



Terra Mining

Business Trip of German Mining Industry to Tanzania
7 March 2017 – Dar- Es – Salaam/ Tanzania
Double Tree Hotel

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WELCOME IN TANZANIA.



H.E Dr. John Pombe Joseph Magufuli
President
United Republic of Tanzania



Hon. Kassim Majaliwa Majaliwa (MP)
Prime Minister
United Republic of Tanzania

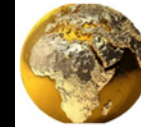


Hon. Samia Suluhu Hassan (MP)
Vice President
United Republic of Tanzania



Introducing TERRA MINING LIMITED

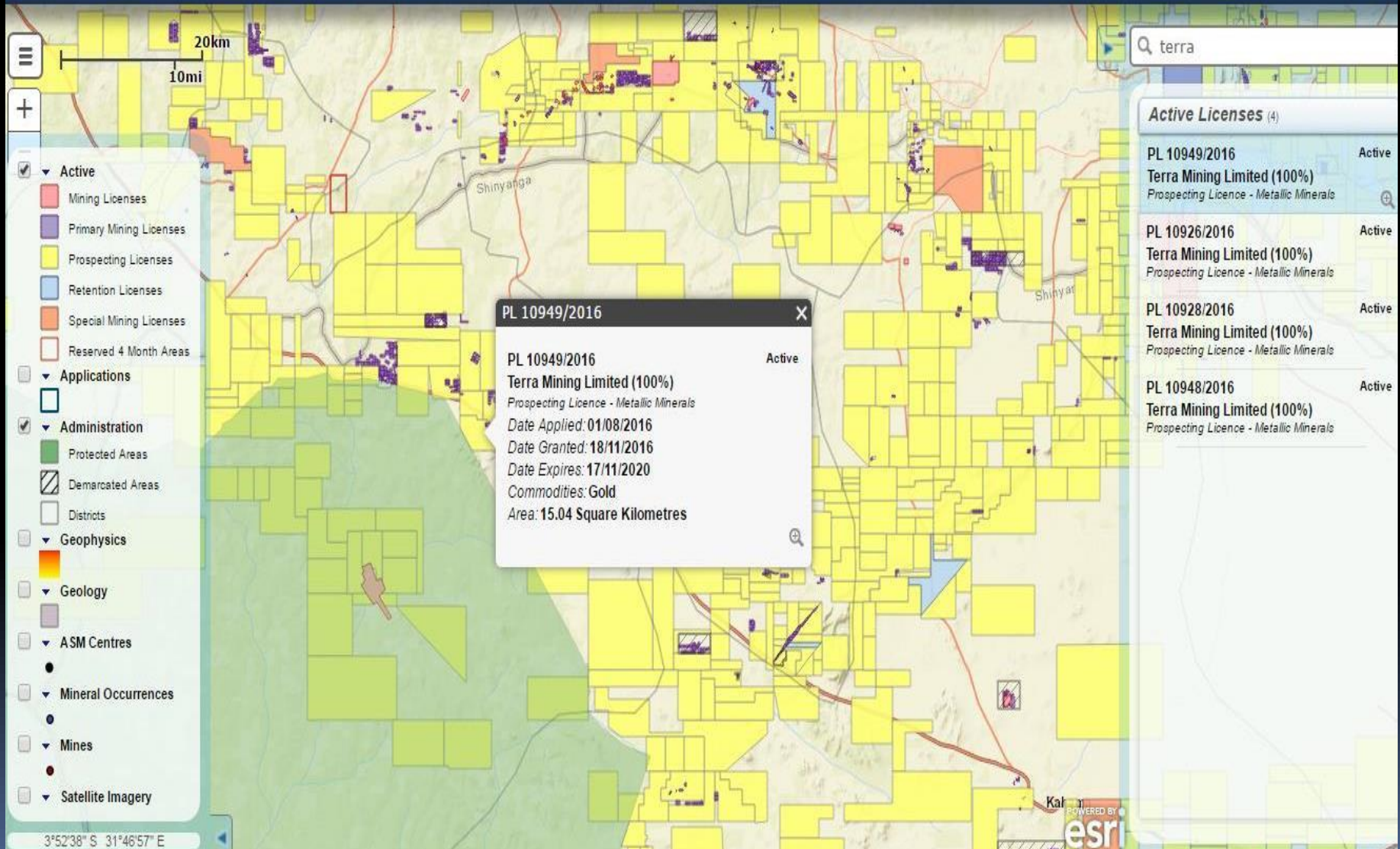
- Dealing with Exploration, Prospecting, Processing, Exporting of Minerals
- We have four mining areas in Tanzania
- We are working with different cooperative society and small scale mines in Tanzania Mining sector. The aim is to involves Tanzanian society in proper way of investment in mining sector



