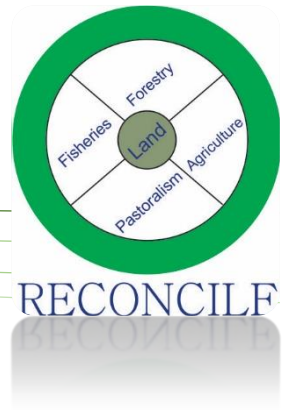


RECONCILE

SUMMARY OF MINING ACT

"Promote policies, laws and partnerships that empower resource dependent communities"

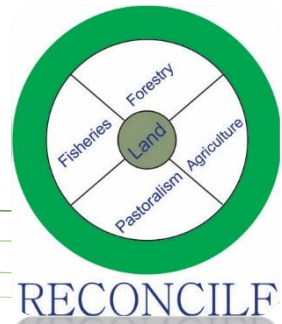
INTRODUCTION



- The Act has been divided in the following parts:
 - Part I on preliminary.
 - Part II on ownership of minerals such as who has the pre-emptive rights.
 - Part III on general principles such as restrictions.
 - Part IV on administration more so by the CS and directors.
 - Part V on mining institutions and bodies that are to be created to assist in management that is the National Mining Corporation.
 - Part VI on General provisions on mineral rights such as categories of mineral rights, mineral rights in excluded and restricted areas, mineral rights on private and community land.

"Promote policies, laws and partnerships that empower resource dependent communities"

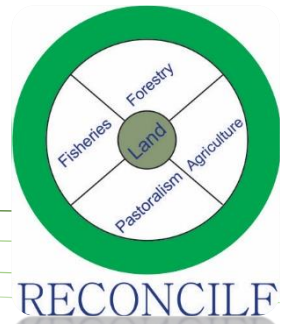
Cont'd



- Part VII on mineral agreements and how they are to be handled.
- Part VIII on surrender, suspension and revocation of mineral rights.
- Part IX on surface rights, compensation and disputes.
- Part X on dealings in minerals.
- Part XI on health, safety and environment.
- Part XII on financial provisions.
- Part XIII on records and registration of mineral rights.
- Part XIV on monitoring, compliance and enforcement where several offences are recognized.
- Part XV on miscellaneous provisions which provide on insurance cover, notices, immunity of officials, power to publish manuals, codes and

"Promote policies, laws and partnerships that empower resource dependent communities"

Cont'd



guidelines as well as power to make regulations. It also provides that the regulations necessary to bring into effect the provisions of this Act shall be made within one year after the coming into force of the Act.

-Part XVI on repeal, savings and transitional provisions.

- In outlining the above mentioned sections, the Act's basis was from the following articles of the Constitution;

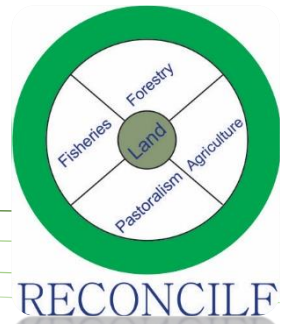
-Article 60 on principles of land.

-Article 62 (1) (f) provides that all minerals and mineral oils as defined by law are to be stated to be under public land.

-Article 66 (2) Parliament shall enact legislation ensuring that investments in property benefit local communities and their economies.

"Promote policies, laws and partnerships that empower resource dependent communities"

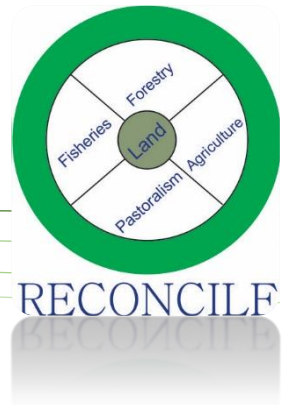
Cont'd



- Article 69 obligation of the State with regards to the environment, in particular, the use of the environment in a sustainable manner.
- Article 71 agreements relating to natural resources. It requires Parliament to enact legislation to ensure that investments in property benefit local communities and their economies.
- It should be recognized that the Act is to replace the pre-independence Mining Act Cap 306 of 1940 due to being out of date.
- The new Act was enacted to provide clear guidance on mining activities in Kenya.
- It legalizes Artisanal Miners and Transparency and Accountability through use of the Online Mining Cadastre portal for licensing and for

"Promote policies, laws and partnerships that empower resource dependent communities"

Cont'd

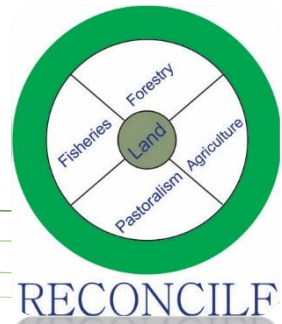


management of mineral rights and permits.

