

OMAN MINING LAW

No. 27 / 2003 Royal Decree No. 27 / 2003

The issuance of mining law

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After perusal of the Basic Law promulgated by Royal Decree No. 101/96,

The Law of Commercial Registration No. 3 / 74, as amended,

The Commercial Companies Law No. 4 / 74, as amended,

The Law of Oil and Minerals issued by Royal Decree No. 42/74,

Based on what the public interest.

Decreed as follows:

Article (1): The provisions of the law of mining facilities.

Article (2): The Minister of Trade and Industry regulations and decisions necessary to implement the provisions of this law and to issue these regulations continue to work the current regulations and resolutions not inconsistent with the provisions of this law.

Article (3): repealed provisions relating to mining law contained oil and minerals referred also cancels all that contradicts this law or contravenes with its provisions.

Article (4): This decree shall be published in the Official Gazette and shall be effective from the date of publication.

PART I DEFINITIONS

Article (1): In applying the provisions of this Act, unless the context otherwise requires, the words and phrases set out below set out the meaning assigned to them:

Exploration: The Search for minerals and mineral deposits, and includes testing the properties of the metal content of the region.

License: a license for exploration or prospecting or mining or mining of living.

Mining or extraction: processes to obtain useful metals from the earth's crust by drilling underground, surface, or you, or work under water, or operations to obtain minerals from quarries and mines, or any other operations generally require directly or indirectly to do so.

Prospecting: Find all minerals and mineral deposits include testing the properties of the mineral content of the area to locate and identify the size and shape and the development and the value of the mineral deposit.

Mineral exploitation: any operations related to exploration or prospecting or mining or the extraction or treatment in addition to the mining of living.

Mining of living: the license to exploit minerals and processing means manual or simple automatic prescribed by the Regulations.

Stone: any metal or rock is of value and beauty, transparency and shine to make it harder for not less than (7) in the hierarchy of Mohs decimal and can be used for ornaments and decorations such as diamonds, rubies, peridot.

Raw metal: Any metal or rock can be used to access it.

Treatment: the use of metal or metals with crude oil after the extract to obtain the highest value product.

Metal: any materials or semi-homogeneous homogeneous naturally, whether solid, liquid or gas are found on the surface or in its interior or at the bottom of the sea, with the exception of crude oil and natural gas and water.

Metal products: materials derived from any metal or ore processing through **mining**.

The mine or quarry: the area from which any operations related to **mining** or extraction, including buildings, facilities and installations needed for this process, or related, above and below ground.

Region: include land and land under water, and the seabed, and subsoil, which is located under the seabed and beneath the surface of the land.

Ministry: The Ministry of Trade and Industry.

Minister: The Minister of Trade and Industry.

Director: Director General of Minerals.

Program operations: program approved for the exploration or prospecting or **mining** development or the granting of the license or privilege.

The right of mining: the **mining** concession, or license or **mining** exploration or **mining** of living, or exploring.

The concessionaire or the license granted: the privilege granted by law or the license granted under this Act.

Mining operations: operations that take place during **mining**.

Building materials: all forms of the rocks, or stones, or gravel, or sand, or clay, or volcanic ash, or slag, or other materials extracted for use in the construction of buildings or roads or dams or airports, or similar works.

The exploration or drilling: land covered by the license for exploration or prospecting.

Mining area: land covered by the privilege of **mining** or **mining** license, **mining** license or living.

PART II GENERAL PROVISIONS

Article (2): Minerals in their natural state, whatever its place in the Sultanate property of the State and granted **mining** concession under the law and give the ministry licenses for exploration, drilling and extraction, **mining**, **mining** of living and acting in the metal resulting in accordance with the provisions of this law.

Article (3): The Minister may enter into an agreement for the exploitation of mineral, as determined by the Regulations. He may authorize any person to carry out exploration or drilling for minerals during scientific research in the geological or mineral substances in Amman.

Article (4): The owner of the land or has legal possession, or the owner of the **mining** concession or license to use building materials that are found on the ground in the construction or road construction or for agricultural purposes, provided those uses do not prejudice the rights of others.

