



Tax and Legal Services
April 2026

Legal Update

Governing Authority:

- The Ministry of Mines, acting as the governing authority responsible for the formulation, adoption, monitoring and evaluation of policies, strategies, general plans, programs and projects related to mining activities.

20 Most Relevant Aspects of the New Master Mining Law

Venezuela's National Assembly approved the new Master Mining Law, published in Official Gazette No. 7.020 dated April 16, 2026. Below are the 20 most relevant aspects:

1. Purpose and Scope of Application:

The Master Mining Law aims to regulate matters relating to mines, the management of mineral resources existing within the national territory, and mining activities. Its provisions shall apply to individuals or legal entities, whether public or private, domestic or foreign, engaged in activities related to the matters regulated herein. The regime and exploitation of non-metallic minerals not reserved by the Executive shall fall under the exclusive jurisdiction of the States.

2. Authorized Subjects:

Mining activities may be conducted by:

- i. companies exclusively owned by the Republic or its subsidiaries;
- ii. companies in which the Republic or a public entity holds a participation exceeding 50% of the share capital, granting control (denominated Mixed Companies);
- iii. companies in which the Republic or a public entity holds a minority participation, duly authorized by the State;
- iv. private companies authorized by the State pursuant to the Master Law and its implementing regulations;
- v. mining brigades composed of duly registered and authorized artisanal miners; and
- vi. individuals engaged in artisanal mining activities.

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Creation of the National Superintendence of Mining Activity:

Established as an Autonomous Institute attached to the Mining authority, vested with powers of supervision, control, inspection, implementation of the penalties framework and oversight of mining activities, as well as the administration of taxes and royalties.

Mining Concessions and Contracts

Transferable subject to prior authorization by the Ministry with authority over mining matters, except in cases involving: (i) national security; (ii) the technical or financial incapacity of the transferee; (iii) expiration of the underlying right; and (iv) indications of money laundering, terrorist financing, or organized crime.

3. Dispute resolution:

In contracts governing the performance of mining activities, the parties may agree that disputes which cannot be resolved amicably shall be decided by the **competent courts** of the Bolivarian Republic of Venezuela or through alternative dispute resolution mechanisms, **including mediation and arbitration**.

The Mining Authority (Executive Power, Ministry with competence over mining matters and the National Agency for Mining Management), in consultation with the Office of the Republic's Attorney General, shall establish the guidelines for including such dispute resolution clause, which shall not require the authorization provided for under the Organic Law of the Office of the Republic's Attorney General and the Commercial Arbitration Law.

4. Mining Concession:

The performance of primary mining activities related to exploration and exploitation individuals or legal entities, whether public or private, domestic or foreign, shall only be permitted upon the prior granting of **a mining concession**.

Mining concessions shall be governed by agreements whereby the holder is granted the exclusive right to explore, exploit or commercialize the mineral substances awarded within the granted area. Such agreements shall be executed with the Republic, through the Mining Authority. Mining concessions shall be granted for a term not exceeding thirty (30) years, counted from the date of their publication in the Official Gazette, and may be extended for up to two successive periods not exceeding ten (10) years each. Requests for extensions shall only be permitted for operators that are in full compliance with their obligations with the Republic.

If the concessionaire is a State-owned company, the Republic may authorize, through the concession agreement, the full or partial subrogation of concession rights to a third party, whether State or private owned, pursuant to the terms established by the Executive Power and the regulations issued by the Mining Authority. All concession agreements shall be submitted to the Office of the Republic's Attorney General for review.

5. Mining Contracts:

Once the Resolution granting the title authorizing the conduct of primary mining activities has been published, the Mining Authority shall enter mining contracts with holders of mining rights, for the purpose of establishing the rights and obligations arising from such title. Said contracts shall be subject to the provisions of the Master Mining Law and the regulations issued by the Executive.

