MOORE

MINING LAW

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CHAPTER I – GENERAL PROVISIONS

SECTION I – Object, Scope, General Principles, Securitization

ARTICLE 1 – (Purpose)

1. The purpose of this Law is to regulate the geological and mining activity and the use and exploitation of mineral resources, in harmony with the good practices of the mining industry, socio-environmental and transparency, with a view to sustainable development, revenue collection for the State, promotion of internal industrialization and the added value of the mining industry, as well as to ensure that mineral resources contribute effectively and sustainably to the economic and social development of the country.

2. It also establishes the general principles that regulate the rights and duties relating to the geological and mining activity, carried out on land, territorial sea, exclusive economic zone and inland waters, on the continental shelf, including the exploitation of mineral water.

ARTICLE 2 – (Definitions)

The meaning of the terms and expressions used in this Law are set out in the attached Glossary, which is an integral part of it.

ARTICLE 3 – (Scope)

1. This Law shall apply to mining operations carried out by domestic natural and legal persons and foreign legal persons incorporated and registered in Mozambique and to any infrastructures owned or owned by the mining holder or third parties, used in connection with mining operations, including the exploitation of mineral water and associated methane gas.

2. It also applies to mining treatment and processing or mineral products use and consumption.

3. The use and exploitation of oil, natural gas and associated natural gas is excluded from the scope of this Law.

ARTICLE 4 – (Principles)

The access, use and exploitation of mineral resources are guided by the following principles:

a) State property and public domain over mineral resources;

b) legality;

c) defense of national sovereignty and the public interest;

d) economic sovereignty and energy security;

e) benefits for local communities;

f) participation of the State;

g) respect for the rights of local communities;

h) reserve and disposal of precious metals;

i) environmental sustainability;

j) transparency;

k) publicity;

l) addition of value in the country;

m) priority;

n) ownership of mineral resources.

ARTICLE 5 – (State property and public domain over mineral resources)

Mineral resources belong to the State and are part of the public domain, being inalienable, imprescriptible and intended for the pursuit of the public interest, and the State is responsible for their management, regulation and use for the benefit of the community.

ARTICLE 6 – (Principle of legality)

The exercise of geological and mining activity depends on the prior obtaining of a mining title or authorizations issued by the competent authorities.

ARTICLE 7 – (Principle of defense of national sovereignty and public interest)

1. Areas of strategic relevance to the sovereignty and security of the State dedicated to mining operations are subject to the special protection and supervision regime, under the terms of the specific legislation.

2. The action of the State and public entities must be aimed at defending, promoting and safeguarding the collective interests of society, ensuring that the exploitation of mineral resources contributes to the economic and social development of Mozambique.

ARTICLE 8 – (Principle of economic sovereignty and energy security)

The State ensures economic sovereignty and energy security as essential foundations of national independence, institutional stability and the protection of the State's strategic interests.

ARTICLE 9 – (Principle of benefit to local communities)

The gains and benefits resulting from the exploitation of mineral resources should be distributed among the State, the companies and the local communities concerned, ensuring that the exploitation of mineral resources promotes the social and economic inclusion of local communities and the revenues resulting from mining contribute to sustainable community development.

ARTICLE 10 – (Principle of State participation)

The State has the right and duty to intervene actively and strategically in all phases of geological-mining activity, namely, prospecting and research, exploration, management, inspection and monitoring of mineral resources, ensuring that these resources are used for collective benefit and in accordance with national development objectives.

ARTICLE 11 – (Principle of respect for the rights of local communities)

The exploitation of mineral resources is conducted in a way that recognizes, protects, preserves and promotes the rights of local communities, especially those directly affected by mining activities.

ARTICLE 12 – (Principle of reserve and disposal of precious metals)

1. The holders of mining rights that carry out gold exploration are obliged to reserve and sell to the Bank of Mozambique, through the company that represents the State in the mining sector, a minimum percentage of their annual net production, under the terms and conditions to be defined in specific legislation, aimed at strengthening the country's international reserves.

2. The Mozambican State shall have the right of first refusal in the acquisition of the minerals referred to in paragraph 1 of this article, in accordance with the applicable legislation.

ARTICLE 13 – (Principle of environmental sustainability)

Prospecting and research, exploration and use of mineral resources must be carried out in a sustainable and ecologically responsible manner, ensuring a balance between economic development, environmental preservation and the well-being of present and future generations.

ARTICLE 14 – (Principle of transparency)

The process of granting and withdrawing mining rights, accountability and public access to relevant information on the production and management of revenues generated by the exploration of mineral resources is subject to publicity.

ARTICLE 15 – (Principle of publicity)

Decisions and acts relating to mining titles must be publicised.

ARTICLE 16 – (Principle of value addition in the country)

Mineral resources must be used for the industrialization of the country and broadening the tax base.

ARTICLE 17 – (Principle of priority)

Mining titles are awarded in accordance with the order of priority of the date and time of receipt of the respective application, with the competent authority, except in the cases established in this Law.

ARTICLE 18 – (Principle of Ownership of Mineral Resources)

Mineral resources located in the soil and subsoil, in inland waters, in the territorial sea, on the continental shelf and in the exclusive economic zone, are the property of the State in accordance with the Constitution of the Republic.

ARTICLE 19 – (Forms of securitization)

1. For the purposes of this Law, the allocation of rights to carry out geological-mining activity shall be made through the following mining titles:

a) Prospecting and Research License;

b) Mining Concession;

c) Small-Scale Mining License;

d) Artisanal Mining License;

e) Mining Treatment License;

f) Mining Processing License;

g) License for the Commercialization of Mineral Products.

2. Permission to carry out the mining activities described below is made through the following authorizations:

a) extraction of mineral resources for the construction of works of public interest;

b) geological investigation;

c) research carried out by educational and scientific institutions;

d) removal of fossils and archaeological finds.

3. The mining licensing process may be carried out electronically, through the Mozambique Mining Cadastre Portal, or by physical means, under the terms and conditions to be regulated.

ARTICLE 20 – (Subjects of mining bonds)

1. Applicants for mining rights must prove experience, technical capacity and adequate financial means to effectively carry out the mining activity.

2. Foreign legal entities that directly or indirectly control legal entities that hold rights under mining securities shall be established, registered and administered from a transparent jurisdiction.

ARTICLE 21 – (Characterization of areas)

1. For the purposes of this Law, the areas for mining activity are characterized as follows:

a) Available area;

b) Reserved area;

c) Area reserved for artisanal mining.

2. Available area is considered to be any area:

a) not subject to a mining title or authorization;

b) not subject to public tender;

c) not the subject of an application for a mining title or authorization in progress or pending;

d) An area not declared to be prohibited from mining activity.

3. A reserved area is considered to be the area declared as such by the State, whose mineral resources are suitable for prospecting and research, extraction and mining processing, exclusive for the attribution of mining titles for mining activity.

4. An area reserved for artisanal mining is considered to be the area declared as such by the State, whose mineral resources are suitable for prospecting and research, extraction and mining processing, exclusive for the attribution of mining titles for artisanal mining activity.

SECTION II - Requirements, Forms of Attribution, Competences, Fees and Taxes

ARTICLE 22 – (Attribution of Mining Titles)

1. Mining titles shall be awarded in areas available to national natural and legal persons and foreign legal persons incorporated and registered in Mozambique who meet the requirements set out in this Law and in other applicable legal diplomas.

2. Applicants for mining securities, incorporated in the form of a company, must, at the time of submission of the application, attach the document proving the incorporation and registration of the company in Mozambique, including the identification of the holders of participations and the respective value of the subscribed share capital.

3. In the case of a public limited company, the applicant must submit the documentation regarding the holders of the shares and/or participating interest, in accordance with the applicable legislation.

4. Applicants for mining permits shall, at the time of submission of the application, attach the declaration of the beneficial owner.

ARTICLE 23 – (Mining Contract)

1. The Council of Ministers may enter into a Mining Contract with the holder of a Mining Prospecting and Research and Concession License, under the terms to be regulated, in compliance with a Model Mining Contract approved by the Council of Ministers.

2. The Mining Contract, in addition to other clauses, must contain the following:

a) State participation in the mining enterprise of not less than 15% non-dilutable, free carry;

b) addition of value of ores in the country;

c) local content;

d) local employment and technical-professional training plan for nationals;

e) corporate social responsibility for the benefit of local communities;

f) Memorandum of understanding between the mining owner and the local community in the context of local development;

g) dispute resolution mechanisms, including conciliation, mediation, expert opinion and international arbitration;

h) the way in which the communities in the area of implementation of the mining project are involved and benefit from the project.

3. For the conclusion of the Mining Contract, resulting from the public tender, the payment of a financial offer is due.

4. In the event of a substantial change in the economic, financial, environmental, technological or legal circumstances and reference prices in the market, which serve as a basis for the conclusion of the Mining Contract and which substantially compromise the economic and financial balance

originally agreed between the parties, the State may request the renegotiation of the contract, with a view to restoring this balance and extraordinary gains.

5. The following are grounds for renegotiation, among others:

a) the protection of public interest;

b) substantial changes in market circumstances;

(c) legislative or regulatory changes which have a direct impact on the fiscal, environmental or operational burden of the project;

d) extraordinary earnings;

e) occurrence of prolonged force majeure events, which exceed six months.

6. Renegotiation may not result in changes that:

a) compromise the permanent sovereignty of the State over mineral resources;

b) reduce the standards of environmental protection, technical safety, health and hygiene and social responsibility; c) eliminate the obligations of local content, training of nationals or transfer of technology;

d) harm the rights of local communities.

7. Mining contracts approved by the Council of Ministers shall be published in the Official Gazette and on the Government's websites within 30 days from the date of approval.

8. Without prejudice to publication in the Official Gazette and on the Government's websites, mining contracts, once approved by the Council of Ministers, as well as their amendment, must be sent to the Assembly of the Republic, preceded by the prior approval of the Administrative Court, within 30 days.

ARTICLE 24 – (Strategic minerals)

1. Strategic minerals are those which, whenever and due to their socio-economic importance at the time, have an influence on national or international economic development whose technical specifications, namely, rarity, size of demand in the international market, relevant impact on the growth of the economy, creation of a large number of jobs, contribute to the balance of payments.

2. The mining rights to prospect and research, explore, treat, process and commercialize strategic minerals throughout the national territory, including in the territorial sea, on the continental shelf and in the exclusive economic zone and inland waters, must be assigned exclusively to the company representing the State in the mining sector.

3. The prospecting and exploration and exploration of strategic minerals under the Prospecting and Mining Exploration and Concession License are subject to the signing of the Mining Contract with the Council of Ministers, under the terms to be regulated.

4. In the event of the discovery of strategic minerals in the exercise of mining activity, the mining owners must enter into a Mining Contract with the Council of Ministers.

5. The list of strategic minerals shall be approved by the Council of Ministers by regulation on the proposal of the Ministry that supervises the area of mineral resources, and may be reviewed and updated whenever necessary, taking into account the evolution of the market, technology and national development priorities.

ARTICLE 25 – (Public Tender)

1. The Government may hold a Public Tender for mining activities and operations, taking into account the public interest, in areas:

a) geologically studied with potential in mineral resources;

b) that have been the object of previous mining activity;

c) described under the terms of this Law;

d) partial protection.

2. The procedures for holding a Public Tender shall be defined in regulations, without prejudice to the application of the general legislation on the matter.

3. Exceptionally, in the event of the discovery of strategic minerals, the State may launch a public tender in total protection zones in accordance with the applicable legislation.

4. The exercise of mining activities and operations in total and partial protection zones does not exempt the obtaining of a special license under the terms of the law.

ARTICLE 26 – (Licensing by public auction)

1. In reserved areas that are not subject to public tender, the allocation of mining rights is made through public auction with a view to promoting transparency, competition and maximization of the value of mineral products.

2. The auction may be held electronically or in person, and the award will be made to the bidder who submits the most advantageous proposal, under the terms and procedures to be defined by the Council of Ministers.

3. The competent authority shall ensure the impartiality and publicity of the process, the publication of the results and the reasons for the award decision.

4. The winner of the auction is awarded the mining title and is subject to full compliance with the duties of the mining holders, technical, environmental and social obligations established in the Mining Contract, under the terms of the applicable legislation.

5. The Minister who supervises the area of mineral resources may, on the proposal of the Mining Regulatory Authority, cancel or annul the auction process, by means of a reasoned decision, when there are irregularities, lack of valid bids or imperative of public interest.

ARTICLE 27 – (Mineral water exploration)

1. For mineral water, the Council of Ministers must regulate the mechanisms for exploiting this resource, ensuring compliance with quality and hygiene standards in defence of consumer rights and public health.

2. The holder of the right to use and exploit land in whose area there is a source of mineral water may, at his request, be granted the mining title for the exploitation of mineral water in accordance with the applicable legislation.

ARTICLE 28 – (Use and exploitation of land)

1. The use and exploitation of land for the purpose of mining shall be regulated by land legislation, without prejudice to the provisions of this Law.

2. The use and exploitation of land for the performance of mining activity shall have the right of pre-emption over other uses of land, when the economic and social benefit related to mining operations is greater.

