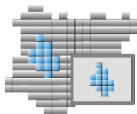




Federal Republic of Nigeria

# GUIDELINES ON MINERAL TITLES APPLICATION



**NIGERIA**

**MINING CADASTRE OFFICE**



Federal Republic of Nigeria

# **GUIDELINES ON MINERAL TITLES APPLICATION**



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MINING CADASTRE OFFICE \_\_\_\_\_

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## 1. INTRODUCTION

The Nigeria Mining Cadastre Office was established in 2007 with the responsibility of Administration and Management of Mineral Titles in Nigeria in accordance with section 5 (1) of the Nigerian Minerals and Mining Act, 2007. The Mining Cadastre Office shall in addition to any other functions prescribed by or under the Nigerian Minerals and Mining Act, 2007, perform the following:

- i. Consider applications for mineral titles and permits, issue, suspend and upon written approval of the Minister, revoke any mineral title;
- ii. Receive and dispose of applications for modifications: Renewal, transfer, relinquishment, consolidation etc. of mineral titles or extension of areas;
- iii. Maintain a chronological record of all applications for mineral titles in a Priority Register which is to be specifically used to



- ascertain the priority and registration of Applications for exclusive rights or free areas;
- iv. Maintain a general register which is to be used for all other types of applications  
Where registration of the priority is not required;
- v. Undertake such other activities reasonably necessary for the purpose of carrying out its duties and responsibilities under the provisions of the Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011.

## **2. TYPES OF MINERAL TITLES**

In line with Section 46 of the Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011, the right to search for, or exploit minerals in Nigeria, is governed by one of the following mineral titles:

- Reconnaissance Permit (RP)
- Exploration Licence (EL)
- Mining Lease (ML)



- Quarry Lease (QLS)
- Small Scale Mining Lease (SSML)
- Water Use Permit (WUP)

## **2.1 Reconnaissance Permit (RP)**

Section 47, 57 and 58 of Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011. The Mining Cadastre Office shall within 30 days of the receipt of an application from any qualified applicant and upon the payment of the prescribed fees, shall grant and issue a Reconnaissance Permit to search for minerals.

The permit enables the holder to carry out reconnaissance on a non-exclusive basis. The holder of a Reconnaissance Permit is not to engage in drilling, excavation or other sub-surface techniques, and must conduct activities in an environmentally and socially responsible manner and compensate for any damage to crops or property in the course of prospecting. The permit is issued for one year and it is not transferable, but renewable annually.



## **2.2 Exploration Licence (EL)**

Section 48 and 59 of the Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011. The Nigeria Mining Cadastre Office, on receipt of a valid application, is obliged by law to grant and issue an Exploration Licence within 30 days.

A licence will not be granted over any land that is subject of an existing Exploration Licence, Mining Lease, Small Scale Mining Lease, Quarry Lease or closed to prospecting/mining activity (e.g. forest reserves, military areas, government development areas, national heritage area etc.

The duration of an Exploration Licence is three (3) years, and renewable for a further period of 2 terms two years each, provided that the title holder has complied with minimum work commitment/programme and all other legal requirements. The area of land covered by an Exploration Licence shall not exceed 200KM<sup>2</sup> i.e. 930 Cus.

## **2.3 Mining Lease (ML)**

Section 50, 65 and 66 of the Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and



Mining Regulations, 2011. The Mining Cadastre Office, on receipt of a valid application, shall grant and issue a Mining Lease within 45 days of the application. The duration of a Mining Lease is 25 years, renewable every 24 years, provided that the holder has complied with minimum work programme and all other legal and regulatory requirements.

The lease area shall be determined in relation to the ore body as defined in the feasibility study, in addition to an area reasonably required for the working of the deposit, not exceeding 50 KM<sup>2</sup> i.e. 250 CUs.

## **2.4 Quarry Lease (QLS)**

Sections 51 and 77 of the Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011. The Mining Cadastre Office, on receipt of a valid application, shall grant and issue to the applicant a Quarry Lease within 45 days. The duration of a Quarry Lease shall not exceed five (5) years and may be renewed every five years as required, provided the renewal application is made within three (3) months before the expiration of the lease. The area of land shall not exceed 5 KM<sup>2</sup> . (25CUs).





## **2.5 Small Scale Mining Lease (SSML)**

Section 49 of Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011. The Mining Cadastre Office, on receipt of a valid application, shall grant and issue a Small Scale Mining Lease (SSML) within 45 days. An SSML shall not be granted in respect of any area within an Exploration Licence, Mining Lease or Quarry Lease to any person except the holder of an Exploration Licence, Quarry Lease or Mining Lease covering the area. The duration of an SSML is five (5) years and is renewable for further periods of five years provided that the minimum work obligations have been fulfilled. The area of land for an SSML shall not exceed 3 KM<sup>2</sup>. When the level of operations of a Small Scale Mining Lease exceeds any of the criteria established in definition of SSML, the holder shall convert such a lease into a Mining Lease by submitting an application to the MCO.

