

**THE GOVERNMENT OF THE UNION OF
MYANMAR
MINISTRY OF MINES
NOTIFICATION NO.125/96**

*The 5th. Waning day of Nat-taw 1358 ME
(30th. December 1996)*

In exercise of the powers conferred under section 39(a) of the Myanmar Mines Law, the Ministry of Mines makes the following rules with the approval of the Government.

Chapter I

1. These rules shall be called the Myanmar Mines Rules.
2. The expressions contained in these Rules shall have the same meaning as are assigned to them in the Myanmar Mines Law. In addition, the following expressions shall have the meanings given hereunder:
 - (a) Law means the Myanmar Mines Law.
 - (b) State-owned Enterprise means for the purpose of these rules, an organization established with a hundred percent capital of the State.
 - (c) Mineral Product means any mineral substance obtained from the earth by mining or by any other operation or by mineral processing.
 - (d) Ore means a natural aggregation of one or more miner;
 - (e) Also from which useful metals may be profitably extracted. This expression also includes not only mineral in its natural place in the earth's crust but also mine dumps and tailings which can be reworked at a profit.
 - (f) Holder of Permit means a person or organisation who has obtained a permit.
 - (g) Permit Area means the area designated and mentioned in the permit, and if there is any relinquishment, the remaining area after such relinquishment.
 - (h) Form means the form attached to these rules.
 - (i) Annexure means the annexure attached to these rules.

Chapter II

**Application and Granting of Mineral
Prospecting Permit**

3. A person or organization desirous of carrying out prospecting operations of metallic minerals shall apply to the Ministry and a person or organization desirous of carrying out prospecting operations of industrial minerals or stones shall apply to the Department in Form I in order to obtain a permit.

4. The Ministry may, with the approval of the Government grant permit for prospecting of metallic mineral, industrial mineral or stone involving foreign investment and prospecting of metallic mineral with local investment, and the Department may, with the approval of the Ministry grant permit for prospecting of industrial mineral or stone with local investment, under required conditions if they are in conformity with the following:
 - (a) the land applied for is not a mineral exploration area for which a permit has been obtained by another person;
 - (b) the land applied for is not a mining area, mineral reserve area or gemstone tract.

5. The Ministry or the Department shall:
 - (a) issue a mineral prospecting permit in Form (2) specifying a period not exceeding 1 year on approval of the application;
 - (b) specify the shape, location and size of the land area on issue of the mineral prospecting permit and the land area permitted shall not exceed 4200 square kilometres for each permit;
 - (c) Attach an approved programme of prospecting operations to a mineral prospecting permit;
 - (d) co-ordinate with the relevant ministry for the purpose of undertaking aerial surveys when it is necessary to fly over any land for the purpose of carrying out operations under a mineral prospecting permit.

6. If the holder of a mineral prospecting permit fails to carry out the mineral prospecting operation in accordance with the conditions of the permit, within the period specified without any valid reason, the mineral prospecting permit shall be deemed to have been invalidated.

7. The tenure of the mineral prospecting permit shall be according to the period specified in the permit.

8. The holder of a mineral prospecting permit may, apply for extension of the tenure of the permit in respect of all or any part of the prospecting area three months prior to the expiry of the tenure of the permit.

9. The application for extension of tenure shall state the period for which extension of the permit is sought and be accompanied by:
 - (a) A report on mineral prospecting operations so far carried out;
 - (b) Particulars of the programme of mineral prospecting operations proposed to be carried out in the period of extension;
 - (c) Map identifying that part of the prospecting area if extension is sought in respect of only part of the prospecting area;

- (d) Particulars of any alteration as may be permissible in the matters shown in the original application Form (1).
10. If it is considered that the extension application is in the interest of the State, the Ministry may, with the approval of the Government and the Department may, with the approval of the Ministry extend the permit with or without variation of the conditions of the permit for a period not exceeding twelve months.
11. (a) Where a mineral exploration permit is granted over an area of land subject to a mineral prospecting permit, further mineral prospecting permit shall not be issued for that area in respect of the kind of mineral originally pted.
- (b) Where an area of land becomes a mineral production area the rights under the mineral prospecting permit shall no longer be applicable to such area.

Chapter III

Application and Granting of Mineral Exploration Permit

12. A person or an organisation desirous of carrying out exploration of metallic minerals shall apply to the Ministry and a person or an organisation desirous of carrying out exploration of industrial minerals or stone shall apply to the Department in Form (1) in order to obtain a permit.
13. The Ministry may, with the approval of the Government grant permit for exploration of metallic mineral, industrial mineral or stone involving foreign investment and exploration of metallic mineral with local investment; and the Department may, with the approval of the Ministry grant permit for exploration of industrial mineral or stone with local investment, by stipulating the required conditions if the application is in conformity with the following:
- (a) the applicant shall have adequate financial resources, technical competence and experience, to carry on effective exploration operation
 - (b) the proposed programme of exploration shall be complete;
 - (c) the proposal shall contain adequate provisions for the employment and training of Myanmar citizens;
 - (d) the applicant is found to be able and willing to comply with the terms and conditions contained in the exploration permit;
 - (e) the applicant shall not be in default in respect of other permits held under the Law;
 - (f) the area applied for, shall not be included in a mining area, mineral reserve area or gemstone tract;
 - (g) no other mineral exploration permit has been issued for the area applied for.
14. The Ministry or the Department shall:
- (a) issue a mineral exploration permit in Form (2) for a period not exceeding 3 years on approval of the application;

- (b) when scrutinizing an application, if the application is made by a holder of a mineral prospecting permit which confers exclusive right to carry on mineral prospecting operations in his prospecting area and who has made a discovery in such area, the Ministry or the Department shall grant the mineral exploration-permit to such applicant in respect of such area;
 - (c) specify the location, size and shape of the land area on issue of the mineral exploration permit and such land area permitted shall in no case exceed 3 150 square kilometers for each permit;
 - (d) attach to a mineral exploration permit an approved programme of exploration operations.
15. If the holder of a mineral exploration permit fails to carry out the mineral exploration operation in accordance with the conditions of the permit within the period specified without any valid reason the mineral exploration permit shall be deemed to have been invalidated.
16. The tenure of the mineral exploration permit shall be according to the period specified in the permit.
17. The holder of a mineral exploration permit may, apply for extension of the tenure of the permit in respect of the relevant area of land three months prior to the expiry of the permit. When making an application the area of land applied for shall be contiguous. If special permission has not been granted by the Ministry or the Department, application for extension of tenure of permit may be made in respect of land area not exceeding half the size of the exploration area permitted, up to the date of application for extension of tenure of permit.
18. The application for extension of tenure shall state the period for which extension of the tenure is sought and be accompanied by:
- (a) a report containing the findings and interpretations in respect of exploration operations so far carried out;
 - (b) a statement of costs incurred in carrying out the operations;
 - (c) a plan giving particulars of the programme of exploration operations proposed to be carried out in the period of extension of tenure;
 - (d) a map identifying the area of land in respect of which extension of the tenure of the permit is sought;
 - (e) particulars of any alteration as may be permissible in the matters shown in the original application Form(1).
19. The Ministry or the Department may reject an application for extension of tenure of the permit if any of the following circumstances if found:
- (a) failure to comply with any condition of the mineral exploration permit by the applicant;

- (b) inadequacy of the programme of mineral exploration proposed by the applicant.
- 20. The Ministry or the Department may without rejecting the application under Rule 19 give reasonable opportunity to the applicant, to remedy the failure or to submit a revised programme of exploration operation case-wise.
- 21. An application for the extension of the tenure of a mineral exploration permit may normally be made on two occasions only. In the case of a mineral exploration permit which has been extended on two occasions, the Ministry may, on the submission of the holder of the permit, and if it is considered to be in the interest of the State to do so, further extend the permit stipulating conditions, with the approval of the Government.
- 22. The Ministry shall, on extension of the tenure of a mineral exploration permit under Rule 21, extend the permit one year at a time and shall amend the permit accordingly. In addition there shall be appended thereto, the proposed approved, programme of exploration operation to be carried out during the period of extension of tenure.