3. For the purposes of paragraph 2 of this Article, where there is a conflict between existing or potential uses or activities in an area proposed or subject to a mining title, the Ministers supervising the areas of Mineral Resources, Land and the Environment shall, for the purposes of determining the prevailing use or activity, provided that the identified biodiversity values and the good environmental status of the area are ensured, assess on the basis of the following criteria:

a) greater social, environmental and economic advantage for the country;

b) maximum coexistence of uses or activities.

4. The preference criteria referred to in paragraph 3 of this Article shall be assessed according to the following parameters:

a) creation of a number of jobs;

b) qualification of human resources;

c) qualification of natural resources;

d) socioeconomic and environmental qualification of the current use;

e) volume and socio-economic impact of the investment compared to current use;

f) economic viability of the project;

g) prediction of results;

h) contribution to sustainable development;

i) value creation;

(j) expected synergies in related activities;

k) social responsibility of those interested in the development of the use or activity.

5. The criterion referred to in paragraph 3(b) of this article shall only apply where, in accordance with the criterion referred to in paragraph a) of the same paragraph, there is equality in the result of the assessment and valuation of conflicting uses and activities.

6. Pre-existing rights to use and exploit the land, regardless of the form of titling or acquisition, shall be deemed to be extinguished after the payment of fair compensation to the users and holders of

the right to use and exploit the land and revoke the same, in accordance with the applicable legislation.

7. Land use and exploitation titles for the exercise of mining activity shall have a validity period coinciding with that defined in the mining title and shall be automatically renewed or expired in accordance with the term of validity of the mining title.

8. The mining holder may apply for the title of use and exploitation of the land progressively, without prejudice to requesting a title with a dimension that coincides with the mining title.

9. The rights of use and exploitation of the land assigned after the granting of a mining title over the same area are not eligible for the purposes of the provisions of this Law.

10. In case of change in the size of the area of the mining title, the mining holder must apply for the corresponding change in the land use and exploitation title to the competent authority.

ARTICLE 29 – (Powers of the Council of Ministers)

Within the scope of the implementation of this Law, the Council of Ministers is responsible for:

a) To protect and administer the national heritage of mineral resources;

b) to declare areas reserved for mining activity;

c) to authorize the extension of the deadline established in this Law, for the start of mining production, with due justification and upon provision of a performance guarantee under the terms to be regulated;

d) To inventory the revenues resulting from mining activity and to publish them periodically and in a disaggregated manner;

e) to regulate the acquisition of goods and services for the mining industry;

f) to create incentives to add value to mineral products in the country;

g) to approve the Model Mining Contract;

h) to regulate the modalities of Mining Contracts, rules of public tenders and auctions for the attribution of rights for mining operations;

i) enter into mining contracts with holders of Prospecting and Research Licenses and Mining Concessions in accordance with the approved model;

j) to approve projects for the exploration and exploration of strategic minerals;

k) to approve the organization, operation and other competencies of the Mining Regulatory Authority;

l) To approve the procedures for the export of minerals and to establish the technical criteria, processing standards, treatment of ores and control of the economic value chain of these minerals;

m) To ensure the traceability of minerals, from extraction, domestic consumption, to export, in order to promote transparency and compliance with tax obligations;

n) to approve the methodology and criteria for determining reference prices for minerals;

o) To guarantee the rights of resident communities where mining activities are carried out and to promote socio-economic development for their well-being;

p) to establish rules and procedures for the acquisition of local goods and services for the mining industry;

q) to appoint the State's shareholder in the National Mining Company;

r) to regulate the allocation and management of the percentage of revenue destined to local development;

s) To create reserve areas with potential for mining activity;

t) to approve the other regulations related to mining operations;

u) To create mechanisms for the protection of mineral resources, whenever there is evidence of misuse or irregular exploitation under the terms of the applicable law;

ARTICLE 30 – (Inspection and supervision)

1. Mining operations shall be subject to inspection and supervision, including sanctions, in order to ensure the rational and sustainable use and exploitation of mineral resources.

2. The General Inspectorate of the Ministry that supervises the area of mineral resources is responsible for monitoring compliance with this Law and other legal provisions that regulate mining activity and technical safety in mining operations.

3. To carry out the inspection, the Government may appoint an independent entity or a commission set up for this purpose, in accordance with the terms to be regulated.

ARTICLE 31 – (Ownership and Use of Data)

1. The data obtained under any title or Mining Contract provided for in this Law are the property of the State.

2. The terms and conditions for the exercise of data rights shall be laid down in regulations.

3. The disclosure of data on the discoveries of mineral resources is the responsibility of the Government.

ARTICLE 32 – (Chance discovery of minerals)

1. Anyone who, outside the areas covered by mining titles, discovers mineral resources, must communicate this fact to the competent entity that supervises the area of Mineral Resources, under the terms to be regulated.

2. Once the discovery is confirmed, the Government shall ensure the respective reward in accordance with the applicable legislation.

3. Failure to provide communication referred to in paragraph 1 of this article shall be subject to liability under applicable law if the discovery has taken advantage.

ARTICLE 33 – (Taxes and fees)

1. Mining owners are subject to the payment of the following taxes:

a) Surface Tax;

b) Tax on Mining Production;

c) Income Tax on Mining Resources;

d) Income Taxes;

e) Value Added Tax;

f) Municipal Taxes when applicable;

g) other taxes and fees established by law.

2. For the processing of applications for mining titles and permits, applicants shall be subject to the payment of the respective processing fees, in accordance with the terms to be regulated.

3. The mining owner who exports samples and minerals with commercial value for the purpose of laboratory analysis, as well as samples for technological testing, shall be subject to the taxes due under the applicable law.

Article 34 – (Provision of performance guarantee)

1. To ensure compliance with the terms and conditions contained in the mining titles or contracts, the holders and/or their operators are subject to the provision of a financial guarantee of performance, under the terms to be regulated.

2. The provision of the financial performance guarantee referred to in paragraph 1 of this article shall also be payable for the period of extension of the start of production, the value of which shall revert to the State, if the holder does not start production at the end of the extension period.

Article 35 – (Reserved mining areas)

1. When the development, use and exploitation of certain mineral resources is considered to be in the public interest to the national economy or to the future development of the region in which they occur, the Government may declare that the land on which the mineral resources are located be reserved for the purpose of preserving such land for applications for mining titles or conservation of geosites, specifying the types of incompatible and non-permissible activities in the reserved mining area.

2. For the purposes of paragraph 1 of this article, the entity responsible for mining licensing may request the Minister who supervises the area of Mineral Resources, prior authorization for the blocking of the area destined for the reserve, while the process for due approval by the Council of Ministers is underway.

Article 36 – (Total and partial protection zones)

1. The exercise of mining activity in total and partial protection zones shall comply with the provisions of the applicable legislation.

2. In order to ensure the harmonious development of the national economy, protect the interests related to national defence, biodiversity and the environment, certain areas may be excluded or restricted for mining activity.

3. Land that is part of the public domain for common or private use by the State, as long as it is not disused from it, and areas that, in accordance with the provisions of paragraph 2 of this article, are excluded from mining activity, shall be considered unavailable for this activity, without prejudice to other cases defined by law.

4. The licensing of mining activity is allowed from 200 meters from the maximum limit of the partial protection zone, subject to the terms defined in the applicable law.

SECTION III - Local and Industrial Development

Article 37 – (Local development)

1. The percentage of 10% of the tax revenues from the Mining Production Tax shall be allocated to the development of the Province, District and Local Communities where the respective mining enterprises are located.

2. The percentage referred to in paragraph 1 of this article shall be allocated to the implementation of structuring projects in the Province, District and Local Communities where the mining enterprises are located, the management of which is carried out by a specific fund to be regulated by the Council of Ministers.

3. The Government shall define the procedures for publishing the amounts transferred to each Province, District and Local Community, as well as the presentation of the implementation reports of the financed projects.

Article 38 – (Internal consumption)

1. The Council of Ministers must ensure that a percentage of not less than 20% of ore produced in the national territory is dedicated to the domestic market, in order to meet the needs of domestic consumption.

2. For the purposes of paragraph 1 of this article, the Council of Ministers shall define for each type of mineral the specific percentage to be allocated to the internal market.

3. The allocation of the percentage of ore referred to in paragraphs 1 and 2 of this Article, as well as other matters related to its use, shall be subject to regulation.

Article 39 – (Development of industrial activity)

1. In order to ensure the addition of value, all mineral resources extracted in the national territory must be processed in the country, under the terms to be regulated.

2. The activity of industrial processing of mineral resources shall be regulated by specific legislation.

Article 40 – (Mineral Resources Value Chain)

1. The State shall promote the integrated development of the mineral resources value chain in order to ensure the efficiency, sustainability and generation of added value of mining activity in the country.

2. The mineral resources value chain for the purposes of this Law shall comprise the activities of:

a) prospecting and research;

b) extraction;

c) processing and processing;

d) addition of value;

e) transportation and storage;

f) technological development;

g) development of industrial clusters and logistics platforms;

h) internal marketing;

i) export of mineral products.

3. The development of the mineral resource value chain shall be ensured through the coordination and harmonisation of the policies, programmes and development plans of the sectors responsible for the activities referred to in paragraph 2 of this Article.

Article 41 – (Acquisition of goods and services)

1. The acquisition by mining owners of goods or services above a certain value to be defined by regulation must be made by tender and this must be published in the media with greater incidence in newspapers with greater circulation and through digital channels.

2. The provision of services and supply of goods to foreign operations shall be carried out by a national natural or legal person, who may associate with foreign natural or legal persons, in accordance with the applicable legislation.

3. Foreign legal persons must prove in association with nationals that the object results in a substantial contribution to the production or value creation of goods and services that originate in Mozambique or are generated by Mozambicans.

4. Suppliers of equipment operation and maintenance services for mining operations must be established in the national territory in association with Mozambican companies in percentages to be defined under the terms to be regulated.

5. The holder and mining operator must submit a plan for the replacement of foreign natural or legal persons by nationals, under the terms to be defined by regulation.

6. In the evaluation of tenders, the quality of the services, the price, the delivery time and the guarantees offered must be taken into account.

7. The mining owner and operator shall give preference to local products and services when comparable, in terms of quality, to international products, materials and services that are available in time and in the required quantities, even if the price, including taxes, is higher compared to the prices of imported goods and services, under the terms to be regulated.

8. The provisions of paragraph 1 of this article shall not apply to holders of Artisanal Mining Licenses.

SECTION IV - Role of the State

Article 42 – (Assessment of the potential and promotion of access to mineral resources)

1. The State and other legal persons governed by public law have a decisive role in promoting the assessment of the existing mining potential, in order to allow access to the benefits of mining production and contribute to the economic and social development of the country.

2. In its action, the State seeks to encourage and participate in investments in mining operations, including in activities complementary to or related to mining operations.

3. It is incumbent upon the Assembly of the Republic, on a proposal from the Government, to define the mechanisms for the sustainable management of the income resulting from the exploitation of the country's mineral resources, taking into account the satisfaction of the development needs of the present and future generations.

Article 43 – (Defense of national interests)

In the attribution of rights for the exercise of mining activity under this Law, the State always ensures respect for national interests in relation to the defence, navigation, research and conservation of natural resources, existing economic activities, food and nutritional security of communities and the environment in general.

Article 44 – (Promotion of economic sovereignty and energy security)

1. Economic sovereignty is guaranteed by the rational and strategic management of natural resources, by the promotion of national industrialization and by the defense of internal value chains, ensuring that the wealth produced contributes primarily to the sustainable development and financial autonomy of the country.

2. Energy security shall be ensured by:

a) the diversification of the exploration of sources of geological-mining resources associated with the energy resource and the promotion of energy production;

b) the constitution of strategic reserves and crisis response mechanisms;

c) the protection and supervision of critical infrastructures of the geological-mining sector associated with energy resources;

d) the guarantee of continuous and sustainable supply for the citizen and for the productive sectors.

3. The actions provided for in paragraphs 1 and 2 of this article require the establishment of regulatory, monitoring and traceability mechanisms that prevent excessive external dependencies, ensure transparency, efficiency and consolidate the protection of national interests.

4. The exploration and use of geological and mining resources associated with energy and economic resources shall always comply with the public interest, environmental sustainability and the strengthening of national sovereignty.

Article 45 – (National Mining Company)

1. The Empresa Nacional de Minas, hereinafter referred to as ENM, is hereby created, a legal person of a public nature, with a business base, endowed with legal personality, administrative, financial and patrimonial autonomy, which is governed by the regime established in this Law and its statutes to be approved by the Council of Ministers.

2. ENM represents the State in the mining sector and participates in the entire value chain of mineral resources, given the strategic nature, public and strategic interest of the State in the conservation, conservation, management of these resources, as well as in the maximization of public revenue.

3. The Mozambican State is the sole shareholder of ENM, and the shareholder function is exercised by the Council of Ministers, which may delegate its representative.

