

PAMOJA



TANZANIA EXTRACTIVE INDUSTRY UPDATE

Issue 24 • MARCH 2014 • www.tcme.or.tz

ABOUT US

Established in 1994, the Tanzania Chamber of Minerals and Energy represents the interests of its members in the Tanzanian mineral sector. Acting as a voice for the industry the Chamber plays a pivotal role within the sector as a mediator between the mining investment community and key stakeholders, most notably the Government of Tanzania and the public.

With close to 60 members the Chamber represents a broad spectrum of relevant players in the mining industry, including small-scale miners, individuals, service providers, and international mining companies of all sizes who have identified Tanzania as a worthwhile place to invest their money. These companies are carrying out a range of activities within the mining sector from exploration to production.

INDUSTRY INSIGHT

The Tanzania Chamber of Minerals and Energy (TCME) has elected Ambassador (Rtd.) Ami Mpungwe as its Chairman with immediate effect. The re-election of Ambassador Mpungwe to this leadership role represents a move by the Chamber to further its commitment to proactive engagement of stakeholders and the general public on matters of mutual importance relating to the mining industry. Both a former ambassador and established industry leader, Ambassador Mpungwe is optimally positioned to guide the Chamber as it grows in its role as the face of the mining industry and an engager of the industry's stakeholders across government, the investor community, civil society, and beyond.

The TCME has strengthened efforts to improve public understanding of the industry and its activities since 2011. In a further move to strengthen its communications and engagement activity, the Chamber has recently appointed Mr. Nyanda Shuli to the role of Communications and Advocacy Manager. Nyanda is a communications professional with a strong track record in the management of communications and advocacy for civil society organisations, most recently at HakiElimu, an education advocacy organisation.

With the appointment of Ambassador Mpungwe to the role of TCME Chairman, the Chamber body has brought extensive industry experience, expertise, and energy to this leadership role. Ambassador Mpungwe chairs a number of company boards, and served the nation as a diplomat for over 25 years, including a stint in the prestigious role of Tanzania's first Ambassador to South Africa.

PAMOJA is free and those interested in receiving the monthly update are invited to register by simply sending an email with their full name, job title and email address to: info@tcme.or.tz

We also welcome your comments, queries and any suggestions on how we can further improve **PAMOJA**

Helio reports updated higher-grade resource for the Kenge and Porcupine targets, SMP gold project, Tanzania

Junior Mining Network, 3 February 2014

Helio Resource Corp has received an updated NI 43-101 compliant mineral resource estimate for its SMP Gold Project, Tanzania. The estimated results were from the Kenge Resource Area located 6 Kilometre east of Shanta Gold's New Luika Mine, and Porcupine area located a further 12 kilometres to the east. In 2013, Kenge area reported production of 64,000 ounces of gold in 2013 and it expects to produce 80,000 ounces in 2014. [Full Story](#)

TPDC upbeat on gas pipeline

Daily News, 4 February 2014

The over 530 kilometres gas pipeline expects to commence operations by transporting 210 million standard cubic feet (mmscfd) daily when commissioned in December, this year. According to Tanzania Petroleum Development Corporation spokesperson, Sebastian Shana, the completion of the work on laying of the pipeline is scheduled for the beginning of December with three gas plants to be commissioned at the end of the same month. [Full Story](#)

Tulawaka now wholly owned by State

The Citizen, 6 February 2014

African Barrick Gold (ABG) has completed the transfer of Tulawaka gold mine and certain exploration licences to the state owned mining firm, STAMICO, after announcing the USD\$4.5 million deal in November 2013. ABG has completed the transfer of the gold mine and expects to receive a two per cent net smelter royalty on future production from the gold mine. [Full Story](#)

Barrick plant Bulyanhulu increases production

allAfrica.com, 3 February 2014

Africa Barrick Gold has recorded a significant increase in production at its Bulyanhulu Gold Mine. The company's fourth quarter report ending 31 December 2013 reported that Bulyanhulu produced 53,186 ounces of gold, 12 per cent higher than the previous quarter, and the Buzwagi Gold Mine produced 51,830 ounces, 20 per cent lower than the previous year. [Full Story](#)

