

BUSINESS PLAN

OF

ACROSS TANGANYIKA LTD

FOR

THE PROJECT OF

**DIAMOND AND GEMSTONE CUTTING
AND POLISHING FACILITY IN DAR ES SALAAM**

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ACROSS TANGANYIKA LTD

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1.0 EXECUTIVE SUMMARY

In the current phase of the Economy Recovery programme the Government of the United Republic of Tanzania had mandated the mineral sector to promote the mining industry, by liberalizing private mining to prospective investors. The minerals department has hence formulated legislation for safe mining and a National Mining Policy. It is stipulated there in that it is the Government's intention to restrict and improve marketing arrangements viz the various types of minerals to ensure that at the very least the sector earns the country anything around US\$ 200 million per annum in foreign exchange.

Business in gemstones, diamonds and related ornamental stones is as old as civilization itself. Stones are carved and cut into beads, earrings and all paraphernalia that cluster so much the dressing tables of affluent class of women the world over.

Yet, all this potent wealth is lying unexplored and unused in most of the developing countries. A wide variety of excellent quality gemstones are known in Tanzania. Some of these stone are just there for the picking.

THE LIST OF GEMSTONES AVAILABLE IN TANZANIA IS A FOLLOWS:-

1. Amethyst
2. Pyrope Garnet
3. Almandine
4. Kalata Garnet
5. Tsavorite (Green Garnet)
6. Rhodolite (Rose Red)
7. Rhodolite (High violet)
8. Peridot
9. Zircon (White)
10. Zircon (Red)
11. Opal (Black)
12. Opal (Yellow/White)
13. Opal (Yellow with cats eye)
14. Chrysoprase
15. Black Tourmaline
16. Tourmaline (Change Colour)
17. Spinel (Blue, Pink)
18. Orange (Golden Tourmaline)
19. Chrome Tourmaline
20. Green Tourmaline

21. Fancy Sapphire
22. Blue Sapphire
23. Green/Blue Sapphire
24. Pink Sapphire
25. Tanzanite (One Gram)
26. Yellow Christoberly
27. Christoberly Cats Eye
28. Alexandrite
29. Corundum (Ruby Cabochon)
30. Corundum (Ruby Gem)
31. Emerald
32. Yellow
33. Aquamarine
34. Florite
35. Topaz
36. Moonstone

Gemstones are minerals that, because of their brilliancy colour hardness and clarity are valued for use as personal adornment. The term "gems" should be applied to the stone after cutting polishing and the uncut mineral should be called a "gemstone" terms gemstone in Tanzania has the meaning as defined in the Mining Act, 1979 under the Mining Claims Regulations and they include diamond, emerald and other gem varieties of beryl, tourmaline, zircon, obsidian, periods, moonstone, chrysoprase amethyst and other gem varieties of quartz, garnet, zoisite, tanzanite, cordierite and scapolite in rough and uncut form and other rough and uncut stone which may be declared under sub-regulation (2). In classifying the gemstones, diamond is also include and the remaining ones are re-grouped in the coloured gemstones category. Diamond, ruby, sapphire, emerald and tanzanite are precious while topaz, spinal, garnet, turquoise, chrysoberyl, opal, zircon, tourmaline etc re semi precious.

1.1 INTRODUCTION

The project which is located in Dar es Salaam and a later date in Shinyanga is oriented on providing diamond and gemstone cutting a polishing for export purposes. The available data suggest the existence of a source of the minerals of substantial of reserve and of highly profitable prospective if a modern method of technological processing is applied.

- 1.2 The capital investments cost under this Business Plan of the project will be approximately USD 350,000.

After a period of preparation and installation of equipment, it is expected that in about 3 months from the start of operations the project will be financially self propelling. The application of reliable, flexible and mobile technological method, using separator-concentrator gravitational enrichment, will increase the quality of the products.

This project is presented by the company of ACROSS TANGANYIKA LTD as pioneer project and after its success the company is going to inject new investments in similar projects.

1.3 **THE OVERAL COMPANY OBJECTIVE**

The adoption of the proposed scheme of technological processing will increase the volume of the processed raw materials thereby increasing production capacity, productivity and profitability. The establishment of this facility in the country will add to the quantum of corporate tax, royalties and other statutory charges to the treasury exchequer.

1.4 **MARKET POTENTIAL**

Gemstone have a ready market in South East Asia especially in Srilanka, India and Thailand. In Europe the market potentials are Germany and Netherlands. Markets also do exist in the United States of America especially in cities of New York and Los-Angeles.

The end products which are cut and polished gems, diamonds and are used in ornaments. They are used mostly to manufacture ladies rings, beads, earnings and necklaces.

The sponsor intends to undertake the cutting and polishing of the gems and diamonds in Tanzania. In the long term, the sponsors initiative will contribute towards creating of employment, and value to the gems and provide foreign exchange to the country.

1.5 **PROJECT SPONSORS**

The sponsor of this new venture is the limited liability company going by the name of ACROSS TANGANYIKA LTD of P.O. Box 105426, Dar es Salaam. This company incorporates a local Tanzania shareholder and a foreigner and their shareholding are as shown herein below:-

NAME	SHARES
IGOR GENNADIEVICH ERINOV (Russian)	75
ABBAS HABIB NASSER (Tanzanian)	25

This company when it was incorporated in 2003, the main objective was in the business of Exporting Wild Animals. Todate there have been no substantial business in that line, so the Board of Directors have decided to sell off the company by transfer of shares to new investors as shown herein above who are now entering into the gemstone business

The Directors of the company have extensive personal experiences in the gemstone and diamond business in which they have brokered a number of International Transactions.

1.6 **PROJECT CONCEPT**

The project involves the processing of gemstones and diamonds through cutting and polishing work. A number of equipment's is to be used in the process.

The equipment include:-

1. Setting Machines
2. Motors
3. Cutting and Pre-shaping Machines
4. Faceting Machines
5. Misc. other cutting equipment – see Annex I for details.

Other items used in the processing work include liquids such as crocodile oil and American Poison/diamond powder and caption powders are also used in the process.

2.0 **PROJECT DESCRIPTION**

2.1 **OBJECTIVE OF PROJECT**

The project will be centered in diamond and gemstone cutting and polishing with the objective of increasing the value of the products destined for the export market.

2.2 **EQUIPMENTS**

The list of equipment of the production work under the project, including the complete units, is detailed in the Annex I. the processing equipment are produced on orders by a number of factories and enterprises. Variants of orders for equipment have already been worked out.

2.3 **EQUIPMENT INSTALLATION STARTING UP AND ADJUSTMENT WORKS**

Assembling, starting-up and adjustment works will be executed by specialists, who will recruited outside the country for the installation of the production system.

2.4 **PRODUCTION SCHEDULE**

The production operations of the plant will run for 10 t/hours daily. A one shift work of a duration of 10 hour (almost all day light) is envisaged. Projections show, that such time is sufficient for the volumes of work required for the processing. Increase of production will certainly entail a corresponding increase in working hours requiring the introduction of day light double shift schedule. Industrial production work will be manned by 5 foreign specialists of whom 2 cutters, 2 polishers and 1 technician as well as Tanzania technicians, driver, office staff, interpreters, accounts, etc. A total of 20 workers will be employed 5 foreign and 15 Tanzania.

3.0 **MANAGEMENT**

ACROSS TANGANYIKA LTD will themselves manage the company. They will recruit highly trained and experienced craftsmen to operate the equipment.

4.0

ACROSS TANGANYIKA LTD**CAPITAL INVESTMENT OUTLAY IN US\$**

Capital Equipment	US\$ 150,000.00
Land and Building	US\$ 50,000.00
Vehicles	US\$ 45,000.00
Furniture and Fittings	US\$ 15,000.00
Computer Equipment and Software	US\$ 10,000.00
SUB TOTAL	US\$ 270,000.00
Pre-operational Capital	
Feasibility Study cost/Legal and Administrative	US\$ 5,000.00
Logistics	
Working Capital	US\$ 75,000.00
TOTAL CAPITAL REQUIREMENT	US\$ 350,000.00

4.1 **PROJECT FINANCING (US DOLLARS)**

	Foreign	Local	Total
Equity	325,000.00	25,000.00	350,000.00

5.0 OPERATING COST AND REVENUE ESTIMATES

- Purchases of raw stones and rough diamonds;
- Salaries, allowances and other benefits for the expatriate staff engaged in the production sector;
- Salaries and allowances for 15 Tanzanian employees;
- Chemicals and associated consumable taxes, fees royalties;
- Fuel and lubricants;
- Plant and equipments maintenance services, depreciation etc;
- Stationer'
- Phone and fax bills;
- Administration and ancillary overhead. Services charges by companies and individuals.

0.6 FINANCIAL ANALYSIS

6.1 PROJECTED PROFIT AND LOSS STATEMENT

This Financial Statement in (Annex 6) indicate that the project will make a net profit after tax of USD 1.0 million in the first year and there after increasing up to USD 1.1.million in year.

Revenue reserve would have accumulated up to USD 9.6 million towards the end of the tenth year. The company should be able to declare dividends of USD 1.6 million to the shareholders by the end of the (3rd) year. Dividends are calculated at 50% of the revenue reserve.

6.2 PROJECTED CASH FLOW STATEMENT

The projected cash flow statement (*Annex: 7*) shows that the project will make a net cash flow of USD 808,000 commencing the first year and thereafter rise up to USD 1.0 million in the ninth (9th) year of its operations. The cumulative cash/cash in hand would have accumulated up to USD 9.0 million by the end of the tenth year. This cash will enable the company to sustain its own operation without relying upon bank overdrafts and loans for working capital requirements.

6.3 PROJECTED BALANCE SHEET

The Balance Sheet (*Annex: 8*) shows net favourable asset condition of the entire business throughout the operational period. The assets are well covered are well covered by all maturing obligation and that towards the end of the tenth (10th) year accrued profits would have accumulated up to USD 9.6 million.

6.4 PAYBACK PERIOD

The original investment is USD 350,000. The analysis in (*Annex: 9*) suggests payback period to be around the first year. This simply means that it will take one year for the project to recoup its initial investment cost of USD 350,000.

6.5 BREAKEVEN ANALYSIS

The breakeven points is estimated at sales volume of USD 340,000 or 13% of the plant's capacity. This is within the range that the project can meet without difficulty. Detailed calculation are provided (*Annex: 10*).

7.0 CONCLUSION AND RECOMMENDATION

It is a very lucrative proposition both to the country. The project is timely and highly desirable in the country at this material has a very healthy cash flow. The entire initial investment of US\$ 350,000.00 will have been recouped within the very first half of the first year of operations.

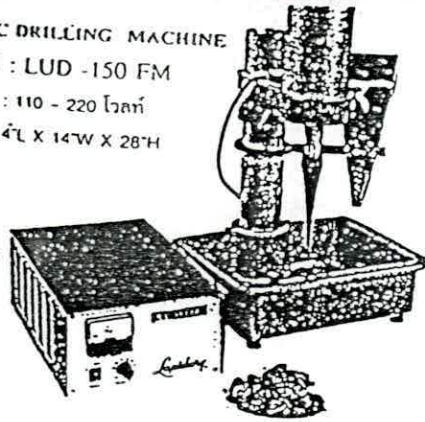
Its strongly recommended that the Tanzania Investment Centre offer the company the Certificate of Incentives with the necessary benefits so that the sponsors begin implementing the project without undue delays.

ULTRASONIC DRILLING MACHINE

Model : LUD -150 FM

ไฟฟ้า : 110 - 220 โวลต์

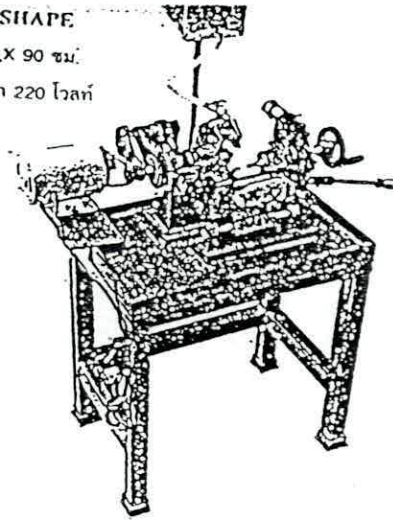
ขนาด : 14" L X 14" W X 28" H



ROOTING SHAPE

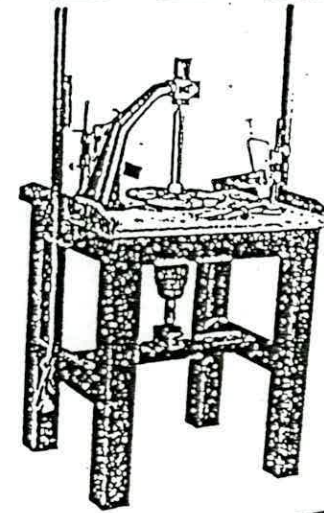
ขนาด 57 X 77 X 90 ซม.

มอเตอร์ 1/4 แรงม้า 220 โวลต์



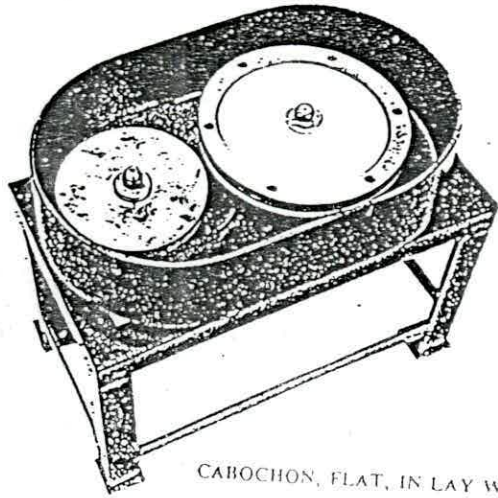
COLOUR STONE CUTTING LAPS
(STEEL SCAIFE)

71.5 X 53 X 127 CM



SEMI-PRECIOUS STONE
CUTTING LAPS (COPPER SCAIFE)

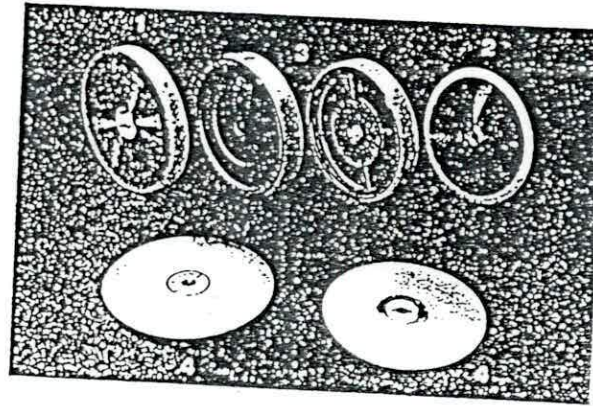
63 X 49 X 105 CM



CABOCHON, FLAT, IN LAY WORK
POLISHING LAPS

ขนาด 43 X 70 X 78 ซม.

ขนาด 26 X 47 X 42 ซม.



1.

DIAMOND GRINDING WHEEL

2.

CONCAVE DISC WHEEL

3.

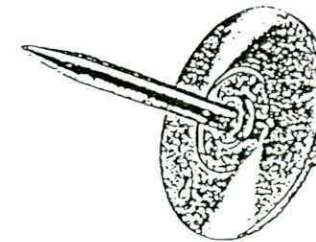
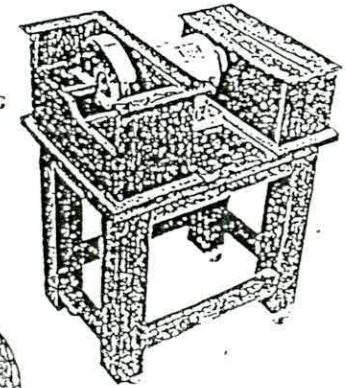
ELECTRO PLATING DIAMOND WHEEL

4. แผ่นดิส

ELECTRO PLATING DIAMOND DISC

GRINDING AND SAWING
BENCH

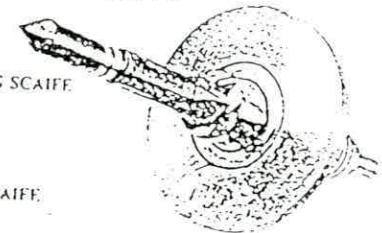
71 X 45 X 80 CM.