Article (5): may not be granted a concession or a license for non-**mining**:

1 - Omani company or a company or branch of a foreign company to be registered in **Oman** under the Commercial Companies Law.

2 - RO individual with civil to engage in trade has been issued against him who is adjudicated bankrupt, unless he has been rehabilitated.

Article (6): must not exceed the duration of the concession on the twenty-five-year license period not exceeding five years and may renew the franchise or license to other periods.

Article (7): The determination of any dispute arising with respect to **mining**, the privilege, license, **mining**, or prospecting or exploration, by arbitration in Amman, according to the **laws of Oman** and without prejudice to the provisions of previous agreements on the date of this law.

PART III RIGHTS AND OBLIGATIONS OF THE **MINING CONCESSION OR LICENSE**

Article (8): authorizes the license or the privilege of **mining** to the owner and his staff and workers entering the area specified in the license or the privilege of **mining** and operations necessary to do so.

Article (9): The holder of prospecting license or **mining** concession, which discovered in the area allocated to raw metal can be extracted and commercialization of the right to obtain a license to dispose of the product in accordance with the procedures prescribed by the Regulations.

Article (10): The owner of the following license:

1 - to conduct exploration or prospecting or **mining** development or in accordance with the license issued to him and procedures prescribed by the Regulations.

2 - to spend in the area of exploration or **mining** or associated amount not less than the amount determined by the license, if not spend the entire amount is spent the remainder of it as determined by the Regulations.

3 - to use and train Omanis as determined by the license.

4 - to be implemented immediately to any directives, related to the operations specified in the license issued to him by the Director to ensure safety and environmental protection.

5 - to notify the Director in advance of his intention to start the implementation of any of the operations specified in the permit or stop work.

6 - to notify the Director of the discovery of any raw metal has an economic value possible and within 30 days of this discovery, and that is going on in the years to provide such notice or during the period specified by the Minister feasibility study to determine whether this discovery can be exploited commercially and to notify the Minister the immediate outcome of this study.

7 - does not, without the written permission of the Director, remove any metal from the exploration area only for the purposes of analyzing the metal or to determine its value, or test it in accordance with the conditions prescribed by the Regulations.

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Article (11): The owner of the **mining** concession with the following:

1 - Provision of equipment, laboratories, equipment and facilities for the extraction and transport and processing of minerals or mineral products which draws during the **mining** operations carried out.

2 - Clarify the boundaries of the **mining** concession area allocated to it as determined by the Regulations in this regard.

3 - Take security and safety measures prescribed by the director in the **mining** area allocated to it.

4 - Development of mineral extraction within the scope of the concession agreement and conduct **mining** operations in accordance with the plan and program operations in accordance with procedures prescribed by the Regulations.

5 - To begin production on the date specified in the program development processes, extraction and notify the Director as soon as he started in production.

6 - Use and training of Omani citizens, as determined by the concession agreement.

7 - Allowing staff accredited by the Minister or the Director familiarized themselves at any time on the books and records maintained in accordance with the provisions of the Regulations and shall send to the director, without charge, copies of any part of such books and records upon request, also send him every six months, copies of the data recorded in the records prescribed by the Regulations.

8 - Director to submit a copy of the annual financial report on **mining** operations within three months from the end of the fiscal year, with profit and loss statement and the financial position of the concessionaire after the approval of the auditor is licensed to practice the profession of accounting and auditing.

9 - That the rehabilitation, reclamation and restoration of **mining** areas, which will expire according to the requirements of the Regulations.

PART IV ENVIRONMENTAL MANAGEMENT AND PROTECTION OF WATER RESOURCES, AND THE USE OF EXPLOSIVES

Article (12): take into account the provisions relating to environmental management and protection of water resources and archaeological sites and the use of explosives for mining when granting a concession or license mining may not grant the concession of mining only after the submission of the privilege of mining reports include an assessment of the effects of mining on the environment and archaeological sites to meet the standards and practices internationally accepted good management of risk to the environment and archaeological sites are approved by the Ministry of Regional Municipalities, Environment and Water Resources and the Ministry of Heritage and Culture.

