

Unofficial Translation Valentis Resources



# MYANMAR MINES LAW

## Unofficial Translation and Comparison

27 January 2016  
(Updated from original translation dated 02 January 2016)

## MYANMAR MINES LAW COMPARISON TABLE

27 January 2016 (Updated from original translation dated 02 January 2016)

THE STATE LAW AND ORDER RESTORATION COUNCIL The Myanmar Mines Law (The State Law and Order Restoration Council Law No. 8/94) The 2nd Waxing of Tawthalin, 1356 M.E. ( 6th September, 1994)	THE LAW AMENDING THE MYANMAR MINES LAW Union Parliament Law No. 72/2015 The 13th waxing day of Nattaw, 1377 ME December 24th , 2015
The State Law and Order Restoration Council hereby enacts the following Law : -	The union parliament hereby enacted this Law.
<b>CHAPTER I</b> Title and Definition	
1. This Law shall be called the Myanmar Mines Law.	1. This law shall be called the Law Amending the Myanmar Mines Law.
2. The following expressions contained in this Law shall have the meanings given hereunder -	2. Under Section 2 of the Myanmar Mines Law- (a) Sub section (b) shall be replaced as provided below
(a) Mine means place, excavation or worksite where mining is carried on or various operations, building land, machinery and equipment connected with mining or mineral processing at any place contiguous to such place of mining excavation or worksite. The said expression also includes quarries where industrial mineral and stone are mined.	
(b) Mineral means gemstone, metallic mineral industrial mineral and stone obtained from the earth by mining or by any other operation.	“(b) “Mineral” means metallic mineral, raw material of industrial minerals and stones obtained from the earth by mining or by other operation. Minerals excavated from the sea, rivers, stream, Lakes and soil under water are also included in this term.

(c) Gemstone means ruby, sapphire, jade diamond, spinel, peridot, chrysoberyl, tourmaline, danburite, aquamarine, zircon, topaz, phenakite, garnet, moonstone, iolite, apatite, epidote, lapis-lazuli, diopside, amber, fluorspar, nephrite, or stones of gems quality of the quartz group, which has not been processed. The said expression also includes substances which may be declared by the Ministry by notification with the approval of the Government from time to time to be gemstone;

(b) Sub section (c) shall be deleted.

(d) Metallic Mineral means golds, silver, platinum, iridium, osmium, palladium, ruthenium, rhodium, tantalum, columbium, niobium, uranium, thorium, iron, zinc, copper, lead, tin, tungsten, nickel, antimony, aluminium, arsenic, bismuth, cadmium, chromium, cobalt, or manganese. The said expression also includes substances which may be declared by the Ministry by notification with the approval of the Government from time to time to be metallic mineral:

(e) Industrial Mineral means coal, limestone, gypsum, baryte, graphite, manganese dioxide, dolomite, fluorite, fire clay, ball clay, industrial clay, feldspar, magnesite, red ochre, yellow ochre, soap stone, bentonite, asbestos, zinc carbonate, muscovite or biotite. The said expression also includes substances which may be declared by the Ministry by notification with the approval of the Government from time to time to be an industrial mineral;

(f) Stone means limestone, quartz, granite, marble, pegmatite, or gneiss that are of the quality to produce decorative stone. The said expression also includes substances which may be declared by the Ministry by notification with the approval of the Government from time to time to be stone of decorative stone quality, but does not include Stones which are not of the decorative stone quality and are usually used for road making;

(g) Permit means a permit issued under this Law for the purpose of mineral prospecting, exploration or production issued separately or as an integrated permit;

(c) Sub Section (g) shall be replaced with the following –  
“(g) “Permit” means a permit issued under this Law for the purpose of implementing either one or more of the following activities such as mineral prospecting, surveying and testing, feasibility studying, exploration or production, processing, selling and buying of minerals.

(h) Mineral Prospecting means searching for minerals and mineral deposits. The said expression also includes the process of testing mineral bearing qualities of the land;

(i) Mineral Exploration means defining and gaining knowledge of the size, shape, location, quality and quantity of a mineral deposit;

(d) Sub Section (i) shall be replaced with the following –  
“(i) “Mineral Exploration” means surveying and measuring to gain knowledge of the type, location, size, shape, quality and volume of a mineral deposit.  
(e) The sub-section (i (1)) shall be added after the section 2 (i) as follow–  
“(i)(a) feasibility studying means examining a mineral deposit to ensure whether it can be mined commercially or not when mineral exploration and prospection have been completed to that deposit. The expression of “the method to excavate the minerals, calculation for venture financing and commercial production, system for impact analysis on environment and social welfare” are included in this term.

