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## Tanzania: Acacia to Shut Down Buzwagi Gold Mine

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By Alfred Zacharia

Kahama — Acacia will close its Buzwagi Gold Mine in Kahama in December 2017 as production has fallen.

More than 1,300 people will lose jobs and Kahama District Council will Miss Sh1.7 billion it has been getting every year as a service levy, the administration has said.

The business improving and mining manager, Mr Rodney Burgess, said the company paid Sh28 billion taxes to the government annually.

"We have been paying PAYE, VAT, local government service levy, fuel levies and royalty to the government," he said.

The mine's sustainability manager, Mr George Mkanza, told journalists here recently there was no hope for Buzwagi to do better after the year, unless the new technology is used.

According to him, production has declined from an average of 1.35g of gold per tonne of ore rocks to one gram and the company incurred a big loss in the first half of this year. "We have lost Sh40 billion during the first half of this year and we are still not doing well in the second one."

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The mining short planning manager, Ms Zonnastraal Mumbi, said Buzwagi has the potential to produce less than 900,000 ounces of gold and quality of one gram per tonne of ore rock fixed for six months.

The North Mara Mine has the potential to produce more than 2.02 million ounces and Bulyanhulu has the capacity of 9.2 million ounces.

Mr Burgess said under such circumstances Acacia would close the mine and concentrate on those at Bulyanhulu and North Mara.

Buzwagi is an open pit mine which started production in 2009 with a capital of \$402 million.

Its estimated lifetime was 15 years and currently it is in its eighth year.

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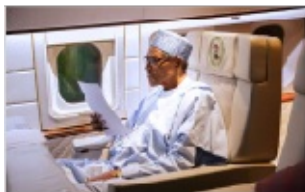
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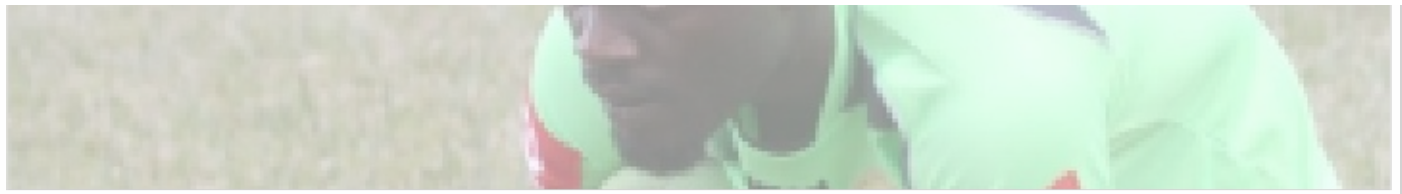
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