

**TATI NICKEL MINING COMPANY TAX AGREEMENT
(RATIFICATION) ACT, 1994**

No. 8



of 1994

ARRANGEMENT OF SECTIONS

SECTION

1. Short title
2. Ratification of Agreement

SCHEDULE

An Act to ratify a tax Agreement entered into between the Government of the Republic of Botswana and Tati Nickel Mining Company (Pty) Limited.

Date of Assent: 28.06.94

Date of Commencement: 30.06.94

ENACTED by the Parliament of Botswana.

1. This Act may be cited as the Tati Nickel Mining Company Tax Agreement (Ratification) Act, 1994.

Short Title

2. The Tax Agreement set out in the Schedule and entered into between the Government and Tati Nickel Mining Company (Pty) Limited (hereinafter referred to as "TNMC") on 3rd September, 1992, is hereby ratified.

Ratification
of Agreement

SCHEDULE
TAX AGREEMENT
between
THE GOVERNMENT OF THE REPUBLIC OF BOTSWANA
and
TATI NICKEL MINING COMPANY (PTY) LIMITED

THIS AGREEMENT made this 3rd day of September 1992 between the Minister of Finance and Development Planning on behalf of the Republic of Botswana and Tati Nickel Mining Company (Proprietary) Limited.

WHEREAS in terms of section 55 of the Income Tax Act (Cap. 52:01) ("the Act") the Minister is empowered on behalf of Botswana to enter into a tax agreement with any person who is or may be liable to tax under the Act:

NOW THEREFORE, the parties hereto agree as follows :

1. "The date of commissioning of the Phoenix mine" means the date on which TNMC commences to carry on mining operations at Phoenix on a commercial scale.
2. Notwithstanding that the two mines designated as Selkirk and Phoenix are not contiguous, they shall be treated for purposes of the Act as a single mining operation from the date of commissioning of the Phoenix mine.
3. In ascertaining the chargeable income of TNMC for the tax year in which the commissioning of the Phoenix mine takes place and for the subsequent tax years under this Tax Agreement, the mining capital expenditure incurred on or after 15th December, 1991 with respect to the Selkirk and Phoenix mines shall be deductible :
 - (a) to the fullest extent possible in the tax year in which the commissioning of the Phoenix mine takes place; and
 - (b) in each subsequent tax year, the amount incurred in that tax year after adding thereto any loss brought forward from the previous tax year, and accordingly, Part V of the Third Schedule to the Act shall not apply to the deduction of mining capital expenditure in respect of the Selkirk and Phoenix mines.
4. This tax Agreement shall cease to have force from the day following the end of the tax year in which mining operations at the Phoenix mine are terminated.

IN WITNESS whereof the parties hereto have hereunder set their hands.

THUS DONE AND SIGNED at Gaborone on this 3rd day of September, 1992.

AS WITNESSES :	FOR AND ON BEHALF OF THE GOVERNMENT OF
1. G. J. Stoncham	THE REPUBLIC OF BOTSWANA
2. L. O. de Silva	F. G. Mogae

THUS DONE AND SIGNED at Gaborone on this 3rd day of September, 1992.

AS WITNESSES :	FOR AND ON BEHALF OF TATI NICKEL
1. R. Hill	MINING COMPANY (PTY) LTD
2. F. Chandler	J. P. Murphy

PASSED by the National Assembly this 23rd day of June, 1994.

T.G.G.G. SEELETSO,
Clerk of the National Assembly.