- There is also the aspect of Community Development Agreements, mandatory for all holders of large scale mining rights and sharing of royalties among the national government, the County government and the local communities.
- The Act works on streamlining the country's mining sector and ensure environmental conservation an sustainable development.
- It applies to Ministry of Mining headed by CS, the National Mining Corporation and its board, the Directorate of Mines, the Directorate of Geological Survey, the Mineral and Metal Commodity Exchange, the Mineral Rights Board, the applicants of mineral rights, holders of mineral rights and mineral dealers.

"Promote policies, laws and partnerships that empower resource dependent communities"

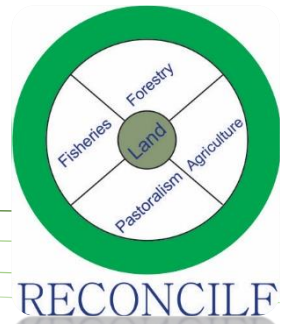
SUMMARY OF ACT



- The Mining Act came into effect on the 13th of May 2016. It was to give effect to Article 60, 62(1(f), 66(2) and 69 of the Constitution, to provide for prospecting, mining, processing and any dealings in minerals.
- The Act reconciles the roles played by different offices and to further categorize the persons in the mining industry for administrative purposes.
- The Act is to apply to the minerals specified in the first schedule and the CS may from time to time by notice in the Gazette amend the First schedule to this Act. The Act is not to apply to matters relating to petroleum and hydrocarbon gases.
- The Cabinet Secretary, the Principal Secretary and any person administering the Act is to be guided by values and principles

“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd

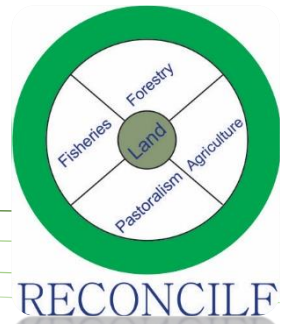


of the Constitution and more so Articles 10, 66 (2), 201 (c) and (d) and 232 and Chapter six of the Constitution.

- Section 8 of The Act provides that the National Government will enjoy pre-emption rights over any mineral obtained and acquired in Kenya. Pre-emption rights, or preemptive rights, as they are commonly known, are the contractual rights or privilege a person enjoys acquiring certain property newly coming into existence before it can be offered to any other person or entity. It is also called a “first option buy”.
- This means that the National Government will enjoy a “first option to buy” over minerals newly extracted. The mineral rights holder is there for obliged to offer the National Government the first opportunity to purchase the minerals before offering them to other potential buyers in the market.

“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd



- The meaning of environment under the mining Act 2016 has the meaning assigned to it under the Environmental Management and Coordination Act, 1999.
- Part XI of the Act addresses issues on health, safety and environment. Section 176 (1) states that a mineral right or other license or permit granted under the Act shall not exempt a person from complying with any law concerning the protection of the environment.
- In Kenya, the environmental matters are regulated by a legal and institutional framework established by the Environmental Management and Coordination Act (EMCA) 1999. Subsidiary legislation, Environmental Impact Assessment and Audit Regulations (EIAAR) 2003, prescribes procedures for environmental regulation.

“Promote policies, laws and partnerships that empower resource dependent communities”

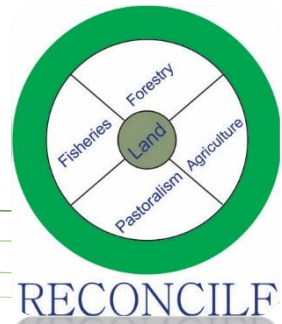
Cont'd



- In addition to addressing principles for sustainable development that promotes responsible use of natural resources, EMCA spells out the requirements for environmental impact assessment for industrial activity including mining activity.
- It confers the responsibility to the National Environmental Management Authority (NEMA) for EIA planning and implementation as well as environmental audit and monitoring.
- Mineral rights holders under the environmental laws and the Mining Act of Kenya are required to conduct environmental impact assessments and receive a license under section 176 (2). The same has to be accompanied by a social heritage assessment and the environmental management plan which should be approved.

