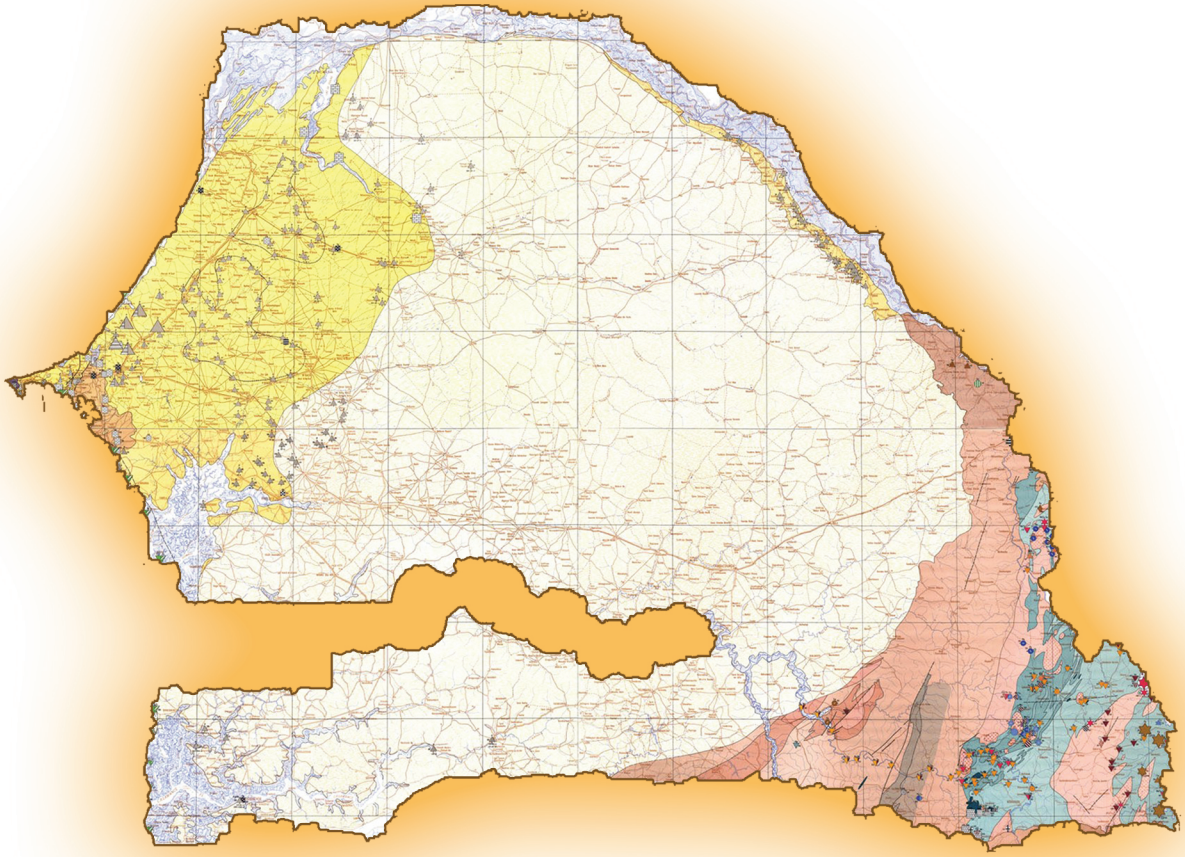
REPUBLIC OF SENEGAL

ONE PEOPLE - ONE GOAL - ONE FAITH

MINING CODE



ACT NO. 2016-32 OF 8 NOVEMBER 2016
ESTABLISHING THE MINING CODE

DECREE NO. 2017-459 LAYING DOWN THE PROCEDURES FOR IMPLEMENTING ACT NO. 2016-32 OF 8 NOVEMBER 2016

THE MINING CODE

Act No. 2016-32 of 8 November 2016 establishing the Mining Code

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PREAMBLE

Act No. 2003-36 of November 24, 2003 on the Mining Code was adopted against a backdrop of international competition between emerging mining countries. Its enactment resulted in massive flows of mining investments into Senegal. The Mining Code has brought unprecedented vitality to the Senegalese mining sector with several mining titles covering various mineral substances being awarded and new gold, phosphate and zircon mines being brought into production. It has also made it possible to regulate artisanal mining. Notwithstanding these commendable results, especially in terms of investment in new mining projects and diversified mineral production, these advances have had little impact on the national economy, despite a favorable economic environment marked by higher raw material prices. In addition, the focus on incentives introduced by the 2003 Code, especially its extensive range of exemptions, was not conducive to an equitable distribution of revenues between investors and the government. Against this backdrop, and taking into account the limitations of the 2003 Mining Code, it became necessary to introduce a more balanced approach to the governance of Senegal's mineral resources, in order to keep the national mining sector attractive and preserve some degree of stability, and promote a mutually beneficial partnership between the State, investors and host communities.

This draft Mining Code is in keeping with Act No. 2012-31 of December 31, 2012 establishing the General Tax Code (CGI), which amends various legislative provisions pertaining to the special tax schemes provided for in the 2003 Mining Code and transfers certain tax provisions to the General Tax Code (CGI).

In addition, the changes introduced to the Code aim to align provisions of the new Mining Code with those set forth in other national laws that impact mining activities to some degree, and also with community regulations, especially those laid down by the West African Economic and Monetary Union (WAEMU), the Economic Community of West African States (ECOWAS) and the Africa Mining Vision adopted in February 2009

by the Heads of State and Government of the African Union (AU).

As regards promotion and artisanal mining, it also seemed appropriate to further streamline the Code by introducing new regulations on gold panning, the definition and delineation of gold panning corridors, and the conditions for opening and operating trading posts for precious metals and stones.

In light of these considerations, this Code introduces the following innovations:

- introduction, on an optional basis, of the principle of production sharing in addition to the possibility of entitlement to an operating permit;
- extension of the obligation to rehabilitate sites from the research phase onwards for projects that have not reached the mining stage;
- reinforcement of the system for controlling and monitoring mining activities;
- optimization of the mining royalty rate within the framework of a modular system determined by the mineral substances extracted and the level of beneficiation;
- modification of the mining royalty calculation basis, which is now based on the market value of the products extracted instead of their pithead value;
- simplification of the mining terminology;
- reintroduction of the surface tax while maintaining the surface rendering obligation when renewing a research permit;
- creation of promotional zones to encourage investment in areas with high mining potential
- possibility of requesting the reimbursement of historical costs, depending on circumstances;
- increase in non-recurring fees paid upon the issuance, renewal, extension, transfer, assignment or lease of a mining title;
- differentiation and reinforcement of penalties;

- reorganization of data confidentiality provisions in order to comply with the transparency obligations of the Extractive Industries Transparency Initiative (EITI) standard;

- orientation of the Social Mining Program towards a local development support fund

- establishment of a mining sector support fund to support promotional activities and State-initiated investments.

- This Code has seventeen (17) titles:

- Title I contains general provisions;

- Title II covers prospecting;

- Title III is about mining research;

- Title IV covers mining titles;

- Title V is dedicated to production-sharing contracts;

- Title VI addresses small-scale mining;

- Title VII covers semi-mechanized mining;

- Title VIII covers artisanal mining;

- Title IX is dedicated to the purchase of precious metals and stones;

- Title X covers the quarrying regime;

- Title XI is about the mining of waste rock, slag heaps and other mining spoils

- Title XII specifies financial and customs provisions;

- Title XIII sets out the guarantees and obligations attached to the exercise of mining operations;

- Title XIV contains the special provisions;

- Title XV covers breaches of administrative obligations and penalties;

- Title XVI describes offences and the criminal liability regime;

- Title XVII lays down the final provisions.

These are the main provisions of this draft law.

REPUBLIC OF SENEGAL

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Act No. 2016-32 of 8 November 2016 establishing the Mining Code

During its session of Sunday, October 30, 2016, the National Assembly adopted the following law which was promulgated by the President of the Republic:

TITLE ONE - GENERAL PROVISIONS

Introductory Chapter - Definitions

Article 1: - For the purposes of this Mining Code, the following definitions shall apply:

1. **Artisanal mining:** any operation that consists in extracting and concentrating mineral substances and recovering the marketable products using manual and traditional methods and processes;
2. **Date of first production:** the date on which a mine reaches a continuous period of production of sixty (60) days at 70% of its production capacity as established in the feasibility study, and notified to the Minister in charge of mining or the date of first commercial shipment;
3. **Deposit:** any natural deposit of mineral substances that can be mined under the economic conditions of the time;
4. Deposits of mineral or fossil substances that are not classified as quarries. Mineral substances classified as mines are called mine substances;
5. **Dumps**: waste rock material in the ore that can be reused for other purposes (e.g. flint nodules in phosphate ores);

- geological, geophysical, geochemical and drilling work for exploration, research and mining purposes;

6. **Geothermal deposits:** natural deposits classified as high or low temperature in accordance with the terms of the mining legislation and from which energy can be recovered in thermal form, especially through the hot water and underground vapors they contain;
7. **Historical costs**: All costs relating to research work carried out prior to a new mining title being granted in a given area on behalf of the State or a partially state-owned body, having contributed to the discovery of mineral deposits and showings;
8. **Holder:** any natural or legal person in whose name a mining right is granted and a mining title is established, in accordance with the provisions of this Code;
9. **Immovable property**: in addition to the buildings, machinery, equipment and fixed materials used for ore deposit mining or for the storage or transportation of raw products;
10. **Industrial operation:** any operation with a daily processing capacity of more than five hundred (500) tons of ore, based on the prior identification of a commercially exploitable deposit, with the fixed installations required for the collection, in accordance with the best industry practices, of mineral substances mined through industrial processes;
11. **Ionizing radiation:** energy transport in the form of electromagnetic particles or waves with a wavelength of 100 nanometers or lower, or with a frequency of 3 x 1015 hertz or higher, that can produce ions directly or indirectly;
12. **Lease:** An act by which the holder of a mining title transfers its use to another legal entity;
13. **Local authority:** as defined in the General Code of Local Authorities;
14. **Market value:** the price of products sold on the market or calculated with reference to the market price prevailing at the time of the transaction with no cost deductions;
15. **Mine or radioactive ore preparation plant:** any facility used for the extraction and preparation of ores containing radionuclides of the uranium and thorium series;
16. **Mine spoil tips:** a pile, heap or site intended to receive waste rock

extracted from a mine or a quarry or from processing facilities, as well as rocky or earthy materials from overburden;

17. **Mineral substances:** amorphous or crystalline, solid, liquid or gaseous natural substances as well as fossilized organic substances and geothermal deposits;
18. **Mining Authority:** Government department(s) within the remit of the Ministry in charge of Mining responsible for the implementation of the mining policy, including the promotion, regulation, monitoring and control of mining operations;
19. **Mining Land Registry:** A geological and mining database connected to a geographic information system that allows the Mining Authority to produce and update the cartographic representation of mining authorizations and titles by integrating information on their geographical location, nature, holders and duration of validity;
20. **Mining legislation**: this code, the decrees issued for its implementation, Regulation No. 18/2003/CM/UEMOA of December 22, 2003 adopting the Community Mining Code, ECOWAS Directive C/DIR 3/05/09 of May 27, 2009 on the harmonization of guiding principles and policies in the mining sector, and all legislative and regulatory provisions enacted on aspects of mining activity not covered by the provisions of the Code;
21. **Mining list:** a list of equipment and consumables established in accordance with the ECOWAS Common External Tariff (CET) nomenclature that is normally used in mining activities and for which import duties and taxes are suspended, moderated or exempted;
22. **Mining operation**: any activity involving the prospecting, exploration, exploitation, processing or transportation of mineral substances, with the exception of liquid or gaseous hydrocarbons and groundwater;
23. **Mining revenue:** proceeds from fees, royalties and taxes relating to mining titles;
24. **Mining royalty:** ad valorem or proportional royalty due on the production and marketing of mineral substances;
25. **Mining substances:** any mined mineral substance(s);
26. **Mining title:** an authorization and permit relating to prospecting,

research and exploitation of mineral substances;

- mining, transportation and storage of materials and mineral processing;

27. **Mining:** all the preparatory, extraction, transportation, analysis and processing work carried out on a given deposit to transform the mineral substances into marketable and/or usable products;
28. **Minister in charge of Mining**: The Minister in charge of mineral resources, with the exception of liquid or gaseous hydrocarbons and groundwater;
29. **Movable property**: in addition to shares and interests in a company or business, extracted materials, supplies and other movable objects are considered movable;
30. **Natural deposit:** any natural concentration of minerals in a defined area of the earth's crust;
31. **Operating company:** a legal entity governed by Senegalese law created with a view to exploiting a deposit located on the territory of the Republic of Senegal;
32. **Operational discharge:** liquid, solid or gaseous materials resulting directly or indirectly from the operation of a mine or quarry or from processing facilities;
33. **Peatland:** wetland characterized by the progressive accumulation of peat, which is a soil characterized by its very high content of plant-based organic matter that is slightly or not decomposed;
34. **Precious metals**: gold, silver, platinum and platinoids, including iridium, osmium, palladium, rhodium and ruthenium, in their unprocessed state, as well as any concentrate, residue or alloy containing such metals;
35. **Precious stones**: diamond, ruby, sapphire, beryl, emerald, aquamarine, etc.;
36. **Private quarry:** underground or open-cast mining of mineral substances subject to the open quarry regime and owned by a private legal entity;
37. **Processing:** any industrial process that consists in changing the form and nature of a processed mineral substance and obtaining

marketable finished or semi-finished products;

38. **Production-sharing contract:** A research and exploitation contract by which the State or a national company entrusts to a contractor, who bears the financing risks, with the exercise of exclusive research and, if necessary, with mining rights with a view to sharing production from the perimeter of the area covered by the production-sharing contract;
39. **Promotional zone:** an area within which prospecting and research work has been conducted and whose mining interest justifies a competitive bidding procedure to promote investment;
40. **Prospection:** systematic and itinerant surface investigation using geological, geophysical or other methods for the purpose of detecting showings or concentrations of valuable minerals;
41. **Protection zone:** an area where exploitation and occupation are subject to rules designed to preserve its quality.
42. **Public quarry:** underground or open-cast mining of mineral substances subject to the quarrying regime, open to the public by the State;
43. **Quarries:** Deposits of mineral or fossil substances subject to the quarrying regime, in addition to peat bogs, deposits of building, ornamental, paving and service materials, deposits of materials for the ceramics industry, soil improvers for agricultural purposes, with the exception of phosphates, nitrates, alkaline salts and other associated salts in the same deposits. Mineral substances classified under the quarrying regime are called quarry materials;
44. **Quarry materials:** any mineral substance(s) mined from a quarry;
45. **Radioactive ore mine**: a mine from which ores containing radionuclides of the uranium or thorium series are extracted in quantities or concentrations large enough to justify their extraction or, where they are associated with other extracted substances, in quantities or concentrations that require radiation protection measures to be taken;
46. **Research:** all the work carried out on the surface, at depth and by air to establish the continuity of mineral occurrences, determine the existence of a deposit and study the conditions of its exploitation;

47. **Semi-mechanized mining operation:** any operation with a daily processing capacity not exceeding five hundred (500) tons of ore and consisting in extracting and concentrating mineral substances and recovering marketable products for disposal using some mechanical means in the chain of operations;
48. **Semi-precious stones**: all stones that can be used in jewelry other than precious stones, precious opals, zircon, garnets, topaz and jades, etc.;
49. **Services contract:** A contract under which the State or a national company entrusts a qualified legal entity with the exercise of exclusive research and mining rights where applicable;
50. **Small mine**: a small, permanent operation with a minimum of fixed installations, using state-of-the-art semi-industrial or industrial processes and based on the prior identification of a deposit. The size of a mine is based on a number of interactive parameters, including: the size of the reserves, the level of investment, the rate of production, the number of workers involved, the annual turnover and the degree of mechanization;
51. **State of Senegal: The Republic of Senegal;**
52. **Subcontractor:** any natural or legal person conducting work that is part of the main activities of a mining title holder. This includes:
53. **Supplier:** any natural or legal person who has the sole purpose of delivering goods and services to the holder of a mining title without engaging in any production or delivery of services related to the main activities of the mining title holder;
54. **Territory of the Republic of Senegal:** the onshore area of the Republic of Senegal and the Senegalese maritime areas which include the country's territorial waters and its continental plateau as defined by national law and in accordance with the United Nations Convention on the Law of the Sea, ratified by Senegal;

- the construction of industrial, administrative and socio-cultural infrastructures (roads, offices, mining towns, supermarkets, commissaries, social and health facilities, schools, leisure facilities and water and electricity supplies);

55. **Transfer:** transfer of a mining title by assignment, lease or transmission;
56. **Treatment:** mineralogical and/or metallurgical process that results in the production of a marketable mineral substance from the extracted ores;

Chapter II - Scope

Article 2 - Performing Prospecting, Research and Mining Works

The prospecting, research and extraction of mineral deposits in the territory of the Republic of Senegal, as well as the possession, movement, treatment, transportation, transformation and marketing of mineral substances, with the exception of liquid or gaseous hydrocarbons and groundwater, are governed by this Code.

Article 3 - Ownership of Mineral Substances

The mineral substances contained in the country's soil and subsoil, its territorial waters and its continental plateau are State property. However, mining title holders shall acquire ownership of the mineral substances they extract.

Article 4 - Classification of Mineral Deposits

The deposits of mineral or fossil substances are classified based on their legal regime as quarry materials or mine substances.

Mining and quarrying rights are different from land ownership.

Article 5 – Changing the Classification of Mineral Deposits

Notwithstanding the provisions of Article 4 of this Code, and should the general interest so require, some deposits may be classified as quarries or as mines depending on how the mineral substances they contain are to be used, under the conditions defined by joint order of the Minister in charge of Mining and the Minister in charge of Finance.

Article 6 - Conditions for Conducting a Mining Operation

No one may undertake or conduct an activity governed by the mining legislation in force in Senegal, without first obtaining a mining title in accordance with the conditions laid down by this legislation.

Article 7 - Mining Titles

The State may grant one or more natural or legal persons the right to undertake or conduct one or more mining operations involving mineral substances contained in the soil and subsoil, in all or part of the territory and under the conditions provided for in this Code.

Legal persons must demonstrate the required technical and financial capacities as established by decree.

The mining titles issued confer the following rights:

- the right to prospect for mineral substances, which can only be acquired by virtue of a prospecting authorization;
- the right to search for mineral substances, which can only be acquired by virtue of a search permit or an exclusive exploration authorization;
- the right to extract mine substances which can only be acquired by virtue of a mining permit, a production-sharing contract, an exclusive mining authorization, a small-scale mining authorization, a semi-mechanized mining authorization, or an artisanal mining authorization;

- the right to extract quarry materials, which can only be acquired by virtue of an authorization to open and exploit a quarry.

Article 8 - Validity of Mining Titles

The validity of a mining title shall run from the date of notification of the award decision. The validity of a mining title shall end by relinquishment, revocation or expiration of the period of validity.

Article 9 - Modification of the Geographical Perimeter of a Mining Title

The geographical perimeter of a mining title may be modified, subject to the rights or applications for previous mining titles, under such conditions as may be established by decree.

Article 10 - Promotional Zones

The State may define promotional zones in all or part of the territory where sufficient data and results have been obtained and where mining prospects justify a competitive procedure to promote investment.

The research permits, mining permits and service contracts provided for in Article 7 of this Code shall be awarded in the promotional zones in accordance with the rules of competition, the terms of which shall be determined by decree.

