

[Legal Notice No. 67]

MINES AND MINERALS ACT
(Cap. 42)

MINE AND MINERALS (NICKEL) (ROYALTY) REGULATIONS 2023

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MINES AND MINERALS ACT
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MINE AND MINERALS (NICKEL) (ROYALTY) REGULATIONS 2023

I, Hon. Bradley Tovosia, Minister for Mines, Energy and Rural Electrification, under section 80 of the *Mines and Minerals Act* (Cap. 42) (the Act); and pursuant to the “London Metal Exchange as the specified Standard for Gross Value of Nickel Order” specified under section 45(2)(a) and section 45(6) of the Act, 24th October 2023; the Minister for Mines, Energy and Rural Electrification makes the following Regulations:

1 Citation

These Regulations may be cited as the *Mines and Minerals (Nickel) (Royalty) Regulations 2023*.

2 Commencement

These Regulations commence on the date these are published in the Gazette.

3 Definitions

In these Regulations:

“*Allowable deduction for nickel*” is the arm’s length cost of sea freight for a nickel ore shipment if the first sale of the mineral is effected by delivery onto or from a ship exporting the mineral from Solomon Islands (as evidenced by a bill of lading);

“*nickel containing material*” means the nickel ore removed from the site of the mine or transferred to another person if there is a disposal of the minerals to another person prior to removal from the site;

“*nickel spot price*” is the price, in Solomon Islands currency, for refined

nickel metal per tonne as published daily by the London Metal Exchange, calculated in accordance with Ministerial Order made by the Minister under section 45(2)(a) and section 45(6), whereby the

reference price to be applied is the London Metal Exchange Nickel Official Price for a cash contract on a bid basis;

“nickel royalty price” is the average of the nickel spot price for the quotation period, in Solomon islands currency;

“quotation period” is the full calendar month of the shipment of nickel containing material.

4 **Gross Value by reference to the specified Standard**

The gross value of nickel is calculated as follows:

(1) the gross value is the amount, in Solomon Islands currency, obtained by multiplying the percentage of units of nickel metal in the nickel containing material by the nickel royalty price, less any allowable deduction for nickel;

(2) the gross value of nickel as calculated in subparagraph (1) is by reference to the London Metal Exchange as the specified Standard for Gross Value of Nickel Order.

Made in Honiara this twenty-fourth day of October 2023.

HON. BRADLEY TOVOSIA

MINISTER FOR MINES, ENERGY AND RURAL ELECTIRIFICATION