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The Gazette of the Democratic Socialist Republic of Sri Lanka

අති විශේෂ EXTRAORDINARY

අංක 794/23 - 1993 නොවැම්බර් 26 වැනි සිකුරාදා - 1993.11.26

No. 794/23 - FRIDAY, NOVEMBER 26, 1993

(Published by Authority)

PART I : SECTION (I) - GENERAL

Government Notifications

L.D.-B 3/92

THE MINES AND MINERALS ACT, No. 33 OF 1992

REGULATIONS made by the Minister of Industries, Science and Technology under Section 64 read with Section 34 of the Mines and Minerals Act, No. 33 of 1992.

RANIL WICKREMASINGHE,
Minister of Industries, Science and Technology.

Colombo,
23rd November, 1993.

1. These regulations may be cited as the Mining (Licensing) Regulations, No. 1 of 1993.

Part I

LICENSING CONTROL SYSTEM

2. (1) The Sri Lanka 150,000 Agricultural Base Mapping Project Map Series or such other map series as may be approved by the Surveyor-General shall be used as the official basis for determining the registration, category and boundaries of all licences issued in respect of exploration for, mining, transportation, processing, trading in or export of minerals.

(2) A basic unit of 1,000 metres by 1,000 metres shall be the basis for determining the boundaries of all Exploration Licences for minerals and all calculation related to work expenditure and reporting requirements.

(3) The boundaries of Artisanal Mining Licences shall be determined by the demarcation of the boundaries on the ground by the use of land marks which shall be recorded and indexed through the Official Licensing Control System.

(4) The boundaries of Industrial Mining Licences shall be determined by the demarcation of the boundaries by the conduct of ground surveys and the fixing of land marks which shall be recorded and indexed through the Official Licensing Control System.

1A - CM 3777 - 2.000 (05/2004)

(5) Any dispute as to the location of boundaries shall be determined-

(a) in the case of boundaries relating to artisanal and industrial mining, by physical ground markers or ground surveys, respectively, to be established prior to the registration of the mineral title. Such markers or surveys shall be the key determinants in any subsequent investigation conducted by the officers of the Bureau.

(b) in the case of boundaries relating to Exploration Licences, by the actual ground position of the Metric Grid System as superimposed on the official maps. The applicant or licensee shall ensure that the actual desired ground areas fall within the metric grid coordinates designated by him and registered in the Official Licensing Control System.

(6) Every restricted and conditional area having an impact on mineral land access shall be complied on the official map series for purposes of proper liaison with all relevant multiple land users.

(7) Every licence boundary shall be considered to extend downward, vertically without limit and every licence area shall, where possible be rectangular in shape.

Part II

LICENSING REQUIREMENTS

3. (1) An application for, or the renewal of, an Artisanal Mining Licence shall be made at the Divisional Secretary's Office within the jurisdiction of which such artisanal mine is situated and shall substantially be in Form I hereto:

Provided however, that an application for, or the renewal of an Artisanal Mining Licence may be made to any designated officer of the Bureau in the field or at the site of an existing artisanal mining operation or at the registered office of the Bureau.

(2) Every such application for, or the renewal of, an Artisanal Mining Licence shall be accompanied by the fee prescribed by these regulations and all the documents relating to the operation.

(3) All applicants or licensees as the case may be, making an applications for or the renewal of an Artisanal Mining Licence shall designate in such application the specific mineral or minerals they wish to secure title for the purpose of artisanal mining.

(4) Upon receipt of an application for, or renewal of, an Artisanal Mining Licence together with the prescribed fee and all relevant documents, the Divisional Secretary or the designated officer of the Bureau as the case may be shall issue an official receipt therefor and forward such application the prescribed fee and all the relevant documents to the Bureau for official registration.

(5) Subject to the provisions of Section 35 of the Act, an applicant or licensee as the case may be for an Artisanal Mining Licence or the renewal thereof, may be granted an exclusive right to explore for, mine, process, trade in and export all mineral specified in the licence, within an area not exceeding ten hectares or to a depth not exceeding twenty-five metres, and the name of the applicant or the licensee, as the case may be, shall be registered by the Bureau as the Licensee in the Official Licensing Control System.

(6) An Artisanal Mining licence shall be valid for one year and may be renewed for a like period,

(7) An Artisanal Mining Licence shall not be transferred.

(8) Where a dispute arises after the registrations of an applicant as the licensee, in the Official Licensing Control System, the Director shall before the grant of such licence, communicate to the applicant and the other parties to the dispute the issues causing such dispute, by registered post. The Director shall after hearing all parties to the said dispute issue or refuse to issue the licence to the applicant.

(9) The Bureau may issue simultaneous or subsequent Artisanal Mining Licences to more than one applicant for the mining of different minerals within the same licence area, only in exceptional circumstances.

Provided however that where simultaneous applications are received from more than one applicant the Bureau shall require the applicants to enter into an agreement in writing, prior to the registration of more than one licence, in the Official Licensing Control System:

Provided further that where a subsequent application is received from a new applicant, the Bureau shall require an agreement in writing between the original licensee and the new applicant prior to the registration of such new applicant as a licensee in the official Licensing Control system.

4. (1) (a) An application for an Exploration Licence shall be made in person by an applicant or his authorized agent only at the Office of the Bureau in Colombo and shall substantially be in Form 2.1 hereto.

(b) An application for the renewal or the surrender of an Exploration Licence shall substantially be in Form 2.2 hereto.

(2) An Exploration Licence shall grant the applicant the exclusive right to explore for all mineral categories authorized by the licence, and with the special approval as stated in Regulation 32, process, trade in and export restricted amounts of such minerals.

(3) The minimum area of exploration permitted in respect of an exploration Licence shall be one square kilometre in one basic metric grid unit and the maximum area of exploration permitted shall be one hundred square kilometres in one hundred metric grid units.

(4) An Applicant for an Exploration Licence shall in his application define the area sought to be explored by listing each square kilometre metric grid until by its unique identification number. The identification system shall substantially be in Form 2.3 hereto.

(5) Every such application for an Exploration Licence and the renewal of an Exploration Licence shall be accompanied by the fee prescribed by these regulations and all the documents relating to the operation.

(6) An applicant may apply for any number of Exploration Licences.

(7) Upon receipt of an application for an Exploration Licence under paragraph (1) the Bureau shall issue an official receipt therefore to the applicant and thereupon the licence area shall be marked in the Official Licensing Control System as 'PENDING'. The Bureau shall not consider any other application for exploration of the said licence area during the period of confirmation by the officers of the Bureau of the documents forwarded by the applicant.

(8) The officers of the Bureau shall complete the scrutinization of the information provided in the application for an Exploration Licence within a period of thirty days of the receipt of such application and may call for any additional information or documents, if necessary.

(9) Upon the completion of the scrutinization of the information and documents referred to in paragraph (8) the Bureau may either approve or reject the application. If the application is approved, the Bureau shall notify the applicant in writing of such approval and grant an Exploration Licence to the applicant. Such licence shall thereupon be deemed to be in operation from the date of such approval and shall be renewable every two years. If the application is rejected the Bureau shall notify the applicant in writing of such rejection and the applicant may prefer an appeal against the decision of the Bureau rejecting his application, in the manner set out in Section 39 of the Act.

(10) The holder of an Exploration Licence shall perform, or cause to be performed, such technical work as is specified in part III hereof. All such technical work shall be documented and submitted for approval to the Bureau before the end of every two years for renewal. The annual minimum value of acceptable technical work performed shall be-

<i>During year</i>	<i>Rs. per sq. km. per year</i>
	<i>Rs. c.</i>
1 and 2	4,000 0
3 and 4	6,000 0
5 and 6	12,000 0
7 and 8	24,000 0
9 and 10	48,000 0

(11) All technical work in excess of the annual minimum value performed by the holder of an Exploration Licence may, if submitted within the two years term during which work was conducted, be carried forward to be credited to the next two years, upon an application being made for the renewal of such Exploration Licence.

(12) Where the total of acceptable technical work credits are insufficient to maintain title to the licence area, a non-refundable deficiency cash payment shall be made, upon an application being made for the renewal of such Exploration Licence. Such deficiency cash payment may only be made once in every four years of the tenure of the Exploration Licensee.

(13) The licensee may relinquish any part of the licence area on or prior to the date on which the two year period of the Exploration licence expires. At that time, all acceptable technical work conducted and expenditures incurred on units of the original licence may be applied to the remaining units selected for renewal by the licensee.