Article 11 - Refusal to Grant a Mining Title

The State’s total or partial refusal to grant a mining title shall not entitle the applicant to any compensation.

Article 12 - Role of the State

The State may undertake any and all mining operations on its own behalf, either directly or through the agency of national or foreign companies or natural or legal persons, acting alone or in association with third parties.

Subject to the provisions of this Code, the State may authorize a company or a national or foreign natural or legal person to conduct mining operations by means of service contracts, including production-sharing contracts.

The signatory contractor shall be granted an exclusive exploration license and, in the event of a commercial discovery, one or more exclusive mining licenses, each covering a defined area, in order for them to fulfil their contractual obligations, in accordance with the provisions of their contract with the State.

The State reserves the right to enter into a partnership with the holder of the contracts referred to in paragraphs 2 and 3 of this article. The terms and conditions of the State's participation in mining operations shall be laid down in the said contract.

Article 13 - Notification of Works

Any natural or legal person conducting works at a depth of more than ten (10) meters is required to declare such works beforehand to the local authority concerned, and to the Mining Authority, and to communicate the information gathered to the latter.

TITLE I - PROSPECTING

Article 14 - Issuance of a Prospecting Permit

Any legal entity may engage in prospecting activities in all or part of the territory, subject to first obtaining a prospecting authorization issued by the competent services of the Mining Authority under conditions laid down by decree.

The permit shall be issued for a period not exceeding six (6) months. It may be renewed once (1) only, in the same way, if the beneficiary has complied with their obligations. The prospecting permit may be revoked or restricted due to non-compliance with the obligations set forth in this Code.

The Minister in charge of Mining may, for general interest reasons, prohibit prospecting for one or more mineral substances in all or part of the territory by decree and for a fixed period of time.

Article 15 - Rights Conferred

The prospecting permit confers on its holder a non-exclusive right to prospect for the targeted substances over the entire authorized area. However, the prospecting permit does not confer on the holder any particular right to obtain any other mining title, nor does it confer any right to dispose of the substances discovered for commercial purposes.

The prospecting permit is a personal property and may not be assigned or transferred, nor may it be pledged or collateralized in any way whatsoever.

Article 16 - Obligations Attached to the Prospecting Permit

Any legal entity with a prospecting permit must submit, to the Mining Authority, a report in appropriate paper and digital format indicating the findings of its investigations and any other document containing information that could contribute to a better understanding of the prospecting area, including a summary analysis of the initial condition of the prospecting site and its environment.

TITLE III - MINING RESEARCH

Article 17 - Issuance of a Prospecting Permit

A prospecting permit shall be issued for a period not exceeding four (4) years by order of the Minister in charge of Mining, subject to pre-existing

third-party rights in the area to which it relates. It may be held by any legal entity.

The application must meet the criteria set by decree. In the event of competing applications, priority shall be given to the applicant who offers the best conditions and guarantees for the State.

The same legal entity may not hold more than two (2) research permits for the same substance.

Article 18 - Renewal of the Research Permit

The exploration permit may be renewed twice (2) by order of the Minister in charge of Mining for consecutive periods not exceeding three (3) years each time, subject to compliance with the obligations set out in this Code and in the mining agreement attached to the research permit.

Its surface area shall be reduced by one quarter (1/4) each time the research permit is renewed.

The area of the surface to be returned shall be chosen by the holder of the prospecting permit, who shall, however, define it in a single block.

In the event of an application for renewal of the research permit being submitted in accordance with the provisions of this Code, the validity of the said permit shall be extended, as of right, as long as the said application has not been decided upon.

Article 19 - Rights Conferred on the Research Permit Holder

A research permit confers on its holder, within the boundaries of the perimeter, both in surface and indefinitely in depth, the exclusive right to search for the mineral substances for which it is issued.

Any holder of a research permit, if they have fulfilled all their contractual obligations and in accordance with the provisions of this Code, is entitled to:

- take samples of mineral substances extracted during research work, subject to prior notification to the Mining Authority and provided that such work is not deemed to be mining work
- a mining permit, subject to compliance with the applicable laws and regulations and if, during the period of validity of the research permit, the applicant has provided proof of the existence of an economically exploitable deposit within the area covered by the permit applied for;
- be given priority for issuance of a research permit for any substance other than that associated with its mining title and which would be discovered within the perimeter of a valid research permit, provided that the holder reports such discovery in writing to the Minister in charge of Mining within a maximum period of one (1) month.

The holder of a research permit may, at any time, request a transition to mining in the event of one or more deposits that are economically exploitable under the conditions provided for by this Code being discovered. In such a case, the permit holder must have fulfilled all of their obligations in terms of work and expenses under their research permit.

Any discovery of an economically viable deposit by the holder of a mining research permit shall give the holder the exclusive right to a mining permit covering the area of the discovery, should they request a permit to exploit the deposit before the permit expires. The holder of the research permit may submit, to the Minister in charge of Mining, an application for the approval of a retention period not exceeding two (2) years in the case of a deposit whose non-commercial nature is proven and recognized by the State and the holder. At the end of the retention period and in the event of failure to exploit the deposit, the holder of the research permit loses all rights pertaining thereto.

A research permit is transferable subject to prior approval by the Minister in charge of Mining. The permit is a movable, indivisible right that cannot be sold or encumbered.

The existence of a valid research permit does not prevent the issuance to another legal entity, in the same area, of a mining title for substances of a different nature, of a permit to open and exploit quarry materials, or of a permit for artisanal mining, provided that the operations

carried out on the perimeter of the new mining title do not impede the smooth progress of the research work program initially planned for the same site.

Article 20 - Obligations Attached to a Research Permit

The holder of a research permit shall be subject, inter alia, to the following obligations:

- implement, during the initial period and, where applicable, during each renewal period for the research permit, their annual research work program as approved by the Minister in charge of Mining
- spend, for the authorized work program, the minimum amount approved and provide proof of the expenses to the Mining Authority;
- start their research work within the perimeter of the research permit within a maximum period of six (6) months from the date the Minister in charge of Mining has notified them of the issuance of a research permit and to pursue them with diligence and in accordance with the best mining industry practices;
- implement, during the initial period and, if necessary, during each renewal period of their research, their annual research program as approved by the Minister in charge of Mining;
- start their research work within the perimeter of the research permit within a maximum period of six (6) months from the date the Minister in charge of Mining has notified them of the issuance of a research permit and to carry on with such work with diligence and in accordance with the best mining practices;
- regularly inform the Mining Authority of the work carried out and its outcomes and notify the Minister in charge of Mining of any discovery of a mineral substance deposit,
- conduct, within a maximum period of one (1) year, following a discovery suggesting an economically exploitable deposit could be available, some assessment work and establish, if necessary, under their own responsibility, the commercial or non-commercial nature of the discovery;

- apply for a mining permit as soon as the existence of an economically exploitable deposit is established;
- rehabilitate all sites that have been subject to research work but have not led to the discovery of showings or any economically exploitable deposit;
- take all necessary steps to protect the environment and rehabilitate the sites concerned, in accordance with the applicable laws and regulations;
- conduct an environmental assessment;
- submit to the Minister in charge of Mining, for approval, all contracts, agreements, conventions, protocols or any other document by which it undertakes to entrust, assign, transfer, in part or in full, the rights and obligations arising from the exploration permit.

Article 21 - Relinquishment of the Research Permit

Any holder of a research permit who has fulfilled all their obligations shall be entitled to relinquish all or part of the surface area covered by the permit, provided they notify the Minister in charge of Mining of their intention to do so at least one (1) month in advance. However, a research permit holder is required, inter alia, to:

- take all necessary measures to protect the environment and remediate the sites concerned, in accordance with the applicable legislation;
- provide the Minister in charge of Mining with a detailed report on the work carried out, in three (3) original copies, using the appropriate paper and digital formats.

All the information provided shall become the property of the State.

The holder of the research permit who has exercised their right to relinquish the permit under the conditions set out in this article shall become free of any commitment on the perimeter concerned.

Article 22 - Revocation of the Research Permit

Any research permit may be revoked by order of the Minister in charge of Mining, following a formal notice that has not prompted effective action within a period of three (3) months. The research permit may be revoked within the period provided for in the formal notice in the event of violation of the provisions of this Code and failure by the holder to meet their obligations, especially in the following cases:

- research activity suspended for more than six (6) months or severely restricted without any legitimate reason and in a manner detrimental to the general interest;
- persistent inactivity, activity unrelated to the financial effort specified in the mining convention and its potential amendments;
- a feasibility study produced which has demonstrated the existence of an economically exploitable deposit within the perimeter of the research permit which is not followed by an application for a mining permit within a maximum period of six (6) months after the said study has confirmed the commercial profitability of the discovered ore;
- non-payment of the surface royalties due;
- transfer or lease of the rights conferred by the research permit without the prior approval of the Minister in charge of Mining.

The revocation of a research permit in accordance with the provisions of this article shall not entitle the holder to any form of compensation or indemnity from the State.

TITLE IV - MINING TITLE

Article 23 - Nature of the Mining Title

The mining title referred to in this section refers to the mining permit. It is an immovable property and must be held by a commercial company incorporated under Senegalese law. The latter is subrogated to the rights of the holder of the research permit which it derives from. The mining permit is indivisible.

Article 24 - Issuance of the Mining Permit

The mining permit shall be issued by decree, for a minimum renewable period of five (5) years and shall not exceed twenty (20) years. The validity period of the mining permit shall be determined in accordance with the size of the proven reserves identified in a feasibility study and the investments required for the development and mining of such reserves.

The decree granting the mining permit shall be equivalent to a declaration of public utility for the execution of the works.

The issuance of the mining permit shall entail the revocation of the research permit within the mining perimeter. However, the research rights previously held on the rest of the perimeter covered by the said research permit shall remain in force until its expiry date.

In the absence of a valid research permit, the mining title shall be issued on the basis of the commitments, the development program and the investment plan.

The conditions for the issuance of a mining permit shall be set by decree.

Article 25 - Extension of a Mining Permit

The extension of a mining permit to include other mineral substances shall be granted in the same manner and under the same conditions as the initial mining permit.

Article 26 - Renewal of a Mining Permit

The mining permit may be renewed by decree, for one or more periods, in the same forms, until the deposit has been exhausted.

Should a mining permit expire without being renewed, the mine and its appurtenances, including its real estate appurtenances, shall be transferred to the full ownership of the State, free of all charges.

Article 27 - Rights Conferred by a Mining Permit

The issuance of a mining permit confers the following rights on a holder who has fulfilled their obligations:

- the exclusive right to exploit and freely dispose of the substances for which the said mining permit was granted, within the limits of the perimeter allocated and indefinitely in depth;
- the right to the renewal of the mining title, in the same forms, at their request, pursuant to the provisions of this Code;
- the right to an extension of the rights and obligations attached to the mining of other substances related to the mining or processing of the substances for which the mining title was granted. However, the holder shall be required to apply, within a period of six (6) months, for the extension of their title to these substances;
- a right to occupy the land required for mining operations;
- a real property permit right distinct from the ownership of the land, registered as such and liable to monetization;
- the right to assign, transfer or lease their mining permit, subject to the prior authorization of the Minister in charge of Mining and the payment of the fixed fees and taxes due;
- the right to relinquish their rights, in whole or in part, subject to one (1) year’s notice and to the provisions of the mining agreement. However, such relinquishment shall not relieve the holder of the obligations provided for in the mining agreement and resulting from the activities undertaken by the holder prior to the effective date of the relinquishment;
- the right to ship, in accordance with the applicable legislation, the extracted substances as well as their concentrates or primary derivatives to the points of storage, processing or loading, and to place them on the domestic and foreign markets;
- the right to stable fiscal and customs conditions of operation, in accordance with the provisions of the mining agreement.

Article 28 - Obligations Attached to the Mining Permit

The mining permit holder shall be required, inter alia, to:

- exploit the deposit whose existence they have demonstrated in accordance with good industry practices and in a way that does not jeopardize the recovery of proven and probable reserves. They shall also be required to protect the environment.
- regularly inform the Minister in charge of Mining of the methods and outcomes of the mining operations, of the outcomes of the search for additional proven and probable reserves and their characteristics.

Mining operations must be initiated as soon as possible and conducted with diligence by the mining permit holder.

If, within a period of one (1) year from the actual mining permit notification date, investments are not actually undertaken, the mining permit holder shall be liable to a lateness penalty of fifty million (50,000,000) CFA F per month for the first three (3) months. This penalty shall be increased by fifteen percent (15%) per month over the previous month, starting from the fourth month and up to the twelfth month of the delay period.

If the holder has not started development works in accordance with the provisions of this Code within two (2) years from the date the mining permit was granted, the State reserves the right to revoke the mining permit in accordance with the conditions set out in Article 30 of this Code.

The commencement of development works shall be defined by the initiation of preparatory, development and construction works for a minimum amount ranging between ten percent (10%) and fifteen percent (15%) of the overall investment amount.

Article 29 - Relinquishment of a Mining Permit

The holder of a mining permit may relinquish it at any time, in whole or in part, by giving advance notice of one (1) year to the Minister in charge of Mining and in accordance with the provisions of the mining agreement.

The relinquishment of all or part of the rights conferred by a mining permit shall entail, in particular, the relinquishment, to the same degree, of the rights attached thereto.

Such relinquishment shall discharge the holder for the future. However, it shall not relieve the holder of any commitments entered into prior to the date of relinquishment, especially obligations relating to the environment and to the rehabilitation of mining sites, and other obligations provided for in this Code and in the mining agreement.

In the event of a mining permit being relinquished, the mine and its appurtenances shall be transferred to the State, in full ownership, and free of all encumbrances, including its real estate appurtenances.

Article 30 - Revocation of a Mining Permit

A mining permit may be revoked by decree upon expiry of a three (3) month formal notice issued by the Minister in charge of Mining, if the prescriptions set out in the said formal notice do not prompt effective action.

Revocation shall be ordered after the relevant Mining Authority has heard the holder of the mining title within the period specified in the formal notice, in the event of violation of the provisions of this Code and failure by the holder to meet their obligations, in particular in the following cases:

- persistent inactivity;
- suspension or serious restriction on mining operations without a valid reason;
- serious breaches of hygiene, health, environment and safety regulations
- non-compliance with anti-child labor legislation, especially in its worst forms;
- fraudulent acquisition of a mining title;
- bribery or attempted bribery during the mining permit award process;
- failure to pay outstanding surface and mining royalties;
- failure to implement the work program and annual budgets without a valid reason;

- failure by the permit holder to keep operating, sales and shipping records in a regular manner and in accordance with the standards established by current regulations;
- transfer or lease of the rights conferred by the mining permit without the prior approval of the Minister in charge of Mining.

Article 31 - State Shareholding

When a mining permit is issued, the State is entitled to a free ten percent (10%) share in the capital of the operating company for the entire life of the mine. Such shareholding, which is free of all charges, must not be subject to any dilution in the event of an increase in the share capital.

The State may, in addition to its free share in the capital, negotiate for itself and/or the national private sector, in return for payment, an additional shareholding of up to twenty-five percent (25%) in the capital of the operating company, in accordance with the usual terms and conditions applicable.

Article 32 - Conflict of Interest

All State officials or agents serving in the public service are prohibited from directly or indirectly taking an interest in a mineral search or mining company anywhere in the country.

TITLE V - PRODUCTION-SHARING CONTRACT

Article 33 – Production-Sharing Contract

In accordance with the provisions of Article 12 of this Code, the State may enter into production-sharing contracts for the search and extraction of mineral substances.

The production-sharing contract may only relate to promotional areas, unless the holder of a mining title relating to a perimeter located

outside these areas opts to conduct mining operations through service contracts, and production-sharing contracts in particular.

Article 34 - Purpose of a Production-Sharing Contract

The purpose of a production-sharing contract is to establish relationships between the State and a contractor for the entire duration of a mining operation. Such a contract shall cover both the research and mining periods.

A production-sharing contract sets out the rights and obligations of the State and the contractor.

The terms and conditions for establishing a production-sharing contract shall be determined by decree.

The production-sharing contract shall be approved by decree.

Article 35 - Mining Royalties and Production-Sharing Contracts

The beneficiary of a production-sharing contract shall be the owner of the property.

The beneficiary of a production-sharing contract shall not be liable to pay the mining royalty provided for in Article 77 of this Code.

TITLE VI - SMALL-SCALE MINING

Article 36 - Small-scale Mining

Small-scale mining shall apply to mining substances from outcropping or subcropping primary or secondary deposits.

Article 37 - Small-scale Mining Perimeter

The perimeter of a small mine shall be square or rectangular in shape and shall not exceed a surface area of five hundred (500) hectares.

Article 38 - Issuance of a Small-Scale Mining Permit

A small-scale mining permit shall be issued by order of the Minister in charge of Mining, with due regard for rights previously granted to any legal entity.

A small-scale mining permit shall be granted for a period not exceeding five (5) years.

A schedule of conditions signed between the Mining Authority and the beneficiary shall be attached to any small-scale mining permit.

Article 39 - Extension of a Small-scale Mining Permit

When the beneficiary of a small-scale mining permit discovers mineral substances other than those for which the permit was granted, they may request an extension of their permit to include such substances, provided that they are not subject to another valid mining permit or license.

Article 40 - Renewal of a Small-Scale Mining Permit.

A small-scale mining permit may be renewed in the same way for periods not exceeding five (5) years, until the reserves are exhausted, if the

beneficiary has fulfilled the obligations and commitments made under the said mining permit and has submitted a valid application each time.

Article 41 - Rights Conferred by a Small-Scale Mining Permit

A small-scale mining permit shall confer on the beneficiary, within the limits of the granted perimeter, and for an indefinite depth, the exclusive right to prospect and extract the mineral substances for which it is issued, using semi-industrial or industrial processes.

A small-scale mining license is movable property and is neither assignable nor transferable, nor may it be subject to a guarantee.

Article 42 - Obligations Attached to a Small-Scale Mining Permit

The beneficiary of a small-scale mining permit shall establish, within two (2) months of the permit being granted, the boundaries of the perimeter using milestones and markers set up by an approved surveyor.

The permit holder must take care of the environment and restore mining sites, in accordance with the applicable legislation, and must pay compensation to third parties who have suffered damage. The holder of the small-scale mining permit shall start mining activities within three (3) months of the permit being granted.

The authorized mineral substances shall be extracted in an optimal and rational manner, in accordance with safety, health and environmental protection standards.

In the event of any mineral substance other than those for which the authorization was issued being discovered or a more sizeable deposit being found within the granted perimeter, the beneficiary of the small-scale mining authorization must declare this in writing to the Minister in charge of Mining within a maximum period of one (1) month, or else the permit will be withdrawn.

Article 43 - Modification of a Small-Scale Mining Permit

After confirmation of the existence of a deposit discovered by the holder of a small-scale mining permit, the Minister in charge of Mining shall rule on the new conditions under which mining shall continue.

The holder of a small-scale mining permit may request, within a period of two (2) months from the date the existence of a deposit was confirmed, that their mining title be converted into a mining permit.

Article 44 - Relinquishment of a Small-Scale Mining Permit

The holder of a small-scale mining permit may freely relinquish it, provided that they submit a one (1) month notice to the Minister in charge of Mining.

The holder of a small-scale mining permit may relinquish it at any time, without penalty or compensation, as long as they comply with the commitments and obligations provided for in the mining legislation. Such relinquishment of the permit shall, in particular, entail the forfeiture of the rights attached thereto, but shall not relieve the holder of their obligations under this Code.

