

THE TURKISH MINING CODE

Law Number : 3213

The Purpose:

Article 1 - (Amendment: 14/2/2019 – article 7164/4) This law regulates the principles and procedures relating to exploration, operating, enjoying rightful ownership and renunciation of mines according to national interests.

Minerals:

Article 2 - (Amendment: 26/5/2004- article 5177/1)

All kinds of substances except petroleum, natural gas, geothermal and water resources that are naturally present on earth crust and in water resources and that have economic and commercial value are considered to be minerals pursuant to this law.

Minerals shall be licensed in accordance with the group listed below:

1st Group Minerals

a) Sand and Gravel which are used in construction and road building and that are naturally present in nature.

b) Brick-Tile clay, Cement clay, Marn, Pozzalanic Rocks (Trass) and rocks that are used in industries of cement and ceramic and not included in other groups.

2nd Group Minerals (Amendment: 10/06/2010- article 5995/1)

a)(**Amendment: 4/2/2015- article 6592/1**) The rocks such as Calcite, Dolomite, Limestone, Granite, Andesite, Basalt used for constructing Aggregate, Ready- mixed concrete and asphalt.

b) Rocks produced as block such as Marble, Travertine, Granite, Andesite, Basalt and natural rocks used for decorative purpose

c) (**Addition: 4/2/2015- article 6592/1**) The rocks such as Calcite, Dolomite, Limestone, Granite, Andesite, Basalt used at grinding facility of concrete, lime and calcite

3rd Group Minerals¹

Salts being in the form of solution and which will be obtained from sea, lake and spring water, Carbon Dioxide gas (CO₂) (except geothermal, natural gas and areas having petroleum). Hydrogen Sulphide (in case of remaining conserved the provisions of Petroleum Code numbered 6326 and dated 7/3/1954).

4th Group Minerals

a) Kaolin, Dickite, Nacrite, Halloysite, Endellit, Anauxite, Bentonite, Montmorillonite, Baydilite, Nontronite, Saponite, Hectorite, Illite, Vermiculite, Allofanoid, Imalogite, Chlorite,

¹ With Article 1 of The Code numbered 5995 and dated 10/6/2010; it was added to the end of third paragraph of afore stated article that “ Hydrogen Sulphide phrase (in case of remaining conserved the provisions of Petroleum Code numbered 6326 and dated 7/3/1954)” ; “ coal gas depending on coal” phrase was added to (b) sub-paragraph of fourth paragraph after the phrase of “ hard coal” ; “ radioactive minerals(Uranium, Torium, Radium) “ phrase locating at the end of sub-paragraph was excluded and ...(in case of remaining conserved the provisions of Petroleum Code) was added to the end of sub-paragraph and was processed.

Sepiolite, Palygorskite (Attapulgit), Logginit and clays that are a mixture of those, Refractory clays, Gypsum, Anhydrite, Alaunite (Alum), Halite, Sodium, Potassium, Lithium, Calcium, Magnesium, Chlorine, Nitrate, Iodine, Fluor, Bromine and other salts, Boron salts (Colemanite, Ulexite, Boracite, Tincal, Pandermite or other boron minerals containing minimum 10% B₂O₃), Stroncium salts (Celestite, Stronthianite), Barite, Vollandonite, Talc, Steatite, Pyrophyllit, Diatomite, Olivine, Dunite, Sillimanite, Andalusite, Dumortierite, Disthene (Cyanide), Phosphate, Apatite, Asbestos (Amiantus), Magnesite, Huntite, Natural Sodium carbonate minerals (Trona, Nacolate, Dawsonite), Zeolite, Pumice, Pecheisenstein, Perlite, Obsidian, Grafito, Sulfur, Fluorite, Kryolith, Grindstone, Corundum, Diasporite, Quartz, Quartzite and, Quartzite and Quartz sand that contain minimum 80% SiO₂ in its composition, Feldspar (Feldspar and Feldspathoid group of minerals), Mica (Biotite, Muskovit, Sericite, Lepidolite, Flogopite), Nephelined Syenite, Chalcedony (Silex, Chert).

b) Peat, Lignite, Bituminous Coal, Anthracite, Asphaltite, Bituminous Schist, Bituminous Shale, Cocolith and Sapropel (provided that the provisions of Petroleum law remain reserved.)

c) Gold, Silver, Platinum, Copper, Lead, Zinc, Iron, Pyrite, Manganese, Chromium, Mercury, Antimony, Tin, Vanadium, Arsenic, Molybdenum, Tungsten (Wolframite, Scheelite), Cobalt, Nickel, Cadmium, Bismuth, Titanium (Ilmenite, Rutile), Aluminum (Bauxite, Gypsite, Böhmit), rare earth elements (Cerium Group, Yttrium Group) and rare earth minerals (Bastnaesite, Monazite, Xenotime, Serit, Oxsenite, Samarskite, Fergusonite), Cesium, Rubidium, Beryllium, Indium, Gallium, Thallium, Zirconium, Hafnium, Germanium, Niobium, Tantalum, Selenium, Tellurium, Rhenium.

c) **(Addition: 4/2/2015- article 6592/1)** Radioactive minerals containing element such as Uranium, Thorium, Radium and other radioactive substance.

5th Group Minerals

Diamond, Sapphire, Ruby, Beryllium, Emerald, Morganite, Aquamarine, Heliodor, Alexandrite, Agate, Onyx, Sardonix, Jasp-agate, Carnotite, Heliotrope, Bloodstone, Krisopras, Opal (Irize Opal, Fire Opal, Black Opal, Wood Opal), Quartz crystals (Amethyst, Citrine, Rock Crystal (Mountain Crystal), Misty Quartz, Tiger's Eye, Avanturine, Venus Stone, Rose Quartz), Tourmaline (Rubellite, Vardelite, Indigolite), Topaz, Moonstone, Turquoise, Spodumene, Amber, Lazurite (Lapis Lazuli), Jet, Diopside, Amozonite, Meerschaum, Labradorite, Epidote (Zoisite, Tanzanite), Spinel, Jadeite, Jade or Jad, Rhodonite, Rodochrosite, Granat Minerals (Spessartite, Grosullar Hessonite, Dermontoite, Uvarovite, Pyrope, Almandine), Diaspore Crystals, Kemerrite

6th (Addition: 10/6/2010- article 5995/1); Repealed: 4/2/2015- article 6592/1)

The specialties of minerals locating afore mentioned group and principals and procedures in order to determine the minerals which is not located at these group were regulated through Regulation issued by Ministry.

Licenses acquired in accordance with this Law shall not be utilized for other purposes.

Definition:

Article 3- (Amended: 26/2/2004- Article 5177/2)

The terms mentioned at this law was defined herein below:

Ministry: Ministry of Energy and Natural Resources

General Directorate: **(Amended: 14/2/2019 - Article 7164/5)** General Directorate of Mining and Petroleum Affairs

Right of Precedence: The privilege granted to the first applicant for mining rights.

License Law: Rights and obligations of license holder affiliated with their licenses.

Discovery: **(Amended: 14/2/2019 – Article 7164/5)** Discovery of a source or a reserve as a result of a report prepared in accordance with the national mining reserve and resource report code during any license period.

Exploration License: Authorization certificate given in order to enable mineral exploration activities of a certain areas.

Operating License: Authorization certificate given in order to perform operational activities.

Permit of Operating: Permit for putting a mine into operation.

License: **(Amended: 14/2/2019 – Article 7164/5)** Document given by General Directorate within the frame of Regulation indicating principles and procedures for exploration and operating minerals.

Declaration: **(Amended: 14/2/2019 – Article 7164/5)** Document submitted to official entities in written and/or electronic form by relevant persons in order to clarify and explain any circumstances.

Mine Registry: Registry at where all information related to mining activities are registered.

Tailing: Ore produced as a requirement of operation; but which was not able to proceed according to current economic and technic conditions.

Prospecting: Work of collecting preliminary information that constitutes the basis of mining exploration activities.

Proved Reserve: **(Amended: 4/2/2015-article 6592/2):** The operable part that was determined within its three dimension of sources and according to these dimensions in which has the lowest risk regarding continuity and that under the impacts of geological, mining, metallurgical, economic, marketing, legal, environmental, social, financial and under current situations.

Economic Ore: **(Repealed: 4/2/2015- article 6592/2)**

Expropriation: The decision of expropriation given for mining activities towards private proprietorship areas locating at mining license during the period of operating license.

Supervision: Inspecting of executing of operations in accordance with its techniques and security regulations.

Supervisor: Mining engineer being responsible and authorized for conducting supervision of operations on technical and security basis.

Reduction: Reduction of licensed areas in accordance with this law.

Annuled: **(Repealed: 14/2/2019 – Article 7164/5)**

Activity Report : **(Repealed: 4/2/2015- article 6592/2)**

Technical Document: Documents containing technical information such as production map, geological, geophysical, hydrogeological report, map, cross-section, reports mining exploration and operation activities prepared by concerned engineers and other technical staffs for the mining and operating activities and other relevant issues indicated at law.

Sales Information Form: **(Repealed: 4/2/2015- article 6592/2)**

Activity Information Form: **(Repealed: 4/2/2015- article 6592/2)**

Exploration Activity Report: Document to be submitted to General Directorate regarding the exploration activities executed at the license areas.

Production Map: Map having the quality of scaled statement and which indicates manufacturing places at operations, the quantity and the way of how it was conducted.

Project **(Amended: 4/2/2015-article 6592/2)**: Report served as a statement that regulates the process of producing goods and ores to be conducted in order to provide the current potential demand by using a chosen technology which provides the aim of assessing the mining resources under the earth crust.

Weighbridge Receipt: A weighing slip that indicates the weight of ores at the ores transfer.

Dispatch Receipt: Documents served as a statement in which contains the information of transport waybill that mentioned Amended, by the Law numbered 2365, Article 240, first paragraph and (a) sub-paragraph of Tax Procedure Law numbered 213.

Specialized Government Entity: **(Amended: 14/2/2019 – Article 7164/5)** Public institutions and organizations specialized in mining activities.

Mining Rights: **(Amended: 14/2/2019 – Article 7164/5)** The permits to be acquired for exploration, discovering, development of the proved reserve and operating of the mines and financial possibilities to be granted to those that assist to discover the mining resources.

Security Deposit **(Repealed: 4/2/2015- article 6592/2)**

State's Right: **(Amended: 14/2/2019 – Article 7164/5)** The shares of State to be accrued by the provided income of extracting mines which the license owner has the obligation to pay.

Critical Ore Stocks: Ore stock in adequate economic growth in order to endure the depressed economic circumstances.

Force Majeure: Flood, fire, earthquake, firedamp explosion, collapse, landslide and similar cases.

Unexpected Situation: The circumstances that not able to get the necessary permits from other entities pursuant to the concerned legislation due to unexpected changes at tenor, geologic, marketing, transportation and infrastructure.

Infrastructure Facility **(Addition: 10/6/2010- article 5995/2)**: The compulsory temporary constructions and buildings that were compulsory for mining activities and that limited within the license period including prolonging such as way, water, communication, energy transfer line, belt conveyor, aerial line, shaft facility, construction building, dining hall, workshop, weighbridge facility, mining stock area, tailing disposal area, tailing dam, transformer, explosive substance and equipment store.

Temporary Facility **(Addition: 10/6/2010- article 5995/2)**: Facilities and infrastructure facilities being constructed in accordance with the period of mining license.

The Board: **(Repealed: 14/2/2019 – Article 7164/5)**

Facility **(Addition: 10/6/2010- article 5995/2)**: All kinds of crushing, screening, grinding, cutting and sizing facilities within the scope of processing facilities asphalt production, ready-mixed concrete, constructional component facility, pendant table, jig, concentrator, flotation, leach, calcination, bioxidation and relevant facilities for preparing and concentration, temporary facilities such as agitating, storing, stocking, gaining and removing waste facilities.

Project of Mine Exploration (**Addition: 10/6/2010- article 5995/2**): The Project, within the content of time schedule at exploration licensed area, containing exploration activities which will be conducted during the process of exploration in order to explore a mine deposit to be operated economically and investment information and sufficiency of finance with regard to accomplish of these activities.

Preliminary Survey Report (**Addition: 10/6/2010- article 5995/2**): Report in which the grounds of determining the target area and mine/ mines to be explored are mentioned and that contains interpretation being prepared through the current information and assessments.

Pre-Exploration Activity Report (**Addition: 10/6/2010- article 5995/2; Amended 4/2/2015-article 6592/2**): A resource report containing the estimated tenor/ quality in line with the data obtained regarding the mentioned minerals at the mining activities project during the pre-exploration period.

General Exploration Activity Report (**Addition: 10/6/2010- article 5995/2; Amended 4/2/2015-article 6592/2**): A resource report containing procedures and applications mentioned at mining exploration project with regard to minerals at general exploration period and information regarding estimated exploration activities such as drilling, slitting, shaft and drift at the detailed exploration period.

Detailed Exploration Activity Report (**Addition: 10/6/2010- article 5995/2; Amended 4/2/2015-article 6592/2**): A resource report containing procedures and applications mentioned at mining exploration project with regard to minerals at detailed exploration period and information regarding estimated exploration activities such as drilling, slitting, shaft, drift and other documents.

Resource (**Addition: 10/6/2010- article 5995/2 Amended 4/2/2015-article 6592/2**): The solid, liquid and gas accumulation that will satisfy the probable economic expectations within the basis of form, quality, quantity at earth' crust and deep down.

Estimated Price (**Addition: 10/6/2010- article 5995/2**): The price to be determined by relevant special provincial administration taking account of types, reserve and its location at the license given for 1st Group(a) minerals by means of getting permit from the property owner and during the processes of prolonging the period of license.

Operating Report (**Addition: 4/2/2015- article 6592/2**): Document, whose procedures are determined by regulations, that indicates amount of production, amount and quantity of selling, stock and that kind of data and financial statute such as total income and accrued State right.

Reserve (**Addition: 4/2/2015- article 6592/2**): The resource whose part was determined with its amount and quality and that is producible and processable under the current economic conditions and.

Probable Reserve (**Addition: 4/2/2015- article 6592/2**): The quantity of ore not able to be described as proven reserve on basis of continuity issue and that contains uncertainty regarding parameters such as economic cooperation, geologic, mining, metallurgical, economic, marketing, environmental, social and financial.

License Fee (**Addition: 4/2/2015- article 6592/2**) (**Amended: 14/2/2019 - Article 7164/5**): The price, calculating the base price in accordance with annexed tables numbered (1) and (2) by means of multiplying factors determined regard to the number of calendar years which the license is in force, mineral groups, type and size of areas and should be paid into annually until the end of January, for exploration license that should be paid into the budget of the General Directorate; also the price, for operating license, whose 30% to be paid as a collateral to ensure the conformity process with environment, whose 20% should be paid into the budget of the General Directorate, whose 50% should be paid into account of accounting unit of General Directorate as to be registered as an income to general budget,

Authorized Legal Persons **(Addition: 4/2/2015- article 6592/2) (Amended: 14/2/2019 – Article 7164/5)**: Legal Persons having the authorization granted by General Directorate, who are authorized and responsible for preparation of the report, project and any technical documents to be submitted to General Directorate within the scope of this law and whose more than half of shares belong to engineers or employing engineers whose qualities and quantities are determined by regulation, who have the mining exploration license or operation.

Feasibility Period **(Addition: 4/2/2015- article 6592/2)**: The period in which works so as to be conducted presenting the exploitability of deposit within economic value which is determined at the end of detailed exploration process.

Feasibility Report **(Addition: 4/2/2015- article 6592/2)**: A comprehensive report that the impacts of geological, mining, metallurgic, economic, marketing, legal, environmental, social and finance are examined in sufficient details at recommended mine project so as to show its exploitability of the deposit within economic value.

Execution Report of Operating Project **(Addition: 4/2/2015- article 6592/2)**: The report to be submitted to General Directorate, by time it is passed to producing process, within the scope of time limits and procedures indicated at regulations on executing the operating projects.

Permanent Supervisor **(Addition: 4/2/2015- article 6592/2)**: Mining engineer employed permanently at operating.

Mining Operating Activities: **(Addition: 14/2/2019 – Article 7164/5)** Preparatory work and operating activities for the production.

Mining Activities: **(Addition: 14/2/2019 – Article 7164/5)** Exploration of mines, preparatory work regarding production, production, shipment, ore preparation and enrichment, disposal of wastes, stocking/storage operations in the license area, closing of mining enterprises and making them compatible with the environment and making temporary facilities for these activities.

Right to Develop Proved Reserve: **(Addition: 14/2/2019 – Article 7164/5)** The shares acquired by natural/legal persons and/or public institutions and organizations who discover proved reserve, which is determined by a report prepared in accordance with the national mining reserve and resource report code, within the scope of the contract made between the license owner or the General Directorate regarding the tender areas, and the natural/legal persons and/or public institutions and organizations.

Technical Staff: **(Addition: 14/2/2019 – Article 7164/5)** Mine, geology, geophysical engineers and map engineers in case of need and other engineers who are employed within the scope of the Law and related regulations considering the operating technique, size and structural situation.

Sovereignty and Disposal of State:

Article 4: The sovereignty and disposal of the mines belongs to State; they are not under proprietorship of the landowners in where it exists.

Impartibility, Assignment and Transfer of Rights:

Article 5: (Amended Paragraph: 14/2/2019 – article 7164/6) Rights of the first application (precedent), exploration license, discovering, development of proved reserve and operating license which based on mines cannot be divided into shares. Each of them shall be dealt as an entire.

(Amended Paragraph: 4/2/2015- article 6592/3) Mining licenses, right to develop the proved reserve and discovery rights may be assigned. It should be paid into as an assigning

fee whose amount is the double prices of licenses when was prior to assignment and at the date of assigned of exploration and operating license. The assignment shall be made with the approval of the Ministry.

The situation shall be registered at mining registry. Assignment transaction is concluded after it was annotated at mine registry.

The rights and obligations can be transferred through inheritance. The rights and obligations shall be transferred to one of the inheritors or to a third party that meets the requirements laid in Article 6, by a power of attorney containing the power of attorneys of all inheritors. In case of not reaching an agreement, with an application issued by one of the inheritors, the court will rule to allocate afore stated right to the most competent one of the inheritors or if it is not also possible to sell the license. The Court shall settle the matter by simple trial civil procedure. In the event any relevant lawsuit is not filed, the licenses that could not concluded its assignment transaction within 6 months shall be abolished. **(Repealed last sentence: 4/2/2015- article 6592/3)**

(Additional Paragraph: 4/2/2015- article 6592/3) The procedures and merits regarding the transaction of assignment and transfer shall be determined by regulation.

The assignment and transfer of rights over the mines shall not delay the execution of the provisions laid in this Law and regulation.

Mining Right:

Article 6: Mining rights shall be granted to Turkish citizens being qualified to enjoy their civil rights; to companies, having legal entities, established in accordance with Turkish Republic Legislation and²; to public economic enterprises having the authorization on this matter and their entities, affiliates and associates and other public institutes, establishments and administrations.

Mining rights shall grant to a single real and legal person.

It shall not grant license to public officers, other public officials, the personnel on contracted and casual employed at field service and central organization of General Directorate.³

The ones who became officer while having the authorization of mining exploration and operating shall derogate their rights within 6 months from the date of their employment in public service initiated.

The inheritor who is subjected to prohibition regulated at third paragraph and inherits a mining license by means of succession; it shall be applied upon that, in case of not removing this impediment situation, the fourth paragraph of Article 5.

(Addition: 14/2/2019 – article 7164/7) Rights of discovering and develop proved reserves shall be registered to the mine registry for the informative purposes. Transfer, succession, abandonment and the cancellation of the license does not eliminate the registered discovery right and the right to develop proved reserve, except for the termination of the license law under the provisions of the third paragraph of Article 24. The General Directorate is not a party to the discovery right and the right to develop proved reserve. In this period, parts of these fields that can not be allowed to be licensed are reduced from the licensed area and licensed with tender.

Permits for Mining Activities⁴

² The phrase "... in whose article of association, it is indicated that mining is included in their field of activity" has been repealed with the article 7 of the Law numbered 7164 dated 14/2/2019.

³ The phrase of "pre-operating" was were repealed by Article 38 of the law numbered 5177 and dated 26/2/2004, and with article 37 of the same law it was amended " related departments" to " General Directorate" and applied to the context.

Article 7(Amended: 26/5/2004- article 5177/3)

(Paragraph cancelled: by the decision of Constitutional Court dated 15/1/2009 and numbered E.:2004/70, K.:2009/7; readjusting: 10/6/2010- article 5995/3) Regarding conducting mining activities and executing the licensing process Ministry can implement restrictions, by also getting opinions of related entities, on licensing areas to be newly delivered by taking mining operating procedure, the area conducted activity, type of mineral, the environment impact of the investment, urbanization and related issue into account and provided that protecting acquired of licensed areas including extension request. The areas applicable for licensing by means of first application and tender procedure can be closed to license application by taking restrictions regulated at other law into account. The areas whose restrictions remove shall open to exploration by means of tender procedure. Every restriction to be implemented regarding mining activities behind this law shall be regulated merely by law.