(14) Subject to the maximum area restriction, referred to in paragraph (3) of this regulation, the licensee may add additional contiguous units to an existing Exploration Licence, by a direct application for amendment and the payment of the additional registration fee.

5. (1) (a) An application for an industrial Mining Licence shall be made in person by the holder of an Exploration Licence, in respect of the area for which an Exploration Licence has been granted to him at the Registered Office of the Bureau and shall substantially be in Form 3:1 hereto.

(b) An application for the renewal or the surrender of an Industrial Mining licence shall substantially be in Form 3:2 hereto.

(c) An application for the transfer or inheritance of an Industrial Mining licence or to give such Industrial Mining Licence as security for any encumbrance shall substantially be in Form 3:3 hereto.

(2) The area in respect of which an application for an Industrial Mining Licence is made shall be within a registered Exploration Licence area, with the exception of the interim period specified in regulation 38.

(3) The area covered by an Industrial Mining licence shall comprise the area of the deposit and such additional area as may be required for plant, equipment and as waste management area and other installations essential to the mining operation.

(4) (a) An Industrial mining Licence shall be valid for such period as may be determined by the Bureau, based on the documentation of mineral reserves established by the Economic Viability Report.

(b) The holder of an Industrial Mining licence shall have the exclusive right of renew the licence for such period as may be determined by the Bureau, having regard to the documents submitted by such holder of the available reserves and commercial production thereof.

(5) Every such application for an Industrial mining Licence, the renewal, transfer or inheritance of an Industrial Mining Licence and an application to give such Industrial Mining Licence as security for any encumbrance shall be accompanied by the fee prescribed by these regulations and all documents relating to the operation, including the documents referred to in regulation 13 hereof.

(6) An Industrial Mining Licence shall grant the applicant, the exclusive right to explore for, mine, process, trade in and export all minerals mined within the area specified in such licence.

(7) The licensee shall within a period of two years of the granting of an Industrial Mining Licence by the Bureau commence commercial production, as defined in the approved Economic Viability Report, unless an extension has been allowed by the Bureau. Any licensee who fails to commence commercial production within the said period of two years or within such extended period as may be allowed by the Bureau shall be liable to have the Industrial Mining Licence granted to him terminated or reverted to that of an Exploration licence, by the Bureau.

6. (1) (a) An application for a Trading Licence shall be made by an applicant at the Registered Office of the Bureau and shall substantially be in Form 4:1 hereto.

(b) An application for the renewal or surrender of a Trading Licence shall substantially be in Form 4:2 hereto.

(2) Every such application for a Trading Licence or the renewal thereof shall be accompanied by the fee prescribed by these regulations and such other documents as may be required by the Bureau.

(3) Upon receipt of an application for a Trading Licence or the renewal thereof, the Bureau shall issue an official receipt therefor, to the applicant or licensee, as the case may be, and the Bureau may upon the completion of the scrutinization of the information stated in the respective Forms and the documents furnished by the applicant or the licensee, as the case may be, either approve or reject the application. If the application is approved the Bureau shall notify the applicant or licensee, as the case may be, in writing of such approval and grant a Trading Licence to the applicant or renew the Trading Licence.

(4) A Trading Licence shall grant the licensee the non-exclusive right to purchase, store, process, trade in and with the special authorization of the Director, to export minerals in respect of which the licence is issued.

(5) A Trading Licence shall be valid for such period as may be determined by the Bureau and shall not be transferable.

(6) The holder of a Trading Licence may for the purpose of purchasing, and processing of Minerals, enter and occupy the area specified in such licence, but shall not interfere with the mining activities conducted within such area.

(7) (1) A licence to explore for, mine, process, trade in or export reserved minerals, may with the approval of the Minister and any other relevant Minister, be granted by the Bureau.

(2) Subject to the provisions of paragraph (1), an application for a licence to explore for, mine, process, trade in or export reserved minerals or the renewal of a licence to mine reserved minerals shall substantially be in Form 5 hereto.

(3) Every such application for a licence for reserved minerals or the renewal thereof shall be accompanied by the fee prescribed by these regulations and such other documents as may be required by the Bureau.

8. (1) Pursuant to Section 33 of the Act, all known areas of geothermal energy potential are reserved from normal licensing procedures.

(2) A special application for a Geothermal Deposit Licence shall substantially be in Form 6 hereto.

(9) (1) (a) An application for a Transport Licence shall be made in person by a licensee or an applicant or his authorized agent at the Registered Office of the Bureau or at the Divisional Secretary's office within the jurisdiction of which the mineral bearing substances or minerals are situated and shall substantially be in Form 7 hereto.

(b) A Transport Licence to transport mineral bearing substances or minerals shall be issued for such quantity and period and for such minerals as may be specified in such licence. All Exploration, Mining and Trading licensees shall require a Transport Licence to transport mineral bearing substances or minerals.

(c) A Transport Licence shall only be issued to transport mineral bearing substances or minerals from licensees having a valid licence issued under the Act.

(2) A Transport Licence shall grant the licensee the right to transport mineral bearing substances or minerals subject to such terms and conditions as may be specified in the licence.

(10) (1) Special negotiations in the form of an Investment Agreement may be conducted by the Secretary with any private sector proponent or participant, with regard to the terms and condition of and the supplementary rights and obligations under such agreement.

(2) Every such Investment Agreement may, *ineralia*, contain the following provisions:

- (a) Participation Provisions,
- (b) Venture Capital Incentives,
- (c) Mine Financing Provisions,
- (d) Revenue, Expenditure and Currency Provisions,
- (e) Taxation and Duties Provisions,
- (f) Foreign Exchange and Remittance Provisions,
- (g) Management and Control of Operations,
- (h) Insurance and Indemnity Provisions,
- (i) Employment, Training and Local Supplier's Programmes,
- (j) Infrastructure and Construction Provisions,
- (k) Smelting, Refining and other Value-Added Treatment of mineral commodities,
- (l) Export Incentives,
- (m) Amendment, Termination and Force Majeure Provisions,
- (n) Dispute and Appeal Mechanisms,
- (o) Treaty Protection for Foreign Investment,
- (p) Any other relevant issues as may be agreed between the Secretary and the private sector proponent/participant.

(3) The Bureau shall be the coordinating agency with regard to negotiations and the signing of Investment Agreements between the Secretary and such private sector proponent/participant.

Part III

REPORTING REQUIREMENTS

11. (1) All technical work submitted to be credited in the renewal of an Exploration Licence shall contain such particulars, plans and maps as are specified on Form 8 hereto.

(2) Reports of such technical work shall be submitted to and approved by the Bureau prior to the date of the expiry of the Exploration Licence, namely before the end of the second, fourth, sixth and eighth year.

12. An advanced Exploration Restoration Plan containing such particulars, plans and maps as are specified in Form 9 hereto shall be submitted to the Bureau by the holder of an Exploration Licence and approved by the Bureau prior to the commencement of any advanced exploration activities.

13. (1) An application for an Industrial Mining Licence shall be accompanied by-

- (a) an Economic Viability Report containing such particulars, plans and maps as are specified in Form 10 hereto; and
- (b) a Mine Restoration Plan containing such particulars as are specified in Form 10 hereto and approved by the Bureau prior to granting of the Industrial Mining Licence.

(2) The holder of an Industrial Mining Licence shall, for the purpose of carrying on the activities under such licence, maintain a comprehensive mine information summary containing such particulars as are specified in Form 11 hereto and this summary shall be submitted by such holder to the Bureau within fifteen days after the end of each quarter.

(3) The holder of an Industrial Mining Licence shall give notice of any "change of ownership" or "the cessation of mining activities" to the Secretary at least ninety days prior to such change or cessation and the approval of the Secretary obtained therefor.

14. The holder of an Artisanal Mining Licence shall maintain substantially in Form 12 hereto, an accurate log of all minerals extracted, transported, processed and traded in by him and such log shall on demand be made available for inspection by any officer authorized by the Bureau. Such log shall be totalled and submitted to the Bureau annually and shall be a necessary document to be submitted to the Bureau, when an application is made by the licensee for the renewal of the Licence.

15. The holder of a Trading licence shall maintain substantially in Form 13 hereto, an accurate log of all minerals purchased, removed, transported, sold and where authorized, exported, for the purpose of the payment of royalty on such minerals.

16. All licensees shall be responsible for the timely revision and updating of any of the information stated by them in the reports, plans summaries, logs and notices submitted to the Bureau.

