

**THE BAMANGWATO CONCESSIONS LIMITED MINING LEASE
(AMENDMENT NO. 2) ACT, 1971**

No. 27



of 1971

ARRANGEMENT OF SECTIONS

SECTION

1. Short title
2. Amendment of Schedule to Act No. 7 of 1970

AN ACT TO AMEND THE BAMANGWATO CONCESSIONS LIMITED MINING LEASE ACT, 1970, BY PROVIDING IN THE FORM OF LEASE SCHEDULED THERETO FOR ADVANCE PAYMENTS OF ROYALTY TO BE MADE TWICE-YEARLY.

Date of Assent : 27.7.1971.

Date of Commencement : 6.8.1971.

ENACTED by the Parliament of Botswana.

1. This Act may be cited as the Bamangwato Concessions Limited Mining Lease (Amendment No. 2) Act, 1971. Short title

2. The Schedule to the Bamangwato Concessions Limited Mining Lease Act, 1970, is amended — Amendment of Schedule to Act No. 7 of 1970

- (a) in clause 2 of the Mining Lease (referred to in paragraph (b) of section 4 of the Bamangwato Concessions Limited Mining Lease (Amendment) Act, 1971, as “paragraph 2”) by the deletion of “subsection” wherever it occurs and the substitution therefor of “sub-clause”;

(b) by the deletion of sub-clause (B) of clause 12 of the Mining Lease and the substitution therefor of —

“(B) (1) In the financial year in which the Commercial Production Date occurs the Grantee shall pay in advance on account of royalty due in respect of such financial year —

- (a) if the Commercial Production Date occurs before the fifteenth day of November in such financial year, an amount of R375,000 on the Commercial Production Date and a further amount of R375,000 on the fifteenth day of November in such financial year; or
- (b) if the Commercial Production Date occurs on or after the fifteenth day of November in such financial year, an amount of R750,000 on the Commercial Production Date.

(2) In each of the twenty-four consecutive financial years immediately succeeding the financial year in which the Commercial Production Date occurs, the Grantee shall pay in advance on account of royalty due in respect of such financial year an amount of R375,000 on the fifteenth day of May and a further amount of R375,000 on the fifteenth day of November in such financial year.

(3) No such advance payment shall be repayable or bear interest. If, however, the advance payments made in any financial year exceed the amount of the royalties finally ascertained to be due for such financial year, the excess may be carried forward to the next and subsequent financial years without limit of time until fully utilised and set off against royalties due for any such financial year to the extent to which such royalties exceed the advance payment for that financial year.

(4) In this sub-clause —

“Commercial Production Date” means the date which is the last to occur of the following dates —

- (i) the Power Delivery Date referred to in the Power Agreement, between the Botswana Power Corporation and the Grantee, scheduled to the Master Agreement; or

- (ii) the Water Delivery Date referred to in the Water Agreement, between the Water Utilities Corporation and the Grantee, scheduled to the Master Agreement; or
- (iii) the date upon which the Grantee's mines at Selebi-Pikwe are first capable of attaining a combined weekly rate of extraction of 38,000 metric tonnes of ore per week;

“Master Agreement” means the agreement to be entered into between the Government of Botswana and Bama-ngwato Concessions Limited expressing and governing the relationships between them in regard to the exploitation of the mining rights granted in terms of this mining lease.”

Passed by the National Assembly this day, the 24th June, 1971.

G. T. MATENGE,
Clerk of the National Assembly.