Tanzania Sees Fortune in High-Priced Helium

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Tanzania sees fortune in high-priced helium

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Article

SONGWE: TANZANIA is on the verge of an economic transformation as it prepares to enter the global helium market, driven by a significant discovery of the rare and highly valuable gas in the country's southern highlands.

Currently valued at more than 2.7 billion US dollars, the global helium market presents Tanzania with a lucrative opportunity to boost foreign exchange earnings, expand employment, and enhance the mining sector's contribution to the national economy.

A recent study by the University of Oxford estimates that Tanzania holds over 138 billion cubic feet of helium, enough to place the country among the world's leading helium producers.

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According to Prof Chris Ballentine of Oxford's Department of Earth Sciences, the helium was formed and accumulated through unique geological processes in the East African Rift Valley.

Speaking on Thursday during an official visit by experts from the Ministry of Minerals and journalists to the project site, Site Operations Manager for Helium One, Mr. Emmanuel Ghachocha said the project began in 2015 when Helium One was established and commenced research operations, including seismic surveys and exploratory drilling.

HE1 Field Superintendent, Mr. Emmanuel Ghachocha

"From 2021 to 2025, Helium One has successfully drilled four wells. The most promising results came from the Itumbula West-1 and Tai-3 wells, where significant helium concentrations were found," he said.

He explained that extended well testing on the Itumbula-1 well indicated a helium production rate of 7.9 per cent, while further testing showed surface helium concentrations of 5.5 per cent—a remarkable figure in the industry.

"This project is expected to run for more than 10 years of sustained development and helium production," he added.

Following these successes, Helium One submitted a formal application for a mining license in September 2024, including a feasibility study and Environmental and Social Impact Assessment (ESIA).

"In March 2025, the Mining Commission issued an offer for a mining license covering 480 square kilometres, which the company accepted. Final regulatory processes are currently underway as we prepare for the next phase," Ghachocha noted.

He further revealed that Helium One has obtained government approval to construct a Helium Gas Processing Plant in Momba District.

The facility is expected to create hundreds of direct and indirect jobs and employ environmentally sustainable technologies.

Itumbula West-1

On his part, Songwe Regional Mining Officer (RMO), Geologist Chone Malembo, said Songwe stands a strong chance of becoming the leading region in helium production in

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Tanzania—boosting the region's contribution to the national economy through the mining sector.

"Tanzania is steadily progressing toward becoming a global helium producer. Our colleagues from Helium One Global (HE1) have already submitted their mining license application. The government has issued an offer letter, and discussions are ongoing. We expect the license to be granted soon, paving the way for production to begin," he said.

Songwe Regional Mining Officer (RMO), Geologist Chone Malembo

He also highlighted the region's revenue performance, noting that Songwe collected over 37bn/- in mining revenue during the 2023/2024 financial year.

By the third quarter of the 2024/2025 fiscal year, the region had already collected 36bn/-, with expectations to reach 40bn/- by the end of the year.

Meanwhile, a geologist from the Ministry of Minerals, Ms. Venosa Ngowi, said Tanzania is blessed with helium deposits in various regions, including the Rukwa Basin and the Eyasi-Wembere Valley.

“This gas has crucial uses in various sectors including healthcare—especially in MRI scanners—space technology, atmospheric science research, and aviation, such as rocket propulsion and aircraft components,” she explained.

Geologist Venosa Ngowi

She noted that the helium discovery is set to generate jobs across the southern highlands and attract international investment, placing Tanzania at the forefront of addressing global helium shortages in critical industries such as aerospace, medicine, and security.

“With the development of the Helium One project and wider investment in the sector, Tanzania is well-positioned to become a key global supplier of this critical resource,” she said.

She underscored that with robust regulatory oversight and continued collaboration between the government, investors, and communities, the helium industry is poised to

play a significant role in delivering the goals outlined in the Third Five-Year Development Plan (FYDP III).

The global helium supply is currently dominated by the United States, Russia, Qatar, Saudi Arabia, and Algeria. However, with reserves in these countries declining and global demand rising, Tanzania has a timely opportunity to emerge as a reliable new supplier.

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