



# Government Gazette

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**No. 31635**

## THE PRESIDENCY

No. 1260 24 November 2008

It is hereby notified that the President has assented to the following Act, which is hereby published for general information:—

**No. 28 of 2008: Mineral and Petroleum Resources Royalty Act, 2008.**



**AIDS HELPLINE: 0800-123-22 Prevention is the cure**

(English text signed by the President.)  
(Assented to 17 November 2008.)

# ACT

To impose a royalty on the transfer of mineral resources and to provide for matters connected therewith.

**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

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### Definitions 25

1. (1) In this Act, unless the context indicates otherwise—
- “**Administration Act**” means the Mineral and Petroleum Resources Royalty (Administration) Act, 2008;
  - “**earnings before interest and taxes**” means earnings before interest and taxes mentioned in section 5; 30
  - “**extractor**” means a person mentioned in section 2;
  - “**gross sales**” means gross sales mentioned in section 6;
  - “**Income Tax Act**” means the Income Tax Act, 1962 (Act No. 58 of 1962);
  - “**Mineral and Petroleum Resources Development Act**” means the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002); 35
  - “**mineral resource**” means a mineral or petroleum as defined in section 1 of the Mineral and Petroleum Resources Development Act, regardless of whether that

mineral or petroleum undergoes processing (as defined in section 1 of that Act) or manufacturing;

“**person**” includes an insolvent estate, the estate of a deceased person and a trust;

“**refined mineral resource**” means a mineral resource—

(a) listed solely in Schedule 1; or 5

(b) listed in Schedule 1 and Schedule 2 that has been refined to or beyond the condition specified in Schedule 1 for that mineral resource;

“**Republic**” means the Republic of South Africa and includes the sea as defined in section 1 of the Mineral and Petroleum Resources Development Act;

“**royalty**” means the royalty imposed by this Act; 10

“**transfer**” means—

(a) the disposal of a mineral resource;

(b) the export of a mineral resource; or

(c) the consumption, theft, destruction or loss of a mineral resource, other than by way of flaring or other liberation into the atmosphere during exploration or production, 15

if that mineral resource has not previously been disposed of, exported, consumed, stolen, destroyed or lost;

“**unrefined mineral resource**” means a mineral resource—

(a) listed solely in Schedule 2; or 20

(b) listed in Schedule 1 and Schedule 2 that has not been refined to or beyond the condition specified in Schedule 1 for that mineral resource;

(2) Unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Administration Act bears that meaning for purposes of this Act.

**Imposition of royalty** 25

2. A person that wins or recovers a mineral resource from within the Republic must pay a royalty for the benefit of the National Revenue Fund in respect of the transfer of that mineral resource.

**Determination of royalty**

3. (1) The royalty mentioned in section 2 in respect of the transfer of a refined mineral resource is determined by multiplying the gross sales of the extractor in respect of that mineral resource during the year of assessment by the percentage determined in accordance with the formula in section 4(1). 30

(2) The royalty mentioned in section 2 in respect of the transfer of an unrefined mineral resource is determined by multiplying the gross sales of the extractor in respect of that mineral resource during the year of assessment by the percentage determined in accordance with the formula in section 4(2). 35

**Royalty formulae**

4. (1) The percentage mentioned in section 3(1) is— 40  
 $0.5 + \left[ \frac{\text{earnings before interest and taxes}}{\text{gross sales in respect of refined mineral resources} \times 12.5} \right] \times 100.$

(2) The percentage mentioned in section 3(2) is—  
 $0.5 + \left[ \frac{\text{earnings before interest and taxes}}{\text{gross sales in respect of unrefined mineral resources} \times 9} \right] \times 100.$

(3) (a) The percentage determined in terms of subsection (1) must not exceed 5 per cent. 45

(b) The percentage determined in terms of subsection (2) must not exceed 7 per cent.

