

First Schedule: fees, expenditures and penalties

Table A1: Fees to accompany submission of forms

Category	Fee
Application for a reconnaissance licence	\$250
Application to renew a reconnaissance licence	\$250
Application for an exploration licence	\$250
Application to renew an exploration licence	\$250
Application to surrender part or all of a licence	\$100
Application for an artisanal mining licence	Le 50,000
Application to renew an artisanal mining licence	Le 10,000
Application for a small-scale mining licence	\$500
Application renew a small-scale mining licence	\$350
Application for a large-scale mining licence	\$2,500
Application to renew a large-scale mining licence	\$2,500
Application to transfer a licence	\$500
Application to amend an approved work programme	\$100
Report of mineral discovery	Nil
Application to export minerals or samples	\$50
Request to withdraw application previously submitted	Nil
Application for dredging permit	\$250
Application to renew dredging permit	\$250
Application for radioactive minerals permit	\$250
Application to renew radioactive minerals permit	\$250
Application to register artisanal Mine Manager	Le 100,000
Application to renew registration of artisanal Mine Manager	Le 100,000

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TableA2: Annual charges for mineral rights

Category	Charge
Reconnaissance Licence	\$5,000
Exploration Licence (Years 1 to 4)	\$100 per km ²
Exploration Licence (Years 5 to 9) – first 125 km ²	\$400 per km ²
Exploration Licence (Years 5 to 9) – parts of areas in excess of 125 km ²	\$800 per km ²
Artisanal Mining Licence	Le 250,000
Artisanal Licence Rehabilitation Fund	Le 150,000
Small-scale Mining Licence	\$600 per ha
Large-scale Mining Licence	\$200,000
Dredging permit (artisanal & exploration licences)	\$500
Dredging permit (small-scale mining)	\$10,000
Dredging permit (large-scale)	\$20,000
Radioactive minerals permit	\$20,000

Table A3: Fees for supply of information

Type of information	Fee
Access to browse open-file reports (paper and/or digital copies)	\$10 per half day
Inspection of the cadastral survey map of mineral rights and applications	Free
Supply of GPS coordinates or copy of part of the cadastral map	\$10
Access to inspect the register of mineral rights & applications etc (pursuant to Section 49 of Act)	\$25 per 30 minutes
Photocopy of open-file report (A4 size)	Le 1,000 per page
Photocopy of map or plan (A2 size)	\$5
Digital copy of open-file report (as pdf file on CD or DVD)	\$50 per report
Certificate D22 confirming information relating to a mineral right (pursuant to Section 47 of Act)	\$25 per item

Table A4: Minimum expenditures under reconnaissance and exploration licences

Mineral Right	Fixed Amount	Area-based Rate
Reconnaissance Licence	\$25,000	Nil
Exploration Licence (Year 1)	\$50,000	\$200 per km ²
Exploration Licence (Year 2)	\$50,000	\$400 per km ²
Exploration Licence (Year 3)	\$50,000	\$800 per km ²
Exploration Licence (Year 4)	\$50,000	\$1,600 per km ²
Exploration Licence (Year 5)	\$50,000	\$3,200 per km ²
Exploration Licence (Year 6)	\$50,000	\$6,400 per km ²
Exploration Licence (Year 7)	\$50,000	\$12,800 per km ²
Exploration Licence (Year 8)	\$50,000	\$25,600 per km ²
Exploration Licence (Year 9)	\$50,000	\$51,200 per km ²

NOTE:

The minimum annual expenditure under an Exploration Licence in any year is determined by adding a Fixed Amount to an Area-based component, itself calculated by multiplying the 'Area-based Rate' for the year in question by the size of the licence area in square kilometres.

Table A4 can be used to determine *minimum* acceptable expenditures per square kilometre (km²), but the actual required expenditure may be higher, commensurate with the content of the work programme. It should be further noted that where, in any year, the expenditure commitment is set above the minimum determined from Table A4, the expenditure in the following year will rise proportionately. To determine the Area-based Rate in any subsequent year where only the total expenditure commitment is stated, the Fixed Amount shown in the table above should be deducted from the total annual expenditure stated in the Licence, and the result divided by the number of square kilometres. This will give the Area-based Rate in \$ per square kilometre. In subsequent years, this Area-based Rate will double year on year.

Table A5: Allowable items of expenditure under reconnaissance and exploration licences

- **Geological, geophysical, remote sensing and geochemical surveys:** costs incurred in carrying out surveys; collection of samples; sample preparation; laboratory analysis and data processing; shipment and associated costs incurred in laboratory analysis; purchase of digital data; data processing, interpretation, assessment and presentation of results. May include specialist subcontractor costs related to any of the above.
- **Drilling costs:** site preparation (construction and repair of access roads, drill sites, camp sites and water supply) and rehabilitation; drilling and completion costs (rigging-up, drilling, coring, fishing, casing, logging and other surveys, core analyses, rigging-down, consumable goods, hire of plant and equipment; hire of specialist drilling services; downhole surveys; repair and maintenance). May include specialist subcontractor costs related to any of the above.
- **Logistics:** salaries and wages (supervisory, technical and non-technical); costs of establishing and operating field camps; transportation including fuel & maintenance (personnel, plant, equipment, materials); insurance (personnel and equipment); and preparation of maps, reports, reproduction costs.
- **Depreciation:** amortisation of all owned equipment used in the exploration (vehicles; machinery, including drilling equipment; geological and geophysical equipment) — 20% per full year employed.
- **Administration costs:** that portion of the total costs of running a local office apportioned and attributable to the licence (up to maximum of 15% of total expenditure incurred).
- **Access:** Costs relating to any payments for ground access.
- **Other:** Any other costs carried out as a necessary and legitimate part of exploration may be included including measures to protect the environment or make good any damage caused.
- **Not allowable:** The cost of reconnaissance and exploration shall not include:
 - capital cost of vehicles, equipment and machinery (covered by depreciation)
 - mineral rights' application and annual charges payable under the Act;
 - financial penalties imposed under the Act or regulations;
 - compensation payments made to landowners under the Act;
 - costs attributable to any parent company;
 - costs associated with any overseas offices unless directly related to the licence;
 - overseas expenses including international travel unless incurred by staff in direct fulfilment of, and working wholly for, the programme;
 - attendance at conferences; and
 - costs associated with promotional activities, external negotiations, securing of funding etc.

All facilities and expenses (e.g. office costs; staff costs; travel; vehicles; etc) that also support other mineral rights licences or business activities, must be apportioned according to their specific contribution and relevance to the licence. Only that part of the cost directly attributable to the licence may be claimed, and only then within the category limits stated above.

Table A6: Penalties

Offence against regulations	Penalty
Late or non-compliant technical report	\$500
Late or non-compliant audited financial report	\$500
Failure to keep complete technical records	\$500
Late or non-payment of annual charges	5% per month
Failure to pay penalty on time	20% per month
Failure to notify Minister of substantial changes in ownership	\$1,000
Failure to comply with official written instruction	\$1,000
Failure to commence work within time limit specified in Act	\$1,000
Failure to notify Minister when large-scale mine commences work for profit	\$1,000
Failure to notify Minister of termination, suspension or reduction of production under large-scale mining licence	\$2,000
Failure to meet minimum expenditure requirement (after first carry forward)	Deficit becomes debt to GoSL
Violation of any health and safety provision or failure to follow directives or maintain accident register	\$1,000
Violation of agreed environmental management programme or failure to carry out rehabilitation or reclamation	\$2,000
Failure to honour employment and training commitments or requirements of Act	\$1,000