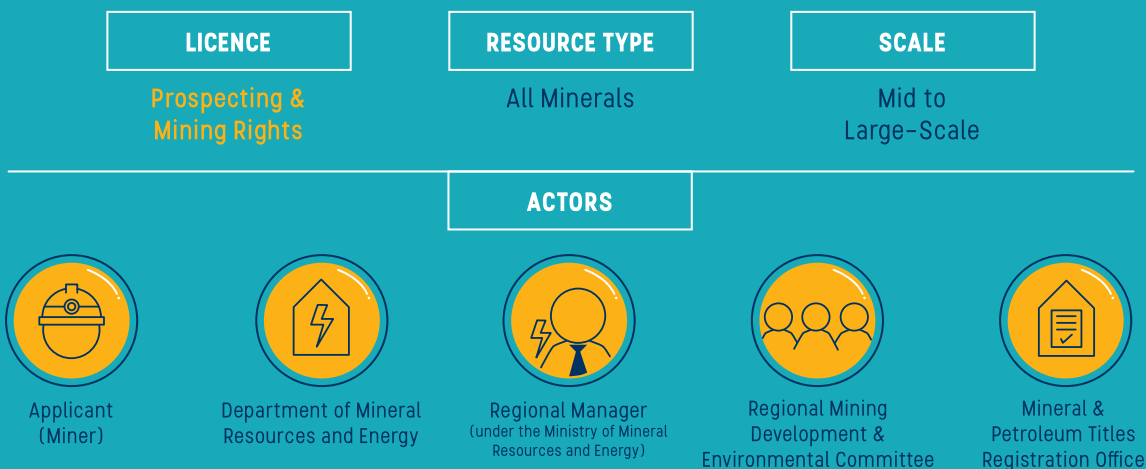


# MINING LICENCE

## PROCESS MAP SOUTH AFRICA



The process of obtaining a prospecting right in South Africa and the process of obtaining a mining right are virtually the same. This document describes both processes.

The Mineral and Petroleum Resources Development Act (MPRDA) defines and governs both processes. The Minister of Mineral Resources and Energy grants a prospecting right if the application meets the legislative requirements of Section 17 of the MPRDA. The same minister grants a mining right if the application meets the requirements of Section 23.

A prospecting right is valid for five years and may be renewed for a period of no longer than three years. A mining right comes into effect on the effective date on which the right is executed. It may be reviewed for further periods, not exceeding 30 years at a time.

Section 104 (1) of the MPRDA also provides for the granting of “preferential right to prospect or mine” to a traditional community to prospect on community land.

A unique aspect of the prospecting right is the ‘use it or lose it’ principle, which states

that the holder of a prospecting right should commence prospecting activities within 120 days from the date on which the prospecting right becomes effective.

Furthermore, according to Section 20 of the MPRDA, the holder of a prospecting right may only remove and dispose of any mineral found during prospecting operations in quantities as may be required to test, identify or analyse it.

## PROSPECTING & MINING

### STEPS

### ACTORS

#### 1 LODGE APPLICATION

The prospecting or mining applicant submits an application online via the online portal (South African Mineral Resources Administration System, SAMRAD). In accordance with the Mineral and Petroleum Resources Development Act (MPRDA), an application for environmental authorisation must be made simultaneously online.



**1.1** Together with the application, the applicant must pay the non-refundable application fee.

**1.2** **ACCEPT** The application meets the requirements if it includes all the necessary documents, and there is no other permit holder. The Regional Manager (the officer designated under the Ministry of Mineral Resources and Energy) notifies the applicant in writing within 14 days to confirm the application has been accepted for consideration.



**1.3** **REJECT** If the applicant has not provided all the required documents, the application will be rejected. The Regional Manager must notify the applicant in writing within 14 days of the receipt of the application.

**1.4** The Regional Manager must within 14 days of acceptance of the application, notify the applicant in writing to consult with the landowner, occupier or Interested and Affected Parties; and submit an environmental management plan.



# MINING LICENCE PROCESS MAP

## SOUTH AFRICA

### 2 COMMUNITY CONSULTATION

The Regional Manager issues a Section 10 Notice of the MPRDA, which requires the Regional Manager to notify interested and affected parties of the proposed application and to receive any objections from them.



**2.1 OBJECTION** In the event of an objection of the Section 10 Notice, the objection is sent to the Regional Mining and Development Committee (RMDEC) for consideration. The Application is either accepted or rejected at the RMDEC. If accepted, it follows below steps.



**2.2** The Applicant is required to notify in writing and consult with the landowner, lawful occupier and any other affected parties, and submit the result of the said consultation to the Regional Manager within 30 days from the date of the Section 10 Notice.



**2.3** Together with the above, the Applicant must submit environmental reports.

### 3 ASSESSMENT

The Regional Manager checks the application for compliance against Section 17 (for prospecting applications) or Section 23 (for mining applications) of the MPRDA. Checks include financial and technical capacity, approved Environmental Impact Assessment etc, as outlined in the relevant sections of the law.



**3.1** The Regional Manager forwards the application to the Minister of Mineral Resources and Energy for consideration within 14 days.

### 4 LICENCE APPROVAL

30 DAYS

Within 30 days of receipt of the application The Minister of Mineral Resources and Energy must notify the applicant in writing granting or rejecting the application.



**4.1** If successful, the applicant must submit the mining permit for recording at the Mineral and Petroleum Titles Registration Office within 60 days after the permit has been issued. The decision is incorporated into the Cadastre System.



### 5 PROSPECTING & MINING ACTIVITIES CAN COMMENCE