“Promote policies, laws and partnerships that empower resource dependent communities”

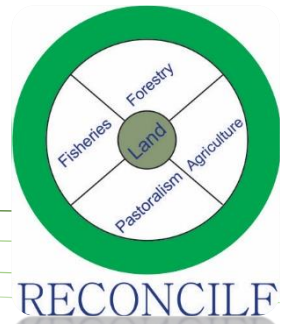
Cont'd



- The process is supervised by the National Environmental Management Authority (NEMA) and requires a registered Environment Impact Assessor expert to conduct the study and develop appropriate action plans.
- Section 177 specifically states that provisions of the Act and rights or entitlement conferred under a mineral right shall not exempt a person from compliance with the provisions of the Water Act, 2002 concerning the right to the use of water from any water resource. This specifically protects our water resources.
- The Act further provides that the mineral rights holder is expected to provide for a bond or other forms of financial security which will be sufficient to cover for the costs associated with the implementation of the environment and rehabilitation of the land. The bonds shall be known as Environmental Protection Bonds.

“Promote policies, laws and partnerships that empower resource dependent communities”

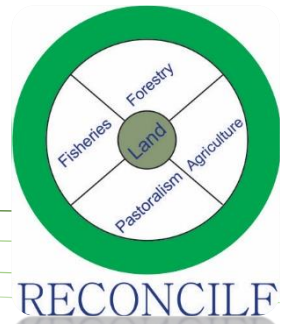
Cont'd



- The bond to be paid by the applicant shall be determined by the Cabinet Secretary. This bond is also to be released if there has been successful completion of all environmental and rehabilitation obligations. This and the provisions of section 176 are a positive to the law, environment and the people of Kenya.
- After completion of the prospecting or mining, the mineral right holder will ensure that the land in question is restored to its original status or to an acceptable or reasonable condition as close as possible to its original state.
- It embraces the principles in the preamble of the Constitution on respecting the environment, which is our heritage and requires us to sustain it for the benefit of future generations and the Constitutional right to a clean and healthy environment. It also entrenches responsible investment in the mining industry.

“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd



- This section however well meaning, has its own intrigues which arise from its ambiguity.
- An example is section 176(2) which states that a mining license shall not be granted to a person under this Act unless the person has obtained an environmental impact assessment license, social heritage assessment and the environmental management plan has been approved.
- It is not clear who approves the environmental management plan. It is expected that NEMA shall approve these plans.
- One would expect that section 180 subsection 1 which states that the Cabinet Secretary shall not grant a license to an applicant, unless the applicant has submitted site mitigation and rehabilitation or mine-closure plans for approval, would fall under the purview of the

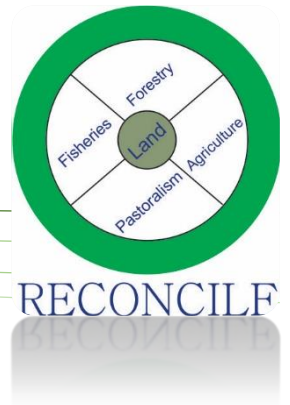
Cont'd



Environment department because it has the expertise to review the site mitigation and rehabilitation or mine-closure plans for approval. Why the Cabinet Secretary is invested with such authority is baffling.

- The legislature through such legislation out rightly usurps the role of the environment department and wrongly invests such technical authority to the wrong office. This is a grave error since the Cabinet Secretary for mining lacks the expertise to deal with intricate issues touching on the environment.
- This could either be cured through an amendment that rightly bestows such authority to the National Environmental Management Authority (NEMA) or through an amendment, requiring that prior to making any such approvals, proper consultations are carried out,

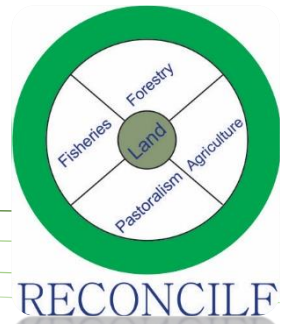
Cont'd



aimed at verifying the suitability of the plans.

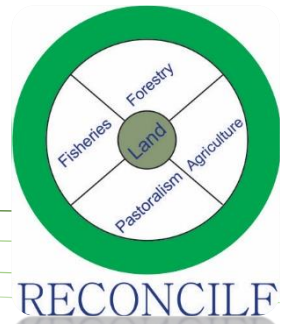
- Under section 4, mineral rights are defined to mean a prospecting license, a retention license, a mining license, a prospecting permit, a mining permit; or an artisanal permit.
- The Act through Part VI of the general provisions on mineral rights, section 32 categorizes the mineral rights into two: Large Scale Operations and Small Scale Operations.
- In distinguishing between the two, the Act provides that licenses (a reconnaissance license, a prospecting license, a retention license, a mining license) fall under Large Scale Operations while the permits (Prospecting and Mining permit) fall under Small Scale Operations.