Chapter IV

Application and Granting of large Scale Mineral Production Permit

- 23. A person or an organisation desirous of carrying out large scale production of metallic minerals, industrial minerals or stone shall apply to the Ministry in Form (3) in order to obtain a permit.
- 24. The Ministry may, with the approval of the Government grant permit for large scale production of metallic mineral, industrial mineral or stone involving foreign investment and large scale production of metallic mineral with local investment, by stipulating the required conditions, if the application is in conformity with the following:
 - (a) the proposed programme of large scale mineral production shall include;
 - (1) programmes for utilization of mineral resources in the most effective and beneficial way;
 - (2) programmes for safety and environmental protection;
 - (3) adequate provisions with respect to the employment and training of Myanmar citizens.
 - (b) the proposed area is not more than the area required for production;
 - (c) the applicant has adequate financial resources and also technical competence and experience to carry out the mineral production operation effectively;
 - (d) the proposal regarding procurement of goods and avail ability of services within Myanmar is satisfactory;

- (e) the applicant is able and willing to comply with the terms and conditions, contained in the mineral production permit;
 - (f) the applicant has complied with conditions of other permit shell under the Law,
 - (g) the area applied for shall not be included in an area for which a large scale or small scale mineral production permit has already been issued.
25. The Ministry shall:
- (a) grant a large scale mineral production permit pursuant to Rule 24, if the application is made by a holder of mineral exploration permit who has already made a discovery of a mineral to which his permit relates and is made in accordance with the Law and conditions of the mineral exploration permit;
 - (b) grant on such conditions as may be determined or refuse to grant the permit applied for after scrutinizing in accordance with Rule 24 when an application is made by a person who is not the holder of a mineral exploration permit to which the proposed mineral production area relates;
 - (c) shall not grant a large scale mineral production permit to a person who is not the holder of permit over an area which is included in a mineral exploration area or an area over which the holder of a mineral prospecting permit has the exclusive right to carry out prospecting operations;
 - (d) cause the applicant to commission consultants at his own expense for the purpose of the following if considered necessary to process an application for the grant of a large scale mineral production permit:
 - (1) assessing the feasibility of the programme of mineral production operation proposed in the application;
 - (2) assessing or making recommendations in respect of such other matters arising out of or connected with the application as the Ministry may specify in the notice.
 - (e) issue a permit in Form (4) on approval of the application.
 - (f) when granting the application only a period not exceeding 25 years shall be permitted. However if the estimated life of the ore deposit proposed to be mined is less than 25 years only such period shall be determined as the tenure of the permit.
26. If the holder of a large scale mineral production permit fails to carry out the operations in accordance with the conditions of the permit within the period specified without any valid reason the mineral production permit shall be deemed to have been invalidated.
27. The holder of a large scale mineral production permit may apply to the Ministry for extension of the tenure of the permit in respect of all or part of the permit area 6 months prior to the expiry of the permit.

28. The application for extension of tenure shall state the period for which extension of the tenure is sought and be accompanied by:
- (a) programme of mining operations proposed to be carried out in the period of extension;
 - (b) the latest proved, possible or estimated ore reserves;
 - (c) estimated capital investments production costs, earning forecasts and cash flow in respect of the period of extension;
 - (d) any expected changes in the method of mining and processing;
 - (e) programmes for safety and environmental protection
 - (f) facts that the Ministry has separately requested;
 - (g) map identifying the said area of land if the application for extension of the tenure is in respect of part of the permit area only.
29. The Ministry may; after scrutinizing the application for extension of the tenure of the large scale mineral production permit in accordance with Rule 24, extend the permit with the approval of the Government with or without variation of the conditions of the permit for a period not exceeding five years at a time.
30. The Ministry may reject an application for extension of tenure if any of the following circumstances are found:
- (a) failure to comply with any condition of the permit by the applicant;
 - (b) the applicant has not carried out the mineral production operations in the large scale mineral production permit area at a reasonable rate of progress;
 - (c) no remaining ore deposits with reasonable quantities of mineral reserves to be produced;
 - (d) the programme of mineral production operation proposed to be carried out is not satisfactory.
31. The Ministry shall:
- (a) give notice to the applicant that it is intended to refuse the application for extension of tenure of large scale mineral production permit, giving particulars of the ground for the intended refusal and stating a date before which the applicant may take appropriate action or submit explanations,
 - (b) refuse the application for extension of tenure if the applicant has not taken appropriate action or has failed to submit explanations before the date specified;
32. The holder of a large scale mineral production permit may apply to the Ministry for expansion of his permit area continuously.
33. The Ministry:
- (a) shall scrutinize the application made under Rule 32 in accordance with Rule 24 and if it is considered that the mineral resources can be produced

- effectively and beneficially, may permit the application with the approval of the Government;
- (b) shall not permit the application for expansion if the area applied for is included in an area which can not be permitted under the provisions of the Law.
34. The Ministry:
- (a) shall notify the permit holder if it is found that the holder of a large scale mineral production permit, in carrying out mining and mineral processing operations is using methods which may cause wasteful depletion of ore deposits and shall require him to show cause within such period as the Ministry may specify, why use of such methods should not cease;
- (b) may issue directive to cease the methods within a specified time if the holder of a large scale mineral production permit fails to submit an explanation to the satisfaction of the Ministry, within the period specified in any notice issued under Rule 34(a), that he is not using depletive mining or mineral processing methods or if there is sufficient evidence to show that his use and operations are wrong;
- (c) may suspend the permit for a specified period or cancel the permit if the holder of a large scale mineral production permit fails to comply with the directives given under Rule 34(b).

Chapter V

Application and Granting of Small Scale Mineral Production Permit

35. A person or an organisation desirous of carrying out small scale production operation of metallic minerals shall apply to the Ministry and a person or organisation desirous of carrying out small scale production of industrial minerals or stone shall apply to the Department in Form (3) to obtain a permit.
36. The Ministry may, after necessary scrutiny, with the approval of the Government, issue a small scale mineral production permit of metallic mineral and the Department may, with the approval of the Ministry, issue small scale mineral production for industrial minerals or stone by stipulating the required conditions.
37. The Ministry or the Department when issuing the permit:
- (a) shall issue a small scale mineral production permit in Form (4) specifying a tenure which shall not exceed five years;
- (b) may designate land area which shall not exceed 1 square kilometre in area.
38. An officer authorized under these Rules for surveying and demarcation shall survey and demarcate the permit area.