(j) Mineral Production means all stages of operation for obtaining minerals. The said expression also includes any or all stages of mining and mineral processing activity;

(f) After the sub section (j), the sub section (j)(1) shall be added as follow –  
“(j)(1) Buying and selling of minerals” means purchasing, selling, transporting and storing of produced minerals.

(k) Large Scale Production means commercial production of mineral which requires substantial investment and expenditure or special technical know-how and methods;

(g) Sub section (K) shall be replaced with the following–  
“(K) Large Scale extraction means the commercial production of the mineral as business activity with the permission to produce from 15 years to 50 years and which requires substantial investment and expenditure or special technical know-how and methods according to the volume of the mineral deposit

	(h) After the section (K), the sub-section (K)(1) shall be added as follow- “(K) (1) Medium Scale extraction means the extraction of minerals with the permission to extract up to 15 years and where the mineral vein or bonanza has the appropriate volume and such production requires moderate amount of investment and expenses or limited technologies and methods according to the possibility to produce the mineral commercially.
(l) Small Scale Production means commercial production of mineral which does not require substantial investment and expenditure or special technical know-how and methods;	(i) Section (l), (m), (n), (o), (p) and (q) shall be replaced with the followings- “(l) Small scale extraction means the commercial production of the mineral as a business with the permission to produce up to 10 years and which requires small investments according to lower possibility of mineral productivity.”
(m) Subsistence Production means production of mineral using ordinary hand tools;	“(m) Subsistence production” means production of minerals by using either ordinary hand tools or other machinery equipment which horse power will not exceed than what it is stated and required by rules issued in accordance with the Law.”
(n) Mineral Processing means the beneficiation of ore or mineral to improve their grade or their value. The said expression includes operation of mineral dressing, concentration, smelting, refining to obtain mineral concentrates and refined metals and cutting, polishing of raw gemstones to obtain finished products, but does not include cutting, polishing of raw gemstones on a small scale prescribed by the Ministry by notification with the approval of the government from time to time;	“(n) Mineral processing” means the beneficiation of mineral to improve their quality grade or their value. The said expression includes operation of mineral or owe dressing, purifying, smelting, polishing, electrolyzing and molding to obtain mineral concentrates and refined metals.
(o) Ministry means the Ministry of Mines;	“(o) Directorate” means the Directorate of Mines”
(p) Department means the Planning and Work Inspection Department of the Ministry of Mines;	“(p) Director General means the Director General of the Directorate of Mines”
(q) Director General means the Director General of the Planning and Work Inspection Department of the Ministry of Mines.	

## CHAPTER II

### Objectives

3. The objectives of this Law are as follows: –

- (a) to implement the Mineral Resources Policy of the Government;
- (b) to fulfil the domestic requirements and to increase export by
- (c) producing more mineral products;
- (d) to promote development of local and foreign investment in respect of mineral resources;
- (e) to supervise, scrutinize and approve applications submitted by person or organization desirous of conducting mineral prospecting, exploration or production;
- (f) to carry out for the development of , conservation, utilization and research works of mineral resources;
- (g) to protect the environmental conservation works that may have detrimental effects due to mining operation.

3.The section 3, sub section (c) of Myanmar Mines Law shall be replaced with the following–  
“(c) to promote development of investment in respect of mineral resources”

## CHAPTER III

### Application and Granting of Permit

4. A person or organization, desirous of carrying out any of the following operations shall apply to the Ministry in accordance with the stipulations for obtaining a permit : –

- (a) prospecting, exploration, large scale production or small scale production of gemstone;
- (b) prospecting, exploration, large scale production or small scale production or metallic mineral;
- (c) large scale production of industrial minerals;
- (d) large scale production of stones.