4. Compete at ENM:

a) to manage the mining product intended for domestic consumption, under the terms of article 38 of this Law;

b) to carry out prospecting and research, development, extraction, treatment, processing, and commercialization of mineral resources, in accordance with the applicable legislation;

c) to represent and ensure the participation of the State in mining enterprises, along the value chain, under the terms of the law;

d) to hold and manage mining rights and titles related to strategic minerals, observing the applicable legal procedures;

e) To invest in infrastructures for the treatment, processing and refining of mineral resources, with a view to promoting national industrialization;

f) to acquire, manage and dispose of social and financial interests, under the terms of the Law and the respective bylaws;

g) To carry out other subsidiary or related activities to the mining activity, provided that they are authorized under the terms of the law.

5. ENM adopts management, contracting and equity participation practices appropriate to its business and strategic nature, in accordance with the law.

6. The exercise of the position of member of the management and supervisory body of ENM, as well as other management positions, is subject to an assessment of suitability, professional qualification, independence and availability, in the context of the special registration process, including during the term of office.

7. ENM's actions are subject to public control mechanisms, including auditing, accountability and supervision under the terms of the law.

8. ENM may associate itself with national or foreign entities, public or private, incorporate or participate in companies and exercise the rights inherent to the respective participations, under the terms of the law.

9. ENM may set up specialised subsidiaries and participate in corporate vehicles to fulfil its mandate.

10. The organization, operation, scope of tutelage, governing bodies and respective appointment of the ENM are defined by the Council of Ministers.

Article 46 – (Guardianship)

ENM is under the tutelage of the Minister who supervises the area of Mineral Resources and financially by the Minister who supervises the area of Finance.

Article 47 – (State Participation)

1. The State's participation in all stages of the mineral resources value chain shall not be less than 15%, non-dilutable and shall not represent a burden on the State.

2. In projects related to strategic minerals, the State is represented by the company ENM.

3. In areas with potential in strategic minerals, ENM can establish partnerships with interested investors.

Article 48 – (Mining Regulatory Authority)

1. The National Mining Institute, created by Law No. 20/2014 of 18 August, is restructured and transformed into the Mining Authority, hereinafter referred to as AREMI.

2. The Mining Regulatory Authority is a legal person governed by public law, endowed with legal personality and administrative, financial and patrimonial autonomy, as well as functional and technical independence specialized in the protection of the State's strategic interests in the area of Mines, including decision-making and sanctioning autonomy in the exercise of its duties.

3. The Mining Regulatory Authority shall succeed the National Mining Institute (INAMI) in the totality of its rights and obligations, including assets, personnel, contracts, processes, sources of revenue, assets and liabilities, and all acts performed by that Institute shall remain valid.

4. The following are revenues of the Mining Regulatory Authority (AREMI):

a) Fees for licensing, authorisation, certification, registration, supervision and other administrative acts carried out in the exercise of its powers;

b) a share in the revenues from mining production, to be fixed by the Council of Ministers, in accordance with the budgetary, tax and financial legislation of the State;

c) fees and other revenues arising from the management, conservation, processing, reproduction and availability of documentation, information and geological and mining data;

d) Income resulting from the provision of specialized technical services, studies, opinions, audits and other legally authorized activities;

e) Subsidies, appropriations, contributions and financing from national or foreign entities, public or private, under the terms of the applicable legislation;

f) any other revenues attributed to it by the applicable legislation.

5. The revenues provided for in this article shall constitute AREMI's own revenues and shall be used to finance its legal duties, without prejudice to compliance with the rules of budget execution, financial control, budgetary discipline and other rules applicable to the financial administration of the State

6. The participation referred to in paragraph 4(b) of this article shall be defined and entered annually in the State Budget, in accordance with the applicable legislation, observing the principles of the Treasury unit, budgetary universality, financial legality, transparency and sustainability of public finances.

7. Within the scope of the participation provided for in paragraph 4(b) of this article, a percentage of up to 5% of the revenues from mining production may be allocated to finance the activities of research, inspection, inspection, monitoring and control of the mining sector, as provided for in the State Budget and in compliance with the rules of State financial administration.

8. AREMI's revenues are deposited, managed and handled in accordance with the rules of the State Financial Administration System and other applicable legislation.

9. AREMI annually prepares its business plan, budget, execution report and accounts, which are subject to the supervision, audit, inspection and financial control mechanisms by the competent entities, in accordance with the applicable legislation.

10. AREMI's financial and asset management is governed by the principles of legality, pursuit of the public interest, transparency, responsibility, good governance, efficiency, accountability and external control of public finances.

11. AREMI is the regulatory body for mining activities, responsible for the guidelines for the participation of the public and private sectors, licensing, research, regulation, supervision and control of mining activities and to boost geological-mining activity.

12. AREMI is also responsible for the promotion of the mining sector, modernization, training, capacity building of small-scale and artisanal mining license holders and ensuring the implementation of local content strategies in the mining sector.

13. AREMI is under the supervision of the Minister who supervises the area of Mines, under the terms of the law.

14. AREMI is governed by the provisions of this Law and its organization, composition, structure and operation are defined in the respective Organic Statute, approved by the Council of Ministers.

Article 49 – (Extractive Industry Transparency Initiative)

1. Mining owners must publish their activity reports and accounts, the amounts paid to the State as well as the charges related to corporate social responsibility subject to supervision.

2. The provisions of paragraph 1 of this article shall not apply to holders of Artisanal Mining Licenses.

CHAPTER II – PRE-EXISTING RIGHTS

Article 50 – (Rights of the State)

1. For the purposes of this Law, the rights of the State, as the owner of land and natural resources of the soil and subsoil, shall take precedence over the rights of users of pre-existing rights to use and exploit land.

2. When the economic benefit related to mining operations is greater, the pre-existing rights shall be extinguished upon fair compensation to be paid by the applicants for mining exploration rights.

Article 51 – (Non-overlapping of rights)

1. The attribution of the right to mine does not presuppose the attribution of the right to use and exploit the land and other pre-existing rights.

2. The Government shall decree the termination of the right to mine if the mining activities are terminated due to the expiry of the mining title, exhaustion of the appeal or revocation of the mining title.

3. Upon termination of the right to exploit the mine, the State may, subject to the report on the closure of the mine and rehabilitation, assign the right of use and exploitation of the land to other interested parties, with the users of the pre-existing rights or their legal representatives enjoying the option of preference in the requisition of the rights waived in favour of the State for the purposes of mining operations.

Article 52 – (Fair compensation)

1. When the available area of the mining title covers, in part or in total, spaces occupied by families or communities that imply their resettlement, the mining owner is obliged to compensate those affected in a fair and transparent manner, under the terms to be regulated by the Council of Ministers.

2. Fair compensation shall be established in a binding agreement between the mining holder and the holder of the pre-existing right or local community concerned, and the act may be witnessed by the Government and a community-based organisation if requested by one of the parties.

3. The Government shall ensure better terms and conditions of the agreement, for the benefit of the community in accordance with the model to be defined, including the payment of fair compensation, to be made by the mining owner, in accordance with the applicable Law.

Article 53 – (Content of the just compensation)

1. The fair compensation to users of pre-existing rights covered by the mining activity referred to in Article 52 of this Law includes, among others:

a) resettlement in decent housing by the mining owner in better conditions than the previous ones;

b) payment of the value of the improvements under the terms of the Land Law and other applicable legislation;

c) development of activities on which the life and food and nutritional security of those covered depend;

d) preservation of the historical, cultural and symbolic heritage of families and communities in modalities to be agreed upon by the parties.

2. Definitive resettlement may only occur when the mineral resources subject to the mining title are available for the purpose of starting production, in accordance with principles defined in accordance with the applicable legislation.

Article 54 (Binding Community Involvement and Participation)

1. It is mandatory to inform the communities concerned in advance about the start of prospecting and research activities, as well as the need for their temporary resettlement for this purpose.

2. Prior consultation of the communities covered is mandatory before obtaining authorization to start mining, as well as the need for their definitive resettlement for this purpose, when applicable.

3. The Government shall create mechanisms for the involvement of the communities covered in the mining projects established in their areas, ensuring their effective and binding participation in the socio-environmental decision-making processes, under the terms to be regulated.

4. It is the responsibility of the Government to ensure the organization and training of the communities covered for their involvement in mining enterprises, ensuring adequate technical and legal assistance.

5. Throughout the chain of mining activities that require the participation of communities, gender representativeness must be ensured.

6. The deliberations of the communities, within the scope of the Mining Community Councils or equivalent structures, are binding on the concessionaire companies and on the public entities responsible for inspection.

7. Mining concession contracts must include specific clauses that ensure the mandatory participation of community representatives, with voting rights, in social, environmental and local development matters.

8. The communities covered have the right to inspect and monitor the execution of the social and environmental commitments assumed by the concessionaire companies, through legally established mechanisms.

Article 55 – (Hiring of local labor)

1. In order to ensure the hiring of national labour in all categories, the mining owner must:

a) To scrupulously observe the provisions of the laws of the Republic of Mozambique, ensuring that job vacancies are filled at all levels by national citizens, as well as respecting the rights of workers and ensuring a harmonious environment in labour relations;

b) To guarantee the employment, training and specialization of Mozambicans in the areas of activity in accordance with Mozambican legislation;

c) To take the necessary measures to ensure the safety and hygiene of workers in accordance with Mozambican legislation and applicable international standards.

2. The recruitment of personnel for mining operations must be published in the newspapers with the largest circulation in the country, or through radio, television and the Internet, indicating the nearest place for the submission of applications, the conditions required and consequent publication of the results.

3. The Council of Ministers must establish the mining work regime, which ensures the hiring of national labor in all categories.

Article 56 – (Promotion of the national business community)

1. The assignment of rights to prospect, research and exploit mineral resources for construction is exclusively reserved to natural or legal persons of Mozambican nationality, or held exclusively by Mozambicans under the terms of this Law and other applicable legislation.

2. The Government should create mechanisms for the involvement of the national business community in mining enterprises, including the definition of the terms and conditions for this purpose.

3. The State must progressively promote the increase in the level of its participation in mining enterprises.

4. The Government shall promote the listing of mining companies on the Mozambique Stock Exchange in accordance with the applicable legislation.

5. In the context of the promotion of national entrepreneurship, mining companies must prioritize the acquisition of local goods and services under the terms to be regulated.

6. The Mining Regulatory Authority shall establish a control mechanism and ensure that the acquisition of goods and services is made in accordance with paragraph 5 of this article, maintaining for this purpose, the database of local companies that supply goods and provide services to mining companies under the terms of the specific regulation.

CHAPTER III – RIGHTS, DUTIES AND GUARANTEES

SECTION I – Rights

Article 57 – (General rights of data subjects)

Holders of mining rights granted for prospecting and research and exploration of mineral resources enjoy, among others, the following rights:

a) To obtain or consult with the competent structures of the supervisory body the available geological and mineral information on the area covered by the mining title;

b) to obtain the cooperation of the administrative authorities for the carrying out of field work and for the constitution of easements of passage, under the terms of the applicable law;

c) request, with the right of first refusal, the inclusion in the title of the associated minerals or other discoveries;

d) to use surface and groundwater existing in the vicinity of the mining title area that is not used or covered by another specific exploration title, without prejudice to the rights of third parties and always observing the applicable legislation;

e) To build and implement the infrastructures and facilities necessary for the execution of geological and mining activities;

f) to dispose of the mineral resources extracted and to commercialize, under the terms of the law.

SECTION I – General Duties

Article 58 – (General Duties of the Holders)

Holders of mining rights have, among others, the following duties:

a) To start carrying out geological and mining activities, after obtaining the competent mining title;

b) comply with the approved work program, mining plan and production plan, respecting the legal and regulatory provisions and the best methodology of mining operations;

c) to comply with the deadlines for the execution of mining operations and the approved mining plan and production plan,

keeping the operation in activity, except in cases of authorized or imposed suspension, or when determined for reasons of force majeure;

d) To pay taxes and fees;

(e) to apply the most suitable methods for obtaining the highest yield, compatible with the economic conditions of the market, with the protection of the environment and with the rational use of mineral resources;

f) To carry out local, economic and sustainable development actions for the communities residing in the areas covered by mining titles;

g) To ensure employment and technical and professional training for national citizens, preferably those residing in the area of the mining title;

h) to acquire national goods and services, preferably those produced locally;

i) To submit reports of all the geological and mining research activities carried out;

j) to present plans and reports on social responsibility;

k) To allow the monitoring, control, inspection and supervision of its activity by the competent authorities, including access to the record of data of an economic, financial and technical nature, related to mining operations;

l) progressively release the initial area covered by the prospecting and research license, under the terms and conditions of this Law and the respective regulation;

m) To provide data and information produced within the scope of the activity of prospecting and research, production and marketing;

n) to comply with the requirements resulting from the Environmental Impact Assessment;

o) To carry out mining activity in compliance with the rules for the classification of resources and reserves;

p) to ensure the treatment and proper management of mineral tailings and to preserve the environment, to protect public health, in accordance with the legislation in force;

q) To carry out actions for the protection of nature and the environment, in accordance with the Environmental Impact Assessment Study approved by the competent authorities;

r) To promote public safety, health, hygiene and health, in accordance with the national and international regulations applicable in the Republic of Mozambique;

s) to repair, in accordance with the law, the damage caused to third parties by the exercise of geological and mining activities;

t) to provide data regarding payments made to the State, charges related to corporate social responsibility as well as expenses incurred within the scope of local content and other information requested by the competent authority;

u) To allow scientific research and educational activities to be carried out;

v) to implement internship programs for national students;

w) to present quality certificates of ores ready for sale;

x) to allow the collection of samples by the Government for the purpose of controlling the quality of the ores; y) to preserve the geosites and to communicate to the Government the discovery of specimens with museological characteristics considered Mozambican mineral heritage;

z) to process the ores in the country, according to the percentages defined under the terms of the applicable regulation.