จักรเจียรเพชร
DIAMOND POLISHING
SCAIFE

COLOUR STONE POLISHING SCAIFE

SEMI-STONE POLISHING SCAIFE



DIAMOND & GEMSTONE CUTTING AND POLISHING EQUIPMENT AND SUPPLIES

1.	Ultrasonic Drilling Machine	2
2.	Booting Shape	2
3.	Colour Stone cutting Laps	2
4.	Cabochon Flat in lay work	3
5.	Semi-precious Stone	1
6.	Cutting Laps (Cooper Scaife)	2
7.	Grinding and Sawing Bench	1
8.	Raytech-Auto Feed Lapidary Saw	1
9.	Lil trimmer Saw	1
10.	Rio Grande 6" Trim Saw	1
11.	Rio Grande 6" Gemmaker Arbor	1
12.	Setting Machine	1
13.	Pre-shaping Machine	1
14.	Cutting Machine	1
15.	Ticketing Machine	1
16.	Ring Machine	1
17.	Testing Machines	2
18.	Crushing Blade	1
19.	Bowler	1
20.	Towel Diamond	1
21.	Water Pipe for 2 Machines	1
22.	Motors	5
23.	Weigh Scale gms	1
24.	Weight Scale Carats	1
25.	Torch	1
26.	Glass and Lights	20
27.	Tables	5
28.	Safes	2
29.	Generator	1
30.	Accessories	2
i.	V Belt	
ii.	Dia Laser Diamond Saw Blades	4
iii.	Diamond Polishing Scaife	2
iv.	Semi Store Polishing Scaife	2
v.	Colour Stone Polishing Scaife	2
vi.	Diamond Grinding Wheel	2
vii.	Elector Planting Diamond Wheel	2
viii.	Concrete Disc Wheel	2
ix.	Diamond Grinding Wheel	2
31.	INITIAL SUPPLIES	
i.	Diamond Powder	lot
ii.	Cabazon Powder	lot
iii.	Sticks	400
iv.	Gum Stick	
v.	American Poison	lot
vi.	Crocodile Oil	lot

PERSONNEL DISPOSTION AND WAGE BILL

CALIBRE	NOS.	MONTHLY EMOLUMENT TSHS.	ANNUAL BILL TSHS.
Managing Director Works	1	2,280,000.00	27,360,000.00
Manager Chief Cutter	1	1,710,000.00	20,520,000.00
Assistant Manager	1	570,000.00	6,840,000.00
Cutter Polisher	1	1,567,000.00	18,810,000.00
Cutter Skilled	6	2,280,000.00	27,360,000.00
Unskilled Labour	3	900,000.00	10,800,000.00
Accountant Cashier	1	855,000.00	10,260,000.00
Secretary Reception	2	600,000.00	7,200,000.00
Add 30% Social Benefits		14,529,375.00	174,352,500.00

PERSONNEL DISPOSTION AND WAGE BILL

CALIBRE	NOS.	MONTHLY EMOLUMENT TSHS.	ANNUAL BILL TSHS.
Managing Director Works	1	2,280,000.00	27,360,000.00
Manager Chief Cutter	1	1,710,000.00	20,520,000.00
Assistant Manager	1	570,000.00	6,840,000.00
Cutter Polisher	1	1,567,000.00	18,810,000.00
Cutter Skilled	6	2,280,000.00	27,360,000.00
Unskilled Labour	3	900,000.00	10,800,000.00
Accountant Cashier	1	855,000.00	10,260,000.00
Secretary Reception	2	600,000.00	7,200,000.00
Add 30% Social Benefits		14,529,375.00	174,352,500.00

WORKING CAPITAL REQUIREMENTS

	WEIGHT IN GRM	VALUE IN TSHS.
Raw Stones (2 months)	400	42,000,000.00
Wages and Salaries (2 months)	-	14,550,000.00
Administrative and Overhead Expenses (1 month)	-	3,600,000.00
Total Value	-	60,000,000.00

*Annex 4***COST OF SALES IN TSHS**

CAPACITY UTILIZATION	60%	70%	80%
Raw Stones grm	2,400.00	2,800.00	3,200.00
Price Tshs. 180,000.00	432,000,000.00	504,000,000.00	57,360,000.00
Direct Labour	174,360,000.00	174,360,000.00	174,360,000.00
Overhead Expenses	43,464,000.00	43,464,000.00	43,464,000.00
Depreciation	21,276,000.00	21,276,000.00	21,276,000.00
Total Cost of Sales	671,000,000.00	743,000,00000	812,700,000.00

Annex 5

PRODUCTION AND SALES PROJECTIONS

			COMMODITY/VALUE IN US\$			TOTAL VALUES	
YR	CAPACITY UTILIZATION	WEIGHT IN CARATS	CAPTIONS	SEMI-GEM	GEM DIAMOND	CARATS	USD
1.	60%		900crts \$ 1,250,000	1,200crts \$ 900,000	300crts \$ 900,000	2,400	2,205,000
2.	70%		1,050crts \$ 262,500	1,400crts \$ 1,050,000	350crts \$ 1,050,000	2,800 3,200	2,362,500 2,700,000
3.	80%		1,200crts \$ 300,000	1,600crts \$ 1,200,000	400crts \$ 1,200,000	3,200	2,700,000
4.	80%		1,200crts \$ 300,000	1,600crts \$ 1,200,000	400crts \$ 1,200,000	3,200	2,700,000
5.	80%		1,200crts \$ 300,000	1,600crts \$ 1,200,000	400crts \$ 1,200,000	3,200	2,700,000

ACROSS TANGANYIKA LTD

PROJECTED PROFIT AND LOSS STATEMENT:

FIGURES IN USD. (000'S)

ITEM/YEAR	1	2	3	4	5	6	7	8	9	10
Sales Revenue	2,205	2,370	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
LESS: OPERATING EXPENSES:										
1. Salaries and Wages	145	145	145	145	145	170	170	170	170	170
2. Variable Costs	360	420	680	885	945	945	660	430	260	260
3. Administrative Overheads	36	36	36	40	40	40	50	50	50	50
4. Fuel Consumption	150	160	170	220	360	407	457	520	520	52000
5. Maintenance of Plant	-	48	-	55	-	70	-	75	-	95
6. Telephone & Stationery	10	12	15	17	17	19	19	19	19	19
7. Transport & Travelling	18	23	24	26	30	35	35	35	35	35
8. Economic Depreciation	20	20	20	20	20	20	20	20	20	20
TOTAL EXPENDITURE	739	864	1,090	1,408	1,557	1,706	1,411	1,319	1,074	1,169
PROFIT BEFORE TAX	1,466	1,506	1,610	1,292	1,143	994	1,289	1,381	1,626	1,531
COMPANY TAX (30%)	440	452	483	388	343	298	387	414	488	459
PROFIT AFTER TAX	1,026	1,054	1,127	904	800	696	902	967	1,138	1,072
REVENUE RESERVE	1,026	2,080	3,207	4,111	4,911	5,607	6,509	7,476	8,614	9,686

ACROSS TANGANYIKA LTD

PROJECTED PROFIT AND LOSS STATEMENT:

FIGURES IN USD. (000'S)

ITEM/YEAR	0	1	2	3	4	5	6	7	8	9	10
A: INFLOWS:											
Equity	25										
Bank Loan	325										
Profit After Tax	-	1,026	1,054	1,127	904	800	696	902	967	1,138	1,072
Econ. Depreciation	-	20	20	20	20	20	20	20	20	20	20
TOTAL INFLOWS	350	1,046	1,074	1,147	924	820	716	922	987	1,158	1,092
B: OUTFLOWS:											
Investment and Re-investments	350	-	-	-	-	-	-	-	-	90	-
Change in Working Capital	-	75	150	90	50	-	-	-	-	-	-
Loan repayment	-	168	162	-	-	-	-	-	-	-	-
TOTAL OUTFLOWS	350	238	312	90	50					90	-
NET FLOWS	(350)	808	762	1,057	874	820	716	922	987	1,068	1,072
CUMULATIVE CASH	-	808	1,570	2,627	3,501	4,321	5,037	5,959	6,946	8,014	9,086

ACROSS TANGANYIKA LTD

PROJECTED BALANCE SHEET

FIGURES IN USD (000'S)

ITEM/YEAR	1	2	3	4	5	6	7	8	9	10
Fixed Assets at Cost	350	350	350	350	350	350	350	350	440	440
Less: Accumulated Depreciation	20	40	60	80	100	120	140	160	180	200
NET FIXED ASSETS	330	310	290	270	250	230	210	190	260	240
Add: Current Assets:										
Cash in Hand/Bank	808	1,570	2,627	3,501	4,321	5,037	5,959	6,946	8,014	9,086
Debtors	417	522	514	635	596	557	598	602	689	671
Stocks	626	663	771	423	397	371	399	402	459	448
Less: Current Liabilities										
Creditors	35	35	35	35	35	35	35	35	35	35
TAXATION	440	452	483	388	343	298	387	414	488	459
TOTAL ASSETS	1,376	2,268	3,394	4,136	4,936	5,632	6,534	7,501	8,639	9,711
REPRESENTED BY:										
Equity	25	25	25	25	25	25	25	25	25	25
Bank Loan	325	163	162	-	-	-	-	-	-	-
Revenue Reserve	1,026	2,080	3,207	4,111	4,911	5,607	6,509	7,476	8,614	9,686
TOTAL CAPITAL	1,376	2,268	3,394	4,136	4,936	5,632	6,534	7,501	8,639	9,711

ACROSS TANGANYIKA LTD

PAYBACK PERIOD:

YEAR	PROFIT AFTER TAX	ECONOMIC DEPRECIATION	TOTAL CASHFLOW	CUMULATIVE CASHFLOW
1.	1,026	20	1,046	1,046
2.	1,054	20	1,074	2,120
3.	1,127	20	1,147	3,267
4.	904	20	924	4,191
5.	800	20	820	5,011
6.	696	20	716	5,727
7.	902	20	922	6,649
8.	967	20	987	7,636
9.	1,138	20	1,158	8,794
10.	1,072	20	1,092	9,886

B: The original investment is **USD 350,000**, the analysis in the above table suggests payback period to be within the first six months of the first year. This means that it will take six or seven months for the project to recoup its initial investment of **USD 350,000**.

ACROSS TANGANYIKA LTD

BREAKEVEN ANALYSIS BASED ON THE 3RD YEAR:

FIGURES IN USD (000'S):

ITEM	VARIABLE COSTS	FIXED COSTS
1. Salaries and Wages	-	145
2. Fuel, Oils and Lubricants	170	-
3. Interest Cost	-	30
4. Maintenance	48	-
5. Variable Costs	680	-
6. Economic Depreciation	-	20
TOTAL	898	195

1. Sales Revenue	=	2,700
2. Variable Costs	=	898
3. Contribution Margin (1 - 2)	=	1,802
4. Fixed Costs	=	195
5. Contribution Margin Ration (3/1 x 100%)	=	67%
6. Breakeven Sales (E/D)	=	340
7. Breakeven Capacity (F/A x 100%)	=	13%

BUSINESS PLAN

OF

ACROSS TANGANYIKA LTD

FOR

THE PROJECT OF

**DIAMOND AND GEMSTONE CUTTING
AND POLISHING FACILITY IN DAR ES SALAAM**

Prepared by:
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September, 2008

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1.0 EXECUTIVE SUMMARY

In the current phase of the Economy Recovery programme the Government of the United Republic of Tanzania had mandated the mineral sector to promote the mining industry, by liberalizing private mining to prospective investors. The minerals department has hence formulated legislation for safe mining and a National Mining Policy. It is stipulated there in that it is the Government's intention to restrict and improve marketing arrangements viz the various types of minerals to ensure that the very least the sector earns the country anything around US\$ 200 million per annum in foreign exchange.

Business in gemstones, diamonds and related ornamental stones is as old as civilization itself. Stones are carved and cut into beads, earrings and all paraphernalia that cluster so much the dressing tables of affluent class of women the world over.

Yet, all this potent wealth is lying unexplored and unused in most of the developing countries. A wide variety of excellent quality gemstones are known in Tanzania. Some of these stone are just there for the picking.

THE LIST OF GEMSTONES AVAILABLE IN TANZANIA IS A FOLLOWS:-

1. Amethyst
2. Pyrope Garnet
3. Almandine
4. Kalata Garnet
5. Tsavorite (Green Garnet)
6. Rhodolite (Rose Red)
7. Rhodolite (High violet)
8. Peridot
9. Zircon (White)
10. Zircon (Red)
11. Opal (Black)
12. Opal (Yellow/White)
13. Opal (Yellow with cats eye)
14. Chrysoprase
15. Black Tourmaline
16. Tourmaline (Change Colour)
17. Spinel (Blue, Pink)
18. Orange (Golden Tourmaline)
19. Chrome Tourmaline
20. Green Tourmaline

21. Fancy Sapphire
22. Blue Sapphire
23. Green/Blue Sapphire
24. Pink Sapphire
25. Tanzanite (One Gram)
26. Yellow Christoberly
27. Christoberly Cats Eye
28. Alexandrite
29. Corundum (Ruby Cabochon)
30. Corundum (Ruby Gem)
31. Emerald
32. Yellow
33. Aquamarine
34. Florite
35. Topaz
36. Moonstone

Gemstones are minerals that, because of their brilliancy colour hardness and clarity are valued for use as personal adornment. The term "gems" should be applied to the stone after cutting polishing and the uncut mineral should be called a "gemstone" terms gemstone in Tanzania has the meaning as defined in the Mining Act, 1979 under the Mining Claims Regulations and they include diamond, emerald and other gem varieties of beryl, tourmaline, zircon, obsidian, periods, moonstone, chrysoprase amethyst and other gem varieties of quartz, garnet, zoisite, tanzanite, cordierite and scapolite in rough and uncut form and other rough and uncut stone which may be declared under sub-regulation (2). In classifying the gemstones, diamond is also include and the remaining ones are re-grouped in the coloured gemstones category. Diamond, ruby, sapphire, emerald and tanzanite are precious while topaz, spinal, garnet, turquoise, chrysoberyl, opal, zircon, tourmaline etc re semi precious.

1.1 INTRODUCTION

The project which is located in Dar es Salaam and a later date in Shinyanga is oriented on providing diamond and gemstone cutting a polishing for export purposes. The available data suggest the existence of a source of the minerals of substantial of reserve and of highly profitable prospective if a modern method of technological processing is applied.

- 1.2 The capital investments cost under this Business Plan of the project will be approximately USD 350,000.

After a period of preparation and installation of equipment, it is expected that in about 3 months from the start of operations the project will be financially self propelling. The application of reliable, flexible and mobile technological method, using separator-concentrator gravitational enrichment, will increase the quality of the products.

This project is presented by the company of ACROSS TANGANYIKA LTD as pioneer project and after its success the company is going to inject new investments in similar projects.

1.3 THE OVERAL COMPANY OBJECTIVE

The adoption of the proposed scheme of technological processing will increase the volume of the processed raw materials thereby increasing production capacity, productivity and profitability. The establishment of this facility in the country will add to the quantum of corporate tax, royalties and other statutory charges to the treasury exchequer.

1.4 MARKET POTENTIAL

Gemstone have a ready market in South East Asia especially in Srilanka, India and Thailand. In Europe the market potentials are Germany and Netherlands. Markets also do exist in the United States of America especially in cities of New York and Los-Angeles.

The end products which are cut and polished gems, diamonds and are used in ornaments. They are used mostly to manufacture ladies rings, beads, earnings and necklaces.

The sponsor intends to undertake the cutting and polishing of the gems and diamonds in Tanzania. In the long term, the sponsors initiative will contribute towards creating of employment, and value to the gems and provide foreign exchange to the country.

1.5 **PROJECT SPONSORS**

The sponsor of this new venture is the limited liability company going by the name of ACROSS TANGANYIKA LTD of P.O. Box 105426, Dar es Salaam. This company incorporates a local Tanzania shareholder and a foreigner and their shareholding are as shown herein below:-

NAME	SHARES
IGOR GENNADIEVICH ERINOV (Russian)	75
ABBAS HABIB NASSER (Tanzanian)	25

This company when it was incorporated in 2003, the main objective was in the business of Exporting Wild Animals. Todate there have been no substantial business in that line, so the Board of Directors have decided to sell off the company by transfer of shares to new investors as shown herein above who are now entering into the gemstone business

The Directors of the company have extensive personal experiences in the gemstone and diamond business in which they have brokered a number of International Transactions.

1.6 **PROJECT CONCEPT**

The project involves the processing of gemstones and diamonds through cutting and polishing work. A number of equipment's is to be used in the process.

The equipment include:-

1. Setting Machines
2. Motors
3. Cutting and Pre-shaping Machines
4. Faceting Machines
5. Misc. other cutting equipment – see Annex I for details.