Terra Mining in Tanzania

Tanzania Mining Cadastre Portal

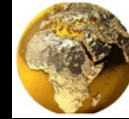
spatial dimension flexicadas



Terra Mining Company in Tanzania



- ✓ We aim to create sustainable prosperity through working partnerships with companies, communities and governments
- ✓ We continuing establishing strong cooperation with every group of small scale mining in Tanzania for the interest of the company and developing different people in the areas that we show interest.



Business Trip of German Mining Industry to Tanzania

Session:

- The current state of the Tanzanian mining sector
- Challenges the Tanzanian mining sector faces
- Potential way forward (future development) of the Tanzanian mining sector

Tanzania Mining Sector



- The mining sector in Tanzania is governed by:
- 5 Policies
- 6 Regulations, and
- 18 Acts/laws



Tanzania Mining Sector:

- ❖ Tanzania is endowed with a vast and very valuable extractive resource industry. Like metallic, Industrial, Gemstone, Construction and Energy sources minerals.
- ❖ Tanzania ranked 4th among gold producers in Africa and 15 among Gold Producer in the world. According to metal focus.
- ❖ Mining in Tanzania contributed 3.7% to its Gross domestic product (GDP) with USD 1.78bn in 2014, compared to only USD 598m in 2009, representing a value increase of almost 200%.
- ❖ Mining is one of the major sources of economic activity in Tanzania
- ❖ Where we are right now is very similar to what happen in America - 1970.

What Tanzania have in Mining Sector

- Metallic Minerals, which include gold, iron ore, nickel, copper, cobalt and silver.
- Gemstones, which include diamonds, tanzanite, ruby, garnets, pearl etc
- Industrial Minerals, which include limestone, soda ash, gypsum, salt and phosphates;
- Energy source Minerals, such as coal and uranium; and.
- Construction minerals, such as aggregates, gravel, sand and dimension stones.