(Additional Paragraph: 10/6/2010- article 5995/3) Coordinates of special environment protection zone, national parks, wild life protection and enhancing areas, protection forests, areas that needs to be protected in accordance with the Coastal Law numbered 3621 and dated 4/4/1990, 1st Degree military forbidden zone, areas whose 1/5000 scaled zoning plan had been approved, 1st Degree protected area and investment areas, investment areas allocated out of the purpose of mining and issued positive opinion by General Directorate such as electric power plant, organized industrial zone, pipelines of petroleum, natural gas and geothermal shall be informed to General Directorate by related entities.

(Additional Paragraph: 10/6/2010- article 5995/3) (Amended: 14/2/2019- article 7164/8) In case the license applications submitted to the fields specified in the second paragraph of this article provide the rights, the license shall be issued provided that the license fee is deposited within two months and the application is made in accordance with the article 16. The license owner shall be given one year to obtain permission from the relevant institutions for these fields which are in the license area. In this period, parts of these areas that cannot be allowed to be licensed are licensed by the tender.

(Additional Paragraph: 10/6/2010- article 5995/3) The mining exploration and operating activities to be conducted in state forests and the temporary facilities to be constructed depending on compulsory time limit for that kind of process and its license period shall give permit in accordance with Forest Law numbered 6831 and dated 31/8/1956.

(Additional Paragraph: 10/6/2010- article 5995/3) It shall give permit to mining exploration and operating activities at the wild life protection and enhancing areas and temporary facilities for these activities within the scope of determined principles at the environment impact assessment report. The permits including extension request shall resume to the end of license law.

(Additional Paragraph: 10/6/2010- article 5995/3) It shall not be obtained permit, depending on applicable procedure, technology and depth, for the corresponded surface of underground mining activities whose project is found appropriate by General Directorate. It is compulsory to obtain necessary permit, depending on underground mining activities, for surface installation or areas hit heading.

(Additional Paragraph: 10/6/2010- article 5995/3) In case that the areas on where mining activities will conduct are subjected to obtain permit, it is compulsory to obtain necessary permit pursuant to concerning provisions. However, after General Directorate issued operating license, in the event that the licensed areas became subjected to areas to be obtained necessary permit, the activities may remain proceeding by protecting the acquired rights that was acquired by means of fulfilled the liabilities set forth at codes. It shall be determined by General Directorate that the areas which are subjected to permit procedure according to other codes.

⁴ The headline of article which was "The places where are obliged to permit for mining activities", it was amended as it was added to the context by Article 3 of the law numbered 5177 and dated 26/5/2004.

(Additional Paragraph: 10/6/2010- article 5995/3)It shall give permit to activities of mining exploration and operating and infrastructure facilities, providing to protect the acquired rights and on condition that it shall not conduct gallery procedure explosion on tape having the wide of 1000-2000 meters distanced from the max level of flush tank that used for drinking water and utility water and it shall not be discharged water directly to the receiving body without purifying. Within the protected areas after 2000 meters, mining hoisting and any type of facilities that found appropriate according to environment impact assessment report may be established. However, it is compulsory regarding discharging to receiving body during the activities that it shall comply with the limitations determined by related regulations.

(Additional Paragraph: 10/6/2010- article 5995/3) Business license and work permit for facilities on licensed areas according to mining production activities and activities based on it shall be issued by provincial special administrations or the investment monitoring coordination presidency. **(Additional Sentence: 14/2/2019 – article 7164/8)** The business license and work permit cannot be issued in the mining license areas for the mining production operations and other operations and/or facilities other than the temporary facilities in the license area relating to the mining production operations, unless there is a Ministry authorization. During the process of issuing these licenses, the fee on business license that was collected by municipalities in accordance with provisions to Code on Incomes of Municipalities shall be collected by the investment monitoring coordination presidency in provinces with metropolitan municipality, provincial special administration in other provinces. 50% of this amount is directly transferred to related the account of district or Union for Providing Services for Villages in order to utilize for the infrastructure investment where is limited with the licensed zone. In case that these areas stayed inside the adjacent area of municipalities, 50% of the fee shall transfer to the account of municipalities.⁵

During the examining and auditing that should be conducted according to legislation by related ministries, in case of determining that working process at licensed areas was not appropriate according to principles of law, the transaction to be conducted within the scope of legislation shall be informed to General Directorate. The mining activities, which were determined that they endanger the health of environment and people, shall be suspended until the necessary measures will be taken.⁶

The Environment Impact Assessment transactions by Ministry of Environment and Forest, other transactions related with the other permits by the concerned Ministry and public entities shall be terminated during the environment impact assessment within three months. The material obligations required by the legislation of the Ministry and other ministries shall be compensated by the license holder.

(Amended Paragraph: 10/6/2010- article 5995/3) The mining activities located in zoning areas shall be conducted by means of obtaining permit from related local authorities. This provision shall not apply to the mining areas that was included into zoning areas after had obtained license. It shall not be issued zoning plan for the mining activities which was conducted or will be conducted for areas not having zoning plan and temporary facilities and their auxiliaries based on these activities. Mining licenses with the land registration shall process to notes of environmental plan and zoning plan. Temporary facilities and their auxiliaries that is necessary for mining activities conducting on unplanned areas are not subjected to permit on utilizing construction and building. However, it shall be informed to provincial special administration or the investment monitoring and coordination presidency that these buildings are complying with science and healthy rules. Necessary temporary facilities and buildings as an auxiliary for mining activities that proceeded on unplanned areas shall be deinstalled subsequently within one year from suspension of mining activities

⁵ *With the 8th article of the Law No. 7164 dated 14/2/2019, the phrase of “or the investment monitoring coordination presidency” has been added to follow the phrase of “provincial special administrations”, and the phrase of “the investment monitoring coordination presidency in provinces with metropolitan municipality, provincial special administration in other provinces” has been added to follow the phrase of “shall be collected by”.*

⁶ The figured phrase
of “ this regulation” at this paragraph amended to “ related law” and applied to context by article 3 of the law numbered 5995 and dated 10/6/2010

by the license holder, the ones for which being obtained positive environment assessment report, it may give permit, for free of charge in line with the approval and request of administration, to facilities of both areas road, water, communication, energy transfer line, belt conveyor, aerial line and shaft as long the procedure indicated in environment impact assessment report as. For the others, it is compulsory that having deinstalled or brought the area into conformity with the environment in time. If the license holder did not fulfill these obligations, the liabilities concerning the health of environment and people will remain. The transactions that are need to be conducted by the license holder, the expenses being conducted by governor and related administration shall be collected in accordance with the provisions of Law on Collection Procedure of Assets numbered 6183 and dated 21/7/1953.⁷

Mining activities at the locations where are reserved for public service or public interest and within a distance of 60 meters to that kind of facilities shall be subjected to the permit of Ministry, in case that within a distance 60 meters to buildings and within 20 meters to privately owned property shall be subjected to the permit of the proprietor. These distances may be increased by Ministry, if required, by taking into dimension of the mining activities, safety measures and structure of land account. Distance shall be measured horizontally.

Exploration activities shall not be subjected to any other permits except that it is counted in this law. On the other hand, operating activities shall be executed by regulations issued by Ministry in accordance with this law.

(Amended Paragraph: 10/6/2010-article 5995/3) The decision regarding mining activities and investments in the event that mining activities and investments concerning public utility such as State and city road, highways, railways, airports, harbor, dam, energy plants, pipelines of petroleum, natural gas and geothermal, water transport pipes or other investments belonging to natural persons or legal persons prevents each other, if not found other alternatives, shall be given by the Ministry by taking the appropriate opinion of the Ministry in order to determine the priority and significance of the investments in terms of public interest. These decisions taken by the Ministry replace the public interest decision. The Ministry shall decide to reduce the licensed area from the license or to cancel the license for the area where the mining operation activity cannot be made.

(Additional Paragraph: 10/6/2010- article 5995/3) Permits concerning licenses issued for minerals, that had not invested in, belonging to 1st Group and 2(a) Group, building raw materials used for buildings such as crushed stone, dam, rough instruction, puddle, harbor, road and concerning other investments at the same place which crossed with other mining license areas whose proven reserve were determined shall be given by General Directorate. It shall give permit to investments conducted for such issues just as drilling, shaft, drift, inclined shaft in order to determine the proven reserve at licensed areas and to other investments for areas excluded from the area whose proven reserve were determined provided that a decision being issued by General Directorate concerning the investments will not prevent mining activities. If there is an issue that impacts the investments being conducted by the license holder at these areas, the decision regarding this area shall be given by the Ministry. The permit related with other investment in operating licensed area may merely be given for the areas locating out of operating permit area or proven reserve area. The Ministry shall decide upon the situation that the investment crossed with operating permit areas or proven reserve area. If no investment conducted at the period of exploration license, this shall not constitute an impediment upon other investments.⁸

(Paragraph cancelled: by the decision of Constitutional Court dated 15/1/2009 and numbered E.:2004/70, K.:2009/7; readjusting: 10/6/2010- article 5995/3; Repealed Paragraph: by the Decree Law Article 700/99 dated 2/7/2018)

⁷ The phrase of "with the land registration" has been added to follow the phrase of "mining licenses", the phrase of "or the investment monitoring and coordination presidency" has been added to follow the phrase of "provincial special administration" with the article 8 of the Law No. 7164, dated 14/2/2019.

⁸ The phrase of "The Board" has been amended to "The Ministry" with the Article 8 of the Law No. 7164 dated 14/2/2019

(Amended Paragraph: 10/6/2010-article 5995/3) At the decision to be given by Ministry; on the condition that proven reserve area crossed with other investments it shall be assessed by taking into account firstly whether there is a possibility for producing mines in reasonable time period and whether there is an alternative area at the licensed areas providing the raw material needs for the mining facilities based on mid and edge product.⁹

(Additional Paragraph: 10/6/2010- article 5995/3; Amended: 4/2/2015-article 6592/4) The transportation allowance, day's wage and similar all expenses which is necessary for report, counselor fee, investigation and examination to be conducted if it deemed necessary by the Ministry or General Directorate shall be provided by investor or the license holder. Moreover, the investment costs of mining operator, whose activities were limited by the decision of Ministry or General Directorate, or owner of the investment, shall be compensated by the party that the decision given in favor of. **(Additional Sentence: 14/2/2019 – article 7164/8)** The amount that paid by the Ministry or by the General Directorate for any reason due to the investment conflicts can be recurred by the party that has been decided in favor. The principles of detecting and compensating the investment costs shall be determined by regulation issued by General Directorate.¹⁰

(Amended Paragraph: 14/2/2019 – article 7164/8) The permits which were given for mining activities and/or their affiliated temporary facilities shall be valid, alongside with the extensions, until the license law remains. In case the license is extended, all permits granted for mining activities and/or their affiliated temporary facilities are deemed to be extended without need for any action until the end of the period of the extension.

(Amended Paragraph: 14/2/2019 – article 7164/8) If it is detected that the decision related with environment impact assessment report, activities against to thirteenth paragraph or without having business license and work permit and proprietary permit, the operating activities shall be suspended by applied 46.579 TL amounted administrative fine. The public institution and organization who detects the violations shall inform the situation to the other relevant public institutions and organizations. If it is detected that these violations are repeated three times within three years from the date of the first detection including the first detection, the license shall be canceled.

(Additional Paragraph: 14/2/2019 – article 7164/8) In license areas, license owners cannot perform any activities other than mining activities and operations for the processing of mines, and cannot establish any facilities or substructure facilities other than temporary facilities. In license areas, license owner or other natural or legal persons, public institutions and organizations can only perform commercial or industrial activities if deemed appropriate by the Ministry.

(Additional Paragraph: 14/2/2019 – article 7164/8) Regardless of the nature of the land, the licensed areas cannot be used as a dumping area for excavation soil, slag, construction debris and other similar wastes, so that no loss of reserves can be caused in mining license areas, no dumping permit can be granted by public institutions and organizations for mining licensed areas. However, if the General Directorate determines the run out of the reserve in the mining license areas, the public institutions and organizations are allowed by the General Directorate. In case the run out of the reserve cannot be determined, or if the existence of the reserve is determined, the requests for dumping permission made by the public institutions and organizations to the General Directorate are considered as investment conflicts within the scope of fifteenth paragraph and resulted in accordance with the relevant provisions. Regardless of the nature of the land for the tender areas, the appropriate opinion of the General Directorate must be obtained. Those who act contrary to the provisions of this paragraph shall be imposed an administrative fine of ten times the administrative fine imposed on the seventh paragraph of Article 10 and the related operations shall be suspended, six months shall be granted for the removal of the dump from the licensed area or the area of the tender, if it is not removed within this period, the

⁹ The phrase of "The Board" has been amended to "The Ministry" with the Article 8 of the Law No. 7164 dated 14/2/2019

¹⁰ The phrase of "The Board" has been amended to "The Ministry" with the Article 8 of the Law No. 7164 dated 14/2/2019

administrative fine under this paragraph shall be applied as double. The expenses incurred due to the fulfillment of these transactions by the governorship or the related administration shall be collected in accordance with the provisions of the Law No. 6183.

Situations in which mining rights cannot be granted

Article 8 - (Repealed: 26/5/2004- article 5177/38)

Mining Incentives Measures:

Article 9 - (Amended: 26/5/2004- article 5177/4)

(Amended Paragraph: 10/6/2010-article 5995/4) The mining activities shall be benefited from incentives determined by the President. However, the production facilities in which ready-mixed concrete, asphalt and building elements are produced shall not be assessed within the scope of mining activities excluded production industry sector. ¹¹

Those that create additional value by processing minerals that they produced at their facilities locating within the country shall not be required to pay the 50% of the State rights for the quantity of minerals utilized at these facilities during the process of producing and shall not be required to pay the %40 of the State rights for the gold, silver and platinum which are paragraph (c) 4th Group minerals. **(Additional sentence: 29/12/2005- article 5446/1; Amended second sentence: 4/2/2015- article 6592/5).** This provision shall not be applied to 1st Group minerals, (a) and (c) paragraphs of 2nd Group and any building raw materials that used for crushed stone, rough construction, dam, puddle, harbor, road and similar buildings. ¹²

(Repealed third paragraph: 29/12/2005- article 5446/1)

(Additional paragraph: 28/11/2017 – Article 7061/47) To the mining areas of 2nd Group (c) subparagraph and 4th Group to be tendered within the scope of third paragraph of article 30 of this Law, to the mining areas transferred to authorized State organizations and their affiliated partners within the scope of fifth paragraph of article 47 and to the mining areas that will be tendered by those organizations and affiliated partners and Directorate of Privatization Administration any fee, except forestation fee, within the scope of Forests Law numbered 6831 shall not be collected for the first ten years following the date of operating license has been established.

(Additional paragraph: 28/11/2017 – Article 7061/47) On the condition that mid product and edge product shall be produced by taking into account the types of mining license areas having 4th Group operating permit, reserve, located zone, tenor, employment, investment and country's need; the President shall be authorized to determine whether other fees will be collected, excepted forestation fee within the scope of Forest Law numbered 6831 for the first ten years following the date of operating license has been established.

(Additional paragraph: 28/11/2017 – Article 7061/47) To the areas excluding from the scope of fourth and fifth paragraph of this article, 50% of the area permit fee which is collected within the scope of the Law numbered 6831 shall be collected for the first ten years following the date of operating license has been established. Any more increase on the fee collected for area permit excluding from the increase based on revaluation ratio annually determined in accordance with the Tax Procedure Law numbered 213 shall not be conducted.

Declaration Procedure:

¹¹ *The phrase "Council of Ministers" has been amended to "the President" in the first and fifth paragraphs of this article with the article 99 of the Decree Law No. 700 dated 2/7/2018.*

¹² *The phrase "and shall not be required to pay the %40 of the State rights for the gold, silver and platinum which are paragraph (c) 4th Group minerals" has been added to follow the phrase "producing" and the phrase "forth" in the forth paragraph has been amended to "fifth".*

Article 10:

During the continuation of the mining activities pursuant to the provisions of this Law, the declarations on technical and financial issues and reports prepared by authorized persons are considered to be correct. ¹³

Technical personnel can only make declarations on subject that they specialized about and they are liable for their declarations. As for license owner, they are liable for all declaration except the ones pertaining to technical issues.

(Additional Paragraph: 10/6/2010- article 5995/5; Repealed: 4/2/2015- article 6592/6)

(Amended Paragraph: 26/5/2004- article 5177/5) The errors and deficiencies at declarations shall be corrected within two months since the detection of administration and the notice given to person in charge. In case that the necessary correction is not fulfilled within this time limitation, the administrative fine, 20.000 TL, shall be applied and mining activities are stopped until the errors and deficiencies in the statements are corrected.¹⁴

(Amended Paragraph: 14/2/2019 - article 7164/10)) The technical personnel and permanent supervisor, by means of making unrealistic or deceptive declaration, preventing the execution of the provisions of this Law and/or causing unjust acquirement of right shall be imposed with administrative fine of 1.000 TL. If these unrealistic and deceptive declarations repeat within three years, technical personnel's and permanent supervisor's declaration shall be invalid for a period of one year while they are imposed with administrative fine of 5.000 TL. Execution of deprivation of rights will resume at each repeat of the action. Executed warning and deprivation of rights shall be notified to the related association of profession of which the technical personnel are a member.

(Additional Paragraph: 10/6/2010- article 5995/5; Amended: 14/2/2019- article 7164/10) It is compulsory that permanent supervisor, by supervising properly the activities of license area where he/she is appointed, shall register his/her detection and recommendation into permanent supervisor book at least once a week. In the case of a new situation in the enterprise and/or a risky situation in terms of operational security, it is obligatory to register this issue on the same day. Otherwise, permanent supervisor shall be imposed with administrative fine of 1.000 TL. On the condition that these obligations are not fulfilled two times, the permanent supervisor shall be imposed with administrative fee of 5.000 TL and his/her declarations that made in accordance with the law, shall be invalid for a period of one year. The permanent supervisor and license holder or proxy shall sign the permanent supervisor book. It shall be imposed 31.054 TL amounted administrative fine to the license owner in the event that the book is not being submitted, not being signed by license owner or his/hers representative or not being kept properly. If the violation of this paragraph is repeated by the license owner or his/her representative in the same year, the administrative fine shall be applied as double.

(Additional Paragraph: 26/5/2004- article 5177/5) The owners of license, by means of making unrealistic or deceptive declaration, preventing the execution of the provisions of this Law and/or causing unjust acquirement of right shall be imposed 50.000 TL amount of administrative fine. If this paragraph is violated in second time, the previous fine shall be applied incrementally. **(Amended Paragraph: 14/2/2019-article 7164/10)** If it is determined that the provisions of the article have been violated three times within three years from the date of first detection, the license shall be canceled.

(Additional paragraph: 26/5/2004- article 5177/5; Paragraph cancelled: by the decision of Constitutional Court dated 15/1/2009 and numbered E.:2004/70,

¹³ *The phrase "written" has been repealed in the first paragraph with the article 10 of the Law No. 7164 dated 14/2/2019.*

¹⁴ *The phrase "and mining activities are stopped until the errors and deficiencies in the statements are corrected" has been added to follow the phrase "applied" in the forth paragraph with the article 10 of the Law No. 7164 dated 14/2/2019.*

K.:2009/7; readjusting: 10/6/2010- article 5995/5) (Amended Paragraph: 14/2/2019- article 7164/10) According to this law, following paragraphs shall be considered as unjust acquirement of right;

- a) The production and/or dispatch of the mine apart from the group to which the license belongs or its own paragraph in the group with more than one paragraph or not having the right to produce,
- b) To conduct production and/or sale, excluded that obligatory mine extracting or sampling, in the process of exploration activities at exploration license period,
- c) To utilize the expropriation area apart from the object of expropriation by the license holder and/or to use and/or make somebody use the license area outside of mining activities,
- d) To conduct explosions with the procedure of gallery discharge,
- e) To conduct production activities on the areas whose activities suspended by General Directorate, to transfer the mine produced as a result of activities related to securing the area and/or mine in stock produced before activities have been stopped without the permission of the General Directorate.
- f) Not to notify the production or sales conducting at the license area¹⁵,
- g) To notify the production which has not been conducted as if it has conducted, to the General Directorate,
- h) To not conduct or conduct it incomplete the minimal activities declared in the research activity reports,
- i) To conduct production using explosive substance without the exploding warrant,
- j) To conduct production or dispatch without the operation permit in their operation licenses and/or outside of their operation licensed area.
- k) To product or dispatch the mine without the necessary permits in the context of Article 7 and/or in the area where the necessary permits have not been obtained

Also, the declaration about these issues which make it possible for unjust acquirement shall be considered unrealistic and deceptive declarations.

