



Optimizing the mining industry: impact on the lubricant market

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Presented By

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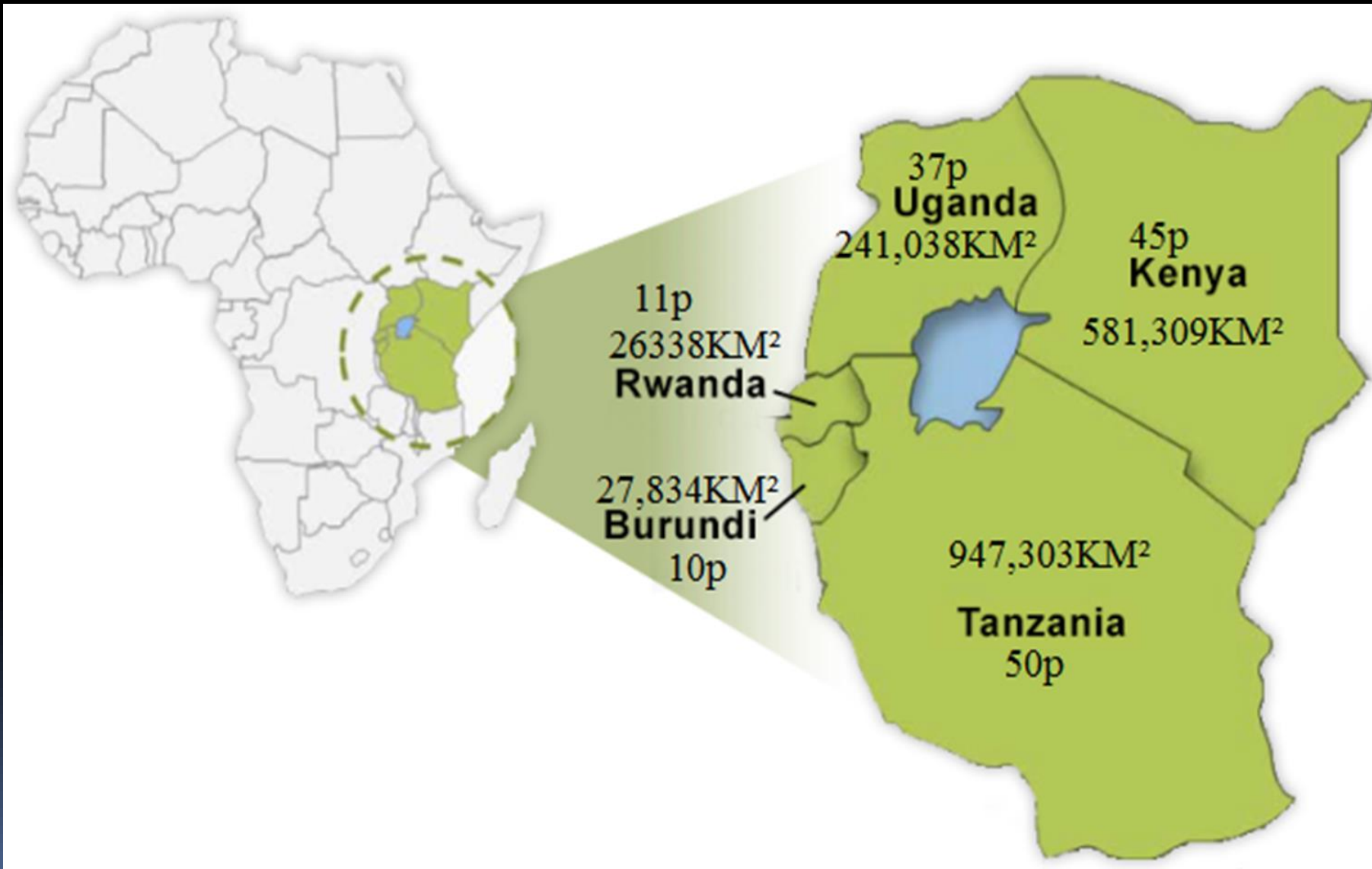
Introducing TERRA MINING LIMITED

- Austrian and Tanzanian Owned Company.
- Dealing with Exploration, Prospecting, Processing, Exporting of Minerals
- Part of Tanzania Mines, Gas/Energy and Oil Forum
- Provide Consultation about investing in mining sector in Tanzania
- One way for investor to invest in Tanzania