**Earnings before interest and taxes**

5. (1) For purposes of the formula in section 4(1), "earnings before interest and taxes" in respect of a year of assessment means the aggregate of—

- (a) the gross sales of the extractor during that year in respect of refined mineral resources; and 5
- (b) so much of the amount allowed to be deducted from income in terms of the Income Tax Act (whether in that year or a previous year of assessment) in respect of the use of assets, or expenditure incurred, directly in respect of mineral resources transferred on or after 1 May 2009 to win, recover and develop those mineral resources to the condition specified in Schedule 1, as is included in the income of the extractor during that year of assessment in terms of section 8(4) of that Act (disregarding the exception in respect of section 15(a) of that Act), but not including an amount that is received or accrued from the disposal of assets the cost of which has in whole or in part been included in capital expenditure taken into account as mentioned in the definition of "capital expenditure incurred" in section 36(11) of that Act, 10 15

less any amount which in terms of that Act is allowed to be deducted from the income of the extractor during that year of assessment in respect of assets used or expenditure incurred directly to win, recover and develop those refined mineral resources to the condition specified in Schedule 1 for those mineral resources. 20

(2) For purposes of the formula in section 4(2), "earnings before interest and taxes" in respect of a year of assessment means the aggregate of—

- (a) the gross sales of the extractor during that year in respect of unrefined mineral resources; and 25
- (b) so much of the amount allowed to be deducted from income in terms of the Income Tax Act (whether in that year or a previous year of assessment) in respect of the use of assets, or expenditure incurred, directly in respect of mineral resources transferred on or after 1 May 2009 to win, recover and develop those unrefined mineral resources, as is included in the income of the extractor during that year of assessment in terms of section 8(4) of that Act (disregarding the exception in respect of section 15(a) of that Act), but not including an amount that is received or accrued from the disposal of assets the cost of which has in whole or in part been included in capital expenditure taken into account as mentioned in the definition of "capital expenditure incurred" in section 36(11) of that Act, 30 35

less any amount which in terms of that Act is allowed to be deducted from the income of the extractor during that year of assessment in respect of assets used or expenditure incurred directly to win, recover and develop those unrefined mineral resources to the condition specified in Schedule 2 for those mineral resources. 40

(3) For purposes of subsections (1) and (2), "earnings before interest and taxes" is determined without regard to—

- (a) any deduction in respect of a financial instrument as defined in section 1 of the Income Tax Act (other than an instrument that is an option contract, forward contract or other instrument the value of which is derived directly or indirectly with reference to mineral resources); 45
- (b) any deduction allowed in terms of section 11(a) of the Income Tax Act in respect of the royalty;
- (c) (i) in the case of mineral resources refined to the condition specified in Schedule 1 for those mineral resources, any deduction for expenditure 50

- incurred in respect of transport, insurance and handling of those refined mineral resources after those mineral resources were refined to that condition or any amount received or accrued to effect the disposal of that mineral resource; or
- (ii) in the case of mineral resources brought to the condition specified in Schedule 2 for those mineral resources, any deduction for expenditure incurred in respect of transport, insurance and handling of those unrefined mineral resources after those mineral resources were brought to that condition or any amount received or accrued to effect the disposal of that mineral resource;
- (d) any balance of assessed loss mentioned in section 20(1)(a) of the Income Tax Act, unless the balance of assessed loss arises in respect of capital expenditure taken into account for purposes of paragraph 5(1) of the Tenth Schedule of the Income Tax Act;
- (e) any deduction allowed in terms of section 241 of the Income Tax Act;
- (f) any determination in respect of an impermissible tax avoidance arrangement contemplated in Part IIA of the Income Tax Act; or
- (g) any deductions contemplated in paragraph 5(2) of the Tenth Schedule to the Income Tax Act.
- (4) (a) For purposes of determining "earnings before interest and taxes" in the case of a composite of refined mineral resources and unrefined mineral resources, the refined and unrefined proportions of the composite mineral resource must be determined in accordance with a method of reasonable apportionment that is consistently applied.
- (b) For purposes of determining "earnings before interest and taxes", if the value of the refined proportion of a composite mineral resource as determined in terms of subsection (1) does not exceed 10 per cent of the total value of that composite mineral resource, that composite mineral resource may be treated solely as an unrefined mineral resource, and if the value of the unrefined proportion of a composite mineral resource as so determined does not exceed 10 per cent of the total value of that composite mineral resource, that composite mineral resource may be treated solely as a refined mineral resource.
- (5) For purposes of this section, if "earnings before interest and taxes" is a negative amount that amount is deemed to be nil.