## **2.6 Water Use Permit (WUP)**

Section 52 of the Nigerian Minerals and Mining Act, 2007 and the Nigerian Minerals and Mining Regulations, 2011. The area of land in respect of which



any Water Use Permit (WUP) is granted shall not exceed the area reasonably required for the purpose of the permit as defined in the regulations. A WUP will remain in force as long as the Mining Lease, SSML, or Quarry Lease for which the Water Use Permit was granted remains valid. The Permit is issued only for mineral title purposes.

### **3.0. REQUIREMENTS FOR APPLICATION OF MINERAL TITLES**

The requirements for application for various mineral titles are as stated below:

#### **3.1 Mining Lease**

##### **(a) Pre - grant conditions**

- Duly completed application forms
- Feasibility Report (with COMEG seal and signature)
- Prospecting plan/reserve estimation
- Mine Plan/Design
- Extant Exploration licence
- Evidence of financial capability with sufficient working capital by way of:



1. Verifiable Bank Statement of account
  - 2 Verifiable Bank reference letter
- Evidence of technical competence/competent person(s) in its employment who possess adequate qualifications and experience in Exploration and Exploitation of minerals and registered with Council of Mining Engineers and Geoscientist (COMEG)
  - Irrevocable consent from land owner(s)/ land occupier(s) with sworn affidavit in support of the consent by the applicant from a competent Court, attesting that the consent was duly obtained from the land owner(s)/land occupiers(s) (Section 100 of NMMA)
  - Attestation of non-conviction of criminal offences under the Act.
  - Evidence of payment of processing fees of **N500,000:00**, payable Nigeria Mining Cadastre Office and Centres, Central Bank of Nigeria e-payment



platform with any commercial Bank in Nigeria.

- Certified true copy of Certificate of Incorporation including Forms CAC2 and CAC7, Articles and Memorandum of Association
- Mineral(s) to be exploited (Section 64)
- Area specified to be surveyed in accordance with provisions of Survey Co-ordination Act (Section 79). (Survey plan to be submitted)
- Notice to landowner(s)/land occupier (private or state land) with a response on rate to be paid, (Section 102)
- Current Tax Clearance Certificate

**(b) Pre-Development conditions (Post-grant)**

- Environmental Impact Assessment (EIA) - (Section 119)
- Community Development Agreement (CDA) - (Section 116) A copy to be



Submitted to MCO and all relevant Departments in the Ministry

- Compensation -(Section 107)
- Mine Closure plan/Rehabilitation plan - (Section 61)
- Reports from relevant Ministries, Department and Agencies/ Mineral Resources and Environmental Management Committee (MIREMCO).

### **3.2 Quarry Lease/Small Scale Mining Lease**

#### **a) Pre-grant conditions**

- Duly completed application forms
- Pre-Feasibility Report (with COMEG seal & signature)
- Quarrying Plan/Design
- Evidence of financial capability (Section 54 of the NMMA, 2007) with sufficient working capital by way of:



1. Verifiable Bank Statement of account
2. Verifiable Bank reference letter
  - Evidence of technical competence/competent person(s) in its employment who possess a minimum qualification of a certificate in Mining or Quarrying related fields and registered with Council of Mining Engineers and Geoscientist (COMEG).
  - Irrevocable consent from land owner(s)/ land occupier(s) with sworn affidavit in support of the consent by the applicant from a competent Court , attesting that the consent was duly obtained from the land owner(s)/land occupiers(s). (Section 100 of the NMMA)
  - Attestation of no conviction of criminal offence under the Act (Section 53 of the NMMA, 2007)



- Certified True Copy of Certificate of Incorporation including Forms CAC2 and CAC7, Articles and Memorandum of Association
- Evidence of payment of processing fees of **N100, 000:00**, for the First 4 CU's / N50,000.00 for the First 5 CU's SSML payable to Nigeria Mining Cadastre Office and Centres, Central Bank of Nigeria e-payment platform with any commercial Bank in Nigeria.
- Area specified to be surveyed in accordance with Coordination Act - (Section 79 of the NMMA, 2007) (Survey plan to be submitted)
- Notice to land owner(s)/land occupier(s)/(private or state land) with a response on rate to be paid - (Section 102 of the NMMA)
- Indicate Mineral(s) to be exploited - (Section 64 of the NMMA, 2007)



**(b) Pre-Development conditions (Post - Grant)**

- Environmental Impact Assessment (EIA) - (Section 119)
- Community Development Agreement (CDA) - (Section 116)
- Compensation – (Section 107)
- Submit Mine closure plan/rehabilitation plan - (Section 61)
- Reports from relevant Ministries, Department and Agencies/Mineral Resources and Environmental Management Committee (MIREMCO).