Cont'd



- A further distinction can be found in the second schedule of the Act.
- The Act through section 32 (4) empowers the Cabinet Secretary on the recommendation of the Mineral Rights Board, to designate through a Gazette Notice any other license to be granted. This means that in addition to the license already provided for in the Act, the Cabinet Secretary may designate any other license to be granted.
- Section 32 (1) invests the power to grant, deny or revoke a mineral right on the Cabinet Secretary. However, such powers are to be exercised only after the recommendation of the Mineral Rights Board.
- The Act is rather ambiguous on the classification of the Artisanal

Cont'd



mining permit. Section 4 defines “artisanal mining” to mean traditional and customary mining operations using traditional or customary ways and means.

- Section 123 does not classify them under small scale operations, neither does section 32, omit the Artisanal mining permit which from the wording of section 96 suggest that it is neither a small scale permit nor a large scale license.
- The wordings of section 96 (2) seem to suggest that an Artisanal Mining Permit is a category on its own. It categorically states that “A holder of an artisanal mining permit may apply to convert it to a small scale permit in the manner as may be prescribed in Regulations”. This means that section 32, as a whole does not completely classify categories of mineral rights. However, their placement in sections 92 to 100 which seems to fall under the large scale operation classification is confusing.

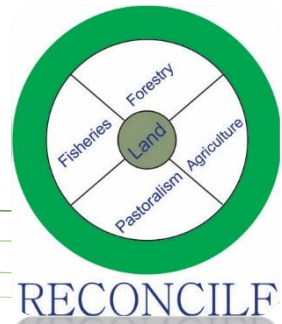
Cont'd



- All natural resources are vested in the people of Kenya with the government as trustee. Minerals under the Constitution are classified as public land and therefore belong to all the citizens of Kenya. There is thus a distinction between the ownership of subsurface land and minerals and surface land. The law requires that holders of prospecting and mining titles secure access to the land required for prospecting and mining and offer adequate compensation for the same.
- Specifically, the licensing procedures require consents from local communities, owners and occupiers of land, as well as other governing bodies at the devolved level of government. Licensees are also obligated to offer adequate compensation for damages, obstructions, and other inconveniences, to owners and/or occupiers of the land, where applicable.

“Promote policies, laws and partnerships that empower resource dependent communities”

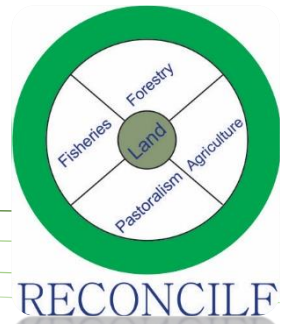
Cont'd



- Mineral Agreements are agreements entered between the National Government and a prospective holder of a mineral right. Section 177 (1) of the Mining Act gives the cabinet secretary power to enter into and negotiate the mineral agreements and where the proposed investment exceeds five hundred million United States dollars, the Cabinet Secretary is required to consult with the National Treasury before entering into the agreement with the holder of a mining license.
- This probably comes after the recommendations of the Government Task Force on Mining, set up to review the prospecting, exploration and mining license agreements, handed their report containing recommendation that the state should have more say in mining agreement entered on behalf of the Government.

"Promote policies, laws and partnerships that empower resource dependent communities"

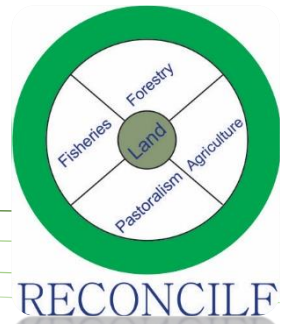
Cont'd



- The Cabinet Secretary may also on behalf of the State, on the advice of the Mineral Rights Board, negotiate with an applicant for or holder of a prospecting license, a retention license or a mining license in respect of large scale mining or exploitation of minerals in the marine and terrestrial areas.
- The Mineral Agreement shall provide for the terms of the mining activity, the rights and obligations among others in accordance to section 177 (2) (a-l).
- All the Mining Agreements entered by the Cabinet Secretary have to be ratified by Parliament.
- Mining Agreements are public documents shall remain accessible to all persons as required in Article 35 of the Constitution and section 199.

“Promote policies, laws and partnerships that empower resource dependent communities”

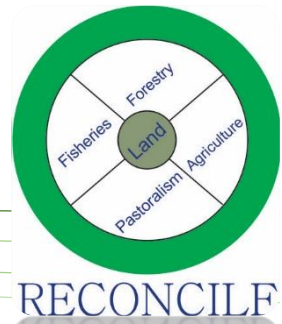
Cont'd



- The Act aims at breaking concentration of decision making in the office of the CS.
- Part V of The Act provides for the establishment of mining bodies and institutions that will help in regulating the mining sector. The Act provides for the establishment of **National Mining Corporation** whose main objective shall be to serve as an investment arm of the National Government.
- The Corporation shall be a body corporate with perpetual succession, and a common seal and shall, in its corporate name, be capable of suing and being sued, taking, purchasing and disposing of movable and immovable property, borrowing money with the approval of the National Treasury in accordance with the relevant law and entering into contracts.