**Gross sales**

6. (1) Gross sales in respect of a refined mineral resource transferred—
- (a) as mentioned in paragraph (a) of the definition of "transfer" in section 1 in the condition specified for that mineral resource in Schedule 1 is the amount received or accrued during the year of assessment in respect of the transfer of that mineral resource;
- (b) as mentioned in paragraph (a) of the definition of "transfer" in section 1 in a condition other than that specified for that mineral resource in Schedule 1 is the amount that would have been received or accrued during the year of assessment in respect of the transfer of that mineral resource had that mineral resource been transferred in the condition specified in Schedule 1 for that mineral resource in terms of a transaction entered into at arm's length; and
- (c) as mentioned in paragraph (b) or (c) of the definition of "transfer" in section 1 is the amount that would have been received or accrued during the year of assessment in respect of the transfer of that mineral resource had that mineral resource been transferred in the condition specified in Schedule 1 for that mineral resource in terms of a transaction entered into at arm's length.
- (2) Gross sales in respect of an unrefined mineral resource transferred—

- (a) as mentioned in paragraph (a) of the definition of “transfer” in section 1 in the condition specified in Schedule 2 for that mineral resource is the amount received or accrued during the year of assessment in respect of the transfer of that mineral resource;
- (b) as mentioned in paragraph (a) of the definition of “transfer” in section 1 in a condition other than that specified for that mineral resource in Schedule 2 is the amount that would have been received or accrued during the year of assessment in respect of the transfer of that mineral resource had that mineral resource been transferred in the condition specified in Schedule 2 for that mineral resource in terms of a transaction entered into at arm’s length; and
- (c) as mentioned in paragraph (b) or (c) of the definition of “transfer” in section 1 is the amount that would have been received or accrued during the year of assessment in respect of the transfer of that mineral resource had that mineral resource been transferred in the condition specified in Schedule 2 for that mineral resource in terms of a transaction entered into at arm’s length.
- (3) (a) For purposes of subsection (1), gross sales is determined without regard to any amount received or accrued in respect of transport, insurance and handling of a refined mineral resource after that mineral resource was refined to the condition specified in Schedule 1 for that mineral resource or any amount received or accrued to effect the disposal of that mineral resource.
- (b) For purposes of subsection (2), gross sales is determined without regard to any amount received or accrued for the transport, insurance and handling of an unrefined mineral resource after that mineral resource was brought to the condition specified in Schedule 2 for that mineral resource or any amount received or accrued to effect the disposal of that mineral resource.
- (4) (a) If no amount can be quantified in respect of a refined mineral resource transferred as mentioned in subsection (1)(a), gross sales in respect of that transfer is the amount that would have been received or accrued during the year of assessment in respect of that transfer had that mineral resource been transferred in the condition specified in Schedule 1 for that mineral resource in terms of a transaction entered into at arm’s length.
- (b) If no amount can be quantified in respect of an unrefined mineral resource transferred as mentioned in subsection (2)(a), gross sales in respect of that transfer is the amount that would have been received or accrued during the year of assessment in respect of that transfer had that mineral resource been transferred in the condition specified in Schedule 2 for that mineral resource in terms of a transaction entered into at arm’s length.