(Additional Paragraph: 26/5/2004- article 5177/5) The rights that are acquired by the procedure indicated in this article and/or acquired unjustly shall be revoked.¹⁶

The provisions regarding Turkish Criminal Code are reserved.

(Additional Paragraph: 4/2/2015- article 6592/6) (Amended Paragraph: 14/2/2019 – article 7164/10) Authorized legal persons which were established to proceed all activities set forth within the scope of this Law must obtain authorization document from General Directorate. The procedures and principles, to be applied to authorized legal persons, which are related with granting, supervising, warning, suspending and cancelling of the authorization document shall be regulated by means of regulation.

¹⁶ *The phrase “and/or acquired unjustly” is added to follow the phrase “article” with the article 10 of the Law No. 7164 dated 14/2/2019.*

(Additional Paragraph: 14/2/2019 – article 7164/10) In the event that any information, document and declaration given to the General Directorate is unreal or misleading, an administrative fine of 31.054 TL shall be imposed to authorized legal entities. In case of repetition of the violation in this paragraph within three years, the administrative fine shall be applied as double the amount and the declarations made in accordance with this Law shall be void for one year.

Supervision of the activities:

Article 11: General Directorate shall prepare an investigation report, by exploiting other related specialize state organizations and universities in order to examine the technical and financial issues on areas, for the purpose of controlling and supervising the execution of all the mining activities concerning about mining rights and obligations.¹⁷

As a consequence of the examination conducted in accordance with first paragraph, the provisions of article 10 shall apply to those that are detected to have made unrealistic and/or deceptive declarations.

(Additional paragraph: 4/2/2015- article 6592/7) (Amended Paragraph: 14/2/2019 – article 7164/11) In the event that license holders or proxy does not attend the inspection and examination conducted on areas of the license holders or proxy, or prevent these processes 31.054 TL amounted administrative fine shall be imposed, in case of repeating one of these acts twofold administrative fine shall be imposed, the production activities shall be stopped until the inspection and examination is conducted.

Other issues related with the qualities of those that conduct examining, under what procedure it will conduct and preparing the report shall be set forth by regulation.

Production and Dispatch¹⁸

Article 12 (Amended 26/5/2004- article 5177/6)

It is compulsory to dispatch the produced mines with a dispatch receipt.

Issues pertaining to using of dispatch receipt and supervising thereof taking into consideration dispatching by conveyor and pipe line, distance of mine and plant, status of the transfer route, transferring the ore as of raw coal, concentrated, semi-finished product and finished products and the products obtained from using integration and enrichment facilities of precious minerals such as gold, silver, platinum shall be determined by regulation.

(Amended paragraph: 14/2/2019-article 7164/12) In case of being detected by the local authorities, provincial special administrations, the investment monitoring coordination presidencies or the related public institution or organization that mine dispatched without dispatch receipt, dispatched mine shall be seized by the related local authority and an administrative fine amounted fivefold of pit sale price of mines in question shall be imposed for the amount of mine dispatched without dispatch receipt in addition to the payable States rights. In the case of repetition of the violation of this paragraph, an administrative fine of ten times the pit sale price of the mine that dispatched shall be applied for the mine dispatched without the dispatch receipt.

(Amended paragraph: 14/2/2019-article 7164/12) As a consequence of supervising and examining, an administrative fine amounted fivefold of State rights shall be imposed, which will be calculated for the quantity not notified as an addition to the State rights to be paid, to the license owner who did not register or did not notify their production and dispatch

¹⁷ The phrase “The Ministry of Energy and Natural Resources” in this paragraph has been amended to “General Directorate” and the phrase “state organizations” has been amended to “state organizations and universities” with the article 11 of the Law No.7164 dated 14/2/2019.

¹⁸ The headline of this article used to be “weight and dispatch receipt”, it was amended as it is implied to the article by article 6 of the Law numbered 5177 and dated 26/5/2004.

with dispatch receipt. In the case of repetition of the violation of this paragraph, an administrative fine of ten times the pit sale price of the mine shall be imposed for the amount which have not notified.

(Amended paragraph: 14/2/2019-article 7164/12) If it is detected that it was conducted production without having license or conducted in the license area belonging to other owner, the activities shall be suspended and the produced mines shall be seized by local administration. To those committed this act, in addition to the State rights payable, it shall be imposed administrative fine amounted fivefold of the pit sale price of total mine that was seized after it was produced and/or the possibility of seizing was removed in the scope of this paragraph. If it was detected that it was conducted production of the mine that does not hold a production right, the activities shall be suspended and mines produced shall be seized by local authorities. To those committed this act, in addition to the State rights payable, it shall be imposed administrative fine amounted fivefold of the pit sale price of total mine that was seized after it was produced and/or the possibility of seizing was removed in the scope of this paragraph. The seized mines, by means of selling by local authorities, shall be transferred to the account of the investment monitoring coordination presidency in provinces with metropolitan municipality, provincial special administration in other provinces. In the case of repetition of the violation of this paragraph, an administrative fine of ten times the pit sale price shall be applied.

(Additional paragraph: 10/6/2010- article 5995/6; Amended 14/2/2019- article 7164/12) If it is detected that it is conducted production of raw materials without obtaining permit and/or by real or legal persons other than the contractor notified to the General Directorate, the activities shall be suspended and the raw material shall be seized by local administration. To those committed this act, an administrative fine shall be imposed on the amount of the pit sale price for the part of the raw material which is determined that it has been used in public projects, that was seized after it was produced and/or the possibility of seizing was removed in the scope of this paragraph; and an administrative fine of five times the pit sale price shall be imposed for the part of the raw material which is determined that has been used other than the projects conducted by public institutions and organizations, that has been put into commercial use and/or that its sale has been conducted. For the raw materials that are utilized without having any process, the pit sale price shall be calculated according to pit price of the raw material; and for the raw materials that are utilized with process, the pit sale price shall be calculated according to pit price of the processed raw material. The seized mines, by means of selling by local authorities, shall be transferred to the account of the investment monitoring coordination presidency in provinces with metropolitan municipality, provincial special administration in other provinces. In the case of repetition of the violation of this paragraph, an administrative fine of ten times the pit sale price shall be applied and the raw material production permit shall be cancelled.

(Additional Paragraph: 10/6/2010- 5995/6) (Amended paragraph:14/2/2019 – article 7164/12) In case it is detected that production has been conducted at the same group with license, however not having operation permit, the activities shall be stopped and the produced mine shall be seized. To those who commits this act, in addition to the State rights payable, it shall be imposed administrative fine amounted five times of the pit sale price of total mine that was seized after it was produced and/or the possibility of seizing was removed under this paragraph. The seized mines, by means of selling by local authorities, shall be transferred to the account of the investment monitoring coordination presidency in provinces with metropolitan municipality, provincial special administration in other provinces. In case of repetition of the violation of this paragraph, an administrative fine of ten times the pit sale price of the mine shall be applied.

The provision of this article shall not be applied to the construction raw materials that are produced and dispatched by villagers, with a written permit issued by headman, not having a commercial purpose and in order to provide their necessary needs. It shall not be collected state right and license fee.¹⁹

¹⁹ See above, footnote 14th

(Additional Paragraph: 14/2/2019) The pit sales price, which shall be used as a basis for the calculation of the administrative fine to be applied by the General Directorate or related public institutions and organizations, shall be calculated by increasing the previous year's valid pit sale price in accordance with the relevant year's revaluation rate determined in accordance with the Tax Procedural Law dated 4/1/1961 and No.213.

***Fee, Fines and Other Sanctions:*²⁰**

Article 13 (Amended: 4/2/2015- article 6592/9):

(Amended Paragraph: 14/2/2019 – article 7164/13) It is compulsory to pay into the total amount of license fee until the end of every January every year. As for the license fee of mines other than that are in (a) paragraph of 1st Group, it shall be paid into the account that will be opened in the bank which General Directorate determines. 50% of the deposited operating license fee shall be transferred to the Treasury account within fifteen working days to be recorded in the general budget by the relevant accountant unit. As for the license fee of mines at (a) paragraph of 1st Group, it shall be paid into, at the cities locating in metropolitan municipalities, to the account of the investment monitoring coordination presidency; at other cities, to the account of provincial special administration. In the event that the total license fee is not paid by the end of January every year, it is obligatory that the non-paid part shall be paid twice as the license fee every year until the last day of June, otherwise the license shall be cancelled. No notification shall be made to the license owner regarding the payment of the license fees. The unpaid part of the license fee that had to be paid by the end of January for the cancelled licenses shall be notified to concerning collecting unit in order to follow and collect in accordance with the provisions of the Law numbered 6183. It shall not be collected license fee from the licenses regulated for the salt deposit, meerschaum and jet. In case the area has made compatible with the environment after the activities while the documents regarding the acceptance and delivery of the area by the property permit owners in the context of article 7 submitted to the General Directorate, and in the event that there is no overdue debt within the scope of Article 22/A of the Law No. 6183 and there is no past debts regarding the license in the context of this Law, the fee of environment conformity shall be repaid.

The license base fees for exploration license that is 1.000 TL and for operating license that is 10.000 TL and the administrative fines shall be increased annually with the reassessment amount determined in accordance with Tax Procedure Law numbered 213. The license fee shall be calculated for exploration license, as it is stated in the attached table numbered (1), and as for operating license; it shall be calculated as it is stated in the attached table numbered (2). The piaster shall convey to liras.

(Amended paragraph: 14/2/2019-article 7164/13) The administrative fine imposed according to this law shall be paid within one-month period after being notified to the account of the accountant unit of the General Directorate. Administrative fines can be brought before the administrative courts within thirty days. Judicial proceedings against administrative fines shall not stop the following and collection. The General Directorate transfers the relevant amount to the Treasury account within fifteen working days at the latest in order to be registered as a revenue to the general budget. State rights being accrued and not paid shall be notified to the related collecting department so as to follow and collect in accordance with the provisions of Law numbered 6183. The related collection office shall inform the General Directorate the administrative fines within at the latest one month after being fully charged.

(Amended Paragraph: 14/2/2019 – article 7164/13) As for the license fee of mines other than that are in (a) paragraph of 1st Group, for the unification of license, altering the license area, tender, tender for small areas, royalty and assignment request, the requests made in accordance with the eleventh paragraph of the article 16 of the law, request of operating license and extension of period; application shall be made in case that the operating license

²⁰ The headline of this paragraph used to be "Fee, security deposit, fines and other sanctions" is amended as is by article 9 of the Law numbered 6592 and dated 4/2/2015.

base fee is paid into the account of the accountant unit of General Directorate to be registered as a revenue to the budget of the General Directorate and that there is no overdue debt within the scope of article 22/A of the Law numbered 6183. As for the minerals of (a) paragraph of 1st Group, application shall be made with the document indicating the operating license base fee is paid into, at the cities locating in metropolitan municipalities, to the account of the investment monitoring coordination presidency; at other cities, to the account of provincial special administration as to be registered as an income and in case that there is no overdue debt within the scope of article 22/A of the Law numbered 6183. Otherwise, the applications made in scope of this paragraph shall be declined without the refund of the license base fees.

(Additional Paragraph: 14/2/2019 – article 7164/13) License enforcement letter of license holders, license transfer, royalty agreement, change of permission field, unification of license, reduction of the license area, abandonment, change of pasture allocation, temporary holiday, operation permit, tail assessment, tail dumping area, obligatory production permit made in accordance with the eleventh paragraph of the article 16 of the Law, public interest decision, expropriation decision and demand for explosives shall be evaluated if; there is an e-mail address that is activated and registered as a basis of the official notice (KEP) or the corporate electronic notification system address (e-Notification); there is no debt under the article 22/A of the Law No. 6183, there is no debt regarding license fee, license price, guarantee of the conformity with the environment and State rights; there has been an appointment of permanent supervisor for operating licenses that contains operating permits; there is an authorized legal person agreement and all documents which are required to be submitted in accordance with the relevant provisions of the legislation shall be submitted completely, otherwise the request shall be declined. It is required for the license transfer requests, there is no accrued/to be accrued State rights debt; for other demands, there is no accrued and passed payment due date State rights debt.

State Right

Article 14 - (Amended: 26/5/2004- article 5177/8)

(Amended first paragraph: 10/6/2010- article 5995/8) State rights shall be accrued by pit price of the extracted mine from the pit.

(Additional Paragraph. 10/6/2010- article 5995/8) (Amended paragraph: 14/2/2019 – article 7164/14) In case that produced mine is utilized as raw material or sold, the price to be applied as a raw coal at pit sales in the same mining market is pit sale price. The model pit price being grounded for State right to be accrued shall be notified by General Directorate by considering the zones and by determining separately and for the applied year. Pit sale price used by the license owners in the declaration of State rights shall not be lower than the pit sale price announced by the General Directorate. The principles and procedures concerning the application of this paragraph shall be determined by regulations.

(Additional paragraph: 10/6/2010- article 5995/8) On condition that sale price is occurred after raw coal is processed by any enrichment process or processed, the pit sale price is the price consists after deduction of expenses including transfer, enrichment and, if any, other processes included amortization of facilities and equipment from producing at pit to the stage where first sale was conducted.

(Additional paragraph: 10/6/2010- article 5995/8; Amended: 4/2/2015- article 6592/10) State rights shall be collected following;

- (a) Amount of 4% over the sized and/or washed market sale price, determined and notified by governor or provincial special administration, of the minerals at (a) sub paragraph of 1st Group,
- (b) Amount of 4% over the minerals at (b) sub paragraph of 1st Group,
- (c) Amount of 4% over the minerals at (a) and (c) sub paragraph of 2nd Group (It shall be accrued over the State right sized price excluded raw materials that is utilized in such buildings as rough construction, dam, puddle, harbor),
- (ç) Amount of 4.5% over pit sale price of the minerals of (b) sub paragraph of 2nd Group, which occurred according to the qualities of the stone and where it locates,
- (d) Amount of 1% over the salt deposit of 3rd Group, 5% for the rest of the minerals at this group,

- (e) 4th Group minerals; for gold, silver, platinum, copper, lead, zinc, chromium, aluminum and uranium oxide according to the determined amount mentioned at the table attached numbered (3), for radioactive minerals excluded uranium oxide and other radioactive substance the amount of 8%, for the others 3%,
- (f) Amount of 4% over the minerals in 5th Group.

(Additional Paragraph: 10/6/2010- article 5995/8) (Amended Paragraph: 14/2/2019- article 7164/14) Pit sales price notified by the license holder shall be supervised by General Directorate and make it completed. State right shall be accrued from the license having operating permit at least the amount as well as license fee annually. However, these conditions shall not be stipulated for State rights to be accrued from the licenses regulated for salt deposits, meerscham and jet.

(Additional paragraph: 10/6/2010- article 5995/8) 75% of the State rights to be paid into shall not be accrued in case that processing the minerals at (c) paragraph of 4th Group into metal by utilizing them in domestic and integrated facilities.

(Additional paragraph: 10/6/2010- article 5995/8) 50% of the State right to be paid into shall not be accrued in case that it is conducted producing by underground operation procedure.

(Additional paragraph: 10/6/2010- article 5995/8) Mines containing gold, silver and platinum shall not enjoy any special deduction herein set forth. **(Additional Sentence: 14/2/2019-article 7164)** Mines other than gold, silver and platinum shall only enjoy one of the special deductions herein set forth. Those who enjoy the special deduction mentioned within the scope of this article shall not enjoy incentives mentioned at second paragraph of article 9 of this Law.

(Amended Paragraph: 14/2/2019 – article 7164/14) In the event that these areas across with State forests and the permit issued by Ministry of Agriculture and Forest not exceeds five hectares, it shall not be accrued any fee excluded forestation fee accrued from the area. After delivering the area by rehabilitated, if it is requested that it shall give permit on the area as well as it was delivered within the same conditions.

(Amended Paragraph: 14/2/2019 – article 7164/14) In case that the lump sum permit to be issued exceeds five hectares, for the part exceeding five hectares other expenses excluded fund expenses shall be accrued in accordance with provisions of forest legislation.

(Amended Paragraph: 14/2/2019 – article 7164/14) In case of extension of the license, if the areas, whose permit given by Ministry of Agriculture and Forest, not exceed five hectares the fee of forestation shall be accrued; if it exceeds five hectares, for the part exceeding five hectares it shall be accrued a fee, excluded fund fee, in accordance with the provisions of forest legislation.

(Repealed Paragraph: 10/6/2010- article 5995/6)

(Amended Paragraph: 14/2/2019 – article 7164/14) The amount of the State right deposited by the license owner to the account of the accounting unit of the General Directorate shall be transferred,

- a) In the provinces with metropolitan municipalities, to the Treasury account within fifteen working days by the aforementioned accountant unit to be recorded as revenue to the general budget. For the 50% of the amount, the Minister of Internal Affairs is authorized to add the allowance to the Ministry of Internal Affairs' budget to be transferred to the heads of investment monitoring and coordination on the condition that half of it will be used in rural.
- b) In the provinces without metropolitan municipalities, 25% of the amount will be paid into the account of the provincial special administration, 25% will be directly paid into the account of the related counties or the counties' Union for Providing Services for Villages to be used in the substructure investments limited to the area where the license

exists, 50% to the Treasury account by the aforementioned accountant unit to be recorded as revenue to the general budget within fifteen working days.

(Additional paragraph: 10/6/2010- article 5995/8) General Directorate may subject the State right, about the matters related with calculating and notifying duly and properly in accordance with the provisions of this Law, to approve by certified public accountant within the scope of the provisions of Law numbered 3568 by taking into consideration the size of the licensed area, minerals group and its type, operation turnover or whether the operation belongs to public or not. **(Additional Sentence: 14/2/2019 – article 7164/14)** State rights declaration form of the licenses which are not owned by public institutions and organizations and which benefit from the special discounts specified in the sixth or seventh paragraph of this article or the incentives given in the second paragraph of the article 9, and the licenses which the license owner has supplied the raw material needs of their cement production facility, the licenses which contains the operating permit for gold, silver and/or platinum and the licenses of the license owners subject to the approval of the certified financial advisors under the relevant financial legislation shall be submitted with the approval of the certified public accountants and the signature of the license owner. Declarations of state rights that do not comply with this obligation shall be deemed not to be given. In case that the approval issued by certified public accountant is not realistic, they shall be liable, within limited to the framework of the approval, severally and jointly with the license holder for the State rights to be caused loss and fines to be imposed. The principles and procedures regarding the reports issued by certified public accountant shall be determined, through obtaining affirmative opinion of Ministry of Treasury and Finance, by regulation.

For the amount of State rights, it shall conduct at most 25% deduction and addition with regard to minerals, the area produced and similar criteria by the President.

(Amended Paragraph: 14/2/2019 – article 7164/14) The total state right shall be paid into the account of the accountant unit of the General Directorate, annually, until the last day of June by the license holder.

It shall be given permit to the related public institution and organization, for producing the building and construction raw materials for utilizing construction projects such as road, bridge, dam, puddle, and harbor, by the General Directorate. If there are licensed areas at where it will conduct production, it shall be proceeded so as not to prevent production activities that is necessary for the public investment and in a way of not causing a loss of resources. It shall not accrued State rights from the projects to be conducted within the scope of these permits and these permits shall not exceed the license period. **(Additional sentence: 4/2/2015- article 6592/10).** For the investments conducted by the procedure of Build- Operate- Transfer within the scope of Law numbered 3996 and dated 8/6/1994, in case that the responsibility of obtaining raw material is left under the responsibility of company in charge, the permit of producing raw material, in case of utilizing at topic of the contract on work and limited with project period, shall be left also. In this regard, it shall be collected collateral, annually till the end of January as an amount of 30% of license fee of the State right accrued annually till the end of June and operating license locating at the same group, from awarded party from the pit sale price of the raw material in order to provide the work of conformity with environment. In case that under paid or not paid the State right and collateral, it shall be imposed an administrative fine amounted 20.000 TL and it shall be requested to complete within three months. Otherwise, it shall be suspended production activities.²¹

(Amended Paragraph: 14/2/2019 – article 7164/14) The administrative fine stipulated for the license owner within the scope this Law shall be valid for the real and legal persons who are determined that they proceed their activity on areas where shall be worked with permit of production of raw material; or in the case that the person who proceeds the activity cannot be determined, for the owners of the raw material production permit.

²¹ The phrase of “to the public institution” is amended to “to the public investment” by article 10 of the Law numbered 6592 and dated 4/2/2015.

To the State rights not being accrued in time for the period beginning the last day of the month to be accrued till the date accrued it shall be applied interest amounted late fee that will be calculated pursuant to article 51 of the Law numbered 6183.