In the event of a small-scale mining permit being relinquished, the small mine and its appurtenances shall be transferred to the State, in full ownership, and free of all encumbrances, including its real estate appurtenances,

Article 45 - Revocation of a Small-Scale Mining Permit

Any small-scale mining permit may be revoked by order of the Minister in charge of Mining, after a formal notice has been served but has not prompted effective action within a period of three (3) months.

In the event of a breach in the provisions of this Code, in particular if the holder of the mining title fails to comply with their obligations under the mining legislation, the permit shall be revoked after the formal notice deadline has elapsed.

TITLE VII - SEMI-MECHANIZED MINING

Article 46 - Semi-Mechanized Mining

Semi-mechanized mining shall apply to mining substances from primary or secondary outcropping or sub-outcropping deposits.

Article 47 - Perimeter of a Semi-Mechanized Mining Permit

The perimeter of a semi-mechanized mining permit shall be square or rectangular in shape and shall not exceed fifty (50) hectares in surface area.

Article 48 - Issuance of a Semi-Mechanized Mining Permit

The semi-mechanized mining permit shall be issued by order of the Minister in charge of Mining, subject to the rights previously granted to any legal entity. The semi-mechanized mining permit shall be granted for a period not exceeding three (3) years and shall be deemed to be movable property.

Article 49 - Renewal of the Semi-Mechanized Mining Permit

A semi-mechanized mining permit is renewable in the same manner for periods not exceeding three (3) years, until the reserves are exhausted, if the beneficiary has respected the obligations, fulfilled the commitments made within the framework of the aforementioned mining permit and submitted a valid application each time.

Article 50 - Rights Conferred by the Semi-Mechanized Mining Permit

A semi-mechanized mining permit confers on the holder the exclusive right to extract the mineral substances for which it was issued,

within the boundaries of the assigned perimeter and to a maximum depth of fifteen (15) meters, using semi-mechanized methods and processes.

A semi-mechanized mining permit is neither transferable nor leasable.

Article 51 - Obligations Attached to the Semi-Mechanized Mining Permit

The beneficiary of the semi-mechanized mining permit shall delineate the perimeter within two (2) months following the issuance of the permit, by having a certified surveyor establish boundary markers and landmarks.

The semi mechanized mining permit holder shall start mining activities at the latest within two (2) months following the issuance of the permit.

The special semi-mechanized mining regime must not affect the rights vested in the holder of an exploration permit.

The operator must restore the mining sites in accordance with the applicable legislation. They are required to pay compensation to third parties that have suffered damage.

The mineral substances authorized under the permit shall be mined in an optimal and rational manner, in compliance with safety, health and environmental protection standards.

In the event of mineral substances other than those for which the permit was issued being discovered, or a more considerable deposit being found within the granted perimeter, the beneficiary of the semi-mechanized mining permit must declare this in writing to the Minister in charge of Mining within a maximum period of one (01) month, failing which the permit may be revoked.

Article 52 – Relinquishment of a Semi-Mechanized Mining Permit.

The holder of a semi-mechanized mining permit may freely relinquish it, provided that they submit a one (1) month notice to the Minister in charge of Mining.

Such relinquishment of the permit shall, in particular, entail the forfeiture of the rights attached thereto, but shall not relieve the holder of their obligations under this Code.

Should a semi-mechanized mining permit be relinquished, the mine and its appurtenances shall be transferred to the State, in full ownership, and free of all encumbrances, including its real estate appurtenances.

The semi-mechanized mining permit may be relinquished at any time, without penalty or compensation, subject to the beneficiary's compliance with the commitments and obligations stipulated by the mining legislation.

Article 53 - Revocation of a Semi-Mechanized Mining Permit

Any semi-mechanized mining permit may be revoked by order of the Minister in charge of Mining, after a formal notice has been served but has not prompted effective action within a period of one (1) month.

The semi-mechanized mining permit shall be revoked after the deadline stipulated for the formal notice has elapsed:

- in the event of the holder failing to comply with their obligations under the mining legislation;
- in the event of the existence of a larger deposit being confirmed within the area allocated, in which case the holder must receive compensation from the new operator.

TITLE VIII - ARTISANAL MINING

Chapter 1. - Conditions of Operation

Article 54 - Artisanal Mining

Artisanal mining shall only permitted to the holder of an artisanal mining permit issued by order of the Minister in charge of Mining after consultation with the head of the regional mining department and the local authority concerned, in accordance with the terms of this Code.

It shall be issued to any natural person who cannot claim any exclusivity.

Article 55 - Issuance of an Artisanal Mining Permit Issuance of an Artisanal Mining Permit

The procedure for issuing and withdrawing artisanal mining permits shall be set by order of the Minister of Mining. This procedure should make it possible to implement the administrative monitoring of the activity and should lead to the necessary local control taking place.

The artisanal mining permit shall be valid within the boundaries of the territorial community where it was issued.

Article 56 - Validity Period of an Artisanal Mining Permit

The artisanal mining permit shall be valid for a period of five (5) years. It may be renewed once or several times for the same period, subject to the payment of the relevant fee.

Article 57 - Registration in the Special Register

Artisanal mining permits shall be recorded in a special register that is kept up to date by the Mining Authority.

The Minister in charge of Mining shall establish a list of permit holders every year.

Article 58 - Fixed Fee Attached to an Artisanal Mining Permit

The holder shall pay a fixed fee to the relevant local authority for the issuance of the artisanal mining permit. Article 77 of this Code specifies the amount of the said fee.

The beneficiaries of artisanal mining permits are required to comply with environmental obligations, in accordance with the applicable legislative and regulatory provisions.

A permit holder must effectively and personally conduct the artisanal mining activity failing which the permit shall be revoked.

Article 59 - Transfer of an Artisanal Mining Permit

An artisanal mining permit is personal and may not be assigned, transferred or leased in any way whatsoever.

Chapter II - Administrative Oversight and Technical Assistance

Article 60 - Administrative Oversight

Duly authorized sworn officials of the Mining Authority shall ensure that the permit holders concerned comply with the safety, health and environmental protection measures set forth in the applicable legislative and regulatory provisions.

Article 61 - Technical Assistance

The Mining Authority is responsible for providing artisanal mining permit holders and the local communities concerned with technical assistance and training in research and mining, safety and hygiene at artisanal mining sites, environmental protection and the procedures for obtaining artisanal mining permits.

The Mining Authority is vested with the authority to conduct any operation aimed at collecting the information necessary to control artisanal mining activities.

TITLE IX - PRECIOUS METALS AND PRECIOUS STONES BUYING OFFICES

Article 62 - Precious Metal and Precious Stone Buying Offices.

The opening and operation of buying houses for raw precious metals and precious stones from artisanal and small-scale mining activities are subject to the provisions of the relevant regulations adopted pursuant to this code. The conditions for opening and operating buying offices shall be drawn up by order of the Ministers of Mining, Finance and Commerce.

TITLE X. - QUARRYING REGIME

Chapter I. Common Provisions

Article 63 - General Provisions

Notwithstanding the legal status of the lands where the quarry minerals are located, quarries are subject to the provisions of this draft Code. A quarrying permit is a movable asset. It can be held by any legal entity.

Permits to open and operate permanent private or public quarries shall be issued by the Minister in charge of Mining.

Permits to open and operate temporary private or public quarries shall be issued by the Mining Authority.

Article 64 - Categories of Quarries

Quarries are classified into two categories: public quarries and private quarries.

Public quarries and private quarries may be temporary where the duration of quarrying operations does not exceed one (1) year, or permanent where such operations last longer than one (1) year.

Quarries may be opened on the public or private domain.

A quarry is deemed to be artisanal if the substance extracted using any traditional, manual and/or mechanized process is not crushed.

A quarry is considered to be an industrial quarry if the substance extracted by any traditional, manual and/or mechanized process is crushed.

Chapter II - Authorization to Open and Operate a Public Quarry

Article 65 - Authorization to Open a Public Quarry

The Minister in charge of Mining may authorize, by decree, the opening and operation, on the public domain, of a quarry open to the public.

The permit to operate shall be issued within seven (7) days, after consulting with the competent administrative authorities and after receiving the opinion of the local authorities concerned.

The permit to operate a public quarry shall be valid for a renewable period of no more than five (5) years.

When a public quarrying operation does not last longer than one (1) year, the permit shall be issued by the Mining Authority after consultation with the competent administrative authorities and the local communities concerned, within the same time frame as that set out in Paragraph 2 of this Article.

The terms and conditions for opening, extracting and removing materials from a public quarry are set by decree.

Article 66 - Obligations Attached to Public Quarrying

In addition to the provisions of this Code, the holders of a public quarrying permit shall also be subject to specific legislative and regulatory provisions governing, in particular, the preservation of the environment, obligations relating to town planning, establishments classified as dangerous, unhealthy or inappropriate and the protection of forest heritage.

Chapter III - Permit to Open and Operate a Private Quarry

Article 67 - Permit to Open a Private Quarry

The Minister in charge of Mining may, by decree, authorize the opening and operation of a private quarry by any legal entity.

The permit to open and operate a private quarry shall be issued for a renewable period not exceeding five (5) years.

A schedule of conditions signed by and between the Mining Authority and the beneficiary shall be attached to any permit to open and operate a private quarry.

The permit to open and operate a permanent private quarry shall be considered as movable property and may be transferred under the conditions laid down by decree.

To this end, the holder of a permit to open and operate a private quarry shall submit, to the Minister in charge of Mining, any contract or agreement by which he/she entrusts, assigns or transfers, in part or in full, the rights and obligations ensuing from the said mining title.

If the duration of a private quarrying operation does not exceed one (1) year, the permit to open and operate a temporary private quarry shall be issued by the Mining Authority after consultation with the competent administrative authorities and the local communities concerned.

A temporary permit shall specify the mineral substance concerned and the period of time during which its extraction is authorized; it shall determine the quantity of materials to be extracted, the royalties to be paid, and the conditions under which the lands needed for extraction and related

activities shall be occupied. It shall also specify the obligations of the permit holder, including site restoration after extraction.

A permit to open and operate a temporary private quarry shall be deemed to be movable property and shall not be transferable.

Article 68 - Renewal of a Permit to Open and Operate a Private Quarry

A permit to open and operate a permanent private quarry may be renewed under the same conditions, once or several times, for a maximum period of five (5) years each time.

A permit to open and operate a temporary private quarry may be renewed once only, for a period of one (1) year.

Article 69 - Rights Conferred by a Permit to Open and Operate a Private Quarry.

A permit to open and operate a private quarry confers on its holder the right to occupy a piece of land and the free disposal of the mineral substances for which it has been issued.

Article 70 - Obligations Attached to a Permit to Open and Operate a Private Quarry

In addition to the provisions of this Code, holders of a permit to open and operate a private quarry are also subject to specific legislative and regulatory provisions governing, in particular, the preservation of the environment, obligations relating to town planning, establishments classified as dangerous, unhealthy or inappropriate and the protection of forest heritage.

Article 71. - Revocation of a Permit to Open and Operate a Private Quarry

Any permit to open and operate a permanent private quarry may be revoked by order of the Minister in charge of Mining, after a formal notice has been served but has not prompted effective action within two (2) months. The permit shall be revoked after the formal notice deadline has elapsed, in particular in the event of the holder failing to comply with their obligations under the mining legislation.

Any permit to open and operate a temporary private quarry may be revoked by the Mining Authority, after a formal notice has been served but has not prompted effective action within a period of one (1) month. The permit shall be revoked after the formal notice deadline has elapsed, in particular in the event of a breach of the provisions of this Code or failure by the holder to meet their obligations under the Mining Legislation.

The revocation of a permit to open and operate a private quarry under the conditions provided for in this article shall not entitle the State to any form of compensation or indemnification.

TITLE XI - MINING OF WASTE ROCK, SLAG HEAPS AND OTHER MINING SPOILS

Article 72 - Mining of Waste Rock, Slag Heaps and Other Mining Spoils

The mining, treatment and recovery of slag heaps, mining spoils and quarry waste with a view to using them are subject to prior authorization issued by order of the Minister in charge of Mining.

Article 73 - Legal Regime

Depending on how they are used, slag and mining spoils, together with quarrying waste, shall be subject to the mining or quarrying regime.

TITLE XII - FINANCE AND TARIFF-RELATED PROVISIONS

Chapter I - Fees and Royalties

Article 74 – Fixed Initial Fees

The issuance, renewal, extension or transformation, and the transfer or leasing of mining exploration and exploitation permits are subject to the payment of fixed initial fees, payable in a single instalment, as indicated below:

Research permit	CFA F 2,500,000
Mining permit	CFA F 10,000,000
Permanent quarrying permit	CFA F 2,500,000
Temporary quarrying permit	CFA F 1,000,000
Temporary quarrying permit	CFA F 1,000,000
Small-scale mining permit	CFA F 2,500,000
Semi-mechanized mining permit	CFA F 1,500,000
Artisanal mining permit	CFA F 50,000

The procedures for paying and collecting fixed fees shall be determined by decree.

Article 75. - Surface Royalty

Mining title holders are required to pay an annual surface royalty, the amount of which is determined as follows:

(a). Research permits, upon issuance and on each renewal:

- First validity period: CFA F 5000/Km²/year;
- First renewal period: CFA F 6500/Km²/year;
- Second renewal period: CFA F 8000/Km²/year;

(b). Mining permit, upon issuance and at each renewal: CFA F 250,000/Km²/year

(c). Small-scale mining permit: CFA F 50,000/ha/year upon issuance and at each renewal;

(d). Permanent quarrying permit: 50,000 FCFA/ha/year upon issuance and each renewal;

(e). Semi-mechanized mining permit: 50,000 FCFA/ha/year upon issuance and each renewal.

Article 76 – Initial Fee, Bonus and Historical Costs

A research and mining title may be issued or a production-sharing contract entered into subject to the following:

- An initial fee or a bonus at the time of granting of the mining title, at the time of signing a mining agreement or contract, upon a commercial discovery and upon entry into production; and/or
- the reimbursement of historical costs to the State or the national legal entity concerned.

Article 77 - Mining Royalty

The market value of the crushed product applicable for the liquidation of the quarterly mining royalty for crushed quarry materials is the simple arithmetic average of the selling prices over the last three (3) months of the stock release period.

The selling price index shall be fixed by joint order of the Ministers in charge of Mining and Commerce.

The mining royalty rate shall be as follows for all the mining titles concerned:

Alumino-calcic phosphate	5%
Lime phosphate	5%
Phosphoric acid	1.5%
Cement	1%
Iron	
- Concentrated ore	5%
- Ore to be processed locally into steel	2%
Base metals, radioactive substances	
- Concentrated ore	3.5%
- Ore to be processed locally into refined products	1.5%
Gold	
- Crude	5%
- Refined abroad	5%
- Refined in Senegal	3.5%
- Zircon, ilmenite and other heavy minerals	5%
Diamonds and other gems	
- Rough	5%
- Cut	3%
Quarry materials	
- Crushed quarry materials	4% of the market value of the crushed product
- Uncrushed and/or collected quarry materials	a royalty proportional to the volume of extracted or collected materials established as follows: - F 500/m^3 for hard materials, - F 300/m^3 for loose materials

The terms of payment and collection of the mining royalty shall be determined by decree.

The mining royalty referred to in this article may not be waived and is payable for any mineral substance extracted from the soil or subsoil of the territory.

Chapter II - Special Privileges Granted During the Research Phase

Article 78 - Customs Exemptions

With the exception of the Statistical Charge (RS), the WAEMU Community Solidarity Tax (PCS), the ECOWAS Community Tax (PC) and all other future Community taxes, the holder of a mineral exploration permit shall be exempt from all customs duties and taxes, value added tax (VAT) and the Senegalese Shippers' Council Royalty (COSEC) for :

- equipment, materials, supplies, machinery, engines and other equipment, utility vehicles included in the approved program, as well as spare parts and consumables that were neither produced nor manufactured in Senegal, specifically and definitively intended for mining research operations and whose importation is essential to the implementation of the research program;
- fuels and lubricants for fixed installations, drilling equipment, machinery and other equipment intended for research operations under the granted permit;
- petroleum products used to produce energy for the research program;
- parts and spare parts for machines and equipment recognized as specifically intended for the implementation of the approved research program.

Subcontracting companies shall be exempt from customs duties and taxes as regards the performance of their services.

Movable goods, materials, equipment, vehicles and other inputs that qualify for the tariff regime defined in this article shall be included in any mining list prepared by the holder of the mining title and appended to the mining agreement. The mining list shall be approved by the Ministers in

charge of Finance and Mining based on a joint report, and in accordance with terms and conditions laid down by decree.

However, the following materials and equipment are not eligible for exemption:

- vehicles used to transport people and goods other than mined products;
- materials and equipment whose equivalent can be found manufactured in Senegal or available under conditions of price, quality, guarantee, etc. that are equal to those of the same goods of foreign origin;
- furniture or other household items.
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Article 79 - Temporary Admission System

Equipment, materials, supplies, machinery, utility equipment and vehicles intended directly for mining research operations, along with machinery and construction vehicles that can be re-exported or transferred after use, shall qualify for temporary admission, with total suspension of import duties and taxes, upon presentation of a certified research permit.

In the event of goods being released for consumption following temporary admission, the duties and taxes payable shall be those applicable on the date of submission of the detailed declaration of release for consumption, applicable to the real market value of the goods on that same date.

Pursuant to the provisions of the Customs Code and its implementing instruments, during the six (6) months following their establishment in Senegal, foreign personnel employed by a mining title holder and residing in Senegal shall also benefit from tax and duty exemptions on the importation of their personal belongings.

Article 80 - Processing of Research Expenses

In addition to salaries, wages and sundry expenses relating to personnel actually engaged in research work in Senegal, the following must be taken into consideration when defining research expenses:

- depreciation of the equipment actually used in the research work over the period during which it is used;
- expenses incurred in Senegal in the context of the actual research work on the perimeter of the mining title, including expenses incurred outside the country in connection with the preparation of work programs, tests, analyses, studies and training;
- costs relating to subcontractors duly approved by the Minister in charge of Mining;
- overhead costs incurred in Senegal in relation to the implementation of approved research programs;
- head office expenses incurred within the framework of the approved research programs and within the limit of the rate set by the General Tax Code.

The total amount of certified research expenses that the holder of the research permit has incurred on the day of the incorporation of a company for the purpose of using all or part of the perimeter of the research permit shall be updated on the latter date in accordance with the relevant tax provisions and with the agreement of the Minister of Finance, and shall be amortized during the operation phase.

Chapter III - Special Privileges Granted During the Operation Phase

Article 81 - Investment Periods

With the exception of the Statistical Charge (RS), the Community Solidarity Tax (PCS), the Community Tax (PC) and any other future Community taxes, a mining permit holder or holder of a small-scale mining

permit, and the companies working on their behalf, shall - during the investment and production start-up period for a new operation or the extension of the production capacity of an existing operation - be exempt from all customs taxes levied on entry and the COSEC royalty on the following:

- equipment, materials, supplies, machinery, utility vehicles included in the approved program and equipment intended directly and permanently for mining operations;
- fuels and lubricants for fixed installations, materials and drilling, machinery and other equipment intended for mining operations
- petroleum products used to produce energy required for the implementation of the mining program;
- parts and spare parts for machines and equipment specifically intended for mining operations. The value of the parts must not exceed thirty percent (30%) of the total CIF (Cost-Insurance-Freight) value of the imported machinery and equipment.