39. If the holder of a small scale mineral production permit fails to carry out the operations in accordance with the conditions of the permit within the period specified without any valid reason, the small scale mineral production permit shall be deemed to have been invalidated.
40. The holder of a small scale mineral production permit may apply to the Ministry or Department for extension of the tenure of the permit which on each occasion shall not exceed a period of one year.
41. The Ministry may with the approval of the Government and the Department may, with the approval of the Ministry extend the use of the permit for a period not exceeding one year on four occasions except in the following cases:
- (a) no remaining ore deposits with reasonable quantities of mineral reserves in the permit area;
 - (b) the applicant has not carried out mineral production operations satisfactorily in the permit area;
 - (c) the applicant has not carried out effective reclamation or backfilling work in the areas already mined to the satisfaction of the Ministry or the Department,
 - (d) the applicant has violated one of the conditions of the permit and has failed to carry out the directives of the Ministry or the Department to remedy the violation.
42. If the Ministry considers that it would be in the interest of the State to amalgamate all or some of the mining operations of the holders of mineral production permits covering contiguous areas or neighbouring areas it shall direct such holders to effect amalgamation within such time as may be determined.

Chapter VI

Application and Granting of Subsistence Mineral Production Permit

43. A person desirous of carrying out subsistence mineral production operation of metallic minerals, industrial minerals or stone in areas, worksites prescribed by notification by the Ministry shall apply to the relevant Mining Enterprise or to the officer, empowered by the Ministry, in Form (5) in order to obtain a permit.
44. The Mining Enterprise or the officer empowered by the Ministry shall, after scrutinizing the application for subsistence mineral production permit, and extension of tenure of permit, may issue the permit, extend the permit or may refuse to issue the permit. If decision is made to issue the permit, duration of the permit shall not exceed one year on each occasion and the permit shall be issued in Form (6).
45. The holder of a subsistence mineral production permit may apply for extension of tenure of the permit not later than one month before the expiry of the permit.

46. If a mineral exploration permit or a large scale or small scale mineral production permit is issued in respect of an area or worksite permitted for subsistence mining, subsistence mining rights for that area shall cease on expiry of the permit.

Chapter VII

Application and Granting of Integrated Permit for more than one operation out of the three Operations of Mineral Prospecting, Mineral Exploration and Mineral Production

47. A person or an organisation desirous of obtaining any of the following permits shall apply to the Ministry by filling up Form (1) and Form (3) as may be necessary:
- (a) Integrated permit for more than one operation out of the three operations of mineral prospecting, mineral exploration, large scale production or small scale production of metallic mineral, industrial mineral or stone involving foreign investment;
 - (b) Integrated permit for more than one operation out of the three operations of mineral prospecting, mineral exploration, large scale production or small scale production of metallic mineral involving local investment;
 - (c) Integrated permit for more than one operation out of the three operations of mineral prospecting, mineral exploration, large scale production or small scale production of industrial mineral or stone involving local investment.
48. The Ministry may, after necessary scrutiny issue the permit applied for under Rule 47(a) or (b) with the approval of the Government and the Ministry may issue the permit applied for under Rule 47(c). Form (7) shall be used in issuing such a permit.
49. The following provisions shall be applicable respectively in respect of extension of tenure of the integrated permit for more than one operation out of the three operations of mineral prospecting, mineral exploration and mineral production:
- (a) if it is an extension of tenure of mineral prospecting permit the provisions of Rules 8,9,and 10;
 - (b) if it is an extension of tenure of mineral exploration permit, the provisions of Rules 17,18,19,20,21 and 22;
 - (c) if it is an extension of tenure of large scale mineral production permit, the provisions of Rules 27,28,29,30 and 3 1;
 - (d) if it is an extension of tenure of small scale mineral production permit, the provisions of Rules 40 and 41.

Chapter VIII

Duties and Rights of the Holder of Mineral Prospecting Permit

50. The holder of mineral prospecting permit shall:
- (a) abide by the conditions of the permit;
 - (b) carry out prospecting operations only for minerals relating to the permit, within the prospecting area;
 - (c) inform the programme of work case-wise in advance to the administrative authority concerned of the area and to the officer assigned by the Ministry before commencing or terminating the mineral prospecting operation;
 - (d) not engage in any drilling, excavation or other subsurface operation, if not included in the permit;
 - (e) have exclusive right to carry out prospecting operation in the prospecting area, only when permitted with specific stipulations by the Ministry or the Department;
 - (f) not remove any mineral from a prospecting area without the written permission of the Ministry or the Department except for the purpose of having such mineral analysed, or for determining its quality or for conducting tests thereon.
51. Except as provided under Rule 52 the holder of a mineral prospecting permit shall:
- (a) carry out prospecting operations only in accordance with an approved programme of prospecting operation;
 - (b) expend in or in relation to the prospecting area an amount not less than the amount required by the permit or otherwise to be so expended;
 - (c) submit to the Ministry or the Department such reports and information and supporting documents required in accordance with the stipulations of the permit;
 - (d) keep and maintain in Myanmar an address which shall be registered with the Ministry or the Department and communication may be
52. The Ministry or the Department may, on application made by the holder of a mineral prospecting permit limit, reduce, vary or suspend any obligation arising pursuant to Rule 51, either conditionally or unconditionally.
53. The holder of a mineral prospecting permit shall have the right to carry out mineral prospecting within the area specified and examine the nature of mineral occurrence in the subsurface or the whole land area in accordance with these Rules and conditions of the permit.

Chapter IX

Duties and Rights of the Holder of Mineral Exploration Permit

54. The holder of mineral exploration permit shall:

- (a) abide by the conditions of the permit;
 - (b) carry out mineral exploration operation in accordance with the approved programme of exploration operation;
 - (c) inform the programme of work case-wise in advance to the administrative authority concerned of the area and to the officer assigned by the Ministry before commencing or terminating the mineral exploration operations;
 - (d) expend not less than the amount specified, in accordance with the conditions of the mineral exploration permit,
 - (e) submit to such persons at such intervals as may be determined such reports and such information in such manner as may be prescribed;
 - (f) employ and train citizens of Myanmar in accordance with the conditions of the permit;
 - (g) keep and maintain in Myanmar an address which shall be registered with the Ministry or Department and all communication may be made to this address;
 - (h) notify the Ministry or Department of the discovery of a deposit of the mineral to which the mineral exploration permit relates or of any other mineral deposit of possible economic value within a period of 30 days of such discovery. A feasibility study to determine whether commercial production could be undertaken or not shall be carried out in respect of such ore deposit discovered, within one year or such period as the Ministry or the Department may allow;
 - (i) relinquish an area which shall not be less than half of the mineral exploration area after the end of each year unless specific permission of the Ministry or the Department has been obtained;
 - (j) backfill or otherwise make safe any bore holes, test pits, trenches or excavations made during the course of mineral exploration;
 - (k) notify the Ministry or the Department from time to time any additions to be made to the mineral exploration programme. If the Ministry or the Department does not make a rejection within a period of two months from the date of the notice, such additions shall be deemed to be legitimately approved on the day of expiry of the two months period.
55. The holder of a mineral exploration permit shall keep complete and accurate records including records of the following exploration operations, which shall be acceptable and to the satisfaction of the Ministry or the Department, at the address referred to in Rule 54 (g).
- (a) boreholes drilled, pitting, trenching and adits driven;
 - (b) strata penetrated with detailed logs of such strata;
 - (c) minerals discovered;
 - (d) results of any geochemical or geophysical analysis;
 - (e) results of any analysis or identification of minerals obtained for such purpose;
 - (f) the geological interpretation of the records maintained under sub Rule (a) to (e);