Kibaran Resources inks graphite MOU with Richland Resources in Tanzania

Proactive Investors, 5 February 2014

Kibaran Resources has signed a non-binding MoU with UK-listed Richland Resources targeted at consolidating their Merelani graphite assets in Tanzania. Kibaran recently secured a binding offtake agreement with a sophisticated European graphite trader for its flagship Epanko Deposit at the Mahenge Graphite Project. [Full Story](#)



Barrick Gold spends half of its revenue on taxes

Daily News, 6 February 2014

Africa Barrick Gold Corporation spends close to half of its revenue on government taxes in terms of 30 per cent corporate tax, 15 per cent withholding tax, 4 per cent royalty and 0.3 per cent service levy to district councils where it operates. According to the Minister of Energy and Minerals, Professor Sospeter Muhongo, almost most of ABG's mines are paying the government taxes that are close to 50 per cent of the company's revenue. [Full Story](#)

BG Tanzania donates 13 mobile labs

Daily News, 10 February 2014

BG Tanzania has donated 13 mobile laboratories worth USD\$50,000 (about Tsh80 million) to secondary schools in Mtwara District Council. The laboratories have the capacity to positively impact 910 secondary school students in the district. [Full Story](#)

North Mara Gold Mine hands over new 4.9 kilometre road

Daily News, 14 February, 2014

The North Mara Gold Mine has handed over a 4.9 kilometre road it constructed at the cost of more than Tsh1 billion to the Tanzania National Roads Agency (TANROADS). The gravel road constructed near Gokona, one of the mine's major gold pits, was handed by the Mine's General Manager, Gary Chapman, to Mara Regional TANROADS Manager. [Full Story](#)

BoT report shows gold gains dip 15 per cent

The Citizen, 7 February 2014

Bank of Tanzania (BoT), economic report for the lake zone has revealed that revenue gained from gold sales last year has dipped by 14.8 per cent from USD\$2,232.3 million in 2011/12 to USD\$1,901.2 million at the end of December 2013. According to BoT, the drop in sales was attributed to low production and volatile price of gold in the world market.

[Full Story](#)

African Barrick Gold posts net loss of USD\$781m in 2013

The Citizen, 13 February, 2014

African Barrick Gold posted a net loss of USD\$781.1 million for the year ended 2013, after impairment charges of USD\$823m compared with earnings of USD\$62.8m last time. [Full Story](#)

Oil deposits finds not confirmed yet

Daily News, 14 February, 2014

Tanzania Petroleum Development Corporation (TPDC) has announced that Tanzania has so far not proven oil reserves within its boundaries. This was clarified by the Corporation's Managing Director, Yona Kiligane, in response to some media organisations publishing misleading information related to oil discoveries, particularly in Tanga, Kilimanjaro and Morogoro regions. [Full Story](#)

Women miners appeal for more govt support

The Guardian, 17 February 2014

The Tanzania Women Miners Association (Tawoma) has urged the government to increase their support particularly in purchasing mining equipment for its members.

[Full Story](#)

Tanzanian Royalty Announces Letter of Intent Signed for JV Development of a Commercially Producing Mine at Buziba-Busolwa, Buckreef

Wall Street Journal, 24 February 2014

Tanzanian Royalty Exploration Corporation has signed a letter of intent with Allied Gold Corp. of United Arab Emirates to develop a commercially producing mine in the area known as Buziba-Busolwa in Tanzania. Buckreef Gold Company Ltd, a project subsidiary of Tanzanian Royalty owned 55 per cent by Tanzanian Royalty and 45 per cent by the State Mining Company of Tanzania (STAMICO), has signed a letter of intent with ARL Gold Tanzania Ltd, a subsidiary of AGC, to conclude a Definitive Joint Venture Agreement in connection with a joint venture to be created for the development of a producing gold mine at Buziba-Busolwa.