The investment period shall start on the date when the mining permit or the small-scale mining permit is granted and shall end on the date when the Minister in charge of Mining is notified of the date of first production, with the exception of operations carried out on an experimental basis. It shall expire no later than three (3) years for the mining permit and one (1) year for the small-scale mining permit.

During the investment and production start-up period for a new operation or the extension of the production capacity of an existing operation, equipment, materials, supplies, machinery, engines, utility equipment and vehicles intended directly for mining operations, and imported into Senegal by a mining permit holder or a small-scale mining permit holder, and the companies working on their behalf, and which can be re-exported or transferred after being used, shall be declared for temporary admission with all duties and taxes on importation and the COSEC royalty suspended.

In the event of release for consumption following temporary admission, the provisions of Article 79 of this Code shall automatically apply.

The movable goods, materials, equipment, vehicles and other resources covered by the customs regime defined in this article shall be included in any mining list prepared by a mining title holder and appended to the mining agreement or schedule of conditions. The mining list shall be approved by the Ministers in charge of Finance and Mining in accordance with the procedures laid down by decree.

TITLE XIII - GUARANTEES AND OBLIGATIONS ATTACHED TO THE CONDUCT OF MINING OPERATIONS

Chapter I - General State Guarantees

Article 82 - Requisition and Expropriation

Installations and infrastructure built or acquired in the course of mining operations may only be expropriated or requisitioned by the State in cases of force majeure or for public utility purposes.

In such cases, the State shall pay the mining title holder fair compensation as determined by the applicable legislation.

Article 83 - Document and Information Confidentiality

Documents and information of a geological, mining, industrial, commercial and intellectual property nature collected from mining title holders may only be communicated to the public or to third parties with the written permission of the holders, or in the event of the revocation or expiration of the mining titles.

However, data relating to environmental degradation, human health and safety may not be considered confidential.

Any official of the Mining Authority who has direct or indirect knowledge of the information and content of documents and information

relating to the activities of the mining title holders shall be subject to the professional secrecy obligations.

Article 84 - Non-Discrimination

The State shall ensure that a mining title holder, their subcontractors, and those regularly employed in the performance of their mining operations are not discriminated against in the performance of their activities.

Article 85 - Free Selection of Partners, Suppliers and Subcontractors

Mining title holders are entitled to exercise a free selection of their suppliers, subcontractors and partners. However, mining title holders must draw up and publish an annual procurement plan.

All memoranda, contracts and agreements whose purpose is to entrust, assign or transfer, in part or in full, the rights and obligations resulting from the mining title are subject to the prior approval of the Minister in charge of Mining.

Mining title holders, their suppliers and subcontractors shall, to the fullest extent possible, use services and materials of Senegalese origin and products manufactured or sold in Senegal, as long as these services and products are available on competitive terms in terms of price, quality, guarantees and delivery times.

Article 86 - Subcontractors' Obligations.

Any subcontractor that is not a national of the Republic of Senegal and provides services on behalf of mining title holders for a period of more than one (1) year, is required to set up a company, in accordance with the regulations in force in Senegal.

The duration of a subcontracting agreement does not prevent the fulfillment of tax obligations in accordance with applicable regulations and the advantages granted under this Code.

Chapter II - Foreign Exchange Regulations

Article 87 - Free Conversion and Free Transfer

Mining title holders are required to comply with foreign exchange regulations in force in Senegal.

Foreign staff members residing in Senegal and employed by any mining title holder are entitled to free conversion and free transfer of all or part of their salary savings, subject to them paying taxes and various contributions, in accordance with fiscal regulations.

Article 88 - Opening Foreign Currency Bank Accounts

Subject to the provisions of the foreign exchange regulations in force, any mining permit holder may be authorized to open a foreign currency account in Senegal for transactions required in connection with mining operations.

Article 89 - Free Import and Export

Subject to foreign exchange regulations and the provisions of this Code, a mining permit holder may freely:

- import, without any cost, their own equipment;
- import into Senegal the goods and services they need for their activities;
- export mineral substances extracted, their concentrates, primary derivatives and any other derivative, after completing all legal and regulatory formalities for the export of such substances.

Chapter III - Land Use and Occupancy

Article 90 - Occupancy Rights.

Subject to compliance with the specific legislative and regulatory provisions applicable to each of the cases mentioned below, the possession

of a mining permit confers a right of occupancy over the entire national territory. Such occupancy rights entails, both inside and outside the perimeter assigned to it, an authorization to:

- occupy the land necessary for the execution of research and exploitation works, for the performance of related activities and for the construction of housing for personnel assigned to the site;
- perform or have performed the infrastructure work required to conduct, under normal economic conditions and in accordance with the best industry practices, operations related to the research and operation work, including the transportation of supplies, materials, equipment and extracted products;
- cut down the trees needed to complete the works;
- use unused or reserved waterfalls for the purpose of the works.

The work items listed below are considered to be part of the research and mining operations:

- preparation, washing, concentration, mechanical, chemical or metallurgical treatment of extracted mineral substances, agglomeration, carbonization, distillation of fuels;
- storage and disposal of products and waste;
- constructions for personnel housing, hygiene and care;
- establishment of all communication routes, including roads, rail tracks, canals, pipelines, conveyors, air carriers, ports, airports and telecommunication networks;
- establishment of boundary markers;
- establishment and operation of power stations, substations, electric lines and telecommunication networks.

Article 91 - Declaration of Public Utility

The projects referred to in Article 90 of this Code, which are necessary for the performance of mining operations involving the exploration and extraction of mineral substances, may be declared to be in the public interest under the conditions provided for by the relevant legislation.

Article 92 - Occupancy Permit

Where the occupation of the sites required to perform the structures and installations referred to in Article 90 of this Code does not exceed one (1) year outside the perimeters of the mining permit, an occupancy permit shall be granted by joint order of the Ministers in charge of Mining and Lands, and shall also include all other permits that may be required.

Permits for occupancy longer than one (1) year shall be granted by decree.

Article 93 - Compensation for Damage Caused

The occupation of a piece of land by a mining permit holder, both inside and outside the perimeters allocated to them, entitles the owners or occupants of the lands to fair compensation for any material damage caused.

The amount of compensation to be paid shall be determined in accordance with the applicable legislation and the international conventions to which Senegal is a party.

The costs, indemnities and, generally speaking, all charges relating to the application of the provisions concerning the occupation of lands required, shall be defrayed by the mining permit holder.

Chapter IV - Obligations of Mining Title Holders

Article 94 - Observance and Protection of Human Rights

Any holder of a mining title has the obligation to observe and protect human rights in areas where mining operations are carried out, in accordance with national legislation and international conventions.

Child labor is prohibited in all activities governed by this Code, under penalty of revocation of the mining title.

Article 95 - Adherence to the EITI Principles and Requirements

All mining title holders must abide by the principles and requirements of the Extractive Industries Transparency Initiative (EITI), including:

- making declarations based on data that are audited by the relevant authorities;
- sharing with the national EITI bodies all information relating to their payments to the State, including economic and social achievements made.

Article 96. – Declaration of Mining Revenues

All mining title holders must declare all mining revenues due to the State and received by the State, including economic and social achievements made.

Article 97 - Joint Action

Where several natural or legal persons are indivisible joint holders of a mining title, or jointly apply for a mining title, they must act jointly and severally and are required to submit to the Minister in charge of Mining, for approval, any agreement concluded between them with a view to conducting mining operations within the area concerned.

Article 98 - Accounting

All mining title holders must keep regular accounts of their operations, in accordance with the legislation in force in Senegal.

Article 99 - Reporting

All mining title holders are required to share, with the Mining Authority, all necessary reports and information, in accordance with the conditions established by decree.

Article 100 - Start-up and Closure of Works

Any decision to start up or close down research or mining operations must be notified in advance to the Minister in charge of Mining.

Article 101 - Compensation of Third Parties and the State

Mining title holders must indemnify the State or any natural person or legal entity for any damage and material prejudice caused.

Chapter V - Protection of the Environment

Article 102 - Environmental Impact Assessment

All those applying for a mining permit, a permit to open and operate a quarry or a permit to operate a small mine must, before commencing their activities, complete, at their own expense, an environmental impact study and implement an environmental management plan, in accordance with the Environment Code and related decrees and orders.

The research, mining, processing, packaging, transportation and marketing of ores and radioactive substances are subject to special agreements with the State, in accordance with a standard agreement model established by regulation and specifying, amongst other things, the radiation protection and radioactive waste management measures applicable to these activities, as well as safety measures concerning the use, transfer and marketing of radioactive substances, in accordance with the applicable legislative and regulatory instruments and the State's relevant international commitments.

Research and/or extraction of radioactive ores and substances are authorized subject to the permit holder receiving a positive opinion from the Senegalese Radiation Protection and Nuclear Safety Authority (ARSN) with respect to environmental monitoring and radiological protection plans and programs related thereto.

Article 103 - Rehabilitation of Mining and Quarrying Sites

All mining title holders are required to rehabilitate the sites covered by their mining titles.

Article 104 - Mining Rehabilitation Guarantee

Notwithstanding the obligations arising from Article 103 of this Code, any holder of a research permit, a permit to open and operate a permanent quarry, a permit to operate a small mine, a mining permit and a production-sharing contract is required to open and fund a trust account with a specialized public institution designated by the State.

The purpose of this account is to set up a fund to cover the costs of implementing the environmental management plan.

The procedures for operating and contributing to this fund shall be determined by decree.

Article 105 - Mining in Classified Forests

Mining titles issued in classified forest areas in application of this Code must comply with the provisions of the Forest Code.

TITLE XIV - SPECIAL PROVISIONS

Chapter I - Protected Areas

Article 106 - Prohibition

The Minister in charge of Mining may establish protection zones within which prospecting, research and mining of mineral substances are prohibited. These areas are established to protect buildings, roads, engineering structures, remains uncovered during works and wherever they are necessary in the general interest.

Chapter II - Infrastructure

Article 107 - Works and Installations

The Minister in charge of Mining, in agreement with mining permit holders, may, for reasons of general interest, lay down conditions for building and operating the structures and facilities required for the works referred to in Article 90 of this Code.

Communication routes and other transportation facilities and telecommunication networks created by mining permit holders may, when they do not impede research and mining operations and in return for fair remuneration, be used for the service of neighboring establishments or local communities that so request and may be opened to the public.

Chapter III. Health and Safety

Article 108 - Health and Safety in Mines and Quarries

Any legal entity conducting prospecting, research or extraction of mineral substances under the provisions of this Code must carry out such work in accordance with the health and labor legislation, in order to guarantee the safety of people and property.

The health and safety rules applicable to prospecting, research and mining work, especially in quarries, plants and laboratories, as well as the safety rules relating to the transportation, storage and use of explosives and hazardous products, are set by decree.

Any accident occurring during a mining operation and any identified hazard must be reported immediately to the Minister in charge of Mining and to the competent administrative authority, the regional Labor and social security inspector, and the public prosecutor.

All mining title holders must comply with the preventive measures laid down by the competent authorities with regard to public safety, worker health and safety, and the preservation of deposits, underground water, buildings and public roads.

Chapter IV – Staffing and Training

Article 109 - Employment and Training

Mining title holders and their subcontractors are required to:

- meet the general conditions of employment in accordance with the regulations in force;
- give preference, for equal qualifications, to Senegalese personnel
- implement a training and promotion plan for the company's Senegalese personnel with a view to utilizing their services in all phases of the mining activity;
- promote equal employment opportunities between women and men in the professional environment;
- guarantee salary equity between female and male employees with equal qualifications;
- train the company's Senegalese staff.

Based on economic, demographic and social needs, decrees may determine the possibilities of hiring mining title holders and their subcontractors. These decrees may prohibit or limit the hiring of foreign workers for certain professions or certain levels of professional qualification, with a view to ensuring full employment of the national workforce.

Based on a memorandum of understanding entered into with the Minister in charge of Mining, mining title holders must contribute to the institutional support dedicated to in-service staff training and to the promotion and development of the mining sector in Senegal.

Chapter V - Oversight and Control by the Mining Authority

Article 110 - Administrative Oversight

The Mining Authority shall collect, preserve and disseminate documentation on the soil and subsoil of the national territory.

Duly authorized sworn officials of the Mining Authority shall have free access to all prospecting, research or exploitation work carried out under the provisions of this Code, in order to monitor safety, health and technical conditions relating to mining operations.

Mining title holders must assist these officials in any way they can so that they may have access to works, information, data and documents on the progress of mining or research works.

Article 111 - Monitoring

As part of its work to monitor mining operations, the Mining Authority is entitled to have the accounts, installations, infrastructure, systems and procedures of any mining titleholder audited, including by an independent firm. Such audits must be conducted in accordance with internationally accepted standards and procedures and without hindering the proper conduct of mining operations.

Chapter VI - Allocation of Mining Revenues

Article 112 - Distribution of Mining Revenues

Mining revenues shall be divided between the State’s overall budget, the Local Government Support and Equalization Fund and the Mining Sector Support Fund.

Article 113 - The Support and Equalization Fund

Twenty percent (20%) of the revenue generated by mining operations goes to a local government support and equalization fund.

Should production be shared, a portion of the State’s share shall be paid into the Fund.

The terms and conditions for contributing to the Fund, its operation and its functioning shall be determined by decree.

Article 114 - Mining Sector Support Fund

Twenty percent (20%) of the revenue generated by mining operations goes to a Mining Sector Support Fund, the purpose of which is to support activities and investments related to mining promotion, compilation of geological and mining data, mapping and general prospecting, mineral inventories, equipment purchases, costs related to the monitoring of activities covered by the Mining Code, and ongoing training of the technical staff of the Ministry in charge of Mining and national institutions specializing in training in geology and mining.

In the event of production sharing, a portion of the State's share shall be paid into the Fund.

Every year, the budget allocated to the Mining Sector Support Fund shall be included in the Budget as revenue and expenditure.

The terms and conditions for the funding, operation and running of this Fund shall be set jointly by order of the Ministers of Mining and Finance.

Chapter VII - Local Development Support

Article 115 - Local Development Support Fund

Based on annual financial commitments, holders of mining titles, production sharing or services contracts shall contribute to a local development support fund dedicated to the economic and social development of local communities located in the areas where mining companies operate.

The activities to be carried out must be outlined in a local development plan that is consistent with any existing national local development plan and in consultation with the population and the local and administrative authorities. The local development plan must include projects for the empowerment of women.

The annual amount of these financial commitments for holders of mining titles, production-sharing or services contracts during the operation phase is zero, point five percent (0.5%) of the annual turnover before tax.

The annual amount of these financial commitments shall be negotiated and specified in agreements and protocols for holders of mining titles, production-sharing contracts or service contracts during the research and development phases.

The terms and conditions for the supply and use of the Fund's resources shall be specified in agreements and memoranda of understanding entered into between the State and the mining title holders.

Chapter VIII - The Mining Agreement

Article 116 - Purpose of the Mining Agreement

The purpose of the agreement is to establish the relationship between the State and research and mining permit holders for the duration of the mining operations.

The mining agreement shall specify the rights and obligations of the State and research or mining permit holders.

The conditions and procedures for drawing up the mining agreement shall be set by decree.

The mining agreement shall be terminated prematurely in the event of the mining title being revoked.

Article 117 - Duration of the Mining Agreement

The conditions for mining operations conducted by one or more legal entities shall be specified by means of a mining agreement between the State, represented by the Minister in charge of Mining, and those applying for research or mining permits, subject to the opinion of the Minister in charge of Finance. The mining agreement lays down the conditions applicable to mining operations.

However, for the operation phase, its first period of validity is twelve (12) years, renewable by periods of validity not exceeding ten (10) years.

In compliance with the provisions of the Mining Code, the mining agreement shall specify the rights and obligations of the parties and shall guarantee to the mining title holder the stability of the conditions which led to their commitment.

Once signed, the agreement shall be published in the Official Gazette of the Republic of Senegal.

TITLE XV.- BREACHES OF ADMINISTRATIVE OBLIGATIONS AND PENALTIES

Chapter I. - Failure to Comply with Administrative Obligations

Article 118 - Non-Payment of Surface Rights and Failure to Start Work within the Legal Time Limit

Non-payment of surface rights and failure to start mining operations within the legal time limits shall be considered as a breach of administrative obligations.

Article 119 - Non-Payment of Surface Rights and Case Review

The Mining Authority shall take note of cases of non-payment of surface rights at the end of the first quarter of each year.

It shall notify the holder concerned, within fifteen (15) working days after the end of the quarter, of its determination that surface rights were not paid.

Permit holders may submit any document or means of defense within forty-five (45) days following the notification. Only proof of payment or impediment due to force majeure shall be recognized as a means of defense.

Defense cases shall be reviewed within a maximum of thirty (30) days from the end of the defense period.

The competent Mining Administration shall inform the holders concerned of its opinion and shall pass it on, together with the defense cases and a draft decision on the forfeiture of the holder, to the Minister in charge of Mining in accordance with the provisions of this Code.

Article 120 - Failure to Start Work within the Deadline and Case Review

Failure to start work within the time limit shall be noted by the head of the Regional Mining Department concerned, who shall send a report of their finding to the Mining Authority for subsequent notification to the interested party within ten (10) working days following the end of the period during which works should have started.

Each permit holder is responsible for finding out about the technical service's report concerning their project. A permit holder whose works has been found to have failed to start may submit any documents relating to their defense within forty-five (45) days following the date such failure was reported. Only proof of impediment due to force majeure shall be recognized as valid.

The Mining Authority shall review the defense case within thirty (30) days from the end of the period specified in paragraph 2 of this article and shall communicate their technical opinion to the permit holder concerned.

The case in question, along with the tentative decision on the holder's forfeiture, shall be referred to the Minister in charge of Mining, in accordance with the provisions of this Code.

Chapter II - Documentation of Breaches of Administrative Obligations

Article 121 - Documentation of breaches

Breaches of the administrative obligations set out in this Code shall be recorded by duly authorized and sworn officials of the Mining Authority.

The official reports drawn up for this purpose under this article shall be deemed authentic until a false entry is made in respect of the material findings made.

These reports shall be deemed authentic until the statements they contain are proven otherwise.

These officials shall take an oath before the district court of their place of employment using the following terms:

“I swear and promise to perform my duties well and faithfully and to observe the duties incumbent upon me in all respects. I also swear that I shall not reveal or use anything that comes to my knowledge in the performance of my duties”.

The oath shall not be renewed should a change of grade, job or administrative residence occur.

Chapter III - Sanctions for Breaches of Administrative Obligations

Article 122 - Prohibition

Holders of mining titles who have lost their rights and whose titles have been cancelled may not obtain new mining rights until five (5) years have elapsed from the date of notification of the act to the interested party or parties.

Article 123 - Suspension

When mining activities take place under exceptional circumstances that may lead to irreversible degradation of the environment and the health and hygiene of the population, they may be suspended immediately.

The duration of the suspension depends on the seriousness of the situation and shall be set by regulation.

The suspension may be lifted when the conditions for normal operation have been restored.

Article 124 - Warning and Penalty

Should it be established that the mandatory documents prescribed by this Code have not been kept in a proper manner, the Mining Authority shall send a written warning to the holder of the mining title concerned.

If by the end of the time limit set, the holder has not complied with the warning, they shall be liable to a fine of twenty-five thousand (25,000) CFA F per day until such time as the situation is rectified, each day started being due in full, without prejudice to the penalties provided for in Article 30 of this Code.

Article 125 - Formal Notice and Penalty

Any holder of a mining title who fails to submit the required periodic reports within the regulatory time limit shall be served with a formal notice of thirty (30) days maximum.