SECTION III - Guarantees

Article 59 – (Legal Guarantees)

1. The State shall guarantee the security and legal protection of ownership over assets and rights, including industrial property rights included in the scope of investments authorised and made in mining activity under a mining title issued under the terms of this Law and other applicable legislation.

2. The holders of mining rights shall be granted the following legal guarantees:

a) the publicity of mining titles and rights;

b) the transferability of mining titles and rights;

c) the State support necessary for the implementation of mining activities and respect for the rights inherent therein;

d) the disposal and free commercialization of Minas Gerais products, observing the rules and procedures established in this Law and in complementary legislation on the matter.

Article 60 – (Constitution of pledge)

1. The mining holder may pledge the mining rights, as well as the infrastructures and movable assets for specific use in the mining activity, duly authorized and implanted in the mining area, for which he has legally acquired the right of ownership, for the following purposes:

a) To finance the mining operations covered by the mining title;

b) expansion of mining operations;

c) introduction of new mining technologies.

2. The constitution of the pledge provided for in paragraphs b) and c) of paragraph 1 of this article shall be subject to the authorization of the Minister who supervises the area of Mineral Resources.

3. The mining holder does not lose the possession or enjoyment of the pledged mining rights by the constitution of the pledge, and is also bound to comply with all legal and contractual obligations.

4. The pledged mining rights may not be transferred or encumbered again by the respective mining holder, without the prior express authorization of the pledged creditor.

5. The enforceable titles referred to in the applicable legislation are replaced by the delivery to the pledged creditor of the mining title or respective mining rights.

6. If the contractual and legal requirements and formalities required for the execution of the pledge are fulfilled and the pledge is requested by the pledged creditor, the transfer of the pledged mining rights is carried out in accordance with the applicable legislation, provided that it meets the requirements required for the respective mining title and has the authorization of the Minister who supervises the area of Mineral Resources.

Article 61 – (Insolvency of mining holders)

1. The rights of the creditors of the mining holders, in the event of insolvency, shall be processed in accordance with the applicable legislation on the matter.

2. The creditors referred to in paragraph 1 of this article may only be subrogated to the mining owner, by means of a final judgment, provided that the requirements established in this Law are met.

3. The registration of the mining title resulting from the insolvency proceedings shall be carried out in accordance with the regulations and upon payment of fees.

Article 62 – (Geosite, Geological Heritage and Archaeological Finds)

1. The mining and authorisation holder shall, if they occur, take the necessary measures for the preservation of geosites, geological heritage and archaeological finds.

2. The mining holder and permits must apply for authorization from the competent authority for the detachment of geosites and/or removal of geological heritage or archaeological finds within the area of the mining title.

3. The mining and authorisation holder shall provide mineral samples, when requested by the sector that supervises the area of mineral resources, in accordance with the terms to be regulated.

4. The detachment of geosites and/or removal of geosites from the geological heritage or archaeological finds referred to in paragraph 2 of this article, does not entitle the mining owner to compensation.

CHAPTER V – LEGAL REGIME OF MINING TITLES

SECTION I – Prospecting and Research License

Article 63 – (Conditions and term of assignment)

1. The Prospecting and Survey License is granted to the legal person incorporated and registered in accordance with Mozambican legislation, with technical and financial capacity that intends to carry out the prospecting and research operations.

2. The validity period of the Prospecting and Research License shall comply with the provisions of the following paragraphs:

a) two years for mineral resources for construction and mineral water, renewable once, for the same period;

b) five years for other mineral resources, renewable once, for another three years.

Article 64 – (Specific rights of the holder)

The Prospecting and Research License gives its holder, in the granted area, the right to:

a) to have access to the area and to carry out prospecting and research activities on an exclusive basis;

b) to collect, remove, transport and export specimens and samples that do not exceed the acceptable limits and volumes for laboratory analysis purposes, in accordance with the research standards and criteria, under the terms to be regulated;

c) To carry out sampling and to carry out treatment and technological tests of ore to determine its content whenever they do not exceed the acceptable limits and volumes, defined under the terms to be regulated;

d) to occupy the land, open access roads and erect temporary facilities, camps, constructions or buildings necessary for the execution of prospecting and research;

e) to use water, wood and other materials necessary for prospecting and research activities and operations, in compliance with the applicable legislation and good mining and socio-environmental practices;

f) request, with the right of first refusal, the inclusion in the respective title of other minerals that occur in the area subject to the Prospecting and Research License.

Article 65 – (Specific duties of the holder)

1. The holder of the Prospecting and Research License has, among other duties, the following:

a) To carry out mining activity in accordance with the laws and regulations in force;

b) to respect local communities and contribute to the preservation of the socio-cultural aspects of the communities;

c) to comply with the approved work program;

d) to submit to the Government the information on the investments made and half-yearly and annual reports of prospecting and research operations;

e) To compensate land users for damage caused to land or property as a result of prospecting and research operations in the area;

f) To carry out the activities in accordance with good mining and socio-environmental practices;

g) To observe the technical safety and health standards for geological and mining activities, in compliance with the applicable legislation;

h) To carry out the environmental recovery of the area and repair the damage resulting from the prospecting and research operations, in accordance with the applicable legislation;

i) to communicate to the Government, before any public disclosure, the discovery of minerals, under the terms of the regulation;

j) Deliver to the Government, at a place to be determined, the geological samples, including drill cores extracted within the scope of the mining activity;

k) To implement the plan for compensation and temporary resettlement of the affected population, in accordance with the applicable legislation;

l) to communicate to the Government the use of construction materials and their respective quantities;

m) To return the Prospecting and Research License in case of revocation of the same, renunciation or cessation of mining activity and to submit a final report of the prospecting and research corresponding to the period of the activities carried out.

2. The holder of a Prospecting and Research License who exports samples with commercial value shall be subject to all taxes and other tax obligations as if the exported mineral resources had been obtained under a Mining Concession, Small-Scale Mining License or Artisanal Mining License.

SECTION II – Mining Concession

Article 66 – (Conditions and term of attribution)

1. The Mining Concession is awarded to the legal person incorporated and registered in accordance with Mozambican law, with technical and financial capacity that intends to carry out the mining operations and that complies with the legal requirements, provided that it is emerging from a Prospecting and Research License, resulting from a public tender or public auction.

2. The term of the Mining Concession is up to 25 years, and may be extended for an equal period, based on the economic life of the mine and compliance with legal duties by the mining owner.

Article 67 – (Specific rights of the holder)

The Mining Concession gives its holder the right to, in the granted area:

a) To have access to the area and to carry out on an exclusive basis the activities of development, extraction and processing of the mineral resources discovered, quantified and evaluated in the prospecting and research phase;

(b) Use and occupy the land to carry out the necessary operations and work, including the erection of facilities or infrastructure necessary to carry out mining operations;

c) to use for the purposes of mining operations, timber and other forest products, as well as water, respecting the applicable law regarding the use of these resources;

d) to store, transport, the ores and treat any contaminating waste, in accordance with the respective environmental management instrument;

e) Sell or otherwise dispose of the mineral products resulting from mining activities and operations or through them obtain consideration of financial value.

Article 68 – (Specific duties of the holder)

1. The holder of the Mining Concession shall, before the commencement of any development and extraction work in the area for which the Mining Concession is awarded, obtain:

a) Environmental License;

b) Right to Use and Benefit from Land;

c) Approval of the Compensation and Resettlement Plan.

2. The holder of the Mining Concession must observe, among others, the following duties:

a) To carry out mining activity in accordance with the laws and regulations in force;

b) to respect local communities and contribute to the preservation of the socio-cultural aspects of the communities;

c) to enter into the Local Development Agreement with the local communities;

d) to demarcate and maintain the boundaries of the mining area, in accordance with the applicable legislation;

e) to start mining development activities within a maximum period of 24 months from the date of issue of the Mining Concession;

f) to start mining production within a maximum period of up to 48 months, counted from the date of issuance of the Mining Concession;

g) To carry out mining activities in accordance with the approved feasibility study and in compliance with good mining and socio-environmental practices;

h) to carry out the mining exploration in accordance with the mining plan;

i) maintain the level of production defined in the mining plan contained in the feasibility study and subsequent changes approved by the competent entity;

j) To maintain up-to-date information on activities and operations, including the production and sale or disposal of extracted and processed minerals and the financial value resulting from the mining activity;

k) to keep the accounting books in order and others that are legally required;

l) To submit to the Government information and periodic reports on the mining activities legally required, including production and marketing;

m) to allow scientific studies carried out by State and educational institutions under the terms of this Law;

n) To observe the technical safety and health standards for geological and mining activities;

o) To appoint a technical director of the mining project, in accordance with the regulations on technical safety and health in geological and mining activities;

p) to comply with the requirements of prevention, protection, management and environmental restoration;

q) To allow access, through the mining area, to any adjacent area, provided that this does not interfere with the mining activity;

r) To permit the construction and use, in the mining area, of ditches, canals, pipelines, gas pipelines, sewers, drainage, roads and public infrastructures, installation of electrical and communications infrastructures, provided that they do not interfere with mining activity;

s) To compensate land users for any damage caused to land and property resulting from mining operations;

t) to totally or partially abandon the mining area subject to the Mining Concession, in accordance with the rehabilitation and closure plan of the mine in accordance with the applicable legislation;

u) Carry out the environmental recovery of the area and the closure of the mine, in accordance with the approved plans;

v) whenever necessary, to commercialize the mining production in the country for industrial development, under the terms to be regulated;

w) To set up committees for the resolution of complaints and claims resulting from mining operations, as well as to establish the mechanisms available to the communities for their submission;

x) to report the company's registration on the Mozambique Stock Exchange in accordance with the law;

y) to return the Mining Concession in the event of its revocation, renunciation or cessation of mining activity;

z) to process the ores extracted in the country under the terms to be regulated;

aa) to submit a periodic report on the observance of human rights and to report the results achieved to the competent authorities;

bb) To allow monitoring of the human rights situation in the area of mining activity under the terms to be regulated.

3. The period referred to in paragraph 2(e) of this Article may be extended by force majeure or by a reasoned decision of the Government.

SECTION III – Mining Treatment and Processing

Article 69 – (Conditions for granting the Mining Treatment License)

1. The Mining Treatment License is granted to the legal person incorporated and registered in accordance with the laws of the Republic of Mozambique, with legal, technical and financial capacity that intends to carry out the mining treatment operations.

2. Holders of Mining Concession, Small-Scale Mining License or Artisanal Mining License carry out mining treatment activities with exemption from Mining Treatment License.

3. In addition to the licence referred to in the preceding paragraphs, authorisation is also required for the treatment of radioactive minerals in accordance with the legislation applicable to atomic energy and radioactive minerals.

4. The criteria, requirements and conditions of the Mining Treatment Licenses are defined in regulations.

Article 70 – (Conditions for granting the Mining Processing License)

1. The Mining Processing License is granted to the legal person incorporated and registered in accordance with the legislation in force in the Republic of Mozambique, with legal, technical and financial capacity that intends to carry out the mining processing operations.

2. Authorization is also required for the processing of radioactive minerals in accordance with the legislation applicable to atomic energy and radioactive minerals.

Article 71 – (Internal processing and processing)

1. The treatment and processing of ores must be carried out within the national territory in a progressive manner, according to the modality to be defined by the Council of Ministers.

2. The rules on the treatment and processing of minerals are defined in regulations.

Article 72 – (Specific rights of the holder of the Mining Treatment License)

The Mining Treatment License gives its holder the right to:

a) to have access to the area and to carry out mining treatment activities on an exclusive basis;

b) to install and operate a mining treatment unit;

c) to purchase from mining owners the ores subject to mining treatment;

d) sell the mineral products resulting from the mining treatment.

Article 73 – (Specific duties of the holder of a Mining Treatment license)

1. The holder of the Mining Treatment Licence prior to the commencement of any development and treatment work in the area for which the licence is granted, shall obtain:

a) Environmental License;

b) Right to Use and Benefit from the Land.

