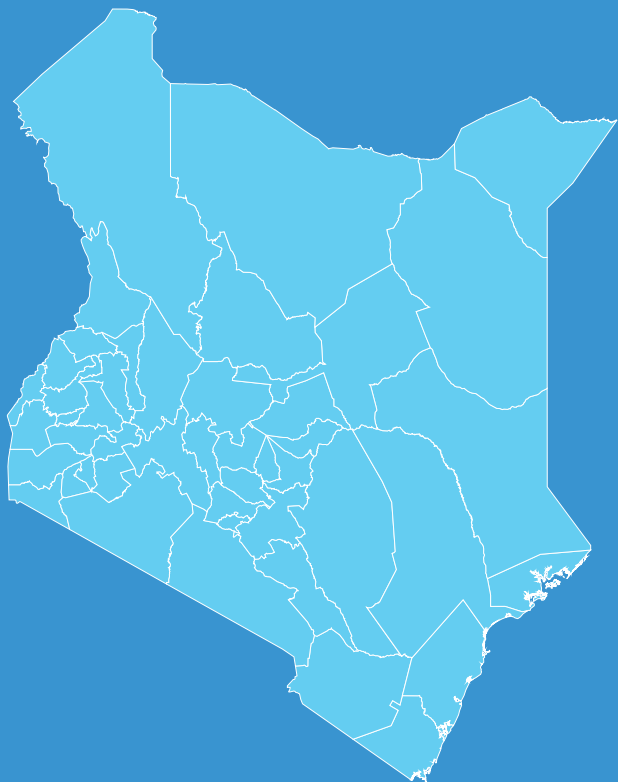


MINING LICENCE PROCESS MAP

KENYA



LICENCE:

PROSPECTING
& MINING

RESOURCE TYPE:

ALL MINERALS

SCALE:

LARGE-SCALE

ACTORS:



In Kenya, all minerals are vested in the national government in trust for the people of Kenya.

This licence map describes the process of awarding the Prospecting Licence (PL), which allows a mining company to search for and define the extent of a mineral deposit and to determine its economic value. A holder of a prospecting licence enjoys exclusive rights to carry out prospecting operations in the areas covered by the licence.

Companies do not apply directly for mining leases but must first apply for a PL, which is then graduated to a mining lease.

The Mining Act 2016 governs the process of awarding mining rights. Mining licences are awarded on a first come, first served basis and are administered by the Mineral Rights Board. This is a statutory authority that provides recommendations to the Cabinet Secretary from the Ministry of Petroleum and Mining, who is ultimately responsible for awarding mining rights.

Applicants can then apply for the Mining Licence, which involves undertaking a mining feasibility study on the established mineral deposit, conducting an Environmental Impact Assessment and obtaining an environmental licence.

The term for a prospecting licence is up to 3 years and renewable only twice (9 years in total). The term of a mining licence shall not exceed 25 years or the forecast life of the mine, whichever is shorter and is specified in the licence. This is renewable for up to 15 years or for the remaining life of mine base.



PROSPECTING & EXPLOITATION

STEPS:

ACTORS:



1 LODGE APPLICATION

A company lodges an application for a prospecting license with the Mineral Rights Board through the online mining cadastre Portal. The applicant is required to submit proof of identity through a letter of authorisation signed by the company authorising the individual to make an application on behalf of a company. A user profile is automatically created.