"Promote policies, laws and partnerships that empower resource dependent communities"

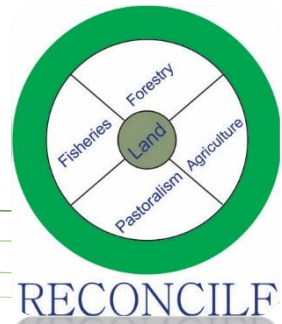
Cont'd



- Section 23 spells out its functions which mainly entail investing in mining activities.
- Its functions shall include to engage in mineral prospecting and mining; and any other related activities; invest on behalf of the national government; acquire by agreement or hold interests in any undertaking, enterprise or project associated with the exploration, prospecting and mining; acquire shares or interest in any firm, company or other body of persons, whether corporate or unincorporated which is engaged in the mining, prospecting, refining, grading, producing, cutting, processing, buying, selling or marketing of minerals; and carry on its business, operations and activities whether as a principal agent, contractor or otherwise and either alone or in conjunction with any other persons, firms or bodies corporate.

“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd



- The Corporation shall be managed by a Board (National Mining Corporation Board). The CS is supposed to make regulations to provide for the criteria of appointing the members of the board.
- Section 28 of the Act directs the establishment of the Mineral Commodity Exchange. This is to help spur economic growth in the Country. The commodity exchange will act as a market place for minerals.
- The Cabinet Secretary is required to make regulations on the establishment of Minerals Commodities Exchange.
- The Act further establishes the Mineral Rights Board is established under section 30 of the Act.
- It shall comprise of a chairperson appointed by the President; the Principal Secretary responsible for matters relating to mining, the

"Promote policies, laws and partnerships that empower resource dependent communities"

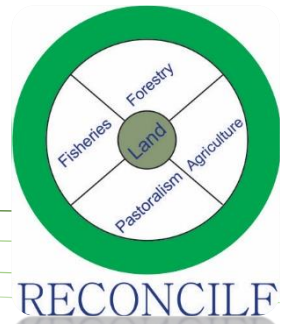
Cont'd



Principal Secretary responsible for the National Treasury, one person who has relevant qualifications or experience in mining, geology, geophysics or engineering, nominated by the Council of County Governors, the Chairperson of the National Land Commission, the Director of Mines who shall be the secretary to the Mineral Rights Board, the Director of Geological Surveys; and two persons with professional qualifications and experience in the mining industry.

- The Mineral Rights Board functions is to advise and give recommendations, in writing, to the Cabinet Secretary on the grant, rejection, retention, renewal, suspension, revocation, variation, assignment, trading, tendering, or transfer of Mineral Rights Agreements; the areas suitable for small scale and artisanal mining;

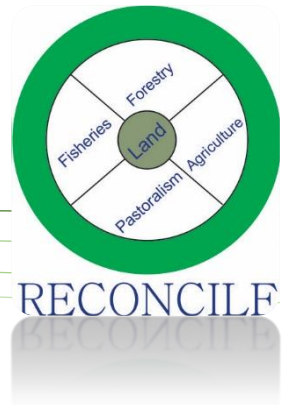
Cont'd



the areas where mining operations may be excluded and restricted; the declaration of certain minerals as strategic minerals; cessation, suspension, or curtailment of production in respect of mining licences; fees, charges and royalties payable for a mineral right or mineral; and any matters which under this Act, are required to be referred to the Mineral Rights Board.

- The Directorate of Mines is to regulate the mining sector and the Directorate of Geological Survey to develop the national geological database and promote interest in the mining sector. CS is tasked with establishing offices in the counties.
- The Artisanal Mining Committee is established in section 94 of the Act. To be established in each county. Its purpose is explained in the same section, subsection (3) which shall be to advise the representative of the Director of Mines in the granting, renewal

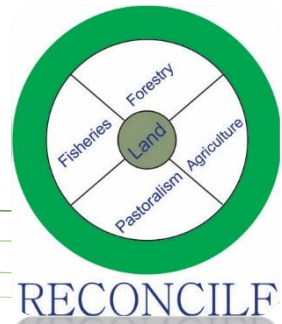
Cont'd



or revocation of artisanal mining permits.