(Additional Paragraph: 14/2/2019 – article 7164/14) In case the General Directorate determines that there is tailing, residual and waste within 20 kilometers of the area where the raw material production permit has been requested, they shall be used in the project. Raw material production permit may be requested if it is documented by the special agency report that the physical and chemical characteristics of the tailing, residual and waste are not suitable for use in the project.

Discovery Right:²²

Article 15 - (Amended: 26/5/2004- article 5177/9)

(Amended Paragraph: 14/2/2019 – article 7164/15) The license owner shall be considered to be the discoverer of the mines declared as resource or reserve in the technical reports prepared according to National Mining Resource and Reserve Report Code during the period of exploration and/or operating license. To the license holder that requests this right, it shall be granted the discovery document.

On the condition that the mines related with discovery is operated by another person of who is not the discoverer, the discovery right accrued for mine produced in this area shall be paid to the owner of the right annually till the end of June by the persons produced in this area.

The discovery right is 1% of the annual pit sale price. **(Additional Sentence: 14/2/2019 – article 7164/15)** The price per pit sale price to be used in the calculation of the discovery right shall not be lower than the pit sale price determined and declared annually by the General Directorate and taken as the basis for State right payments.

(Additional Paragraph: 14/2/2019 – article 7164/15) Third parties may own shares in the proven reserve that they have detected and/or improved as a result of their activities to detect and/or improve the proven reserve in the license area within the scope of their contracts with the General Directorate or the license owner relating the tender areas. Contracts regarding the right to improve proven reserves shall be annotated for informative purposes to the mining register in case of application to the General Directorate.

First application and licensing²³:

Article 16 (Amended 26/5/2004- article 5177/10)

(Amended 4/2/2015- article 6592/11) It shall be granted license by tender procedure except minerals belonging to 2ⁿ Group (b) and 4th Group. It shall be granted license directly for the mines belonging 1st Group, 2nd Group (a) and (c). The mines belonging 2nd Group (b), 3rd Group, 4th Group and 5th Group shall be explored with exploration license. For the applications to be made to minerals belonging to 3rd Group (b) and 4th Group it shall be compulsory to apply by paying the base price of operating license and it is essential that privilege rights for applications.

The areas for minerals belonging to 1st Group (a) shall be granted license by means of tender, by provincial special administration. The areas to be tendered shall be determined by taking the appropriate opinion of General Directorate. The fee of tenders shall be paid into the account of provincial special administrations, at the cities locating out of the metropolitan municipality. It shall not be tendered that the areas belonging to private

²² The headline of this article used to be “announcement and discovery right” is amended as is by the article 9 of the Law numbered 5177 and dated 26/5/2004

²³ The headline of this article used to be “first application exploration license” is amended as is by the article 10 of the Law numbered 5177 and dated 26/5/2004

proprietorship. It shall not collected fee in case that the proprietor requests license for own proprietorship. **(Additional sentence: 10/6/2010- article 5995/9)** For these minerals, in the event that getting permit of the proprietor for the areas belonging to private proprietorship, for the cities having metropolitan municipality by governor ; for the other cities by Provincial Special Administration it shall be granted the license to third persons after estimated price is paid into. The mining license belonging to 1st Group (a) shall not exceed 10 hectares.

(Amended paragraph: 4/2/2015- article 6592/11) Sand and gravel locating at seas, notwithstanding the ratio of SiO₂, shall counted as mineral belonging to 1ST Group (a) and it shall be granted up to 20 hectares for these areas.

The principles and procedures related with tendering, licensing, operating and supervising the operations of minerals belonging to 1st Group (a) shall be determined by regulation issued by the General Directorate.

(Amended paragraph: 4/2/2015- article 6592/11) It shall be issued directly operating license by means not exceeding 50 hectares for minerals belonging to 1st Group (b), not exceeding 100 hectares for the minerals belonging to 2nd Group (a) and (c); it shall be issued exploration license by means not exceeding 100 hectares for the minerals belonging to 2nd Group (b), not exceeding 500 hectares for the minerals belonging to 3rd Group, not exceeding 2.000 hectares for the minerals belonging to 4th Group and not exceeding 50.000 hectares for the minerals, totally at sea, belonging to 3rd and 4th Group. It shall be issued exploration license by means not exceeding 1000 hectares for the minerals belonging to 5th Group.

(Amended paragraph: 4/2/2015- article 6592/11) (Amended Paragraph: 14/2/2019 – article 7164/16) Licenses may be united with the license which has older date of issuance, provided that the owner makes an application by paying the license fees and all licenses subject to the union have operating permit. **(Additional Sentences: 14/2/2019- article 7164/16)** Other licenses cannot be united at any stage. However, the licenses of public institutions and organizations can be combined at any stage. The area that emerges after unity shall not exceed the border mentioned at this article. However, this area restriction shall not be required in case that proven mine reserve shall be constituted an integrity, at the phase of operating license, on the adjacent licensed areas. In the event that there is not appropriate and sufficient place at current operating licensed area, is shall be issued operating license without taking into consideration adjacent license area and its phase for compulsory facility and infrastructure facility and without seeking for area restriction. 1st and 2nd Group minerals shall not exceed the area restriction after unity.

(Amended paragraph: 4/2/2015- article 6592/11) The exploration license shall be issued for the areas granted by tender procedure on the condition that, subsequent to paying of tender fee within two months, to submit mine exploration project containing the financial sufficiency that is necessary to conduct preliminary report and exploration period activities. On the condition that the license fee is not paid and these documents are not prepared, this areas shall became a tendered area without any transactions.

(Additional paragraph: 4/2/2015- article 6592/11) For the applications to minerals belonging to 2nd Group (b) and 4th Group, it shall be submitted directly to General Directorate for the areas that are restricted with the determined points by taken the coordinates of 1/25.000 scaled topographic mac as basis. It shall be notified to the owner of application about the appropriate part of the applied area at the date of application and within two months it shall be issued preliminary report, mine exploration project containing the necessary financial sufficiency for fulfilling the exploration activities and exploration license, in case that the license fee is paid. In the event that the license fee is not paid and these documents are not concluded, these areas became open to application without any transaction. On the condition that after the assessment of the applications being submitted for the minerals belonging 2nd Group (b) and 4th Group the areas to be granted comprise separately, it shall be issued license separately for each of these areas, in case that the owner of the application applies. The areas not obtained license shall become open to application without any transaction.

(Repealed: 4/2/2015- article 6592/11)

The licenses shall become effective at the date of being registered at registry.

The license which is granted for one group shall not entitle rights for the minerals belonging to other groups. However, the minerals belonging to other groups that is extracted as an indispensable consequence of the operating activities for producing the minerals subjected at license may be assessed, by means of getting permit by General Directorate. If the minerals subjected to license are not operated within the mentioned period in accordance with the time schedule indicated at operating project, the permit for producing these minerals shall be cancelled by imposing an administrative fine amounted twofold of the sale price of the produced other group minerals.

It shall not be issued license that for the licenses belonging to same group in an overlapping form. The principles and procedures regarding granting license for the same groups in overlapping form provided that acquired rights are reserved shall be determined by regulations.

(Additional paragraph: 10/6/2010- article 5995/9) The license holder, obtaining for Coccolith, Sapropel and Hydrogen Sulfur from the sea, within one year period that initiates from the entering into force of license shall take a partner, without seeking for giving at least one board of director membership and audit member and stipulated invested capital, from Turkish Petroleum Corporation or from its affiliated company provided that at least 10% of the share.

***Exploration Activities*²⁴**

Article 17 - (Amended 4/2/2015-article 6592/12)

The first year after issued an exploration license is preliminary period. At the end of preliminary period, the preliminary report indicates that the minimum activities were concluded and the investment payments regarding these activities shall be submitted. It shall be imposed an administrative fine amounted 20.000 TL in case that within this period the report is not submitted. In the event that the documents, concerning about the report being submitted or the items on investment payment, are found inappropriate it shall be notified to the license holder in written form to conclude these deficiencies within one month. It shall be imposed an administrative fine amounted 20.000 TL in case that the deficiencies are not concluded since the beginning of the notification date or finding inappropriate the submitted documents and the documents related with the items on investment payment. Exploration license shall entitle rights to 4th Group minerals as 2 year, for the other group as 1 year.

It shall be compulsory to submit the general exploration report indicating the information regarding mentioned deposit at exploration project and investment payments to be conducted within this period at the end of the general exploration period. In case of not paying this report within this period, it shall be imposed an administrative fine amounted 20.000 TL. In the event that the documents, concerning about the report being submitted or the items on investment payment, are found inappropriate it shall be notified to the license holder in written form to conclude these deficiencies within one month. It shall be imposed an administrative fine amounted 20.000 TL in case that the deficiencies are not concluded since the beginning of the notification date or finding inappropriate the submitted documents and the documents related with the items on investment payment. Exploration license shall entitle rights for 4th Group minerals as four years to detailed exploration period. The license shall be cancelled for the mineral belonging to 2nd Group (b), 3rd Group and 5th Group in the event that it is not applied for operating license until the end of general exploration period.

²⁴ The headline of this article used to be "the periods of exploration activities" is amended as is by the article 11 of the Law numbered 5177 and dated 26/5/2004

If the exploration periods are concluded before their mentioned periods, it may pass to the following phase without waiting.

The project, the exploration activity report and other documents related with exploration period shall be issued by authorized legal persons.

It shall be compulsory to submit an activity report of detailed exploration indicating the information of proven deposit and investment payments conducted regarding exploration activities until the end of detailed exploration period.

In the event that it the reports to be submitted to General Directorate, for the minerals belonging to 4th Group (a) till the end of detailed exploration period and for the minerals belonging to other groups till the end of general exploration license, and the documents related with items on investment payment are found in appropriate it shall be notified to the license holder in written form to conclude the deficiencies within one month. In case that the deficiencies are not concluded within the mentioned period or the report submitted and documents related with items on investment payments are found inappropriate or it is not applied for operating license till the end of exploration license, the license shall be cancelled.

For the exploration license to 4th Group (b), (c) and (ç), subsequent to detailed exploration period, it shall provide a right to feasibility period, two year, after the detailed exploration period in case of that it is applied to General Directorate on the grounds that feasibility activities are needed and the application is found appropriate. It shall be compulsory to submit feasibility report till the end of two years. If the feasibility report submitted to the General Directorate till the end of feasibility period is found inappropriate, it shall be notified to the license holder to conclude the deficiencies within one month. The license shall be cancelled in the event that the deficiencies are not concluded within the period given after the notification or it not applied for operating license till the end of exploration license period. At this period, it shall be collected as an amount of twofold of the license fee on detailed exploration period. It shall give permit to the license holder who applies with an activity report in order to conduct, during the exploration period, technologic research, development, pilot study and market research for take sample and to dispatch from the minerals extracted indispensable during the exploration activities.

(Additional Paragraph: 28/11/2017 – article 7061/48) Environmental impact assessment decision is not required for activities involving geological mapping, geophysical survey, seismic, core, clast and sampling and surface preparation operations for these.

Borders of Exploration:

Article 18: The owner of exploration license can conduct prospecting studies at neighboring areas in order to perform the technical requirements of the exploration activities in a way of not damaging the area or operation. **(Repealed second sentence: 26/5/2004- article 5177/38)**

Pre-operation license:

Article 19: (Repealed 26/5/2004- article 5177/38)

Pre- operation activity:

Article 20: (Repealed 26/5/2004- article 5177/38)

Extraction of the ore during the exploration and pre-operation period:

Article 21: (Repealed 26/5/2004- article 5177/38)

Opening the areas to the new explorations:

Article 22: (Repealed 26/5/2004- article 5177/38)

Annulment of the pre-operation license:

Article 23: (Repealed 26/5/2004- article 5177/38)

Operation license and operating the mine²⁵:

Article 24 - (Amended 26/5/2004- article 5177/2)

(Amended first paragraph: 14/2/2019 – article 7164/17) For the operating license requests, within two months after the fee of tender was paid for the minerals belonging to 1st Group (b) and 2nd Group (a) and (c), for the other minerals till the end of exploration license, on the condition that there is no overdue debt in accordance with the Article 22/A of the Law No. 6183, it is obligatory for the license holder to submit the operation project that was prepared by authorized legal persons within the responsibility of mining engineers, and the documents relating to the financial sufficiency required for the implementation of this project, and the e-mail address that has been activated and registered as a basis of the notification (KEP) or the corporate electronic notification (e-Notification) address to the General Directorate by depositing the operating license base price and operating license fee to be recorded as revenue to the General Directorate's budget. Otherwise, the application shall be cancelled and the related area shall be put into the tender position and licensed by tender. The technical deficiencies in the project shall be notified to the license holder by the General Directorate within two months and the deficiencies shall be filled within three months from the notification. For those who did not fill their deficiencies within the given period, the administrative fine amounted 31.054 TL shall be imposed and the period shall be extended for three months. The requests of those who do not fill the technical deficiencies of the project by the end of this period shall not be accepted and the related area shall be put into the tender position and licensed by tender. In case the request is not accepted, the base price of the operating license is not refundable; while the operating license fee shall be refunded. In case the demands are deemed appropriate, an operating license shall be issued within one month.

(Amended Paragraph: 14/2/2019 – article 7164/17) For the requests for extension of licenses, until no later than six months from the date of the end of the license period, on the condition that there is no overdue debt, in accordance with the Article 22/A of the Law No. 6183, it is obligatory for the license holder to submit the operation project that was prepared by authorized legal persons within the responsibility of mining engineers and the e-mail address that has been activated and registered as a basis of the notification (KEP) or the corporate electronic notification (e-Notification) address by depositing the operating license base price to be recorded as revenue to the General Directorate's budget. Otherwise, the application shall be cancelled and the related area shall be licensed with tender by positioning the related area to a tender area. The technical deficiencies and the financial deficiencies such as the overdue license fee relating to the license that requested to be extended, the license fee, the warrant for the compliance with the environment and the State right determined in the project as a result of the examination performed on the project or on the premises by the General Directorate, shall be notified to the license holder within two months by the General Directorate, the deficiencies shall be filled within three months after the notification is made. The administrative fee amounted 31.054 TL shall be imposed to those who do not fill the deficiencies in the given period. In the event that the deficiencies are not filled until the end of the license period, the license period shall not be extended and these areas shall be put into position as a tender area without any further processing and they shall be licensed by tender. In case the request is not accepted, the base price of the operating license deposited shall not be refunded. If the time extension request is deemed appropriate, the duration of the operating license is extended from the expiry date of the operating license at the latest within one month from the expiry date of the license. Mining operation activities cannot be done in the license areas if the license period has expired.

²⁵ The headline of this article used to be "application for the operating license" is amended as is by the article 12 of the Law numbered 5177 and dated 26/5/2004

(Amended Paragraph: 14/2/2019 – article 7164/17) The period of operation license of minerals belonging to 1st Group (a) is five years. The period of minerals belonging to other groups shall be determined in accordance with its project, to be not fewer than ten years. The duration of the mine operation licenses in 1st Group paragraph (a) and other groups may be extended if there is a request to extend the period six months before the expiry of the period and if it is found appropriate. At the application of extension of license period for the minerals belonging to 1st Group (a) the extension fee, not exceeds fivefold of the amount of operation license fee, that is determined by governor for metropolitan municipalities and for the other cities determined by provincial special administration shall be collected. The total period of operation license including period extensions shall be determined by the General Directorate according to the project as not exceeding 30 years for minerals belonging to 1st Group, not exceeding 40 years for the minerals belonging to 2nd Group and not exceeding 50 years for the minerals belonging to other group. The Minister shall be competent for the extension of periods for the minerals belonging to 1st Group, from 30 years to 60 years, and 2nd Group, from 40 years to 80 years; the President shall be competent for the extension of the minerals belonging to other groups, from 50 years to 99 years. License periods, including period extensions, cannot exceed these periods of times and license areas that have reached the end of their period become the tender area by dropping the discovery right and right to develop proved reserve in the license area without the need for further processing. The limitation of periods shall not be applied to the licenses owned by the public institutions and organizations. In the license areas tendered by public institutions and organizations, the beginning of the license period is the date on which the license is issued in the name of the right holder.

(Amended Paragraph: 14/2/2019 – article 7164/17) For the exploration licensed areas, it shall be granted the operation license over the proven and/or probable reserve area determined during the process of exploration by reducing the other parts of the exploration license. However, an operating license cannot be issued with small areas that are not possible to perform mining operations. Operating license requests made in such a way that the area is so small that the mine operations cannot be performed, these areas shall be reduced from the license by the General Directorate. The small area that has been reduced is not an adjacent area of the license that it has been reduced. For the operation licenses, it shall be granted an operation permit to the temporary facility areas and proved reserve areas. The probable reserved areas that could not converted to resource and/or reserve areas according to National Mining Resource and Reserve Report Code in ten years for the minerals belonging to 4th Group and in five years for the mineral belonging to other group shall also be reduced. Provisions of paragraph 9 of Article 17 shall be applied to the activities that will be performed for the conversion of the probable reserve areas to resource and/or reserve areas in operating licenses in accordance with the National Mining Resource and Reserve Reporting Code. In operating licenses, the permits required to be taken in the exploration activities for the determination of the proved reserve in the areas that are outside the scope of the operating permit area, shall be subject to the same provisions as the exploration licenses.

It shall be taken as basis the quantity of water and gaseous flow rate for the minerals anticipated to produce in the project at 3rd Group minerals. The minerals of this group shall be licensed by mean of not ruining the natural balance of reservoir, feeding area and basin; by means of not exceeding the capacity and by means of comprising operation facility.

The production of the minerals belonging to 5th Group shall be conducted with operation license. In case that it is applied with exploration activity report containing the studies conducted until the end of the period of exploration license and with a document indicating the base fee of license was paid, the right of operation license shall originate²⁶.

(Amended Paragraph: 14/2/2019 – article 7164/17) For the minerals belonging to 5th Group the period of operation license which is five years may be extended.

²⁶ The phrase of “of the application fee” locating at this paragraph is amended to “of the license base fee” by the article 13 of the Law numbered 6592 and dated 4/2/2015

The production of the minerals belonging to 5th Group shall be conducted by picking from the surface of the land. For operating these mineral, in case of required engaging activities such as splitting, gallery it is compulsory that it shall be obtained permit from General Directorate by preparing the operation project by authorized legal persons²⁷.

(Amended Paragraph: 14/2/2019 – article 7164/17) Over the areas whose proven reserve is determined, it shall not be granted any other group' operation license in the manner being against operation of mine. It is not allowed to have an operation license over an operation license for different group of mines which cannot be produced separately. However, this stipulated condition shall not be requested in case that the applications of different license groups belong to the same person or the owner of applications certificates that they reached an agreement. 5th Group mining license cannot be granted over 4th Group mining license areas. 4th Group mining license can be granted over 5th Group mining license areas. However, in this case, it is obligatory that 5th Group minerals, which has been obtained in the mining operations carried out in the 4th Group mining license areas, to be delivered to the 5th Group mining license owner by the 4th Group license owner without request of any cost. Otherwise, the action shall be taken within the scope of paragraph seven of Article 10 and paragraph five of Article 12. Besides, in 5th Group mining licenses, permit of obligatory production and/or tailing evaluation is not given within the scope of eleventh paragraph of article 16.

(Amended Paragraph: 14/2/2019 – article 7164/17) In the event that the license activities belonging to the separate or the same groups on the same area cross, a dispute arises among the license holders or they do not reach an agreement, the General Directorate shall make an examination over the projects and/or on the area. After the examination, if the possibility of working separately is detected, the principle of the work shall be determined by General Directorate. If it is not possible, it shall be given permit for the activity by taking into consideration of privilege right.

(Amended eleventh paragraph: 4/2/2015- article 6592/13) It shall be granted operation permit since the relevant permits are taken according to the article 7. The operation permit shall be issued subsequent to submission the related permits, which are the decision of environment impact assessment, the proprietorship permit, business permit and work license and the areas registered at General Directorate registry, to be taken according to the article 7 in three years from the beginning of entering into force of license. It shall be imposed annually administrative fine amounted 50.000 TL for the licenses whose obligations are not fulfilled in time. The period of license shall not be extended in the event that it is obtained operation permit due to the permits mentioned at this paragraph till the end of license period.

(Amended Paragraph: 28/11/2017 – article 7061/49) In the five year period, if the total amount of production produced in any three years during which the production is at least is less than 30% of the annual production amount declared in the project, it shall be imposed an administrative fine amounted 77.632 TL to the license holders. Starting from the implementation of the administrative fine, if the total production amount backwards in three-year periods is less than 30% of the annual production amount declared in the project, it shall be imposed an administrative fine amounted 77.632 TL to the license holders. If an administrative fine is imposed twice within five years under this paragraph, the license shall be canceled. The determination of the years is made according to the calendar year. In the calculation of the periods, the year in which the operating permit is granted and the year in which production determination is made are not taken into consideration. However, the time spent for galleries, wells and/or pickling in order to reach the mine in accordance with the force majeure, unexpected situations or the operation project and deadline plan accepted by the General Directorate shall be taken into consideration proportional to the annual production amount declared in the project. The President is authorized to increase the rates other than the administrative fine mentioned in this paragraph by doubling, reducing it to half and differentiating it according to license types.