[Full Story](#)

Petra diamonds expecting strong market for rough diamonds

Money Web, 20 February 2014

Petra Diamonds Ltd has announced that it is considering initiating dividend from financial year 2016 following expectations of a strong market for rough diamonds to continue. Petra, which has five producing mines in South Africa and one in Tanzania, said adjusted core earnings jumped 157 per cent to USD\$65.8 million for the six months ended December 31 with revenue growing by 19 per cent to USD\$185.5 million. [Full Story](#)

Kibo Mining says technical report for Imweru confirms positive drilling results

London South East, 27 February 2014

Kibo Mining PLC has announced that its latest technical report on the Imweru gold project in northern Tanzania has confirmed the upside potential for the resource at the site after taking into account the company's recent drilling programme. JORC-compliant report, which it had commissioned from Canadian consultancy Tetra Tech EBA, contained a revised resource estimate based on recent drilling, confirmation of a potential expansion of the resource base through further drill programmes, identified high-priority drill targets and significantly improved confidence in the geological model and resource base. [Full Story](#)



UPCOMING EVENTS

3rd Annual East Africa Oil & Gas Summit 2014

27 - 29 March 2014 - Dar es Salaam, Tanzania

The two day event expects to bring together key stakeholders in the industry across the East Africa region. The conference expects to address the recent developments, opportunities and challenges facing the sector while at the same time providing a platform for key industry players to interact, network and build constructive discussions centered on East Africa's oil and gas industry.

[Visit the event website](#)

20th Western Africa Oil, Gas and Energy 2014 Conference

14 - 16 April 2014 - Windhoek Country Club, Windhoek, Namibia

The event expects to feature around 30 speakers from governments, national oil companies, and independents in the program. It expects to cover the investment strategies, exploration ventures, deal flow, transactions, and new venture opportunities in the region with bid rounds from Licensing Agencies, in a complex and fast-moving oil/gas-LNG industry.

[Visit the event website](#)

The 3rd Oil and Gas Africa - Int'l Trade Exhibition

27 - 29 April 2014 - Kenyatta International Conference Centre, Nairobi, Kenya

Oil and Gas Africa acts as a hub for key players in the oil and gas community, attracting leading oil, gas and petroleum companies from around the world. The event offers participants the opportunity to showcase the industry's latest achievements and technologies while networking with key figures from the region's oil and gas sector.

[Visit the event website](#)



UPCOMING EVENTS

The 5th Eastern Africa Oil, Gas-LNG and Energy Conference 2014

28 - 30 April 2014 - Intercontinental Hotel, Nairobi, Kenya

The conference expects provide unrivalled new insight into the upstream opportunities, open acreage, bid rounds, new ventures, oil/gas investments, key upstream players, and corporate/government strategies in this vast region of fifteen countries covering onshore and offshore potential, from Eritrea to South Africa, including across the Maserene Islands.

[Visit the event website](#)

2nd edition Uganda Mining, Energy and Oil & Gas Conference and Exhibition (UMEC 2014)

22 -23 May 2014 - Serena Hotel, Kampala, Uganda

UMEC 2014 expects to be is turnkey event that will focus on the Republic of Uganda's mining, energy and petroleum potential. The event will provide a platform for the full spectrum of partners involved in Uganda's energy, minerals and oil and gas industries, including the public and private sector, as well as development partners and multilateral organisations.

[Visit the event website](#)

4th Zambia International Mining and Energy Conference & Exhibition (ZIMEC 2014)

24 - 25 June 2014 - New Government Complex Conference Centre, Lusaka, Zambia

The conference will be the 4th edition featuring two parallel conference streams, focusing on mining and power issues respectively. ZIMEC 2014 is expected to bring together stakeholders from both the public and private sectors providing a platform for constructive debates and business development opportunities while at the same time offering unrivalled networking opportunity, with numerous social functions.

[Visit the event website](#)