

# Third Reconciliation Report

For

Tanzania Extractive Industries Transparency  
Initiative (TEITI) for the year ended 30 June 2011

Prepared by  
BDO East Africa in association with  
Paulsam Geo-Engineering Limited

**June 2013**



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## LIST OF ABBREVIATIONS

|                   |   |
|-------------------|---|
| <b>ABG</b>        | <b>African Barrick Gold</b>   |
| <b>Au</b>         | Gold  |
| <b>CAG</b>        | Controller and Auditor General                                      |
| <b>Cu</b>         | Copper  |
| <b>Consultant</b> | BDO East Africa in association with Paulsam Geo-Engineering Limited |
| <b>DIA</b>        | Diamonds  |
| <b>EITI</b>       | Extractive Industries Transparency Initiative                       |
| <b>GEM</b>        | Gemstones   |
| <b>Lb</b>         | Pounds  |
| <b>LST</b>        | Limestone   |
| <b>MDA</b>        | Mineral Development Agreement                                       |
| <b>MEM</b>        | Ministry of Energy and Minerals                                     |
| <b>ML</b>         | Mining License  |
| <b>MSG</b>        | Multi-Stakeholder Group   |
| <b>NAO</b>        | National Audit Office   |
| <b>NDC</b>        | National Development Corporation                                    |
| <b>NSSF</b>       | National Social Security Fund                                       |
| <b>Phos</b>       | Phosphates  |
| <b>PL</b>         | Prospecting License   |
| <b>PSA</b>        | Production Sharing Agreement  |
| <b>PML</b>        | Primary Mining License  |
| <b>PPF</b>        | Parastatal Pension Fund   |
| <b>PPL</b>        | Primary Prospecting License   |
| <b>SML</b>        | Special Mining License  |
| <b>SOE</b>        | State Owned Enterprises   |
| <b>TEITI</b>      | Tanzania Extractive Industries Transparency Initiative              |
| <b>TMAA</b>       | Tanzania Minerals Audit Agency                                      |
| <b>toz</b>        | Troy Ounces   |
| <b>TPDC</b>       | Tanzania Petroleum Development Corporation                          |
| <b>TRA</b>        | Tanzania Revenue Authority  |
| <b>USD</b>        | United States Dollars   |
| <b>VAT</b>        | Value Added Tax   |
| <b>PAYE</b>       | Pay as Your Earn  |
| <b>PPF</b>        | Parastatal Pension Fund   |
| <b>SDL</b>        | Skills and Development Levy   |

## 1. EXECUTIVE SUMMARY

The Third TEITI reconciliation covering the period from July 1<sup>st</sup>, 2010 to June 30<sup>th</sup>, 2011 was carried out from February 15<sup>th</sup>, 2013 to June 26<sup>th</sup>, 2013 by BDO East Africa, Tanzania in association with Paulsam Geo-Engineering Limited. The objective of the assignment was to undertake a reconciliation of material payments provided by mining, oil and gas companies, and receipts from Government agencies. A scoping study was carried out to determine the number of participating companies, and to provide guidance on the materiality payments. The Scoping Study Report was approved by MSG at its meeting on April 17<sup>th</sup>, 2013, and agreed that materiality threshold for payments be TzS. 150,000,000 (TzS 0.15 Billion). Based on this threshold, 30 companies were selected (18 mining and 12 oil and gas companies) as covered entities for 3<sup>rd</sup> TEITI Report, representing more than 99% of the total revenue collected by the TRA, MEM, and TPDC during the year ended June 30, 2011.

### Highlights

The main highlights from the reconciliation exercise of Third TEITI Report are as follows:

- a. The number of taxpayers (30 companies) selected to be covered in Third Report is higher than the number of taxpayers (23 companies) included in the Second TEITI Report. The number of participation increased by 30%.
- b. For the period from July 1<sup>st</sup>, 2010 to June 30<sup>th</sup>, 2011, the Government reported to have received total revenue of TzS 497 billion (USD 329.64) Government revenue in the Second TEITI Report was TzS 419 billion (USD 305.36 million), an increase of 19%.<sup>1</sup>
- c. Out of the 30 selected companies, 29 companies, a response rate of 97%, submitted reporting templates, complied with the requirement to submit an audit certificate as well as audited financial statements. One company (Tullow Tanzania B.V) did not submit reporting template because the company was no longer operating in Tanzania at the time of preparing this Report. However, the Government unilaterally reported receipts amounting to TzS 893 million (0.18% of total reported government receipts).
- d. Net tax revenue (Total payments less PAYE, social contributions, and VAT on import duty) received from Bulyanhulu, Geita Gold Mine, North Mara, Pangea (Buzwagi & Tulawaka), and Golden Pride was TzS 252 billion in 2010/2011. In 2009/2010 net tax revenue from these six large-scale gold operators was TzS. 117.6 billion. Net tax revenue as a percentage of gold export in 2009/2010 and 2010/2011 was 6.1% and 9.8% respectively. Export sales reported by all production companies in the Third Report amounted to TzS 3.1 Trillion compared to TzS 2.2 Trillion in the Second Report.
- e. All government reporting templates were certified by the Controller and Auditor General (CAG) with the exception of TRA- Customs Department. The Commissioner for Customs Department signed the templates, the total taxes received by the Customs Department amounted to TzS 52 Billion (10% of total reported government receipts).
- f. Only 5 (out of 30 companies) paid corporation income taxes (CIT). These companies are:- Resolute Tanzania Ltd, Mbeya Cement Company Ltd, Tanzania Portland Cement Company Limited, Pan African Energy Tanzania Ltd, and Tanga Cement Company Limited. Resolute Tanzania Ltd is the only gold mining operation which paid CIT in this period. Three are cement companies and one gas company.
- g. The composition of total Government revenue for the amount of TzS 497 billion is as follows:- TzS 456 billion (92%) are tax revenues, and TzS 41 billion (8%) are social contributions. VAT on imports and fuel levy component received from companies with MDAs is TzS 4 billion (0.88 %) of tax revenue.

<sup>1</sup> Exchange rate used in the 2<sup>nd</sup> Report is 1USD= TzS 1372.157 and Third Report 1USD= 1507.7

The TzS 4 billion VAT on imports and fuel levy will be refunded to these companies in the future as provided in the MDAs.

- h. Companies reported to have made donations and incurring corporate social responsibility-related expenses (CSR) for the amount of TzS 6.9 Billion. The CSR contributions were not reconciled in this report, they are meant to serve for information purposes.
- i. A net difference of TzS 11 billion (government reported less than the companies reported to have paid) remained unresolved at the end of the reconciliation. This represents 2.21% of the total reported government receipts.
- j. Please see the analysis below as regards corporation tax status of the major mining companies.

The table below shows the profits made by the major seven (7) mining companies for the years 2010 and 2011 as well as the corporation taxes paid and estimated accumulated tax losses carried forward. The information has been extracted from the audited financial statements provided by these companies.

| No.                         | Company                      | Year ended 31 Dec 2011                 |                     |   | Year ended 31 Dec 2010                 |                     |   |
|-----------------------------|------------------------------|--|---------------------|---|--|---------------------|---|
|                             |                              | Profit (loss)<br>before tax<br>USD'000 | Tax paid<br>USD'000 | Estimated<br>accumulated<br>tax losses<br>USD'000 | Profit (loss)<br>before tax<br>USD'000 | Tax paid<br>USD'000 | Estimated<br>accumulated<br>tax losses<br>USD'000 |
| 1                           | Bulyanhulu Gold Mine         | 205,974                                | -                   | 905,000   | 146,054                                | -                   | 1,075,000   |
| 2                           | Pangea Minerals Limited      | 138,743                                | -                   | 157,000   | 52,155                                 | -                   | 264,000   |
| 3                           | North Mara Gold Mine Limited | 79,792                                 | -                   | 262,000   | 128,805                                | -                   | 225,000   |
| 4                           | Resolute Tanzania Limited**  | 68,331                                 | 16,432              | -   | 47,249                                 | 3,863               | -   |
| 5                           | Tanzanieone Mining Limited   | 327                                    | -                   | -   | (1,482)                                | -                   | -   |
| 6                           | Williamson Diamonds Limited  | (7,544)                                | -                   | -   | (16,627)                               | -                   | -   |
| 7                           | Geita Gold Mine              | 327,946                                | -                   | -   | 57,873                                 | -                   | -   |
| <b>Grand total revenues</b> |                              | <b>813,569</b>                         | <b>16,432</b>       | <b>1,324,000</b>                                  | <b>414,027</b>                         | <b>3,863</b>        | <b>1,564,000</b>                                  |

\*\*-Resolute has a year end of June 2011 instead of December

- Geita Gold Mine had indicated that they started paying corporation tax after December 31, 2011 after the company had utilised tax losses from previous years. For the year ended 31 December 2011, GGM was meant to pay USD 51 Million in corporation taxes but after negotiations with TRA, this amount was offset against a VAT claim by GGM from TRA and no actual tax was paid to TRA. Its expected that going forward, GGM will be paying corporation taxes since the company is profitable and has no unutilised tax losses.
- Bulyanhulu GM, Pangea Minerals and North Mara Gold Mine are not paying corporation taxes though they are making profits and this is because these entities have significant unutilised tax losses from previous years of USD 1.3 Billion as of 31 December 2011 (2010 USD 1.5 Billion). These companies are not expected to pay any corporation taxes until these unutilised tax losses have been utilised entirely and this may take several years in the future.
- Tanzanieone Mining Limited is loss making and not profitable, the reason they did not pay corporation tax
- Williamson Diamonds Limited made losses as seen in the table and therefore did not have taxable profits.

## 2. COMMENTARY ON CONTRIBUTION OF GOLD REVENUES TO THE GOVERNMENT: A PERSPECTIVE OF MSG

Gold is a single largest mineral commodity in Tanzania. The value of gold exports as a percentage of total mineral exports in 2012 reached 94%, and mineral export revenue increased by 16.3% between 2011 and 2012<sup>2</sup>. The value of mineral exports increased from USD 1.98 billion (equivalent to TzS 3.2 trillion) in 2011 to USD 2.3 billion (equivalent to TzS 3.7 trillion) in 2012. The contribution of mineral sector to GDP was 3.5% in 2012 compared to 3.3% in 2011, using 2012 prices. The high revenue growth is attributed to the increase of gold prices in world markets from the average price of USD 1,571.28 per ounce in 2011 to USD 1,668.63 per ounce in 2012.

Despite of impressive statistics above, the public is increasingly becoming dissatisfied with the benefits accruing from the mineral sector to support national budget and growth. Reforms in mid-1990s which were aimed to attract investments in the minerals sector led to developments of Mineral Policy 1997, Mining Act 1998, and Regulations 1999. These pro-investment policies and laws attracted at least 6 large-scale gold mining operations. As the Result of public discontent, the Government commissioned Mineral Sector Review to identify areas in existing policy, legal and regulatory framework in the mineral sector. The Review study led to new Mineral Policy 2009 and Mining Act 2010.

Even though there is new law, it has little impact in terms of revenue contribution to the Government because a mechanism for collecting substantial economic rent when prices are high is not provided in the Mining Act 2010. In addition, the Government's position to re-negotiate existing contracts is weakened because fiscal terms in old contracts were fixed for the entire life of mine of large-scale operations. Some studies also indicate the lack of audit technical capacity on the part of the Government to assess what should have been received by the Government.

In the Government fiscal year 2010/2011 for which this report is covering, Golden Price Mine (which is owned by Resolute Tanzania Limited) was the only company that paid corporate tax out of six large-scale gold mine operations. Resolute was opened in 1997, and it is the first large-scale gold mine to open in Tanzania after reforms in the mid-1990s. In June 2013, Resolute closed its mine after having been in operating for 16 years. During this period, Resolute paid corporate tax in the last two years of the mine life. In 2011/2012 the company paid TzS 37.2 billion of corporate tax, making the total payment of TzS 71.1 billion<sup>3</sup> of corporate income tax. The other large-scale gold operators did not pay corporate tax in this reporting period.

The low corporate tax payments by six large-scale gold operators are also evident in the First, Second, and Third TEITI Reports. Reports show that tax revenue to the Government comes mainly in the form royalties and taxes on wages. In the Reports, employee-related taxes accounted for around 50% of total mining taxes in 2008/2009 and slightly below 30% in 2009/2010<sup>4</sup>. Total corporate tax payments to the Government were TzS 1.4 billion in the First Report and 27.7 billion in the Second Report.

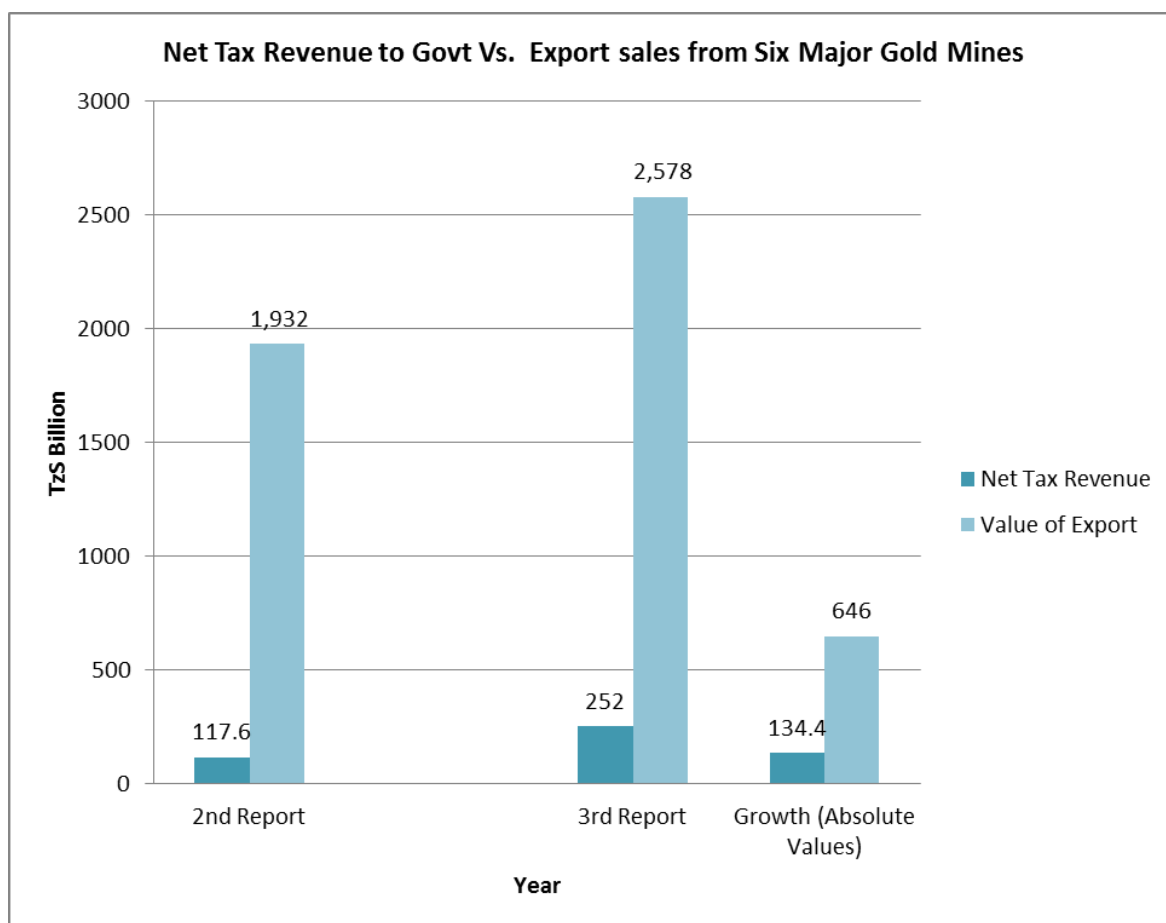
Analysis of Second and Third Reports indicate low net tax revenue as percentage of sales of gold exports by the six large-scale operators for two financial years covered in the reports. The net tax revenue as a percentage of gold export in 2009/2010 and 2010/2011 was 6.1% and 9.8 % respectively. These figures show a disproportion revenue-sharing between companies and the Government, raising the question as to whether economic rent collected by the resource owner is a fair share. The table below provide contrast of net tax revenue against gold export sales in FY 2009/2010 and 2010/2011. PAYE, social contributions, and VAT on import duty were deducted from total Government receipts to calculate net tax revenue from the six large-scale gold operators.

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<sup>2</sup> Ministry of Energy and Minerals' Budget Speech -June 2013

<sup>3</sup> Ministry of Energy and Minerals Budget Speech, June 2012/2013

<sup>4</sup> International Centre for Tax and Development (ICTD) Working Paper by Olav Lundstøl, Gaël Raballand and Fuvya Nyirongo, April 2013



Small revenue flows to the Government as figures indicate above bring up a concern as to why the Government revenue is not commensurate to the rise of gold prices. A study: *Low Government Revenue from the Mining Sector in Zambia and Tanzania: Fiscal Design, Technical Capacity or Political Will?*<sup>5</sup> provides insights on government vs. Company revenue-sharing, Tanzania being one of the case studies. The Study reveals that the forgone mining revenue by Tanzania Government has increased both in absolute and relative terms, in particular from 2004/2005 onwards regardless of price of gold.

One of the arguments on the part of mining companies is that increased gold price is normally associated with operating costs (OPEX) going up. While this might be in part true, commodity prices may go up due to drivers other than OPEX. For example, during the global financial crisis the gold price could have gone up due to investors migrating from financial assets to buying gold as safer storage of wealth. The average price of gold at the time when these large scale operators began production in late 1990s was around USD 280 per ounce. The gold price increased steadily since then to USD 1528.64 per ounce in June 2011 (the covering period of this Report). The gold price in 2012 was even higher, at 1668.63 per ounce. In this case, the Government share could have gone up if Tanzania's mining fiscal regime had a mechanism to trigger Windfall Profit Tax (WPT) in the event of extraordinary gold price hikes.

There are factors which affect timely revenue to the Government, one of them being a decision for a company to re-invest profits back to operations, which is not uncommon business practice. However, in poor countries, delays of revenue have consequences to Government budgets, and therefore, affect social expenditures in health, education, and infrastructure. The debate as to whether the Tanzania Government has been getting a fair share from mineral sector is welcome and timely. Going forward, there has to be a

<sup>5</sup> International Centre for Tax and Development (ICTD) Working Paper by Olav Lundstøl, Gaël Raballand and Fuvya Nyirongo, April 2013

balance between putting in place mechanisms for collecting a fair amount of revenues to advance Tanzania's socio-economic development targets and creating better environment for investments.

There is a global trend of studies directed towards examining how resource-rich countries and extractive companies can divide revenues in the manner that each gets a fair share. The Study by International Centre for Tax Development (ICTD, April 2013) recommends that the principal elements needed to secure improved revenue-sharing in mining are: i) robust fiscal design, including a progressive element to capture windfalls while encouraging cost saving and production; ii) specialised tax administration for extractive industries and mining, to minimise the erosion of the tax base and to establish and enforce correct tax assessments; and iii) political will and accountability in order to secure the expected tax collection from mineral extraction over time with increased transparency of mining-related revenues.

The African Progress Panel (APP), Chaired by former Secretary-General of the United Nations Kofi Annan, launched the African Progress Report at the World Economic Forum in Cape Town, May 2013. The Panel challenges African Government leaders to seek multilateral solutions with donor countries and multinational extractive companies so that Africa's natural resources help to improve the lives of millions on the continent. It is mentioned in the APP Report that the majority of resource-rich countries in Africa are not getting a fair share of natural resources, nor do they get the revenue that is deserved, often because of corrupt practices, transfer pricing, and tax evasion. Similarly, OECD Tax Report 2013 to G20 countries calls for international efforts to compel global companies to pay corporate taxes in the countries where these taxes are due.



### **3. FINANCIAL FLOWS AND KEY FINDINGS OF THIRD TEITI REPORT**

This section of the Report analyses receipts data collected by statutory recipients of Government revenues in terms of payment type, sector, and commodity. In addition, payments by each extractive company (tax and social contributions) are included. This section also provides comparative analysis of First, Second, and Third Reports as well as the unresolved differences of Third Report.

## Summary of Financial Flows

The table below is a summary of the taxes declared by taxpayers and revenue received by Government agencies, and the resulting discrepancies. US\$ amounts are converted at the average rate for the period per Oanda ([www.oanda.com/currency/historical-rates](http://www.oanda.com/currency/historical-rates)) US\$=Tzs 1,507.70

| No. | Receipt Category  | Final reported-TzS     | Final reported-US\$ | Total Reported by Government Expressed in TzS | Final reported-TzS     | Final reported-US\$ | Total Reported by Taxpayers Expressed in TzS | Final Discrepancy in TzS |
|-----|---|------------------------|---------------------|---|------------------------|---------------------|--|--------------------------|
|     |   | Government             |                     |   | Company                |                     |  |                          |
|     | <b>Payments to TRA</b>  | <b>330,244,396,172</b> | <b>38,000</b>       | <b>330,301,688,772</b>                        | <b>335,610,425,097</b> | <b>38,000</b>       | <b>335,667,717,230</b>                       | <b>(5,366,028,458)</b>   |
| 1   | Corporation Tax   | 67,144,627,149         | -                   | 67,144,627,149                                | 67,051,872,672         | -                   | 67,051,872,672                               | 92,754,478               |
| 2   | Alternative Minimum Tax   | -                      | -                   | -   | -                      | -                   | -  | -                        |
| 3   | Withholding taxes   | 41,450,349,253         | -                   | 41,450,349,253                                | 40,967,434,924         | (0)                 | 40,967,434,456                               | 482,914,797              |
| 4   | Capital Gains Tax   | 0                      | -                   | 0   | (0)                    | -                   | (0)  | 1                        |
| 5   | Pay As You Earn (PAYE)  | 86,727,398,528         | -                   | 86,727,398,528                                | 86,025,599,120         | -                   | 86,025,599,120                               | 701,799,409              |
| 6   | Skills and Development Levy (SDL)   | 19,292,343,756         | -                   | 19,292,343,756                                | 19,302,002,237         | -                   | 19,302,002,237                               | (9,658,482)              |
| 7   | Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 63,047,595,230         | -                   | 63,047,595,230                                | 63,043,296,270         | -                   | 63,043,296,270                               | 4,298,960                |
| 8   | Stamp Duty  | 169,220,587            | 38,000              | 226,513,187                                   | 169,220,587            | 38,000              | 226,513,187                                  | 0                        |
| 9   | Fuel Levy   | -                      | -                   | -   | 5,212,256,200          | -                   | 5,212,256,200                                | (5,212,256,200)          |
| 10  | Import duty   | 21,797,920,358         | -                   | 21,797,920,358                                | 28,040,077,416         | -                   | 28,040,077,416                               | (6,242,157,058)          |
| 11  | Excise duty   | 7,944,448,115          | -                   | 7,944,448,115                                 | 7,927,759,400          | -                   | 7,927,759,400                                | 16,688,715               |
| 12  | Value Added Tax on Imports paid to Customs Department                           | 22,670,493,194         | -                   | 22,670,493,194                                | 17,870,906,272         | -                   | 17,870,906,272                               | 4,799,586,922            |
|     | <b>Paid to Local and regulatory Authorities</b>                                 | <b>3,688,212,771</b>   | <b>400,000</b>      | <b>4,291,292,770</b>                          | <b>3,688,212,770</b>   | <b>400,000</b>      | <b>4,291,292,770</b>                         | <b>(0)</b>               |
| 13  | Paid to Local and regulatory Authorities  | 3,688,212,771          | 400,000             | 4,291,292,770                                 | 3,688,212,770          | 400,000             | 4,291,292,770                                | (0)                      |
|     | <b>Payments to the MEM</b>  | <b>12,243,206,038</b>  | <b>54,971,597</b>   | <b>95,123,882,609</b>                         | <b>12,243,206,037</b>  | <b>58,821,171</b>   | <b>100,927,885,104</b>                       | <b>(5,804,002,495)</b>   |
| 14  | Royalties   | 511,584,424            | 51,756,029          | 78,544,149,875                                | 511,584,423            | 55,095,583          | 83,579,195,653                               | (5,035,045,778)          |
| 15  | Annual rents and license fees   | 105,144,323            | 1,288,474           | 2,047,775,819                                 | 105,144,323            | 1,798,493           | 2,816,732,536                                | (768,956,717)            |
| 16  | Profit per production sharing agreements  | -                      | 1,927,094           | 2,905,479,624                                 | -                      | 1,927,094           | 2,905,479,624                                | (0)                      |
| 17  | Protected gas/additional gas revenues   | 11,626,477,291         | -                   | 11,626,477,291                                | 11,626,477,291         | -                   | 11,626,477,291                               | (0)                      |
|     | <b>Payments to TPDC</b>   | <b>18,525,837,361</b>  | <b>4,538,897</b>    | <b>25,369,132,534</b>                         | <b>18,525,837,362</b>  | <b>4,526,043</b>    | <b>25,349,752,197</b>                        | <b>19,380,337</b>        |
| 18  | Protected Gas Revenue   | 13,205,690,580         | -                   | 13,205,690,580                                | 13,205,690,580         | -                   | 13,205,690,580                               | (0)                      |
| 19  | Additional Gas Revenue  | -                      | -                   | -   | -                      | -                   | -  | -                        |
| 20  | Profit per Production Sharing Agreement   | 5,320,146,781          | 3,292,242           | 10,283,860,557                                | 5,320,146,781          | 3,292,242           | 10,283,860,557                               | -                        |
| 21  | VAT on Gas Revenue  | -                      | -                   | -   | -                      | -                   | -  | -                        |
| 22  | Annual rents and license fees   | -                      | 1,246,655           | 1,879,581,397                                 | -                      | 1,233,801           | 1,860,201,059                                | 19,380,338               |
|     | <b>Payments to the Ministry of Finance</b>                                      | <b>1,197,744,350</b>   | <b>-</b>            | <b>1,197,744,350</b>                          | <b>1,197,744,350</b>   | <b>-</b>            | <b>1,197,744,350</b>                         | <b>-</b>                 |
| 23  | Dividends on Government shares  | 1,197,744,350          | -                   | 1,197,744,350                                 | 1,197,744,350          | -                   | 1,197,744,350                                | -                        |
|     | <b>Total taxes</b>  | <b>365,899,396,692</b> | <b>59,948,494</b>   | <b>456,283,741,034</b>                        | <b>371,265,425,617</b> | <b>63,785,214</b>   | <b>467,434,391,651</b>                       | <b>(11,150,650,617)</b>  |
|     | <b>Terminal Benefits Payments</b>   | <b>40,962,871,862</b>  | <b>-</b>            | <b>40,962,871,862</b>                         | <b>40,811,925,734</b>  | <b>-</b>            | <b>40,811,925,734</b>                        | <b>150,946,129</b>       |
| 24  | National Social Security Fund (NSSF) contribution                               | 35,298,487,436         | -                   | 35,298,487,436                                | 35,147,541,307         | -                   | 35,147,541,307                               | 150,946,129              |
| 25  | Parastatal Pension Fund (PPF) contribution                                      | 5,664,384,426          | -                   | 5,664,384,427                                 | 5,664,384,427          | -                   | 5,664,384,427                                | -                        |
|     | <b>Grand total payments 2010/2011</b>   | <b>406,862,268,554</b> | <b>59,948,494</b>   | <b>497,246,612,897</b>                        | <b>412,077,351,350</b> | <b>63,785,214</b>   | <b>508,246,317,384</b>                       | <b>(10,999,704,488)</b>  |

## Receipts by Payment Kind (Taxes and Non-Taxes)

The table and chart below show amounts reported by the Government per payment kind (taxes and non-taxes)

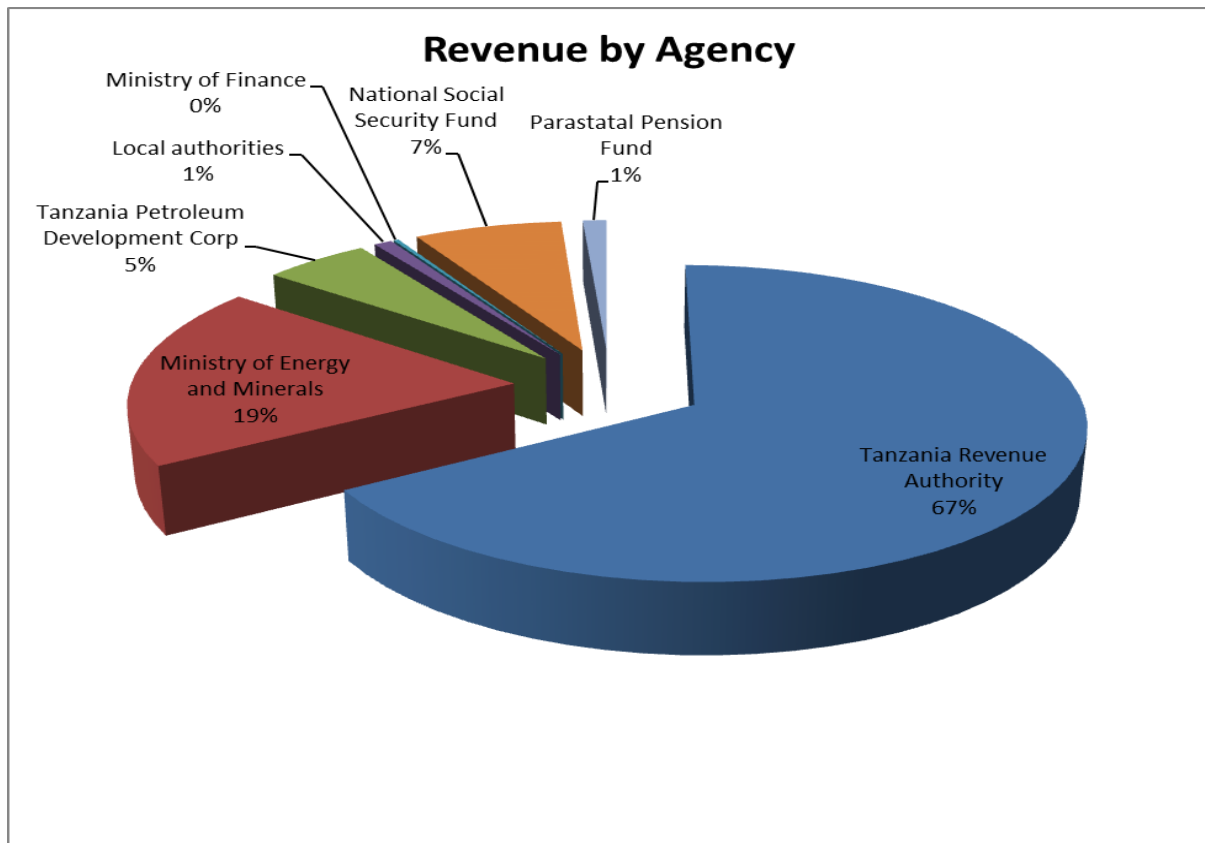
| Payment Type          | TzS'000            | %age        |
|-----------------------|--------------------|-------------|
| Tax revenues          | 456,283,741        | 92%         |
| Terminal benefits     | 40,962,872         | 8%          |
| <b>Total receipts</b> | <b>497,246,613</b> | <b>100%</b> |

*Source: Reporting Templates*

## Receipts by Government Agency

The table and chart below shows amounts reported by each Government agency.

| Government Agency                   | TzS'000            | %age        |
|-------------------------------------|--------------------|-------------|
| Tanzania Revenue Authority          | 330,301,689        | 66%         |
| Ministry of Energy and Minerals     | 95,123,883         | 19%         |
| Tanzania Petroleum Development Corp | 25,369,133         | 5%          |
| Local authorities                   | 4,291,293          | 1%          |
| Ministry of Finance                 | 1,197,744          | 0.2%        |
| National Social Security Fund       | 35,298,487         | 7%          |
| Parastatal Pension Fund             | 5,664,384          | 1%          |
| <b>Total taxes received</b>         | <b>497,246,613</b> | <b>100%</b> |



Source: Reporting Templates

## Receipts By: Company, Sector, and Commodity

The table below represent receipts reported by the Government from each company.

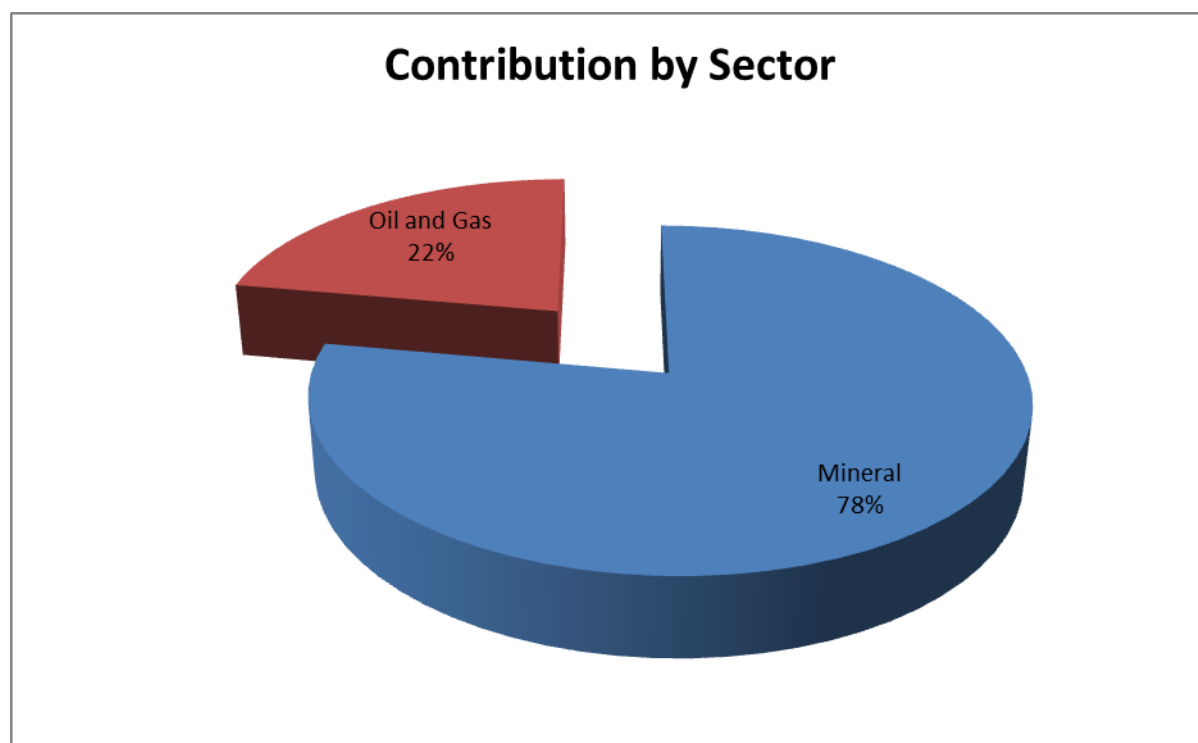
| No.       | Company                                    | Final reported by Government-TZS'000 | Final reported by Government-US\$ | Final reported by Government-US\$ converted to | Total reported by Government TZS'000 | Sector    | Commodity |
|-----------|--|--------------------------------------|-----------------------------------|--|--------------------------------------|-----------|-----------|
| 1         | Williamson Diamonds Limited                | 6,938,752                            | 625,507                           | 943,076  | 7,881,828                            | Minerals  | Diamonds  |
| 2         | Baffex Tanzania Limited                    | 506,740                              | -                                 | -  | 506,740                              | Minerals  | Gold      |
| 3         | Barrick Exploration Africa Limited         | 2,086,943                            | 45,257                            | 68,234   | 2,155,177                            | Minerals  | Gold      |
| 4         | Bulyanhulu Gold Mine Limited               | 52,726,808                           | 12,245,302                        | 18,462,241                                     | 71,189,050                           | Minerals  | Gold      |
| 5         | Canaco Tanzania Limited                    | 981,403                              | 75,840                            | 114,344  | 1,095,747                            | Minerals  | Gold      |
| 6         | Geita Gold Mining Limited                  | 30,270,592                           | 15,136,310                        | 22,821,015                                     | 53,091,608                           | Minerals  | Gold      |
| 7         | North Mara Gold Mine Limited               | 29,901,164                           | 8,398,985                         | 12,663,150                                     | 42,564,313                           | Minerals  | Gold      |
| 8         | Pangea Minerals Limited                    | 24,497,724                           | 10,409,550                        | 15,694,478                                     | 40,192,202                           | Minerals  | Gold      |
| 9         | Resolute (Tanzania) Limited                | 34,856,075                           | 5,256,462                         | 7,925,168                                      | 42,781,243                           | Minerals  | Gold      |
| 10        | Shanta Mining Company Limited              | 2,338,936                            | 49,581                            | 74,753   | 2,413,690                            | Minerals  | Gold      |
| 11        | TADC 2000 (Tanzam 2000)                    | 368,184                              | 156,750                           | 236,332  | 604,516                              | Minerals  | Gold      |
| 12        | Tancan Mining Company Limited              | 1,171,218                            | 28,208                            | 42,529   | 1,213,747                            | Minerals  | Gold      |
| 13        | Mbeya Cement Company Limited               | 13,491,533                           | -                                 | -  | 13,491,533                           | Minerals  | Limestone |
| 14        | Tanga Cement Company Limited               | 43,592,504                           | -                                 | -  | 43,592,504                           | Minerals  | Limestone |
| 15        | Tanzania Portland Cement Co. Ltd           | 53,242,003                           | -                                 | -  | 53,242,003                           | Minerals  | Limestone |
| 16        | Tanzaniteone Mining Limited                | 3,569,841                            | 145,665                           | 219,619  | 3,789,460                            | Minerals  | Tanzanite |
| 17        | Tanzaniteone Trading Limited               | 583,842                              | -                                 | -  | 583,842                              | Minerals  | Tanzanite |
| 18        | Mantra Tanzania Limited                    | 6,553,150                            | 74,539                            | 112,382  | 6,665,532                            | Minerals  | Uranium   |
| <b>18</b> | <b>Sub total receipts from minerals</b>    | <b>307,677,413</b>                   | <b>52,647,955</b>                 | <b>79,377,322</b>                              | <b>387,054,735</b>                   |           |           |
| 1         | Beach Petroleum Tanzania Limited           | 1,247,487                            | 178,652                           | 269,354  | 1,516,841                            | Oil & Gas | Gas       |
| 2         | BG International Limited                   | 906,680                              | -                                 | -  | 906,680                              | Oil & Gas | Gas       |
| 3         | Dominion Oil & Gas Limited                 | 225,648                              | 92,521                            | 139,494  | 365,142                              | Oil & Gas | Gas       |
| 4         | Etablissement Maurel et Prom               | 1,704,674                            | 216,232                           | 326,013  | 2,030,687                            | Oil & Gas | Gas       |
| 5         | Ophir Tanzania (Block 1) Limited           | 19,399,944                           | 166,798                           | 251,482  | 19,651,426                           | Oil & Gas | Gas       |
| 6         | Pan African Energy Tanzania Limited        | 22,202,780                           | 3,199,529                         | 4,823,931                                      | 27,026,711                           | Oil & Gas | Gas       |
| 7         | Petrobras Tanzania Limited                 | 6,729,775                            | 485,354                           | 731,768  | 7,461,542                            | Oil & Gas | Gas       |
| 8         | Songas Limited                             | 29,877,934                           | -                                 | -  | 29,877,934                           | Oil & Gas | Gas       |
| 9         | Statoil Tanzania AS                        | 559,881                              | 86,481                            | 130,387  | 690,268                              | Oil & Gas | Gas       |
| 10        | Tanzania Petroleum Development             | 14,741,919                           | 2,761,642                         | 4,163,728                                      | 18,905,647                           | Oil & Gas | Gas       |
| 11        | Tullow Tanzania B.V                        | 874,047                              | 12,854                            | 19,380   | 893,427                              | Oil & Gas | Gas       |
| 12        | Wentworth Gas Limited                      | 714,088                              | 100,476                           | 151,487  | 865,576                              | Oil & Gas | Gas       |
| <b>8</b>  | <b>Sub total receipts from natural gas</b> | <b>99,184,856</b>                    | <b>7,300,539</b>                  | <b>11,007,023</b>                              | <b>110,191,879</b>                   |           |           |
| <b>30</b> | <b>Grand total revenues</b>                | <b>406,862,269</b>                   | <b>59,948,494</b>                 | <b>90,384,344</b>                              | <b>497,246,613</b>                   |           |           |

\*Converted at the average rate for the period per Oanda ([www.oanda.com/currency/historical-rates](http://www.oanda.com/currency/historical-rates)) US\$=Tzs 1,507.70

**By Sector;**

A table and chart showing contribution by sector.

| Sector      | TzS'000            | %age        |
|-------------|--------------------|-------------|
| Mineral     | 387,054,735        | 78%         |
| Oil and Gas | 110,191,879        | 22%         |
|             | <b>497,246,613</b> | <b>100%</b> |

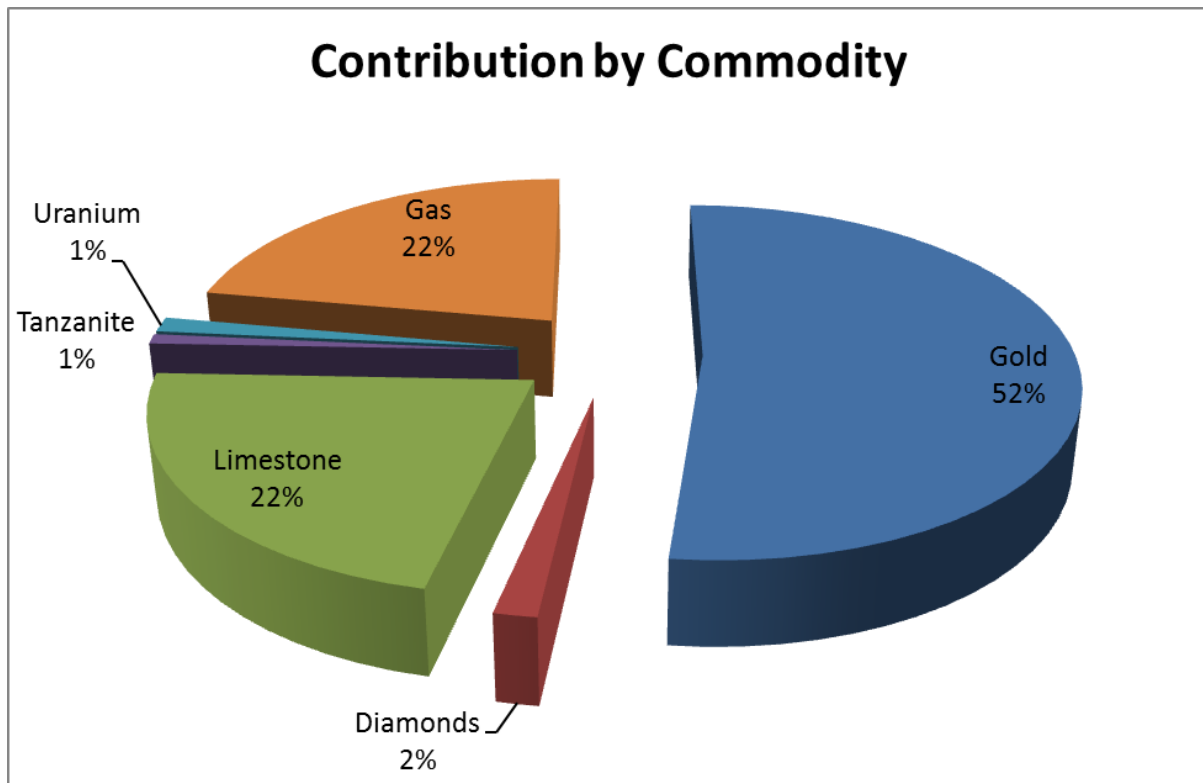


Source: Companies Reporting Templates

**By Commodity;**

Below is a table and chart showing total government reported receipts by commodity.