²⁷ The phrase of "by at least one mining engineer" locating at this paragraph is amended to "by authorized legal persons" by the article 13 of the Law numbered 6592 and dated 4/2/2015.

(Additional paragraph: 10/6/2010- article 5995/11) The provisions of twelfth paragraph shall not be applied to the licenses of the integrated metallurgical, ceramic, cement, lime and chemistry facilities, in which the mines to be produced are utilized, thermic power plant and enrichment facilities for the minerals belonging to 4th Group that belong to the same owner of the facility and the license whose matters that the distance to settled facility, which facility will be subjected to application and other principles and procedures that shall be determined by regulation. However, for each of license that could not conducted production, it shall be collected State right over the 10% of the quantity of production mentioned in the project.

(Amended Paragraph: 14/2/2019 – article 7164/17) The periods mentioned at this paragraph shall not be applied to hard coal located at Ereğli Coal Basin and the minerals of boron salt, thorium and uranium mentioned in the Law regulating the Operation of Nuclear Energy Raw Material with Minerals of Boron Salts, Trona and Asphaltite, the Return of Some Areas of Lignite and Iron and to the complex minerals that must be operated with aforementioned licenses.

The Period of operation license:

Article 25(Repealed: 26/5/2004- article 5177/38)

The operation permit:

Article 26(Repealed: 26/5/2004- article 5177/38)

Non- assignment of operation permit:

Article 27: Operation permit shall not be assigned. Operation license shall be assigned as a whole and in accordance within the scope of principles to be determined.

Starting up the mines:

Article 28(Repealed: 26/5/2004- article 5177/38)

Operation Activity:

Article 29(Amended: 4/2/2015- article 6592/14)

The operation activity shall be performed in accordance with its project and related provisions of this Law. If it is detected that activity which is against operation project has conducted, it shall be given period which is up to six months, to the license holder, in order to conduct activity complying with project. In the event that at the end of this afore stated period conforming activity is not conducted, production activity shall be suspended by imposing an administrative fine amounted 50.000 TL. However if it is detected that the activities, which are against the project, are also hazardous for operation, the activity shall be directly suspended until these hazardous situation are eliminated.

It is compulsory to submit the operation projects and adjustments thereof to General Directorate prior to put into practice. Otherwise, the production activity shall be suspended. Operation project and adjustment thereof and related documents and transaction regards to suspend activities of operation shall be allowed access in electronic media reciprocally by Ministry of Labor and Social Security and Ministry.

The report, project and all technical documents that prepared by authorized legal persons shall be submitted to General Directorate by the license holder.

The license holder is obliged to submit the technical information relating with operation activity, operation activity report and the information regarding exploration, if exploration was conducted, which were conducted in the recent year to the General Directorate till the end of April, annually. It shall be imposed an administrative fine amounted 30.000 TL in

case of not fulfilling the obligation. The production activity shall be suspended until the obligation will be fulfilled.

The license holder for minerals belonging to 1st Group (a), annually till the end of January, shall submit the operation activity report regarding the operation activity that was conducted in previous year at the cities, which is metropolitan municipality, to governor; at other cities to provincial special administration. It shall be imposed an administrative fine amounted 30.000 TL in case of not fulfilling this obligation. The production activity shall be suspended until the obligation will be fulfilled.

At the areas where more than one license, on the purpose of utilizing the reserve productively, taking the measures of safety of life and property at mining license area and permitted area on raw material production, locate as adjacent area to each other for conducting the activities with an mutual project, it shall be decided if there is the consent of the owner of the rights by the decision of General Directorate, if not by the approval of Minister. Within this purpose, the areas on operation permit may be reestablished by taking into account the time schedule plans to be determined for the mutual license areas.

(Amended paragraph: 18/5/2017- article 7020/10) At the adjacent or close mining areas, within the scope of projects and plans to be conducted due to the reasons of the environmental impact of the production, safety of operation, processing the reserve efficiently and similar reasons it shall be declared an mining area by the offer of General Directorate and by the approval of the Ministry. The uniting of the licenses locating at mining area in one or more than one license shall be conducted by General Directorate.

(Additional paragraph: 18/5/2017- article 7020/10) It shall be given a period up to six months to the license holder in order to unite the licenses locating at the determined area on mining area on a company having legal personality. At this company which will be established by the license holders, the shares of partners shall be determined by also taking into consideration the mine reserve. The unity of licenses shall be conducted in the event that at least half of the license holders corresponding of the total reserve apply. The owner of the application shall not be fewer than two. If the number of applicants is two, one of the license holders shall have at least 10% reserve. In case that the sufficient application is not provided, whole license on the determined area shall be cancelled. These areas shall be tendered, notwithstanding with area restriction, in accordance with criteria determined by General Directorate. The investment costs determined by General Directorate regarding the cancelled license shall be provided from the budget of General Directorate. The determination of the borders of united licenses shall belong to General Directorate. The areas locating in mining areas for tendering shall be added to united license by means of paying the tender base fee.

(Additional paragraph: 18/5/2017- article 7020/10) In case that it is applied for uniting by the license holder corresponding to at least half of the total reserve on the determined area, the other licenses which are not included into unity shall be cancelled. The investment costs, determined by General Directorate, of the cancelled licenses shall be paid by the license holder that unity is conducted upon and these license areas shall be added to the united license. If the determined investment costs has not been paid by the license holder within six months, all the license for determined areas shall be cancelled.

(Additional paragraph: 18/5/2017- article 7020/10) The mining activities of minerals belonging to 1st Group and 2nd Group (a) shall be restricted by Ministry with an opinion of governor by taking into urbanization, environmental and similar impacts account. Mining license belonging to 1st Group and 2nd Group (a) on the area that is restricted by the approval of the Ministry shall be licensed, by taking into reserve account, in a way of moving to mining zone or another area. This kind of licensing transaction may also be conducted without tender on the tendered areas. The detection of the reserve at the areas of restriction and move shall be conducted by governor.

(Additional paragraph: 18/5/2017- article 7020/10) At the cities having mining zone, it shall be established mining zone commission in order to manage these zones. This commission shall carry on a business at metropolitan by including the body of Inspecting

the Investment and Coordination Presidency, at the other cities by including the body of provincial special administration. Commission shall comprise from governor, related municipality and the representative of the company being license holder.

(Additional paragraph: 18/5/2017- article 7020/10) Commission shall provide the necessary measure to be taken, including temporary suspending of mining activities, by controlling the activities conducted on the licensed area whether it is performed in accordance with project, environment and healthy of human. Commission shall notify the temporary suspending activities to General Directorate. The General Directorate shall inspect and supervise the activities of commission regarding the mining zone.

(Additional paragraph: 18/5/2017- article 7020/10) 1% of the pit sale price, so as to compensate the payments that will be conducted by the commission for mining zone, shall be paid into the account of Inspecting the Investment and Coordination Presidency, at metropolitan cities, and for the other cities shall be paid into account of provincial special administration. For operating license on every group of minerals at mining zone within the scope of this Law, it shall be constituted right of easement and/ or usufruct and conduct expropriation. It shall not be settled into mining lease contract at the mining zone and, if there is, it shall be cancelled.

(Additional paragraph: 18/5/2017- article 7020/10) The principles and procedures with regard the notification of mining zone, the unity, reduction and cancellation of the licenses, the determination of the investment costs and having paid, tendering the mining areas, determination of the reserve and licensing, establishing mining zone commission for mining zones entering into more than one city border, gathering and working period, duties and authorizations, to move the license by inspecting and supervising the activities, projects and planning shall be regulated with regulation issued by Ministry.

Tender:

Article 30(Amended: 4/2/2015-article 6592/15) The areas that, for any reason, has become inoperative, deserted or reduced and new areas excluded from the mineral belonging to 2nd Group (b) and 4th Group shall be licensed by tender procedure. The notification of tender shall be published in official gazette.

The tender fee shall not be fewer than base fee of operating license.

It may be made tender comprising condition of producing mid and edge product provided that the issue, which are by taking into account the type of mining license area, reserve, located zone, tenor, employment, investment, needs of country and similar, mentioned explicitly in specification. Conditions of accessing to tender, the base tender fee, the way of paying the tender fee and period thereof, production period or investment period for facilities and other issues may be determined at these tenders by taking into consideration the feature of reserve.

It shall not be granted license to the areas which has not capacity to conduct mining by itself between the license areas due to size. These areas shall be tendered among the adjacent license holders. The areas which is convenient for tender and having the sufficient size for conducting mining shall be tendered by uniting with the areas, not licensed, locating around and other tender areas.

Newly established areas and the areas that, for any reason, have become inoperative deserted or reduced in the purpose of developing mining on basin and illuminate the geological structure may be tendered by uniting notwithstanding the border restriction. The border restriction, article 16, shall not be requested for licensing the areas which is tendered as per above.

In the event that new mineral is discovered at the crossed operating licensed areas whose license were granted in accordance with the repealed Mining Law numbered 6309 and whose license law resumes in accordance with this Law, mining right at the crossed area shall be licensed by making tender among those license holders.

The incomes being generated from the process of tendering the areas shall be registered as revenue to the general budget. The allowance to be needed for the works and transactions which are within the framework of this Law shall be projected from the budget of General Directorate.

(Additional Paragraph: 21/3/2019-7103/32 md.) Within the scope of this article, if the tender for an area has made twice however there is no application for the area, it shall be announced by the General Directorate that the area will be open to explorations. In case there is an application made for the announced area in one-month period, it shall be licensed over the determined tender base price. In case there are more than one application, it shall be tendered again amongst the applicators.

(Additional Paragraph: 14/2/2019 – article 7164/18) Tender areas may be given to Specialized Government Entities without a tender, with the approval of the Minister.

Permanent supervisor and technical personnel²⁸:

Article 31(Amended: 4/2/2015- article 6592/16): The operation activities on the mining license areas shall be conducted under the supervision of the mining engineer except salt source. It is compulsory to employ at least one mining engineer as permanent at the operation activities on mining license area and by taking into operation procedure, size and structural situation it is compulsory to employ engineer from the other occupation disciplines. The duties, authorizations, the principles and procedures of appointment, educations, the principles and procedures of work of permanent supervisor, mining engineer, which is compulsory to employ in every shift at the shift work operation by taking into the size and quality of the operation, other engineers to be authorized shall be determined with regulation issued by Ministry.

Mining operation activity shall be suspended by imposing an administrative fine amounted 30.000 TL, in case that to conduct mining activities without stipulating these employment conditions set forth at first paragraph. If these stipulated employment conditions are fulfilled, it shall be granted to activities.

Nullification of the license and the measures to be taken for the abandoned areas²⁹:

Article 32(Amended: 4/2/2015- 6592/17)

The license holder may apply for abandonment request by means taking the necessary security measures at its area and by means submitting production map indicating the recent condition of the area and mining geology map to General Directorate.

At the abandoned areas whose license became in operative, for any reason, or whose license law is in force, the license holder shall take necessary safety measures and shall submit the technical documents indicating the recent condition of the areas to General Directorate.

The license holder shall take these afore mentioned measures within one year period and shall suit the area conducted operation activities to comply with environment in the direction of operation project.

In the event that the necessary safety measures, within the scope of complying with the conformity plan with environment, and environmental measures are not taken this situation shall be notified to governor, on the condition that the license holder is responsible until these measures will be taken. The necessary measures to be taken for complying with environment shall be performed by related forest administration at the forest land which is convenient with environment conformity plan; at the other areas it shall be performed by provincial special administration or governor. The expenses conducted according to

²⁸ The headline of this article used to be “technical supervisor at the operation”, first amended by article 15 of the Law dated 26/5/2004 and numbered 5177 as “technical supervisor” than, amended as is by article 16 of the Law dated 4/2/2015 and numbered 6592.

²⁹ The headlined of this article used to be “to become inoperative of the license and precautions to be taken” amended as is by article 17 of the Law numbered 6592 and dated 4/2/2015, 4/2/2015.

conformity plan with environment by forest administration, provincial special administration or governor shall be compensated from the amount of license fee which was paid to deposit for the studies of conformity plan with environment. If the security deposit is not sufficient, it shall be given one month to the license holder in order to pay the lacking expenses within the scope of conformity plan with environment. The amount that is not paid in time and that is notified to concerning tax office by General Directorate shall be collected in accordance with the Law numbered 6183 from the license holders. If the expenses occurs due to the fact that the concerning administration conducts any other projects or implementation excluded from the conformity plan with environment, they shall be collected by related administration and not requested any fee from license holder.

In the event that the study of conformity with environment is performed at the places which belong to private proprietorship of Treasure and which are under the State authority and disposition, the principles and procedures regarding to execute the implementation shall be determined by Ministry and Ministry of Finance jointly.

Transfer of the plants:

Article 33: In the event the exploration and operation licenses become invalid due to grounds of termination, expiry or abandonment the shafts, galleries and the reinforcement facilities constructed for their protection shall be transferred to State without having to pay indemnification to the license holder.

Facilities, vehicles, equipment and material not included in the content of this paragraph belong to the license holder.

Mining fund:

Article 34(Repealed: 21/2/2001- article 4629/1)

Inspection and supervision expenses:

Article 35(Amended: 26/5/2004- article 5177/17):

The expenses on inspecting and supervising the mining activity shall be compensated from the amount registered as private revenue to general budget and as special allowance to budget of General Directorate in accordance with the provisional article 1 of the Law on the Liquidation of Some Funds numbered 4629.

It shall be paid to the authorized personnel for inspecting and supervising the mining activities twofold of daily wages what they deserved in accordance with the Travel Expense Law numbered 6245. **(Additional Sentence: 2/7/2018 – KHK/703/118 md.)** That amount may be increased up to triple of the amount by the President.

From the payments according to this article shall not be collected any tax excluded stamp tax and not cut back.

Tails, Mas of residual and storage of dross:

Article 36(Amended 25/5/2004- article 5177/8):

During the activities of mining and subsequent stages; tails, enrichment residual mass and dross that contain ore, metallic or economic value that could not be assessed technically and economically under the prevailing conditions shall be stored separately in the form of they come out of their latest process, provided that not causing inconvenience with regard to environmental pollution. The quantity of mass of residual and tails, physical characteristics, the analysis reports of samples taken duly and dumping areas shall be shown in the activity report, plans and maps.

In the event that the operating license is expired for any reason, it shall be granted a period of six months, excluded for force major events lied in this Law, in order that the license holder transfers the minerals, tails, mass of residual and dross produced at area. The minerals are not transferred within this period and that has an economic value shall be sold by means of tendering by governor. The revenue provided from this sale shall be transferred to local authority. To the minerals not having an economic value, it shall be applied the provisions of article 32.

(Amended paragraph: 4/2/2015- article 6592/18) It shall be imposed an administrative fine amounted the operating license fee to those acting against first paragraph.

Temporary suspension due to force majors³⁰

Article 37(Amended 26/5/2004-article 5177/19)

(Amended paragraph: 4/2/2015-article 6592/19) The temporary suspension of operational licensed areas having granted operation permit due to force major or unexpected circumstances may be decided by General Directorate upon the request of license holder. The application date of license holder shall be considered as the beginning of the date of temporary suspension. To the operating license whose temporary suspension is accepted shall not be applied the twelfth paragraph of article 24. The other obligations arouse from the license law will resume.

(Repealed paragraph: 4/2/2015- article 6592/19)

(Repealed paragraph: 4/2/2015- article 6592/19)

(Repealed paragraph: 4/2/2015- article 6592/19)

Organization and characteristics of the mine registry:

Article 38: Mine registry containing all the technical and financial issues regarding all mining rights and activities shall be registered by General Directorate as specified in the regulation³¹.

Assignment, transfer, seizure, pledge and mortgage or expiring conditions shall be registered in this registry.

Mine registry is open to public. Persons concerned may request to view the registry entries at the presence of one of the mine registry officers. It shall not be claimed that the entries in the registry were not known.

Rights to be acquired over the mines shall not effective unless registered.

Pledge of ores:

Article 39: Ores extracted from mines may be pledged to the persons, without taking into possession, that were stated in written application made by holders of operating and exploration licenses to the General Directorate. This situation shall be registered at the mine registry.³²

³⁰ The headlined of this article used to be "vacation by force major" is amended as is by article 19 of the Law numbered 5177 and dated 26/5/2004,

³¹ The headlined of this article used to be "related department" is amended to "General Directorate" by article 37 of the Law numbered 5177 and dated 26/5/2004.

³² The phrase locating at this paragraph "pre- operating" is abolished by article 38 of the Law numbered 5177 and dated 26/5/2004, by article 37 of the same Law the phrase of "related administration" is amended to "General Directorate".

Sales of these ores during the period of pledge shall be possible with the written consent of pledgee. How the registry will be kept and other transactions shall be determined by regulation.

Seizure and Interim injunction:

Article 40: No severally seizure or interim injunction shall be implemented on the shafts, pits and galleries and machines, buildings, any transport vehicle utilized above and under the ground that are required for operating mine, equipment and facilities that are required for increasing the value of the minerals such as extracting, dressing and smelting and the material required for operation of the mine for one year.

However, seizure and interim injunctions can be implemented in all of the facilities, vehicles, equipment and materials specified in the first paragraph that constituted integrity with operation right or on the ores extracted and the residuals and dross thereof. Pledge rights of third parties shall be remained reserved.

Sale of an entire mine by means of execution shall be subjected to the procedure regulated in article 43.

Cannot be intervened the mining activities by virtue of seizure and interim injunction:

Article 41: In the events that seizure or interim injunction are implemented over the entire mine or over the ore extracted, the mass of residual and dross thereof or it is attempted to sell them by means of execution neither the mining activity can be suspended by creditor or enforcement office nor it can be interfered to these activities.

Mortgage and Its Content:

Article 42: Mortgage may be established on the mine on one or several degrees and levels so as to secure the debts conducted for mine or to become indebted in the future for that reason by the holder of operating license.³³

In the event there is a change in the area of the mortgaged operating license, the current mortgage shall be effective under the same conditions on the latest license granted without having to perform any transaction.

The entire facilities, vehicles, equipment and materials regulated in the first paragraph of article 40 that constitute integrity with operating license fall within the content of the mortgage.

Mortgage to be established shall not be exceeded the period of license.

Mortgagee may request to register an annotation at the land registry within the scope of general provisions in order to prevent the dispositions of the operation license holder over the real properties registered at the land registry and that constitute integrity with operating license.

In case that the right of mine operating right expires, the effect of the mortgage shall be over the facilities, vehicles, equipment and materials not including in the framework of the provision stipulated in the first paragraph of article 33.

Mine mortgage shall be nullified by means of the annulment of the registration at the mine registry.

Converting mortgage into money:

³³ The phrase locating at this paragraph "pre- operating" is abolished by article 38 of the Law numbered 5177 and dated 26/5/2004.

Article 43: Creditor may have the mortgaged mine operation license sold under general provisions for the collection of the credit on the condition that at the expiry date of mortgage or when the credit becomes due.

The applicant that wished to acquire the mine operation license should meet the legally required qualifications so as to acquire this right. Applicant shall prove that they have they meet the required qualifications by a document obtained from General Directorate. Enforcement office shall conduct the sale to one of those applicants that have submitted this document.³⁴

The consequence of the sales shall be notified to the General Directorate by the enforcement office. This issue shall be annotated at the registry ledger of mine and the mortgage registry shall be cancelled. The transaction of assignment shall be matured thereof.

Personal Liability:

Article 44: Operating license holder shall also be liable for the credit secured by means of mine mortgage. In the event of assignment of mine operating license restricted by mortgage to the third parties, the indebtedness status of the debtor that assigned this right will not change and the mortgage that secures the credit will remain as is.

However, in the event the person taking over the mine operation license personally admits and undertakes the credit secured by mortgage and the creditor does not notify in writing within one year from the date this issue is notified by the General Directorate to the creditor that wishes to reserve its rights against the former debtor, the former debtor that has assigned the operation license shall be out of his debt.

References to the Civil Code:

Article 45: The provisions of Turkish Civil Code regarding mortgage shall also be applied to the mine mortgage.

Right of Easement, Usufruct and Expropriation:

Article 46: The miner may request establishment and/or usufruct rights over the real estate subjected to private proprietorship of the exploration area during the mineral exploration period by applying to the General Directorate, on the condition that it shall be exclusive to the purpose of utilization and for certain periods of time.

The allowance in return of easement and/or usufruct rights shall be determined by the experts to be appointed in accordance with the Expropriation Law.