- It shall comprise of a representative of the Governor, who shall be the chairperson of the committee; the representative of the Director of Mines who shall be the secretary; three persons not being public officers and elected by the association of artisanal miners in the county; a representative of the inspectorate division of the Ministry; a representative of the National Environment Management Authority; and a representative of the county land board.
- Section 94(4) which states their term of office states that the members of the Committee shall hold office for a period and on such terms and conditions as may be determined in the instrument of appointment.

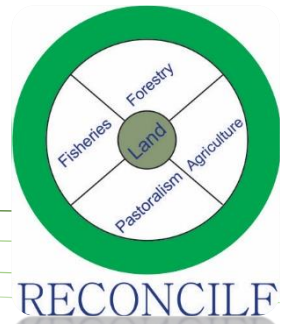
Cont'd



- In an attempt to ensure that employment opportunities are created in Kenya and education is promoted, the Act expressly provides that each mineral right holder shall ensure skill transfer and capacity building among Kenyans.
- Each mineral right holder is required to submit to the Cabinet Secretary, a program detailing how it shall recruit and train Kenyans. In giving further effect to this provision, the Cabinet Secretary is required to come up with policy guidelines on how this is to be achieved.
- The holder of a mineral right is also required to give preference to Kenyan Citizens when it comes to employment. This will help improve the living standards of Kenyans and also improve education.

“Promote policies, laws and partnerships that empower resource dependent communities”

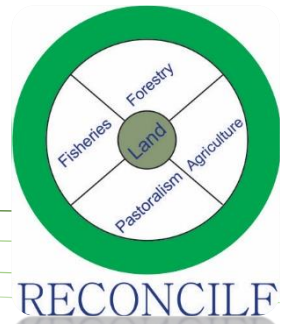
Cont'd



- The mineral holder is only supposed to engage with non-citizen technical experts in accordance with such local standards for registration as may be prescribed in other relevant laws.
- The Act protects local participation with provisions for equity participation in large mining operations. The act also provides for the prioritization of local procurement of goods, services and workforce.
- Section 154 provides for dispute resolution. It provides that any dispute arising as a result of a mineral right issued under this Act, may be determined by the Cabinet Secretary, through a mediation or arbitration process as may be agreed upon by the disputing parties or as may be stated in an agreement; or through a court of competent jurisdiction.

“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd



- Section 155 grants the Cabinet Secretary power to inquire into and determine the following matters; dispute of the boundaries of an area held under a prospecting or mining right; any wrongful act committed or omitted in the course of prospecting and mining operations, by any persons against any other person; a claim by any person to be entitled to erect, cut, construct or use any pump, line of pipes, flume, race, drain, dam or reservoir for mining purposes; a claim to have any priority of water taken, diverted, used or delivered for mining purposes, as against any other person claiming the same ; or assessment and payment of compensation where provided for under this Act.
- The procedure for determining disputes is provided for under section 156 of the Act. It is as follows;

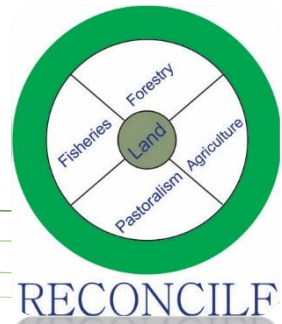
“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd



- The party referring the dispute to the Cabinet Secretary shall lodge a memorandum with the Cabinet Secretary together with a statement of claim in the prescribed form;
- On receipt of the memorandum, the Cabinet Secretary shall notify the party against whom the complaint has been made of the referral of the dispute and shall advise the other party of the nature of the complaint and invite that party to lodge a memorandum in response to the complaint;
- Upon receiving the written response from the party against whom a complaint has been lodged for determination, the Cabinet Secretary shall notify the parties of the time and place at which the matter will be heard and determined;

Cont'd

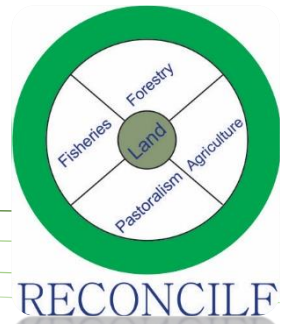


-The parties shall be invited to state their respective cases before the Cabinet Secretary and shall be entitled to adduce evidence on oath or affirmation in support of their cases; and

-After hearing the statements and receiving the evidence the Cabinet Secretary shall make a written determination of the dispute.

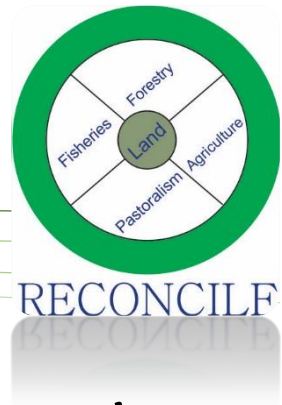
- Any person who is a party to a dispute referred to the Cabinet Secretary for determination under this section may appear in person or be represented by an advocate. In making a determination of a dispute, the Cabinet Secretary shall, having regard to the subject matter of the dispute, apply relevant rules and principles concerning the matter in dispute.