2. The holder of the Mining Treatment License shall observe, among others, the following duties:

a) To carry out mining activity in accordance with the laws and regulations in force;

b) To carry out mining activities in accordance with the approved feasibility study and in compliance with good mining and socio-environmental practices;

(c) start mining operations and production within 24 months for large-scale processing operations and within 12 months for small-scale operations from the date of grant of the licence;

d) to present the program of treatment operations to be carried out in the following year, as well as the plan for the sale of mineral products;

e) to purchase mineral products for treatment from mining owners based in the national territory, being obliged to present the purchase and sale agreement;

f) maintain the level of production in accordance with the capacity approved in the technical and economic feasibility study;

g) To respect local communities and contribute to the preservation of the socio-cultural aspects of the communities;

h) To maintain updated information on activities and operations, including the purchase of ore and sale of treated minerals;

i) to keep in a proper book the record of ore acquisitions, describing the quality specifications and the quantities of minerals sold;

j) to keep the accounting books in order and others that are legally required;

k) to inform the Government whenever there is a change in the installed capacity of the treatment plant;

l) treat any contaminating waste, in accordance with the applicable legislation;

m) To observe the technical safety and health standards for geological and mining activities;

n) To submit to the Government information and periodic reports on the mining activities legally required, including production and marketing;

o) comply with the legislation applicable to mining treatment;

p) to pay taxes and fees due;

q) Return the mining processing license in the event of revocation, renunciation or cessation of mining activity.

Article 74 – (Specific Rights of the Mining Processing License Holder)

The Mining Processing License gives its holder the right to:

a) to have access to the area and to carry out mining processing activities on an exclusive basis;

b) to process the ores in accordance with the applicable legislation;

c) to install and operate a mining processing unit;

d) to purchase from mining holders the ores subject to mining processing;

e) sell the mineral products resulting from mining processing.

Article 75 – (Specific Duties of the Mining Processing License Holder)

1. The holder of the Mining Processing License before the commencement of any development and processing work in the area for which the License is assigned, shall obtain:

a) Environmental License;

b) Right to Use and Benefit from the Land.

2. The holder of the mining processing license shall observe, among others, the following duties:

a) carry out mining processing in accordance with the laws and regulations in force;

b) to carry out the processing activities in accordance with the approved feasibility study and in compliance with good mining and socio-environmental practices;

(c) start mining operations and production within 24 months for large-scale processing operations and within 12 months for small-scale operations from the date of the grant of the licence;

d) to present the program of processing operations to be carried out in the following year, as well as the plan for the sale of mineral products;

e) to purchase mineral products for processing from the mining owners;

f) maintain the level of production in accordance with the capacity approved in the technical and economic feasibility study;

g) To respect local communities and contribute to the preservation of the socio-cultural aspects of the communities;

h) To maintain updated information on activities and operations, including the purchase of ore and sale of processed minerals;

i) to keep in a proper book the record of ore acquisitions, describing the quality specifications and the quantities of minerals sold;

j) to keep the accounting books in order and others that are legally required;

k) to inform the Government whenever there is a change in the installed capacity of the processing plant;

l) treat any contaminating waste, in accordance with the applicable legislation;

m) To observe the technical safety and health standards for geological and mining activities;

n) To submit to the Government information and periodic reports on the mining activities legally required, including production and marketing;

o) comply with the legislation applicable to mining processing;

p) to pay taxes and fees due;

q) Return the mining processing license in case of revocation, waiver or cessation of mining activity.

Article 76 – (Sharing of mining infrastructures)

1. Infrastructures built for mining purposes that are indispensable for access, transport, treatment, processing or disposal of mineral resources may be shared between different holders of mining rights, under the terms to be regulated.

2. The division referred to in paragraph 1 of this article may be granted, provided that the principles of reasonableness, proportionality, non-discrimination and fair compensation are observed.

3. The division referred to in paragraph 1 of this article shall be authorised by the Minister supervising the area of Mineral Resources by means of a duly substantiated request by the interested parties.

SECTION IV – Commercialization of Mineral Products

Article 77 – (Purchase and sale of mineral products)

1. The purchase and sale of mineral products that do not result from mining activity carried out under a Mining Concession, Processing License, Mining Treatment License, Small-Scale Mining License and Artisanal Mining License and that do not focus on strategic minerals or others to be defined under the terms to be regulated, are reserved to national natural or legal persons, incorporated and registered in Mozambique, provided that the nationals hold and exercise effective control over the activity and demonstrate adequate technical, financial and operational capacity, under the terms of the specific regulation.

2. For the purposes of this Article, effective control shall be deemed to be the actual direct or indirect ownership of the mining marketing activity, including strategic decision-making power, operational management, financial control and final economic benefit, in accordance with the applicable legislation.

3. Any form of assignment, subcontracting, mandate, delegated management, conditional financing or de facto agreement which has the effect of allowing foreign persons to carry out the direct or indirect mining activity or to exercise the economic control of the licence shall be prohibited.

4. Violation of the provisions of this article shall constitute a serious offence and shall entail, without prejudice to civil, administrative or criminal liability, the immediate revocation of the mining marketing licence, the seizure of mineral products and the disqualification of the offender from carrying out the activity for a period to be defined in regulation.

5. The commercialization of mineral products, resulting from mining activity carried out under the Mining Concession, Processing License, Mining Treatment License, Small-scale Mining License and Artisanal Mining License, does not require a Marketing License.

6. The possession and circulation of mineral products outside the scope of the preceding paragraphs is subject to specific regulations.

7. The import, transit and traceability of industrial minerals, precious metals and gems is governed by specific regulation.

Article 78 – (Term of the Marketing License)

The Commercialization License is valid for five years, extendable for an equal period.

Article 79 – (Rights and duties of the holder of the Marketing License)

1. The Trading License shall entitle the holder to carry out the activity of trading mineral products specified in the License, within the area of operation covered by the License.

2. The duties of the Commercialization License Holder are:

a) Not to make an assignment, subcontracting, mandate, delegated management, conditional financing or de facto agreement that has the effect of allowing foreign persons to directly or indirectly carry out the mining marketing activity or the economic control of the license;

b) not to engage in illicit operations for the commercialization of mineral products in violation of this Law and other applicable legislation;

c) register the Marketing Operator under the respective license;

d) to have control over the actions of the mining operators registered under its license;

e) return to the competent authority the Card of the Mining Operator that has ceased to operate under its license;

f) extend the Operator Card and pay the respective fee, as well as pay the annual marketing fee;

g) not to provide false data, information or statements in relation to any matter under this Law and other applicable legislation;

h) to provide annual information on the purchase and sale operations carried out during the year.

3. The holder of the Marketing License shall be responsible for the marketing operations carried out by the operators registered under the respective License.

CHAPTER V – SMALL-SCALE AND ARTISANAL MINING

SECTION I – Principles

Article 80 – (Principles of Small-Scale and Artisanal Mining)

1. Small-scale and artisanal mining is an economic activity of relevant social impact, carried out exclusively by national citizens as a means of subsistence and income generation.

2. The exercise of small-scale and artisanal mining shall be subject to specific regulations, with a view to:

a) To promote the formalization of the activity;

b) to ensure minimum conditions of technical and environmental safety;

c) to prevent conflicts over land and overlapping rights;

d) to combat the illicit trade of minerals;

e) to ensure the collection of public revenues;

f) to protect the rights of local communities.

3. The State, through the Mining Regulatory Authority, shall adopt progressive measures of organization, training and technical assistance to small-scale and artisanal mining operators, promoting their integration into the formal economy.

4. The regulation of small-scale and artisanal mining must observe the principles of proportionality, economic inclusion and environmental sustainability.

SECTION II – Small-Scale Mining License

Article 81 – (Conditions and term of assignment)

1. The Small-Scale Mining License shall be granted to a national, natural or legal person with legal capacity who proves that he or she has the technical and financial capacity to carry out small-scale mining operations.

2. The characteristics and limitations that distinguish small-scale mining operations from other mining operations shall be laid down by regulation.

3. The Small-Scale Mining License shall be valid for up to 10 years, which may be successively extended for an equal period according to the economic life of the mine.

4. The area covered by the Small-Scale Mining License shall not exceed the area required for small-scale mining operations and their easements.

Article 82 – (Rights of the holder)

The Small-Scale Mining License confers on the respective holder, under the terms of the applicable legislation, the following rights:

a) Access to the area and carry out small-scale mining activities and operations on an exclusive basis;
b) Occupy the land, open access roads and erect facilities, camps, constructions or buildings necessary for the execution of small-scale mining operations;

c) use water, wood and other materials necessary for small-scale mining activities and operations, in compliance with the applicable legislation and good mining and socio-environmental practices;

(d) to sell mineral products resulting from the extraction and processing of small-scale mining operations or to obtain financial value through them.

Article 83 – (Duties of the holder)

1. The holder of the Small-Scale Mining Licence, before the commencement of any development and extraction work in the area for which the Small-Scale Mining Licence is granted, shall obtain:

a) Environmental License;

b) Right to Use and Benefit from Land;

c) Approval of the Compensation and Resettlement Plan.

2. The holder of the Small-Scale Mining License shall, in the granted area, observe, among others, the following duties:

a) To carry out mining activity in accordance with the laws and regulations in force;

b) to carry out the mining exploration in accordance with the mining plan;

c) immediately declare to the supervisory body the discovery of associated minerals in the concession area;

d) To respect local communities and contribute to the preservation of the socio-cultural aspects of the communities;

e) start mining production within 24 months from the date of issuance of the Small-Scale Mining License;

f) to submit information and periodic reports of the mining operations legally required, including production and marketing;

g) to allow scientific studies carried out by State and educational institutions under the terms of this Law;

h) Maintain the mining area and operations in compliance with technical safety and health standards for geological and small-scale mining activities, in compliance with the applicable legislation;

i) To comply with the requirements of prevention, protection, management and environmental restoration for small-scale mining activities;

j) To allow access, through the mining area, to any contiguous land, provided that this does not interfere with mining activity;

k) To permit the construction and use, in the mining area, of ditches, canals, pipelines, gas pipelines, sewers, drainage, roads and public infrastructures, installation of electrical and communications infrastructures, provided that they do not interfere with mining activity;

l) To compensate land users for any damage caused to land and property resulting from mining operations;

m) To carry out the activities in accordance with good mining and socio-environmental practices;

n) to totally or partially abandon the mining area subject to the Small-Scale Mining License, in accordance with the rehabilitation and closure plan;

o) To implement the plan for compensation and resettlement of the population in accordance with the applicable legislation;

p) return the Small-Scale Mining License in case of revocation of the same, waiver or cessation of mining activity.

Article 84 – (Conversion)

1. The holder of the Small-Scale Mining License may apply for the conversion of the title into a Mining Concession, provided that the requirements set forth in this Law are met.

2. The Government or competent entity may, during the validity of the Small-Scale Mining License, condition the mining activity to obtaining a Mining Concession.

SECTION III – Reserved Area for Artisanal Mining and Artisanal Mining License

Article 85 – (Area Reserved for Artisanal Mining)

1. The State may delimit exclusive zones for artisanal mining carried out by national individuals or mining cooperatives constituted by nationals called Reserved Area for Artisanal Mining.

2. The characteristics and limitations that distinguish mining operations in the Artisanal Mining Reserved Area, as well as the procedures for carrying out mining activity in these areas, are established by regulation.

3. In the Reserved Area for Artisanal Mining, a large-scale mining concession cannot be awarded.

Article 86 – (Artisanal Mining License)

1. The Artisanal Mining License is a title granted to a national natural person or national legal person, constituted between nationals, to carry out artisanal mining activities in a reserved area, with a view to safeguarding the interests of local communities.

2. The area covered by the Artisanal Mining License shall not exceed the area necessary for artisanal mining operations and their easements.

3. The characteristics and limitations that distinguish artisanal mining operations from other mining operations shall be laid down in a specific regulation.

4. The holder of the Artisanal Mining License may apply for the conversion of the title into a Small-Scale Mining License, provided that the requirements set forth in this Law are met.

Article 87 – (Conditions and term of attribution)

1. The Artisanal Mining License shall be granted to a national natural person or a national legal person constituted among nationals with legal capacity to carry out artisanal mining operations.

2. The Artisanal Mining License is valid for three years, and may be successively extended for an equal period, according to the economic life of the mine under the terms to be regulated.

Article 88 – (Rights of the holder)

The Artisanal Mining License gives the holder the right to:

a) access to the area to carry out artisanal mining operations;

b) To carry out the activities in accordance with the good mining and socio-environmental practices of artisanal mining operations;

c) to use water, wood and other materials necessary for artisanal mining activities and operations, in compliance with the applicable legislation and good mining and socio-environmental practices;

d) Benefit from training and capacity building actions;

e) sell the mineral products resulting from the extraction.

Article 89 – (Duties of the holder)

The holder of the Artisanal Mining License must fulfill the following duties:

a) To carry out mining activity in accordance with the laws and regulations in force;

b) to respect local communities and contribute to the preservation of the socio-cultural aspects of the communities;

c) be a holder of the Artisanal Mining License whenever involved in artisanal mining operations;

d) to respect the terms and conditions that are established in the Artisanal Mining License;

e) to maintain the mining area in compliance with the legislation applicable to technical safety and health, as well as environmental legislation;

f) sell the mineral products to mining owners authorized to buy mineral products;

g) Declare the production and pay the taxes and fees due;

h) To return the Artisanal Mining License in case of revocation of the same, renunciation or cessation of mining activity;

i) rehabilitate the mined areas in accordance with the applicable legislation.