4. Section 4 of Myanmar Mines Law shall be replaced with the followings–  
“4. A person or organization, desirous of carrying out any of the following operations, shall apply to the Ministry in accordance with the stipulations for obtaining permit:–

- (a) Prospecting, exploration and testing, feasibility studying, large scale production and processing, or buying and selling of mineral, industrial mineral or stones involving foreign investment
- (b) Prospecting, exploration and testing, feasibility studying, large scale production and processing, or buying and selling of mineral, industrial mineral or stones which involves citizen investment
- (c) Prospecting, exploration and testing, feasibility studying, medium scale production and processing, or buying and selling of mineral or industrial mineral involving citizen investment
- (d) Citizen investment involving in prospecting, exploration and testing, small scale production and processing, or buying and selling of mineral or industrial mineral

	<p>that is limited by notifications issued by the Ministry</p> <p>(e) Integrated operation at least three of the prospecting, exploration and testing, feasibility studying, medium or small scale production and processing, or buying and selling of mineral or industrial mineral involving citizen investment</p> <p>(f) Changing into joint venture large scale extraction involving foreign investment by the citizen who have already been permitted to operate the medium or small scale extracting, processing, buying and selling of mineral, raw material of industrial mineral and stones with citizen investment only by depending upon the geographical and surveyed reports, quality and volume of the mineral deposit.</p>
<p>5. A person or organization, desirous of carrying out any of the following operations shall apply to the Department in accordance with the stipulations for a permit: –</p> <p>(a) prospecting, exploration or small scale production of industrial mineral;</p> <p>(b) prospecting, exploration or small scale production of stone.</p>	<p>5. Section 5 of the Myanmar Mines Law shall be replaced with the following–</p> <p>“5. (a) A person or organization, desirous of carrying out stone prospecting, exploring and surveying, feasibility studying, medium scale producing and processing, or buying and selling of stones shall apply to the Directorate in accordance with the stipulations for obtaining a permit.</p> <p>“ (b) A person or organization, desirous of carrying out small scale production of stones or stones limited and prescribed in the notification by the Ministry shall apply to the Directorate in accordance with the stipulations for obtaining a permit.”</p>
<p>6. A person or organization, desirous of carrying out subsistence production of gemstone, metallic mineral, industrial mineral or stone, prescribed in the notification by the Ministry shall apply to the respective Mining Enterprise or to the officer authorized by the Ministry in accordance with the stipulations for obtaining a permit.</p>	<p>6. Section 6 of the Myanmar Mines Law shall be replaced with the following–</p> <p>“ 6. A person or organization, with citizen investment, desirous of carrying out mineral prospecting, exploration, small scale production or subsistence production and mineral processing, or buying and selling of mineral or metallic material (Section 2–d of the Law) or industrial minerals (Section 2–e of the Law) or stones which are administered by the divisional or the state government in accordance with the rules promulgated under this Law, shall apply to the respective Divisional or State mining Plot Scrutinizing and Permit Granting Board formed and assigned with the consent off the Union Government.</p>
	<p>7. The sub section 6 (a) shall be added after section 6 of the Myanmar Mines Law as following– described hereunder;</p> <p>“(6)(a) the ministry may, with the consent of the Union Government, form the Divisional or State Plot Scrutinizing and Permit Granting Board.</p>

7. The Ministry may, with the approval of the Government grant permit for any of the following operations: –

- (a) prospecting, exploration, large scale production or small scale production of gemstone, metallic mineral, industrial mineral or stone involving foreign investment;
- (b) prospecting, exploration, large scale production of gemstone with local investment;
- (c) prospecting, exploration, large scale production or small scale production of metallic mineral with local investment.

8. The Ministry may grant permit for the following operations:–

- (a) large scale production of industrial mineral or stone with local investment;
- (b) integrated prospecting, exploration, large scale production or small scale production of industrial mineral or stone with local investment.

8. Section 7 of the Myanmar Mines law shall be replaced with the following–

“7. The Ministry shall, with the consent of the Union Government, grant the permit to implement one or more of the following operations–

- (a) Mineral or raw material of industrial minerals or stone prospecting, exploration, testing and surveying, feasibility studying, large scale production, processing, buying and selling with the involvement of foreign investment.
- (b) Mineral prospecting, exploration, testing and surveying, feasibility studying, large scale production, processing, buying and selling with the citizen investment.
- (c) Changing into joint venture large scale extraction involving foreign investment by the citizen who have already been permitted to operate the medium or small scale extracting, processing, buying and selling of mineral, raw material of industrial mineral and stones with citizen investment only by depending upon the geographical and surveyed reports, quality and volume of the mineral deposit.

9. Section 8 of the Myanmar Mines Law shall be replaced with the following–

“8. The ministry may grant the permit to enable to operate any particular one or more of the following operations in accordance with the stipulations.