At the end of this period, the defaulting holder shall be liable to a fine equivalent to fifty thousand (50,000) CFA F for each day of delay from the last day of the regulatory period until the reports have been submitted, with each day started being due in full.

Article 126 - Penalties

Delays in the payment of mining royalties, failure to pay and reduction of the amount due shall be deemed to be breaches of the Code and shall carry the following penalties:

- in the event of a delayed payment of the fee, the amount due shall be increased by a penalty set at seven (7%) percent per month of delay;
- in the event of a duly documented refusal to pay, the amount due shall be multiplied by two (2);
- in the event of underpayment of the amount due, the latter shall be multiplied by two (2) after adjustment.

In all cases, the foreclosure procedure shall be applied in accordance with the applicable tax legislation.

TITLE XVI: OFFENSES AND CRIMINAL LIABILITY

Chapter I - Offenses and penalties Article

127 - Illegal Mining Activities

Any person who, without authorization, engages in research or operation of a mine or quarry in violation of this draft Code, is liable to imprisonment for a period of no less than one (1) year and no more than five (5) years and to a fine ranging between five million (5,000,000) CFA F to one hundred and twenty-five million (125,000,000) CFA F. Illegally extracted mineral substances shall be seized and confiscated by the competent court in favor of the State or the holder of the mining or quarrying title concerned.

Article 128 - Theft and Concealment of Mineral Substances

Without prejudice to special provisions pertaining to precious substances, anyone found guilty of theft or concealment of mineral substances shall be liable to imprisonment for a period of no less than one (1) year and no more than five (5) years, and to a fine ranging between two million five hundred thousand (2,500,000) and ten million (10,000,000) CFA F.

Article 129 - Embezzlement of Mineral Substances.

Anyone who embezzles mineral substances shall be liable to imprisonment for a period of no less than five (5) years and no more than ten (10) years and to a fine ranging between two million five hundred thousand (2,500,000) CFA F and one hundred million (100,000,000) CFA F.

Any person who facilitates the misappropriation of mineral substances shall be liable to imprisonment for a minimum of two (2) years and a maximum of five (5) years and shall incur a fine ranging between two million five hundred (2,500,000) and five million (5,000,000) CFA F.

Article 130 - Illegal Purchase and Sale of Mineral Substances

Any person who buys or sells mineral substances in violation of the legal and regulatory provisions shall be liable to imprisonment for a period of no less than one (1) year and no more than five (5) years and to a fine ranging between five million (5,000,000) and fifteen million (15,000,000) CFA F.

The mineral substances subject to such transactions shall be seized and confiscated for the benefit of the State.

Article 131 - Illegal Possession of Mineral Substances

Any person who illegally possesses mineral substances shall be liable to imprisonment for a period of at least two (2) months and no more than one (1) year, and to a fine of one million (1,000,000) CFA F to ten million (10,000,000) CFA F, or to one only of these two penalties.

Article 132 - Illegal Transportation of Mineral Substances

Any person who, without authorization, transports mineral substances or causes them to be transported shall be liable to imprisonment for a period of two (2) months to one (1) year and to a fine of no less than one million (1,000,000) CFA F and no more than ten million (10,000,000) CFA F, or to either of these two penalties.

Article 133 - Violations of Health and Safety Rules

Any person who contravenes the provisions of mining legislation on public health and safety shall be liable to imprisonment for a period of no

less than one (1) month and no more than one (1) year and to a fine of two million five hundred thousand (2,500,000) CFA F to five million (5,000,000) CFA F, or to either of these two penalties.

Article 134 - Offenses or Violence against Officials of the Mining Authority.

Any person who, in the exercise of their duties or in connection with the exercise of their duties, offends an official of the Mining Authority through acts, words, gestures, writings, threats or violence or assault, without prejudice to other provisions of common law, shall be liable to six (6) months' imprisonment and to a fine ranging between five hundred thousand (500,000) CFA F and two million five hundred (2,500,000) CFA F, or to one only of these two penalties.

Article 135 - Obstruction of the Activities of the Mining Authority.

Any person who obstructs the work of the Mining Administration, judicial police officers or any other duly authorized and sworn agent shall be liable to six (6) months' imprisonment and a fine ranging between one million (1,000,000) and five million (5,000,000) CFA F, or either of these two penalties. Anyone who obstructs the performance of work ordered or authorized by the Mining Administration shall be liable to the same penalties.

Article 136 - Communication of Inaccurate Information

Any person who voluntarily submits inaccurate information with a view to obtaining a mining title or authorization, or issues false declarations with a view to reducing the taxable value of the products extracted, shall be liable to imprisonment for a period of one (1) month to three (3) years and to a fine of fifty thousand (50,000) to twenty-five million (25,000,000) CFA F, or by one only of these two penalties.

These penalties shall also apply to any person found guilty of complicity in these offences.

Article 137 - Accessory Penalties

Individuals found guilty of offenses under this Code shall also be subject to the following accessory penalties:

- confiscation of substances extracted in an illicit manner;
- confiscation of the means of transportation, items or objects that were used to commit or were intended to be used to commit the offence or that were proceeds of the offence. In the event of means of transportation being seized, items or objects that cannot be kept or returned to their original condition without running the risk of deterioration shall be auctioned off by the competent State services;
- a ban, for a period that may not exceed five (5) years, from exercising the professional or social activity in the course of or in connection with the exercise of which the offence was committed;
- a residence ban as provided for in Article 36 of the Criminal Code.

Chapter II. Criminal Liability and Ascertainment of Offenses

Article 138 - Criminal Liability of Legal Entities

Legal entities other than the State, local authorities, public establishments and executive agencies and similar bodies shall be criminally liable for the offenses specified in this Act, committed on their behalf by their bodies or representatives.

Legal entities' liability does not exclude that of natural persons who are perpetrators or accomplices in the same acts.

The penalties incurred by legal entities are as follows:

- a fine, the maximum rate of which is equal to five times that provided for natural persons by the law punishing the offense;

- a permanent ban, or a ban for a maximum of five (5) years from exercising the professional or social activity in the course of or in connection with the exercise of which the offence was committed;
- permanent closure, or closure for a period of up to five (5) years, of one or more of the establishments of the company that was used to commit the incriminating acts;
- confiscation of the material that was used to commit or was intended to be used to commit the offence; or of the material produced by the offence;
- publication of the decision rendered or its dissemination, either through the written press or through any means of electronic communication to the public.

Article 139 - Ascertainment of Infringements

Infringements of the provisions of this Code and of the regulations enacted for its implementation shall be recorded by duly authorized and sworn mining officials, by judicial police officers and by any other official duly authorized and sworn for this purpose.

Mining reports drawn up by two Mining Authority officials and reports of mining infringements drawn up by two sworn officials shall be deemed authentic until the factual evidence is proven to be false. They shall be deemed authentic only until the accuracy and sincerity of the confessions and declarations they contain are proven otherwise.

Mining reports drawn up by a single Mining Authority official, or a single sworn official, shall be deemed authentic until proven otherwise.

Mining reports as well as submissions and transactions in lieu thereof and all other records of the Mining Authority shall be exempt from stamp and registration formalities.

TITLE XVII - FINAL PROVISIONS

Subject to specific provisions contained in a mining convention or in a production-sharing contract, all litigation relating to the implementation

and interpretation of the provisions of this Code shall be subject to the national jurisdictions of the Republic of Senegal.

Article 141 - Validity of Previous Titles

Mining titles granted before the effective date of this Code shall remain subject to the law and regulations applicable to them on the effective date of this Code for the remaining duration of the title and for the substances for which they were issued.

However, they may be subject to the provisions of this Code, at the request of the holder addressed to the Minister in charge of Mining, within twelve (12) months of the effective date of this Code.

Holders of mining agreements tied with a mining title signed prior to the effective date of this Code shall remain subject to the stipulations contained in the said agreements for the entire duration of their validity.

Article 142 - Repealing Provisions

All provisions contrary to this Code, and in particular Act No. 2003-36 of November 24, 2003 on the Mining Code, are hereby repealed.

This Act shall be executed as State law.

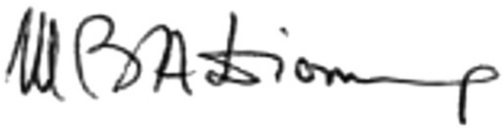
Issued in Dakar on November 8, 2016

Signed by:

President
Macky SALL



Prime Minister
Mahammed Boun Abdallah DIONE



REPUBLIC OF SENEGAL
One People- One Goal - One Faith

Decree No. 2017-459 laying down the procedures for implementing Act No. 2016-32 of 8 November 2016

THE PRESIDENT OF THE REPUBLIC,

MINDFUL of the Constitution;
MINDFUL of Regulation 18/2003/CM/WAEMU of 22 December 2003 adopting the WAEMU Community Mining Code;
MINDFUL of Act 64-46 of 17 June 1964 on the National Domain
MINDFUL of Act 76-66 of 2 July1976 establishing the State Domain Code
MINDFUL of Act 94-69 of 22 August 1994 establishing the framework for the performance of economic activities;
MINDFUL of Act 97-05 of 10 March establishing the Social Security Code;
MINDFUL of Act 97-17 of 1 December 1997 establishing the Labor Code
MINDFUL of Act No. 2001-01 of 15 January 2001 establishing the Environment Code
MINDFUL of Act No. 2008-43 of 20 August 2008 establishing the Town Planning Code
MINDFUL of Act No. 2011-07 of 30 March 2011 establishing the land tenure regime
MINDFUL of Act No. 2013-10 of 28 December 2013 establishing the General Local Authorities Code
MINDFUL of Act No. 2016-32 establishing the Mining Code
MINDFUL of Decree No. 2014-845 of 6 July 2014 appointing the Prime Minister;
MINDFUL of Decree No. 2014-853 of July 09, 2014 on the distribution of government bodies and oversight of State-owned establishments, national companies and companies with public shareholding between the Office of

the President of the Republic, the Office of the Prime Minister and the ministries, as amended;
MINDFUL of Decree No. 2014-878 of 22 July 2014 on the duties and functions of the Minister of Industry and Mining;
MINDFUL of Decree No. 2015-855 of 22 June 2015 on the composition of the Government, as amended by Decree No. 2016-1705 of 28 October 2016;
ATER CONSIDERATION of the report of the Minister of Industry and Mining,

HEREBY DECREES AS FOLLOWS:

TITLE 1. - GENERAL PROVISIONS

Article 1.- Purpose and Scope
This decree lays down the procedures for implementing Act No. 2016-32 of 8 November 2016 establishing the Mining Code.

Article 2.- Election of Domicile
Any holder of a mining title or any person entrusted, in part or in whole, with rights conferred by a mining title, shall have residence in the Republic of Senegal and shall give notification thereof to the Minister in charge of Mining. Any and all administrative notifications pertaining to the implementation of the Mining Code and its implementing instruments shall be duly sent to the elected domicile.

Article 3.- Language of Documents
All statements or any requests made, any information and documentation submitted under the Mining Code shall be written in French or accompanied by a certified translation.
They shall be submitted in triplicate at least to the relevant Mining Authority.
In the event of any litigation and/or dispute, the French version shall prevail.

Article 4.- Information about Legal Persons

Applications filed under the Mining Code shall be accompanied by the following information on the corporate entity for whose benefit they are being filed:

- National Identification Number for Businesses and Associations (NINEA) or tax identification number;
- Articles of incorporation;
- Trade and Personal Property Right Register (RCCM)
- Income tax clearance
- Head office and social capital and its distribution;
- The family names, first names, roles, nationalities and places of residence of all persons with a responsibility in the management of the company and signing authority, along with their police record;
- Profit and loss accounts and balance sheets for the company's last three (3) financial years;
- Information on technical and financial capabilities with detailed references attached to the application.

These references may be supplemented by any other information as may be required during the appraisal of the application.

Any application made on behalf of a company shall accompanied by the powers attached thereto.

Article 5.- Changes to the Legal Person's Information

Any holder of a mining title must inform the Ministry in charge of Mining of any changes to the information covered by Article 5 of this decree. If applicable, the mining title holder shall submit, each year, copies of their operating account and results, balance sheet, reports and documents presented at their general meetings.

Article 6.- Documents held by the Mining Authority

The Mining Authority has an information system on regularly updated mining titles called the Mining Land Registry that manages the process for granting or renewing mining titles or any movement thereof.

It also has a map of the Republic of Senegal with mining areas and perimeter plans for all mining titles.

The documents are accessible to the public.

Article 7.- Conservation of Soil and Subsoil Data

The relevant Mines Authority keeps data on the soil and subsoil of the Republic of Senegal and makes them available to the public subject to the provisions of Article 83 of the Mining Code Act.

Article 8.- Deep Works

The preliminary declaration of works at a depth of more than ten (10) meters, which is provided for by Article 13 of the Mining Code, shall be submitted in three (3) original copies to the commune or communes concerned and to the relevant Mining Authority.

It shall specify the identity of the declaring operator, along with the location and nature of the works planned.

A copy of the declaration shall be returned to the declaring operator by the relevant Mining Authority with the date of receipt of the declaration.

At the end of the works, the information collected shall be communicated to the relevant Mining Authority, along with any technical documents pertaining thereto.

If the event of these works resulting in any articles, books or maps being published, three (3) original copies of each of such documents shall be forwarded to the relevant Mining Authority.

TITLE II.- PROSPECTION

Article 9.- Application for a Research permit

The application for a research permit under Section 14 of the Mining Code shall be submitted in three (3) original copies to the relevant Mining Authority, which shall acknowledge receipt thereof. It shall include:

- Information and documents provided for by Article 4 of this decree, specifying the identity of the person responsible for the works;
- The purpose of the proposed prospection, its scientific or economic nature, geographical location and likely duration;
- A brief description of the agenda for the works planned, the methods to be used, the expected outcomes and additional technical information including the parameters of a summary analysis of the initial condition of the prospecting site and its environment.

Article 10.- Issuance of a Research permit

The research permit shall be issued by the relevant Mining Authority for a period of no more than six (6) months. It shall specify the date of receipt of the application as well as the identity of the applicant and the field work manager, the purpose of the prospecting works, their duration and the area where they will be carried out.

Article 11.- Prospecting Work Report

The permit holder is required to submit a report to the Mining Authority on the works conducted and their findings, along with all technical documents pertaining thereto in accordance with the provisions of Article 16 of the Mining Code.

Article 12.- Renewal of the Research permit

The research permit may be renewed only once, for a period of no more than six (6) months.

Under penalty of foreclosure, the application to renew a research permit must be is filed at least seven (7) days before the expiry of the valid research permit. It must be filed with the following documents:

- A report stating the works completed and their outcome;
- A general schedule for the additional works planned.

TITLE III- MINING RESEARCH

Article 13.- Definition of a Research Permit

The perimeter of a research permit is defined by coordinates in the National Geodesic Network known as Reference Network of Senegal (RRS 04) or by actual topographic lines (water streams, coasts, State borders) or by the combination of both.

Article 14.- Promotional Zone

The research permit, the exclusive research permit, the mining permit and the services contract shall be granted within a promotional area following a competitive bidding process and in accordance with procedures established by the Minister in charge of Mining. Specifically, the order defines:

- pre-qualification criteria and rules;

- procedures for selecting perimeters to be proposed as part of a competitive bidding process;
- Bidding procedures;
- Procedures and criteria for evaluating bids.

Bids shall be opened publicly. The best bidder(s) shall be selected for the award of the research permit or the exclusive mining permit or the services contract.

Article 15.- Application for a Research Permit

The research permit application shall be submitted in three (3) original copies to the Minister in charge of Mining who shall acknowledge receipt thereof. The application shall include the following:

- Information and documents about the applicant, in accordance with the provisions of Article 4 of this decree;
- The description of the mineral substances for which the permit is requested;
- A map of Senegal drawn on a scale of 1:200,000 to 1:50,000 indicating the location of the perimeter of the research permit applied for;
- A map drawn on a scale of 1:5,000 or 1:1,000 delineating the perimeter subject to the application, drawn up by a certified surveyor and endorsed by the local Land Registry services. The coordinates of the vertices of the perimeter applied for shall be attached to the national geodesic network known as Reference Network of Senegal (RRS 04);
- A presentation of the works and prospecting methods considered;
- A report with additional technical information including the parameters of the summary analysis for the initial state of the research site and its environment.

Article 16.- Admissibility of the Application for a Research Permit

The application for a research permit shall be recognized as valid in its form by a decision of the relevant Mining Authority provided that it complies with Article 15 of this decree, and its admissibility shall be notified by a letter from the Minister in charge of Mining.

The applicant shall be requested to attend a joint review of their application by the relevant Mining Authority within a maximum period of fifteen (15)

days following the date on which they were notified of the admissibility of their application.

Article 17.- Negotiation of the Mining Agreement

A mining agreement template shall be made available to any applicant for a research or mining permit by the relevant Mining Authority.

The mining agreement shall be negotiated with the relevant Mining Authority within a period not exceeding three (3) months, after the Mining Authority has given notice of the admissibility of the mining title application. If, after this period, the negotiation is inconclusive, the application shall be rejected.

Article 18.- Signing of the Mining Agreement and its Amendments

The negotiated mining agreement and any amendment thereto shall be submitted to the Minister in charge of Finance for assent regarding its fiscal, customs and economic provisions.

The opinion of the Minister in charge of Finance shall be deemed to have been given if, after a period of twenty-one (21) days from the date of filing of the request for opinion has elapsed, no action has been taken in respect of the said request.

The mining agreement may be signed by the mining title applicant and the Minister in charge of Mining within twenty-one (21) days, from the date of receipt of the assent or the expiration of the deadline set for the Minister in charge of Finance.

Article 19.- Identification of the Vertices of the Perimeter Covered by the Research permit

The relevant Mining Authority may, while considering the application for a research permit, have the vertices of the perimeter for which the application is made identified.

A report on this activity shall be drawn up in the presence of the duly summoned research permit applicant or their representative.

In the event of the research permit applicant or their representative failing to attend the vertices identification exercise, they shall be served with a formal notice. If, after a period of fifteen (15) days, the formal notice does not prompt effective action, the application shall be rejected.

Article 20.- Issuance of a Research Permit

The research permit shall be granted within twenty-one (21) days of the signing date of the mining agreement, by order of the Minister in charge of Mining, for a period not exceeding four (4) years.

The research permit shall be issued subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.

Article 21.- Application for the Renewal of a Research Permit

A request for a research permit renewal must be submitted in three (3) original copies to the Minister in charge of Mining. It must be submitted at least two (2) months before the expiry date of the research permit. The application must include:

- the details of the research permit for which the renewal is being requested;
- all documentary evidence for the payment of fees and royalties;
- the amount of annual expenses that the research permit holder undertakes to make over the entire renewal period of their permit in accordance with the provisions of Article 20 of the Mining Code;
- the renewal period requested in accordance with the provisions of Article 18 of the Mining Code;
- the coordinates and surface area of the fraction of the initial residual perimeter and the area returned by the holder in accordance with the provisions of Article 18 of the Mining Code;
- an excerpt from a map of Senegal drawn on a scale of 1:50,000 or 1:200,000 where the applicant specifies the boundaries of the research permit subject to renewal and that the area returned
- a wide-ranging report on the research activities conducted during the validity period of the expiring research permit, including the findings of the works, drillings and analyses conducted and the plans, logs and sections drawn up;
- a technical report on further works planned and the prospecting methods to be used;
- a certified financial report;
- a report on the summary assessment of the environmental condition of the research site.