**Small business exemption**

7. (1) An extractor is exempt from the royalty in respect of a year of assessment if—
- (a) gross sales of that extractor in respect of all mineral resources transferred does not exceed R10 million during that year;
- (b) the royalty in respect of all mineral resources transferred that would be imposed on the extractor for that year does not exceed R100 000;
- (c) the extractor is a resident as defined in section 1 of the Income Tax Act throughout that year; and
- (d) the extractor is registered for that year pursuant to section 2 of the Administration Act.
- (2) An extractor is not exempt from the royalty as mentioned in subsection (1) if—
- (a) the extractor at any time during that year holds the right to participate (directly or indirectly) in more than 50 per cent of the share capital, share premium, current or accumulated profits or reserves of, or is entitled to exercise more than 50 per cent of the voting rights in, any other extractor;
- (b) any other extractor at any time during that year holds the right to participate (directly or indirectly) in more than 50 per cent of the current or accumulated profits of the extractor;

- (c) any other person at any time during that year holds the right to participate (directly or indirectly) in more than 50 per cent of the profits of the extractor and more than 50 per cent of the current or accumulated profits of any other extractor; or
- (d) the extractor is a registered person mentioned in section 4 of the Administration Act. 5

**Exemption for sampling**

8. An extractor is exempt from the royalty imposed in respect of mineral resources won or recovered by the extractor for purposes of testing, identification, analysis and sampling mentioned in section 20 of the Mineral and Petroleum Resources Development Act pursuant to a prospecting right or an exploration right as defined in section 1 of that Act if the gross sales in respect of those mineral resources does not exceed R100 000 during a year of assessment. 10

**Rollover relief for disposals involving going concerns**

9. (1) For purposes of this Act a disposal of a mineral resource by an extractor that forms part of the disposal of a going concern, or of a part of a going concern which is capable of separate operation, by that extractor to any other extractor is deemed not to be a disposal. 15

(2) For purposes of this Act an extractor that acquires a mineral resource in terms of a disposal mentioned in subsection (1) is deemed to be the extractor that won or recovered the mineral resource. 20

**Transfer involving body of unincorporated persons**

10. (1) Notwithstanding any other provision in this Act, an unincorporated body that is registered as a person under the Administration Act—

- (a) is deemed to be an extractor while that registration remains in effect; and 25
- (b) is subject to the royalty as if that body were an extractor separate from its members, in respect of mineral resources won, recovered or transferred by that unincorporated body after taking into account any earnings before interest and taxes associated with those minerals as well as the application of any other provision of this Act bearing on the royalty determination in respect of those mineral resources. 30

(2) Notwithstanding any other provision in this Act, to the extent that any member of an unincorporated body mentioned in subsection (1) is acting in a capacity other than as a member of that body, that member is subject to the royalty as if that member were an extractor separate from that body in respect of mineral resources won, recovered or transferred by that unincorporated body after taking into account any earnings before interest and taxes associated with those minerals as well as the application of any other provision of this Act bearing on the royalty determination in respect of those mineral resources. 35

(3) On the date of the election made in terms of section 4(1) of the Administration Act, the members of an unincorporated body mentioned in that section are deemed to have transferred the mineral resources to be disposed of by that body, which had been won or recovered by those members. 40

(4) On the date on which an unincorporated body terminates the election in terms of section 4(6) of the Administration Act, the unincorporated body is deemed to have transferred the mineral resources won or recovered by the unincorporated body to the members of that unincorporated body. 45

**Arm's length transactions**

11. (1) To the extent that the earnings before interest and taxes determined in terms of section 5 differ from the earnings that an extractor would have taken into account if 50

those earnings had been derived from transactions entered into at arm's length, the Commissioner may adjust the earnings to reflect the earnings that would have been taken into account.

