

RUVUMA COAL LIMITED

P.O.Box 8812, Dar es Salaam, Tanzania, Mob+255784324872

Keko Mwangi "A" Area

Email: hasab60@hotmail.com;

MINING LICENCE 617/2019 & 618/2019 Ruanda Coal Project

DATA MONITORING, IMPROVEMENT AND UPDATING.

DISTRIBUTION

MRO-Ngaka
Resident Mines Officer-Ruvuma



Prepared By:-
Ruvuma Coal Limited

1. INTRODUCTION

This information is submitted by Ruvuma Coal Limited (RCL) as directed from RMO-Ngaka following his letter dated 12/10/2020. The information will be based on the mining activities carried out on the pits located within ML 617/2019 and ML 618/2019.

ML 617/2019 and ML 618/2019 were granted to Ruvuma Coal Limited on 1st August 2019 for Mining of Energy minerals (Coal). Ruvuma Coal Limited is a local private company based in Dar es Salaam, Tanzania and dully registered at the Business Registration and Licensing Agency (BRELA). The registration number of the company is 128019 issued on the 7th February 2017 in Dar es Salaam. The principal businesses of the company are exploration, mining and supplying of coal.

Ruvuma Coal Limited started mining operation for coal in the area since 01/04/2020.

2. GEOLOGY OVERVIEW OF MINING AREA

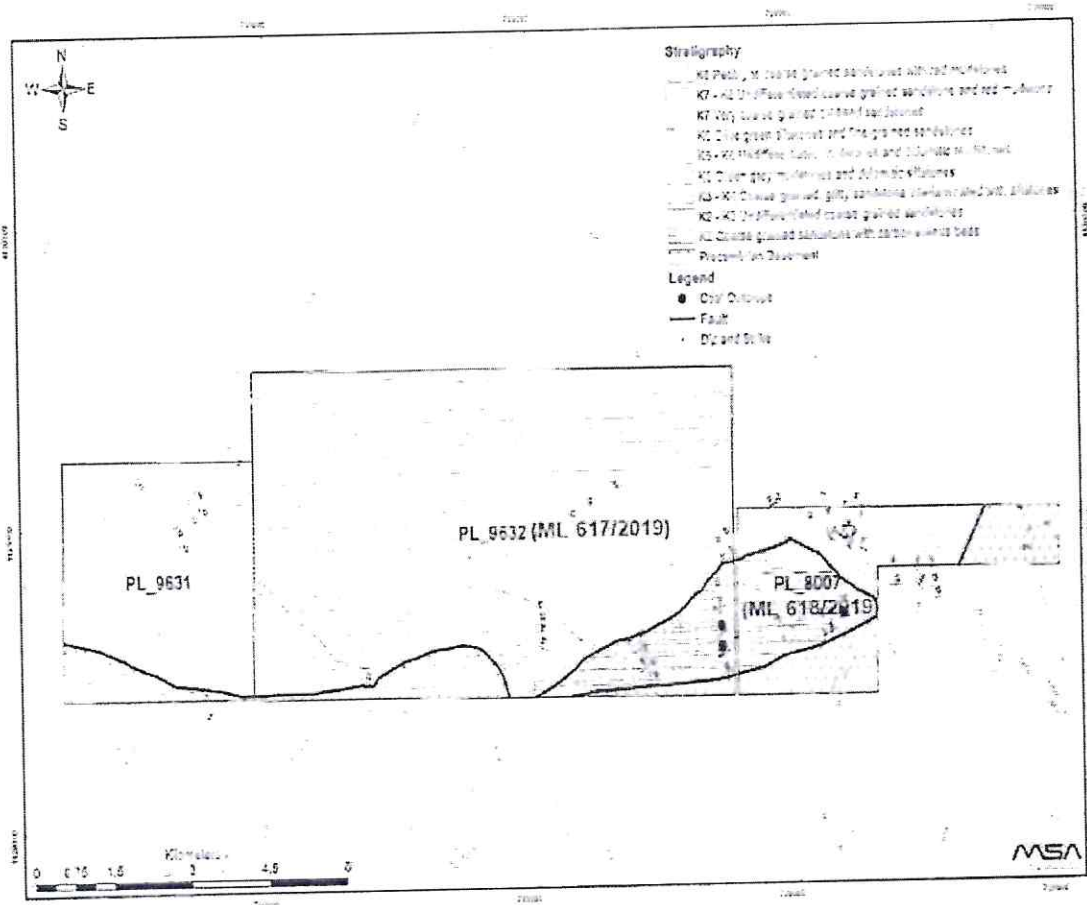
The project area which named as Ruanda Coalfield falls within the Karoo formation of Ruhuhu basin, South Western of Tanzania. This part explains the geology of the two prospecting licences where exploration through geological mapping and drilling were conducted and earmarked for application of two contiguous mining licences. The coal seams found in the Ruanda licences dips to the North approximately 30 degrees. The coal seams are hosted in the sandstones of the Ruhuhu basin, Mchuchuma formation.