- (a) Prospecting, exploration, testing and surveying, feasibility studying, large scale production, processing, buying and selling of raw material of industrial minerals or stone, with the citizen investment.
- (b) Prospecting, exploration, testing and surveying, feasibility studying, medium scale production, processing, buying and selling of raw material of industrial minerals or mineral, with the citizen investment.
- (c) Prospecting, exploration and testing, small scale production and processing, or buying and selling of mineral or raw material of industrial minerals which are limited by notifications issued by the Ministry with the citizen investment.
- (d) Integrated operations at least three of the prospecting, exploration and testing, feasibility studying, medium or small scale production and processing, or buying and selling of mineral or raw material of industrial minerals involving citizen investment
- (e) Operating the mine under the specific rules and regulations, and which can be excavated commercially as per the sufficient geographical facts and volume of the mineral vein in accordance with the auction system.



9. The Department may, with the approval of the Ministry, grant permit, for any of the following operation: –

- (a) prospecting, exploration or small scale production of industrial mineral with local investment.
- (b) prospecting, exploration or small scale production of stone with local investment.

10. The respective Mining Enterprise or the officer authorized by the Ministry may issue permit in respect of subsistence production, of gemstone, metallic mineral industrial mineral or stone, specified in the notification by the Ministry.

11. The Ministry shall determine the classification of large scale production, small scale production or subsistence production as defined in sub-section (k), (l), (m) of section 2.

10. Section 9 of the Myanmar Mines Law shall be replaced with the following–  
“9. The Directorate may–

- (a) with the approval of the Ministry and in accordance with the stipulations, grant permit to the citizen or organization for their applying to operate prospecting, exploration or medium scale production and processing or buying and selling of stone.
- (b) with the approval of the Ministry and in accordance with the stipulations, grant permit to the citizen or organization for their applying to operate prospecting, exploration or small scale production and processing or buying and selling of stone which are limited by notification issued by the Ministry.

11. The Section 10 of the Myanmar Mines Law shall be replaced with the following–  
“10. The mines plot scrutinizing and permit granting board<sup>1</sup> which has been organized in each Region and State with the approval of Union Government may, upon scrutinizing the application made by the person or organization under Section 6 and obtaining comments from the Ministry, grant the permit to carry out prospecting, exploration, small scale or subsistence production and mineral processing, or trading mineral or industrial minerals or gemstones, that can be operated in respective Region or State.

12. The Section 11 of the Myanmar Mines Law shall be replaced with the following–  
“11. The Ministry shall, for the classification of large scale production, medium scale production, small scale production and subsistence production, take into consideration of the terms of the operation, operational area, distance across, investment volume, machinery, and usage of equipment in accordance with the sub-section (k) (k)(1)), (l), (m) of section 2.

13. After the Section 11 of the Myanmar Mines Law, the subsection 11(a) and 11 (b) shall be added as follow–

- “11 (a). the scrutinizing and permit granting board formed for the respective division or state with the consent of approving Ministry, Directorate or by the Union Government shall grant the permit to those who sought the permit for mining of mineral at a plot where he had successfully done the mineral prospecting, exploring and feasibility studying simultaneously with the approval.
- 11 (b) a person who is, without producing the mineral by himself , desirous of

purchasing and processing of the such mineral from a persons who produces the same with the permit shall apply and obtain the permit for the mineral buying and selling business separately.

#### CHAPTER IV Duties of the Holder of Permit

12. The holder of permit shall: –

- (a) abide by the provisions of this Law, rulers, orders and directives made thereunder.
- (b) abide by the conditions contained in the permit;
- (c) pay rent for the land related to the permit calculated in accordance with the rates prescribed by the rules made under this Law;
- (d) pay rent for the land for each permit separately;
- (e) pay security deposit or advance payment or both security deposit and advance payment;
- (f) pay prescribed royalty and other fees payable under this Law either in Myanmar currency of foreign currency, or both Myanmar and foreign currencies.

13. The holder of permit shall comply with the rules prescribed under this Law in respect of the following matters: –

- (a) appointment of mine personnel and workers, assignment of work, prescribing of age, wages, salaries and other fees; fixing of working days and working hours for the above and under ground workers in a mine;
- (c) making provisions for safety and the prevention of accidents in a mine and their implementation;
- (d) making and implementation of plans relating to the welfare, health, sanitation and discipline of personnel and workers in a mine;
- (e) making provisions for the environmental conservation works that may have detrimental effects due to mining operation;
- (f) reporting of accidents, loss of life and bodily injury received due to such accidents in the mine;
- (g) submission to the inspection of the Chief inspector and inspectors.