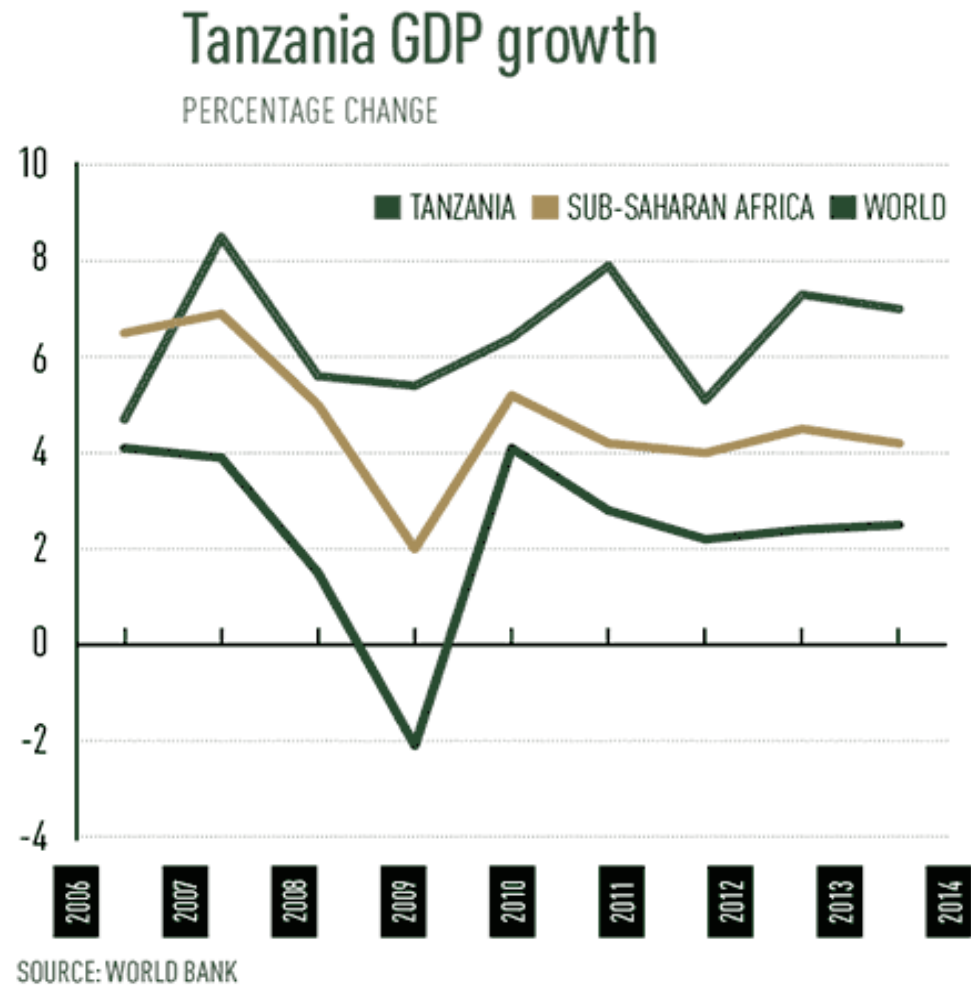
Optimizing the mining industry: impact on the lubricant market

1. Tanzania
2. Growing opportunities in East Africa
3. Regional growth and Industrial Development
4. Infrastructures challenge and development
5. Mining sector in Tanzania
 - > Coal Industry Overview
6. Lubricant business outlook in Tanzania
7. End

