



**TAIC LIMITED**  
Dealing with Mining  
and Processing

# **PROJECT PROGRESS REPORT FOR THE YEAR 2019 TO 2020**

**APPLICATION FOR RENEWAL AND EXTENSION  
OF CERTIFICATE OF INCENTIVES NO. 042982  
AND AMENDMENT OF SHAREHOLDERS**

**JANUARY 2021**

**DAR ES SALAAM**

Plot No. 16/769 Bima Rd. Mikocheni B, P.O.Box 21666 Dar Es Salaam - Tanzania  
Tel: +255 687 360 300 | +255 744 360 300 | +255 688 800 888 | +255 754 000 786  
Email: [rnagieb@gmail.com](mailto:rnagieb@gmail.com)



REF: TAIC/TIC/ 042982/01/2021

14<sup>TH</sup> JANUARY 2021

EXECUTIVE DIRECTOR,  
TANZANIA INVESTMENT CENTRE,  
SHAABAN ROBERT STREET,  
P.O BOX 938,  
DAR ES SALAAM.

Dear Sir /Madam

**RE: APPLICATION FOR FINAL RENEWAL AND EXTENSION OF CERTIFICATE OF INCENTIVES NO. 042982 FOR GOLD MINING PROJECT AND AMENDMENT OF SHAREHOLDERS**

Kindly refer to the above mentioned subject.

For the last three years now, **TAIC LIMITED** (Formerly **AL RAGAA INVESTMENT COMPANY LIMITED**) has successfully been undertaking and implementing its project for prospecting, mining and processing of gold at Mbogwe District, Geita Region by carrying out the necessary initial process of Gold prospecting of which has proved positive and very good results.

The total investment which has so far been done to the project is about **USD 1,650,000.00** and we expect to spend approximately **USD 2,000,000.00** during the start of Gold Mining and processing in the next three to four months.

This company would therefore like to renew its Certificate of Incentives due to the prevailing pressing needs of the project of which the company is almost now ready to start the mining process and put more investments to the project buildings, machinery and equipment, motor vehicles and other project infrastructure including roads.

Apart from the renewal, also we are requesting you to amend our Certificate for share holders by adding **MR. NICOLA RALPH** who joined the company.

You will also recall that Tanzania, was among the countries in the world which was attacked by Covid 19 pandemic disease which affected many projects the company Managing Director was forced to remain locked in his country Australia for one year.

Together with this application, kindly find attached here with a brief project progress report for your necessary further processes.

Looking forward for your usual cooperation and assistance and you are warmly welcome to Mbogwe.

Yours faithfully,

**TAIC LIMITED**

**RAFAT NAGIEB**  
**MANAGING DIRECTOR.**



# TAIC LIMITED

## PROJECT FOR PROSPECTING, MINING AND PROCESS OF GOLD AT KANEGELE VILLAGE, MBOGWE DISTRICT – GEITA REGION

### PROGRESS REPORT

#### 1.0. PLANNED ACTIVITIES FOR THE PERIOD

During the establishment and registration of the project at Tanzania Investment Centre, the followings were the project planned activities, budget and estimates which were to be implemented in a period of two (2) years before initial projects take off.:-

S/N	ITEM/DESCRIPTION	COSTS USD
1	Land sand Building (Acquisition and Construction	600,000.00
2	Plant, machinery and Equipment	800,000.00
3	Motor Vehicles	300,000.00
4	Safety and Security Equipment	20,000.00
5	Communication Equipment	20,000.00
6	Furniture and Fittings	20,000.00
7	Pre- Operation Expenses	50,000.00
8	Initial Working Capital	140,000.00
9	Others	50,000.00
	<b>TOTAL PROJECT COSTS</b>	<b>2,000,000.00</b>

#### 2.0. ACHIEVEMENTS MADE ON THE PROJECT IMPLEMENTATION TO DATE

During the project three years of implementation, there has been notable achievements made through the project is yet to take off

Due to a lot of bureaucracy, it has taken a long time to undertake initial project establishment in terms of land acquisition, registrations, Licenses and Permits.

In this case, the project experienced some difficulties and challenges during its initial establishment.

