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THE MINES AND MINERALS DEVELOPMENT ACT, 2021.

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A BILL ENTITLED

THEMINES AND MINERALS DEVELOPMENT ACT, 2021. Short title.

Being an Act to repeal and replace the Mines and Minerals Act, 2009, to provide for the introduction of new and improved provisions for exploration, mines and minerals development, sale and export for the socio-economic benefit of the people of Sierra Leone, to provide for the facilitation of transparent and accountable management of the minerals sector in accordance with international best practice; to provide for improved employment and employment practices in the mineral sector; to provide for improved welfare of communities affected by exploration, mining and related activities; to provide for more effective measures to reduce the harmful effects of exploration and mining activities on life, property and the environment and to provide for other related matters.

ENACTED by the President and Members of Parliament in this Date of compresent Parliament assembled.

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PART I-PRELIMINARY

Interpretation. 1. In this Act, unless the context otherwise requires -

- "affected community" means that group of people resident in an area that is or may reasonably be expected to be impacted by mineral activities and may, in respect of a licence activity, and may be more than one community;
- "affiliate" means a person, individual, subcontractor, business associate or other legal entity directly or indirectly controlling, controlled by or working with a holder;
- "Agency" means the National Minerals Agency established under the laws of Sierra Leone to promote the development of minerals through the effective and efficient management of the administration and regulation of licences and minerals development in Sierra Leone;
- "annual charge" means the annual charge payable by the holder;
- "applicant" means for purposes of this Act, a person who submits the prescribed information under this Act and laws of Sierra Leone in order to obtain, renew, or otherwise modify licence rights authorised under this Act;
- "arm's length" means a business deal in which buyers and sellers act independently, without one party influencing the other party;
- "artisanal mining", means the intentional extraction of minerals in a licence area up to one hectare with depth up to 10 metres and shall not involve the use of mechanised earth-moving equipment;

- "artisanal mining licence" means a mining licence granted under this Act;
- "artisanal mining licence area" means the mining area that is subject to an artisanal mining licence;
- "assay" means testing of a sample of ores or minerals to determine the amount of valuable metals contained;
- "authorised officer" means a government staff member, civil servant or public servant that has authority to conduct a prescribed activity under this Act;
- "beneficial owner" means a natural or legal person(s) who directly or indirectly ultimately owns or control a company or on whose behalf a transaction is conducted and includes a person who holds 5% or more interest in the shares of a Small-scale Category A or B mining licence or Large-scale mining licence.
- "Board" means the Minerals Advisory Board referred to in section 10, which is a consultative inter-agency body to ensure oversight of mineral sector activities in Sierra Leone reporting directly to the Minister and providing advice on aspects of mineral sector development as well as to inform various government agencies of the status of sector development;
- "body corporate" means a company or corporation as defined under the laws of Sierra Leone;
- "cadastral map" means the specific map used to define the perimeter of a licence that is legally in force, for which an application is pending or areas that have been identified as designated, reserved, protected or otherwise closed for licence activities;
- "Chiefdom Council" means the local authority established under Cap 61;

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- "commercial production" means the commercial mining of minerals from a licence area or any part of the mine as part of the mine plan but does not include milling (removing materials) for the purpose of testing or sampling;
- "Commissioner General" means the Commissioner General of the National Revenue Authority;
- "Community Development Agreement" means a community development agreement that is intended to assist in the development of mining communities affected by mining and mine-related activities;
- "Community Development Fund" means a community development fund established as part of a Community Development Agreement as prescribed under this Act;
- "compensation" means financial payment or provision of services or goods for the deprivation of land use or change in status as agreed with owners, lawful occupants, affected communities or other parties in respect of land on or under which licence activities shall be or are conducted and may include cash payment, deferred payment, a bond, an insurance policy, stipend, grants of alternative land, business, trade or commercial facilities, allowances, payments in kind such as goods orservices provided as payment instead of cash, rendition of services, grant of privileges, entitlement to special treatment, social or cultural amenities etc. that may be due or extended to affected persons;
- "construction materials" means aggregates including sand, gravel and crushed natural stone, various brick clays, gypsum and natural ornamental or dimension stone;

- "continental shelf" means that part of the seabed and subsoil of the submarine area adjacent to the coast of Sierra Leone but outside the territorial waters of Sierra Leone;
- "control" in relation to an associated company means ownership by one company of more than 50% of the voting securities of another company, or the power to direct, administer and dictate policies of another company even where the voting securities held by the company exercising such effective control in that other company is less than 50%;
- "core" means a long cylindrical piece of rock, about an inch in diameter, brought to surface by diamond drilling; a sample of rock that has been drilled out of the potential mine area;
- "designated area" means an area declared by the Minister for licencing of artisanal mining as prescribed under this Act;
- "deep seabed mining" means the processes and technologies designed to collect metal-rich resources from the deep seafloor;
- "deposit" means any naturally or artificially occurring concentration of minerals;
- "Director-General" means the Director-General of the Agency;
- "discovery" means a discovery of a mineral or a mineral deposit or a group of minerals occurring in quantities or circumstances that indicate the presence of a deposit; mineral

- "dredging" for purposes of this Act means the excavation of material from a water body that may include improving an existing water feature, reshaping land and water features to alter drainage, navigability and commercial use, constructing dams, dikes and other controls for streams and shorelines and shall not include exploration or mining;
- "dredging permit" means the legal right to conduct dredging activities;
- "easement" means the legal right to cross over, into or otherwise use someone else's land in order to access and, or to conduct licence activities;
- "environmental impact assessment" means a prior scientific foreseeable analysis of potential effects of an activity that would affect the environment and social conditions, including health and safety and which addresses certain issues through active and time-based mitigation and alleviation measures approved in accordance with the laws of Sierra Leone;
- "environmental impact assessment licence" means approval issued by the Environment Protection Agency;
- "environmental and social management plan" means the programme in connection to the environment, affected community and society-at-large, that includes measures to eliminate negative impacts during licence activities, remediation and rehabilitation and to mitigate or eliminate damage and to ensure compensation and address health and safety issues as prescribed under the laws of Sierra Leone:

"Environment Protection Agency" means the government institution responsible for the environmental evaluation and environmental certification of reconnaissance, exploration and mining activities and environmental monitoring of exploration and mining activities established under the Environment Protection Agency Act, 2008 or successor legislation;

- "environmental screening report" means a prior analysis of potential effects of a licence activity that would affect the environment and social conditions, and which addresses certain issues through active and time-based mitigation and alleviation measures as prescribed;
- "exploration" means any activity carried out to discover potentially economical and mineable minerals in order to demarcate the quality and quantity of the minerals contained within a licence area, and, or to evaluate the possibilities of the production of those minerals; and shall include reconnaissance activities and shall have the same meaning for "explore", "explored" and any variation of the word:
- "exploration licence" means an exploration licence granted under this Act;
- "exploration licence area" means the land that is subject to an exploration licence;
- "exploration operation" means activities conducted by an exploration or mining licence holder on the surface of lands or underground to locate minerals and to determine the mineability and commerciality that are conducted in accordance the requirements of the licence and the laws of Sierra Leone;

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- "exploration plan" means the set of objectives and strategic goals for mineral exploration that includes operational and management plans for technical optimisation, health and safety, environmental and social protection, and financial expenditures;
- "excavation" means a trench, pit, shaft or other open working;
- "feasibility study" means an evaluation of a proposed exploration or mining operations to determine the economic viability of developing the deposit that typically includes several evaluation documents, e.g., "order of magnitude", "preliminary or prefeasibility study" and "detailed feasibility study";
- "geodata" means information, individual items, samples and records obtained by observation, measurement, sampling and description of the earth's surface and subsurface, both onshore and offshore, and having an association with a location relative to the earth including geographical and geological information;
- "Government" means the Government of Sierra Leone;
- "grossly violates" means an action that is taken without the most basic of care owed to others;
- "health and safety plan" means a description of the potential health and safety hazards for exploration or mining operations based upon the specific activities being or to be carried out and is prepared by the holder. The response plan for such hazards is designed and implemented through provision of technically appropriate equipment, better implementation of relevant measures, and adoption of accurate methods and shall be in accordance with good industry practise and laws of Sierra Leone;

"health emergency" means an occurrence or imminent threat of an illness or health condition caused by epidemic, pandemic or bioterrorism that is declared as a health emergency by the Government;

- "holder" means the person in whose name a licence is granted under this Act and registered with the Agency;
- "land" means surface area, area above and beneath water, riverbed and sub-soil and shall include all categories of land under the laws of Sierra Leone;
- "large-scale mining" means the intentional extraction of minerals in mechanised open cast operations exceeding 20 metres in depth or involving the sinking of shafts, drilling of adits or other underground opening exceeding 20 metres in width on an area exceeding 200 hectares and includes underground mining operations;
- "large-scale mining area" means the area that is subject to a large-scale mining licence;
- "large-scale mining licence" means a large-scale mining licence granted under this Act;
- "lawful occupant" means a person who has legal authority to occupy a residential or commercial or other structure or have use of land who has lease or other permission from the land owner;
- "laws of Sierra Leone" means the body of rules of conduct of binding legal force and effect prescribed, recognised and enforced by a controlling authority in Sierra Leone and shall include any rule that if broken subjects the offending party to administrative penalty, civil liability and, or criminal punishment

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"lease" means a grant of a specifically defined area of land, in writing, for a term of years, and containing an obligation to give consideration, signed by the landowner as lessor and the holder renting the land as lessee; and with respect to this Act, means the formal written permission to use land and, or water stated in the lease solely for the purposes of licence activities;

- "licence" means a certified, detailed description issued by the Agency to the holder that includes a description of the rights and obligations of the holder, map(s) of the licence area, licence duration and other descriptions;
- "licence activity" means any authorised activity conducted under a licence;
- "licence area" means the area including the surface, below and above ground including water ways in which licence activities may be conducted and with respect to reconnaissance, exploration, artisanal, small-scale and large-scale mining licences must be contiguous;
- "Local Council" means a local council established under the laws of Sierra Leone;
- "material" when used as an adjective means anything that is important, essential or relevant;
- "mechanised" means the use of any machine, process or activity that reduces the human effort required to break or move rock or material in a mine;
- "mine" means -

- (a) a place, excavation or working, or by which an operation connected with mining is carried on together with all buildings, premises, erections and appliances belonging or appertaining to it, above and below the ground, for the purpose of extracting, treating or preparing minerals, obtaining or extracting a mineral or metal by any mode or method or for the purpose of dressing mineral ores, and includes a quarry where minerals are mined; or
- (b) to intentionally extract minerals and includes an operation directly or indirectly necessary for orincidental to mining operations;
- "mine closure plan" means a plan to abate, control, mitigate, remove or contain an imminent and future threat to public health and the environment that is reasonably likely to occur if a mine ceases operation;
- "mine plan" means the set of objectives and strategic goals for mineral development that includes operational and management plans for technical optimisation, health and safety, environmental and social protection, financial expenditures;
- "mineral" means a substance, whether in solid, liquid or gaseous form, occurring naturally in or on the earth, in or under water or in mine residue deposits and having been formed by or subjected to a geological process, including elements and compounds, metals and ores, gemstones, sand, stone, rock, gravel and clay as well as soil and includes coal but excludes water, natural oil, natural gas, petroleum, topsoil and peat that can potentially be extracted for commercial gain;

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- "mineral product" means finished or semi-finished or processed or semi-processed;
- "mining" means operations and activities related to the technical and economic extraction of minerals including ongoing exploration and extraction;
- "mining area" means land on or under which production is conducted and includes an artisanal mining, small-scale mining or a large-scale mining area;
- "mining cadastre office" means the public office responsible for managing the regulatory aspects of applications and licences;
- "mining cadastre system" means the digital platform that integrates the regulatory, institutional, and technological aspects of application and licence administration and includes the cadastral registries;
- "mining operations" means activities conducted to explore for and extract minerals under a mining licence by the holder on or below the surface of land;
- "Minister" means the Minister responsible for mines and minerals;
- "Ministry" means the Ministry responsible for mines and minerals and includes any official successor government agency unless otherwise indicated;
- "National Revenue Authority" means the National Revenue Authority with the primary responsibility to collect domestic taxes, customs duties and other revenues established under the National Revenue Authority Act, 2002 (, its amendment or successor legislation,;

- "Nuclear Safety and Radiation Protection Authority" means the Nuclear Safety and Radiation Protection Authority established under the Nuclear Safety and Radiation Protection Authority Act, 2012 (Act No. 7 of 2012), its amendment or successor legislation with the primary responsibility to regulate and supervise control for the beneficial and peaceful uses of radioactive substances and their applications;
- "order" means a written, time-based directive issued by an authorised officer that, as long as it does not contravene the provisions of this, or any other laws of Sierra Leone, shall be strictly followed;
- "ore" means a natural aggregate of one or more minerals which may be mined and sold or from which some part may be extracted;
- "person" means a natural person or legal person, individual, cooperative, or any company or association or body of persons corporate or unincorporated;
 - (a) natural person means an individual;
 - legal person shall have the meaning of "body corporate" as defined under this Act;
- "precious mineral" includes-
 - (a) precious stones, namely diamond, emerald, ruby, sapphire, and all other substances of a similar nature to any of them; and
 - precious metals, namely gold, silver, platinum group metals, or ores containing any of these metals provided that they are commercially recoverable or economically viable;

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(c) other minerals and aggregates minerals as the Minister may from time to time declare by notice published in the Gazette to be development minerals;

"prescribed" means requirements as set out in a law or regulations and includes this Act and its regulations;;

"primary host community" means the authorised signatory community to a community development agreement as agreed by the affected communities that may include the Chiefdom Council or Local Council as prescribed under this Act;

"processing" in relation to a mineral, means the artificial transforming of minerals so as to change their natural characteristics or to prepare a final or semi-final product for sale or for use and includes winning, extracting, concentrating, refining, classifying, crushing, screening, washing, reduction, smelting, polishing or gasification;

"programme of exploration operations" means the activities described in the approved exploration plan that reflect the entirety of exploration operations including methodology and equipment, that shall be updated as prescribed throughout the duration of the licence to reflect significant changes to the exploration operations;

"programme of mining operations" means the activities described in the approved mine plan that reflect the entire workings of the mining operations including methodology, equipment and previous workings at the mine, drawn to a scale that allows for legibility and updated throughout the duration of the licence to reflect significant changes to the mining operations;

"programme of reconnaissance operations" means the activities set out in detail to describe work intended to be conducted over the licence duration together with a budget of estimated costs and expenditures, equipment expected to be used, names and qualifications of individuals responsible for implementation of the programme;

"public interest" means anything affecting the rights, health or finances of the public at large and is a common concern amongst citizens;

"public officer" means a person employed by government who is engaged in the administration, implementation or enforcement of this Act;