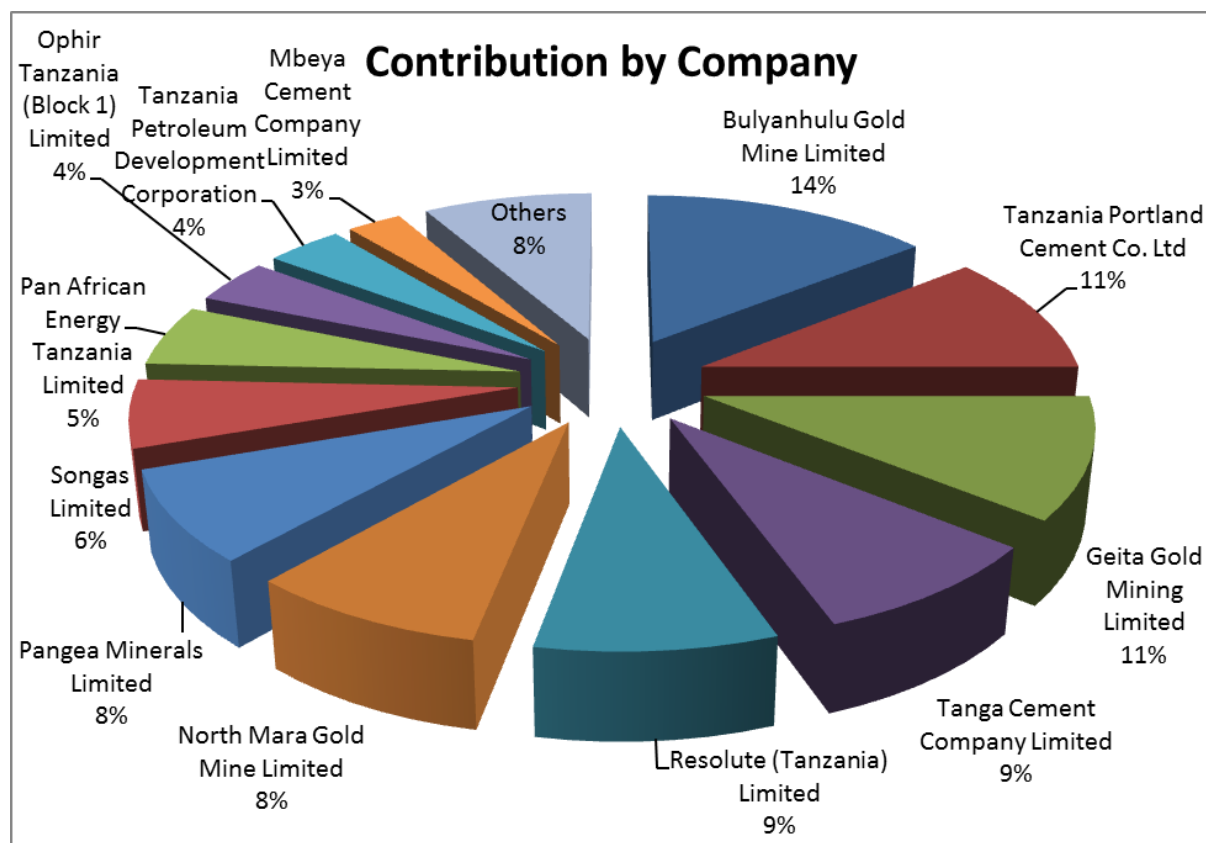
| Commodity            | TzS'000            | %age        |
|----------------------|--------------------|-------------|
| Gold                 | 257,808,032        | 52%         |
| Diamonds             | 7,881,828          | 2%          |
| Limestone            | 110,326,041        | 22%         |
| Tanzanite            | 4,373,302          | 1%          |
| Uranium              | 6,665,532          | 1%          |
| Gas                  | 110,191,879        | 22%         |
| <b>Total revenue</b> | <b>497,246,613</b> | <b>100%</b> |



#### **By company**

Below is a table and chart showing total Government reported receipts by company/taxpayer.

| No.                         | Company                                    | Total reported by Government TZS'000 | %age        |
|-----------------------------|--|--------------------------------------|-------------|
| 1                           | Bulyanhulu Gold Mine Limited               | 71,189,050                           | 14%         |
| 2                           | Tanzania Portland Cement Co. Ltd           | 53,242,003                           | 11%         |
| 3                           | Geita Gold Mining Limited                  | 53,091,608                           | 11%         |
| 4                           | Tanga Cement Company Limited               | 43,592,504                           | 9%          |
| 5                           | Resolute (Tanzania) Limited                | 42,781,243                           | 9%          |
| 6                           | North Mara Gold Mine Limited               | 42,564,313                           | 9%          |
| 7                           | Pangea Minerals Limited                    | 40,192,202                           | 8%          |
| 8                           | Songas Limited                             | 29,877,934                           | 6%          |
| 9                           | Pan African Energy Tanzania Limited        | 27,026,711                           | 5%          |
| 10                          | Ophir Tanzania (Block 1) Limited           | 19,651,426                           | 4%          |
| 11                          | Tanzania Petroleum Development Corporation | 18,905,647                           | 4%          |
| 12                          | Mbeya Cement Company Limited               | 13,491,533                           | 3%          |
| 13                          | Others                                     | 41,640,441                           | 8%          |
| <b>Grand total revenues</b> |  | <b>497,246,613</b>                   | <b>100%</b> |



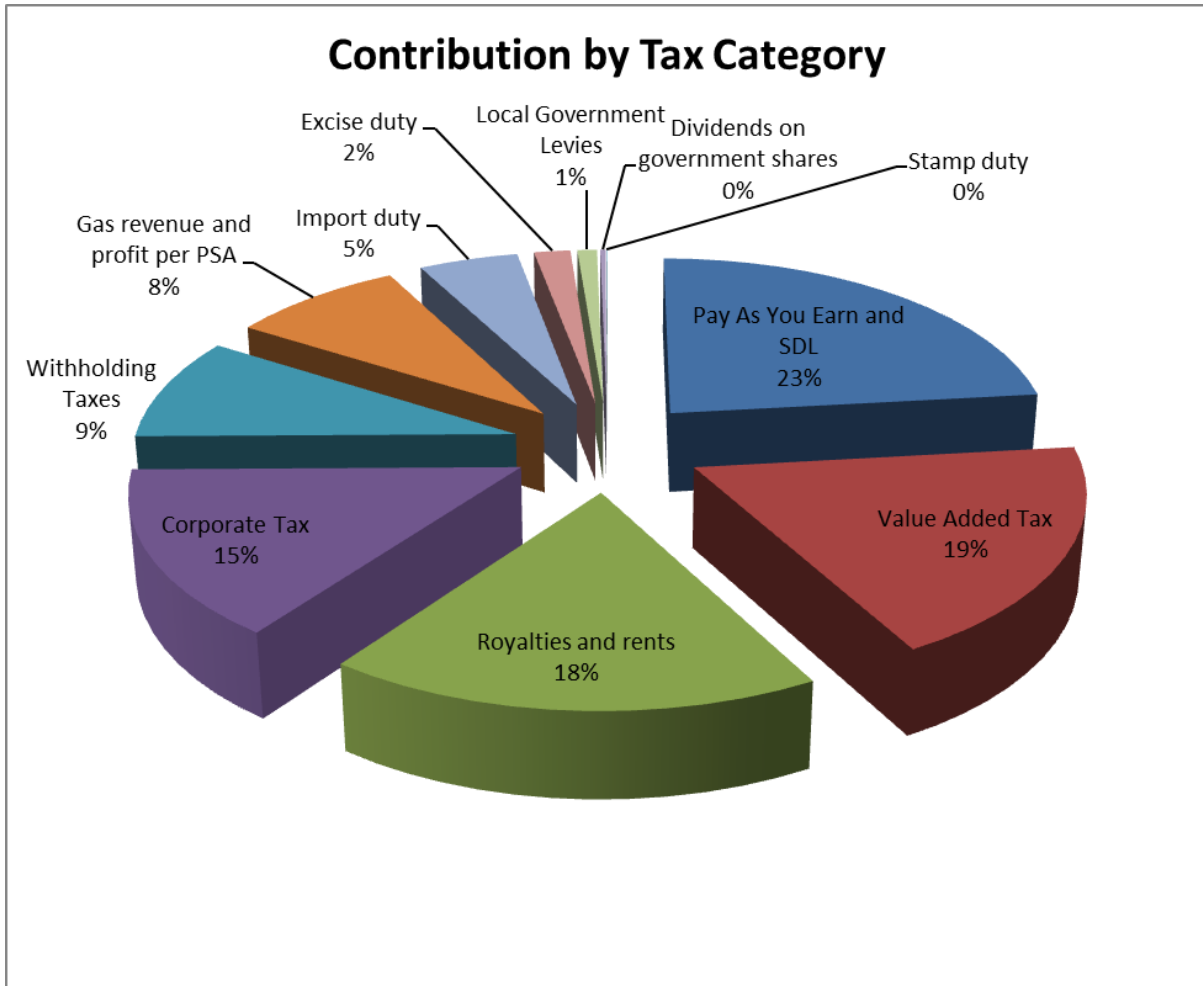
Source: Reporting Templates

### Contribution by Payment Category

Table and charts to show receipts reported by payment/tax category.

| Tax Category                   | TzS'000            | %age        |
|--------------------------------|--------------------|-------------|
| Pay As You Earn and SDL        | 106,019,742        | 23%         |
| Value Added Tax                | 85,718,088         | 19%         |
| Royalties and rents            | 82,471,507         | 18%         |
| Corporate Tax                  | 67,144,627         | 15%         |
| Withholding Taxes              | 41,450,349         | 9%          |
| Gas revenue and profit per PSA | 38,021,508         | 8%          |
| Import duty                    | 21,797,920         | 5%          |
| Excise duty                    | 7,944,448          | 2%          |
| Local Government Levies        | 4,291,293          | 1%          |
| Dividends on government shares | 1,197,744          | 0.3%        |
| Stamp duty                     | 226,513            | 0.05%       |
| <b>Total Taxes</b>             | <b>456,283,741</b> | <b>100%</b> |



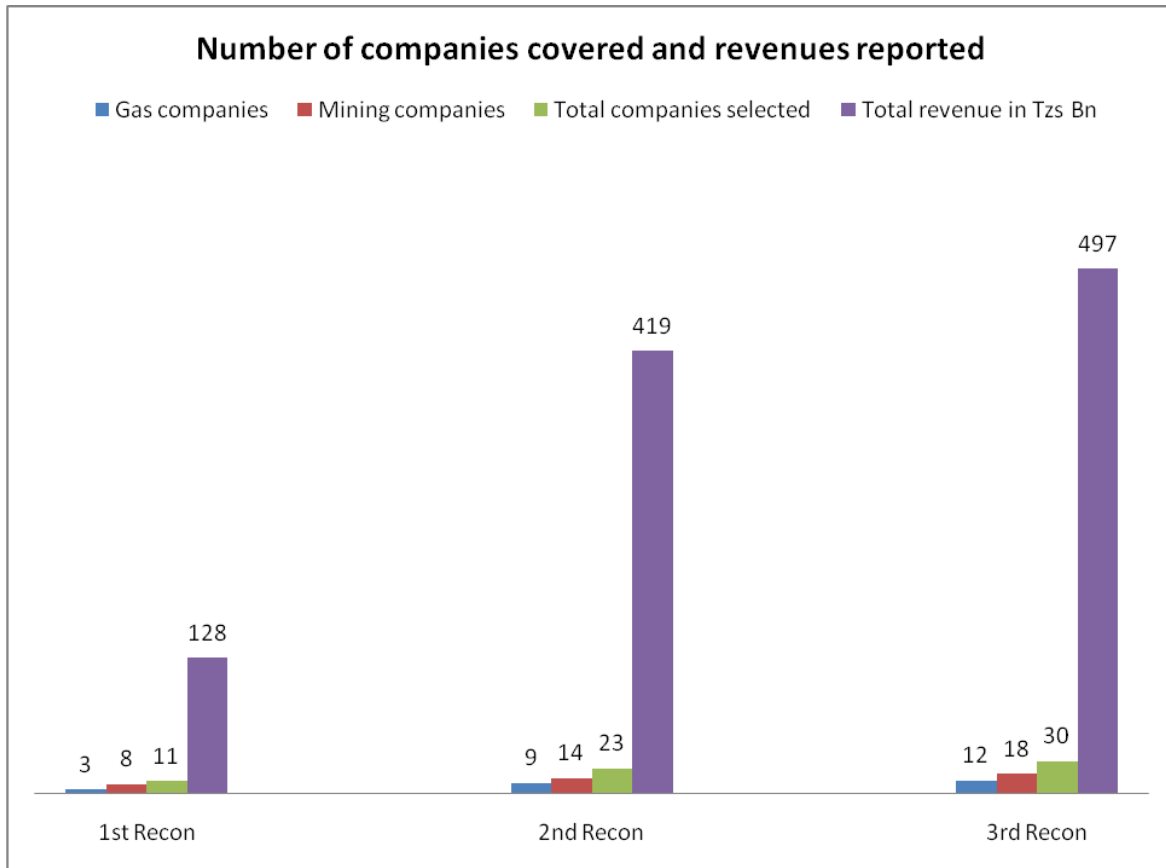


Source: Reporting Templates

## First, Second and Third Reports Compared

The number of companies selected for reconciliation in TEITI Reports were as follows: 11 companies for First Report, 23 companies for Second Report, and 30 companies for Third Report. In the First Report, participation of companies was based on the scale of production (large scale operators). As for Second and Third Reports, the selection procedure was based on Scoping Studies. . The Studies led to the increase of company participation.

The chart below compares revenues and number of companies covered over Three TEITI Reports.



Source: 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> reports

### Updates on Discrepancy Follow-ups of 1<sup>st</sup> (FY 2008/2009) and 2<sup>nd</sup> (FY 2009/2010) TEITI Reports

Tanzania published its first TEITI reconciliation report in February 2011. The report covered payments made extractive companies and revenues received by the Government from July 1, 2008 to June 30, 2009. The report covered payments from nine mining companies and three gas companies. The Government reported receiving a total of US\$ 99,457,000 while the extractive companies reported to have paid a total of US\$ 135,504,000, resulting in a discrepancy of US\$ 36,047,000. In January 2012, the Office of the Controller and Auditor General issued a report that reduced the discrepancy to US\$ 326,805.07 on mineral royalties, TZS1.3 billion on PAYE (tax on employees salaries), TZS 0.5 on NSSF (social contributions), and TZS 0.3 billion on Skill Development Levy (SDL).

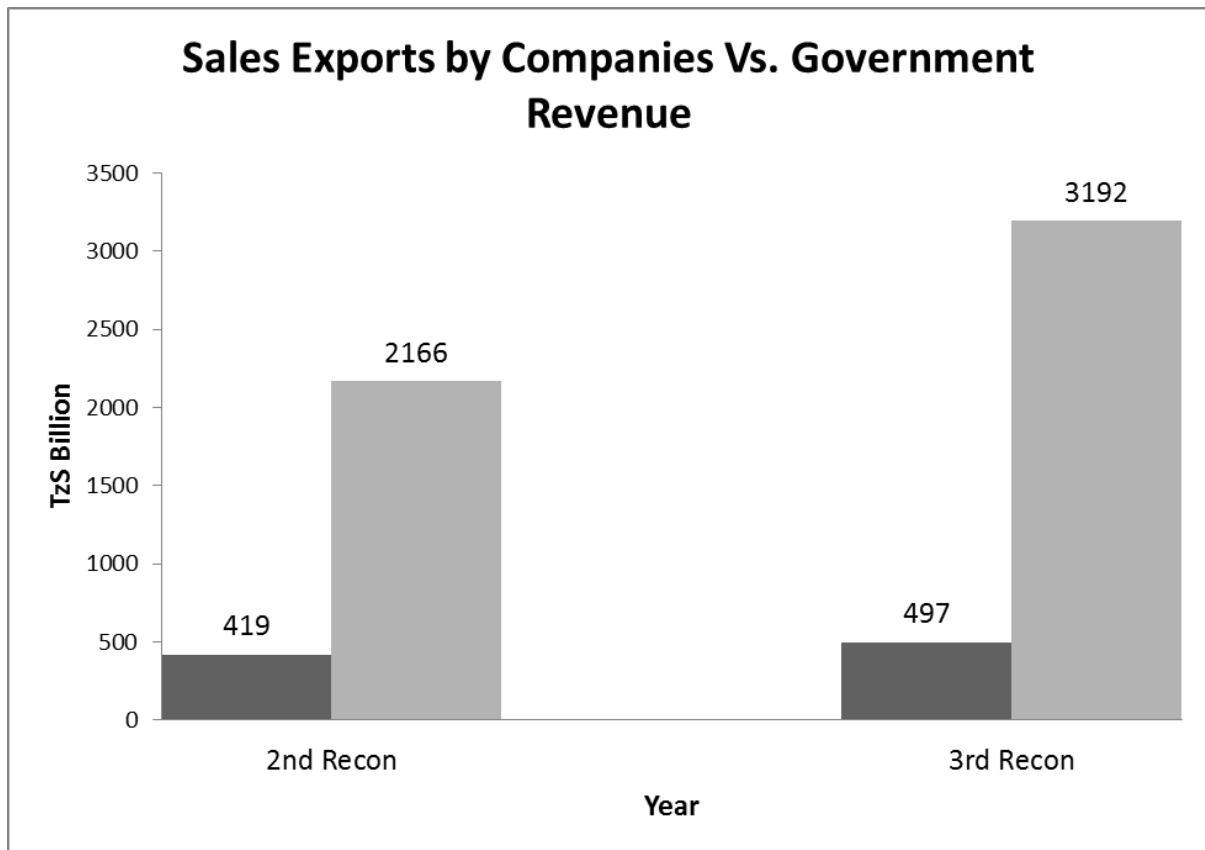
The Second TEITI reconciliation report was completed and launched on May 31<sup>st</sup>, 2012. The report covered the period from July 1<sup>st</sup>, 2009 to June 30<sup>th</sup>, 2010. A total of Tsh. 419 billion (\$305 million) is reported to have been paid to the Government and its agencies by 23 companies that have reported payments. This is up almost three times from the First Reconciliation report which covered the period from July 1<sup>st</sup>, 2008 to June 30<sup>th</sup>, 2009 in which only 11 companies had reported their payments.

The Reconciler was required to perform further reconciliation work to resolve discrepancy in 2<sup>nd</sup> TEITI Report. In the course of following-up on the discrepancy, the net unresolved differences was reduced from TzS 5.0 billion as reported in the second reconciliation report to TzS 0.72 billion which remains unresolved (see Addendum to Second Reconciliation Report).

### Comparison between Tax Revenue and Value of Units Sold by Companies

The table and chart below show the taxes received compared to the value of units sold as reported by companies for the 2<sup>nd</sup> and 3<sup>rd</sup> Reports.

| Recon Year | Reported Revenue<br>TzS Bn | Reported Value of<br>Units Sold by<br>companies Tzs Bn | Revenue as<br>%age of<br>value of<br>units sold |
|------------|----------------------------|--|---|
| 1st Recon  | 419                        | 2,166  | 19%   |
| 2nd Recon  | 497                        | 3,192  | 16%   |



The table below shows the value of units sold as reported by companies in the reporting templates. All companies with no units sold are in exploration stage and did not have revenues.

| No. | Company                                    | Unit of measure | Units Produced | Units Sold | Value of Units Sold US\$ | Value of Units Sold TzS | Mineral   | Mineral rights |
|-----|--|-----------------|----------------|------------|--------------------------|-------------------------|-----------|----------------|
| 1   | Baffex Tanzania Limited                    |                 | -              | -          | -                        |                         | Gold      | Exploration    |
| 2   | Barrick Exploration Africa Limited         |                 | -              | -          | -                        |                         | Gold      | Exploration    |
| 3   | Beach Petroleum Tanzania Limited           |                 | -              | -          | -                        |                         | Gas       | Exploration    |
| 4   | BG International Limited                   |                 | -              | -          | -                        |                         | Gas       | Exploration    |
| 5   | Bulyanhulu Gold Mine Limited               | Ounces          | 263,530        | 267,075    | 372,251,935              | 561,244,242             | Gold      | Production     |
| 6   | Canaco Tanzania Limited                    |                 |                | -          | -                        |                         | Gold      | Exploration    |
| 7   | Dominion Oil & Gas Limited                 |                 | -              | -          | -                        |                         | Gas       | Exploration    |
| 8   | Etablissement Maurel et Prom               |                 | -              | -          | -                        |                         | Gas       | Exploration    |
| 9   | Geita Gold Mining Limited                  | Ounces          | 384,016        | 391,946    | 546,298,691              | 823,654,536             | Gold      | Production     |
|     |  | Ounces          | 86,149         | 86,149     | 1,354,222                | 2,041,761               | Silver    |                |
| 10  | Mantra Tanzania Limited                    |                 |                | -          |                          | -                       | Uranium   | Exploration    |
| 11  | Mbeya Cement Company Limited               | Tones           | 173,963        | 147,689    | 38,844                   | 58,565,053              | Limestone | Production     |
| 12  | North Mara Gold Mine Limited               | Ounces          | 191,017        | 196,278    | 269,242,760              | 405,937,309             | Gold      | Production     |
| 13  | Ophir Tanzania (Block 1) Limited           |                 | -              | -          | -                        | -                       | Gas       | Exploration    |
| 14  | Pan African Energy Tanzania Limited        | Cubic feet      | 28,247,400     | 14,297,010 | 54,854,846               | 82,704,652              | Gas       | Production     |
| 15  | Pangea Minerals Limited                    | Ounces          | 234,865        | 243,802    | 343,288,669              | 517,576,326             | Gold      | Production     |
| 16  | Petrobras Tanzania Limited                 |                 | -              | -          | -                        | -                       | Gas       | Exploration    |
| 17  | Resolute (Tanzania) Limited                | Ounces          | 127,076        | 127,076    | 177,120,534              | 267,044,630             | Gold      | Production     |
|     |  | Ounces          | 11,954         | 11,954     | 187,907                  | 283,308                 | Silver    |                |
| 18  | Shanta Mining Company Limited              |                 | -              | -          | -                        | -                       | Gold      | Exploration    |
| 19  | Songas Limited                             | Cubic feet      | 14,287,910     | 14,287,910 | 39,176,164               | 59,065,902              | Gas       | Trading        |
| 20  | Statoil Tanzania AS                        |                 | -              | -          | -                        | -                       | Gas       | Exploration    |
| 21  | TADC 2000 (Tanzam 2000)                    |                 | -              | -          | -                        | -                       | Gold      | Exploration    |
| 22  | Tancan Mining Company Limited              |                 | -              | -          | -                        | -                       | Gold      | Exploration    |
| 23  | Tanga Cement Company Limited               | Tones           | 947,539        | 939,307    | 105,615                  | 159,235,901             | Limestone | Production     |
| 24  | Tanzania Petroleum Development Corporation |                 |                |            |                          |                         | Gas       | Exploration    |
| 25  | Tanzania Portland Cement Co. Ltd           | Tones           |                |            | 145,867                  | 219,923,667             | Limestone | Production     |
| 26  | Tanzaniteone Mining Limited                | Carats          | 2,406,158      | 917,500    | 9,947,783                | 14,998,273              | Tanzanite | Production     |
| 27  | Tanzaniteone Trading Limited               |                 |                |            |                          |                         | Tanzanite | Trading        |
| 28  | Tullow Tanzania B.V                        |                 |                |            |                          |                         | Gas       | Exploration    |
| 29  | Wentworth Gas Limited                      | Cubic feet      |                |            | 3,643,147                | 5,492,772               | Gas       | Production     |
| 30  | Williamson Diamonds Limited                | Carats          | 29879          | 31,555.00  | 9,529,492                | 14,367,615              | Diamonds  | Production     |
|     | <b>Grant total for 3rd reconciliation</b>  |                 |                |            | <b>1,827,186,477</b>     | <b>3,192,135,947</b>    |           |                |
|     | Grand total for 2nd reconciliation         |                 |                |            | <b>1,579,173,713</b>     | <b>2,166,626,334</b>    |           |                |

## Unresolved Discrepancies in Third Report

There were differences between the figures reported by the Government and the figures reported by companies. These differences are further detailed by company and by tax category later in this report (see section 6.1 and 6.2). MSG decided that any difference between payment flows in excess of TzS 5 million was material for further investigation. Overall, the unresolved differences at the date of this report were:-

### A: Difference Summary

#### Beginning of Reconciliation-TzS

|                                | Government<br>(TzS) | Taxpayers<br>(TzS) | Difference<br>(TzS) | %      |
|--------------------------------|---------------------|--------------------|---------------------|--------|
| <b>Total Payments Declared</b> | 491,151,371,004     | 512,431,687,334    | (21,280,316,330)    | -4.33% |

#### End of Reconciliation-TzS

|                                | Government<br>(TzS) | Taxpayers<br>(TzS) | Difference<br>(TzS) | %      |
|--------------------------------|---------------------|--------------------|---------------------|--------|
| <b>Total Payments Declared</b> | 497,246,613,500     | 508,246,317,987    | (10,999,704,487)    | -2.21% |

### B: Difference by Cause:

| Cause of difference                     | Difference             | Difference         | Total Difference        |
|---|------------------------|--------------------|-------------------------|
|   | (TzS)                  | (US\$)             | (TzS)                   |
| ***Templates not submitted by taxpayers | 874,046,765            | 12,854             | 893,426,726             |
| Discrepancies in Templates submitted    | (6,089,128,959)        | (3,849,574)        | (11,893,131,213)        |
| <b>Total Differences</b>                | <b>(5,215,082,194)</b> | <b>(3,836,720)</b> | <b>(10,999,704,487)</b> |

\*\*\*: This difference relates to Tullow Tanzania B.V that failed to submit a reporting template.

### C: Differences by Payment Type

| Details                            | Total Difference in<br>(TzS) |
|------------------------------------|------------------------------|
| Differences from taxes             | (11,150,650,617)             |
| Differences from terminal benefits | 150,946,129                  |
| <b>Total</b>                       | <b>(10,999,704,488)</b>      |

### D: Nature of Differences

| Details   | Total Difference<br>(TzS) |
|---|---------------------------|
| Differences arising from government reporting more than the companies | 6,268,369,747             |
| Differences arising from companies reporting more than the government | (17,268,074,234)          |
|   | <b>(10,999,704,487)</b>   |

### E: Differences by Government Agency

| Details   |  |  | Total Difference<br>(TzS)         |
|---|--|--|-----------------------------------|
|   |  |  |                                   |
| Tanzania Revenue Authority  |  |  | (5,366,028,460)                   |
| Ministry of Energy and Minerals   |  |  | (5,804,002,495)                   |
| Tanzania Petroleum Development Corporation                                      |  |  | 19,380,337                        |
| National Social Security Fund   |  |  | 150,946,129                       |
|   |  |  | <b>(10,999,704,489)</b>           |
| <b>F: Differences by Payment Type</b>   |  |  |                                   |
| <b>Details</b>  |  |  | <b>Total Difference<br/>(TzS)</b> |
|   |  |  |                                   |
| Import duty   |  |  | (6,242,157,058)                   |
| Royalties   |  |  | (5,035,045,778)                   |
| Fuel Levy   |  |  | (5,212,256,200)                   |
| Annual rents and license fees   |  |  | (749,576,379)                     |
| Skills and Development Levy (SDL)   |  |  | (9,658,482)                       |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |  |  | 4,298,960                         |
| Excise duty   |  |  | 16,688,715                        |
| Corporation Tax   |  |  | 92,754,478                        |
| National Social Security Fund (NSSF) contribution                               |  |  | 150,946,127                       |
| Withholding taxes   |  |  | 482,914,797                       |
| Pay As You Earn (PAYE)  |  |  | 701,799,409                       |
| Value Added Tax on Imports paid to Customs Department                           |  |  | 4,799,586,922                     |
|   |  |  | <b>(10,999,704,490)</b>           |
| <b>G: Differences by Company</b>  |  |  |                                   |
| <b>Details</b>  |  |  | <b>Total Difference<br/>(TzS)</b> |
|   |  |  |                                   |
| Geita Gold Mining Limited   |  |  | (5,928,473,575)                   |
| North Mara Gold Mine Limited  |  |  | (4,787,040,118)                   |
| Pangea Minerals Limited   |  |  | (3,989,452,485)                   |
| Songas Limited  |  |  | 1,403,839,458                     |
| Tancan Mining Company Limited   |  |  | (111,662,636)                     |
| Tanga Cement Company Limited  |  |  | 953,833,509                       |
| Tanzania Portland Cement Co. Ltd  |  |  | (419,568,094)                     |
| Tanzaniteone Trading Limited  |  |  | (82,931,039)                      |
| Tullow Tanzania B.V   |  |  | 893,426,726                       |
| Williamson Diamonds Limited   |  |  | 1,511,485,330                     |
| Tanzaniteone Mining Limited   |  |  | (169,785,112)                     |
| TADC 2000 (Tanzam 2000)   |  |  | (56,661,839)                      |
| Resolute (Tanzania) Limited   |  |  | 74                                |
| Mantra Tanzania Limited   |  |  | (216,714,084)                     |
|   |  |  | <b>(10,999,704,490)</b>           |

In summing up, the TzS. 11 billion of unresolved differences is arising mainly from taxes paid to TRA-Customs Department (namely import duties, VAT on imports, fuel levy, and excise duty) and from royalties paid to the Ministry of Energy and Minerals.

The Reconciler was instructed by MSG to prepare final report based on payments and receipts data received from reporting entities up to June 24<sup>th</sup> 2013. The differences will be followed-up after publication of this Report. .

### **Acknowledgement**

The Consultants would like to express their sincere thanks to Hon. Judge Mark Bomani and the entire MSG for their support during the preparation of this Report; to Benedict Mushingwe, Athuman Kwariko, and Innocent Bash from TEITI Secretariat for their contribution and support in making the production of this Report possible.



## 4. INTRODUCTION

### EITI in Tanzania

The Government of the United Republic of Tanzania in its efforts to promote transparency in the extraction of minerals, oil and gas resources decided to join the Extractive Industries Transparency Initiative (EITI) in February 2009. EITI is a global standards institution for governance of natural resources that require governments to engage citizens in the affairs of extractive industries. Citizens through annual EITI reconciliation reports are provided with information on payments made by extractive companies and revenues received by the government.

The EITI implementation in the country was preceded by the establishment of a Multi-Stakeholders Working Group (TEITI-MSG) to spearhead promotion of transparency and accountability in Tanzania's extractive industries. TEITI-MSG is composed of five representatives from each of the following three groups: civil society organizations, extractive companies, and the Government. TEITI-MSG is led by the Chairperson (Hon. Mark Bomani, a retired judge) who serves as an independent member. H.E President Jakaya M. Kikwete reaffirmed Tanzania's commitment to the EITI at the 5<sup>th</sup> EITI Global Conference, held in Paris in March 2011, noting that the initiative is aligned with country's policy of promoting transparency and accountability in the management and use of natural resources.

Tanzania was declared Compliant with the EITI Rules and Standard on December 12<sup>th</sup>, 2012. To obtain the EITI Compliance Status, Tanzania had to demonstrate that it has an effective process for disclosure and reconciliation of revenues from its mining, oil and gas sectors. These reconciliation reports provide an opportunity for citizens to access information on the extractive industries. As of December 2012, Tanzania was the 18<sup>th</sup> country to obtain the EITI Compliant Status out of 37 countries that are implementing EITI Rules and Standard.

Going forward, TEITI is working on post compliance work plan aimed to strengthen and deepen transparency in the extractive industries so that there increased openness in prices, operating costs, production, and sales data. The goal is to increase understanding and accountability of the revenues generated by the sector and how these revenues are used

## 5. OVERVIEW OF THE EXTRACTIVE INDUSTRY IN TANZANIA

### NATURAL GAS

#### Policy Developments, Legal and Regulatory Framework

Exploration of oil and gas in Tanzania started in 1960s though major explorations began to take place during 2000s. According to TPDC, approximately 40 trillion cubic feet (TCF) of commercial gas reserves have been discovered as of March, 2013. No oil has been discovered yet. For the 40 TCF which has been discovered, 8 TCF is onshore, while 32 TCF is offshore discovery.<sup>6</sup>

The ongoing natural gas findings and continuing exploration activities of gas and oil, if properly managed, can help to enhance Tanzania's socio-economic development goals. To ensure the country ceases the opportunity, the Government is currently developing policies to provide guidance on upstream, midstream, and downstream gas-related activities. The Government will prepare a Natural Gas Utilization Master Plan to identify investment options and ways of maximizing the value of natural gas utilization.

The Petroleum (Exploration and Production) Act of 1980 is currently being revised and will be amended into a new law to manage upstream gas (and potentially oil in the future) activities. The downstream policy is at the final stage of being completed and formation of natural gas Act to manage midstream and downstream gas activities will be developed as soon as the downstream gas policy is completed. Moreover, the Ministry of Energy and Minerals organized an inception workshop in September, 2012 in Bagamoyo to begin the process of developing petroleum upstream policy. Representatives from institutions responsible for compliance with the laws mentioned above participated at the workshop. Other laws related to Tanzania's petroleum resources include: The Constitution of Tanzania (1977), Public Corporations Act No. 17 (1969), Income Tax Act 2004, and Environmental Act 2004.

#### Production Sharing Agreement

The Petroleum (Exploration and Production) Act of 1980<sup>7</sup> permits the Government to enter into a petroleum agreement under which an oil company may be granted exclusive rights to explore for and produce petroleum. The production of gas sector in Tanzania is currently managed by Production Sharing Agreement (PSA), whereas the Tanzania Petroleum Development Corporation (TPDC) is granted licences under the Act by the Ministry of Energy and Minerals, mandating TPDC to enter into PSAs with oil and gas companies. The Act also provides for exploration, appraisal, development and production periods.

If a discovery is developed to production and sale under PSA, then the investor is allocated a portion of the revenue (cost oil/gas) to recover own costs. The remaining portion of revenues (profit oil/gas) is shared between the investor and the government. The agreements also provide for the government through TPDC to participate in the development of the resources (state participation) once commercial quantities are confirmed.

State participation at the development stage of resource extraction is prudent because the government is entitled a portion of a net cash flow (dividends, based on state participation percentages) over the life of the project. Therefore, total government take from the PSA is optimized as the percentage of net cash flow is collected as dividend in addition to royalties, profit oil/gas share, corporate tax, other direct and indirect taxes. Under the current PSA, the government has refrained from state participation at the exploration level

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<sup>6</sup> TPDC Press Release in The Guardian Newspaper, Friday, March 29<sup>th</sup>, 2013, page 12

<sup>7</sup> The Act is found in the following websites: [www.parliament.go.tz/bunge](http://www.parliament.go.tz/bunge) or [www.mem.go.tz](http://www.mem.go.tz) or [www.tpdctz.com](http://www.tpdctz.com)

due to the high risks involved at this stage, and because of limited public finance as oil and gas exploration is capital intensive.

Generally, PSAs tend to have the following characteristics:

- Rights to explore and produce based on contract (PSA/PSC)
- Cost recovery limit
- Always ring fencing
- Common with signature bonuses
- Some material provisions in legislation (Act and Regulations)
- Further material provisions in PSA
- Often Joint Operating Agreement between operating companies within one PSA , in addition to PSA
- Petroleum produced belongs to contractor, but Government gets its take through:
  - Equity participation (dividends)
  - National Oil Company (NoC) share
  - Taxes
  - Royalties

A balanced tax system is the one which align interests between government and contractors to ensure cost-effective petroleum operation and maximum extraction of oil and gas from the ground.

As of June, 2012 a total of 26 PSAs covering onshore and offshore blocks were signed between the Government and 18 companies. So far there are 11 discoveries--3 onshore and 8 in deep sea--63 wells have been drilled, whereas 53 wells are onshore and 9 wells are offshore. The drilling of wells was as follows: BG (Blocks 1, 2, 3), Statoil (Block 2) and Petrobras (Block 5). The drilling led to significant gas discoveries in blocks 1, 2, 3 and 4.

#### Licensed Areas Between 2002 - 2012

| Company name | Block | Year |
|--------------|-------|------|
| Petrobras    | 5     | 2004 |
| Ophir        | 1     | 2005 |
| Ophir        | 3 &4  | 2006 |
| Statoil      | 2     | 2007 |
| Dominion     | 7     |      |
| Petrobras    | 8     | 2012 |

**Source: TPDC**

#### Production of Gas

The current production of gas is based on small discoveries at Songo Songo Island in Kilwa, Lindi region (250 km South of Dar es Salaam) and at Mnazi Bay in Mtwara region (450 km South of Dar es Salaam). There are other small discoveries in Mkuranga, Coast region (60 km South of Dar es Salaam) and Kiliwani North (2.5 km South East of Songo Songo Island). Taken together, Songo Songo, Mnazi Bay, Mkuranga and Kiliwani North have a total of approximately 8 TCF or the equivalency of 1.5 billion barrels of oil.

#### Production and Transportation of Songo Songo Island Gas, Lindi

Available data from TPDC indicate that proven and probable reserves in Songo Songo island gas field are estimated at 810 billion standard cubic feet (BCF) while possible reserves stand at 1.10 trillion standard cubic feet (TCF). Production of natural gas in Songo Songo Island started in 2004 and has been used for electricity generation. Economic activities on the country are concentrated in Dar es Salaam where the demand for electricity is high to support production of goods and services and to provide power needs of more than 4.5 million population of Dar es Salaam city and its suburbs. So gas is transported from Songo Songo Island to Dar es Salaam by pipeline (232km, mostly 16-inch diameter pipe) to generate power which is then connected to the national power grid. The current generation of electricity from Songo Songo natural gas is around 370 MW and contributes around 39% of electricity generated in the country.

The gas transported to Dar es Salaam is, in part, used for industrial purposes (i.e. there is a 16km, 8-inch-pipe from Ubungo to Wazo, Tegeta cement factory). The other gas is used by a number of hotels in Dar es Salaam. The gas pipeline from Songo Songo to Dar es Salaam has the capacity of transporting 105 million cubic feet of gas per day, but it is currently transporting 103 million cubic feet per day. According to TPDC, the pipeline can transport up to 140 million cubic feet given its designed capacity and if compression facilities were to be installed. Initially the pipe's maximum capacity was 70 million cubic feet per day, but its capacity had to be expanded to cater for the increasing demand of gas consumption in Dar es Salaam.

#### **Production and Transportation of Mnazi Bay Gas, Mtwara**

Gas in Mnazi Bay was discovered in 1982 but production began in 2006. The proven probable and possible gas reserves in Mnazi Bay vicinities are estimated at 2.2 TCF. There is an 8-inch pipeline from Mnazi Bay to Mtwara town (27 km), capable of transporting 70 million cubic feet of gas per day. However, the pipeline is only transporting 2 million cubic feet of gas per day which is the current demand. Production of gas in Mtwara is currently used to generate 12 MW for Mtwara and Lindi electricity needs. However, this gas-fired power plant is capable of producing 18 MW. It is currently producing 12 MW because that is the demand level of electricity for Mtwara and Lindi and the plant is supplying according to demand.

#### **Operators in Downstream Activities**

There are four contractors operating in the downstream segment of the gas sector, namely Tanzania Petroleum Development Corporation (TPDC), Songas Limited, Pan African Energy Tanzania Limited, and Maurel et Prom. All contractor parties (including TPDC) have to pay income tax according to the Income Tax Act 2004.

**Orca Exploration Group** operates one licence in Tanzania through its subsidiary company Pan African Energy (Tanzania) Ltd. Pan African Energy (Tanzania) Ltd operates a gas processing facility on Song Songo island on behalf of Songas Limited (Songas) on a no loss, no gain basis.

#### **Support of Natural Gas Findings to the Overall National Economy**

Tanzania's gross domestic product (GDP) growth has averaged around 7% in the 2000s and has continued to be stable over the past few years despite global economic turbulence. The country has a population size of 46.2 million and the annual population growth rate is alarmingly averaging 3.1 %, way above the Sub-Saharan Africa average of 2.5%.

Onshore and offshore gas findings will help Tanzania to generate enough electricity to cater for its energy-hungry economy and to light its ever growing urban and rural population. Tanzanians with access to the national electricity grid is only 18% of the population. The gas production to be allocated for domestic obligations will help to improve access to electricity (at affordable costs), and will enhance the living conditions of most Tanzania households.

Hydro-based electricity in Tanzania is becoming less and less predictable due to unreliable patterns of rainfall. Apart from the current 39% of gas-based electricity production, the remaining major part of electricity is generated using diesel-based power plants. With the volatility of global oil price and given the fact that oil prices have increased more often than they have decreased, Tanzania is spending a significant amount of foreign currencies to import oil for power generation. According to TPDC, the country is spending approximately USD 1 billion<sup>8</sup> per year to import fuel for power generation.

In the long-term, Tanzania cannot afford to sustain the USD 1 billion import bill for power generation. In the light of this, the Government has begun the process of constructing a relatively bigger pipeline to transport gas produced in Mtwara and Lindi to Dar es Salaam. The Government is building a gas processing facility in Songo Songo (140 million cubic feet per day) and another processing facility in Mnazi Bay (210 million cubic feet per day).

To transport gas to the newly-built facilities in Dar es Salaam where there is great demand, the Government will build 542-km pipeline as follows:

- Onshore 487-km pipeline, 36 inches diameter, from Mtwara up to Kinyerezi, Dar es Salaam;

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<sup>8</sup> See TPDC Press Release in The Guardian Newspaper, Friday, March 29<sup>th</sup>, 2013, page 12

- Offshore 25-km pipeline, 24 inches diameter, from Songo Songo island to Somanga Fungu, Kilwa; and
- Onshore 30-km pipeline, 16 inches diameter, from Kinyerezi via Ubungo to Tegeta.

The pipeline will have the carrying capacity of 784 million cubic feet of gas per day. In addition, the pipeline will be able to transport up to 1,002 million cubic feet given its designed capacity and if compression facilities were to be installed. According to TPDC, the pipeline will be able to transport the amount of gas according to demand for the next 20 years. The construction of the pipeline is planned to be completed by December 2014. The pipeline is expected to cost approximately USD 1.2 billion and the Government has already obtained a concession loan of USD 1.2 billion from the Chinese Government to carry out the project.

### Major Oil and Gas companies in Tanzania as of February 2013

| No | OPERATOR                           | COUNTRY OF ORIGIN    | AREA   | NATURE OF OPERATION    |
|----|------------------------------------|----------------------|--|------------------------|
| 1  | Pan African Energy                 | United Kingdom       | Songo Songo  | Production             |
| 2  | Mauriel ET Prom                    | France               | Mnazi Bay, Bigwa-Mafia Channel                             | Production/Exploration |
| 3  | Ndovu Resources Ltd                | Australia            | Nyuni - East Songo Songo<br>Ruvuma                         | Exploration            |
| 4  | Petrodel Resources                 | United Kingdom       | Kimbiji & Latham   | Exploration            |
| 5  | Afren plc                          | United Kingdom       | Tanga  | Exploration            |
| 6  | BG International                   | United Kingdom       | DeepSea Block – 1, Deep-sea Block -<br>3 ,Deep-sea Block 4 | Exploration            |
| 7  | Statoil Tanzania As                | Norway               | Deep-sea Block-2   | Exploration            |
| 8  | Petrobras                          | Brazil               | Deep Sea Block-5, Deep-sea Block-<br>6 , Deep-sea Block-8, | Exploration            |
| 9  | Dominion Oil & Gas Limited         | United Kingdom       | Deep-sea Block-7   | Exploration            |
| 10 | Ophir East Africa Ventures Limited | United Kingdom       | Pande East   | Exploration            |
| 11 | Beach Petroleum Ltd                | Australia            | L. Tanganyika South  | Exploration            |
| 12 | Total E&P Activités Pétrolières    | France               | L. Tanganyika North  | Exploration            |
| 13 | Dodsai Hydrocarbons & Power Ltd    | United Arab Emirates | Ruvu Block   | Exploration            |
| 14 | Heritage Rukwa Tanzania Limited    | United Kingdom       | Rukwa Basin, Kyela Basin                                   | Exploration            |
| 15 | Swala Oil and Gas (Tanzania) Ltd   | Australia            | Kilosa-Kilombero Basin                                     | Exploration            |
|    |                                    |                      | Pangani Basin  |                        |

|    |                  |           |  |             |
|----|------------------|-----------|--|-------------|
| 16 | Motherland Homes | India     | Malagarasi Basin   | Exploration |
| 17 | TPDC             | Tanzania- | Kisangire - Lukurilo<br>Mandawa, Selous West Songo Songo | Exploration |

Source: Tanzania Petroleum Development Corporation (TPDC)

### About The Mineral Sector in Tanzania

Tanzania is one of the major mineral producers on the continent of Africa. The legal framework of mineral sector in Tanzania recognizes both small-scale and large-scale operators. Most of the revenue from the mineral sector to the Government is contributed by large scale mining operators. There are nine large mining operations: six gold operators, one diamonds mine, one coal mine, and one Tanzanite mine. Gold accounts for 90 percent of the value of Tanzania’s mineral exports.

Key investment incentives in the mineral sector which are provided in the existing mining fiscal regime are:

#### Allowance on Capital Expenditures

Exploration and development capital expenditure (CAPEX) for extractive industry operations are deductible at 100%.

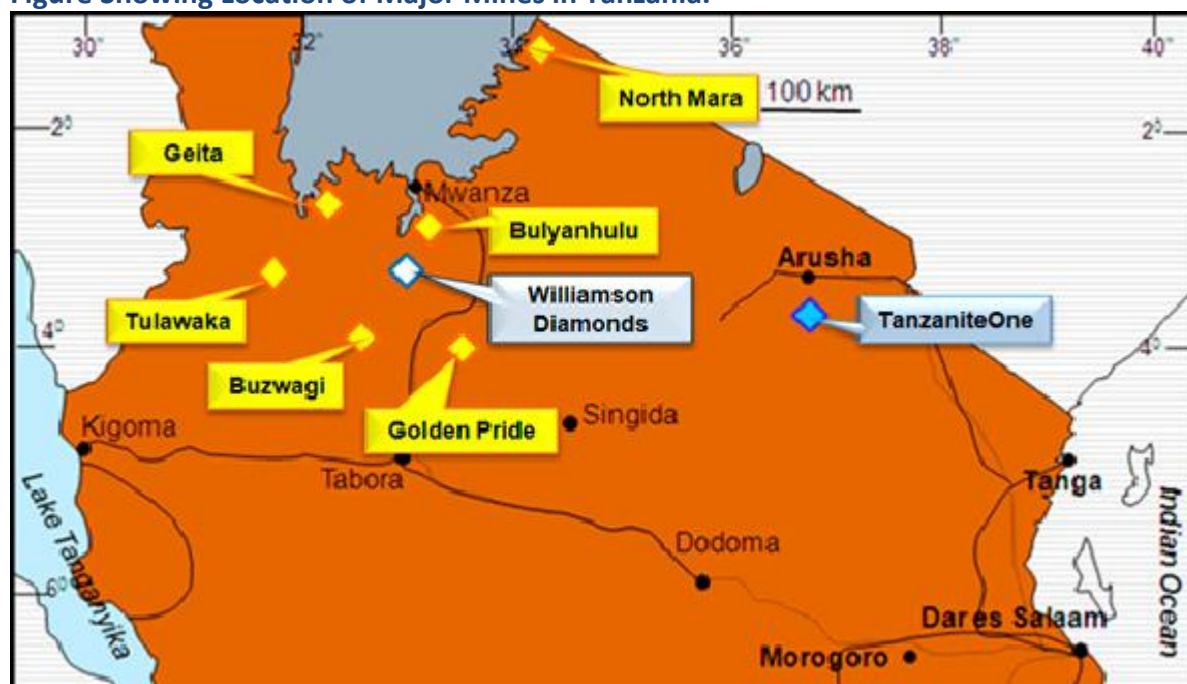
#### Value Added Tax (VAT)

VAT reliefs on imports and domestic purchases is provided for exploration, prospecting, drilling, and mining expenditures.

#### Excise Duty

Extractive Industries are exempted from excise duty on imported or domestically off-bond purchased oil for mining or exploration purposes. Mining or exploration companies buying tax paid fuel are refunded for fuel consumed in mining operations.

Figure Showing Location of Major Mines in Tanzania.



Source: TMAA

### Mineral Sector's Contribution to the National Economy

Tanzania is targeting to become a Middle-Income Country (MIC) by 2025 and has articulated a strategy on how to achieve these targets through its National Development Vision 2025. The Vision is expecting the mineral sector to contribute up to 10% of national GDP by 2025.

Mineral sectoral growth in 2012 was 7.8% compared to growth rate of 2.8% in 2011. Its contribution to the national economy was 3.5% in 2012 compared to 3.3% in 2011, using 2012 prices. The value of mineral export sales increased from USD 1.98 billion (equivalent to TzS 3.2 trillion) in 2011 to USD 2.3 billion (equivalent to TzS 3.7 trillion) in 2012. This is equal to an increase of export revenue of 16.3% between 2011 and 2012. The high revenue growth is attributed to the increase of gold prices in world markets from the average price of USD 1,571.28 per ounce in 2011 to USD 1,668.63 per ounce in 2012. Gold is a single largest mineral commodity that contributes to sales exports. The value of gold exports as a percentage of total mineral exports in 2012 reached 94%<sup>9</sup>.

**Table Key Economic Indicators for Tanzania**

| Indicator<br>(as % of<br>GDP)     | Actual |        |        |        |        |        |
|-----------------------------------|--------|--------|--------|--------|--------|--------|
|                                   | 2007   | 2008   | 2009   | 2010   | 2011   | 2012   |
| Exports<br>(GNFS <sup>10</sup> )  | 24     | 25     | 23     | 28     | 31     | 31     |
| Imports<br>(GNFS)                 | 41     | 39     | 35     | 39     | 50     | 48     |
| Govt Current<br>revenue           | 13.1   | 14.7   | 15.2   | 14.9   | 15.3   | 16.1   |
| Growth<br>rates <sup>11</sup>     |        |        |        |        |        |        |
| GDP annual<br>growth rate         | 7.1    | 7.4    | 6.0    | 7.0    | 6.4    | 6.5    |
| GDP Per<br>Capita<br>growth       | 4.2    | 4.4    | 3.0    | 3.9    | 3.3    | 3.3    |
| GDP (US\$ at<br>current<br>prices | 16,826 | 20,715 | 21,368 | 22,901 | 24,665 | 28,421 |

Source: World Bank

Corporate tax payments from extractive industries have been insignificant, and therefore, have not assisted in enhancing Government's domestic revenue because the majority of mining companies have not been paying corporate tax. TEITI's 1<sup>st</sup> and 2<sup>nd</sup> Reports show that government revenue from the minerals sector has mainly been from royalties and taxes on wages. The Reports indicate total corporate tax payments to the Government were TzS 1.4 billion and 27.7 billion or 2.1% and 7% of total receipts respectively.

<sup>9</sup> Ministry of Energy and Minerals' Budget Speech -June 2013

<sup>10</sup> GNFS denotes "goods and nonfactor services"

<sup>11</sup> At market price, %, calculated from 2001 prices



In the Government fiscal year 2010/2011 for which this report is covering, Golden Price Mine (which is owned by Resolute Tanzania Limited) was the only company that paid corporate tax out of six large-scale gold mine operations. The other companies which paid corporate taxes are Pan African Energy Tanzania Limited (natural gas), Tanzania Portland Cement Company Limited, and Mbeya Cement Company Limited, and Tanga Cement Company Limited.

**Table showing major Gold Mines**

| Major Gold Mines     |  |            |                      |                    |                       |                              |  |                                 |
|----------------------|--|------------|----------------------|--------------------|-----------------------|------------------------------|--|---------------------------------|
| Mine                 | Owner  | Location   | Type of Mine         | Contract sign date | Production start year | Production in 2009 ('000 oz) | Proved & Probable reserves ('000 oz) end of 2009 | Mine Life (est. end of year) 1/ |
| Bulyanhulu Gold Mine | African Barrick Gold (100%)  | Kahama     | Underground          | 1994 <sup>4/</sup> | 2001                  | 249                          | 10,320   | 2035                            |
| Golden Pride Mine    | Resolute Mining Ltd  | Nzega      | Open-pit             | 1997               | 1998                  | 137 <sup>3/</sup>            | 322 <sup>2/</sup>                                | 2013                            |
| Geita Gold Mine      | AngloGold Ashanti's (AGA)  | Geita      | Open-pit             | 1999               | 2000                  | 272                          | 5,070  | N/A                             |
| North Mara Gold Mine | African Barrick Gold (100%)  | Tarime     | Open-pit             | 1999 <sup>5/</sup> | 2002                  | 212                          | 2,949  | 2020                            |
| Tulawaka Gold Mine   | African Barrick Gold (70%) & Northern Mining Exploration Ltd (30%) | Biharamulo | Open-pit/underground | 2003               | 2005                  | 66                           | 94   | 2013                            |
| Buzwagi Gold Mine    | African Barrick Gold (100%)  | Kahama     | Open-pit             | 2007               | 2009                  | 189                          | 3,410  | 2023                            |

Source: TRA, TMAA, ABG website

**Notes:**

1/ Mine life estimates from African Barrick Gold website.

2/ Reserves estimates as of June 2010, including stockpile.

3/ Average of financial years 2008/2009 and 2009/2010

4/ Barrick acquired Bulyanhulu in March 1999 as part of the acquisition of Sutton Resources Ltd.

5/Barrick acquired North Mara in 2006 as part of the acquisition of Placer Dome Inc.

**State-Owned Enterprises**

Stamico is a state-owned enterprise which was established in 1972 under the Public Corporation Act, 1969, in order to invest in the mineral sector on behalf of the Government. Stamico was not performing well and continued to depend on Government subsidy since it was established. During privatization era in mid 1990s, Stamico was one of the state-owned enterprises which were earmarked for liquidation. However, the Mineral Sector Review Committee led by Judge Mark Bomani recommended that Stamico be revived with new roles. These roles include: to invest in strategic projects on behalf of the Government, to hold share in joint venture projects on behalf of the Government, and to develop and provide technical support to small-scale miners. On the basis of these new roles, Stamico was de-specified in March, 2009.

Currently, Stamico owns shares in several projects through joint venture arrangements. These projects are under explorations, and thus there is no production to generate significant revenue. STAMICO holds eighteen (18) Prospecting Licenses (PLs) as at December, 2012. 5 licences are for gold, 2 for platinum group metals, 4 for uranium, 1 for chromite, and 1 for manganese. STAMICO intends to progressively acquire more mineral rights for various minerals including industrial minerals and rare earth metals. Two PLs (Itetemia Gold Prospect and Buhungukila Gold Prospect) are under joint-venture arrangements with foreign partners, namely: Tancan Mining Company Limited and Savannah Company Limited.



In this reporting period, Stamico's payments by way of Pay As You Earn (PAYE) and social contributions (PPF) fall below the materiality threshold of TzS 150 million. In the light of this, Stamico was not included in the reconciliation exercise.

### About Small Scale Miners

Small scale mining is restricted to only Tanzanian citizens, who are required by law to operate under Primary Mining Licence. As previously stated, Tanzania's mineral sector includes both large and small-scale mining. The small scale mining activities involve mining diamonds, gold, gypsum, variety of gemstones, salt and building materials. Even though small scale mining is underdeveloped, it remains the major employer in the mining industry. According to the 2011 Baseline Survey on small scale mining activities which was prepared by Sustainable Management of Mineral Resources Project (SMMRP), the sub-sector employs about 680,385 people while the total number of people employed by large-scale mining operations is estimated at 12,000 people.

The Survey further reveals that even though there have been some technological improvements in small scale mining, the sub-sector employs poor technology, uses unsophisticated and crude tools, and its players have limited marketing knowledge. It is indicated in the Survey that the number of men directly involved small scale mining is about 492,810 and about 187,575 for women.

Given the widely-disbursed nature of small-scale mining activities, the Government requires licensed mineral dealers to collect royalties from small-scale operators at the point of selling their produce to dealers.

### Mineral Traders

Section 73 of Mining Act 2010 provides for trading licenses on minerals, and these licenses are divided into two categories:

- i) Dealer License is issued to individuals or body corporate. The owner is entitled to export minerals stated under the license. The Government decided to introduce mineral trading license to provide access of market for artisanal and small scale miners.
- 2) Broker license is issued to individuals and the owner is entitled to buy minerals from small scale miners and sell to mineral dealers and/or brokers.

In the 3<sup>rd</sup> TEITI Report and future Reports, TEITI will capture contribution of small scale miners to the Government revenues by way of royalties payments. Given the informal and geographically-scattered nature of the sub-sector, TEITI will collect data on royalties paid through licensed mineral traders. Royalties collected from dealers fall below the materiality threshold of TzS 150 million. Therefore, no mineral dealer was covered in the reconciliation exercise.