- (g) the number and particulars of persons employed;
 - (h) other work done incidental to the mineral exploration permit;
 - (i) such other matters as may be prescribed from time to time by the Ministry or the Department.
56. The holder of a mineral exploration permit shall submit to the Ministry or the Department at least once in every three months copies of records under Rule 55 together with reports prepared under such records.
57. The Ministry or the Department may, on application made by the holder of mineral exploration permit amend or mitigate as may be necessary any or all of the requirements of Rule 54, Sub-Rules (b) (c) (d) and Rule 55.
58. The holder of a mineral exploration permit:
- (a) shall have the exclusive right in accordance with the conditions of the permit to carry out exploration work, to determine and ascertain the size, shape, location, quality and volume of minerals which occur in the entire land or subsurface of the land, within the area specified in the permit;
 - (b) himself, his agent, contractors or employees shall have the right to enter the exploration area together with the necessary vehicles, plant, machinery, equipment and construction materials;
 - (c) shall have the right to construct roads, bridges, airfields, jetties and other infrastructure facilities required according to the nature of the work, with the permission of the relevant Ministry, Government Department or Government Organisations;
 - (d) shall have the right to drill bore holes, excavate and to carry out operations incidental to exploration, within the exploration area.

Chapter X

Duties and Rights of the Holder of large scale mineral production permit

59. The holder of a large scale mineral production permit shall:
- (a) abide by the conditions of the permit;
 - (b) carry out mining of the mineral permitted in accordance with the approved programme of mine development and mineral production operations;
 - (c) commence production on or before the date specified in the programme of mine development and mineral production operations and notify the Ministry in advance before commencing production or terminating production;
 - (d) demarcate his permit area, in a manner approved by the Ministry;
 - (e) backfill, arrange revegetation or reclaim the land in the areas already mined out, to the satisfaction of the Ministry;
 - (f) keep and, maintain in Myanmar an address which shall be registered with the Ministry and communications may be made to this address.

60. The holder of a large scale mineral production permit shall maintain at the address kept in accordance with Rule 59 Sub-Rule (f):
- (a) accurate and complete technical records of his operations in his permit area in such form as the Ministry may approve;
 - (b) copies of all maps, geological reports comprising interpretation of aerial photographs, geological map, core logs, analyses, test results and all other data obtained, together with relevant tables and maps relating to the permit area.
61. The holder of a large scale mineral production permit shall.
- (a) allow officers authorized by the Ministry to inspect the books and records maintained under Rule 60 at any time.
 - (b) deliver to the Ministry free of charge photo copies of books and records maintained under Rule 60 as the Ministry may from time to time require.
62. The holder of a large scale mineral production permit
- (a) shall have the exclusive right in accordance with the conditions of the permit to the minerals permitted;
 - (b) himself, his agent, contractor, or employees shall have the right to enter the mining area together with the necessary vehicles, plant, machinery, equipment and construction materials;
 - (c) shall have the right to use the existing roads, bridges, and jetties, and the right to construct roads, bridges, airfields, jetties and other infrastructure facilities required according to the nature of work, with the permission of the relevant Ministry, Government Department or Government Organizations;
 - (d) shall have the right to carry out construction operations, required for mineral production, in the mining area;
 - (e) shall have the right to sell the mineral products within the country or export the same in accordance with prescribed conditions.

Chapter XI

Duties and Rights of the Holder of Small scale mineral production permit

63. The holder of a Small scale mineral production permit shall:
- (a) abide by the conditions of the permit;
 - (b) carry out small scale mineral production operations within the permit area in accordance with the conditions of the permit;
 - (c) furnish such information relating to his small scale mineral production operation as the Ministry or the Department may from time to time require or as may be prescribed;

- (d) carry out any directives of the Ministry or the Department for the purposes of ensuring safety or good mining practices relating to his mineral production operation;
 - (e) inform his intention case-wise in advance to the administrative authority concerned of the area and to the officer assigned by the Ministry before commencing or terminating any mineral production;
 - (f) demarcate his permit area in the manner approved by the Ministry or the Department;
 - (g) carry out rehabilitation and reclamation of mined out areas as specified by the Ministry or the Department.
64. The holder of a small scale mineral production permit:
- (a) shall have the exclusive right in accordance with the conditions of permit, to the minerals in the mining area;
 - (b) himself; his agent, contractor or employees shall have the right to enter the mining area together with the necessary vehicles, plant, machinery, equipment and construction materials;
 - (c) shall have the right to use the existing roads, bridges and jetties and the right to construct roads, bridges, jetties and other infrastructure facilities required according to nature of the work, with the permission of the relevant Ministry, Government Department or Government Organization;
 - (d) shall have the right to carry out development operations required for mineral production in the mining area;
 - (e) shall have the right to sell the mineral products within the country or export the same in accordance with prescribed conditions.

Chapter XII

Duties and Rights of the Holder of Subsistence mineral production permit

65. The holder of a subsistence mineral production permit shall:
- (a) abide by the conditions of the permit;
 - (b) carry out mineral production operations in accordance with the directives prescribed by notification from time to time by the Ministry or the Department for this purpose.
66. The holder of a subsistence mineral production permit shall have the right to enjoy the rights prescribed by directives under Rule 65 Sub-Rule (b).

Chapter XIII

Duties and Rights of the Holder of Integrated permit for more than one Operation out of the three operations of mineral prospecting, mineral exploration and mineral production.

67. The holder of integrated permit for more than one operation out of the three operations of mineral prospecting, mineral exploration and mineral production shall:
- (a) abide by the conditions of the permit;
 - (b) abide by the provisions contained in Chapter VIII and IX of these Rules, except the provisions of Rule 50 Sub-Rule (a) and Rule 54 Sub-Rule (a) if the integrated operation is in respect of mineral prospecting and mineral exploration;
 - (c) abide by the provisions contained in Chapter IX and X of these Rules, except the provisions of Rule 54 Sub-Rule (a) and Rule 59 Sub-Rule (a) if the integrated operation is in respect of mineral exploration and large scale mineral production;
 - (d) abide by the provisions contained in Chapter IX and XI of these Rules, except the provisions of Rule 54 Sub-Rule (a) and Rule 63 Sub-Rule (a) if the integrated operation is in respect of mineral exploration and small scale mineral production;
 - (e) abide by the provisions contained in Chapter VIII, IX and X of these Rules, except the provisions of Rule 50 Sub-Rule (a), Rule 54 Sub-Rule (a) and Rule 59 Sub-Rule (a) if the integrated operation is in respect of mineral prospecting, mineral exploration and large scale mineral production;
 - (f) abide by the provisions contained in Chapter VIII, IX and XI of these Rules, except the provisions of Rule 50 Sub-Rule (a) Rule 54 Sub-Rule (a) and Rule 63 Sub-Rule (a) if the integrated operation is in respect of mineral prospecting, mineral exploration and small scale mineral production;
 - (g) inform the Ministry at least 30 days in advance if it is intended to change over from mineral prospecting operation to mineral exploration operations and from mineral exploration operation to mineral production operations indicating the area intended for the operation before effecting such change.
68. The holder of integrated permit for more than one operation out of the three operations of mineral prospecting, mineral exploration and mineral production permit :
- (a) shall have the exclusive right in accordance with the conditions of permit to the minerals in the permit area;
 - (b) himself, his agent, contractors or employees shall have the right to enter the permit area together with the necessary vehicles, plant, machineries, equipment and construction materials;
 - (c) shall have the right to use the existing roads, bridges and jetties and the right to construct roads, bridges, airfields, jetties and other infrastructure facilities required according to the nature of the work, with the permission of the relevant Ministry, Government Department or Government Organization;
 - (d) shall have the right to carry out in accordance with the permit. mineral prospecting operation, drill bore holes, make excavations or operations incidental to exploration, feasibility study required for mineral production

and development operations as may be required for mineral prospecting and mineral exploration or mineral exploration and mineral production or mineral prospecting, mineral exploration and mineral production operations in the permit area;

- (e) shall have the right to sell the mineral products within the country or export the same in accordance with prescribed conditions.