14. Section 12, sub section (f) of the Myanmar Mines Law shall be replaced with the following–

“(f) pay prescribed royalty and other fees payable under this Law either by the cash or the mineral proportion in accordance with the stipulation.”

15. After the Sub- section 12 (f) of the Myanmar Mines Law the following paragraph shall be added as sub-section (g).

“(g) the royalty payable either in Myanmar currency or in foreign currency when the business involves foreign investment shall be contributed only in Myanmar currency which is equivalent to currency exchange rate stated by the Central Bank of Myanmar ”

16. After the section 13 (e) of the Myanmar Mines Law, the subsection (e) (1) and (e) (2) shall be added as follow–

“(e)(1) ensure not to harm to the socioeconomic of local people and to minimized the environmental damages and reserve a fund for annual environmental conservation”.

(e)(2) be preserving, conserving and rehabilitating the earth, and establishing a fund for reforesting the project area in accordance with the requirements stated in the mine exit plans, once the mining project or the plot has been ended or shut down.

## CHAPTER V

### Right of Utilization of Land and Water for Mineral Production

14. The holder of permit for mineral production within an area under the Ministry's administrative control or which does not lie within the Mineral Reserve Area or Gemstone Tract, shall carry out such production only after co-ordinating and receiving agreement from the individual or organization having the right of cultivation, right of possession, right of use and occupancy, beneficial enjoyment, right of succession or transfer of the said land.

15. If, in the interest of the State, it is necessary to acquire the land where mineral production could be under taken on commercial scale, the Ministry shall co-ordinate with the relevant Ministry of the acquisition of such land in accordance with the existing Law.

16. If the holder of mineral production permit requires the use of public water for mineral production he shall first and foremost inform the Department of such requirement in accordance with the prescribed manner.

17. If the Department, after scrutinizing the requirement submitted under section 16 finds that the use of public water is really necessary for the holder of mineral production permit, it shall co-ordinate with the relevant government department and organization for obtaining permission to use water in accordance with the existing Law.

## CHAPTER VI

### Royalty

18. The holder of mineral production permit shall pay royalty, on the value of the mineral sold when the sale is affected on the mineral produced by him within the rates mentioned below as determined by the Ministry: –

- (a) for gemstone at the rate of 5 % to 7.5 % .
- (b) for gold, silver, platinum, iridium, osmium, palladium ruthenium, rhodium, tantalum, columbium, niobium, uranium, thorium and other precious metallic minerals that the Ministry may, with the approval of the Government prescribe and publish by notification

17. The section 18 of the Myanmar Mines Law shall be replaced with the following–  
“18. The persons who have been permitted to operate mineral productions shall, in accordance with the rate prescribed hereunder, contribute the payable mineral tax (royalty) once he sold out the produced mineral;

- (a) for gold, platinum, uranium and other precious metallic mineral that the Ministry may, with the approval of the Union Government prescribe and publish by notification from time to time, at the rate of 5%.
- (b) for silver, copper, lead, tungsten, nickel, heavy sands, molybdenum, iridium,

from time to time at the rate of 4% to 5%;  
 (c) for iron, zinc, copper, lead, tin, tungsten, nickel, antimony, aluminium, arsenic, bismuth, cadmium, chromium, cobalt, manganese and other metallic mineral that the Ministry may with the approval of the Government prescribe and publish by notification from time to time at the rate of 3% to 4%.  
 (d) for industrial mineral or stone at the rate of 1 % to 3 %.

osmium, palladium, ruthenium, rhodium, tantalum, columbium, niobium, thorium, cadmium, chromium, rare earth, beryllium, titanium and other precious metallic minerals that the Ministry may, with the approval of the Government prescribe and publish by notification from time to time, at the rate of 4%.  
 (c) for iron, zinc, lead, tin, tungsten, aluminum, arsenic, bismuth, chromium, cobalt, manganese, magnesium and other metallic mineral that the Ministry may, with the approval of the Union Government prescribe and publish by notification from time to time at the rate of 3%.  
 (d) For raw material of industrial minerals or stones at the rate of 2%

19. When calculating the value of mineral sold under section 18, the Department shall calculate in the prescribed manner based upon the prevailing international price of that mineral at the time of the sale.

