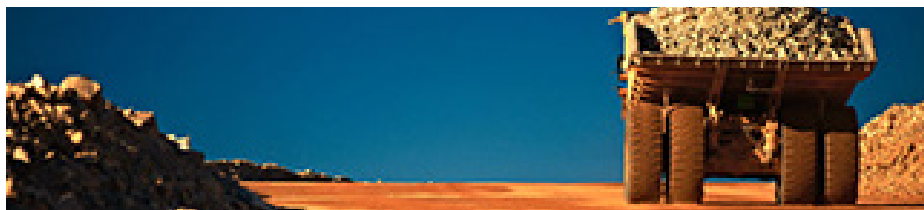


6 March 2017



## Mining companies to go public within six months

- **Mining (Minimum Shareholding and Public Offering) Regulations, 2016 amended**
- **All mining companies with SMLs to go public within six months**
- **Deadline now 23 August 2017**

On 24 February 2017, the Minister for Energy and Minerals has published in the Government Gazette GN No 44 the Mining (Minimum Shareholding and Public Offering) (Amendment) Regulations, 2017 (Revised Regulations).

These Revised Regulations amend Regulation 5 of the Mining (Minimum Shareholding and Public Offering) Regulations, 2016 (Principal Regulation) and states the following:

*Regulations 5 of the Principal Regulations is amended by- (a) deleting sub-regulations (1), (2) and (3) and substituting for them the following:*

- (1) The Minimum Local Shareholding for a special mining license shall be obtained through a Public Offer, in accordance with the Capital Market and Securities Act.*
- (2) A licensee who was issued with a licence:
  - (a) Prior to commencement of these Regulations shall ensure compliance with the local shareholdings obligations within six months from the date of publication of these Regulations; and*
  - (b) after commencement of these Regulations shall ensure compliance with the local shareholding obligations immediately after the mining operations take place.**

Effectively, companies with Special Mining Licence(s) (SML) issued before 24 February 2017 are now required to meet with the mandatory obligation to go public by floating 30% of its issued and paid up share capital within six months ie by 23 August 2017.

The Principal Regulation, which was published on 7 October 2016, allowed companies who already had a SML, 2 years to go public. This has now been changed to 6 months.

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### About FB Attorneys

FB Attorneys is an all service law firm based out of Dar es Salaam, Tanzania.

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