Cont'd



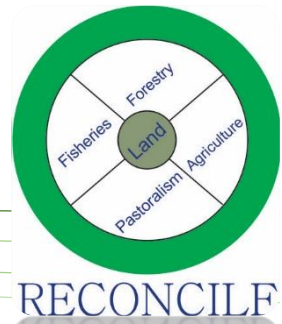
- The Cabinet Secretary may make such orders as he may consider necessary to give effect to a determination, including ordering the payment of compensation by one party to the dispute to the other.
- An order made by the Cabinet Secretary under this section shall be enforceable by a Court as if the same were an order of that Court.
- The Cabinet secretary shall keep a record of all matters heard and determined by him, and shall keep a written record of the evidence given before him.
- Any person who is interested in any dispute, decision or order shall be entitled to obtain a copy of such record and notes upon payment of the prescribed fee.

Cont'd



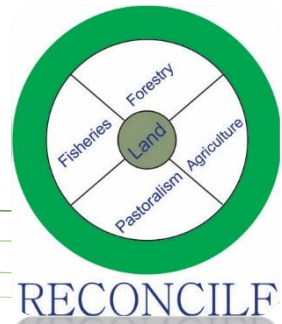
- The Cabinet Secretary may send a copy, certified under his hand and seal, of any decree or order made by him to any civil court within the local limits of whose jurisdiction the subject-matter of the decree is situated, and such civil court shall enforce the decree of the Cabinet
- Secretary in the same manner in which it would enforce its own decree or order. The Cabinet Secretary shall by notice in the Gazette prescribe rules of procedure to be applied in respect to determination of disputes under this Act.
- Any person aggrieved by any decree, order or decision made or given under the powers vested in the Cabinet Secretary may appeal within thirty days to the High Court.

Cont'd



- What are royalties or royalty payments? A royalty payment is a payment made by one party, the licensee or franchisee to another that owns a particular asset, the licensor or franchisor for the rights to the ongoing use of the asset.
- It is made to the legal owner of the property by the person using it for purposes of generating revenue or other such desirable activities.
- Royalties are typically agreed upon as a percentage of the gross or net revenues derived from the use of that asset or a fixed price per unit sold of an item. Also there are modes and metrics of payment.
- The Act provides for the payment of royalties by a holder of mineral right to the State. The royalty payable as per the Act will be determined by the gross value of the sales. CS is to prescribe the rates

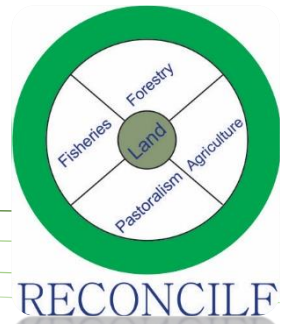
Cont'd



- The Act fails to expressly provide the precise and exact amount or percentage to be paid by the holder of a mineral right. But, the Act through section 183 provides that the Cabinet Secretary shall determine, through a regulation published in the Gazette, the royalties to be paid on the various classes of minerals.
- In ensuring that there is equitable sharing of resources between the National Government, County Government and Communities living in mining areas, the Act provides that there shall be sharing of benefits derived from the minerals. The Act even goes further and states the exact percentage to be shared as between the National Government, County Government and Communities. Section 183 (5) provides that the National Government shall be entitled to 70% of the royalties while the County Government will receive 20% and the Community will get 10% of the royalties.

“Promote policies, laws and partnerships that empower resource dependent communities”

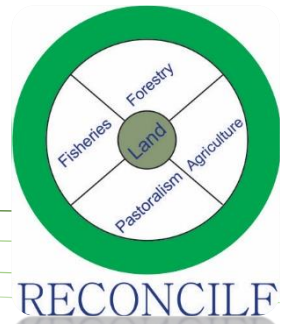
Cont'd



- What is ambiguous is the definition of community in the Act is disconcerting.
- In the Interpretation section of the Act, a community is defined as (a) a group of people living around exploration and mining operations area; or (b) a group of people who may be displaced from land intended for exploration and mining operations. The definition of the word community is worrying and as such it can be as per the Community Land Act provides.
- This law is particularly impressive mostly due the provisions which demand a social responsibility, through programs aimed at achieving technology transfer from a mineral rights holder. Corporate Social Responsibility, Technology Transfer and Impact Benefit Programs are enshrined in sections 46, 47, 49 and 50 respectively.