"public tender" means a publicly advertised solicitation of bids that for purposes of this Act shall be conducted in at least 2 stages following prescribed procedures;

"quarry" when used as a noun means a place where construction materials are extracted in surface excavations, and may include processing of these products; when used as a verb means activities associated with the surface extraction of construction materials;

"radioactive mineral" means a mineral which contains by weight, at least, one twentieth of one percent (0.05per centum), of uranium, thorium or a combination of it, including-

- (a) monazite sand and other ore containing thorium; and
- (b) carnotite, pitchblende and other ores containing uranium;

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- "reclamation" means the restoration of a site after some or all of exploration or mining activity is completed;
- "reconnaissance licence" means a reconnaissance licence granted under this Act, that does not exceed 10,000sq.km, that is non-exclusive and non-invasive;
- "reconnaissance licence area" means an area that is subject to a reconnaissance licence;
- "reconnaissance operations" mean operations and works to carry out the search for mineral occurrences and resources by geo-physical surveys, geo-chemical surveys, photo-geological surveys or other remote sensing techniques and non-invasive surface geology in connection therewith, but excludes drilling and excavation;
- "registry" means the catalogue of information included as part of the mining cadastre system that includes recorded details of applications and licences, grants, modifications and dealings in, assignments, transfers, suspensions and cancellations of rights as prescribed;
- "regulations" means legislative measures enacted by the Government that are applicable to the implementation of the provisions of this Act;;
- "rehabilitation" means the restoration of land subject to a licence to, as far as practicable, its natural state or to a safe condition that is usable for other activities, to the satisfaction of the Agency and any other relevant and legally authorised body;
- "remediation" means with respect to environment, clean up and remedy of damage;

- "reserved area" means an area on public land based on government survey data designated for exploration or mining, the licence for which shall be granted by public tender;
- "resettlement action plan" means a document prepared based on assessment prepared by the holder or its affiliate in consultation with affected communities of mineral activities and include adequate financing to cover social impacts including but not limited to costs of resettlement and compensation for resettled individuals, training programs and other social support;
- "revoke" means cancel and shall have the same meaning for "revocation";
- "royalty" means a payment paid by the holder to government in consideration for the extraction of minerals;
- "salting" means the act of introducing metals or minerals into a deposit or samples, resulting in false assays, done either by accident or with the intent of defrauding the public;
- "sample" means a small portion of rock or a mineral deposit taken so that the metal content can be determined by assaying;
- "semi-precious mineral" means gemstones, including amber, amethyst, beryl, cat's eye, chrysotile, garnet, opal, turquoise and all other substances of a similar nature to any of them;
- "small-scale mining" means the intentional extraction of minerals under a "Category A" or a "Category B" licence as defined -

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- (a) Small-scale Category A mining means the intentional extraction of minerals in mechanised open cast or underground operations not exceeding 40 metres depth conducted on area more than 50 hectares up to 200 hectares; and
- (b) Small-scale Category B mining means the intentional extraction of minerals in mechanised open cast or underground operations not exceeding 20 metres depth conducted on more than one hectare up to 50 hectares;
- "smuggle" means the illegal movement of minerals into or out of Sierra Leone;
- "sq. km." means square kilometre;
- "structure" means buildings and prefabricated buildings that may be removed and may be categorised as temporary or permanent and shall include but not be limited to buildings, processing plants; conveyors may be considered as structures that the holder may remove or dispose of;
- "surface rent" means the monetary payment that a holder makes to the owner of land on which the holder intends to conduct exploration or production activities;
- "surface rights agreement" means lease, easement, right of way or other permission required to formalise access and use of land;
- "surrender" means the giving up of all or a portion of a licence area;
- "tailings" means the waste material remaining from the processing of minerals such as any solid or liquid residues derived from them;

"termination" means the lapse of a licence by expiry of time, surrender or cancellation; and where the surrender or cancellation is in respect of part only of the area covered by the licence, then the licence shall be deemed to have been surrendered or cancelled in respect of all or part of that licence area;

"trade" means the commercial transport, processing, marketing and/or sale of minerals and, or mineral products;

"USD" means United States dollars; and

"work programme" means a final, fully costed and approved series of time-based actions to be carried out under a licence.

2. (1) This Act shall apply to -

Application.

- (a) onshore and offshore minerals;
- reconnaissance, exploration, mining, dealing and exporting of all categories of minerals;
 and
- (c) water resources relevant to aquifermanagement and hydrogeology and deep seabed mining.
- (2) This Act shall be read in tandem with the National Minerals Agency Act and the laws of Sierra Leone.
- 3. This Act shall not apply to oil, natural gas, surface water or peat.

PART II-OWNERSHIP OF MINERALS

Nonapplication.

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- 4. (1) All rights of ownership in and control of minerals in, underor upon land in Sierra Leone and its continental shelf are vested in the State notwithstanding any right of ownership or otherwise that a person may possess in and to the land on, in or under which minerals are found or situated.
- (2) The Minister shall, in the public interest, ensure that the mineral resources of Sierra Leone are developed in an effective, efficient, sustainable and transparent manner.

Strategic minerals.

- 5. (1) The Minister shall, upon recommendation of the Agency and approval of Cabinet, declare a mineral as a "strategic mineral" where it is determined to be essential to national security or the protection or well-being of the people of Sierra Leone.
- (2) A licence to explore or mine a strategic mineral shall only be granted to a body corporate, through public tender and with the approval of Cabinet.

PART III - ADMINISTRATION

Ministry responsible for administration of minerals governance.

- 6. (1) The Ministry shall be responsible for the administration, oversight and regulation of exploration, mining and minerals trade including policy-making and inter-governmental coordination relevant to minerals development.
- (2) Subject to the Constitution of Sierra Leone and this Act, the Minister shall be responsible for general administration and implementation of this Act.
- (3) Notwithstanding subsection (1), the Ministry shall be responsible for -
 - (a) promoting and facilitating the effective and efficient management and development of minerals in Sierra Leone;

- (b) preparing minerals and mining-related policies, laws and regulations;
- (c) preparing and implementing of regulations, procedures, guidelines, and orders necessary to implement this Act;
- (d) publishing of annual report on mineral activities in Sierra Leone and the operations of the Ministry not later than 90 days after the end of each year to be submitted t o Parliament and for public review;
- (e) taking custody of minerals declared by a court to be forfeited to the State;
- (f) requesting information, data, records from holders as may be prescribed; and
- (g) performing such other functions as are reasonably required to implement this Act.
- (4) The Director General of the Agency shall have such functions and powers as prescribed under this Act and the National Minerals Agency Act.
- 7. (1) Subject to this Act, the Agency shall be responsible Agency forproviding technical support to the Ministry including the implementation, monitoring and compliance of licences and implementation of government survey activities.

to provide technical support to Ministry.

- Notwithstanding subsection (1), the Agency shall be responsible for -
 - (a) exercising regulatory administration and supervision over all reconnaissance, exploration, and mining operations;

- (b) implementing the mining cadastre function;
- (c) implementing the geological survey function;
- (d) implementing the compliance and inspection function, including advising holders onproper and safe mining methods; and
- (e) performing such other functions as are reasonably required to implement the provisions of this Act and as may be prescribed.

Mining cadastre office.

- 8. (1) The Agency shall establish and maintain, for the purposes of this Act, a mining cadastre office which shall-
 - (a) serve as a liaison between the Ministry and applicants or holders, on any question related to licences including written notifications;
 - (b) install, operate and maintain a mining cadastre system;
 - (c) create, maintain and update cadastral maps on which existing licences, pending applications, restricted, prohibited, designated or other such areas are clearly marked;
 - (d) ensure that cadastral maps and registries are available for public review;
 - (e) conduct due diligence on eligibility of applicants and make decision for the grant or refusal of licence applications.
 - (f) ensure compliance with requirements of a licence, including the payment of fees;

- (g) perform such other functions assigned to it by the Minister under this Act.
- (2) The mining cadastre office shall generate and issue official certificates confirming licences.
- 9. (1) A mining cadastre system to be installed, operated Mining and maintained by the mining cadastre officein paragraph (b) of cadastre section 8, shall-
 - (a) be a public portal which shall be in a digital format for registering and administering applications and licences;
 - (b) comprise -
 - (i) licence applications; and
 - (ii) cadastral survey map in the form of physical maps or maps contained in an electronic format or both; and
 - (iii) non-confidential reports and agreements submitted by past and present holders;
 - (c) beopen to inspection by members of the public during normal official office hours and members of the public shall be permitted to take a certified copy thereof on payment of the prescribed fees.
- (2) Land recorded in a cadastral survey map shall have marked on t, -
 - (a) licences that are granted and currently in force;
 - (b) licence applications that are pending a decision; and

(c) known or believed to be closed to exploration or mining operations under this Act or any other law.

Minerals Advisory Board.

No.

- (1) There shall continue in existence, the Minerals Advisory Board which shall comprise an odd number of voting members and consist of a Chairman, who shall be a Sierra Leone citizenpermanently resident in Sierra Leonewith knowledge andtechnical experience of the mines and minerals sector and the following other members -
 - (a) one representative each, not below the rank of Director or Deputy Secretary, from the following Ministries -
 - (i) the Ministry of Finance;
 - (ii) the Office of the Attorney General and Minister of Justice;
 - (iii) the Ministry of Local Government and Rural Development;
 - (iv) the Ministry of Youth Affairs;
 - (v) the Ministry of Lands and Country Planning;
 - (b) one representative from the Environment Protection Agency, not below the rank of Director;
 - (c) one representative of the Council of Paramount Chiefs;
 - 2representatives of civil society organisations working on issues relevant tothe minerals sector, one of whom shall be female, appointed bythe coalition ofcivilsocietyorganisations;

- (e) one representative, National RevenueAuthority, appointed by the Commissioner General;
- the Director-General, National Minerals Agency;
- (g) 2 persons with professional knowledge and experience in law, accounting, finance, mining, geology or human resource management, one of whom shall be female, nominated by the Minister and appointed by the President;
- (h) one representative, Sierra Leone Bar Association appointed by the Association; and
- the Permanent Secretary, Ministry of Mines and Mineral Resources, who shall be Secretary to the Board.
- (3) The Chairman shall be appointed by the President on the recommendation of the Minister subject to the approval of Parliament on such terms as are stated in the letter of appointment.
- (4) Board members shall in writing be appointed by their respective Ministry or organisation.
- (5) In the appointment of members of the Board strong consideration shall be given to gender equity.
- (6) The Chairman and other members of the Board shall hold office for a term of 3 years and shall be eligible for reappointment for a further term of 3 years only.
- (7) A person shall cease to be a member of the Board on any of the following grounds, where the person -

- (a) is unable to perform the functions as a member by reason of infirmity of mind or body;
- has committed an act of proven misconduct;
- becomes bankrupt or insolvent;
- is convicted of an offence involving fraud or dishonesty; or
- (e) resigns by written notice to the Minister.

Responsibilities of Board.

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11. (1) The Board shall be responsible for -

- (a) promoting Sierra Leone's competitiveness as a mining destination;
- consultation on applications and licences as is specifically provided for under this Act;
- monitoring and approval of public tender processes to ensure transparent and timely implementation;
- advising the Minister on matters relevant to the grant, modification, suspension, or cancelation of licence other than artisanal mining licence.
- (e) where necessary, facilitation of the resolution of inter-governmental disputes relevant to minerals, mining and mine-related activities;
- such other functions as set out under the Act or as may be assigned by the Minister.
- (2) The Board may, for the discharge of its functions, appoint one or more committees to perform such functions as the Board may determine.

12. (1) Where the Chairman or a member of the Board dies, Filling of resigns or is removed from the Board or is absent for a continuous vacancy. period exceeding 3 months, in the case of -

- (a) the Chairman, the members of the Board shall elect one of their number to serve as Chairman until such time when a new Chairman is appointed, and
- (b) a member, the Chairman shall, within 30 days, ensure, subject to this Act, to have another person appointed to the Board by the respective organisation that appointed the person being replaced.
- (2) Where a person is appointed as Chairman or appointed as a member to fill a vacancy, he shall hold office for the remainder of the term of the previous Chairman or member, as the case may be, and shall, subject to this Act, be eligible for re-appointment.
- 13. A member of the Board who has an interest, whether direct Disclosure or indirect, in a matter being considered or to be considered by the Board, shall disclose the nature of such interest to the Board and the disclosure shall be recorded in the minutes of the Board and such member shall not take part in a deliberation or decision of the Board relating to that matter.
- 14. An authorised officer shall as prescribed be appointed by Authorised notice in the Gazette.

officer.

(1) An authorised officer may at any reasonable time enter Right of a licence area and shall ensure that as little damage or entry of authorised inconvenience as possible is caused to the holder, owner or lawful officer. occupant of the land in respect of which the powers are exercised for the purposes of -

generally inspecting such area, operations, processing or treatment of minerals within the licence area;

- (b) with respect to the health and safety of persons employed by a holder and the general public, issue directions verbally or in writing and impose reasonable restrictions;
- (c) examining books, accounts, vouchers, documents or records of any kind required to be kept as part of the licence, and taking copies of such books, accounts, vouchers, documents or records as is reasonably required to ensure licence compliance.
- (2) An authorised officer may in writing require that a holder or its affiliate provideinformation regarding any licence activity and the holder or affiliate shall comply with any such reasonable request.

Indemnity.

16. A public officer, authorised officer or member of the Board or a member of a committee of the Board shall not be liable for anything done or omitted to be done, in good . faith in the performance of any function vestedin or delegated to the individual or Board as provided for in this Act.

Restrictions.

- 17. (1) A public officer, authorised officer, advisor, a member of the Board or a member of a committee of the Board shall not -
 - (a) be appointed until and unless that personmakes full disclosure of any ownership or retention of any individual holding or share in a company carrying on any type of activity licensed under this Act, including reconnaissance, exploration, mining, dealing or the import, export or marketing of minerals in Sierra Leone;

- (b) directly or indirectly, acquire a right or interest in an activity licensed under this Act and a document or transaction purporting to confer a right or interest on such person shall be null and void;
- own or retain shares in a company carrying on reconnaissance, exploration or mining operations, or the import, export or marketing of minerals in Sierra Leone.
- (2) Where aperson specified in subsection (1) is a shareholder of a company that has submitted a pending application or is aholder carrying on reconnaissance, exploration or mining operations, or the import, export or marketing of minerals in Sierra Leone that person shall within 90 days after assumption of office, divest or dispose of such shares.
- (3) A person who contravenes subsection (1) or subsection (2), shall be guilty of misconduct and shall be removed from office and subject to penalty.
- 18. (1) A public officer, authorised officer, advisor or member Prohibition of the Board or a member of a committee of the Boardshall not for the information. purposes of personal gain use information disclosed duringthe course of conducting work in this role.

- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine or to a term of imprisonment or to both fine and imprisonment.
- 19. The restrictions set forth under this Act shall remain in "Cooling-off force as follows for -

Period".

(a) the Minister, Director General and any Ministry or Agency staff and political appointees for 2 years beyond the date on which the person leaves office;

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- (b) any member of the Board for 1 year beyond the date on which the person leaves the Board; and
- (c) any other public officer, authorised officer, and advisor for 1 year beyond the date on which the person leaves office.

PART IV-MINERAL AREAS AND EXCLUDED LANDS

Reserved area.

- 20. (1) The Minister may, after consultation with the Director General and approval by Cabinet, by notice published in the Gazette determine public lands in which minerals have been discovered by a Government survey, as an exploration area or mining area and designate the area as "reserved area".
- (2) A reserved area designated by the Minister under subsection (1), shall not be declared on private land or an area that includes an existing licence or application for licence.
- (3) A reserved area may be declared for a fixed duration during which time a licence shall not be issued with respect to a part or all of a reserved area except by public tender.

Designated artisanal mining area.

- 21. (1) Where the Minister, after consultation with the Director General, considers that it is in the public interest to encourage artisanal mining, the Minister may by notice published in the Gazette declare an area as a "designated area".
- (2) An area shall not be designated an artisanal mining area until and unless the designation -
 - (a) is made after review and written approval of Cabinet;
 - (b) is made after a prescribed period of public consultation conducted in and around the proposed designated area; and

- (c) it specifies the mineral or minerals to which it applies.
- (3) The Minister shall, by notice published in the Gazette,
 - (a) specifythe mineralor minerals in the declared area that are subject to the notice; or
 - (b) varyor revoke a notice published under paragraph (a).
- 22. Applications shall not be accepted, and a holder shall not Excluded conduct licence activities in excluded lands that shall include lands.
 - (a) an area prescribed for natural conservation;
 - (b) an area dedicated or set apart for a public purpose other than exploration or miningincluding street, road, highway or aerodrome, except with the written consent of the responsible government authority having control over such land;
 - (c) an area dedicated as a place of burial, or which is a place of religious or other cultural significance except with the written consent of the local authority having control over the town or village in which the land is located;
 - (d) the site of, or which is within 200 metres or such greater distance as may be prescribed, of an inhabited, occupied or temporarily unoccupied house or building, except with the written consent of the owner or lawful occupant;

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- (e) an area within 50 metres or such greater distance as may be prescribed, which has been cleared or ploughed or otherwise prepared for the growing of, or upon which there are agricultural crops, except with the written consent of theowner or lawful occupant;
- the site of or within 100 metres or such greater distance as may be prescribed, a cattle dip, tank, dam, or other body of water, except with the written consent of the owner or lawful occupant;
- an area reserved for the purpose of a railway, highway or waterway or which is within 50 metres or such greater distance as may be prescribed, of the boundaries of a land so reserved, except with the written consent of theresponsible railway, highway or waterway government authority;
- an area within a town or village, or within 200 metres or such greater distance as may be prescribed, of the boundaries of a town or village, except with the written consent of the local authority having lawful control over the town or village; and
- an area as shall be prescribed under the laws of Sierra Leone.

PART V-APPLICATIONS, PUBLIC TENDER AND LICENCES

Application.

(1) A person who wishes to apply for a licence under this Act shall apply to the Agency in such form as may be prescribed.

- (2) An application made to the Agency under subsection (1) shall be registered in the mining cadastre system.
- (3) An applicant may, in writing to the Agency, at any time withdraw its application.
- (4) All material changes to an existing licence including renewal and modification shall be requested by an application in such form as may be prescribed.
- (5) The Minister may by statutory instrument prescribe the procedures for application for licence, including fees, the time limits for processing such applications, establishment of the applicant's financial capability and the requirement of work programme and budget for the work to be carried out in the specified term.
- 24. (1) An application may be submitted for an initial grant "First Come, First Served" oflicence for consideration on a "first come, first served" basis in Application. accordance with prescribed procedures.

(2) Subject to section (1), where 2 or more applicants, not acting together, each make an application over the same area or overlapping the same area, the person whose completed application was first registered in the mining cadastre system in the prescribed form, shall have priority over the other applicant in processing the application.

- (3) The applications shall as prescribed, be reviewed in chronological order of submission.
- A public tender shall be conducted where the Public tender. Minister on the advice of the Agency determines that -
 - (a) sufficient geodata and proof exists from which the following initial exploration, mining of the mineral can reasonably be expected to result in commercial production; or

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- (b) a mineral is considered to be essential for energy or economic security of Sierra Leone.
- (2) The Minister shall present information to the Board for its review and consultation before commencing a public tender.
- (3) A public tender may be conducted to jointly award exploration licence with rights of mining in which case, -
 - (a) the holder shall commence exploration operations, and
 - upon confirmation of commercial discovery shall apply to convert such licence to mining as part of the public tender rights.
- (4) A public tender shall as prescribed be conducted to determine the grant of a licence for strategic minerals.
 - (5) A Public Tender shall not be conducted -
 - (a) where an existing exploration licence holder seeks to convert its rights to a mining licence within its exploration licence area;
 - where an existing mining licence holder seeks to expand its mining within its licence area;
 - (c) where an existing mining licence holder discovers a mineral different from its licensed description and applies to include mining of the new mineral as part of its licence area; or
 - for an artisanal mining licence, dealer licence or exporter licence.

26. The following licences may be issued under this Act -

- (a) reconnaissancelicence;
- (b) explorationlicence;
- artisanalmininglicence;
- (d) small-scale Category A mining licence or small-scale Category B mininglicence;
- (e) large-scale mininglicence;
- dealer licence; and
- (g) exporter licence.
- 27. (1) The Minister shall issue a licence to an eligible person Power of having presented an application that conforms to the requirements

 Minister to issue licence. of this Act and the prescribed form.

- (2) A licence shall be valid upon issuance by the Minister.
- (3) A licence shall expire on the final day of its term of validity unless renewed or otherwise modified.
- 28. A licence issued under section 27 shall contain such Information information as may be prescribed including -

to be included in a licence.

- the category, date and duration of the licence;
- (b) the mineral or minerals for which it is granted;
- the name and legal address of the holder;
- the coordinates of the licence area;
- detailed description of the licence area;
- the conditions of the licence; and
- an approved programme of reconnaissance, exploration or mining operations as applies.

Licences.

Right of owner to extract and use construction materials.

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29. Nothing in this Act prevents the extraction and use of construction materials by the owner or lawful occupant on area that is not subject to a licence for the purposes of building, road construction or agricultural purposes on the land of the owner or lawful occupant.

PART VI-ELIGIBILITY AND RESTRICTIONS

Eligibility.

- 30. (1) A licence under this Act shall not be granted to anindividual as anatural person if that that person -
 - (a) does not have legal capacity;
 - (b) is under the age of 18 years;
 - (c) is bankrupt, having been adjudged or otherwise declared bankrupt under any law within 3 years prior to application; or
 - (d) has been convicted of an offence involving economic fraud or corruption.
- (2) A licence under this Act shall not be granted to a legalperson that -
 - (a) is not registered or incorporated under the laws of Sierra Leone;
 - is in liquidation other than a liquidation which is required to restructure the legal person including a re-organisation in bankruptcy;
 - (c) has one or more shareholders who hold at least a 10% share in the legal person who would be disqualified as a natural person under this section;

- (d) has a natural person or an individual shareholder holding directly or indirectly 5% or more who has been convicted of an offence under this Act;
- (e) includes a shareholder or officer of the legal person who was an officer or employee of the Ministry, Agency or member of the Board at the time the person first applied for the licence; or
- (f) has had a former licence revoked and that person applying for a licence over part of or all of the same licence area within 2 years of the original revocation.
- 31. (1) A person shall not be eligible to apply for and hold Restrictions on eligibility.
 - (a) a reconnaissance, exploration or large-scale mining licence unless that person is a legal person;
 - (b) a small-scaleCategory A or Category Bmining licence unless that person is a -
 - (i) a body corporate incorporated or registered under the laws of SierraLeone and having a minimum of 30% shares held by citizens of Sierra Leone; or
 - (ii) a co-operative society registered under the laws of Sierra Leone having a minimum of 30% of its members being citizens of Sierra Leone;
 - (c) an artisanal mining licence unless that person is-

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- (i) a natural person who isa citizen of Sierra Leone;
- (ii) a joint venture or partnership registered under the laws of Sierra Leone and exclusively comprised of citizens of Sierra Leone;
- (iii) a co-operative society registered under the laws of Sierra Leone having 100% of its members being citizens of Sierra Leone; or
- (iv) a body corporate incorporated or registered under the laws of Sierra Leone having 100% of its shares held exclusively by citizens of Sierra Leone; and
- a dealer licence unless that person is a -
 - (i) natural persons who are citizens of Sierra Leone; or
 - (ii) a co-operative society registered under the laws of Sierra Leone;
 - (iii) a body corporate incorporated or registered under the laws of Sierra Leone having a minimum of 10% shares held by citizens of Sierra Leone;
- (e) an exporter licence unless that person is a legal person;
- (f) a licence of which the subject is strategic mineral or radioactive mineral unless that person is a body corporate as prescribed under the laws of Sierra Leone.

- (2) A licence or renewal for licence shall not be issued to an applicant in default of a material provision of this Act.
- (3) In order to hold a licence, a foreign natural or legal person shall appoint and maintain an authorised agent, resident in Sierra Leone for the duration of the licence.

PART VII - SURFACE RIGHTS

32. (1) A licence under this Act is held subject to the right of Surface rights and ownership that a person may possess to the land on, in or under obligations. whichminerals are found or situated.

- (2) Subject to subsection (1), a person shall not conduct activities on or over land in Sierra Leone for the reconnaissance, exploration or mining for a mineral unless the person has been granted a licence under this Act.
- (3) An applicant for a licence under this Act shall before theissuance of a licence -
 - (a) obtain a lease agreement, easement, right of way or other permission required to formalise access and use of the land included within its licence area; and
 - where a licence area requires permission to use or access surface rights held by more than one owner or lawful occupant, the holder shall be required to obtain the appropriate legal agreements.
 - A holder upon issuance of a licence shall -
 - (a) be compliant with required payments including for surface rent;

- (b) not create unprotected pits, hazardous waste dumps or other hazards that is likely to endanger the stock, crops or lawful activity of the owner or lawful occupant of the land that is the subject of a licence;
- as prescribed, have an approved compensation payment planas prescribed under the laws of Sierra Leone; and
- as prescribed, have an approved resettlement action plan under the laws of Sierra Leone.

Retained rights.

- 33.(1) The owner or lawful occupant of land which is within an area that is the subject of a licence or surface rights agreement shall retain the right to graze stock upon it, cultivate the surface of such land, or engage in other lawful activities in so far as suchgrazing, cultivation or other lawful activity does not interfere with the properuse of such land for reconnaissance, exploration, or mining operations.
- (2) The owner or lawful occupant of land within an area that is the subject of a licence or surface rights agreement shall not erect a building or structure thereon without the consent of the holder and where such building or structure shall not interfere with the implementation of the licence operations, such consent shall not be unreasonably withheld.
- (3) The land owner or lawful occupant of land which is within an area that is the subject of a licence or surface rights agreement may not, for the purpose of cultivation, waterway, passage or grazing livestock, use the surface land, except with the written agreement of the holder which agreement shall not be unreasonably withheld.

34. (1) A holder shall, as prescribed in addition to surface Compensation rent or fee payable under lease or other surface rights agreement for and before exercising rights under a licence granted under this Act, rights or pay to the owner or lawful occupant of land subject to the licence damage to compensation, for-

- disturbance of the rights, economic losses and negative impacts on the livelihoods of the owner or lawful occupant; and
- damage done to the surface of the landincluding damage to trees, buildings or works, during the course of licence operations.
- (2) Compensation under subsection (1) shall be calculated in accordance with the laws of Sierra Leone and shall be sufficient to compensate an affected owner or lawful occupant for -
 - (a) any lost or damaged asset at full replacement value;
 - economic losses and other negative impacts on livelihoods so that the affected owner or lawful occupant is enabled to at least restore their livelihood.
- (3) Compensation under subsection (1) shall be subject to prior consultation with an affected owner or lawful occupant and shall be paid by the holder prior to the activity giving rise to the loss.
- 35. Failure of a holder to comply with compensation Power of obligations under his Act shall be an offence and the Minister may as prescribedsuspend the licence until such payment is made.

the Minster to suspend licence.

Obligation of State to undertake and resettlement.

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36. Where the State is a holder under this Act, therequirements for compensation and resettlement as prescribed compensation under the lawsof Sierra Leone shall apply.

Right to resettlement.

- 37. (1) Where, based on the results of the Environmental Impact Assessment, the Environment Protection Agency and the Ministry, with agreement of the Board, may recommend that resettlement is a necessary action of last resort to support a licence activity.
- Resettlement or economic displacement shall not occur under this Act without an approved Resettlement Action Plan as prescribed under the laws of Sierra Leone..

Overlapping rights of licence holders.

- 38. (1) With the exception of easements and rights of way as prescribed under this Act and the laws of Sierra Leone, there shall be no right of overlappinglicence rights or licence activities.
- (2) A holder may agree with another holder to conduct collective work of common interest that may include infrastructure development but shall not include integration of exploration or mining operations or consolidation of licences.

Right of way.

- 39. (1) A holder shall have the right of way over the licence areas covered by adjacentor neighbouring licence areas to carry out its licence activities.
- (2) A holder shall be liable to compensate the owner, lawful occupant and holder of the adjacent or neighbouring licence area referred to in subsection (1) if the right of way causes substantial damage.
- (3) A holder may provide written permission to another party and is entitled to receive payment to grant a right of way within its licence area.

(4) A permission provided by the holder to another party under subsection (3) shall be submitted to the Agency and the Agency shall record such permission in the mining cadastre system.

PART VIII - GENERAL LICENCE REQUIREMENTS

A holder is subject to -

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General requirements.

- (a) the laws of Sierra Leone;
- (b) applicable taxes, royalty and fees as they apply; and
- commitment to good faith performance of their licence activities.
- 41. (1) A holder of an exploration licence, small-scale Maintenance Category A or Category B mining licence or large-scale mining licence of cores and shall store and Maintain, in good condition, all drill cores and drilling samples in a manner that clearly identifies the date and location of its extraction, except for such amounts as may be required for assaying and testing.

- (2) Cores and samples shall remain the property of a holder for the duration of the licence.
- (3) A holder is, with reasonable notice, obliged to provide access to cores and sample to authorised officials.
- (4) At such time as a holder is no longer able or no longer wishes to retain any or all drill cores or samples, or upon the termination of all or part of the licence, the holder shall request the permission of the Agency to discard or otherwise dispose of such drill core or drilling samples.
- (5) The Agency shall within 30 days of receiving a request to dispose of geological samples, approve such request or order that the drill core and drilling samples or such of them as are required to be provided to it and the holder shall comply with such a request at its own cost.

