

*Mining (Minimum Shareholding and Public Offering)*

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GOVERNMENT NOTICE NO. 286 published on 7/10/2016

THE MINING ACT  
(CAP. 123)

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**REGULATIONS**

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*(Made under section 109)*

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THE MINING (MINIMUM SHAREHOLDING AND PUBLIC OFFERING)  
REGULATIONS, 2016

PART I  
PRELIMINARY PROVISIONS

- Citation 1. These Regulations may be cited as the Mining (Minimum Shareholding and Public Offering) Regulations, 2016.
- Application 2.-(1) These Regulations shall apply to holders of Special Mining License issued pursuant to the Act.  
(2) The holder of Special Mining Licence shall issue shares to the public and list on a stock exchange in the United Republic of Tanzania.
- Interpretation 3. In these Regulations, unless the context requires otherwise:
- Cap. 123 “Act” means the Mining Act;
- Cap. 79 “Authority” means the Capital Markets and Securities Authority established under the Capital Markets and Securities Act; “Minister” means the Minister responsible for mining; and “Special Mining Licence” has the meaning ascribed to it under the Act;
- “local shareholding” in relation to:  
(a) a natural person, means shares held by a citizen of the United Republic;

## *Mining (Minimum Shareholding and Public Offering)*

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*G.N. No. 286 (contd.)*

- Cap. 212
- (b) a body corporate, means shares held by a company incorporated under the Companies Act in which citizens or the Government of the United Republic has beneficial interest in at least fifty percent of the ordinary shares of such company or any other body corporate established or incorporated in the United Republic under the provisions of any written law;
- “public offer” means an invitation of the members of the public to enter into an agreement for or with a view to subscribing for or otherwise acquiring any securities.

### PART II

#### SHAREHOLDING REQUIREMENTS AND OBLIGATIONS

Minimum  
shareholding  
requirement

4.-(1) The minimum local shareholding requirement of a holder of Special Mining Licence shall be thirty percent of the total issued and paid up shares.

(2) Where the holder of the licence has failed to secure the minimum local shareholding due to an unsuccessful public offer, the Minister may:

- (a) upon application of the holder of a licence granted under the Act; and
- (b) on the recommendation of the Authority,
- grant a waiver to the holder from the minimum local shareholding requirement.

Obligations for  
Local  
shareholding  
Cap. 79

5.-(1) The minimum local shareholding for a Special Mining Licence shall be obtained through a public offer in accordance with the provisions of the Capital Market and Securities Act within one year after granting of the said licence.

(2) A licensee referred to under subregulation (1) whose licence was issued prior to commencement of these Regulations shall, within two years from the date of commencement of these Regulations, ensure compliance with the local shareholding obligation.

(3) A licensee referred to under subregulation (1) whose licence is issued after the commencement of these Regulations shall, within one year from the date of grant of a Special Mining Licence, ensure compliance with the local shareholding obligation.

*Mining (Minimum Shareholding and Public Offering)*

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*G.N. No. 286 (contd.)*

(4) A holder of a Special Mining Licence shall maintain the minimum shareholding requirement prescribed under regulation 4(1) as an ongoing obligation throughout the licence period.

Obligation for listing

6.-(1) A holder of Special Mining Licence shall list its shares on a stock exchange within the United Republic in accordance with the applicable listing rules of the stock exchange.

GN 168 of 2003

(2) The provisions of regulation 3(4) of the Capital Markets and Securities (Foreign Investors) Regulations, 2003, relating to the maximum limit of sixty percent of the total number of shares to be held by foreign investors in the listed securities, shall not apply to the shares of the Special Mining Licence that are listed on a stock exchange in the United Republic.

(3) The grant of the waiver under regulation 4 shall not preclude a licensee from the obligation of listing on the stock exchange as prescribed under subregulation (1).

Change of name by licensee

7. Where there is a change of name by a licensee who is subject to local shareholding requirements set out under these Regulations, the licensee shall register the change in accordance with section 106 of the Act.

Effect of failure to register

8. A licence holder who fails to comply with the requirements of these Regulations shall be in default and the provisions of section 63 of the Act shall have effect against him.

Dar es Salaam,  
30<sup>th</sup> September, 2016

SOSPETER M. MUHONGO,  
*Minister for Energy and Minerals*