May 2025

Tanzania’s mining landscape: Underexplored and under pressure

Tanzania, long known for its gold and tanzanite reserves, is undergoing a seismic shift in its mining sector. In May 2025, Tanzania’s Minister of Minerals, Anthony Mavunde, announced the cancellation of 14 licenses—five prospecting and nine mining—for dormancy. Mr. Mavunde also announced the issuance of default notices to 95 large- and medium-scale license holders that had not begun operations within the mandatory 18-month window following license granting, a lapse he said undermines the ministry’s push to accelerate growth in the sector.[1]

The May 2025 announcements follow other recent regulatory actions. Between July 2024 and March 2025, Tanzania’s Mining Commission sent default notices to 118 prospecting license holders and 41 medium-scale license holders for breaches such as nonpayment of annual fees and failure to advance projects on their concessions.[2]

As the Tanzanian government ramps up regulatory scrutiny while doubling down on infrastructure and international partnerships, investors face both opportunity and uncertainty. Recent mining disputes illustrate this. In November 2024, Tanzania agreed to pay $27 million to settle an ICSID claim brought against it by Montero for revoking a rare earths license.[3] In July 2024, Tanzania reached a $90 million settlement to resolve a $109.5 million ICSID award related to the cancellation of a license for a nickel project.[4] In October 2023, Tanzania agreed to pay $30 million in an arbitration stemming from the cancellation of a gold license.[5]

---

1 **https://epbtanzania.org/business/tanzania-issues-8501-mining-licences-in-2024-2025-revokes-14-and-warns-95-more-for-inactivity/** and https://thechanzo.com/2025/05/07/government-cracks-down-on-dormant-mining-licenses/, last accessed May 21, 2025.

2 **https://epbtanzania.org/business/tanzania-issues-8501-mining-licences-in-2024-2025-revokes-14-and-warns-95-more-for-inactivity/**; https://www.tanzaniainvest.com/mining/mining-licences-2024-2025-issued-revoked-warnings; and https://thechanzo.com/2025/05/07/government-cracks-down-on-dormant-mining-licenses/, last accessed May 21, 2025.

3 **https://investmentpolicy.unctad.org/investment-dispute-settlement/cases/1143/montero-mining-v-tanzania**, last accessed May 21, 2025.

4 **https://www.italaw.com/sites/default/files/case-documents/italaw182100.pdf**, last accessed May 21, 2025.

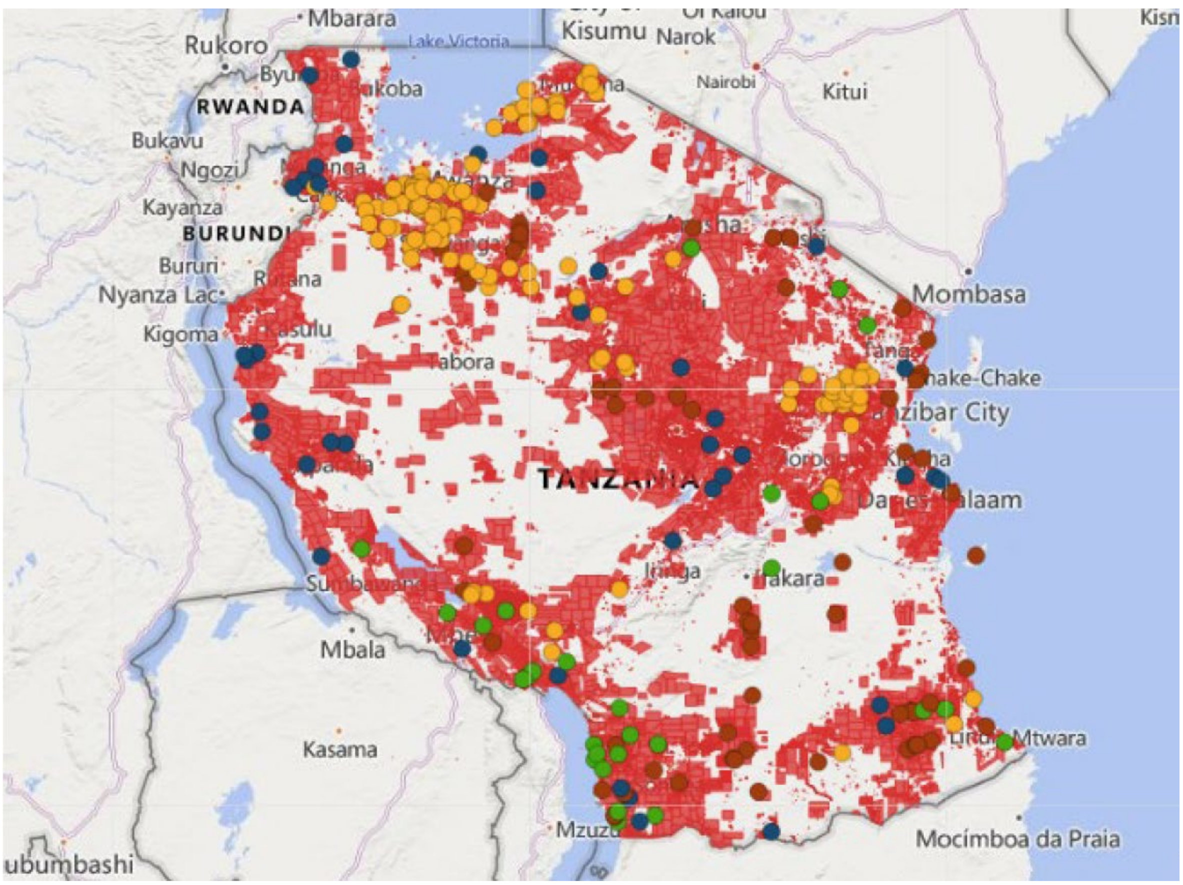
5 **https://winshear.com/news/winshear-and-united-republic-of-tanzania-successfully-conclude-settlement-agreement/**, last accessed May 20, 2025.