**Table below shows a summary of mineral dealers in 2010/2011 in Tanzania**

| Zone/Region   | Number of mineral trading licenses for FY 2010/2011 | Number of dealers holding the licenses |
|---------------|---|--|
| Singida       | 2   | 2                                      |
| Mpanda        | 1   | 1                                      |
| Bukoba        | 10  | 10                                     |
| Shinyanga     | 23  | 19                                     |
| Songea        | 8   | 4                                      |
| Kilimanjaro   | 85  | 41                                     |
|               |   |  |
| <b>Totals</b> | <b>129</b>  | <b>77</b>                              |

Source: MEM

## Types and size of mineral rights

There are essentially two basic mineral rights in Tanzania. These are:

- a) **Prospecting or exploration right** (The process involving learning about undiscovered reserves and sometimes undertaken to improve the quality of known reserves.)
- b) **Exploitation rights** (Involves actual extraction of known reserves and construction of accessories necessary for mining activities.)

### Prospecting or exploratory rights are divided into:

- a) a prospecting licence (PL);
- b) a gemstone prospecting licence (GPL);
- c) a retention licence (RL);

### Exploitation rights are further categorized into:

- a) Special Mining Licence (SML);
- b) Mining Licence (ML);
- c) Primary Mining Licence (PML);
- d) Processing Licence (PL);
- e) Smelting Licence (SL);
- f) Retention Licence (RL).

### Categories of Mining Licences (Sizes)

1. **Primary Mining Licence** is a licence for small scale mining operations, whose capital investment is less than US\$100,000 or its equivalent in Tanzanian shillings;

**Small Scale Mining Operations**-The Small Scale Miners in Tanzania are commonly known as mining community or Artisanal and Small Scale Mining (**ASSM**). By virtue of section 4 of the Mining Act, 2010 the Small scale mining activities are those operating under a "**Primary Mining License**" whose capital investment is less than US\$100, 000 or its equivalent in Tanzanian shillings. Small Scale Miners encompass owners of **PMLs**, labourers, illegal miners, mineral brokers, mineral dealers, speculators and service providers.

2. **Mining Licence** is for medium-scale mining operations, whose capital investment is between US\$ 100,000 and US\$ 100,000,000 or its equivalent in Tanzanian shillings;
3. **Special Mining Licence** is for large scale mining operation, whose capital investment is not less than US\$100,000,000 or its equivalent in Tanzanian shillings;

### Qualifications for acquiring mining licenses

Mineral rights can be granted to individual or corporate body which fulfils requirements of Section 8(1) of Mining Act, 2010. However, the following exceptions apply:

1. **Primary mining licence** for any minerals shall be granted to **Tanzanians** whether individuals, partners or body corporate
2. **Mining licence for mining gemstones** shall only be granted to Tanzanians whether individuals, partners or body corporate.

## Sizes of mineral rights in Tanzania

Table 7 below summarizes the sizes of areas for each mineral right;

|   | Mineral right          | Type of Mineral   | Maximum Area                   |
|---|------------------------|---|--------------------------------|
| 1 | Prospecting Licence    | metallic mineral, energy mineral, industrial minerals and kimberlitic diamond | 300 sq km<br>(30,000 hectares) |
| 2 | Special Mining Licence | mineral deposits, other than superficial deposits                             | 35 sq km<br>(3500 hectares)    |
| 3 | Special Mining Licence | Superficial deposits  | 70 sq km<br>(7000 hectares)    |
| 4 | Mining Licence         | metallic mineral, energy mineral, industrial minerals and kimberlitic diamond | 10 sq km<br>(1000 hectares)    |
| 5 | Mining Licence         | building materials and gemstones excluding kimberlitic diamond                | 1 sq km<br>(100 hectares)      |
| 6 | Primary Mining Licence | All materials other than building materials                                   | 10 hectares                    |
|   | Primary Mining Licence | Building Materials  | 5 hectares                     |

## Relevant legislations in the mining sector

The legislations applicable to the Industry in Tanzania include;

- Tanzania Mining Policy of 2009;
- Mining Act 2010;
- The Income Tax Act, Cap 322;
- The VAT Act, Cap 148;
- The East African Customs (Management and Tariff) Act, Cap. 403;

## Existing mineral rights in Tanzania

According to data received from the Ministry of Energy and Minerals, there were 17,040 mining licences which were active in the financial year 2010/2011 and 3,145 prospecting licences being held by 5,327 and 761 operating entities (companies and individuals) respectively.

The table below summarises the difference types of licences that are active as of February 2013 as well as those that were held in the financial year 2010/2011.

| Type/name of rights (license)                      | Number of active licenses as of Feb 2013 | Number of parties holding these licenses as of Feb 2013 | Number of active licenses in the financial year ended June 30, 2011 | Number of parties holding these licenses in the year ended June 30, 2011 |
|--|--|---|---|--|
| Mining License (ML)/ Gemstone Mining License (GML) | 318                                      | 154   | 268   | 130  |
| Primary Mining License (PML)                       | 19,130                                   | 5,880   | 16,759  | 5,186  |
| Special Mining License (SML)                       | 13                                       | 11  | 13  | 11   |
| Prospecting License (PL)                           | 3,647                                    | 896   | 3,145   | 761  |
| <b>Totals</b>                                      | <b>23,108</b>                            | <b>6,941</b>  | <b>20,185</b>   | <b>6,088</b>   |

Source: MEM

### Beneficiary Ownership

The Ministry of Energy and Minerals has open mineral right registry, both in hard copies and digital database known as Mining Cadastre Information Management System (MCIMS). The MCIMS is a rule-based system aligned with the Mining Act 2010. Mineral rights are granted on first-come, first-served basis. In the event two applications for the same area are received at the same time, applicants are subjected to a tendering process to exercise fairness. Information on tenements can be accessed in person at the Licensing Unit, Ministry of Energy and Minerals, or by online portal at <https://www.flexicadastre.com/tanzania>

In addition, names of shareholders of a company (beneficiary owners) registered in Tanzania under Companies Ordinance CAP. 212 can be obtained at Business Registrations and Licensing Agency (BRELA), website <https://www.brela-tz.org>

### Major Mining Operations in Tanzania

**Bulyanhulu Gold Mine (Gold)** - Kahama Gold Mine was established in 1994. The mine was initially jointly owned by Barrick Gold Corporation of Toronto, Canada with 85% shares and the Government of the United Republic of Tanzania (URT) with 15% interest shareholding. Thereafter, in 1999, Barrick Gold Corporation successfully completed the acquisition of 100% of the outstanding shares of SRL in Kahama Gold Mining Company Ltd, thereby acquiring control of the PL and the Development Agreement with respect to the Kahama Gold Mine. The Kahama Gold Mine changed its name to Bulyanhulu Gold Mine which was officially opened in July 2001 by the former President of the United Republic of Tanzania. Benjamin William Mkapa in July 2001.

The mine began production in 2001 and the mine reserves are estimated at 13.2 million ounces of gold (equal to 411 tonnes). It is producing an average of 300,000 ounces of gold (11.34 tonnes); 200,000 ounces of silver and 8 million pounds of copper per year. At the present rate of production, it is expected that the mine will last for more 30 years.

**North Mara Gold Mine (Gold)**- East African Gold Mines Limited (EAGML), a company incorporated in Australia was registered on 10th August, 1993 in Tanzania. It was established by Mr. Geoff Stewart who acquired tenements in Tanzania for gold deposits in the Mara region. In November, 1995, EAGML changed its name to be known as Afrika Mashariki Gold Mines Limited (AMGML) thereby acquiring all the shares in AMGML which was completed in 1997. On 30th August, 1996 EAGML was given Mining License pursuant to Section 38 of the Mining Act, 1979. Major shareholders in EAGML were Mr. Geoff Stewart, CDCD Capital Partners (UK), Anglo American Corporation (South Africa), Goodman & Company (Canada) and Macquarie Bank (Australia).

On 7th February, 2000, AMGML was given a Special Mining License (SML) pursuant to Section 38 of the Mining Act, 1998 and the MDA dated 24th June, 1999 to search for mine, dig, mill, process, refine, transport, use and or market gold or other minerals found to occur in association with that mineral in a vertically under SML area and execute such other works as are necessary for that purpose.

Afrika Mashariki Gold Mines transferred its property to Placer Dome Tanzania on 15th September, 2004. Placer Dome Inc. in late July 2003 had completed acquisition of 100% of the shares of AMGML for US\$ 252.4 million to acquire North Mara Gold Mine (NMGM). In 2005, Barrick Gold Corporation of Canada acquired 100% of the outstanding shares of Placer Dome Inc. and thereby acquiring control of the NMGM through purchase agreement signed with Barrick International Bank Corporation. Placer Dome Inc. changed the name on 17th July, 2006 to North Mara Gold Mine Limited (NMGML).

This mine is located in Tarime, Mara region, 43 kilometers from Tarime town. North Mara Gold Mines Ltd. a subsidiary of the Barrick Gold Company from Toronto, Canada owns the mine. Production began in 2002 under the ownership of Afrika Mashariki Gold Mines Ltd. The mine reserves are estimated at 3.8 million ounces of gold (equal to 116.23 tonnes) and it currently produces an average of 267,000 ounces of gold (8.51 tonnes) per year. At the present rate of production, it is expected that the mine will last for 12 years.

**Tulawaka Gold Mine (Gold) (TGM)** - Tulawaka gold deposit was discovered in 1997. The deposit was detected after carrying out soil sampling to test for gold following interpretation of anomalies from satellite images. TGM started in year 2003 being jointly owned by Pangea Minerals Ltd (PML) a Subsidiary company of Pangea Goldfields Incorporation (PGI) incorporated in Ontario, Canada (30%) and Barrick Gold Corporation (70%). The Ultimate holding company is Barrick Gold Corporation incorporated in Ontario, Canada which acquired Pangea Goldfields Incorporation in 2000. Construction of the mine commenced in 2004 at a capital cost amounting to US\$ 48 million. First outputs of gold were executed on 15<sup>th</sup> March 2005.

This mine is located in Biharamulo district, Kagera region, about 160 kilometers south west of Mwanza city. Production began in 2005 and the mine reserves are estimated at some 565,000 ounces of gold (equal to 17.57 tonnes). Current annual gold production averages some 120,000 ounces (3.88 tonnes). At the present rate of production, it is expected that the mine will last for 5 years.

**Buzwagi Gold Mine (Gold)**-Buzwagi project is owned 100% by Pangea Mineral Ltd a subsidiary of Barrick Gold Corporation. Barrick acquired Buzwagi, as part of its acquisition of Pangea Goldfields Inc. in 2000. The Buzwagi Gold Mine is an open pit gold mine in Shinyanga Region, located 6 kilometers southeast from the town of Kahama. The mine, which opened and began production in 2009, is the second largest mining operation and the largest single open pit mine in Tanzania. On 17th February, 2007, Barrick entered into (MDA) with the Government of the URT. The mine's gold reserves are estimated at 2.4 million ounces and annual production is expected to reach 225,000 ounces of gold. At this rate of production it is expected that the mine will last for ten years.

**Geita Gold Mine (GGM) (Gold)**-Development of the former Geita Mine started in 1936, with production commencing in 1938. Total ore amounting to 5.5 million tonnes at an average grade of 5.3 grams per tonne (approximately one million ounces) was produced from five deposits in the area and processed at the Geita plant from 1938 to 1966.

Kentan Syndicate owned the Geita Mine until the 1950s when Goldfields of South Africa acquired shares in the company and took control of the mine. The mine's closure was in 1966 due to political uncertainty, insufficient high-grade ore, fixed (low) gold price and inadequate financing.

From the mid 1980s, the Geita area was held under license by Dar Tidine Tanzania Limited (DTT). However, a little or no work was done and the Tanzania government attempted to revoke the license. DTT resisted and the case went to arbitration. The area thereafter became the focus of increasing artisanal mining. In 1987, Cluff Resources showed interest in investing at the area and over the next four years looked at the numerous prospects in the country, finally settling on the Geita area. On 13th August 1991, the Geita East and West licenses were first offered to Cluff Resources pending the settlement of the arbitration.

In 1994 a British company Cluff Resources Plc? was awarded a Prospecting License for the Geita mine area. In 1996 Ashanti Gold Fields Company of Ghana bought the Cluff in its entirety and continued with prospecting work until 1999 when mining activities commenced. In 2000 AngloGold Company of South Africa bought a 50% stake in Ashanti Gold Fields and the two companies formed a joint venture company called AngloGold Ashanti Limited, which now owns the Geita Gold Mine. The mine reserves are estimated at some 16.95 million ounces of gold (equal to 527.02 tonnes) and annual gold production currently averages some 560,000 ounces (18.43 tonnes).

**Golden Pride Gold Mine (Gold)**-In 1989, Samax Limited a company incorporated in United Kingdom was granted a PL for exploration in the area covering 33.88 square kilometers (km<sup>2</sup>) which included that of artisanal workings. Very little exploration work was undertaken by Samax between 1989 and 1992. During that period, Samax negotiated relinquishment of artisanal claims within the PL area.

In 1994, Samax Limited entered into a joint venture agreement with BHP Minerals International Exploration Inc. to conduct exploration in the area. A reserve totaling 10.9 million tons of ore at a grade of 2.8 grams per tonne was discovered in 1996, with approximately 1.03 million ounces of gold.

On July 22, 1996 Resolute Mining Limited a company incorporated in Australia entered into a sale agreement with BHP and Samax of which BHP agreed to terminate its JV agreement with Samax and dispose of its interest in Golden Pride for a consideration of USD 12 million. As a result of this agreement, Samax and Resolute Limited had each 50% interest in the project. The feasibility study of the Golden Pride Project was completed in 1997.

Resolute Tanzania Limited entered into a development agreement with the government of the United Republic of Tanzania (URT) on 24th June, 1997 pursuant to section 10 of the Mining Act, 1998. Construction of the mine started in November, 1997, and it included an open pit; carbon-in-leach (CIL) processing plant; waste rock and water storage facilities. The construction was completed in November, 1998 and the mine commenced production in December, 1998. This mine is located at Lusu village Nzega district in Tabora region. The mine reserves are estimated at some 2.47 million ounces of gold (equal to 76.82 tonnes) and annual gold production averages some 180,000 ounces. Initially, it was thought that the mine would have a life span of eight years, however, more reserves were discovered and it is expected that the mine will last through to 2012.

**Mwadui Diamond Mine (Diamonds)**-The Williamson diamond gets its name from Dr. John Williamson, the renowned Canadian Geologist, who discovered a diamond in 1947 in his own mine in Tanzania, then Tanganyika. The mine is known as the Williamson Diamond Mine or Mwadui diamond Mine, and subsequently presented it in the rough state, as a wedding gift to Princess Elizabeth (later Queen Elizabeth II) in the same year. The Williamson's mine is an open pit diamond mine located in Kishapu district, Shinyanga region at Mwadui in the northern Tanzania and covers about 146 hectares, Williamson is the largest kimberlite pipe ever to be mined economically, having been operated continuously as an open pit mine for almost 70 years. During this time it has produced over 20 million carats, and there remains a major resource of some 40 million carats. The mine regularly produces large, high-quality stones and is a source of rare and extremely valuable fancy pink diamonds.

This mine, started production in 1951. The mine was later owned through a joint venture arrangement between Wilcroft Company (a subsidiary of De Beers Group of South Africa), which owned 75 percent of the shares, and the Government of Tanzania, which owned 25 percent. Based on an assessment conducted in 1994 the mines diamond reserves are estimated at 50.9 million carats. Presently the mine is producing an average of 250,000 carats of diamonds per year, but there are plans to expand production to some 500,000 carats per year.

Petra Diamonds completed the acquisition of 75% of equity stake of the Willcroft Company Limited from Cheviot Holdings Limited, a subsidiary of De Beers in November, 2008.

**El-Hillal Diamond Mine (Diamonds)**-El-Hillal Minerals Limited is a Tanzanian registered company. The mine is located in the Mwadui area, Kishapu District, Shinyanga region about 2-4 kilometers from Mwadui Diamond pipe. It has five diamond prospecting licenses at Kabondo, Ing'umang'ombe, Ng'wangula, Buganika and Ng'wang'ombolwa. The concession area covers a total area of about 92.45 square kilometers. The mine operation is opencast and employs heavy media separation and x-ray recovery system. The main product is alluvial Diamonds but the prospecting license allowed El-Hillal Minerals limited to mine gemstone found in the area. By 2007 the company had produced a total of 30,000 carats of diamonds, worth US\$ 6 million the mine is expected to have a minimum mining life of 20 years.

**Tanzanite One Mine (Tanzanite)**-This mine is located in Simanjiro district, Manyara region, about 80 kilometres from Arusha town. At first, Tanzanite mining was undertaken by Merelani Mining Company, a subsidiary of African Gem Resources (AFGEM). In 2003, AFGEM's Tanzanite business and assets were acquired by the Tanzanite One Group, a Bermuda-based business formed by Afgem officers, with the intention of listing the company on the Alternative Investment Market of the London Stock Exchange. The mine started production in 1999, with an investment capital totaling US\$ 20 million.

**Kiwira Coal Mine (Coal)**-This mine is located in Mbeya region. Kiwira Coal Mines Company (KCMC) was established in 1988 with the assistance from the Chinese government for the purpose of mining coal for industrial use and generating electricity for the use of the mine. KCMC was previously owned by STAMICO, which held all its shares, before it was privatized in 2005 and sold to a Tanzanian company, Tan Power Resources Limited. Tan power Resources Limited holds 70 percent of the shares leaving STAMICO with 30 percent on behalf of the government. The company has a 20-year contract to supply TANESCO with 200 megawatts of electricity, starting in 2009.

Table Showing Mining Operations, Location, and Reserves

| Name of Mine/Project and Owner | Owner  | Location     | Type of mineral | Reserve quantity       | Remarks              |
|--------------------------------|--|--------------|-----------------|------------------------|----------------------|
| Buzwagi Gold Mine              | African Barrick Gold (100%)                      | Kahama       | Gold            | 3.4 million ounces     | Proven and Probable  |
| Bulyanhulu Gold Mine           | African Barrick Gold (100%)                      | Kahama       | Gold            | 10.3 million ounces    | Proven and Probable  |
| North Mara Gold Mine           | African Barrick Gold (100%)                      | Tarime       | Gold            | 2.9 million ounces     | Proven and Probable  |
| Tulawaka Gold Mine             | ABG (70%), Northern Mining Exploration Ltd (30%) | Biharamulo   | Gold            | 0.13 million ounces    | Proven and Probable  |
| Geita Gold Mine                | Ashanti Gold                                     | Geita        | Gold            | 8.48 million ounces    | Proven and Probable  |
| Golden Pride Gold Mine         | Resolute Mining Limited                          | Nzega        | Gold            | 0.16 million ounces    | Proven and Probable  |
| Williamson Diamond Mine        | Petra Diamonds (75%), Tanzania Govt (25%)        | Kishapu      | Diamonds        | 39.96 million carats   | Indicated & Inferred |
| Tanzanite One Mine.            | Tanzanite One Limited (100%)                     | Simanjiro    | Tanzanite       | 63-83 million carats   | Indicated            |
| Nyanzaga Gold Project          | Indago Resources Ltd. (100%)                     | Sengerema    | Gold            | 4.2 million ounces     | Declared & Inferred  |
| Handeni Gold Project           | Canaco Resources Inc. (100%)                     | Handeni      | Gold            | 3.94 million ounces    | Measured & Indicated |
| Kabanga Nickel Project         | Barrick Gold Corp. (50%) and Xstrata Plc (50%)   | Ngara        | Nickel          | 1.16 Billion pounds    | Inferred             |
| Dutwa Nickel Project           | African Eagle Resources Plc                      | Mwanza       | Nickel          | 751.8 million pounds   | Inferred             |
|                                |  |              | Cobalt          | 23.2 million pounds    | Inferred             |
| Mkuju River Project            | Mantra Resources Ltd (100%)                      | Namtumbo     | Uranium         | 28.5 million pounds    | Indicated            |
| Manyoni Uranium Project        | Uranex (100%)                                    | Bahi/Manyoni | Uranium         | 17.67 million pounds   | Inferred             |
| Mchuchuma Coal Mine            | National Development Corporation                 | Ludewa       | Coal            | 125.3 million tons     | Proven               |
| Mbalawala Coal Project         | Atomic Resources Ltd (85%), Tancoal (15%)        | Ruvuma       | Coal            | 40.2 million tons      | Proven               |
| Liganga Iron Ore Project       | National Development Corporation                 | Ludewa       | Iron Ore        | 45 million tons        | Proven               |
| Songo Songo                    | Orca Exploration Group                           | Kilwa        | Natural Gas     | 850 billion cubic feet | Proven               |
| Mnazi Bay Gas Project          | Artumas Group Inc.                               | Mtwara       | Natural Gas     | 242 billion cubic feet | Proven               |



Table Showing Quantity and Values of Exported Minerals in Tanzania- Large Scale Mines.

| Particulars                                      | 2011                        | 2010                        | 2009                        |
|--|-----------------------------|-----------------------------|-----------------------------|
| Number of Gold Bars Exported                     | 2,198                       | 2,104                       | 2,154                       |
| Number of Copper Concentrate Containers Exported | 2,054                       | 1,992                       | 1,167                       |
|  |                             |                             |                             |
| Gold Quantity (toz)                              | 1,293,671                   | 1,214,594                   | 1,108,474                   |
| Silver Quantity (toz)                            | 456,080                     | 406,235                     | 392,884                     |
| Copper Quantity (lb)                             | 13,836,311                  | 10,806,687                  | 6,904,228                   |
| Diamond (carat)                                  | 23,922                      | 43,264                      | 133,526                     |
| Tanzanite (carat)                                | 1,569,543                   | 2,200,000                   | 1,910,000                   |
|  |                             |                             |                             |
| Gold Gross Value (USD)                           | 2,041,511,060               | 1,484,735,450               | 1,087,809,429               |
| Silver Gross Value (USD)                         | 16,065,979                  | 8,234,030                   | 5,714,577                   |
| Copper Gross Value (USD)                         | 55,706,563                  | 36,374,430                  | 16,030,102                  |
| Diamond Gross Value (USD)                        | 6,557,891                   |                             |                             |
| Tanzanite Gross Value (USD)                      | 9,918,223                   |                             |                             |
| <b>Total export value-USD</b>                    | <b><u>2,129,759,716</u></b> | <b><u>1,529,343,910</u></b> | <b><u>1,109,554,108</u></b> |

**Source: MEM (TMAA Annual Reports)**

**Table showing gold export destinations (2006 - 2011)**

| Mine         | Buyer                       | Country            | 2006             |                    | 2007               |                    | 2008               |                    | 2009               |                      | 2010               |                      | 2011               |                      |
|--------------|-----------------------------|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|--------------------|----------------------|--------------------|----------------------|
|              |                             |                    | Gold Quantity    | Gold Value         | Gold Quantity      | Gold Value         | Gold Quantity      | Gold Value         | Gold Quantity      | Gold Value           | Gold Quantity      | Gold Value           | Gold Quantity      | Gold Value           |
| Bulyanhulu   | Argor-Heraeus               | Switzerland        | 104,030          | 61,927,150         | 112,669            | 76,098,659         | 82,216             | 71,371,694         | 96,136             | 91,102,556           | 82,205             | 101,081,676          | 88,017             | 138,801,943          |
|              | Rand Refinery               | South Africa       | 729              | 401,889            | -                  | -                  | -                  | -                  | -                  | -                    | -                  | -                    | -                  | -                    |
|              | Aurubis AG                  | Germany            | -                | -                  | -                  | -                  | -                  | -                  | -                  | -                    | 3,506              | 3,922,261            | 33,202             | 56,738,400           |
|              | Marc Rich & Co. Investments | China              | 145,406          | 88,069,266         | 122,729            | 82,518,537         | 83,075             | 70,940,926         | 105,829            | 102,549,260          | 151,280            | 186,730,570          | 95,119             | 148,855,674          |
|              | Pan Pacific Copper Co. Ltd  | Japan              | -                | -                  | -                  | -                  | -                  | -                  | -                  | -                    | 26,471             | 36,169,990           | 45,881             | 76,394,318           |
|              | Sumitomo                    | Japan              | 49,722           | 30,364,031         | 14,820             | 10,045,350         | 38,726             | 34,199,085         | 48,081             | 51,151,752           | -                  | -                    | -                  | -                    |
|              |                             | Sub-total          |                  | <b>299,887</b>     | <b>180,762,335</b> | <b>250,218</b>     | <b>168,662,547</b> | <b>204,017</b>     | <b>176,511,705</b> | <b>250,046</b>       | <b>244,803,569</b> | <b>263,461</b>       | <b>327,904,498</b> | <b>262,218</b>       |
| Buzwagi      | Argor-Heraeus               | Switzerland        | -                | -                  | -                  | -                  | -                  | -                  | 152,505            | 153,496,483          | 108,886            | 131,285,505          | 100,192            | 149,585,829          |
|              | Aurubis AG                  | Germany            | -                | -                  | -                  | -                  | -                  | -                  | -                  | -                    | 20,332             | 27,853,304           | 8,558              | 13,652,652           |
|              | Marc Rich & Co. Investments | China              | -                | -                  | -                  | -                  | -                  | -                  | -                  | -                    | 60,958             | 74,848,188           | 40,771             | 87,186,869           |
|              | Pan Pacific Copper Co. Ltd  | Japan              | -                | -                  | -                  | -                  | -                  | -                  | -                  | -                    | 9,620              | 13,119,458           | 22,932             | 23,536,181           |
|              |                             | Sub-total          |                  | -                  | -                  | -                  | -                  | -                  | -                  | <b>152,505</b>       | <b>153,496,483</b> | <b>199,795</b>       | <b>247,106,454</b> | <b>172,453</b>       |
| Geita        | Rand Refinery               | South Africa       | 306,649          | 184,131,113        | 326,514            | 226,816,543        | 261,834            | 229,892,454        | 268,246            | 266,542,394          | 358,391            | 442,124,413          | 481,724            | 772,862,449          |
| Golden Pride | Argor-Heraeus               | Switzerland        | 135,978          | 81,688,583         | 143,255            | 99,109,631         | 149,202            | 131,630,775        | 135,562            | 132,445,774          | 128,433            | 156,355,126          | 122,412            | 191,136,014          |
| North Mara   | Argor-Heraeus               | Switzerland        | 354,159          | 215,122,110        | 240,348            | 166,529,725        | 201,652            | 176,792,840        | 204,148            | 199,833,851          | 223,679            | 274,439,161          | 171,093            | 271,189,454          |
| Tulawaka     | Argor-Heraeus               | Switzerland        | 156,944          | 94,452,901         | 176,092            | 125,065,438        | 212,475            | 187,090,352        | 93,474             | 90,216,366           | 64,215             | 78,935,573           | 83,158             | 131,039,631          |
|              |                             | <b>GRAND TOTAL</b> | <b>1,253,617</b> | <b>756,157,041</b> | <b>1,136,427</b>   | <b>786,183,884</b> | <b>1,029,181</b>   | <b>901,918,126</b> | <b>1,103,982</b>   | <b>1,087,338,436</b> | <b>1,237,975</b>   | <b>1,526,865,225</b> | <b>1,293,058</b>   | <b>2,060,979,415</b> |

**Source: TMAA annual reports**

**Table showing the Historical Minerals Production from Medium and Small Scale Mines (2005 - 2010)**

The table below summarises historical minerals production statistics for selected minerals produced by medium and small scale miners during the year 2005 through 2010 as reported by Zonal and Resident Mines Offices, Ministry of Energy and Minerals.

| Mineral          | Unit of measure | 2005        | 2006        | 2007        | 2008        | 2009        | 2010       | Total       |
|------------------|-----------------|-------------|-------------|-------------|-------------|-------------|------------|-------------|
| <b>Gold</b>      | Weight (Kg)     | 1,020       | 5,164       | 4,755       | 4,468       | 5,228       | 2,201      | 22,836      |
|                  | Value (USD)     | 13,802,571  | 95,136,101  | 113,966,372 | 104,136,437 | 123,703,658 | 71,345,178 | 522,090,317 |
| <b>Diamond</b>   | Weight (Carat)  | 24,498      | 84,931      | 70,279      | 87,321      | 46,436      | 28,902     | 342,366     |
|                  | Value (USD)     | 3,100,705   | 5,396,274   | 6,814,623   | 6,309,294   | 5,759,161   | 4,755,562  | 32,135,618  |
| <b>Tanzanite</b> | Weight (g)      | 1,306,655   | 5,504,055   | 6,299,514   | 5,030,611   | 5,012,484   | 5,702,858  | 28,856,177  |
|                  | Value (USD)     | 34,016,728  | 20,757,608  | 29,200,927  | 22,103,371  | 9,091,121   | 17,777,726 | 132,947,482 |
| <b>Limestone</b> | Weight (g)      | 102,100     | 109,086     | 164,544     | 207,922     | 106,185     | 120,000    | 809,838     |
|                  | Value (TZS)     | 6,977,547   | 7,455,000   | 10,908,400  | 15,941,900  | 19,363,500  | 21,882,752 | 82,529,099  |
| <b>Galena</b>    | Weight (Kg)     | -           | -           | 83          | 249         | 21          | 109        | 461         |
|                  | Value (TZS)     | -           | -           | 37,503,488  | 133,000,000 | 1,650,000   | 12,450,500 | 184,603,988 |
| <b>Coal</b>      | Weight (Tonne)  | -           | -           | 2,376       | 1,317       | -           | -          | 3,693       |
|                  | Value (TZS)     | -           | -           | 68,912,555  | 38,756,612  | -           | -          | 107,669,167 |
| <b>Gypsum</b>    | Weight (Tonne)  | 7,402       | 5,500       | -           | 2,120       | 1,820       | -          | 16,842      |
|                  | Value (TZS)     | 218,361,396 | 162,254,840 | -           | 62,541,866  | 64,676,000  | -          | 507,834,102 |
| <b>Zircon</b>    | Weight (Tonne)  | 6,732       | 7,847       | -           | -           | -           | -          | 14,580      |
|                  | Value (TZS)     | 1,307,875   | 1,955,000   | -           | -           | -           | -          | 3,262,875   |
| <b>Tin</b>       | Weight (Tonne)  | 2,035       | 2,060       | 1,221       | -           | 1,000       | -          | 6,316       |
|                  | Value (TZS)     | -           | -           | 9,463,000   | -           | 5,853,540   | -          | 15,316,540  |
| <b>Kaolin</b>    | Weight (Tonne)  | -           | -           | 1,015.00    | 28,896.00   | 18,624.00   | -          | 48,535      |
|                  | Value (TZS)     | -           | -           | 2,500,000   | 28,896,000  | 18,624,000  | -          | 50,020,000  |
| <b>Copper</b>    | Weight (Tonne)  | -           | -           | -           | 750,000     | -           | 3,000,000  | 3,750,000   |
|                  | Value (USD)     | -           | -           | -           | 22,500.00   | -           | 150,000.00 | 172,500     |

## 6. APPROACH AND METHODOLOGY

Prior to performing the second TEITI reconciliation, we carried out a scoping study for the aim of determining its scope ( companies, government agencies and payment streams to be covered as well establishment of materiality threshold), prepared reporting templates for TEITI-MSG approval, prepared written template lodgement instructions and conducted a two day workshop to explain the TEITI process to the stakeholders (taxpayers, Government Agencies as well as Civil Society) and provided further explanations on the instructions and templates.

### Scope of work

BDO East Africa and Paulsam Geo-Engineering Limited (“the Consultant”) were required to undertake the work set out in the Terms of Reference (TOR) for the Engagement. The Engagement has been carried out under the TOR included as Annex 1.

The reconciliation has been carried out on the cash basis of accounting.

If there are material receipts or payments omitted from the reporting templates by both the paying and receiving entities, our work would not be sufficient to detect them. Any such receipts or payments would not therefore be included in our report.

In conducting our work, we have relied upon the information and explanations obtained from Reporting Entities and Government Agencies.

The report incorporates information received up to 24<sup>th</sup> June 2013. Any information received after this date is not, therefore, included in our report.

### 6.1. Scoping Study

We carried out study between in March and April 2013 during which we:

- Collected information about the extractive industry in Tanzania,
- Obtained understanding of the payment streams from extractive companies to Government;
- Carried out interviews with both Government and extractive companies’ representatives involved in the EITI process;
- Collected information and gained an understanding of the different types of taxes, fees and charges payable in the mining and oil and gas sectors; and
- Collected important tax payment data from relevant government agencies to enable us assess the nature and amounts of the taxes paid in the year 2011.
- Designed Reporting Templates for TEITI-MSG approval;
- Submitted the scoping study report and draft reporting templates to the MSG for review and approval.

### 6.2. Capacity building workshops

The reporting templates and template completion and lodgement instructions, including the agreed deadlines, were distributed and explained to all those attending the two workshops conducted in April 2013 in Dar es Salaam, Tanzania. All reporting stakeholders identified were invited to both of these workshops.

During the workshops, clear instructions were given and questions answered on the reporting templates and requirements to all reporting stakeholders.

Following the workshops, all reporting stakeholders were given a period of 4 weeks within which they were to submit the completed Templates directly to us for the reconciliation. These templates were to be signed by an authorised representative of the reporting entities and certified by an independent external auditors

(for taxpayers) or by the Controller and Auditor General (for Government Agencies). In addition to the templates, the reporting entities and government agencies were required to provide detailed breakdown of payments and receipts reported, copies of supporting documents for the numbers reported and a copy of audited financial statements for the year 2011.

### **6.3. Independent reconciliation and reporting**

We started the reconciliation exercise at the TEITI secretariat at the end beginning of June 2013 and. At the end of May 2013( the reporting deadline), a significant number of tax payers and government agencies had not reported to us but we followed these up most of these were able to respond. The last government agency reported on June 20<sup>th</sup> 2013.

The approach adopted for the reconciliation was as follows:-

The reconciliation has been carried out on a cash accounting basis. We created worksheets for each taxpayer. The information provided on the templates was entered in the worksheets for comparison and reconciliation. We examined all reports received from the reporting stakeholders to determine inconsistencies if any between the Government and taxpayers. If the reported payment and receipt agreed, no further work was done. If a difference was revealed, we undertook the following:

1. Government entities and companies were contacted and visited for the purpose of investigating the differences and requesting the completion of any missing information.
2. For any revisions of the data initially submitted, supporting documents and reasons for the changes were always requested and provided before we accepted the changes.
3. For differences in financial transactions, we obtained supporting documents from both the Government and the related company. The reported figures were validated with supporting documents and the company accounting records and the Entities concerned were notified and requested to produce further information. As appropriate, meetings were held to reconcile differences and view supporting information.

Revisions to the data were incorporated and the resulting payments and receipts were aggregated and reported in this report.

We prepared a report including the reconciled and verified payments made to the Government by the taxpayers and the audited and verified revenues received by the Government Agencies from these taxpayers for the period under review.

## 7. DETAILED METHODOLOGY

### 7.1. Scope of work

We conducted a scoping study during which we defined the material payment streams and the extractives companies and government agencies to be included in the second TEITI reconciliation for the year ended 30 June 2011 in the mineral, oil and gas sectors. The scoping study report was approved by the TEITI-MSG as the basis of reconciliation work to be carried out. The results of the scoping study are detailed below.

#### 7.1.1. Covered entities

##### a. Selected reporting companies

Based on the results of the scoping study, the mining and oil and gas companies who paid taxes of more than TzS 150 million (TzS 0.15 Billion) were considered to be material for the second TEITI reconciliation report. Accordingly, 30 companies (18 mining and 12 oil and gas companies respectively), representing more than 99% of the total revenue collected by the TRA , MEM and TPDC during the year 2011, were selected for the third reconciliation report. The list of entities covered by the reconciliation is below:

| No | TIN       | Tax Payer Name                      | Mineral     | Nature of activity |
|----|-----------|-------------------------------------|-------------|--------------------|
| 1  | 100222930 | GEITA GOLD MINING LIMITED           | Gold        | Production         |
| 2  | 100206188 | BULYANHULU GOLD MINE LIMITED        | Gold        | Production         |
| 3  | 100145839 | TANZANIA PORTLAND CEMENT CO. LTD    | Limestone   | Production         |
| 4  | 100206013 | RESOLUTE TANZANIA LIMITED           | Gold        | Production         |
| 5  | 100159937 | TANGA CEMENT COMPANY LIMITED        | Limestone   | Production         |
| 6  | 100220555 | NORTH MARA GOLD MINE LIMITED        | Gold        | Production         |
| 7  | 100227754 | PANGEA MINERALS LTD                 | Gold        | Production         |
| 8  | 100337460 | SONGAS LIMITED                      | Natural Gas | Production         |
| 9  | 101181316 | PANAFRICAN ENERGY TANZANIA LTD      | Natural Gas | Production         |
| 10 | 106538484 | OPHIR TANZANIA (BLOCK 1) LTD        | Natural Gas | Exploration        |
| 11 | 100131153 | MBEYA CEMENT COMPANY LIMITED**      | Limestone   | Production         |
| 12 | 105935730 | STATOIL TANZANIA AS_TANZANIA BRANCH | Natural Gas | Exploration        |
| 13 | 107192077 | PETROBRAS TANZANIA LIMITED          | Natural Gas | Exploration        |
| 14 | 105158750 | MANTRA TANZANIA LIMITED.            | Uranium     | Production         |
| 15 | 100209187 | BARRICK EXPLORATION AFRICA LIMITED  | Gold        | Exploration        |
| 16 | 100108682 | WILLIAMSON DIAMONDS LTD**           | Diamonds    | Production         |
| 17 | 100183498 | TPDC                                | Natural Gas | Production         |
| 18 | 100243946 | TANZANITE ONE MINING LTD            | Tanzanite   | Production         |
| 19 | 101849937 | SHANTA MINING COMPANY LIMITED       | Gold        | Production         |
| 20 | 110477503 | BG INTERNATIONAL LIMITED            | Natural Gas | Exploration        |
| 21 | 106819246 | ETABLISSEMENT MAUREL et PROM        | Natural Gas | Exploration        |
| 22 | 110414447 | BEACH PETROLEUM TANZANIA LIMITED    | Natural Gas | Exploration        |
| 23 | 100235110 | TANCAN MINING COMPANY LIMITED       | Gold        | Exploration        |
| 24 | 107506438 | TULLOW TANZANIA B.V.                | Natural Gas | Exploration        |
| 25 | 102008588 | TANZANITE ONE TRADING LIMITED       | Tanzanite   | Trading            |
| 26 | 105165439 | BAFEX TANZANIA LTD.                 | Various     | Exploration        |
| 78 | 100251418 | TANZANIA AMERICAN INTERNATIONAL     | Various     | Exploration        |
| 28 | 104985858 | CANACO TANZANIA LIMITED.            | Various     | Exploration        |

|    |           |                            |             |             |
|----|-----------|----------------------------|-------------|-------------|
| 29 | 103196604 | WENTWORTH GAS LTD          | Natural Gas | Exploration |
| 30 | 103327431 | DOMINION OIL & GAS LIMITED | Natrual Gas | Exploration |

\*\* Partly owned by the Tanzania government

Please see **Annex 2** for a full list of all companies involved in the mining and oil and gas sectors that we surveyed for the scoping study report.

## b. Selected reporting Government Agencies

The government reporting agencies are:

1. The Ministry of Energy and Minerals (MEM)
2. The Tanzania Revenue Authority (TRA)
3. Ministry of Finance (Treasury Registrar)
4. Tanzania Petroleum Development Corporation (TPDC)
5. The local government authorities of ; Biharamulo, Geita, Ilala, Kahama, Kilwa ,Kinondoni, Kishapu, Mbeya, Mtwara, Nzega, Simanjiro, Tanga and Tarime
6. National Social Security Fund (NSSF)
7. The Parastatal Pension Fund (PPF)
8. Energy and Water Utilities Regulatory Authority (EWURA)

The government agencies involved in the areas of

- regulation of the mining and gas sector;
- assessment and collection of major financial flows such as royalties;
- monitoring of government finances;
- monitoring of the gas production activities

are described briefly below.

### Ministry of Energy Minerals

The Ministry of Energy and Minerals describes its mission as to “set policies, strategies and laws for sustainability of energy and minerals resources to enhance growth and development of the economy.” MEM is responsible for licensing exploration and production for minerals, gas and petroleum.

Minerals activities are now subject to the Mining Act 2010, but during the period under review, the statutory framework was set out in the Mining Act 1998 and various mining regulations and rules established under the Act:-

- The Mining (Mineral Rights) Regulations 1999;
- The Mining (Mineral Trading) Regulations 1999;
- The Mining (Safe-working and Occupational Health) Regulations 1999;
- The Mining (Environmental Management and Protection) Regulations 1999;
- The Mining (Salt and Iodation) Regulations 1999;
- The Mining (Provisional Licences) Regulations 1999;
- The Mining (Mirerani Controlled Area) Regulations 2001;
- The Mining (Diamond Trading) Regulations 2002;
- The Mining (Gemstone Board) Regulations 2004; and
- The Mining (Dispute Settlement Resolution) Rules 1999.

Further information on the MEM can be found at <http://www.mem.go.tz/>

MEM is responsible for providing information for the EITI reconciliation on royalties, licence and permit fees, annual rental fees and other charges in consideration of mineral concessions, profit as per PSA received from TPDC and protected gas revenue received from TPDC.

## Tanzania Revenue Authority (TRA)

Tax revenues are collected by the Tanzania Revenue Authority established by the Tanzania Revenue Authority Act, 1995 under the supervision of the Ministry of Finance and Economic Affairs. The TRA is mandated to collect major taxes including Income Tax, Value Added Tax, Import Duty and Excise Duty.

The TRA is organised into four Revenue Departments:-

- i. Large Taxpayers Department (LTD)
- ii. Customs and Excise Department (C&E)
- iii. Tax Investigations Department
- iv. Domestic Revenue Department

Further information on the TRA can be found at <http://www.tra.go.tz/> .

The TRA departments, LTD & C&E, are responsible for providing information for the EITI reconciliation on the flows set out in section 5.2.

## National Social Security Fund/Parastatal Pension Fund

The National Social Security Fund, previously the National Provident Fund, was established under the Ministry of Labour as a government department. It was re-organised into a parastatal organisation by Act No. 2 of 1975 which established The Board of Trustees. The National Social Security Fund Act No. 28 of 1997 established the National Social Security Fund (NSSF).

The National Social Security Fund (NSSF) describes itself as a comprehensive Social Security Institution based on internationally recognised Social Security Insurance principles, providing a wide range of short term and long-term benefits:-

- Old Age Pension
- Invalidity Pension
- Survivors Pension
- Employment Injury Benefit
- Social Health Insurance Benefit
- Maternity Benefit
- Funeral Grants Benefit

Further information on the NSSF can be found at <http://www.nssf.or.tz/home.php>

The NSSF is responsible for providing information for the EITI reconciliation on the flows set out in section 5.2.

## Local Government Authorities

These are local district authorities responsible for the collection of local levies from mining companies. The Local Government Act, of 1982 and the Urban Authority Act, of 1983 empowers any local authority to pass By-laws which allow the authority to charge local taxes and collect levies and fees within its jurisdiction. The By-laws must be published in the Gazette after they have been approved by the Minister responsible for Regional Administration and Local Government.

Currently the local district authorities which are responsible for the collection of local levies from mining companies are as given below:

- Biharamulo
- Geita
- Ilala
- Kahama
- Kilwa
- Kinondoni
- Kishapu
- Mbeya
- Mtwara
- Nzega



- Simanjiro
- Tanga
- Tarime

### **Tanzania Petroleum Development Corporation (TPDC)**

Tanzania Petroleum Development Corporation (TPDC) is licence for the exploration and production of oil and natural gas. Others companies in the oil and gas sector are contractors operating on behalf of TPDC, as licensed entities through several Production Sharing Agreements.

### **Treasury Registrar**

The registrar is under the Ministry of Finance and receives dividend payments for Government owned shares in private companies.

### **National Audit Office (NAO)**

The National Audit Office is headed by the Controller and Auditor General (CAG). The CAG is assisted by the Deputy Controller and Auditor General (DCAG). Functionally NAO has five line divisions each of which is headed by an Assistant Auditor General (AAG). The five divisions are as given below:-

- Ministerial accounts
- Regional and Local Authorities accounts
- Ministry of Finance (Treasury) accounts
- Public Corporations and Value for Money Audit
- Administration and personnel matters, under the Director of Administration and Personnel

By virtue of the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (revised 2000), and section 30 (1) of the Public Finance Act No. 6 of 2001 (revised 2004), the Controller and Auditor General is the appointed statutory auditor of revenue and expenditure of all ministries, departments of the government, public authorities and other bodies or authorities which receives funds from the Consolidated Fund.

### 7.1.2. Financial flows reconciled

The table below shows flows for which the MSG approved in the scoping study report for Reporting Entities to provide information for the reconciliation.

| No. | TAXES REVENUE                              | Government agency where payment is made |
|-----|--|---|
| 1   | Corporate Tax                              | TRA                                     |
| 2   | Turnover tax/levy                          | TRA/Local government                    |
| 3   | Withholding taxes                          | TRA                                     |
| 4   | Capital Gains Tax                          | TRA                                     |
| 6   | Pay As You Earn                            | TRA                                     |
| 8   | Skills and Development Levy                | TRA                                     |
| 9   | National Social Security Fund contribution | NSSF                                    |
| 10  | Parastatal Pension Fund contribution       | PPF                                     |
| 11  | Value Added Tax                            | TRA                                     |
| 12  | Stamp duty                                 | TRA                                     |
| 13  | Import duty                                | TRA                                     |
| 14  | Excise duty                                | TRA                                     |
| 15  | Fuel Levy                                  | TRA                                     |
| 16  | Royalties                                  | MEM                                     |
| 17  | Annual rentals and license fees            | MEM/Local Authorities,TPDC              |
| 18  | Protected gas revenue                      | TPDC/MEM                                |
| 19  | Additional gas revenue                     | TPDC/MEM                                |
| 20  | Profit per Production Sharing Agreement    | TPDC/MEM                                |
| 21  | VAT on Gas Revenue                         | TRA                                     |
| 22  | Dividends on Government shares             | MOF                                     |

Below is a short narrative description of the flows in the table above.

#### Corporate income taxes

Corporation Income Tax is levied on corporation taxable profit for all companies registered and/or carrying business in Tanzania. The applicable corporation income tax rate is 30% usually paid in two stages. The provisional tax is paid based on taxpayer's own estimates at the beginning of the business year; and final tax is paid after the official assessment of the total income in the respective year of income.

#### Withholding taxes

Withholding is a scheme of tax payment administered by Income Tax Department whereby taxes are withheld at source. The taxes withheld are off set against final personal and corporation income taxes on resident tax payers, where as such taxes are final charges in respect of non-resident taxpayers.

#### Withholding taxes - technical services (mining business)

Payments for technical services with regarding to mining business are liable for withholding tax. The applicable rate is 5% and 15% of the liable amount for residents and non residents respectively.

### **Withholding taxes - interest on loans**

This relates to withholding tax on interest income earned by individuals and companies. The applicable rate is 10% of the liable income for both residents and non residents. The financial institutions are withholding agents for this tax.

### **Withholding taxes - management fees**

A payment made to a non resident person, other than payment made to an employee by his employer, as a consideration for any services of managerial, technical or professional nature is liable for a withholding tax at 15%.

### **Withholding taxes - dividends**

Dividend income paid to a resident from a company listed in the Dar es Salaam Stock Markets is liable to a dividend tax at the rate of 5% and 10% for unlisted companies. Dividend tax withheld at source is a final tax. In the mining sector, dividends paid to non residents attract withholding tax at the rate of 10%. The companies declaring dividends are the collecting agents.

### **Skills and Development Levy**

Skills and Development levy is payable to the Commissioner of Income Tax by the employer by the seventh day following month end and is calculated at 6% of emoluments, payable monthly. This is an employer cost, not deductible from the employee.

### **Fuel Levy**

This is the tax levied on importation of petroleum products to the country and is specifically levied on two products only, which are Gasoline and Gas oil.

### **Excise Duty**

Excise duty is levied on certain consumer goods on importation. In Tanzania, the main items subject to excise duties are beer, cigarettes, petroleum, soft drinks and motor vehicles. Excise duty is charged at a specific or ad-valorem rate, and the tax base for the ad-valorem rate is the C.I.F value plus the import duty. The applicable ad-valorem excise duty rates are 7%, 10%, 20%, 30% and 120%. The due date of paying the duty depends on the product. For imported products, excise is payable before clearance through customs. The complete list of excisable products and rates can be found in the Customs in East Africa booklet.

### **Import duties**

This is the duty levied on CIF value of goods imported in to the country. Import duty rates for goods imported from countries outside the EAC are 0% for raw materials, 10% for intermediate goods and 25% for finished goods. Imports from Kenya have been subject to import duty at a reducing rate over a period of 5 years since commencement of the Customs Union in 2005 and the rate has been reduced to 0% with effect from January 2010. Imports from Uganda are not subject to import duty. Goods will only enjoy the preferential community tariffs if they meet the EAC Customs Union Rules of Origin.

### **Value Added Tax**

This is payable on all taxable supplies at 18%.

### **Royalties**

A 3%/4% royalty is charged on gold and all other minerals, 5% on diamond and 12.5% for petroleum and gas.

### **Licence and permit fees; annual rental fees and other charges in consideration of mineral concessions**

Various fees are paid to the local authorities and the Ministry of Energy and Minerals by the gas and mining companies at different rates.

### Local Government Levies

All mining companies pay an annual local government levy of USD 200,000 to the local government where the mines are located. Some companies are required to make payments to the local authorities called turn over levies ( for example, cement companies)

### Dividends on Government shares

These dividend payments made by companies to the government with regard to the government shareholding in these companies.

### PAYE (Pay As You Earn)

PAYE is a method of collecting personal income tax, which is a tax on resident person's annual income obtained world-wide and on the Tanzania source income for non-residents. The income includes any gains or profits from business, employment or services rendered; dividend income or interest earned from any bank operating in the United Republic. The Personal Income tax is charged on progressive rates. The minimum marginal tax rate is 14% while the maximum marginal tax rate is 30% for monthly incomes in excess of TzS 720,000.

The personal income tax in Tanzania is collected using two methods. For salaried employees the tax known as PAYE is withheld by employers, using the above schedule on payroll preparation. The withheld tax is submitted on monthly basis to the Commissioner of Income Tax. The second method is used for sole traders and self-employed individuals where assessment of their annual incomes is made based on filed returns. They are then required to pay personal tax on quarterly instalments.