Registered address.

42. A holder shall maintain in Sierra Leone a traceable and verifiable address registered with the Agency.

Records and reports.

- 43. (1) A holder shall maintain at an address in Sierra Leone those records and reports as prescribed.
- (2) A holder shall permit any authorised officer with reasonable notice to inspect the prescribed documents and records and make copies.

Amendment and modification of licences.

- 44. (1) A holder of a licence may, from time to time, seek to modify and amend its licence as prescribed and shall -
 - (a) where minimal and not to reasonably be considered a material change to licence operations, shall continue operations;
 - (b) where material change is sought, as prescribed submit application to amend to the Agency;
 - (c) where the Agency has not responded to the application within 30 days, the application shall be considered as granted.
- (2) The holder of a licence may seek to amend the programme of operations and shall follow the prescribed requirements to ensure necessary notice and consultation and procedures are followed.
- (3) A material amendment to a reconnaissance, exploration, artisanal, small-scale or large-scale programme shall require review and approval of the Agency.
- (4) Where a proposed amendment should be reasonably expected to substantially alter the terms and conditions of the licence or adversely affect the environment, community or have other such impact as to require additional review, the Board shall be convened to assess the proposed amendment for final approval by the Minister

and the Minister may, in such circumstances, impose such conditions as are determined to be necessary to ensure sound implementation of the licence.

- 45. (1) A holder shall, in writing, notify the Director General Change of and Minister when there is a proposed change in the control of ownership ownership or control of the licence including transfer, lease, mortgage or other conveyance or when a single interest in the licence exceeds 20%.
- (2) A change of control shall not have legal effect until, in writing, it has as prescribed been approved by the Minster and such change shall be registered with the Agency as prescribed.
 - (3) The Minister shall not withhold approval provided -
 - (a) all condition and obligations of the licence have been met as of the date of change of control; and
 - (b) the new or increased ownership is eligible under this Act; and
 - (c) a new licence is issued and shall includ written confirmation with detail that the holder shall assume all liabilities under the licence.
- 46. The following licences that shall not be subject to Prohibition of assignment, transfer, lease, pledge, mortgage or other conveyance assignment,

Prohibition of ce assignment, transfer, lease, pledge or mortgage of licences.

- (a) reconnaissance licence;
- (b) artisanal mining licence;
- (c) dealer licence;
- (d) exporter licence.

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Assignment, ransfer, lease, pledge mortgage of licences.

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- 47. The following licences may be assigned, transferred, leased, t pledged, mortgaged or otherwise conveyed to an eligible applicant subject to the written approval of the Ministry which shall not be unreasonably withheld -
 - (a) exploration licence;
 - (b) small-scale Category A or Category B mining licence;
 - large-scale mining licence.

Original holder to protect environment and other obligations.

48. Unless and until a licence is re-registered with the Agency, an assignment, transfer, lease, pledge, mortgage or other conveyance of licence shall not relieve the original holder from its legal obligations to protect the environment, rehabilitation of licence area or in respect of other obligations set out in the licence.

No rightof inheritance.

49. There shall be no rights of inheritance with respect to a licence or licence application.

Arms-length sales.

A holder shall sell minerals and mineral products in accordance with accepted international best practice and conduct arms-length transactions, a record of which shall be maintained at the holder's offices and included in its regular reporting to the Agency.

PART IX-SURRENDER, RETENTION, SUSPENSION AND CANCELLATION

Surrender.

51. A holder may as prescribed at any time surrender all or part of its licence.

Application for certificate of surrender.

52. (1) Where an application for a certificate of surrender is in respect of part of a licence area, the application shall be accompanied by -

> a detailed plan of the area to be surrendered; an

- (b) a detailed technical report containing all information, results, interpretation and data relating to the area to be surrendered from the commencement of the licence, in such form as may be prescribed;
- an environmental, social and mine closure information plans and reports as prescribed including any financial assurance requirements;
- (d) certified assurance that all payments and liabilities incurred by the holder in relation to the area to be surrendered are met prior to the date of surrender.
- (2) Where a holder has complied with this section, the Agency shall issue a certificate of surrender to the holder and amend the licence to reflect the removal of the surrendered area.
- 53. (1) An exploration licence holder may apply as prescribed Retention. to suspend its approved programme of exploration operations for up to one year, renewable for 2 additional terms of one year each in the event of -
 - (a) a significant market interruption, or
 - (b) health emergency, and majeure event.
- 54. (1) A holder of a small-scale mining Category A or B Suspension of mininglicence or large-scale mining licence shall, except in emergency production. circumstances as may be prescribed, in writing, notify the Minister at least 45 days in advance of a proposal to suspend production from the mine and shall in each case, give reasons for the suspension.

- (2) Suspension of production for technical or operational reasons shall not exceed 100 days unless extended by the Minister.
- Suspension of production based on market or other relevant factors shall be considered by the Board as prescribed.

- (4) The Minister may approve the suspension, call for an investigation or direct the holder to resume production by a specified date, as prescribed.
- (5) A request to suspend a licence on the basis of a significant market interruption or health emergency, the holder may as prescribed apply to extend the suspension with review and approval of the Board.
 - (6) Suspension shall not apply to a force majeure event.

Emergency suspension.

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55. (1) The Director General shall-

- (a) in the event of an emergency, have theright to suspend all or part of licence operations when something so dangerous or serious occurs, such as an accident that happens suddenly and unexpectedly and requires fast action to avoid harmful results, and
- (b) within 24 hours of the suspension, provide in writing to the holder details of the reasons for the suspension and time-based actions to be completed to defend or to cure detrimental impact.
- (2) A holder retains the legal right to suspend all or part of its licence activities in the event of emergency.

Cancellation.

- 56. (1) The Minister may cancel a licence on the recommendation of the Board and, as prescribed based on documented evidence that a holder -
 - (a) grossly violates health and safety laws and regulations or otherwise causes danger to life, property or the environment;
 - (a) employs or makes use of child labour;

(c) engages in the illegal use of explosives, chemicals, dangerous and unsafe mining practice;

- (c) becomes an undischarged bankrupt or adjudged to be of unsound mind;
- (d) has fraudulently represented its technical or financial wherewithal to implement the licence conditions;
- (e) makes a material misrepresentation with respect to the licence that the holder knows or ought to have known to be false;
- (f) enacts or attempts to enact illegal sale or smuggling of minerals;
- (g) becomes ineligible to apply for a licence under this Act; or
- (h) has committed such other acts as may be prescribed.
- (2) The Minister shall before cancellation of all or part of a licence, require the holder to cure the proven breach within a minimum period of 30 days.
- 57. (1) A holder shall as prescribed upon termination of a Termination. licence -
 - (a) remove moveable assets within the prescribed period, unless an agreement is made to transfer the assets;
 - (b) leave freshwater dams or other infrastructure intact unless otherwise agreed with the Agency;

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(c) furnish the Agency with -

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- (i) geodata, maps, plans, reports and records;
- (ii) a full register of assets includingb description of how the assets shall be disposed;
- (iii) notification of potentially hazardous substances, structures, excavations or other dangerous conditions, and
- (iv) additional information as may be prescribed.

Right of the state to acquire

A public utility and shared utility infrastructure built by a holder, shall become property of the State upon termination of the infrastructure. licence, unless otherwise prescribed under a Community Development Agreement.

Right of the State to acquire mineral products.

59. Minerals, mineral products and all other items that are not removed from the licence area within the prescribed time following expiration or termination of licence shall become property of the State and shall be disposed in accordance with the laws of Sierra Leone.

PART X-RECONNAISSANCE LICENCE

Application for reconnaissance licence.

- 60. (1) An application for a reconnaissance licence shall be submitted in the prescribed form and shall contain -
 - (a) the registered name and place of incorporation of the company, its certificate of incorporation and certified copy of its memorandum and articles of association;
 - the names and nationalities of its directors and the name of every shareholder who is the beneficial owner of 5% or more of the issued share capital;

- (b) the company profile and history of reconnaissance and exploration operations in Sierra Leone and elsewhere;
- (c) the name and qualifications of the personresponsible for supervising the proposed programme of reconnaissance operations;
- (d) details of any licence held within Sierra Leone by the applicant or by a person controlling, controlled by or under joint or common control with the applicant;
- details of any significant adverse effects which the carrying out of the programme of reconnaissance operations would be likely to have on the environment, citizens, cultural and historic relics within in the proposed reconnaissance licence area and a plan and estimated cost to mitigate any adverse impacts;
- (f) a statement of particulars of the applicant's proposals with regard to the employment of Sierra Leonean citizens as prescribed,
- (g) a statement of the duration applied for whic shall not exceed one year; and
- An application shall be accompanied by, as prescribed
 - a detailed map of the proposed area over which the licence is sought;
 - (b) a description of the proposed licence area, identified which shall be considered definitive should there be a discrepancy with the map submitted under subparagraph (a);

- (c) a statement giving particulars of thetechnical expertise available to the applicant to implement the licence;
- a statement of financial resources available to the applicant to implement the licence, and a certified copy of its audited accounts for the financial year immediately preceding the application;
- (e) a proposed programme of rreconnaissance operations;
- (f) any other information which the applicantwishes the Minister to consider.

Restriction on grant of reconnaissance licence.

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61. A reconnaissance licence shall -

- (a) not be granted where the proposedreconnaissance licence area is the same as or overlaps with, an existing exploration licence area, an existing mining licence area or an area that has been designated to be a declared area or a reserved area;
- comprise a contiguous area that are of such shape, orientation and dimension as may be prescribed.

Disposal of application for reconnaissance licence.

(1) An application of a reconnaissance licence shall be presented to the Board by the Agency for review and consultation.

Recommendations of the Board shall be submitted to the Minister in writing.

(3) All recommendations shall be recorded in the mining cadastre system.

63. (1) The Minister shall within 30 days of receipt of an Minister application, grant or reject application for a reconnaissance licence and any amendments a thereto.

- (2) The Minister shall as prescribed and in writing notify the applicant, and where the -
 - (a) the Minister has refused the application, shall give reasons for such refusal, and
 - the Minister has granted the application, the applicant shall respond within 30 days of written notification; failure to respond within the 30 days shall result in lapse of grant.
- A reconnaissance licence area shall not exceed Reconnaissance 10,000 sq. km.

licence area.

(1) A reconnaissance licence shall be valid for up to one year.

Duration of reconnaissance licence.

- (2) A reconnaissance licence may upon evidence of prescribed requirements, be renewed for a duration of one additional consecutive year.
- 66. (1) A holder of a reconnaissance licence may, not later Renewal of than 90 days beforethe expiration of the licence submit an application for renewal as prescribed.

reconnaissance licence.

- (2) An application for renewal of a reconnaissance licence shall be presented by the Agency to the Minister and Board for review and consultation.
- (3) Recommendations of the Board mayin writing be provided to the Minister.

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- (4) A recommendation under subsection (3) shall be recorded in the mining cadastre system.
- (5) The Minister shall within 30 days of receipt, grant or reject application for reconnaissance licence and any amendments thereto.
- (6) The Minister shall in writing within 30 days of receipt notify the applicant.
- (7) Where the Minister has refused the application, shall give reasons for such refusal.
- (8) Where the Minister has granted the application, the applicant shall respond within 30 days of written notification; failure to respond within the 30 days shall result in lapse of grant.

Reconnaissance

- 67. A holder of a reconnaissance licence shall have the nonlicence rights. exclusive right to -
 - (a) enter on or fly over the reconnaissance area to carry on approved reconnaissance operations;
 - (b) take and remove specimens and samples from the reconnaissance area not exceeding the limit as is reasonably required for reconnaissance purposes; and
 - (c) any additional rights defined in the reconnaissance licence.

68. A holder of a reconnaissance licence shall -

Reconnaissance licence obligations.

- commence reconnaissance operations within 90 calendar days from the date of issue of the reconnaissance licence;
- carry out reconnaissance operations in accordance with the approved programme of reconnaissance operations;
- (c) not engage in drilling, excavation or other sub-surface exploration methodologies or techniques;
- (d) not remove any mineral from thereconnaissance area except for the purpose of having the mineral analysed or tested;
- compensate owners or lawful occupants for damage to land, environment and propertyresulting from reconnaissance operations in the licence area;
- (f) maintain and restore, from a damage resulting from reconnaissance operations, the land

- Holder of reconnaissance licence to keep records.
- 69. A holder of a reconnaissance licence shall keep at its reconnaissance registered address current and complete records that shall include -
 - (a) description of those minerals identified;
 - (b) the results of a geochemical orgeophysical or other analysis and interpretation data;
 - (c) employee list including qualifications, nationality, age;
 - (d) other work done in connection with the reconnaissance licence; and
 - (e) any additional information as may be prescribed.

PART XI-EXPLORATION LICENCE

Application for exploration licence.

- 70. (1) An application for an exploration licence shall be submitted in exploration the prescribed form and shall -
 - (a) contain -
 - (i) the registered name and place of incorporation of the applicant, its certificate of incorporation and certified copy of its memorandum and articles of association;
 - (ii) the names and nationalities of its directors and the name of every shareholder who is a beneficial owner of 5% or more of the issued share capital;

- (iii) a detailed company profile and history of exploration and mining operations in Sierra Leone and elsewhere;
- (iv) details of a licence held within Sierra Leone by the applicant or by a person controlling, controlled by or under joint or common control with the applicant;
- (i) details of significant impacts which the carrying out of the programme of exploration operations would be likely to have on the environment, citizens, cultural and historic relics within the proposed exploration licence area and a plan and estimated cost to mitigate adverse impacts;
- (ii) a statement of particulars of the applicant's proposals with regard to the employment and training of Sierra Leone citizens as prescribed;
- (iii) a statement of the licence duration applied for;
- (iv) identify the name and qualifications of the person responsible for supervising the proposed programme of exploration operations; and
- (b) be accompanied by, as prescribed -
 - a detailed plan of the proposed exploration licence area;
 - (ii) a description of the exploration licence area which shall be considered definitive

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- (iii) a statement giving particulars of the technical expertise available to the applicant to implement the licence;
- (iv) a statement giving the particulars about the financial resources available to the applicant to implement the licence, and a certified copy of its audited accounts for the financial year immediately preceding the application;
- a proposed programme of exploration operations setting out detail work plans and budget for not less than 12 months;
- (vi) lease and any other surface rights agreements as applicable;
- (vii) environmental screening report; and
- (viii) any other information which the applicant wishes the Minister to consider.

Restriction on grant of exploration licence.