18.The Section 19 of the Myanmar Mines Law shall be replaced with the following-  
 “19. When contributing the mineral tax (royalty) according to Section 18 of the Law, the payable mineral tax (royalty) shall be calculated based upon the percentage of the pure metallic mineral containing and the prevailing international price of that mineral (at the time of the sale).

The Ministry may: -

- (a) prescribe by notification from time to time, royalty to be paid for the mineral obtained from mineral prospecting or mineral exploration;
- (b) exempt in whole or in part, any royalty payable on any mineral by the holder of a permit for such period as may be determined with a view to promoting production of mineral;
- (a) exempt payment of royalty, on mineral samples obtained by the government department concerned or government organization for the purpose of assay analysis or other examinations;
- (d) defer payment of royalty due for such period it may determine;
- (e) assess provisional royalty during the period where for any reason it is impracticable to assess the exact amount of the royalty due.

## CHAPTER VII

### Designation of Mineral Reserve Area and Gemstone Tract

19.The term “Gemstone Tract” shall be deleted in the title of Chapter 7 of the Myanmar Mines Law.

21. The Ministry: –

- (a) may designate an area where mineral can be produced on commercial scale as Mineral Reserve Area by notification with the approval of the Government;
- (b) shall, before designating any area as Mineral Reserve Area, declare in the manner prescribed, which area is intended to be declared as such;
- (c) shall, in designating the Mineral Reserve Area, form and assign duties to a committee consisting of skilled personnel with the Director General as the head of the Committee to inquire into the affected rights of the public in the relevant area and to enable them to receive reasonable rights and benefits and to carry out the demarcation of the Mineral Reserve Area;
- (d) if desirous of designating land under the administration of any government department or any organization, as the Mineral Reserve Area under sub-section (a), shall do so after co-ordination with the relevant government department of organization;
- (e) if desirous of designating Area under sub-section (a) any land in which an individual or an organization had the right or cultivation, right or possession, right of use and occupancy, beneficial enjoyment, right of succession or transfer as the Mineral Reserve shall do so after co-ordination with the relevant Ministry for acquiring land in accordance with the existing Law.

22. The Ministry: –

- (a) may, when information is received of the existence of gemstone for production on a commercial scale or the area where such gemstone is discovered, designate such area as Gemstone Tract by notification with the approval of the Government;
- (b) shall form and assign duties to a committee consisting of skilled personnel with the Director General as the head of the committee to inquire into the affected rights of the public in the area already designated as Gemstone Tract and to enable them to received reasonable rights and benefits and to carry out the demarcation of the Gemstone Tract.

23. The Ministry may, with the approval of the Government, cause the whole or a portion of the Mineral Reserve Area or Gemstone Tract, for the revision of the demarcation or cessation thereof.

20. The Section 22 of the Myanmar Mines Law shall be deleted.

21. The term “or Gemstone Tract” included in Section 23 and 33 of the Myanmar Mines Law shall be deleted.

24. All naturally occurring minerals found either on or under the soil of any land, in which an individual or an organization had the right of cultivation, right of possession, right of use and occupancy, beneficial enjoyment, right of succession or transfer or all naturally occurring minerals found in the Continental Shelf shall under the existing law be deemed to be owned by the State.

22. The phrase "in any Continental Shelf" described in Section 24 of the Myanmar Mines Law shall be replaced with the phrase "in the territorial Seas and Sea Zones of the State".

## CHAPTER VIII

### Duties of the Chief Inspector

25. The Director General shall be the Chief Inspector for the purpose of this Law.

26. The duties of the Chief Inspector are as follows: –  
 (a) inspecting in order to ascertain as to whether or not the provisions of this Law and the rules, orders and directives made there under are observed and conditions contained in the licence are complied with by the holders of licence.  
 (b) inspecting the health, sanitation, safety, prevention of accident, welfare, disciplinary measures of the personnel and workers in the mine;  
 (c) determining the duties of the inspectors and supervising the same;  
 (d) carrying out the duties as may be assigned from time to time by the Ministry.

23. After the section 26 (b) of the Myanmar Mines Law, the sub-section (b) (1) shall be added as follow –  
 "(b)(1) inspecting the environmental impact assessment system and socioeconomic impact assessment system in prospecting, exploring and testing, production and processing operations of mineral, industrial mineral and stones.

27. The Chief Inspector may:–  
 (a) assign any suitable officer from the Department as an inspector for the purpose of this Law;  
 (b) delegate his powers to the inspectors.

