

## **Kabanga Nickel Project Issued Special Mining Licence**

### **Highlights**

- Special Mining Licence issued for the Kabanga Nickel Project by the Government of Tanzania.
- The first Special Mining Licence granted by Government of Tanzania in ten years.
- With a Framework Agreement, and a transferred Environmental Certificate for immediate update in place, the project is uniquely positioned to advance.
- SML issue a clear vote of confidence for the project and team.
- Country and site teams already mobilised to ramp-up pre-development activities.

*Dodoma, London, 27 October, 2021, Kabanga Nickel Limited (“Kabanga Nickel”) is pleased to announce that Tembo Nickel Corporation Limited, the local partnership with the Government of the United Republic of Tanzania, has been issued a Special Mining Licence (“SML”) for the Kabanga Nickel Project (“the Project”). The granting of the SML follows the signing of the Framework Agreement in January 2021 and is valid for the full life of the project (currently in excess of 30 years).*

Kabanga will now accelerate the development of the project, which is globally one of the largest unexploited deposits of nickel sulphide, a crucial mineral in the development and manufacture of batteries used in electric vehicles. Demand for EV batteries will drive new demand for nickel, with the total global nickel supply forecast to more than double—from an estimated 2.25 million tonnes in 2020 to 5 million tonnes by 2040—according to industry analysts at Roskill<sup>1</sup>.

*The Hon. Dotto Biteko, Minister for Minerals of the United Republic of Tanzania, commented: “On behalf of the Government of Tanzania I am pleased to announce the issue of a Special Mining Licence to Tembo Nickel for the Kabanga Nickel Project. With a Framework Agreement and a transferred environmental certificate for immediate update, already in place, Kabanga Nickel has now fully completed the main regulatory process hurdles to commence development. When in production, Kabanga will be a significant producer of nickel, and with plans to process the metal in-country, Tanzania will become an important player in the global nickel market. With a 30-year life-of-mine, Kabanga has the potential to bring social and economic value to a new generation of Tanzanians.”*

*Chris Showalter, CEO of Kabanga Nickel commented: “The issue of the Kabanga Special Mining Licence is a clear vote of confidence for the Project and team by our partners in the Government of Tanzania. We acknowledge their support and that of all our stakeholders as we move the project forward. With the SML in hand, development activities currently underway at the Kabanga Nickel Project can now accelerate in scale. Kabanga will be critical to accelerating the supply of much needed battery metals, essential for the global transition to a low carbon economy. The application of hydrometallurgy to produce high quality end products in country, will ensure significantly greener and more sustainable production, while maximising value within Tanzania.”*



The SML has been approved by the Government of Tanzania and signed by the Mining Commission with the full support of Her Excellency, President Samia Suluhu Hassan. The SML grants Kabanga Nickel's local partnership vehicle, Tembo Nickel, the full mineral rights that will unlock the substantial economic potential of the Kabanga Nickel Project.

With the SML issued and the Framework Agreement with the Tanzanian Government already approved, site and community relations teams have been mobilised and will focus their efforts on site refurbishments, allowing for full scale development activities to follow.

### Media enquiries

Carole Cable and David Litterick

Brunswick Group

[kabanganickel@brunswickgroup.com](mailto:kabanganickel@brunswickgroup.com)

+44 (0)7974 982 458 and +44 (0)7974 982 455

#### DEVELOPMENT READY

Special Mining Licence  
Framework Agreement  
Environmental Certificate

#### SUSTAINABLE

Cradle-to-gate process  
Hydrometallurgy  
Low CO<sub>2</sub> footprint

#### +30 YEAR LIFE-OF-MINE

Nickel 40-55,000 tpa  
Copper 6-8,000 tpa  
Cobalt 3-4,000 tpa

### The Kabanga Nickel Project

Kabanga is the largest development-ready nickel sulphide deposit in the world, unmatched in scale and grade, with at least 30-years life-of-mine and further exploration upside. Once in operation, the Kabanga Nickel Project will produce Class 1 battery grade nickel, cobalt and copper refined metals in Tanzania. The cradle-to-gate operation will use hydromet technology that is significantly more cost efficient than smelting. The hydromet process will reduce the carbon footprint, minimise environmental impact, lower capital and production costs, and contribute significantly to the economic growth of Tanzania.

### About Tembo Nickel Corporation

Tembo Nickel Corporation ("Tembo") is an operating company formed via the Framework Agreement (19 January 2021) between Kabanga Nickel Limited and the Government of Tanzania for development of the Kabanga nickel deposits in the Ngara District in the Northwest of Tanzania. (Tembo is the Swahili word for elephant and represents strength and cooperation.) Under the Framework Agreement terms, Tembo (owned 84% by Kabanga Nickel Limited and 16% by the Government of Tanzania) has been formally established for the mining, processing and refining of Class 1 nickel with cobalt and copper co-products. In accordance with the Framework Agreement, a Special Mining Licence and a Refinery Licence will be granted to Tembo by the Government of Tanzania and it has been agreed that economic benefits from the development of the project will be equitably shared between the two shareholders.



### **About Kabanga Nickel Limited**

Kabanga Nickel is a privately owned company established in 2019 to acquire and develop the Kabanga Nickel Project in Tanzania and to bring it to production. Its controlling shareholders, board and management team have a unique combination of commercial and technical experience in resources and mining, strong technical expertise in mineral processing and a proven record of bringing mining projects into production.

For more information please visit: [www.kabanganickel.com](http://www.kabanganickel.com)

<sup>1</sup> Nickel market forecasts quoted from "Study on future demand and security of nickel for electric battery vehicle batteries", from an External study performed by Roskill for the Joint Research Centre, Publications Office of the European Union. Luxembourg, 2021