

CAYMAN ISLANDS



MINERALS (VESTING) LAW

(1998 Revision)

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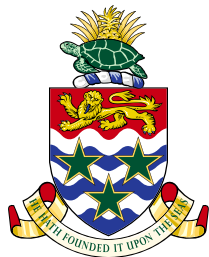
Cap. 102-1st January, 1964.

Law 8 of 1977-19th May, 1977.

Consolidated and revised this 6th day of January, 1998.



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MINERALS (VESTING) LAW

(1998 Revision)

Short title

1. This Law may be cited as the *Minerals (Vesting) Law (1998 Revision)*.

Definitions

2. In this Law —

“**Crown Land**” includes all land vested in the Governor under the *Governor (Vesting of Lands) Law (1998 Revision)*;

“**to mine**” means intentionally to search for, extract or win minerals;

“**minerals**” does not include mineral oils, gypsum and phosphates, and does not include material, such as clay, sand, limestone, sandstone or other stone, commonly used for the purpose of road making or for building or for the manufacture of any article used in the construction of buildings where such material does not contain any valuable metal or precious stone in economically workable quantities, but includes —

- (a) metalliferous minerals containing aluminium, antimony, arsenic, barium, bismuth, cadmium, calcium, cerium, chromium, cobalt, columbium, copper, iron, lead, lithium, magnesium, manganese, mercury, molybdenum, nickel, potassium, sodium, tantalum, tin, titanium, tungsten, vanadium, zinc, zirconium and all other substances of a similar nature to any of them, and all ores containing them and combinations of

- any of them with each other or with any other substance, excepting only those that occur in the form of precious minerals;
- (b) combustible carbonaceous minerals, including —
 - (i) coal; and
 - (ii) lignite, which includes brown coal and any coal which the Governor in Council may prescribe to be lignite if he is satisfied that the estimated average ash content is so high or the estimated average thermal value is so low that such coal may properly be classed as lignite;
 - (c) other minerals, including those used for their abrasive or refractory qualities and asbestos, barytes, bauxite, china clay, fuller's earth, graphite, laterite, marble, mica, nitrates, pipeclay, pottery clay, potash, quartz crystals, salt, slate, soda, sulphur, talc and all other substances of a similar nature to any of them; and
 - (d) precious minerals, including —
 - (i) precious stones and semi-precious stones including amber, amethyst, beryl, cat's eye, chrysolite, garnet, caymanite and all other semi-precious stones, whether of the same kind as those enumerated or not;
 - (ii) precious metals; and
 - (iii) all radio-active minerals;

“owner” means owner of an estate in fee simple in the land in relation to which the expression is used;

“precious metals” means gold, silver, or metal of the platinoid group, in unmanufactured state, and all ores containing such metal, but not including ores containing any such metal in combination with another mineral where such metal cannot be worked apart from such mineral and the value of such metal is less than the cost of producing both the metal and the mineral;

“precious stones” means diamonds, emeralds, opals, rubies, sapphires, turquoises, and such other stones as may be prescribed to be precious stones for the purpose of this Law; and

“royalties” means royalties payable to the Government in accordance with any law or regulations governing mines and mining.

All minerals vested in Crown

3. It is hereby declared that all minerals being in, on or under any land or water, whether territorial waters, river or inland sea, are vested in and are subject to the control of the Crown.



Control of mining and payment of royalties

4. No person shall mine any minerals save in accordance with the *Mining Law (1997 Revision)* and the regulations made thereunder and there shall be paid to the Government such royalties as may be thereby prescribed in respect of minerals mined.

Extent to which royalties payable to owners of land

5. (1) Where minerals are won in, on or under any land or water which is not Crown land, there shall be paid to the owner of that land or water such part of the royalties as is in this section provided in respect of the minerals so won.
- (2) The part of the royalties to be paid to the owner of the land or water shall be five per cent of the said royalties or such other amount as may be prescribed either generally or in respect to any particular mineral or mine.
- (3) The said amount of the royalties payable to the owner of the land or water shall be paid at such time and subject to such conditions as may be prescribed:

Provided that where there is a tenant for life of such land or water, then the amount of royalties payable to the owner shall be paid into the Treasury to the credit of the owner and shall be invested by the Treasurer in such manner as he may think fit, and the income arising therefrom shall be paid to the tenant for life so long as he lives and thereafter the capital sum so invested shall be paid to the owner.

- (4) If any doubt arises as to the person entitled as owner of any land or water to receive the said amount of the royalties the matter shall be determined by the proper officer upon holding an enquiry in such manner as may be prescribed, but the proper officer may, in his discretion, refer the matter to a Judge in Chambers for determination and on any question of law arising shall do so.
- (5) The proper officer shall, for the purpose of any enquiry under subsection (4), have the powers of a Magistrate to summon witnesses, to call for the production of books and documents and to examine witnesses and parties concerned on oath.
- (6) Any person summoned to attend or to produce books or documents under this section, and refusing or neglecting to do so, or refusing to answer any question put to him by or with the concurrence of the proper officer, is guilty of an offence and liable on summary conviction to a fine of forty dollars:

Provided that no person shall be bound to incriminate himself, and every witness shall, in respect of any evidence given by him at such enquiry, be entitled to the same privileges to which he would be entitled if giving evidence before a court of justice.

- (7) Any witness attending at the request of or upon summons by the proper officer holding such enquiry shall, subject to any order made by such officer, be entitled to like expenses as if summoned to attend the summary court.

- (8) The decision of the proper officer as to the person entitled as owner of any land or water to receive royalties shall be final unless the proper officer refers the matter to a Judge in Chambers.
- (9) The Chief Justice may make rules governing the procedure in relation to matters referred to a Judge in Chambers under this section.
- (10) No part of any royalties shall be payable to the owner of any land or water at any time after the twenty-fifth anniversary of the day upon which such minerals were first won in, on or under such land or water:
Provided that where mining operations are suspended on the area of the mining lease, the period during which such operations are so suspended shall not be taken into account in determining such twenty-fifth anniversary.
- (11) No part of any royalties shall be payable in respect of any precious metals or precious stones which are won in, on or under any land or water.
- (12) In this section —
“Judge” means a Judge of the Grand Court; and
“proper officer” means the officer appointed by the Governor to hold enquiries under this section.

Regulations

- 6. The Governor may make regulations generally for the better carrying into effect of this Law.

**Publication in consolidated and revised form authorised by the Governor in Council
this 6th day of January, 1998.**

Carmena H. Parsons
Clerk of Executive Council