17. (1) The confidentiality period for Exploration Licence Technical Work Reports shall be two years from the date of submission of such reports to the Bureau.

(2) All information submitted in reports, plans, summaries, logs and notices during the term of an Artisanal Mining or an Industrial Mining Licence or a Trading Licence shall remain confidential until the termination of any such licence, or unless the Bureau receives permission in writing from the licensee to allow public disclosure, of such information:

Provided however that-

- (a) The Bureau may compile and publish relevant consolidated statistics relating to an Artisanal Mining, Industrial Mining activity or a Trading activity;
- (b) Such obligation of confidentiality shall not apply to information disclosed to a third party or otherwise placed in the public domain, by the licensee.

18. A licensee may use either of the official languages or its link language for any reporting to, or other correspondence with, the Bureau.

Part IV

CONDUCT OF MINING OPERATIONS

19. The holder of an Exploration Licence shall -

- (a) where the Bureau deems it necessary, execute a Site Restoration Bond guaranteeing that finances will be available for the purpose of the restoration or rehabilitation of the land to which such licence relates;
- (b) restore any area of minor ground disturbance resulting from such exploration activities, to a satisfactory condition;
- (c) where the Bureau determines that any such ground disturbance has not being restored to a satisfactory condition, pay compensation to the legitimate owners of the land for any such disturbances, in such amount as may be determined by the Bureau;

20. The holder of an Artisanal Mining Licence shall -

- (a) ensure that adequate sanitation facilities in the form of non-contaminating latrines are provided in such manner as may be directed by the Medical Officer of Health of the area in which such mining activities are being conducted;
- (b) provide and maintain a supply of water fit for drinking and for washing to the employees engaged in such mining activity;
- (c) ensure that all chemicals and other poisonous substances used in the treatment process of mining are handled in accordance with such standards relating to safety, as may be specified by the officers of the Bureau;

- (d) ensure that all areas covered by the mining operation are maintained in a clean and organized manner;
- (e) ensure the disposal of all waste and refuse produced as a result of the mining operation; and
- (f) comply with such standards and procedures as are prescribed for the carrying out of mining activities by any law for the time being, and particularly with respect to water quality, water course diversion, stream erosion, excess siltation, site restoration and undue interference with existing agriculture, fishing and with other aspects of land or water use;
- (g) comply with the provisions of any law for the time being relating to health and safety of all employees engaged in such mining activity.

21. The holder of an Industrial Mining Licence shall-

- (a) ensure that all plant and machinery used in connection with the working of any mine shall be of good design, sound construction, suitable material and are properly maintained in accordance with such standards as are specified by the Bureau;
- (b) ensure that protective measures are taken to maintain safe access to and from all places of work, proper control of all mineral and rock materials, both excavated and in place, and that effective rules and procedures relating to ventilation, fires, flooding, electrical hazards, use of explosives and mine secure operations are being followed;
- (c) provide such additional monitoring control as determined by the Bureau, where the magnitude of the operation and the number of employees of any mine warrant the provision of such additional monitoring control;
- (d) where the magnitude of the operation warrants, establish a Safety and Health Committee consisting of representatives of the licensee and an equal number of representatives of the workers of the mine;
- (e) provide and maintain at a convenient and central location on the premises of the mine, a properly equipped first aid station and appoint a qualified member of the permanent staff, to be on call in the event of an emergency; provided that the Bureau may require the holder of an Industrial Mining Licence to provide and maintain a more extensive and permanent medical facility centre, where the Bureau determines that the magnitude of the mining operation and the number of workers employed therein, warrant the provision of such a centre;
- (f) ensure that no permanent damage is caused to the surrounding environment by the pollution of the atmosphere, soil, surface water or underground water before, during and upon completion of such mining operation.
- (g) furnish to the Bureau a report regarding the environmental impact of the mining operation, substantially in Form 10 hereto.

22. The holder of a licence under the Act shall furnish to the Bureau a report regarding any accident which causes the death or serious injury to any person., within forty-eight hours of the occurrence of such accident.

23. (1) The licensee, shall appoint a qualified and competent Mine Manager and such number of supervisory officials as may be necessary for the management, technical direction and daily personnel supervision of the mine and the workers employed therein.

(2) The Bureau may appoint such number of officers of the Bureau or authorized persons to enter into any land, mine or other premises in respect of which a licence has been issued under the Act, for the purpose or carrying out investigations as to whether mining operations are being carried out in accordance with any licence issued under the Act; the inspection and examination of all plant, machinery, workings and methods, books of account, logs, plans and other documents and the taking of copies or extracts therefrom which may have a bearing on the health, safety and environmental issues connected with the mining operation.

24. The holder of a Trading licence shall be responsible for the health, safety as well as, other acts or omissions of his employees, agents and contractors and environmental impacts in connection with the trading activities relating to the mining operations.

25. (1) The holder of an Exploration Artisanal Mining or Trading Licence shall with the consent of the owner or occupier of the land to which such licence relates have the right to enter and possess the area of the land specified in his licence and may undertake such mining operations or trading activities authorized pursuant to his licence but shall avoid interference with the surface owner or occupier of such land or the holder of any other licence in respect of such land and avoid damage to their personal property.

(2) The holder of an Industrial Mining Licence shall have the right to enter and possess the area of land specified in his licence and such additional area of land outside the area of land specified in his licence as is necessary for his mining operations where the surface owner or occupant of such additional area of land has expressed his consent by agreement in writing or has been required by the Bureau to allow the holder access to such land and leave to carry out thereon the activities authorized by such licence.

(3) The Bureau may grant an easement of an area outside the area of land specified in an Industrial Mining Licence, subject to the terms and conditions of an agreement to be entered into between the landowner, the Bureau and any other relevant Ministry and the holder of such licence.

26. Where the Minister acquires any land on behalf of the holder of any mining licence under Section 61(3) of the Act, such holder shall indemnify the surface owner, occupant or any long-term lessee of such land, at such rate based on the market value of such land on the date of acquisition and the cost of relocation of such owner, occupier or lessee, as the case may be, on another land.

27. (1) The holder of any mining licence or a Trading Licence may take and use water necessary for mining operations or trading activities, subject to the approval of the Minister in charge of the subject of land;

Provided however, that the holder of any such licence shall -

- (a) not impair the rights of riparian owners or other consumers of such water;
- (b) pay any fees that may be imposed by any law in respect of the use of such water; and
- (c) take all measures to ensure that water thus used are restored to the level of their original quality and that such use is in conformity with the standards and procedures prescribed by the National Environmental Act, No. 47 of 1980.

(2) A licensee may take and use for the purpose of mining operations or trading activities such timber as may be necessary, subject to the approval of the Minister in-charge of the subject of lands;

Provided however that the licensee shall -

- (a) pay any fees that may be imposed by any law in respect of the use of such timber; and
- (b) take all measures to ensure that such use is in conformity with the standards and procedures prescribed by the National Environmental Act, No. 47 of 1980.

28. The holder of any mining licence may, subject to the provisions of any written law, grow crops and raise livestock in the area specified in his licence for his personal consumption or the consumption of his employees, agents and contractors.

29. (1) The holder of any mining licence may design, erect, install, maintain and repair any plant, machinery and equipment and construct buildings in conformity with any written law applicable thereto.

(2) The holder of an Exploration, Artisanal Mining or Trading Licence may erect camps or other temporary buildings and provide other temporary facilities within the area specified in the licence and shall remove all such camps, buildings or facilities prior to the surrender of such area on which such camps, buildings or facilities are located, at the termination of his licence.

(3) The Holder of an Industrial Mining Licence may erect and install temporary and permanent camps, plant, equipment, machinery, buildings and other facilities and infrastructure within the area specified in his licence and, to the extent approved, outside the area specified in his licence but all such camps, equipment, machinery, buildings, facilities infrastructure shall be removed prior to the surrender of such area on which such camps, equipment, machinery, buildings, facilities or infrastructure are located at the termination of his licence, upon such terms and conditions as the licensee and the Bureau may agree.

30. Where the holder of licence is required, pursuant to Section 54 of the Act, to allow the State or the Bureau to use his infrastructure, the holder shall be entitled to the payment of compensation, on an equitable basis taking into account the useful life of such infrastructure, the costs in respect thereof and the duration of the licence concerned.

31. The Secretary may request a holder of an Industrial Mining Licence to consider the construction and operation of facilities relating to mining operations, including processing, smelting, refining or other treatment with other persons, in order to maximize the economic benefits to the Republic and to the persons concerned.