### NSSF/PPF

Contribution to the National Social Security Fund (NSSF) or Parastatal Pension Fund (PPF) is based on gross cash emoluments made to the employee (inclusive of cash allowances and benefits) as follows:

- 10% payable by employer; and
- 10% payable by employee (deducted from employees' wages)

Contributions are compulsory for employers in the private sector. A deduction is allowed to the employer equal to the actual contribution or the statutory amount, whichever is the lesser. No deduction allowed for non-approved pension funds, including foreign pension schemes.

#### 7.1.3. Materiality considerations

Based on the results of the scoping study, the mining and oil and gas companies who paid taxes of more than TzS 150 million (TzS 0.15 Billion) were considered to be material for the second TEITI reconciliation report. Accordingly, 30 companies (18 mining and 12 oil and gas companies respectively), representing more than 99% of the total revenue collected by the TRA , MEM and TPDC during the year 2011, were selected for the third reconciliation report. The scoping study revealed 408 companies contributed only 0.7% of total revenue. Please see Annex 2 for the list of these companies.

Further in the scoping study, we recommend to the MSG and the MSG approved materiality threshold for not pursuing a further investigation of discrepancies during the reconciliation of TzS 5 million. In the event that the aggregate value of the discrepancies within an individual financial flow exceeds TzS 5 million of the total value of the financial flow, then we were required to investigate such discrepancies further, utilising our best efforts to understand and resolve such discrepancies satisfactorily. We were not required to investigate discrepancies if the aggregate value of such discrepancies within an individual financial flow is less than TzS 5 million of the value of the flow.

#### **7.1.4. Audit certification**

The terms of reference established by TEITI required that the template of each reporting stakeholder should be certified by an independent external auditor of the taxpayers and the Controller and Auditor General for Government agencies in the specified format as indicated on each reporting template. This requirement was complied with by all government agencies except TRA-Customs department and all taxpayers that reported. All audit certifications received from reporting companies were issued by the companies' independent external auditors and CAG for government agencies. The format and areas covered by the audit certifications were in agreement with the reporting templates and instructions in all cases. The commissioner for TRA-Customs who failed to submit audit certifications provided templates signed by him as had been required by the reporting instructions. The MSG considered templates signed off by management as sufficient for the reconciliation.

#### **7.1.5. Audited financial statements**

The terms of reference established by TEITI required that each reporting stakeholder provide together with the reporting template a copy of audited financial statements for the year ended June 30, 2011. All taxpayers provided a copy of audited financial statements as required. We reviewed all audit financial statements received from companies and government agencies and noted that these had been prepared in accordance with International Financial Reporting Standards and that the accounts had been audited in accordance with International Standards on Auditing in all cases. For all the financial statements received from companies and government, a clean audit opinion had been issued by the external auditors.

#### **7.1.6. Non monetary benefit streams and social payments**

The scoping study of the existing payment and income streams in the extractive industry did not find existence of non monetary streams such as in-kind payments, infrastructure provisions and other barter arrangements for the second TEITI reconciliation. Regarding social payments, MSG acknowledged that companies through their Corporate Social Responsibility (CSR) contribute to communities around operations in different forms. They acknowledged the difficulties of reconciling non-monetary social contributions, but agreed to include social payments in this report for information purposes only. Companies were therefore required to disclose denotations as well as payments relating to CSR. They did and we have included their reported numbers in this report for information purposes only.

## **7.2. Reconciliation process**

The terms of reference established by TEITI defined the scope of work of the assignment which required that the template of each reporting stakeholder should be submitted directly to the Reconciler on the date and in the manner indicated by the reporting instructions.

### **a. Taxpayer payments**

Taxpayers were requested to fill in reporting templates and submit them to them us. The templates were based on the results of the scoping study and, specifically tailored to reflect the types of taxes and fees applicable to each sector and the commonly used description within the sectors for these taxes and fees.

### **b. Government receipts**

A single template format that covered all taxes and fees described in the taxpayer templates was issued to the various covered Government agencies. They were each requested to complete a template in respect of each of the 30 taxpayers with taxes and fees information collected in the year.

After initial comparisons of the returned taxpayer and government templates, we did the following;

- Sent to the Government agencies details of discrepancies noted from each taxpayer's template; and
- Sent to each taxpayer details of discrepancies raised from the Government agencies templates regarding revenues reportedly received from them. The sharing of the identified discrepancies was for the purpose of providing advance notice to the other party in order to facilitate timely resolution;
- Conducted a detailed reconciliation of all template information received from the taxpayers and government to identify any discrepancy;
- Where discrepancies were found between the reports, the reporting stakeholders concerned were required to submit supporting documentation for their reported figures in order to reconcile or resolve them.

#### **c. Information gathering**

Reporting templates were forwarded to all taxpayers selected in the scoping study.

In undertaking the reconciliation, we met and held discussions with key staff of the TEITI, TRA, MEM and TPDC in order to obtain a good understanding of the possible reasons for the differences identified. We followed up those taxpayers and government agencies who did not lodge reporting templates by the set deadlines and sent various reminders directly and also through the Secretariat to urge them to submit their templates. They complied as required.

#### **d. Reconciliation**

We carried out the following activities;

- Compared data by matching details of payments and receipts for each revenue flow from both Government agencies and taxpayers that made up the totals shown in their templates. The details of the payments and receipts comprised the amount paid per financial flow, the date of receipt/payment and so on;
- Identified adjustment required if any and whether they should be made by the taxpayers or by the Government agencies.

Specifically:

- Compared on a financial flow by financial flow of receipts reported by government agencies with payments reported by the taxpayers;
- Tabulated discrepancies per financial flow and by taxpayer;
- Aggregated the details of transactions to produce total amounts reported for each financial flow, by each taxpayer and government agency as well as total discrepancies, and significant discrepancies;
- Requested both the taxpayers and Government agencies to provide further information that would enable resolution of the significant discrepancies identified;
- Reviewed additional information and explanations received from taxpayers and government agencies and resolved differences where possible; requested the stakeholders help resolve differences where we were not able.
- Documented reasons for adjustments to initially reported data where applicable, made adjustments where these were deemed necessary and determined the final unresolved discrepancies and generated the reconciliation report.

## 8. DETAILED FINDINGS AND COMMENTARY

### 8.1. Reporting by taxpayers

We provide in the tables below the aggregate discrepancies found between the amounts reported by the taxpayers and the receipts reported by the different Government agencies after taking into account the all adjustments processed for all the taxes paid and received in TzS. Please see detailed reconciliation per tax payer in the tables below (section 6.2).

| No. | Templates originally lodged                |                        |                        | Adjustments          |                      | Final amounts         |                        |                        |                        |
|-----|--|------------------------|------------------------|----------------------|----------------------|-----------------------|------------------------|------------------------|------------------------|
|     | Company                                    | Government-Tsz         | Taxpayer-Tzs           | Difference -Tzs      | Government-Tzs       | Taxpayer-Tzs          | Government -Tzs        | Taxpayer-Tzs           | Difference-Tzs         |
| 1   | Baffex Tanzania Limited                    | 480,379,854            | 504,554,562            | (24,174,708)         | 26,359,933           | 2,185,225             | 506,739,787            | 506,739,787            | (0)                    |
| 2   | Barrick Exploration Africa Limited         | 2,037,233,347          | 2,056,387,609          | (19,154,262)         | 49,710,138           | 30,555,876            | 2,086,943,485          | 2,086,943,485          | 0                      |
| 3   | Beach Petroleum Tanzania Limited           | 1,222,303,807          | 1,247,487,063          | (25,183,256)         | 25,183,256           | -                     | 1,247,487,063          | 1,247,487,063          | (0)                    |
| 4   | BG International Limited                   | 894,224,915            | 799,531,649            | 94,693,266           | 12,455,016           | 107,148,283           | 906,679,931            | 906,679,932            | (0)                    |
| 5   | Bulyanhulu Gold Mine Limited               | 52,765,312,951         | 52,041,230,652         | 724,082,300          | (38,504,581)         | 685,577,717           | 52,726,808,370         | 52,726,808,369         | 1                      |
| 6   | Canaco Tanzania Limited                    | 914,484,011            | 981,403,252            | (66,919,241)         | 66,919,232           | (8)                   | 981,403,243            | 981,403,244            | (1)                    |
| 7   | Dominion Oil & Gas Limited                 | 225,647,684            | 226,465,564            | (817,880)            | -                    | (817,880)             | 225,647,684            | 225,647,684            | (0)                    |
| 8   | Etablissement Maurel et Prom               | 1,704,674,083          | 1,745,946,473          | (41,272,390)         | -                    | (41,272,389)          | 1,704,674,083          | 1,704,674,084          | (1)                    |
| 9   | Geita Gold Mining Limited                  | 30,270,592,454         | 32,202,999,525         | (1,932,407,071)      | -                    | 311,141,305           | 30,270,592,454         | 32,514,140,830         | (2,243,548,376)        |
| 10  | Mantra Tanzania Limited                    | 6,553,150,231          | 6,330,722,700          | 222,427,531          | -                    | 222,427,532           | 6,553,150,231          | 6,553,150,232          | (1)                    |
| 11  | Mbeya Cement Company Limited               | 12,469,067,433         | 13,599,167,919         | (1,130,100,487)      | 1,022,465,670        | (107,634,817)         | 13,491,533,103         | 13,491,533,102         | 0                      |
| 12  | North Mara Gold Mine Limited               | 29,901,163,564         | 35,553,242,185         | (5,652,078,621)      | (0)                  | (865,038,503)         | 29,901,163,564         | 34,688,203,682         | (4,787,040,118)        |
| 13  | Ophir Tanzania (Block 1) Limited           | 19,399,944,128         | 6,771,102,657          | 12,628,841,471       | -                    | 12,628,841,472        | 19,399,944,128         | 19,399,944,129         | (1)                    |
| 14  | Pan African Energy Tanzania Limited        | 21,220,214,761         | 22,307,049,909         | (1,086,835,149)      | 982,565,283          | (104,269,865)         | 22,202,780,044         | 22,202,780,044         | (1)                    |
| 15  | Pangea Minerals Limited                    | 24,495,001,395         | 26,310,612,029         | (1,815,610,634)      | 2,722,711            | 502,045,759           | 24,497,724,106         | 26,812,657,788         | (2,314,933,682)        |
| 16  | Petrobras Tanzania Limited                 | 6,729,774,539          | 6,726,801,409          | 2,973,130            | -                    | 2,973,130             | 6,729,774,539          | 6,729,774,539          | 0                      |
| 17  | Resolute (Tanzania) Limited                | 34,650,074,603         | 33,680,567,174         | 969,507,429          | 206,000,000          | 1,175,507,428         | 34,856,074,603         | 34,856,074,602         | 1                      |
| 18  | Shanta Mining Company Limited              | 2,388,672,472          | 2,167,132,126          | 221,540,346          | (49,736,049)         | 171,804,297           | 2,338,936,423          | 2,338,936,423          | (0)                    |
| 19  | Songas Limited                             | 29,754,856,649         | 28,453,648,176         | 1,301,208,474        | 123,077,110          | 20,446,126            | 29,877,933,759         | 28,474,094,302         | 1,403,839,458          |
| 20  | Statoil Tanzania AS                        | 559,880,651            | 285,464,554            | 274,416,097          | -                    | 274,416,097           | 559,880,651            | 559,880,651            | 0                      |
| 21  | TADC 2000 (Tanzam 2000)                    | 341,475,045            | 387,723,213            | (46,248,168)         | 26,709,032           | (19,539,137)          | 368,184,077            | 368,184,076            | 1                      |
| 22  | Tancan Mining Company Limited              | 1,171,217,664          | 1,106,262,876          | 64,954,788           | (2)                  | 112,226,103           | 1,171,217,662          | 1,218,488,979          | (47,271,317)           |
| 23  | Tanga Cement Company Limited               | 40,219,592,265         | 42,638,687,092         | (2,419,094,827)      | 3,372,911,852        | (16,484)              | 43,592,504,117         | 42,638,670,608         | 953,833,509            |
| 24  | Tanzania Petroleum Development Corporation | 14,801,673,627         | 14,944,445,133         | (142,771,506)        | (59,754,559)         | (202,526,065)         | 14,741,919,068         | 14,741,919,068         | (0)                    |
| 25  | Tanzania Portland Cement Co. Ltd           | 53,233,470,249         | 56,622,378,225         | (3,388,907,976)      | 8,533,110            | (2,960,806,772)       | 53,242,003,359         | 53,661,571,453         | (419,568,094)          |
| 26  | Tanzaniteone Mining Limited                | 3,552,015,681          | 3,272,514,593          | 279,501,088          | 17,825,669           | 297,326,756           | 3,569,841,350          | 3,569,841,349          | 1                      |
| 27  | Tanzaniteone Trading Limited               | 586,646,157            | 583,841,656            | 2,804,501            | (2,804,500)          | -                     | 583,841,657            | 583,841,656            | 1                      |
| 28  | Tullow Tanzania B.V                        | 874,046,765            | -                      | 874,046,765          | -                    | -                     | 874,046,765            | -                      | 874,046,765            |
| 29  | Wentworth Gas Limited                      | 581,921,549            | 679,924,234            | (98,002,685)         | 132,166,707          | 34,164,022            | 714,088,256            | 714,088,256            | (0)                    |
| 30  | Williamson Diamonds Limited                | 6,986,463,241          | 5,659,401,215          | 1,327,062,026        | (47,711,645)         | (86,209,280)          | 6,938,751,596          | 5,573,191,935          | 1,365,559,661          |
|     |  | <b>400,985,175,774</b> | <b>399,886,695,423</b> | <b>1,098,480,351</b> | <b>5,877,093,383</b> | <b>12,190,655,927</b> | <b>406,862,269,157</b> | <b>412,077,351,350</b> | <b>(5,215,082,194)</b> |

We provide in the tables below the aggregate discrepancies found between the amounts reported by the taxpayers and the receipts reported by the different Government agencies after taking into account the all adjustments processed for all the taxes paid and received in US\$. Please see detailed reconciliation per tax payer in the tables below (section 6.2).

| No. | Company                                    | Templates originally lodged |                   |                     | Adjustments     |                     | Final amounts     |                   |                    |
|-----|--|-----------------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|
|     |  | Government-US\$             | Taxpayer-US\$     | Difference -US\$    | Government-US\$ | Taxpayer-US\$       | Government -US\$  | Taxpayer-US\$     | Difference-US\$    |
| 1   | Baffex Tanzania Limited                    | -                           | -                 | -                   | -               | -                   | -                 | -                 | -                  |
| 2   | Barrick Exploration Africa Limited         | 45,257                      | 45,257            | (0)                 | -               | -                   | 45,257            | 45,257            | (0)                |
| 3   | Beach Petroleum Tanzania Limited           | 28,652                      | 178,652           | (150,000)           | 150,000         | -                   | 178,652           | 178,652           | -                  |
| 4   | BG International Limited                   | -                           | 64,815            | (64,815)            | -               | (64,815)            | -                 | 0                 | (0)                |
| 5   | Bulyanhulu Gold Mine Limited               | 12,245,302                  | 10,811,652        | 1,433,649           | -               | 1,433,649           | 12,245,302        | 12,245,301        | 0                  |
| 6   | Canaco Tanzania Limited                    | 75,840                      | 75,840            | 0                   | -               | -                   | 75,840            | 75,840            | 0                  |
| 7   | Dominion Oil & Gas Limited                 | 92,521                      | 92,521            | 0                   | -               | -                   | 92,521            | 92,521            | 0                  |
| 8   | Etablissement Maurel et Prom               | 216,232                     | 216,232           | -                   | -               | -                   | 216,232           | 216,232           | -                  |
| 9   | Geita Gold Mining Limited                  | 15,136,310                  | 17,580,381        | (2,444,071)         | -               | -                   | 15,136,310        | 17,580,381        | (2,444,071)        |
| 10  | Mantra Tanzania Limited                    | 74,539                      | 218,278           | (143,740)           | -               | -                   | 74,539            | 218,278           | (143,740)          |
| 11  | Mbeya Cement Company Limited               | -                           | -                 | -                   | -               | -                   | -                 | -                 | -                  |
| 12  | North Mara Gold Mine Limited               | 8,398,985                   | 8,398,985         | -                   | -               | -                   | 8,398,985         | 8,398,985         | -                  |
| 13  | Ophir Tanzania (Block 1) Limited           | 166,798                     | 8,455,041         | (8,288,242)         | -               | (8,288,243)         | 166,798           | 166,798           | 1                  |
| 14  | Pan African Energy Tanzania Limited        | 3,199,529                   | 3,199,529         | -                   | -               | -                   | 3,199,529         | 3,199,529         | -                  |
| 15  | Pangea Minerals Limited                    | 10,409,550                  | 11,520,194        | (1,110,645)         | -               | -                   | 10,409,550        | 11,520,194        | (1,110,645)        |
| 16  | Petrobras Tanzania Limited                 | 485,354                     | 4,405,968         | (3,920,614)         | -               | (3,920,614)         | 485,354           | 485,354           | (0)                |
| 17  | Resolute (Tanzania) Limited                | 5,261,772                   | 5,256,462         | 5,310               | (5,310)         | -                   | 5,256,462         | 5,256,462         | 0                  |
| 18  | Shanta Mining Company Limited              | 49,581                      | 49,581            | 1                   | -               | -                   | 49,581            | 49,581            | 1                  |
| 19  | Songas Limited                             | -                           | -                 | -                   | -               | -                   | -                 | -                 | -                  |
| 20  | Statoil Tanzania AS                        | 86,481                      | 106,081           | (19,600)            | -               | (19,600)            | 86,481            | 86,481            | (0)                |
| 21  | TADC 2000 (Tanzam 2000)                    | 156,750                     | 194,331           | (37,582)            | -               | -                   | 156,750           | 194,331           | (37,582)           |
| 22  | Tancan Mining Company Limited              | 28,208                      | 70,916            | (42,708)            | -               | -                   | 28,208            | 70,916            | (42,708)           |
| 23  | Tanga Cement Company Limited               | -                           | 1,971             | (1,971)             | -               | (1,971)             | -                 | (0)               | 0                  |
| 24  | Tanzania Petroleum Development Corporation | 2,761,642                   | 2,761,642         | (0)                 | -               | -                   | 2,761,642         | 2,761,642         | (0)                |
| 25  | Tanzania Portland Cement Co. Ltd           | -                           | -                 | -                   | -               | -                   | -                 | -                 | -                  |
| 26  | Tanzaniteone Mining Limited                | 145,665                     | 258,277           | (112,612)           | -               | -                   | 145,665           | 258,277           | (112,612)          |
| 27  | Tanzaniteone Trading Limited               | -                           | 55,005            | (55,005)            | -               | -                   | -                 | 55,005            | (55,005)           |
| 28  | Tullow Tanzania B.V                        | 12,854                      | -                 | 12,854              | -               | -                   | 12,854            | -                 | 12,854             |
| 29  | Wentworth Gas Limited                      | 100,476                     | 100,476           | -                   | -               | -                   | 100,476           | 100,476           | -                  |
| 30  | Williamson Diamonds Limited                | 625,507                     | 528,720           | 96,787              | -               | -                   | 625,507           | 528,720           | 96,787             |
|     |  | <b>59,803,804</b>           | <b>74,646,808</b> | <b>(14,843,004)</b> | <b>144,690</b>  | <b>(10,861,594)</b> | <b>59,948,494</b> | <b>63,785,214</b> | <b>(3,836,720)</b> |



## 8.2. Detailed reconciliation by taxpayers and tax category

| 1-BAFEX TANZANIA LTD.   |                             |                    |                     |                   |                  |                    |                    |                  |       |
|---|-----------------------------|--------------------|---------------------|-------------------|------------------|--------------------|--------------------|------------------|-------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                    |                     | Adjustments       |                  | Final Amounts      |                    | Difference (TzS) | Notes |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS)    | Government (TzS)  | Company (TzS)    | Government (TzS)   | Company (TzS)      |                  |       |
| <b>Payments to TRA</b>  |                             |                    |                     |                   |                  |                    |                    |                  |       |
| Corporation Tax   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Alternative Minimum Tax   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Withholding taxes   | 141,182,472                 | 141,506,412        | (323,941)           | 323,941           |                  | 141,506,413        | 141,506,412        | 0                |       |
| Capital Gains Tax   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Pay As You Earn (PAYE)  | 156,073,321                 | 167,091,437        | (11,018,116)        | 11,018,116        |                  | 167,091,437        | 167,091,437        | 0                | 1     |
| Skills and Development Levy (SDL)   | 29,740,518                  | 44,758,394         | (15,017,876)        | 15,017,876        |                  | 44,758,394         | 44,758,394         | (0)              | 1     |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Stamp Duty  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Fuel Levy   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Import duty   | 1,310,626                   | 1,310,626          | -                   |                   |                  | 1,310,626          | 1,310,626          | -                |       |
| Excise duty   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Value Added Tax on Imports paid to Customs Department                           | 4,780,263                   | 2,595,038          | 2,185,225           |                   | 2,185,225        | 4,780,263          | 4,780,263          | (0)              |       |
| <b>Terminal Benefits Payments</b>   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| National Social Security Fund (NSSF) contribution                               | 147,292,654                 | 147,292,654        | -                   |                   |                  | 147,292,654        | 147,292,654        | -                |       |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Paid to Local and regulatory Authorities  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| <b>Payments to the MEM</b>  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Royalties   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Annual rents and license fees   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Profit per production sharing agreements  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Protected gas/additional gas revenues   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| <b>Payments to TPDC</b>   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Protected Gas Revenue   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Additional Gas Revenue  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Profit per Production Sharing Agreement   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| VAT on Gas Revenue  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Annual rents and license fees   |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| Dividends on Government shares  |                             |                    | -                   |                   |                  | -                  | -                  | -                |       |
| <b>Grand total</b>  | <b>480,379,854</b>          | <b>504,554,562</b> | <b>(24,174,708)</b> | <b>26,359,933</b> | <b>2,185,225</b> | <b>506,739,787</b> | <b>506,739,787</b> | <b>(0)</b>       |       |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                    |                     |                   |                  |                    |                    |                  |       |
| <b>Commentary</b>   |                             |                    | <b>Note #</b>       |                   |                  |                    |                    |                  |       |
| TRA missed transactions, fully supported by Baffex                              |                             |                    | 1                   | 26,035,992        |                  |                    |                    |                  |       |
| Other   |                             |                    |                     | 323,941           | 2,185,225        |                    |                    |                  |       |
| <b>Grand Total</b>  |                             |                    |                     | <b>26,359,933</b> | <b>2,185,225</b> |                    |                    |                  |       |

| 1-BAFEX TANZANIA LTD.   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| Taxes, fees and other charges paid from companies to government                 |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | -                           | -              | -                 | -                 | -              | -                 | -              | -                 |  |

| 2-BARRICK EXPLORATION AFRICA LIMITED  |                             |                      |                     |                   |                   |                      |                      |                  |                  |
|---|-----------------------------|----------------------|---------------------|-------------------|-------------------|----------------------|----------------------|------------------|------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                      |                     | Adjustments       |                   | Final Amounts        |                      |                  | Difference (TzS) |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)    | Government (TzS)  | Company (TzS)     | Government (TzS)     | Company (TzS)        | Difference (TzS) |                  |
| <b>Payments to TRA</b>  |                             |                      |                     |                   |                   |                      |                      |                  |                  |
| Corporation Tax   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Alternative Minimum Tax   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Withholding taxes   | 519,147,156                 | 519,147,156          | (0)                 |                   |                   | 519,147,156          | 519,147,156          | (0)              |                  |
| Capital Gains Tax   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Pay As You Earn (PAYE)  | 910,063,059                 | 959,773,198          | (49,710,138)        | 49,710,138        |                   | 959,773,197          | 959,773,198          | (0)              |                  |
| Skills and Development Levy (SDL)   | 211,385,806                 | 211,385,806          | -                   |                   |                   | 211,385,806          | 211,385,806          | -                |                  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Stamp Duty  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Fuel Levy   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Import duty   | 10,272,197                  | 10,272,197           | -                   |                   |                   | 10,272,197           | 10,272,197           | -                |                  |
| Excise duty   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Value Added Tax on Imports paid to Customs Department                               | 23,221,299                  | 23,221,299           | -                   |                   |                   | 23,221,299           | 23,221,299           | -                |                  |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| National Social Security Fund (NSSF) contribution                                   | 353,820,089                 | 323,264,213          | 30,555,876          |                   | 30,555,876        | 353,820,089          | 353,820,089          | 0                |                  |
| Parastatal Pension Fund (PPF) contribution  | 9,323,740                   | 9,323,740            | -                   |                   |                   | 9,323,740            | 9,323,740            | -                |                  |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Paid to Local and regulatory Authorities  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| <b>Payments to the MEM</b>  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Royalties   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Annual rents and license fees   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Profit per production sharing agreements  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Protected gas/additional gas revenues   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| <b>Payments to TPDC</b>   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Protected Gas Revenue   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Additional Gas Revenue  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Profit per Production Sharing Agreement   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| VAT on Gas Revenue  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Annual rents and license fees   |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| <b>Payments to the Ministry of Finance</b>  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| Dividends on Government shares  |                             |                      | -                   |                   |                   | -                    | -                    | -                |                  |
| <b>Grand total</b>  | <b>2,037,233,347</b>        | <b>2,056,387,609</b> | <b>(19,154,262)</b> | <b>49,710,138</b> | <b>30,555,876</b> | <b>2,086,943,485</b> | <b>2,086,943,485</b> | <b>0</b>         |                  |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                      |                     |                   |                   |                      |                      |                  |                  |
| <b>Commentary</b>   |                             |                      |                     | <b>Note #</b>     |                   |                      |                      |                  |                  |
| TRA missed some transactions now added.   |                             |                      |                     | 1                 | 49,710,138        |                      |                      |                  |                  |
| Company missed some transactions on NSSF. Reported and supported by NSSF            |                             |                      |                     | 2                 | -                 | 30,555,876           |                      |                  |                  |
| <b>Grand Total</b>  |                             |                      |                     |                   | <b>49,710,138</b> | <b>30,555,876</b>    |                      |                  |                  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 2-BARRICK EXPLORATION AFRICA LIMITED  | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 45,257                      | 45,257         | (0)               |                   |                | 45,257            | 45,257         | (0)               |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>45,257</b>               | <b>45,257</b>  | <b>(0)</b>        | <b>-</b>          | <b>-</b>       | <b>45,257</b>     | <b>45,257</b>  | <b>(0)</b>        |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   | -              | -                 |                |                   |  |

| 3-BEACH PETROLEUM TANZANIA LIMITED  |                             |                      |                     |                   |                   |                      |                      |                  |   |
|---|-----------------------------|----------------------|---------------------|-------------------|-------------------|----------------------|----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                      |                     | Adjustments       |                   | Final Amounts        |                      | Difference (TzS) |   |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)    | Government (TzS)  | Company (TzS)     | Government (TzS)     | Company (TzS)        |                  |   |
| <b>Payments to TRA</b>  |                             |                      |                     |                   |                   |                      |                      |                  |   |
| Corporation Tax   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Alternative Minimum Tax   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Withholding taxes   | 1,045,803,672               | 1,177,552,324        | (131,748,652)       | 131,748,652       |                   | 1,177,552,324        | 1,177,552,324        | (0)              | 1 |
| Capital Gains Tax   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Pay As You Earn (PAYE)  | 151,211,688                 | 33,311,401           | 117,900,287         | (117,900,287)     |                   | 33,311,401           | 33,311,401           | 0                | 1 |
| Skills and Development Levy (SDL)   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Stamp Duty  |                             | 513,800              | (513,800)           | 513,800           |                   | 513,800              | 513,800              | -                |   |
| Fuel Levy   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Import duty   |                             | 5,324,675            | (5,324,675)         | 5,324,675         |                   | 5,324,675            | 5,324,675            | (0)              |   |
| Excise duty   |                             | 171,741              | (171,741)           | 171,741           |                   | 171,741              | 171,741              | 0                |   |
| Value Added Tax on Imports paid to Customs Department                               |                             | 5,324,675            | (5,324,675)         | 5,324,675         |                   | 5,324,675            | 5,324,675            | (0)              |   |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| National Social Security Fund (NSSF) contribution                                   | 25,288,447                  | 25,288,447           | -                   |                   |                   | 25,288,447           | 25,288,447           | -                |   |
| Parastatal Pension Fund (PPF) contribution  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Paid to Local and regulatory Authorities  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| <b>Payments to the MEM</b>  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Royalties   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Profit per production sharing agreements  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Protected gas/additional gas revenues   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| <b>Payments to TPDC</b>   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Protected Gas Revenue   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Additional Gas Revenue  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Profit per Production Sharing Agreement   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| VAT on Gas Revenue  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| Dividends on Government shares  |                             |                      | -                   |                   |                   | -                    | -                    | -                |   |
| <b>Grand total</b>  | <b>1,222,303,807</b>        | <b>1,247,487,063</b> | <b>(25,183,256)</b> | <b>25,183,256</b> | <b>-</b>          | <b>1,247,487,063</b> | <b>1,247,487,063</b> | <b>(0)</b>       |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                      |                     |                   |                   |                      |                      |                  |   |
| <b>Commentary</b>   |                             |                      |                     | <b>Note #</b>     |                   |                      |                      |                  |   |
| Reclassification of transactions wrongly classified by TRA                          |                             |                      |                     | 1                 | 13,848,365        |                      |                      |                  |   |
| Other   |                             |                      |                     |                   | 11,334,891        |                      |                      |                  |   |
| <b>Grand Total</b>  |                             |                      |                     |                   | <b>25,183,256</b> |                      |                      |                  |   |

| 3-BEACH PETROLEUM TANZANIA LIMITED  | USD                         |                |                   |                   |                |                   |                |                   |   |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|---|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |   |
| Taxes, fees and other charges paid from companies to government                     | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |   |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |   |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Value Added Tax on Imports paid to Customs Department                               |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| National Social Security Fund (NSSF) contribution                                   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Protected gas/ additional gas revenues  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Annual rents and license fees   | 28,652                      | 178,652        | (150,000)         | 150,000           | -              | 178,652           | 178,652        | -                 | 1 |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |   |
| <b>Grand total</b>  | <b>28,652</b>               | <b>178,652</b> | <b>(150,000)</b>  | <b>150,000</b>    | <b>-</b>       | <b>178,652</b>    | <b>178,652</b> | <b>-</b>          |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                |                   |                   |                |                   |                |                   |   |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |   |
| TPDC missed transactions on fees but confirmed receipt subsequently, now adjusted   |                             |                |                   | 1                 | 150,000        |                   |                |                   |   |
| <b>Grand Total</b>  |                             |                |                   |                   | <b>150,000</b> | <b>-</b>          |                |                   |   |

| 4-BG INTERNATIONAL LIMITED  |                             |                    |                   |                   |                    |                    |                    |                  |
|---|-----------------------------|--------------------|-------------------|-------------------|--------------------|--------------------|--------------------|------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                    |                   | Adjustments       |                    | Final Amounts      |                    |                  |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS)  | Government (TzS)  | Company (TzS)      | Government (TzS)   | Company (TzS)      | Difference (TzS) |
| <b>Payments to TRA</b>  |                             |                    |                   |                   |                    |                    |                    |                  |
| Corporation Tax   | 296,686,436                 |                    | 296,686,436       | (296,686,436)     |                    | -                  | -                  | 1                |
| Alternative Minimum Tax   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Withholding taxes   | 56,351,549                  |                    | 56,351,549        | 34,686,166        | 91,037,715         | 91,037,715         | 91,037,715         | (0)              |
| Capital Gains Tax   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Pay As You Earn (PAYE)  | 277,910,820                 | 495,617,161        | (217,706,341)     | 217,706,341       |                    | 495,617,161        | 495,617,161        | (0)              |
| Skills and Development Levy (SDL)   | 3,389,040                   | 55,737,985         | (52,348,945)      | 52,348,945        |                    | 55,737,985         | 55,737,985         | (0)              |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Stamp Duty  | 20,972,295                  | 1,984,105          | 18,988,190        |                   | 18,988,190         | 20,972,295         | 20,972,295         | 0                |
| Fuel Levy   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Import duty   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Excise duty   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Value Added Tax on Imports paid to Customs Department                               |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| <b>Terminal Benefits Payments</b>   |                             |                    |                   |                   |                    |                    |                    |                  |
| National Social Security Fund (NSSF) contribution                                   | 237,154,775                 | 237,154,775        | -                 |                   |                    | 237,154,775        | 237,154,775        | -                |
| Parastatal Pension Fund (PPF) contribution  | 1,760,000                   | 9,037,622          | (7,277,622)       | 4,400,000         | (2,877,622)        | 6,160,000          | 6,160,000          | -                |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                    |                   |                   |                    |                    |                    |                  |
| Paid to Local and regulatory Authorities  |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| <b>Payments to the MEM</b>  |                             |                    |                   |                   |                    |                    |                    |                  |
| Royalties   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Annual rents and license fees   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Profit per production sharing agreements  |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Protected gas/additional gas revenues   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| <b>Payments to TPDC</b>   |                             |                    |                   |                   |                    |                    |                    |                  |
| Protected Gas Revenue   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Additional Gas Revenue  |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Profit per Production Sharing Agreement   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| VAT on Gas Revenue  |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| Annual rents and license fees   |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| <b>Payments to the Ministry of Finance</b>  |                             |                    |                   |                   |                    |                    |                    |                  |
| Dividends on Government shares  |                             |                    | -                 |                   |                    | -                  | -                  | -                |
| <b>Grand total</b>  | <b>894,224,915</b>          | <b>799,531,649</b> | <b>94,693,266</b> | <b>12,455,016</b> | <b>107,148,283</b> | <b>906,679,931</b> | <b>906,679,932</b> | <b>(0)</b>       |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                    |                   |                   |                    |                    |                    |                  |
| <b>Commentary</b>   |                             |                    | <b>Note #</b>     |                   |                    |                    |                    |                  |
| Reclassification of transactions wrongly classed by TRA                             |                             |                    | 1                 | 8,055,016         |                    |                    |                    |                  |
| Transferred from USD section  |                             |                    |                   |                   | 110,025,905        |                    |                    |                  |
| Other   |                             |                    |                   | 4,400,000         | (2,877,622)        |                    |                    |                  |
| <b>Grand Total</b>  |                             |                    |                   | <b>12,455,016</b> | <b>107,148,283</b> |                    |                    |                  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 4-BG INTERNATIONAL LIMITED  | USD                         |                |                   |                   |                |                   |                |                   |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |
| Taxes, fees and other charges paid from companies to government                 |                             |                |                   |                   |                |                   |                |                   |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Withholding taxes   |                             | 60,692         | (60,692)          |                   | (60,692)       | -                 | (0)            | 0                 |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |
| Stamp Duty  |                             | 4,123          | (4,123)           |                   | (4,123)        | -                 | 0              | (0)               |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Grand total</b>  | -                           | 64,815         | (64,815)          | -                 | (64,815)       | -                 | 0              | (0)               |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |
| <b>Commentary</b>   |                             |                | <b>Note #</b>     |                   |                |                   |                |                   |
| Transferred to TzS section  |                             |                | 1                 | -                 | (64,815)       |                   |                |                   |
| Other   |                             |                |                   | -                 | -              |                   |                |                   |
| <b>Grand Total</b>  |                             |                |                   | -                 | (64,815)       |                   |                |                   |



| 5-BULYANHULU GOLD MINE LIMITED  |                             |                       |                    |                     |                    |                       |                       |                  |
|---|-----------------------------|-----------------------|--------------------|---------------------|--------------------|-----------------------|-----------------------|------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                       |                    | Adjustments         |                    | Final Amounts         |                       |                  |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)   | Government (TzS)    | Company (TzS)      | Government (TzS)      | Company (TzS)         | Difference (TzS) |
| <b>Payments to TRA</b>  |                             |                       |                    |                     |                    |                       |                       |                  |
| Corporation Tax   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Alternative Minimum Tax   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Withholding taxes   | 136,931,851                 | 157,492,152           | (20,560,301)       | 11,205,557          | (9,354,744)        | 148,137,408           | 148,137,408           | 0                |
| Capital Gains Tax   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Pay As You Earn (PAYE)  | 28,056,801,913              | 27,601,531,264        | 455,270,648        | (49,710,138)        | 405,560,510        | 28,007,091,775        | 28,007,091,774        | 0                |
| Skills and Development Levy (SDL)   | 6,185,913,802               | 6,105,510,898         | 80,402,904         |                     | 80,402,904         | 6,185,913,802         | 6,185,913,802         | -                |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Stamp Duty  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Fuel Levy   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Import duty   | 5,225,542,359               | 5,083,413,230         | 142,129,129        |                     | 142,129,129        | 5,225,542,359         | 5,225,542,359         | 0                |
| Excise duty   | 3,520,930                   | 3,520,930             | -                  |                     |                    | 3,520,930             | 3,520,930             | -                |
| Value Added Tax on Imports paid to Customs Department                           | 321,927,116                 | 338,045,840           | (16,118,725)       |                     | (16,118,725)       | 321,927,116           | 321,927,115           | 0                |
| <b>Terminal Benefits Payments</b>   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| National Social Security Fund (NSSF) contribution                               | 11,976,146,113              | 11,893,187,470        | 82,958,643         |                     | 82,958,643         | 11,976,146,113        | 11,976,146,113        | 0                |
| Parastatal Pension Fund (PPF) contribution                                      | 858,528,867                 | 858,528,867           | 0                  |                     |                    | 858,528,867           | 858,528,867           | 0                |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Paid to Local and regulatory Authorities  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| <b>Payments to the MEM</b>  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Royalties   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Annual rents and license fees   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Profit per production sharing agreements  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Protected gas/additional gas revenues   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| <b>Payments to TPDC</b>   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Protected Gas Revenue   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Additional Gas Revenue  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Profit per Production Sharing Agreement   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| VAT on Gas Revenue  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Annual rents and license fees   |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| Dividends on Government shares  |                             |                       | -                  |                     |                    | -                     | -                     | -                |
| <b>Grand total</b>  | <b>52,765,312,951</b>       | <b>52,041,230,652</b> | <b>724,082,300</b> | <b>(38,504,581)</b> | <b>685,577,717</b> | <b>52,726,808,370</b> | <b>52,726,808,369</b> | <b>1</b>         |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                       |                    |                     |                    |                       |                       |                  |
| <b>Commentary</b>   |                             |                       | <b>Note #</b>      |                     |                    |                       |                       |                  |
| TRA reported duplicated transactions, now adjusted                              |                             |                       |                    | -                   |                    |                       |                       |                  |
| Missed by company but confirmed by TRA and NSSF                                 |                             |                       | 1                  | -                   | 568,922,057        |                       |                       |                  |
| Other   |                             |                       |                    | (38,504,581)        | 116,655,660        |                       |                       |                  |
| <b>Grand Total</b>  |                             |                       |                    | <b>(38,504,581)</b> | <b>685,577,717</b> |                       |                       |                  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 5-BULYANHULU GOLD MINE LIMITED  | USD                         |                   |                   |                   |                  |                   |                   |                   |  |
|---|-----------------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|--|
|   | Templates originally lodged |                   |                   | Adjustments       |                  | Final Amounts     |                   |                   |  |
| Taxes, fees and other charges paid from companies to government                     | Government (US\$)           | Company (US\$)    | Difference (US\$) | Government (US\$) | Company (US\$)   | Government (US\$) | Company (US\$)    | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                   |                   |                   |                  |                   |                   |                   |  |
| Corporation Tax   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Alternative Minimum Tax   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Withholding taxes   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Capital Gains Tax   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Pay As You Earn (PAYE)  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Skills and Development Levy (SDL)   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Stamp Duty  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Fuel Levy   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Import duty   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Excise duty   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Value Added Tax on Imports paid to Customs Department                               |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| National Social Security Fund (NSSF) contribution                                   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Paid to Local and regulatory Authorities  | 200,000                     | 400,000           | (200,000)         |                   | (200,000)        | 200,000           | 200,000           | -                 |  |
| <b>Payments to the MEM</b>  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Royalties   | 12,044,808                  | 10,411,159        | 1,633,649         |                   | 1,633,649        | 12,044,808        | 12,044,808        | (0)               |  |
| Annual rents and license fees   | 494                         | 494               | 0                 |                   |                  | 494               | 494               | 0                 |  |
| Profit per production sharing agreements  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Protected gas/additional gas revenues   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| <b>Payments to TPDC</b>   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Protected Gas Revenue   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Additional Gas Revenue  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Profit per Production Sharing Agreement   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| VAT on Gas Revenue  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Annual rents and license fees   |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| Dividends on Government shares  |                             |                   | -                 |                   |                  | -                 | -                 | -                 |  |
| <b>Grand total</b>  | <b>12,245,302</b>           | <b>10,811,652</b> | <b>1,433,649</b>  | <b>-</b>          | <b>1,433,649</b> | <b>12,245,302</b> | <b>12,245,301</b> | <b>0</b>          |  |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                   |                   |                   |                  |                   |                   |                   |  |
| <b>Commentary</b>   |                             |                   |                   | <b>Note #</b>     |                  |                   |                   |                   |  |
| Reported out of scope transaction   |                             |                   |                   | 1                 | (200,000)        |                   |                   |                   |  |
| Missed by Company but confirmed by MEM  |                             |                   |                   |                   | 1,633,649        |                   |                   |                   |  |
| <b>Grand Total</b>  |                             |                   |                   |                   | <b>1,433,649</b> |                   |                   |                   |  |

| 6-CANACO TANZANIA LIMITED.  |                             |                    |                     |                   |               |                    |                    |                  |   |
|---|-----------------------------|--------------------|---------------------|-------------------|---------------|--------------------|--------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                    |                     | Adjustments       |               | Final Amounts      |                    |                  |   |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS)    | Government (TzS)  | Company (TzS) | Government (TzS)   | Company (TzS)      | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                    |                     |                   |               |                    |                    |                  |   |
| Corporation Tax   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Alternative Minimum Tax   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Withholding taxes   | 301,009,822                 | 563,177,551        | (262,167,729)       | 262,167,729       |               | 563,177,551        | 563,177,551        | (0)              | 1 |
| Capital Gains Tax   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Pay As You Earn (PAYE)  | 376,701,311                 | 183,789,008        | 192,912,302         | (192,912,302)     |               | 183,789,009        | 183,789,008        | 0                | 1 |
| Skills and Development Levy (SDL)   | 38,514,859                  | 36,178,664         | 2,336,195           | (2,336,195)       |               | 36,178,664         | 36,178,664         | (0)              | 1 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Stamp Duty  |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Fuel Levy   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Import duty   | 46,276,763                  | 46,276,763         | (0)                 |                   |               | 46,276,763         | 46,276,763         | (0)              |   |
| Excise duty   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Value Added Tax on Imports paid to Customs Department                               | 41,649,087                  | 41,649,087         | -                   |                   |               | 41,649,087         | 41,649,087         | -                |   |
| <b>Terminal Benefits Payments</b>   |                             |                    |                     |                   |               |                    |                    |                  |   |
| National Social Security Fund (NSSF) contribution                                   | 64,113,238                  | 64,113,238         | -                   |                   |               | 64,113,238         | 64,113,238         | -                |   |
| Parastatal Pension Fund (PPF) contribution  | 46,218,932                  | 46,218,940         | (8)                 |                   | (8)           | 46,218,932         | 46,218,932         | -                |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                    |                     |                   |               |                    |                    |                  |   |
| Paid to Local and regulatory Authorities  |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| <b>Payments to the MEM</b>  |                             |                    |                     |                   |               |                    |                    |                  |   |
| Royalties   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Annual rents and license fees   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Profit per production sharing agreements  |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Protected gas/additional gas revenues   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| <b>Payments to TPDC</b>   |                             |                    |                     |                   |               |                    |                    |                  |   |
| Protected Gas Revenue   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Additional Gas Revenue  |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Profit per Production Sharing Agreement   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| VAT on Gas Revenue  |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| Annual rents and license fees   |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                    |                     |                   |               |                    |                    |                  |   |
| Dividends on Government shares  |                             |                    | -                   |                   |               | -                  | -                  | -                |   |
| <b>Grand total</b>  | <b>914,484,011</b>          | <b>981,403,252</b> | <b>(66,919,241)</b> | <b>66,919,232</b> | <b>(8)</b>    | <b>981,403,243</b> | <b>981,403,244</b> | <b>(1)</b>       |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                    |                     |                   |               |                    |                    |                  |   |
| <b>Commentary</b>   |                             |                    |                     | <b>Note #</b>     |               |                    |                    |                  |   |
| Reclass of wrongly classed transactions and other                                   |                             |                    |                     | 1                 |               | 66,919,232         |                    |                  |   |
| Other   |                             |                    |                     |                   |               | -                  |                    | (8)              |   |
| <b>Grand Total</b>  |                             |                    |                     |                   |               | <b>66,919,232</b>  |                    | <b>(8)</b>       |   |

| 6-CANACO TANZANIA LIMITED.  |                             |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
| Taxes, fees and other charges paid from companies to government                   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  | 38,000                      | 38,000         | -                 | -                 |                | 38,000            | 38,000         | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                             |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 37,840                      | 37,840         | 0                 |                   |                | 37,840            | 37,840         | 0                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/ additional gas revenues  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>75,840</b>               | <b>75,840</b>  | <b>0</b>          | <b>-</b>          | <b>-</b>       | <b>75,840</b>     | <b>75,840</b>  | <b>0</b>          |  |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                |                   |                   |                |                   |                |                   |  |
| <u>Commentary</u>   |                             |                |                   | <u>Note #</u>     |                |                   |                |                   |  |
|   |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   |                |                   |                |                   |  |

| 7-DOMINION OIL & GAS LIMITED  |                             |                    |                  |                  |                  |                    |                    |                  |
|---|-----------------------------|--------------------|------------------|------------------|------------------|--------------------|--------------------|------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                    |                  | Adjustments      |                  | Final Amounts      |                    |                  |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS) | Government (TzS) | Company (TzS)    | Government (TzS)   | Company (TzS)      | Difference (TzS) |
| <b>Payments to TRA</b>  |                             |                    |                  |                  |                  |                    |                    |                  |
| Corporation Tax   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Alternative Minimum Tax   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Withholding taxes   | 8,966,773                   | 8,966,773          | -                |                  |                  | 8,966,773          | 8,966,773          | -                |
| Capital Gains Tax   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Pay As You Earn (PAYE)  | 167,254,735                 | 203,075,978        | (35,821,242)     |                  | (35,821,242)     | 167,254,735        | 167,254,736        | (0)              |
| Skills and Development Levy (SDL)   | 35,821,242                  |                    | 35,821,242       |                  | 35,821,242       | 35,821,242         | 35,821,242         | (0)              |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Stamp Duty  |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Fuel Levy   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Import duty   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Excise duty   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Value Added Tax on Imports paid to Customs Department                               |                             |                    | -                |                  |                  | -                  | -                  | -                |
| <b>Terminal Benefits Payments</b>   |                             |                    |                  |                  |                  |                    |                    |                  |
| National Social Security Fund (NSSF) contribution                                   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Parastatal Pension Fund (PPF) contribution  | 13,604,933                  | 14,422,813         | (817,880)        |                  | (817,880)        | 13,604,933         | 13,604,933         | 0                |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                    |                  |                  |                  |                    |                    |                  |
| Paid to Local and regulatory Authorities  |                             |                    | -                |                  |                  | -                  | -                  | -                |
| <b>Payments to the MEM</b>  |                             |                    |                  |                  |                  |                    |                    |                  |
| Royalties   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Annual rents and license fees   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Profit per production sharing agreements  |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Protected gas/additional gas revenues   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| <b>Payments to TPDC</b>   |                             |                    |                  |                  |                  |                    |                    |                  |
| Protected Gas Revenue   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Additional Gas Revenue  |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Profit per Production Sharing Agreement   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| VAT on Gas Revenue  |                             |                    | -                |                  |                  | -                  | -                  | -                |
| Annual rents and license fees   |                             |                    | -                |                  |                  | -                  | -                  | -                |
| <b>Payments to the Ministry of Finance</b>  |                             |                    |                  |                  |                  |                    |                    |                  |
| Dividends on Government shares  |                             |                    | -                |                  |                  | -                  | -                  | -                |
| <b>Grand total</b>  | <b>225,647,684</b>          | <b>226,465,564</b> | <b>(817,880)</b> | <b>-</b>         | <b>(817,880)</b> | <b>225,647,684</b> | <b>225,647,684</b> | <b>(0)</b>       |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                    |                  |                  |                  |                    |                    |                  |
| <b>Commentary</b>   |                             |                    |                  | <b>Note #</b>    |                  |                    |                    |                  |
| Others  |                             |                    |                  |                  |                  | -                  | (817,880)          |                  |
| <b>Grand Total</b>  |                             |                    |                  |                  |                  | <b>-</b>           | <b>(817,880)</b>   |                  |

| 7-DOMINION OIL & GAS LIMITED  |                             |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
| Taxes, fees and other charges paid from companies to government                   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                             |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/ additional gas revenues  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 92,521                      | 92,521         | 0                 |                   |                | 92,521            | 92,521         | 0                 |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>92,521</b>               | <b>92,521</b>  | <b>0</b>          | <b>-</b>          | <b>-</b>       | <b>92,521</b>     | <b>92,521</b>  | <b>0</b>          |  |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                |                   |                   |                |                   |                |                   |  |
| <u>Commentary</u>   |                             |                |                   | Note #            |                |                   |                |                   |  |
|   |                             |                |                   |                   | -              |                   |                |                   |  |
|   |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   | -              | -                 |                |                   |  |

| 8-ETABLISSEMENT MAUREL et PROM  |                             |                      |                     |                  |                     |                      |                      |                  |   |
|---|-----------------------------|----------------------|---------------------|------------------|---------------------|----------------------|----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                      |                     | Adjustments      |                     | Final Amounts        |                      |                  |   |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)    | Government (TzS) | Company (TzS)       | Government (TzS)     | Company (TzS)        | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                      |                     |                  |                     |                      |                      |                  |   |
| Corporation Tax   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Alternative Minimum Tax   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Withholding taxes   | 1,032,838,515               | 1,579,753,721        | (546,915,206)       | 505,642,817      | (41,272,389)        | 1,538,481,332        | 1,538,481,332        | (0)              | 1 |
| Capital Gains Tax   | 287,602,310                 |                      | 287,602,310         | (287,602,310)    |                     | 0                    | -                    | 0                |   |
| Pay As You Earn (PAYE)  | 199,324,872                 | 76,834,236           | 122,490,636         | (122,490,636)    |                     | 76,834,236           | 76,834,236           | (0)              |   |
| Skills and Development Levy (SDL)   | 25,554,810                  | 20,621,196           | 4,933,614           | (4,933,614)      |                     | 20,621,196           | 20,621,196           | (0)              |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     | 90,616,257                  |                      | 90,616,257          | (90,616,257)     |                     | (0)                  | -                    | (0)              |   |
| Stamp Duty  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Fuel Levy   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Import duty   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Excise duty   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Value Added Tax on Imports paid to Customs Department                               |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| <b>Terminal Benefits Payments</b>   |                             |                      |                     |                  |                     |                      |                      |                  |   |
| National Social Security Fund (NSSF) contribution                                   | 68,737,319                  | 68,737,320           | (0)                 |                  |                     | 68,737,319           | 68,737,320           | (0)              |   |
| Parastatal Pension Fund (PPF) contribution  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                      |                     |                  |                     |                      |                      |                  |   |
| Paid to Local and regulatory Authorities  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| <b>Payments to the MEM</b>  |                             |                      |                     |                  |                     |                      |                      |                  |   |
| Royalties   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Profit per production sharing agreements  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Protected gas/additional gas revenues   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| <b>Payments to TPDC</b>   |                             |                      |                     |                  |                     |                      |                      |                  |   |
| Protected Gas Revenue   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Additional Gas Revenue  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Profit per Production Sharing Agreement   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| VAT on Gas Revenue  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                      |                     |                  |                     |                      |                      |                  |   |
| Dividends on Government shares  |                             |                      | -                   |                  |                     | -                    | -                    | -                |   |
| <b>Grand total</b>  | <b>1,704,674,083</b>        | <b>1,745,946,473</b> | <b>(41,272,390)</b> | <b>-</b>         | <b>(41,272,389)</b> | <b>1,704,674,083</b> | <b>1,704,674,084</b> | <b>(1)</b>       |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                      |                     |                  |                     |                      |                      |                  |   |
| <b>Commentary</b>   |                             |                      |                     | <b>Note #</b>    |                     |                      |                      |                  |   |
| TRA wrongly reported SDL as withholding tax, now adjusted                           |                             |                      |                     |                  | -                   |                      |                      |                  |   |
| Out of scope transaction adjusted   |                             |                      |                     | 1                | -                   | (41,272,389)         |                      |                  |   |
| <b>Grand Total</b>  |                             |                      |                     |                  | <b>-</b>            | <b>(41,272,389)</b>  |                      |                  |   |

| 8-ETABLISSEMENT MAUREL et PROM  | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
| Taxes, fees and other charges paid from companies to government                   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                             |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/ additional gas revenues  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 216,232                     | 216,232        | -                 |                   |                | 216,232           | 216,232        | -                 |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>216,232</b>              | <b>216,232</b> | <b>-</b>          | <b>-</b>          | <b>-</b>       | <b>216,232</b>    | <b>216,232</b> | <b>-</b>          |  |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                |                   |                   |                |                   |                |                   |  |
| <u>Commentary</u>   |                             |                |                   | <u>Note #</u>     |                |                   |                |                   |  |
|   |                             |                |                   |                   | -              |                   |                |                   |  |
|   |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   | -              |                   | -              |                   |  |