Countries under East Africa Community



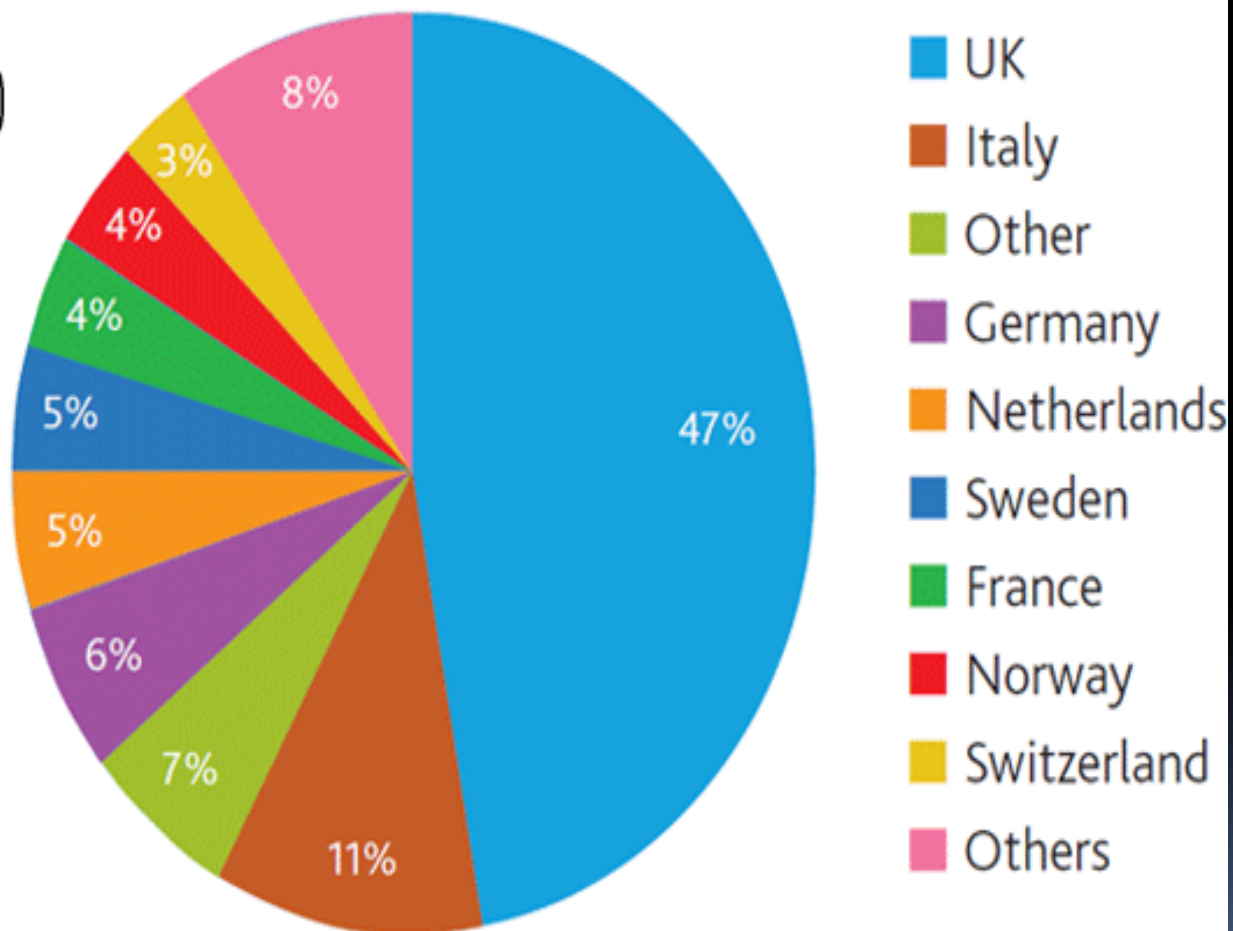
Tanzania Economy



According to WB estimates that the Sub-Saharan region's GDP is projected to grow by 4% in 2016, and 5.1% in 2017.

Pie Chart: Investors

EU (+Switzerland and Norway) Investors in Tanzania by Nationality



Growing Opportunity in East Africa

INVEST IN TANZANIA?



1. Energy... Source of energy in east Africa. Hydropower, Wind, Coal.. Tz is expecting to turn into gas energy.
2. Tourist According to United Nations World Tourism Organization, Tourist arrival in east Africa by 2012 was 50 to 60m...
3. Agriculture
4. Mining
5. Infrastructure
6. Oil and Gas...
7. Construction sector – Real Estate Investment... Nhc, Avic Town, Project, Kopa Nyumba.

“East Africa economic development can be brought by advancement creativity and innovation in its natural resources sector” Hermes

Growing opportunity in Tanzania Oil and Gas

- The major discoveries of natural gas by Statoil, Ophir Energy and BG Group. Official discovered in 2012
- Total estimated natural gas reserves quadrupled from 10 trillion to 40 trillion cubic feet. Offshore gas fields at Songo Songo and Mnazi Bay are currently in the process of being developed by Pan African Energy and Maurel and Prom in conjunction with the Tanzania Petroleum Development Corporation (TPDC).
- Expected to be one stop Centre of investment for oil and gas economy in east Africa.