Part V

ROYALTIES

32. (1) Pursuant to Section 44 of the Act, royalties shall be payable in respect of all minerals mined, processed or otherwise acquired under the authority of an Exploration, Mining or Trading Licence, by the following persons:

- (a) A holder of a Mining Licence who mines and/or processes minerals prior to sale, or who exports minerals produced in a processed or unprocessed state, or incorporates such minerals into semi-finished or finished products, or consumes such minerals;
- (b) A holder of a Trading Licence who purchases minerals, which have not been processed, from another licensee and processes such minerals prior to the sale thereof;
- (c) A holder of an Exploration Licence who with the approval in writing of the Secretary removes and sells minerals for cash-flow purposes, in association with an approved advanced exploration programme.

(2) Every Holder of a licence referred to in paragraph (1) and maintain specific books of account of the minerals or mineral-bearing substances taken from a mine, showing -

- (a) the quantities of material extracted with a chronological record of all mineral extraction activity;
- (b) the sale records from mill or other processing plants or holders of Trading Licences;
- (c) all other facts and circumstances necessary for the purpose of ascertaining the amount of royalties payable.

33. (1) For the purpose of calculating royalty and the payment thereof as is specified in Forms 13 and 14 hereto, the value of the output of a mine over any period, shall be -

- (a) the actual market value of the output, as determined from the sales records; or
- (b) where there is no clear means of ascertaining the actual market value or where there is no established market price, the amount determined by the Director, as representing the value of the output, less the prorated deductions permitted in Form 14 hereto.

(2) On or before the twentieth day of the fourth month following the end of each calendar year, each licensee liable to pay royalties shall deliver to the Director a detailed quarterly statement in Form 14 hereto along with the payment of the royalties as calculated. Royalties shall be paid to the Director and where there is default in the payment of such royalties, interest shall be paid thereon, at such rate as may be determined by the Bureau from time to time, until payment in full.

(3) Royalties from sales or determined market value of mine output, shall be as a percentage of that value, as follows :

Precious metals	-	4 per cent
Industrial minerals (not exported)	-	3 per cent
Industrial minerals (exported)	-	4 per cent
Building materials.	-	1 per cent
Dimension stone (exported)	-	4 per cent
Base and other metals.	-	3 per cent

(4) Additional clarification of market values of mine output, allowable deduction and/or royalty payment arrangements may be negotiated within the framework of an Investment Agreement.

Part VI

REGISTRATION FEES AND RENTALS

34. (1) Registration fees payable pursuant to Section 44 of the Act shall be calculated in the following manner :

	<i>Rupees</i>
Issuance and annual renewal of an Artisanal Mining Licence	1,000/ha.
Issuance of an Exploration Licence for first 50 sq. km. area	1000/sq. km.
For next 50 sq. km. area	1,500/sq. km.
Renewal of Exploration licence :	
First renewal	1,000/sq.km./year
(end of Year 2)	
Second renewal	1,000/sq.km./year
(end of Year 4)	
Third renewal	2,000/sq.km./year
(end of Year 6)	
Fourth (final) renewal	3,000/sq.km./year
(end of year 8)	
Issuance and renewal of Industrial Mining Licence	2,000 per ha.
Issuance and annual renewal of Reserved Minerals Licence	2,000/ ha.
Issuance and renewal of Trading Licence	5,000/ year
Issuance of Transport Licence	50
For registration of all documents and transactions affecting the title of a Licence	5,000
For every search of any document relating to mineral title	100
For every copy of any licence or other documents affecting title	40/page
For miscellaneous services not listed, such amount as may be fixed in each case	-

(2) All such fees shall be payable at the time of filling the respective applications.

35. (1) The annual area rentals payable shall be calculated in the following manner :

	<i>Rupees</i>
Rental on Industrial Mining Licence area	3,000/ ha./ year
Rental on Artisanal Mining Licence area	1,000/ha./year
Rental on Special Licence area	1,000/ha./year

(2) Area rentals shall be paid annually.

36. (1) Pursuant to regulation 4 (ii) of these regulation, payment in lieu of acceptable technical word credits for the renewal of an exploration Licence shall be calculated in the following manner :

<i>For Years</i>	<i>Rupees/sq.km./year</i>
1 to 4 (one year only)	4,000
4 to 8 (One year only)	24,000
9 and 10 (One year Only)	48,000

(2) Such payments shall be made at the time of renewal of an Exploration Licence after any given two year term.

Part VII

GENERAL

37. The compensation payable to a surface owner or occupant in respect of a licence area may include a surface rental, disturbance fee or a purchase agreement relating to such licence area. The nature and amount of such payments and their calculation shall be submitted to and approved by the Director. In the calculation of such compensation, no account shall be taken of the value of any minerals present in or on the land affected.

38. (1) (a) Any person carrying on mining activities without the authority of a licence issued in that behalf under the provisions of the Mines and Minerals Law, No. 4 of 1973, shall within a period of six months from the coming into operation of these regulations, apply to the Bureau for a licence under the provisions of the Act.

(b) The Bureau shall in the issue of a licence to any such person have regard to the fact that -

- (i) he is the legitimate operator of such mining activity; and
- (ii) no other person holds a licence under the Mines and Minerals Law, No. 4 of 1973 for the area in respect of which an application for a licence is made under the Act.

(2) All persons holding a valid licence in accordance with the Mines and Minerals Law, No. 4 of 1973, shall be issued without having to pay any registration fee, a new licence in accordance with the Act and these regulations, upon furnishing the information required in the appropriate application form. The licensee shall not be required to pay any rental charges in respect of the first year of the new licence.

(3) The provisions relating to the grant of an Artisanal Mining Licence contained in these regulations shall, during a period of six months after the coming in to operation of these regulations, be deemed to be interim, to enable the settlement of any dispute connected with the possession of the mine to which such licence relates. If there be no dispute in connection with the possession of such mine or any existing dispute connected with the mine has been settled, the Bureau shall grant a licence in respect of such mine after the expiry of the said interim period.

(4) The Bureau may, in the case of an application for an Industrial Mining Licence dispense with the registered Exploraion Licence area requirement as set out in regulation 5(2), during the interim period referred to in paragraph (3) of this regulation.

39. The Secretary may with the concurrence of the State Gem Corporation, cause any land within an area under the authority of the State Gem Corporation to be either transferred to the authority of the Bureau or exploited for other minerals under co-operative agreement, for the purpose of maximizing the full economic potential of the minerals of such land for the benefit of the Republic.

40. Any royalty, fee, rental or other money in default shall be a first charge upon any mineral mined by, or other mineral bearing substances of, the license and shall rank in priority to any lien or encumbrance created *bona fide* for value prior to the date of such default.

41. Every licensee shall immediately notify the Bureau when radioactive minerals are discovered and such licensee shall have the first right to negotiate with the Bureau respecting the terms and conditions under which a Reserved Minerals Licence may be issued by the Bureau to explore for, mine, transport, process, trade in or export, such radioactive minerals.

42. In these Regulations -

“Act” means the Mines and Minerals Act, No. 33 of 1992 ;

“advanced exploration” means the excavation of exploratory shafts, adits or declines, the digging of test pits, and the associated removal of mineral bearing substances for bulk testing from an exploration or mining licence area; the installation of pilot mill or plant facilities for testing purposes or any other significant ground disturbance conducted to determine the economic viability of a deposit ;

“artisanal mining” means placer operations performed in loose, unconsolidated material whereby earth, soil, sand, gravel, or stones are removed, washed, shifted or otherwise dealt with by equipment such as shovels, picks, spades, crowbars, ropes, buckets; or surficial pits and quarries arising out of excavating either loose unconsolidated material or consolidated bedrock with mainly non-power driven equipment, for the purpose of obtaining minerals or mineral concentrations ;

“base and other minerals” means iron, nickel, chromium, copper, lead, zinc and rare earth minerals ;

“building materials” include, brick, tile and cement clay, sand, gravel, laterite, limestone, dolomite, marble, shale, stone, aggregate and dimension stone ;

“Bureau”, “Director” and “Secretary” shall have the respective meanings assigned to them by the Act ;

“environmental impact” means the consideration and evaluation of all biological, physical, social, economic and cultural aspects that may be directly affected in consequence of the conduct of mining operations ;

“industrial minerals” means ilmenite, zircon, rutile, monazite, coral, shell beds, graphite, ball clay, ceramic clay, kaolin, mica, feldspar, limestone, salt, gypsum, ochre, glass and quartz, garnet, sillimanite, calcite, allanite, fluorspar, serpentinite, apatite, magnetite, magnesite, peat, dolomite, and wollastonite ;

“mining operations” means all such activities conducted within any licence area as are deemed necessary for the purposes of the licence ;

“precious metals” means gold, silver and platinum group metals ;

“restore” means to take specific protective measures to treat all lands on which mining operations have been conducted so that -

- (a) during the continuance of the mining operations, highest priority has been given for the prevention of injury to persons and damage to property ; and
- (b) upon termination of such mining operations, all land is rehabilitated to its former use or made suitable for a use that ensures safety and reactivation of environmentally acceptable practices ; and

“Restoration Plan” means a plan prepared for the restoration of mining operations, and which contains provisions for guarantees for the completion of all work connected with the rehabilitation of the land.