1.2 When lodging the application, the applicant must also pay an application fee.



1.3 ACCEPT

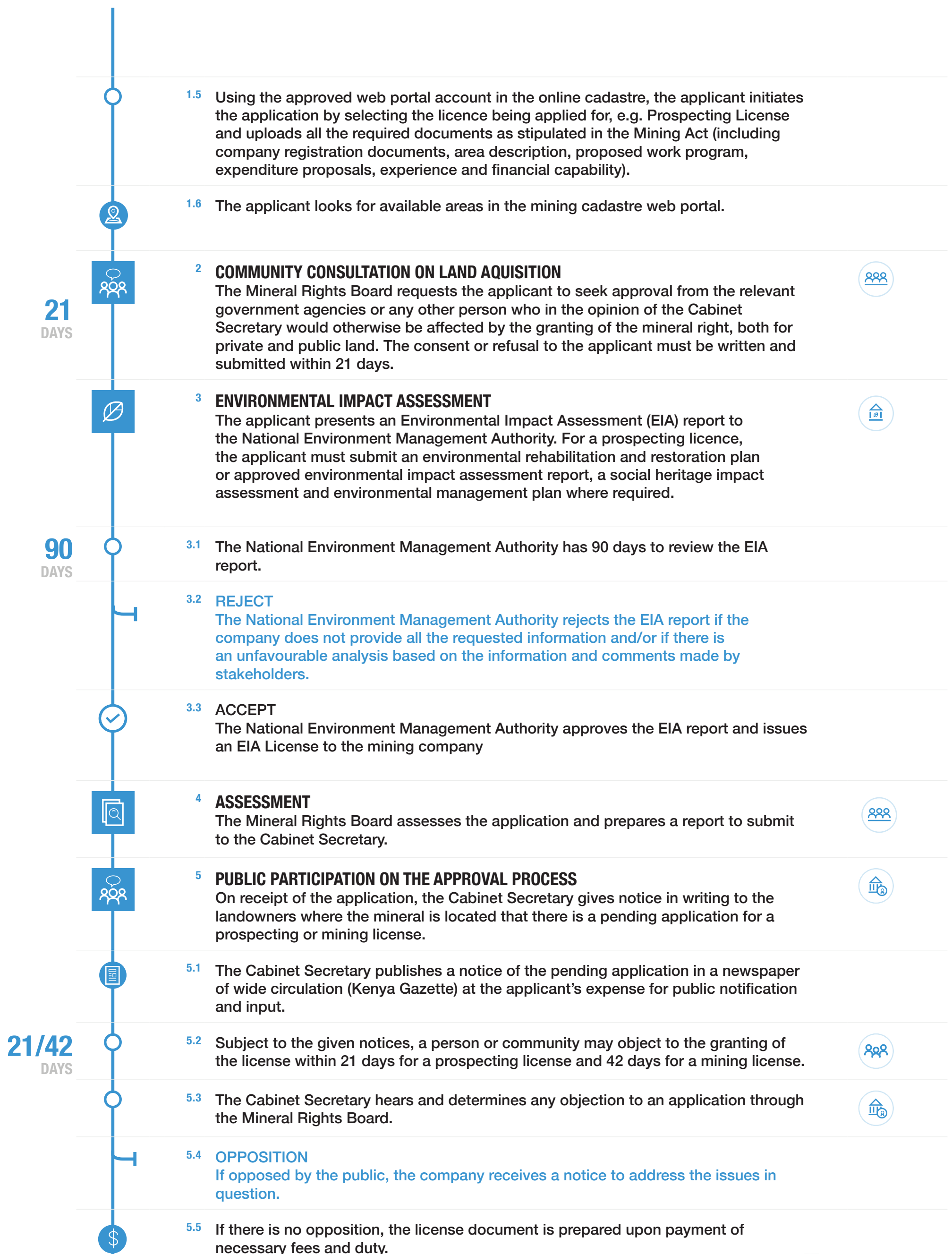
The Mineral Rights Board verifies the application and emails the applicant confirmation that the necessary documents have been submitted.



1.4 REJECT

The application for a web portal is rejected if any documents are missing or payment is incomplete. The Mineral Rights Board notifies the applicant to provide the missing information. If the applicant fails to do so, the application is rejected.

MINING LICENCE PROCESS MAP KENYA



MINING LICENCE PROCESS MAP KENYA

90/120
DAYS



6 LICENCE APPROVAL

The Cabinet Secretary, on the recommendation of the Mineral Rights Board, approves or reject an application within 90 days for a prospecting license or 120 days for a mining license.



6.1 The Cabinet Secretary notifies the Mineral Rights Board of the decision to approve or reject an application before notifying the applicant.

21
DAYS



6.2 APPROVE

The Cabinet Secretary notifies the applicant that their application has been successful. The applicant must accept the offer in writing within 21 days after this notification.

30
DAYS



6.3 REJECT

If the application is rejected, the applicant may appeal to the High Court within 30 days of the decision.



7 EXCLUSIVE PROSPECTING LICENCE GRANTED

The company is supposed to commence prospecting operations within 3 months of being granted the prospecting licence, or a period specified in the approved programme for prospecting operation. The company must not hold more than ten prospecting licences concurrently.



8 MINING LEASE GRANTED

Once a company has received a prospecting licence, it can apply directly for a mining license.

For any considerable reasons as stipulated in the Mining Act and regulations, the company might apply for a retention licence to preserve the area before applying for a mining licence.

To apply for a mining licence, the company must undertake a mining feasibility study on the established mineral deposit (including conducting an EIA and obtaining an environmental license) and upload these via the online mining cadastre.

The company then carries out a cadastral survey of the deposit area by a registered surveyor. Once the survey is done and uploaded in the online cadastre the company is issued with a mining license.

Note: If the company is confident with the economic value of a mineral, it may decide to apply directly for a mining licence without prospecting.