- 71. (1) An exploration licence shall not be granted where the on grant of proposed exploration licence area is the same as or overlaps with
 - an existing exploration licence area, an existing mining area, a designated area or a reserved area;
 - an area the subject of a pending application for an exploration, artisanal mining, smallscale mining, or large-scale mining licence; or

- (c) where the applicant is in default of any of the provisions of this Act.
- (2) An exploration licence shall not be granted to an applicant until documents as prescribed are approved including-

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- (a) environment screening report;
- leases and any other surface rights agreements as applicable;
- health and safety plan;
- local content plan;
- compensation plan where required; and
- resettlement action plan where required.
- (1) An application of an exploration licence shall be Disposal of presented application for to the Board by the Agency for review application and consultation.

exploration

- (2) the Board shall submit recommendations to the licence. Minister in writing.
- (3) All recommendations shall be recorded in the mining cadastre system.
- (4) The Minister shall within 60 days of receipt of the application and recommendations, issue a final determination to grant or reject application for an exploration licence and any amendments thereto.
- The Minister shall as prescribed and in writing notify theapplicant.
- (6) Where the Minister has refused the application, shall give reasons for such refusal.

(7) Where the Minister has granted the application, the applicant shall respond within 30 days of written notification; failure to respond within the 30 days shall result in lapse of grant.

Power of Minister to grant or reject application

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- 73. (1) The Minister shall grant or reject applications for Minister to exploration licence and any amendments thereto.
- (2) The Minister shall as prescribed and in writing notify the applicant.
- (3) Where the Minister has refused the application, shall give reasons for such refusal.
- (4) Where the Minister has granted the application, the applicant shall respond within 30 days of written notification; failure to respond shall result in lapse of grant.

Exploration area.

74. An exploration licence area shall not exceed contiguous 175 area.

Duration of exploration licence.

75. An exploration licence shall be valid for up to 3 years. exploration licence.

Renewal of exploration licence.

- 76. (1) A holder of an exploration licence may, not later than 90 exploration before the expiration of the current licence submit an application for renewal licence. as prescribed.
- (2) An exploration licence may upon evidence of prescribed requirements, be renewed for two additional terms, each for up to 3 years.
- (3) As part of each renewal, the holder shall relinquish 50% of its current exploration licence area.

Exploration licence rights

77. A holder of an exploration licence shall have the exclusive licence rights. right to conduct activities as prescribed within the exploration licence area that may include the right to -

(a) enter upon or fly over the exploration licence area together with his employees and affiliates to carry on approved exploration operations;

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- (b) drill boreholes and make such excavations as may be necessary;
- (c) take and remove specimens and samples from the exploration licence area not exceeding the limit as is reasonably required for assaying and testing;
- (d) subject to the laws of Sierra Leone, remove timber and water from watercourses for the purposes of exploration;
- (e) erect camps and temporary structures, including installations in a water forming part of the exploration licence area provided that the erection of a camp or structure that shall not be construed as conferring any right, title or interest in the land; and
- (f) any additional rights defined in the exploration licence.
- 78. A holder of an exploration licence shall -

Exploration licence obligations.

- (a) commence exploration operations within 90 calendar days of the date of issuance of the exploration licence;
- (b) carry out exploration operations in accordance with the approved programme of exploration operations;
- (c) comply with the annual programme of exploration operations expenditure requirements as prescribed;

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- (d) submit to the Director General, not later than 90 calendar days after the end of each anniversary of the licence, an audited statement of expenditure directly incurred to date under the licence;
- comply with its approved environmental and social management plan, health and safety plan and programme of exploration operations;
- not remove a mineral from the exploration licence area except for the purpose of assay or testing;
- notify the Minister of the discovery of a mineral deposit of possible commercial value;
- remove within 60 days of the termination of the exploration licence, camps, temporary structure or machinery erected or installed by the holder and repair or otherwise make good any damage occasioned by the removal in such manner as prescribed;
- any additional obligations as prescribed in the exploration licence.

Holder of exploration licence to keep record.

79. A holder of an exploration licence shall keep at its exploration registered address current and complete records that shall include -

licence to

keep records

- (a) minerals identified;
- (b) technical data including boreholes drilled, strata penetrated, with detailed logs of the strata; geological, geochemical or geophysical analysis and interpretation;

- (c) costed work programme including expenditures to date;
- (d) employee list including qualifications, nationality, age;
- other work done in connection with the exploration licence; and
- any additional information as may be prescribed.
- (1) A holder of an exploration licence shall have Conversion the exclusive rights. first right of refusal to convert part of all of its rights. exploration licence area to a mining licence.
- (2) Where a holder seeks to convert all or part of its exploration licence to a mining licence, the holder shall submit as part of the application, information required under the exploration licence or large-scale licence applications as applies and shall include a feasibility study as prescribed.
- (3) A holder of an exploration licence shall within 90 days prior to the expiration of his licence apply for -
 - (a) a small-scale Category A or B mining licence;
 - (b) a large-scale mining licence, or
 - (c) without overlap, a combination of small-scale licence and large-scale licence.
- 81. (1) Where an exploration licence is due to expire pending Exploration licence to determination of an application for a small-scale mining licence to Category A or remain in Category B mining licence or large-scale remain in force until mining licence the exploration force until licence shall remain in effect determination over the exploration licence area until the

application.

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- determination application is finally disposed of in accordance with this Act. of application.
- (2) Upon the grant of a small-scale mining licence or largescale mining licence the exploration licence covering that area shall cease to have effect.
- (3) Remaining exploration licence area shall continue to haveeffect notwithstanding that the exploration licence area has ceased to be in the shape or to have the dimensions prescribed in respect of the initial exploration licence area.
- (4) The modified exploration licence area shall be recorded in the mining cadastre system.

PART XII-ARTISANAL MINING LICENCE

Application for artisanal mining licence.

- 82. An application for an artisanal mining licence shall be artisanal mining submitted to the Agency in the prescribed form and shall-
 - (a) contain -
 - (i) a statement giving particulars of the technical expertise available to the applicant to implement the licence;
 - (ii) a statement of the financial resources available to the applicant to implement the licence;
 - (iii) details of minerals in respect of which the licence is sought;
 - (iv) a statement for the licence duration applied;

- (v) a statement setting out any other matter which the applicant wishes the Director General to consider; and
- (b) be accompanied by, as prescribed -
 - (i) a map of the proposed area over which the licence is sought;
 - (ii) a proposed artisanal mining programme;
 - (iii) Proof of consent by the landowner or lawful occupier that establish consent to use the land for artisanal mining purposes;
 - (iv) environmental screening report; and
 - (v) any other information which the applicant wishes the Agency to consider.
- 83. (1) An artisanal mining licence shall grant of artisanal mining licence.

Restriction on grant of artisanal mining licence.

- (a) be limited to issuance of up to 3 licences to one holder and shall not be contiguous;
- (b) employ not more than 50 workers;
- (c) not be granted in respect of land which constitutes another licence area.
- (2) An artisanal mining licence shall not be granted to an applicant until prescribed documents are approved including -
 - (a) environment screening report;

- (b) Proof of consent to use land for artisanal mining purposes;
- health and safety plan;
- local content plan;
- (e) any additional documents as directed by the Director General.

Disposal of application for artisanal mining licence.

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84. (1) An application for an artisanal mining licence shall be application for submitted to the Director General.

artisanal mining

licence.

- (2) The Director General shall within 30 days of receipt, grant or reject application for an artisanal mining licence and any amendments thereto.
- (3) Where the Director General has granted the application, the applicant shall respond within 30 days of written notification; failure to response within the 30 days shall result in lapse of grant.
- (4) Where the Director General has refused the application shall give reasons for such refusal, and
- (5) A person aggrieved by the refusal of the Director General to grant an application may as prescribed appeal to the Minister, and the determination of the Minister shall be final.

Artisanal mining licence area

85. An artisanal mining licence area shall be up to 1 hectare and licence area. shall comprise contiguous area.

Duration of artisanal mining licence.

86. An artisanal mining licence shall be valid for up to 1 year.

87. (1) An artisanal mining licence may, upon evidence of Renewal of the artisanal holder satisfactorily complying with prescribed artisanal requirements, continue mining to be renewed on an annual basis for licence. the commercial life of the deposit. licence

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- (2) An artisanal licence holder may, not later than 60 calendar days before the expiration of the licence, apply to the Director General for renewal.
- (3) An artisanal licence may, upon evidence of prescribed requirements, be renewed upon application on an annual basis for as long as the applicant is eligible and is compliant with licence requirements and applicable laws.
- (4) Notwithstanding subsection (3), an artisanal licence shall not be renewed in respect of a mineral which has ceased to be a mineral prescribed under the original artisanal mining licence.
- 88. The holder of an artisanal mining licence shall have an Artisanal licence rights. exclusive right to conduct activities as prescribed mining within the artisanal mining licence area that may include the right licence rights.

- (a) enter on the licence area to carry on approved artisanal mining operations;
- (b) make such excavations as may be necessary;
- (c) remove minerals from the licence area in respect of which the licence was issued;
- (d) subject to the laws of Sierra Leone, remove timber and water for the purpose of artisanal mining;
- (e) erect camps, temporary structures, installations necessary to support the artisanal mining activities;

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- sell minerals extracted under the licence; and (f)
- any additional rights defined in the artisanal mining licence.

Artisanal mining licence obligations.

A holder of an artisanal mining licence shall licence obligations.

- employ a Mine Manager for the purpose of supervising artisanal mining operations;
- (b) commence mining operations within 60 calendar days of the date of issuance of the artisanal mining licence;
- carry out artisanal mining operations in accordance with the approved programme of artisanal mining operations;
- comply with its lease agreement(s);
- comply with its approved environmental screening report;
- comply with reporting requirements issued by the Director General;
- remove within 60 calendar days of the expiration of the artisanal mining licence, camps, structures or machinery erected or installed by the holder and repair surface damage as prescribed; and
- any additional obligations as prescribed in the artisanal mining licence.

PART XIII-SMALL-SCALE MINING LICENCES

An application for a small-scale Category A or Category B Application small-scale mining licence shall be submitted in the prescribed form and shall-

scale Category A or Category B Mining Licence.

- (a) contain -
 - (i) the legally registered name and place of incorporation or registration of the holder, its certificate of incorporation and certified copy of its memorandum and articles of association:
 - (ii) the names and nationalities of its directors and the name and contact details of each shareholder of 5% or more of the issued share capital;
 - (iii) the company profile and history of reconnaissance, exploration, mining and mining-related operations in Sierra Leone and elsewhere:
 - (iv) the name and qualifications of the person responsible for supervising the proposed programme of mining operations;
 - (v) details of minerals in respect of which the licence is sought;
 - (vi) a statement of the proposed licence duration:
 - (vii) a statement of applicant's infrastructure requirements and proposals with

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respect to development of mining-related infrastructure as part of licence activities;

- (viii) a copy of employment contract and statement of the applicant's proposals for health and life insurance for employees;
- (ix) details of any licence held in Sierra Leone, by the applicant or by a person controlling, controlled by or under joint or common control with the applicant; and
- (x) a certified statement confirming financial capacity to fund required bonds;
- be accompanied by, as prescribed -
 - (i) a detailed mine plan and programme of mining operations, showing such particulars as may be prescribed;
 - (ii) a statement giving details of the mineral deposits in the proposed licence area, including details of all known mineral resources (measured, indicated and inferred) and, ore reserves and mining conditions;
 - (iii) a technical report on mining and treatment possibilities and the intention of the applicant in relation to them;
 - (iv) a statement giving a detailed forecast of capital investment, operating costs and revenues and the anticipated type and source of financing;

- (v) leases and other surface rights agreements as applicable; and
- (vi) any additional information which the applicant wishes the Minister to consider.
- 91. A small-scale Category A or Category B mining licence Restrictions shall on grant of not be granted to applicant until prescribed documents are approved small-scale including -

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small-scale mining licence.

mining licence. (a) mine plan and budget;

- (b) environment impact assessment licence;
- dredging permit where required;
- (d) leases and other surface rights agreements as applicable;
- health and safety plan;
- mine closure plan;
- local content plan;
- insurance policies;
- compensation plan where required; and
- resettlement action plan where required.
- 92. The extraction of construction materials for commercial sale Extraction of construction shall be subject to the requirements of a small-scale construction Category A mining or materials. Category B mining licence as applies. materials.

Disposal of application for smallscale mining licence.

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- 93. (1) An application for a small-scale Category A or Category B application for mining licence shall be presented to the Board by the Agency for review and small - scale consultation as prescribed.
- (2) The Board may in the interests of ensuring sound development invite the applicant to present information and may solicit additional information from the applicant as is reasonably expected to be useful in determining the grant of licence.
- (3) The Board may provide recommendations to the Minister in writing.
- (4) All recommendations shall be recorded in the mining cadastre system.
- (5) The Minister shall within 30 days of receipt of the application and recommendations, issue a final determination to grant or reject application for a small-scale licence and any amendments thereto.
- (6) Where the Minister has refused the application, shall give reasons for such refusal.
- (7) Where the Minister has granted the application, the applicant shall respond within 30 days of written notification and failure to respond within the 30 days shall result in lapse of grant.

Small-scale mining licence category.

- 94. (1) A small-scale "Category A" mining licence area shall not be mining licence less than 50 hectares and not more than 200 hectares and defined in the category. small-scale Category A mining licence to reflect the area required to reasonably conduct allowable exploration and mining activities and shall be approved by the Agency based on geological and other information.
- (2) A small-scale "Category B" licence area shall not be less than 1 hectare and shall not be more than 50 hectares as defined in the small-scale Category B mining licence.

- (3) The holder of a small-scale Category A or Category B mining licence shall not have the right to apply to enlarge the licence area.
- A small-scale Category A or Category B mining licence Duration of small-scale shall be small-scale valid for up to 4 years. mining mining licence. licence.
- (1) Upon evidence of satisfaction of prescribed Renewal of requirements, a small-scale small-scale mining licence may continue small-scale mining to be renewed for up to 4 years mining upon each application for licence. renewal for the commercial life of the deposit.

licence.

- (2) The holder of a small-scale Category A or Category B mining licence may, not later than 90 days before the expiration of the current licence term, submit an application for renewal as prescribed.
 - (3) As part of each renewal, the holder shall submit -
 - (a) an updated mine plan, budget and programme of mining operations that describes intended operations and to accurately reflect the stage of development including any change in mining methodologies and maps;
 - updated or new submissions as prescribed including -
 - (i) environmental impact assessment licence;
 - (ii) dredging permit where required;
 - (iii) environmental and social impact management plan;

- (iv) leases and any other surface rights agreements applicable;
- (v) health and safety plan;
- (vi) mine closure plan;
- (vii) local content plan;
- (viii) insurance policies;
- (ix) compensation plan where required; and
- (x) Resettlement Action plan where required.

Small-scale mining licence rights.