**3.3 Exploration Licence**

**(a) Pre-grant conditions**

- Duly completed application forms
- Minimum Work Programme (Detailed) (With COMEG seal and signature)
- Evidence of financial capability





(Section 54 of the NMMA) with sufficient working capital by way of:

1. Verifiable Bank Statement of account
  2. Verifiable Bank reference letter
- Evidence of technical competence/competent person(s) in its employment who possess adequate qualifications and experience in Exploration and Exploitation of minerals and registered with Council of Mining Engineers and Geoscientist (COMEG)
  - Irrevocable consent from land owner(s)/ land occupier(s) with sworn affidavit in support of the consent by the applicant from a competent Court , attesting that the consent was duly obtained from the land owner (s)/land occupiers(s) - (Section 100 of the NMMA, 2007)
  - Attestation of non-conviction of criminal offences under the Act



- Certified True Copy of Certificate of Incorporation including Forms CAC2 and CAC7, Articles and Memorandum of the Association
- Indicate Minerals to be explored (Section 64 of the NMMA, 2007)
- Current Tax Clearance Certificate
- Evidence of payment of processing fees of N100,000:00 for the First CU's payable to Nigeria Mining Cadastre Office and Centres, Central Bank of Nigeria e-payment platform with any commercial Bank in Nigeria.

**(b) Pre-Development conditions  
(Post grant)**

- Environmental Impact Assessment (EIA) (section 119 of the NMMA, 2007) Compensation
- Closure plan/Rehabilitation plan
- Reports from relevant Ministries, Department and Agencies/ Mineral



Resources and Environmental Management Committee (MIREMCO).

### 3.4 Reconnaissance Permit

#### (a) Pre-grant conditions

- Duly completed application forms
- Description of the work area and the activities to be carried out
- Attestation of non conviction of criminal offences under the Act
- Evidence of payment of processing fees of **N50, 000:00** payable to Nigeria Mining Cadastre Office and Centres, Central Bank of Nigeria e-payment platform with any commercial Bank in Nigeria.
- Evidence of technical competence/competent person(s) in its employment who possess adequate qualifications and experience in Exploration and



Exploitation of minerals and registered with Council of Mining Engineers and Geoscientist (COMEG)

- Evidence of financial capability (Section 54 of the NMMA, 2007) with sufficient working capital by way of:
  1. Verifiable Bank Statement of account
  2. Verifiable Bank reference letter



S/NO	TYPES OF LICENSES	MAXIMUM SIZE	MAXIMUM NUMBER OF CADASTRAL UNIT (CUs)	DURATION	PROCESSING TIME
1	Reconnaissance Permit (RP)	Non-Exclusive	Non-Exclusive	1 YEAR (Renewable annually)	Not later than 30 DAYS of filing application
2	Exploration License (EL)	200KM <sup>2</sup>	930 (20,000 Ha)	3 YEARS (Renewable twice for 2 years each)	Not later than 30 DAYS of filing application
3	Small Scale Mining Lease (SSML)	3KM <sup>2</sup>	15 (300 Ha)	5 YEARS (Renewable for further period of 5 years)	Not later than 45 Days of filling application
4	Mining Lease (ML)	50KM <sup>2</sup>	250 (5,000 Ha)	25 YEARS (Renewable every 24 years)	Not later than 45 DAYS of filling application
5	Quarry Lease (QLS)	5KM <sup>2</sup>	25 (500 Ha)	5 YEARS (Renewable as often as required)	Not later than 45 DAYS of filling application
6	Water Use Permit (WUP)			Same with the duration of Lease	



## **5.0 SHAPES OF LICENCES AND LEASES**

In accordance with the Nigerian Minerals & Mining, Regulations, 2011 (NMMR) applications for Exclusive Licence and Leases must be submitted in conformity with the allowed geometric shapes of polygons, and must be regular and parallel to coordinates system used in national topographic maps. The polygons should have a minimum dimension which is called a CADASTRAL UNIT (CU), also simply referred to as SQUARE. A licence polygon should always be made up of a certain number of Cadastral Units (CUs) or squares. Consequently, the dimensions of the sides of any polygon corresponding to the licence area will always be multiples of the size of the Cadastral Unit. The CUs must be adjoining by the sides not the edges (i.e. placed side by side to each other). The polygons cannot also be “floating” or placed anywhere. They must be located coherently with predefined and standardized grid. For Nigeria, the cadastral topographic maps of 1:50,000 scale are divided by a grid of 15 seconds by 15 seconds (15” x 15”), using the Geographic Coordinate System (latitude/longitude: degree/minute/seconds).