However, the following activities have been implemented by the project promoters:-

- Compensation of the native owners of the land, organised and executed through the legal avenues designed by the United Republic of Tanzania.
- Establishment of an office and accommodation in Dar Es Salam, Tanzania
- Establishment of an office and accommodation in Kahama, Tanzania.
- Purchase of land in order to construct an office and accommodation in Kahama, Tanzania.
- Planning, approval and drafting of the office and accommodation in Kahama, Tanzania.
- Exploration, geophysical, geological and environmental reports and associated documents.
- Acquiring of the Environment Certificate for gold mining and processing from the United Republic of Tanzania, ministry of minerals office.
- Acquiring of the amalgamation certificate from the mining office.
- Erecting a fence (2500 meters) and an entrance gate to enclose the full area of the mining site.
- Building of a security check point at the entrance gate with full facilities including communications, power and workstations.
- Construction of a medical/ first aid room.
- Construction of 3 security towers (5 meters high) at each corner of the site.
- Construction of a 2 km road connecting the village to the mining site and 14km of internal roads connecting all the main areas of the site. The construction of bridges on the site, in areas prone to flooding.
- Construction of the initial workers camp and office to accommodate the senior engineers and site managers. These buildings are fully furnished and fitted with air conditioning, solar power and back-up generators.
- Drilling 3 separate water wells to a depth of 85m, that provide fresh water to all areas of the site.
- Construction of all sanitation rooms for the senior camp.
- Construction of a workshop/storeroom covering an area of 14x12x4.5m.
- Construction of a carwash for all onsite vehicles, adjacent to the on workshop/storeroom
- Construction of a cover for the first mining shaft, covering an area of 15x15x4.5m
- Construction of an office/slumber room and storeroom adjacent to the first mining shaft, 12x12x3.5 m.
- Construction of a room (8x8x2.5m) housing the 60 Kva generator to supply the shaft and worker's camp.

- Construction of a fully furnished camp for the permanent shaft staff, accommodating both night and morning shifts, 25x12x3m
- Construction of a fully fitted food hall and industrial kitchen.
- Construction of toilets and showers (8 of each) for all employees.
- Construction of the first stage of the production area.
- Construction of the second stage of the production area of which only 35% is complete.
- Planning of the third stage of the production area.
- Construction of pathways connecting all major areas of the site.
- Purchase of three generators.
- Purchase of 1 X Ford Ranger Wild Track 4WD 2017 and 2 X Ford Rangers 4WD 2015.
- Purchase of 2 dump trucks 2019, one with the capacity of 1 tonne and the other with 2.5 tonne.
- Purchase of a Kaeser air compressor and rock breaker hammer.
- Purchase of 6 water pumps, 15hp each.
- Purchase of a winch (40m) to assist in rock removal from the shaft.
- Purchase and construction of 3 sub sanitation tanks.
- Purchase and construction of 2 water tanks(2000L) 16 water tanks(S000 L) and 2 water tanks (10000 L).
- All expenses related to delivery/transport of the goods and services to and from the mining site.
- All expenses related to the transportation of managers and directors to the mining site from Dar Es Salam ant Kahama, which is a total distance of 1210 km.
- All the travel expenses for the directors from Australia to Tanzania and vice versa.
- All the annual fees related to the mining site paid to the mining office.
- All the taxes paid per financial year since conception.
- All leases and accompanying costs.
- All the wages , salaries and office expenses

It should be noted here that the project at Kanegele Gold Mining has not yet started production, currently preliminary preparations and establishment and all other site work is on – going at advanced stage.

However, according to the confirmed geological and material reports done and approved, the project is expected to produce between 30 – 35 kgms of gold per month for three (3) shafts operating.

It is anticipated that after the completion of all site works and full establishment for production operations, the company will prepare a comprehensive production work schedule and all other CAPEX / OPEX along with the related operating budgets and projected cash burn .

However, the current capital expenditure so far done by the company is estimated at **Tshs 3,827,852,500.00** (approximately **USD 1,653,500.00**) which has included.