- 97. The holder of a small-scale mining licence shall have an exclusive mining right to conduct activities as prescribed within the small-scale licence area and such licence rights may include the right to -rights.
 - (a) enter on the small-scale mining area to carry on approved small-scale mining operations;
 - (b) take reasonable measures on or under the surface the licence area to explore, mine and process extracted minerals to which the licence relates:
 - sell and, or export minerals and tailings -
 - (i) obtained under the programme of mining operations and,
 - (ii) that were earlier mined and stored but have remained within the current smallscale licence area;

- (d) erect equipment, plant, machinery and buildings for the purpose of exploration, mining, transporting, storing and processing minerals recovered under the licence operations;
- stack or dump a mineral or waste product in a manner consistent with the Environment and Social Management Plan;
- utilise water and timber in a manner consistent with the environment and social management plan, dredging permit and other prescribed requirements; and
- any additional rights defined in the small-scale mining licence.
- The holder of a small-scale mining licence shall have the Small-scale mining licence obligation to -

licence obligations.

obligations.

- commence mine development within 180calendar days from the issuance of the small-scale licence;
- (b) develop and mine the minerals within the licence area in accordance with the approved programme of mining operations and environmental and social management plan;
- (c) demarcate and keep the mining licence area in such manner as may be prescribed;
- (d) notify the Director-General as soon as the holder can confirm commencement of commercial production;
- (e) Provide updated financial and budget reports as prescribed;

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comply with all prescribed reports, leases, agreements and plans.

Holder of small-scale mining licence to keep records. to keep records. (a) production data minerals identified;

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- The holder of a small-scale licence shall keep at its registered small-scale address current and complete records that shall include mining licence
 - (b) technical data including boreholes drilled, strata penetrated, with detailed logs of the strata; geological, geochemical or geophysical analysis and interpretation;
 - costed work programme including expenditures to date;
 - employee list including qualifications, nationality, age;
 - other work done in connection with the smallscale licence; and
 - any additional information as may be prescribed.

Additional discovery.

- 100. (1) Where in the course of implementing the licence, the small- discovery. scale licence holder discovers
 - additional deposits of the mineral(s) which relate to the licence not contemplated in the programme of mining operations; and, or
 - minerals other than those to which the licence does not relate,
 - the holder shall, in writing within 30 calendar days of the discovery, notify the Director General, the Minister and the Board giving

particulars of the deposits, or the mineral(s) Remuneration. discovered including the location, circumstances of the discovery and proposal for action, if any.

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(2) In the event of discovery, holder shall have first right of refusal to apply for rights to mine the discovered minerals where eligibility and other requirements under this Act are met.

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PART XIV-LARGE SCALE MINING LICENCE

101. (1) An application for a large-scale mining licence shall Application be large-scale submitted in the prescribed form and shall -

for largescale mining mining licence.

licence.

No.

- (a) contain -
 - (i) the legally registered name and place of incorporation of the holder, its certificate of incorporation and certified copy of its memorandum and articles of association;
 - (ii) the names and nationalities of its directors and the name of each shareholder of 5% or more of the issued share capital;
 - (iii) the company profile and history of reconnaissance, exploration, mining and mining-related operations in Sierra Leone and elsewhere;
 - (iv) the name and qualifications of the person responsible for supervising the proposed programme of mining operations;

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No.

- (v) details of minerals in respect of which the licence is sought;
- (vi) a statement of the proposed licence duration;
- (vii) a statement of applicant's infrastructure requirements and proposals with respect to development of miningrelated infrastructure as part of licence activities;
- (viii) a copy of employment contract and statement of the applicant's proposals for health and life insurance for employees;
- (ix) details of any licence held in Sierra Leone, by the applicant or by a person controlling, controlled by or under joint or common control with the applicant; and
- (x) a certified statement confirming financial capacity to fund bonds required under the laws of Sierra Leone;
- (b) be accompanied by, as prescribed -
 - (i) a detailed mine plan and programme of mining operations, showing such particulars as may be prescribed;
 - (ii) a statement giving details of the mineral deposits in the proposed licence area, including details of all known mineral resources (measured, indicated and inferred) and, ore reserves and mining conditions;

- (iii) a technical report on mining and treatment possibilities and the intention of the applicant in relation to them;
- (iv) a statement giving a detailed forecast of capital investment, operating costs and revenues and the anticipated type and source of financing;
- (v) leases and surface rights agreements; and
- (vi) any additional information which the applicant wishes the Minister to consider.

102. A large-scale licence shall not be granted to an applicant Restrictions until on grant of prescribed documents are approved including large-scale

on grant of large-scale mining licence.

mining licence.

- mine plan and budget;
- environment impact assessment licence;
- dredging permit where required;
- leases and surface rights agreements;
- health and safety plan;
- mine closure plan;
- local content plan;
- (h) insurance policies;

- compensation plan where required; and
- resettlement action plan where required.

Application for deep seabed mining.

103. An application for deep seabed mining shall only be deep seabed considered under the requirements of large-scale mining licence. mining.

Disposal of application for largescale mining licence.

- 104. (1) An application for a large-scale mining licence shall be application for presented to the Board by the Agency for review and consultation as large-scale prescribed.
- (2) The Minister and Board may in the interests of ensuring sound development invite the applicant to present information and may solicit additional information from the applicant as is reasonably expected to be useful in determining the grant of licence.
- (3) The Board may make recommendations to the Minister in writing.
- (4) All recommendations shall be recorded in the mining cadaster system.
- (5) The Minister shall within 60 days of receipt of application grant or reject the application for large-scale licence and amendments thereto.
- (6) The Minister shall within 90 days of receipt of the application and recommendations, issue a final determination to grant or reject the application for a large-scale mining licence and any amendments thereto as prescribed and in writing notify the applicant, and where the Minister has-
 - (a) refused the application, shall give reasons for such refusal, and

- (b) granted the application, the applicant shall respond within 60 days of written notification and failure to respond within the 60 days shall result in lapse of grant.
- 105. A large-scale licence area shall be more than 200 hectares Large-scale and licence area. defined in the large-scale mining licence to reflect licence area. the area required to reasonably conduct allowable exploration and mining activities and shall be based on geological and other information.

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106. The holder of a large-scale mining licence may apply Application enlargement ofto enlarge the licence area where geodata is sufficient for to justify that the large-scale enlargement will be efficient and optimise of large-scale minerals development, in which mining area. case the holder shall mining area. provide updated information to reflect the modification including to the -

- mine plan and budget;
- environmental impact assessment licence;
- environmental and social management plan;
- dredging permit where required;
- leases and surface rights agreements;
- health and safety plan;
- mine closure plan;
- local content plan;
- insurance policies;
- compensation plan where required; and
- resettlement action plan where required.

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Duration of large-scale mining licence.

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107. A large-scale mining licence shall be valid for up to 25 years.

large-scale mining licence.

Renewal of large-scale mining licence.

- 108. (1) Upon evidence of prescribed requirements, a largescale large-scale mining licence may continue to be renewed for up to 15 years upon each miming licence, application for renewal for the commercial life of the deposit.
- (2) The holder of a large-scale mining licence may, not later than 90 days before the expiration of the current licence term, submit an application for renewal as prescribed.
 - (3) As part of each renewal, the holder shall submit
 - an updated mine plan, budget and programme of mining operations that describes intended operations and to accurately reflect the stage of development including any change in mining methodologies and maps;
 - (b) updated or new submissions as prescribed including -
 - (i) environment impact assessment licence;
 - (ii) dredging permit where required;
 - (iii) environmental and social impact management plan;
 - (iv) leases and surface rights agreements;
 - (v) health and safety plan;
 - (vi) mine closure plan;

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 - (vii) local content plan; (viii) insurance policies;
 - (ix) compensation plan where required; and
 - (x) resettlement action plan where required.
- The holder of a large-scale mining licence shall have an Large-scale mining licence exclusive right to conduct activities as prescribed mining within the large-scale rights. licence area and such rights may include rights. the right to -

- (a) enter on the large-scale mining area to carry on approved large-scale mining operations;
- (b) take reasonable measures on or under the surface the licence area to explore, mine and process extracted minerals to which the licence relates:
- (c) sell and, or export minerals and tailings -
 - (i) obtained under the programme of mining operations and,
 - (ii) that were earlier mined and stored but have remained within the current largescale licence area;
- (d) erect equipment, plant, machinery and buildings for the purpose of exploration, mining, transporting, storing and processing minerals recovered under the licence operations;
- (e) stack or dump a mineral or waste product in a manner consistent with the environment and social management plan;

No.

any additional rights defined in the large-scale mining licence.

Large-scale mining licence obligations.

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110. The holder of a large-scale mining licence shall have mining licencethe obligation to -

- commence mine development within 180 calendar days from the issuance of the largescale licence:
- (b) develop and mine the minerals within the licence area in accordance with the approved programme of mining operations and environmental and social management plan;
- demarcate and keep the mining licence area in such manner as may be prescribed;
- (d) notify the Director-General as soon as the holder can confirm commencement of commercial production;
- (e) provide updated financial and budget reports as prescribed;
- comply with all prescribed reports, leases, agreements and plans.

Holder of large-scale mining licence to keep records.

111. The holder of a large-scale licence shall keep at its registered large-scale address current and complete records that shall include-

(a) production data minerals identified;

(b) technical data including boreholes drilled, strata penetrated, with detailed logs of the strata; geological, geochemical or geophysical analysis and interpretation;

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- (c) costed work programme including expenditures to date;
- (d) employee list including qualifications, nationality, age;
- (e) other work done in connection with the largescale licence; and
- any additional information as may be prescribed.
- Where in the course of implementing the licence, the Additional 112. (1) large-discovery. scale licence holder discovers-

discovery.

- (a) additional deposits of the mineral which relate to the licence not contemplated in the programme of mining operations; and, or
- (b) minerals other than those to which the licence does not relate.

the holder shall, in writing within 30 calendar days of the discovery, notify the Director General and the Minister giving particulars of the deposits, or the mineral discovered including the location, circumstances of the discovery and proposal for action, if any.

(2) In the event of discovery, holder shall have first right of refusal to apply for rights to mine the discovered minerals where eligibility and other requirements under this Act are met.

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PART XV-RADIOACTIVE MINERALS

Prohibition.

86

113. A person shall not acquire, store, process, transport or sell aradioactive mineral except with approval of the Nuclear Safety and Radiation Protection Authority or as prescribed under the laws of Sierra Leone.

Application and licence.

- 114. An application for radioactive minerals shall be limited to the and licence. requirements of
 - an exploration licence; or
 - a large-scale mining licence.

Approval of Board and Cabinet.

115. An application for radioactive minerals shall require approval Board and of the Board and the Cabinet. Cabinet.

Investigation.

- 116. For the purposes of investigating an offence under this section, the Nuclear Safety and Radiation Protection Authority or other government agency responsible for the regulation of radioactive materials may, without warrant -
 - (a) enter and search a place where it is reasonable to suspect that an offence under this section has been or is about to be committed;
 - arrest a person where it is reasonably to suspect that an offence with respect to this section is committed, or is about to be committed;
 - seize any radioactive mineral reasonably found to have been obtained contrary to this section; and
 - close a licence operation determined to be used or reasonably expected to be used in contravention of Part XV..

PART XVI-ARTISANAL MINING SALES AND EXPORT

117. (1) An application for a dealer licence shall be submitted Application prescribed form and shall contain a for dealer licence. in the dealer licence. statement giving the particulars of -

- capital and financing available to the applicant to implement the licence;
- (b) business experience of the applicant in minerals dealing;
- the duration for which the licence is applied;
- any other information which the applicant wishes the Director General to consider.
- (2) And shall be accompanied by a copy of the applicant's business licence.
- 118. (1) An application for a dealer licence shall be submitted Disposal of to the application for Director General. dealer licence.

application for dealer licence.

- (2) The Director General shall within 30 days of receipt, grant or reject application for a dealer licence and any amendments thereto.
- (3) Where the Director General has granted the application, the applicant shall respond within 30 days of written notification and failure to response within the 30 days shall result in lapse of grant.
- (4) Where the Director General has refused the application shall give reasons for such refusal.
- (5) A person aggrieved by the refusal of the Director General to grant an application, may as prescribed appeal to the Minister and the determination of the Minister shall be final.

Content of dealer licence.

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119. A dealer licence shall specify the mineral or minerals to dealer licence. which the licence shall apply.

Duration of dealer licence.

120. A dealer licence shall be valid for up to 3 years. dealer licence.

Renewal of dealer licence.

121. (1) Upon evidence of prescribed requirements, a dealer mining dealer licence. licence may be renewed for up to 3 years on a continued basis.

- (2) A dealer licence holder may, not later than 30 calendar days before the expiration of the licence, apply to the Director General for renewal.
- (3) A dealer licence shall not be renewed in respect of a mineral which has ceased to be produced as prescribed under the dealer licence.

Dealer licence rights.

The holder of a dealer licence shall have the non-exclusive rights. right to -

- purchase minerals from licenced artisanal mining operations in Sierra Leone;
- transport and store such minerals as are purchased under this section;
- sell minerals in Sierra Leone as prescribed under this Act.

Dealer licence obligations.

123. The holder of a dealer licence shall have the obligation, as prescribed to -

- limit all activities to be conducted within Sierra Leone;
- (b) ensure safety of workers;

(c) safeguard minerals in transport, storage and handling;

- (d) maintain current records and display in a prominent and conspicuous position at its place of business;
- any additional obligations as prescribed in the dealer licence.
- 124. An application for an exporter licence shall be submitted Application in exporter licence. the prescribed form and shall contain a for exporter statement giving the particulars of -

(a) the mineral or minerals subject to the export licence application;

- (b) capital and financing available to the applicant to implement the licence;
- (c) business experience of the applicant in minerals export;
- (d) the proposed duration of the licence;
- (e) any other information which the applicant wishes the Director General to consider, and
- a copy of the applicant's business licence.
- 125. (1) An application for a exporter licence shall be Duration of presented to the application for Director General.

application for expoeter licence.

(2) The Director General shall ensure that the application meets requirements under this Act and thereon submit to the Board for review.

- (3) The Board shall in writing provide recommendations to the Minister and such recommendations shall be recorded in the mining cadastre system.
- (4) The Minister shall within 30 days of receipt, grant or reject an application for exporter licence and any amendments thereto.
- (5) Where the Minister has granted the application, the applicant shall respond within 30 days of written notification; failure to response within the 30 days shall result in lapse of grant.
- (6) Where the Minister has refused the application shall give reasons for such refusal.
- (7) A person aggrieved by the refusal of the Minister to grant an application may as prescribed appeal to the court and the determination of the court shall be final.

Duration and renewal of exporter licence.