Chapter XIV

Rights of Utilization of Land and Water for mineral production

- 69. The holder of a mineral production permit;
 - (a) shall carry out mineral production operations. only after coordinating and reaching agreement and after payment of the agreed compensation or damages to the individual or organization, which have the right of cultivation, right of possession, right of utilization, and beneficial enjoyment, right of succession or right of transfer of the land included in the permit. If co-ordination cannot be made (is not possible), shall submit the matter to the Ministry for necessary action;
 - (b) if agreement can not be reached in accordance with Sub-Rule (a) in the case of the State-owned Enterprise or a person or organization in joint venture with the Government the matter shall be submitted to the Ministry. If it is found after scrutiny by the Ministry that commercial scale exploitation of mineral could be undertaken in the land included in the permit area, co-ordination shall be made with the relevant Ministry for the acquisition of land in accordance with the existing law.

- 70. The holder of a mineral production permit, in exercising his rights under the permit shall, if the land relating to the permit is:-
 - (a) if it is a land reserved for public purpose other than for mineral production, written consent shall be obtained from the relevant Ministry or Department;
 - (b) if it is a land, the nature of which is as mentioned hereunder, written consent shall be obtained from the relevant owner of the land, person in possession of the land or legal representative of the owner of the land;
 - (1) being any land which is within two hundred metres of any residence (dwelling house), building or site for construction of residential building;
 - (2) being any land within fifty metres of land which has been cleared or land on which agricultural crops are grown;
 - (3) being any cultivated land from which agricultural crops have been harvested recently;
 - (4) being any land which is the site of or within one hundred metres of any irrigation canals, ponds, dams or other land for storage of water.

- (c) if it is a land, the nature of which is as mentioned hereunder written consent shall be obtained from the relevant Ministry or Department concerned or from the Government:
- (1) being any land reserved for the purpose of any railway track or which is within fifty metres of the boundaries of any land so reserved;
 - (2) being any land within a township 'or within two hundred metres of the boundaries of any township;
 - (3) being any land comprising a street, roads or airfield;
 - (4) being any land which is the site of electric power lines, petroleum and gas pipelines, water pipelines or irrigation canals;
 - (5) being land within two hundred metres of an area reserved for religious purposes;
 - (6) being an offshore area which is a breeding area of fish and spawning place for fish and prawns;
 - (7) being an offshore area which is a place for collecting mother of pearl oysters for pearl production and breeding;
 - (8) being an offshore area which is a resort area for rest and recreation;
 - (9) being land which has been declared as a natural area, under the Protection of Wild Life and Wild Plant and Conservation of Natural Areas Law;
 - (10) being an area designated under the Fresh Water Fisheries Law (1991)(d) prior approval of the Ministry of Forestry in accordance with Section 12 Sub-Section (a) of the Forestry Law shall be obtained if the land is a forest land and land covered with forests and which is at the disposal of the Government.
71. If the holder of a mineral production permit requires to use public water for the propose of mineral production, application shall be made to the Department, mentioning the following particulars:-
- (a) daily and yearly requirement of volume of water;
 - (b) volume of water resourced for domestic and for mineral production purpose
 - (c) basic plan in respect of the connection of water and utilization thereof
72. If the holder of a mineral production permit obtains the right to use public water after co-ordination with the Department in accordance with Section 17 of the Law care shall be taken not to deprive any other person of the water he is accustomed to and shall not impede nor alter any water course without the prior permission of the relevant Government Department or Organisation.
73. The holder of a mineral production permit;
- (a) may take and use water within the permit area free of charge, if it is not public water. If public water is used it shall be done so in accordance with conditions prescribed by the Department which has the right to administer use of such water;

- (b) shall take responsibility so that there is no pollution of the environment due to the use of water.

Chapter XV

Transfer, Surrender, Suspension and Cancellation of permit

- 74. (a) The holder of a permit has the right to transfer his permit with the approval of the Ministry or the Department.
(b) Application stating full particulars together with transfer agreement (Draft) shall be submitted to the Ministry or the Department in order to obtain the approval for transfer of permit.
- 75. The Ministry or the Department may, after scrutinizing the application approve or reject the same.
- 76. The Ministry or the Department shall approve the transfer, if the transferee is a person who may be approved in accordance with the Law and these Rules, and who is working together with or jointly with the original permit-holder in supervising the operations.
- 77. If the Ministry or the Department agrees to the transfer of the permit, the transferee shall continue to be responsible for the assets, liabilities, and obligations accruing to the transferor before the transfer is effected. However if the transfer is under Rule 76 the transferor and the transferee shall both be jointly responsible.
- 78. (a) The holder of a permit may surrender part or whole of the permit area under the conditions of the permit. The Ministry or the Department shall be given at least one month prior notice of his intention to surrender and shall also be provided with the necessary documentary evidence relating to the area surrendered. In addition, the holder of a permit shall also abide by the conditions prescribed by the Ministry or the Department in respect of the transfer.
(b) Surrender of the permit area shall become effective only on receipt of the certificate of surrender issued by the Ministry or the Department.
(c) In surrendering the area covered by a permit the holder of a permit shall continue to carry on any duties or obligation, relating to the area, prior to the date of surrender.
- 79. On issue of the certificate of surrender the Ministry or the Department shall:
 - (1) cancel the permit if the surrender is in respect of the whole area;
 - (2) amend the permit accordingly if the surrender is in respect of a part only of the area.

80. The Ministry of the Department may suspend or cancel the permit if any of the following circumstances arises;
- (a) failure by the holder of a permit to make payment required under the Law or these Rules on the date due;
 - (b) submission of false statements to the Ministry or the Department in respect of the conditions of the permit;
 - (c) discovery upon investigation that the permit has been applied for and obtained in contravention of the Rules;
 - (d) after the death of the permit holder the heirs not being qualified to obtain the permit under the Law and the Rules;
 - (e) the holder of permit not being able to pay in full the taxes and duties payable to the Government becomes insolvent or the company being liquidated.
81. (a) Before suspending or canceling any permit under Section 28 Sub-Sections (a) & (c) of the Law or under Rule 80, the Ministry or the Department shall give notice to the holder of the permit.
In such a notice, any breach of condition of permit which the holder of permit fails to remedy shall be mentioned and where such breach cannot be remedied, the holder of permit shall show cause to the satisfaction of the Ministry or the Department why the permit should not be suspended or cancelled.
- (b) On cancellation of a permit the rights of the holder thereof shall cease. However he shall continue to be responsible for any liabilities and obligations incurred, prior to the date of cancellation.
82. The holder of a permit -;
- (a) shall with the exception of the provision of Sub-Rule (b) have the right to remove from the permit area within six months from the date of cancellation of his permit, buildings, machineries installed or other moveable property and mineral products which have been extracted prior to the date of cancellation of the permit;
 - (b) shall remove buildings built for proper maintenance of the permit area or fixed machineries, only with the consent of the Ministry or the Department;
 - (c) on cancellation of the permit shall hand over all records required to be kept under these Rules to the Ministry or the Department, within one month.