(Amended: 15/6/2001-article 4683/4) At the end of the exploration period³⁵, the duration of the established easement and/or usufruct rights may be extended not to exceed the duration of the operation upon the request of the operation or a new application made for easement and/or usufruct rights. **(Additional sentence: 4/2/2015- article6592/20)** The license holder may request for establishing the easement and/or usufruct rights by an application made to the General Directorate for lines of water, natural gas, electric and communication that will be utilized at the facilities established on operation licensed area and/or auxiliaries and that will be brought out of the operation license area.

In case the area is damaged during the activities, the license holder is obliged to pay the indemnification determined by the judicial authorities to the owner of the land to leave the area in utilized condition.

³⁴ The phrase “pre-operating” locating at second paragraph of article 43 and the phrases of “pre-operating or” locating at first, second and third paragraph of article 44 are abolished by article 38 of the Law numbered 5177 and dated 26/5/2004.

³⁵ The phrases of “pre- operating and/or” and “pre-operating and” are extracted from the text of the Law by the article 20 of Law numbered 5177 and dated 26/5/2004.

(Cancelled last paragraph: by the decision of Constitutional Court numbered 1993/8 E, 1993/31K and dated 22/9/1993)

(Additional paragraph: 26/5/20014-article 5177/20) The real estate subject to private proprietorship that is required for the activities of the operation at the stage of operation license will be expropriated in the event parties cannot meet an agreement and upon the request of operating license holder and Ministry's decision on public interest.

(Additional paragraph: 26/5/20014-article 5177/20) Expropriation shall be executed in accordance with the provisions of Expropriation Law numbered 2942. The related expenses and expropriation fee shall be paid by the operation license holder.

(Additional paragraph: 26/5/20014-article 5177/20) Expropriated real estate shall be registered at the land registry in the name of the Treasury and shall be allocated to the license holder so as to use in mining activities during the validity of the license law.

(Additional paragraph: 26/5/20014-article 5177/20) In case it is determined by the General Directorate that the expropriated real estate is no longer necessary for mine operating activities, it shall be notified to the license holder and to the former proprietor of the real estate that the expropriated land shall be returned to the former proprietor on the condition that having paid the value to be determined pursuant to the principles and procedures regulated in the Expropriation Law. In the event that the former proprietor will not apply to take over the real estate within six months, the real estate shall remain to the Treasury.

(Additional paragraph: 26/5/20014-article 5177/20) Annotations of the land registry shall be annulled upon the application of the General Directorate without requiring the court decision.

(Additional paragraph: 26/5/20014-article 5177/20) For the mining activities conducted on the locations under the private proprietorship of the Treasury or under the sovereignty and disposition of the State, it shall not be collected rental fee and adequate pay henceforth the enforcement of this Law.

(Additional paragraph: 26/5/20014-article 5177/20) Provisions of expropriation shall not be applied to minerals belonging to 1st Group and to cover stone and any kind of raw materials to be used in constructions such as rough construction, dam, puddle, harbor and road.

Rights regarding the services of General Directorate of Mineral Research and Exploration:

Article 47(Amended 26/5/2004- article 5177/2)

General Directorate of Mineral Research and Exploration may perform exploration activities pertaining to a project conducted by the Institute at the areas where mining activities can be performed without having to obtain any license or permit. It shall not be claimed for any rights over the minerals, belonging to same group, which has been discovered as a consequence of exploration activities performed at the area licensed to third parties. Other group minerals within this area for which exploration license is obtained shall be tendered by General Directorate in accordance with article 30 at the expiry of license period. The exploration activities within the borders of operation permit shall be conducted by obtaining the permit of license holder.

General Directorate of Mineral Research and Exploration shall submit to the General Directorate and to the license holder upon their request the information and the documentation obtained as a consequence of the research conducted at the licensed areas in a report.

(Additional Paragraph: 14/2/2019 – article 7164/19) The exploration and research type contracts made by the General Directorate of Mineral Research and Exploration with mining license holders according to Article 5 of the Law of General Directorate of Mineral Research and Exploration dated 14/6/1935 and numbered 2804 shall be annotated to the mine register for information purposes.

(Amended third paragraph: 3/6/2007-article 5686/18) The General Directorate of Mineral Research and Exploration shall acquire a discovery right, in accordance with article 15, for the minerals discovered by obtaining exploration license in accordance with the provisions of this Law. These licenses that were assigned to General Directorate to the end of exploration license period shall be tendered according to the provisions of article 30. 50% of the revenue that generated from the consequence of tender shall be transferred to MTA (Minerals Research and Exploration) as resource revenue.

(Additional paragraph: 10/6/2010-article 5995/16; Amended fourth paragraph: 18/5/2017-article 7020/11) The mining license areas whose discovery rights were granted by General Directorate of Mineral Research and Exploration, may be transferred to specialized State entities and their affiliated partners by the approval of Minister in case of paying the fee thereof. At the transfer phase, the periods stipulated in article 17th of this Law shall not be required during the application of these decisions. The General Directorate of Mineral Research and Explorations shall submit the resource/reserve report instead of submitting the exploration activity report mentioning in article 17th of this Law.

(Additional Paragraph: 30/5/2019 – article 7176/7) The General Directorate of Mineral Research and Exploration may request more than one new license from the General Directorate for the same area by dividing its licenses. New licenses may be issued by the General Directorate on behalf of the General Directorate of Mineral Research and Exploration.

(Additional paragraph: 10/6/2010-article 5995/16) For the areas that are closed to license application by Ministry and for the areas those, for any reason, have become inoperative, have abandoned or have reduced in order to develop the basin and zone mining and illustrate the geological structure, it may be granted a license to General Directorate of Mineral Research and Exploration on the condition that it is seen as necessary by Ministry within the purpose of conducting exploration. In the event the mine existence to be operated is detected, for the areas that are closed to license application shall be tendered by the decision of the President, for the other areas it shall be tendered by General Directorate in accordance with this article and 30th article of this Law.

To the personnel that are authorized so as to conduct exploration and research activity at the places locating out of their operations by General Directorate of Mineral Research and Exploration, it shall be given daily wage amounted twofold of daily travel expense determined annually by Budget Law, without associating with article 50 of the Travel Expense Law, in accordance with the provisions of Travel expense Law. **(Additional Sentence: 02/7/2018 – Decree Law Numbered 703/118)** This amount may be increased by the President up to three times. To the personnel whom were authorized in this respect, it shall not be given any other payments in accordance with article 50th of Travel Expense Law. The half of payment in question shall be provided from the revenue of institution generated by paid employment. **(Additional paragraph: 10/6/2010-article 5995/16; repealed last sentence: 4/2/2015- article 6592/25)**

Establishment, Areas of Authority and Responsibility of Technical Bureaus on Oath:

Article 48: (Repealed by the decision of Constitutional Court dated 24/12/1986 with principal numbered 1985/20, decision numbered 1986/30)

Article 49: (Amended first paragraph: 26/5/2004-article 5177/22) The provisions of Law numbered 2840 are reserved. The exploration and operating of boron minerals that discovered before the date that this Law entered into force and that will be discovered thereafter shall be subjected to the provisions of Law numbered 2840.

Procedures and principles concerning about the export of those shall be determined by the President.

Article 50: After the date that this Law entered into force, the exploration and operating of thorium and uranium shall be subjected to the provisions of this Law.

Produced ores shall be sold to State or to the entities determined by the President.

Abolished Provisions:

Article 51: Mining law numbered 6309 and the additions and amendments thereof are abolished.

Mining Department:

Article 52: Within six months following the date that this Law entered into force, the Mining Department shall be staffed with sufficient number of personnel in order to meet the technical and administrative requirements by the Ministry of Energy and Natural Resources.

Additional Article 1(Addition: 30/7/1999- article 4424/1; amended 26/5/2004-article 5177/23)

The Law on Having the Mines locating at Ereğli Coal Basin been operated by State and mining activities determined by the State so as to operate at the Ereğli Coal Basin shall be subjected to the provisions of this Law.

The period of license shall not be subjected to the limitation of periods stipulated by this Law.

(Amended Paragraph: 14/2/2019 – article 7164/20) Turkish Hard Coal of Institute and Turkish Coal Enterprises are authorized to operate, to have operated, to request new license by dividing these and to tender these licenses. In conclusion of the tender made within the scope of this paragraph, Turkish Hard Coal of Institute and Turkish Coal Enterprises may transfer the tendered area reserving the provisions of the contract that will be made with the successful tenderer and license may be issued for the successful tenderer. The contract that forms a basis for the transfer of the license shall be annotated to the registry of the relevant license. General Directorate is not a party to this contract. However, the licenses that will be established in the operating permit areas that are currently operated directly by Turkish Hard Coal of Institute shall not be tendered within the scope of this paragraph. Public institutions and organizations may transfer the part of the license area that is subject to the royalties of its royalty holders in the license areas by dividing it from the license area reserving the royalty contracts' provisions until the expiration of the royalty contract, to the person which it has made a royalty contract and license may be issued for the royalty holder. The royalty contract that forms a base for the transfer of the license shall be annotated to the registry of the relevant license. General Directorate is not a party to this contract. The transferee of the license is responsible for the administrative, financial and legal responsibilities related to Mining Code, Labor Law, occupational health and safety arising from the mining activities that will be made in the license areas that has been transferred within the scope of this paragraph.

(Amended paragraph: 4/2/2015-article 6592/21): The activities that will be executed by public for the coals locating at Ereğli Coal Basin, shall not be subjected to the provisions of lapse of time and financial of this Law, shall be exempted from license fee and the State right. However, the share of local authority and share of union for providing services to the villages shall be collected.

The mine operating rights regulated at the Law on Acquirement of the Immovable Properties locating at Hard Coal Basin numbered 3303 shall be valid for hard coal mining at the Ereğli Hard coal Basin.

The zones released as a consequence of reduction of privileged zones of Ereğli Hard coal Basin by the decision of the President shall be tendered in accordance with article 30 of this Law by means of determining the coordinates thereof by General Directorate.

Additional Article 2 (Addition: 26/5/2004- article 5177/24):

The Ministry may assign the authorities, deemed convenient, of the General Directorate as stipulated in this Law to the offices of governors.

Additional Article 3 (Addition: 26/5/2004- article 5177/24):

The procedures and principles regarding to import of coal and petroleum coke shall be jointly determined the under secretariat of Foreign Trade Ministry, the Ministry of Environment and Forestry and the Ministry. Additional allowance up to 2% of the fee subjected to the customs fee may be collected from exporting of minerals and petroleum coke by the decision of the President.

Additional Article 4 (Addition: 26/5/2004- article 5177/24)

Administration shall notify the court cases filed against to the Administration due to the acts and actions pertaining to application of Mining Law to the license holder. License holders may participate in the court cases along with the Administration.

Additional Article 5 (Addition: 26/5/2004- article 5177/24)

The positions listed in the schedule (I) of this Law shall be abolished and extracted from the related section of the table numbered (III) of the schedule of Decree Law numbered 190 regarding “Mineral Research and Exploration General Directorate”, and the position listed in the schedule(2) of this Law has been established to be employed at the Mining Activities General Directorate added to the related section of the table numbered (I) of the schedule of Decree Law numbered 190 regarding “Ministry of Energy and Natural Resources”.

Additional Article 6 (Repealed: 4/2/2015-article 6592/25)

Additional Article 7 (Addition: 10/6/2010- article 5995/17)

(Additional paragraph: 4/2/2015- article 6592/22) Mining lease contract settled among license holders and third parties shall be subjected to the permit of General Directorate. The mining activities executed without acquiring relevant permit shall be suspended. General Directorate is not a party to the royalty contracts.

(Additional paragraph: 4/2/2015- article 6592/22) The mining license holder at under the ground mining operations, excluded the public institutions and organizations and affiliate thereof, shall not sign a mining lease contract with third parties on some or entire parts of license areas regarding the operating activities. Otherwise the mining activities conducted by means of mining lease contract shall be suspended.

Administrative, financial and legal liabilities regarding Labor Law, occupational safety and healthy that arises from the mining lease contract signed for some parts or entire parts of license areas among the mining license holders and third parties shall belong to royalty holder. However, this situation shall not remove the responsibilities of license holder arising from the Mining Law.

Additional Article 8 (Addition: 10/6/2010-article 5995/17) It is compulsory that the documents indicating the technical supervising fee, which belongs to the previous year and which related with the license area, has been paid shall be submitted to General Directorate annually until the end of April. Otherwise, it shall be assessed within the scope of mistakes and deficiencies regulated at article 10 of this Law.

Additional Article 9 (Addition: 10/9/2014-article 6552/9) The wage to be paid to the employee working at the operations where “Lignite” and “Hard coal” belonging to 4th Group minerals, mentioned in second article of this Law, extracted under the ground shall not be fewer than the twofold of the minimum wage determined in accordance with article 39 of the Law numbered 4857.

Regulation:

Additional Article 10 (Addition: 4/2/2015- article 6592/23)

The regulation regarding the implementation of this Law shall be entered into force by Ministry.

For the regulations regarding occupational health and security, and infrastructural and technical issues that are compulsory to locate at the operating project it shall be obtained the appropriate opinion of Ministry of Labor and Social Security.

Additional Article 11 (Addition: 4/2/2015- article 6592/23)

In the event that mining license holder of 2nd Group (a) apply with a project and the area, belonging to these paragraph, requested is reduced, they may pass to one of the mining license of 2nd Group (b) and (c). However, it shall not pass from 2nd Group (b) which provides right in accordance with this Law to 2nd Group (a) and (c).

Additional Article 12 (Addition: 4/6/2016- article 6719/6)

According to this Law, the license of 4th Group (b) belonging to public institution and organizations may be licensed, in a way of not causing reserve loss, for the purpose of electric production by the approval of Ministry.

Additional Article 13 (Addition: 20/8/2016- article 6745/37)

During the mining exploration, research and production; in order to archive, to publish, to put into utilizers' service and to export the samples to out of the country and relevant processes regarding the geologic data produced by public and private sectors, such as borehole sample, clast, hand sample and similar samples belonging to drilling and map, stratigraphy and similar documents with the coordination of General Directorate of Mining Affair, contained within the General Directorate of Mineral Research and Exploration, Bank of Geology Data and of Borehole Sample of Turkey has been established. The principles and procedures related with the approval of data, samples and documents, creation of archive system, exploiting from this system, exporting these samples to the out of country and other applications shall be regulated by regulation issued by Ministry. Data, sample and document belonging to public and private sector shall be transferred to the Bank of Geology Data and Borehole Sample of Turkey according to these afore stated principles and procedure.

Additional Article 14 (Addition: 20/8/2016-article 6745/38)

The Commission of Reporting the National Deposit and Reserve, UMREK, is established so as to create opened, trusty, applicable deposit and reserve information regarding mining exploration, research and operating; to determine standards and criteria of reporting thereof; to establish, apply, develop and publish a system; to create strategy and aims regarding those activities; to determine the qualities to be requested for the competent persons and/or authorized legal persons, to give education thereto, to certificate, to register their registry, to audit, to notify, to suspend or cancel the documents; to become a member of similar international organizations or cooperate with them; to conduct the activity of education, research and publish within the issued including their authorization, to make arrangements and to publish thereof by the competent persons and /or authorized legal persons according to international standards and the scientific and technical principles. Any kind of secretary services, including the financial works, of UMREK shall be executed by

General Directorate of Mining Affairs. UMREK may generate revenue from the activities such as education, certificate, fee, publish and others.

UMREK has independency during performing its work. UMREK may request document, information and opinion from official and private institution and organization during performing its duties.

The per diem to be paid to the members of UMREK shall be detected by the President.

The principles and procedures regarding the organization of UMREK, management and working thereof and the qualities to be requested during the appointment of the members, the period of duty and termination of membership shall be regulated by the regulation issued by Ministry.

Additional Article 15 (Additional: 21/3/2018- Article 7103/33)

A prison sentence, from 3 up to 5, and an administrative fine, up to 20.000 days-excluded that the overflow located at adjacent areas without having any operating license issued in accordance with the scope of this Law or not having any royalty agreement approved by General Directorate shall be imposed to the ones, who conducts the act of establishing a pit, producing mine or correcting the conditions causing to be suspended the operating activities at the mining areas, whose activities has been suspended, and/or of conducting operating activities being excluded from the security of the operation The ones sentenced by this crime shall not conduct mining activity for ten years as of the execution is concluded.

Additional Article 16 (Additional:2/7/2018 – Decree Law no. 703/118)

All goods and assets of the General Directorate of Mining and Petroleum Affairs (MAPEG) are deemed State property and cannot be confiscated. Offenses against these shall be deemed to have been committed against State property.

MAPEG; in terms of the transactions to be carried out due to its duties under the relevant legislation, except for value added tax and special consumption tax, is exempted from all kinds of taxes, duties, charges and shares, all kinds of revolving fund fees arising from land registry and cadastre transactions. However, the collection of judicial fees from the other party based on rightfulness of MAPEG is decided by the relevant authority.

Except for passenger vehicles purchased or imported by MAPEG that are necessary for the performance of the duties given to MAPEG by the relevant legislation, motor vehicles, motorized, non-motorized machinery, devices, equipment and spare parts and tires thereof, are exempt from all taxes, duties and charges except the value added tax and special consumption.

MAPEG's income is exempt from tax. This exemption does not cover the deductions made in accordance with the Income Tax Law no. 193 dated 31/12/1960 and the Corporate Tax Law no. 5520 dated 13/6/2006.

Additional Article 17 (Additional Article: 2/7/2018 – Decree Law no. 703/118)

Those who have been faced with a criminal lawsuit for the fulfillment of the duties and responsibilities of MAPEG; the fees they have paid to the attorneys to whom they have been appointed as attorney according to the Attorney Minimum Wage Tariff published in accordance with the Article 168 of the Attorneys' Act dated 19/3/1969 and numbered 1136, and the expenses they have made in relation to the lawsuit on the condition that they have been certified may be covered with the offer of the General Director of the Mining and Petroleum Affairs and the approval of the Minister of Energy and Natural Resources, provided that they will be taken back if the final verdict of conviction is given. The principles and procedures for the implementation of this paragraph shall be regulated by a regulation to be issued by MAPEG.

Additional Article 18 (Additional Article: 2/7/2018 – Decree Law no. 703/118)

MAPEG may notify any notifications relating to its assignment area to the related person via registered electronic mail address (KEP) or corporate electronic notification system (e-Notification). Notifications made through these means shall be deemed to have been notified in accordance with the Notification Law dated 11/2/1959 and numbered 7201.

Those who have license and rights within the scope of Mining Law No. 3213 dated 4/6/1985 and Turkish Petroleum Law No. 6491 dated 30/05/2013 are obliged to use activated and registered electronic mail address (KEP) that forms as a notification address. An administrative fine of 25.000 TL shall be imposed on those who do not fulfill this obligation for every three months they do not fulfill their obligations. This administrative fine shall be increased annually in accordance with the revaluation rate determined in accordance with the Tax Procedural Law No. 213 dated 4/1/1961.

Provisional Article 1:

All the licenses that have become invalid at the phases of GMD (general mine file), AR (Exploration license), IT (initial research), PRT (project research), İR (operating license), II (operating incentive) before the date when the Law entered into effect shall be cancelled from the sections of map and shall automatically become appropriate to exploration notwithstanding of their borders.

This provision shall also be applied to license of discovered minerals that are from the era of Ottoman Empire.

The applications shall initiate from the day announced in accordance with Provisional article 5 and the applications made during the first week shall be considered made at the same time. The list of the areas that become appropriate to exploration as approved by the Ministry shall be declared at the related offices one month prior to the date of application accepted for all miners.

In the event that there is more than one application for the same area at the same time (Amended phrase: 2/2/2001-article 4629/6), the person undertaking to pay the highest fee in the form of auction will be entitled to acquire the license. These fees shall be generated as special revenue in the budget.

Discovery rights of the areas that conducted operating license and operating incentive are reserved.

Provisional Article 2:

All the licenses at the phase of GMS, AR, IT, PRT, IR,II that are valid at the date of this Law entered into force shall resume to be valid in accordance with the provisions of this Law, however being reserved merely for the minerals granted for in accordance with Mining Law numbered 6309.

The application at the GMD phase will be abolished in case of not paying the security deposits required by law pertaining to the area that they have acquired rights for by applying to the related offices within five months following the publication of this Law.

The Licenses at the phases of AR, IT, PRT whose expiry period of license is less than eight months are obliged to apply for pre-operating or operating license by means of paying the required security deposit and fees within the eight months as of the Law entered into force and by means of submitting the exploration activity report, pre operating project or operating project as regulated in the regulation.

Those license holders may become included in the operation borders by means of reducing, only once, and by applying to the related offices.

In the event there are other minerals that were discovered and were detected it with the activity report and were notified thereof and there is no other valid rights granted for those

minerals, the right to be acquired within the scope of pre operating or operating license shall arise by means of submitting project thereof.