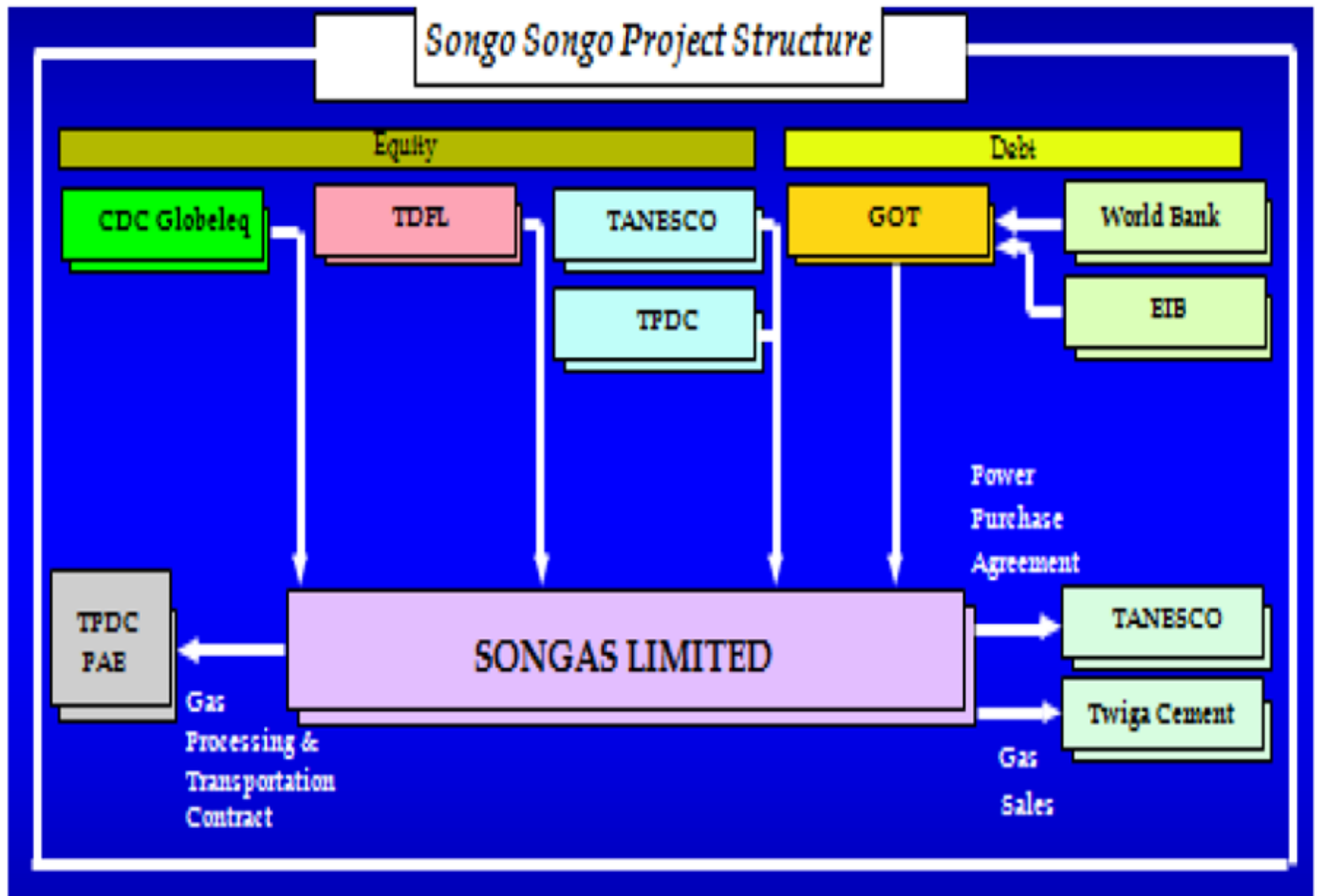
Areas - Year - Amount

Mkuranga	2007 (0.2 TCF)
Kiliwani	2008 (0.07 TCF)
Songo Songo	1974 (2.5 TCF)
Mnazi Bay	1982 (5 TCF)
Ntorya	2012 (0.178 TCF)
DeepSea (2010-14)	: 45.28 TCF

TOTAL GIIP (Nov, 2014): 53.28 TCF



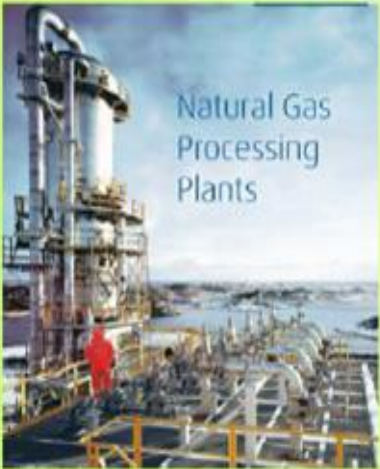
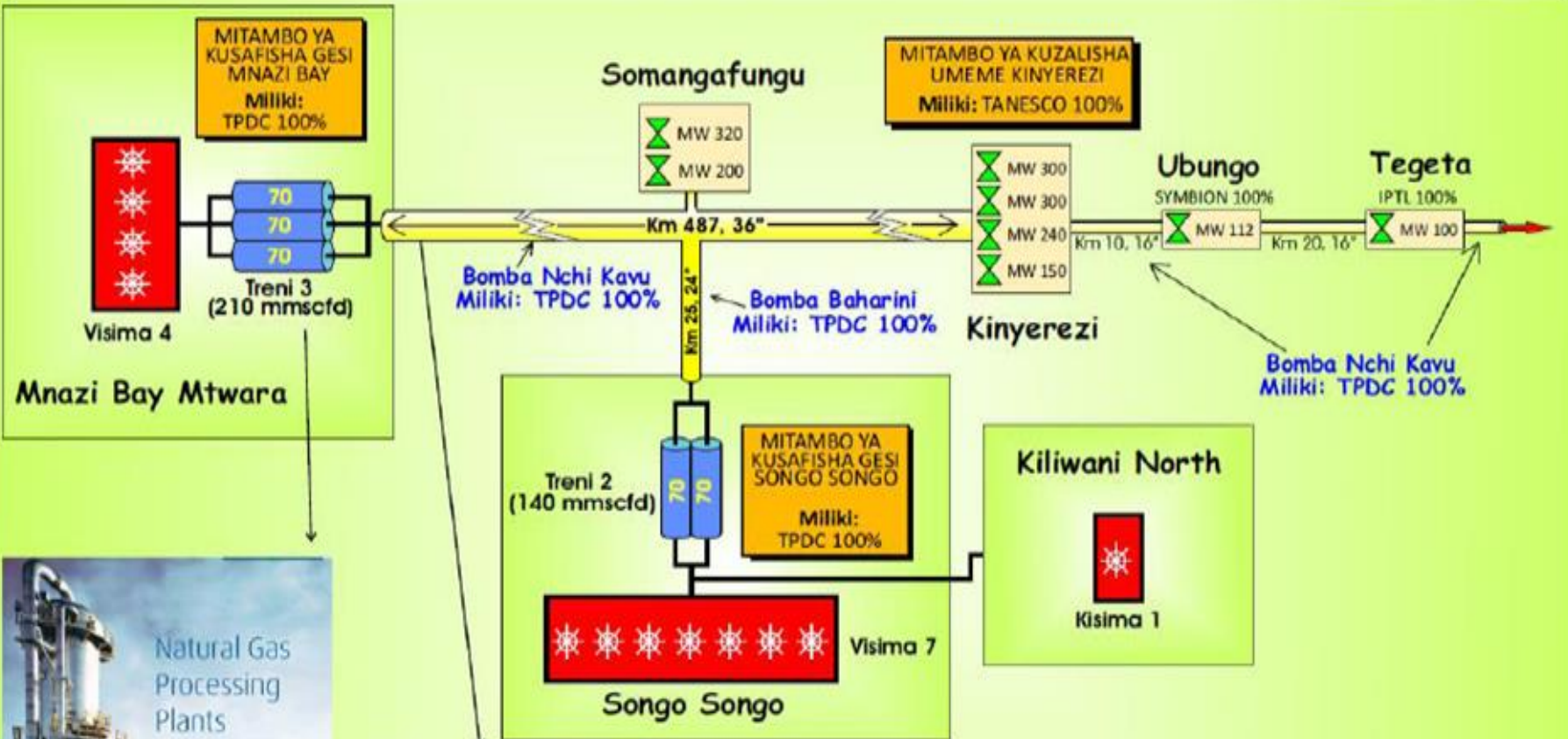
Oil and Gas