(2) To the extent that the gross sales determined in terms of section 6(1)(a) or section 6(2)(a) differ from the gross sales that an extractor would have taken into account if the gross sales had been derived from transactions entered into at arm's length, the Commissioner may adjust the gross sales to reflect the gross sales that would have been taken into account. 5

**General anti-avoidance rule**

12. (1) Notwithstanding anything to the contrary in this Act, if the Commissioner is satisfied that a disposal, transfer, operation, scheme or understanding (whether entered into or carried out before or after the commencement of this Act)— 10

- (a) has been entered into or carried out, which has the effect of avoiding or postponing liability for the royalty, or of reducing the amount thereof;
- (b) having regard to the circumstances under which the disposal, transfer, operation, scheme or understanding was entered into or carried out— 15
  - (i) was entered into or carried out—
    - (aa) in the case of a disposal, transfer, operation, scheme or understanding in the context of business, in a manner which would not normally be employed for *bona fide* business purposes, other than the obtaining of a royalty benefit; and 20
    - (bb) in the case of any other disposal, transfer, operation, scheme or understanding not falling within the provisions of item (aa), by means or in a manner which would not normally be employed in the entering into or carrying out of a disposal, transfer, operation, scheme or understanding of the nature of the disposal, transfer, operation, scheme or understanding in question; or 25
  - (ii) has created rights or obligations which would not normally be created between persons dealing at arm's length under a disposal, transfer, operation, scheme or understanding of the nature of the disposal, transfer, operation, scheme or understanding in question; and 30
- (c) was entered into or carried out solely or mainly for the purposes of obtaining a royalty benefit, 35

the Commissioner must determine the liability for the royalty, and the amount thereof, as if the disposal, transfer, operation, scheme, or understanding had not been entered into or carried out, or in such manner as the Commissioner in the circumstances deems appropriate for the prevention or diminution of avoidance, postponement or reduction. 40

(2) A decision of the Commissioner under subsection (1) is subject to objection and appeal mentioned in section 18(1)(d) of the Administration Act, and whenever in proceedings relating thereto it is proved that the disposal, transfer, operation, scheme or understanding in question would result in the avoidance or postponement of liability for the royalty, or in the reduction of the amount thereof, it is presumed, until the contrary is proved, in the case of any such disposal, transfer, operation, scheme or understanding, that it was entered into or carried out solely or mainly for the purposes of the avoidance or the postponement of such liability, or the reduction of the amount of such liability. 45

(3) For purposes of this section, "royalty benefit" includes any avoidance, postponement or reduction of the liability for payment of the royalty mentioned in section 2.

**Conclusion of fiscal stability agreements**

13. (1) The Minister of Finance may conclude a binding agreement with an extractor— 50

- (a) in respect of the extractor's mineral resource right; or
- (b) in anticipation of the extractor acquiring a mineral resource right.

that guarantees that the terms and conditions contemplated in section 14 apply in respect of the right for as long as the extractor holds the right (and for all participating interests subsequently held by the extractor in respect of the right).

(2) A binding agreement relating to the anticipated acquisition of a mineral resource right contemplated in subsection (1)(b) has no force and effect unless the mineral resource right is granted within one year after the date on which the Minister of Finance concludes the binding agreement. 5

(3) If an extractor disposes of a prospecting right or an exploration right granted under the Mineral and Petroleum Resources Development Act to another person, and the right is subject to a binding agreement mentioned in subsection (1) on the date of the disposal, the extractor may assign all the rights held by the extractor under the agreement to the other person. 10

(4) If an extractor disposes of a mining right or a production right granted under the Mineral and Petroleum Resources Development Act to another person, and the right is subject to a binding agreement mentioned in subsection (1) on the date of the disposal, the extractor may assign all the rights held by the extractor under the agreement to the other person, if both the extractor and the other person form part of the same group of companies (as defined in section 1 of the Income Tax Act) on the date of the disposal. 15

(5) An extractor that concludes a binding agreement mentioned in subsection (1) may unilaterally terminate the agreement at any time with effect from the day after the last day of the year of assessment during which the extractor terminated the agreement. 20

(6) For purposes of this section—

(a) a prospecting right, a renewal of the prospecting right and an initial mining right converted from a prospecting right or renewal thereof held by an extractor; and 25

(b) an exploration right, a renewal of the exploration right and an initial production right converted from an exploration right or renewal thereof held by an extractor,

are, to the extent that those rights relate to the same geographical area, all deemed to be one and the same mineral resource right in the hands of the extractor. 30