Other items used in the processing work include liquids such as crocodile oil and American Poison/diamond powder and caption powders are also used in the process.

2.0 **PROJECT DESCRIPTION**

2.1 **OBJECTIVE OF PROJECT**

The project will be centered in diamond and gemstone cutting and polishing with the objective of increasing the value of the products destined for the export market.

2.2 **EQUIPMENTS**

The list of equipment of the production work under the project, including the complete units, is detailed in the Annex I. the processing equipment are produced on orders by a number of factories and enterprises. Variants of orders for equipment have already been worked out.

2.3 **EQUIPMENT INSTALLATION STARTING UP AND ADJUSTMENT WORKS**

Assembling, starting-up and adjustment works will be executed by specialists, who will recruited outside the country for the installation of the production system.

2.4 **PRODUCTION SCHEDULE**

The production operations of the plant will run for 10 t/hours daily. A one shift work of a duration of 10 hour (almost all day light) is envisaged. Projections show, that such time is sufficient for the volumes of work required for the processing. Increase of production will certainly entail a corresponding increase in working hours requiring the introduction of day light double shift schedule. Industrial production work will be manned by 5 foreign specialists of whom 2 cutters, 2 polishers and 1 technician as well as Tanzania technicians, driver, office staff, interpreters, accounts, etc. A total of 20 workers will be employed 5 foreign and 15 Tanzania.

3.0 **MANAGEMENT**

ACROSS TANGANYIKA LTD will themselves manage the company. They will recruit highly trained and experienced craftsmen to operate the equipment.

4.0

ACROSS TANGANYIKA LTD**CAPITAL INVESTMENT OUTLAY IN US\$**

Capital Equipment	US\$ 150,000.00
Land and Building	US\$ 50,000.00
Vehicles	US\$ 45,000.00
Furniture and Fittings	US\$ 15,000.00
Computer Equipment and Software	US\$ 10,000.00
SUB TOTAL	US\$ 270,000.00
Pre-operational Capital	
Feasibility Study cost/Legal and Administrative	US\$ 5,000.00
Logistics	
Working Capital	US\$ 75,000.00
TOTAL CAPITAL REQUIREMENT	US\$ 350,000.00

4.1 **PROJECT FINANCING (US DOLLARS)**

	Foreign	Local	Total
Equity	325,000.00	25,000.00	350,000.00

5.0 OPERATING COST AND REVENUE ESTIMATES

- Purchases of raw stones and rough diamonds;
- Salaries, allowances and other benefits for the expatriate staff engaged in the production sector;
- Salaries and allowances for 15 Tanzanian employees;
- Chemicals and associated consumable taxes, fees royalties;
- Fuel and lubricants;
- Plant and equipments maintenance services, depreciation etc;
- Stationer'
- Phone and fax bills;
- Administration and ancillary overhead. Services charges by companies and individuals.

0.6 FINANCIAL ANALYSIS

6.1 PROJECTED PROFIT AND LOSS STATEMENT

This Financial Statement in (Annex 6) indicate that the project will make a net profit after tax of USD 1.0 million in the first year and there after increasing up to USD 1.1.million in year.

Revenue reserve would have accumulated up to USD 9.6 million towards the end of the tenth year. The company should be able to declare dividends of USD 1.6 million to the shareholders by the end of the (3rd) year. Dividends are calculated at 50% of the revenue reserve.

6.2 PROJECTED CASH FLOW STATEMENT

The projected cash flow statement (*Annex: 7*) shows that the project will make a net cash flow of USD 808,000 commencing the first year and thereafter rise up to USD 1.0 million in the ninth (9th) year of its operations. The cumulative cash/cash in hand would have accumulated up to USD 9.0 million by the end of the tenth year. This cash will enable the company to sustain its own operation without relying upon bank overdrafts and loans for working capital requirements.

6.3 PROJECTED BALANCE SHEET

The Balance Sheet (*Annex: 8*) shows net favourable asset condition of the entire business throughout the operational period. The assets are well covered are well covered by all maturing obligation and that towards the end of the tenth (10th) year accrued profits would have accumulated up to USD 9.6 million.

6.4 PAYBACK PERIOD

The original investment is USD 350,000. The analysis in (*Annex: 9*) suggests payback period to be around the first year. This simply means that it will take one year for the project to recoup its initial investment cost of USD 350,000.

6.5 BREAKEVEN ANALYSIS

The breakeven points is estimated at sales volume of USD 340,000 or 13% of the plant's capacity. This is within the range that the project can meet without difficulty. Detailed calculation are provided (*Annex: 10*).

7.0 CONCLUSION AND RECOMMENDATION

It is a very lucrative proposition both to the country. The project is timely and highly desirable in the country at this material has a very healthy cash flow. The entire initial investment of US\$ 350,000.00 will have been recouped within the very first half of the first year of operations.

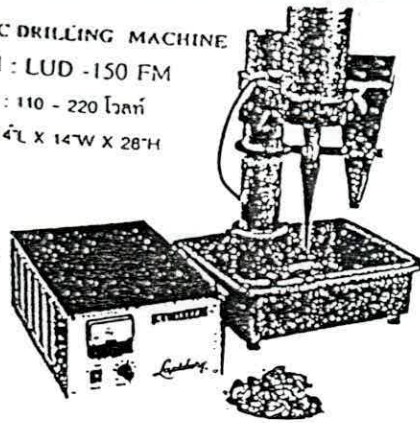
Its strongly recommended that the Tanzania Investment Centre offer the company the Certificate of Incentives with the necessary benefits so that the sponsors begin implementing the project without undue delays.

ULTRASONIC DRILLING MACHINE

Model : LUD -150 FM

น้ำหนัก : 110 - 220 กิโลกรัม

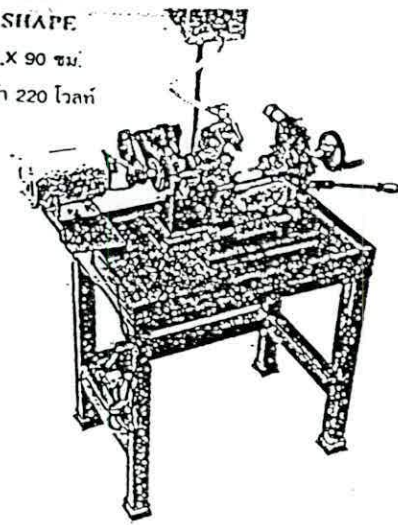
ขนาด 14" X 14" X 28" H



ROOTING SHAPE

ขนาด 57 X 77 X 90 ซม.

น้ำหนัก 1/4 ตัน 220 กิโลกรัม

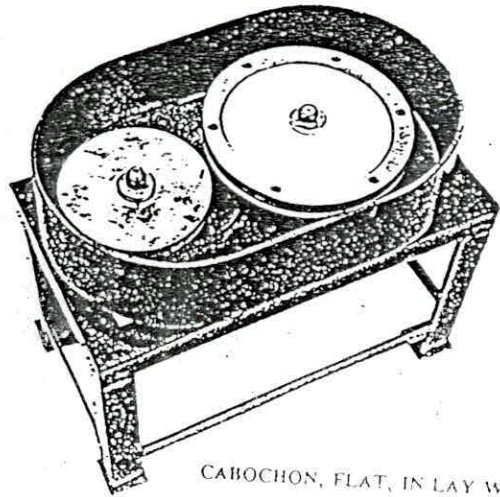
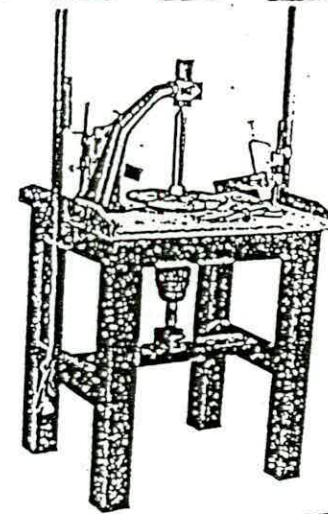


COLOUR STONE CUTTING LAPS
(STEEL SCAIFE)

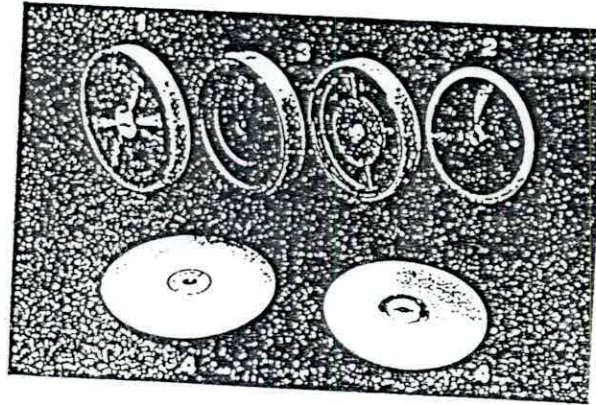
71.5 X 53 X 127 CM

SEMI-PRECIOUS STONE
CUTTING LAPS (COPPER SCAIFE)

63 X 49 X 105 CM



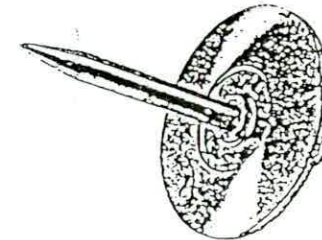
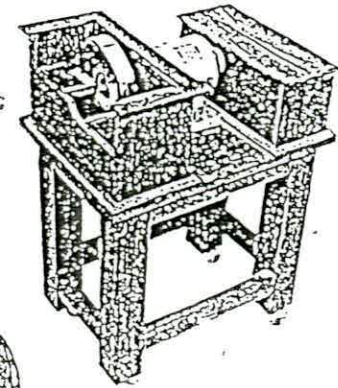
CABOCHON, FLAT, IN LAY WORK
POLISHING LAPS



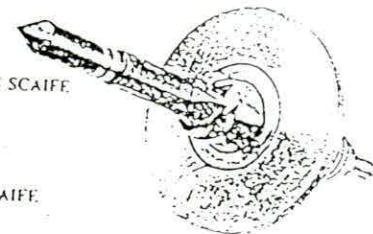
1. DIAMOND GRINDING WHEEL
2. CONCAVE DISC WHEEL
3. ELECTRO PLATING DIAMOND WHEEL
4. ELECTRO PLATING DIAMOND DISC

GRINDING AND SAWING
BENCH

71 X 45 X 80 CM.



จักรเจียรเพชรแท้
DIAMOND POLISHING
SCAIFE



COLOUR STONE POLISHING SCAIFE
SEMI-STONE POLISHING SCAIFE

ขนาด 43 X 70 X 78 ซม.

ขนาด 26 X 47 X 42 ซม.

DIAMOND & GEMSTONE CUTTING AND POLISHING EQUIPMENT AND SUPPLIES

1.	Ultrasonic Drilling Machine	2
2.	Booting Shape	2
3.	Colour Stone cutting Laps	2
4.	Cabochon Flat in lay work	3
5.	Semi-precious Stone	1
6.	Cutting Laps (Cooper Scaife)	2
7.	Grinding and Sawing Bench	1
8.	Raytech-Auto Feed Lapidary Saw	1
9.	Lil trimmer Saw	1
10.	Rio Grande 6" Trim Saw	1
11.	Rio Grande 6" Gemmaker Arbor	1
12.	Setting Machine	1
13.	Pre-shaping Machine	1
14.	Cutting Machine	1
15.	Ticketing Machine	1
16.	Ring Machine	1
17.	Testing Machines	2
18.	Crushing Blade	1
19.	Bowler	1
20.	Towel Diamond	1
21.	Water Pipe for 2 Machines	1
22.	Motors	5
23.	Weigh Scale gms	1
24.	Weight Scale Carats	1
25.	Torch	1
26.	Glass and Lights	20
27.	Tables	5
28.	Safes	2
29.	Generator	1
30.	Accessories	2
i.	V Belt	
ii.	Dia Laser Diamond Saw Blades	4
iii.	Diamond Polishing Scaife	2
iv.	Semi Store Polishing Scaife	2
v.	Colour Stone Polishing Scaife	2
vi.	Diamond Grinding Wheel	2
vii.	Elector Planting Diamond Wheel	2
viii.	Concrete Disc Wheel	2
ix.	Diamond Grinding Wheel	2
31.	INITIAL SUPPLIES	
i.	Diamond Powder	lot
ii.	Cabazon Powder	lot
iii.	Sticks	400
iv.	Gum Stick	
v.	American Poison	lot
vi.	Crocodile Oil	lot

WORKING CAPITAL REQUIREMENTS

	WEIGHT IN GRM	VALUE IN TSHS.
Raw Stones (2 months)	400	42,000,000.00
Wages and Salaries (2 months)	-	14,550,000.00
Administrative and Overhead Expenses (1 month)	-	3,600,000.00
Total Value	-	60,000,000.00

*Annex 4***COST OF SALES IN TSHS**

CAPACITY UTILIZATION	60%	70%	80%
Raw Stones grm	2,400.00	2,800.00	3,200.00
Price Tshs. 180,000.00	432,000,000.00	504,000,000.00	57,360,000.00
Direct Labour	174,360,000.00	174,360,000.00	174,360,000.00
Overhead Expenses	43,464,000.00	43,464,000.00	43,464,000.00
Depreciation	21,276,000.00	21,276,000.00	21,276,000.00
Total Cost of Sales	671,000,000.00	743,000,00000	812,700,000.00

Annex 5

PRODUCTION AND SALES PROJECTIONS

			COMMODITY/VALUE IN US\$			TOTAL VALUES	
YR	CAPACITY UTILIZATION	WEIGHT IN CARATS	CAPTIONS	SEMI-GEM	GEM DIAMOND	CARATS	USD
1.	60%		900crts \$ 1,250,000	1,200crts \$ 900,000	300crts \$ 900,000	2,400	2,205,000
2.	70%		1,050crts \$ 262,500	1,400crts \$ 1,050,000	350crts \$ 1,050,000	2,800 3,200	2,362,500 2,700,000
3.	80%		1,200crts \$ 300,000	1,600crts \$ 1,200,000	400crts \$ 1,200,000	3,200	2,700,000
4.	80%		1,200crts \$ 300,000	1,600crts \$ 1,200,000	400crts \$ 1,200,000	3,200	2,700,000
5.	80%		1,200crts \$ 300,000	1,600crts \$ 1,200,000	400crts \$ 1,200,000	3,200	2,700,000

ACROSS TANGANYIKA LTD

PROJECTED PROFIT AND LOSS STATEMENT:

FIGURES IN USD. (000'S)

ITEM/YEAR	1	2	3	4	5	6	7	8	9	10
Sales Revenue	2,205	2,370	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
LESS: OPERATING EXPENSES:										
1. Salaries and Wages	145	145	145	145	145	170	170	170	170	170
2. Variable Costs	360	420	680	885	945	945	660	430	260	260
3. Administrative Overheads	36	36	36	40	40	40	50	50	50	50
4. Fuel Consumption	150	160	170	220	360	407	457	520	520	52000
5. Maintenance of Plant	-	48	-	55	-	70	-	75	-	95
6. Telephone & Stationery	10	12	15	17	17	19	19	19	19	19
7. Transport & Travelling	18	23	24	26	30	35	35	35	35	35
8. Economic Depreciation	20	20	20	20	20	20	20	20	20	20
TOTAL EXPENDITURE	739	864	1,090	1,408	1,557	1,706	1,411	1,319	1,074	1,169
PROFIT BEFORE TAX	1,466	1,506	1,610	1,292	1,143	994	1,289	1,381	1,626	1,531
COMPANY TAX (30%)	440	452	483	388	343	298	387	414	488	459
PROFIT AFTER TAX	1,026	1,054	1,127	904	800	696	902	967	1,138	1,072
REVENUE RESERVE	1,026	2,080	3,207	4,111	4,911	5,607	6,509	7,476	8,614	9,686

ACROSS TANGANYIKA LTD

PROJECTED PROFIT AND LOSS STATEMENT:

FIGURES IN USD. (000'S)

ITEM/YEAR	0	1	2	3	4	5	6	7	8	9	10
A: INFLOWS:											
Equity	25										
Bank Loan	325										
Profit After Tax	-	1,026	1,054	1,127	904	800	696	902	967	1,138	1,072
Econ. Depreciation	-	20	20	20	20	20	20	20	20	20	20
TOTAL INFLOWS	350	1,046	1,074	1,147	924	820	716	922	987	1,158	1,092
B: OUTFLOWS:											
Investment and Re-investments	350	-	-	-	-	-	-	-	-	90	-
Change in Working Capital	-	75	150	90	50	-	-	-	-	-	-
Loan repayment	-	168	162	-	-	-	-	-	-	-	-
TOTAL OUTFLOWS	350	238	312	90	50					90	
NET FLOWS	(350)	808	762	1,057	874	820	716	922	987	1,068	1,072
CUMULATIVE CASH	-	808	1,570	2,627	3,501	4,321	5,037	5,959	6,946	8,014	9,086

