



The Executive Director,  
Tanzania Investment Centre ("TIC")  
Shaaban Robert Street,  
P.O Box 938,  
DAR ES SALAAM, TANZANIA

29 August 2022

Dear Mr Mwambe

**SUBJECT: KIKAGATI-MURONGO HYDRO POWER PROJECT TIC INVESTMENT LICENCE AMENDMENT**

Kikagati Power Company Ltd ("KPCL") is the owner of the Kikagati-Murongo Hydropower Plant (the "Project") located in Kikagati-Murongo districts, the Republic of Uganda and the United Republic of Tanzania respectively. The Plant was recently commissioned to evacuate power following its construction completion in mid-December 2021.

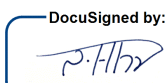
Reference is made to the Tanzania Investment License no. 120030 issued to KPCL on 12 February 2019. While developing the Kikagati-Murongo project and seeking the Investment Licence, KPCL expected to invest \$6.2m on the Tanzania side as shown in the table below, listing the assets on the Tanzania side. The Developer has achieved construction completion with an amount of \$3.7m being the contracted cost of investment on the Tanzania side, see Annex 1. The change in costs incurred on the weir and aquatic bypass mainly result from a change in the design of the structures. Secondly, the expected investment on the cofferdam was incurred on both the Uganda and Tanzania sections of the Project.

Section (Amounts in USD)	Expected Investment	Total Construction Cost to Date
Weir	2,676,775	1,219,245
Aquatic bypass, earthfill and access for stoplog operations	885,021	575,492
Coffer dam phase 2 (temporary structure)	744,120	245,560
Fencing, service road and access road Tanzania	346,333	191,800
Switch yard	1,523,549	1,508,318
<b>Total cost</b>	<b>6,175,798</b>	<b>3,740,419</b>

KPCL therefore requests for an amendment of the investment cost of the TIC Investment Licence from \$6.2m to \$3.7m. This is financed by equity and senior debt amounts of \$1.8m and \$1.9m, respectively.

We continue to appreciate the support provided by the centre through out the development and completion of the project.

Yours faithfully

DocuSigned by:  
  
 22BE547ZBAB1475...  
 Nicholas Tatrallyay  
 Director  
 Kikagati Power Company Ltd

**Kikagati Power Company Ltd**

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Kampala

Registered address:  
1<sup>st</sup> Floor UEDCL Towers  
37 Nakasero Towers  
Nakasero, Kampala

Other address:  
6th Floor, Nyerere Pension Tower  
Bibi Titi Street/Morogoro Road  
P.O. Box 78934  
Dar es Salaam, Tanzania



Annex 1:

## INVESTMENT SPLIT

## UGANDA / TANZANIA



Work Package	Total Contract Cost					Work complete to Date					
	BoQ	UGANDA		TANZANIA		BoQ	UGANDA		TANZANIA		
<b>EPC: Civil Works (PAC)</b>	\$ 39,919,967.72	\$ 38,794,733.46	97%	\$ 1,125,234.26	3%	\$ 39,919,967.72	100%	\$ 38,794,733.46	100%	\$ 1,125,234.26	100%
Site Camp, mobilisation & maintenance	\$ 5,854,648.00	\$ 5,854,648.00	100%	\$ -	0%	\$ 5,854,648.00	100%	\$ 5,854,648.00	100%	\$ -	100%
Provisional Works	\$ 1,328,370.00	\$ 1,082,810.40	82%	\$ 245,559.60	18%	\$ 1,328,370.00	100%	\$ 1,082,810.40	100%	\$ 245,559.60	100%
Service and Access Roads	\$ 346,333.30	\$ 154,533.30	45%	\$ 191,800.00	55%	\$ 346,333.30	100%	\$ 154,533.30	100%	\$ 191,800.00	100%
Aquatic Bypass & EarthFill Dam	\$ 575,491.86	\$ -	0%	\$ 575,491.86	100%	\$ 575,491.86	100%	\$ -	100%	\$ 575,491.86	100%
N° 1 Debris Gate	\$ 997,962.79	\$ 997,962.79	100%	\$ -	0%	\$ 997,962.79	100%	\$ 997,962.79	100%	\$ -	100%
N° 2 Debris gate	\$ 874,637.32	\$ 874,637.32	100%	\$ -	0%	\$ 874,637.32	100%	\$ 874,637.32	100%	\$ -	100%
Intake	\$ 2,102,938.98	\$ 2,102,938.98	100%	\$ -	0%	\$ 2,102,938.98	100%	\$ 2,102,938.98	100%	\$ -	100%
Head race channel	\$ 3,632,863.20	\$ 3,632,863.20	100%	\$ -	0%	\$ 3,632,863.20	100%	\$ 3,632,863.20	100%	\$ -	100%
Tailrace	\$ 1,590,653.71	\$ 1,590,653.71	100%	\$ -	0%	\$ 1,590,653.71	100%	\$ 1,590,653.71	100%	\$ -	100%
Power house	\$ 9,890,478.54	\$ 9,890,478.54	100%	\$ -	0%	\$ 9,890,478.54	100%	\$ 9,890,478.54	100%	\$ -	100%
Various works	\$ 4,674,461.82	\$ 4,674,461.82	100%	\$ -	0%	\$ 4,674,461.82	100%	\$ 4,674,461.82	100%	\$ -	100%
Open Book	\$ 8,051,128.21	\$ 7,938,745.41	99%	\$ 112,382.80	1%	\$ 8,051,128.21	100%	\$ 7,938,745.41	100%	\$ 112,382.80	100%
<b>CVC Weir - PAC (separate BoQ)</b>	\$ 3,838,876.35	\$ 2,732,013.97	71%	\$ 1,106,862.37	29%	\$ 3,838,876.35	100%	\$ 2,732,013.97	100%	\$ 1,106,862.37	100%
<b>EPC: Electro-Mechanical Works (Voith)</b>	\$ 11,178,574.00	\$ 11,178,574.00	100%	\$ -	100%	\$ 11,169,454.00	100%	\$ 11,169,454.00	100%	\$ -	100%
Interconnector : Supply (Apollo)	\$ 962,658.89	\$ 80,551.51	8%	\$ 882,107.38	92%	\$ 962,658.89	100%	\$ 80,551.51	100%	\$ 882,107.38	100%
Interconnector : Service (Apollo)	\$ 674,234.18	\$ 48,023.91	7%	\$ 626,210.28	93%	\$ 674,234.18	100%	\$ 48,023.91	100%	\$ 626,210.28	100%
<b>TOTALS</b>	\$ 45,395,737.14	\$ 41,655,322.86	92%	\$ 3,740,414.29	8%	\$ 45,395,737.14	100%	\$ 41,655,322.86	100%	\$ 3,740,414.29	100%

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