The project of Ruanda area consists of two adjoining licences, ML 617/2019 (previously PL 9632/2014) and ML 618/2019 (previously PL 8007/2012) (Figure1). The stratigraphic succession exposed in the Ruanda licences consists of gneissic basement in the southern and eastern margin of the tenements. The basement rocks on the eastern boundary have a strong northwest-southeast foliation fabric that is moderately dipping (40°-64°) to the west. The basement is overlain by approximately 20m of obscured ground with coarse sand material and large boulders.

Overlying the basement, in the southeast portions of licenses ML 617/2019 and ML 618/2019, is a succession of interbedded carbonaceous siltstones and sandstones from the K2 Formation which outcrops in river sections (Figure 3). On the most eastern side of Licence ML 618/219, observed a faulted contact between basement and the K7

Formation. This succession grades upwards into the first coarse grained, feldspathic sandstone indicative of the K2 unit. Outcrops of the coal bearing Mchuchuma Formation (K2 unit) occur along Hanganu and Ndesi streams which drain into Ngaka River. The stratum for the K2 unit generally has a northeast-southwest strike with shallow to moderate dips of 20°-40° to the north. K2 has a characteristic coarse-grained texture and is predominantly internally structured by trough cross-stratification and occasional channel switches at right angles in some cases. Outcrops of Idusi Formation occur southwest of ML 617/2019 (Semkiwa, 2013) and the formation is in unconformable contact with the Ubendian basement.

The contact between the Ubendian basement and K2 is believed to be a faulted contact on the southwest of ML 618/2019 as the K2 directly overlies the basement with no lithologies attributable to the Idusi Formation (K1) observed. Alternatively, it is possible that K1 was not deposited in the area or that it has been overstepped by K2.



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Figure 1: Geological map of Project area