Oil and Gas: Project structure in Tanzania



MCHORO WA MRADI WA MIUNDOMBINU YA KUSAFISHA GESI ASILIA MTWARA NA SONGO SONGO NA BOMBA LA KUSAFIRISHA GESI ASILIA KUTOKA MNAZI BAY MTWARA NA SONGO SONGO HADI DAR ES SALAAM



List of Region with its Activities

Northern Zone– Region found: Arusha, Kilimanjaro, Manyara..**Famous:** Tanzanite, National Park like Serengeti,

Eastern Zone- Region Found: Dar Es Salaam, Tanga, Pwani:
Famous: Fishing, Mining , Mountain like ulugulu

Lake Zone: Region Found: Mwanza, Geita, Kagera, **Famous:** Fishing, Mining.

Southern Zone: Mbeya, Mtwara, Lindi, Ruvuma **Famous:** Gas and Oil, Mining, Cashew nuts

Famous Region: Dar es Salaam, Mwanza, Arusha, Mtwara,

Industries Development

Fruit/Vegetable processing

2.95 million tons of fruits and vegetables produced annually only 4% is processed.

Cashew nut Processing:

120, 000 tones annually. Only about 10% of the cashew nut produced within the country is processed.

Textile and apparel

More than 80% in raw and only 20% is locally processed.

Leather Sector

livestock population (17.7m cattle, 12.5m goats and 3.5m sheep) and produces about 2.6 million pieces of raw hides and skins annually. Only 10% is processed within Tanzania.

Renewable Energy

Energy is recognized as key challenge for Tanzania's sustainable development

Mining Industry

In Tanzania is Only 12% of the minerals have been exploited.. Tz remain with 88% underground...

Facts about Lubricants Mkt in Tanzania



- In 2015 Tanzania 1190440 (one million one hundred ninety thousand four hundred forty) petroleum product for the first quarter.
- Current total LPG importation in Tanzania stands 12000 metric tones per monthly but is growing 25 % per annum
- No markets are underserved. Strong brand, customer intimacy, and clear value proposition are key to capitalize on growth opportunities in all regions.



Documents your required to have for importation of Lubricants in Tanzania

- a. Copy of Certificate of Incorporation
- b. Copy of Tax Identification Number Certificate
- c. Copy of VAT Registration Certificate
- d. Copy of Trading Licence
- e. Copy of EWURA Licence
- f. Copy of Custom Bonded Warehouse Licence
- g. Copy of Tax Clearance Certificate
- h. Copy of TBS / ISO 9000 compliance and awards documentation
- i. Copy of Lubricants Handling Permit from NEMC
- j. Copy of Government Chemist Laboratory Agency Certificate