Chapter XVI

Entering into Agreements

83. The Ministry may, if it is considered necessary, permit any Director General of Departments or Managing Director of Mining Enterprises under the Ministry to enter into agreements relating to mineral prospecting, mineral exploration and large scale or small scale mineral production with any person or organization.

84. Any person or organization may enter into joint venture agreements relating to mineral prospecting, mineral exploration or mineral production with any State-owned Enterprise under the Ministry, in accordance with the Law.
85. The agreements entered into under Rules 83 and 84 may be, on production sharing basis or profit sharing based on equity contribution by both parties, or other form of benefit sharing for mineral prospecting, exploration or production for each stage of operation, or integrated operations or in any other form as may be permitted by the Ministry.
86. The agreements mentioned in Rule 85 may be entered through competitive bidding or negotiations based on terms and conditions laid down.

Chapter XVI

Entering into Agreements

87. The Ministry may, if it is considered necessary, permit any Director General of Departments or Managing Director of Mining Enterprises under the Ministry to enter into agreements relating to mineral prospecting, mineral exploration and large scale or small scale mineral production with any person or organization.
88. Any person or organization may enter into joint venture agreements relating to mineral prospecting, mineral exploration or mineral production with any State-owned Enterprise under the Ministry, in accordance with the Law.
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90. The agreements mentioned in Rule 85 may be entered through competitive bidding or negotiations based on terms and conditions laid down.

Chapter XVII

Appointment of Employees and Workers in Mines, Work Assignment, Age, Wages, Salaries and Determination of other Remunerations

91. A manager with the prescribed qualifications shall be appointed in every mine for the purpose of controlling and managing the mine. Any act of the said manager shall be deemed to be the act of the holder of the permit. The holder of a mineral production permit can as a manager himself if he has the prescribed qualifications.
92. Children shall not be employed in any mine.

93. Women shall not be employed to work in the underground work h of any mine except for health and social services.
94. No persons under the age of 18 shall be employed to, work in a mine unless he is in possession of a certificate issued by the relevant Health Department certifying his fitness for the appointment and his age.
95. (a) If a dispute arises between the Chief Inspector .or an Inspector and the manager of the mine as to whether a person is a child or under the age of 18, in the absence of a birth certificate the decision of the doctor concerned from the Department of Health shall be obtained.
(b) The decision of the doctor concerned from the Department of Health shall, for the purpose of these Rules be conclusive evidence of the age of any person.
96. (a) A register according to Form (8) shall be kept for all persons employed in the mines.
(b) A register according to Form (9) shall be kept for all workers who are employed underground. Such register shall show the name of the every person working underground in the mine during the working hours.
97. The holder of a mineral production permit or the mine manager shall:
(a) pay a worker in a mine overtime pay which shall be twice his normal rate if such worker is assigned to work beyond the prescribed normal working hours, and if he is drawing cost of living allowance, shall pay the usual rate of allowance.
(b) pay a worker in a mine his ordinary rate of pay or wages and other allowances applicable for the day as specified by Ministry of Labour, if such worker is assigned to work on a public holiday.
98. Where workers are paid on a piece rate basis, the holder of a permit or manger shall, for the purpose of this Rule, fix time rates as nearly as possible equivalent to the average rate of wages of such workers. The rates so fixed shall be deemed to be the ordinary rates of pay of such workers for the purpose of this Rule.

Chapter XVIII

Determination of Hours of Work and Working Days for Above Ground and Underground Work in a Mine

99. The holder of a mineral production permit or a manager shall:
(a) not allow any person to work in a mine for more than five days in any one week;
(b) not normally make or allow a person employed in a mine to work for more than eight hours in any day or for more than forty hours in any week.

However, if a person is required to work the whole day continuously due to the requirements of work, he may be permitted to work 48 hours a week;

- (c) arrange the hours of work of any person employed above ground in a mine so that inclusive of his interval for rest, they shall not in any day be more than ten hours. Such person shall not be allowed to work for more than five hours, if he has not had an interval for rest of at least one hour;
- (d) not allow work of the same kind below ground in any mine to be carried on for more than eight hours in any day. However, a system of shifts can be used, due to requirements of work and the working hour for each shift under a system of shifts shall not be more than eight hours;
- (e) not allow any person employed in a mine to be in any part of the mine below ground except during the hours of work shown against him in the register;
- (f) where a worker works in a shift and the hours of work extend past midnight, the ensuing day for him shall be the period of twenty four hours beginning from the end of the period of work fixed for the shift and the hours he has worked after midnight shall be counted towards the previous day;
- (g) cause to be posted outside the office of the mine a notice in accordance with Form (10) and (11) stating the time of the commencement and the end of work above and below the ground at the mine and, if it is proposed to work by a system of shifts, the time of the commencement and the end of work for each shift. A copy of each such notice shall be sent to the Chief Inspector;
- (h) post the notice referred to in Sub-Rule (g) not less than seven days before the commencement of work;
- (i) where it is proposed to make any alteration in the time fixed generally for the commencement and the end of work in the mine or for any shift post an amended notice in Form (12) outside the office of the mine not less than seven days before the alteration is made, and a copy of such notice shall be sent to the Chief Inspector not less than seven days before such alteration.
- (j) not allow any person to work in a mine otherwise than in accordance with the notice required under Sub-Rule (g).
- (k) shall not allow any person in a mine to work on a Saturday or a Sunday unless he has had or will have one day of rest within a period of three days immediately before or after a Saturday or Sunday on which he worked;
- (l) if substituted days of rest cannot be allowed as provided in Sub-Rule
- (m) compensate the person within a month following such days of rest to which he was entitled, with substituted days of rest equal to number of days of rest, which he has been deprived of;
- (n) shall display a notice of such substituted day of rest before Saturday or Sunday or substituted day of rest (whichever is earlier) at least twenty-four hours from the commencement of work in the mine on such Saturday or Sunday or substituted day of rest. A person working shall not be made to work ten days consecutively without having had two whole days of rest;
- (o) may cancel a notice displayed in the mine one day before Saturday or Sunday or the substituted day of rest;

- (p) when any worker is required to work on Saturday or Sunday, such Saturday or Sunday shall for the purpose of calculating his weekly hours of work be included in the week in which the worker enjoys substituted days of rest.
100. Notwithstanding any provision made in Rule 95, in case of an emergency involving serious risk to the safety of the mine or of persons employed therein, the holder of a mineral production permit or the manager may permit persons to be assigned duties in contravention of the provisions of Rule 95. A record of such fact shall immediately be made for submission to the Inspector on his next inspection of the mine and a copy of such record shall be sent immediately to the Chief Inspector for his information.