CHAPTER VI – MINING IN THE NATIONAL MARITIME SPACE AND AUTHORIZATIONS

SECTION I – Applicable Rules

Article 90 – (Legal regime)

1. The allocation of mining rights in inland maritime waters, territorial sea, the continental shelf and the exclusive economic zone shall be carried out by public tender preceded by opinions from the Ministries that supervise the areas of the Sea, Inland Waters and the Environment.

2. The carrying out of mining activity in the territorial sea, on the continental shelf and in the exclusive economic zone, is subject to this Law without prejudice to the provisions of the Law of the Sea and other applicable legislation.

3. The rules applicable to the allocation and exercise of mining rights in the territorial sea, on the continental shelf and in the exclusive economic zone shall be interpreted in accordance with international instruments.

SECTION II – Permits and Mineral Resources for Construction

Article 91 – (Traditional Uses of Mineral Resources for Construction)

The extraction of mineral resources for construction in local communities does not require a mining title or authorization when it meets the following requirements:

a) carried out by a national citizen to the extent and in the manner permitted by local customs and in the land where it is usual to carry out such extraction;

b) construction of housing and other works for one's own use;

c) production of decorative ceramic artifacts by users of the land.

Article 92 – (Use of Mineral Resources for the Construction of Works of Public Interest)

1. The extraction of construction materials carried out by the public entity in charge of the execution, rehabilitation and maintenance of roads, railway lines, dams and other engineering or infrastructure works of public interest, does not require a mining title.

2. For the purposes of paragraph 1 of this article, the public entity shall obtain authorization for the use of mineral resources for construction that confers the right to extract them for the construction of works of public interest, upon presentation of the public works contract.

3. The authorization for the extraction of mineral resources for construction shall be granted by the Minister who supervises the area of Mineral Resources, provided that the contract referred to in paragraph 2 of this article stipulates that the State shall provide mineral resources for construction.

4. In case the extraction of construction material occurs in areas of mining title, the holder must allow the public entity to extract construction materials exclusively for the execution of works of public interest.

5. In cases of emergency for the execution of works of public interest, the public entity may carry out the extraction of construction materials, provided that they do not occur in areas for the extraction of these minerals, subject to regulations.

6. The public entity that extracts construction materials under the authorization must comply with the environmental legislation as well as the legislation on technical and health safety in geological and mining activities.

7. The extraction of mineral resources for construction referred to in the preceding paragraphs shall be immediately suspended, if it is carried out, for commercial purposes.

8. In addition to the suspension provided for in paragraph 7 of this article, the production tax shall be paid, without prejudice to any penalties provided for in the applicable legislation.

9. In the event of revocation, waiver or termination of the authorization, the authorized entity shall carry out the environmental restoration of the area, close the facility in accordance with the legislation and return the said authorization.

SECTION III – Geological Investigation

Article 93 – (Geological investigation carried out by the State)

1. The State promotes and carries out, through specialized institutions, geoscientific investigations, systematic geological mapping of the national territory and other geological-mining and metallurgical studies that it deems appropriate, in order to inventory and evaluate the potential of the country's mineral resources, with exemption from mining title.

2. For the purposes of paragraph 1 of this article, the Ministry that supervises the area of Mineral Resources may enter into memorandums, agreements and contracts with geoscientific research institutions.

3. In any area subject to the activities provided for in paragraph 1 of this article, the attribution of any mining title to the agent authorized to carry out such activities, as well as to its consultants, partners or representatives, while linked to the State, shall be prohibited.

Article 94 – (Scientific studies)

Educational or scientific research institutions constituted or registered in accordance with the laws of the Republic of Mozambique may, with prior authorization from the competent authority, carry out scientific studies in an area of mining title or not, in accordance with the provisions of this Law and other applicable legislation.

CHAPTER VII – TRANSMISSION AND REVOCATION

Article 95 – (Transmission between living persons)

1. The transfer of rights and obligations granted under mining titles and/or rights to a subsidiary or third party must be done in accordance with Mozambican law and is subject to approval by the Government.

2. This provision shall also apply to other direct and indirect transfers of participating interests, securities and/or mining rights, including the transfer of shares, quotas or other forms of participation.

3. The State shall have the right of first refusal in the direct and indirect transfer of participating interests, securities and/or mining rights, including the transfer of shares, quotas or other forms of holdings in strategic minerals.

4. The application for transfer of mining title must be submitted by the holder of the mining title upon presentation of the following requirements:

a) report on the exercise of the activities carried out, which must mandatorily report the degree of compliance with environmental obligations;

b) tax discharge certificate;

c) plan for continuity of investment and fulfillment of other obligations assumed by the transferor;

d) other requirements established under the terms to be regulated.

5. The authorization for the transfer of mining titles occurs after verifying the qualification of the transferee, its technical, financial and operational capacity, including previous and proven experience in the mining activity, compliance with environmental standards, compliance with social responsibility plans, and a history of compliance with tax and legal obligations.

6. The application of the requirements described in paragraphs 1 and 4 of this article, for the indirect transfer of participating interests, including the transfer of shares, quotas or other forms of participation, shall be in accordance with the terms to be regulated.

7. In the first 24 months after the transfer of the mining title or the transfer of more than 50% of the shareholdings, the transferring mining holder is jointly and severally liable for any environmental or tax liabilities verified before the transfer.

8. The transfer of mining titles, shareholdings, including the transfer of shares, quotas or other forms of participation made without complying with the provisions of the preceding paragraphs, shall not have effect in the national territory, constituting an infringement and shall be subject to the penalties provided for in this Law and other legislation.

Article 96 – (Assignment of Exploitation)

1. The assignment of the mining title to third parties is subject to the payment of fees and the qualifications of the transferee, its technical, financial and operational capacity, including previous experience in the mining activity, and other requirements are proven.

2. The application for assignment of mining title must be submitted by the mining owner, who attaches for this purpose, the report of activities carried out, the tax discharge certificate and other requirements under the terms to be regulated.

3. The assignment of mining exploitation of mining titles made without complying with the provisions of the preceding paragraphs shall not have effect in the national territory, shall constitute an infringement and shall be subject to the penalties provided for in this law and other applicable legislation.

4. Notwithstanding the assignment of exploitation of the mining title, the mining holder shall be jointly and severally liable with the assignee for non-compliance with the terms and conditions arising from the mining title.

Article 97 – (Transmission by death or disability)

Mining titles may be transferred upon the death or incapacity of their holder under the terms of the applicable law.

Article 98 – (Revocation of Mining Titles)

1. Mining titles are revoked when the holder:

a) fails to pay specific taxes;

b) does not comply with any regulatory or specific provision of the Mining Contract and in these, it is specified that such violation constitutes grounds for revocation of the title;

c) does not comply with the work program, mining plan, environmental management plan, rehabilitation and restoration of degraded areas;

d) does not present the financial guarantee for the rehabilitation and closure of the mine;

e) enters into insolvency, agreement or composition with its creditors, unless there is a real guarantee constituted and registered over the mining facilities;

f) operates the transformation or dissolution of the company, unless authorized by the Government.

2. The Prospecting and Research License is revoked if the holder:

a) Not to carry out mining activities included in the work programme, approved for the activity of prospecting and research;

b) not to submit the annual reports of prospecting and research and investments made;

c) start mining production in the prospecting and research phase.

3. The Mining Concession shall be revoked if the holder does not comply with the provisions of paragraph 1 and paragraphs e), f), g), j), l) and u) of paragraph 2 of article 68, or if the holder stops production outside the scope of force majeure and if the holder of the Mining Concession violates any provision that provides that its violation is penalized by revocation.

4. The Processing and Processing Licenses are revoked if the holder:

a) does not comply with the provisions of subparagraphs a) and b) of number 1 of article 73 and 75;

(b) fails to commence mining operations and production within 24 months for large-scale processing operations from the date of grant of the licence;

(c) fails to commence mining operations and production within 12 months for small-scale operations from the date of grant of the licence;

d) does not comply with any regulatory or specific provision and in these, it is specified that such violation constitutes grounds for revocation of the title;

e) not to present an instrument of purchase or any other legal form of acquisition of mining products;

f) enter into insolvency, agreement or composition with its creditors, unless there is a real guarantee constituted and registered over the mining facilities;

g) to operate the transformation or dissolution of the company, without authorization from the Government.

5. The Small-Scale Mining License shall be revoked if the holder:

a) does not comply with the provisions of Article 83(1)(a) and (b) of this Law;

b) does not comply with the provisions of subparagraphs e) and i) of number 2 of article 83 of this Law;

c) not submit the annual reports and investments made in the previous year;

d) to stop production outside the scope of force majeure;

e) violates any term or condition established in the mining title, provided that its violation is penalized with revocation.

6. The Artisanal Mining License shall be revoked in the cases of:

a) illegal sale of mineral products;

b) trafficking or concealment of actions of trafficking in mineral products;

c) when mining activity results in serious environmental damage.

7. The Marketing License is revoked in the cases of:

a) the holder or his agent violates any provisions of this Law and its regulations, and any terms and conditions of the respective license;

(b) assigning, subcontracting, managing, carrying out delegated management, financing under a condition or agreement of fact which has the effect of allowing foreign persons to carry out the direct or indirect activity of mining marketing or to have economic control of the licence;

c) existence of evidence that the holder or his agent are or have been involved in illicit operations of commercialization of mineral products in contravention of this Law and applicable legislation;

d) the owner or trader has been convicted of a crime that carries a prison sentence of more than 2 years;

(e) the trader or operator is associated with elements involved in the trafficking of mineral products or other illegal activities;

f) the holder or marketing operator has made false statements or provided false information to obtain the license;

g) failure to pay the annual marketing fee.

8. The revocation of a mining title does not affect the fulfilment of the obligations contracted by the mining owner, before the date of revocation, as well as any claims by third parties in good faith for damages or injuries caused by the mining activity, without prejudice to the application of criminal legislation.

CHAPTER VIII – CHANGES TO THE MINING TITLE AREA

Article 99 – (Merger of mining areas)

1. The merger of areas consists of the union of two or more contiguous areas held by mining owners with prior authorization from the Minister who supervises the area of Mineral Resources.

2. The merger of areas held by holders with different corporate structure is subject to the regime of transfer of mining securities.

3. The holder of the areas subject to the merger is jointly and severally liable for the environmental, fiscal and social obligations arising from its mining titles and incurred before the merger of areas.

Article 100 – (Reduction of mining area)

1. The reduction of the area consists of the reduction of the mining area, on the initiative of the holder or by legal imposition, and the procedures for processing the application for reduction of the area are defined in accordance with the terms to be regulated.

2. The area subject to reduction shall become free for the purposes of mining licensing.

3. Failure to comply with the mandatory reductions within the established period implies the application of sanctioning measures under the terms to be regulated.

Article 101 – (Detachment of mining area)

1. Detachment consists of the separation of part of the mining area, with the aim of constituting a new mining title or allowing the partial transfer of the same.

2. The de-annexation of areas for partial assignment is subject to the regime of transmission of mining titles.

3. The application for detachment shall be approved upon technical opinion of the licensing entity and shall be subject to the payment of a processing fee in accordance with the terms to be regulated.

4. The holder of the detached area remains jointly and severally liable for the environmental and social liabilities incurred prior to the deannexation until the approval of the deannexation.

CHAPTER IX – DIRECT INVESTMENT

Article 102 – (Form of investment)

1. National and foreign direct investment may take the following forms, separately or cumulatively, provided that they are subject to pecuniary valuation:

a) the amount spent on geological studies and mining activities within the scope of the obligations provided for in this Law;

b) in the case of national direct investment, infrastructure, and the assignment of rights relating to land use, concessions, licenses and other rights of an economic, commercial or technological nature;

c) equipment and respective accessories, materials and other imported goods;

d) amount paid in freely convertible currency for the total or partial transfer of shares in a company incorporated in Mozambique or of the mining title, provided that the amount is paid in a Bank registered in Mozambique or in an external account authorized under the terms of the foreign exchange law;

e) assignment, in specific cases and under the terms agreed and sanctioned by the competent authorities, of the rights to use patented technology and registered trademarks, under the terms to be regulated.

2. The value of direct investment shall include expenses, duly accounted for and confirmed by a reputable auditing firm, incurred in mining operations subject to a mining title.

3. State investment is covered through the valuation of existing resources and other forms to be defined by the Government.

Article 103 – (Expropriation of assets and rights)

1. The expropriation of property and private property rights under a mining title may only take place, exceptionally and with justification, for the sake of the public interest and shall be subject to the payment of fair compensation.

2. The valuation of expropriated assets or rights, as well as financial losses suffered by investors under the responsibility of the State, for the purpose of determining the amount of compensation provided for in the preceding paragraph, shall be carried out within 90 days, by mutual agreement, by a committee specially constituted for this purpose or by an auditing firm of recognised suitability and competence.

3. The compensation referred to in the preceding paragraphs shall be paid within 190 days, or such other mutually agreed period, from the date of the committee's decision or the submission of the report by the independent audit firm, on the basis of the assessment carried out in accordance with the preceding paragraph.