## CHAPTER IX

### Taking of Action by Administrative Means

28. If the holder of permit or a person managing on his behalf or any of the worker fails to comply with any of the orders or directives made under this Law, or contravenes any of the term of the permit, the person issuing the permit may pass any of the following administrative orders: –  
 (a) suspending all or portion of the operations carried out under the permit;  
 (b) allowing continuation of the operation, after causing the payment of fine;  
 (c) canceling the permit;  
 (d) canceling the permit and confiscating the security deposit and the advance,

24. The phrase "the payment of fine" described in Section 28 (b) of the Myanmar Mines Law shall be replaced with the phrase "the fine not less than the amount of security deposit".

payment and also causing the payment of fine in addition, if deemed necessary.

## CHAPTER X Issue of Prohibition

29. The Ministry may with the approval of the Government issue prohibitions in respect of purchasing obtaining, storing, Possessing, transporting, selling, transferring of any mineral obtained from mineral production.

## CHAPTER XI Offences and Penalties

30. Whoever carries out any of the following operations without the permit issued under this Law shall, on conviction be punished with imprisonment for a term which may extend to 7 years or with fine which may extend to Kyats 50,000 or with both; –

- (a) prospecting exploration or production of gemstone;
- (b) prospecting exploration or production of metallic mineral;
- (c) prospecting exploration or production on industrial mineral;
- (d) prospecting exploration or production of stone.

25. Section 30 of the Myanmar Mines Law shall be replaced with the following –  
“30. (a) Whoever carries out any of the following operations without the permit issued under this Law shall, on conviction be punished with imprisonment for a term up to 10 years or with fine which may extend to kyats 5,000,000 (up to five million kyats) or with both;

- (1) Prospecting, exploration, or processing of metallic mineral;
- (2) Prospecting, exploration, or processing of raw material of industrial minerals;
- (3) Prospecting, exploration, or processing of stones;
- (4) Carrying out the mineral processing without obtaining the buying and selling permit;
- (5) Production of mineral except those who produces the same with the subsistence production permit.

26. After the section 30(a) of the Myanmar Mines Law, the sub-section (a) (1) shall be added as follow –

“30 (a)(1) Whoever carries out any of the offences set out in Section 30 (a) again without the permit issued under this Law shall, on conviction be punished with imprisonment for a term of 10 years or with fine which may be extended from the range of minimum 1,000,000 kyats to maximum 5,000,000 kyats (up to five million kyats);

31. Whoever violates any of the prohibitions prescribed under section 29 shall, on conviction be punished with imprisonment for a term which may extend to 3 years or with fine may extend to Kyats 20,000 or with both.

27. The phrase “imprisonment for a term which may extend to 3 years or with fine which may extend to kyats 20,000 or with both.” provided in Section 31 of the Myanmar Mines Law shall be replaced with the phrase “imprisonment for a term which may extend to 3 years or with fine which may extend to kyats 2,000,000 (up

	<p>to two million kyats) or with both</p> <p>28. After the section 31 of the Myanmar Mines Law, the sub-section 31. (a) shall be revised as follow-</p> <p>"31. (a) Whoever violates any of the prohibitions prescribed under section 29 shall, on conviction be punished with imprisonment for a term of 3 years as maximum or with fine which may be extended from the range of 500,000 Kyats as minimum to 2,000,000 kyats as maximum.</p>
<p>32. The holder of a permit who violates any of the rules relating to section 13 shall, on conviction be punished with imprisonment for a term which may extend to 1 year or with fine which may extend to Kyats 10,000 or with both.</p>	<p>29. The phrase "imprisonment for a term up to 1 year or with fine which may extend to kyats 10,000 or with both." provided in Section 32 of the Myanmar Mines Law shall be replaced with the phrase "imprisonment for a term which may extend to (1) one years or with fine which may extend to kyats 1,000,000 (up to one million kyats) or with both.</p> <p>30. After the section 32 of the Myanmar Mines Law, the sub-section 32- A shall be revised as follow-</p> <p>"32- A. The holder of a permit who violates and fail to obey any of the rules relating to section 13 again shall, on conviction be punished with imprisonment for a term which may extend to 1 year or with fine which may extend from 200,000 kyats (two hundred thousand) as minimum to kyats 1,000,000 (one million) as maximum or with both."</p>
<p>33. Whoever trespasses the Mineral Reserve Area or Gemstone Tract demarcated under this Law without permission shall on conviction be punished with imprisonment for a term which may extend to 6 months or with fine which may extend to Kyats 5,000 or with both.</p>	<p>21. The term "or Gemstone Tract" included in Section 23 and 33 of the Myanmar Mines Law shall be deleted.</p> <p>31. The phrase "imprisonment for a term up to 6 months or with fine which may extend to kyats 5,000 or with both." provided in Section 33 of the Myanmar Mines Law shall be replaced with the phrase "imprisonment for a term which may extend to 6 months or with fine which may extend to kyats 500,000 (up to five hundred thousand kyats) or with both.</p> <p>32. After the section 33 of the Myanmar Mines Law, the sub-section 33- A shall be added as follow-</p> <p>"33 -A Whoever violates any of the prohibitions prescribed under section 33 again</p>