The holder of valid operation licenses and operation incentives are obliged to amend their projects within eight months in accordance with the provisions lied in this Law. Moreover, they are obliged to prepare their activity reports and balance sheet as stipulated in the regulation and to pay the State rights, discovery rights, discovery right, if any, security deposit and fees pursuant to the provisions of this Law. However, double payments shall be deducted from the debt.

Licenses not having made restoration in due time and not performing its obligations shall be abolished.

To those that have made misleading, deficient and unrealistic declaration, the provisions of article 10 shall be applied.

The areas related with the licenses that are abolished in accordance with this article shall automatically become appropriate to exploration on the condition that there are not any other licenses.

In the event that there are other areas within these license areas being licensed to various persons and the license holders cannot reach an agreement thereof, the person who makes the highest donation shall be entitled to have embraced of that mineral remaining in their own license included in the content of the license. The proposal shall be made simultaneously by the license holders to the related office by means of reciprocal statement and auction.

Provisional Article 3:

Advance payments of expenses deposited by the license holders for application of requests in accordance with Mining Law numbered 6309 shall be transferred to the budget as of the date of the Law entered into force.

Provisional Article 4(Repealed: 12/6/1987; article 3382/2)

Provisional Article 5:

For the period of six months as of the publication date of this Law, no applications for mine exploration license shall be taken.

Provisional Article 6:

Mining rights and application thereof shall be made to the related office in Ankara until the provinces are equipped with the required documentation and equipment in order to perform the related transactions according to this Law.

Provisional Article 7:

The tailing evaluating period, 18 months, determined in the provisional article of Law numbered 2840 with regard to over all kinds of ore, residual mass, dross stocks and tailings extracted by the former license holders at the areas of boron salts has been amended as end of December 1986 and their rights are recreated. Transport, State rights to be paid and the declaration regarding those mentioned materials shall be subjected to the provisions of this Law.

Provisional Article 8 (Addition: 12/6/1987- article 3382/3)

The ones that have adapted their licenses which acquired in accordance with Regulation on Quarries within the content of the Mining law, from the publication date of Mining Law numbered 3213 to the date of entering into force of this Law, may remain in the content of

Mining Law as an acquired right. The ones wishing to exit from the content of Law numbered 3213 shall apply so as to be deleted from Mine Registry by the Ministry of Energy and Natural Resources. Rights that have been deleted from the registry shall be executed by means of subjected to provisions of Regulation on Quarries.

For licenses that are acquired in accordance with Regulation on Quarries and have not applied for adapted to be included in the content of Mining Law numbered 3213, provincial special administrations are authorized to execute any and all kinds of extension and licensing transactions in accordance with Regulation on Quarries from the date of 15/6/1985.

Provisional Article 9 (Addition: 26/6/2001-article 4683/5)

Salt operation rights under the responsibility of General Directorate of Monopolies shall be adapted in the name of General Directorate of Monopolies, in the name of holder of salt operation permits granted or applied for extension until the enforcement date of this Law in accordance with the Law on Salts numbered 3078 and the related Statute, applications for operation permit shall be adapted in the name of the applicant.

The right holders above mentioned shall be entitled to acquire operation license by applying to the related Office and by paying the fees and security deposit and submitting operation project within three months following the enforcement date of the Regulation regarding the application of this Law.

In order to prevent double payment of Annual fees paid in accordance with Law on Salts, it shall be set with the mine annual fees after the adaptation.

Rights that have not applied for adaptation in due time shall be abolished and shall be tendered in accordance with provisions of Article 30.

Principles and procedures pertaining to execution of adapting shall be determined by regulations.

Provisional Article 10 (Addition: 26/6/2001-article 4683/5)

In the event there are mine or lake water licenses for the areas where the adaptation of rock salt shall be conducted, adaptation shall be conducted over the mentioned license with the condition to be valid only for the salt operation right.

Provisional Article 11(Addition: 26/6/2001-article 4683/5)

A regulation shall be issued within six months from the date of publication of this Law in order to determine the procedures and principles pertaining to the application of this Law.

Provisional Article 12 (Addition: 26/5/2004- article 5177/25)

Office of General Directorate shall announce the commencement date of the applications made via e-mail.

Provisional Article 13 (Addition: 10/6/2010- article 5995/18)

The areas those were returned from General Directorate of Mineral Research and Exploration to the General Directorate or those have been returned and not having tendered before the enforcement date of this Law shall be returned to General Directorate of Mineral Research and Exploration upon it is requested.

Provisional Article 14 (Addition: 10/6/2010- article 5995/18)

Licenses of exploration of mineral and marble, pre- operating shall be licensed at the mining group to which operating project is submitted; the operating license of mineral, marble, 2nd

Group, 3rd Group and 4th Group shall be licensed at where the operating permit locates. The operating license may apply for the operating permit for the minerals acquired rights upon within six months. Otherwise, it shall not grant rights to the minerals which are out of the mineral groups having the operating permit. For the operating license having operating permits of different groups, it shall be issued license for these groups.

The holder of exploration license of 4th Group shall adapt minerals being in the content of 6th Group to 6th Group within 6 months. Otherwise, these licenses shall not grant rights for the minerals belonging to 6th Group. The new application within this period shall be evaluated by protecting the rights emerged by adaptation at the end of 6 month period. 4th Group rights of the license adapted to 6th Group shall resume until the end of the exploration license period. At the end of exploration license period, it shall be licensed to the minerals locating at the operating project.

Provisional Article 15 (Addition: 10/6/2010- article 5995/18)

On the condition that the license from the license granted before the enforcement date of the Law numbered 5177 to the areas of requested license group is reduced, there is no other license at the areas requested and it cannot prevent the activities of other group's license having the privilege right; from the exploration pro-operating and operating license of minerals granted within the scope of the Law numbered 3213 marble license shall entitle right to 2nd Group minerals; mining licenses shall entitle right to 1st (b), 3rd ,4th,5th and 6th Group.

Provisional Article 16 (Addition: 10/6/2010- article 5995/18)

For the licenses whose operating licenses entered into force but operation permits are not issued prior to the date of enforcement of this Law, it is compulsory to submit to the related permits to be get, in accordance with article 7 of this Law, within three years from the date of enforcement of this Law. However, for the license whose period of three year is expired or there is less than one year to be expired it is compulsory to submit these permits in question to General Directorate by obtaining in one year. Otherwise the license shall be abolished.

Provisional Article 17 (Addition: 10/6/2010 – article 5995/18)

The process of the applications that entitles to grant exploration license prior to the date of this Law and the process of the current exploration licenses shall be executed regarding the period of the exploration license in accordance with article 17 of the Law numbered 3213 by taking into consideration the rights entitled before the amendment of this Law.

The ones who paid the fee and security deposit, from those who entitles the right by application as of the enforcement date of this Law, shall submit the preliminary report, mine exploration project and financial sufficiency report after publication of the regulation within one month.

Provisional Article 18 (Addition: 10/6/2010- article 5995/18)

In the event the holder of exploration license of 2nd Group wishes to obtain operating license of 2nd Group (a), it shall be applied for operating license in accordance with article 24 of this Law within six months after the date of enforcement of this Law. 2nd Group exploration license not applying for operating license within this period shall not acquire right to 2nd Group (a), it shall be considered as 2nd Group (b) mining license. However, in case that it is applied for operating license of 2nd Group (a), it shall entitle right for the minerals belonging to 2nd Group (b).

Provisional Article 19 (Addition: 10/6/2010- article 5995/18)

The regulations, so as to indicate the execution of this Law, shall be issued within three months of the date of enforcement and until these regulations enters into force; the current regulation whose provisions are not against to this Law shall be resumed to execute.

Provisional Article 20 (Addition: 4/7/2012- article 6353/16)

The lignite license locating at the annexed list to the Law numbered 2840 and the lignite areas that is intended to the scope of the Law numbered 2840 by means of uniting with the previous areas shall be privatized in accordance with the Law on Execution of Privatization numbered 4046 and dated 24/11/1994 by the Directorate of Privatization Administration.

Having Completed the License Fee:

Provisional Article 21 (Addition: 4/2/2015- article 6592/24)

The obligation of paying license fee for the current licenses shall initiate from the date of 1/1/2016. In case that the license fee is not paid in due time, the provisions of article 13 shall be applied. The security deposit of license whose license fee is paid shall be returned.

For the transactions that are not conducted as security deposit revenue even though it has to or that are in the process of revenue but not concluded, it shall be imposed an administrative fine amounting security deposit revenue for not being implemented in accordance with this Law. Although the licenses that are in the process of being cancelled but not could not cancelled due to the transaction of security deposit revenue, the transactions of cancellation shall be concluded.

The Permits within the Scope of Article 7:

Provisional Article 22 (Addition: 4/2/2015- article 6592/24)

Until the date of this Law entered into force, for the permits to be obtained in accordance with article 7 pursuant to eleventh paragraph of article 24 and for licenses whose permits are not obtained in due time even though it is applied for the permits regarding the areas registered at the registry of General Directorate and for the licenses whose mentioned permits are not submitted to General Directorate; it shall be imposed an administrative fine amounting 30.000 TL. The license whose administrative fine is paid shall not be cancelled; regarding these licenses the provisions of eleventh paragraph of article 24 shall be applied.

The Current Mining Lease Contract:

Provisional Article 23 (Addition: 4/2/2015- article 6592/24)

It is compulsory that the current mining lease contract shall be submitted to General Directorate within three months from the date of this article entered into force. Otherwise, the mining activities that are conducted through mining lease contract shall be suspended.

The request so as to extend the license period of the license areas whose mining lease contracts concerning under the ground coal mining are not terminated, excluded public institution and organizations and affiliated partners, shall not be accepted.

Current License Applications

Provisional Article 24 (Addition: 4/2/2015- article 6592/24)

The license application that are applied before the enforcement date of this Law, however the transactions are not concluded and whose fee and security deposit are not paid shall be concluded in accordance with the provisions, at the date of license application, provided that the license fee is paid within three months from the beginning of the enforcement date of this Law. Within six months period after publishing of this Law, it shall not get license application for the minerals belonging to 2nd Group (b) and 4th Group.

Current Technical Supervisor

Provisional Article 25 (Addition: 4/2/2015- article 6592/24)

At the areas having technical supervisor but not having permanent supervisor, it is compulsory to appoint permanent supervisor within one year of the enforcement date of this Law. Within this period, in case that the technical supervisor resigned or is discharged the permanent supervisor shall be appointed promptly. To the license holder not obeyed to the obligations set forth at the first paragraph, it shall be imposed an administrative fine amounted 30.000 TL and the mining operating activities at the license area shall be suspended.

Picking the 6th Group Mining License to 4th Group

Provisional Article 26 (Addition: 4/2/2015, article 6592/24)

6th group mining licenses being in effect shall be licensed as 4th Group. In the event that there is 4th Group mining license at the same zone, the transactions of 4th Group and 6th Group shall be executed in accordance with the acquired rights prior to enforcement date of this article. In case that the licenses do not cross to each other, the current 6th Group mining license shall entitle rights to all minerals provided that obey the area restrictions at 4th Group.

Current License of limestone, Calcite and Dolomite:

Provisional Article 27 (Addition: 4/2/2015- article 6592/24)

If the license area of limestone, calcite and dolomite which is more than 100 hectares are inspected by the General Directorate and found appropriate and it is requested to the reserve areas with a project, it shall be granted 2nd Group (a) operating license in a way of areas that are 100 hectares each.

The period of Operating License

Provisional Article 28 (Addition: 4/2/2015- article 6592/24)

The operating licenses that have been granted prior to the enforcement date of this Law are obliged to the former provisions within the scope of total license period indicated at third paragraph of article 24.

Paying the Cost Increases at the Underground Mining Activities:

Provisional Article 29 (Amended: 30/5/2019-7176/8)

Within the scope of this Law;

- a) As of 11/9/2014, to the royalty holders, those who works with the royalty contract within the scope of this Law, and those who works with the contracts resuming within the scope of the Public Procurement Contracts Law numbered 4735 and dated 5/1/2002 regarding the underground mining activities of public institution and organizations conducting mining activities under the ground,
- b) To the royalty holders, those who works in the underground mine operations that were operated by private real and legal persons as license holders and extracted "lignite" and "hard coal" belonging to 4th Group mentioned at the second paragraph of this law, and those who works in the underground mine operations that have been operated by the affiliates of public institutions and organizations by binding to contract before 11/9/2014,

May be given subsidy so as to cover the cost increase that emerged with the amendments at the 41th, 53th and 63th article of Law Numbered 4857 conducted by the Law 6552 and dated 10/9/2014 and with the additional article 9. The change in coal prices may also be taken into account when determining the amount of subsidy. These subsidies shall be covered by the allowances put into the budget of the General Directorate. The procedures

and principles for covering the cost increases and the period of implementation of these procedures and principles shall be determined by the President.

Provisional Article 30 (Addition: 4/2/2015- article 6592/24) The applications stipulated with this Law regarding authorized legal persons shall be entered into force one year after the date the Law published. Within this period; to the activity report, projects and any technical documents to be submitted according to this Law, the provisions of the Law numbered 3213 which is prior to this Law.

Within this one-year period, in case that the duty of technical supervisor terminates in any reason, the entire duty and authorization of technical supervisor shall be executed until the end of this period by permanent supervisor.

PROVISIONAL ARTICLE 31 – (Addition 2/7/2018 – Decree Law No. 703/118)

Movables, transports, vehicles, equipment and materials, all kinds of records and other documents in written and electronic media and other documents used in the execution of the works of the Repealed General Directorate of the Mining Affairs and Repealed General Directorate of the Petroleum Affairs (Repealed General Directorates), public officers of Repealed General Directorates that are subject to Public Servants Law No. 657, contracted personnel and personnel subject to the Labor Law No. 4857 dated 22/5/2003 shall be deemed to have been transferred to General Directorate of Mining and Petroleum Affairs as of the date of entry into force of this Decree Law.

Personnel who are deemed to have been transferred according to the first paragraph;

- a) Public officers shall be deemed to have been assigned to the same title positions as designated for the General Directorate of Mining and Petroleum Affairs (MAPEG) with their position degrees without requiring any action.
- b) Contracted personnel employed according to article 4 of the paragraph (B) of the Law No. 657 shall be deemed to have been transferred with their positions to the General Directorate of Mining and Petroleum Affairs.

The existing contracts and protocols made in the name of the repealed General Directorates before the implementation of this Decree-Law shall be deemed to have been transferred to General Directorate of Mining and Petroleum Affairs. General Directorate of Mining and Petroleum Affairs shall be considered as a party to the litigation and execution proceedings filed against or in favor of the repealed General Directorates by itself, including litigation and execution proceedings regarding the contracts and protocols made by the General Directorates.

During the implementation of this article, the Ministry of Energy and Natural Resources is authorized to resolve any doubts that may arise in the areas such as the organization, personnel, staff, fixture transfer and so on.

Transfer transactions shall be completed within a period of six months from the date of publication of this Decree Law and in accordance with the procedures and principles to be determined by the Ministry of Energy and Natural Resources and General Directorate of Mining and Petroleum Affairs.

References to the Repealed General Directorates shall be deemed to have been made to General Directorate of Mining and Petroleum Affairs.

PROVISIONAL ARTICLE 32 (Additional: 2/7/2018 – Decree Law No. 703/118)

The application of the provisions of the existing legislation concerning the Closed General Directorate of Mining Affairs and the General Directorate of Petroleum Affairs, which are not contrary to the regulations regarding the establishment of the General Directorate of Mining and Petroleum Affairs made at the time of publication of this article, shall be continued until the relevant legislation becomes effective.

PROVISIONAL ARTICLE 33 (Additional: 2/7/2018 – Decree Law No. 703/118)

The lawsuits and execution proceedings, filed before the effective date of this article regarding the duties of the Repealed General Directorate of Mining Affairs and Repealed General Directorate of Petroleum Affairs; and to be filed until 1/1/2019 shall be continued by lawyers of the Ministry of Energy and Natural Resources. As of 1/1/2019, the case files and execution proceedings shall be transferred to General Directorate of Mining and Petroleum Affairs. This period may be extended to 6 months with the approval of the Minister. All kinds of proceedings made until the day of the transfer related to the litigation and execution proceedings that transferred in such way are considered to be made on behalf of the relevant administrations.

Attorney fee collected or started its execution proceeding until the date of the transfer shall be distributed to the legal counsel and lawyers of The Ministry of Energy and Natural Resources in accordance with the Decree Law No. 659. Attorney fees which are not started its execution proceedings shall be followed and collected by General Directorate of Mining and Petroleum Affairs. The same procedure shall be carried out on the litigation costs. In all ongoing cases, hostility shall be directed to General Directorate of Mining and Petroleum Affairs.

The lawsuits that will be filed due to the works and transactions made before the entry into force of this Decree Law on the duties of the Repealed General Directorates shall be directed to General Directorate of Mining and Petroleum Affairs.

PROVISIONAL ARTICLE 34 (Additional: 2/7/2018 – Decree Law No. 703/118)

The ones that are employed as Energy and Natural Resources Assistant Specialist and Specialist in the Repealed General Directorate of the Mining Affairs and Repealed General Directorate of Petroleum Affairs shall be assigned to the appropriate positions in the Ministry of Energy and Natural Resources if they request within 15 days from the date of entry into force of this article; otherwise they will be deemed to have assigned to the Mining and Petroleum Affairs Assistant Specialist or Mining and Petroleum Specialist positions.

Personnel passing to General Directorate of Mining and Petroleum Affairs staff with this Decree Law are entitled to be Mining and Petroleum Specialist, on the condition that they have graduated before the date of entry into force of this Decree Law, from law, political sciences, economics and administrative sciences, economics, management, architecture or engineering faculties which gives at least four years education; or the faculties which falls into the scope of the duty of General Directorate of Mining and Petroleum Affairs and that are determined in the regulation; or from the higher education institutions in Turkey and abroad, whose equivalence is accepted by the Turkish Council of High Education; who have completed or will complete at least three years of work in General Directorate of Mining and Petroleum Affairs including the working periods that have passed in the organization of Ministry of Energy and Natural Resources, regardless of the age limit; for the twenty percent of the total expert and assistant expert staff established in General Directorate of Mining and Petroleum Affairs, they are entitled to be Mining and Petroleum Specialist provided that they have succeeded in the examinations to be held within two years from the publication of this article and within the scope of the procedures and principles to be determined by the examination commission to be established by General Directorate of Mining and Petroleum Affairs, on the condition that their specialty thesis prepared by them has been accepted. Aforementioned percentage may be increased by the President. Those who have been unsuccessful in the exam shall be given the right of examination for the second time within one year, and those whose thesis have not been accepted shall be given a six-month correction period. Except for those who work as lawyers and legal counsels in the Legal Consultancy Department of the Ministry of Energy and Natural Resources at the date of the entry into force of this Decree Law and the personnel that have passed to the staff of lawyers and legal counsels of General Directorate of Mining and Petroleum Affairs who passed until 1/1/2019, this paragraph shall not apply to the personnel that have been assigned as a staff to General Directorate of Mining and Petroleum Affairs after the date of entry into force of this Decree Law.

PROVISIONAL ARTICLE 35 – (Addition: 2/7/2018 – Decree Law No. 703/118)

The expenditures of General Directorate of Mining and Petroleum affairs in 2018 shall be covered by the allowance which is in the Ministry of Energy and Natural Resources' budget of 2018, until a new regulation is made by the Ministry of Treasury and Finance pursuant to the Law of Central Government Budget 2018.

PROVISIONAL ARTICLE 36 - (Addition: 2/7/2018 – Decree Law No. 703/118)

The tasks and services to be performed by General Directorate of Mining and Petroleum Affairs shall be carried out with the existing units and personnel of the Ministry of Energy and Natural Resources and the Repealed General Directorate of Mining Affairs and the Repealed General Directorate of Petroleum Affairs until the organization of General Directorate of Mining and Petroleum Affairs is completed. The Minister of Energy and Natural Resources is authorized to decide on doubts about the tasks and services in the reorganization process.

PROVISIONAL ARTICLE 37 - (Addition: 2/7/2018 – Decree Law No. 703/118)

Those who become license or title holders within the scope of the Turkish Mining Code No.3213 dated 4/6/1985 and the Petroleum Code No.6491 dated 30/5/2013 are obliged to submit their activated registered e-mail address which serves as basis for notifications and regulated in Additional Article 18 of the Law No.3213 to General Directorate of Mining and Petroleum Affairs until 31/8/2018. It shall be imposed an administrative fine according to the second paragraph of additional article 18 to those who did not submitted until this date.

PROVISIONAL ARTICLE 38 – (Addition: 14/2/2019 – article 7164/ 22)

As of the date of entry into force of this article, the six-month period stated in the second paragraph of Article 24 does not apply for the licenses that their license periods will be due in less than one year.