Article (13): must be coordination between the Ministry of Regional Municipalities, Environment and Water Resources and the Ministry of Heritage and Culture and the Ministry of Interior and the Ministry of Housing, Electricity and Water and the Ministry of Transport and Communications and other relevant ministries as well as the Royal Oman Police in relation to:

- 1 - the impact of exploration and mining on environmental management and archaeological sites.
- 2 - establishment of protected areas or safe under the law of environmental protection and pollution control, or take the necessary measures to protect water resources or the use of explosives that affect the operations of prospecting or mining.

PART V FINANCIAL PROVISIONS

Article (14): You must include the Convention on the exploitation of mining the following:

- 1 - Provisions which ensure the payment of royalties, taxes, fees, and other financial receivables other.
- 2 - Provisions relating to the preservation of the environment.
- 3 - Provisions relating to the settlement of disputes between the parties in accordance with the provisions of Article (7) of this Act.

Article (15): Implementing Regulations shall determine the following:

- 1 - Procedures for permit applications and patents, and to identify documents, and the required data.
- 2 - Types of mining licenses and conditions of access, duration, and identify and describe the size of the area granted and procedures for renewal of licenses and mining concessions.
- 3 - The necessary measures to ensure the safety and effectiveness of work in the areas of exploration and mining or extraction, mines and quarries.
- 4 - The necessary measures to ensure the safety and health of the public and workers in mines and quarries and areas of exploration and prospecting.
- 5 - Data, records and documents that must be maintained by the owner of the license or mining concession, and which must be submitted to the Director.

6 - Determine the royalty to be paid not to exceed 10% of the sales value of minerals and payment schedules and procedures.

7 - Fees payable on applications, licenses, franchises, incentives, and royalties.

8 - Manual methods and simple mechanism used in the mining of living.

Article (16): If the owner does not have a license or privilege of mining royalty payment due date established in the Ministry may prevent him from disposing of any metal mining area, or in any other region to be in possession until payment of all amounts due.

Article (17): In addition to the fees assessed on applications for licenses or mining concessions pay licenses or mining concessions by the Regulations.

Article (18): The Minister may suspend or revoke the right of mining if it goes against the owner of this right to the provisions of this Act or the Regulations or mineral exploitation agreement or fails to pay any amount due him. And must be pre-stop or cancel the mining right to notify the person concerned in writing of deficiencies and the past sixty days without having to rectify the violation or agreed to pay an appropriate amount acceptable to the Minister when the violation is not corrected.

PART VI CONTROL AND INSPECTION

Article (19): The officers designated by the Ministry the right to:

1 - entry and inspection and examination of the mine or quarry at any time during working hours without nullifying or impairing the work.

2 - make the necessary investigations regarding the situation and the prevailing conditions in the mine or quarry and the adequacy of procedures, especially those linked to the safety of its employees.

Article (20): The Minister of Justice in agreement with the minister a decision to give law officers of the employees concerned, adjust the violations set forth in this law.

PART VII SANCTIONS

Article (21): Without prejudice to any severer penalty provided for by the Penal Code or any other law shall be punished:

A - A fine not exceeding five thousand riyals:

1 - Anyone who violates the provisions of Articles (4), (10) and (11) of the Act.

2 - both preclude any of the staff mentioned in article (19) of this Act to perform the duties of his job, or refuse or delay in providing facilities that enable him to enter the mine or quarry, or an inspection or examination or investigation.

B - A fine not exceeding ten thousand riyals and imprisonment for a term not exceeding two years or either of the following:

- 1 - Deliberately false or made a statement contrary to fact regarding any license or concession granted under the Mining Act.
- 2 - The use of deliberately false testimony regarding this law.
- 3 - Prepared or provided or use of any declaration or statement or evidence of incorrect knowingly to receive, for himself or any other person on the license or concession to the mining or to renew any of them.
- 4 - Falsified any record or book must be holding it in accordance with the provisions of this law and its implementing regulations.
- 5 - Free or provided to the Ministry a notice or disclosure or other record or report contains a statement is incorrect with the knowledge to do so.