Mining Sector in Tanzania



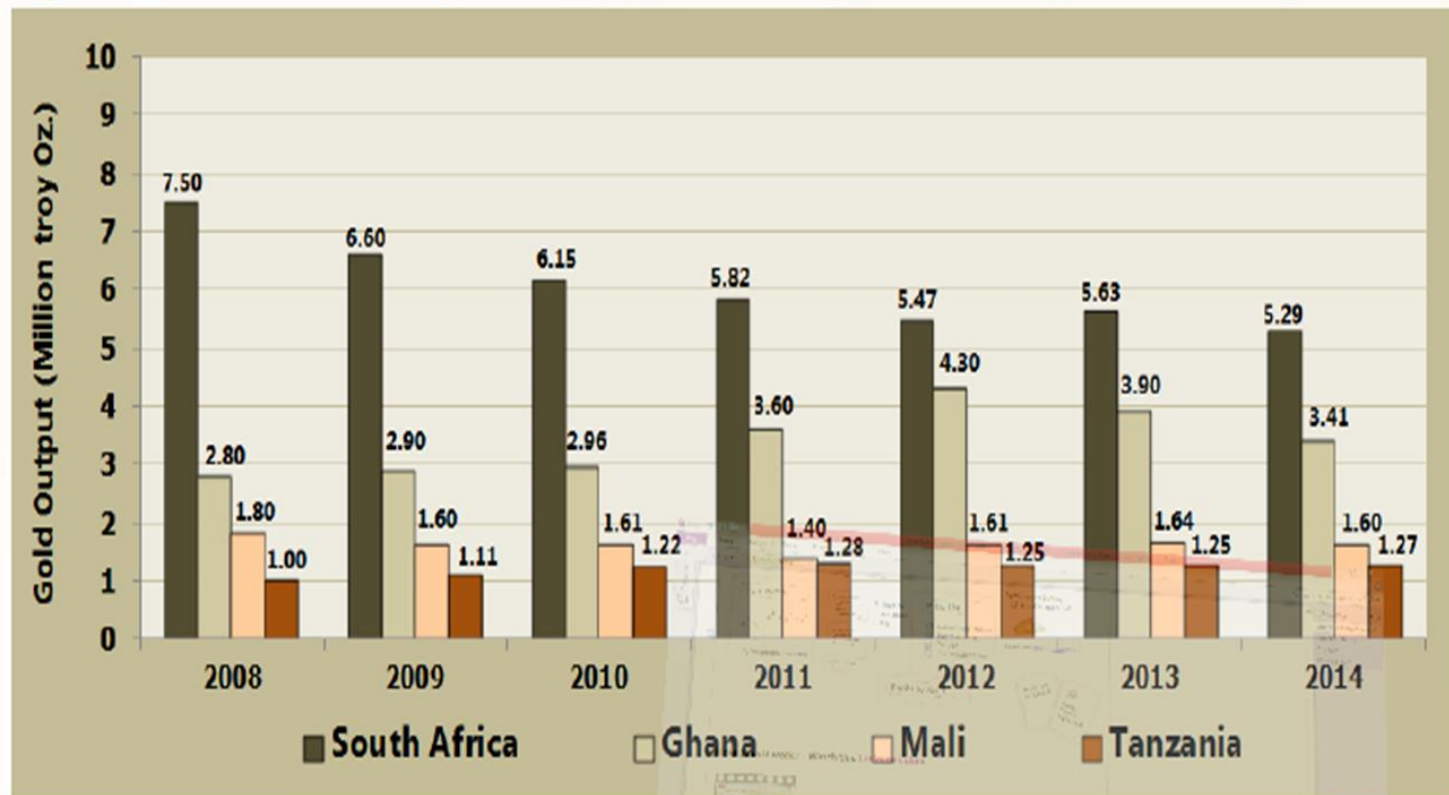
- The mining sector in Tanzania is governed by:
 - 5 Policies
 - 6 Regulations, and
 - 18 Acts/laws

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.

Tanzania

Figure : Africa's Top Four Gold Producing Countries (2008 – 2014)



Sources: www.mining.com; www.mineweb.com; www.miningweekly.com

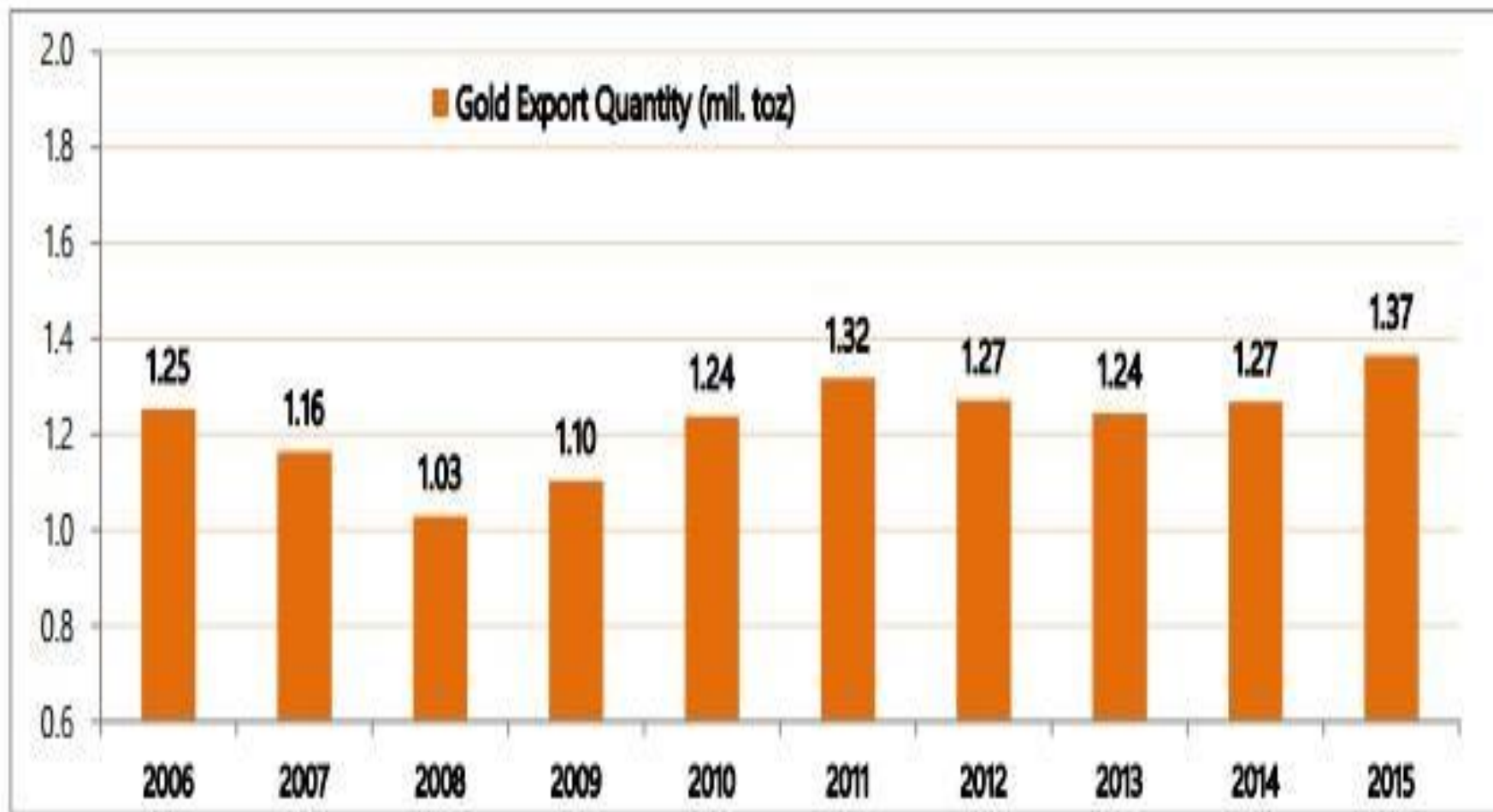
- summarizes the quantity of gold bars and Copper Concentrate produced by major gold mines in year 2014 as audited by TMAA. Geita Gold Mine was the leading gold producer in year 2014 with 37.5% of total production