ARTISANAL MINING LICENCE

APPLICATION/RENEWAL

1. Name of Applicant in full: _____.
2. Address:
 - (a) Individual: _____.
 - (b) Company: _____.
 - (c) Partnership: _____.
3. Licence area location map: _____.
(Attach acceptable description of area requested and location boundaries along with details thereof)
 - (a) Grama Niladhari Division: _____.
 - (b) Divisional Secretary's Division: _____.
4. Type of Artisanal Mining Operation: -.
 - (a) Placer: _____, (b) Surficial Pit: _____, (c) Surficial Quarry: _____.
5. Name of Mineral/s to be mined: _____.
6. Have you been issued a Mining Licence earlier for the above location: _____.
 (a) If so, Mining Licence No.: _____.
 (b) Period of validity: _____.

FOR ANNUAL RENEWALS

7. Details of Artisanal Operations carried out:
 - (a) Number of days of Operation: _____.
 - (b) Amount of material removed in active mining area/s: _____.
 - (c) Amount of minerals extracted/concentrated from licence area pit/quarry: _____.
 - (d) Amount of Royalty paid: _____.
8. Licence fee receipt (attach): _____.

I, the undersigned, do hereby certify that the statements, contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Signature.

Date: _____.

Artisanal Mining Licence No.: _____.

Period of Validity: _____.

Authorizing Officer: _____.

Royalty Payable: _____.

(Bureau/Site): _____.

Signature: _____.

Administrative Region: _____.

Date: _____.

EXPLORATION LICENCE

APPLICATION

1. Individual:

- (a) Name of Applicant / Authorized Agent: _____,
(b) Address: _____,
(c) Nationality: _____,
(d) Profession: _____,
(e) In Sri Lanka:
(i) Place of Business: _____,
(ii) Residence: _____.

2. Corporation:

- (a) Name of Company / Partnership: _____,
(b) Country of Incorporation: _____,
(c) Head Office/Principal Place of Business: _____,
(d) In Sri Lanka - Address of Registered Company/Agent: _____,
(e) Legal/Financial Data:
(i) Capitalization: _____,
(ii) Articles of Association (attach): _____,
(iii) Last three years Annual Reports (attach): _____.

3. Name of Mineral categories sought to be explored: _____.

4. Technical / Professional Data:-

- (a) Metric designation of area requested (attach 1: 50,000 Location map and metric unit identification Form 2-4): _____,
(b) Professional / Technical credentials of project team (attach): _____.

5. Licence fee receipt (attach): _____.

I, the undersigned, do hereby certify that the statements, contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Signature
(Project Manager/Applicant).

Date: _____.

6. Official Receipt/Pending Licence:

- (a) Authorizing Officer (Bureau/Divisional Secretary): _____,
(b) Name: _____,
(c) Signature: _____.

Scrutinization

(to be completed within 30 days from date of application receipt)

Whether application is approved/rejected: _____.

Exploration Licence No.: _____.

Exploration area permitted: _____.

Authorizing Officer: _____.

Name: _____.

Signature: _____.

Date: _____.

EXPLORATION LICENCE
APPLICATION FOR RENEWAL.

(To be completed at least 60 days prior to the date of expiry of each of year term).

1. Licence No.: _____.
2. Terms of Renewal;
First: _____, Second: _____, Third: _____, Final: _____.
3. (a) Individual ;
 - (i) Name of Applicant/Authorised Agent: _____.
 - (ii) Address: _____.
 - (iii) Nationality: _____.
 - (iv) Profession: _____.
 - (v) In Sri Lanka:
 - (a) Place of Business: _____.
 - (b) Residence: _____.
- (b) Coporation:
 - (i) Name of Company / Partnership: _____.
 - (ii) Country of Incorporation: _____.
 - (iii) Head Office / Principal Place of Business: _____.
 - (iv) In Sri Lanka - Address of Registered Company / Agent: _____.
 - (v) Legal / Financial Data:
 - (a) Capitalization: _____.
 - (b) Articles of Association (attach): _____.
 - (c) Last three years Annual Reports (attach): _____.
4. Technical / Professional Data:
 - (a) Metric designation of area requested (attach 1:50,000 Location map and metric unit identification Form 2-4) : _____.
 - (b) Professional / Technical credentials of Project team (attach): _____.
5. Technical work report (attach): _____.
6. Work Expenditure: _____
 - (i) Metric designation of revised area in relation to existing area (attach Form 2-5) : _____.
 - (ii) Professional/Technical credentials of Project team (attach): _____.
 - (iii) (a) Amount approved from report: _____.
 - (b) Amount required to retain title to units requested: _____.
 - (c) Credits available: _____.
 - (d) Total value of credits available: _____.
 - (e) Credits carried forward: _____.
 - (f) Deficiency cash payment made where credits are insufficient: _____.
7. Licence fee receipt: _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Mineralas Act, No. 33 of 1992 and the Regulations made thereunder.

Signature
(Project Manager / Applicant)

Date: _____.

Whether renewal is approved / rejected: _____.

Exploration are a permitted: _____.

Director: _____.

Date: _____.

Seconder

All terms and conditions of the licence have been satisfied.

Director: _____.

Date: _____.

(Regulation 4(3)).

Form 2.3.

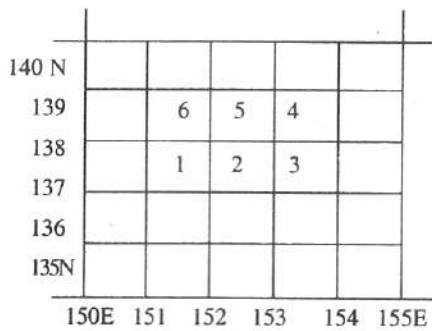
EXPLORATION LICENCE AREA

METRIC GRID UNIT IDENTIFICATION SYSTEM

1. All ABMP 1:50,000 sheets have metric grid coordinates superimposed at five (5) kilometre intervals. The Bureau's Official Licence Control System has overlays designating the Twenty-five (25) one square kilometre (100 ha) units within each 5 km. by 5 km. block.

2. It is the sole responsibility of the applicant/licensee to confirm the ground truth of all metric coordinates establishing the boundaries of the licence area.

3. Each unit shall be uniquely defined by a six digit number as illustrated in the following example:



Metric Unit Identification No.	
1	151137*
2	152137
3	153137
4	153138
5	152138
6	151138

* This represent the one square kilometre unit whose South-West corner intersect line 151E and line 137N.

4. Designated Exploration licence area. (to be attached to Forms 2-1 and 2-2, where applicable)

Unit	Office	Requested	Status

INDUSTRIAL MINING LICENCE

APPLICATION

1. Exploration Licence No. (Where applicable): _____.
2. Individual:
 - (a) Name of Applicant/Authorized Agent: _____.
 - (b) Address: _____.
 - (c) Nationality: _____.
 - (d) Profession: _____.
 - (e) In Sri Lanka:
 - (i) Place of Business: _____.
 - (ii) Residence: _____.
3. Corporation (if Exploration Licensee, update of Form 2.1)
 - (a) Name of Company/Partnership: _____.
 - (b) Country of Incorporation: _____.
 - (c) Head Office/Principal place of Business: _____.
 - (d) In Sri Lanka-Address of Registered Company / Agent: _____.
 - (e) Legal / Financial Data:
 - (i) Capitalization: _____.
 - (ii) Articles of Association (attach): _____.
 - (iii) Last three years Annual Reports (attach): _____.
4. Technical / Professional Data:
 - (a) Licensed boundary survey (also attach 1: 50,000 location map and metric unit identification Form 2.3): _____.
 - (b) Professional / Technical credentials of Project team (attach): _____.
 - (c) Economic Viability Report as specified in Form 10 (attach): _____.
5. Licence fee receipt (attach): _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Signature
(Mine Manager).

