

## MODIFICATIONS TO THE MINING CODE

### Background

On February 4, 2022, Law No. 21.420 was enacted, which reduces or eliminates the indicated tax exemptions thereof. This law seeks the financing of the new Guaranteed Universal Pension (PGU) in a sustainable way over time, including a series of amendments to the Mining Code, among others.

### Modifications

#### •Exploration Mining Concession

- The duration of the concession is increased from 2 to 4 years, eliminating the possibility of requesting an extension.
- The holder of an extinct exploration concession is prohibited from acquiring, directly or through an intermediary, a new exploration concession that includes the area of that extinct concession.
- A public action of complaint is granted against the acquisition of exploration concessions subject to the abovementioned prohibition.

#### •Exploitation Mining Concession

- The time limit for the applicant of the exploitation concession to request its survey is increased from 20 to 30 days, which are counted between 90 and 120 days as of the date of the filing of the exploitation concession to the court.
- The on-site survey operation and the placement of landmarks are eliminated.
- The time limit for the presentation of the survey minute and blueprint is reduced from 15 to 10 months.

#### •Annual Mining License.

**Note:** This provision was amended by Law 21,462, which can be [reviewed here](#)

- The license of exploration concessions increases from 1/50 to 3/50 UTM<sup>[1]</sup> per hectare.

---

This news alert is provided by Carey y Cía. Ltda. for educational and informational purposes only and is not intended and should not be construed as legal advice.

Carey y Cía. Ltda.  
Isidora Goyenechea 2800, 43rd Floor.  
Las Condes, Santiago, Chile.  
[www.carey.cl](http://www.carey.cl)

- The distinction between licenses of metallic and non-metallic substances is eliminated.
- The license of an exploitation concession that does not prove mining works will increase progressively from 4/10 UTM per hectare during the first 5 years of validity, up to 12 UTM per hectare from year 31.
- The license of an exploitation concession that proves mining works or is under environmental evaluation or has an approved Environmental Assessment Resolution will cost 3/10 UTM per hectare.
- The National Geology and Mining Service (“Service”) will publish a list of concessions benefiting from reduced licenses.

#### •Basic Geological Information

- Upon extinction or at the end of their term -in the case of exploration concessions- or every 2 years -in the case of exploitation concessions-, the holder must submit to the Service all the geological information obtained from exploration works performed in them.
- Fines up to 100 UTM will be imposed to those who do not deliver the information obtained.

#### •Technical Elements

- The new SIRGAS datum is introduced, regarding the geographical coordinates or U.T.M.
- A process of unification of the coordinates system to the SIRGAS datum will be initiated for existing mining concessions when the amendments to the Mining Code come into effect.

#### •Possessory Actions.

- The concessionaire must prove to be the holder of a mining easement or other right in rem encumbering the surface property comprising the concession in order to file it.

#### Effective Date.

- The provisions of this law shall become effective as of the first day of the month following the date of its publication in the Official Gazette.
- The modifications introduced to the Mining Code shall become effective one year after their publication in the Official Gazette

(February 4, 2023). (There is a bill under discussion that may postpone the entry into force of these modifications, which you can [review here](#))

- Within 6 months of the entry into force of the modifications to the Mining Code, the Mining Code Regulations and other necessary regulations or administrative rules shall be amended accordingly.
- Existing exploration concessions registered in the corresponding Custodian of Mines that have not been extended at the date of entry into force of this law, shall be understood to be granted for a term of 4 years as of the date of their final judicial award.
- Holders of currently existing concessions must submit to the Service the basic geological information they possess 2 years as of the entry into force of this law.
- For calculating the terms of the progressive license of unworked exploitation concessions, those that are subject to the payment of annual mining license prior to the entry into force of the amendments to the Mining Code shall be deemed to have completed their first year of validity on the last day of the month of February following the date of entry into force of this law.

---

[1] “Unidad Tributaria Mensual”. Chilean monthly unit of account for tax and penalty purposes, updated according to inflation.

**Authors:** Rafael Vergara