### 3.0. COMPANY UPDATED INFORMATION

S/NO	INFORMATION	DESCRIPTION	CURRENT PROJECT STATUS
1.	Shareholder's Information	Current shareholders, Names, Nationality and Percentage of ownership	1. Rafat Nagieb – Australian 50% 2. Sayed Imran Al – Edroos – Tanzanian 25% 3. Nicola Ralph – Australian 25%
2.	Company Communication	Email Address	rnagieb@gmail.com
		Mobile phone	+255687 360300
		Landline Telephone number	+255 22 2152440
		Physical Address ( Plot NO. Block NO. Street, District, Region	Plot NO 769, Block 16 Bima Street , Mikocheni B Kinondoni – Dar es Salaam
3.	Contact person	Name	Tom Joseph Mazanda
		Position	Accountant
		Email	<a href="mailto:tommazanda@yahoo.com">tommazanda@yahoo.com</a>
		Mobile	+255 767 000089
		Telephone	+255 22 2152440
4.	Incorporation	Certificate of Incorporation	121654
5.	TIN Information	TIN Certificate	128-470-808
6.	Project objective	Project core Activity	Mining and Processing of Gold
7.	Capacity	Project capacity per Year	To produce between 300 Kgms to 400 kgms of Gold
8.	Direct employment	Foreign – Men	0
		Foreign – Women	0
		Local – Men	16
		Local – Women	6
9.	Indirect employment	Estimated Total No Type/ Areas of indirect Employment	100 a) Vendors and Suppliers b) Transporters c) Casual Labourers d) Security Guards etc

#### 4.0. PROJECT FINANCIAL EXPENDITURE TO DATE ( USD)

DESCRIPTION	FOREIGN (USD)	LOCAL	TOTAL (USD)
• Land and Buildings	303,500.00	122,000.00	425,500.00
• Plant and Machinery	568,650.00	0.00	568,650.00
• Motor Vehicles	90,000.00	0.00	90,000.00
• Furniture and Fittings	17,500.00	0.00	17,500.00
• Office Equipment	7,500.00	0.00	7,500.00
• Insurance Cover – Mv	6,500.00	0.00	6,500.00
• Pre – operational Expenses			
(a) Feeder Roads and site	166,850.00	0.00	166,850.00
(b) Other pre – oper expenses	105,000.00	0.00	105,000.00
(c) Personnel and Administration	272,500.00	0.00	272,500.00
• Working sub Total Capital	0.00	0.00	0.00
• Grand total USD	1,580,000.00	122,000.00	1,660,000.00

#### 5.0. PROJECT FINANCING

DESCRIPTION	AMOUNT (USD )	SOURCE COUNTRY
Local Equity	122,000.00	Tanzania
Local Loans	0.00	
Foreign Equity	1,580,000.00	Australia
Foreign Loans	0.00	
<b>TOTAL INVESTMENT</b>	<b>1,660,000.00</b>	

#### 6.0. PROBLEMS AND SOLUTION

##### i. Financing

Modern stringent methods of transferring funds from shareholders is somehow difficulty with a lot of restrictions including anti-money laundering procedures sometimes causes delay especially to new funded projects.

- ii. The list of our capital goods/ deemed capital goods for duty exemptions was shortly approved but some of requested items for exemption submitted to TRA for approval were disapproved for duty exemption especial motor - vehicle etc.

This is a setback and demonization to us we have observed that there has been a, frequent change in the matter of investment incentives contrary to what has been stipulated in the National Investment policy and the Tanzania Investment Act, 1997.

- iii. Having discussed with the relevant authorities and institutions the company has been promised to receive all the necessary support and assistance in speeding up the project establishment.

## 7.0. FUTURE PLANS

After the completion of Geological survey and NEMC environmental impact assessment, the project is expected to do the followings.

- i. Ensure all funds due for collection from Equity holders and from the Bank are obtained to complete the project and take off before July 2021.
- ii. Ensure fast importing of plant and its accessories
- iii. Ensure all necessary trucks stocks and equipment are imported in time
- iv. Recruiting bigger work force and engineering personnel
- v. To provide necessary social services to the neighboring villages like water boreholes, sanitations etc.
- vi. Strengthen product marketing and registering into local and international stocks markets.
- vii. Solicite and obtain Bank Loan for construction of office block and residential houses.

## 8.0. RECOMMENDATIONS

We recommend to Tanzania Investment Center

- i. To work to its utmost ability to protect genuine investors and ensure that institutions including the government institutions abide to and, comply with national Investment Act, 1997 and strongly urged to renew the certificate of incentives.
- ii. Work hard to convince the legislative bodies to legislate investment laws and regulations that are stable and long lasting
- iii. Working and Residential permits laws for foreign experts should be easenup.
- iv. One stop - shop centre should be practical active by 100% all decision making and approval in situ.
- v. Frequent amendments and changes to investment laws and regulation is a cause of frustration and confusion to both the facilitator and investors in general.
- vi. Central Bank of Tanzania should try to soften its policy towards new investors to be allowed open provisional bank accounts for capital transferring before issuance of working and residential permits in order to speed - up and support the president industrialization policy.
- vii. The land acquisition policies for foreigners should be reviewed.

