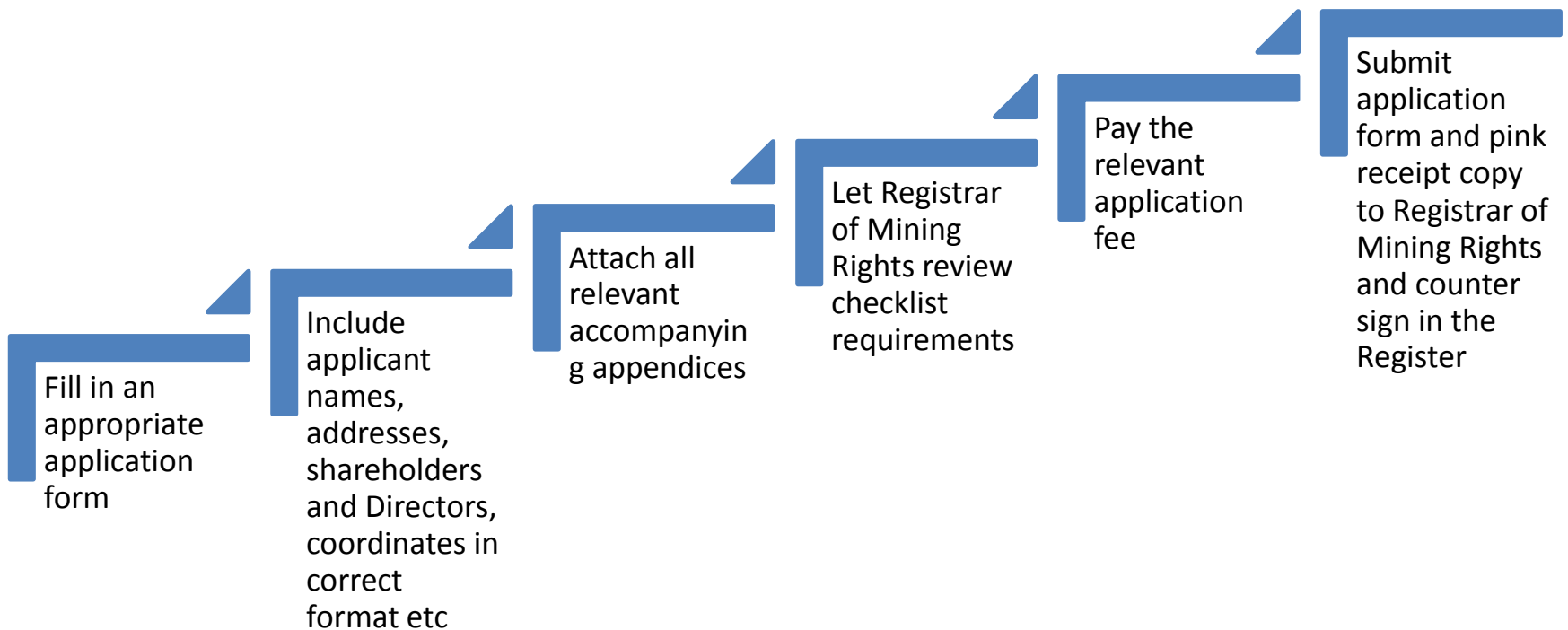


Procedures for Granting mining
Rights and Non-Mining Rights
2015 MMM ACT

HOW TO LODGE AN APPLICATION



APPLICATION CHECKLIST – ARTISANS MINING RIGHT

Environmental Commitment Plan

(should include proposals for prevention of pollution, treatment of waste, protection and reclamation of land and water resources and for eliminating or minimizing adverse effects on the environment)

Programme of intended mining operations

(Should include proposals for the proper conservation and use of mineral resources in mining area, in the national interest)

APPLICATION CHECKLIST – LARGE SCALE EXPLORATION LICENSE

- Environmental Commitment Plan
- (should include proposals for prevention of pollution, treatment of waste, protection and reclamation of land and water resources and for eliminating or minimizing adverse effects on the environment)
- Statement of the sum the applicant intends to expend on prospecting operations
- Proposed program of operations for large scale exploration.
- Tax clearance certificate issued under Income Tax Act (Cap. 323)

APPLICATION CHECKLIST – SMALL SCALE EXPLORATION LICENSE

- Environmental Commitment Plan
- (should include proposals for prevention of pollution, treatment of waste, protection and reclamation of land and water resources and for eliminating or minimizing adverse effects on the environment)
- Statement of the sum the applicant intends to expend on prospecting operations
- Proposed programme of prospecting operations
- Tax clearance certificate issued under Income Tax Act (Cap. 323)

APPLICATION CHECKLIST – LARGE SCALE MINING LICENCE

- A comprehensive statement of the mineral deposits in the area over which the licence is sought (should include details of all known minerals proved, estimated or inferred, ore resources and mining conditions)
- Proposed programme for (*prospecting) and mining operations (should include a forecast of capital investment, the estimated recovery rate of ore and mineral products, and the proposed treatment and disposal of ore and minerals recovered)
- Environmental Management Plan
- (Should include proposals for prevention of pollution, treatment of waste, protection and reclamation of land and water resources and for eliminating or minimizing adverse effects on the environment)
- Details of expected infrastructure requirements
- Proposals for employment and training of citizens of Zambia
- Proposals for promotion of local business development
- Tax clearance certificate (issued under Income Tax Act (Cap. 323))
- Plan of proposed mining area