State-owned companies holding mining rights may enter into mining operation contracts with private parties for the performance of **primary activities**, provided that such arrangements do not entail a transfer of mining rights. Such contracts shall require prior authorization from the Mining Authority, and the contracting parties shall remain subject to the applicable tax obligations. Mining operation contracts involving large-scale mining projects shall be subject to review by the Office of the Republic's Attorney General. Mining contracts executed for the performance of primary activities shall maintain **the economic-financial equilibrium originally agreed**. When, after the execution of such contracts, tax amendments occur that negatively affect the economic purpose of the agreement, the Executive Power, through the Mining Authority, shall adopt the necessary measures to restore **the economic equilibrium**, which may include adjustments to royalty percentages, taxes, fees, contractual terms, compensation mechanisms and any other provisions required to reinstate the economic conditions that would have prevailed absent such amendments.

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Creation of the Unified Mining Registry:

- The Master Mining Law provides for the creation of the Unified Mining Registry, intended to administer and manage information relating to individuals or legal entities, whether public or private, engaged in mining activities. Said registry shall be non-transferable.
- The Mining Authority shall issue a digital instrument titled “Unified Mining Registry Electronic Certificate”.
- Individuals or entities engaged in mining activities must carry a copy of such electronic certificate and present it when so requested.
- Commercial establishments and jewelry stores shall display, in a visible location on their premises, signage evidencing their registration in the Unified Mining Registry, including the electronic certificate code.

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6. Mixed Companies:

The creation of mining **Mixed Companies** shall require authorization by the President of the Republic, acting through the Council of Ministers, by means of a Decree to be published in the Official Gazette of the Bolivarian Republic of Venezuela.

The Decree authorizing the creation of a mining Mixed Company shall specify its name, purpose, domicile, the authority or entity to which it shall be attached, and the shareholding structure of its capital.

Mining Mixed Companies shall acquire legal personality upon registration of their articles of incorporation with the **Commercial Registry** of their domicile, subject to prior review by the Office of the Republic’s Attorney General. They shall be governed by the provisions of the Master Mining Law, the Commercial Code and other applicable legislation. The Executive may establish guidelines to be followed by mining Mixed Companies, depending on the type of mineral to be exploited and the area designated for such purposes.

7. Transfer of Shares:

Private legal entities, whether domestic or foreign, associated with the Republic or any public entity for the incorporation of mining Mixed Companies, may not assign, **transfer their shares** without prior authorization from the Mining Authority. In the event of a change of control of a company associated with the State through a mining Mixed Company, investors must request prior authorization from the Mining Authority, in order for the State to assess the strategic convenience of continuing the association.

8. Commercialization:

The Central Bank of Venezuela holds a preferential right to purchase gold derived from any mining activity carried out within national territory. Such gold must be offered through the Mining Authority, under the mechanisms established for such purposes. The preferential right shall be exercised within five (5) business days, under competitive market conditions. Upon expiration of said period without exercise of the right, commercialization to third parties, whether domestic or foreign, shall be authorized by the Mining Authority, pursuant to the applicable terms and conditions.

In commercialization contracts entered for joint mining operations among State-owned companies and their subsidiaries, Mixed Companies or private companies, the parties may agree on a percentage participation over the volumes of minerals extracted eligible for commercialization. Such volumes shall be commercialized directly by each party, unless otherwise agreed in writing.

9. Authorization for Gold Commercialization:

Where entities other than mining operators export gold, the Mining Authority may authorize such commercialization and may establish a payment of up to five percent (5%) of the fine weight corresponding to the total quantity of mineral subject to export, payable in cash or in kind, or its monetary equivalent. The Mining Authority, by Resolution, shall establish the payment parameters and the criteria to determine the applicable percentage in each case. The Mining Authority, jointly with the Central Bank of Venezuela, shall establish the guidelines applicable to the external commercialization of gold.

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State Reservation:

The State may declare minerals of any kind as strategic when they are considered fundamental to economic development, national industry, or national defense and security, without excluding the possibility that such minerals may be subject to exploitation. In such cases, for reasons of national interest and strategic importance, the State may reserve for itself the primary and ancillary activities concerning strategic minerals. The rights granted to mining operators in such cases shall be preserved.

Assets:

Machinery and goods imported by holders of mining rights, exempt from import taxes and intended for exclusive use within the granted mining areas, may not be disposed of in any manner, nor used for other purposes, without authorization from the Executive Power.