(7) The powers conferred and the duties imposed upon the Minister of Finance by the provisions of this section may be exercised or performed by the Minister personally or delegated by the Minister to the Director-General of the National Treasury and the Director-General may in turn delegate the powers and duties so delegated to him or her to any officer or person under his or her control, direction or supervision. 35

(8) For purposes of this section "mineral resource right" means a prospecting right, exploration right, mining right or production right granted pursuant to the Mineral and Petroleum Resources Development Act, and includes any lease or sublease mentioned in section 11 of that Act in respect of such right.

**Terms and conditions of fiscal stability agreements** 40

14. (1) An amendment of section 4 has no force and effect in respect of an extractor that is party to an agreement contemplated in section 13(1) if the amendment has the effect that the extractor becomes subject to a royalty which is greater than the royalty to which the extractor would otherwise have been subject.

(2) If the State fails to comply with the terms of an agreement contemplated in section 13(1) and the failure has a material adverse economic impact on the determination of the royalty payable by the extractor that is party to that agreement, the extractor is entitled to compensation in respect of the increase in the royalty caused by the failure (and interest at the prescribed rate calculated on the compensation from the date of the failure) or to an alternative remedy that eliminates the full impact of the failure. 50

**Foreign currency**

15. Any amount received by or accrued to, or expenditure or loss incurred by, an extractor in any currency other than the currency of the Republic must be translated to

the currency of the Republic by applying the spot rate, as defined in section 1 of the Income Tax Act, on the date on which that amount was so received or accrued or expenditure or loss was so incurred.

**Transitional credits**

**16.** (1) There must be deducted from the royalty payable in respect of a mineral resource the amount of any lease, royalty or similar payment to the State in respect of that mineral resource in terms of any conditions imposed pursuant to the laws applicable in respect of an old order right or OP26 right mentioned in Schedule II of the Mineral and Petroleum Resources Development Act, as consideration for the removal or disposal of a mineral or petroleum. 5 10

(2) No deduction is allowed in terms of subsection (1) in respect of any lease mentioned in item 9(7) of Schedule II to the Mineral and Petroleum Resources Development Act.

(3) The amount to be deducted in terms of subsection (1) must not exceed the royalty mentioned in that subsection. 15

**Act binding on State and application of other laws**

**17.** This Act binds the State, and no provision in any other law is construed as applying or referring to this royalty unless the royalty is specifically mentioned in that provision.

**Short title and commencement** 20

**18.** (1) This Act is called the Mineral and Petroleum Resources Royalty Act, 2008.

(2) This Act comes into operation on 1 May 2009 and applies in respect of a mineral resource transferred on or after that date.

SCHEDULE 1

**REFINED CONDITION OF MINERAL RESOURCES**

Mineral resource name	Refined condition
Cobalt	Cobalt is refined once processed into cobalt metal or cobalt sulphate, 99,5 % refined
Copper	Copper is refined once processed into copper metal slabs, blister copper or cathode copper of at least 99,0 % purity.
Germanium	99,99% refined product
<b>Gold</b>	Refined and smelted to a 99,5 % purity
Lead	Lead is refined once processed into bars and billets containing at least 99,0 % pure lead.
Lithium	99,5% LiCO <sub>3</sub> in concentrate (lithium carbonate)
Mercury	99,9% purity
Nickel (Base metal)	Nickel is refined once processed into a metal, or other form (e.g. ferro nickel, nickel metal or nickel sulphate), 99,5% purity
<b>Platinum Group Metals</b> (iridium, palladium, platinum, rhodium, ruthenium and osmium)	Refined and smelted to a 99,9 % purity
Molybdenum	99,99% refined product
Silicon	98,5% Si
Silver	Silver is refined once processed to silver metal or silver nitrate, 99,5% refined
Talc	98,5% and minus 325 µm mesh
Zinc	Zinc is refined once processed into zinc metal, plates or slabs containing at least 98,5 % pure zinc.