4. The appraisal time for the purpose of taking a decision on the appraisal carried out and submitted to the competent State body shall not exceed 90 days from the date of submission and receipt of the appraisal file.

Article 104 – (Transfer of funds abroad)

The State guarantees, under the terms of the applicable legislation, the transfer abroad, upon presentation by the holder, of the documents proving discharge issued by the respective tax area, of:

a) exportable profits resulting from investments eligible for the export of profits;

b) royalties or other income from remuneration of indirect investments associated with the transfer or transfer of technology, or other rights, under the terms of the applicable law;

c) amortizations and interest on loans contracted in the international financial market and applied in investment projects carried out in the country;

d) foreign capital invested;

e) amounts corresponding to the payment of obligations to other non-resident entities.

CHAPTER X – ENVIRONMENTAL MANAGEMENT OF MINING ACTIVITY

Article 105 – (Principles on the protection and preservation of the environment)

1. Mining shall be carried out in accordance with the principles of environmental protection and preservation.

2. In addition to the principles referred to in paragraph 1 of this Article, mining shall be carried out in accordance with:

(a) the laws and regulations in force on the use and exploitation of mineral resources, including social, economic, cultural and radiological aspects;

b) good mining practices, in order to ensure the preservation of biodiversity, minimize the impact of tailings, waste and losses of natural resources and protect them against adverse effects on the environment;

(c) compliance with technical safety standards in accordance with the specific regulation.

Article 106 – (Environmental management of mining activity)

1. All mining operations are subject to a mandatory environmental management regime, and the holders of mining rights must prepare and implement environmental management plans approved by the competent authority.

2. Mining licence holders are responsible for the rehabilitation of the exploited areas and for compensating for the environmental and social damage caused.

3. The State shall ensure the continuous supervision and participation of local communities in environmental monitoring processes.

4. Failure to comply with environmental obligations shall entail administrative, civil and criminal sanctions, including the suspension or revocation of mining rights.

Article 107 – (Environmental classification of mining activities and environmental management instruments)

1. The environmental classification of mining activities, as well as the criteria, parameters and procedures applicable to each category, shall be defined by specific legislation.

2. The identification, content, scope and requirements of environmental management instruments applicable to mining activities shall also be established by specific legislation.

3. The legislation referred to in the preceding paragraphs shall ensure that the environmental assessment and management instruments are adapted to the nature, size and impact of mining activities, as well as compliance with the principles of prevention, precaution and sustainable development.

4. The participation and consultation of the communities covered is a mandatory element of environmental management instruments, under the terms to be defined in specific legislation.

5. Without prejudice to the provisions of the preceding paragraphs, the implementation of mining activities depends on prior compliance with the applicable environmental requirements, under the terms of the legislation in force.

Article 108 – (Rehabilitation and closure of the mine)

1. Mining operations shall not be closed or abandoned without the implementation of the mine rehabilitation and closure plan approved by the competent authority.

2. In cases where the legislation requires the mining owner to provide a financial guarantee to cover the cost of rehabilitation and closure of the mine, the value of the security deposit must be reviewed every two years by the sector that supervises the area of Mineral Resources.

3. The mining owner shall, within the scope of its mining activities, carry out the progressive rehabilitation, whenever applicable, of the mined areas in accordance with the approved rehabilitation and closure plan.

4. When the mining owner has terminated its mining activities and the previous Environmental Audit concludes that it has fulfilled its obligations of rehabilitation and closure of the mine, the amount of the financial security deposit shall be returned to him.

5. Once the mining activity has been completed and the Environmental Audit has concluded that the holder has not complied with his obligations to rehabilitate and close the mine, the amount of the financial guarantee shall be used by the State for the purpose of rehabilitation and closure of the mine.

Article 109 – (Reinforcement of inspection capacity)

The Government should continue to strengthen its environmental and mining inspection capacity in order to ensure strict compliance with the standards for the exercise of mining, environmental protection and rehabilitation activities, in accordance with the law and international conventions and good practices.

Article 110 – (Protection of natural resources)

The State guarantees the protection of natural resources in mining areas, promoting their rational, sustainable and transparent use, combating smuggling, illegal marketing and counterfeiting of mineral products.

CHAPTER XI – EXPLOSIVES, RADIOACTIVE MATERIAL AND CHEMICALS

Article 111 – (Use of explosives)

1. The use of explosive substances in mining activity is subject to Mozambican legislation in force.

2. The use of explosives in mining activities shall be subject to licensing, certification and strict supervision in order to ensure its safe, responsible use and in accordance with applicable legal and technical standards.

3. Failure to comply with the legal provisions on the use of explosives is punishable under the terms of the applicable legislation, and may result in the suspension or revocation of the mining title without prejudice to civil or criminal liability.

4. The technical and administrative procedures for the effective implementation of this article, including the mechanisms for coordination with other public security and civil protection entities, shall be regulated by the Council of Ministers.

5. The mine operation plan shall include the adoption of safety techniques and measures for the planning, execution and monitoring of the use of explosives, which shall be submitted to the competent authorities for approval.

Article 112 – (Explosives permitted in mining activity)

The explosive substances permitted in mining are only those that are legally included in the applicable legislation in Mozambique.

Article 113 – (Acquisition, transport and use of explosives)

The acquisition, transport, handling, storage and use of explosive products, gunpowder and initiation devices must be carried out by personnel and a duly licensed entity with the authorization of the competent authority.

Article 114 – (Radioactive material)

1. The use and exploitation of mineral resources shall be carried out in accordance with the current rules of protection against exposure to ionizing radiation, without prejudice to the other duties under this Law.

2. Without prejudice to the provisions of paragraphs 1 and 2 of article 17 of this Law, prospecting and research as well as mining, with regard to the exposure of persons, goods and the environment to ionizing radiation, is subject to the prior authorization of the atomic energy regulatory authority and to compliance with the other obligations provided for in the applicable legislation.

Article 115 – (Use of mercury and other chemical materials in mining)

1. The use of mercury and other hazardous chemical materials in mining is strictly regulated and is permitted only by special license issued by the competent authority, in accordance with national legislation and international environmental and health safety treaties.

2. Public, private, cooperative or community entities that use such substances shall adopt safe and environmentally sustainable technologies, favouring alternative methods that reduce or eliminate the use of mercury and ensure strict control of toxic chemicals.

3. It is mandatory to implement environmental, health and labour protection measures, including:

a) Individual and collective protective equipment;

b) containment, ventilation and treatment systems for toxic waste;

c) continuous monitoring of water, soil and air quality in mining zones;

d) emergency plans and rapid response to chemical accidents or contamination.

4. The State ensures the creation of national training and technical assistance programs for artisanal and small-scale mining, promoting the transition to safe practices free of mercury and other harmful chemicals.

5. Failure to comply with the provisions of this Article shall constitute a serious offence subject to:

a) immediate suspension of activity;

b) administrative, civil and criminal sanctions;

c) liability of managers and technicians for environmental and public health damage.

6. The Government promotes international and regional cooperation for the phasing out of the use of mercury and the strict control of hazardous chemical materials, ensuring technical resources to support communities in the transition to safe and sustainable practices.

CHAPTER XII – INFRINGEMENTS

Article 116 – (Miscellaneous infractions)

1. It is forbidden to carry out mining activity without a mining title or authorization, under the terms to be regulated.

2. Violation of the provisions of paragraph 1 of this article shall be punishable by the penalties provided for in the applicable legislation, depending on the seriousness of the offence, in accordance with the special legal regime for extended confiscation of property and the Criminal Code.

Article 117 – (Illicit research, extraction and commercialization of minerals)

1. The prospecting and research, possession and transportation of mineral products, without proper authorization, is punishable by a penalty of 2 to 8 years in prison, under the terms of the Penal Code.

2. The extraction, treatment, processing and marketing of mineral products without proper authorization is punishable by 8 to 12 years' imprisonment, in accordance with the Penal Code, without prejudice to the imposition of fines, seizure and reversion to the State, of equipment and machinery used for mining activities.

3. The extraction, treatment, processing and commercialization of any radioactive mineral without proper authorization is punishable by 12 to 18 years' imprisonment, in accordance with the Penal Code.

4. When the value of the mineral product that is the object of the crime exceeds 1000 minimum wages in the extractive industry subsector, the aggravation rules provided for in the Criminal Code shall apply.

5. Without prejudice to the main penalties applicable under the terms of this Law and other applicable legislation, the provisions of paragraph 2 of this article, the practice of infringements determines, as an ancillary sanction, the suspension of all licenses, concessions, authorizations or mining titles held by the offender, for the purposes of investigation and inspection by the competent authority.

6. The suspension provided for in paragraph 5 of this article shall remain valid until the conclusion of the competent administrative, civil and criminal proceedings initiated, including the final decision becoming final, where applicable.

7. The application of the suspension referred to in this Article shall be without prejudice:

a) the initiation of administrative, civil and criminal proceedings;

b) the application of fines, indemnities, loss of tax or contractual benefits;

c) the definitive revocation of mining titles, in cases of recidivism, fraud, cost simulation, accounting manipulation or other practices harmful to the public interest.

8. The competent regulatory authority may, by reasoned decision and for reasons of public interest, operational safety or safeguarding of productive continuity, authorise the conditional operation of certain operations strictly necessary for the preservation of assets and the environment.

Article 118 – (Trafficking of mineral products)

1. The extraction, purchase, sale, donation in fulfilment or any form of transaction, the departure from the national territory, without due authorisation of mineral products shall constitute trafficking and shall be punishable by imprisonment of 12 to 16 years.

2. If the operations referred to in paragraph 1 of this article involve radioactive minerals or other substances that result in a danger to public health, the penalty shall be increased in accordance with the Penal Code.

3. The Government, through the competent authority of the mineral resources sector, shall publicly inform the destination of the goods, products and equipment seized as a result of violations of this Law, complementary regulations or mining contracts.

Article 119 – (Prevention and combating of money laundering, terrorism, proliferation of weapons of mass destruction)

1. In the context of the prevention, suppression and combating of terrorism, proliferation of weapons of mass destruction, related actions and acts of terrorists and terrorist organizations, practiced in national territory or abroad, whose perpetrators are in national territory and are applicants or mining holders, without prejudice to the implementation of the measures provided for in the specific legislation, the authorities shall implement the following measures:

(a) require a declaration that the shareholders and beneficial owners of the applicant or the mining holder are not involved in money laundering and terrorist financing and proliferation of weapons of mass destruction;

b) Require the certificate of criminal record, in the case of a natural person;

c) declare the sources of financing;

d) identify investors and their representatives.

2. Being a legal person incorporated under Mozambican law, require the document proving the incorporation of the legal person, indicating the share capital and its division by the respective partners and the instrument that designates the legal representative, in the case of public limited companies.

Article 120 – (Reward for collaboration)

Persons who, in any way, determine the seizure of minerals, are entitled to protection and a reward for collaboration, under the terms provided for in the applicable legislation.

CHAPTER XIII – TRANSITIONAL AND FINAL PROVISIONS

Article 121 – (Registration)

The acquisition, modification, transmission and extinction of mining titles are subject to registration in the mining register, under the terms to be regulated.

Article 122 – (Acquired rights)

1. All rights acquired under Mining Contracts and/or Agreements entered into with the Government and Mining Concessions, granted before the entry into force of this Law, shall be maintained.

2. In the case of extension of the mining title or mining contract, the legislation in force at the date of the extension shall apply, as well as the general principles of law.

Article 123 – (Contracts in execution)

At the end of the period of validity of the contracts established under the terms of paragraph 1 of article 122 of this Law, the new contracts shall be executed within the scope of this Law.

Article 124 – (Repealing rule)

Laws no. 20/2014, of 18 August and 15/2022, of 19 December, and other legislation that contradicts this Law are hereby repealed.

Article 125 – (Regulation)

It is incumbent upon the Council of Ministers to approve the regulation of this Law within 90 days from the date of its entry into force.

Article 126 – (Entry into force)

This Law enters into force on the date of its publication.

Approved by the Assembly of the Republic, on 7 May 2026.

The President of the Assembly of the Republic, Margarida Adamugi Talapa.

Promulgated, on June 3, 2026.

Public.

The President of the Republic, Daniel Francisco Chapo.

ANNEX – GLOSSARY

Archaeological Finds – objects produced or worked by man that have historical interest such as remains of ceramics, stone tools, remains of dwellings, cave paintings and others.

Geological-Mining Activity – operations that consist of the development, jointly or separately, of prospecting and research, development, exploration, transport, mining processing and marketing of mineral products.

Mining Activity – operations that consist of the development, jointly or separately, of prospecting and research, development and extraction, mining treatment and processing and marketing of mineral products.

Mining asset – a tangible or intangible asset, with the capacity to produce benefits including plant, equipment, machinery, buildings and other materials and goods, acquired for the purpose of mining as well as any part of an asset or any right or interest in relation to it, including a mining title, a share in the mining legal entity or contractual participation in a mining operation.