Article 22.- Issuance of a Renewed Research Permit

An application for the renewal of a prospecting permit shall be deemed valid in form by a letter issued by the relevant Mining Authority if it meets the requirements laid down in Article 21 of this decree, and their admissibility shall be notified by a letter from the Minister in charge of Mining.

A renewal of the research permit shall be granted within a period of twenty-one (21) days following the notification of admissibility of the application by order of the Minister in charge of Mining, pursuant to Article 18 of the Mining Code and to the provisions of this decree, for a period of up to three (3) years.

If the permit is not issued within the period referred to in paragraph 2 of this article, it shall be automatically extended, pending the renewal order.

The research permit shall be renewed subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.

Article 23.- Transfer of a Research permit

A request for the transfer of a valid research permit shall be submitted in three (3) original copies to the Minister in charge of Mining, who shall acknowledge receipt thereof. The application shall include:

- the references of the research permit for which a transfer is requested
- all documentary evidence for the payment of fees and royalties;
- the substance for which the transfer is requested
- the summary report of the works performed;
- information and documents on the beneficiary or beneficiaries of the transfer pursuant to the provisions of Article 5 of this decree;
- the memoranda, contracts or agreements between the parties and whose purpose is to transfer all or part of the research permit.

The contract or agreement by which the holder of a research permit entrusts, transfers or hands over, in whole or in part, the rights and obligations related to the said permit following authorization by the Minister in charge of Mining shall be subject to the registration and to the payment of the capital gains tax provided for by the General Tax Code.

The research permit may not be transferred during its first period of validity.

Article 24.- **Relinquishment of the Research Permit**

The declaration of total or partial relinquishment of the research permit provided for in Article 21 of the Mining Code shall be submitted in three (3) original copies to the Minister in charge of Mining. It shall include:

- the references of the research permit
- the technical, financial or other justifications for the relinquishment;
- a detailed report in three (3) copies on all the findings, geological, mining, cartographic, geophysical and geochemical works performed as well as all the technical documents relating to the works programs performed, especially the maps, logs and drill cores, chemical analyses and studies carried out on the cleared area;
- a report on the summary analysis of the environmental status of the perimeter covered by the research permit.

The relinquishment shall be confirmed by an order of the Minister in charge of Mining, within a period not exceeding the one (1) month notice period referred to in Article 21 of the Mining Code.

Article 25.- Revocation of a Research Permit

The research permit shall be revoked by an order of the Minister in charge of Mining, subject to the conditions set forth in Article 22 of the Mining Code.

Such revocation shall be declared after the holder of the research permit has been heard, within the three (3) month period stipulated in the formal notice.

TITLE IV.- MINING

Article 26.- **Definition of the Perimeter of the Mining Permit**

Except in the event of a derogation granted in a letter by the Minister in charge of Mining, the perimeter of a mining permit shall be square or rectangular in shape with North-South and East-West oriented edges.

The perimeter shall be entirely located within the area covered by the research permit from which it derives. The perimeter may overlap with several perimeters initially allocated to the same permit holder and for the same substance if the deposit is located in the immediate vicinity of the boundaries of these perimeters.

Article 27.- Application for a Mining Permit

The application for a mining permit shall be submitted in three (3) original copies to the Minister in charge of Mining who shall acknowledge receipt thereof. The application must be submitted no later than four (4) months before the expiry date of the research permit in respect of which it is being filed.

The application shall include the following:

- Information and documents about the applicant as provided for in Article 4 of this decree,
- References to the research permit for which the application is being filed;
- A map of Senegal drawn on a scale of 1:200,000 to 1:50,000, indicating the location of the perimeter of the mining permit applied for;
- A plan delineating the perimeter applied for drawn on a scale of 1/5000 or 1/1000 by a certified surveyor and approved by the local Land Registry Office. The coordinates of the vertices of the perimeter applied for shall be attached to the national geodetic reference network or Reference Network of Senegal (RRS 04);
- A detailed report of the findings made during the research phase, indicating reserves, grades, types of mineralization and metallurgical tests among others;
- A feasibility study indicating the characteristics and performance of the mining units, the economic and financial evaluation of the project along with its socio-economic impact
- A plan for the development and mining of the deposit;
- An investment plan and a timeline for the implementation of the mining project;
- An environmental impact study of the mining operation in accordance with the provisions of Article 102 of the Mining Code;
- Any changes made to the articles of association and capital of the company holding the said research permit to proceed with the mining phase;
- A memorandum of understanding or association where several individuals or legal entities are involved;
- A draft mining agreement between the government and the mining permit applicant drawn up in accordance with the model mentioned in Article 18 of this decree.

Article 28.- Admissibility of the Mining Permit Application

The application for a mining permit shall be recognized as valid in form by an act of the relevant Mining Authority as provided for in Article 27 of this decree, and its admissibility shall be notified by a letter of the Minister in charge of Mining.

Article 29.- Issuance of the Mining Permit

The mining permit shall be awarded by a decree of the Minister in charge of Mining for a minimum period of five (5) years, and for a maximum period of twenty (20) years. The permit shall confer on the holders the rights referred to in Article 27 of the Mining Code.

Prior to the issuance of the mining permit, the mining agreement may be reviewed by the government and the holder of the mining permit in order to reflect data specific to the mining operation and existing economic conditions, and also the discovery of additional mineral concentrations that were not covered by the feasibility study. The mining agreement and any amendments thereto shall be attached to the decree granting the mining permit.

The mining permit shall be issued subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.

In the event of the application for a mining permit not being decided upon before the expiry date of the research permit for which the said application was filed, the validity of the said research permit shall be extended by operation of law until such time as a decision is made on the application. However, this extension shall apply only to the section of the perimeter of the research permit covered by the application; the remainder of the perimeter shall be deemed to have been permanently returned.

Article 30.- Delineation of the Mining Perimeter Covered by the Permit

The boundaries of the allocated perimeter shall be marked out within six (6) months of the issuance of the mining permit and shall be paid for by the holder. The relevant Mining Authority may, for such purposes, appoint a certified surveyor to carry out the operation.

A boundary marker must be placed at each corner of the perimeter and on each side of the perimeter at distances of no more than five hundred (500) meters.

Article 31.- Land Tenure Registration

The mining permit shall be registered in the Land Register following the same procedure as for land titles. The registration is requested by the relevant Mining Authority. The application shall be accompanied by an excerpt from the decree granting the permit and the map of the mining perimeter covered by the title.

Article 32.- Extension of the Mining Permit to Other Mineral Substances

The application for the extension of the mining permit to other mineral substances as provided for in Article 25 of the Mining Code, shall be sent in three (3) original copies to the Minister in charge of Mining. It shall include:

- the references of the mining title for which the extension to one or more other substances is being requested;
- the substances for which the extension is being requested;
- a technical report justifying the need for the extension
- an environmental impact study as required under Article 102 of the Mining Code.

Article 33.- Issuance of an Extension of the Mining Permit to Other Mineral Substances

The application to extend the mining permit to other mineral substances shall be declared admissible in form by act of the relevant Mining Authority, provided that it complies with Article 32 of this decree, and its admissibility is notified by letter to the Minister in charge of Mining.

The extension of the mining permit shall be granted following the same procedures and in the same forms as those applied for the issuance of the initial mining permit.

The extension of the mining permit to other mineral substances is subject to the payment of fixed entry fees to the relevant Mining Authority.

Article 34.- Application for Renewal of the Mining Permit

The application for a renewed mining permit must be submitted to the Minister in charge of Mining in three (3) original copies, at least four (4) months before the expiry of the period of validity of the mining permit. It must include the following:

- the references of the mining permit for which renewal is sought;
- all supporting documents regarding the payment of fees and royalties;
- the duration of the requested renewal;
- the substances for which the renewal is being requested;
- the exact location of the deposit(s) for which renewal is sought on a plan drawn on an appropriate scale;
- a general report on mining operations since the allocation of the mining title, including the financial returns, the remaining exploitable reserves and, where applicable, the programme for prospecting for additional reserves;
- a technical note on the prospection works planned.

Article 35 - Issuance of a Renewed Mining Permit

The application for a renewed mining permit shall be recognized as valid in form by an act of the relevant Mining Authority provided that it complies with Article 34 of this decree, and is notified as admissible by a letter from the Minister in charge of Mining.

The renewal of the mining permit shall be granted by decree, in accordance with Article 26 of the Mining Code and the provisions of this decree.

Any renewal of a mining permit is subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.

Article 36 - Transfer of a Mining Permit

The application for a transfer of a valid mining permit shall be submitted in three (3) original copies to the Minister in charge of Mining who shall acknowledge receipt thereof. It shall include:

- the references of the mining permit for which the transfer is being requested;
- all documentary evidence for the payment of fees and royalties;
- the substances for which the transfer is being requested;
- information and documents on the beneficiary or beneficiaries of the mining permit transfer, in accordance with the provisions of Article 4 of this decree;
- the memoranda, contracts or agreements established between the parties, the purpose of which is to transfer all or part of the mining

permit.

Article 37.- Approval of a Mining Permit Transfer

An application for a mining permit transfer shall be recognized as valid in form by the relevant Mining Authority provided that it complies with Article 36 of this decree, and is notified as admissible by the Minister in charge of Mining.

The transfer of a mining permit shall be approved by decree, after the Minister in charge of Finance has issued an opinion on the fiscal aspects of the transfer.

The transfer of a mining permit shall be approved subject to the payment of a fixed fee to the relevant Mining Authority.

Article 38.- Relinquishment of the Mining Permit

The declaration of a total or partial relinquishment of the mining title shall be submitted to the Minister in charge of Mining in accordance with Article 29 of the Mining Code.

It shall include:

- the references of the mining title(s) being relinquished
- the technical, economic, financial or other reasons for the relinquishment
- a detailed report in three (3) copies on the operation to which all technical documents acquired in the course of the operation are attached
- a status report on the implementation of the rehabilitation program for the site exploited.

Total or partial relinquishment shall be declared by decree, within a period not exceeding the notice period of one (1) year referred to in Article 29 of the Mining Code.

Article 39 - Revocation of the Mining Permit

The mining permit shall be revoked upon expiry of the three (3) month formal notice issued by the Minister in charge of Mining, if the prescriptions set out in the said formal notice do not prompt effective action, without prejudice to the application of the penalties provided for in the mining agreement attached thereto. The mining permit shall be revoked by decree under the following conditions provided for in Article 30 of the Mining Code:

- persistent inactivity, activity unrelated to the financial effort, suspension or serious restriction on mining operations for a period of one (1) year, without a valid reason;
- non-compliance with the obligations and undertakings laid down in the mining agreement and any amendments thereto;
- serious breaches of hygiene, health, environment and safety regulations
- exploitation of child labour;
- fraudulent acquisition of an operating permit;
- bribery or attempted bribery during the mining permit award process;
- failure to pay fixed entry fees, surface royalties and mining royalties due
- failure to implement the work program and annual budgets without a valid reason
- failure by the permit holder to keep operating, sales and shipping records in a regular manner and in accordance with the standards established by current regulations;
- transfer of the rights conferred by the mining permit without the prior approval of the Minister in charge of Mining.

TITLE V.-PRODUCTION-SHARING CONTRACT

Article 40 - Negotiation of the Production-Sharing Contract

Based on a model drawn up by the relevant Mining Authority and made available to the contractor, the production-sharing contract shall be negotiated with the Minister in charge of Mining within a period not exceeding three (3) months, after the relevant Mining Authority has notified the contractor of the admissibility of the application for an exclusive research permit. Should the negotiation be inconclusive after this period, the application shall be rejected.

The production-sharing contract shall specify the rights and obligations of the government and the contractor. In particular, it shall set out the following:

- the purpose and term of the contract;
- the perimeter of the mining operations and its coordinates
- the provisions pertaining to the research period and the mining period;

- work obligations;
- the terms and conditions under which the work programs are established, together with the monitoring of their execution;
- the procedure by which a commercial deposit will be developed and operated by the contractor;
- the procedures for recovering costs and sharing production;
- obligations regarding the training and employment of local workers;
- the provisions relating to government participation;
- economic and fiscal provisions;
- stipulations relating to the termination of the contract;
- arbitration rules;
- rules pertaining to the transfer of fixed assets and installations;
- environmental safeguard and protection measures.

Article 41 - Signing of the Production-Sharing Contract

The negotiated production-sharing contract shall be submitted to the Minister in charge of Finance, for approval of its fiscal, customs and economic provisions.

The opinion of the Minister in charge of Finance shall be deemed to have been given if, after a period of twenty-one (21) days from the date of receipt of the request for an opinion has elapsed, no action has been taken on the said request.

The production-sharing contract shall then be signed by the contractor and the Minister in charge of mines within a period of twenty-one (21) days from the date of receipt of the assent or from the date on which the deadline set for the Minister in charge of Finance has expired.

The production-sharing contract shall be approved by decree.

Article 42.- Exclusive Prospecting or Mining Permit

The procedures for granting, renewing, transferring, relinquishing and withdrawing the research permit under Title III of this decree shall apply to the exclusive exploration permit.

In the event of a commercial deposit being discovered, the procedures provided for in Title IV of this decree shall remain applicable to the exclusive mining permit.

TITLE VI. - SMALL MINE OPERATION

Article 43.- Application for a Permit to Operate a Small Mine

Applications for small-mine permits shall be sent in three (3) original copies to the Minister in charge of Mining, who shall acknowledge receipt thereof. It shall include the following:

- information and documents on the applicant, as provided for in Article 4 of this decree;
- the number of the entry in the trade register;
- the substance(s) for which the permit is requested;
- a map of Senegal drawn on a scale of 1:200,000 to 1:50,000, showing the location of the perimeter of the operating permit applied for;
- a map drawn on a scale of 1:5,000 or 1:1,000 showing the boundaries of the requested perimeter, drawn up by a certified surveyor and approved by the local Land Registry Office. The coordinates of the vertices of the requested perimeter shall be attached to the national geodetic network or Reference Network of Senegal (RRS 04);
- a feasibility study specifying reserves, deposit configuration, operating methods and the development plan
- the environmental impact study, as required under Article 102 of the Mining Code.

Article 44 - Admissibility of the Application for a Permit to Operate a Small Mine

The application for a permit to operate a small mine shall be deemed valid in form by an act of the relevant Mining Authority if it complies with Article 43 of this decree, and shall be declared admissible by a letter from the Minister in charge of Mining.

Article 45 – Issuance of a Permit to Operate a Small Mine

Within twenty-one (21) days after notification of compliance, the Minister’s decision shall be notified to the applicant and, if applicable, the permit to operate a small mine shall be granted by order of the Minister in charge of Mining for a period of no more than five (5) years.

Should no response be received by the end of the period set out in Paragraph 1 of this article, the application shall be rejected.
The applicant shall be notified of the Minister's decision within twenty-one (21) days following notification of compliance and, where applicable, the permit to operate a small mine shall be granted by order of the Minister in charge of Mining for a period not exceeding five (5) years.
In the absence of a response at the end of the period set out in the first paragraph of this article, the application shall be rejected.
The small mine operating permit shall be granted subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.
The small mine permit order shall specify:

- the mineral substance(s) to which the mining operation shall apply
- the coordinates and area of the authorized mining perimeter;
- the duration for which the permit is granted;
- the capacities of the persons authorised to benefit from it and the procedural requirements they have to fulfil;
- the conditions under which the mining of mineral substances shall be conducted;
- the conditions for occupying the lands needed for mining operations;
- the obligations of the authorised operators, in particular with regard to environmental protection, land reclamation following mining operations and compensation for third parties whose activities are disrupted by the mining operations;
- the conditions for the revocation of the permit as provided for in Article 45 of the Mining Code.

The specifications referred to in Article 38 of the Mining Code, signed by the relevant Mining Authority and the holder of the small mine operation permit shall be attached to the order authorizing small-mine operations. In particular the specifications shall define:

- the commitments of the operator in the context of small-mine operations;
- the level of investment required
- the production capacity and the extent to which the fixed installations are mechanised;
- the number of jobs and, if applicable, social investments.

Article 46.- Application for the Renewal of a Small Mine Permit

The small mine permit shall be renewed under the same conditions and for the same length of time as the initial permit until the mine deposit has been exhausted.

Any application for renewal of a small mine permit must be received two (2) months before the end of the permit's period of validity. It must be addressed to the Minister in charge of Mining in three (3) original copies and must include:

- the references of the small mine operating permit
- all documentary evidence for the payment of fees and royalties;
- the location of the perimeter on an excerpt of a map drawn on a scale of 1/50,000, 1/200,000;
- the exact boundaries of the requested perimeter on a detailed a map drawn on a scale of 1:5,000 or 1:1,000;
- the environmental preservation measures and the small mine site restoration measures;
- a summary of production and sales during the period of validity of the small mine operating permit;
- a technical note on further works and the methods considered.

Article 47 - Renewal of Small Mine Permits

An application for the renewal of a small mine permit shall be recognized as valid in form by an act of the relevant Mining Authority if it meets the requirements set out in Article 46 of this decree, and shall be declared admissible by a letter from the Minister of Mining.

The applicant shall be notified of the Minister's decision within twenty-one (21) days following the acceptance of the application and, where applicable, the renewal of the small mine permit shall be granted by order of the Minister in charge of Mining for a period not exceeding five (5) years, in accordance with Article 40 of the Mining Code.

In the event of the permit not being issued within the period referred to in Paragraph 2 of this Article, the small mine operating permit shall be extended by operation of law, pending the renewal order.

The renewal of the small-scale mining permit is subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.

Article 48 - Extension of Small Mine Permits to Other Mineral Substances

The application to extend a small mine permit to other mineral substances under Article 39 of the Mining Code shall be submitted in three (3) original copies to the Minister in charge of Mining. The extension application shall include:

- the references of the small mine permit;
- the substances for which the extension is sought;
- a technical report justifying the need for the extension.

Article 49 - Issuance of Permits to Extend Small Mine Operations to Other Mineral Substances

Applications to extend small-mine operating permits to other mineral substances shall be recognized as valid in form by an act of the relevant Mining Authority if they comply with Article 48 of this decree, and shall be certified as admissible by a letter from the Minister in charge of Mining.

The mining title extension shall be granted in the same way as the initial title was granted.

Extensions of small mine permits to other minerals are subject to the payment of fixed entry fees to the Mining Authority.

Article 50 - Application for the Conversion of a Small Mine Permit into a Mining Permit

The application to convert a small mine permit into a mining permit as provided for in Article 43 of the Mining Code, shall be submitted in three (3) original copies to the Minister in charge of Mining.

The request for conversion is similar to the one required for the allocation of the mining title applied for.

It shallcompleted by the technical report justifying the need for such conversion.

Article 51 - Converting a Small Mine Permit into a Mining Permit

The request to convert a small mine permit into a mining permit shall be deemed valid in form by an act of the relevant Mining Authority if it complies with Article 50 of this decree, and shall be declared admissible by a letter from the Minister in charge of Mining.

The application to convert a small mine permit into a mining permit shall be granted by decree, in accordance with Article 24 of the Mining Code. The conversion of a small mine permit into a mining permit is subject to the payment of a fixed entry fee to the Mining Authority.

Article 52 - Relinquishment of a Small Mine Permit

The application for relinquishing a permit shall be sent in three (3) original copies to the Minister in charge of Mining, as provided for in Article 44 of the Mining Code. This application shall include:

- the references of the operating permit;
- a detailed report on the operation to which all technical documents acquired during the operation and the status of the site rehabilitation program are attached;
- the technical, financial or other justifications for the relinquishment

The relinquishment shall be established by order of the Minister in charge of Mining, as provided for in Article 44 of the Mining Code.