Table 1: Minerals Produced by Major Gold Mines in Year 2014

	Year 2014	Year 2013
Number of gold bars produced	2,221	2,139
Weight of gold bars produced (kg)	42,486	39,775
Number of containers loaded with Copper Concentrate	2,531	1,907
Net wet weight of Copper Concentrate produced (ton)	50,521	38,942
Gold quantity (toz)	1,273,094	1,253,785
Silver quantity (toz)	443,176	376,824
Copper quantity (lb)	12,824,121	12,865,738

Present Data:

Historical Gold Exports by Major Mines (2001 – 2015)



Coal Industry Overview

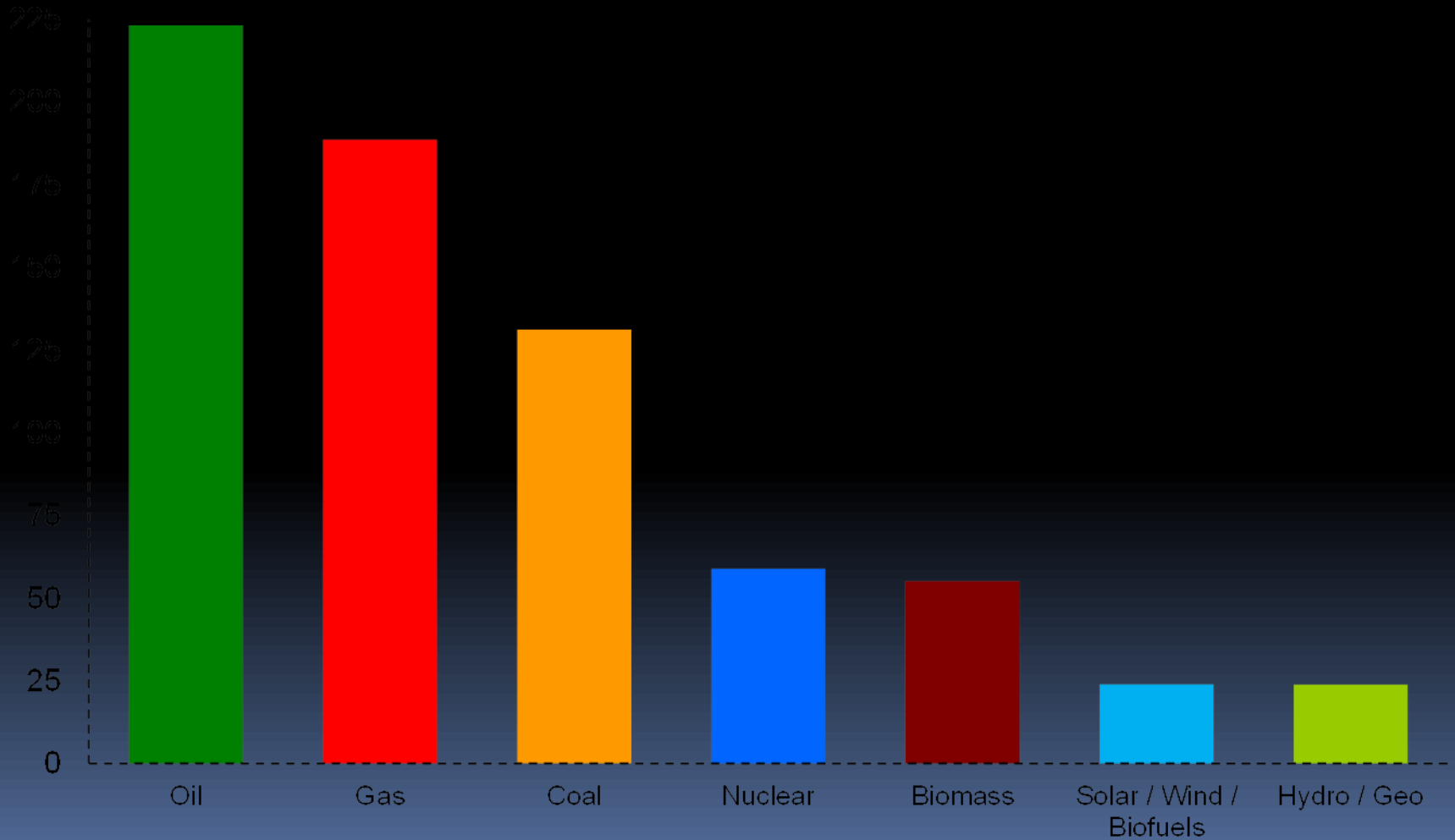


So where is the coal Industry ?