Date: _____.

Industrial Mining Licence No. : _____.
Period of Validity : _____.
Royalty Payable : _____.
Authorization by Director : _____.

Signature
(Director).

Date: _____.

INDUSTRIAL MINING LICENCE

RENEWAL

(to be completed at least 90 days prior to the date of expiry)

1. Licence No.: _____
2. Terms of Renewal :
First : _____, Second : _____, Third : _____, Fourth : _____, Others : _____
3. Proof of continuing economic viability as specified in Form 10 : _____
4. Licence fee receipt (attach) : _____

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Signature
(Mine Manager).

Renewal approved :

Period of Validity : _____

Royalty Payable : _____

Authorization by Director : _____

Date : _____

Signature
(Director).

SURRENDER

All terms and conditions of the licence have been satisfied.

Director : _____

Date : _____

INDUSTRIAL MINING LICENCE
(i) APPLICATION FOR TRANSFER

1. Licence No.: _____.
2. Name of Transferee : _____.
3. Transferee Information :
 - (a) Individual :
 - (i) Name of Applicant / Authorized Agent : _____.
 - (ii) Address : _____.
 - (iii) Nationality : _____.
 - (iv) Profession : _____.
 - (v) In Sri Lanka :
 - (a) Place of Business : _____.
 - (b) Residence : _____.
 - (b) Corporation :
 - (i) Name of Company / Partnership : _____.
 - (ii) Country of Incorporation : _____.
 - (iii) Head Office / Principal Place of Business : _____.
 - (iv) In Sri Lanka - Address of Registered Company / Agent : _____.
 - (v) Legal / Financial Data :
 - (a) Capitalization : _____.
 - (b) Articles of Association (attach) : _____.
 - (c) Last three years Annual Reports (attach) : _____.
4. Technical / Professional Data :
 - (a) Metric designation of area requested : _____.
(attach 1:50,000 location map and Unit Identification Form 2.4) :
 - (b) Professional / Technical credentials of Project team (attach) : _____.
 - (c) Economic Viability Report as specified in Form 10 (attach) : _____.
5. Terms and conditions of Transfer : _____.
6. Licence Fee Receipt (attach) : _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Signature.
(Transferee).

Witness : _____.

Approval of Director : _____.

Signature.
(Director)

Date : _____.

(ii) APPLICATION FOR INHERITANCE

1. Licence No.: _____.
2. Inheritor Information : Whether Heir / Successor / Legatee :
 - (i) Heir / Successor / Legatee : _____.
 - (ii) Address :
 - (a) Business : _____.
 - (b) Residence : _____.
 - (iii) Profession : _____.
3. Technical / Professional Data :
 - (a) Metric designation of area requested (attach I:50,000 Location map and metric unit identification Form 2, 3) : _____.
 - (b) Professional / Technical credentials of Project team (attach) : _____.
 - (c) Economic Viability Report as specified in form 10 (attach) : _____.
 - (d) Registered Exploration Area requested (attach) : _____.
4. Court Judgement conferring legal status (attach) : _____.
5. Licence Fee Receipt (attach) : _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Date : _____.

Signature.
(Inheritor)

Approval of Director : _____.

Date : _____.

Signature.
(Director)

(iii) APPLICATION FOR SECURITY ENCUMBRANCE

1. Licence No.: _____.
2. (a) Name of the Licensee:
 - (i) Individual: _____.
 - (ii) Corporation: _____.
- (b) Address: _____.
3. Name of mortgagee / lessee / otherwise: _____.
4. Name of beneficiary: _____.
5. Contractual, Economic, Financial Terms and Conditions (attach): _____.
6. Registration with Securities Authority (attach): _____.
7. Certification by acquirer of security (attach): _____.

I, the undersigned, do hereby certify that the statements contained in this report are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Date: _____.

Signature.
(Mine Manager)

8. For prescribed minerals: _____.
 - (a) Recommendations of Director: _____.
 - (b) Approval of Minister / Relevant Minister: _____.

Approval of Director: _____.

Date: _____.

Signature.
(Director)

TRADING LICENCE

APPLICATION

1. (a) Individual:

- (i) Name of Applicant: _____.
- (ii) Address: _____.
- (iii) Nationality: _____.
- (iv) Profession: _____.
- (v) In Sri Lanka:
 - (a) Place of Business: _____.
 - (b) Residence: _____.

(b) Corporation:

- (i) Name of Company / Partnership: _____.
- (ii) Country of Incorporation: _____.
- (iii) Head Office / Principal Place of Business: _____.
- (iv) In Sri Lanka Address of Authorized Agent: _____.
- (v) Legal / Financial Data:
 - (a) Capitalization: _____.
 - (b) Articles of Association (attach): _____.
 - (c) Last three years Annual Reports (attach): _____.

2. Trading Activity Data:

- (a) Period of first term requested (not to exceed 5 years, as determined by Bureau): _____.
- (b) Mining Licence(s) from which minerals are to be purchased: _____.
- (c) Trading Agreement with licensees (attach, list minerals involved): _____.
- (d) Business credentials / authorizations of all persons directly involved in trading activities (attach): _____.
- (e) List of all other Mineral Trading Licences held by applicant (attach): _____.
- (f) Nature and extent of mineral trading investment, processing and sales (including exports) related to this application (attach): _____.
- (g) Special Export Authorization Request (attach details): _____.

3. Licence Fee Receipt (attach): _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Date: _____.

Signature.

Scrutinization / Registration (to be completed within 30 days from the date of application)

Trading Licence No.: _____.

Authorization by Director: _____.

Date: _____.

Signature
(Director).

TRADING LICENCE

RENEWAL

(To be completed at least 60 days prior to the date of expiry of each term)

1. Licence No.: _____.
2. Terms of Renewal :
First : _____, Second : _____, Third : _____, Fourth : _____, Others : _____.
3. (a) Individual:
 - (i) Name of Applicant: _____.
 - (ii) Address: _____.
 - (iii) Nationality: _____.
 - (iv) Profession: _____.
 - (v) In Sri Lanka:
 - (a) Place of Business: _____.
 - (b) Residence: _____.
- (b) Corporation:
 - (i) Name of Company / Partnership: _____.
 - (ii) Country of Incorporation: _____.
 - (iii) Head Office / Principal Place of Business: _____.
 - (iv) In Sri Lanka Address of Authorized Agent: _____.
 - (v) Legal / Financial Data:
 - (a) Capitalization: _____.
 - (b) Articles of Association (attach): _____.
 - (c) Last three years Annual Reports (attach): _____.
4. Whether royalty has been paid or not in Form 14 : _____.
5. Licence fee receipt (attach) : _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Date: _____.

Signature.
(Applicant)

Renewal approved : _____.
Period of Validity : _____.
Authorization of Director : _____.

Date : _____.

Signature.
(Director)

SURRENDER

All terms and conditions of the licence have been satisfied.

Director : _____.

Date : _____.

RESERVED MINERALS LICENCE

APPLICATION

1. Name of Applicant in full : _____.
2. Address :
 - (a) Individual : _____.
 - (b) Company : _____.
 - (c) Partnership : _____.
3. License area location map : _____.
(attach acceptable description area requested and location boundaries along with details thereof)
 - (a) Grama Niladhari Division : _____.
 - (b) Divisional Secretary's Division : _____.
4. Type of Operation :
 - (a) Placer : _____.
 - (b) Surficial Pit : _____.
 - (c) Surficial Quarry : _____.
 - (d) Other : _____.
5. Name of Mineral to be mined : _____.
6. Have you been issued a Mining Licence earlier for the above location : _____.
 (a) If so, Mining Licence No. : _____.
 (b) Period of Validity : _____.
7. Details of Mining Operations carried out : _____.
 (a) Number of days of Operation : _____.
 (b) Amount of material removed in licence mining area/s : _____.
 (c) Amount of mineral extracted/concentrated from licence area pit/Quarry : _____.
 (d) Amount of Royalty paid : _____.
8. Licence fee receipt (attach) : _____.

I, the undersigned, do hereby certify that the statements contained in this Application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Signature.
(Applicant)

Date : _____.