Chapter XIX

Measures for Safety and Prevention of Accidents in the Mine

101. The holder of a mineral production permit or a manager shall provide all necessary measures for the safety and prevention of accidents in the mines under his control. In particular the following measures shall be provided:-•
- (a) ensuring that the mine is designed, constructed and provided with electrical mechanical and other equipment, including a communication system to secure safety in its operation and healthy working environment;
 - (b) ensuring that the mine is commissioned, operated, maintained and suspended to enable workers to perform the work assigned to them without endangering their safety and health or those of other persons;
 - (c) maintaining the stability of the ground in areas where persons have access to their work-site;
 - (d) where practicable providing in every underground working place, two emergency exits, each of which is connected to separate means of access to the surface in addition to the entrance;
 - (e) monitoring assessment and regular inspection of the working environment to ascertain whether there is any likelihood of danger for the workers;
 - (f) providing adequate ventilation of all underground workings to which access is permitted;
 - (g) drawing up and implementing an operating plan and procedures for the protection of workers in zones susceptible to particular hazards;
 - (h) providing measures and precautions appropriate to the nature of a mine operation in order to prevent detect and combat the danger of outbreak and spread of fires and explosions;
 - (i) when circumstances endangering the health and safety of workers arise, suspending operations and evacuating workers to a safe location.
102. The holder of a mineral production permit or a manager shall prepare and keep an emergency preventive plan specific to each mine, for reasonably foreseeable, work related and natural disasters.

103. Where workers are exposed to physical, chemical or biological hazards on a work site, the holder of a mineral production permit or a manager shall:-
- (a) inform the workers in advance of the hazards associated with their work and of the health risks involved;
 - (b) lay down appropriate measures to eliminate or minimize the risks resulting from exposure to such hazards;
 - (c) provide and maintain at no costs to the workers, suitable protective equipment, clothing and facilities, where adequate protection against risk of accident or injury to health cannot be ensured by other means;
 - (d) expeditiously provide injured workers with transportation to place of treatment for appropriate medical treatment;
 - (e) provide free medical treatment for injured workers.
104. The holder of a mineral production permit or a manager shall:
- (a) ensure the on-the-job safety and health matters of the workers and in addition issue work related comprehensible directives from time to time and provide adequate training and refresher training programmes;
 - (b) appoint adequate supervisory personnel on each shift in order to secure the safe operation of the mine in accordance with the law;
 - (c) provide a system by which the names and locations of persons entering underground work sites at any time may be indicated;
 - (d) when accidents and hazards occur, report to the relevant responsible persons in accordance with these Rules on the appropriate preventive and remedial measures to be taken after investigation of all such occurrences;
 - (e) use the system of regular health surveillance for prevention of health hazard of workers exposed to occupational hazards specific to mineral production.
105. The holder of a mineral production permit or a manager:
- (a) shall only keep explosives and related substances in a magazine constructed in accordance with the approval of the Magazine Location Selection Committee of the Ministry of Defense and shall not take into or keep the same in a dwelling house;
 - (b) shall issue the explosives and related substances only to qualified persons who are assigned duties and the names of such persons shall also be recorded in a book prescribed under the relevant law;
 - (c) shall keep detonators in a locked box. Detonators shall not be kept together with explosives and related substances. In addition, no detonator shall be inserted into an explosive cartridge before immediate use;
 - (d) shall cause all explosive work to be undertaken by qualified workers who are not under the age of 18 and who are appointed by the manager or foreman, or under their direction. The names of such persons shall be registered in a book kept for such purpose;

- (e) shall in using explosives and related substances record in a book kept for the purpose the number of shots exploded, the quantity of explosives used and the number of shots (if any) which have misfired;
- (f) shall return all unused explosives to the magazine without any delay;
- (g) shall in causing explosives and related substances to be carried by a person assigned into an underground worksite, shall cause the same to be carried in a secure case, canister or bag, containing not more than 2.5 kilogram;
- (h) when explosives and related substances are being carried in the relevant case, canister or bag, shall cause the same to be carried securely fastened;
- (i) shall not allow any person to use an iron or steel tool for charging or stemming a hole with explosives and related substance. No explosive and related substances shall be foreseeable pressed into a hole;
- (j) shall give a due warning to persons in the vicinity before any blasting in any underground worksite and shall guard every entrance to the place where the blasting is about to be done;
- (k) when two underground worksites have approached to within 3 metres of one another, shall not allow blasting to be done in any one of such sites unless the workmen have been withdrawn from the other working place and the place has been fenced;
- (l) shall give due warning by an efficient system of signals before blasting in an open work-site is commenced and also when it is finished;
- (m) shall cause the number of shots blasted to be counted by at least two persons when explosives and related substances are used. The least number of blast counted shall be taken as correct. When a misfire occurs in a worksite shall not permit any person to re-enter such place until 30 minutes after blasting. When blasting is done electrically shall not permit any person to re-enter such place within the interval of 20 minutes after blasting;
- (n) after blasting has been done in an underground working place and before any other person enters such place, shall cause the person who fired the blast or a qualified person appointed in writing by the manager of the mine to make a careful examination and shall, with his assistants make the place safe. No other person shall be allowed to enter the place before examination has been made and before the place has been declared to be safe;
- (o) when a hole has been charged with explosives and related substances shall not unram such materials;
- (p) shall not re-bore a hole already blasted;
- (q) when blasting is not successful, shall destroy explosives and related substances used either by air or by water or by blasting by using required explosives after boring a new hole at a distance of not less than 0.3 metres of the hole where a charge has misfired;
- (r) before a hole where a charge has misfired is destroyed, shall not drill any hole within 0.3 metres of such place. If a new hole is drilled outside of the 0.3 metres distance, shall take care to prevent any contact with the hole where a charge has been misfired and shall drill a new hole only in the presence of the person assigned in respect of explosives and related substances;

- (s) until and unless the place where a charge has been misfired has been made safe, shall keep the place vacant and shall keep a person at the place to warn the people in the vicinity or shall fence the place. If it is an open working place shall hoist a red flag.

Chapter XX

Formulating and implementation of Plans Relating to the Welfare, Health, Sanitation and Disciplinary Measures of Personnel and Workers in a Mine.

- 106. The holder of a mineral production permit or a manager shall, before commencement of mineral production operations, formulate and submit to the Department, plans relating to the welfare, health, sanitation and disciplinary measures of personnel and workers in a mine.
- 107. The Department shall scrutinize the plan submitted by the holder of mineral production permit or manager under Rule 102, and if necessary, cause to be made alterations and additions in the plan and shall give approval of the same.
- 108. The holder of the mineral production. permit or a manager shall, in accordance with the plan approved by the Department implement the welfare, health, sanitation and disciplinary measures for the personnel and workers in a mine.

Chapter XXI

Making Provisions to prevent Detrimental Effects due to Mining operations on the Environmental Conservation Works

- 109. The holder of a mineral exploration permit or a mineral production permit shall:
 - (a) backfill or otherwise make safe bore holes, excavations, surface of land damaged during the course of underground mining operations to the satisfaction of the Ministry or the Department.
 - (b) establish forest plantations or pay compensation to as agreed when permission of the Ministry of Forestry was sought, if trees were cut and cleared for mineral exploration or mineral production within a forest land or in a land area covered with forests and which is at the disposal of the Government.
- 110. In disposing of liquids, wastes, tailings and fumes which have resulted from mineral production the holder of a mineral production permit or a manager shall undertake laboratory tests as may be necessary for the prevention of pollution of water, air and land in the environment and for the safety of living beings. When in the course of tests toxic materials are found, which are harmful to living beings, degradation shall be made by chemical means and systematic disposal shall be made only when it is assured that there is no danger.