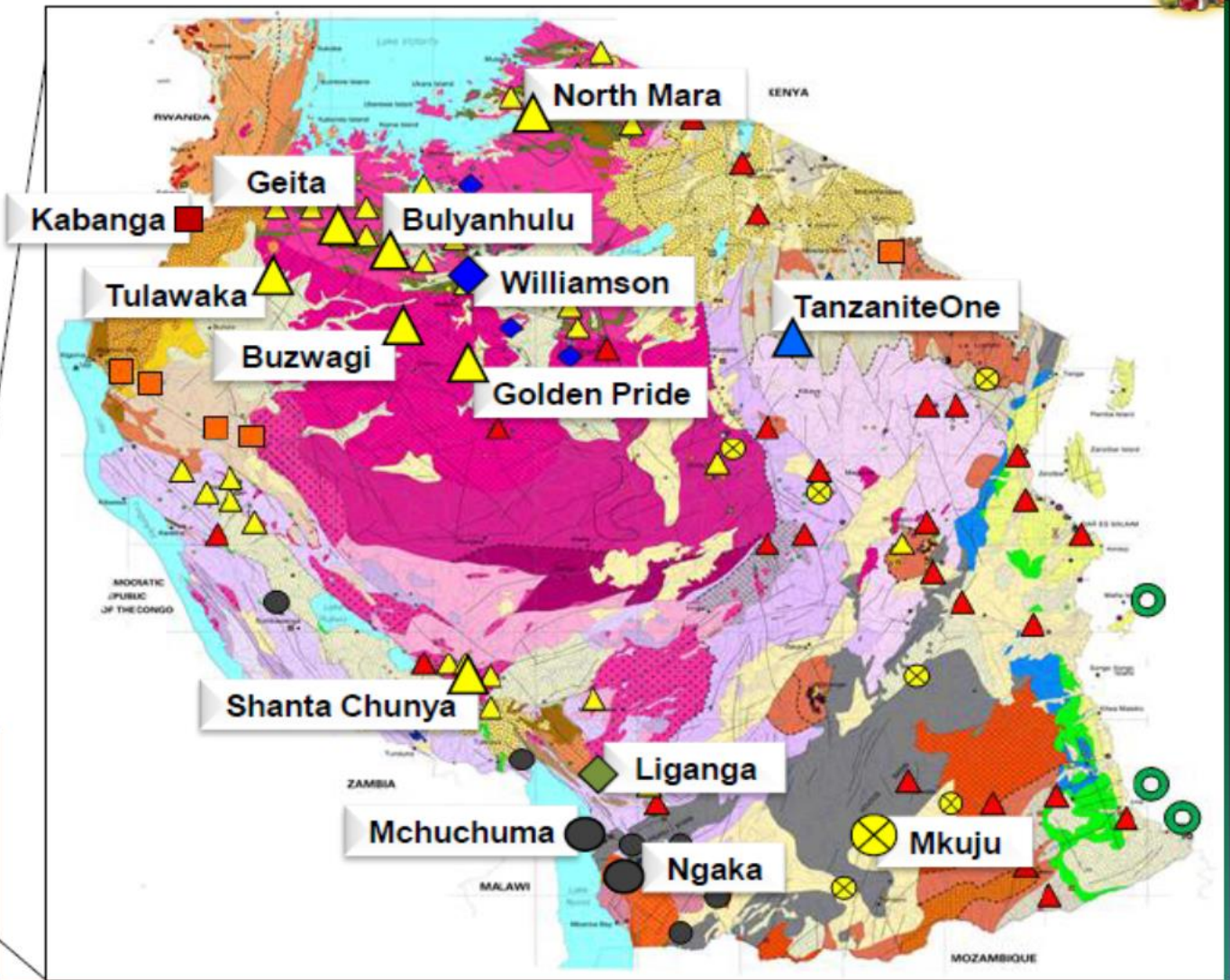


SUMMARY OF FISCAL RATES APPLIED IN TANZANIA MINING SECTOR

Taxation/Fiscal term	Rates/Description
VAT	VAT relief granted to both import & domestic purchase
Corporate tax	30% on taxable profit
Royalty	On gross value (5% for rough Gemstones , Diamond and Uranium, 4% for Gold, Copper, Silver and Platinum group Metals, 3% for building mineral, 1% for Cut & Polished Gems)
Fuel levy	Charged at TZS 200 per litre and claim refund after consumption.