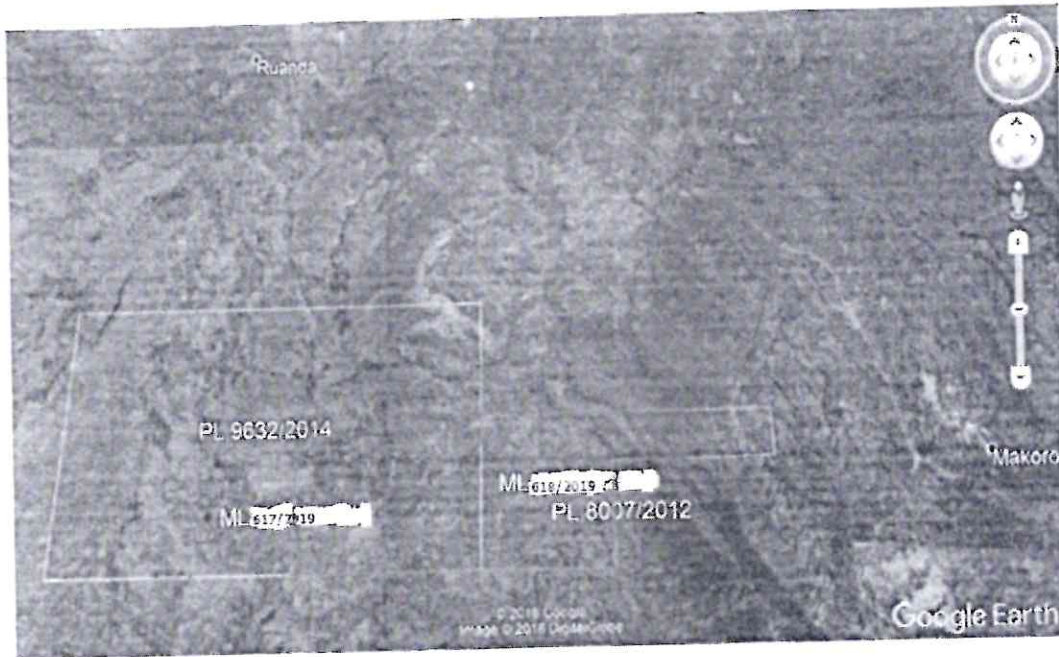


Figure 2: Google map view showing ML 617/2019 and ML 618/2019 within Prospecting Licences

3. PRODUCTION STATISTICS

The followings are statistics of production of coal since the commencement of mining operations in the mining area.

Date	Mined coal in tons	Sales in tons	
		Local sales	Export sales
April 2020	6,176.55	603,190,930	-
May 2020	12,838.63	1,247,952,542.81	
June 2020	19,239.5	1,923,724,718.1	144,977,280
July 2020	30,952.8	2,711,949,552.08	533,659,685
Aug 2020	32,315.2	2,929,030,873.8	514,393,628
Sept 2020	39,611.74	3,867,202,366.8	580,882,848

4. EMPLOYMENT AND SALARIES STATISTICS

Since the commencement of mining operations until to the end of 31th July, 2020, the company has employed the staff and salary expenditures are shown below.

Local permanent staff	Salary expenditure annually	Expert permanent staff	Salary expenditure annually	Local casual labours	Salary expenditure annually
25	300,000,000	1	56,400,000	10	36,000,000

5. TRAINING PROGRAM FOR STAFF

Since the commencement of mining operations until to the end of 31th July, 2020, the company has conducted 2 managerial trainings and the company is projecting to conduct more On-Job Training to local employees especially in mining and processing department. The objective of Training Programme is to enhancing skills of staff.

6. SUCCESSION PLAN

Succession plan address changes like retirement and loss of key people. The process focuses on the collection and analysis of specific data, allowing for highly customized solutions. One major focus on this process is certainly communication. Communication builds trust and subsequently reinforces a message to employees that their skills and experience are valued.

The following is the succession plan of the company in relation to the position and skills of the staff.

SUCCESSION PLAN

Name (s) of Current Expatriate (s)	Position	Department	Tanzanian (s) Successor	Required Training/ Tasks	Duration for Succession	Performance Indicator	Remarks / Comments
NIL	Managing Director	Administration	Local candidate interview will commence on going mining operations	Provide ongoing performance feedback to managers. Administration	6 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners
NIL	Human Resource Manager	Administration	Local candidate interview will commence on going mining operations	Set strategic goals for managers and staff.	5 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners
NIL	Financial Manager	Finance	Local candidate interview will commence on going mining operation	Review and manage cash flows statements Manage company profitability	5 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners
NIL	Production Manager	Production	Candidate interview will commence on going mining operations	Coach and develop employee s' abilities Proving leadership and guidance to employee	5 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners
NIL	Engineering plant supervisor	Engineering Mechanical	Local candidate interview will commence on going mining operations	Structural engineering design and mechanical Maintenance	5 years	Achievement of role specific key result	Must be able to monitor all equipment

NIL	Engineering & Processing	Mining and processing	Candidate to be identified during mining operations	Competence in metallurgy	5 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners
NII	Geologist and Technicians	Mining and processing	Candidate to be identified during mining operations	GIS, quarrying operation and exploration	5 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners
NIL	Communication Officer	Administration	Candidate to be identified during mining operations	Organize and deliver speaking engagements Advocate for customers	5 years	Achievement of role specific key result	Currently no foreigners, but this plan will be applied if happen the company employ foreigners

7. TECHNOLOGY TRANSFER

The company will transfer technology to local Tanzanians through working together with local experienced in coal mining and processing and use some experts who are knowledgeable in advanced mining and processing methods.