- 126. (1) An exporter licence shall be valid for up to 3 years. renewal of
- (2) Upon evidence of prescribed requirements, an exporter licence may be renewed for up to 3 years on a continued basis.
- (3) An exporter licence holder may as prescribed, not later than 30 calendar days before the expiration of the licence apply to the Agency for renewal.
- (4) An exporter licence shall not be renewed in respect of a mineral which has ceased to be produced as prescribed under the exporter licence.

Exporter licence rights.

- 127. The holder of an exporter licence shall have the nonexclusive rights. right to -
 - (a) purchase minerals from dealer licence holders;

- (b) purchase minerals from artisanal mining licence holders;
- (c) export minerals in accordance with the laws of Sierra Leone.
- The holder of an exporter licence shall have the obligation, Exporte as obligations. prescribed to -

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licence obligations.

- ensure safety of workers;
- safeguard minerals in transport, storage and handling;
- maintain current records and display in a prominent and conspicuous position at its place of business;
- (d) any additional obligations as prescribed in the exporter licence.

PART XVII-PROTECTION OF THE ENVIRONMENT

- 129. A holder and its affiliates shall conduct licence activities General duty in to protect accordance with the laws of Sierra Leone and in a manner to protect that is practicable and report. to minimise, mitigate and manage and report environmental and social impacts of licence activities.
- 130. (1) A holder shall submit as part of its licence obligation Holder to an submit annual annual report as prescribed on environmental and submit annual report. social impacts and report.
- (2) Environmental reports submitted by applicants and holders shall be considered non- confidential and shall be made available to the public including but not limited to -

licence.

- (a) environmental screening reports;
- (b) environmental impact assessments, and
- environmental and social management plans.

Obligations of holders.

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- 131. (1) Before commencing any licence activity, the holder shall of holders. obtain the legally required authorisations, licences, permits and approvals from the Environmental Protection Agency and other government agency as prescribed.
- (2) A holder obligated to prepare an environmental screening report or environmental impact assessment, shall as prescribed undertake public consultations intended to inform and generate feedback in relation to potential environmental and social impacts of licence activities from citizens' perspectives.
 - (3) A holder shall submit-
 - (a) an environmental and social management plan in a form prescribed for each licence type that shall contain sufficient information and data to be able to determine whether the environmental and social management actions shall be and are effective:
 - (b) an updated environmental and social management plan whenever a material change to the licence activities is proposed and such change can reasonably be expected to impact environmental and social conditions.

Licences

- (4) Subsection (3) shall not apply to a reconnaissance licence holder.
- (5) A holder may be required by the government authority responsible for environment to provide financial assurance to guarantee its compliance with the environmental and social

obligations that shall include site rehabilitation, resettlement, closure and, or compensation of affected communities, as may be prescribed.

- (6) Subsection (5) shall not apply to a reconnaissance licence, dealer licence or exporter licence holder.
- 132. A holder shall not divert a watercourse without approval Holder not to of its to divert programme and prescribed permit. watercourse without permit.

divert watercourse without permit.

133. A holder shall obtain certified approval for mine closure Holder to from obtain approval the Environmental Protection Agency prior to obtain expiry or termination of such for mine closure. licence as prescribed. approval for mine closure.

134. (1) The following requirements shall as prescribed be Conditions conditions renewal of for issuance and renewal of licences under for renewal of this Act -

- (a) environmental screening reports shall be required of reconnaissance, exploration, artisanal mining licence applicants and holders:
- (b) a statement of environmental and social impacts shall be required of dealer and exporter licence applicants and holders, and
- (c) where storage, transport or other handling requires an environmental screening report as prescribed.
- (2) Environmental impact assessment shall be required of small-scale Category A or Category B mining licence and largescale mining licence applicants and holders that shall include -

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- (a) environmental impact assessment study in which social aspects are considered.
- environmental and social management plans for the duration of the licence.
- waste management and other prescribed plans under the laws of Sierra Leone.
- (3) Community development agreement shall be required of small-scale and large-scale licence applicants and holders as prescribed under this Act.

Environmental impact assessment.

135. In addition to the legal requirements under the laws of impact Sierra Leone, with respect to environmental impact assessments prepared assessment. under this Act, as prescribed, inclusion of social, health and safety impacts, measures for mitigations and costed budget shall be included.

PART XVIII - COMMUNITY DEVELOPMENT

General obligation to promote community development.

136. A holder shall have a general obligation to implement licence obligation to activities to promote sustainable development, protect and enhance the promote general welfare and quality of life of affected mine communities and to community safeguard customs, traditions and religion that can reasonably be expected to development. be impacted by licence activities.

Community development agreement.

- 137. (1) The holder of a small-scale Category A mining or largescale development mining licence shall be required to prepare and implement a community agreement. development agreement with the primary host community to assist in the development of mining communities affected by its operations.
- (2) The community development agreement shall contribute to sustainable development of affected communities as prescribed in this Act.

- (3) No provisions of a community development agreement shall replace licence rights and obligations.
- (4) Where it is determined to be in the best interests of the holder and the signatories, more than one community development agreement may be entered into in respect of one licence.
 - (5) A community development agreement shall -
 - (a) specify the consultative and monitoring frameworks between the holder and the primary host community, and the means by which the community may participate in the planning, implementation, management and monitoring of activities carried out under the agreement;
 - (b) be submitted for approval to the Ministry who shall, if the agreement meets the requirements set out in this Part, approve such agreement within 45 calendar days of it being submitted.
- (6) Where a community development agreement is not approved, the Ministry shall notify the holder and the primary host community representative and such notice shall contain the specific reasons for denial and the means or directions by which such reasons may be corrected.
- 138. (1) A Community Development Agreement shall be Signatories entered into community by the holder and its primary host community. to development

community development agreement

(2) Where a primary host community is not identified, the Chiefdom Council or Local Council may be identified and agreed with the holder to be a signatory to the Community Development Agreement.

- (3) Where agreement cannot be made to determine the signatory to the Community Development Agreement, the Minister shall consult the Board for determination.
- (4) The holder shall provide a copy of the Community Development Agreement approved by the Ministry to the Director General within 30 calendar days of the date on which such agreement was approved, and the agreement shall be considered nonconfidential and available to the public at the mining cadastre office.

Community development fund.

- 139. (1) A community development fund shall be established as part development of each community development agreement to facilitate sharing of mining fund. revenues generated under community development agreements.
- (2) a community development fund shall be established under a community development agreement that may include participation of one or multiple affected communities.
- (3) a community development agreement shall prescribe the management of the relevant community development fund to be managed by the affected community.
- (4) as part of its community development agreement obligations, the holder shall deposit funds as prescribed under the laws of sierra leone, not less than one percent of annual gross revenue.

Mining district development fund.

- 140. (1) A mining district development fund shall be established to development facilitate sharing of mining revenues for communities not subject to fund. community development agreements.
 - (2) The mining district development fund shall -
 - (a) be financed by the transfer of 20% of all mineral royalties; and

(b) be administered by the Ministry in collaboration with the Ministries responsible for rural development, planning and economic development and Finance.

PART XIX-HEALTH AND SAFETY

141. A holder shall be obligated to -

Holders to

- (a) provide and promote conditions for safe ensure safe operation and a healthy working environment:
- (b) institute measures necessary to secure, maintain and enhance health and safety;
- (c) ensure, as far as reasonably practicable, that exploration and mining activities are commissioned, operated, maintained and decommissioned in such a way that workers can perform their work without endangering the health and safety of themselves or of any other person;
- (d) ensure that persons who are not employees, but who may be directly affected by the activities at the mine are not exposed to any hazards to their health and safety;
- (e) ensure that all persons working at the mine have the necessary skills, competence and resources to undertake their work safely and to ensure the safety of others;
- where the mine is not being worked, take all reasonable steps to continuously prevent injury, ill-health, loss of life and damage of any kind from occurring at or because of the mine: and

(g) establish a policy for the compensation of fatality and serious injury that will lead to disability.

Duties of employees and affiliates.

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142. An employee and all affiliates shall and affiliates. employees

- (a) comply with all measures and procedures or instituted by or on behalf of the holder to ensure health and safety within the licence area;
- take reasonable care to protect their own health and safety and the health and safety of other persons who may be affected by an act or omission of that person;
- use and take proper care of all health and safety facilities and equipment provided for the protection, health and safety of that person and other workers;
- (d) report promptly to his immediate supervisor, if any, or to the relevant authority, a situation which he believes could present a risk to health and safety and which is not within his competence to control;
- co-operate with a person to permit compliance with the duties and responsibilities placed on that person in terms of this Act; and
- comply with the health and safety measures as may be prescribed.

Rightd of employees and affiliates.

143. An employee or affiliate who works at a mine shall have a employees right to leave the mine when circumstances arise which appear to him, and affiliates with reasonable justification, to pose a serious danger to his health or safety.

- 144. Where an accident or any incident in connection with a Duty to licence report to activity occurs, the holder shall as prescribed report report to the Agency. Agency agency agency agency. the event to the Agency Agency.as soon as is possible.
- 145. A holder shall maintain health and safety records including Duty of to maintain accident and incident reports for at least 5 years. Records.

holder to maintain Records.

PART XX-SOCIAL PROTECTION

146. (1) A person shall not dismiss an employee or prejudice Protection or discrimination. disadvantage or otherwise discriminate against from the employee in the exercise of rights under a collective agreement, employment contract or under the laws of Sierra Leone.

discrimination.

- (2) An employee, for the purposes of subsection (1), includes an applicant for employment who has previously been employed at a mine.
- 147. (1) A holder shall formulate and implement a Holder to comprehensive formulate policy and rules specific to the protection of women and children within the and implement licence area and whom may be reasonably expected to be impacted by policies. licence activities.

implement policies.

- (2) Policy and rules for the protection of women and children under subsection (1) shall include -
 - (a) prohibition of unsupervised children within a licence area:
 - (b) prohibition of gender-based violence by employees and affiliates of holders;
 - (c) provision of comprehensive health insurance for women:
 - (d) protection of women and girls from sexual exploitation including early marriage or forced marriage by holders, employees or affiliates;

- establishment of methods and procedures for the reporting and redress mechanisms for abuse against women and children;
- promotion of sexual education and sexual health;
- establishment of witness or whistle blower protection programs; and
- (h) the laws of Sierra Leone.

PART XXI-FINANCIAL PROVISIONS

Royalty.

- 148. (1) A holder as prescribed shall be obligated to pay a royalty in respect of minerals, semi-finished or finished products including construction materials.
 - (2) Holders subject to payment of royalty include
 - small-scale Category A and Category B mining licence;
 - large-scale mining licence; and
 - exporter licence.

Annual charge.

- 149. (1) The holder shall pay to the Government an annual charge of such amount as may be prescribed.
 - (2) An annual charge payable under subsection (1) shall
 - take into account the type and nature of mineral and licence activity; and
 - (b) be paid on the grant of the licence and thereafter, annually, on the anniversary of the grant of licence.

150. A holder shall submit a copy of with respect to any sales, Submission financial management, commercial or other financial agreements entered into under agreements. the licence in excess of USD100,000 or its equivalent in Leones, to the Commissioner General, and as part of its annual tax filings.

agreements.

151. A holder shall as prescribed maintain separate balance Separate sheets, accounting. statements and books of accounts for each licence.

152. (1) Fees, rent, royalties, duties, charges or other Recovery of prescribed debt. payments shall be considered as a civil debt owed to the Government of Sierra Leone and shall be recoverable in a Sierra Leone court.

- (2) The Minister is authorised to provide certified records to the authorised government departments in respect of debts owing by a holder.
- (1) Notwithstanding any law to the contrary, a holder Repatriation shall of export revenues.

of export revenues.

- (a) repatriate a minimum of 30% of export revenues within 3 months of the date of export; and
- (b) submit copies of export contracts as prescribed.
- 154. The Minister shall -

Transparency.

- (a) develop and implement a framework for transparency and accountability in the reporting and disclosure of mining revenues due or to be paid to Government by holders;
- (b) request from any holder, -

- (i) a current and accurate record of the cost of operations including production and volume of sales of minerals and mineral products;
- (ii) an accurate and verifiable account of money or other in-kind payments and receipts at any period, as revenue accruing to the Government for that period;
- disseminate by way of publication or otherwise, records, reports, data or information concerning mineral revenues and expenses of the Government, at least annually.

Holder to report revenues..

155. A holder shall report revenues as prescribed that shall report includerevenues.

- report on revenues and payments made to government including taxes, royalties, duties, fees, charges, and
- payment information in respect of leases, community development agreements and other payments prescribed under this Act.

Beneficial ownership disclosure.

- (1) A holder shall disclose as prescribed details of persons holding a participating interest in the licence. ownership disclosure.
- (2) This requirement shall not apply to artisanal mining, dealer licence or exporter licence.

- (3) A person who holds 5% or more interest shall be defined as holding a "participating interest" in the shares shall declare such interests to the Agency and other authorised institutions.
- (4) The details of persons holding a participating interest under subsection (2) shall include the full name, nationality and country of origin and percentage amount of shares held.
- 157. In respect of a large-scale mining licence, the State in the State form participation. of a body corporate, as prescribed shall acquire participation.

- (a) a non-dilutable free carried of interest of 10%; and
- (b) up to 35% shares.
- 158. An agreement with respect to State participation shall be Agreement be approved. reviewed and approved by the Board, the Minister to be and the Minister of Finance.

approved.

PART XXII-IDENTIFICATION OF CULTURAL OR ARCHAEOLOGICAL RELICS

159. (1) At the first sign or suspicion of cultural or archaeological of cultural or relics within its licence area the holder shall notify the Agency. archaeological

Identification of cultural or archaeological relics.

- (2) The holder shall not move or relocate any cultural or archaeological relic believed to be discovered within its licence area and shall safeguard such items on behalf of the State until they are removed by the authorised officers.
- (3) Where continued exploration or exploitation activities may reasonably be expected to disturb the archaeological or cultural setting, the holder shall immediately cease activities in and around the identified area until the relevant government authority gives permission for resumption.

- (4) The relevant authorised government authority shall inspect and safeguard the site of any discovery or suspicion of cultural or archaeological relics without delay and in any event not later than 30 days following notification.
- (5) In the event of the notification of a discovery or suspicion of cultural or archaeological relics under subsection (4), the holder shall be entitled to an extension of the period of the licence commensurate with any delay incurred as a result of safeguarding or removal from the licence area and if the items are not removed by the relevant government authorities within 30 days following notification, the Minister may direct the holder to suspend operations at the identified area for a defined period of time.
- (6) The direct costs incurred to safeguard items described under this section shall be paid by the relevant government authority.

PART XXIII - DISCOVERY OF MINERALS BY NON-LICENCE **HOLDER**

Discovery of minerals by non-licence holder.

160. A non-licence holder who discovers a mineral on an area that minerals by is subject to a licence has no right to the mineral. non-licence holder.

Obligation of non-licence holder to report.