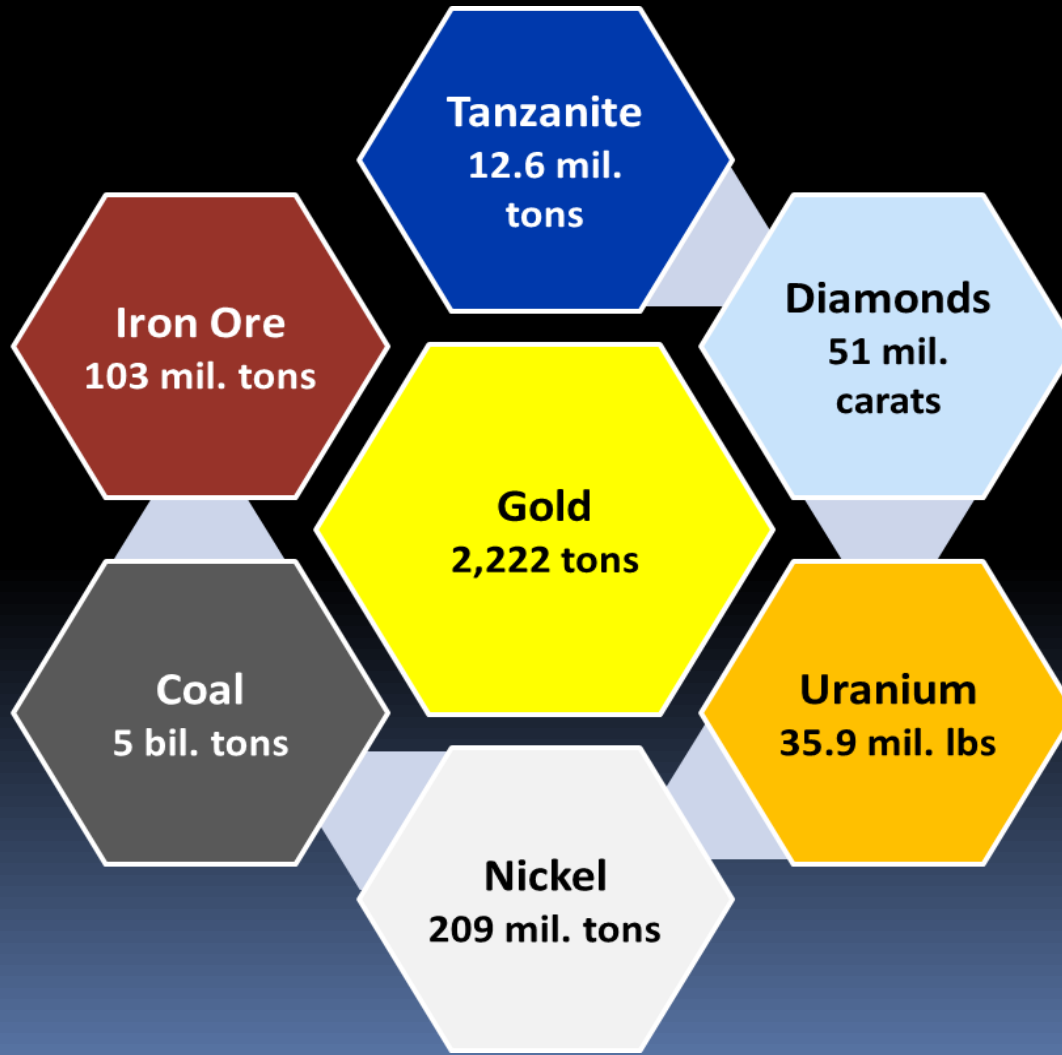
MINERAL OCCURRENCE AND MAJOR MINING PROJECTS IN TANZANIA

- ▲ Gold
- ▲ Tanzanite
- ◆ Diamonds
- Coal
- ⊗ Uranium
- ▲ Gemstones
- Copper
- Nickel





MINERAL DEPOSITS IN TANZANIA (Country's Wallet of Minerals)