3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 9-GEITA GOLD MINING LIMITED   |                             |                       |                        |                  |                    |                       |                       |                        |   |
|---|-----------------------------|-----------------------|------------------------|------------------|--------------------|-----------------------|-----------------------|------------------------|---|
| Taxes, fees and other charges paid from companies to government                   | Templates originally lodged |                       |                        | Adjustments      |                    | Final Amounts         |                       |                        |   |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS) | Company (TzS)      | Government (TzS)      | Company (TzS)         | Difference (TzS)       |   |
| <b>Payments to TRA</b>  |                             |                       |                        |                  |                    |                       |                       |                        |   |
| Corporation Tax   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Alternative Minimum Tax   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Withholding taxes   | 3,372,522,483               | 3,660,443,663         | (287,921,181)          | (287,921,180)    |                    | 3,372,522,483         | 3,372,522,483         | (0)                    | 1 |
| Capital Gains Tax   | -                           | 15,586,435            | (15,586,435)           | (15,586,435)     |                    | -                     | (0)                   | 0                      | 1 |
| Pay As You Earn (PAYE)  | 12,100,820,706              | 12,219,528,840        | (118,708,135)          | (118,708,135)    |                    | 12,100,820,706        | 12,100,820,706        | -                      | 1 |
| Skills and Development Levy (SDL)   | 3,030,300,078               | 3,057,711,250         | (27,411,172)           | (27,411,172)     |                    | 3,030,300,078         | 3,030,300,078         | (0)                    | 1 |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Stamp Duty  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Fuel Levy   |                             | 301,932,000           | (301,932,000)          |                  |                    | -                     | 301,932,000           | (301,932,000)          |   |
| Import duty   | 3,994,247,550               | 6,381,284,999         | (2,387,037,449)        |                  |                    | 3,994,247,550         | 6,381,284,999         | (2,387,037,449)        |   |
| Excise duty   | 19,016,436                  |                       | 19,016,436             |                  |                    | 19,016,436            | -                     | 19,016,436             |   |
| Value Added Tax on Imports paid to Customs Department                             | 426,404,637                 |                       | 426,404,637            |                  |                    | 426,404,637           | -                     | 426,404,637            |   |
| <b>Terminal Benefits Payments</b>   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| National Social Security Fund (NSSF) contribution                                 | 5,426,959,388               | 4,666,191,161         | 760,768,227            | 760,768,227      |                    | 5,426,959,388         | 5,426,959,388         | (0)                    | 2 |
| Parastatal Pension Fund (PPF) contribution  | 1,605,921,176               | 1,605,921,176         | -                      | -                |                    | 1,605,921,176         | 1,605,921,176         | -                      |   |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Paid to Local and regulatory Authorities  | 294,400,000                 | 294,400,000           | -                      |                  |                    | 294,400,000           | 294,400,000           | -                      |   |
| <b>Payments to the MEM</b>  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Royalties   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Annual rents and license fees   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Profit per production sharing agreements  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Protected gas/additional gas revenues   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| <b>Payments to TPDC</b>   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Protected Gas Revenue   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Additional Gas Revenue  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Profit per Production Sharing Agreement   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| VAT on Gas Revenue  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Annual rents and license fees   |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| Dividends on Government shares  |                             |                       | -                      |                  |                    | -                     | -                     | -                      |   |
| <b>Grand total</b>  | <b>30,270,592,454</b>       | <b>32,202,999,525</b> | <b>(1,932,407,071)</b> | <b>-</b>         | <b>311,141,305</b> | <b>30,270,592,454</b> | <b>32,514,140,830</b> | <b>(2,243,548,376)</b> |   |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                       |                        |                  |                    |                       |                       |                        |   |
| <b>Commentary</b>   |                             |                       |                        | <b>Note #</b>    |                    |                       |                       |                        |   |
| Out of scope transactions adjusted  |                             |                       |                        | 1                |                    |                       |                       | (449,626,922)          |   |
| GGM missed the expat payroll transactions, confirmed by NSSF and added            |                             |                       |                        | 2                |                    |                       |                       | 760,768,227            |   |
|   |                             |                       |                        |                  |                    |                       |                       | -                      |   |
| <b>Grand Total</b>  |                             |                       |                        |                  |                    |                       |                       | <b>311,141,305</b>     |   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 9-GEITA GOLD MINING LIMITED   | USD                         |                   |                    |                   |                |                   |                   |                    |  |
|---|-----------------------------|-------------------|--------------------|-------------------|----------------|-------------------|-------------------|--------------------|--|
|   | Templates originally lodged |                   |                    | Adjustments       |                | Final Amounts     |                   |                    |  |
| Taxes, fees and other charges paid from companies to government                     | Government (US\$)           | Company (US\$)    | Difference (US\$)  | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$)    | Difference (US\$)  |  |
| <b>Payments to TRA</b>  |                             |                   |                    |                   |                |                   |                   |                    |  |
| Corporation Tax   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Alternative Minimum Tax   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Withholding taxes   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Capital Gains Tax   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Pay As You Earn (PAYE)  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Skills and Development Levy (SDL)   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Stamp Duty  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Fuel Levy   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Import duty   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Excise duty   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Value Added Tax on Imports paid to Customs Department                               |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Terminal Benefits Payments</b>   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| National Social Security Fund (NSSF) contribution                                   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Paid to Local and regulatory Authorities  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Payments to the MEM</b>  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Royalties   | 15,134,643                  | 17,255,571        | (2,120,928)        |                   | -              | 15,134,643        | 17,255,571        | (2,120,928)        |  |
| Annual rents and license fees   | 1,667                       | 324,810           | (323,143)          |                   |                | 1,667             | 324,810           | (323,143)          |  |
| Profit per production sharing agreements  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Protected gas/additional gas revenues   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Payments to TPDC</b>   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Protected Gas Revenue   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Additional Gas Revenue  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Profit per Production Sharing Agreement   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| VAT on Gas Revenue  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Annual rents and license fees   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Dividends on Government shares  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Grand total</b>  | <b>15,136,310</b>           | <b>17,580,381</b> | <b>(2,444,071)</b> | <b>-</b>          | <b>-</b>       | <b>15,136,310</b> | <b>17,580,381</b> | <b>(2,444,071)</b> |  |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                   |                    |                   |                |                   |                   |                    |  |
| <b>Commentary</b>   |                             |                   |                    | <b>Note #</b>     |                |                   |                   |                    |  |
|   |                             |                   |                    | 0                 |                |                   |                   |                    |  |
| Other   |                             |                   |                    |                   |                | -                 | -                 |                    |  |
| <b>Grand Total</b>  |                             |                   |                    |                   |                | -                 | -                 |                    |  |

| 10-MANTRA TANZANIA LIMITED.   |                             |                      |                    |                  |                    |                      |                      |                  |   |
|---|-----------------------------|----------------------|--------------------|------------------|--------------------|----------------------|----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                   | Templates originally lodged |                      |                    | Adjustments      |                    | Final Amounts        |                      |                  |   |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)   | Government (TzS) | Company (TzS)      | Government (TzS)     | Company (TzS)        | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                      |                    |                  |                    |                      |                      |                  |   |
| Corporation Tax   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Alternative Minimum Tax   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Withholding taxes   | 3,109,130,024               | 3,208,567,806        | (99,437,783)       | 99,437,783       |                    | 3,208,567,807        | 3,208,567,806        | 0                |   |
| Capital Gains Tax   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Pay As You Earn (PAYE)  | 1,959,136,282               | 1,483,194,480        | 475,941,802        | (299,165,250)    | 176,776,552        | 1,659,971,032        | 1,659,971,032        | 0                | 1 |
| Skills and Development Levy (SDL)   | 142,272,407                 | 341,999,874          | (199,727,467)      | 199,727,467      |                    | 341,999,874          | 341,999,874          | -                |   |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Stamp Duty  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Fuel Levy   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Import duty   | 38,400,939                  | 31,222,246           | 7,178,693          |                  | 7,178,693          | 38,400,939           | 38,400,939           | (0)              | 1 |
| Excise duty   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Value Added Tax on Imports paid to Customs Department                             | 56,981,380                  | 32,560,442           | 24,420,938         |                  | 24,420,938         | 56,981,380           | 56,981,380           | (0)              | 1 |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| National Social Security Fund (NSSF) contribution                                 | 1,104,323,173               | 1,104,323,173        | -                  |                  |                    | 1,104,323,173        | 1,104,323,173        | -                |   |
| Parastatal Pension Fund (PPF) contribution  | 142,906,027                 | 128,854,678          | 14,051,349         |                  | 14,051,349         | 142,906,027          | 142,906,027          | -                | 1 |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Paid to Local and regulatory Authorities  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| <b>Payments to the MEM</b>  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Royalties   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Profit per production sharing agreements  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Protected gas/additional gas revenues   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| <b>Payments to TPDC</b>   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Protected Gas Revenue   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Additional Gas Revenue  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Profit per Production Sharing Agreement   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| VAT on Gas Revenue  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| Dividends on Government shares  |                             |                      | -                  |                  |                    | -                    | -                    | -                |   |
| <b>Grand total</b>  | <b>6,553,150,231</b>        | <b>6,330,722,700</b> | <b>222,427,531</b> | <b>-</b>         | <b>222,427,532</b> | <b>6,553,150,231</b> | <b>6,553,150,232</b> | <b>(1)</b>       |   |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                      |                    |                  |                    |                      |                      |                  |   |
| <b>Commentary</b>   |                             |                      |                    | <b>Note #</b>    |                    |                      |                      |                  |   |
| Transactions missed by company but confirmed by government                        |                             |                      |                    | 1                |                    |                      |                      |                  |   |
| <b>Grand Total</b>  |                             |                      |                    |                  |                    |                      |                      |                  |   |

| 10-MANTRA TANZANIA LIMITED.   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| Taxes, fees and other charges paid from companies to government                   |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                             |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 74,539                      | 218,278        | (143,740)         |                   |                | 74,539            | 218,278        | (143,740)         |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>74,539</b>               | <b>218,278</b> | <b>(143,740)</b>  | <b>-</b>          | <b>-</b>       | <b>74,539</b>     | <b>218,278</b> | <b>(143,740)</b>  |  |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |  |
| Company reported amounts out of reconciliation period                             |                             |                |                   | 1                 | -              | -                 |                |                   |  |
| Other   |                             |                |                   |                   | -              | -                 |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   | -              | -                 |                |                   |  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 11-MBEYA CEMENT COMPANY LIMITED   |                             |                       |                        |                      |                      |                       |                       |                  |   |
|---|-----------------------------|-----------------------|------------------------|----------------------|----------------------|-----------------------|-----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                       |                        | Adjustments          |                      | Final Amounts         |                       | Difference (TzS) |   |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS)     | Company (TzS)        | Government (TzS)      | Company (TzS)         |                  |   |
| <b>Payments to TRA</b>  |                             |                       |                        |                      |                      |                       |                       |                  |   |
| Corporation Tax   | 2,659,175,175               | 3,125,515,028         | (466,339,853)          | 466,339,853          |                      | 3,125,515,028         | 3,125,515,028         | -                | 1 |
| Alternative Minimum Tax   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Withholding taxes   | 535,340,378                 | 603,829,185           | (68,488,807)           | 1,390,364            | (67,098,443)         | 536,730,742           | 536,730,742           | 0                | 3 |
| Capital Gains Tax   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Pay As You Earn (PAYE)  | 1,322,473,064               | 1,667,050,130         | (344,577,066)          | 344,577,066          |                      | 1,667,050,130         | 1,667,050,130         | 0                | 2 |
| Skills and Development Levy (SDL)   | 258,694,658                 | 430,979,233           | (172,284,575)          | 172,284,575          |                      | 430,979,233           | 430,979,233           | 0                | 2 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     | 3,282,552,012               | 3,396,534,395         | (113,982,382)          | (1,390,364)          | (115,372,746)        | 3,281,161,648         | 3,281,161,648         | -                | 3 |
| Stamp Duty  | 329,767                     | 329,767               | -                      |                      | -                    | 329,767               | 329,767               | -                |   |
| Fuel Levy   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Import duty   | 102,284,760                 | 69,516,849            | 32,767,912             |                      | 32,767,912           | 102,284,760           | 102,284,761           | (0)              |   |
| Excise duty   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Value Added Tax on Imports paid to Customs Department                               | 1,986,616,483               | 1,916,073,772         | 70,542,711             |                      | 70,542,711           | 1,986,616,483         | 1,986,616,483         | (0)              |   |
| <b>Terminal Benefits Payments</b>   |                             |                       |                        |                      |                      |                       |                       |                  |   |
| National Social Security Fund (NSSF) contribution                                   | 432,396,522                 | 432,396,521           | 0                      |                      |                      | 432,396,522           | 432,396,521           | 0                |   |
| Parastatal Pension Fund (PPF) contribution  | 463,012,473                 | 483,303,898           | (20,291,426)           | 39,264,176           | 18,972,750           | 502,276,648           | 502,276,648           | 0                |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                       |                        |                      |                      |                       |                       |                  |   |
| Paid to Local and regulatory Authorities  | 148,013,728                 | 162,114,719           | (14,100,991)           |                      | (14,100,990)         | 148,013,728           | 148,013,728           | (0)              | 3 |
| <b>Payments to the MEM</b>  |                             |                       |                        |                      |                      |                       |                       |                  |   |
| Royalties   | 58,169,185                  | 93,429,283            | (35,260,099)           |                      | (35,260,099)         | 58,169,185            | 58,169,185            | (0)              | 3 |
| Annual rents and license fees   | 22,264,878                  | 20,350,790            | 1,914,088              |                      | 1,914,088            | 22,264,878            | 22,264,878            | 0                |   |
| Profit per production sharing agreements  |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Protected gas/additional gas revenues   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| <b>Payments to TPDC</b>   |                             |                       |                        |                      |                      |                       |                       |                  |   |
| Protected Gas Revenue   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Additional Gas Revenue  |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Profit per Production Sharing Agreement   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| VAT on Gas Revenue  |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| Annual rents and license fees   |                             |                       | -                      |                      |                      | -                     | -                     | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                       |                        |                      |                      |                       |                       |                  |   |
| Dividends on Government shares  | 1,197,744,350               | 1,197,744,350         | -                      |                      |                      | 1,197,744,350         | 1,197,744,350         | -                |   |
| <b>Grand total</b>  | <b>12,469,067,433</b>       | <b>13,599,167,919</b> | <b>(1,130,100,487)</b> | <b>1,022,465,670</b> | <b>(107,634,817)</b> | <b>13,491,533,103</b> | <b>13,491,533,102</b> | <b>0</b>         |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                       |                        |                      |                      |                       |                       |                  |   |
| <b>Commentary</b>   |                             |                       |                        | <b>Note #</b>        |                      |                       |                       |                  |   |
| Reclass of transaction  |                             |                       |                        | 1                    | 466,339,853          |                       |                       |                  |   |
| Transactions on local employees and casuals missed by TRA, confirmed                |                             |                       |                        | 2                    | 516,861,641          |                       |                       |                  |   |
| Transaction out of scope reported bt MCCL   |                             |                       |                        | 3                    | -                    | (231,832,278)         |                       |                  |   |
|   |                             |                       |                        |                      | -                    |                       |                       |                  |   |
| <b>Grand Total</b>  |                             |                       |                        |                      | <b>39,264,176</b>    | <b>124,197,461</b>    |                       |                  |   |
|   |                             |                       |                        |                      | <b>1,022,465,670</b> | <b>(107,634,817)</b>  |                       |                  |   |

| 11-MBEYA CEMENT COMPANY LIMITED   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | -                           | -              | -                 | -                 | -              | -                 | -              | -                 |  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 12-NORTH MARA GOLD MINE LIMITED  |                             |                       |                        |                  |                      |                       |                       |                        |   |
|--|-----------------------------|-----------------------|------------------------|------------------|----------------------|-----------------------|-----------------------|------------------------|---|
| Taxes, fees and other charges paid from companies to government                  | Templates originally lodged |                       |                        | Adjustments      |                      | Final Amounts         |                       |                        |   |
|  | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS) | Company (TzS)        | Government (TzS)      | Company (TzS)         | Difference (TzS)       |   |
| <b>Payments to TRA</b>   |                             |                       |                        |                  |                      |                       |                       |                        |   |
| Corporation Tax  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Alternative Minimum Tax  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Withholding taxes  | 986,338,415                 | 1,361,413,576         | (375,075,161)          | 375,075,161      |                      | 1,361,413,576         | 1,361,413,576         | 0                      |   |
| Capital Gains Tax  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Pay As You Earn (PAYE)   | 12,072,975,251              | 12,399,910,540        | (326,935,289)          | (375,075,161)    | (702,010,450)        | 11,697,900,090        | 11,697,900,090        | 0                      | 1 |
| Skills and Development Levy (SDL)  | 2,567,607,271               | 2,730,635,324         | (163,028,053)          | -                | (163,028,053)        | 2,567,607,271         | 2,567,607,271         | 0                      | 1 |
| Value Added Tax paid to Large Tax payers department/ Domestic Revenue Department |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Stamp Duty   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Fuel Levy  |                             | 4,910,324,200         | (4,910,324,200)        |                  |                      | -                     | 4,910,324,200         | (4,910,324,200)        |   |
| Import duty  | 2,215,541,279               | 2,034,669,613         | 180,871,666            |                  |                      | 2,215,541,279         | 2,034,669,613         | 180,871,666            |   |
| Excise duty  | 7,851,595,962               | 7,861,280,664         | (9,684,702)            |                  |                      | 7,851,595,962         | 7,861,280,664         | (9,684,702)            |   |
| Value Added Tax on Imports paid to Customs Department                            | 152,936,082                 | 200,838,963           | (47,902,881)           |                  |                      | 152,936,082           | 200,838,963           | (47,902,881)           |   |
| <b>Terminal Benefits Payments</b>  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| National Social Security Fund (NSSF) contribution                                | 3,563,220,077               | 3,563,220,078         | (1)                    |                  |                      | 3,563,220,077         | 3,563,220,078         | (1)                    |   |
| Parastatal Pension Fund (PPF) contribution                                       | 490,949,227                 | 490,949,227           | -                      |                  |                      | 490,949,227           | 490,949,227           | -                      |   |
| <b>Paid to Local and regulatory Authorities</b>                                  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Paid to Local and regulatory Authorities   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| <b>Payments to the MEM</b>   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Royalties  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Annual rents and license fees  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Profit per production sharing agreements   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Protected gas/additional gas revenues  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| <b>Payments to TPDC</b>  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Protected Gas Revenue  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Additional Gas Revenue   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Profit per Production Sharing Agreement  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| VAT on Gas Revenue   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Annual rents and license fees  |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| <b>Payments to the Ministry of Finance</b>                                       |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| Dividends on Government shares   |                             |                       | -                      |                  |                      | -                     | -                     | -                      |   |
| <b>Grand total</b>   | <b>29,901,163,564</b>       | <b>35,553,242,185</b> | <b>(5,652,078,621)</b> | <b>(0)</b>       | <b>(865,038,503)</b> | <b>29,901,163,564</b> | <b>34,688,203,682</b> | <b>(4,787,040,118)</b> |   |
| Adjustments were made to the initial templates for the reasons set out below     |                             |                       |                        |                  |                      |                       |                       |                        |   |
| <b>Commentary</b>  |                             |                       |                        | <b>Note #</b>    |                      |                       |                       |                        |   |
| Reported cut off transactions now adjusted                                       |                             |                       |                        | 1                | -                    | (865,038,503)         |                       |                        |   |
| Other  |                             |                       |                        |                  | (0)                  | -                     |                       |                        |   |
| <b>Grand Total</b>   |                             |                       |                        |                  | <b>(0)</b>           | <b>(865,038,503)</b>  |                       |                        |   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 12-NORTH MARA GOLD MINE LIMITED   | USD                         |                  |                   |                   |                |                   |                  |                   |  |
|---|-----------------------------|------------------|-------------------|-------------------|----------------|-------------------|------------------|-------------------|--|
|   | Templates originally lodged |                  |                   | Adjustments       |                | Final Amounts     |                  |                   |  |
|   | Government (US\$)           | Company (US\$)   | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$)   | Difference (US\$) |  |
| Taxes, fees and other charges paid from companies to government                 |                             |                  |                   |                   |                |                   |                  |                   |  |
| <b>Payments to TRA</b>  |                             |                  |                   |                   |                |                   |                  |                   |  |
| Corporation Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Alternative Minimum Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Withholding taxes   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Capital Gains Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Pay As You Earn (PAYE)  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Skills and Development Levy (SDL)   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Stamp Duty  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Fuel Levy   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Import duty   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Excise duty   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Paid to Local and regulatory Authorities  | 200,000                     | 200,000          | -                 |                   |                | 200,000           | 200,000          | -                 |  |
| <b>Payments to the MEM</b>  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Royalties   | 8,188,123                   | 8,188,123        | -                 | -                 | -              | 8,188,123         | 8,188,123        | -                 |  |
| Annual rents and license fees   | 10,862                      | 10,862           | -                 |                   |                | 10,862            | 10,862           | -                 |  |
| Profit per production sharing agreements  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Protected gas/additional gas revenues   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Payments to TPDC</b>   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Protected Gas Revenue   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Additional Gas Revenue  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Profit per Production Sharing Agreement   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| VAT on Gas Revenue  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Annual rents and license fees   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Dividends on Government shares  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Grand total</b>  | <b>8,398,985</b>            | <b>8,398,985</b> | <b>-</b>          | <b>-</b>          | <b>-</b>       | <b>8,398,985</b>  | <b>8,398,985</b> | <b>-</b>          |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                  |                   |                   |                |                   |                  |                   |  |
| <b>Commentary</b>   |                             |                  |                   | <b>Note #</b>     |                |                   |                  |                   |  |
| Other   |                             |                  |                   |                   | -              |                   | -                |                   |  |
| <b>Grand Total</b>  |                             |                  |                   |                   | -              |                   | -                |                   |  |



3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 13-OPHIR TANZANIA (BLOCK 1) LTD   |                             |                      |                       |                  |                       |                       |                       |                  |   |
|---|-----------------------------|----------------------|-----------------------|------------------|-----------------------|-----------------------|-----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                      |                       | Adjustments      |                       | Final Amounts         |                       |                  |   |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)      | Government (TzS) | Company (TzS)         | Government (TzS)      | Company (TzS)         | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                      |                       |                  |                       |                       |                       |                  |   |
| Corporation Tax   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Alternative Minimum Tax   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Withholding taxes   | 12,594,493,936              |                      | 12,594,493,936        |                  | 12,594,493,936        | 12,594,493,936        | 12,594,493,936        | 0                | 1 |
| Capital Gains Tax   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Pay As You Earn (PAYE)  | 433,457,091                 | 398,091,143          | 35,365,948            |                  | 35,365,948            | 433,457,091           | 433,457,091           | (0)              |   |
| Skills and Development Levy (SDL)   | 18,454,120                  | 18,454,120           | -                     |                  |                       | 18,454,120            | 18,454,120            | -                |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     | 6,337,421,858               | 6,337,421,858        | -                     |                  |                       | 6,337,421,858         | 6,337,421,858         | -                |   |
| Stamp Duty  | 607,017                     | 438,867              | 168,150               |                  | 168,150               | 607,017               | 607,017               | -                |   |
| Fuel Levy   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Import duty   | 2,341,705                   |                      | 2,341,705             |                  | 2,341,705             | 2,341,705             | 2,341,705             | (0)              |   |
| Excise duty   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Value Added Tax on Imports paid to Customs Department                               | 2,335,067                   |                      | 2,335,067             |                  | 2,335,067             | 2,335,067             | 2,335,067             | (0)              |   |
| <b>Terminal Benefits Payments</b>   |                             |                      |                       |                  |                       |                       |                       |                  |   |
| National Social Security Fund (NSSF) contribution                                   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Parastatal Pension Fund (PPF) contribution  | 10,833,335                  | 16,696,669           | (5,863,334)           |                  | (5,863,334)           | 10,833,335            | 10,833,335            | -                |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                      |                       |                  |                       |                       |                       |                  |   |
| Paid to Local and regulatory Authorities  |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| <b>Payments to the MEM</b>  |                             |                      |                       |                  |                       |                       |                       |                  |   |
| Royalties   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Annual rents and license fees   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Profit per production sharing agreements  |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Protected gas/additional gas revenues   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| <b>Payments to TPDC</b>   |                             |                      |                       |                  |                       |                       |                       |                  |   |
| Protected Gas Revenue   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Additional Gas Revenue  |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Profit per Production Sharing Agreement   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| VAT on Gas Revenue  |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| Annual rents and license fees   |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                      |                       |                  |                       |                       |                       |                  |   |
| Dividends on Government shares  |                             |                      | -                     |                  |                       | -                     | -                     | -                |   |
| <b>Grand total</b>  | <b>19,399,944,128</b>       | <b>6,771,102,657</b> | <b>12,628,841,471</b> | <b>-</b>         | <b>12,628,841,472</b> | <b>19,399,944,128</b> | <b>19,399,944,129</b> | <b>(1)</b>       |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                      |                       |                  |                       |                       |                       |                  |   |
| <b>Commentary</b>   |                             |                      | <b>Note #</b>         |                  |                       |                       |                       |                  |   |
| TRA wrongly reported SDL as withholding tax, now adjusted                           |                             |                      |                       | -                |                       |                       |                       |                  |   |
| Transferred from USD section to TzS section as TRA received amounts in Tshs         |                             |                      | 1                     | -                | 12,594,493,936        |                       |                       |                  |   |
| Cut off transaction reported by Orphir, removed now                                 |                             |                      |                       | -                | 34,347,536            |                       |                       |                  |   |
| <b>Grand Total</b>  |                             |                      |                       | -                | <b>12,628,841,472</b> |                       |                       |                  |   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 13-OPHIR TANZANIA (BLOCK 1) LTD   | USD                         |                  |                    |                   |                    |                   |                |                   |   |
|---|-----------------------------|------------------|--------------------|-------------------|--------------------|-------------------|----------------|-------------------|---|
|   | Templates originally lodged |                  |                    | Adjustments       |                    | Final Amounts     |                |                   |   |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$)   | Difference (US\$)  | Government (US\$) | Company (US\$)     | Government (US\$) | Company (US\$) | Difference (US\$) |   |
| <b>Payments to TRA</b>  |                             |                  |                    |                   |                    |                   |                |                   |   |
| Corporation Tax   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Alternative Minimum Tax   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Withholding taxes   |                             | 8,370,049        | (8,370,049)        |                   | (8,370,049)        | -                 | (0)            | 0                 | 1 |
| Capital Gains Tax   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Pay As You Earn (PAYE)  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Skills and Development Levy (SDL)   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Stamp Duty  |                             | 240              | (240)              |                   | (240)              | -                 | -              | -                 |   |
| Fuel Levy   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Import duty   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Excise duty   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Value Added Tax on Imports paid to Customs Department                           |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Terminal Benefits Payments</b>   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| National Social Security Fund (NSSF) contribution                               |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Paid to Local and regulatory Authorities  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Payments to the MEM</b>  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Royalties   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Annual rents and license fees   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Profit per production sharing agreements  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Protected gas/additional gas revenues   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Payments to TPDC</b>   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Protected Gas Revenue   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Additional Gas Revenue  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Profit per Production Sharing Agreement   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| VAT on Gas Revenue  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Annual rents and license fees   | 166,798                     | 84,752           | 82,046             |                   | 82,046             | 166,798           | 166,798        | 0                 |   |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Dividends on Government shares  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Grand total</b>  | <b>166,798</b>              | <b>8,455,041</b> | <b>(8,288,242)</b> | <b>-</b>          | <b>(8,288,243)</b> | <b>166,798</b>    | <b>166,798</b> | <b>1</b>          |   |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                  |                    |                   |                    |                   |                |                   |   |
| <b>Commentary</b>   |                             |                  | <b>Note #</b>      |                   |                    |                   |                |                   |   |
| Transferred to TzS, amounts reconciled under TzS                                |                             |                  | 1                  | -                 | (8,288,243)        |                   |                |                   |   |
| <b>Grand Total</b>  |                             |                  |                    | -                 | <b>(8,288,243)</b> |                   |                |                   |   |

| 14-PANAFRICAN ENERGY TANZANIA LTD   |                             |                       |                        |                    |                      |                       |                       |                      |
|---|-----------------------------|-----------------------|------------------------|--------------------|----------------------|-----------------------|-----------------------|----------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                       |                        | Adjustments        |                      | Final Amounts         |                       |                      |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS)   | Company (TzS)        | Government (TzS)      | Company (TzS)         | Difference (TzS)     |
| <b>Payments to TRA</b>  |                             |                       |                        |                    |                      |                       |                       |                      |
| Corporation Tax   | 3,300,642,901               | 3,300,642,901         | -                      |                    |                      | 3,300,642,901         | 3,300,642,901         | -                    |
| Alternative Minimum Tax   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Withholding taxes   | 79,913,423                  | 79,913,423            | 0                      |                    |                      | 79,913,423            | 79,913,423            | 0                    |
| Capital Gains Tax   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Pay As You Earn (PAYE)  | 848,931,092                 | 1,776,041,654         | (927,110,562)          | 821,174,045        | (105,936,517)        | 1,670,105,137         | 1,670,105,137         | (0)                  |
| Skills and Development Levy (SDL)   | 33,284,326                  | 362,211,832           | (328,927,506)          | 328,927,506        |                      | 362,211,832           | 362,211,832           | 0                    |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 10,178,242,707              | 10,010,706,439        | 167,536,268            | (167,536,268)      |                      | 10,010,706,439        | 10,010,706,439        | (0)                  |
| Stamp Duty  |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Fuel Levy   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Import duty   | 11,632,455                  |                       | 11,632,455             | 11,632,455         |                      | 11,632,455            | 11,632,455            | -                    |
| Excise duty   | 242,273                     |                       | 242,273                | 242,273            |                      | 242,273               | 242,273               | (0)                  |
| Value Added Tax on Imports paid to Customs Department                           | 12,857,724                  |                       | 12,857,724             | 12,857,724         |                      | 12,857,724            | 12,857,724            | 0                    |
| <b>Terminal Benefits Payments</b>   |                             |                       |                        |                    |                      |                       |                       |                      |
| National Social Security Fund (NSSF) contribution                               | 718,968,523                 | 742,034,323           | (23,065,800)           | (23,065,800)       |                      | 718,968,523           | 718,968,523           | (0)                  |
| Parastatal Pension Fund (PPF) contribution                                      | 13,686,507                  | 13,686,507            | -                      |                    |                      | 13,686,507            | 13,686,507            | -                    |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                       |                        |                    |                      |                       |                       |                      |
| Paid to Local and regulatory Authorities  | 701,666,048                 | 701,666,048           | (0)                    |                    |                      | 701,666,048           | 701,666,048           | (0)                  |
| <b>Payments to the MEM</b>  |                             |                       |                        |                    |                      |                       |                       |                      |
| Royalties   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Annual rents and license fees   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Profit per production sharing agreements  |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Protected gas/additional gas revenues   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| <b>Payments to TPDC</b>   |                             |                       |                        |                    |                      |                       |                       |                      |
| Protected Gas Revenue   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Additional Gas Revenue  |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Profit per Production Sharing Agreement   | 5,320,146,781               | 5,320,146,781         | -                      |                    |                      | 5,320,146,781         | 5,320,146,781         | -                    |
| VAT on Gas Revenue  |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| Annual rents and license fees   |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                       |                        |                    |                      |                       |                       |                      |
| Dividends on Government shares  |                             |                       | -                      |                    |                      | -                     | -                     | -                    |
| <b>Grand total</b>  | <b>21,220,214,761</b>       | <b>22,307,049,909</b> | <b>(1,086,835,149)</b> | <b>982,565,283</b> | <b>(104,269,865)</b> | <b>22,202,780,044</b> | <b>22,202,780,044</b> | <b>(1)</b>           |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                       |                        |                    |                      |                       |                       |                      |
| <b>Commentary</b>   |                             |                       |                        | <b>Note #</b>      |                      |                       |                       |                      |
| TRA wrongly reported SDL as withholding tax, now adjusted                       |                             |                       |                        | 1                  | -                    |                       |                       |                      |
| TRA missed the local payroll, company fully supported, adjusted                 |                             |                       |                        | 1                  | 1,150,101,551        |                       |                       |                      |
| Company reported out of scope transaction                                       |                             |                       |                        | 1                  | (167,536,268)        |                       |                       |                      |
| Other   |                             |                       |                        |                    | -                    |                       |                       | 1,666,652            |
| <b>Grand Total</b>  |                             |                       |                        |                    | <b>982,565,283</b>   |                       |                       | <b>(104,269,865)</b> |

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| 14-PANAFRICAN ENERGY TANZANIA LTD   | USD               |                  |                   | Adjustments       |                | Final Amounts     |                  |                   |
|---|-------------------|------------------|-------------------|-------------------|----------------|-------------------|------------------|-------------------|
|   | Government (US\$) | Company (US\$)   | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$)   | Difference (US\$) |
| Taxes, fees and other charges paid from companies to government                 |                   |                  |                   |                   |                |                   |                  |                   |
|   |                   |                  |                   |                   |                |                   |                  |                   |
| <b>Payments to TRA</b>  |                   |                  |                   |                   |                |                   |                  |                   |
| Corporation Tax   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Alternative Minimum Tax   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Withholding taxes   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Capital Gains Tax   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Pay As You Earn (PAYE)  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Skills and Development Levy (SDL)   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Stamp Duty  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Fuel Levy   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Import duty   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Excise duty   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Value Added Tax on Imports paid to Customs Department                           |                   |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Terminal Benefits Payments</b>   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| National Social Security Fund (NSSF) contribution                               |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Parastatal Pension Fund (PPF) contribution                                      |                   |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                 |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Paid to Local and regulatory Authorities  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Payments to the MEM</b>  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Royalties   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Annual rents and license fees   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Profit per production sharing agreements  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Protected gas/additional gas revenues   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Payments to TPDC</b>   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Protected Gas Revenue   |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Additional Gas Revenue  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Profit per Production Sharing Agreement   | 3,191,767         | 3,191,767        | -                 |                   |                | 3,191,767         | 3,191,767        | -                 |
| VAT on Gas Revenue  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Annual rents and license fees   | 7,763             | 7,763            | -                 |                   |                | 7,763             | 7,763            | -                 |
| <b>Payments to the Ministry of Finance</b>                                      |                   |                  | -                 |                   |                | -                 | -                | -                 |
| Dividends on Government shares  |                   |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Grand total</b>  | <b>3,199,529</b>  | <b>3,199,529</b> | <b>-</b>          | <b>-</b>          | <b>-</b>       | <b>3,199,529</b>  | <b>3,199,529</b> | <b>-</b>          |
| Adjustments were made to the initial templates for the reasons set out below    |                   |                  |                   |                   |                |                   |                  |                   |
| <b>Commentary</b>   |                   |                  |                   | <b>Note #</b>     |                |                   |                  |                   |
| Additional payments fully supported by company added to MEM                     |                   |                  |                   |                   |                |                   |                  |                   |
| Other   |                   |                  |                   |                   |                |                   |                  |                   |
| <b>Grand Total</b>  |                   |                  |                   |                   |                |                   |                  |                   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 15-PANGEA MINERALS LTD (TUL & BUZ)  |                             |                       |                        |                  |                    |                       |                       |                        |   |
|---|-----------------------------|-----------------------|------------------------|------------------|--------------------|-----------------------|-----------------------|------------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                       |                        | Adjustments      |                    | Final Amounts         |                       |                        |   |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS) | Company (TzS)      | Government (TzS)      | Company (TzS)         | Difference (TzS)       |   |
| <b>Payments to TRA</b>  |                             |                       |                        |                  |                    |                       |                       |                        |   |
| Corporation Tax   | 0                           | -                     | -                      |                  |                    | -                     | -                     | -                      |   |
| Alternative Minimum Tax   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Withholding taxes   | 1,169,631,042               | 1,104,684,028         | 64,947,014             |                  | 64,947,014         | 1,169,631,042         | 1,169,631,042         | (0)                    |   |
| Capital Gains Tax   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Pay As You Earn (PAYE)  | 11,621,320,072              | 11,554,237,453        | 67,082,620             | (67,082,620)     |                    | 11,554,237,452        | 11,554,237,453        | (0)                    |   |
| Skills and Development Levy (SDL)   | 2,463,387,706               | 2,533,193,037         | (69,805,331)           | 69,805,331       |                    | 2,533,193,037         | 2,533,193,037         | 0                      |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Stamp Duty  |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Fuel Levy   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Import duty   | 3,829,648,117               | 3,997,644,329         | (167,996,213)          |                  |                    | 3,829,648,117         | 3,997,644,329         | (167,996,213)          |   |
| Excise duty   | 7,828,066                   | 12,709,102            | (4,881,036)            |                  |                    | 7,828,066             | 12,709,102            | (4,881,036)            |   |
| Value Added Tax on Imports paid to Customs Department                               | 452,394,183                 | 2,594,450,616         | (2,142,056,433)        |                  |                    | 452,394,183           | 2,594,450,616         | (2,142,056,433)        |   |
| <b>Terminal Benefits Payments</b>   |                             |                       |                        |                  |                    |                       |                       |                        |   |
| National Social Security Fund (NSSF) contribution                                   | 4,407,622,745               | 3,970,524,000         | 437,098,745            |                  | 437,098,745        | 4,407,622,745         | 4,407,622,745         | 0                      | 1 |
| Parastatal Pension Fund (PPF) contribution  | 249,587,464                 | 249,587,464           | -                      |                  |                    | 249,587,464           | 249,587,464           | -                      |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                       |                        |                  |                    |                       |                       |                        |   |
| Paid to Local and regulatory Authorities  | 293,582,000                 | 293,582,000           | -                      |                  |                    | 293,582,000           | 293,582,000           | -                      |   |
| <b>Payments to the MEM</b>  |                             |                       |                        |                  |                    |                       |                       |                        |   |
| Royalties   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Annual rents and license fees   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Profit per production sharing agreements  |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Protected gas/additional gas revenues   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| <b>Payments to TPDC</b>   |                             |                       |                        |                  |                    |                       |                       |                        |   |
| Protected Gas Revenue   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Additional Gas Revenue  |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Profit per Production Sharing Agreement   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| VAT on Gas Revenue  |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| Annual rents and license fees   |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                       |                        |                  |                    |                       |                       |                        |   |
| Dividends on Government shares  |                             |                       |                        |                  |                    | -                     | -                     | -                      |   |
| <b>Grand total</b>  | <b>24,495,001,395</b>       | <b>26,310,612,029</b> | <b>(1,815,610,634)</b> | <b>2,722,711</b> | <b>502,045,759</b> | <b>24,497,724,106</b> | <b>26,812,657,788</b> | <b>(2,314,933,682)</b> |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                       |                        |                  |                    |                       |                       |                        |   |
| <b>Commentary</b>   |                             |                       |                        | <b>Note #</b>    |                    |                       |                       |                        |   |
| Transactions missed by company, confirmed by NSSF and now added                     |                             |                       |                        | 1                |                    | -                     | 437,098,745           |                        |   |
| Other   |                             |                       |                        |                  |                    | 2,722,711             | 64,947,014            |                        |   |
| <b>Grand Total</b>  |                             |                       |                        |                  |                    | <b>2,722,711</b>      | <b>502,045,759</b>    |                        |   |

| 15-PANGEA MINERALS LTD (TUL & BUZ)  | USD                         |                   |                    |                   |                |                   |                   |                    |  |
|---|-----------------------------|-------------------|--------------------|-------------------|----------------|-------------------|-------------------|--------------------|--|
|   | Templates originally lodged |                   |                    | Adjustments       |                | Final Amounts     |                   |                    |  |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$)    | Difference (US\$)  | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$)    | Difference (US\$)  |  |
| <b>Payments to TRA</b>  |                             |                   |                    |                   |                |                   |                   |                    |  |
| Corporation Tax   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Alternative Minimum Tax   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Withholding taxes   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Capital Gains Tax   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Pay As You Earn (PAYE)  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Skills and Development Levy (SDL)   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Stamp Duty  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Fuel Levy   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Import duty   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Excise duty   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Terminal Benefits Payments</b>   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| National Social Security Fund (NSSF) contribution                               |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Paid to Local and regulatory Authorities  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Payments to the MEM</b>  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Royalties   | 10,335,362                  | 11,395,078        | (1,059,716)        | -                 | -              | 10,335,362        | 11,395,078        | (1,059,716)        |  |
| Annual rents and license fees   | 74,188                      | 125,116           | (50,929)           |                   |                | 74,188            | 125,116           | (50,929)           |  |
| Profit per production sharing agreements  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Protected gas/additional gas revenues   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Payments to TPDC</b>   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Protected Gas Revenue   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Additional Gas Revenue  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Profit per Production Sharing Agreement   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| VAT on Gas Revenue  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Annual rents and license fees   |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| Dividends on Government shares  |                             |                   | -                  |                   |                | -                 | -                 | -                  |  |
| <b>Grand total</b>  | <b>10,409,550</b>           | <b>11,520,194</b> | <b>(1,110,645)</b> | <b>-</b>          | <b>-</b>       | <b>10,409,550</b> | <b>11,520,194</b> | <b>(1,110,645)</b> |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                   |                    |                   |                |                   |                   |                    |  |
| <b>Commentary</b>   |                             |                   |                    | <b>Note #</b>     |                |                   |                   |                    |  |
| Other   |                             |                   |                    |                   | -              | -                 | -                 | -                  |  |
| <b>Grand Total</b>  |                             |                   |                    |                   | -              | -                 | -                 | -                  |  |

| 16-PETROBRAS TANZANIA LIMITED   |                             |                      |                  |                  |                  |                      |                      |                  |
|---|-----------------------------|----------------------|------------------|------------------|------------------|----------------------|----------------------|------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                      |                  | Adjustments      |                  | Final Amounts        |                      |                  |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS) | Government (TzS) | Company (TzS)    | Government (TzS)     | Company (TzS)        | Difference (TzS) |
| <b>Payments to TRA</b>  |                             |                      |                  |                  |                  |                      |                      |                  |
| Corporation Tax   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Alternative Minimum Tax   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Withholding taxes   | 6,061,177,712               | 6,061,177,712        | 0                |                  |                  | 6,061,177,712        | 6,061,177,712        | 0                |
| Capital Gains Tax   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Pay As You Earn (PAYE)  | 665,623,697                 | 665,623,697          | -                |                  |                  | 665,623,697          | 665,623,697          | -                |
| Skills and Development Levy (SDL)   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Stamp Duty  | 2,973,130                   |                      | 2,973,130        |                  | 2,973,130        | 2,973,130            | 2,973,130            | -                |
| Fuel Levy   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Import duty   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Excise duty   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Value Added Tax on Imports paid to Customs Department                               |                             |                      | -                |                  |                  | -                    | -                    | -                |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| National Social Security Fund (NSSF) contribution                                   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Parastatal Pension Fund (PPF) contribution  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Paid to Local and regulatory Authorities  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| <b>Payments to the MEM</b>  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Royalties   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Annual rents and license fees   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Profit per production sharing agreements  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Protected gas/additional gas revenues   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| <b>Payments to TPDC</b>   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Protected Gas Revenue   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Additional Gas Revenue  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Profit per Production Sharing Agreement   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| VAT on Gas Revenue  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Annual rents and license fees   |                             |                      | -                |                  |                  | -                    | -                    | -                |
| <b>Payments to the Ministry of Finance</b>  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| Dividends on Government shares  |                             |                      | -                |                  |                  | -                    | -                    | -                |
| <b>Grand total</b>  | <b>6,729,774,539</b>        | <b>6,726,801,409</b> | <b>2,973,130</b> | <b>-</b>         | <b>2,973,130</b> | <b>6,729,774,539</b> | <b>6,729,774,539</b> | <b>0</b>         |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                      |                  |                  |                  |                      |                      |                  |
| <b>Commentary</b>   |                             |                      |                  | <b>Note #</b>    |                  |                      |                      |                  |
|   |                             |                      |                  |                  | -                |                      |                      |                  |
|   |                             |                      |                  |                  | -                |                      |                      |                  |
| Other   |                             |                      |                  |                  | -                | 2,973,130            |                      |                  |
| <b>Grand Total</b>  |                             |                      |                  |                  | -                | <b>2,973,130</b>     |                      |                  |

| 16-PETROBRAS TANZANIA LIMITED   | USD                         |                  |                    |                   |                    |                   |                |                   |   |
|---|-----------------------------|------------------|--------------------|-------------------|--------------------|-------------------|----------------|-------------------|---|
|   | Templates originally lodged |                  |                    | Adjustments       |                    | Final Amounts     |                |                   |   |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$)   | Difference (US\$)  | Government (US\$) | Company (US\$)     | Government (US\$) | Company (US\$) | Difference (US\$) |   |
| <b>Payments to TRA</b>  |                             |                  |                    |                   |                    |                   |                |                   |   |
| Corporation Tax   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Alternative Minimum Tax   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Withholding taxes   |                             | 3,918,574        | (3,918,574)        |                   | (3,918,574)        | -                 | -              | -                 | 1 |
| Capital Gains Tax   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Pay As You Earn (PAYE)  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Skills and Development Levy (SDL)   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Stamp Duty  |                             | 2,040            | (2,040)            |                   | (2,040)            | -                 | -              | -                 | 1 |
| Fuel Levy   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Import duty   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Excise duty   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Value Added Tax on Imports paid to Customs Department                           |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Terminal Benefits Payments</b>   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| National Social Security Fund (NSSF) contribution                               |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Paid to Local and regulatory Authorities  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Payments to the MEM</b>  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Royalties   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Annual rents and license fees   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Profit per production sharing agreements  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Protected gas/additional gas revenues   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Payments to TPDC</b>   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Protected Gas Revenue   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Additional Gas Revenue  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Profit per Production Sharing Agreement   |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| VAT on Gas Revenue  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Annual rents and license fees   | 485,354                     | 485,354          | (0)                |                   |                    | 485,354           | 485,354        | (0)               |   |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| Dividends on Government shares  |                             |                  | -                  |                   |                    | -                 | -              | -                 |   |
| <b>Grand total</b>  | <b>485,354</b>              | <b>4,405,968</b> | <b>(3,920,614)</b> | <b>-</b>          | <b>(3,920,614)</b> | <b>485,354</b>    | <b>485,354</b> | <b>(0)</b>        |   |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                  |                    |                   |                    |                   |                |                   |   |
| <b>Commentary</b>   |                             |                  | <b>Note #</b>      |                   |                    |                   |                |                   |   |
| Reported under TzS since TRA received TzS                                       |                             |                  | 1                  | -                 | (3,920,614)        |                   |                |                   |   |
| <b>Grand Total</b>  |                             |                  |                    | -                 | <b>(3,920,614)</b> |                   |                |                   |   |