## 9.0. ANNEXURES

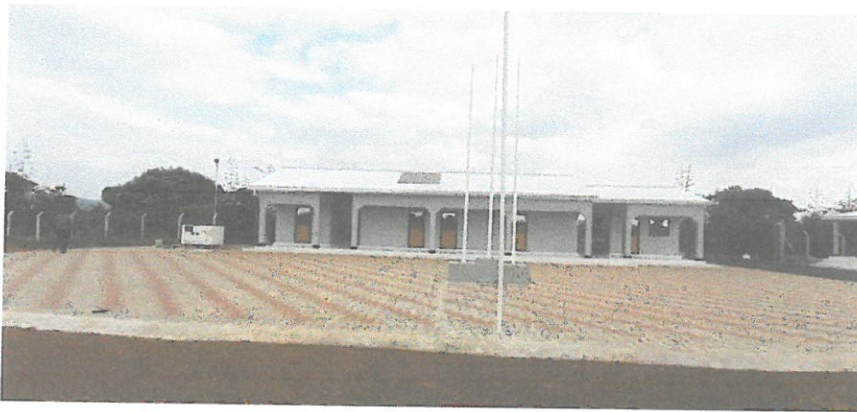
- i. Share Transfers Documents
- ii. Tax Clearance Certificate
- iii. BRELA Search Report.
- iv. Original Certificate of Incentives.

## **10.0. PROJECT PHOTOGRAPHS**





Office and residence  
Kahama City



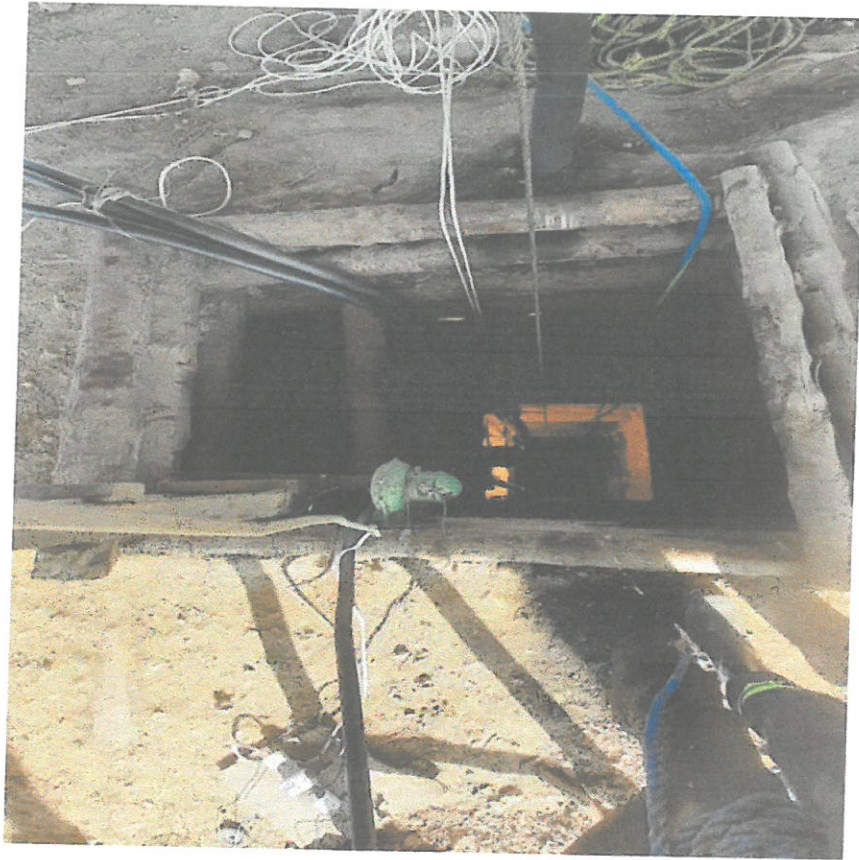
Office and residence  
on site



Storage and  
workshop



Kitchen, dining and  
rest rooms.



Shaft 40 meters deep



Shaft shed cover





**POWER GENERATOR**



**COMPRESSOR AND GENERATOR**





**HOUSING ACCOMMODATION AND WORKSHOP IN CONSTRUCTIO**





**SHAFT SHEDS- 40 MTS DEEP**