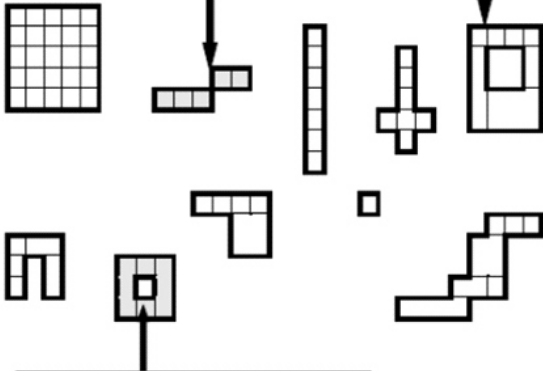
The average area of one CU (square) of 15" x 15" is approximately 20 Hectares. That means a polygon of one minute by one minute (1'x1') will have 16 CUs (squares) with area of about 300 Hectares (or 3 Km<sup>2</sup>).

The coordinate values limiting the licence polygons can be obtained by direct readings from the cadastral maps (topo-sheets of 1:50,000 scale), or by readings from the field using the Global Positioning System (GPS) with the correct settings (i.e. Longitude/Latitude, WGS 84 – Minna Datum).

Applicants are required to submit their applications for licences together with coordinates (which is a major criteria) of either the corners of the entire polygons or CUs applied for or of the centre of the CUs. The coordinates will therefore have an incremental rate of 15 seconds (15") on both the x and y axis of the polygons. There is also the need to submit survey plans for lease applications. The Mining Cadastre Office will generate the license plans upon acceptance of the application.



This configuration is NOT ALLOWED as a single block area because the polygons are not oriented side by side. But can be applied for as two separate licence/lease areas.



This configuration is NOT ALLOWED because a free area is locked out, unless there is an existing licence/lease block area.





## **7.0 LICENCE/PERMIT APPLICATION PROCEDURES**

Application forms can be obtained from the Mining Cadastre Offices or downloaded from the agency's website: [www.miningcadastre.gov.ng](http://www.miningcadastre.gov.ng).

- \* Submit duly completed application form (in 3 copies) along with the necessary documents (as specified in the application form) and processing fees to the MCO in line with the provisions of the Nigerian Minerals and Mining Act, 2007.
- \* Submitted application shall be assigned with an identifying code and registered with date, hour and minute in the priority register duly signed and a copy to be given to the applicant as acknowledgment of the application.
- \* Upon the submission and receipt of an application for a mineral title, MCO shall notify land owner(s) /occupier(s) in order to obtain an irrevocable consent to be submitted back to MCO within 7 days
- \* Incomplete or wrongly completed application shall be rejected without refund of processing fee.



- \* Where application requires minor amendments (not coordinates), the applicant shall be duly informed to effect the necessary corrections within a period of 5 working days; and if no response within the specified period, the application shall be rejected without any refund.
- \* After, the MCO shall input spatial and non-spatial data of the application into its system.
- \* The application is further evaluated and recommended for Approval or Refusal.
- \* If a license/permit is granted, the applicant shall be informed and be given 2 weeks within which to pay the Annual Service Fee (see fee table) a pre-requisite among other obligation before collection of the license/permit or lease.
- \* If the applicant fails to pay the Annual Service Fees within fourteen (14) days after collection of the notification of grant, the grant shall automatically be withdrawn.