shall, on conviction be punished with imprisonment for a term that can be extended up to 6 months or with fine which may be extended up to 500,000 Kyats.

34. The Court shall in respect of any legal proceeding instituted under section 30 or section 31, if found guilty, enforce punishment for the relevant offence, and in addition:-

(a) shall pass an order for confiscation of the mineral involved in the offence;

(b) may pass an order for confiscation of the vehicle, animal and other machinery, tools and implements used in commission of the offence.

## CHAPTER XII

### Miscellaneous

35. The license or permit granted under any of the existing laws before the enactment of this Law, for prospecting, exploration or production of minerals shall be valid until the date of expiry.

33. After the section 35 of the Myanmar Mines Law, the sub-section 35- A shall be added as follow-

"35 - (a) Regarding the mineral production, the Ministry may form joint venture or partnership with the permit holder and in doing so, it shall be based on pro rata basis or profit share basis on production including costs of environmental impact assessment, or profit share basis on equity contribution.

36. The existing Gemstone Tracts designated by notification before the promulgation of this Law shall be deemed to be Gemstone Tract designated by this Law.

34. The section 36 of the Myanmar Mines Law shall be replaced with the following-  
"36. All payments due under this Law shall be duly collected as it is regarded as the payable unsettled income tax. In order to implement this, the officer assigned by the respective Ministry shall have the right to exercise the power of the collector officer in accordance with the existing laws.

37. exhibit relating to any legal proceeding instituted under this Law cannot be produced easily before the court, such exhibit need not be produced before the court, but the report or other relevant documentary evidence as to the manner of custody of the same may be submitted. Such submission shall be deemed as if it were submission of the exhibit before the court and the relevant court may dispose of the same in accordance with the law.

38. The rules, regulations, orders and directives issued under the laws repealed by this Law may continue to be complied so far as they are not inconsistent with the provisions of this Law.

39. For the purpose of carry out the provisions of this Law: –  
 (a) the Ministry may with the approval of the Government issue such rules and procedures as may be necessary;  
 (b) the Ministry or the Department may issue such orders and directives as may be necessary.

35. The section 39 of the Myanmar Mines Law shall be replaced with the following–  
 “39. For the purpose of carrying out the provisions of this Law:–  
 (a) the Ministry may, with the approval of the Union Government, issue such rules and procedures as may be necessary;  
 (b) the Ministry may issue such notifications, orders and directives as may be necessary;  
 (c) the Directorate may, with the consent of the Ministry, issue such orders and directives as may be necessary;

40. The following laws are hereby repealed: –  
 (a) The Upper Myanmar Ruby Regulation, 1887,  
 (b) The Mines Act, 1923,  
 (c) The Union of Myanmar Mines and Minerals Act, 1961.

(Sd) Than Shwe  
 Senior General  
 Chairman  
 The State Law and Order Restoration Council

I hereby signed in accordance with the Constitutional Law of the  
 Republic of the Union of Myanmar.  
 Thein Sein,  
 President,  
 The Republic of the Union of Myanmar

**Important Disclaimer:** This translation is an unofficial translation and may not represent the intention of the laws as written in Myanmar. As such this translation cannot be relied upon. Valentis and its associates will not be held liable for mistranslation, typographical errors or similar.

#### For Further Information:

<b>Lachlan Foy</b>	Head of Commercial Affairs	<a href="mailto:lfoy@valentisresources.com">lfoy@valentisresources.com</a>
<b>Michael Phin</b>	Head of Finance	<a href="mailto:mphin@valentisresources.com">mphin@valentisresources.com</a>
<b>La Min Win</b>	Managing Director	<a href="mailto:lmwin@valentisresources.com">lmwin@valentisresources.com</a>