- 161. (1) A non-licence holder who discovers a mineral on an area that non-licence is not subject to a licence under this Act shall-
 - (a) immediately report the discovery to the Agency, and
 - (b) where possible, deliver the mineral to the Agency.
- (2) In the event of discovery of a precious mineral by a non-licence holder under subsection (1), the non-licence holder reporting the discovery shall report the discovery to the Agency within 72 hours of discovery, in which case shall be -

- (a) deemed to be in lawful possession of theprecious mineral, and
- (b) entitled to 50% of the value of the precious mineral.

PART XXIV - LOCAL CONTENT

(1) In accordance with the laws of Sierra Leone, holders Preference shall to for Sierra the maximum extent possible employ Sierra Leone for Sierra citizens.

Leonean goods and services.

- (2) All unskilled labour required to implement licence activities services. shall be given to Sierra Leone citizens.
- (3) A holder shall give priority to procure Sierra Leonean goods and services provided that are substantially equivalent to foreign goods in terms of quantity, quality, price and delivery dates.
- 163. (1) Citizens of Sierra Leone possessing the necessary Employment and training knowledge, skills and experience shall be given preference for employment of citizens of in licence activities. Sierra Leone.

and training of citizens of Sierra Leone.

- (2) A holder shall implement a skills and professional development training plan in support of exploration and mining activities conducted under the licence.
- (3) A skills and professional development training plan to be implemented under subsection (2), shall gradually increase the level of professional Sierra Leonean staff engaged in mineral activities under the licence including financing commitments to ensure completion of the plan;
- 164. A holder shall submit as part of its annual report to the Reporting. Agency information including -

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- (a) a breakdown of staffing conducting licence activities by nationality;
- details on number of citizens employed and job positions, gender and age; and
- status and types of training provided to employees on-site and off-site.

PART XXV - MISCELLANEOUS

Right to appeal.

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165. An applicant and a holder as prescribed have a right to appeal actions taken under this Act.

Confidentiality.

- 166. (1) Except as described herein, the Ministry shall treat all information as non-confidential including treatment of assays, technical, geological and mining information submitted to the Agency.
- (2) Confidential reports, records, documents and information obtained under this Act shall, for as long as the holder or its legal successor retains the licence, be treated as confidential and shall not be divulged without the prior written consent of the holder or its legal successor.
- (3) Upon expiry or termination of a licence, such data and information shall become the property of the State and shall be made available to the public.
- (4) Information submitted by a holder under this Act that is not defined or prescribed to be confidential shall be treated as non-confidential.
- (5) Environmental and social reports and Community Development Agreements and any other reports identified as such are non-confidential.

167. Nothing in this section prohibits the disclosure of Exemption confidential disclosure of information information.

for disclosure information.

- (a) where the disclosure is necessary for the purposes of this Act;
- for the purposes of a prosecution under this Act or any relevant law; or
- to a person being consultant to the Ministry or authorised official to receive the confidential information.
- 168. Applications, non-confidential agreements, and non-Public access. confidential reports submitted by past and present holders shall be open to inspection by members of the public during normal official office hours and members of the public shall be permitted to take copies thereof on payment of the prescribed fee.
- 169. (1) A licence shall specify the dispute resolution Dispute mechanisms resolution, that shall apply to the licence including the laws of Sierra Leone.

- (2) A dispute may be resolved between and amongst the parties based on mutual agreement, as prescribed, as the parties may agree through arbitration or alternative dispute resolution mechanisms.
- (3) Where a dispute raised in respect of an artisanal mining licence and mutual resolution is not possible, dispute resolution shall be initiated at the sub-national level and may involve traditional and community structures depending on the nature of the dispute and the resolution process shall only be escalated to national level if the dispute cannot be resolved at the sub-national level.

(4) Where a dispute arises between a licence holder and the State in respect of a matter under this Act, the dispute shall be referred for resolution, which if not amicably resolved the parties may agree to submit for arbitration under the laws of Sierra Leone.

No preclusion for parties to seek alternate resolution.

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170. There is no preclusion for the parties in dispute to apply

for parties to seek alternate

- (a) the courts of Sierra Leone, resolution.
- (b) the courts of another jurisdiction as is agreed in the licence.
- (c) arbitration under the United Nations Commission on International Trade Law Rules, or
- (d) other agreed upon dispute resolution as agreed in writing and recorded at the mining cadastre office.

PART XXVI REGULATIONS

Regulations.

- 171. (1) The Minister may, by statutory instrument, make Regulations for the conservation and development of mines and minerals for the purposes of giving effect to the provisions of this Act.
- (2) Without prejudice to the generality of subsection (1) Regulations may provide for or with respect to-
 - (a) prescribing anything which in terms of this Act is to or may be prescribed;
 - (b) the manner in which applications under this Act shall be made, form of documents required and information to be supplied by applicants;

- (c) the shape and size of blocks and areas over which licences may be granted;
- (d) the mining cadastre system;
- (e) the manner in which areas and boundaries shall be marked, beaconed and surveyed and the fees payable in respect of such surveys;
- (f) the renewal, transfer, assignment and surrender of part of all of licences;
- (g) the form and required content of applications, licences, and reports;
- (h) the returns to be rendered and the nature of the accounts, books and plans to be kept by the holders;
- (i) the valuation, sampling, weighing and testing of minerals;
- the method of calculation of the amount of royalties and the manner and time of payment thereof;
- (k) the fees to be paid in respect of any matter or thing done under this Act;
- (l) the examination of mines by authorised officers;
- (m) the proper and efficient working of reconnaissance licence areas, exploration licence areas, mining areas and mines;
- (n) the avoidance of wasteful mining practices or wasteful metallurgical practices;

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- (o) the penalties for offences against the regulations and anything which is to be prescribed.
- (2) The Minister shall, in consultation with the Board of the Environmental Protection Agency, make regulations restricting orprohibiting exploration or mining operations for environmental reasons and setting out terms and conditions of environmental impact assessment required under this Act.
- (3) Regulations under paragraph (j) of subsection (2) may-
 - (a) prohibit the export of any mineral unless or until the royalty payable on it has been paid or secured:
 - specify the person or persons by who royalty shall be payable and may specify whether two or more persons are jointly and severally liable to pay such royalty;
 - (c) provide for the examination of mineral consignments and the issue of export permits in respect thereof;
 - provide for the remission or refund of royalty or any part thereof in any case or class of case and the manner in which and conditions on which such remission or refund may be made;
 - (e) confer upon any public offer specified in it such powers of inspection and enquiry as may be reasonably necessary.

PART XXVI - OFFENCES AND PENALITIES

172. (1) An authorised official who, by virtue of official Disclosure of information. capacity or former official capacity, has access to information. confidential information that might reasonably be expected to materially affect a licence activity shall not disclose such information except for the proper performance of the functions attached to that official duty.

- (2) An official who divulges or makes improper use of such information to gain, directly or indirectly, an advantage for self or for any other person, commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
- 173. (1) Information obtained under this Act shall not be Nondisclosed of information. to a person who is not an official engaged disclosure of in the administration of this Act or is not a Member of the Board information. without the prior written authorisation of the holder unless for emergency purposes.

- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
- 174. (1) A person shall not knowingly make or cause to be Misrepresentation. made or be complicit in making a false entry or produce false information to be submitted in the mining cadastre system.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

False representation.

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- 175. (1) A person shall not falsely represent to have obtained a licence and thereby induce or attempts to induce a person to invest capital in a company or person connected therewith.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

Failure to perform licence obligations.

- 176. (1) A licence holder that fails to perform its licence obligations perform licence shall be subject to review as prescribed and such failure to perform shall obligations. include failure or significant delays in reporting, to provide records and information required in accordance with its licence obligations.
- (2) The Minister shall, by statutory instrument, make Regulations to prescribe time-based opportunity to cure the failure.
- (3) Subject to subsection (2), a person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

Failure to pay compensation.

- 177. (1) Where a holder is delinquent in respect of its compensation compensation obligations under this Act or another other law, the Minister shall, in writing, notify the holder in default.
- (2) The holder shall, on receipt of a notice under subsection (1), -
 - (a) within 10 days of receipt of notice provide payment in full of compensation, or
 - (b) within 10 days of receipt of notice provide to the Minister, in writing, a proposed payment plan as prescribed.

- (3) Where a holder is in violation of compensation obligations and the proposed payment plan is not agreed, its licence shall be subject to -
 - (a) a penalty;
 - (b) suspension or cancellation of all or part of licence operations, as prescribed.
- 178. (1) Notwithstanding any other law, a holder shall not Violation of employ or human rights.in any way use child labour. human rights.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
- 179. (1) A licence holder that shall not engage in an act of Discrimination and harassment. discrimination or harassment within the licence area. and harassment.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
- 180. (1) A person, shall not, who without reasonable excuse, Disruption of hinders authorised officer. or in any way obstruct an authorised boundaries. officer or prevent or impede an authorised officer's functions under this Act.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

Disruption of boundaries.

181. A person shall not, without lawful authority willfully break, boundaries. deface or remove, or in any way interfere with a boundary mark, beacon, pillar, peg or post erected for any purpose under this Act or under regulations made under it, or removes or alters any such mark, beacon, pillar peg or post after it has been delineated on a plan or survey.

Failure to report discovery.

- 182. (1) A holder shall not fail to notify the Director General of a report discovery including of any additional mineral not subject to the current discovery. licence or of the discovery of any other mineral as prescribed under this Act.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

Failure to notify Agency.

- 183. (1) A non-holder shall not fail to notify the Agency of a mineral notify Agency. discovery or sell or otherwise benefits from disposal of the mineral.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

Interference with licence operations.

184. (1) A person shall not - with licence operations.

- (a) interfere with a licence activity authorised under this Act;
- (b) obstruct a holder in the exercise of a right conferred by a licence under this Act; or

- (c) interferes with operations of any equipment, machinery or works within a licence area thar is authorised under this Act.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
- 185. (1) A person shall not mingle with a sample of metal, Salting. mineral or ore, a substance which will increase or decrease the value or in any way change the nature of the metal, mineral or ore, with intent to defraud.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
- 186. (1) Subject to section 161, a person shall not be in Unlawful possession of possession of a mineral unless he possession of reports the mineral and does not hold a licence.
- (2) A mineral determined to be unlawfully held shall be forfeited to the State.
- (3) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.
 - 187. (1) A person shall not -

Illegal sale and smuggling.

(a) attempt to sell or sell a mineral without legal permission under this Act; and, or

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- (b) attempt to smuggle or to a smuggle mineral.
- (2) A person who contravenes subsection (1), commits an offence and is liable on conviction to a fine not exceeding 5, 000 United States dollars or the equivalent in Leones or imprisonment for a term not exceeding 10 years, or to both such fine and imprisonment.

Confiscation of minerals.

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- 188. (1) A mineral found to be the subject of illegal sale or smuggling of minerals. shall, -
 - (a) where possible, be confiscated and forfeited to possession of the State; and
 - (b) the licence of a holder convicted of mineral smuggling shall be cancelled.

Penalties.

189. The Minister shall by statutory instruments, prescribe penalties for offences not expressly provided for under this Act.

PART XXVIII-REPEALAND SAVINGS

Repeal and savings

- 190. (1) The Mines and Minerals Act, 2009 (Act No. 12 of 2009) savings is hereby repealed.
- (2) Notwithstanding the repeal of the enactment referred to under subsection (1), Regulations made under the repealed Act shall in so far as they are consistent with this Act continue in force as if they were Regulations made under this Act until such time as they are revoked by the Minister.
- (3) Subject to subsections (4) and (5), notwithstanding the repeal of the enactment referred to under subsection (1), a licence or mineral permit granted under the enactment and subsisting immediately before the commencement of this Act shall continue in force until expiration by passage of time.

(4) The holder granted prior to this Act may apply, subject to this Act, for a licence covering all or part of the area subject to its existing right on a priority basis.

The Mines and Minerals Development Act

- (5) A licence granted prior to this Act shall not be extended or renewed but where the prior granted licence provided a right to apply for a renewal or extension of the right, the holder may apply, subject to this Act including the eligibility requirements, for a similar type of licence as provided for under this Act on a priority basis.
- (6) An act done, executed, or issued under the repealed Act and in force and operative before the commencement of this Act shall, so far as it could have been done, executed or issued under this Act have effect as if done, executed or issued under this Act
- (7) A fund kept under the repealed Act shall be deemed to be part of a fund kept under the corresponding provision of this Act.

MEMORANDUM OF OBJECTS AND REASONS

The object of this Bill is to amend the law on mines and minerals by introducingnew and improved provisions for exploration, mine development, production and marketing of minerals and mineral products for the benefit of the people of Sierra Leone; to ensure that management of the mineral sector is transparent and accountable in accordance with international best practice; to promote improved employment practices in the mining sector; to improve the welfare of communities impacted by mining; to introduce measures to prevent, reduce, mitigate or compensate for adverse impacts of mining activities on the environment, life and property; and to provide for other related matters.

The bill is divided into 27 parts-

Part I - makes provision for the interpretation and definition of words used throughout the Bill.

Part II - provides for the ownership of minerals and strategic minerals.

Part III - makes provision for the general administration, enforcement and implementation of this Act.

Part IV - provides for the continuing in existence of the Board.

Part V - makes provision for the acquisition of licences.

Part VI - deals with surface rights.

Part VII - provides for the registration and records of applications and licences in the mining cadastre system.

Part VIII - deals with surrender, cancellation and suspension.

Part IX - makes provision for reconnaissance licence.

Part X - makes provision for exploration licence.

Part XI - makes provision for artisanal mining licence.

Part XII - makes provision for small-scale Category A or B mining licence.

Part XIII - makes provision for large-scale mining licence.

Part XIV - deals with radioactive mineral.

Part XV - Prohibits the dredging of a river, stream watercourse, pond, lake or

waters of the continental shelf or undertake an activity preparatory to or relating to dredging without a dredging permit.

The Mines and Minerals Development Act

Part XVI - provides for the trading and marketing of precious, semi-precious and industrial sand-based minerals.

Part XVII - deals with the protection of the environment.

Part XVIII - provides for Community Development Agreement, Community Development Fund and Mining District Development Fund.

Part XIX - Outlines duties and responsibilities of a holder to institute measures necessary to secure, maintain and enhance health and safety of his workers including the working environment.

Part XX - makes provision for social protection of women and children.

Part XXI - deals with financial provisions.

Part XXII - Miscellaneous provisions contains provisions dealing with preference to Sierra Leonean suppliers, removal of minerals, discovery of precious mineral, smuggling of mineral.

Part XXIII - provides that the Minister may, by statutory instrument, make Regulations for giving effect to this Act.

Part XXIV - contains repeal and savings.

MADE this day of , 2021.

FREETOWN, Resources SIERRA LEONE

No.

Musa Timothy Kabba Minister of Mines and Mineral