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10. Primary Mining Activities and Phases:

The Master Mining Law defines that the primary mining activities comprise the following phases: (i) prospecting; (ii) exploration; (iii) exploitation; (iv) production; and (v) stripping and hauling.

11. Term and Extensions:

The exclusively exploratory period shall have a term not exceeding six (6) years, counted from the granting of the instrument authorizing the activity, and may be extended for periods not exceeding two (2) years, up to a maximum of two (2) extensions. The exploitation phase shall have a term not exceeding thirty (30) years, counted from the date of its authorization, and may be extended for up to two successive periods not exceeding ten (10) years each, subject to the operator being current in its obligations with the Republic.

12. Ancillary or Auxiliary Mining Activities:

The Master Mining Law includes as Ancillary or auxiliary activities the following: (i) processing; (ii) concentration and beneficiation; (iii) possession; (iv) transport and circulation; (v) storage; and (vi) commercialization. The performance of ancillary or auxiliary activities shall require a license issued by the Mining Authority, subject to the payment of the fee established by Resolution.

13. Mining Royalty:

From the quantities of minerals extracted from any deposit, the State shall be entitled to a mining royalty of **up to thirteen percent (13%)**, calculated on the gross production of the mineral, based on the **commercial value** of the final product.

The Mining Authority shall establish, by Resolution, the parameters necessary for compliance with this obligation, taking into consideration the type of mineral, exploitation conditions, investment amount, market value of the mineral, scope of the environmental damage mitigation plan, scope of the social development plan, and any other criteria determined by the regulatory authority.

The royalty may be required by the Executive Power in cash or in kind. Unless otherwise required, it shall be understood that payment in cash has been elected. Where the Mining Authority elects to receive the royalty in kind, it may make use of the transportation, storage and delivery services employed by the parties subject to payment.

The Mining Authority shall assess the royalty through the corresponding payment form, which must be settled within five (5) business days following receipt thereof.

14. Special Advantages for the Republic:

Mining contracts executed for the performance of primary mining activities may establish special advantages in favor of the Republic, taking into account the nature, magnitude and characteristics of the mining project, as well as environmental and socio-cultural conditions.

15. Contribution to the National Mining Fund:

Agreements entered into with the Republic, through the Mining Authority, shall include the obligation to contribute to the National Mining Fund an amount of up to **one percent (1%)** of gross profits derived from mining operations carried out by private parties through Mixed Companies or mining concessionaires. Such contribution shall be deductible from mining royalties.

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Special Tax Regime for Critical Minerals and rare-earth minerals:

Natural or legal persons engaged in primary or ancillary activities intended for the exploitation, utilization, transformation or refining of critical minerals and rare-earth minerals may benefit from a special tax regime, to be established by the Executive Power.

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16. Mining Tax Regime:

The mining tax regime shall be composed of the taxes, fees and contributions applicable to the exploration, exploitation, utilization, mobilization, circulation, transformation and commercialization of minerals regulated under the Master Mining Law. Simplified tax regimes may be created or existing regimes adopted.

The National Superintendence of Mining Activity shall be the entity responsible for the **administration of mining royalties and taxes provided for** in the Master Law.

Mining Tax: Public or private legal entities engaged in primary mining activities shall be subject to payment of a mining tax of **up to six percent (6%)**, applied to the corresponding taxable base.

The **definitive tax rate**, as well as the phase of the mining activity from which the mining tax shall apply, shall be determined by the Mining Authority, with the prior opinion of the authority with competence over financial matters, or as otherwise established in each mining contract, taking into account the nature of the project, the type of mineral and capital investment requirements. The tax rate may be amended by the Mining Authority where extraordinary circumstances so justify.

The **taxable base** of the mining tax shall consist of the total monthly accrued income of the taxable subjects, understood as the value corresponding to **gross monthly production**, with no deductions permitted.

Exports of production derived from primary or ancillary processes involving **critical minerals and rare-earth minerals** shall be subject to an additional **tax of up to five percent (5%) of the gross export value**.