ACROSS TANGANYIKA LTD

PROJECTED BALANCE SHEET

FIGURES IN USD (000'S)

ITEM/YEAR	1	2	3	4	5	6	7	8	9	10
Fixed Assets at Cost	350	350	350	350	350	350	350	350	440	440
Less: Accumulated Depreciation	20	40	60	80	100	120	140	160	180	200
NET FIXED ASSETS	330	310	290	270	250	230	210	190	260	240
Add: Current Assets:										
Cash in Hand/Bank	808	1,570	2,627	3,501	4,321	5,037	5,959	6,946	8,014	9,086
Debtors	417	522	514	635	596	557	598	602	689	671
Stocks	626	663	771	423	397	371	399	402	459	448
Less: Current Liabilities										
Creditors	35	35	35	35	35	35	35	35	35	35
TAXATION	440	452	483	388	343	298	387	414	488	459
TOTAL ASSETS	1,376	2,268	3,394	4,136	4,936	5,632	6,534	7,501	8,639	9,711
REPRESENTED BY:										
Equity	25	25	25	25	25	25	25	25	25	25
Bank Loan	325	163	162	-	-	-	-	-	-	-
Revenue Reserve	1,026	2,080	3,207	4,111	4,911	5,607	6,509	7,476	8,614	9,686
TOTAL CAPITAL	1,376	2,268	3,394	4,136	4,936	5,632	6,534	7,501	8,639	9,711

ACROSS TANGANYIKA LTD

PAYBACK PERIOD:

YEAR	PROFIT AFTER TAX	ECONOMIC DEPRECIATION	TOTAL CASHFLOW	CUMULATIVE CASHFLOW
1.	1,026	20	1,046	1,046
2.	1,054	20	1,074	2,120
3.	1,127	20	1,147	3,267
4.	904	20	924	4,191
5.	800	20	820	5,011
6.	696	20	716	5,727
7.	902	20	922	6,649
8.	967	20	987	7,636
9.	1,138	20	1,158	8,794
10.	1,072	20	1,092	9,886

N.B: The original investment is **USD 350,000**, the analysis in the above table suggests payback period to be within the first six months of the first year. This means that it will take six or seven months for the project to recoup its initial investment of **USD 350,000**.

ACROSS TANGANYIKA LTD

BREAKEVEN ANALYSIS BASED ON THE 3RD YEAR:

FIGURES IN USD (000'S):

ITEM	VARIABLE COSTS	FIXED COSTS
1. Salaries and Wages	-	145
2. Fuel, Oils and Lubricants	170	-
3. Interest Cost	-	30
4. Maintenance	48	-
5. Variable Costs	680	-
6. Economic Depreciation	-	20
TOTAL	898	195

1.	Sales Revenue	=	2,700
2.	Variable Costs	=	898
3.	Contribution Margin (1 - 2)	=	1,802
4.	Fixed Costs	=	195
5.	Contribution Margin Ration (3/1 x 100%)	=	67%
6.	Breakeven Sales (E/D)	=	340
7.	Breakeven Capacity (F/A x 100%)	=	13%

THE COMPANY ORDINANCE
(CAP.212)

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLE OF ASSOCIATION

OF

ACROSS TANGANYIKA LTD

Incorporated this

day of

2003

*Certified true
copy of the
original*

Drawn by:
Harshit Shah
P.O. Box 1821
MOSHI.

Mr. Alex M. Bahomi (Advocate)
Nates Public & Commissioner for Oath
Legal Consultant
P.O. Box 1695
DAR ES SALAAM

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

ACROSS TANGANYIKA LTD

1. The name of the Company is ' ACROSS TANGANYIKA LTD
2. The registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-

a) Dealing in live or stuffed primates, mammals other than primates, reptiles, birds other live of stuffed animals. Catching & selection of above mentioned animals keeping a commercial zoo, animal farm & breeding colony. Animal Quarantine zone establishing. Dealing in game trophies skins, game bones, horns or feet in any condition. Clearing & forwarding of trophies.

To engage and otherwise carry on the business as animal quarantine keepers, animal keepers and exporters, planters, cultivators, fruits and vegetable growers, fishermen, hunters, trappers, fellmongers, tanners, food specialists, preserved meat, fish, fruit, vegetable and food manufactures and dealers whether by whole sales or retail, in coal, grain, whether timber, foodstuffs, meat and offals, hides and skins, fats, tallow, grease, and oils and animals vegetable and fishery products and by products produce and merchandise of all kinds.

- b) To carry on the business of hotel restaurant, café wadhouse, auto court, motel, holiday camp, casino, lottery/bingo, slot machines.
- c) To carry on the business of general carries and forwarding agents, warehousemen, bonded warehousemen and carries air and water, railway, aircraft, shipping and forwarding agents, to be tourist agents establish and operate tour and safari services.
- d) To buy, underwrite, invest in, subscribe for, acquire and hold shares, stock, debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any company or body, corporate or un-corporate, or by any government, state, dominion, sovereign, ruler, public body or authority, supreme, federal, regional, state, local, municipal, or district, and to sell, deal in or turn to account the same and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof. To act as trustees of any deed constituting or securing any debentures, debenture stock or other, trust, either gratuitously or for enumeration.
- e) To build, erect, construct, lay down, purchase, take account, deal with or dispose of the same, in any manner whatsoever, and likewise to acquire and deal with any agricultural, ranching, plantation, forest, fishing and trading grants, licenses, concessions, options, rights or privileges.

Stamp Duty Paid
5000/-
18927600 11/9/03

TANZANIA
Stamp Duty Sbs. 2500/- Paid
18927600 11/9/03
Receipt No. 18927600
Asstt Registrar of Companies

Certified true copy of the Memorandum of Association
Mr. Alex M. Baloni (Advocate)
Legal Consultant
DAR ES SALAAM

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

ACROSS TANGANYIKA LTD

1. The name of the Company is **ACROSS TANGANYIKA LTD**
2. The registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-

a) Dealing in live or stuffed primates, mammals other than primates, reptiles, birds other live of stuffed animals. Catching & selection of above mentioned animals keeping a commercial zoo, animal farm & breeding colony. Animal Quarantine zone establishing. Dealing in game trophies skins, game bones, horns or feet in any condition. Clearing & forwarding of trophies.

To engage and otherwise carry on the business as animal quarantine keepers, animal keepers and exporters, planters, cultivators, fruits and vegetable growers, fishermen, hunters, trappers, fellmongers, tanners, food specialists, preserved meat, fish, fruit, vegetable and food manufactures and dealers whether by whole sales or retail, in coal, grain, whether timber, foodstuffs, meat and offals, hides and skins, fats, tallow, grease, and oils and animals vegetable and fishery products and by products produce and merchandise of all kinds.

- b) To carry on the business of hotel restaurant, café wadhouse, auto court, motel, holiday camp, casino, lottery/bingo, slot machines.
- c) To carry on the business of general carries and forwarding agents, warehousemen, bonded warehousemen and carries air and water, railway, aircraft, shipping and forwarding agents, to be tourist agents establish and operate tour and safari services.
- d) To buy, underwrite, invest in, subscribe for, acquire and hold shares, stock, debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any company or body, corporate or un-corporate, or by any government, state, dominion, sovereign, ruler, public body or authority, supreme, federal, regional, state, local, municipal, or district, and to sell, deal in or turn to account the same and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof. To act as trustees of any deed constituting or securing any debentures, debenture stock or other, trust, either gratuitously or for enumeration.
- e) To build, erect, construct, lay down, purchase, take account, deal with or dispose of the same, in any manner whatsoever, and likewise to acquire and deal with any agricultural, ranching, plantation, forest, fishing and trading grants, licenses, concessions, options, rights or privileges.

5000/-
18927600 11/9/03
Stamp Duty

TANZANIA
Stamp Duty Shs. 2500/- Paid
18927600 11/9/03
Receipt No. 18927600
Asst. Registrar of Companies

- (f) To prospect and search for, mine, get quarry, excavate, raise, win, crush, smelt, refine, calcine, manipulate and prepare for market gold, precious and base metals, atomic materials, minerals of every kind, precious and semi-precious stones, oils and other mineral substances, and to buy, sell or deal therein and in the products thereof and to carry on mining, drilling or metallurgical operations whatsoever.
- (g) To buy, sell, manufacture, prepare for market and deal in food and other products, goods, provisions, pharmaceutical preparations, tobacco, wines, beer, spirits, liquors, of every descriptions, and all conveniences, or necessities of life which may be used or required for workmen or others employed by the Company.
- (h) To establish, manage and carry on the traders or business of farmers, cattle rearers, graziers, dairymen, livestock and poultry breeders, planters, cultivators, fruit and vegetable growers, fishermen, foresters, hunters, trappers, fellmongers, tanners, food specialists, preserved meat, fish, fruit, vegetable and food manufacturers, and dealers whether by wholesale or retail, in coal, grain, whether timber, foodstuffs, meat and offals, hides and skins, fats, tallow, grease, and oils, and animal vegetable and fishery products and by products produce and merchandise of all kinds.
- (i) To issue debentures, debenture stock, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise, and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights, present and future, of the company (including, if thought fit, uncalled capital) or otherwise whomsoever.
- (j) To carry on business of proprietors, and/or hirers of trucks, lorries, cars, minibuses, buses, self or chauffeur driven for transportation of passengers and goods within Tanzania and/or in the neighbouring countries, carry on the business of manufacturers of species, yellow gram, grain and seed merchants and millers of all types of food products.
- (k) To cultivate, grow, buy, prepare any kind of fruit such as pineapple, orange, lime, lemon, grapefruit, passion fruit, guava and all types of fruits and vegetables and to dispose of, sell and deal in any such products either in its raw form or its processed form.
- (l) To plant, grow, import, manufacture, sell and deal in fruits and/or vegetables in the form of juices, concentrates, nectars, pulps, piece/and or slices, jams, marmalades, pickles, chutney, oil, animal and poultry feeds.

- (m) To establish depots and agencies in different parts of the worlds for the purpose of carrying on any or all of the business of the company.
- (n) To carry on the business of buying and selling timber, establish saw-mill and prepare for markets to import and export timber, logs and wood. To deal in carpentry joinery, plywood, moulding, hardboards, fibre boards, cardboards paper string and tools of all kinds including grind slins, pino, screws, hinges, nuts, bolts, fasterip, iron-mongery, building materials and the like.
- (o) To carry on the business in civil, mechanical electrical building and general engineering and to deal as consulting engineer designers, metal aloy makers, store masous, tar sprayers and asphalt, cement, contractor brick layers, tree fellers, woodworks, plumbers, metal foudes and contract generally.
- (p) To carry on and transact any other business and operations, commercial manufacturing, financial which the company may think directly or indirectly conducive to any of its objects.
- (q) To enter into hire purchase and other agreements in respect of goods and articles delt with and service supplied to or by the company and to negotiate, sign, musgage or pledge for cash any such agreements accruing thereunder.
- (r) To enter into any arrangements with any governments or authorities, municipal, local authorities, and to obtain from any such authorities or governments any contracts rights, privileges or consession which the company may think desirable.
- (s) To acquire, carry on and undertake all or any part of the business, property and liabilities of any person or company carrying on business similar to that which the company is authorised to carry.
- (t) To enter into partnership or into any arrangements for sharing profits, union of interest co-operation, joint venture or reciprocal concessias with any company carrying or the same.
- (u) To sell the property and undertake of the Company or any part thereof, for such consideration as the company may think fit with any other company having objects similar to the objects of the company.
- (v) To promote any other company for the purpose of acquiry all or any of the property and liabilities of the company or for any other purposes which may seem directly or indirectly calculated to benefit the company and to subsidire or assist any such company.

- (w) To take or otherwise acquire and hold shares in any other company having objects altogether or in that similar to those of the company, or carrying on any business capable of being conducted so as directly or indirectly in benefits the company.
- (x) To amalgamate with any other company having objects similar to those of the company.
- (y) To distribute any of the property of the company among the Members in Specie or in kind.
- (z) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any property, movable or immovable or any interest thereof and any right or privilege which the company think necessary for the purpose of its business.
- (aa) To land money to such persons and on such terms and may seem expedient and in particular to customers having dealing into the company.
- (bb) To borrow and raise money and to secure or discharge any debt or obligations of or binding on the company in such a manner as may be thought fit and, in particular by legal and equitable mortgages and charges.
- (cc) To pay out the fund of the Company all expense of and incidental to its formation and registration and to remunerate any person or company, either in cash or by the allotment of shares for services rendered.
- (dd) To purchase or otherwise acquire any patents, brevets d'invention, licences, concessions, covering any exclusive rights to use any invention which may seem capable of being used for any purpose of the Company.
- (ee) To sell, improve, manage, develop, lease mortgage or dispose of whole or any portion of the property and rights of the company.
- (ff) To establish support or aid institutions funds, trusts calculated to benefit and to grant pensions and allowance to Directors and employees of the Company and to make payment towards Insurance or guarantee money to any charitable or benevolent object for any useful object.
- (gg) To do all or any of the above things in any part of the world and as principal, managing, agents, contractors trustees or otherwise along or in conjunction with other.

- (hh) To receive money or deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock (perpetual or otherwise) and to secure the repayment of money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future) including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company or any other person or company as the case may be.
- (ii) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and clubs calculated to benefit the employees or ex-employees of the company which is a subsidiary company of the company or is allied thereto or associated therewith, or dependents or connections of such persons, and to grant or provide pensions and allowances, to make or enter into arrangements for the provisions of policies of life assurance, pensions or other benefits to or for any Directors or employees of the company, or any such predecessors of such company as aforesaid, or the relations, connections or dependents of any such persons, to pay or contribute towards the payment of premiums in respect of any such policies, pensions or benefits, to establish or support funds, trusts and schemes (including funds, trusts, and schemes providing for payment towards insurance) which may be considered calculated to promote such persons or benefits.
- (jj) To sell or otherwise dispose of the whole or any part of the business or property of the company either together or in portions, for such consideration as the company thinks fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (kk) To purchase or otherwise acquire letters, patents, brevets d'invention, concessions, licenses, rights and privileges subject to royalty or otherwise, and whether exclusive or in-exclusive or limited, or any part interest in such letters, patents, brevets, brevets d'invention, concessions, licenses, right and privileges, whether in East Africa or in any other part of the world.
- (ll) To take all necessary and proper steps with the authorities, national, local, municipal, or otherwise, of any place in which the company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the company or effecting any modification in the constitution of the company or furthering the interests of its members, and to oppose any steps taken by any other company or persons which may be considered likely, directly or indirectly, to prejudice the interest of the company or its members.

- (mm) To draw, make, accept, endorse, discount, negotiate, execute and issue, buy, sell and deal in bills of exchange, promissory notes and other negotiable or transferable instruments, amalgamate or enter into partnership or any joint venture or profit - sharing arrangement with, and to co-operation in any way with or assist or subsidize any Company, firm or person.
- (nn) To promote or concur in the promotion of any Company, the promotion of which shall be considered desirable, to lend money to and guarantee the performance of the contracts, obligations of and the payment and repayment of the capital and principal of, and dividend interest or premiums payable on any stock, shares and securities of any Company, firm, or person, whether having objects similar to those of this Company or not, and to give all kinds of indemnities.
- (oo) To sell, lease, grant licenses, easements and other rights over and in any other manner, deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit and, in particular, for stock, shares or securities of any other company, whether fully or partly paid up.
- (pp) To acquire any such shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise, and to subscribe for the same, either conditionally or other and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by, or incidental to, the ownership thereof.
- (qq) To issue debentures, debenture stock, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise, and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights, present and future, of the company (including, if thought fit, uncalled capital) or otherwise howsoever.
- (rr) To take part in formation, management, supervision of control of the business or operations of any company, and for that purpose to act as Directors, Administrators, Managers, Secretaries or any other capacity and to appoint and remunerate any directors, administrators, managers, accountants or other expense or agents.
- (ss) To procure the registration of the company in or under the laws of any place outside Tanzania.
- (tt) To purchase, sell, subscribe for, underwrite, or otherwise acquire and hold shares, stocks or other interest in, or obligations of any other company or corporation.