Across Tanzania's and Africa's mining industry, disputes are mounting as revised mining codes, reticence about stabilization clauses, expropriation concerns, resource nationalization, as well as environmental and social controversies reshape the operating landscape. Drawing from proprietary reserve data and new licensing decisions in 2025, this article explores Tanzania's evolving mining landscape and the disputes investors should be watching.

Resource rich, but early stage

Our proprietary analysis of Tanzania's mineral reserve and development data reveals a sector rich in potential but early in its life cycle. Over the past five years, transactions involving one or more parties whose properties are exclusively in Tanzania have totaled only approximately $20 million. Gold dominates Tanzania's reserves, with more than 43 million ounces of total resources and over 1 million ounces in annual production. Besides lanthanides, U3O8, and niobium resources, there are also over 5,000 tonnes of graphite resources and over 4,000 tonnes of nickel resources, but with lower production of these materials.

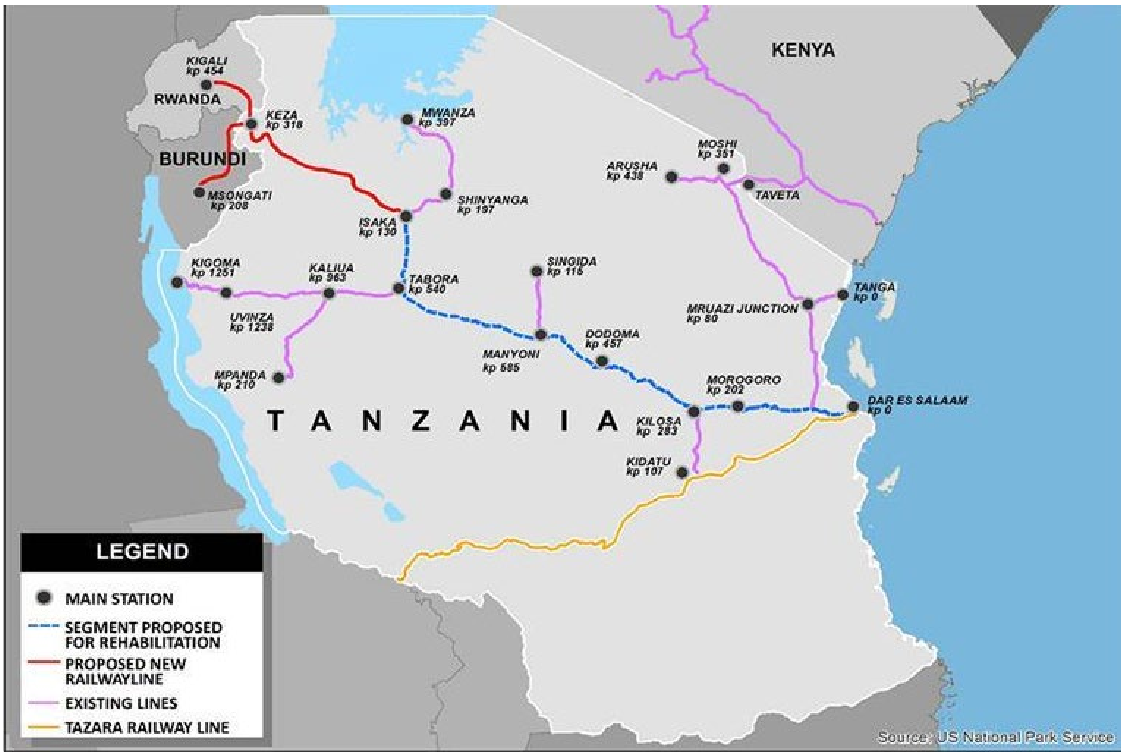
Most properties in Tanzania are still at the exploration or feasibility phases, with only 10%–15% of active mining properties at an operating or producing stage. The map below shows the large number of mining claims (in red) and where mining properties are located (indicated with dots).



Strategic projects and infrastructure build-out

Despite regulatory headwinds, Tanzania continues to attract major strategic investments. The Kabanga Nickel Project, supported by BHP and international critical mineral alliances, has solidified Tanzania's position in the global nickel supply chain.

Infrastructure projects like the Mtwara-Mbamba Bay Railway and the Tanzania-Burundi Standard Gauge Railway are designed to open up landlocked mineral resources. These projects promise to reduce logistics costs and improve export routes for key commodities, particularly coal, graphite, and critical battery metals.



Overall, Tanzania is a paradox: underexplored yet increasingly regulated. Tanzania has the largest number of early-stage properties in East Africa and has significant strategic mineral reserves. But widespread license revocations and other recent events underscore the importance of a legally fortified investment strategy.

Companies and counsel must adapt to this dual reality. Tanzania's mineral promise can be unlocked with the right mix of technical analysis, geopolitical insight, and legal foresight.

About the Finance Practice

CRA's Finance Practice provides advanced consulting services to corporate clients and attorneys. We specialize in applying the tools, principles, and findings of finance, economics, and accounting to complex litigation and business problems. Companies, law firms, and government agencies rely on CRA for high-quality research and analysis, expert testimony, and comprehensive support in litigation and regulatory proceedings. Our reputation is built on exceptional client service and our ability to present innovative and pragmatic solutions to complicated challenges. For additional information about how CRA's experts can help you with your litigation and regulatory needs, please visit: **www.crai.com**.

Contact

Tiago Duarte-Silva
Vice President
+1-617-425-3128
+44-20-7664-3655
tduarte@crai.com