Chapter XXII

Reporting of Accidents

111. (a) When any accident occurs on or about a mine causing loss of life or serious bodily injury or when an accidental explosion, ignition, outbreak of fire or irruption of water occurs in a mine, the holder of the mineral production permit or a manager of the mine shall give notice of such occurrence to the Ministry or the Department within 24 hours from such occurrence and shall send a detail report in Form (13) within one week. A copy of the report shall also be sent to the Department of Labour for necessary action.
- (b) The holder of a mineral production permit or a manager shall for accidents, other than those specified in Sub-Rule (a), which cause, bodily injury resulting in the enforced absence from work of the person injured for a period exceeding forty eight hours such absence shall be recorded in Form (14).
- (c) A copy of the record in Form (14) under Sub-Rule (b) shall be sent monthly to the Chief Inspector within 7 days after the end of each month.

Chapter XXIII

Submission to the Inspection of the Chief Inspector and Inspectors

112. The holder of a mineral production permit or a manager shall submit to the inspection of the Chief Inspector or Inspectors and persons authorized under Rule 110. All reasonable administrative facilities shall be provided for entering the mine or surveying or for such inspections.
113. The holder of a mineral production permit or a manager shall not impede, obstruct, refuse or in any other way interfere with the inspection done in accordance with Rule 108 by the Chief Inspector or the Inspectors assigned.

Chapter XXIV

Duties and Powers of the Chief Inspector and inspectors

114. Any personnel specifically assigned in writing by the Chief Inspector or an Inspector assigned may, after giving not less than three days notice to the manager of such mine, enter any part of the mine and may survey or inspect at any time. However, such entering, surveying or inspecting shall not unreasonably impede or interfere with the working of the mine.
115. All copies of and extracts from records or other documents pertaining to any mine and all other information acquired by the Chief Inspector or an Inspector or by a person specifically assigned under Rule 110, in the course of the inspection of any mine, shall be regarded as confidential. Any information as aforesaid acquired shall not be disclosed to any one without the consent of the Ministry.

116. (a) If it is in the opinion of the Chief Inspector or an Inspector that any matter incidental to a mine or the operations carried out in any mine or any part thereof are likely to affect the environment or the life or physical parts of any person, he may give notice in writing thereof to the holder of a mineral production permit or manager of the mine. Such notice shall state in which part of the mine or the operations which are dangerous or defective and shall require the same to be remedied within such time as he may specify in the notice.
- (b) If the Chief Inspector or an Inspector is of the opinion that there is urgent and immediate danger to the lives or safety of the workers in any mine he may, by order in writing prohibit until the danger is removed, the employment in or about the mine of any person whose employment is not in his opinion reasonably necessary for the purpose of removing the danger. Such order shall state the reason for the prohibition. The mine manager shall abide by the prohibitions contained in the said order.
- (c) When a notice has been given under Sub-Rule (a) and a prohibitive order has been issued under Sub-Rule (b) by an Inspector, the holder of a mineral production permit or a manager of the mine may, within ten days after the receipt of the order, appeal against the same to the Chief Inspector. The Chief Inspector may, after scrutinizing the appeal amend or cancel the order if he is of the opinion that there is no longer any danger.
- (d) The Chief Inspector or an Inspector who issues a notice under Sub-Rule (a) and a prohibitive order under Sub-Rule (b) and also the Chief Inspector issuing an order on the appeal under Sub-Rule (c) shall report with explanation to the Ministry or the Department and shall also inform the holder of the mineral production permit or the manager of the mine that such report has been made.
- (e) If the holder of mineral production permit or a manager desires to object to the notice given under Sub-Rule (a) by the Chief Inspector, or to an order made by the Chief Inspector under Sub-Rule (b) or Sub-Rule (c) he may within (60) days after receipt of the notice or of the order (or) the next day after the date of the decision of the appeal send his objection to the Ministry. However, pending receipt of the Ministry's decision, the notice made or the order passed shall be complied with.
- (f) The notice or order to which objection is made under Sub-Rule (c) may be confirmed, amended or cancelled by the Ministry. The decision of the Ministry shall be final and conclusive.
117. When any accidental subsidence, explosion, ignition, outbreak of fire or irruption of water or other accidents occurs in or about a mine, the Chief Inspector or the Inspectors assigned shall immediately inspect the place of occurrence and take action as may be necessary and report to the Ministry regarding the inspection and action taken.
118. (a) The Chief Inspector may, in matters of rehabilitation and reclamation of a mine and if it is considered necessary for the safety of the worksite

reasonably exempt by order the maximum hours of work in a week as specified under Rule 95 Sub-Rule (b);

- (b) The exemption given under Sub-Rule (a) shall be within the maximum limit of 54 hours in one week;
- (c) The order issued under Sub-Rule (a) shall be valid for the period specified in the said order. However, the period specified shall in no case exceed (2) months from the date the notice is given to the holder of mineral production permit of a manager on each occasion.

Chapter XXV

Financial Provisions

119. The holder of a permit shall:-

- (a) pay dead rent for the land related to the permit in accordance with the rate specified in Annexure (a);
- (b) pay yearly dead rent in two installments to the Department within 30 days from 1st. April and 1st. October;
- (c) pay royalty as specified by the Ministry or the Department in the permit, which shall be within the rates mentioned in the Law;
- (d) if there is any discrepancy regarding payment of royalty, payment shall be made within 30 days after the end of the financial year.

120. The holder of a permit shall:-

- (a) send a copy of sales invoice together with computation of sale price to the Department when sale of minerals is effected;
- (b) if provisional payment is only received in a sale of minerals send a copy computation of final payment when received from the buyer;
- (c) lodge a sales return of minerals in Form (15) to the Department quarterly.

121. The Director General shall:-

- (a) after assessment of the amount of royalty payable the amount due within 30 days from receipt of the notice;
- (b) on application made by the holder of a permit, extend the period specified for payment of royalty, for such further period as may be necessary.

122. When calculating the value of mineral sold:-

- (a) if mineral in the form of ore or mineral concentrate is sold as a mineral product, royalty shall first be assessed on the provisional payment received and final royalty shall be assessed after receipt of final payment;
- (b) if mineral in refined form is sold as a mineral product royalty shall be assessed on receipt of final payment.

123. The holder of a permit shall pay dead rent and royalty payable under these rules according to the rate specified in the conditions of the permit either in Kyats or in Foreign Currency.
124. When a State-owned Enterprise is a holder of large scale mineral production permit and mineral produced under that mineral production permit is sold in foreign currency, the Ministry may permit royalty and fees payable to be paid in Kyats and may stipulate in the permit appropriate conditions in detail.
125. (a) Fees payable for different operations shall be as specified by the Ministry from time to time;
(b) Fees shall be paid in Kyats or in foreign currency as may be specified in the conditions of the permit.

Chapter XXVI

Offences and Penalties

126. Whoever violates any provision of Rule 88, Rule 89, Rule 90, Rule 93, Rule 95 Sub-Rules (a) (b) (c) (d) and (k), Rule 97, Rule 98, Rule 99, Rule 101, Rule 105, Rule 106, Rule 109, Rule 112 Sub-Rules (b) and (e) shall, on conviction be punished with imprisonment for a term which may extend to 1 year or with fine which may extend to K 10,000 or with both in accordance with Section 32 of the Law.

Chapter XXVII

Miscellaneous

127. The Rules issued under the Mines Act 1923 are hereby repealed.