Adding Value to Ore – economic activity or mining treatment and processing operations.

Mineral Water – water of underground origin, coming from captive aquifers, springing through springs or natural emergencies, characterized by mineral salts and main elements, dissolved gases and temperature that meet the standards of potability for human consumption in terms of microbiological, chemical and physicochemical parameters, defined by national health standards, including mineral-medicinal, medicinal and thermal waters, with therapeutic properties in the precise state of emergency.

Mining Area – Portion of geographically delimited land subject to mining title, including any extension granted for mining activity, excluding any portion of such area that has been abandoned at any time, in accordance with this Law.

Authorization – permission for the extraction of Mineral Resources for Construction, Geological Mapping, Geological-Mining, Metallurgical and Scientific Studies carried out by the State and Educational Institutions.

Environmental Impact Assessment – preventive environmental management instrument; consists of the identification and prior, quantitative and qualitative analysis of the beneficial and pernicious socio-environmental effects of a proposed mining activity.

Mineral Processing – consists of operations applied to mineral goods, aiming to modify the granulometry, the relative concentration of the mineral species present or the form, without, however, modifying the chemical or physical identity of the minerals.

Good Mining Practices – practices and procedures that are generally employed in the international mining industry by diligent operators, aiming at the prudent management of resources, observing the aspects of safety, prevention and socio-environmental preservation, technical and economic efficiency.

Ore Quality Certificate – is the document that contains information on the grades, specifications and other elements that determine the type and quality of the extracted mining product.

Assignment of Exploration of a mining area – is the legal act through which the holder of a right of prospecting, research, exploration, treatment and mining processing transfers, in whole or in part, these rights to third parties, upon authorization of the competent entity, observing the applicable legal and legal requirements.

Local Community – grouping of families and individuals living in a territorial circumscription of locality level or lower, which aims to safeguard common interests through the protection of residential areas, agricultural areas, whether cultivated or fallow, forests, sites of cultural importance, pastures, water sources and expansion areas, areas potential for the exploitation of mineral and petroleum resources, other related areas.

Mining Concession – mining title granted under the terms of this law, which allows operations and works related to the development, extraction, treatment, mining processing, as well as the disposal of mineral products.

Local Content – proportion between the values of goods produced and services provided in Mozambique in relation to the total value of goods and services applied in the mining sector, adding the training and hiring of national citizens, participation of national entrepreneurs, national citizens and national legal persons in the mining sector, including the use of national goods and services, the training and training of national citizens and the hiring of national labor.

Mining Contract – is the agreement that can be entered into in writing only between the State and the holders of the Prospecting and Research and Mining Concession License that establishes the terms and conditions, specific obligations related to the activities of Prospecting and Research, development and exploration of mineral resources as well as the rights and duties of the parties, sharing of benefits, environmental management, local content and local development in accordance with the Mining Law and other applicable legislation.

Mineral Deposit – encompasses the natural accumulation of mineral resources, with utility and economic value to be determined. Local concentration or individualized mass of one or more useful substances that have economic value either on the surface or inside the earth.

Mining Discovery – mineral resource found in the mineral deposit or geological structure through prospecting and research, likely to be extracted by conventional methods of the mining industry.

Mining development – is the process that involves the preparation of areas for construction or implementation of the treatment/processing plant or mining processing, opening excavations for a new mine and occurs simultaneously with obtaining all other complementary authorizations to the mining title.

Pre-existing rights – acquired rights, within the scope of the use and exploitation of land, either by license or by occupation, in accordance with the law in force.

Competent Entity – the authority that oversees mining activity or another relevant sector.

Mining – operations and work related to the extraction, treatment and mining processing including its technical and economic use, as well as activities necessary or related to the development and marketing of mineral products.

Fossils – remains or traces of living beings (animals and plants) that lived in geological epochs prior to the present, preserved in the geological record.

Geosite – is the occurrence of one or more elements of geodiversity, which emerge as a result of the action of natural processes or due to human intervention and are geographically delimited and must present an exceptional value from a scientific, educational, cultural, tourist point of view, such as fossils, rocks, mountains or other types of geological formations.

Investment – the application of capital in the form of tangible or intangible assets, with a view to creating, modernizing or expanding an economic activity.

Mineral Deposit – natural accumulation of mineral resources of recognized economic value and utility, determined through geological studies, and actions of recognition, prospecting, research and evaluation of mineral deposits, likely to be economically exploited.

Transparent jurisdiction – one in which the Government can independently verify the ownership, management and control, tax status of the foreign legal entity that intends to participate or participates in mining operations.

Fair Compensation – that which covers not only the real and current value of the assets expropriated at the date of payment, but also the emerging damages and the loss of profits of the owner, resulting from the dispossession of his assets and assets.

Mining – mining operations that consist of the implementation and extraction of mineral resources.

Sectoral Environmental Legislation – legal diploma that governs a specific environmental component.

Artisanal Mining License – mining title granted under the terms of this law, which allows artisanal mining activities and operations to be carried out in an area reserved for artisanal mining as well as the disposal of mineral products.

Small-Scale Mining License – a mining title granted under the terms of this law, which allows carrying out small-scale mining activities and operations related to the development, extraction, treatment, mining processing, as well as the disposal of mineral products.

Prospecting and Research License – mining title granted under the terms of this law, which allows carrying out geoscientific and geotechnical activities that allow the evaluation of the potential of mineral resources, aiming at the discovery, identification, determination of the characteristics and economic value of the respective minerals.

Radioactive material – material designated under national law or by a regulatory body as being subject to regulatory control because of its radioactivity.

Naturally Occurring Radioactive Material ("NORM") – radioactive material that does not contain significant amounts of radionuclides other than naturally occurring radionuclides.

Mine – place, excavation or work where mining exploration or extraction is carried out, including terrestrial, surface and underground, aerial, river, lake and marine infrastructures and devices, necessary for the operation, operation and maintenance of mining exploration, also covering spaces related to the storage of mining products, such as spoil heaps, waste and residues, as well as improvements of a social nature.

Associated Minerals – refer to minerals that occur together in the same geological formation or mineral deposit. These minerals can be present in different proportions and can have different physical and chemical characteristics.

Mineral – a homogeneous solid of natural occurrence, with physical properties and a chemical composition or varying within certain limits, an ordered atomic arrangement and usually formed by an inorganic process.

Ore – extracted rock consisting of a mineral or aggregate of minerals containing one or more valuable minerals, which can be economically used and which has not been subjected to a process of processing or treatment.

Ministry – the Ministry that oversees the area of Mineral Resources.

Minister – the Minister who oversees the area of Mineral Resources.

Financial Offer – consists of the economic proposal presented by a bidder, expressing the monetary value that it is willing to pay to the State for the attribution of a mining right (research, exploration or concession), in the context of a public tender for the titling of a mining area according to the criteria and procedures defined in the public notice and in the applicable mining legislation.

Mining Operations – work carried out within the scope of mining activity.

Mining Operator – natural or legal person holding the mining title or authorization or hired by the mining holder to carry out the mining activity.

Artisanal Mining Operations – mining operations carried out under the Artisanal Mining License and is a general term for subsistence mining that involves an ore that may or may not be officially employed but works independently, using its own means, usually by hand.

Small-Scale and Artisanal Mining Operations – mining operations carried out under the Small-Scale Mining License and the Artisanal Mining License respectively.

Small-Scale Mining Operations – mining operations carried out under the Small-Scale Mining License. Small-Scale Mining can be characterized as distinct from large-scale mining by the less efficient extraction of pure minerals from the ore and limited use of machinery.

Environmental Quality Standards – permissible levels of concentration of pollutants prescribed by law for environmental components in order to adapt them to a certain purpose.

Geological Heritage – is the set of geosites inventoried and characterized in a given area or region and consisting of the set of geological occurrences representative of a given region, which have recognized scientific, pedagogical, cultural, tourist or other value.

Research – mining operations with a view to confirming the existence of the deposit and unfolds in different phases such as fieldwork, trenches, wells, drilling, geophysics, geochemistry and sample analysis, metallurgical tests.

National legal person – one that is incorporated and registered in Mozambique and has its headquarters and effective management in national territory, whose capital is mostly owned by Mozambicans.

National Natural Person – natural person of Mozambican nationality.

Foreign Legal Persons – are legal entities (they can be business companies, associations, foundations or other entities) constituted in accordance with the laws of a foreign country and that have their own legal personality, distinct from their members, and can act in another jurisdiction by complying with local regulations.

Rehabilitation and Closure Plan – an instrument that describes the set of methods and procedures that must be carried out in the design, development, construction, operation and closure, with a view to the deactivation of the mine, rehabilitation and environmental control of the present and adjacent areas affected by mining activity, including environmental, biodiversity, social, economic and cultural aspects.

Continental Shelf – The continental shelf of a coastal State comprises the bed and subsoil of submarine areas extending beyond its territorial sea, along the entire extent of the natural extension of its terrestrial territory, up to the outer edge of the continental margin, or up to a distance of 200 nautical miles from the baselines from which the width of the territorial sea is measured, in cases where the outer edge of the continental margin does not reach that distance.

Reference Prices – value of the mining product for the purposes of settlement and payment of tax on mining production.

Industrial Processing – a set of operations that make up the transformation of ore into a final product.

Mining Processing – mining operations along the extractive industry chain, with a view to obtaining the mineral concentrate with minerals identified and economically used.

Mining Product or Ore – rock extracted and consisting of a mineral or aggregate of minerals containing one or more valuable minerals, capable of being used economically, with or without processing.

Processed Mining Product – product that undergoes processing before being marketed or used.

Mine Closure Program – methods and procedures carried out in the design, development, construction, operation and closure, with a view to the decommissioning of the mine and the rehabilitation and environmental control of the present and adjacent areas affected by the mining activity, including social, economic and cultural aspects.

Prospecting – mining operations with a view to gathering data and initial elements to confirm preliminary suspicions of the possibility of the existence of a deposit.

Ionizing Radiation – for protection purposes, it is radiation capable of producing pairs of ions in biological materials.

Definitive Resettlement – Displacement or transfer of the affected population from one point of national territory to another, accompanied by the restoration or creation of conditions equal to or above the previous standard of living.

Temporary Resettlement – Temporary displacement or transfer of the affected population from one point of national territory to another, which occurs in the prospecting and research phase

accompanied by the restoration or creation of conditions equal to or above the previous standard of living.

Mineral Resource – solid, liquid or gaseous substance with economic value formed in the Earth's crust by geological phenomena or linked to it.

Mineral Resources for Construction – minerals and rocks with physical, mechanical and chemical properties appropriate for their use as construction materials, technically called inert.

Tax Regime – tax regime applicable to mining activity, which includes taxes, fees, and other taxes in accordance with the applicable legislation.

Mining Tailings – consists of the leftovers from the ore processing process.

Remuneration – amounts charged as Copyright, or publisher for the use of their works, patents or other rights.

Royalties – are periodic payments due to the State or to a holder of rights in return for intellectual property, such as consideration of any kind, for the use or granting of use of a copyright in a literary, artistic, scientific work, including films, recordings or discs for radio or television transmission of a patent, trademark, design, computer program, plan, formula or secret process, or for the use or right to use industrial, commercial or scientific equipment or information relating to experience acquired in the industrial, commercial or scientific sector, or other assets.

Geological Mining Services – a set of activities that include geological cartography, structural, water, energy studies, prospecting and mining research and mining.

Grade – the amount of ore or a mineral resource in a cubic metre or tonne of ore in a deposit.

Mining Holder – an individual or entity on whose behalf the mining title is issued in accordance with this Law.

Mining Title – Prospecting and Research License, Mining Concession and Small-Scale Mining License, Artisanal Mining License, Mining Processing License, Ore Treatment License and Mining Marketing License.

Inter-vivos transfer – the transfer of ownership of mining rights from the mining holder in whose name the mining title was issued in any capacity, directly or indirectly, to another, even when the purchaser or transferee is the same person, natural or legal, due to the change of name or company name or form of change of company name, regardless of the change in control or administration of the company.

Mining Treatment or Beneficiation – first stage of ore extraction, recovery of useful ore constituents in order to make them usable or profitable mineral products, through physical processes, excluding industrial transformation, the stages include crushing, grinding, classification by size, concentration, flotation.

Mining Treatment – recovery of useful ore constituents in order to make them usable or profitable mineral products, through physical processes, excluding industrial transformation.

Land User – an individual or entity that uses or occupies the land, in accordance with the Land Law and other applicable legislation.

Partial Protection Zones – partial protection zones are those defined in the applicable law.

Total Protection Zones – areas of total protection are considered to be areas intended for conservation or preservation of nature and for the defence and security of the State.

WHY MOORE?

Moore in the world

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US$ 5.1 Billions
37,000 people
114+ countries
558+ offices

MOORE MOÇAMBIQUE

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- Preparation of the Transfer Pricing Dossier
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MOORE

CONTACTS:

Avenida 25 de Setembro, nº 1230, 3º Andar,
Bloco 5, CP 4200

Maputo

Republic of Mozambique

Tel.: +258 21 300720

Email: eferreira@mooremz.co.mz

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