Article 53.- Revocation of a Small Mine Operating Permit

The small mine operating permit shall be revoked at the end of the three-(3) month formal notice period notified by letter from the relevant Mining Authority, without the measures prescribed in the said formal notice being implemented, without prejudice to the application of the penalties stipulated. The small mine permit shall be withdrawn by order of the Minister in charge of Mining, pursuant to Article 45 of the Mining Code.

TITLE VII - SEMI-MECANISED MINING

Article 54 - Application for a Semi-Mechanised Mining Permit

The application for a semi-mechanised mining permit shall be sent in three (3) original copies to the Minister in charge of Mining who shall acknowledge receipt thereof. The application shall include:

- information on the applicant(s) as provided for in Article 4 of this decree;
- the number of the entry in the trade register;
- the substance(s) for which the permit is requested
- the proposed mining method;
- environmental preservation and rehabilitation measures for the

mined site;

- a map of Senegal drawn on a scale of 1:200,000 to 1:50,000, showing the location of the perimeter of the mining permit applied for;
- A map drawn on a scale of 1:5,000 or 1:1,000 showing the boundaries of the requested perimeter, drawn up by a certified surveyor and approved by the local Land Registry services. The coordinates of the vertices of the requested perimeter shall be attached to the national geodetic network or Reference Network of Senegal (RRS 04);

Article 55.- Issuance of a Permit for Semi-Mechanised Mining

The application for a semi-mechanised mining permit shall be recognized as valid in its form by a decision of the relevant Mining Authority provided that it complies with Article 54 of this decree, and its admissibility shall be notified by a letter from the Minister in charge of Mining.

The Minister in charge of Mining shall notify the applicant of their decision within twenty-one (21) days of the application being approved as valid and, where applicable, the semi-mechanised mining authorization shall be granted by order of the Minister in charge of Mining for a period not exceeding three (3) years, as provided for in Article 48 of the Mining Code. Should no response be received by the end of the period set out in Paragraph 1 of this article, the application shall be rejected.

The issuance of a semi-mechanised mining permit is subject to the payment of fixed entry fees and surface royalties to the Mining Authority.

The order granting the semi mechanised mining permit shall include:

- the status of the persons authorised to benefit from it and the procedural requirements they have to fulfil;
- the mineral substance(s) to which the mining operation applies;
- the area covered by the mining operation, the surface area of the perimeter applied for;
- the period for which the permit is granted;
- the conditions under which the mineral substances will be mined;
- the conditions under which the lands required for the mining operation shall be occupied;
- the obligations of the authorized operators, in particular with regard to environmental protection, land reclamation following mining operations and compensation for third parties whose activities are disrupted by the mining operations;

Article 56.- Application for the Renewal of a Semi-Mechanised Mining Permit

The semi-mechanised mining permit shall be renewed under the same conditions and for the same length of time as the initial permit.

An application for the renewal of a semi-mechanised mining permit must be received two (2) months before the end of the permit's period of validity. It must be addressed to the Minister in charge of Mining in three (3) original copies and must include:

- the references of the semi-mechanised mining permit;
- documentary evidence for the payment of fees and royalties;
- a report on the environmental preservation and restoration measures for the site operated;
- a summary of production and sales during the validity period of the mining permit
- a technical note indicating the nature of the works to be conducted and the methods considered

Article 57.- Issuance of a Renewed Semi-Mechanised Mining Permit

The application for a renewed semi-mechanised mining permit shall be recognized as valid in form by an act of the relevant Mining Authority provided that it complies with Article 56 of this decree, and is notified as admissible by a letter from the Minister in charge of Mining.

The renewal of the semi-mechanised mining permit shall be granted by decree, in accordance with Article 26 of the Mining Code and the provisions of this decree.

Any renewal of a mining permit is subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority

Renewal of the semi-mechanised mining permit shall be granted in the same manner as the initial permit was granted for periods not exceeding three (3) years if the beneficiary has complied with the commitments made in accordance with Article 51 of the Mining Code.

The Minister in charge of Mining shall notify the applicant of their decision within twenty-one (21) days of the application being accepted and, where applicable, the renewal of the permit shall be granted.

If the application is not issued within the timeframe specified in Paragraph 3 of this Article, the semi-mechanised mining permit renewal shall be

extended by operation of law, pending the renewal order. The renewal of the semi-mechanised mining permit is subject to the payment of fixed entry fees and surface royalties to the Mining Authority.

Article 58.- Relinquishment of the Semi-Mechanised Mining Permit

The relinquishment of the semi-mechanised mining permit provided for in Article 52 of the Mining Code shall be sent in three (3) original copies to the Minister in charge of Mining. The relinquishment file shall include

- the references of the mining permit;
- a detailed report on the operation to which all the technical documents acquired during the operation are attached;
- implementation status of the site rehabilitation program;
- the technical, financial or other reasons for the relinquishment.

The relinquishment shall be confirmed by an order of the Minister in charge of Mining

Article 59.- Revocation of the Semi-Mechanised Mining Permit

At the end of the one (1) month period of formal notice issued by the relevant Mining Authority, if the measures prescribed in the said formal notice have not been carried out, the semi-mechanised mining permit shall be withdrawn by order of the Minister in charge of Mining, and in accordance with Article 53 of the Mining Code, without prejudice to the application of the penalties provided for.

TITLE VIII.- ARTISANAL MINING

Article 60.- Issuance of an Artisanal Mining Permit

The artisanal mining permit shall be issued by the relevant Mining Authority after consultation with the relevant administrative authorities and the commune or communes concerned.

The terms and conditions for conducting this activity and for issuing this authorization shall be determined by decree.

The artisanal mining permit shall be granted for a period of five (5) years and requires the payment of a fixed fee. An artisanal mining card shall be issued for this purpose.

The artisanal mining permit may not be transferred.

Article 61.- Registration in the Special Register

Artisanal mining licenses shall be recorded in a special register kept by the relevant Mining Authority. A list of active artisanal mining permit holders shall be drawn up each year.

TITLE IX.- QUARRIES AND OTHER MINES

CHAPTER I.- Public Quarries

Article 62.- Opening of a Public Quarry

Permission to open and operate a public quarry shall be granted by order of the Minister in charge of Mining, on a proposal from the relevant Mining Authority, in accordance with Article 65 of the Mining Code and the provisions of this decree.

Article 63.- Removal of Materials from a Public Quarry

The extraction and removal of materials from a public quarry opened in accordance with the provisions of the Mining Code are subject to the prepayment of a mining royalty. The relevant Mining Authority shall issue an extraction voucher from a signed counterfoil book.

Before any materials are removed, this extraction voucher must be handed to the duly qualified and sworn agents of the relevant Mining Authority, at the entrance of the quarry.

Failure to comply with this requirement shall make the violator liable to the penalties provided under Title XV of the Mining Code.

These agents shall keep a register issued and signed by the relevant Mining Authority with the following information:

- The name and location of the quarry
- The number and date of the extraction voucher received
- The number of the truck and the identity of the driver
- The nature and volume of the materials extracted;
- The date and time of loading at the checkpoint.

CHAPTER II.- Private Quarries

Article 64.- Definition of Private Quarry Perimeter

The perimeters in which an authorization to operate a private quarry is requested shall be square or rectangular in shape with North-South and East-West alignments.

Article 65.- Application for a Permit to Open and Operate a Permanent Private Quarry

An application for a permit to open and operate a permanent private quarry shall be submitted in three (3) original copies to the Minister in charge of Mining who shall acknowledges receipt thereof.

The application shall include:

- Information and documents about the applicant as provided for by Article 4 of this Order;
- The description and location of quarry materials for which a permit is applied for;
- The coordinates of the perimeter and the size of the quarry requested;
- A map of Senegal drawn on a scale of 1:200,000 to 1:50,000 indicating the location of the requested quarry;
- A plan delineating the perimeter of the permanent private quarry applied for, drawn on a scale of 1/5000 or 1/1000 by a certified surveyor and endorsed by the services of the Area Land Registry. The coordinates of the vertices of the requested perimeter shall be linked to the national geodesic network or Reference Network of Senegal (RRS 04);
- A technical note indicating the nature and characteristics of the deposit and the method and volume of mining planned;
- An investment plan detailing its socio-economic impacts;
- An environmental protection plan and a site rehabilitation program.

Article 66.- Admissibility of the Application for a Permit to Open and Operate a Permanent Private Quarry

An application for a permit to open and operate a permanent private quarry shall be deemed valid in its form by deed of the relevant Mining Authority

if it complies with Article 65 of this decree, and is confirmed as admissible by a letter from the Minister in charge of Mining.

Article 67.- Survey of the Perimeter of a Permanent Private Quarry

During the review of the application for a permit to open and operate a permanent private quarry, the relevant Mining Authority shall complete an identification of the vertices of the perimeter of the quarry requested.

A report of such reconnaissance shall be prepared in the presence of the applicant and the operators of the neighbouring quarries concerned.

In the event of the applicant failing to attend the survey operation, the relevant Mining Authority shall issue them with a formal notice to attend.

If within fifteen (15) days the notice does not prompt effective action, the relevant Mining Authority shall reject the application.

Article 68.- Issuance of a Permit to Open and Operate a Permanent Private Quarry

Permissions to open and operate permanent private quarries shall be granted by order of the Minister in charge of Mining for a renewable period of five (5) years.

As provided for by Article 67 of the Mining Code, the order authorizing the opening and operation of a permanent private quarry shall be attached to the specifications signed between the relevant Mining Authority and the permit holder, to open and operate a permanent private quarry, which shall include:

- the operator’s commitments to operate a permanent private quarry;
- the level of investment required along with a description of the associated socio-economic impacts;
- the production capacity and degree of mechanisation of fixed facilities;
- an environmental protection plan and a site restoration program.

The issuance of a permit to open and operate a permanent private quarry shall be subject to the payment of fixed entry fees and surface royalties to the Mining Authority.

Article 69- Demarcation of the Perimeter of a Permanent Private Quarry

The holder of a perimeter to operate a permanent private quarry shall have the latter marked out at their own costs within three (3) months of the date on which the permit to open and operate the permanent private quarry is issued. This operation shall be carried out by a certified surveyor who shall ensure that markers are placed at each corner and on each side of the perimeter at distances not exceeding fifty (50) meters.

Article 70.- Renewal of a Permit to Open and Operate a Permanent Private Quarry

The application for the renewal of a permit to open and operate a permanent private quarry shall be submitted at least three (3) months before its validity period expires. It shall include:

- a detailed report, in three (3) copies, of the mining operations carried out, to which all technical documents, including summaries of productions, sales and payments made, shall be attached;
- a technical note on the works being considered;
- a technical note on the status of the site restoration program;
- all documentary evidence for the payment of fees and royalties.

A permit to open and operate a permanent private quarry may be renewed several times, for a period of five (5) years each time.

The renewal of a permit to open and operate a permanent private quarry is subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority.

Article 71.- Revocation of a Permit to Open and Operate a Private Quarry

A permit to open and operate a private quarry is revoked by order of the Minister in charge of Mining pursuant to the provisions of Article 71 of the Mining Code. Such revocation shall be ordered in the following cases:

- a serious violation of the provisions of the mining regulations
- failure to pay the required mining fees or royalties
- failure to comply with environmental protection and archaeological and forestry heritage preservation obligations;
- failure to start works six (6) months after notification of the order

granting the permit to open and operate a permanent private quarry without a valid reason;

- abandonment of the operation for one (1) year, without a valid reason;
- a serious violation of health and safety regulations.

Article 72 - Application for a Permit to Open and Operate a Temporary Private Quarry

The application for permission to open and operate a temporary private quarry shall be submitted in three (3) original copies to the relevant Mining Authority. It shall include:

- information and documents provided for by Article 4 of this decree and the identity of the person responsible for the works;
- a description of the nature and quantity of materials to be mined;
- the location and duration of the collection requested;
- the size of the catchment area
- a map of Senegal drawn on a scale of 1:200,000 to 1:50,000, indicating the location of the perimeter covered by the quarrying permit requested;
- a 1/5000 to 1/1000 plan of the requested perimeter, drawn up by a certified surveyor and endorsed by the services of the local Land Registry Office. The coordinates of the vertices of the requested perimeter shall be linked to the national geodesic network or Reference Network of Senegal (RRS 04).

The application for a permit to open and operate a temporary private quarry shall be subject to the opinion of the relevant Mining Authority and to the commune or communes concerned.

Article 73.- Issuance of a Permit to Open and Operate a Temporary Private Quarry

The permit to open and operate a temporary private quarry shall be issued by the relevant Mining Authority for a maximum period of one (1) year. The permit to open and operate a temporary private quarry shall be issued subject to the payment of fixed entry fees and surface royalties to the relevant Mining Authority. The permit to open and operate a temporary private quarry shall specify the following:

- the identity of the beneficiary,
- the place where collection of materials is authorized,

- a map of Senegal drawn on a scale of 1:200,000 to 1:50,000 indicating the location of the perimeter covered by the permit;
- a plan delineating the perimeter requested drawn on a scale of 1/5000 or 1/1000 by a certified surveyor and endorsed by the services of the local Land Registry Office. The coordinates of the vertices of the requested perimeter shall be linked to the national geodesic network or Reference Network of Senegal (RRS 04);
- the size of the quarry's perimeter,
- the nature and quantity of the materials to be mined,
- the length of time during which the mining operations are authorized,
- the conditions for occupying the land required for the mining operations and for ancillary activities and the operator's obligations, including the rehabilitation of the site after the mining operations;
- the amount of fixed entry fees and mining royalties to be paid.

A permit to open and operate a temporary private quarry cannot be transferred once granted.

Article 74.- Renewal of a Permit to Open and operate a Temporary Private Quarry

The application for a renewed permit to open and operate a temporary private quarry shall be made at least two (2) months before the expiry date of the permit's validity period.

It shall be accompanied by all the documentary evidence for the payment of fees and royalties.

The permit to open and operate a temporary private quarry shall be renewed only one (1) time, following the same procedures as for the allocation of the requested perimeter, for a period not exceeding one (1) year.

The renewal of the permit to open and operate a temporary private quarry is subject to the payment of fixed entry fees to the relevant Mining Authority.

Article 75.- Revocation of a Permit to Open and Operate a Temporary Private Quarry

A permit to open and operate a temporary private quarry may be revoked by the competent Mining Authority if is not implemented within one (1) month of a formal notice, in particular in the following cases:

- a serious violation of the provisions of the mining regulations;
- failure to pay the required mining fees or royalties;
- failure to start works two (6) months after the permit was granted;
- failure to comply with environmental protection and archaeological and forestry heritage preservation obligations;
- failure to comply with planning obligations, establishments classified as dangerous, unhealthy or obnoxious;
- a serious breach of occupational health and safety rules;
- abandonment of the mining operations for two (2) months without a valid reason;

CHAPTER III - Mining of Waste Rock, Slag Heaps and Other Mining Spoils

Article 76.- Application for a Mining Permit

A permit to mine for waste rock, slag heaps and other types of mining waste shall be filed in three (3) original copies with the Minister in charge of Mining, who shall acknowledge receipt thereof.

Article 77.- Required Procedures

A permit to mine for waste rock, slag heaps and other types of waste shall be granted and renewed in accordance with the procedures required by the regulations governing such materials. The mining title deed shall specify the terms and conditions for mining, storing and transporting the mined products.

Article 78. Extension, Transformation and Relinquishment

The conditions for extending, transforming, relinquishing or revoking a permit to mine for waste rock, slag heaps and other types of mining waste are governed by the same procedures as those required by the regulations applicable to such materials.

TITLE X - PROVISIONS APPLICABLE TO ALL MINING TITLES

CHAPTER I: GENERAL PROVISIONS

Article 79.- Relinquishment of a Mining Title

Any holder of a mining title may at any time, under the provisions of Articles 21, 29, 44 and 52 of the Mining Code, freely relinquish all or part of their rights, subject to the notice periods provided for each of the cases concerned. Such relinquishment shall be submitted in three (3) original copies under registered cover to the Minister in charge of Mining who shall acknowledge receipt thereof.

Article 80.- Expiry of a Mining Title

In the event of a mining title expiring without being renewed or a mining title being revoked or relinquished, the areas covered by the said mining titles shall be discharged of all duties arising therefrom.

However, such cancellations or relinquishments do not discharge mining title holders from the obligations resulting from activities undertaken prior to the effective date of the revocation or relinquishment.

Article 81.- Procedure for Obtaining Approval of the Mining List

The mining list provided for in Articles 78 and 81 of the Mining Code takes into account the specific characteristics of the mining project and shall be submitted for approval to the Minister in charge of Mining and the Minister in charge of Finance.

This process may be completed, once or several times, at any time during the research, investment, development or mining phases.

The Minister in charge of Mining and the Minister in charge of Finance shall approve the mining list as soon as it is substantiated by the technical documents produced by the mining title holder, including a pre-feasibility or feasibility study.

During the review of the mining list, the Minister in charge of Mining or the Minister in charge of Finance may, where appropriate, request the holder to make any corrections deemed necessary or provide additional information to corroborate or clarify the content of the list.

If approved, the mining list bearing the seal of approval of the Minister in charge of Mining and the Minister in charge of Finance shall be communicated to the holder of the mining title.
Food or maintenance products to be used on a daily basis but not directly related to operations are excluded from the mining lists referred to in this chapter.

CHAPTER II: Rights and Obligations Associated with Mining Operations

Article 82.- Land Occupancy Right

Pursuant to Article 90 of the Mining Code, a mining permit holder may occupy the pieces of land necessary for the performance of their work, both inside and outside the perimeter allocated to them, subject to compliance with third party rights.

Article 83.- Installation of Facilities inside the Research or Mining Permit

A mining permit holder who wishes to install temporary structures or facilities for the purpose of processing ores, fuels or quarry materials within the perimeter covered by the mining permit in order to conduct industrial testing must apply for a prior authorization to occupy pieces of land.
A mining permit holder who wishes to occupy land within the perimeter of the mining permit required for the execution of mining operations or for the execution of ancillary works and installations in accordance with Article 90 of the Mining Code must submit a pre-declaration.

Article 84.- Installation of Structures Outside the Prospecting or Mining Permit

Any occupation of land outside the prospecting or mining perimeter perimeters required to carry out the works, structures and installations referred to in Article 90 of the Mining Code must be subject to a prior authorization to occupy a piece of land in the national domain or in the private public domain.

Article 85.- **Occupancy Procedures**

Declarations of land occupation and applications for occupancy permits, filed under Articles 84, 85 and 86 of this decree, shall be submitted in three (3) original copies to the Minister in charge of Mining, who shall acknowledge receipt thereof. Each declaration or request for authorization shall specify:

- the identity of the occupier or applicant in accordance with the provisions of Article 4 of this decree;
- the references of the mining title under which it is presented;
- the definition of the perimeter and the surface area of the land occupied or applied for;
- the nature of the works or installations planned;
- the duration of the proposed occupation of the land;
- the description of the activities planned and their impact on the environment;
- the measures taken to restore the site after its occupation.

The declaration or application shall be supported by:

- plans drawn on an appropriate scale showing the location and layout of the mining areas, structures or installations planned;
- a plan, drawn on an appropriate scale, of the perimeter of the lands to be occupied and the location of the residential and cultivation areas concerned;
- all supporting documents demonstrating why such occupation is required.