“Promote policies, laws and partnerships that empower resource dependent communities”

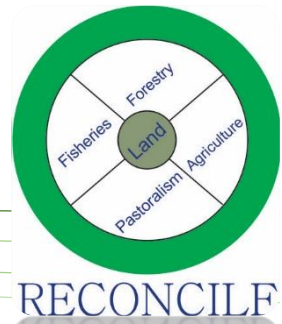
Cont'd



- The Act embraces technological advancements by providing for a computerized mining cadastre and registry system which includes an online transactional facility to enable applications for the granting and renewal of mineral rights to be submitted online.
- The Act repeals the Mining Act Cap. 306, the Trading in Unwrought Precious Metals Act Cap. 309 and the Diamond Industry Protection Act Cap. 310.
- Any Regulations made under repealed laws shall continue to be in force in so far as they are consistent with this Act until such time as they are revoked by the Cabinet Secretary.
- Any right contained in a lease, prospecting right, exclusive prospecting licence, special licence and location granted under any of the laws repealed and subsisting immediately before the commencement

“Promote policies, laws and partnerships that empower resource dependent communities”

Cont'd



of this Act, shall continue in force until expiration by passage of time.

- The holder of mineral right in respect of large scale operations as defined under this Act and relevant Regulations, shall comply with all boundary provisions of the Act and Regulations.
- The holder of any mineral right in respect of a large scale operation as defined under this Act, shall be required, not later than eighteen months following enactment of the Act and relevant regulations, to update its mine plan with regard to conditions of employment, health and safety, the management of the environment and community social investments in order to comply with provisions of the new Act and its Regulations.
- A mineral right for prospecting, mining or dealing in minerals granted

"Promote policies, laws and partnerships that empower resource dependent communities"

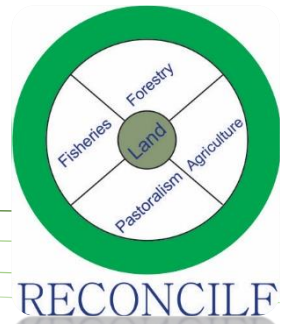
Cont'd



prior to this Act shall not be extended or renewed but where the granted Mineral Right provided a right to apply for a renewal or extension of the right, the holder of that mineral right may apply, subject to this Act for a similar type of licence or permit as provided for under this Act on a priority basis.

- Any pending applications made under the written laws shall be determined in accordance with the provisions of this Act and regulations.
- The Act also provides that mining rights under the previous law will have a transition period of eighteen (18) months.
- The first schedule provides for classification of minerals such as; Construction and industrial minerals, precious stones,

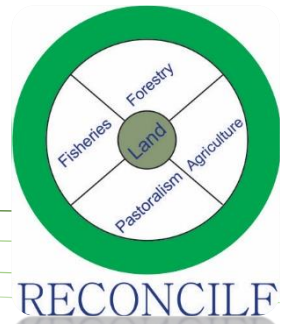
Cont'd



precious metal group, semi-precious stones group, base and rare metals group, fuel mineral group and gaseous minerals. This is in relation to section 2 which provides

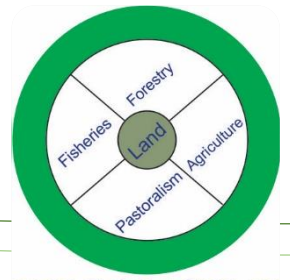
- The second schedule provides on the criteria for determining small scale prospecting and mining operations. prospecting or mining operation or a proposed prospecting or mining operation shall be classified by the Cabinet Secretary as a small scale operation for the purposes of this Act wherein the case of prospecting operations, the proposed prospecting area does not exceed twenty five contiguous blocks; or in the case of mining operations, the proposed mining area does not exceed two contiguous blocks.
- Notwithstanding paragraph (1), a prospecting or mining operation or a proposed prospecting or mining operation may also be classified as a small scale operation for the purposes of this Act wherein the case

Cont'd



of mining operations, the actual or estimated annual extraction of minerals or material bearing minerals does not exceed *25,000* cubic metres; or, the prospecting or mining operations do not employ specialised prospecting , mechanized mining technologies ,chemicals including mercury and cyanide or explosives; or, the proposed prospecting or mining operations, do not involve an investment or expenditure which exceed such amount as may be prescribed by the Cabinet Secretary.

- Proposed prospecting operations or mining operations that do not have or will not have any of the characteristics of a small scale mining operation as specified in paragraphs 1 or 2 shall be classified as a small scale operation.



RECONCILE

THE END

THANK YOU

"Promote policies, laws and partnerships that empower resource dependent communities"