3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 17-RESOLUTE TANZANIA LIMITED  |                             |                       |                    |                    |                      |                       |                       |                  |   |
|---|-----------------------------|-----------------------|--------------------|--------------------|----------------------|-----------------------|-----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                       |                    | Adjustments        |                      | Final Amounts         |                       |                  |   |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)   | Government (TzS)   | Company (TzS)        | Government (TzS)      | Company (TzS)         | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                       |                    |                    |                      |                       |                       |                  |   |
| Corporation Tax   | 24,762,491,194              | 23,716,774,298        | 1,045,716,896      |                    | 1,045,716,896        | 24,762,491,194        | 24,762,491,194        | -                | 2 |
| Alternative Minimum Tax   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Withholding taxes   | 1,562,610,373               | 2,127,450,280         | (564,839,907)      | 564,839,908        |                      | 2,127,450,281         | 2,127,450,280         | 1                | 1 |
| Capital Gains Tax   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Pay As You Earn (PAYE)  | 4,877,463,963               | 4,342,207,083         | 535,256,879        | (535,256,879)      |                      | 4,342,207,083         | 4,342,207,083         | -                | 1 |
| Skills and Development Levy (SDL)   | 820,699,191                 | 997,116,162           | (176,416,971)      | 176,416,971        |                      | 997,116,162           | 997,116,162           | -                |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Stamp Duty  | 143,040,261                 | 143,040,261           | -                  |                    |                      | 143,040,261           | 143,040,261           | -                |   |
| Fuel Levy   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Import duty   | 219,267,408                 | 219,267,408           | -                  |                    |                      | 219,267,408           | 219,267,408           | -                |   |
| Excise duty   | 13,295,537                  | 13,295,536            | 0                  |                    |                      | 13,295,537            | 13,295,536            | 0                |   |
| Value Added Tax on Imports paid to Customs Department                           | 123,000,365                 | 123,000,365           | 0                  |                    |                      | 123,000,365           | 123,000,365           | 0                |   |
| <b>Terminal Benefits Payments</b>   |                             |                       |                    |                    |                      |                       |                       |                  |   |
| National Social Security Fund (NSSF) contribution                               | 1,820,516,976               | 1,690,726,445         | 129,790,532        |                    | 129,790,532          | 1,820,516,976         | 1,820,516,977         | (0)              | 2 |
| Parastatal Pension Fund (PPF) contribution                                      | 20,239,655                  | 20,239,655            | (0)                |                    |                      | 20,239,655            | 20,239,655            | (0)              |   |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                       |                    |                    |                      |                       |                       |                  |   |
| Paid to Local and regulatory Authorities  | 287,449,680                 | 287,449,680           | -                  |                    |                      | 287,449,680           | 287,449,680           | -                |   |
| <b>Payments to the MEM</b>  |                             |                       |                    |                    |                      |                       |                       |                  |   |
| Royalties   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Annual rents and license fees   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Profit per production sharing agreements  |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Protected gas/additional gas revenues   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| <b>Payments to TPDC</b>   |                             |                       |                    |                    |                      |                       |                       |                  |   |
| Protected Gas Revenue   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Additional Gas Revenue  |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Profit per Production Sharing Agreement   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| VAT on Gas Revenue  |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| Annual rents and license fees   |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                       |                    |                    |                      |                       |                       |                  |   |
| Dividends on Government shares  |                             |                       | -                  |                    |                      | -                     | -                     | -                |   |
| <b>Grand total</b>  | <b>34,650,074,603</b>       | <b>33,680,567,174</b> | <b>969,507,429</b> | <b>206,000,000</b> | <b>1,175,507,428</b> | <b>34,856,074,603</b> | <b>34,856,074,602</b> | <b>1</b>         |   |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                       |                    |                    |                      |                       |                       |                  |   |
| <b>Commentary</b>   |                             |                       | <b>Note #</b>      |                    |                      |                       |                       |                  |   |
| Transaction missed by RTL confirmed by TRA now added                            |                             |                       | 2                  | -                  | 1,045,716,896        |                       |                       |                  |   |
| Transaction missed by RTL confirmed by NSSF now added                           |                             |                       | 2                  | -                  | 129,790,532          |                       |                       |                  |   |
| Reclass of transactions   |                             |                       | 1                  | 29,583,029         |                      |                       |                       |                  |   |
| Other   |                             |                       |                    | 176,416,971        | -                    |                       |                       |                  |   |
| <b>Grand Total</b>  |                             |                       |                    | <b>206,000,000</b> | <b>1,175,507,428</b> |                       |                       |                  |   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 17-RESOLUTE TANZANIA LIMITED  | USD                         |                  |                   |                   |                |                   |                  |                   |  |
|---|-----------------------------|------------------|-------------------|-------------------|----------------|-------------------|------------------|-------------------|--|
|   | Templates originally lodged |                  |                   | Adjustments       |                | Final Amounts     |                  |                   |  |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$)   | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$)   | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                  |                   |                   |                |                   |                  |                   |  |
| Corporation Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Alternative Minimum Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Withholding taxes   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Capital Gains Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Pay As You Earn (PAYE)  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Skills and Development Levy (SDL)   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Stamp Duty  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Fuel Levy   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Import duty   | -                           |                  | -                 |                   |                | -                 | -                | -                 |  |
| Excise duty   | -                           |                  | -                 |                   |                | -                 | -                | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           | -                           |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Paid to Local and regulatory Authorities  | -                           |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Payments to the MEM</b>  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Royalties   | 5,261,772                   | 5,256,462        | 5,310             | (5,310)           |                | 5,256,462         | 5,256,462        | 0                 |  |
| Annual rents and license fees   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Profit per production sharing agreements  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Protected gas/additional gas revenues   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Payments to TPDC</b>   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Protected Gas Revenue   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Additional Gas Revenue  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Profit per Production Sharing Agreement   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| VAT on Gas Revenue  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Annual rents and license fees   |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| Dividends on Government shares  |                             |                  | -                 |                   |                | -                 | -                | -                 |  |
| <b>Grand total</b>  | <b>5,261,772</b>            | <b>5,256,462</b> | <b>5,310</b>      | <b>(5,310)</b>    | <b>-</b>       | <b>5,256,462</b>  | <b>5,256,462</b> | <b>0</b>          |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                  |                   |                   |                |                   |                  |                   |  |
| <b>Commentary</b>   |                             |                  | Note #            |                   |                |                   |                  |                   |  |
| Other   |                             |                  |                   | (5,310)           | -              |                   |                  |                   |  |
| <b>Grand Total</b>  |                             |                  |                   | <b>(5,310)</b>    | <b>-</b>       |                   |                  |                   |  |

| 18-SHANTA MINING COMPANY LIMITED  |                             |                      |                    |                     |                    |                      |                      |                  |
|---|-----------------------------|----------------------|--------------------|---------------------|--------------------|----------------------|----------------------|------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                      |                    | Adjustments         |                    | Final Amounts        |                      |                  |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)   | Government (TzS)    | Company (TzS)      | Government (TzS)     | Company (TzS)        | Difference (TzS) |
| <b>Payments to TRA</b>  |                             |                      |                    |                     |                    |                      |                      |                  |
| Corporation Tax   | 105,279,300                 |                      | 105,279,300        | (105,279,300)       |                    | -                    | -                    | -                |
| Alternative Minimum Tax   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Withholding taxes   | 475,177,346                 | 530,727,981          | (55,550,635)       | 55,550,635          |                    | 530,727,981          | 530,727,981          | -                |
| Capital Gains Tax   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Pay As You Earn (PAYE)  | 305,184,720                 | 221,889,070          | 83,295,650         |                     | 83,295,650         | 305,184,720          | 305,184,720          | -                |
| Skills and Development Levy (SDL)   | 33,211,628                  | 74,875,794           | (41,664,166)       | 41,664,166          |                    | 74,875,794           | 74,875,794           | -                |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 48,692,680                  |                      | 48,692,680         | (48,692,680)        |                    | -                    | -                    | -                |
| Stamp Duty  | 784,317                     | 784,317              | -                  |                     |                    | 784,317              | 784,317              | -                |
| Fuel Levy   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Import duty   | 234,953,919                 | 234,953,920          | (0)                |                     | -                  | 234,953,919          | 234,953,920          | (0)              |
| Excise duty   | 27,180,053                  | 27,180,053           | 0                  |                     | -                  | 27,180,053           | 27,180,053           | 0                |
| Value Added Tax on Imports paid to Customs Department                           | 783,012,698                 | 693,230,291          | 89,782,407         |                     | 89,782,407         | 783,012,698          | 783,012,698          | -                |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| National Social Security Fund (NSSF) contribution                               | 170,399,278                 | 177,420,408          | (7,021,130)        | 7,021,130           |                    | 177,420,408          | 177,420,408          | -                |
| Parastatal Pension Fund (PPF) contribution                                      | 5,691,912                   | 6,965,672            | (1,273,760)        |                     | (1,273,760)        | 5,691,912            | 5,691,912            | -                |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Paid to Local and regulatory Authorities  | 199,104,620                 | 199,104,620          | -                  |                     |                    | 199,104,620          | 199,104,620          | -                |
| <b>Payments to the MEM</b>  |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Royalties   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Annual rents and license fees   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Profit per production sharing agreements  |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Protected gas/additional gas revenues   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| <b>Payments to TPDC</b>   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Protected Gas Revenue   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Additional Gas Revenue  |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Profit per Production Sharing Agreement   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| VAT on Gas Revenue  |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Annual rents and license fees   |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| Dividends on Government shares  |                             |                      | -                  |                     |                    | -                    | -                    | -                |
| <b>Grand total</b>  | <b>2,388,672,472</b>        | <b>2,167,132,126</b> | <b>221,540,346</b> | <b>(49,736,049)</b> | <b>171,804,297</b> | <b>2,338,936,423</b> | <b>2,338,936,423</b> | <b>(0)</b>       |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                      |                    |                     |                    |                      |                      |                  |
| <b>Commentary</b>   |                             |                      | <b>Note #</b>      |                     |                    |                      |                      |                  |
|   |                             |                      |                    | -                   |                    |                      |                      |                  |
|   |                             |                      |                    | -                   |                    |                      |                      |                  |
| Other   |                             |                      |                    | (49,736,049)        | 171,804,297        |                      |                      |                  |
| <b>Grand Total</b>  |                             |                      |                    | <b>(49,736,049)</b> | <b>171,804,297</b> |                      |                      |                  |



| 18-SHANTA MINING COMPANY LIMITED  |                             |                |                   |                   |                |                   |                |                   |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |
| Paid to Local and regulatory Authorities  |                             | -              | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   | 49,581                      | 49,581         | 1                 |                   |                | 49,581            | 49,581         | 1                 |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Grand total</b>  | <b>49,581</b>               | <b>49,581</b>  | <b>1</b>          | <b>-</b>          | <b>-</b>       | <b>49,581</b>     | <b>49,581</b>  | <b>1</b>          |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |
|   |                             |                |                   | 2                 | -              |                   |                |                   |
| <b>Grand Total</b>  |                             |                |                   |                   | -              |                   |                |                   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 19-SONGAS LIMITED   |                             |                       |                      |                    |                    |                       |                       |                      |   |
|---|-----------------------------|-----------------------|----------------------|--------------------|--------------------|-----------------------|-----------------------|----------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                       |                      | Adjustments        |                    | Final Amounts         |                       |                      |   |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)     | Government (TzS)   | Company (TzS)      | Government (TzS)      | Company (TzS)         | Difference (TzS)     |   |
| <b>Payments to TRA</b>  |                             |                       |                      |                    |                    |                       |                       |                      |   |
| Corporation Tax   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Alternative Minimum Tax   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Withholding taxes   | 1,580,545,870               | 1,580,545,870         | -                    |                    |                    | 1,580,545,870         | 1,580,545,870         | -                    |   |
| Capital Gains Tax   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Pay As You Earn (PAYE)  | 441,861,806                 | 404,807,473           | 37,054,333           | (37,054,333)       |                    | 404,807,473           | 404,807,473           | -                    |   |
| Skills and Development Levy (SDL)   | 55,559,264                  | 78,906,794            | (23,347,530)         | 23,347,530         |                    | 78,906,794            | 78,906,794            | -                    |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     | 11,296,477,971              | 12,539,845,077        | (1,243,367,106)      | 1,243,367,106      |                    | 12,539,845,077        | 12,539,845,077        | -                    | 1 |
| Stamp Duty  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Fuel Levy   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Import duty   | 197,672,445                 | 215,516,129           | (17,843,684)         | -                  |                    | 197,672,445           | 215,516,129           | (17,843,684)         |   |
| Excise duty   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Value Added Tax on Imports paid to Customs Department                               | 1,587,026,794               | 165,343,652           | 1,421,683,142        | -                  | -                  | 1,587,026,794         | 165,343,652           | 1,421,683,142        |   |
| <b>Terminal Benefits Payments</b>   |                             |                       |                      |                    |                    |                       |                       |                      |   |
| National Social Security Fund (NSSF) contribution                                   | 283,438,726                 | 262,992,600           | 20,446,126           |                    | 20,446,126         | 283,438,726           | 283,438,726           | -                    |   |
| Parastatal Pension Fund (PPF) contribution  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                       |                      |                    |                    |                       |                       |                      |   |
| Paid to Local and regulatory Authorities  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| <b>Payments to the MEM</b>  |                             |                       |                      |                    |                    |                       |                       |                      |   |
| Royalties   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Annual rents and license fees   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Profit per production sharing agreements  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Protected gas/additional gas revenues   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| <b>Payments to TPDC</b>   |                             |                       |                      |                    |                    |                       |                       |                      |   |
| Protected Gas Revenue   | 14,312,273,773              | 13,205,690,580        | 1,106,583,193        | (1,106,583,193)    |                    | 13,205,690,580        | 13,205,690,580        | (0)                  | 2 |
| Additional Gas Revenue  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Profit per Production Sharing Agreement   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| VAT on Gas Revenue  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| Annual rents and license fees   |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                       |                      |                    |                    |                       |                       |                      |   |
| Dividends on Government shares  |                             |                       | -                    |                    |                    | -                     | -                     | -                    |   |
| <b>Grand total</b>  | <b>29,754,856,649</b>       | <b>28,453,648,176</b> | <b>1,301,208,474</b> | <b>123,077,110</b> | <b>20,446,126</b>  | <b>29,877,933,759</b> | <b>28,474,094,302</b> | <b>1,403,839,458</b> |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                       |                      |                    |                    |                       |                       |                      |   |
| <b>Commentary</b>   |                             |                       |                      | <b>Note #</b>      |                    |                       |                       |                      |   |
|   |                             |                       |                      |                    |                    |                       |                       |                      |   |
| Transaction missed by TRA and fully supported by Songas                             |                             |                       | 1                    |                    | 1,243,367,106      |                       |                       |                      |   |
| TRA reported out of scope transaction, adjusted                                     |                             |                       | 2                    |                    | (1,106,583,193)    |                       |                       |                      |   |
|   |                             |                       |                      |                    |                    |                       |                       |                      |   |
| <b>Grand Total</b>  |                             |                       |                      |                    | <b>123,077,110</b> | <b>20,446,126</b>     |                       |                      |   |

| 19-SONGAS LIMITED   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| Taxes, fees and other charges paid from companies to government                 |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | -                           | -              | -                 | -                 | -              | -                 | -              | -                 |  |

| 20-STATOIL TANZANIA AS_TANZANIA BRANCH  |                             |                    |                    |                  |                    |                    |                    |                  |   |
|---|-----------------------------|--------------------|--------------------|------------------|--------------------|--------------------|--------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                                     | Templates originally lodged |                    |                    | Adjustments      |                    | Final Amounts      |                    |                  |   |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS)   | Government (TzS) | Company (TzS)      | Government (TzS)   | Company (TzS)      | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                    |                    |                  |                    |                    |                    |                  |   |
| Corporation Tax   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Alternative Minimum Tax   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Withholding taxes   | 256,090,613                 |                    | 256,090,613        |                  | 256,090,613        | 256,090,613        | 256,090,613        | 0                | 1 |
| Capital Gains Tax   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Pay As You Earn (PAYE)  | 283,832,554                 | 285,464,554        | (1,632,000)        |                  | (1,632,000)        | 283,832,554        | 283,832,554        | -                |   |
| Skills and Development Levy (SDL)   | 19,331,911                  |                    | 19,331,911         |                  | 19,331,911         | 19,331,911         | 19,331,911         | -                |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department                     |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Stamp Duty  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Fuel Levy   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Import duty   | 229,793                     |                    | 229,793            |                  | 229,793            | 229,793            | 229,793            | 0                |   |
| Excise duty   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Value Added Tax on Imports paid to Customs Department   | 395,780                     |                    | 395,780            |                  | 395,780            | 395,780            | 395,780            | (1)              |   |
| <b>Terminal Benefits Payments</b>   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| National Social Security Fund (NSSF) contribution   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Parastatal Pension Fund (PPF) contribution  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| <b>Paid to Local and regulatory Authorities</b>   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Paid to Local and regulatory Authorities  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| <b>Payments to the MEM</b>  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Royalties   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Annual rents and license fees   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Profit per production sharing agreements  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Protected gas/additional gas revenues   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| <b>Payments to TPDC</b>   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Protected Gas Revenue   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Additional Gas Revenue  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Profit per Production Sharing Agreement   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| VAT on Gas Revenue  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Annual rents and license fees   |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| Dividends on Government shares  |                             |                    | -                  |                  |                    | -                  | -                  | -                |   |
| <b>Grand total</b>  | <b>559,880,651</b>          | <b>285,464,554</b> | <b>274,416,097</b> | <b>-</b>         | <b>274,416,097</b> | <b>559,880,651</b> | <b>559,880,651</b> | <b>0</b>         |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b>                 |                             |                    |                    |                  |                    |                    |                    |                  |   |
| <b>Commentary</b>   |                             |                    | <b>Note #</b>      |                  |                    |                    |                    |                  |   |
|   |                             |                    |                    |                  |                    |                    |                    |                  |   |
|   |                             |                    |                    |                  |                    |                    |                    |                  |   |
| Company missed transactions confirmed by TRA and adjusted. Transaction transferred from USD section |                             |                    | 1                  |                  | 256,090,613        |                    |                    |                  |   |
| Other   |                             |                    |                    |                  | 18,325,484         |                    |                    |                  |   |
| <b>Grand Total</b>  |                             |                    |                    |                  | <b>274,416,097</b> |                    |                    |                  |   |



| 20-STATOIL TANZANIA AS TANZANIA BRANCH  | USD                         |                |                   |                   |                 |                   |                |                   |   |
|---|-----------------------------|----------------|-------------------|-------------------|-----------------|-------------------|----------------|-------------------|---|
|   | Templates originally lodged |                |                   | Adjustments       |                 | Final Amounts     |                |                   |   |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$)  | Government (US\$) | Company (US\$) | Difference (US\$) |   |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                 |                   |                |                   |   |
| Corporation Tax   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Alternative Minimum Tax   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Withholding taxes   |                             | 19,600         | (19,600)          |                   | (19,600)        | -                 | 0              | (0)               | 1 |
| Capital Gains Tax   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Stamp Duty  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Fuel Levy   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Import duty   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Excise duty   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Royalties   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Annual rents and license fees   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Profit per production sharing agreements  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Protected Gas Revenue   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Additional Gas Revenue  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| VAT on Gas Revenue  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Annual rents and license fees   | 86,481                      | 86,481         | -                 |                   |                 | 86,481            | 86,481         | -                 |   |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| Dividends on Government shares  |                             |                | -                 |                   |                 | -                 | -              | -                 |   |
| <b>Grand total</b>  | <b>86,481</b>               | <b>106,081</b> | <b>(19,600)</b>   | <b>-</b>          | <b>(19,600)</b> | <b>86,481</b>     | <b>86,481</b>  | <b>(0)</b>        |   |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                 |                   |                |                   |   |
| <b>Commentary</b>   |                             |                | <b>Note #</b>     |                   |                 |                   |                |                   |   |
| Transferred to TzS section  |                             |                | 1                 | -                 | (19,600)        |                   |                |                   |   |
| <b>Grand Total</b>  |                             |                |                   | -                 | (19,600)        |                   |                |                   |   |

| 21-TANZANIA AMERICAN INTERNATIONAL DEVELOPMENT CORPORATION 2000 (TANZAM 2000)       |                             |                    |                     |                   |                     |                    |                     |                  |
|---|-----------------------------|--------------------|---------------------|-------------------|---------------------|--------------------|---------------------|------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                    |                     | Adjustments       |                     | Final Amounts      |                     |                  |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS)    | Government (TzS)  | Company (TzS)       | Government (TzS)   | Company (TzS)       | Difference (TzS) |
| <b>Payments to TRA</b>  |                             |                    |                     |                   |                     |                    |                     |                  |
| Corporation Tax   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Alternative Minimum Tax   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Withholding taxes   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Capital Gains Tax   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Pay As You Earn (PAYE)  | 101,465,272                 | 137,966,598        | (36,501,326)        | 20,963,953        | (15,537,374)        | 122,429,225        | 122,429,224         | 0                |
| Skills and Development Levy (SDL)   | 26,394,984                  | 36,141,826         | (9,746,842)         | 5,745,079         | (4,001,763)         | 32,140,063         | 32,140,063          | 0                |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Stamp Duty  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Fuel Levy   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Import duty   | 48,095,540                  | 48,095,540         | 0                   |                   | -                   | 48,095,540         | 48,095,540          | 0                |
| Excise duty   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Value Added Tax on Imports paid to Customs Department                               | 57,908,153                  | 57,908,153         | 0                   |                   | -                   | 57,908,153         | 57,908,153          | 0                |
| <b>Terminal Benefits Payments</b>   |                             |                    |                     |                   |                     |                    |                     |                  |
| National Social Security Fund (NSSF) contribution                                   | 107,611,096                 | 107,611,096        | (0)                 |                   |                     | 107,611,096        | 107,611,096         | (0)              |
| Parastatal Pension Fund (PPF) contribution  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                    |                     |                   |                     |                    |                     |                  |
| Paid to Local and regulatory Authorities  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| <b>Payments to the MEM</b>  |                             |                    |                     |                   |                     |                    |                     |                  |
| Royalties   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Annual rents and license fees   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Profit per production sharing agreements  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Protected gas/additional gas revenues   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| <b>Payments to TPDC</b>   |                             |                    |                     |                   |                     |                    |                     |                  |
| Protected Gas Revenue   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Additional Gas Revenue  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Profit per Production Sharing Agreement   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| VAT on Gas Revenue  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| Annual rents and license fees   |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| <b>Payments to the Ministry of Finance</b>  |                             |                    |                     |                   |                     |                    |                     |                  |
| Dividends on Government shares  |                             |                    | -                   |                   |                     | -                  | -                   | -                |
| <b>Grand total</b>  | <b>341,475,045</b>          | <b>387,723,213</b> | <b>(46,248,168)</b> | <b>26,709,032</b> | <b>(19,539,137)</b> | <b>368,184,077</b> | <b>368,184,076</b>  | <b>1</b>         |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                    |                     |                   |                     |                    |                     |                  |
| <b>Commentary</b>   |                             |                    |                     | <b>Note #</b>     |                     |                    |                     |                  |
| Other   |                             |                    |                     |                   | -                   |                    |                     |                  |
|   |                             |                    |                     |                   | 26,709,032          |                    | (19,539,137)        |                  |
| <b>Grand Total</b>  |                             |                    |                     |                   | <b>26,709,032</b>   |                    | <b>(19,539,137)</b> |                  |

| 21-TANZANIA AMERICAN INTERNATIONAL DEVELOPMENT CORPORATION 2000 (TANZAM 2000)       |                             |                |                   | USD               |                |                   |                |                   |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                | -                 |                   |                | -                 | -              | -                 |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax on Imports paid to Customs Department                               |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |
| National Social Security Fund (NSSF) contribution                                   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                | -                 |                   |                | -                 | -              | -                 |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   | 156,750                     | 194,331        | (37,582)          |                   |                | 156,750           | 194,331        | (37,582)          |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Grand total</b>  | <b>156,750</b>              | <b>194,331</b> | <b>(37,582)</b>   | <b>-</b>          | <b>-</b>       | <b>156,750</b>    | <b>194,331</b> | <b>(37,582)</b>   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                |                   |                   |                |                   |                |                   |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |
| Additional payments fully supported by company added to MEM                         |                             |                |                   | 2                 | -              |                   |                |                   |
| Company reported amounts out of reconciliation period                               |                             |                |                   | 1                 | -              | -                 |                |                   |
| Other   |                             |                |                   |                   | -              | -                 |                |                   |
| <b>Grand Total</b>  |                             |                |                   |                   | -              | -                 |                |                   |

| 22-TANCAN MINING COMPANY LIMITED  |                             |                      |                   |                  |                    |                      |                      |                     |
|---|-----------------------------|----------------------|-------------------|------------------|--------------------|----------------------|----------------------|---------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                      |                   | Adjustments      |                    | Final Amounts        |                      |                     |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)  | Government (TzS) | Company (TzS)      | Government (TzS)     | Company (TzS)        | Difference (TzS)    |
| <b>Payments to TRA</b>  |                             |                      |                   |                  |                    |                      |                      |                     |
| Corporation Tax   | 5,466,962                   |                      | 5,466,962         | (5,466,962)      |                    | 0                    | -                    | 0                   |
| Alternative Minimum Tax   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Withholding taxes   | 14,391,377                  | 11,734,577           | 2,656,800         | (2,656,800)      |                    | 11,734,577           | 11,734,577           | 0                   |
| Capital Gains Tax   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Pay As You Earn (PAYE)  | 466,931,492                 | 490,078,280          | (23,146,788)      | 23,146,788       |                    | 490,078,280          | 490,078,280          | 0                   |
| Skills and Development Levy (SDL)   | 117,981,151                 | 132,616,604          | (14,635,454)      | 4,976,972        |                    | 122,958,123          | 132,616,604          | (9,658,482)         |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 20,000,000                  |                      | 20,000,000        | (20,000,000)     |                    | -                    | -                    | -                   |
| Stamp Duty  |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Fuel Levy   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Import duty   |                             | 37,612,836           | (37,612,836)      |                  |                    | -                    | 37,612,836           | (37,612,836)        |
| Excise duty   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Value Added Tax on Imports paid to Customs Department                           |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| <b>Terminal Benefits Payments</b>   |                             |                      |                   |                  |                    |                      |                      |                     |
| National Social Security Fund (NSSF) contribution                               | 546,295,683                 | 434,069,580          | 112,226,103       |                  | 112,226,103        | 546,295,683          | 546,295,683          | (0)                 |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                      |                   |                  |                    |                      |                      |                     |
| Paid to Local and regulatory Authorities  |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| <b>Payments to the MEM</b>  |                             |                      |                   |                  |                    |                      |                      |                     |
| Royalties   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Annual rents and license fees   | 151,000                     | 151,000              | -                 |                  |                    | 151,000              | 151,000              | -                   |
| Profit per production sharing agreements  |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Protected gas/additional gas revenues   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| <b>Payments to TPDC</b>   |                             |                      |                   |                  |                    |                      |                      |                     |
| Protected Gas Revenue   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Additional Gas Revenue  |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Profit per Production Sharing Agreement   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| VAT on Gas Revenue  |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| Annual rents and license fees   |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                      |                   |                  |                    |                      |                      |                     |
| Dividends on Government shares  |                             |                      | -                 |                  |                    | -                    | -                    | -                   |
| <b>Grand total</b>  | <b>1,171,217,664</b>        | <b>1,106,262,876</b> | <b>64,954,788</b> | <b>(2)</b>       | <b>112,226,103</b> | <b>1,171,217,662</b> | <b>1,218,488,979</b> | <b>(47,271,317)</b> |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                      |                   |                  |                    |                      |                      |                     |
| <b>Commentary</b>   |                             |                      |                   | <b>Note #</b>    |                    |                      |                      |                     |
| Transactions missed by company but confirmed by NSSF                            |                             |                      |                   | 1                | -                  |                      | 112,226,103          |                     |
| Other   |                             |                      |                   |                  | (2)                |                      | -                    |                     |
| <b>Grand Total</b>  |                             |                      |                   |                  | <b>(2)</b>         |                      | <b>112,226,103</b>   |                     |

| 22-TANCAN MINING COMPANY LIMITED  | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
| Taxes, fees and other charges paid from companies to government                   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department / Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                             |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 28,208                      | 70,916         | (42,708)          |                   |                | 28,208            | 70,916         | (42,708)          |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/ additional gas revenues  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>28,208</b>               | <b>70,916</b>  | <b>(42,708)</b>   | <b>-</b>          | <b>-</b>       | <b>28,208</b>     | <b>70,916</b>  | <b>(42,708)</b>   |  |
| Adjustments were made to the initial templates for the reasons set out below      |                             |                |                   |                   |                |                   |                |                   |  |
| <u>Commentary</u>   |                             |                | <u>Note #</u>     |                   |                |                   |                |                   |  |
|   |                             |                |                   | -                 | -              |                   |                |                   |  |
| Other   |                             |                |                   | -                 | -              |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   | -                 | -              |                   |                |                   |  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 23-TANGA CEMENT COMPANY LIMITED   |                             |                       |                        |                      |                 |                       |                       |                    |                  |
|---|-----------------------------|-----------------------|------------------------|----------------------|-----------------|-----------------------|-----------------------|--------------------|------------------|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                       |                        | Adjustments          |                 | Final Amounts         |                       |                    | Difference (TzS) |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS)     | Company (TzS)   | Government (TzS)      | Company (TzS)         |                    |                  |
| <b>Payments to TRA</b>  |                             |                       |                        |                      |                 |                       |                       |                    |                  |
| Corporation Tax   | 9,425,811,942               | 14,167,946,188        | (4,742,134,246)        | 4,742,134,246        | -               | 14,167,946,188        | 14,167,946,188        | -                  | 1                |
| Alternative Minimum Tax   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Withholding taxes   | 773,556,615                 | 957,084,443           | (183,527,829)          | 183,527,828          |                 | 957,084,443           | 957,084,443           | (0)                |                  |
| Capital Gains Tax   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Pay As You Earn (PAYE)  | 2,409,037,972               | 2,323,860,406         | 85,177,567             | (85,177,566)         |                 | 2,323,860,406         | 2,323,860,406         | 0                  |                  |
| Skills and Development Levy (SDL)   | 85,435,245                  | 580,574,478           | (495,139,233)          | 495,139,233          |                 | 580,574,477           | 580,574,478           | (0)                |                  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     | 13,718,933,823              | 11,695,885,030        | 2,023,048,793          | (2,023,048,793)      |                 | 11,695,885,030        | 11,695,885,030        | (0)                | 2                |
| Stamp Duty  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Fuel Levy   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Import duty   | 2,465,412,927               | 2,500,376,038         | (34,963,111)           | -                    |                 | 2,465,412,927         | 2,500,376,038         | (34,963,111)       |                  |
| Excise duty   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Value Added Tax on Imports paid to Customs Department                               | 8,823,330,569               | 7,834,533,948         | 988,796,620            |                      |                 | 8,823,330,569         | 7,834,533,948         | 988,796,620        |                  |
| <b>Terminal Benefits Payments</b>   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| National Social Security Fund (NSSF) contribution                                   | 783,228,352                 | 843,565,256           | (60,336,904)           | 60,336,904           |                 | 843,565,256           | 843,565,256           | -                  |                  |
| Parastatal Pension Fund (PPF) contribution  | 617,691,400                 | 617,707,885           | (16,484)               |                      | (16,484)        | 617,691,400           | 617,691,401           | (0)                |                  |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Paid to Local and regulatory Authorities  | 949,195,172                 | 949,195,172           | 0                      |                      |                 | 949,195,172           | 949,195,172           | 0                  |                  |
| <b>Payments to the MEM</b>  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Royalties   | 167,958,249                 | 167,958,249           | 0                      |                      |                 | 167,958,249           | 167,958,249           | 0                  |                  |
| Annual rents and license fees   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Profit per production sharing agreements  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Protected gas/additional gas revenues   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| <b>Payments to TPDC</b>   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Protected Gas Revenue   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Additional Gas Revenue  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Profit per Production Sharing Agreement   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| VAT on Gas Revenue  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Annual rents and license fees   |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| <b>Payments to the Ministry of Finance</b>  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| Dividends on Government shares  |                             |                       | -                      |                      |                 | -                     | -                     | -                  |                  |
| <b>Grand total</b>  | <b>40,219,592,265</b>       | <b>42,638,687,092</b> | <b>(2,419,094,827)</b> | <b>3,372,911,852</b> | <b>(16,484)</b> | <b>43,592,504,117</b> | <b>42,638,670,608</b> | <b>953,833,509</b> |                  |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                       |                        |                      |                 |                       |                       |                    |                  |
| <b>Commentary</b>   |                             |                       | <b>Note #</b>          |                      |                 |                       |                       |                    |                  |
|   |                             |                       |                        |                      |                 |                       |                       |                    |                  |
| Transaction missed by TRA fully supported by company and adjusted                   |                             |                       | 1                      | 4,742,134,246        |                 |                       |                       |                    |                  |
| Reclassification of wrongly classed transactions                                    |                             |                       | 2                      | (2,023,048,793)      |                 |                       |                       |                    |                  |
| Other   |                             |                       |                        | 653,826,399          | (16,484)        |                       |                       |                    |                  |
| <b>Grand Total</b>  |                             |                       |                        | <b>3,372,911,852</b> | <b>(16,484)</b> |                       |                       |                    |                  |

| 23-TANGA CEMENT COMPANY LIMITED   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             | 1,971          | (1,971)           |                   | (1,971)        | -                 | (0)            | 0                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | -                           | 1,971          | (1,971)           | -                 | (1,971)        | -                 | (0)            | 0                 |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |  |
|   |                             |                |                   |                   |                | -                 | -              |                   |  |
| Other   |                             |                |                   |                   |                | -                 | (1,971)        |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   |                | -                 | (1,971)        |                   |  |

| 24-TANZANIA PETROLEUM DEVELOPMENT CORPORATION                                    |                             |                       |                      |                     |                      |                       |                       |                  |
|--|-----------------------------|-----------------------|----------------------|---------------------|----------------------|-----------------------|-----------------------|------------------|
| Taxes, fees and other charges paid from companies to government                  | Templates originally lodged |                       |                      | Adjustments         |                      | Final Amounts         |                       |                  |
|  | Government (TzS)            | Company (TzS)         | Difference (TzS)     | Government (TzS)    | Company (TzS)        | Government (TzS)      | Company (TzS)         | Difference (TzS) |
| <b>Payments to TRA</b>   |                             |                       |                      |                     |                      |                       |                       |                  |
| Corporation Tax  | 37,810,482                  |                       | 37,810,482           | (37,810,482)        |                      | -                     | -                     | -                |
| Alternative Minimum Tax  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Withholding taxes  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Capital Gains Tax  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Pay As You Earn (PAYE)   | 1,193,279,753               | 633,966,426           | 559,313,327          | (559,313,327)       |                      | 633,966,426           | 633,966,426           | (0)              |
| Skills and Development Levy (SDL)  |                             | 38,768,298            | (38,768,298)         | 38,768,298          |                      | 38,768,298            | 38,768,298            | -                |
| Value Added Tax paid to Large Tax payers department/ Domestic Revenue Department | 1,482,289,943               | 2,176,556,792         | (694,266,849)        | 491,740,784         | (202,526,065)        | 1,974,030,727         | 1,974,030,727         | (0)              |
| Stamp Duty   |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Fuel Levy  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Import duty  | 32,164,709                  | 32,164,709            | -                    |                     | -                    | 32,164,709            | 32,164,709            | -                |
| Excise duty  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Value Added Tax on Imports paid to Customs Department                            | 29,857,484                  | 29,857,484            | (0)                  |                     |                      | 29,857,484            | 29,857,484            | (0)              |
| <b>Terminal Benefits Payments</b>  |                             |                       |                      |                     |                      |                       |                       |                  |
| National Social Security Fund (NSSF) contribution                                |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Parastatal Pension Fund (PPF) contribution                                       | 399,793,966                 | 406,654,134           | (6,860,168)          | 6,860,168           |                      | 406,654,134           | 406,654,134           | 0                |
| <b>Paid to Local and regulatory Authorities</b>                                  |                             |                       |                      |                     |                      |                       |                       |                  |
| Paid to Local and regulatory Authorities   |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| <b>Payments to the MEM</b>   |                             |                       |                      |                     |                      |                       |                       |                  |
| Royalties  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Annual rents and license fees  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Profit per production sharing agreements   |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Protected gas/ additional gas revenues   | 11,626,477,291              | 11,626,477,291        | (0)                  |                     |                      | 11,626,477,291        | 11,626,477,291        | (0)              |
| <b>Payments to TPDC</b>  |                             |                       |                      |                     |                      |                       |                       |                  |
| Protected Gas Revenue  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Additional Gas Revenue   |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Profit per Production Sharing Agreement  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| VAT on Gas Revenue   |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| Annual rents and license fees  |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| <b>Payments to the Ministry of Finance</b>                                       |                             |                       |                      |                     |                      |                       |                       |                  |
| Dividends on Government shares   |                             |                       | -                    |                     |                      | -                     | -                     | -                |
| <b>Grand total</b>   | <b>14,801,673,627</b>       | <b>14,944,445,133</b> | <b>(142,771,506)</b> | <b>(59,754,559)</b> | <b>(202,526,065)</b> | <b>14,741,919,068</b> | <b>14,741,919,068</b> | <b>(0)</b>       |
| Adjustments were made to the initial templates for the reasons set out below     |                             |                       |                      |                     |                      |                       |                       |                  |
| <b>Commentary</b>  |                             |                       | <b>Note #</b>        |                     |                      |                       |                       |                  |
| Reclassification of transactions   |                             |                       | 1                    | (67,572,543)        |                      |                       |                       |                  |
| Out of scope transaction reported and now adjusted                               |                             |                       | 1                    | -                   | (202,526,065)        |                       |                       |                  |
| Other  |                             |                       |                      | 7,817,984           | -                    |                       |                       |                  |
| <b>Grand Total</b>   |                             |                       |                      | <b>(59,754,559)</b> | <b>(202,526,065)</b> |                       |                       |                  |



| 24-TANZANIA PETROLEUM DEVELOPMENT CORPORATION                                   | USD                         |                  |                   |                   |                |                   |                  |                   |
|---|-----------------------------|------------------|-------------------|-------------------|----------------|-------------------|------------------|-------------------|
|   | Templates originally lodged |                  |                   | Adjustments       |                | Final Amounts     |                  |                   |
|   | Government (US\$)           | Company (US\$)   | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$)   | Difference (US\$) |
| Taxes, fees and other charges paid from companies to government                 |                             |                  |                   |                   |                |                   |                  |                   |
| <b>Payments to TRA</b>  |                             |                  |                   |                   |                |                   |                  |                   |
| Corporation Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Alternative Minimum Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Withholding taxes   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Capital Gains Tax   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Pay As You Earn (PAYE)  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Skills and Development Levy (SDL)   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Stamp Duty  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Fuel Levy   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Import duty   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Excise duty   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Value Added Tax on Imports paid to Customs Department                           |                             |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Terminal Benefits Payments</b>   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| National Social Security Fund (NSSF) contribution                               |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Paid to Local and regulatory Authorities  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Payments to the MEM</b>  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Royalties   | 210,000                     | 210,000          | -                 |                   |                | 210,000           | 210,000          | -                 |
| Annual rents and license fees   | 624,548                     | 624,548          | -                 |                   |                | 624,548           | 624,548          | -                 |
| Profit per production sharing agreements  | 1,927,094                   | 1,927,094        | (0)               |                   |                | 1,927,094         | 1,927,094        | (0)               |
| Protected gas/additional gas revenues   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Payments to TPDC</b>   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Protected Gas Revenue   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Additional Gas Revenue  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Profit per Production Sharing Agreement   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| VAT on Gas Revenue  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Annual rents and license fees   |                             |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                  | -                 |                   |                | -                 | -                | -                 |
| Dividends on Government shares  |                             |                  | -                 |                   |                | -                 | -                | -                 |
| <b>Grand total</b>  | <b>2,761,642</b>            | <b>2,761,642</b> | <b>(0)</b>        | <b>-</b>          | <b>-</b>       | <b>2,761,642</b>  | <b>2,761,642</b> | <b>(0)</b>        |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                  |                   |                   |                |                   |                  |                   |
| <b>Commentary</b>   |                             |                  |                   | <b>Note #</b>     |                |                   |                  |                   |
|   |                             |                  |                   |                   |                |                   |                  |                   |
| Other   |                             |                  |                   |                   |                |                   |                  |                   |
| <b>Grand Total</b>  |                             |                  |                   |                   |                |                   |                  |                   |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 25-TANZANIA PORTLAND CEMENT COMPANY LTD   |                             |                       |                        |                  |                        |                       |                        |                      |                  |
|---|-----------------------------|-----------------------|------------------------|------------------|------------------------|-----------------------|------------------------|----------------------|------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                       |                        | Adjustments      |                        | Final Amounts         |                        |                      | Difference (TzS) |
|   | Government (TzS)            | Company (TzS)         | Difference (TzS)       | Government (TzS) | Company (TzS)          | Government (TzS)      | Company (TzS)          |                      |                  |
| <b>Payments to TRA</b>  |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| Corporation Tax   | 21,695,277,360              | 24,604,300,000        | (2,909,022,640)        |                  | (2,909,022,640)        | 21,695,277,360        | 21,695,277,360         | (0)                  | 1                |
| Alternative Minimum Tax   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Withholding taxes   | 1,468,995,770               | 1,500,145,828         | (31,150,058)           | 31,150,058       |                        | 1,500,145,828         | 1,500,145,828          | 0                    |                  |
| Capital Gains Tax   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Pay As You Earn (PAYE)  | 2,521,198,350               | 2,532,996,805         | (11,798,455)           | 11,798,455       |                        | 2,532,996,805         | 2,532,996,805          | 0                    |                  |
| Skills and Development Levy (SDL)   | 646,997,426                 | 623,409,239           | 23,588,187             | (23,588,187)     |                        | 623,409,239           | 623,409,239            | 0                    |                  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 17,029,767,295              | 17,029,767,295        | -                      |                  |                        | 17,029,767,295        | 17,029,767,295         | -                    |                  |
| Stamp Duty  |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Fuel Levy   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Import duty   | 2,585,163,300               | 6,434,117,018         | (3,848,953,718)        |                  |                        | 2,585,163,300         | 6,434,117,018          | (3,848,953,718)      |                  |
| Excise duty   | 12,146,654                  |                       | 12,146,654             |                  |                        | 12,146,654            | -                      | 12,146,654           |                  |
| Value Added Tax on Imports paid to Customs Department                           | 5,331,642,726               | 1,914,403,757         | 3,417,238,969          |                  |                        | 5,331,642,726         | 1,914,403,757          | 3,417,238,969        |                  |
| <b>Terminal Benefits Payments</b>   |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| National Social Security Fund (NSSF) contribution                               | 446,979,333                 | 518,235,781           | (71,256,447)           | 31,242,779       | (40,013,668)           | 478,222,112           | 478,222,112            | -                    |                  |
| Parastatal Pension Fund (PPF) contribution                                      | 542,491,887                 | 491,728,921           | 50,762,965             | (42,069,995)     | 8,692,970              | 500,421,892           | 500,421,892            | -                    |                  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| Paid to Local and regulatory Authorities  | 667,353,157                 | 664,489,941           | 2,863,216              |                  | 2,863,216              | 667,353,157           | 667,353,157            | 0                    |                  |
| <b>Payments to the MEM</b>  |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| Royalties   | 285,456,990                 | 308,783,640           | (23,326,650)           |                  | (23,326,650)           | 285,456,990           | 285,456,990            | -                    |                  |
| Annual rents and license fees   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Profit per production sharing agreements  |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Protected gas/additional gas revenues   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| <b>Payments to TPDC</b>   |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| Protected Gas Revenue   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Additional Gas Revenue  |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Profit per Production Sharing Agreement   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| VAT on Gas Revenue  |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| Annual rents and license fees   |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| Dividends on Government shares  |                             |                       | -                      |                  |                        | -                     | -                      | -                    |                  |
| <b>Grand total</b>  | <b>53,233,470,249</b>       | <b>56,622,378,225</b> | <b>(3,388,907,976)</b> | <b>8,533,110</b> | <b>(2,960,806,772)</b> | <b>53,242,003,359</b> | <b>53,661,571,453</b>  | <b>(419,568,094)</b> |                  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                       |                        |                  |                        |                       |                        |                      |                  |
| <b>Commentary</b>   |                             |                       |                        | <b>Note #</b>    |                        |                       |                        |                      |                  |
| Company reported out of scope transaction                                       |                             |                       |                        | 1                |                        |                       |                        |                      |                  |
| Other   |                             |                       |                        |                  |                        | 8,533,110             | (51,784,132)           |                      |                  |
| <b>Grand Total</b>  |                             |                       |                        |                  |                        | <b>8,533,110</b>      | <b>(2,960,806,772)</b> |                      |                  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 25-TANZANIA PORTLAND CEMENT COMPANY LTD   | USD                         |                |                   |                   |                |                   |                |                   |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |
| Taxes, fees and other charges paid from companies to government                 |                             |                |                   |                   |                |                   |                |                   |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Terminal Benefits Payments</b>   |                             |                |                   |                   |                |                   |                |                   |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                |                   |                   |                |                   |                |                   |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the MEM</b>  |                             |                |                   |                   |                |                   |                |                   |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to TPDC</b>   |                             |                |                   |                   |                |                   |                |                   |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                |                   |                   |                |                   |                |                   |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |
| <b>Grand total</b>  | -                           | -              | -                 | -                 | -              | -                 | -              | -                 |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |
| Additional payments fully supported by company added to MEM                     |                             |                |                   | 2                 | -              |                   |                |                   |
| Company reported amounts out of reconciliation period                           |                             |                |                   | 1                 | -              | -                 |                |                   |
| Other   |                             |                |                   |                   | -              | -                 |                |                   |
| <b>Grand Total</b>  |                             |                |                   |                   | -              | -                 |                |                   |

| 26-TANZANITE ONE MINING LTD   |                             |                      |                    |                   |                    |                      |                      |                  |   |
|---|-----------------------------|----------------------|--------------------|-------------------|--------------------|----------------------|----------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                      |                    | Adjustments       |                    | Final Amounts        |                      |                  |   |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)   | Government (TzS)  | Company (TzS)      | Government (TzS)     | Company (TzS)        | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                      |                    |                   |                    |                      |                      |                  |   |
| Corporation Tax   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Alternative Minimum Tax   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Withholding taxes   | 565,754,116                 | 279,520,638          | 286,233,478        |                   | 286,233,478        | 565,754,116          | 565,754,116          | (0)              | 1 |
| Capital Gains Tax   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Pay As You Earn (PAYE)  | 1,250,453,419               | 1,240,023,572        | 10,429,847         |                   | 10,429,847         | 1,250,453,419        | 1,250,453,419        | 0                |   |
| Skills and Development Levy (SDL)   | 392,147,687                 | 392,059,390          | 88,297             |                   | 88,297             | 392,147,687          | 392,147,687          | 0                |   |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Stamp Duty  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Fuel Levy   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Import duty   | 106,978,568                 | 124,804,236          | (17,825,669)       | 17,825,669        |                    | 124,804,237          | 124,804,236          | 0                |   |
| Excise duty   | 9,359,101                   |                      | 9,359,101          |                   | 9,359,101          | 9,359,101            | 9,359,101            | 0                |   |
| Value Added Tax on Imports paid to Customs Department                               | 165,697,846                 | 174,481,812          | (8,783,967)        |                   | (8,783,967)        | 165,697,846          | 165,697,845          | 0                |   |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| National Social Security Fund (NSSF) contribution                                   | 1,029,407,865               | 1,029,407,865        | -                  |                   |                    | 1,029,407,865        | 1,029,407,865        | -                |   |
| Parastatal Pension Fund (PPF) contribution  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Paid to Local and regulatory Authorities  | 32,217,080                  | 32,217,080           | -                  |                   |                    | 32,217,080           | 32,217,080           | -                |   |
| <b>Payments to the MEM</b>  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Royalties   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Annual rents and license fees   |                             | -                    | -                  |                   |                    | -                    | -                    | -                |   |
| Profit per production sharing agreements  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Protected gas/additional gas revenues   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| <b>Payments to TPDC</b>   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Protected Gas Revenue   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Additional Gas Revenue  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Profit per Production Sharing Agreement   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| VAT on Gas Revenue  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Annual rents and license fees   |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| Dividends on Government shares  |                             |                      | -                  |                   |                    | -                    | -                    | -                |   |
| <b>Grand total</b>  | <b>3,552,015,681</b>        | <b>3,272,514,593</b> | <b>279,501,088</b> | <b>17,825,669</b> | <b>297,326,756</b> | <b>3,569,841,350</b> | <b>3,569,841,349</b> | <b>1</b>         |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                      |                    |                   |                    |                      |                      |                  |   |
| <b>Commentary</b>   |                             |                      | <b>Note #</b>      |                   |                    |                      |                      |                  |   |
| Company missed transaction confirmed by TRA and adjusted for                        |                             |                      | 1                  | -                 | 286,233,478        |                      |                      |                  |   |
| Other   |                             |                      |                    | 17,825,669        | 11,093,278         |                      |                      |                  |   |
| <b>Grand Total</b>  |                             |                      |                    | <b>17,825,669</b> | <b>297,326,756</b> |                      |                      |                  |   |

| 26-TANZANITE ONE MINING LTD   | USD               |                |                   | Adjustments       |                | Final Amounts     |                |                   |
|---|-------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|
|   | Government (US\$) | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |
| Taxes, fees and other charges paid from companies to government                 |                   |                |                   |                   |                |                   |                |                   |
|   |                   |                |                   |                   |                |                   |                |                   |
| <b>Payments to TRA</b>  |                   |                |                   |                   |                |                   |                |                   |
| Corporation Tax   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Alternative Minimum Tax   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Withholding taxes   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Capital Gains Tax   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Pay As You Earn (PAYE)  |                   |                | -                 |                   |                | -                 | -              | -                 |
| Skills and Development Levy (SDL)   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                   |                | -                 |                   |                | -                 | -              | -                 |
| Stamp Duty  |                   |                | -                 |                   |                | -                 | -              | -                 |
| Fuel Levy   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Import duty   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Excise duty   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Value Added Tax on Imports paid to Customs Department                           |                   |                | -                 |                   |                | -                 | -              | -                 |
| <b>Terminal Benefits Payments</b>   |                   |                |                   |                   |                |                   |                |                   |
| National Social Security Fund (NSSF) contribution                               |                   |                | -                 |                   |                | -                 | -              | -                 |
| Parastatal Pension Fund (PPF) contribution                                      |                   |                | -                 |                   |                | -                 | -              | -                 |
| <b>Paid to Local and regulatory Authorities</b>                                 |                   |                |                   |                   |                |                   |                |                   |
| Paid to Local and regulatory Authorities  |                   |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the MEM</b>  |                   |                |                   |                   |                |                   |                |                   |
| Royalties   | 145,665           | 253,697        | (108,032)         |                   |                | 145,665           | 253,697        | (108,032)         |
| Annual rents and license fees   |                   | 4,580          | (4,580)           |                   |                | -                 | 4,580          | (4,580)           |
| Profit per production sharing agreements  |                   |                | -                 |                   |                | -                 | -              | -                 |
| Protected gas/additional gas revenues   |                   |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to TPDC</b>   |                   |                |                   |                   |                |                   |                |                   |
| Protected Gas Revenue   |                   |                | -                 |                   |                | -                 | -              | -                 |
| Additional Gas Revenue  |                   |                | -                 |                   |                | -                 | -              | -                 |
| Profit per Production Sharing Agreement   |                   |                | -                 |                   |                | -                 | -              | -                 |
| VAT on Gas Revenue  |                   |                | -                 |                   |                | -                 | -              | -                 |
| Annual rents and license fees   |                   |                | -                 |                   |                | -                 | -              | -                 |
| <b>Payments to the Ministry of Finance</b>                                      |                   |                |                   |                   |                |                   |                |                   |
| Dividends on Government shares  |                   |                | -                 |                   |                | -                 | -              | -                 |
| <b>Grand total</b>  | <b>145,665</b>    | <b>258,277</b> | <b>(112,612)</b>  | <b>-</b>          | <b>-</b>       | <b>145,665</b>    | <b>258,277</b> | <b>(112,612)</b>  |
| Adjustments were made to the initial templates for the reasons set out below    |                   |                |                   |                   |                |                   |                |                   |
| <b>Commentary</b>   |                   |                |                   | <b>Note #</b>     |                |                   |                |                   |
| Other   |                   |                |                   |                   | -              | -                 |                |                   |
| <b>Grand Total</b>  |                   |                |                   |                   | -              | -                 |                |                   |