The mines are there and waiting in terms of potential and actual production capacity.

Demand Data



Facts About Coal Industry

India is supposed to add almost 900 millions metric tons of new coal demand by 2040



The demand will be more twice as much as the rest of the world is expected by 2040

Is Tanzania in or out in coal industry!!!!

Coal reserve in Tanzania is about 1.9bn , 25% of which is proven and current exploited in small scale at Kiwira Coal Mine in Mbeya and Ngaka in Ruvuma Region



According to current expectation coal production will make Tanzania the third African Producer and generate about 32000 jobs

Infrastructure challenge and development



Achievement

- The government has made infrastructure part of its strategic pillar to help support the development
- Tanzania's power sector is characterized by improvements each day.
- What drives East Africa growth and improvements in infrastructure is the discovery of oil and gas.

Challenge

- poor performance and weak financial condition represents Tanzania's most serious infrastructure challenge
- Inadequate maintenance to existing infrastructure out of famous city/region

Tanzania Transport Network

Tanzania Transport



86,472km Road Network



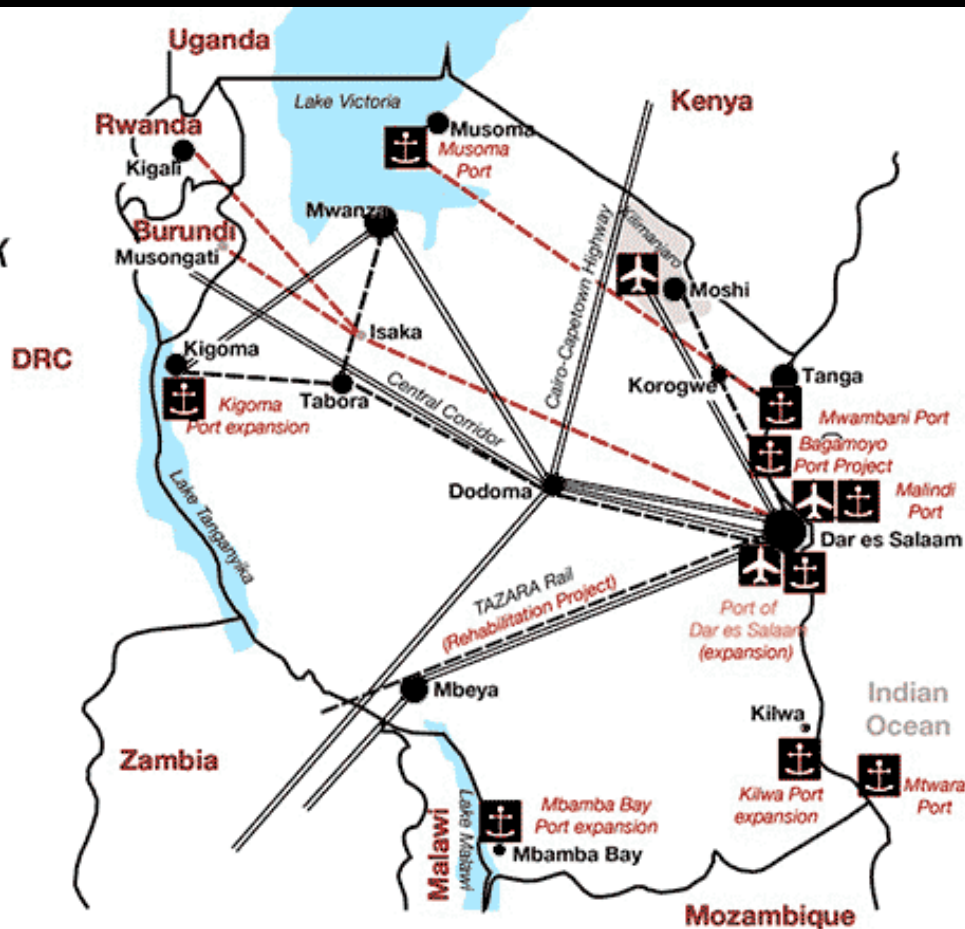
3,676km Railway Lines



58 Airports



3 Ocean Ports



The road network in Tanzania currently comprises 86,472 km of roads, of which 12,786 km are trunk roads, 21,105 km are regional roads and the remaining 52,581 km are district, urban and feeder roads.

CONLUSSION!!!!!!!!!!!!



Brainstorming QN

1. What is the route to the market?
2. Are the existing competitors structured correctly to meet customer needs?
3. What are the market drivers and what is the forecast growth potential of the market?
4. Who are the key market participants/competitors, and what are their relative market shares?

Remember:

1. Investing in Tanzania you need right partner/ company.
2. Take Time to Learn about business environment and challenge.
3. Be flexible

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



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