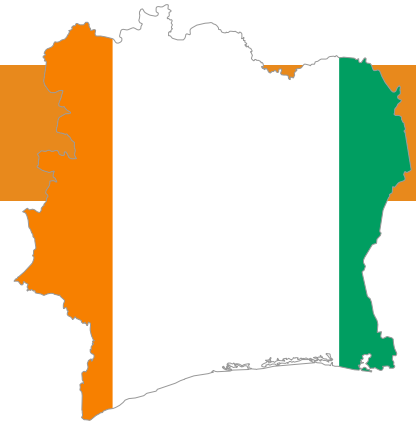


IVORY COAST

F.D.K.A ADVOCATS



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RELEVANT AUTHORITIES AND LEGISLATION

What laws regulate mining?

The mining activities are regulated by the Mining Code approved by Law N°2014-138 of 24 March 2014.

In addition, the decree N°2014-397 of 25 June 2014 and the order N°002/MIM/CAB of 11 January 2016 determine the modalities of application of the law N°2014-138.

Which Government Bodies administer mining law?

The Government Body in charge of administration of mining law is the Ministry of Mines, Oils and Energy.

TYPES OF AND MANNER OF ACQUISITION OF RIGHTS

What rights are granted to conduct reconnaissance, exploration and mining operations?

Any natural or legal person, of Ivorian or foreign nationality, may undertake or conduct a mining activity on Ivorian territory provided that they first obtain a mining title or authorisation.

The granting of an exploitation permit obliges its holder to create a company under Ivorian law whose exclusive purpose is the exploitation of the deposit for which the permit was issued.

The exploration and exploitation of mines is granted under the following authorizations:

- **Research permit:** The permit is granted by decree to any Ivorian natural or legal person for a period of four years. The permit is renewable twice for a period of three years.
- **Exploitation permit:** The permit is granted by decree of the Council of Ministers to the holder of the research permit who proves the existence of a field within his research permit. The permit is granted for a period that cannot exceed twenty (20) years and is renewable for ten-year (10) periods.
- **Prospecting authorization:** The authorization is granted for a period of one year and confers to its holder a non-exclusive right to prospect for all mining substances.

- **Semi-industrial mining authorization:** The authorization is granted to Ivorian individuals, cooperative companies with a majority Ivorian shareholding, and small and medium-sized enterprises under Ivorian law with a majority Ivorian capital. The authorization is valid for a renewable period of four years.
- **Artisanal mining authorization:** The authorization is granted to Ivorian individuals and cooperative companies with majority Ivorian participation for a renewable period of two years.
- **Industrial quarrying permits:** The authorization is granted for a period of four years for industrial quarries of loose materials and ten years for industrial quarries of other quarrying substances.
- **Artisanal quarrying permits:** the permit is granted for a period of two years.

OIL AND GAS

What Rights are granted to conduct Oil and Gas exploration and production?

Oil and Gas are regulated by the Oil Code approved by Law N°96-669 of 29 August 1996 and the order N°2012-369 of 18 April 2012.

All oil operations must be authorized prior to operation by the State of Côte d'Ivoire.

The State may grant the following authorizations:

- **Hydrocarbon reconnaissance authorization:** The authorization grants the holder the exclusive right to carry out hydrocarbon reconnaissance work.
- **Petroleum exploration and exploitation contract:** The authorization may take the form of a concession contract, a production sharing contract or a technical services contract.
- **Hydrocarbon exploration license:** The license grants the holder the exclusive right to carry out all hydrocarbon exploration and research work.

- **Authorization to exploit hydrocarbons:** The authorization grants the holder the exclusive right to carry out all operations to exploit a commercially exploitable deposit.
- **Authorization to transport hydrocarbons by pipeline:** Holders of petroleum contracts have the right, during the validity of the contract, to transport in their own installations the products resulting from their exploitation activities.

INDIGENISATION REQUIREMENTS

Are there any requirements in relation to the holding of equity in exploration and mining projects by indigenous peoples?

The State may condition the authorization of a mining activity on the participation of Ivorian private companies in the capital of the operating company.

The granting of semi-industrial and artisanal mining authorization is restricted to Ivorian individuals, cooperative companies with a majority Ivorian shareholding and small and medium-sized enterprises under Ivorian law with a majority Ivorian capital.

Are there any special rules or restrictions applicable to foreign applicants?

There is no special rules or restrictions applicable to foreign applicants.

Identify any rights that the State may have. Does the State have any rights to equity in mining projects?

In return for the granting of operating licenses, the State of Côte d'Ivoire is entitled to a free 10% stake in the operating company for the life of the mine.

PROCESSING AND BENEFICIATION

Are there any restrictions on the export of minerals?

Holders of an exploitation permit have the right to export the minerals exploited by their company.

The company must notify the Mining Authority of some information at least 48 hours before the export. After the export, a copy of the export documents must be sent to the Mining Authority.

DISPOSALS OF RIGHTS AND CONTROLLING INTERESTS

Are there any statutory consents required to dispose of rights to explore and mine?

The prospecting authorization is not transferable. The transfer of mining permits is subject to the prior approval of the Minister of Mines.

Are there any restrictions on disposals of controlling interests in entities holding exploration or mining rights?

No.

USE OF SURFACE OF LAND INVOLVED IN PROSPECTING AND MINING ACTIVITIES

What are the rights of the holder of an exploration right or mining right to use the surface necessary or incidental to an exploration or mining operation?

The land occupier is entitled to compensation paid by the holder of the mining permit. The compensation is defined by a settlement agreement between the holder of the mining permit and the land occupier under the supervision of the Mining Authority.

ENVIRONMENTAL

What legislation governs environmental protection of exploration and mining sites?

The Mining Code aims to ensure the protection of the quality of the environment, the rehabilitation of exploited sites and the conservation of the forest heritage.

In addition to the Mining Code, the Environmental Code approved by Law N°96-766 of 3 October 1996 regulates mining activities.

HEALTH AND SAFETY

What legislation governs health and safety in mining?

Health and safety in mining are governed by the Mining Code.

CONSTITUTIONAL AND ADMINISTRATIVE LAW

Is there a constitution which has an impact upon rights to prospect and mine?

The Constitution of 8 November 2016.

Are there administrative appeals in the mining law?

Yes, decisions of the Administration can be appealed.

ROYALTIES AND TAXES

Are there special rules applicable to taxation of exploration and mining companies?

The Mining Code provides special rules for the taxation of exploration and mining companies, including some exemptions.