On-job training will be taken under the guidance of local experienced employee. Depending the financial position of the company, local employees will be given internship to visit other mines within or if possibly outside Tanzania in order to be conversant with technology use

8. COMPANIES PROVIDING SERVICES

The following is the companies commissioned to providing services to Ruvuma Coal Limited.

Company name	Name of service provider	Type of service provided	Location	Postal Address	Email	Forecast of services per year
Insurance service	RELIANCE	INSURANCE	DAR ES SALAAM		insure@reliance.co.tz	19,000,000
Banking and Financial services	FNB	BANKING	DAR ES SALAAM	BOX: 72290 DAR ES SALAAM	jmaeda@fnb.co.tz	100,000,000
Legal services	TRUSTWORTH ATTORNEYS	LEGAL	DAR ES SALAAM	BOX:12750 DAR ES SALAAM		\$12,000
Security service	AJOPE	SECURITY	RUVUMA	BOX: 50 SONGES	-	93,600,000
Environmental service	IN HOUSE		RUVUMA		Joseph@ruvumacoal.co.tz	
Catering and cooking services	IN HOUSE	COOKING	DAR			
Cleaning and Laundry services	IN HOUSE	CLEANING	DAR			
Other supporting services						

9. IMPLEMENTED COMMUNITY SOCIAL RESPONSIBILITY PLAN (CSR)

Ruvuma Coal Limited (RCL) is committed to support the host communities and our various stakeholders. Corporate Social Responsibility (CSR) will be prepared in relevant with mining operations and the Tanzanian Mining Act, 2010 and its amendments of 2017.

Since the commencement of mining operations until to the end of 31th July, 2020, the company has supported the following project in the community around the mining area:

i.	Iron sheets donated to Kitai Prison	540,000
ii.	4 trips of building sand to Sarah Primary	300,000
iii.	Building stones + Maison fee to Mkeso Primary	260,000
iv.	Building government toilet at Paradiso	100,000
v.	Road build for the water project	100,000
vi.	Windows for the Paradiso government hospital	500,000

10. WEIGHBRIDGE CALIBRATION REPORT

The company is expecting to install a new weighbridge in order to provide quality service and support to clients and having accurate and reliable data. Our technicians take pride in ensuring our weighbridge or scale is correctly serviced, calibrated and verified. We also commit ourselves to do comprehensive preventative maintenance service for good quality to our weighbridge. We are keen to provide the calibration report in order to have a good record.

11. VALID LICENSE COPY

Ruvuma Coal Limited was granted ML 617/2019 and ML 618/2019 on 1st August, 2019 for Mining of Energy minerals (Coal). Here, we submit copies of the licenses as you requested.

W. M. 6

THE UNITED REPUBLIC OF TANZANIA
WEIGHTS AND MEASURES AGENCY

B

164349

CERTIFICATE OF CORRECTNESS

Name: RULUMU COAL LIMITED (MBINGA)

Address: P.O. BOX 7283 DSM

Trade: WEIGHBRIDGE

I hereby certify that the under mentioned weighing and measuring instruments have this day been examined and found correct within the limits of error specified by the weights and measures Ordinance and Regulations.

Max Cap. 100 tonne

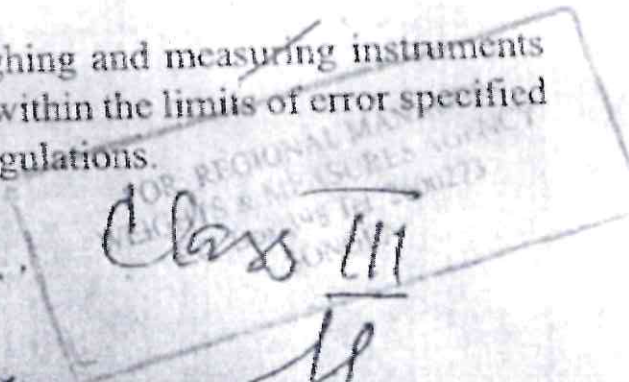
Model 3590EXP

Serial No. 2020090530

Date: 08/09/2020

Class III

Inspector of Weights and Measures



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