- (uu) To distribute among the members of the company, in kind any property of the company, and in particular shares or securities of other companies belonging to this company.
- (vv) To act as agents, or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or any of the above business in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or jointly with others and either by or through agents, sub-contractors, trustees or otherwise.
- (ww) To do all such things as are incidental or conclusive to the attainment of the above objects or any of them.
- (xx) To carry on the business as developers of immovable property of all kinds, and whether urban or rural construct, erect and maintain either by the company or by any other person, firm or company building structures, houses, flats, shops, hotels, factories, godowns, sewers, roads and all other works erections and things of any descriptions whatsoever either upon land acquired by the company or upon other land and generally to alter develop and improve land and other property.
- (yy) To carry on the business of timber or wooden and steel furniture, carpentry joinery and steel fabrication, manufacturers, importers, exporters, dealers, wholesalers, retailers and or representative for the above goods.
- (zz) To carry on business of all types of agricultural, dairy and industrial equipment, machinery, implements, raw materials, spare parts for industrial, transport agriculture and minerals sector as an importer, exporter, distributors, wholesaler and retailer and also farming business.
- (aaa) To carry on any other business whether manufacturing or otherwise which may seem to the company capable of being conveniently carried on in connection with any of the above business or objects or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights for the time being.
- (bbb) To construct, establish, open, acquire, maintain and carry on factories, warehouses, shops, shop premises any similar establishments of all kinds, and in particular but without prejudice to the generality of the foregoing, retail shops, for the sale and / or dealt in by the company, or of provisions, beverages, clothing and other articles or products whatever which may be required by any employee of the company or of any subsidiary and dwelling houses or other accommodation for employees of the company or of any subsidiary.

- (ccc) To purchase, lease, licence, take in exchange or otherwise acquire, any lands, buildings, hereditaments, or premises whether freehold or leasehold, or any estates or interests in such lands, buildings, hereditaments or premises, anywhere in the world or options and licences of any descriptions which the company may think useful of any of its objects or purchases, and to develop, work dispose of or otherwise turn to account the same.
- (ddd) Generally to purchase, take on lease in exchange, hire, or otherwise acquire any movable or immovable property and any rights or privileges which the company may think necessary or convenient for the purpose of its business and in particular any land leases, options over lands or leases, stands, buildings, servitude, machinery, plant and also any concessions, licences trade marks, and other rights in Africa or elsewhere and either solely or jointly with others and to pay thereof in cash or in shares of the company or partly in cash and partly in stock of the company or partly in cash and partly in stock or shares of the company or otherwise.
- (eee) To establish and support, or aid in the establishment and support of associations institutions, and conveniences, calculated to benefit any of the employees or ex-employees of the company, or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects or for exhibition, or for any public, general or useful object.
- (fff) To amalgamate with any other company having objects altogether or in any part similar to those of this company.
- (ggg) To distribute any of the property of the company in specie among the members.
- (hhh) To do all such other things as are incidental or conducive to the attainment of the above objects.
- (iii) To establish, promote and otherwise assist any company or companies for the purpose of acquiring any of the property or furthering any of the objects of this company.

AND it is hereby declared that the word "Company" in this clause, except where used in reference of this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Tanzania or elsewhere, and that the intention is that each of the objects set forth in any sub-clause or by the name of the company, none of such sub-clauses or the objects herein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause, but the company shall have full powers to exercise all or any of the powers conferred by any part of this clause and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clauses of this clause.

(hh) The objects set forth in all these clauses shall not be destructively construct, but shall be given the widest interpretation there to and unless otherwise expressly stated so, shall not be limited to any inference from any other object or objects set forth in the clauses.

4. The liability of the Members is Limited.

5. The capital of the Company is T.shs. (5,000,000/=) divided into one thousand (1,000/=) ordinary shares of T.Shs. five thousand only (5,000/=) each. The company shall have the power to increase or reduce the said capital as it may deem fit.

We the several persons whose names and addresses are subscribed hereunder, are desirous of forming a company, and do agree to subscribe to the shares of the company as they are indicated opposite our names:

NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES	SIGNATURE OF THE SUBSCRIBERS
HARSHIT SHAH P.O.BOX 1821, MOSHI	51	<i>Harshit Shah</i>
DAVID ZHORZHOLADZE P.O.BOX 105426, DAR ES SALAAM	49	<i>David Zhorzholadze</i>

Dates at Dar es Salaam this 11th day of September 2003

Witness to the above Signatures:
 Name: Abdullah Salim
 Signature: *Abdullah Salim*
 Postal address: P.O. Box 1995
Dar es Salaam
 Qualifications: Associate



Stamp: 5000/=

Receipt No: 18927600 11/9/03

Stamp Duty Officer

TANGANYIKA 2500/- Paid 11/9/03

Stamp Duty Officer: 18927600

Receipt No: 18927600

Asstt Registrar of Companies

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ACROSS TANGANYIKA LTD

PRELIMINARY

1. In these regulations:
 "The ordinance" means the Companies Ordinance Chapter 212 of the laws of Tanganyika.

When any provision of the Ordinances referred to the reference in that provision as modified by any law of the time being in force.

Unless the context otherwise requires, the expressions defined in the Ordinance or any statutory modification thereof in force at the date at which these regulations become binding on the Company, shall have the meaning so defined.

Any words importing the singular shall include the plural and vice versa, and Words importing the masculine gender shall include females, and the words importing persons shall include bodies, corporate, partnership, firms, cooperative societies etc.

The regulation of Table "A" in the First Schedule to the Companies Ordinance (hereinafter called Table "A" shall apply to the Company save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under table "A" the former shall prevail, and in addition to the substitution for or the modification of the provisions of table "A" the following shall be the regulations of the Company.

PRIVATE COMPANY

2. The Company is a private Company and accordingly:-
 - a) The right to transfer shares is restricted in manner hereinafter prescribed.
 - b) The number of members of the company (exclusive persons who are in the employment of the Company and of the persons who having been formerly in the employment of the Company were in such employment and have continued after the determination of such employment to be members of the Company).

limited to fifty; provided that there where two or more persons holding one or more shares in the Company jointly they shall for the purpose of this regulation be treated as a single member.

- (c) Any invitation to the public to subscribed for any shares or debentures of the Companies prohibited.
- (d) The Company shall not have power to issue shares, warrants bearer.

TRANSFER OF SHARES:

- 3. The Directors may in their discretion and without assigning any reason thereof refuse to register the transfer or any person whom it shall in their opinion be undesirable for any person whatsoever to admit the membership.
- 4. Subject of Clauses 2 and 3 hereof the right to members to transfer their shares shall be restricted as follows:-
 - (a) No shares shall be transferred to a person who is not a member of any person selected by the Directors as one who it is desirable in buying the shares. All share transfer shall be confirmed by Board of Directors.
 - (b) Every shareholder or trustee in bankruptcy, or any person who may desire to sell or transfer any such share and every personal representative a deceased shareholder shall give notice in writing to the Directors that he desires to make such sale or transfer. Such notice shall constitute the Board or Directors of any member or members of the Company at a price to be agreed upon between the party giving such notice and the Board, or in case of difference to be determined by the Auditor of the Company.
 - (c) Upon price of such shares being agreed on or determined as per clause (b) above, the Board shall forthwith give notice to such of the shareholder other than the shareholders desiring to sell or transfer the said shares stating the number and the price of such shares inviting the person to whom notice is sent to state within 21 days from the date of such notice whether he is willing to purchase any, if so, what maximum number of such shares. At such shares amongst the shareholders (if more than one) who shall have expressed their desire to purchase the same and as far as may be pro-rata according to the number of shares already held by them respectively, if there be only or one such shareholder, the whole of such shares shall be obliged to take more than the maximum of such shares stated in his answer to the said notice. Upon such apportionment being made or such one shareholder notifying his intention to purchase, as the case may be, the party desiring to sell or transfer such shares shall be bound upon payment of the said price to transfer the shares to the respective shareholders or single shareholder who shall have agreed to purchase, the same.

GENERAL MEETING

NOTICE OF GENERAL MEETING AND PROCEEDING AT GENERAL MEETING

5. Articles 39 to 53 of table "A" shall apply subject to the following variations:-
- a) A general meeting, ordinary or extraordinary may with the consent in writing of all members, be convened on a shorter notice than seven days or without notice.
 - b) Two members, present either personal or by proxy shall form a quorum.
 - c) Any ordinary resolution of the Company determined without any general meeting and evidence by writing under the hands of majority of the Directors and of the members other company holding three-fourths of the issued shares of the Company shall be valid and effectual as an ordinary resolution duly passed at a general meeting of the Company.

DIRECTORS

6. Until otherwise determined by the Company in general meeting the Directors shall be not less than two and not more than six.

The following persons shall be the first Directors to the Company:-

- 1. HARSHIT SHAH**
- 2. DAVID ZHORZHOLADZE**

7. The Company in general meeting may fix the share holding qualifications for Directors and unless and until so fixed no qualification shall be required.
8. The quorum of Directors for transacting business shall unless otherwise fixed, by Directors, be two.
9. A resolution in writing signed by all the Directors then in Tanzania shall be valid and effectual as if it has been passed at a meeting of Directors duly called and constituted.
10. The Directors may from time to time borrow raise moneys for the purpose to the Company, which may exceed the issued share capital of the company.

BORROWING POWERS.

11. The Directors may raise or borrow to the purpose of the Company's business any sum or sums of moneys as they think fit and they may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the present and future, including its uncalled or unissued capital or by the issue, at such prices as they may think fit, of bonds or debentures, either charged upon the whole or any part of the property and assets for the Company, not charged, or such other way as the Directors may think expedient.

ALTERNATE DIRECTORS.

12. Each Directors may nominate a person, who shall be approved of in writing by the other Directors, to act as Alternate in his place during his absence from Tanzania or inability to act as such Director. Such Alternate Director shall be subject in all other respects to the terms and conditions existing with reference to the Directors of the Company, discharge all the duties and functions of the Director being unable to act during the absence or inability to act as the whom he represents he may subject to the like approval of the other Directors appoint a duly qualified person to act in his place.

SECRETARY

13. The Secretary shall be appointed by the Board for such terms reference to the directors and discharge all duties at such remuneration and upon such conditions as it may think fit, and any Secretary so appoint a duly qualified person to act in his place.

WINDING UP

14. With the sanction of the special resolution of the Shareholders, any part of the assets of the Company including any shares in other Companies may be divided between the members of the Company in specie or may be vested in trustees for the benefit of such members and the liquidation of the Company may be closed and the Company dissolved but so that no member shall be compelled to accept any shares whereupon there is any liability.

INDEMNITY

15. Every Director, Managing Director, Agent, Auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the Assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or is in connection with any application (under section 245 of the Ordinance) in which relief is granted to him by the Court.

ALTERATIONS OR ADDITIONS

16. Subject to the provisions of the Ordinance and to those contained in the Memorandum of Association, the Company may by special Resolution make alterations or additions to the Articles of Association and any such alterations or additions to the Articles of Association and any such alterations or addition as made shall as valid and effectual as if originally contained in these articles and be subject in like manner to alteration by Special Resolution.

ARBITRATION

17. If and whenever any dispute or difference shall arise between the Company and any of the members or their respective representative touching upon the construction or meaning of any the Articles herein contained or any act matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising there under or arising out of the relation existing between the parties by reason of these Articles or the Ordinance, such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the arbitration of three (3) arbitrators, one to be appointed by each party and the third to be appointed by the first two or, in the event of failure to agree within thirty (30) days the procedure laid down in the Arbitration Ordinance (Cap.15) or any then existing statutory modifications or re-enactments thereof shall apply.

NAMES, ADDRESSES AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES	SIGNATURE OF THE SUBSCRIBERS
HARSHIT SHAH P.O.BOX 1821, MOSHI	51	<i>Harshit Shah</i>
DAVID ZHORZHOLADZE P.O.BOX 105426, DAR ES SALAAM	49	<i>David Zhorzholadze</i>

Dates at Dar es Salaam this 11th day of September 2003

Witness to the above Signatures:

Name: Alexander Balom

Signature: *Alexander Balom*

Postal address: P.O. Box 105426

Dar es Salaam

Qualifications: Advocate





TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)**

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT
(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We **ABBAS H.NASSER**
.....
(director/directors/agent of **ACROSS TANGANYIKA LIMITED**
.....
(name of business enterprise) apply for registration of **CERTIFICATE OF INCENTIVES**
.....
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at **OFFICE NO 216 2nd FLOOR**
.....
(J.M MALL) HARBOUR VIEW BUILD. SAMORA AVENUE DAR ES SALAAM
.....

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
 - (ii) Certificate of Incorporation/Registration
 - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
 - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at **Q NO 216 2nd FLOOR HAUBOUR VIEW**
(J.M MALL) SAMORA AVE. DAR ES SALAA
4. The Principal Officers of the Company are
- I GOR G. ERINOV**
.....
ABBAS H. NASSER
.....
5. Auditors of the Company are **MANGESHO & COMPANY**
.....
DAR ES SALAAM
.....
6. The authorized share capital of the Company is Tshs./~~US\$~~ **5,000,000/=**
.....
.....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ **350,000**

8. The month and day of the financial year end is **31st DECEMBER**

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ **FOR USD 100**

EXQ RNO.30323126 of 29.8.08 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, **ABBAS H. NASSER** of Post Office Number **21393 DAR ES SALAAM**

..... do solemnly and sincerely declare that I am a director/duly

authorized agent of **ACROSS TANGANYIKA LIMITED**

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, **AND** I make this solemn declaration conscientiously believing the same to be true.

Declared at Dar es Salaam }
The **22** day of **September** 2003


Applicant **ABBAS H. NASSER**

Before me:


.....
Commissioner for Oaths

APPLICATION SUMMARY

Company Name: **ACROSS TANGANYIKA LIMITED**

Certificate of Incorporation Number: **47549**

Status: **LIMITED LIABILITY CO.**

Certificate of Incorporation Date: **21 NOVEMBER**

2003

Post Box: **154026**

Town: **DAR ES SALAAM**

Sector: **MANUFACTURING**

Sub-Sector: **GEMSTONE CUTTING**

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
325000	25000		

Project Objectives: **TO ESTABLISH AND OPERATE A GEMSTONE CUTTING AND POLISHING FACILITY**

Capacity: **2400 cts**

Employment: Foreign: **5** Local: **15** Total: **20**

Implementation Period: **THREE (3) YEARS**

Project Location

Site/Plot/Block No.: **ROOM 216 2nd FLOOR (J.M MALL) HARBOUR VIEW BUILD**

Street: **SAMORA AVENUE** District: **ILALA** Region: **DAR ES SALAAM**

(Attach sketch map showing project location)

Shareholders	Nationality	%
IGOR G.ERINOV	RUSSIAN	5.1%
ABBAS H.NASSER	TANZANIA	4.9%
-		
-		
-		

Investment Breakdown ~~US\$~~ ~~XXXXX~~ ~~MM~~

Land/Building	50000
Plant	150000
Vehicles	45000
Furniture & Fittings	15000
Pre-expenses	-
Others	15000
Working Capital	75000
TOTAL	\$ 350000

Contact Details:

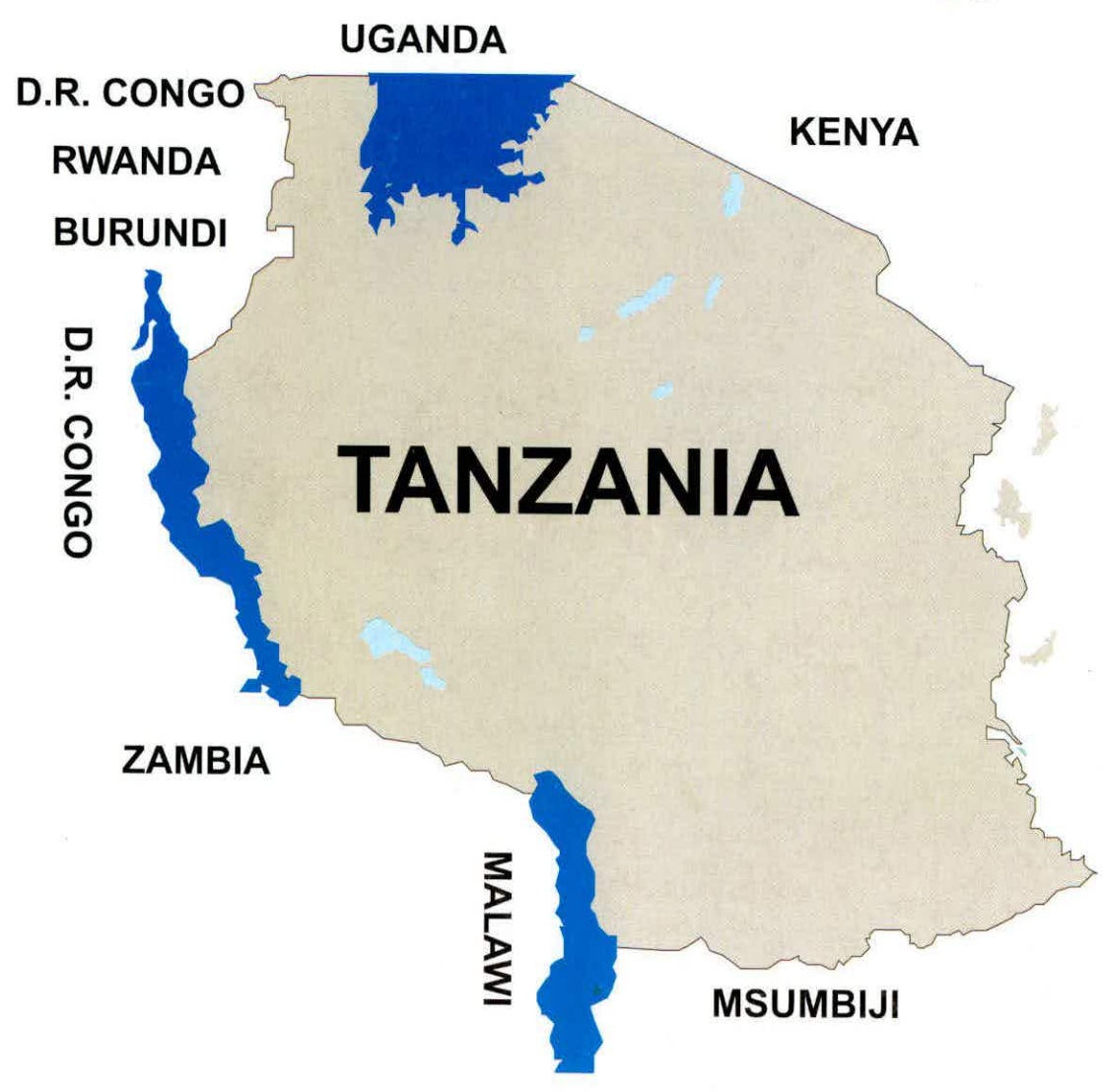
Name: **ABBAS H. NASSER** Title: **DIRECTOR**
Telephone: **0787 602610** Fax: **2780921**
Email: **ahmassu@Consultant.com**

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

SKETCH MAP SHOWING PROJECT LOCATION





Ref: HSBC/282

Date: 15 Sept. 2008

The Executive Director,
Tanzania Investment Centre,
P.O. Box 938,
Dar es Salaam.
TANZANIA.

RE: INVESTMENT PROJECT OF M/S ACROSS TANGANYIKA LTD

We hereby confirm that IGOR ERINOV a citizen of the Russian Federation and a holder of Passport 63 No 455670 and of House No. 55 Apt 277 Kareichuka Street, Moscow 127543, is a Client of this bank.

He has sufficient volume of means to finance the realization of a gemstone cutting and polishing project to be operated by M/s ACROSS TANGANYIKA LTD, P.O. 105426 Dar es Salaam a company in which he holds 75 shares of the Share Capital. The project requires a Capital Investment Cost of about US\$ 350,000.00.

This Bank may partially or wholly finance the investment project of our client.

Sincerely yours,



Alexander Ustiev
Director, Personal Banking

THE UNITED REPUBLIC OF TANZANIA

THE MINING ACT, 1998

THE MINING (MINERAL TRADING) REGULATIONS, 1999
Made Under Section 73

DEALER'S LICENSE No. 1670/2008

Licence is hereby granted to **Across Tanganyika Limited**
of P.O.Box 105426, Dar es Salaam, Tanzania.

to buy, sell or otherwise deal in **Gemstones** for the period of twelve months from the
date of issue at the following premises

Office No.216, 2nd Floor JM Mall
Samora Avenue
Dar es Salaam
Tanzania

This licence is issued subject to the following terms and conditions:-
**ALL TERMS AND CONDITIONS OF THE MINING (MINERAL TRADING)
REGULATIONS, 1999.**

Granted at Dar es Salaam this 6th day of OCTOBER, 2008

Handwritten signature
Mr. Alex M. Bahari (Advocate)
Mineral Rights Consultant
P.O. Box 11695
DAR ES SALAAM

Handwritten signature
Dr. Dalaly P. Kafumu
COMMISSIONER FOR MINERALS

Note:-

1. This licence must be displayed at the place of business specified herein.
2. The licensee shall be liable for the due payment of royalties and other prescribed fees in respect of all minerals bought, sold, received or exported by him.

THE UNITED REPUBLIC OF TANZANIA

THE MINING ACT, 1998

THE MINING (MINERAL TRADING) REGULATIONS, 1999
Made Under Section 73

DEALER'S LICENSE No. DL1664/2008

Licence is hereby granted to **Across Tanganyika Limited**
of P.O.Box 105426, Dar es Salaam, Tanzania.

to buy, sell or otherwise deal in **Gold** for the period of twelve months from the date
of issue at the following premises

**Office No.216, 2nd Floor JM Mall
Samora Avenue
Dar es Salaam
Tanzania**

This licence is issued subject to the following terms and conditions:-
**ALL TERMS AND CONDITIONS OF THE MINING (MINERAL TRADING)
REGULATIONS, 1999.**

Granted at Dar es Salaam this 6th day of OCTOBER 2008

Certified true
Copy of the
Mr. Alex M. Hoorn Advocate
Mineral & Commission for O.
Legal Consultant
P.O. Box 11695
DAR ES SALAAM


Dr. Dalaly P. Kafumu
COMMISSIONER FOR MINERALS

1. This licence must be displayed at the place of business specified herein.
2. The licensee shall be liable for the due payment of royalties and other prescribed fees in respect of all minerals bought, sold, received or exported by him.

CTIN.: 00092500



TANZANIA REVENUE AUTHORITY

CERTIFICATE OF REGISTRATION

FOR

TAXPAYER IDENTIFICATION NUMBER (TIN)

(ISSUED UNDER SECTION 133 OF THE INCOME TAX ACT NO. 11 OF 2004)

THIS IS TO CERTIFY THAT

ACROSS TANGANYIKA LTD

has been registered with the Tanzania Revenue Authority and assigned the Taxpayer Identification Number

104-582-796

with effect from

24/04/2006

Certified true copy
Mr. Alex M. Babuji Advocate
Legal Consultant
P.O. Box 11695
DAR ES SALAAM

[Signature]
JOANNES N. A. MALLY

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

NOTE: THE REQUIREMENTS UNDER WHICH THIS CERTIFICATE IS ISSUED ARE STATED OVERLEAF



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

**(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)**

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT
(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We **ABBAS H. NASSER**
(director/directors/agent of **ACROSS TANGANYIKA LIMITED**
(name of business enterprise) apply for registration of **CERTIFICATE OF INCENTIVES**
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at **OFFICE NO 216 2nd FLOOR**
(J.M MALL) HARBOUR VIEW BUILD. SAMORA AVENUE DAR ES SALAAM

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
 - (ii) Certificate of Incorporation/Registration
 - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
 - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at **Q NO 216 2nd FLOOR HAUBOUR VIEW**
(J.M MALL) SAMORA AVE. DAR ES SALAAM
4. The Principal Officers of the Company are
I GOR G. ERINOV
.....
ABBAS H. NASSER
.....
5. Auditors of the Company are **MANGESHO & COMPANY**
.....
DAR ES SALAAM
.....
6. The authorized share capital of the Company is Tshs./US\$ **5,000,000/-**
.....
.....

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ **350,000**
8. The month and day of the financial year end is **31st DECEMBER**

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$ **FOR USD 100**
EXQ RNO.30323126 of 29.8.08 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, **ABBAS H. NASSER** of Post Office Number **21393 DAR ES SALAAM**
 do solemnly and sincerely declare that I am a director/duly
 authorized agent of **ACROSS TANGANYIKA LIMITED**

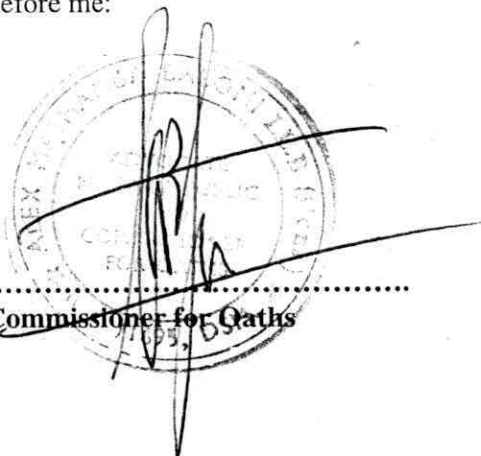
AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, **AND I** make this solemn declaration conscientiously believing the same to be true.

Declared at Dar es Salaam }

The **22** day of **September** 200**8**

.....
 Applicant **ABBAS H. NASSER**

Before me:



Commissioner for Oaths

APPLICATION SUMMARY

Company Name: **ACROSS TANGANYIKA LIMITED**

Certificate of Incorporation Number: **47549**

Status: **LIMITED LIABILITY CO**

Certificate of Incorporation Date: **21 NOVEMBER**

2003

Post Box: **154026**

Town: **DAR ES SALAAM**

Sector: **MANUFACTURING**

Sub-Sector: **GEMSTONE CUTTING**

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity

Local Equity

Foreign Loan

Local Loan

325000

25000

Project Objectives: **TO ESTABLISH AND OPERATE A GEMSTONE CUTTING AND POLISHING FACILITY**

Capacity: **2400 cts**

Employment: Foreign: **5** Local: **15** Total: **20**

Implementation Period: **THREE (3) YEARS**

Project Location

Site/Plot/Block No.: **ROOM 216 2nd FLOOR (J.M MALL) HARBOUR VIEW BUILD**

Street: **SAMORA AVENUE** District: **ILALA** Region: **DAR ES SALAAM**

(Attach sketch map showing project location)

Shareholders	Nationality	%
GOR G.ERINOV	RUSSIAN	5.1%
ABBAS H.NASSER	TANZANIA	4.9%
-		
-		
-		

Investment Breakdown ~~US\$~~ ~~Shs.M~~

Land/Building	50000
Plant	150000
Vehicles	45000
Furniture & Fittings	15000
Pre-expenses	-
Others	15000
Working Capital	75000
TOTAL	\$ 350000

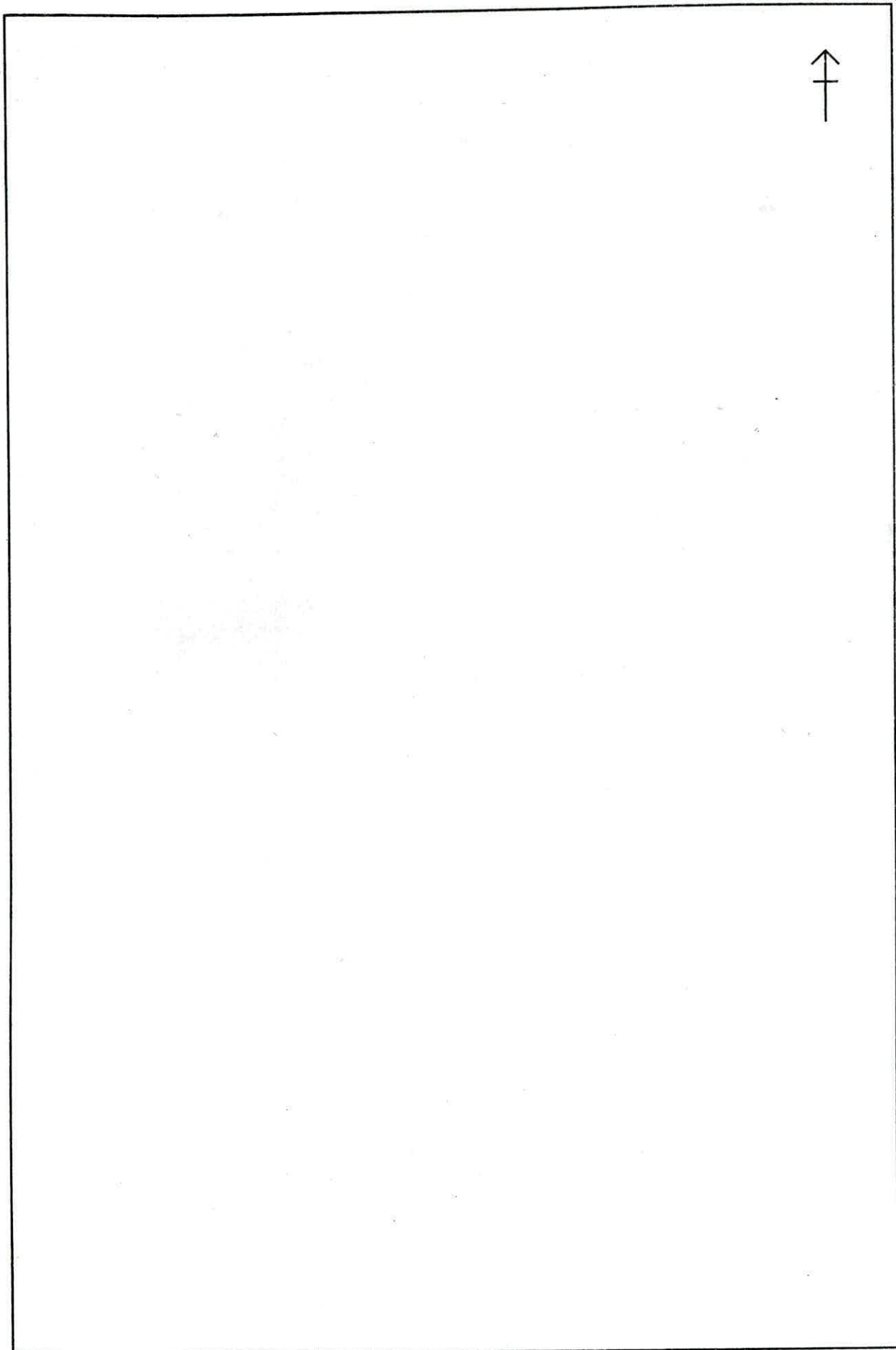
Contact Details:

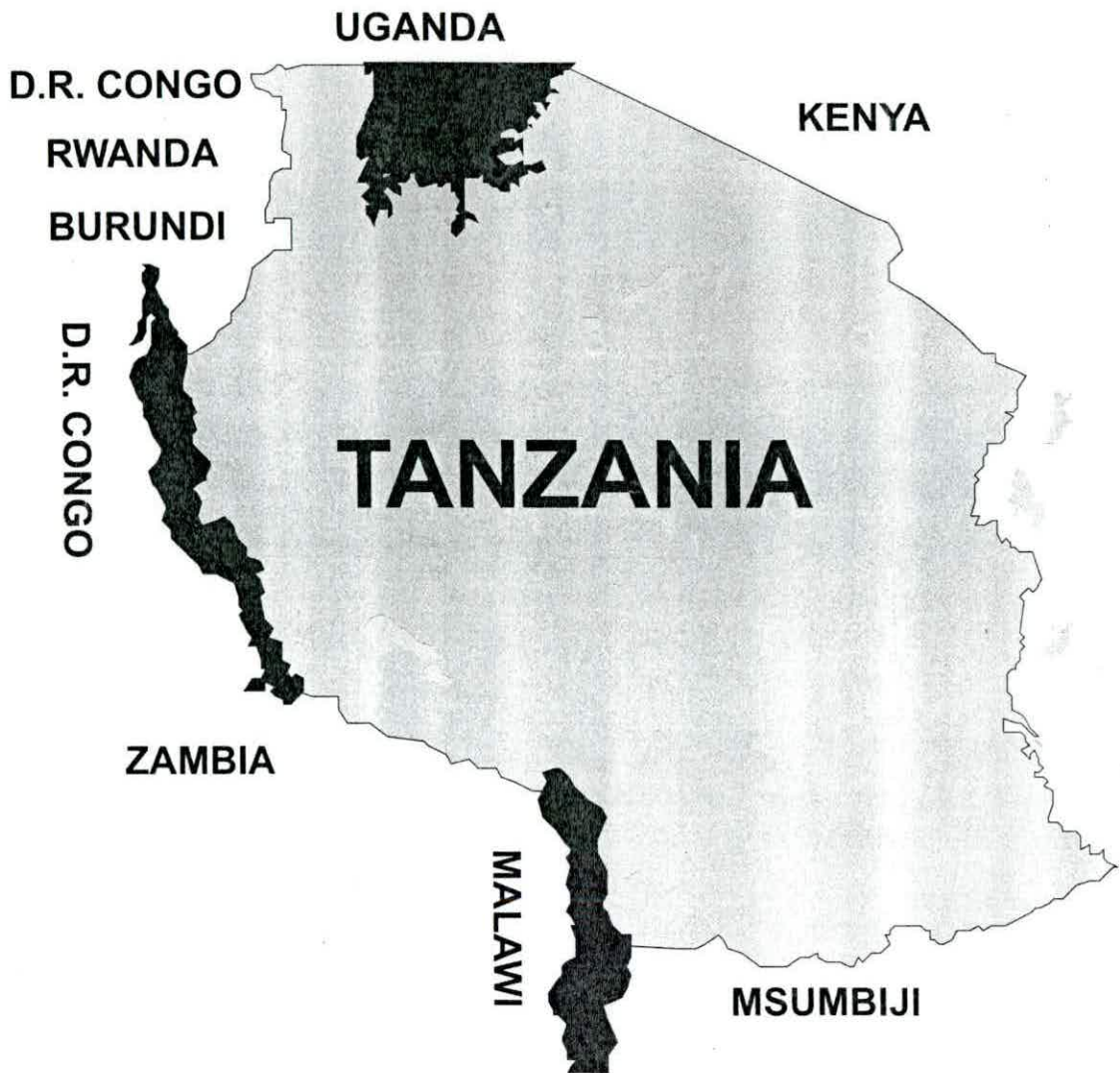
Name: **ABBAS H. NASSER** Title: **DIRECTOR**
Telephone: **0787 602610** Fax: **2780921**
Email: **ahnassu@Consultant.com**