APPLICATION CHECKLIST – MINERAL PROCESSING LICENCE

- Description and plan of surrounding developments
- Proposed programme for mineral processing operations (should include a forecast of capital investment, proposed plant capacity, the estimated recovery rate of mineral products, and the proposed treatment methods and disposal of ore and minerals recovered)
- Environmental Management Plan (should include proposals for prevention of pollution, treatment of waste, protection and reclamation of land and water resources and for eliminating or minimizing adverse effects on the environment)
- Details of expected infrastructure requirements
- Proposals for employment and training of citizens of Zambia
- Tax clearance certificate (issued under Income Tax Act (Cap. 323))
- Any further information which Director of Geological Survey may require
- Documentation on title to land or written consent of legal occupier of land

LICENSE FEES AND AREA CHARGES

TYPE OF LICENCE	LICENCE FEE ZMW	AREA CHARGES(ZMW/ha/year)
Artisan Mining Right	900.00	(area size) x (rate per year)
Small Scale Exploration License	900.00	(area size) x (rate per year)
Small Scale Mining License	4,500.00	(area size) x (rate per year)
Large Scale Exploration License	3,000.00	(area size) x (rate per year)
Large Scale Mining License	48,000.00	(area size) x (rate per year)

OTHERS- NON MINING

TYPE	LICENCE FEE ZMW
Mineral Processing License	48,800.00
Transfer Fee (LEL,LML,MPL)	48,000.00
Transfer Fee (SML & SEL)	4,500.00
Spatial Alteration of LEL,LML	900.00
Spatial Alteration of SEL,SML	750.00
Spatial Alteration of Artisan Mining Right	150.00

Area Charges Payable after grant for the first initial year before issuance of license and then subsequent anniversaries of a license.

AREA CHARGES

LICENCE TYPE	AREA CHARGE RATES (ZMW/ha/year)			
	Year 1-4	Year 5-7	Year 8-10	Year 11 and later years
Artisan Mining Right (per ha)	4.20	4.20	4.20	4.20
Small Scale Exploration License (per ha)	0.60	1.50	1.50	1.50
Small Scale Mining License (per ha)	8.40	8.40	8.40	8.40
Large Scale Exploration License (per ha)	1.20	3.60	4.80	4.80
Large Scale Mining License (per ha)	16.80	16.80	16.80	16.80
Mineral processing License	16.80	16.80	16.80	16.80

VALIDITY PERIOD OF LICENCE AND MAX AREA SIZE

LICENCE TYPE	VALIDITY PERIOD (Max)	MAX AREA SIZE
Artisan Mining Right	2 Years	6.68ha
Small Scale Exploration License	4 Years	10,000ha
Small Scale Mining License	10 Years	400ha (4km ²)
Large Scale Exploration License	4 Years	200,000ha (2,000km ²)
Large Scale Mining License	25 Years	25,000ha(250km ²)
Mineral Processing License	25 Years	25,000ha(250km ²)