9. Recommendation of Director : _____.
10. Approval of Minister/relevant Minister : _____.

Period of Validity : _____.

Licence No. : _____.

Authorizing Officer : _____.

Bureau : _____.

Royalty Payable : _____.

Signature : _____.

Date : _____.

GEOHERMAL DEPOSITS LICENCE

APPLICATION / RENEWAL

1. Exploration Licence No. (where applicable): _____.
2. Individual:-
 - (a) Name of Applicant/Authorized Agent: _____.
 - (b) Address: _____.
 - (c) Nationality: _____.
 - (d) Profession: _____.
 - (e) In Sri Lanka:
 - (i) Place of Business: _____.
 - (ii) Residence: _____.
3. Corporation:
 - (a) Name of Company / Partnership: _____.
 - (b) Country of Incorporation: _____.
 - (c) Head Office / Principal Place of Business: _____.
 - (d) In Sri Lanka - Address of registered Company / Agent: _____.
 - (e) Legal / Financial Data:
 - (i) Capitalization: _____.
 - (ii) Articles of Association (attach): _____.
 - (iii) Last three years Annual Reports (attach): _____.
4. Technical / Professional Data:
 - (a) Metric designation of area requested (attach 1:50,000 location map and Metric and unit identification Form 2.3): _____.
 - (b) Professional / Technical credentials of supervisory team (attach): _____.
 - (c) Economic Viability Report as specified in Form 10 (attach): _____.
5. Information regarding (where applicable):
 - (a) Methods of extracting, separation, storing and treating minerals from solutions: _____.
 - (b) Methods of controlling infiltration of water from one horizon to another, including surface water: _____.
 - (c) Precautions adopted to control distribution of drilling solutions, chemicals, oil and other contaminating substances to ensure protection of the site and surrounding environment: _____.
 - (d) Methods of reasonably controlling all fluid pressures: _____.
(where applicable)
 - (e) Abandonment procedures such as properly plugging all drill holes immediately upon abandonment to ensure that all mineral bearing thermal water horizons retain their original state: _____.
(The nature and extent of the above activities should be documented on specialized logs)
6. Terms of Renewal:
First: _____, Second: _____, Third: _____, Fourth: _____, Others: _____.
7. Licence Fee Receipt (attach): _____.

I, the undersigned, do hereby certify that the statements, contained in this application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder.

Date: _____.

Signature.

Recommendation of Director: _____.
Approval of Minister/Relevant Minister: _____.
Geothermal Deposit Mining Licence No.: _____, Period of Validity: _____.
Authorization of Director: _____, Royalty Payable: _____.

Date: _____.

Signature
Director.

TRANSPORT LICENCE FOR MINERALS

APPLICATION

1. Name of Applicant / authorized agent: _____.
2. Address:-
(a) Individual: _____.
(b) Company: _____.
(c) Partnership: _____.
3. Mining Licence No.:
(a) Artisanal: _____.
(b) Industrial: _____.
4. Trading Licence No.:
(where applicable)
5. Name of the Mineral to be transported:
6. Details of the Mine:
(a) Description of land: _____, (b) Lot No.: _____.
(c) District: _____.
(d) Divisional Secretary's Division: _____.
(e) Grama Niladhari Division: _____.
(f) Village: _____.
7. Address of Trader's Stores: _____.
8. Quantity of mineral to be transported: _____.
9. Whether royalty is paid or not: _____.
10. Details of processing station / purchaser / store: _____.

Serial No.	Name	Address of Store	Quantity
Total			

11. Licence fee receipt (attach): _____.

I, the undersigned, do hereby certify that the statements, contained in this application are true and correct to the best of my knowledge and undertake to comply with the provisions of the Mines and Minerals Act, No. 33 of 1992 and the Regulations made thereunder:

Date: _____.

Signature.

Transport Licence No.: _____.

Period of Validity: _____.

Administrative Regions: _____.

Authorising Officer: _____.

(Bureau / Site)

Date: _____.

Signature.

BI-ANNUAL TECHNICAL WORK REPORT

EXPLORATION LICENCE

All reports of technical work shall contain

1. Particulars of technical work performed during the preceeding two years : _____
2. Relevant plans and Maps : _____

Note:

(1) Separate report shall be submitted in duplicate for each licence.

(2) The Report shall contain :

- (a) Title (include licence no: date, author)
- (b) Table of contents
- (c) List of figures / tables
- (d) Index map (1:50,000 series or equivalent)
- (e) Executive summary of work performed
- (f) Licence and report information -
 - (i) Area covered by report
 - (ii) Registration dates
 - (iii) Name of licensee
 - (iv) Name of person / s submitting technical data and analysis
- (g) Report of work performed :
 - (i) Prospecting, photogrammetric, remote sensing, other reconnaissance interpretations
 - (ii) Geological Surveys
 - (iii) Geochemical (soil, silt, water, rock) surveys
 - (iv) Geophysical (airborne, ground) surveys
 - (v) Drilling (specify type, equipment used)
 - (vi) Restoration of excavations (Form 9)
 - (vii) Mineralogical / Metallurgical analysis
 - (viii) Other information (specify)
- (h) Itemized Cost Statement :
 - (i) Field charges (applied at 100%, where approved)
 - (a) for surveys number of days and charges per day or number of lines - line kms and charges per line-km.
 - (b) for analysis - number of sampels and charges per sample.
 - (c) for drillig number of metres and charges per metre and set ups.
 - (d) other documented charges directly related to technical and restoration work performed within the licence area
 - (ii) Overhead charges (acceptable to a maximum of 20% of total expenditure) :
 - (a) secretarial services
 - (b) drafting services
 - (c) general office expenses in Sri Lanka
 - (d) purchase of equipement
 - (e) legal expenses and other fees
 - (f) compensation paid to Legitimate owners of land
 - (g) overseas and local transportation charges relevant to work performed
 - (h) otther charges (specify)

BI-ANNUAL TECHNICAL WORK REPORT

EXPLORATION LICENCE

All reports of technical work shall contain

1. Particulars of technical work performed during the preceding two years : _____
2. Relevant plans and Maps : _____

Note:

- (1) Separate report shall be submitted in duplicate for each licence.
- (2) The Report shall contain :
 - (a) Title (include licence no: date, author)
 - (b) Table of contents
 - (c) List of figures / tables
 - (d) Index map (1:50,000 series or equivalent)
 - (e) Executive summary of work performed
 - (f) Licence and report information -
 - (i) Area covered by report
 - (ii) Registration dates
 - (iii) Name of licensee
 - (iv) Name of person / s submitting technical data and analysis
 - (g) Report of work performed :
 - (i) Prospecting, photogrammetric, remote sensing, other reconnaissance interpretations
 - (ii) Geological Surveys
 - (iii) Geochemical (soil, silt, water, rock) surveys
 - (iv) Geophysical (airborne, ground) surveys
 - (v) Drilling (specify type, equipment used)
 - (vi) Restoration of excavations (Form 9)
 - (vii) Mineralogical / Metallurgical analysis
 - (viii) Other information (specify)
 - (h) Itemized Cost Statement :
 - (i) Field charges (applied at 100%, where approved)
 - (a) for surveys number of days and charges per day or number of lines - line kms and charges per line-km.
 - (b) for analysis - number of sampels and charges per sample.
 - (c) for drillig number of metres and charges per metre and set ups.
 - (d) other documented charges directly related to technical and restoration work performed within the licence area
 - (ii) Overhead charges (acceptable to a maximum of 20% of total expenditure) :
 - (a) secretarial services
 - (b) drafting services
 - (c) general office expenses in Sri Lanka
 - (d) purchase of equipment
 - (e) legal expenses and other fees
 - (f) compensation paid to Legitimate owners of land
 - (g) overseas and local transportation charges relevant to work performed
 - (h) otther charges (specify)

- (i) Plans and Maps :
- (i) Plans of site, mine and infrastructure
 - (ii) Geological Survey Map
 - (iii) Geophysical Survey Map
 - (iv) Drill hole / sample location map
 - (v) Geochemical Map
 - (vi) Location and access (on larger scale plans and maps)
3. Appendices :
- (i) assays, analytical results
 - (ii) analytical sample, test location sites
 - (iii) analytical methods, detection limits, certified laboratory report
 - (iv) typed drill logs and associated assays
 - (v) geophysical logs, instrumentation data
 - (vi) detailed maps, plans sections, where necessary to clarify text

(Regulation 12).
Form 9.