| 27-TANZANITE ONE TRADING LIMITED  |                             |                    |                  |                    |               |                    |                    |                  |  |
|---|-----------------------------|--------------------|------------------|--------------------|---------------|--------------------|--------------------|------------------|--|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                    |                  | Adjustments        |               | Final Amounts      |                    |                  |  |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS) | Government (TzS)   | Company (TzS) | Government (TzS)   | Company (TzS)      | Difference (TzS) |  |
| <b>Payments to TRA</b>  |                             |                    |                  |                    |               |                    |                    |                  |  |
| Corporation Tax   | 38,408,232                  |                    | 38,408,232       | (38,408,232)       |               | 0                  | -                  | 0                |  |
| Alternative Minimum Tax   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Withholding taxes   | 32,258,636                  | 40,858,609         | (8,599,973)      | 8,599,973          |               | 40,858,609         | 40,858,609         | (0)              |  |
| Capital Gains Tax   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Pay As You Earn (PAYE)  | 154,064,279                 | 134,178,548        | 19,885,731       | (19,885,731)       |               | 134,178,548        | 134,178,548        | 0                |  |
| Skills and Development Levy (SDL)   | 29,427,768                  | 31,260,484         | (1,832,716)      | 1,832,716          |               | 31,260,484         | 31,260,484         | -                |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 128,037,922                 | 173,094,696        | (45,056,774)     | 45,056,774         |               | 173,094,696        | 173,094,696        | -                |  |
| Stamp Duty  |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Fuel Levy   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Import duty   | 40,854,997                  | 40,854,997         | 0                |                    | -             | 40,854,997         | 40,854,997         | 0                |  |
| Excise duty   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Value Added Tax on Imports paid to Customs Department                           | 41,587,907                  | 41,587,907         | 0                |                    | -             | 41,587,907         | 41,587,907         | 0                |  |
| <b>Terminal Benefits Payments</b>   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| National Social Security Fund (NSSF) contribution                               | 111,759,183                 | 111,759,183        | -                |                    |               | 111,759,183        | 111,759,183        | -                |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Paid to Local and regulatory Authorities  | 10,247,232                  | 10,247,232         | 0                |                    |               | 10,247,232         | 10,247,232         | 0                |  |
| <b>Payments to the MEM</b>  |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Royalties   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Annual rents and license fees   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Profit per production sharing agreements  |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Protected gas/additional gas revenues   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| <b>Payments to TPDC</b>   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Protected Gas Revenue   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Additional Gas Revenue  |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Profit per Production Sharing Agreement   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| VAT on Gas Revenue  |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Annual rents and license fees   |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| Dividends on Government shares  |                             |                    | -                |                    |               | -                  | -                  | -                |  |
| <b>Grand total</b>  | <b>586,646,157</b>          | <b>583,841,656</b> | <b>2,804,501</b> | <b>(2,804,500)</b> | <b>-</b>      | <b>583,841,657</b> | <b>583,841,656</b> | <b>1</b>         |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                    |                  |                    |               |                    |                    |                  |  |
| <b>Commentary</b>   |                             |                    | <b>Note #</b>    |                    |               |                    |                    |                  |  |
|   |                             |                    | 1                |                    |               | -                  |                    |                  |  |
|   |                             |                    |                  |                    |               | -                  |                    |                  |  |
| Other   |                             |                    |                  |                    |               | (2,804,500)        |                    |                  |  |
| <b>Grand Total</b>  |                             |                    |                  |                    |               | <b>(2,804,500)</b> |                    |                  |  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 27-TANZANITE ONE TRADING LIMITED  | USD                         |                |                   |                   |                |                   |                |                   |  |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|--|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Royalties   |                             | 55,005         | (55,005)          |                   |                | -                 | 55,005         | (55,005)          |  |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |  |
| <b>Grand total</b>  | -                           | 55,005         | (55,005)          | -                 | -              | -                 | 55,005         | (55,005)          |  |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |  |  |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |  |  |
|   |                             |                |                   |                   | -              | -                 |                |                   |  |  |
|   |                             |                |                   |                   | -              | -                 |                |                   |  |  |
| Other   |                             |                |                   |                   | -              | -                 |                |                   |  |  |
|   |                             |                |                   |                   | -              | -                 |                |                   |  |  |
| <b>Grand Total</b>  |                             |                |                   |                   | -              | -                 |                |                   |  |  |

| 28-TULLOW TANZANIA B.V.   |                             |               |                    |                  |               |                    |               |                    |                  |
|---|-----------------------------|---------------|--------------------|------------------|---------------|--------------------|---------------|--------------------|------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |               |                    | Adjustments      |               | Final Amounts      |               |                    | Difference (TzS) |
|   | Government (TzS)            | Company (TzS) | Difference (TzS)   | Government (TzS) | Company (TzS) | Government (TzS)   | Company (TzS) |                    |                  |
| <b>Payments to TRA</b>  |                             |               |                    |                  |               |                    |               |                    |                  |
| Corporation Tax   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Alternative Minimum Tax   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Withholding taxes   | 482,914,329                 |               | 482,914,329        |                  |               | 482,914,329        | -             | 482,914,329        |                  |
| Capital Gains Tax   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Pay As You Earn (PAYE)  | 231,001,189                 |               | 231,001,189        |                  |               | 231,001,189        | -             | 231,001,189        |                  |
| Skills and Development Levy (SDL)   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | 4,298,960                   |               | 4,298,960          |                  |               | 4,298,960          | -             | 4,298,960          |                  |
| Stamp Duty  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Fuel Levy   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Import duty   | 35,642                      |               | 35,642             |                  |               | 35,642             | -             | 35,642             |                  |
| Excise duty   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Value Added Tax on Imports paid to Customs Department                           | 4,850,514                   |               | 4,850,514          |                  |               | 4,850,514          | -             | 4,850,514          |                  |
| <b>Terminal Benefits Payments</b>   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| National Social Security Fund (NSSF) contribution                               | 150,946,131                 |               | 150,946,131        |                  |               | 150,946,131        | -             | 150,946,131        |                  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Paid to Local and regulatory Authorities  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| <b>Payments to the MEM</b>  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Royalties   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Annual rents and license fees   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Profit per production sharing agreements  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Protected gas/additional gas revenues   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| <b>Payments to TPDC</b>   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Protected Gas Revenue   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Additional Gas Revenue  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Profit per Production Sharing Agreement   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| VAT on Gas Revenue  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Annual rents and license fees   |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| Dividends on Government shares  |                             |               | -                  |                  |               | -                  | -             | -                  |                  |
| <b>Grand total</b>  | <b>874,046,765</b>          | <b>-</b>      | <b>874,046,765</b> | <b>-</b>         | <b>-</b>      | <b>874,046,765</b> | <b>-</b>      | <b>874,046,765</b> |                  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |               |                    |                  |               |                    |               |                    |                  |
| <b>Commentary</b>   |                             |               |                    | <b>Note #</b>    |               |                    |               |                    |                  |
|   |                             |               |                    | 1                | -             |                    |               |                    |                  |
| Other   |                             |               |                    |                  | -             |                    | -             |                    |                  |
| <b>Grand Total</b>  |                             |               |                    |                  | -             |                    | -             |                    |                  |



| 28-TULLOW TANZANIA B.V.   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| Taxes, fees and other charges paid from companies to government                 |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   | 12,854                      |                | 12,854            |                   |                | 12,854            | -              | 12,854            |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>12,854</b>               | <b>-</b>       | <b>12,854</b>     | <b>-</b>          | <b>-</b>       | <b>12,854</b>     | <b>-</b>       | <b>12,854</b>     |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |  |
|   |                             |                |                   |                   | -              |                   |                |                   |  |
|   |                             |                |                   |                   | -              |                   |                |                   |  |
|   |                             |                |                   |                   | -              |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   | -              |                   |                |                   |  |

| 29-WENTWORTH GAS LTD  |                             |                    |                     |                    |                   |                    |                    |                  |   |
|---|-----------------------------|--------------------|---------------------|--------------------|-------------------|--------------------|--------------------|------------------|---|
| Taxes, fees and other charges paid from companies to government                     | Templates originally lodged |                    |                     | Adjustments        |                   | Final Amounts      |                    |                  |   |
|   | Government (TzS)            | Company (TzS)      | Difference (TzS)    | Government (TzS)   | Company (TzS)     | Government (TzS)   | Company (TzS)      | Difference (TzS) |   |
| <b>Payments to TRA</b>  |                             |                    |                     |                    |                   |                    |                    |                  |   |
| Corporation Tax   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Alternative Minimum Tax   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Withholding taxes   | 22,218,670                  | 22,218,670         | -                   |                    |                   | 22,218,670         | 22,218,670         | -                |   |
| Capital Gains Tax   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Pay As You Earn (PAYE)  | 234,831,339                 | 334,173,915        | (99,342,576)        | 99,342,576         |                   | 334,173,915        | 334,173,915        | (0)              | 1 |
| Skills and Development Levy (SDL)   | 51,867,932                  | 74,454,561         | (22,586,629)        | 22,586,629         |                   | 74,454,561         | 74,454,561         | 0                | 1 |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department     | 1,383,500                   |                    | 1,383,500           |                    | 1,383,500         | 1,383,500          | 1,383,500          | -                |   |
| Stamp Duty  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Fuel Levy   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Import duty   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Excise duty   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Value Added Tax on Imports paid to Customs Department                               |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| <b>Terminal Benefits Payments</b>   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| National Social Security Fund (NSSF) contribution                                   | 99,327,229                  | 66,546,707         | 32,780,522          |                    | 32,780,522        | 99,327,229         | 99,327,229         | (0)              |   |
| Parastatal Pension Fund (PPF) contribution  | 152,361,074                 | 162,598,577        | (10,237,502)        | 10,237,502         |                   | 162,598,577        | 162,598,577        | (0)              | 1 |
| <b>Paid to Local and regulatory Authorities</b>                                     |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Paid to Local and regulatory Authorities  | 19,931,804                  | 19,931,804         | 0                   |                    |                   | 19,931,804         | 19,931,804         | 0                |   |
| <b>Payments to the MEM</b>  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Royalties   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Annual rents and license fees   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Profit per production sharing agreements  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Protected gas/additional gas revenues   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| <b>Payments to TPDC</b>   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Protected Gas Revenue   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Additional Gas Revenue  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Profit per Production Sharing Agreement   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| VAT on Gas Revenue  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Annual rents and license fees   |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| <b>Payments to the Ministry of Finance</b>  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| Dividends on Government shares  |                             |                    | -                   |                    |                   | -                  | -                  | -                |   |
| <b>Grand total</b>  | <b>581,921,549</b>          | <b>679,924,234</b> | <b>(98,002,685)</b> | <b>132,166,707</b> | <b>34,164,022</b> | <b>714,088,256</b> | <b>714,088,256</b> | <b>(0)</b>       |   |
| <b>Adjustments were made to the initial templates for the reasons set out below</b> |                             |                    |                     |                    |                   |                    |                    |                  |   |
| <b>Commentary</b>   |                             |                    | <b>Note #</b>       |                    |                   |                    |                    |                  |   |
|   |                             |                    |                     | -                  |                   |                    |                    |                  |   |
|   |                             |                    |                     | -                  |                   |                    |                    |                  |   |
| Transactions missed by TRA and PPF and fully supported by company                   |                             |                    | 1                   | 132,166,707        |                   |                    |                    |                  |   |
|   |                             |                    |                     | -                  |                   |                    |                    |                  |   |
| Other   |                             |                    |                     | -                  | 34,164,022        |                    |                    |                  |   |
| <b>Grand Total</b>  |                             |                    |                     | <b>132,166,707</b> | <b>34,164,022</b> |                    |                    |                  |   |

| 29-WENTWORTH GAS LTD  | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
| Taxes, fees and other charges paid from companies to government                 | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Paid to Local and regulatory Authorities  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Royalties   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   | 100,476                     | 100,476        | -                 |                   |                | 100,476           | 100,476        | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>100,476</b>              | <b>100,476</b> | <b>-</b>          | <b>-</b>          | <b>-</b>       | <b>100,476</b>    | <b>100,476</b> | <b>-</b>          |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Commentary</b>   |                             |                | <b>Note #</b>     |                   |                |                   |                |                   |  |
| Other   |                             |                |                   | -                 | -              |                   |                |                   |  |
| <b>Grand Total</b>  |                             |                |                   | -                 | -              |                   |                |                   |  |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 30-WILLIAMSON DIAMONDS LTD.   |                             |                      |                      |                     |                     |                      |                      |                      |
|---|-----------------------------|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Taxes, fees and other charges paid from companies to government                 | Templates originally lodged |                      |                      | Adjustments         |                     | Final Amounts        |                      |                      |
|   | Government (TzS)            | Company (TzS)        | Difference (TzS)     | Government (TzS)    | Company (TzS)       | Government (TzS)     | Company (TzS)        | Difference (TzS)     |
| <b>Payments to TRA</b>  |                             |                      |                      |                     |                     |                      |                      |                      |
| Corporation Tax   | 92,754,478                  |                      | 92,754,478           |                     |                     | 92,754,478           | -                    | 92,754,478           |
| Alternative Minimum Tax   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Withholding taxes   | 724,881,186                 | 862,150,121          | (137,268,935)        | 77,485,357          | (59,783,578)        | 802,366,543          | 802,366,544          | (0)                  |
| Capital Gains Tax   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Pay As You Earn (PAYE)  | 1,923,497,805               | 1,327,501,982        | 595,995,823          | (125,197,002)       |                     | 1,798,300,803        | 1,327,501,982        | 470,798,821          |
| Skills and Development Levy (SDL)   | 351,237,628                 | 384,684,895          | (33,447,267)         |                     | (33,447,267)        | 351,237,628          | 351,237,628          | 0                    |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             | -                    | -                    |                     |                     | -                    | -                    | -                    |
| Stamp Duty  |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Fuel Levy   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Import duty   | 366,442,017                 | 295,099,371          | 71,342,645           |                     |                     | 366,442,017          | 295,099,371          | 71,342,645           |
| Excise duty   | 91,362                      | -                    | 91,362               |                     |                     | 91,362               | -                    | 91,362               |
| Value Added Tax on Imports paid to Customs Department                           | 2,234,754,364               | 1,504,182,009        | 730,572,355          |                     |                     | 2,234,754,364        | 1,504,182,009        | 730,572,355          |
| <b>Terminal Benefits Payments</b>   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| National Social Security Fund (NSSF) contribution                               | 1,123,933,706               | 1,123,776,988        | 156,718              |                     | 156,718             | 1,123,933,706        | 1,123,933,706        | 0                    |
| Parastatal Pension Fund (PPF) contribution                                      | 1,090,000                   | 400,000              | 690,000              |                     | 690,000             | 1,090,000            | 1,090,000            | -                    |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Paid to Local and regulatory Authorities  | 85,052,250                  | 85,052,250           | -                    |                     |                     | 85,052,250           | 85,052,250           | -                    |
| <b>Payments to the MEM</b>  |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Royalties   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Annual rents and license fees   | 82,728,445                  | 76,553,599           | 6,174,846            |                     | 6,174,846           | 82,728,445           | 82,728,445           | -                    |
| Profit per production sharing agreements  |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Protected gas/additional gas revenues   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| <b>Payments to TPDC</b>   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Protected Gas Revenue   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Additional Gas Revenue  |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Profit per Production Sharing Agreement   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| VAT on Gas Revenue  |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Annual rents and license fees   |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| Dividends on Government shares  |                             |                      | -                    |                     |                     | -                    | -                    | -                    |
| <b>Grand total</b>  | <b>6,986,463,241</b>        | <b>5,659,401,215</b> | <b>1,327,062,026</b> | <b>(47,711,645)</b> | <b>(86,209,280)</b> | <b>6,938,751,596</b> | <b>5,573,191,935</b> | <b>1,365,559,661</b> |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                      |                      |                     |                     |                      |                      |                      |
| <b>Commentary</b>   |                             |                      | <b>Note #</b>        |                     |                     |                      |                      |                      |
| Other   |                             |                      |                      | (47,711,645)        | (86,209,280)        |                      |                      |                      |
| <b>Grand Total</b>  |                             |                      |                      | <b>(47,711,645)</b> | <b>(86,209,280)</b> |                      |                      |                      |

3<sup>rd</sup> TEITI Independent Reconciliation Report for the year ended 30 June 2011

| 30-WILLIAMSON DIAMONDS LTD.   | USD                         |                |                   |                   |                |                   |                |                   |  |
|---|-----------------------------|----------------|-------------------|-------------------|----------------|-------------------|----------------|-------------------|--|
|   | Templates originally lodged |                |                   | Adjustments       |                | Final Amounts     |                |                   |  |
|   | Government (US\$)           | Company (US\$) | Difference (US\$) | Government (US\$) | Company (US\$) | Government (US\$) | Company (US\$) | Difference (US\$) |  |
| Taxes, fees and other charges paid from companies to government                 |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Payments to TRA</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Corporation Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Alternative Minimum Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Withholding taxes   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Capital Gains Tax   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Pay As You Earn (PAYE)  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Skills and Development Levy (SDL)   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax paid to Large Tax payers department/Domestic Revenue Department |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Stamp Duty  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Fuel Levy   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Import duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Excise duty   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Value Added Tax on Imports paid to Customs Department                           |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Terminal Benefits Payments</b>   |                             |                |                   |                   |                |                   |                |                   |  |
| National Social Security Fund (NSSF) contribution                               |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Parastatal Pension Fund (PPF) contribution                                      |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Paid to Local and regulatory Authorities</b>                                 |                             |                |                   |                   |                |                   |                |                   |  |
| Paid to Local and regulatory Authorities  | -                           | -              | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the MEM</b>  |                             |                |                   |                   |                |                   |                |                   |  |
| Royalties   | 440,966                     | 436,840        | 4,126             |                   |                | 440,966           | 436,840        | 4,126             |  |
| Annual rents and license fees   | 184,541                     | 91,880         | 92,661            |                   |                | 184,541           | 91,880         | 92,661            |  |
| Profit per production sharing agreements  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Protected gas/additional gas revenues   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to TPDC</b>   |                             |                |                   |                   |                |                   |                |                   |  |
| Protected Gas Revenue   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Additional Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Profit per Production Sharing Agreement   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| VAT on Gas Revenue  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| Annual rents and license fees   |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Payments to the Ministry of Finance</b>                                      |                             |                |                   |                   |                |                   |                |                   |  |
| Dividends on Government shares  |                             |                | -                 |                   |                | -                 | -              | -                 |  |
| <b>Grand total</b>  | <b>625,507</b>              | <b>528,720</b> | <b>96,787</b>     | <b>-</b>          | <b>-</b>       | <b>625,507</b>    | <b>528,720</b> | <b>96,787</b>     |  |
| Adjustments were made to the initial templates for the reasons set out below    |                             |                |                   |                   |                |                   |                |                   |  |
| <b>Commentary</b>   |                             |                |                   | <b>Note #</b>     |                |                   |                |                   |  |
|   |                             |                |                   |                   |                | -                 | -              |                   |  |
|   |                             |                |                   |                   |                | -                 | -              |                   |  |
| Other   |                             |                |                   |                   |                | -                 | -              |                   |  |
|   |                             |                |                   |                   |                | -                 | -              |                   |  |
| <b>Grand Total</b>  |                             |                |                   |                   |                | <b>-</b>          | <b>-</b>       |                   |  |

### 8.3. Reporting by tax category and government agencies

We set out in the table below the aggregate amounts of the various types of taxes and fees reported by the Government agencies and the taxpayers after taking into account all the adjustments for all the taxes paid and received in TzS.

| By tax category, TzS                            |  |                                 |                        |                        |                        |                       |                        |                        |                        |
|---|--|---------------------------------|------------------------|------------------------|------------------------|-----------------------|------------------------|------------------------|------------------------|
| No.   | Tax  | Templates originally lodged-TzS |                        |                        | Adjustments-TzS        |                       | Final amounts-TzS      |                        |                        |
|   |  | Govt                            | Taxpayer               | Difference             | Govt                   | Taxpayer              | Govt                   | Taxpayer               | Difference             |
| <b>Payments to TRA</b>                          |  | <b>324,547,643,905</b>          | <b>324,933,293,586</b> | <b>(1,555,280,723)</b> | <b>6,866,383,911</b>   | <b>10,677,131,511</b> | <b>330,244,396,172</b> | <b>335,610,425,097</b> | <b>(5,366,028,323)</b> |
| 1   | Corporation Tax  | 63,589,435,504                  | 68,915,178,416         | (6,495,373,953)        | 4,724,822,687          | (1,863,305,744)       | 67,144,627,149         | 67,051,872,672         | 92,754,478             |
| 2   | Alternative Minimum Tax  | -                               | -                      | -                      | -                      | -                     | -                      | -                      | -                      |
| 3   | Withholding taxes  | 39,110,174,124                  | 28,140,062,501         | 10,970,111,622         | 2,340,175,129          | 12,827,372,422        | 41,450,349,253         | 40,967,434,924         | 482,914,329            |
| 4   | Capital Gains Tax  | 287,602,310                     | 15,586,435             | 272,015,876            | (287,602,310)          | (15,586,435)          | 0                      | (0)                    | 1                      |
| 5   | Pay As You Earn (PAYE)   | 87,714,182,886                  | 86,293,816,330         | 1,420,366,556          | (986,783,754)          | (268,217,211)         | 86,727,398,528         | 86,025,599,120         | 701,800,012            |
| 6   | Skills and Development Levy (SDL)                                    | 17,674,612,458                  | 19,394,246,138         | (1,719,633,680)        | 1,617,731,298          | (92,243,901)          | 19,292,343,756         | 19,302,002,237         | (9,658,482)            |
| 7   | Value Added Tax paid to Large Tax payers department/Domestic Revenue | 63,618,714,928                  | 63,359,811,582         | 258,903,346            | (571,119,698)          | (316,515,311)         | 63,047,595,230         | 63,043,296,270         | 4,298,960              |
| 8   | Stamp Duty   | 168,706,787                     | 147,091,117            | 21,615,670             | 513,800                | 22,129,470            | 169,220,587            | 169,220,587            | 0                      |
| 9   | Fuel Levy  | -                               | 5,212,256,200          | (5,212,256,200)        | -                      | -                     | -                      | 5,212,256,200          | (5,212,256,200)        |
| 10  | Import duty  | 21,774,770,014                  | 27,843,797,729         | (6,069,027,715)        | 23,150,344             | 196,279,687           | 21,797,920,358         | 28,040,077,416         | (6,242,157,058)        |
| 11  | Excise duty  | 7,944,276,374                   | 7,918,158,026          | 26,118,348             | 171,741                | 9,601,374             | 7,944,448,115          | 7,927,759,400          | 16,688,715             |
| 12  | Value Added Tax on Imports paid to Customs Department                | 22,665,168,519                  | 17,693,289,112         | 4,971,879,407          | 5,324,675              | 177,617,160           | 22,670,493,194         | 17,870,906,272         | 4,799,586,922          |
| <b>Paid to Local and regulatory Authorities</b> |  | <b>3,688,212,771</b>            | <b>3,699,450,545</b>   | <b>(11,237,774)</b>    | <b>-</b>               | <b>(11,237,774)</b>   | <b>3,688,212,771</b>   | <b>3,688,212,770</b>   | <b>1</b>               |
| 13  | Paid to Local and regulatory Authorities                             | 3,688,212,771                   | 3,699,450,545          | (11,237,774)           | -                      | (11,237,774)          | 3,688,212,771          | 3,688,212,770          | 1                      |
| <b>Payments to the MEM</b>                      |  | <b>12,243,206,038</b>           | <b>12,293,703,852</b>  | <b>(50,497,814)</b>    | <b>-</b>               | <b>(50,497,815)</b>   | <b>12,243,206,038</b>  | <b>12,243,206,037</b>  | <b>0</b>               |
| 14  | Royalties  | 511,584,424                     | 570,171,172            | (58,586,748)           | -                      | (58,586,749)          | 511,584,424            | 511,584,423            | 0                      |
| 15  | Annual rents and license fees  | 105,144,323                     | 97,055,389             | 8,088,934              | -                      | 8,088,934             | 105,144,323            | 105,144,323            | 0                      |
| 16  | Profit per production sharing agreements                             | -                               | -                      | -                      | -                      | -                     | -                      | -                      | -                      |
| 17  | Protected gas/additional gas revenues                                | 11,626,477,291                  | 11,626,477,291         | (0)                    | -                      | -                     | 11,626,477,291         | 11,626,477,291         | (0)                    |
| <b>Payments to TPDC</b>                         |  | <b>19,632,420,554</b>           | <b>18,525,837,362</b>  | <b>1,106,583,193</b>   | <b>(1,106,583,193)</b> | <b>-</b>              | <b>18,525,837,361</b>  | <b>18,525,837,362</b>  | <b>(0)</b>             |
| 18  | Protected Gas Revenue  | 14,312,273,773                  | 13,205,690,580         | 1,106,583,193          | (1,106,583,193)        | -                     | 13,205,690,580         | 13,205,690,580         | (0)                    |
| 19  | Additional Gas Revenue   | -                               | -                      | -                      | -                      | -                     | -                      | -                      | -                      |
| 20  | Profit per Production Sharing Agreement                              | 5,320,146,781                   | 5,320,146,781          | -                      | -                      | -                     | 5,320,146,781          | 5,320,146,781          | -                      |
| 21  | VAT on Gas Revenue   | -                               | -                      | -                      | -                      | -                     | -                      | -                      | -                      |
| 22  | Annual rents and license fees  | -                               | -                      | -                      | -                      | -                     | -                      | -                      | -                      |
| <b>Payments to the Ministry of Finance</b>      |  | <b>1,197,744,350</b>            | <b>1,197,744,350</b>   | <b>-</b>               | <b>-</b>               | <b>-</b>              | <b>1,197,744,350</b>   | <b>1,197,744,350</b>   | <b>-</b>               |
| 23  | Dividends on Government shares                                       | 1,197,744,350                   | 1,197,744,350          | -                      | -                      | -                     | 1,197,744,350          | 1,197,744,350          | -                      |
| <b>Total taxes</b>                              |  | <b>361,309,227,618</b>          | <b>360,650,029,694</b> | <b>(510,433,118)</b>   | <b>5,759,800,718</b>   | <b>10,615,395,922</b> | <b>365,899,396,692</b> | <b>371,265,425,617</b> | <b>(5,366,028,322)</b> |
| <b>Terminal Benefits Payments</b>               |  | <b>40,845,579,198</b>           | <b>39,236,665,729</b>  | <b>1,608,913,469</b>   | <b>117,292,664</b>     | <b>1,575,260,005</b>  | <b>40,962,871,862</b>  | <b>40,811,925,734</b>  | <b>150,946,128</b>     |
| 24  | National Social Security Fund (NSSF) contribution                    | 35,199,886,622                  | 33,603,839,283         | 1,596,047,339          | 98,600,813             | 1,543,702,024         | 35,298,487,436         | 35,147,541,307         | 150,946,129            |
| 25  | Parastatal Pension Fund (PPF) contribution                           | 5,645,692,575                   | 5,632,826,446          | 12,866,130             | 18,691,851             | 31,557,981            | 5,664,384,426          | 5,664,384,427          | (1)                    |
| <b>Grand total payments 2010/2011</b>           |  | <b>402,154,806,816</b>          | <b>399,886,695,423</b> | <b>1,098,480,351</b>   | <b>5,877,093,383</b>   | <b>12,190,655,927</b> | <b>406,862,268,554</b> | <b>412,077,351,350</b> | <b>(5,215,082,194)</b> |

We set out in the table below the aggregate amounts of the various types of taxes and fees reported by the Government agencies and the taxpayers after taking into account all the adjustments for all the taxes paid and received in US\$.

| By tax category, US\$                           |   |                                  |                   |                     |                  |                     |                    |                   |                    |
|---|---|----------------------------------|-------------------|---------------------|------------------|---------------------|--------------------|-------------------|--------------------|
| No.   | Tax   | Templates originally lodged-US\$ |                   |                     | Adjustments-US\$ |                     | Final amounts-US\$ |                   |                    |
|   |   | Govt                             | Taxpayer          | Difference          | Govt             | Taxpayer            | Govt               | Taxpayer          | Difference         |
| <b>Payments to TRA</b>                          |   | <b>38,000</b>                    | <b>12,413,318</b> | <b>(12,375,318)</b> | <b>-</b>         | <b>(12,375,318)</b> | <b>38,000</b>      | <b>38,000</b>     | <b>(0)</b>         |
| 1   | Corporation Tax   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 2   | Alternative Minimum Tax   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 3   | Withholding taxes   | -                                | 12,368,915        | (12,368,915)        | -                | (12,368,915)        | -                  | (0)               | 0                  |
| 4   | Capital Gains Tax   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 5   | Pay As You Earn (PAYE)  | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 6   | Skills and Development Levy (SDL)   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 7   | Value Added Tax paid to Large Tax payers department/Domestic Revenue Department | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 8   | Stamp Duty  | 38,000                           | 44,403            | (6,403)             | -                | (6,403)             | 38,000             | 38,000            | (0)                |
| 9   | Fuel Levy   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 10  | Import duty   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 11  | Excise duty   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 12  | Value Added Tax on Imports paid to  | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| <b>Paid to Local and regulatory Authorities</b> |   | <b>400,000</b>                   | <b>600,000</b>    | <b>(200,000)</b>    | <b>-</b>         | <b>(200,000)</b>    | <b>400,000</b>     | <b>400,000</b>    | <b>-</b>           |
| 13  | Paid to Local and regulatory Authorities  | 400,000                          | 600,000           | (200,000)           | -                | (200,000)           | 400,000            | 400,000           | -                  |
| <b>Payments to the MEM</b>                      |   | <b>54,976,907</b>                | <b>57,189,493</b> | <b>(2,212,586)</b>  | <b>(5,310)</b>   | <b>1,631,678</b>    | <b>54,971,597</b>  | <b>58,821,171</b> | <b>(3,849,574)</b> |
| 14  | Royalties   | 51,761,339                       | 53,461,934        | (1,700,595)         | (5,310)          | 1,633,649           | 51,756,029         | 55,095,583        | (3,339,554)        |
| 15  | Annual rents and license fees   | 1,288,474                        | 1,800,464         | (511,991)           | -                | (1,971)             | 1,288,474          | 1,798,493         | (510,020)          |
| 16  | Profit per production sharing agreements  | 1,927,094                        | 1,927,094         | (0)                 | -                | -                   | 1,927,094          | 1,927,094         | (0)                |
| 17  | Protected gas/additional gas revenues   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| <b>Payments to TPDC</b>                         |   | <b>4,388,897</b>                 | <b>4,443,997</b>  | <b>(55,100)</b>     | <b>150,000</b>   | <b>82,046</b>       | <b>4,538,897</b>   | <b>4,526,043</b>  | <b>12,854</b>      |
| 18  | Protected Gas Revenue   | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 19  | Additional Gas Revenue  | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 20  | Profit per Production Sharing Agreement   | 3,292,242                        | 3,292,242         | -                   | -                | -                   | 3,292,242          | 3,292,242         | -                  |
| 21  | VAT on Gas Revenue  | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 22  | Annual rents and license fees   | 1,096,655                        | 1,151,755         | (55,100)            | 150,000          | 82,046              | 1,246,655          | 1,233,801         | 12,854             |
| <b>Payments to the Ministry of Finance</b>      |   | <b>-</b>                         | <b>-</b>          | <b>-</b>            | <b>-</b>         | <b>-</b>            | <b>-</b>           | <b>-</b>          | <b>-</b>           |
| 23  | Dividends on Government shares  | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| <b>Total taxes</b>                              |   | <b>59,803,804</b>                | <b>74,646,808</b> | <b>(14,843,004)</b> | <b>144,690</b>   | <b>(10,861,594)</b> | <b>59,948,494</b>  | <b>63,785,214</b> | <b>(3,836,720)</b> |
| <b>Terminal Benefits Payments</b>               |   | <b>-</b>                         | <b>-</b>          | <b>-</b>            | <b>-</b>         | <b>-</b>            | <b>-</b>           | <b>-</b>          | <b>-</b>           |
| 24  | National Social Security Fund (NSSF) contribution                               | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| 25  | Parastatal Pension Fund (PPF) contribution                                      | -                                | -                 | -                   | -                | -                   | -                  | -                 | -                  |
| <b>Grand total payments 2010/2011</b>           |   | <b>59,803,804</b>                | <b>74,646,808</b> | <b>(14,843,004)</b> | <b>144,690</b>   | <b>(10,861,594)</b> | <b>59,948,494</b>  | <b>63,785,214</b> | <b>(3,836,720)</b> |

## 9. RECOMMENDATIONS AND CONCLUSIONS

### 9.1. Status of implementation of the 2<sup>nd</sup> report recommendations

We these had been implemented and few remaining are being implemented. Below is a summary of the status of implementation.

| Prior year ref | Summary recommendation prior year  | Status of implementation this year |
|----------------|--|------------------------------------|
| 1              | An EITI law should be considered as soon as possible.  | In progress                        |
| 2              | The secretariat should consider changing the reconciliation period to the calendar year (31 December) to match most taxpayers and also perform the reconciliation annually.  | In progress                        |
| 3              | In the future, TRA should provide copies of evidence of payment receipts in form of bank statements.<br><br>The CAG should ensure that for all the receipts reported by all government agencies a copy of the bank statements supporting the receipts is available and attached to the report without exception.   | Implemented                        |
| 4              | We have been told that the MEM does own a good computerised information system which is not being operated at the moment. We recommend that this system should be operational and also interlinked across all zone offices to enable data consolidation as soon as possible.   | In progress                        |
| 5              | We recommend that all covered stakeholders (government and taxpayers) in the future should be invited by a press release which we believe will be more effective than just invitation letters  | Implemented.                       |
| 6              | The MSG should organise a special training and sensitisation workshop for selected CAG personnel as well as the personnel of external auditors for the covered companies to train them as regards the EITI and TEITI. The selected personnel should be the ones who will be responsible for the certification of the government and company reporting templates in the future TEITI reconciliations. | Implemented                        |



## 9.2. 3<sup>rd</sup> report recommendations

- **Government Agencies Cooperation:** For effective reconciliation going forward, it is strongly recommended that all government agencies participating in the reconciliation exercise provide maximum cooperation and assistance. For the third reconciliation for example, the TRA customs was the last to report on June 21, 2012 three weeks after the deadline for reporting had past. Even this late reporting happened after persistence and pushing of the customs department management by the TEITI secretariat. To make matters bad, the customs department did not send a representative for the training workshop help despite receiving invitations through letters and the public releases. Given that TRA is the biggest revenue collecting urgency in Tanzania, it's paramount that it's cooperates fully with EITI reporting requirements for the initiative to succeed.
- **Information system at the MEM and constant delays:** Further, despite the Ministry of Energy and Minerals collecting all mineral royalties and rents and license fees from mining companies in Tanzania, they found it difficult to provide us complete receipts information on time and this effectively delayed our reconciliation work. Even when the companies provided a list of payments made for royalty and receipt numbers per transaction, the ministry struggled to confirm these payments to eliminate the differences. We believe this is because the Ministry still runs a manual system of accounting for royalties. Unlike TRA that can run a print of receipts by tax payer and by TIN in a second from the system, we are not aware that this is possible at MEM as evidenced by the problems we have always encountered in the last three reconciliations for TEITI.. We strongly recommend that a similar information and accounting system operated by TRA or even NSSF and PPF should be utilized at the Ministry of Energy and Minerals to enhance information completeness and accuracy as well as getting and reconciling information quickly. This will improve the quality of information for the TEITI reports and ease the reconciliation of mineral royalties. As an alternative measure, the royalties could be collected by TRA since TRA has a more functional computerized information system.
- **Cooperation from companies:** Though companies all complied with the reporting requirements, for some companies a second reminder through an official letter from the Permanent Secretary had to be made for them to comply. We quote an example for Mbeya Cement Company Limited (which is partly owned by the government of Tanzania). This entity has struggled to comply with reporting requirements and reminders have had to be made and several letters exchanged before they send the information ( both for the second and third report). They also did not attend the training workshop we held for stakeholders. Even when they send the information, it's still incomplete information and other letters have to be written for them to send the rest of the information and this delays the process. Being a government entity (partly) we would expect that they would be promoting the government efforts of transparency. We recommend that the MSG writes to the Management of this company expressing concern on this issue so that delays from them do not recur in future reconciliations.
- **Wider dissemination of EITI reports.** We recommend that the EITI reports should be widely disseminated to the whole of Tanzania by the MSG through various methods like workshops etc.

### 9.3. Conclusions

The objective of the assignment was to prepare the third reconciliation report of material payments made by the extractive industry in for the period July 1, 2010 to June 30, 2011. From the work done, it was found that there were discrepancies between the information provided by the companies and that provided by government agencies. We were able to reconcile significant amounts of differences during our reconciliation work. At the end of the reconciliation however, a net difference of TzS 11 billion (negative) remained unresolved. This difference represents 2.21% of total government reported receipts for the year ended June 30, 2011. We have used all efforts necessary to try and resolve this difference.

In summary:

- The overall net difference in the final reported data represents 2.21% (TzS 11 billion) of the total Government receipts reported. This difference is in favour of companies meaning that they reported to have paid more than the government reported to have received. The net difference is a summation of a gross positive difference (government reporting more than companies) of TzS 6.3 Billion and a gross negative difference (government reporting less than the companies) of TzS 17.3 billion.
- The gross positive difference (meaning that the government agencies reported to have received more receipts than the companies reported to have paid) was TzS 6.3 billion out of which TzS 0.9 billion related to one company that did not respond to the request to submit a reporting template. This company is no longer operating in Tanzania but the government receipts were confirmed by the government agencies as well as certified by CAG.
- The gross negative difference (meaning that the government agencies reported to have received less receipts than the companies reported to have paid) was TzS 17.3 billion out of which TzS 11.4 billion relates to differences in customs dues paid to TRA customs and the remaining TzS 5.8 Billion is mainly differences arising out of payments for royalties paid to MEM.
- The above differences remained unreconciled at the date of this report. The MSG has advised us that they will engage a consultant to continue to investigate these differences further in order to reach a satisfactory conclusion. The findings of the post reconciliation investigation will be published as an addendum to this second report.

Finally, we have made some recommendations in section 8.2 to help enhance future reconciliation assignments.

Sincerely



Juvinal Betambira  
Reconciliation Team Leader  
BDO East Africa, Tanzania

27<sup>th</sup> June 2013

## 10. ANNEXES

## Annex 1: Terms of Reference

### BACKGROUND

On 16 February, 2009 Tanzania joined the Extractive Industries Transparency Initiative (EITI) as a Candidate Country. The decision to join the initiative was a result of recommendations of the Mineral Sector Review Study of 2007. Tanzania joined EITI to increase transparency in the extractive sector and improve public perception and trust.

H.E President Jakaya M. Kikwete reaffirmed Tanzania's commitment to the EITI at the 5<sup>th</sup> EITI Global Conference held in Paris in March 2011, noting that the initiative is aligned with country's policy of promoting transparency and accountability in the management and use of natural resources.

Tanzania's EITI Chapter is steered by a sixteen-member Multi-Stakeholder Group (TEITI-MSG) which is composed of five representatives from each of the following three groups: civil society organizations, extractive companies, and the Government. The Multi-stakeholder Group is led by Mr. Mark Bomani (retired Judge) who serves as an independent member. The Multi-stakeholder Group is supported by a Secretariat (TEITI) established within the Ministry of Energy and Minerals.

Tanzania has made significant progress towards EITI implementation. Tanzania published its first EITI reconciliation report in February 2011. The report covered payments made and revenues received from July 1, 2008 to June 30, 2009. The report covered payments from nine mining companies and three gas companies. The Government reported receiving a total of US\$ 99,457,000 while the extractive companies reported to have paid a total of US\$ 135,504,000, resulting in a discrepancy of US\$ 36,047,000. In January 2012, the Office of the Controller and Auditor General issued a report that reduced the discrepancy to US\$ 326,805.07 on mineral royalties, TZS1.3 billion on PAYE (tax on employees salaries), TZS 0.5 on NSSF (social contributions), and TZS 0.3 billion on Skill Development Levy (SDL).

TEITI-MSG launched its Second Reconciliation report on May 31<sup>st</sup>, 2012. The report covered the period from July 1<sup>st</sup>, 2009 to June 30<sup>th</sup>, 2010. A total of Tsh. 419 billion (\$305 million) is reported to have been paid to the Government and its agencies by 23 companies that have reported payments. This is up almost three times from the First Reconciliation report which covered the period from July 1<sup>st</sup>, 2008 to June 30<sup>th</sup>, 2009 in which only 11 companies had reported their payments.

Mining production accounts for 80% of the revenue while Oil and Gas account for the remaining 20%. Contributions by commodities are 64% from gold; 20% from Gas; 14% from Limestone; 1% from Tanzanite and 1% from Diamonds. The increase in revenue is partly due to an increase in the number of companies included in the second report, and partly due to familiarity with the reporting procedure.

In January 2011, Tanzania carried out an independent assessment of EITI implementation against the principles and criteria of the EITI. On May 15, 2011, the final TEITI validation report was submitted to the International Board.

In August 2011, the EITI Board ruled that Tanzania made meaningful progress to EITI implementation. Accordingly, the Board recommended Tanzania to carry out corrective measures to address five EITI implementation requirements (9, 11, 13, 14, and 15) that Tanzania failed to meet. The Board further extended Tanzania's candidacy status to February 15, 2013.

The EITI Rules require EITI reconciliation report to be published regularly and on annual basis. In view of this requirement TEITI-Secretariat wishes to engage a qualified and experienced consulting firm (the "Consultant") to carry out scoping study and reconciliation of payments made by mining, oil, and gas companies against revenues received by the Government in the period of 1 July 2010 – 30 June 2011 (Tanzania's Third Reconciliation Report). The reconciliation must be conducted in accordance with the EITI Rules. The Consultant is required to familiarize himself/herself with the recommendations contained in Tanzania's first and second reconciliation reports as well as in the Controller and Auditor General's report on resolving the discrepancies in the first and second reconciliation reports.

## **2.0 SCOPE OF SERVICES**

The assignment that the Consultant will undertake constitutes the following components which are crucial to undertaking successful reconciliation:

### **A: SCOPING STUDY**

Survey all extractive (oil, gas and mining) and licensed mineral trading companies operating in Tanzania and provide an overview of companies, sectoral focus, nature of operation (upstream/downstream) and a categorization on the basis of the type of operation (exploration or production) and scale of operation (e.g. US \$ 500,000 – US \$ 1,000,000 turnover /year);  
Identify the types of payments and income streams existing in the extractive sector in Tanzania;

Identify the existence of in-kind payments, infrastructure provisions and other barter arrangements, and social payments and donations in Tanzania's extractive sector. If they exist, recommend how to handle in the Reconciliation Report in accordance with the *New EITI Rules of 2011*;

Identify the companies that trade and export minerals extracted by artisanal and small scale mining operations;

Provide a map outlining the payment flows within the extractive industry in Tanzania, including payments and transfers to/from local and district levels of government;

Recommend the materiality threshold that shall be used to determine the extractive companies that shall be covered in the reconciliation report;

Establish a list of all Government Agencies receiving payments from extractive industries;

Establish a list of the extractive companies and Government agencies to be included in the Reconciliation Report;

For each company, identify:

Company's Taxpayer Identification Number (TIN)

Type of Company (i.e. exploration, mining, quarrying, oil, gas, trading, etc.)

Type of license(s) held and their respective license number(s);

Company's main products;

Company's location (s); and

Companies reporting for the first time.

Re-design or modify reporting templates in accordance with the results of the scoping study if necessary;

Submit a draft scoping report and draft reporting templates to TEITI-MSG for scrutiny and approval; and

Prepare a final scoping report incorporating comments and suggestions made by TEITI-MSG.

## **B: TRAINING FOR REPORTING GOVERNMENT AGENCIES AND EXTRACTIVE COMPANIES**

Provide a training session to reporting Government agencies and extractive companies:-

Explain the purpose and objective of the reconciliation exercise and the responsibilities of the reporting entities, the TEITI-MSG, and the reconciler in the reconciliation process;

Explain to reporting entities that company or government audited financial statements must meet international auditing standards;

Develop guidelines for completing reporting templates and demonstrate how to properly fill in reporting templates, including providing clarifications on the use of cash based (not accrual based) payments;

Discuss and agree with reporting entities the type of evidence required for each payment stream; and

Explain the timeline and deadline for completing reporting templates.

## **C: RECONCILIATION EXERCISE**

Review the existing reporting templates and update them in accordance with the agreed scope of coverage for the second EITI report;

Government and company reports must be based on accounts audited to international standards. Reporting government entities and companies are requested to have their reporting forms certified by their auditor before submitting them to the reconciler. In the cases where data has not been certified or audited to international standards, the reconciler must request supporting documentation (i.e. audited financial statements, receipts, banking records) to verify the truth of company and Government data;

Distribute the reporting template directly to each Government agency and to each of the extractive companies;

Collect the reporting template directly from each Government agency and from each of the extractive companies;

Obtain any additional information from the extractive companies and government agencies necessary to carry out the reconciliation, including requesting any missing data;

Discuss with TEITI-MSG how to address any specific issues that may arise which are related to meeting validation;

Analyze and reconcile all material payments by extractive companies to the Government and material receipts by the Government from extractive companies for the period of 1 July 2009 - 30 June 2010. In the case of in-kind payments, infrastructure provisions or social payments and donations, reconciliation of key transactions is not always possible. When not possible, unilateral company and/or government disclosure should be attached to the reconciliation report;

Collect and analyze production data for the period of 1 July 2010 – 30 June 2011;

Conduct spot-check audits of 2-3 companies, including reconciling payments against production figures;

Conduct a process audit of the inter-governmental processes for tax payments, collection and redistribution pertaining to payments and revenues from the extractive sector;

Conduct an assessment of the benchmark industry costs (cost by category per commodity) in Tanzania;

Produce a reconciliation report that includes the above. The reconciler shall work with both parties to explain and resolve any discrepancies between the payments and receipts. The report shall highlight the reconciled discrepancies and the unresolved discrepancies and recommend actions to be taken on the unresolved discrepancies;

The Reconciliation Report must:

- a) Review the existing reporting templates and update them in accordance with the agreed scope of coverage for the third EITI report;
- b) Consult the recommendations contained in Tanzania's first and second reconciliation reports as well as in the Controller and Auditor General's report on resolving the discrepancies in the first reconciliation report;
- c) Government and company reports must be based on accounts audited to international standards. Reporting government entities and companies are requested to have their reporting forms certified by their auditor before submitting them to the reconciler. In the cases where data has not been certified or audited to international standards, the reconciler must request supporting documentation (i.e. audited financial statements, receipts, banking records) to verify the veracity of company and government data;

d) Distribute the reporting template directly to each Government agency and to each of the extractive companies;

e) Collect the reporting template directly from each Government agency and from each of the extractive companies;

Obtain any additional information from the extractive companies and government agencies necessary to carry out the reconciliation, including requesting any missing data;

Discuss with TEITI-MSG how to address any specific issues that may arise which are related to meeting validation;

Analyze and reconcile all material payments by extractive companies to the Government and material receipts by the Government from extractive companies for the period of 1 July 2010 - 30 June 2011. In the case of in-kind payments, infrastructure provisions or social payments and donations, reconciliation of key transactions is not always possible. When not possible, unilateral company and/or government disclosure should be attached to the reconciliation report;

The Reconciliation report should:

Include an overview of TEITI and the extractive sector in Tanzania.

Include the definition of 'material payments and revenues' agreed by TEITI-MSG.

List and describe the revenue and benefit streams that are included in the report.

Include a list of all licensed or registered companies involved in the extractive sector exploration, production and licensed mineral traders, noting which companies participated in the EITI reporting process and those that did not (with an indication of the relative size whether by production or revenue/payments and reasons for non-participation).

State if any companies or government entities failed to participate in the reporting process, and assess whether this is likely to have had a material impact on the stated figures;

Describe the steps taken by the government and the MSG to ensure that company and government disclosures to the reconciler are based on audited accounts to international standards.

Describe the methodology adopted by the reconciler to identify discrepancies, and any further work to be undertaken by the reconciler, the MSG or the government to explain and, if necessary, address any discrepancies that have been identified.

Include the reconciler's comments on the quality of the data.

Explain the procedure and methodology in order to facilitate and prepare future reconciliation exercises; and

Set out recommendations for how to strengthen the exercise in future

Produce a summary of the Reconciliation Report in a clear and comprehensible manner for wider dissemination to the public; and

The Reconciler shall present the report at a national workshop to be held after the period of engagement.



## **D: EXTRACTIVE INDUSTRY ANALYSIS**

The 3<sup>rd</sup> report will include a section of industry analysis and charts or graphs with the trends from 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup>. In this analysis, the report needs to focus on the following:

1) Mining: The report will analyze how large mining productions have developed over time, and what has happened to levels of investments, confirmed reserves, levels of employment, price developments, average cost development, and sales/export revenues. In addition, the reconciler will be required to produce graphs and charts to capture trends on figures that were reported in the last two reports.