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

SKETCH MAP SHOWING PROJECT LOCATION





THE UNITED REPUBLIC OF TANZANIA
BUSINESS REGISTRATIONS AND LICENSING AGENCY
(Offices: Co-operative Building Lumumba Street)

Telephone: +255 22
2180139, 2181344, 2180113, 2180141
DL 2180048, 2180385
Fax: +255-22-2180371, 2184727, 2180411
Email: usajili@cats-net.com
ipo@cats-net.com
brela@cats-net.com
Website: www.brela-tz.org



P. O. Box 9393,
DAR ES SALAAM.

(All Official communications should be addressed
to the Chief Executive Officer not to individuals)
In reply please quote:

Ref: No. MITM/RC/47549/8

17th November, 2008

Director,
Across Tanganyika Limited,
P. O. BOX 105426,
DAR ES SALAAM.

RE: 1. COMPANIES ACT 2002
2. ACROSS TANGANYIKA LIMITED.

I refer to your letter with reference ACT/RC-01/08 dated 28th August 2008, below
are the particulars:

The current directors are:

1. Abbas H. Nasser,
2. Igor G. Erinov

The secretary is Abbas H. Nasser

The current shareholders are:

- | | |
|--------------------|-----------|
| 1. Abbas H. Nasser | 25 shares |
| 2. Igor G. Erinov | 75 shares |

Yours Sincerely,

R.J. Kitambi
ASSISTANT REGISTRAR OF COMPANIES

Certified true
copy of the

Mr. Alex M. Belombi (Advocate)
Tanzania Public & Companies Commission for
Legal Consultancy
P.O. Box 1695
DAR ES SALAAM

TANZANIA



Certificate of Incorporation

No. 47549

I HEREBY CERTIFY THAT

ACROSS TANGANYIKA

Limited

is this day incorporated under the Companies Ordinance (Cap. 212) and that the Company is Limited.

Given under my hand at Dar es Salaam

this 21st day of NOVEMBER

TWO THOUSAND AND THREE

Certified copy
Mr. Alex M. Balomi (Advocate)
Attorney Public & Commissioner for Oaths
Legal Consultant
P.O. Box 1695
DARES SALAAM

Registrar of Companies

P.O. Box 105428

DM

Location:

D.N. ~~216~~ 216 2nd Floor

(S.M. Hall) HARBOUR VIEW

SPRINGWOOD AVENUE

DM

RECEIVED
MAY 19 1964
U.S. AIR FORCE
WASHINGTON, D.C.

Across Tanganyika Ltd

Board Resolution

The Board of Directors at its sitting on 22nd September, 2008 at the company office R. 216 2nd Floor JMall, Samora Avenue, Dar es Salaam had made the following Resolution:-

1.0.1 Tabled

That the company has now been acquired by new investors/shareholders, it is proposed to change the business line of the company and enter the Mineral Trade procurement and export of gemstone including Diamonds and to establish and operate a gemstone cutting and polishing facility with a Capital Investment Cost of US\$ 350,000 to be obtained by equity contribution and Bank Credit.

1.0.2 Resolved

That the project proposal to establish and operate a Gemstone Cutting and Polishing Facility with a Capital Investment Cost of US\$ 350,000 to be obtained by equity contribution and Bank Credit be and is hereby approved for immediate implementation.

1.0.3 Further Resolved

That the project proposal be submitted to Tanzania Investment Centre for registration for a Certificate of Incentives.

1.0.4. Directed

That the management take appropriate action in submitting the Project Proposal to TIC obtain the Certificate of Incentives and inform the Board accordingly.

.....
Igor Erinov
**Director and
Chairman of the Board**

.....
Abbas H. Nasser
Director

Date: 22/09/08

Date: 22/09/08

ACROSS TANGANYIKA LTD

Office No. 216 2nd Floor, Harbour View Building (JM Mall) Samora Avenue
P.O. Box 105426, Dar es Salaam - Tanzania Cell: +255-787-602610



Ref: AT/PP-01/08

22nd September, 2008

The Executive Director,
Tanzania Investment Centre,
P.O. Box 938,
Dar es Salaam.



**RE: REGISTRATION FOR A CERTIFICATE OF INCENTIVES
GEMSTONE CUTTING AND POLISHING FACILITY**

Please be informed that this company was incorporated and registered by Registrar of Companies at BRELA and issued with a Certificate of Incorporation No. 47549 dated 21st November, 2003. The main objective of the company then was the business of export of Wild Animals. The company has not done any substantial business since then. The company has therefore decided to dispose of the company by way of transfer and sale of shares to new potential investors. To this end the two share holders have transferred their shares by way of sale as follows:-

Past Share Holders

1. Harshit Shah 51
2. David Zhorzholadze 49

Please take note that David Zhorzholadze had transferred his shares to Ramadhani Mshewa. In the current transfer of shares Harshit Shah has transferred his shares to Igor Erinov. And Ramadhani Mshewa has transferred his 24 shares to Igor Erinov and 25 shares to Abbas H. Nasser.

The present share holders/Directors

1. Igor Erinov 75
2. Abbas H. Nasser 25

The current shareholders/Directors has now decided to enter into the Mineral Trade Business i.e procurement and export of gemstone (including diamond). Also it has been decided to establish and operate a gemstone cutting and polishing facility. The company has applied for and obtained a Dealer Licence for Gold and Gemstone from the Commissioner for Minerals, Ministry and Energy and Minerals. A project proposal with a Capital Investment Cost of US\$ 350,000 which is to be obtained by equity contribution and Bank Loan, has been prepared and is now being submitted to your office for Registration for a Certificate of Incentives.

Enclosed herewith are all relevant supporting documents for your perusal and records.

We trust and hope to receive your consideration, approve the project and issue the Certificate of Incentives as applied for.

Sincerely yours,

For ACROSS TANGANYIKA LTD


A.H. NASSER
DIRECTOR



TIC Evaluation Report

Name of the Company Across Tanganyika Ltd.

Post Box	Samora Avenue, Room 216 2Nd Floor (J.M. Mall) Harbour View, Samora Avenue	COI Number	47549	Contact	Mr. Abbas H. Nasser
Post Office	154026	COI Date	21/11/2003	Designation	Director
Region	Dar Es Salaam	Application F. No	07358	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0787 602 610
		Sub Sector	Gemstone Cutting	Fax	2780921
		File No	041609	E-Mail Address	Ahnassu@Consultant.Com

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	Room 216, 2nd Floor (J.M. Mall) Harbour View Build	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	Samora Avenue	0.325	0.025	0	0
District	Ilala				
Region	Dar es Salaam				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.05
Abbas H. Nasser	Tanzanian	25	Plant	0.15
Igor G. Erinov	Russian	75	Vehicles	0.045
			Furniture & Fittings	0.015
			Pre-expenses	0
			Others	0.015
			Working Capital	0.075
			Total	0.35

Employment	20	Evaluated By	Zakaria kingu
Capacity	2400 cts	Drawn By	Shokko Registry
Project Turn Over			

Description

To establish and operate a facility for gemstone cutting and polishing

Recommendations

Be approved subject to providing evidence as required by section 17 of Tanzania Investment Act, 1997

Decision

*Approved for investment -
21/11*

2

TICC/PP.10/041609/2

26 November 2008

Managing Director,
Across Tanganyika Ltd,
P.O. Box 154026,
DAR ES SALAAM

**RE: CERTIFICATE OF INCENTIVES FOR INVESTMENT IN THE
ESTABLISHMENT OF A FACILITY FOR GEMSTONE CUTTING AND
POLISHING**

We wish to acknowledge receipt of your project proposal to establish a facility for gemstone cutting and polishing as presented in the TIC P.A. 1 Form No. 07358 and Feasibility Study with a projected investment of USD 0.35 m.

We have studied your project proposal and are pleased to inform you that your investment proposal is now officially registered and therefore your project will be granted a CERTIFICATE OF INCENTIVES, given under authority conferred upon TIC under Part III, Section 17 (1-8) of the Tanzania Investment Act, 1997. In order to enable TIC prepare your Certificate of Incentives you will be required to submit the following:

- Certified document showing evidence of Land ownership for the location of the project. (To submit certified copy of lease agreement with term not less than 3 years).

You will also be required to submit to the Centre a Progress Report on the implementation of the project after every six months for our information and review. Guidelines for the preparation of the report are contained in annexure 2 also attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Please also note that a facilitation fee equivalent to US\$ 750.00 is payable at the ruling exchange rate before your Certificate of Incentives is prepared. Please arrange to make payments at your earliest convenience.

..../2

TICC/PP.10/041609/2

26 November 2008

We wish you every success in the implementation of the project.

Yours sincerely,
Tanzania Investment Centre



B. D. Chonjo

For: Executive Director

Copy to: Permanent Secretary,
Ministry of Finance and Economic Affairs,
P. O. Box 9111,
DAR ES SALAAM

Permanent Secretary,
Ministry of Industry, Trade and Marketing,
P.O. Box 9503,
DAR ES SALAAM

Commissioner General,
Tanzania Revenue Authority,
P. O. Box 11491,
DAR ES SALAAM

THE LAND REGISTRATION ACT
(CAP. 334)

LEASE

(TITLE NRS 47358 & 47357)

BETWEEN

HARBOUR VIEW TOWERS LIMITED
(LESSOR)
AND

ACROSS TANGANYIKA LIMITED
(LESSEE)

Lease of part of the Building located on
Plot Nos. 2317/108 & 2318/108, Samora Avenue, Dar es Salaam

gn

(CAP. 334)

LEASE

(TITLE NO 47358 & 47357)

THIS LEASE is made the 29th day of August, 2008 between **HARBOUR VIEW TOWERS LIMITED**, a limited liability Company incorporated in Tanzania with its registered office in Dar es Salaam of P.O. Box 9163, Dar es Salaam, Tanzania (hereinafter called "**the Lessor**") which expression shall, where the context so admits, include its successors and assigns) of the one part, and **ACROSS TANGANYIKA LIMIETED** whose address for the purposes hereof is P.O. Box 105426, Dar es Salaam (hereinafter called "**the Lessee**" which expression shall, where the context so admits, include its successors and assigns), of the other part.

NOW THIS LEASE WITNESSETH as follows:-

1.0 LEASE PERIOD, RENT, SERVICE CHARGE & FITTING OUT

1.1. **IN CONSIDERATION** of the rent and the mutual covenants hereinafter reserved and contained the Lessor hereby demises unto the Lessee all that area measuring **40 square meters** on the **Second Floor** (hereinafter called "the demised premises") of the building situated on Plot Nos. 2317/108 & 2318/108 Samora Avenue, Dar es Salaam (hereinafter called "the building") **TO HOLD** the demised premises unto the Lessee for a period of **three (3) years** commencing **1st September, 2008** and expiring on **31st August, 2011** (hereinafter called "**the Term**") with an option to renew for a further term of **three (3) years** subject nevertheless to the provisions for renewal hereafter contained, yielding and paying therefore during the term hereby reserved:-

- (a) The monthly rent of **USD 600.00 (United States Dollars Six Hundred Only, Exclusive of VAT)** subject to review on renewal as hereinafter provided, payable quarterly in advance without any deductions except such deductions as may be so deductible as prescribed by statute from time to time.

The rental of **United States Dollars 600.00** is made up as follows: -

Lettable Area of 2nd Floor

40m² @ US \$ 15 = 600.00

US \$ 600.00

- (b) The monthly building and estate service charge which is currently set at USD 5= per square meter per month and payable quarterly in advance, exclusive of VAT. However, the Lessor may revise the charge if, during the term of the lease there is an increase in statutory tariffs such as those of electricity, water. Etc.

2.0 LESSEE'S COVENANTS

The Lessee hereby covenants with the Lessor:-

2.1 Rent & Other Payments

- 2.1.1 To pay the rent on the days and in the manner set out in this Lease and not to exercise or seek to exercise any right or claim to withhold rent or any right or claim to legal or equitable set-off except to the extent to which the Lessor has substantially defaulted on any of his obligations stated under this Lease.
- 2.1.2 To pay and to indemnify the Lessor against:-
- (a) All rates, taxes, assessments, duties, charges, impositions and outgoings which are now or during the Term shall be charged, assessed or imposed upon the demised premises or upon the owner or occupier of them, **PROVIDED** that this covenant shall not oblige the Lessee to pay any taxes which are, by statute, payable by the Lessor.
- (b) In addition to rent, Value Added Tax (VAT) (or any tax of a similar nature that may be substituted for it or levied in addition to it) chargeable in respect of any payment made by the Lessee under any of the terms of or in connection with this Lease or in respect of any payment made by the Lessor for such payment, save where such tax is by law recoverable from the Lessor.
- (c) The Lessee will deposit with the lessor an amount equal to three months rent inclusive of VAT which will be refundable upon expiry of the lease.

2.2. Penalty Clauses Delayed Payments

- (a) If the Lessee shall fail to pay the rents or any other sum due under this Lease within fourteen days (14) of the date due the Lessor shall provide written notice to the Lessee of such failure and if such rents or other sums are still unpaid seven days following the Lessee's receipt of such written notice, the Lessee shall pay to the Lessor interest on the rents or other sum from the date when they were due to the date on which they are paid and such interest shall not be deemed to be rents due to the Lessor together with interest at the prevailing lending rate of the bank.
- (b) Nothing in the preceding clause shall entitle the Lessee to withhold or delay any payment of the rent or any other sum due under this Lease after the date upon which they fall due or in any way prejudice, affect or derogate from the rights of the Lessor in relation to such non-payment including (but without prejudice to the generality of the above) the Lessor's right under the proviso for re-entry contained in this Lease.

2.3 Charges for Utilities

To pay to the suppliers thereof and to indemnify the Lessor against all charges for telephone, gas and other services consumed or used at or in relation to the demised premises.

2.4 Repair, Cleanliness & Replacement of fixtures

- (a) To keep the demised premises in good and substantial repair and to maintain them in good tenable condition rectifying any damage to the demised premises and when necessary rebuilding the demised premises except in so far as such damage is caused by the action of the Lessor or its agents acting negligently.
- (b) To clean the demised premises and keep them in a clean condition.
- (c) To replace the Lessor's fixtures and fittings, if any, in the demised premises which may be or become beyond repair at any time during or at the expiration of the term as a result of any act, omission or negligence on the part of the Lessee, fair wear and tear excepted.

2.5 **Restoration**

Prior to the termination of the Lease or at any time during the term of the Lease hereby created to restore the demised premises in a good and workmanlike manner and with appropriate materials of high quality as shall be reasonably agreed between the Lessor and the Lessee.