EXPLORATION LICENCE
ADVANCED EXPLORATION RESTORATION PLAN

Exploration Licence No.: —

All Advanced Exploration Restoration Plans shall contain the Following particulars, plans and maps : —

- (1) Location of proposed site and excavation activities : —
- (2) Size and description of all excavations (trench, pit, stripping, shaft, decline, dewatering)
- (3) Time Frame within which such excavation activities and restoration work are to be completed : —
- (4) Extent of all proposed constructions (temporary) : —
- (5) Description of all materials to be —
 - (a) excavated
 - (b) disturbed
 - (c) used in construction
- (6) Estimated cost of restoration work to be progressively conducted over a specified time frame : —
- (7) Financial performance guarantee : —
- (8) Map of the area under advanced exploration.

Note:- Advanced Exploration Restoration Plan - Status and Update

is to be included as a substantive section of each bi-annual Technical Work Report, where applicable (form 8)

Regulation 13(1).
Form 10.

INDUSTRIAL MINING LICENCE
ECONOMIC VIABILITY REPORT - FORM AND CONTENT

An Economic Viability Report shall contain the following particulars, maps and plans:-

- (1) Property plan - Description, boundary survey:
- (2) Development and Production Programme:
 - (a) Ore Reserves:
 - (b) Mining Plan - Mine life, schedules, methods:
 - (c) Processing Plan - milling, beneficiation, flow-charts, schedules, methods:
 - (d) Environment protection plan (incl. tailings, waste management);

- (e) Plant Site/Facilities:
(layouts access, water, power, construction, (where applicable).
- (f) Mine Restoration Plan:
- designs, progressive site rehabilitation procedures.

Where the magnitude of the proposed mining operation is determined by the Director to warrant additional documentation, all or part of the following information may also be required.

- (3) Marketing and Sales Plan
- (4) Net Revenue Analysis/Cash Flow Analysis
- (5) Capital Costs - lands, buildings, equipment, working capital
- (6) Operational Costs - personnel, benefits, administration, maintenance, health and safety, environment, royalties, taxes, bonding, financing, utilities, transportation.
- (7) Employmental and Training Programme
- (8) Environment a Impact Study -
 - (a) Base-line Date -
sampling and/or analysis of soils, surface and subsurface waters, air quality and noise levels, plant and animal life.
 - (b) Production impact -
Analysis of the effects that mining, milling plant, removal and transport of material, housing and worker activities, will have on existing human habitation and the current uses of land, water, animal and plant resources.

(9) Detailed Mine Restoration Plan:
Procedures, schedules and estimated cost of managing, monitoring and progressive control and correction of all adverse effects of mining operations with respect to water pollution, air pollution, soil contamination, noise, explosives and all other factors that may tend to degrade and / or endanger the environment. The time frame for both progressive and final completion of the restoration work outlined must be setout.

- (10) Mine Restoration Bond:
Upon analysis and approval of the Mine Restoration plan, the Director may require the signing of a reclamation bond.

The amount of the bond shall be calculated on the basis of the costs outlined by the licensee in the Mine Restoration Plan. Such costs and the required security shall include an estimated aggregate current cost for labour, equipment, supplies and services to conduct one or more of the following restoration activities :-

- (a) removal of buildings and plant facilities.
- (b) protective capping of pits, adits, declines and shafts.
- (c) stabilizing of tailing areas, steep rock faces, drainage containment areas.
- (d) surface contouring.
- (e) re-vegetation.

Acceptable bond forms include cash, a letter of credit form an internationally accredited bank, a surety or other negotiable bond or other approved security. The elements of the plan and the amount of bonding is to be reviewed and adjusted at every two year interval.

(Regulation 13(2)).
Form 11.

INDUSTRIAL MINING LICENCE
QUARTERLY MINE INFORMATION SUMMARY

- 1. Industrial Mining Licences No.: —.
- 2. Quarter:
First:—, Second:—, Third:—, Fourth:—.
- 3. (a) Administration:
 - (i) mine managers name:—.
 - (ii) Total number of employees/personel categories:—.
 - (iii) total number of operating days:—.
 - (iv) Mine accident statistics:—.

- (v) changes in ownership/company control:—.
- (b) Updated Mining Plan:
 - (i) active mining areas:—.
 - (ii) active site exploration and/ or development work:—.
 - (iii) status of mine restoration, environmental impact monitoring programs:—.
- (c) Production Statistics (where applicable):
 - (i) tons of material mined:—.
 - (ii) tons of ore extracted:—.
 - (iii) tons of concentrate/stock piles/waste/tailings:—.
 - (iv) sales information: —.
 - commodities / amounts / price / destination(s) / purchaser: —.
 - (v) quarterly capital, operating, repair and maintenance costs (itamized, including royalty payments):—.
 - (vi) equipment/asset inventory:—.
- (d) Transport licence information (attach)

I, the undersigned, do hereby certify that the particulars contained in the above summary are true and correct to the best of my knowledge.

Date:—.

 Signature
 (Mine Manager).

(Regulation 14).
 Form 12.

ANNUAL ARTISANAL MINING LICENCE
 WORK LOG-FORM AND CONTENT

1. Artisanal Mining Licence No.: —.
2. Placer Operations:
 - Number of employees: —.
 - Number of days of operation: —.
 - Quantity of material removed from active mining area/s: —.
 - Names and Amount of minerals extracted/concentrated from licence area: —.
 - Total sales: —.
 - Price received: —.
 - Name of purchaser/s: —.
 - Purchaser's Mining Licence No.: —.
 - Trading Licence No.: —.
3. Pit/Quarry Operations:
 - Number of employees: —.
 - Number of days of operation: —.
 - Quantity of Material removed from active mining area/s: —.
4. Disposal of Minerals Produced:
 - Minerals extracted/concentrated from pit/quarry: —.
 - Minerals exported (tons): —.
 - Price receive: —.
 - Total sales: —.
 - Name of purchaser/s: —.
 - Purchaser's Mining Licence No.: —.
 - Trading Licence No.: —.
 - Transport Licence No.: —.

I, the undersigned, do hereby certify that the particulars contained in the above log are true and correct to the best of my knowledge.

Date: —.

 Signature
 (Licensee).

WORK LOG TO CALCULATE ROYALTY PAYMENTS
 UNDER TRADING LICENCE

1. Name of Trading Licence Holder : _____.
2. Address : _____.
3. Trading Licence Number : _____.
4. Name of Mineral : _____.
5. Quantity of minerals purchased, removed, transported sold and exported monthly : _____.
6. Transport Licence information (attach):

Month	Quantity of Minerals Purchased	Quantity of Minerals Removed	Quantity of Minerals Transported	Quantity of Minerals Sold	Quantity of Minerals Exported
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					

I, the undersigned, do hereby certify that the above particulars contained in this work log are true and correct to the best of my knowledge.

 Signature.
 (Licensee).

Date: _____.

MINING ROYALTY RETURN

1. Name of Licensee : _____.
2. Address : _____.
3. Type of Licence :
 Industrial Mining : _____, Artisanal Mining : _____, Exploration : _____, Trading : _____.
4. Licence No.: _____, Year : _____, Quarter : _____.
5. Period of Validity : _____.
6. Gross Income from mine output:
 - (a) Mining or exploration licensees :
 Selling Price of unprocessed mineral's products : _____,
 Selling Price of processed mineral products : _____,
 Determined market value of mine output : _____.
 - (b) Trading Licensees : -
 Selling price of processed mineral products less purchase price of the processed mineral products: _____,
 Determined market value of processed mineral products : _____,
 Sub total - value subject to deductions:-
7. Allowable Deductions:
 - (a) Mining Exploration Licensees
 Transportation charges to processing plant :
 - (b) Trading Licensees:
 Purchase, transportation costs incurred by Trading licensee : _____,
 Net Market value : _____.

8. Royalty Payable :

<i>Mineral Category</i>	<i>Royalty Rate</i>	<i>Net-Value subject to Royalty</i>	<i>Royalty Payable</i>
Precious Metals	4%	-	-
Industrial Minerals (not exported)	3%	-	-
Industrial Minerals (exported)	4%	-	-
Building Materials	1%	-	-
Dimensions Stone - (exported)	4%	-	-
Base and other metals	3%	-	-

TOTAL ROYALTY PAYABLE

I, the undersigned, do hereby certify that the above particulars contained in this Return are true and correct to the best of my knowledge.

Date : _____

 Signature
 (Licensee).