2) Gas: Similarly, the report should provide information in the same manner as in the mining component above with graph and charts.

3) Comparisons of 1st, 2nd, and 3rd Reports: The reconciler is required to conduct some analysis of the main categories of the tax payments by comparing the 3<sup>rd</sup> report with previous report 1 and 2. Use pie charts and/or graphs to make these comparisons is encouraged. Also, total tax revenue as a percentage of sales/export revenues will need to be included in this analysis, across all the three reports.

### **APPENDIX B- REPORTING REQUIREMENTS**

The Reconciler shall prepare and submit the following reports to the TEITI- Secretariat

#### **Inception report**

The Consultant shall submit an inception report and present a work plan in the first week after commencement of the assignment

##### **Scoping Report**

At the end of the fourth (4<sup>th</sup>) week after contract signing, the Consultant shall submit to the Client through TEITI Coordinator a draft Scoping Report and reporting templates in three (3) hard copies and one electronic (MS Words) copy. The Client will review the draft Report and reporting templates and submit comments in two days for consultant to compile and submit final report and reporting templates at the end of fifth (5<sup>th</sup>) week after contract signing.

#### **Stakeholders Training Report**

On the fourth (4<sup>th</sup>) week after commencement of the assignment, the Consultant shall provide a specialized training on the assignment to at least thirty (30) nominated representatives of the Government entities and Extractive Companies covering the trainer's assessment of the scope of training and recommendations. The developed training materials and guidelines for completion of the reporting templates shall be presented during the training session. The Client shall coordinate the training, nominate the candidates and bear the cost of the workshop.

##### **Draft Final Reconciliation Report**

The draft Reconciliation Report shall be prepared on the twelfth (12<sup>th</sup>) week after commencement of the assignment and submitted to the client in three (3) hard copies and one electronic (MS Words) copy. It will address all key tasks towards the end of assignment representing key aspects as given in the Terms of Reference with recommendations for future

course of action that ensure successful implementation of the Action Plans resulting from the assignment. This draft report will be the basis of seeking guidance from the Client and other stakeholders. The comments from Client shall be incorporated into the Final Draft Report within four (4) days upon receipt of such comments.

### **Reconciliation Workshop Report**

The reconciliation workshop shall be conducted in Dar-Es-salaam, at the beginning of the twelfth week (12<sup>th</sup>) week after commencement of the assignment, in which the draft final Reconciliation Report will be discussed and validated by stakeholders. It is anticipated that the workshop resolutions and key contributions of the stakeholders will be reflected in the Final Reconciliation Report. The Client shall coordinate the workshop, nominate the candidates and bear the cost of the session.

The Consultant shall prepare essential inputs and organize a schedule of the workshop and training programs and thereafter submit relevant reports in three (3) hard copies and one electronic (MS Words) copy. The Client shall closely coordinate with the Consultant and hold the responsibility of paying the costs and overall management of the workshop.

### **Final Reconciliation Report**

The Final Reconciliation Report will be prepared and submitted to the Client in three (3) hard copies and one electronic (MS Words and Puff as well as files containing raw data and charts) copies; at the end of the fifteenth week (15<sup>th</sup>) week and specifically one (1) day before the end of the contract by indicating the achievement made during the execution of the assignment and recommendations to TEITI MSG Secretariat.

**Annex 2: Companies involved in mining, oil and gas sectors in Tanzania**

For taxpayer’s numbers 1 to 30 below, the amounts reported are from the reporting templates for all taxpayers selected to be included in the second reconciliation and for all taxpayers from number 31 to 441 the amounts are from the scoping study report for the year ended June 30, 201

| No | TIN       | Tax Payer Name                | Total payments to Govt (TZS) |
|----|-----------|-------------------------------|------------------------------|
| 1  | 100222930 | GEITA GOLD MINING LIMITED     | 53,091,607,598               |
| 2  | 100206188 | BULYANHULU GOLD MINE LIMITED  | 71,189,049,608               |
| 3  | 100145839 | TANZANIA PORTLAND CEMENT      | 53,242,003,359               |
| 4  | 100206013 | RESOLUTE (TANZANIA) LIMITED   | 42,781,242,888               |
| 5  | 100159937 | TANGA CEMENT                  | 43,592,504,117               |
| 6  | 100220555 | NORTH MARA GOLD MINE LIMITED  | 42,564,313,248               |
| 7  | 100227754 | PANGEA MINERALS LTD           | 40,192,201,887               |
| 8  | 100337460 | SONGAS LIMITED                | 29,877,933,759               |
| 9  | 101181316 | PAN AFRICAN ENERGY TZ LTD     | 27,026,710,580               |
| 10 | 106538484 | OPHIL TANZANIA LTD            | 19,651,426,076               |
| 11 | 100131153 | MBEYA CEMENT COMPANY LIMITED  | 13,491,533,103               |
| 12 | 105935730 | STATOIL TANZANIA AS           | 690,267,587                  |
| 13 | 107192077 | PETROBRAS TANZANIA LIMITED    | 7,461,542,117                |
| 14 | 105158750 | MANTRA TANZANIA LIMITED.      | 6,665,532,229                |
| 15 | 100209187 | ABG EXPLORATION LIMITED       | 2,155,177,464                |
| 16 | 100108682 | WILLIAMSON DIAMONDS LTD.      | 7,881,827,942                |
| 17 | 100183498 | TANZANIA PETROLEUM DEVELOP    | 18,905,646,711               |
| 18 | 100243946 | TANZANITE ONE MINING LTD      | 3,789,460,471                |
| 19 | 101849937 | SHANTA MINING COMPANY LIMITED | 2,413,689,696                |
| 20 | 110477503 | BG INTERNATIONAL LIMITED      | 906,679,931                  |
| 21 | 106819246 | ETABLLISSEMENTS MAUREL & PROM | 2,030,687,069                |

| No | TIN  | Tax Payer Name   | Total payments to Govt (TZS) |
|----|--|--|------------------------------|
| 22 | 110414447  | BEACH PETROLEUM (TANZANIA) LIMITED                           | 1,516,840,683                |
| 23 | 100235110  | TANCAN MINING COMPANY LIMITED                                | 1,213,746,698                |
| 24 | 107506438  | TULLOW TANZANIA B.V.   | 893,426,726                  |
| 25 | 102008588  | TANZANITE ONE TRADING LIMITED                                | 583,841,657                  |
| 26 | 105165439  | BAFEX TANZANIA LTD.  | 506,739,787                  |
| 27 | 100251418  | TANZANIA AMERICAN INTERNATIONAL DEVELOPMENT CORPORATION 2000 | 604,515,751                  |
| 28 | 104985858  | CANACO TANZANIA LIMITED.                                     | 1,095,747,211                |
| 29 | 103196604  | WENTWORTH GAS LTD  | 865,575,529                  |
| 30 | 103327431  | Dominion Oil & Gas Limited                                   | 365,142,017                  |
|    | <b>Tax payers included in the 3rd reconciliation</b> |  | <b>497,246,613,500</b>       |
| 31 | 108854634  | LAKE VICTORIA RESOURCES (T) LIMITED                          | 136,915,812                  |
| 32 | 104816835  | MINERAL EXTRACTIONS TECHNOLOGIES LIMITED                     | 132,030,833                  |
| 33 | 105585292  | WESTERN METALS TANZANIA LTD.                                 | 126,927,664                  |
| 34 | 108727098  | RUKWA COAL LIMITED   | 116,621,635                  |
| 35 |  | Prima Gems (T) Ltd   | 112,691,548                  |
| 36 |  | Maruti Green Gems Ltd  | 110,702,251                  |
| 37 | 101408655  | THORNTREE MINERAL LTD.                                       | 102,528,000                  |
| 38 | 105674732  | MAGAMBAZI MINES CO. LIMITED.                                 | 100,080,500                  |
| 39 | 101409570  | EL-HILLAL MINERALS LTD.                                      | 77,296,721                   |
| 40 | 101193543  | ARM (T) LTD.   | 76,652,630                   |
| 41 | 106118906  | AURUM AFRICA LIMITED   | 71,258,396                   |
| 42 | 102322398  | Z. B MINNING LTD.  | 65,782,020                   |
| 43 |  | Heritage Rukwa Tanzania Limited                              | 55,635,593                   |
| 44 | 104870368  | AARDVARK EXPLORATION LIMITED                                 | 54,573,669                   |
| 45 |  | Emrusa Gems & Mining Ltd                                     | 53,600,673                   |
| 46 |  | TanzaniteOne Trading Ltd                                     | 53,349,205                   |
| 47 | 101503607  | K & V STONE QUARRY LIMITED.                                  | 52,577,069                   |

| No | TIN       | Tax Payer Name                                      | Total payments to Govt (TZS) |
|----|-----------|---|------------------------------|
| 48 |           | Sky Gems Ltd  | 52,339,797                   |
| 49 | 101664430 | TANZANIA CHAMBER OF MINES                           | 51,175,160                   |
| 50 | 100229889 | SWALA GEM TRADERS LTD.                              | 50,769,935                   |
| 51 | 100167913 | CULTURAL HERITAGE LTD.                              | 49,160,242                   |
| 52 |           | Colour Store Ltd                                    | 47,718,104                   |
| 53 | 100196875 | RUVU GEMSTONE MINING CO. LTD.                       | 45,491,612                   |
| 54 |           | K.G.K Crafts Ltd                                    | 44,543,358                   |
| 55 | 107194169 | CURRIE ROSE RESOURCES (T) LIMITED                   | 43,986,284                   |
| 56 | 102472926 | PR NG MINERALS LIMITED                              | 43,182,888                   |
| 57 | 100171414 | GLITTER GEMS LIMITED                                | 40,181,950                   |
| 58 |           | Crown Lapidary Ltd                                  | 39,562,763                   |
| 59 | 101887782 | S.S. SAAD SERVICE STATION LTD.                      | 38,577,983                   |
| 60 | 101390543 | MASWI DRILLING CO. LTD.                             | 37,408,894                   |
| 61 | 104898629 | MZURI EXPLORATION SERVICES LIMITED                  | 36,367,833                   |
| 62 | 102177096 | AMAR STONE QUARRY LTD.                              | 35,594,266                   |
| 63 | 101175766 | FRONTIER RESOURCES LIMITED                          | 34,640,607                   |
| 64 | 101032124 | MINJINGU MINES & FERTILISER LTD.                    | 34,000,342                   |
| 65 |           | Charming Gems Ltd                                   | 33,776,749                   |
| 66 | 107847197 | FORTUNE QUARRY ( T ) COMPANY LIMITED                | 33,273,392                   |
| 67 | 100247976 | TERRO CONSTRUCTION AND TRADING COMPANY LTD.         | 30,911,735                   |
| 68 | 106993203 | CASTILLIAN RESOURCES (TANZANIA) LIMITED             | 29,032,812                   |
| 69 | 100237814 | SHIVLAL TANK & CO. LTD.                             | 28,478,652                   |
| 70 | 101814548 | PRIMA GEMS TANZANIA LIMITED                         | 27,390,792                   |
| 71 |           | Glitter Gems Ltd                                    | 25,984,651                   |
| 72 | 100170043 | CLASSIC GEMS LIMITED                                | 25,146,358                   |
| 73 | 100353644 | NDOVU RESOURCES LIMITED                             | 24,613,892                   |
| 74 | 113998695 | CARLTON MIYABI TANZANIA LIMITED                     | 23,723,132                   |
| 75 | 105397968 | HENAN AFRO-ASIA GEO-ENGINEERING (TANZANIA) CO. LTD. | 23,396,028                   |

| No  | TIN       | Tax Payer Name                                 | Total payments to Govt (TZS) |
|-----|-----------|--|------------------------------|
| 76  | 108785276 | SOLVOCHEM TANZANIA LIMITED                     | 21,828,762                   |
| 77  | 113849134 | LOGIPROC PROPRIETARY LIMITED                   | 20,671,065                   |
| 78  | 105453450 | TANSMIN RESOURCES (TANZANIA) LTD.              | 20,302,503                   |
| 79  | 100145634 | TANZANIA SAND & STONE QUARRIES LTD.            | 19,669,716                   |
| 80  | 100234807 | MOTISUN OXYGEN COMPANY LIMITED                 | 19,033,839                   |
| 81  | 107834974 | SULEMAN ALLY NKYA COMPANY LIMITED              | 17,542,840                   |
| 82  | 110911882 | MMG GOLD LIMITED                               | 16,795,986                   |
| 83  | 101760596 | CROWN LAPIDARY LIMITED                         | 16,035,880                   |
| 84  | 100244209 | PANAFRICAN MINING SERVICES (TANZANIA) LIMITED. | 15,915,566                   |
| 85  |           | Colour Clarity Ltd                             | 15,873,495                   |
| 86  | 103456932 | TZ -NITE GEMS & JEWELERY LIMITED.              | 15,822,191                   |
| 87  |           | DOMINO RAW DIAMOND                             | 15,740,406                   |
| 88  | 112176187 | WEIRMINERALS EAST AFRICA LIMITED               | 15,550,800                   |
| 89  |           | SANA GEMS LTD                                  | 15,494,397                   |
| 90  |           | Naval Gems Ltd                                 | 15,358,623                   |
| 91  | 106005508 | KASTAN MINING LIMITED                          | 14,694,971                   |
| 92  |           | Swala Gem Traders Ltd                          | 14,653,536                   |
| 93  | 106707758 | OBTALA RESOURCES (TANZANIA) LIMITED            | 13,578,964                   |
| 94  |           | M/S Dismat international (T) Ltd               | 13,521,471                   |
| 95  | 109020753 | DODOMA STONE AND QUARRY LIMITED                | 12,873,521                   |
| 96  | 101561054 | NYATI MINING (TANZANIA) LIMITED                | 12,769,793                   |
| 97  | 107116222 | RIO TINTO MINING AND EXPLORATION LIMITED       | 12,453,966                   |
| 98  | 101661121 | THE BLUE TRIPPLE A LTD.                        | 12,245,530                   |
| 99  |           | SARA DIAMOND GROUP                             | 12,244,486                   |
| 100 | 101175677 | MBOZI RESOURCES LIMITED                        | 11,953,746                   |
| 101 | 106549877 | COLOUR STORE LIMITED                           | 11,907,359                   |
| 102 |           | Jade Blue Gems Ltd                             | 11,277,093                   |
| 103 |           | Facet Gems Ltd                                 | 11,273,158                   |

| No  | TIN       | Tax Payer Name                         | Total payments to Govt (TZS) |
|-----|-----------|--|------------------------------|
| 104 |           | GFM MINING & GEN. SUP.                 | 11,117,022                   |
| 105 |           | Britons International Gems Ltd         | 11,087,792                   |
| 106 | 106500193 | AFRICAN GALLERIA LIMITED               | 10,954,476                   |
| 107 | 101847845 | MANGA GEMS LTD                         | 10,624,092                   |
| 108 | 106165386 | AFRICAN NICKEL ( TANZANIA ) LIMITED    | 10,525,600                   |
| 109 | 104907946 | TANSINO QUARRIES LTD.                  | 10,224,128                   |
| 110 | 100130734 | ALKARIM RHEMTULLAH MANJI               | 10,111,341                   |
| 111 | 101340449 | EMRUSA GEM & MINING LTD.               | 10,070,765                   |
| 112 | 101782360 | ABG AFRICAN LINK TRADERS LIMITED       | 10,040,820                   |
| 113 | 100198886 | KARIMU SHABANI LUSHINO                 | 10,000,000                   |
| 114 | 100760940 | IRAQW MINING TANZANIA LTD.             | 9,800,000                    |
| 115 |           | Geminex Co. Ltd                        | 9,170,991                    |
| 116 |           | CLASSIC GEMS LTD                       | 8,579,244                    |
| 117 | 111087792 | VASH AND SONS CORPORATION LIMITED===   | 8,279,000                    |
| 118 |           | Jacaranda Holdings Co. Ltd             | 8,272,091                    |
| 119 | 101284808 | MUNDARARA RUBY MINING COMPANY LIMITED. | 8,211,900                    |
| 120 | 106465762 | MARUTI GREEN GEMS LIMITED              | 6,592,399                    |
| 121 | 100170132 | HARILAL RAMJI SONI                     | 6,103,500                    |
| 122 | 102134680 | TWALIB AHMAD LUBANGULA                 | 5,640,033                    |
| 123 |           | Al-Marroof Gems Ltd                    | 5,564,339                    |
| 124 | 103950112 | KASCCO MINING LTD.                     | 5,474,953                    |
| 125 |           | Sanskrut Ltd                           | 5,468,789                    |
| 126 | 104799485 | CHARMING GEMS LIMITED                  | 5,393,000                    |
| 127 | 101671550 | GULAMABBAS EBRAHIM SHERIFF             | 5,250,000                    |
| 128 | 105227507 | ISLE OF JEWELS LIMITED                 | 5,174,343                    |
| 129 | 110544227 | SIGNATURE GEMS LIMITED                 | 5,092,500                    |
| 130 |           | EACD Trading Company Ltd               | 5,091,161                    |
| 131 |           | Manga Gems Ltd                         | 5,004,477                    |

| No  | TIN       | Tax Payer Name                        | Total payments to Govt (TZS) |
|-----|-----------|---------------------------------------|------------------------------|
| 132 | 102240723 | KAMKALA SINNNAUTIC TANZANIA LIMITED   | 4,970,610                    |
| 133 |           | Tanquest Gem & Mining Ltd             | 4,880,868                    |
| 134 | 107645837 | MASEYU QUARRIES LIMITED               | 4,761,967                    |
| 135 | 100101734 | GRAMACK (T) LTD.                      | 4,694,873                    |
| 136 |           | EACD TRADING CO.LTD                   | 4,591,161                    |
| 137 | 115158651 | GUIFENG TANZANIA MINING LIMITED       | 4,563,000                    |
| 138 |           | SHY GEMS LTD                          | 4,401,665                    |
| 139 | 102134621 | SHAFII MOHAMED MRAMBAS                | 4,340,000                    |
| 140 | 104043496 | KGK CRAFTS LIMITED                    | 4,304,000                    |
| 141 | 103025133 | GEMINEX COMPANY LTD                   | 4,129,209                    |
| 142 |           | Signature Gems Ltd                    | 4,111,087                    |
| 143 | 102134702 | DANIEL MIHAMBO CHIMILE                | 4,107,000                    |
| 144 | 103900344 | TUKWALE ENTERPRISE LIMITED            | 3,954,380                    |
| 145 | 105137486 | M/S NYANGWALE DIAMONDS LIMITED        | 3,913,134                    |
| 146 |           | Buhesi Mines Company Ltd              | 3,898,687                    |
| 147 | 111264791 | COLLECTORS CORNER LIMITED             | 3,822,668                    |
| 148 | 106101388 | TANZANITE CONSTRUCTION CO. LTD.       | 3,801,666                    |
| 149 | 110801416 | HAKIMADINI LIMITED                    | 3,464,931                    |
| 150 |           | Gems Marketing Services               | 3,435,966                    |
| 151 | 101182754 | INTERSTATE MINING & MINERALS (T) LTD. | 3,300,000                    |
| 152 | 109385425 | EDEN GEM LIMITED                      | 3,280,500                    |
| 153 |           | Rainbow Gems Ltd                      | 3,265,706                    |
| 154 |           | BABU REAL STONE                       | 3,128,683                    |
| 155 |           | Classic Gems Ltd                      | 2,789,616                    |
| 156 | 105386656 | M/S ITILIMA MINING COMPANY            | 2,768,665                    |
| 157 | 101670171 | MATHIAS MICHAEL MOSHA                 | 2,746,450                    |
| 158 | 112461191 | TRIPLE 7 DIAMOND COMPANY LIMITED      | 2,722,300                    |
| 159 | 106463379 | KASMAN CLASSIC JEWELLERY              | 2,629,419                    |



| No  | TIN       | Tax Payer Name                          | Total payments to Govt (TZS) |
|-----|-----------|---|------------------------------|
| 160 | 107006184 | HERITAGE OIL TANZANIA LIMITED           | 2,552,095                    |
| 161 | 107694900 | FRANONE MINING AND GEMS COMPANY LIMITED | 2,421,200                    |
| 162 | 101560503 | TANLAP COMPANY LIMITED                  | 2,179,380                    |
| 163 | 106465487 | COLOUR CLARITY LIMITED                  | 2,100,000                    |
| 164 | 101387321 | RORY MAXWELL NIGHTINGALE                | 2,096,561                    |
| 165 |           | Blue Rock Ltd                           | 2,007,551                    |
| 166 | 106812055 | FACET GEM COMPANY LIMITED               | 2,000,250                    |
| 167 | 101146499 | SHIELD RESOURCES LIMITED                | 2,000,000                    |
| 168 | 107964231 | GOLD AND DIAMONDS COMPANY LIMITED       | 1,950,000                    |
| 169 |           | Yusuph Mung & Agnes Minja               | 1,854,694                    |
| 170 | 100663651 | TAIFA FIRE PROTECTION SEERVICES LTD.    | 1,847,532                    |
| 171 | 100590999 | PAPAKING SAMBEKE MOLLEL                 | 1,778,868                    |
| 172 |           | Mshoro H. Seleman                       | 1,737,636                    |
| 173 | 105925409 | JABIR PETROLEUM LIMITED.                | 1,650,000                    |
| 174 | 109224863 | NITRO LOGISTICS LIMITED                 | 1,600,000                    |
| 175 | 100171120 | PARADISO MINERALS (TANZANIA) LTD.       | 1,598,500                    |
| 176 |           | TEMELA CO. LTD                          | 1,541,300                    |
| 177 | 110312539 | RUBY CREEK RESOURCES (TANZANIA) LIMITED | 1,528,504                    |
| 178 | 106180172 | MGK MINING SERVICES LTD.                | 1,526,413                    |
| 179 | 101574059 | GREEN HILL MINING CO. LIMITED           | 1,487,500                    |
| 180 | 100208490 | MUUNGANO ARUSHA LTD.                    | 1,476,307                    |
| 181 | 100718065 | ABM AGENCIES LTD.                       | 1,405,000                    |
| 182 | 102204840 | GEM WAY LIMITED                         | 1,364,910                    |
| 183 | 106000999 | A.M.M. GEM & MINERALS ( T ) LIMITED     | 1,325,000                    |
| 184 | 100249391 | SANSKRUT LTD.                           | 1,246,300                    |
| 185 | 105067429 | KANSENYA GOLD MINES LTD.                | 1,237,000                    |
| 186 |           | Dermexim Ltd                            | 1,219,034                    |
| 187 | 113175052 | KILAMA INVESTMENT COMPANY ( T ) LIMITED | 1,209,360                    |

| No  | TIN       | Tax Payer Name                            | Total payments to Govt (TZS) |
|-----|-----------|---|------------------------------|
| 188 | 100466023 | BRITONS INTERNATIONAL GEMS LTD.           | 1,200,000                    |
| 189 | 100743914 | SALIM JUMA MRUMA                          | 1,200,000                    |
| 190 |           | International Minerals Ltd                | 1,179,726                    |
| 191 | 106781338 | MAKUNGU INVESTMENT COMPANY LIMITED        | 1,150,000                    |
| 192 |           | A.R Gems                                  | 1,133,823                    |
| 193 | 106561621 | METRO GEMS & JEWELLERS                    | 1,133,650                    |
| 194 | 100172739 | J N MINING CO. LTD.                       | 1,125,000                    |
| 195 |           | ANNS IMPORT&EXPORT                        | 1,098,000                    |
| 196 | 110768621 | REDORE MINING CO. LIMITED                 | 1,081,800                    |
| 197 | 113366338 | MSONGO GEMSTONE CO LTD                    | 1,080,000                    |
| 198 | 106294461 | BEYOND SKY CO. LIMITED                    | 1,064,650                    |
| 199 | 111672695 | ASPAM ENERGY (T) LIMITED                  | 1,000,000                    |
| 200 | 100237180 | AL- MAROOF GEMS LTD.                      | 1,000,000                    |
| 201 | 100168235 | GEM AND ROCK VENTURES CO. LTD.            | 1,000,000                    |
| 202 | 102246470 | J & T COMPANY                             | 1,000,000                    |
| 203 | 103985072 | KIDEE MINING TANZANIA LIMITED.            | 1,000,000                    |
| 204 | 106916209 | ST. CLAIR MINES LIMITED                   | 1,000,000                    |
| 205 | 110610777 | MBEYA QUARRY ASSOCIATES LIMITED           | 950,000                      |
| 206 | 113538813 | GOOD YEAR MINERALS CORPORATION LIMITED    | 914,000                      |
| 207 |           | BAPU GEMS LTD                             | 909,863                      |
| 208 |           | John Zacharia                             | 900,000                      |
| 209 | 101399451 | SKY GEMS LTD.                             | 859,200                      |
| 210 |           | Isle Of Gems Ltd                          | 855,022                      |
| 211 |           | Linus A. Kaneno                           | 852,000                      |
| 212 | 104522203 | CHRISTAL 200 TOURS (T) LTD                | 800,000                      |
| 213 | 101138577 | FATUMA JAMES MWALE                        | 800,000                      |
| 214 | 105699735 | TANZANIA MINERAL EXPLORATION LTD          | 762,500                      |
| 215 | 109116068 | OREVER MINING DEVELOPMENT COMPANY LIMITED | 761,000                      |

| No  | TIN       | Tax Payer Name                                | Total payments to Govt (TZS) |
|-----|-----------|---|------------------------------|
| 216 | 112101942 | ENOES COMPANY LIMITED                         | 750,000                      |
| 217 | 100226359 | AFRICA ASIA PRECIOUS STONES & MINING CO. LTD. | 687,500                      |
| 218 |           | Arusha Minerals Centre Ltd                    | 679,591                      |
| 219 | 101329364 | DHAHABU EXPLORATION & MINING CO. LTD.         | 650,000                      |
| 220 | 101176827 | REXWELL MINING COMPANY LIMITED                | 637,500                      |
| 221 | 100405318 | FERDINAND DONATH TEMBA                        | 632,200                      |
| 222 | 107170030 | HERMES RESOURCES LIMITED                      | 600,000                      |
| 223 | 114424374 | MAGIC MINERALS 2000 LIMITED                   | 600,000                      |
| 224 | 102169697 | SIMON ABA FAINZILBAR                          | 600,000                      |
| 225 | 105535481 | TANQUEST GEM MINING LTD                       | 600,000                      |
| 226 | 104539920 | TOMGEMS COMPANY LIMITED.                      | 600,000                      |
| 227 | 100464071 | KELVIN PETER KATETI                           | 597,500                      |
| 228 | 107399070 | HYDROTANZ LIMITED.                            | 590,000                      |
| 229 | 106975108 | BHAVANI STONE QUARRIES LIMITED                | 572,500                      |
| 230 |           | Husnath M.Antony                              | 570,000                      |
| 231 | 101349845 | CLEMENT ALLAN KYAMBILE                        | 562,500                      |
| 232 |           | DMM Investment                                | 551,440                      |
| 233 | 106445869 | DESERT OIL TANZANIA LTD.                      | 550,000                      |
| 234 | 100866773 | KUNDA NAHUM SAWE                              | 550,000                      |
| 235 | 100744589 | RAYMOND AUGUSTINO KISHUMBUA                   | 550,000                      |
| 236 | 110810067 | ROIZIN TRADING COMPANY LIMITED                | 550,000                      |
| 237 | 107260307 | PAUL JONATHAN SHENYAGWA                       | 547,500                      |
| 238 | 100804352 | KAVEL COFFEE PLANTATION LTD.                  | 542,500                      |
| 239 | 101909107 | STEPHEN LWECHUNGULA BUGAISA                   | 537,500                      |
| 240 | 112591435 | BENKO LIMITED                                 | 514,100                      |
| 241 |           | Hawa Bakari & Company                         | 511,249                      |
| 242 | 114387975 | IPEKINAN TANZANIA LIMITED                     | 500,000                      |
| 243 | 102450604 | JORAM MEAGI LUKUMAY                           | 500,000                      |

| No  | TIN       | Tax Payer Name                        | Total payments to Govt (TZS) |
|-----|-----------|---------------------------------------|------------------------------|
| 244 | 111863989 | SAFI RESOURCES COMPANY LIMITED        | 500,000                      |
| 245 | 101549690 | SHININI MWANYA MILIA                  | 500,000                      |
| 246 |           | Magic Minerals 2000                   | 500,000                      |
| 247 |           | Abdullah Y. Hassani                   | 500,000                      |
| 248 |           | Mirengeri Gem Eximp Ltd               | 500,000                      |
| 249 |           | Max Gold Ltd                          | 500,000                      |
| 250 | 104836038 | SHYAM CHANDRAKANT JIVAN               | 491,000                      |
| 251 | 103558409 | DORCUS LUSEKELOI MWANSABA             | 480,000                      |
| 252 | 101853438 | JOMO MARK JOSEPH                      | 462,500                      |
| 253 | 100255413 | AMBASE EXPLORATION (TANZANIA) LIMITED | 460,000                      |
| 254 | 101418979 | RALLID AND COMPANY LIMITED            | 460,000                      |
| 255 | 110822170 | TPM MINING AND ENERGY CO.LIMITED      | 460,000                      |
| 256 |           | Jumanne Makondo                       | 438,000                      |
| 257 | 101660818 | IDDI SELEMAN LEKEY                    | 437,500                      |
| 258 | 106797234 | ZOISITE EXPLORATION & MINING LIMITED  | 437,500                      |
| 259 | 100531925 | GRAMARK (T) LTD.                      | 420,000                      |
| 260 | 106381429 | NICHOLAUS JOHN KIJUU                  | 410,000                      |
| 261 | 103393353 | GOMBE TODD MUNTHALI                   | 407,500                      |
| 262 | 106889724 | SUPPLY AND LOGISTICS TANZANIA LIMITED | 402,000                      |
| 263 | 101431517 | ALLIED GEM (T) LTD.                   | 400,000                      |
| 264 | 105250657 | DENIS DILLIP SINGH                    | 400,000                      |
| 265 | 101919153 | DIOMOND RAHIM KARMALI                 | 400,000                      |
| 266 | 107701885 | EMMANUEL WILLIAM MASSANO              | 400,000                      |
| 267 | 113509961 | HG LIMITED                            | 400,000                      |
| 268 | 105674740 | SIMON NELSON MASIKA                   | 400,000                      |
| 269 | 100168448 | TANGANYIKA PRECIOUS EXPORT CO LIMITED | 400,000                      |
| 270 | 101724174 | TRUSTAN MINING & TRADING CO. LTD.     | 400,000                      |
| 271 | 115321056 | ZOLOTO AFRIKI HOLDINGS LIMITED        | 400,000                      |

| No  | TIN       | Tax Payer Name                                    | Total payments to Govt (TZS) |
|-----|-----------|---|------------------------------|
| 272 | 101465063 | GLOBAL MINING COMPANY LTD                         | 387,500                      |
| 273 |           | Samwel Martin                                     | 384,240                      |
| 274 | 105518676 | PAULO FANUEL MBWAMBO                              | 384,224                      |
| 275 | 113782366 | CHINA GOLD RICH MINERAL RESOURCES COMPANY LIMITED | 382,500                      |
| 276 | 108890290 | ABEL MUSA OJUNG'A                                 | 375,000                      |
| 277 | 100760231 | BLUE MINERALS OF (T) LIMITED                      | 375,000                      |
| 278 | 112284354 | SARA DIAMOND GROUP LIMITED                        | 375,000                      |
| 279 | 112629572 | SAMNA (T) INVESTMENT LIMITED                      | 373,000                      |
| 280 | 107296107 | TANZANIA GEOLOGICAL SURVEY (GST)                  | 364,076                      |
| 281 | 102532341 | ANILKUMAR SHASHIKANT PATEL                        | 360,700                      |
| 282 | 102554078 | KHALED KHALFAN ALLY                               | 350,000                      |
| 283 | 102167392 | PATRICIA KILAWE FAINZILBER                        | 350,000                      |
| 284 | 110160453 | EACD TRADING CO. LIMITED.                         | 348,000                      |
| 285 | 102531965 | DEVENDRA BABUBHAI PATEL                           | 340,576                      |
| 286 | 107101861 | AMBONI QUERRIES                                   | 338,600                      |
| 287 | 101305406 | MOHAMED ALI FAKIH                                 | 337,500                      |
| 288 | 101169200 | RUVUMA NORTH EXPLORATION COMPANY                  | 333,750                      |
| 289 | 104236081 | BCI QUARRIES LTD                                  | 325,000                      |
| 290 | 102772792 | HALFAN MUHINA MBWAMBO                             | 325,000                      |
| 291 | 101546454 | PERFECT ANTONY SHAYO                              | 312,500                      |
| 292 | 104908098 | ABDALLAH MBAROUK NDORO                            | 300,000                      |
| 293 | 111836760 | ABRAHAMS BUILDERS COMPANY LIMITED                 | 300,000                      |
| 294 | 103661242 | AMINIEL ANDREW SIKAWA                             | 300,000                      |
| 295 | 114811246 | AURORA RESEARCH AND DEVELOPMENT COMPANY           | 300,000                      |
| 296 | 100321610 | COSTER SALEHE KASEBWA                             | 300,000                      |
| 297 | 113665149 | DEV'S IMPORT AND EXPORT LIMITED                   | 300,000                      |
| 298 | 113418982 | DOUGLASS (E.A) MINING COMPANY LIMITED             | 300,000                      |
| 299 | 103910528 | ELISAA JOEL MBISE                                 | 300,000                      |

| No  | TIN       | Tax Payer Name                     | Total payments to Govt (TZS) |
|-----|-----------|------------------------------------|------------------------------|
| 300 | 106489548 | MINING ZONE TRADING CO. LIMITED    | 300,000                      |
| 301 | 104801714 | PRIMY REMMY KYARA                  | 300,000                      |
| 302 | 109768316 | URU DIAMOND LIMITED                | 300,000                      |
| 303 |           | Tom Gems Company Ltd               | 296,960                      |
| 304 | 102337468 | JOHN MKENGA KABWE                  | 287,500                      |
| 305 |           | B&B Gems                           | 284,832                      |
| 306 | 110962177 | NAILA'S GEMS AND JEWELLERY LIMITED | 280,000                      |
| 307 | 105500920 | MONTERO TANZANIA LIMITED           | 276,907                      |
| 308 | 100894297 | ERASTO ELISARIA MSUYA              | 270,000                      |
| 309 | 112607528 | MOIB INVESTMENTS LIMITED           | 260,000                      |
| 310 | 100221969 | IAMGOLD TANZANIA LIMITED           | 251,110                      |
| 311 | 110192215 | AT INTERNATIONAL COMPANY LIMITED   | 251,000                      |
| 312 | 102456130 | ANATOLIA KOKWINUNURA KILAMA        | 250,000                      |
| 313 | 106396728 | ASTERIA MINERALS LTD.              | 250,000                      |
| 314 | 101790134 | CHANDRAKANT DHARAMSHI DATTANI      | 250,000                      |
| 315 | 103488842 | ELIAKIM DAUDI MOLLEL               | 250,000                      |
| 316 | 106663882 | GEOLOGICS (PROPRIETARY) LIMITED    | 250,000                      |
| 317 | 101041832 | JOSEPH JOHN SHUMA                  | 250,000                      |
| 318 | 104341675 | KAWINA HU MAITA                    | 250,000                      |
| 319 | 102532791 | KETAN RAMNIK VAGHELA               | 250,000                      |
| 320 | 100936992 | MATHIAS ERASTO MANGA               | 250,000                      |
| 321 | 101036103 | MEREMETA LIMITED                   | 250,000                      |
| 322 | 109152153 | MULTIMODAL PROJECTS AFRICA LTD     | 250,000                      |
| 323 | 101252663 | PH CONSTRUCTION CONSULTANTS        | 250,000                      |
| 324 | 101863514 | RANDGOLD RESOURCES (T) LTD.        | 250,000                      |
| 325 | 100744511 | RIVER GEMS TANZANIA LIMITED        | 250,000                      |
| 326 | 102834267 | SULEMAN DONGE HEMED                | 250,000                      |
| 327 | 106911428 | SUYO GEMS LIMITED                  | 250,000                      |

| No  | TIN       | Tax Payer Name                               | Total payments to Govt (TZS) |
|-----|-----------|--|------------------------------|
| 328 | 100243261 | TANGANYIKA DIAMOND LTD.                      | 250,000                      |
| 329 | 101024911 | FENITES LIMITED                              | 244,324                      |
| 330 | 106393222 | TSAVORITEONE MINING LIMITED                  | 237,500                      |
| 331 | 105527373 | BENJAMIN MAHIGU SENI                         | 235,000                      |
| 332 | 102133927 | HORNBILL CONSTRUCTION COMPANY LIMITED        | 234,000                      |
| 333 | 110399898 | ETG GOLD LIMITED                             | 230,000                      |
| 334 | 106864926 | HASSAN GEM & JEWELS LIMITED                  | 226,200                      |
| 335 | 104445225 | DTC (DIAMOND TRADING CO.) TANZANIA LTD       | 225,000                      |
| 336 | 102187652 | GEM CREATION (T) LTD.                        | 225,000                      |
| 337 | 110469438 | PAMOJA MINING COMPANY LIMITED                | 225,000                      |
| 338 | 107868011 | TANMIN MINING AND EXPLORE LTD                | 201,000                      |
| 339 | 105823371 | ABBAS ALI MOHAMED                            | 200,000                      |
| 340 | 100173247 | ANDREA AMINIEL SIKAWA                        | 200,000                      |
| 341 | 100956756 | BALDWIN & COMPANY LTD                        | 200,000                      |
| 342 | 104020704 | BINAY MUKESH GOKANI                          | 200,000                      |
| 343 | 100170728 | COLOUR GEM INVESTMENT LIMITED                | 200,000                      |
| 344 | 100239213 | CONSOLIDATED AFRICAN DIAMONDS (TANZANIA) LTD | 200,000                      |
| 345 | 114790451 | GEMINA GROUP TZ LIMITED                      | 200,000                      |
| 346 | 104544215 | GEOCOPA COMPANY LIMITED                      | 200,000                      |
| 347 | 105394284 | GEORGE MATAI MWAKARUKWA                      | 200,000                      |
| 348 | 101131793 | HEMED AHMED ALHARASY                         | 200,000                      |
| 349 | 102975464 | JAMBO MINING LTD.                            | 200,000                      |
| 350 | 102376749 | JUPITER LEKERU SIWA                          | 200,000                      |
| 351 | 105446209 | KILIMAKIBO GEMSTONE CO                       | 200,000                      |
| 352 | 101384756 | KIMBUSHI INVESTMENT LTD.                     | 200,000                      |
| 353 | 100131536 | KIWIRA COAL MINES CO. LTD.                   | 200,000                      |
| 354 | 105066732 | M & M GEMSTONE DEALERS LIMITED               | 200,000                      |
| 355 | 110314566 | MADAR ENTERPRISES LIMITED                    | 200,000                      |

| No  | TIN       | Tax Payer Name                                 | Total payments to Govt (TZS) |
|-----|-----------|--|------------------------------|
| 356 | 105022646 | MAHUN CONSTRUCTION AND MINING SERVICES LIMITED | 200,000                      |
| 357 | 101611949 | MAKO MINING COMPANY LIMITED                    | 200,000                      |
| 358 | 102531744 | MIHIR DEVENDRA PATEL                           | 200,000                      |
| 359 | 106414351 | MILAN MURAJA RASHID                            | 200,000                      |
| 360 | 101030113 | RAMESH KANJI SONI                              | 200,000                      |
| 361 | 101987213 | RHODOLITE MINES LIMITED                        | 200,000                      |
| 362 | 100448947 | SWALEHE IDDI OMARI                             | 200,000                      |
| 363 | 100670585 | SWALEHE SLIM ALLY                              | 200,000                      |
| 364 | 100171295 | TUCKMAN MINES & MINERALS (T) LTD.              | 200,000                      |
| 365 | 106679444 | UNION MINING LIMITED                           | 200,000                      |
| 366 | 107236341 | HANSA QUARRY LIMITED                           | 189,400                      |
| 367 | 100714728 | ANILCO GEMS LIMITED                            | 187,500                      |
| 368 | 106483981 | HASHIM ALLY SIMCHIMBEY                         | 187,500                      |
| 369 | 100246767 | JUMA HUSSEIN MNONDWA                           | 187,500                      |
| 370 | 100150395 | N SHAMSHUDDIN SHOP                             | 187,500                      |
| 371 | 100243970 | NAVAL GEMS LTD.                                | 187,500                      |
| 372 | 101661717 | ROBERT MAIKO NAIBALA                           | 187,500                      |
| 373 | 100153009 | SKYLINE ENTERPRISES LTD                        | 187,500                      |
| 374 | 101273083 | VINAY YASHWANT KHIMJI                          | 187,500                      |
| 375 | 106513066 | NASRA MBARUKU RASHID                           | 180,000                      |
| 376 | 111169128 | KASTAN INDUSTRIES LIMITED                      | 172,800                      |
| 377 | 101796841 | PAVI INVESTMENT                                | 171,040                      |
| 378 | 100804336 | SINU FARM LTD.                                 | 170,000                      |
| 379 | 101239845 | EVANS ISIDORY TEMU                             | 162,712                      |
| 380 | 101586960 | ELIEZERI WAILLIAM MBOWE                        | 162,500                      |
| 381 | 113791608 | MONTERO WIGU HILL (TANZANIA) LIMITED           | 162,247                      |
| 382 | 110909403 | GEMFINDER TANZANIA LIMITED                     | 160,000                      |
| 383 | 101962784 | KIMMSE INVESTMENT LIMITED                      | 160,000                      |



| No  | TIN       | Tax Payer Name                           | Total payments to Govt (TZS) |
|-----|-----------|--|------------------------------|
| 384 | 100878844 | ABDULAZIZ FEREJI MOHAMED                 | 150,000                      |
| 385 | 100269155 | AE SOUTHERN RESOURCES LTD.               | 150,000                      |
| 386 | 100191695 | ARUSHA MINERALS CENTRE LTD.              | 150,000                      |
| 387 | 101635295 | AYUB ABOOBEKER MAKNOJIYA                 | 150,000                      |
| 388 | 101038777 | BINECON (T) LTD                          | 150,000                      |
| 389 | 110151438 | BYABATO LEONARD KILAMA                   | 150,000                      |
| 390 | 113688289 | EVARIST FRANCIS MTENDE                   | 150,000                      |
| 391 | 114498688 | FREMPET INTERNATIONAL LIMITED            | 150,000                      |
| 392 | 104470467 | HENRY JOSEPH KIRARI                      | 150,000                      |
| 393 | 100539896 | INDUSTRIAL MINERALS MINING CO. LTD.      | 150,000                      |
| 394 | 105621183 | JAMES GEORGE MTANDA                      | 150,000                      |
| 395 | 100191768 | JIT GEMS LTD.                            | 150,000                      |
| 396 | 101431134 | JOHN MARTIN MAKUZA                       | 150,000                      |
| 397 | 100453371 | JUSTIN NDEMANISHO MPHURU                 | 150,000                      |
| 398 | 101780988 | KASEMA BUILDING CONTRACTORS COMPANY LTD. | 150,000                      |
| 399 | 103078466 | LEILLA GORONGA JUMBE                     | 150,000                      |
| 400 | 106679487 | MALIK ABDALLAH MOHSEIN                   | 150,000                      |
| 401 | 101082563 | MICHAEL MEKASI SUMARI                    | 150,000                      |
| 402 | 101417190 | MOSES YONAZA MSEMO                       | 150,000                      |
| 403 | 100245914 | MURTAZA ESMAIL JANOOWALLA                | 150,000                      |
| 404 | 101501922 | MUSLIM NURDIN KISMAYUWALLA               | 150,000                      |
| 405 | 104712665 | OMBAEL SHISAE LEMA                       | 150,000                      |
| 406 | 104893945 | RAKESH KUMAR GOKHROO                     | 150,000                      |
| 407 | 103401143 | STELLA KAALI SHAYO                       | 150,000                      |
| 408 | 105203608 | STEPHANO SEMU MBISE                      | 150,000                      |
| 409 | 105264135 | TAKE LIMITED                             | 150,000                      |
| 410 | 103411262 | TANZ PETROLEUM (T) LTD.                  | 150,000                      |
| 411 | 105897383 | TEJAL SUDHIR SHAH                        | 150,000                      |

| No  | TIN       | Tax Payer Name                                    | Total payments to Govt (TZS) |
|-----|-----------|---|------------------------------|
| 412 | 111866740 | WOCHAR MINING GROUP LIMITED                       | 150,000                      |
| 413 | 105294840 | LITHOS AFRICA (ZANZIBAR) LTD                      | 148,000                      |
| 414 | 109071315 | B & B GEMS  | 145,500                      |
| 415 | 113640952 | MOHANLAL GOVIND PATEL                             | 145,500                      |
| 416 | 111608903 | KAMAR GLOBAL BUSINESS LIMITED                     | 140,000                      |
| 417 | 103528593 | NDEENENGO SENGUO CO. LTD.                         | 136,100                      |
| 418 | 107440747 | MWASHE BUILDING & CIVIL ENGINEERING CONTRACTORS   | 129,040                      |
| 419 | 105796722 | ARAFAT JUMA SHAHBHAI                              | 127,800                      |
| 420 | 102297393 | STANLEY GABRIEL MSELE                             | 125,000                      |
| 421 | 105130503 | KATHERINA FREEMAN KITANGE                         | 112,500                      |
| 422 | 111903816 | RWANDATANZA LIMITED                               | 112,500                      |
| 423 |           | Seab Gems Ltd                                     | 111,653                      |
| 424 | 100639505 | GEM CENTRE LIMITED                                | 105,000                      |
| 425 | 101175561 | SAVANNAH MINING LIMITED                           | 102,000                      |
| 426 | 114035114 | BALEWA GYPSUM MINING LIMITED                      | 100,000                      |
| 427 | 101517705 | DOVER MINING LIMITED                              | 100,000                      |
| 428 | 105084218 | KILIMANJARO ROCKS MINER                           | 100,000                      |
| 429 | 113588942 | VADA GEMS TRADERS COMPANY LIMITED                 | 100,000                      |
| 430 | 113311797 | MJ EXPLORERS TANZANIA LIMITED                     | 84,000                       |
| 431 | 112980989 | FUJI SAWA GOLD LIMITED.                           | 79,200                       |
| 432 | 105161522 | JUDY GOLD MINES CO. LTD.                          | 70,000                       |
| 433 | 111629137 | SONGSHAN GEOLOGY MINERALS ( T ) CO.LIMITED        | 40,800                       |
| 434 |           | Gem & Rock Ventures Co Ltd                        | 39,384                       |
| 435 | 112267638 | AMITY MINING COMPANY LIMITED                      | 30,000                       |
| 436 | 112027963 | CLASSIC MINING COMPANY LIMITED                    | 30,000                       |
| 437 | 112027874 | EVERSHINE MINING LIMITED                          | 30,000                       |
| 438 | 109061077 | A3 MINERAL PROCESSING AND EXPORTS COMPANY LIMITED | 26,500                       |
| 439 |           | Sajuruma Gemstone Ltd                             | 19,681                       |

| No  | TIN                         | Tax Payer Name                                     | Total payments to Govt (TZS)  |
|-----|-----------------------------|--|-------------------------------|
| 440 | 110744196                   | HALELUYA GEMSTONE DEALERS & MINING COMPANY LIMITED | 18,000                        |
| 441 | 111866740                   | WOCHAR MINING GROUP LIMITED                        | 1,000                         |
|     | Not included                |  | <b>3,425,749,125</b>          |
|     | <b>Grand total receipts</b> |  | <b><u>500,672,362,625</u></b> |

**Annex 3: Donations and CSR payments as reported by the companies**

| No. | Company                                    | Reported amount of donations and expenditure on Corporate Social Responsibility-USD | Reported amount of donations and expenditure on Corporate Social Responsibility-TzS | Comments                           |
|-----|--|---|---|------------------------------------|
| 1   | Baffex Tanzania Limited                    | -   |   |                                    |
| 2   | Barrick Exploration Africa Limited         | -   |   |                                    |
| 3   | Beach Petroleum Tanzania Limited           | 5,500   | 127,400,000   | Donation of mosquito nets          |
| 4   | BG International Limited                   | -   |   |                                    |
| 5   | Bulyanhulu Gold Mine Limited               | 1,577,104   | -   |                                    |
| 6   | Canaco Tanzania Limited                    | -   | 105,336,000   | Construction for primary schools   |
| 7   | Dominion Oil & Gas Limited                 | -   |   |                                    |
| 8   | Etablissement Maurel et Prom               | -   |   |                                    |
| 9   | Geita Gold Mining Limited                  |   |   |                                    |
| 10  | Mantra Tanzania Limited                    | 30,000  | 3,000,000   | Various                            |
| 11  | Mbeya Cement Company Limited               |   |   |                                    |
| 12  | North Mara Gold Mine Limited               | 1,464,335   |   |                                    |
| 13  | Ophir Tanzania (Block 1) Limited           |   |   |                                    |
| 14  | Pan African Energy Tanzania Limited        | -   | 51,077,040  | Construction for primary schools   |
| 15  | Pangea Minerals Limited                    | 1,073,139   |   |                                    |
| 16  | Petrobras Tanzania Limited                 |   |   |                                    |
| 17  | Resolute (Tanzania) Limited                |   |   |                                    |
| 18  | Shanta Mining Company Limited              |   | 11,218,330  | Various                            |
| 19  | Songas Limited                             | 118,906   | 184,818,250   | Education, health and conservation |
| 20  | Statoil Tanzania AS                        |   |   |                                    |
| 21  | TADC 2000 (Tanzam 2000)                    |   |   |                                    |
| 22  | Tancan Mining Company Limited              |   |   |                                    |
| 23  | Tanga Cement Company Limited               |   |   |                                    |
| 24  | Tanzania Petroleum Development Corporation |   |   |                                    |
| 25  | Tanzania Portland Cement Co. Ltd           |   |   |                                    |
| 26  | Tanzaniteone Mining Limited                |   | 27,672,000  | Education and orphanage            |
| 27  | Tanzaniteone Trading Limited               | 16,100  |   | Various                            |
| 28  | Tullow Tanzania B.V                        |   |   |                                    |
| 29  | Wentworth Gas Limited                      |   |   |                                    |
| 30  | Williamson Diamonds Limited                |   |   |                                    |
|     |  | <b>4,285,084</b>  | <b>510,521,620</b>  |                                    |