CURRENT FEES ON MINERAL TITLES FOR NIGERIA MINING CADASTRE					
1	<b>APPLICATION PROCESSING FEE</b>	<b>CURRENT FEES</b>	<b>ADDITIONAL CU'S</b>	<b>MAXIMUM CU's ALLOWED</b>	<b>REMARK</b>
	Reconnaissance Permit	50,000			APF
	Exploration Licence (1st 200 CU's) = 40Km2	100,000	1,000/CU	930	APF
	Small Scale Mining Lease (1st 5 CU's)	50,000	20,000/CU	15	APF
	Mining Lease	500,000		250	APF
	Quarry Lease (1st 4 CU's)	100,000	50,000/CU	25	APF
	Water Use Permit	50,000			APF
2	<b>ANNUAL SERVICE FEE (PER CADASTRAL UNIT)</b>				
	Reconnaissance Permit	NIL			ASF
	Exploration Licence	1,500/2000/3000			ASF
	Small Scale Mining Lease	20,000/CU			ASF
	Quarry Lease	50,000/CU			ASF
	Mining Lease	25,000/CU 1st Year and 100,000/CU subsequent years			ASF
	Water Use Permit	30,000			ASF
3	<b>PROCESSING OF RENEWAL APPLICATION</b>				
	Reconnaissance Permit	50,000			RENEWAL
	Exploration Licence	150,000	2,000/3,000 CU		RENEWAL
	Small Scale Mining Lease	100,000	30,000		RENEWAL
	Mining Lease	500,000			RENEWAL
	Quarry Lease	200,000	50,000/CU		RENEWAL
	Water Use Permit	100,000			RENEWAL
4	<b>PENALTY FOR LATE RENEWAL APPLICATION</b>				
	Reconnaissance Permit	100,000			
	Exploration Licence	250,000			
	Small Scale Mining Lease	250,000			
	Mining Lease	500,000			
	Quarry Lease	250,000			
	Water Use Permit	250,000			
5	<b>APPLICATION FOR ENLARGEMENT (PROCESSING)</b>				
	Small Scale Mining Lease	100,000			
	Mining Lease	500,000			
	Quarry Lease	150,000			
6	<b>APPLICATION FOR RELINQUISHMENT</b>				
	Small Scale Mining Lease	50,000			



	Mining Lease	50,000			
	Quarry Lease	50,000			
	Exploration Licence	50,000			
<b>7</b>	<b>TRANSFER/ASSIGNMENT FEES</b>				
	Application/Processing Fees	250,000			
	Transfer/Assignment Fees: (Per Cadastral Unit)				
	Exploration Licence	20,000/CU			
	Small Scale Mining Lease	250,000/CU			
	Mining Lease	500,000/CU			
	Quarry Lease	500,000/CU			
<b>8</b>	<b>APPLICATION FOR SURRENDER</b>				
	Exploration Licence	20,000			Per Title
	Small Scale Mining Lease	20,000			Per Title
	Mining Lease	20,000			Per Title
	Quarry Lease	20,000			Per Title
<b>9</b>	<b>APPLICATION FOR CONSOLIDATION</b>				
	Exploration Licence	100,000			
	Small Scale Mining Lease	50,000			
	Mining Lease	250,000			
	Quarry Lease	150,000			
<b>10</b>	<b>APPLICATION TO ENDORSE ADDITIONAL MINERAL</b>				
	Exploration Licence	100,000			
	Small Scale Mining Lease	50,000			
	Mining Lease	200,000			
	Quarry Lease	100,000			
<b>11</b>	<b>APPLICATION FOR CERTIFIED TRUE COPY OF LOST CERTIFICATEN/REPLACEMENT</b>	<b>50,000/100,000</b>			
<b>12</b>	<b>SEARCH FEE/DUE DILIGENCE</b>	<b>75,000</b>			
<b>13</b>	<b>APPLICATION FOR CERTIFIED TRUE COPY OF OTHER DOCUMENTS OTHER THAN MINERAL TITLE DOCUMENTS/PAGE</b>	<b>10,000</b>			
<b>14</b>	<b>ACT/REGULATIONS &amp; OTHERS</b>				
	<b>GUIDELINES</b>	FREE			
	CD's of Guidelines/ ACT/REGULATION	5,000			
	ACT	5,000			
	Regulations	5,000			
	Policy	FREE			



NB: ALL FEES AND PAYMENTS ARE PAYABLE TO NIGERIA MINING CADASTRE OFFICE AND CENTRES, CENTRAL BANK OF NIGERIA E-PAYMENT PLATFORM WITH ANY COMMERCIAL BANK IN NIGERIA.

## **MINING CADASTRE OFFICE AUTOMATES LICENSING SYSTEM**

The upgrade and automation of Nigeria Mining Cadastre Office for online Mineral Title Administration System E-record/Archiving and Establishment of Mining Cadastre Offices in the six Geopolitical zones as contained in the Roadmap for Nigeria Mining Industry.

The computerization and establishment of web based Mineral Title Administration will provide effective and efficient modern cadastre system for online access word-wide.

Establishment of Mining Cadastre Zonal Offices in each of the Six Geopolitical zones to provide easy access and strengthen the sector.

The project which was managed by GAF AG, a German based Geology expert offers a comprehensive software and system upgrades for the Mining Cadastre Office and its zonal offices.



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