Licenses which are extended such way that they exceed license periods specified in the third clause of Article 24 are valid until the end of the period of extension and these licenses cannot be extended such way that they exceed the maximum license period. For the extension requests that have been made on the date of entry into force of this article for the licenses that expired its license period that has not concluded may be extended as not exceeding five years from the expiry date of the license period, exceeding the maximum license period in the third paragraph of Article 24.

PROVISIONAL ARTICLE 39 – (Addition: 14/2/2019 – article 7164/ 22)

Permit of mandatory production and/or tailing assessment granted prior to the entry into force of this article under the eleventh paragraph of Article 16 for the 5th Group mining license areas shall be cancelled. In case that the operating permit areas of the 4th Group mines overlap the operating permit areas of 5th Group mines, the operating permit areas of 5th Group mines shall be reduced.

PROVISIONAL ARTICLE 40 - (Addition: 14/2/2019 – article 7164/ 22)

The possible and probable reserve areas in the operating licenses issued before the date of entry into force of this article that did not converted to resource and/or reserve according to National Mining Resource and Reserve Report Code within ten years for the 4th Group mining operating license areas and five years for the other group mining operating license areas starting from the date of entry into force of this article, shall be reduced. Provisions of paragraph nine of Article 17 shall be applied in the activities to be performed for the conversion of the possible and probable reserve areas in such operating licenses to resource and/or reserves in accordance with the National Mining Resource and Reserve Reporting Code. In such operating licenses, the permits required to be taken in the exploration activities for the determination of the proved reserve in the areas outside the operating permit area are subject to the same provisions as the operating licenses.

PROVISIONAL ARTICLE 41 - (Addition: 14/2/2019 – article 7164/ 22)

The small areas of operating licenses which issued before the date of entry into force of this article and cannot be performed mining operating activities may be reduced by the General Directorate upon the request of the license holder and/or the license holder who is adjacent to the area. The tender areas formed within this scope are not considered as the adjacent of the license to which they were reduced.

PROVISIONAL ARTICLE 42 - (Addition: 14/2/2019 – Article 7164/ 22)

The number of calendar year in which the license is in force (RS) shall be taken as one (1) when calculating the 2020 operating license fee, which must be paid for the operating licenses issued before and including the date of 31/12/2019. Until 31/12/2019, exploration and operating license fee shall be continued to be collected in accordance with the provisions of Article 13 amended by Article 9 of the Law No.6592.

PROVISIONAL ARTICLE 43 – (Addition: 30/5/2019 – article 7176/9)

The amendments made to this Law in relation to the rates of State rights with the Law No. 7164 dated 14/2/2019 named Law Amending Mining Code and Certain Laws and Decree Laws shall not be applied to the declarations, accruals and collections of the State right of 2018.

PROVISIONAL ARTICLE 44 – (Addition: 30/5/2019 – article 7176/10)

For mines with source or reserve reports prepared by the General Directorate of Mineral Research and Exploration prior to 28/2/2019, the General Directorate of Mineral Research and Exploration shall be granted the right to discover in case of application to the General Directorate within six months of the publication of this article.

Enforcement Date:

Article 53: This Law shall enter into force at the date of publication.

Enforcement

Article 54: The provisions of this Law shall be enforced by the Council of Minister.

(Amended Table: 14/2/2019- article 7164/14)

Chart 1

LICENSE FEE OF EXPLORATION

Group	The Fee to be Collected Per Hectare (TL)
II (b)	40
III	15
IV (a)	10
IV (b)	10
IV (c)	10
IV (ç)	10
V	10
IIIrd IVth Groups at the Seas	1

For exploration licenses with an area of more than 2,000 hectares, the license fee is collected according to 2,000 hectares. The exploration license base price and the amount to be collected per hectare shall be increased annually in accordance with the revaluation rate determined in accordance with the Tax Procedure Law No. 213.

CALCULATION OF THE EXPLORATION LICENSE FEE

$$ARB = Ta + (A \times Hb)$$

ARB=	Exploration License Fee (TL)
Ta=	Exploration license fee identified in the second paragraph of the Article 13 of the Law. (TL)
A=	License Area (Hectare)
Hb=	The fee to be collected per hectare (TL)

(Amended Table: 14/2/2019- article 7164/14)

Chart 2

FEE OF OPERATING LICENSE

Group	The Fee to be Collected Per Hectare (TL)	Coefficient
I (a)	1.500	6,62
I (b)	520	6,62
II (a)	267	4,48
II (b)	380	4,48
II (c)	267	4,48
III	55	3,21
IV (a)	36	3,21
IV (b)	36	3,21
IV (c)	36	3,21
IV (ç)	20	3,21
V	100	3,21
III All in the Sea	28	3,21
IV All in the Sea	18	3,21

For operating licenses with an area of more than 35.000 hectares, the license fee is collected according to 35.000 hectares. The operating license base price and the amount to be collected per hectare shall be increased annually in accordance with the revaluation rate determined in accordance with the Tax Procedure Law No. 213.

CALCULATION OF OPERATING LICENSE FEE

$$\mathbf{\dot{I}RB = [T\dot{B}\dot{i} + (Hb \times A)] \times [1 + (RS/100) \times (K + RS/100)]}$$

$\dot{I}RB =$	Operating license fee (TL)
$T\dot{B}\dot{i} =$	The fee to be collected per hectare (TL)
$A =$	License Area (Hectare)
$RS =$	Calendar year number (year) in which the license remains in force (The year which the license issued shall be taken as one)
$K =$	The coefficient in the table determined by taking into consideration the group of the operating license and the type of mine

(Amended Table: 14/2/2019- article 7164/14)

Chart 3

THE RATIO OF STATE RIGHTS (%)	GOLD \$/oz	SILVER \$/oz	PLATINUM \$/oz	COPPER \$/t	LEAD \$/t	ZINC \$/t	CHROME \$/t	ALUMINIUM \$/t	URANIUM OXIDE \$/lb
1	<800	<10	<500	<5000	<1000	<1000	<100	<1000	<20
2	801-900	11-12	501-600	5001-5300	1001-1175	1001-1250	101-170	1001-1150	21-30
3	901-1000	13-14	601-700	5301-5600	1176-1350	1251-1500	171-240	1151-1300	31-40
4	1001-1100	15-16	701-800	5601-5900	1351-1525	1501-1750	241-310	1301-1450	41-50
5	1101-1200	17-18	801-900	5901-6200	1526-1700	1751-2000	311-380	1451-1600	51-60
6	1201-1300	19-20	901-1000	6201-6500	1701-1875	2001-2250	381-450	1601-1750	61-70
7	1301-1400	21-22	1001-1100	6501-6800	1876-2050	2251-2500	451-520	1751-1900	71-80
8	1401-1500	23-24	1101-1200	6801-7100	2051-2225	2501-2750	521-590	1901-2050	81-90
9	1501-1600	25-26	1201-1300	7101-7400	2226-2400	2751-3000	591-660	2051-2200	91-100
10	1601-1700	27-28	1301-1400	7401-7700	2401-2575	3001-3250	661-730	2201-2350	101-110
11	1701-1800	29-30	1401-1500	7701-8000	2576-2750	3251-3500	731-800	2351-2500	111-120
12	1801-1900	31-32	1501-1600	8001-8300	2751-2925	3501-3750	801-870	2501-2650	121-130
13	1901-2000	33-34	1601-1700	8301-8600	2926-3100	3751-4000	871-940	2651-2800	131-140
14	2001-2100	35-36	1701-1800	8601-8900	3101-3275	4001-4250	941-1010	2801-2950	141-150
15	>2101	>37	>1801	>8901	>3276	>4251	>1011	>2951	>151

- The average value of London Stock Market belonging to the period where the State Rights emerged is taken into consideration.

- The average rate of exchange of Turkey Central Bank belonging to the period where the State Rights emerged is taken into consideration

- The price notified by the Ministry is taken into consideration for the minerals not traded in the exchange.

- The fractional digits after the comma are rounded to the nearest decimal number.

(1) List Numbered

INSTITUTION: Ministry of Energy and Natural Resources

ORGANIZATION: Center

STAFFS AUTHORIZED

CLASS	TITLE	DEGREE	Quantity of Free Staff	TOTAL
GAS	Chairman of the Department	1	1	1
GAS	Manager of the Branch	1	10	10
	TOTAL			1111

THE PROVISIONS NOT PROCESSED TO THE MAIN LAW NUMBERED 3213 AND DATED 4/6/1985:

1) The provisional provisions of the Law numbered 5177 and dated 26/5/2004:

Provisional Article 1: After the enforcement date of this Law, applications for operating licenses of minerals belonging to 1st Group (a) for three months, application for operating licenses of minerals belonging to 1st Group (b) for nine months, application for exploration licenses for minerals belonging to 2nd Group, 3rd Group and 4th Group and for certificated of minerals belonging to 5th Group shall not be taken within these periods. The permits for the raw materials to be utilized in the construction of the projects such as roads, bridges, dams, puddles and harbors by the public institutions and organizations indicated at the ninth

paragraph of amended article 14 and this article of Mining Law shall not be subjected to this restriction. At the end of these periods, applications made during the first week shall be considered that has been made at the same time and precedence rankings shall be determined by lot. Within the first week, application fee amounted as same as the operating license shall be collected from the application.

Prior to the enforcement date of this Law rights granted as follows;

a) Marble exploration licenses shall be extended for a year. As to exploration licenses, the period shall be completed up to five years upon it is requested.

b) The period of pre-operating license shall remain valid till the end of its period. Within this period, the provisions of exploration license law shall be applied.

c) To the areas whose exploration license period has expired and that have applied for pre-operating license, the exploration license shall be granted for a period of one year to marble licenses and for a period of two years to mineral licenses on the condition that the fees and security deposits of the areas are not paid within three months. The rights that have paid the fees and security deposits thereof in due time but not made an application shall be cancelled.

d) The transactions of the areas having the request of operating license shall be enforced in accordance with the provisions at the date of application.

e) Areas obtained dolomite operation permit shall be inspected by General Directorate of Mining Affairs and 2nd Group license shall be granted for the areas where proven and probable reserve determined.

The Tender process of the areas that are announced to be tendered until the enforcement date of this Law shall be subjected to the provisions of regulation that is in effect at the date of the announcement. The licensed granted by means of tender shall not be subjected to the border restrictions indicated in amended article 16 and this article of this Mining Law.

The licenses granted prior to the enforcement date of this Law, shall not be subjected to the border restrictions indicated in amended article 16 and this article of this Mining Law.

Following the enforcement date of regulation concerning the execution of Mining Law to be issued in accordance with this Law; upon the application of the license holder, and for once only, the license area may be attached to maximum four separate licenses by means not causing loss of revenue on condition that separate operation is economically possible and determined to be appropriate by General Directorate of Mining Affairs.

The reserve (proven+ probable) of the boron salt license areas shall be determined by concerning public organization within five years following the date of enforcement and the same group licenses shall not be granted over those areas. Those licenses shall not be subjected to the border restriction stipulated in amended article 16 of this Law.

Areas that are abandoned or reduced by the public organizations being in charge of operating boron salt licenses after the exploration activities performed at their sites shall tendered in the form of areas not exceeding 2000 hectares by registered into registry in accordance with the related articles of Mining Law. The utilization of rights in the line with the boron salt reserves to be discovered later on at these areas shall belong to the related public organizations.

License holders should determine the reserve areas (proven + probable) where subjected to operation licenses granted prior to the enforcement date of this Law and notify thereof to the General Directorate of Mining Affairs within three years from the enforcement date for the marble license areas and within five years for the mineral license areas. The areas not determined as proven and probable reserve areas at the end of these periods shall be reduced.

Operation licenses granted prior to the enforcement date of this Law shall not be entitled rights regarding minerals being included to the content by this Law. Providing that to reduce the current to area having requested license group and that there isn't any other license for the same group at the requested area and not to prevent the activities of the other group license areas having precedence right for the same area, it shall entitle right of exploration and pre-operation licenses regarding minerals that are included in the content by this Law. The licenses of minerals belonging to 1st Group (a), which are entitled rights in this procedure, shall be given by the General Directorate.

Procedures and principles regarding the execution of transactions of areas that are licensed and having license application related with this Law shall be determined by regulations.

Provisional Article 2: For the minerals that are included in the content of Mining Law by this Law, the adaptation of the current licenses granted in accordance with Regulation on Quarries shall be conducted. Licenses that have applied for extension in due time in accordance with Regulation on Quarries and the new applications for acquiring licenses made at the time of enforcement date of this Law shall be concluded by the provincial special administrations in accordance with the Regulation on Quarries being in effect at the time of the applications and those that are found appropriate shall be licensed.

Governors should notify to the General Directorate of Mining Affairs within three months from the enforcement date of this Law regarding the licenses for quarries locating in the borders of the city along with the information thereof the right holder, border coordinates, type, duration, area of license, status of proprietorship and other related information.

License holders are obliged to apply for adaptation to the Mining Law within six months following the enforcement date of this Law by paying their fees and security deposits; the applications shall be made to the provincial special administrations for the minerals belonging to 1st Group (a) along with the coordinates of the activity area, and to the General Directorate of Mining Affairs for the minerals belonging to other groups of along with the operation project.

In case that there is a difference between the activity coordinates and license coordinates of the quarry licenses, adaptation shall be made by obtaining the opinion of the governor.

In adaptation to this Law, quarry license holders having any one of the cement factories, lime factory or facility of asphalt production may apply for once only for expanding their existing quarry adaptation areas maximum up to 50 hectares. In the event there isn't any mineral or marble license over the area requested for extension, the extension shall be made by General Directorate of Mining Affairs for an area as considered appropriate and not to exceed fifty hectares.

License not adapted in due time will be cancelled.

Provisional Article 3: Transportation allowances paid by the license holders until the enforcement date of this Law shall be registered as special revenue in the government budget and as special allowance in the budget of Ministry of Energy and Natural Resources.

Provisional Article 4: Until a new legal regulation is made with regard to the geothermal springs and mineral waters, it is obligatory to obtain the appropriate opinion of the General Directorate of Mining Affairs before granting activity permission for those springs. The General Directorate of Mineral Research and Exploration shall review applications. Permissions shall not be granted to activities that are not found appropriate.

At the locations of geothermal springs and mineral waters, the lands required for the establishment of facilities to be utilized in operating and evaluation of these sources will be allocated for this purpose notwithstanding the manner and nature of utilization, provided that the measures shall be taken not to damage the surrounding lands.

It is obligatory to determine the source protection zones at the areas of geothermal springs and mineral waters. General Directorate of Mineral Research and Exploration shall inspect and supervise the appropriateness of the measures stipulated for these areas.

In the event it is determined as a consequence of the inspections made by General Directorate of Mineral Research and Exploration that the activities are not conducted in accordance with the science and techniques, protection of the source and the environment and the measures stipulated for the protection zones, the measures to be taken shall be determined by General Directorate of Mineral Research and Exploration. Related persons, institutions and organizations are obliged to conduct these measures. Otherwise, activities shall not be permitted.

The discovery rights acquired by General Directorate of Mineral Research and Exploration are reserved. Moreover, General Directorate of Mineral Research and Exploration shall be registered as the discoverer of the areas whose existence of source is discovered through the research studies it has conducted within the scope of investment programs or within the scope of the fluid it has obtained by drilling.

Provisional Article 5: Operation incentive periods granted to drinking water, mineral water, spas and thermals in accordance with the provisions of abolished Regulation on Minerals dated 26/3/1322 or Law on the Exploration and Operation of Minerals dated 17/6/1942 and numbered 4268 may be extended by General Directorate of Mining Affairs up to twenty years depending on the nature of the project upon the application for extension by the incentive holder within six months following the effective date of this Law by submitting extension project. 1% of the annual turnover shall be collected as State right. In addition, 10% of the first year's turnover shall be collected as State right in order to be set-off for dividend shares of previous years.

Provisional Article 6: Prior to the date of 26/6/2001 that is the enforcement date of Law on Amendments to be Brought to Mining Law and Abolishment of Law on Salts and numbered 4683, regarding the salts whose applications were made for acquirement of salt operation permit and, along with the tender process is fulfilled, the tenders regarding the salts that were effected but not approved by the Board of Directors of the Monopolies shall be considered to be approved.

Provisional Article 7: Iron licenses listed in the annex of Law dated 10/6/1983 and numbered 2840 shall be privatized by the Directorate of Privatization Administration in accordance with the Law dated 24/11/1994 and numbered 4046.

Provisional Article 8: All the regulations pertaining to the application of this Law will be issued within eight months following the enforcement date of the Law.

**THE LIST INDICATING THE LEGISLATION BRINGING ADDITION AND AMENDMENTS
TO THE LAW NUMBERED 3213 OR THE ENFORCEMENT DATE OF THE PROVISIONS
ABOLISHED BY CONSTITUTIONAL COURT**

Amended Law/ Statutory Decree/ The decision Number of the Constitutional Court that that abolishes	The articles of the Law numbered 3213 that were amended or abolished	Date of Enforcement
3382	—	25/6/1987
4424	—	5/8/1999
4629	—	From the date of 1/1/2002 becoming valid at the date of 3/3/2001
4683	—	26/6/2001
5177	2, 3, 7, 8,9, 10, 12, 13, 14, 15, 16, 17, 18,19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 35, 36, 37, 46, 47, 49, Addition article 1, 2, 3, 4, 5, Provisional Article 12	5/6/2004
5446	9 and Addition article 6	4/1/2006
5686	47	13/6/2007
5995	2, 3, 7, 9, 10, 12, 13, 14, 16, 17, 24, 29, 30, 31, 32, 47, Addition article 7, 8, Provisional Article 13, 14, 15, 16, 17, 18, 19	24/6/2010
6353	Provisional Article 20	12/7/2012
The Decisions of Constitutional Court principal numbered E.: 2011/110, K2012/79 and dated 24/5/2012	Addition article 1	Beginning from the date of 21/7/2012 following one year
6552	Addition article 9	11/9/2014

**THE LIST INDICATING THE LEGISLATION BRINGING ADDITION AND AMENDMENTS
TO THE LAW NUMBERED 3213 OR THE ENFORCEMENT DATE OF THE PROVISIONS
ABOLISHED BY CONSTITUTIONAL COURT**

Amended Law/ Statutory Decree/ The decision Number of the Constitutional Court that that abolishes	The articles of the Law numbered 3213 that were amended or abolished	Date of Enforcement
6592	2, 3, 5, 7, 9, 10, 11, 12, 13, 14, 16, 17, 24, 29, 30, 31, 32, 36, 37, 46, 47, Addition article 1, Addition article 6, Addition article 7, Addition article 10, Addition article 11, Provisional Article 21, Provisional Article 22, Provisional Article 23, Provisional Article 24, Provisional Article 25, Provisional Article 26, Provisional Article 27, Provisional Article 28, Provisional Article 29, Provisional Article 30, (1), (2), (3) numbered charter	18/2/2015
6661	Provisional Article 29	From the date of 1/1/2016 becoming valid at the date of 27/1/2016
6719	2, Addition article 12	17/6/2016
6745	Addition article 13, Addition article 14	7/9/2016
6770	Provisional Article 29	27/1/2017
7020	15, 29, 47	27/5/2017

Amended Law/ Statutory Decree/ The decision Number of the Constitutional Court that that abolishes	The articles of the Law numbered 3213 that were amended or abolished	Date of Enforcement
7061	9, 17 ,24, Additional Article 1	5/12/2017
7103	30, Additional Article 15, Provisional Article 29	27/3/2018
Decree Law/700	7,9,14,24,47,49,50, Additional Article 1, Additional Article 3, Additional Article 14, Provisional Article 29	On the date which the President took an oath and begin his duty on the conclusion of the elections of Grand National Assembly of Turkey and election of President made together on the date of 24/6/2018. (9/7/2018)
Decree Law/701	35,47, Additional Article 16, Additional Article17, Additional Article 18, Provisional Article 31, Provisional Article 32, Provisional Article 33, Provisional Article34, Provisional Article 35, Provisional Article 36, Provisional Article 37	On the date which the President took an oath and begin his duty on the conclusion of the elections of Grand National Assembly of Turkey and election of President made together on the date of 24/6/2018. (9/7/2018)
7164	1, 3, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 24, 29,30, 32, 35, 43, 44, 46, 47, Additional Article 1, Additional Article 7, Additional Article 15, Provisional Article 38, Provisional Article 39, Provisional Article 40, Provisional Article 41, Provisional Article 42,	The amendment to the table (3) attached to Article 14 shall be effective as of 1/1/2019 on the date of its publication, Provisional Article 42 added to the Law on the date

	Chart 3	of 31/12/2019, other clauses on the date of publication (28/2/2019)
7176	47, Provisional Article 29, Provisional Article 43, Provisional Article 44	12/6/2019