Development: Cooperative Mining Society

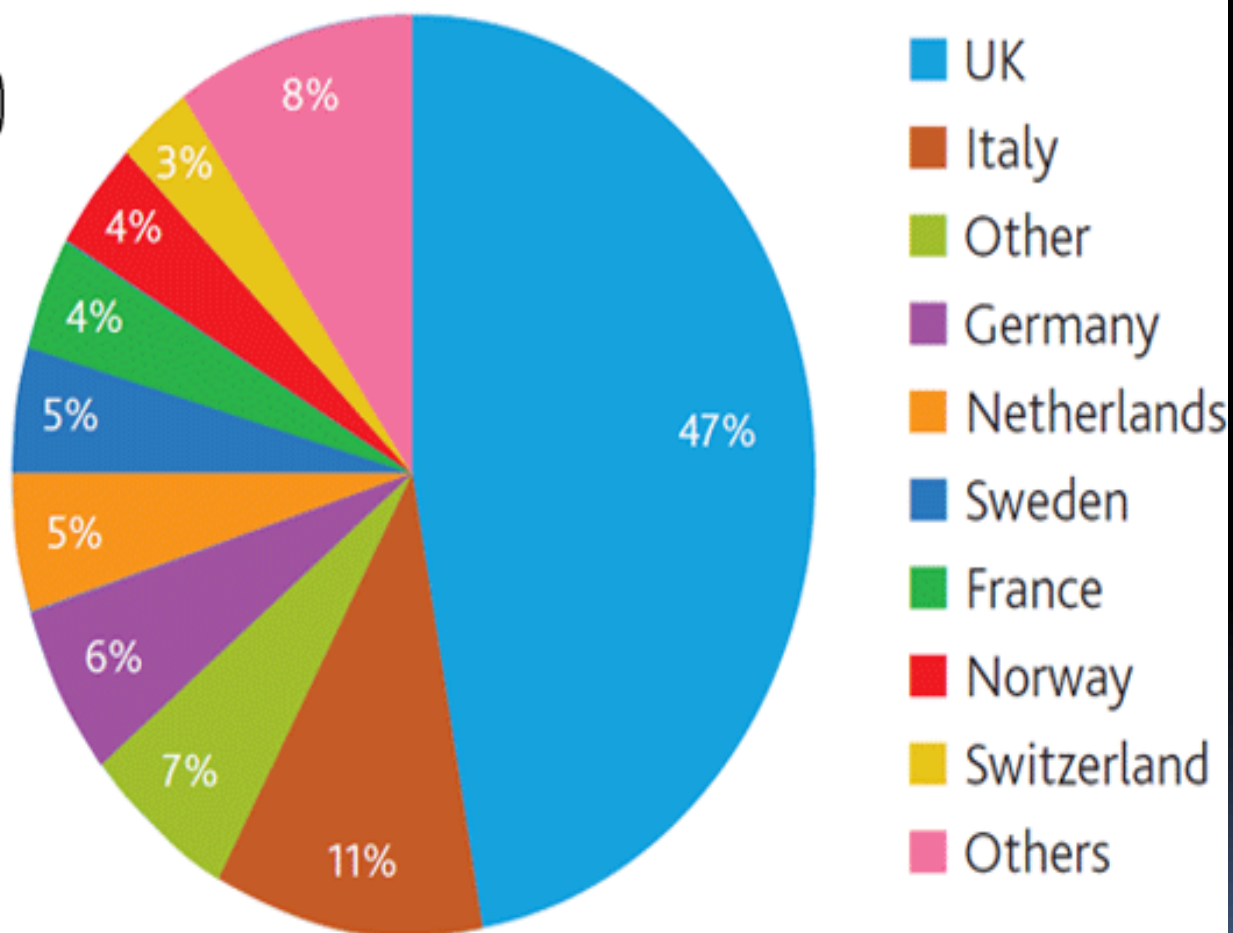


Different society now days have started to invest in mining sector, but the challenge is Lack of operation skills and Lack of Modern Mining Equipment.



EU (+Switzerland and Norway)

Investors in Tanzania by Nationality



Challenge that Face Tanzania Mining Sector.



- Lack of Operation Skills: eg Most of the People in this cooperative society lack Management skills, Time management, Negotiating

- Lack of Modern Mining Equipment.



Challenge that Face Tanzania Mining Sector. (cont'd)

- Lack of cash to buy modern equipment
Many of small scale Mining company they lack cash to shift into modern mining from local mining.
- Too much expectations by citizens to benefit from the mining sector caused by lack of knowledge on how mining companies operates – intensive capital.
- Mining sector is conservative – in some place people are holding to traditional values eg local belief, believing to uneducated people.
- Lack of data..
- Expensiveness of transferring new technology eg machine and labour