Mineral resource name	Refined condition
<b>Oil and Gas</b>	
Oil	At inlet of refinery
Gas	At inlet of refinery

SCHEDULE 2

UNREFINED CONDITION OF MINERAL RESOURCES

Mineral resource name	Unrefined condition
Aggregates	Bulk
Antimony	65% Sb content in the concentrate
Barite	Concentrates with 97% BaSO <sub>4</sub>
Beryllium	70% beryl concentrate
Chrome ore in lump, chips and fines	(i) 37% to 46% Cr <sub>2</sub> O <sub>3</sub> in concentrate: (ii) 4% to 10% SiO <sub>2</sub> and a (iii) Cr/Fe ratio of 1.25 to 1.45 ( <b>chip and lump</b> ) or (iv) 0.8% to 6% SiO <sub>2</sub> and (v) Cr/Fe ratio of 1.3 to 1.6 ( <b>fine &lt; 1mm</b> )
Clay used for bricks Kaolinite clay used by paper and ceramic sectors	Bulk
Coal	Grade A: <i>in situ</i> calorific value equal or greater than 27.5 GMJ/kg Grade B: <i>in situ</i> calorific value equal of greater than 26.5 GMJ/kg and less than 27.5 GMJ/kg Grade C: <i>in situ</i> calorific value equal or greater than 19.0GMJ/kg and less than 26.5 GMJ/kg Grade D: <i>in situ</i> calorific value less than 19.0 GMJ/kg
Cobalt	7% Co in a polyminerale matte
Copper	20% to 30% Cu
Diamond	Rough Diamonds
<b>Dimension stone:</b> Granite, Sandstone, Slate, Shale, Gneiss, Marble	Bulk
Fluorspar	80% concentrate
Graphite	86% carbon content
Iron ore	61% to 64% Fe content
Lead	Concentrate with a minimum of 50% Pb
Limestone	Concentrate with a minimum of 54% CaCO <sub>3</sub>
Manganese	Manganese ore: Mn 37% to Mn 48% and Si + Al less than 11%
Mica	48% concentrate
<b>Mineral Sand (Titanium)</b>	
Ilmenite	75% ilmenite concentrate
Rutile	53% Rutile concentrate
Zircon	85% Zircon concentrate
Nickel	1.4% Ni content

Act No. 28, 2008

MINERAL AND PETROLEUM  
RESOURCES ROYALTY ACT, 2008

Mineral resource name	Unrefined condition
Niobium	45% Ni <sub>2</sub> O <sub>5</sub> in concentrate
<b>Platinum Group Metals</b> (Iridium, palladium, platinum, rhodium, ruthenium and osmium)	concentrate (150 ppm)
Sand	Bulk
Silver	800g/t Ag in polyminerale base metal
Tantalum	In concentrate 30% Ta <sub>2</sub> O <sub>5</sub> , Max 0.5% U <sub>3</sub> O <sub>8</sub> and ThO <sub>2</sub> combined
Tin	80% cassiterite concentration
Tungsten (CaWO <sub>4</sub> ) and Wolfram	Minimum 65% WO <sub>3</sub> in concentrate
Uranium	80% uranium in concentrate. Oxide (yellow cake) and Uranium Hexafluoride.
Vanadium	Concentrate > 1% V <sub>2</sub> O <sub>5</sub> equivalent and less than 2% calcium and silica bearing gangue minerals (SiO <sub>2</sub> + CaO)
Zinc (Base metal)	27% Zn in concentrate
Other Minerals not listed elsewhere	Concentrate or where the specific mineral is not rendered into a concentrate, bulk. e.g. Phosphate Rock, Vermiculite, Semi-precious gemstones (like rose quartz, tiger's eye; corundum; etc), Precious gemstones (like sugilite), Feldspar, Garnet, Peat, Perlite, Rare Earth Elements, Silica, Soda Ash, Wollastonite, Zeolite, etc.