Article 86.- Authorization to Temporarily Occupy Land Within the Perimeter of a Mining Title

An authorization to temporarily occupy a piece of land located within the perimeter of a mining permit and necessary for the installation of structures and facilities shall be granted by order of the Minister in charge of Mining. Under no circumstances shall the duration of such authorization exceed the period of validity of the research permit under which it is granted.

The occupancy order shall be issued after site has been surveyed and the opinion of the relevant Mining Authority has been obtained.

The occupation shall entitle the owner(s) or occupant(s) of the land covered by the occupation permit to compensation for any material damage caused to them.

Article 87.- Authorization to Temporarily Occupy Land Outside the Perimeter of a Mining Title

In application of the provisions of Article 92 of the Mining Code:

- where the duration of occupation of land located outside the prospecting or mining perimeter does not exceed one (1) year, the occupation authorization shall be granted by joint order of the Minister in charge of Mining and the Minister in charge of Public Lands. This authorization may be renewed for a single period not exceeding six (6) months;
- when the period of occupation of land outside the prospecting or mining perimeter is to exceed one (1) year, the authorization shall be granted by decree issued on the basis of a joint report by the Minister in charge of Mining and the Minister in charge of Public Lands.

The occupancy decree or order shall be issued after reconnaissance of the sites and the opinion of a commission presided over by the Prefect of the department concerned and composed of:

- the Mayor of the commune concerned;
- a representative of the Mining Authority;
- a representative of the regional Water and Forestry Department;
- a representative of the National Parks Directorate;
- a representative of the Regional Agriculture Department;
- a representative of the Regional Lands Department;
- a representative of the Regional Land Registry Office;
- a representative of the Environment Directorate;
- a representative of the holder of the mining title.

The holder of the occupancy permit must mark out the boundaries of the occupied land within one (1) month of the effective date of the permit. Should the holder fail to do so, the relevant Mining Authority reserves the right to carry out the demarcation at the expense of the holder of the occupation permit. For this purpose, a boundary marker must be placed at each corner of the perimeter and on each side of the perimeter, at distances not exceeding one hundred (100) meters.

The decree or order authorizing the occupation entitles the owner or occupant of the land subject to the occupation permit to compensation for the material damage caused.

Article 88.- Declaration of Public Utility

Pursuant to Article 91 of the Mining Code, any occupation of land may, where appropriate, be declared to be in the public interest under the same conditions and under the same rules as those applicable in the event expropriation on the grounds of public utility.

The issuance of a mining permit is deemed to be a declaration of public utility regarding the occupation of the lands required to perform the works and activities involved in the mining operation.

Article 89.- Repairing Damage and Prejudices

Pursuant to the provisions of Article 101 of the Mining Code, any holder of a mining title is required, whether inside or outside the perimeter that has been granted to them, to provide compensation to the government or any other person for damage and prejudice resulting from mining operations caused by them or by companies working on their behalf.

Compensation for material and certain damage caused to the owners or occupants of land subject to an occupation permit issued under the provisions of this decree shall be determined:

a) for registered land, by agreement between the holder of the mining title and the holder of the land rights; in the absence of an agreement, by the competent court under the same conditions and according to the same rules as those applicable in cases of expropriation on the ground of public utility;

b) for national domain lands, by agreement between the holder of the mining title and the local community concerned, in the absence of an agreement, by a commission chaired by the Prefect of the department concerned and made up of:

- the Mayor of the commune concerned;
- a representative of the Mining Authority;
- a representative of the Regional Water and Forestry Department
- a representative of the National Parks Directorate;
- a representative of the Regional Agriculture Department;
- a representative of the Regional Domains Department;
- a representative of the regional Land Registry Department;
- a representative of the Environment Directorate;
- a representative of the holder of the mining title.

Article 90.- Determination of Compensation

If for any reason whatsoever, an agreement has not been reached within six (6) months of the effective date of the decree or order authorizing the occupation of the land between the holder of the mining title and the holders of the land rights or the commune or communes concerned, the holder of the permit to occupy the land in question is authorized by the Minister in charge of Mining to occupy such land in return for the payment of a provisional indemnity, the amount of which shall be determined by the aforementioned commission and established by the Minister in charge of Mining until an agreement can be reached or the competent court has made a determination.

The amounts deposited in excess of the indemnity granted shall be returned to the holder of the occupation permit.

CHAPTER III: Health and Safety in Mines and Quarries

Article 91.- Health and Safety Rules Applicable to Mines and Quarries

The health and safety rules applicable to prospecting, research and mining works, especially in mines, quarries, plants and laboratories and the safety rules relating to the transportation, storage and use of explosives and hazardous products are determined by decree in accordance with the provisions of Paragraph 2 of Article 108 of the Mining Code.

CHAPTER IV: Mining and Quarrying Techniques

Article 92.- Protection of Open Pit Mines and Quarries

Any open-pit mine or quarry located in an unenclosed area shall be protected at dangerous points by any fencing system that offers adequate conditions of safety and solidity.

The provisions set forth in the first paragraph of this section shall apply to abandoned mines and quarries. In this case, the fencing works shall be at the expense of the operator, except in the event of legal proceedings against those liable. This shall be without prejudice to the right of the administrative authority to take the necessary measures for the sake of public safety.

The provisions of this article are applicable to wells, slopes or gallery entrances providing access to an underground mine or quarry unless such access is rendered difficult by the agglomeration of excavated materials and the elevation of their platform.

Article 93.- Supervision of Mine Faces

The mine faces and walls overlooking work sites must be monitored on a regular basis by a specially designated agent and must be purged as soon as such monitoring demonstrates such a need.

Faces and walls must be checked and purged after each mine blast, before any work resumes during the rainy season and after any shutdown of mining operations for a long period of time.

When the relevant Mining Authority deems it necessary, the inspection and clearing operations shall be defined by guidelines submitted for the Authority's approval.

Undercutting is prohibited. It may only be carried out subject to an authorization from the relevant Mining Authority and as part of an operating method defined by an order specifying the safety measures to be taken in order to ensure that the mined mass remains in good condition until the moment of the extraction.

Article 94.- Limits of the Height of Working Face or Benches

The operation must be conducted in such a way that the mine or quarry does not systematically present a danger to personnel.

The height of the working face or benches must not exceed fifteen (15) meters, unless otherwise authorized by the Mining Authority.

At the foot of each bench there must be a horizontal ledge of adequate width, which may in no case be less than two (2) meters, to ensure safe working conditions and staff movement.

Where blasting is used, the general layout, depth and load of the blast holes shall be set in accordance with the above provisions.

Article 95.- Special Provisions for Unstable Areas

Mines and quarries opened in loose or low cohesion masses, especially loose material or non-cemented block quarries, shall also be subject to the following provisions:

- if mining is conducted without benches, the profile of the mass must not have a slope of more than forty-five (45) degrees;
- if mining is conducted in benches, the ledge at the foot of each bench must, without prejudice to the conditions required by Article 108 of this decree, be at all points at least equal to the height of the highest of the two benches it separates.
- if the mining method used entails the normal presence of people at the foot of the bench, the height of the bench must not exceed two (2) meters.

Article 96.- Blasting

In mines and quarries where blasting is used and in mines where heavy mechanical equipment is used for blasting or loading, the operator must submit the following for approval by the relevant Mining Authority.

(a). an instruction defining the mining method and setting in particular:

- the height of the blasting faces;
- the width of the benches;
- the nature, size, positioning of the explosives and, more generally, the blasting method and conditions;
- the positioning of the blasting or loading equipment in relation to the mine face and the conditions for their removal;
- the conditions for the traffic of machinery used to remove materials;
- the conditions for staff movement;

(b). a safety regulation specific to the works undertaken under their operating permit, taking into account their works and the nature of the substances mined. These specific safety regulations are subject to the approval of the relevant Mining Authority. Upon notification by the Minister in charge of Mining, the holder of a mining title or beneficiary of a mining permit shall be required to comply with the provisions of the approved regulation.

The processes for extracting the mined mass or cover soil recognized as dangerous for personnel are prohibited.

Article 97 - Works in Underground Galleries

All works carried out in underground galleries are subject to the prior approval, by the relevant Mining Authority, of a general safety instruction drawn up by the operator.

This instruction provides for the necessary provisions for workers' safety, as they perform underground works. It also specifies the procedures for consolidating shafts, galleries and other excavations, and the layout and measurements of mass pillars.

The instruction also lays down, where appropriate, the measures to be taken to ensure personnel working in shafts, inclined planes, galleries and construction sites of all kinds are safe. It also lays down the measures to be taken to ensure personnel safety in relation to the use of machines and cables, electrical installations, ventilation, lighting and firefighting.

Article 98 - Drawing up a Work Plan

When the relevant Mining Authority determines that it is necessary to draw up or complete a mine or quarry work plan, it shall request the operator to draw up or complete such plan.

Failure by the operator to comply with this request within the time limit set shall result in the plan being automatically drawn up at the operator's expense, and at the discretion of the relevant Mining Authority.

Article 99.- Work Start-up and Closures

Any decision to start up or close down research or mining operations for mineral substances must be declared in advance to the relevant Mining Authority at least two (2) months before the anticipated date of commencement or closure of the works.

The declaration shall specify:

- the location of the planned works together with supporting drawings ;
- the planned program and the mining or research methods to be used;
- the resources planned in terms of personnel and equipment;
- the name of the person in charge of the technical management of the site.

The relevant Mining Authority shall conduct a reconnaissance of the site and shall stipulate, to the operator, the necessary public safety measures to be taken.

Failure by the operator to comply within the time limits set by the relevant Mining Authority shall result in the implementation of the required measures at the operator's expense.

CHAPTER V: Oversight and Control by the Mining Authority

Article 100.- Administrative Oversight

Under the authority of the Minister in charge of Mining, duly authorized agents of the Mining Authority shall ensure the provisions of the Mining Code are enforced. As such, they shall exercise administrative and technical oversight of all activities covered by this decree. In particular, they shall collect, prepare, preserve and disseminate documentation on the subsoil of the Republic of Senegal and shall process applications for the issuance, renewal, merger, transfer or transformation of mining titles.

They shall have, at all times, access to all research or mining operations in order to obtain information on the conditions relating to the safety and hygiene of employed personnel and the preservation of the deposits on which these works are performed.

They shall also be responsible, within their area of responsibility, for the control and verification, liquidation and proper collection, in their capacity as trustees, of the fixed entry fees and mining royalties provided for by the applicable mining legislation.

Article 101.- Technical Control

The officers of the Mining Authority and all other duly authorized and sworn officers of the Minister in charge of Mining shall exercise technical control in mines, quarries and their ancillaries and shall ensure that installations under their control are laid out in a way that ensures proper hygiene, health and safety conditions for employees and nearby populations. To this effect and extent, they shall have the authority of labour inspectors.

Article 102.- Updated Plans and Records

Any mine or quarry operator must comply with the measures prescribed by the Mining Authority for the proper mining operations. For this purpose, for each mining perimeter, the operator regularly shall maintain:

- a site plan drawn on a scale of 1/5,000 or higher scale on which all topographical, geological and mining information obtained during the work shall be indicated;
- a scale plan at 1/2,000 or at a higher scale of surface and underground work;

Article 102.- Updating Plans and Records

Any mine or quarry operator must comply with the measures prescribed by the Mining Authority in order to ensured proper exploitation of the deposits. To this end, and for each perimeter being exploited, the operator shall regularly keep up to date

- A general plan drawn on a scale of 1/5,000 or on a larger scale on which all the topographical, geological and mining information obtained during the works is indicated;
- a plan drawn on a scale of 1/2 000 or on a larger scale of surface and underground works;
- a work progress register that records all important facts about their execution and results;
- a logbook of employed workers;
- a logbook for the mining, storage, sale and dispatch of mineral substances;
- a logbook on the management of explosives and other hazardous materials used during mining operations.

When the validity period of a mining title expires, the plans and registers referred to in the first paragraph of this article shall be handed over to the Mining Authority, which shall be responsible for their conservation.

Article 103.- Activity Reports

A mining title holder is required to send the following information to the Mining Authority:

1) A quarterly Report

The quarterly report shall indicate:

a) Personnel by activity:

- the number of days worked;
- the number of working days by category;
- the number of permanent and temporary jobs;
- the total salary bill paid by area of activity.

b) Geological, geochemical, geophysical and mining activities:

- description, quantity, nature and statistics of work performed;
- work progress;
- results obtained (mapping, chemical analysis, geochemistry, geophysics, drilling, environmental management) with their geographical location in the form of maps, logs and sections;
- where necessary, an end-of-operation report;

c) Production:

- production statistics that allow for the tracking of the mining of the deposit (average grade, recovery rate, treated tonnage, produced tonnage), stocks of crude ores, concentrates and sales;
- quantity of products dispatched with information on buyers and countries of destination;
- FOB price at port of loading for each shipment.

2) Annual report

Each year, before the end of the first quarter, a mining title holder must provide an annual report in five (5) original copies, using the most appropriate computer medium, mainly CD-ROM, about the mining operations carried out during the past year. This report shall include:

a) a general information section on the company holding the permit:

- a brief summary of the company's components;
- a report on changes that have occurred during the year;
- share capital and distribution information;
- board of directors information;
- a detailed nominative diagram of the company's organization;

b) a technical section: summarizing all the technical data acquired on the research or mining work, especially geological, geochemical, geophysical and drilling data, along with data on personnel,

subcontractors and equipment. This section must include a detailed account of the location and layout of the geological and mining work and structures as well as their description.

c) a staffing section:

- a nominal list of management and supervisory staff classified by category;
- working days;
- average daily number of workers, including those working for the permit holder and those working for drilling and geophysical companies;
- salaries of employed personnel;
- summary report of work-related accidents that occurred during the past year;

d) an equipment section:

- a descriptive list of the equipment used;
- output obtained;
- fuel consumption, explosives and stocks;

(e) a financial component with a financial statement of expenditures for the past year as required under the Mining Code.

Article 104.- Visas, Drawings and Registers

Any holder of a mining title is required, in addition to the reports mentioned in Article 104 of this decree:

- to submit, for approval by the Minister in charge of Mining, any modification of a technical, organizational nature or other otherwise affecting the conduct of the works;
- to keep, at the work sites and at the head office, all registers, books, maps, and drawings in the forms stipulated by the mining regulations.

Authorized and sworn agents may endorse the plans and registers during their visit to the work site. They shall make any technical observation as may be necessary. Failure to comply with these observations shall engage the responsibility of the holder of the mining title, as well as that of the employee of the Technical Directorate.

Article 105.- Fees and royalties

In application of the provisions of Articles 74, 75 and 77 of the Mining Code, entry fees, surface royalties and mining royalties shall be liquidated and recovered by the relevant Mining Authority.

In the event of the perimeter of the mining operations overlapping or extending over two or more administrative regions, the Minister in charge of Mining shall designate the Mining Authority with authority in the matter and notify the holder.

Article 106.- Collection and Liquidation of Fixed Fees and Surface Taxes

With the exception of the research permit, the fixed entry fees shall be paid in a single instalment after the mining permit has been issued and any renewals, extensions, conversions or transfers thereof have been made.

With the exception of prospecting and temporary private quarrying authorizations, the surface royalty shall be paid at the same time as the fixed entry fees for the first year and at the time of their likely renewal, extension, transformation or transfer.

The holder shall be issued with a mining title upon presentation of the payment receipts referred to in paragraphs 1 and 2 of this Article.

With respect to other years, the payment of the surface royalty shall be made no later than March 31 of the year concerned.

Article 107.- Collection and Settlement of the Mining Royalty

1) Statement for the calculation of mining royalties

The holder of the mining title shall, within one month of each quarter of production, provide the relevant Mining Authority with a declaration, in three (3) original copies, on the quantities extracted and the sales made during the past quarter.

The statement shall include:

- a summary of the tonnage produced;
- the tonnage of the fraction of products processed
- the tonnage and revenue from sales made in Senegal;
- the tonnage and revenues from foreign sales;
- the tonnage of unsold inventory;
- the market value of the sales.

2) Control of quantities extracted and sales declared

The duly authorized and sworn agents of the Mining Authority shall carry out on-site checks and inspections of the quantities mined and the sales

declared by the operators pursuant to the provisions of Article 106 of this decree. On this occasion, the operator shall be required to provide these agents with the resources needed to visit the accessible areas and to present all necessary information and supporting documents on the status of their accounts and the conditions under which the operation is conducted.

All checks on the quantities mined and the sales declared by the operators must be subject to a verification report signed jointly by the authorized agent and the operator. The report shall be addressed to the Minister in charge of Mining through the hierarchical channel.

Without prejudice to the administrative and penal sanctions provided for by the Mining Code, in the event of a false declaration by the operator concerning the quantities mined or the sales made, the amount of royalties to be paid shall be set at three (3) times as much as the initial amount.

Without prejudice to the administrative and penal sanctions provided for by the Mining Code, in the event of failure to pay and after formal notice has been served by the Minister in charge of Mining, which has not been acted upon within the time allowed, the amount of royalties to be paid shall be doubled.

3) Liquidation of the Mining Royalty

The relevant Mining Authority shall draw up, after verification, an order setting the mining royalty, in accordance with the provisions of the Mining Code and the provisions of this decree, based on the declaration provided by the operator.

The mining royalty provided for in Article 77 of the Mining Code must be paid within forty-five (45) days from the date of notification of the order mentioned in paragraph 1 of this Article.

Article 108.- Operator's Duty to Inform

Any operator of mine or quarry substances must inform the foremen, supervisors or other agents entrusted with the management or conduct of the works, of the provisions of this decree, especially as they relate to safety instructions. Safety regulations and instructions shall be permanently posted at the work site.

CHAPTER VI: Miscellaneous Permits

Article 109 - Merger, Demerger, Management and Dissolution

Any merger by absorption or creation of a new company, demerger, placement under management or early dissolution of a legal entity that holds a mining title is subject to the prior authorization of the Minister in charge of Mining.

Article 110 - Transfer of Assets and Acquisition of Holdings

The following are also subject to the prior authorization of the Minister in charge of Mining:

a) any transfer by a legal entity that holds a mining title of more than ten percent (10%) of its assets corresponding to its mining operations in the Republic of Senegal;

b) any acquisition of a holding which results in the holding of the same person, directly or through an intermediary, or of a group of persons acting in concert, firstly exceeding the blocking minority and then exceeding the majority of voting rights, or in the holding being reduced below these thresholds.

TITLE XI - FINAL PROVISIONS

Article 111 - Implementing Orders

The Minister in charge of Mining may, as and when necessary, issue orders to enforce the regulations applicable to mining operations as set out in this decree.

Article 112 - Repeal Provisions

The provisions of Decree No. 2004-647 of 17 May 2004 laying down the procedures for implementing Act No. 2003-36 of November 24, 2003, under Mining Code, are repealed.

Article 113 – Implementation

The Minister of Interior and Public Safety, the Keeper of the Seals, Minister of Justice, the Minister of Economy, Finance and Planning, the Minister of Industry and Mines, the Minister of Environment and Sustainable Development, the Minister of Trade, the Informal Sector, Consumption,

Promotion of Local Products and SMEs, the Minister of Local Governance, Development and Land Use, the Minister of Labour, Social Dialogue, Professional Organizations and Relations with Institutions shall each, in their respective areas of responsibility, undertake the enforcement of this decree, which shall be published in the Official Gazette.

Issued in Dakar on March 20, 2017

Signed by:

President
Macky SALL



Prime Minister
Mahammed Boun Abdallah DIONE