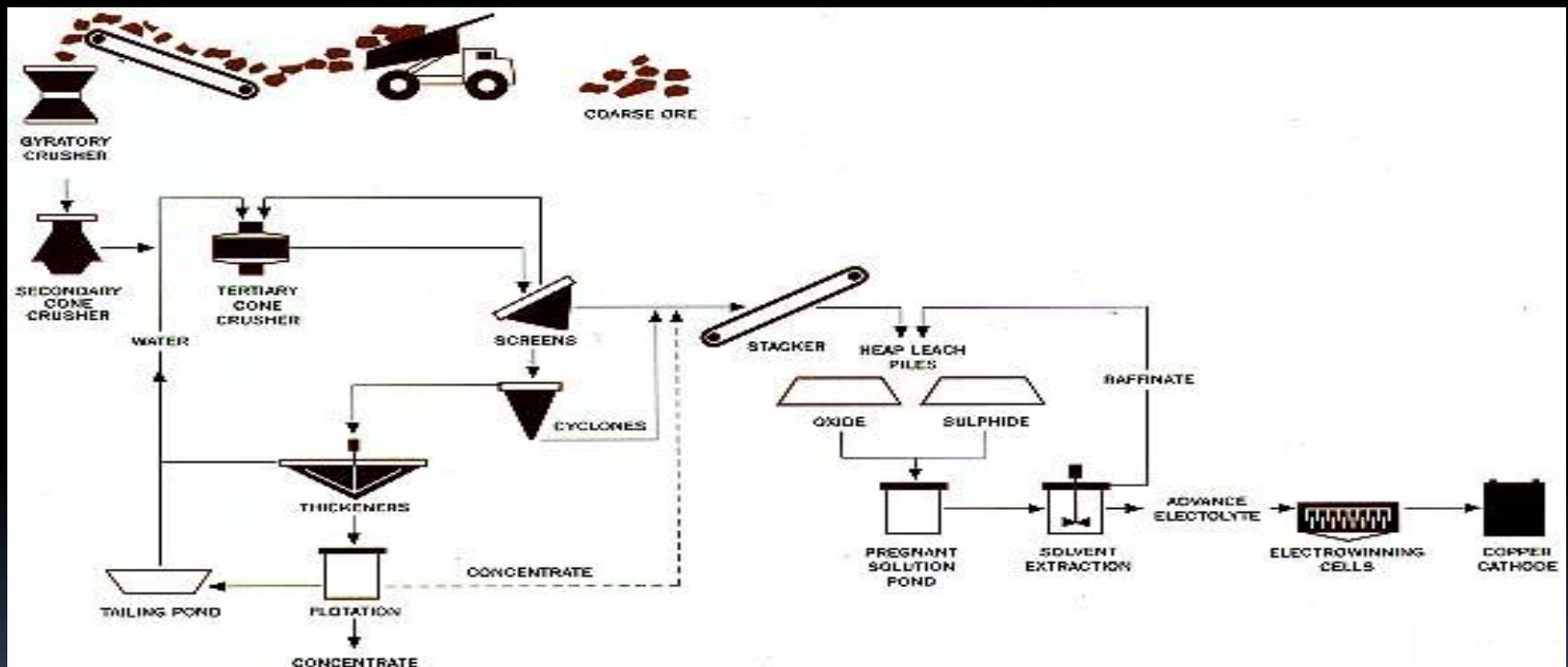
So what Potential Way Forward?



Tanzanian are there and waiting for new Technology to increase production capacity.



- The development of relevant technology that will enable mining activities to take place beyond the current deep levels is crucial for the development of the minerals industry of Tanzania. Relevant technology in this context will mean technology that is capable of balancing labour and productivity.



Means: Transfer of technology to small scale mining and mining cooperative society.. Production should be considered

- New technology must be used empower workers, and create a safe and sustainable mining industry.



Renting Excavator in Mining Areas.

- ❖ One Million Tanzania Shillings is Paid to the Owner.

Direct Expenses to the Renter.

- ❖ Putting Diesel to Excavator.
- ❖ Paying Daily Salary to Driver of Excavator.

The difference of Time



- The difference in Time...Changes of Mining in Europe started to be recognized in 1800 -1850 while in Tanzania 1980 mining law were relaxed by the Time the world was started shifting in new Technology and large scale mining

Fact For Way Forward (cont'd)



- So far 10% to 15% of minerals deposit, is the only one which has been tapped, 85% to 90% of known minerals resources are still untouched. This means the country still has potentials to benefit from minerals taking considerations of the above Government efforts to run the sector responsibly.

What is Down the Line!!!!!!!!!!!!



Tanzania got almost all kind of minerals but it is not sustainable to use old Technology and to work with Unskilled Labour.



THANKYOU!!!!!!!!!!!!



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