

HOW TO OBTAIN A MINING LICENSE

Firstly to start any business in mining other than buying and selling, one has to obtain a Prospecting License.

After prospecting, one can apply for;

- I. an Exploration License; or
- II. a Mining Lease for proven deposits; or
- III. a Location License for proven deposits and ownership 100% local or Joint Venture/partnership of at least 51% local.

A. PROSPECTING LICENSE (PL)

Granted for one year non-renewable; not a mineral right, expires at the anniversary of grant

Requirements for a PL

1. Individual (Must be a Ugandan)
 - a) Valid Identification e.g. Passport, Voter's Card, Driving Permit, etc
 - b) Executed Form I
 - c) Payment of 500,000/= as statutory fees
2. Company/Association
 - a) Certified copy of certificate of incorporation/Registration
 - b) Certified copy of articles and memorandum of association/Constitution
 - c) Authority letter
 - d) Executed Form I
 - e) Payment of 500,000/= as statutory fees

B. EXPLORATION LICENSE (EL)

Granted for a period not exceeding three (3) years, renewable for a period not exceeding two (2) years twice

Requirements for an EL

1. Valid Prospecting License
2. Submitted PL returns
3. Map of desired area at 1:50,000 scale
4. Work Program for the exploration operations
5. Project Brief
6. Executed Form II
7. Adequate financial competence

Fees for an EL

1. 500,000/= registration fees
2. 1,000,000/= preparation/application fees
3. 50,000/= per km² or part of a km² as mineral rent annually
4. 300,000/= for gazetting grant of EL

NB: The holder of an exploration licence may apply to the Commissioner for the grant of a retention licence on the grounds that -

- a) he or she has identified a mineral deposit within the exploration area which is potentially of commercial significance; and
- b) such mineral deposit cannot be developed immediately by reason of adverse market conditions, economic factors and other factors beyond their reasonable control, which are of a temporary nature.

C. RETENTION LICENSE (RL)

Granted for a period not exceeding three (3) years, renewable for a period not exceeding two (2) years once

Requirements for an RL

1. Valid Exploration License
2. Feasibility study and assessments by appropriate experts or consultants acceptable to the Commissioner on

- a) The extent and prospect for recovery and the commercial and economic significance of the mineral deposit concerned.
 - b) The impact of mining operations on the environment and ways and means of eliminating or minimising any adverse effects; and
3. Such other information as the Commissioner may reasonably require regarding the proposals of the applicant for the retention and development of the deposit

Fees for an RL

1. 500,000/= registration fees
2. 5,000,000/= preparation/application fees
3. 100,000/= per km² or part of a km² as mineral rent annually
4. 300,000/= for gazetting grant of RL

D. LOCATION LICENSE (LL)

Granted for a period not exceeding two (2) years to only Ugandans if an individual and if a company at least 51% shares to be held by Ugandans. Renewable for a period not exceeding two (2) years until the deposit is exhausted

Requirements for an LL

1. Valid Prospecting License, Exploration License or Retention License
2. Submitted PL returns, EL reports and RL reports where necessary
3. Map of desired area at 1:50,000 scale
4. Work Program for the Location operations
5. Executed Form IV
6. Adequate financial competence

Fees for an LL

1. 500,000/= registration fees
2. 800,000/= preparation/application fees
3. 1,000,000/= mineral rent annually
4. 300,000/= for gazetting grant of LL

E. MINING LEASE (ML)

Granted for a period not exceeding twenty one (21) years or the life of the ore body to be mined, whichever is shorter. Renewable for a period not exceeding fifteen (15) years or the life of the deposit whichever is shorter until the deposit is exhausted.

Requirements for an ML

1. Valid Prospecting License, Exploration License or Retention License
2. Submitted PL returns, EL reports or RL reports where necessary
3. Map of desired area at a scale of 1:50,000
4. Mine Plan and Feasibility study
5. Approved Environment Impact Assessment (EIA) by NEMA
6. Executed Form II
7. Adequate financial competence

Fees for an ML

1. 500,000/= registration fees
2. 5,000,000/= preparation/application fees
3. 100,000/= per hectare or part of an hectare as mineral rent annually
4. 600,000/= for gazetting; at application and grant of ML