17. Tax Exemptions:

Natural and legal persons engaged in mining activities shall be exempt from payment of the following taxes and contributions: (i) Large Wealth Tax; (ii) the special contribution under the Science, Technology and Innovation Law; (iii) the special contribution under the Sports and Physical Activity Law; (iv) the special contribution under the Anti-Drugs Law; and (v) the special contribution under the Social Security Pensions Protection Law.

Mining activities shall not be subject to social responsibility commitments established in public procurement legislation, nor to state or municipal taxes.

18. Sanctioning Regime, General Provisions:

The Master Mining Law provides, among others, for the following sanctions: (i) exploitation of minerals without the required mining authorization: fines of up to one hundred thousand (100,000) times the official exchange rate of the highest-value currency published by the Central Bank of Venezuela, applicable at the time of payment; (ii) failure to file required tax returns or late filing: fines of five hundred (500) times the official exchange rate, subject to the sanctioning regime set forth in the **Tax Code**; (iii) use of substances that degrade or disturb the environment: fines ranging from one thousand (1,000) to one hundred thousand (100,000) times the applicable official exchange rate, as published by the Central Bank of Venezuela, without prejudice to non-monetary administrative sanctions. (iv) Obstruction of the Superintendence's Actions: Punishable by a fine of up to five thousand (5,000) times the equivalent of the official exchange rate of the highest-value currency, as published by the Central Bank of Venezuela, using the exchange rate in force at the time of payment, among other sanctions. Fines may be doubled where aggravating circumstances provided for in the Master Law are present.

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The National Mining Inspection and Supervision Service, formerly attached to the Mining Authority, is hereby suppressed. Its powers, personnel, assets and financial resources shall be assumed by the **National Superintendence of Mining Activities**.

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19. Transitional Regime:

- Regional and municipal authorities shall seek to adapt their plans, programs and state and municipal legislation to the provisions of the new Master Mining Law within a period of one (1) year counted from its entry into force.
- Natural or legal persons engaged in mining activities regulated under the Master Mining Law shall adapt their operations to the new regulatory framework within one (1) year from its entry into force.
- A period of one hundred eighty (180) days is established for the enactment of the Regulations to the Master Mining Law.
- From the entry into force of the Master Mining Law, the Minister with competence over mining matters shall submit to the President of the Republic, within thirty (30) days, proposals for the inclusion or exclusion of **minerals classified as strategic or reserved**, for the issuance of the corresponding Decrees.
- **Mining contracts** entered into pursuant to the Anti-Blockade Constitutional Law for National Development and the Guarantee of Human Rights shall remain fully valid and legally effective. Such contracts shall be adapted to the provisions of the Master Mining Law within one hundred eighty (180) days following its entry into force, during which period the existing tax regime shall remain applicable.

20. Repeal of Mining Legislation and Entry into Force:

The new Master Mining Law repeals the 1999 Mining Law, as well as the Organic Law Decree reserving to the State the activities of exploration and exploitation of gold and other strategic minerals. The Master Mining Law shall enter into force upon its publication in the Official Gazette.



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If you require further information, please contact us at the following address: ve_pwclegal@pwc.com and/or the following individuals:

José Javier García P.
jose.j.garcia@pwc.com
+58 (212) 700.60.83

Lismar García
lismar.c.garcia@pwc.com
+58 (212) 700.60.00

César A. Montes Gil
cesar.a.montes@pwc.com
+58 (212) 700.60.00

Tax and Legal Services

Contacts

Partners



José Javier García P.
jose.j.garcia@pwc.com
+58 212 7006083



Elis Enrique Aray O.
elys.aray@pwc.com
+58 241 824 2321
+58 212 700 6139



Verónica Cariello H.
veronica.cariello@pwc.com
+58 212 7006076



Ana Azevedo P.
azevedo.ana@pwc.com
+58 212 7006982



Anna Rita Restaino I.
anna.restaino@pwc.com
+58 212 7006217



Deivis Rojas
deivis.rojas@pwc.com
+58 212 7006109



PwC Venezuela



@pwcvenezuela



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