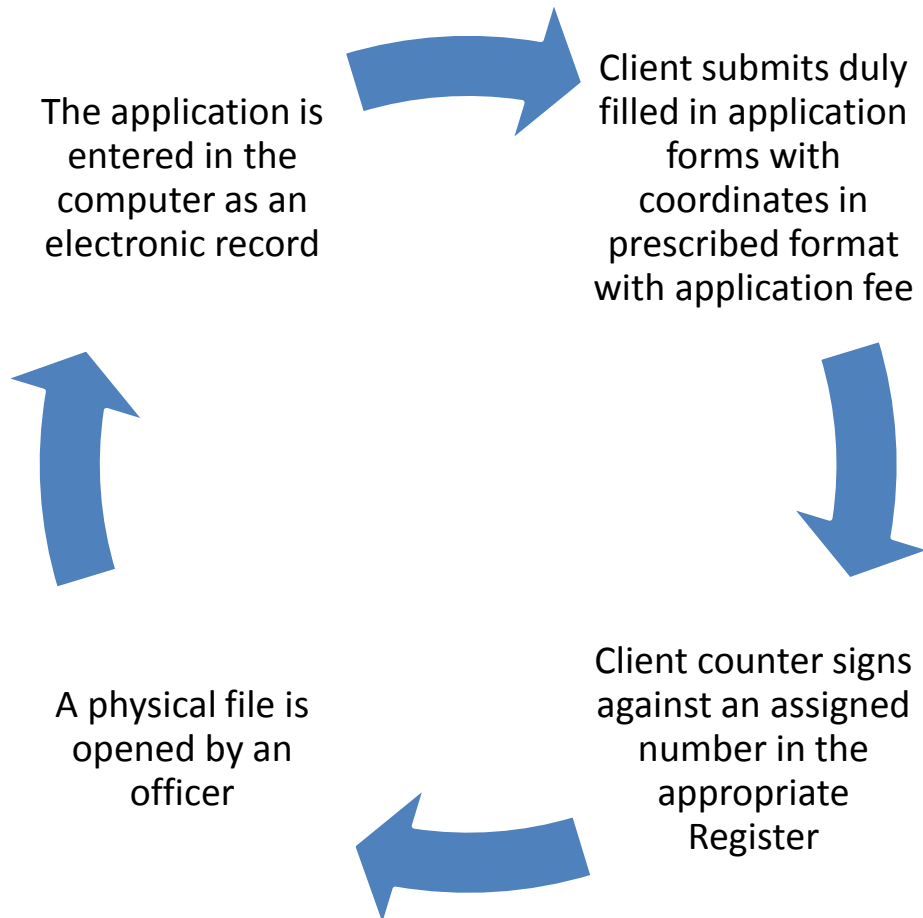
RENEWAL OF LICENCES

LICENCE TYPE	SUBMISSION OF RENWAL APPLICATION
Artisan Mining Right	Not later than 60 days before expiry of License
Small Scale Exploration License	Not later than 60 days before expiry of License
Small Scale Mining License	Not later than 60 days before expiry of License
Large Scale Exploration License	Not later than 90 days before expiry of License with 50% area reduction.
Large Scale Mining License	Not later than 1 year before expiry of License
Mineral Processing License	Not later than 90 days before expiry of license

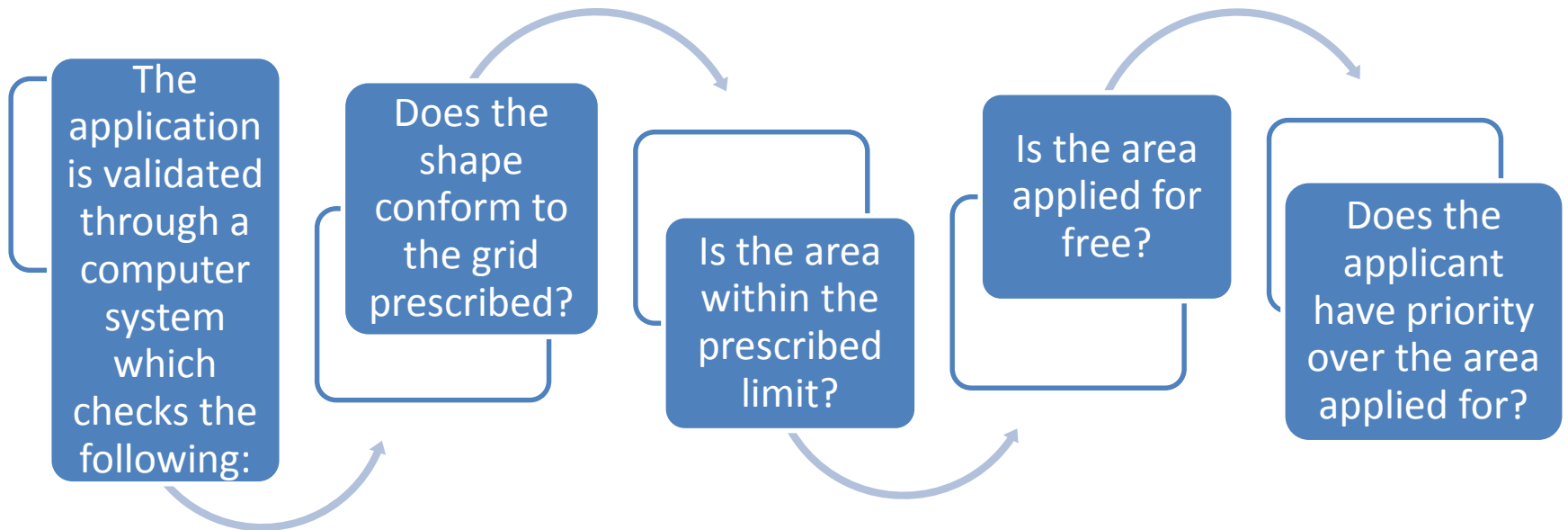
CADASTRE GRID COMPLIANT SHAPES

- Only geographical coordinates presented as latitudes and longitudes are acceptable
- Coordinate values must be divisible by 6 seconds but.... a word of **CAUTION** below:
- Coordinates may be divisible by 6 seconds but if lines forming a shape run across a Cadastre grid, the application shall be rejected
- Shapes must not exceed the prescribed upper limit areas
- One Cadastre unit equals 3.34 hectares

CYCLE OF APPLICATION



Application Validation Process Parameters



CYCLE OF APPLICATION

Validation

Preparation of
Mining
Committee(MLC)
papers

MLC Meeting

License
Generated and
Grant

REASONS FOR REJECTING APPLICATIONS

Defaulting on any license under the Act

Non payment of area charges

Failure to submit mineral production returns

Non-eligibility of applicant

If the shape does not conform to the prescribed grid

If the area exceeds the prescribed limit

If the area applied for is not free

If the applicant does not have priority over the area applied for