2.6 **Waste and Alterations**

(a) Not to commit any waste, and in particular to make every effort to reduce consumption of water and electricity and minimise the use of air conditioning wheresoever possible

(b) **Alterations**

Not to make any internal non-structural alterations to the demised premises or unite the demised premises with any adjoining premises without:-

- (i) Obtaining and complying with all necessary consents of any competent authority and paying all charges of any such authority in respect of such consents.
 - (ii) Making an application to the Lessor supported by drawings and where appropriate a specification in duplicate, prepared by an architect or member of some other appropriate profession, such person to be approved by the Lessor, who shall supervise the work throughout to completion.
 - (iii) Paying the reasonable fees of the Lessor and the Lessor's professional advisers in connection with the approval of such alterations, and
 - (iv) Entering into such covenants as the Lessor may reasonably require as to the execution and reinstatement of the alterations.
 - (v) Obtaining the consent of the Lessor, such consent not to be unreasonably withheld or delayed.
- (c) This sub-Clause shall not apply to the erection of internal demountable partitioning of a design and of materials and the layout which are approved in writing by the Lessor subject to the Lessee removing the same at the determination of the terms, if required by the Lessor, and making good all damage caused by such removal.
- (d) To remove any additions, alterations or improvements made to the demised premises at the expiration of the Term if so required by the Lessor to the reasonable satisfaction of the Lessor or its Surveyor and to repair any parts of the demised premises, which may be damaged by such removal.

2.7 User Clauses

(a) Abandoning premises

Not to cease carrying on business in the demised premises or leave the demised premises continuously unoccupied for more than one month without:-

- (i) Notifying the Lessor and
- (ii) Providing such caretaking or security arrangements as the Lessor shall reasonably require and the insurers shall require in order to protect the demised premises from vandalism, theft, damage or unlawful occupation.

(b) Use of Car Park

Not to use the car park other than for the parking of private motor cars thereon, and not to use any spaces other than those specifically dedicated to the Lessee and those provided for loading and unloading cash without prior consent of the Lessor and such consent not to be unreasonably withheld or delayed.

(c) Pollution

Not to discharge into the pipes serving the demised premises any oil or grease or any objectionable dangerous poisonous or explosive matter or substance and to take all reasonable measures to ensure that any effluent so discharged into the pipes will not be corrosive or otherwise harmful to the pipes or cause obstruction or deposit in them.

(d) Ceiling and Floor Loading

- (i) Not to bring or permit to remain on the demised premises any safes machinery goods or other articles which may strain or damage the demised premises or any part of them without the prior written consent of the Lessor, such consent not to be unreasonably withheld or delayed.
- (ii) Not to suspend anything likely to damage the walls of the demised premises.
- (iii) Not without the consent of the Lessor to suspend anything from the ceiling of the demised premises or use the same for the storage of goods or place weight on them.

(e) Machinery

Not to install or use in or upon the demised premises any machinery or apparatus which will cause noise or vibration which can be heard or felt in nearby premises or outside the demised premises or which may cause structural damage.

(f) **Heating, Cooling and Ventilation**

- (i) Not without the consent of the Lessor which shall not be unreasonably withheld or delayed do anything which interferes with the heating cooling or ventilation of the building or which imposes an additional load on any heating cooling or ventilation plant and equipment in the demised premises or the Building.
- (ii) Save as it shall be reasonably required by the business of the Lessee and the condition of the demised premises not to operate the ventilation equipment in the demised premises otherwise than in accordance with the regulations for such purpose made by the Lessor from time to time.

(g) **Other user Clauses**

- (i) Not to erect any pole, mast, dish or wire (whether in connection with telegraphic, telephonic, radio or television communication or otherwise) upon the premises without the prior written consent of the Lessor, such consent not to be unreasonably withheld or delayed.
- (ii) Not to affix or exhibit on the outside of the demised premises or to or through any window of the demised premises nor display anywhere on the demised premises any placard, sign, notice, fascia board or advertisement except any sign permitted by virtue of any consent given by the Lessor which shall not be unreasonably withheld or delayed.
- (iii) Not to make connection with the pipes that serve the demised premises without the Lessor's prior written consent which shall not be unreasonably withheld other than in accordance with plans and specifications approved by the Lessor and subject to consent to make such connection having been previously obtained from the competent statutory authority.
- (iv) Not to do in or near the demised premises any act or thing by reason of which the Lessor may under any statute incur, have imposed upon it or become liable to pay any penalty, damages, compensation, costs, charges or expenses.
- (v) Without prejudice to the generality of the above to comply in all respects with the provisions of any statutes and any other obligations imposed by law or by any bye laws applicable to the demised premises or in regard to carrying on the trade or business for the time being carried on the demised premises.
- (vi) Not to do nor allow to remain upon the demised premises anything which may be or become or cause a nuisance, annoyance, disturbance, injury or damage to the Lessor or its other Lessees or to the owners or occupiers of the adjoining buildings.
- (vii) Not to use the demised premises for a sale by auction or for any dangerous, noxious, noisy or offensive trade business manufacture or occupation nor for any illegal or immoral act or purpose.

- (viii) Not to use the demised premises as sleeping accommodation or for residential purposes nor keep any animal, fish, reptile or bird anywhere on the demised premises.
- (ix) Not to stop up, darken or obstruct any windows or light belonging to the premises without the prior written consent of the Lessor, such consent not to be unreasonably withheld or delayed.

2.8 Lessor's Right of Entry

- (a) To permit the Lessor:
 - (i) To enter upon the demised premises at reasonable times to be agreed upon in advance with the Lessee for the purpose of ascertaining that the covenants and conditions of this Lease have been observed and performed.
 - (ii) To enter upon the demised premises at reasonable times to be agreed upon in advance with the Lessee to view the state of repair and condition of the demised premises.
 - (iii) To give to the Lessee (or leave upon the demised premises) a notice specifying any repairs, cleaning maintenance and painting that the Lessee has failed to execute in breach of the terms of this Lease and to request the Lessee to execute the same as soon as reasonably practicable.
- (b) If within two months of the service of such a notice the Lessee shall not have commenced and be proceeding diligently with the execution of the work referred to in the notice or shall fail to complete the work within four months or if in the Lessor's reasonable opinion the Lessee is unlikely to have completed the work within such period to permit the Lessor to enter the demised premises to execute such work as may be necessary to comply with the notice and to pay to the Lessor the cost of so doing and all expenses properly incurred by the Lessor in connection therewith (including legal costs and surveyor's fees) within fourteen days of a written demand.

2.9 Alienation

- (a) Not to hold on trust for another or (save pursuant to a transaction permitted by and effected in accordance with the provisions of this Lease) part with the possession of the whole or any part of the demised premises or permit another person to occupy the whole or any part of the demised premises.
- (b) Not without the consent of the Lessor which shall not be unreasonably withheld or delayed to assign, underlet or charge part only of the demised premises.
- (c) Not to assign underlet or charge the whole of the demised premises without the prior written consent of the Lessor such consent not to be unreasonably withheld or delayed to a Lessee of acceptable standing and financial strength to the Lessor.

- (d) Prior to any permitted assignment to procure that the assignee enters into direct covenants with the Lessor to perform and observe all the Lessee's covenants and all other provisions of this Lease during the residue of the Term.
- (e) That each and every permitted under lease shall be granted for the residue of the Term then remaining (less a nominal reversion) without any fine or premium at a rent not less than the prevailing rent of the demised premises, such rent being payable in advance on the days on which rent is payable under this Lease and shall contain such provisions approved by the Lessor as shall be deemed necessary to make such under lease subject to all the terms and conditions of this Lease, mutatis mutandis.
- (f) Notwithstanding clauses 2.9 (a), (b) and (c) the Lessee may share the occupation of the whole or any part of the demised premises with a company which is a member of the same group as the Lessee for so long as both companies shall remain members of that group and otherwise than in a manner that transfers or creates a legal estate.
- (g) To pay the Lessor's reasonable charges in connection with the granting and registration of any such under leases or assignments.

2.10 **Indemnity for Non-Statutory Expenses**

- (a) To pay to the Lessor on an indemnity basis all reasonable and proper costs, fees, charges, disbursements and expenses (including without prejudice to the generality of the above those payable to counsel solicitors surveyors and bailiffs) properly incurred by the Lessor in relation to or incidental to:
 - (i) Every application made by the Lessor for a consent or licence required by the provisions of this Lease whether such consent or licence is granted or refused or preferred subject to any lawful qualifications or condition or whether the application is withdrawn (but not where consent is unreasonably withheld or proffered subject to unreasonable conditions contrary to the express provisions of this Lease).
 - (ii) The recovery or attempted recovery of arrears of rent or other sums due from the Lessee.
 - (iii) Any steps taken in contemplation of or in direct connection with the preparation and service with good cause of a schedule of dilapidation during the Term but in all respects relating to matters arising during the Term.
- (b) To be responsible for and to keep the Lessor fully indemnified against all damages, losses, costs, expenses, actions proceedings, claims and liabilities made against or suffered or incurred by the Lessor arising directly or indirectly out of:
 - (i) Any act, omission or negligence of the Lessee or any persons at the demised premises expressly or impliedly with the Lessee's authority and under the Lessee's control, or
 - (ii) Any breach or non-observance by the Lessee of the covenants, conditions or other provisions of this Lease or any of the matters to which this demise is subject.

2.11 Notice of Reletting

To permit the Lessor at any time to be agreed upon in advance with the Lessee during the Contractual Term and at any time thereafter (or sooner should any of the events listed in Clause 4.1 occur) to enter upon the premises and affix and retain anywhere upon the premises a notice for reletting the premises and during such period to permit persons with the written authority of the Lessor or its agent at reasonable times of the day to view the demised premises.

2.12 Yielding up

At the expiration of the Term:

- (a) To yield up the demised premises in good and substantial repair in accordance with the terms of this Lease provided that the Lessee shall pay a sum equivalent to any loss of rent incurred by the Lessor (which shall be calculated at the current rent on a pro-rata basis for the premises) during such period as is reasonably required for the carrying out of works at the expiration of the term by reason of any breach of repairing and decorating covenants.
- (b) To give up all keys of the demised premises to the Lessor, and
- (c) To remove all signs erected by the Lessee in, upon or near the demised premises and immediately to make good any damage caused by such removal.

2.13 Viewings

To permit upon reasonable notice and at times to be agreed upon in advance with the Lessee prospective purchasers of or agents instructed in connection with the sale of the Lessor's reversion or of any other interest superior to the Term to view the demised premises without interruption provided they are authorised in writing by the Lessee or its agents.

2.14 Notices

- (a) Upon becoming aware of the same to give notice to the Lessor of any defect in the demised premises which might give rise to an obligation on the Lessor to do or refrain from doing any act or thing in order to comply with the provisions of this Lease or the duty of care imposed on the Lessor pursuant to any law.
- (b) To give full particulars to the Lessor of any notice, directions, order or proposal for the demised premises made, given or issued to the Lessee by any public authority within fourteen days of receipt and if so required by the Lessor to produce it to the Lessor and without delay to take all necessary steps to comply with the notice or direction or order and at the request of the Lessor to the Lessee to make or join with the Lessor in making such objection or representation against or in respect of any notice, direction, order or proposal as the Lessor shall reasonably deem expedient.

3.0 THE LESSOR'S COVENANTS

The Lessor covenants with the Lessee: -

- 3.1 To permit the Lessee peacefully and quietly to hold and enjoy the demised premises without any interruption or disturbance from or by the Lessor or any person claiming under or in trust for the Lessor.
- 3.2 To keep the demised premises and other parts of the building insured and to promptly supply to the demised premises the services in accordance with Schedule B.
- 3.3 To pay promptly all existing and future land rents and other rates, taxes, assessments impositions and outgoings, which are now payable by the Lessor or which may thereafter be imposed or charged on the Lessor in respect of the demised premises or building and to undertake responsibility for any penalty or fine levied in respect of late payment which is due solely to the fault of the Lessor.
- 3.4 At the Lessor's own expense to execute all works and provide and maintain all arrangements upon or in respect of the demised premises or the use to which the demised premises are being put that are required in order to comply with the requirements of any statute (already or in the future to be passed) or directive of any government department, local authority or other public or competent authority or court of competent jurisdiction regardless of whether such requirements are imposed on the Lessor, the Lessee or any other occupier and provided that the Lessor shall not be responsible for matters which are the express liability of the Lessee under these presents.

4.0 THE LESSOR AND LESSEE FURTHER MUTUALLY AGREE AND DECLARE AS FOLLOWS:

4.1 Re-entry Clauses

If and whenever during the Term:-

- (a) The rent (or any other monies or part of them) under this Lease are outstanding thirty (30) days after becoming due, and if such rents remain outstanding thereafter more than seven days after the Lessee receives written notice that such amounts are outstanding, or
- (b) There is a breach by the Lessee of any covenant or other term of this Lease; or
- (c) The Lessee:
 - (i) Enters into liquidation whether compulsory or voluntary (but not if the liquidation is for amalgamation or reconstruction of a solvent company) or
 - (ii) Has a receiver appointed;

The Lessor may re-enter the demised premises (or any part of them in the name of the whole) at any time (and even if any previous right of re-entry has been waived) and then the Term will absolutely cease but without prejudice to any rights or remedies which may have then accrued to the Lessor against the Lessee in respect of any breach of covenant or other term of this Lease (including the breach in respect of which the re-entry is made).

4.2 Disputes with Occupiers of Adjoining Premises

If any dispute arises between the Lessee and the Lessees or occupiers of the adjoining buildings as to any easement, right or privilege in connection with the use of the demised premises and any other part of the building or as to the boundary structures separating the demised premises from any other property it shall be decided by the Lessor or in such manner as the Lessor shall reasonably direct or at the Lessor's option by the Surveyor acting as an expert and not as an arbitrator.

4.3 Arbitration Clause:

If any dispute, difference or question shall at any time hereafter arise between the parties hereto or their respective representatives or assigns in respect of the construction of this lease or concerning anything herein contained or arising out of this lease or as to the rights, liabilities, or duties of the said parties hereunder, the same shall be referred to the arbitration of an arbitrator, to be appointed by agreement between the parties or their successors under Tanzanian Law. In the event that the parties are unable to agree upon the appointment of an arbitrator then the arbitrator shall be appointed by the Law Society of Tanganyika

5.0 OTHER COMMON COVENANTS:

- 5.1 Each of the Lessee's covenants shall remain in full force both at law and in equity notwithstanding that the Lessor shall have waived or released temporarily any such covenant or waived or released temporarily or permanently, revocably or irrevocably a similar covenant or similar covenants affecting the leases with other Lessees of premises in the building.
- 5.2 Save where accident; injury or damage result from defective structural construction of the building constituting the demised premises, the Lessor shall not be responsible to the Lessee or to anyone at the demised premises expressly or by implication with the Lessee's authority for any other types of accident happening or injury suffered or for any damage to or loss of any chattel sustained in the demised premises.
- 5.3 This Lease embodies the entire understanding of the parties relating to the demised premises and to all the matters dealt with by any of the provisions of this Lease.
- 5.4 If after the Lessee has vacated the demised premises on the expiry of the Term any property of the Lessee remains in or on the demised premises and the Lessee fails to remove it within thirty days (30) after being requested in writing by the Lessor to do so or if after using its reasonable endeavours the Lessor is unable to make such a request to the Lessee within twenty eight days from the first attempt so made by the Lessor:

The Lessor may as the agent of the Lessee sell such property and the Lessee will indemnify the Lessor against any liability incurred by it to any third party whose property shall have been sold by the Lessor in the mistaken belief held in good faith (which shall be presumed unless the contrary be proved) that such property belonged to the Lessee.

- (b) If the Lessor having made reasonable efforts is unable to locate the Lessee the Lessor shall be entitled to retain such proceeds of sale absolutely unless the Lessee shall claim them within six months of the date upon which the Lessee vacated the demised premises.
- (c) The Lessee shall indemnify the Lessor against any damage occasioned to the demised premises and any actions, claims, proceedings, costs, expenses and demands made against the Lessor caused by or related to the presence of the property in or on the demised premises.

- 5.5 The Lessee and all persons expressly or by implication authorised by it shall have the right in common with the Lessor and all other persons having a like right, to use the building's common parts for the purposes of access to and egress from the building and for all purposes in connection with the use and enjoyment of the demised premises including the right:-

- (a) To have access to and egress from the car park area on specific spaces allocated by the Lessor for private motorcars **PROVIDED** that the Lessor by a written notice may reposition or reallocate the car parking spaces for the interest of good estate management.
- (b) To use such toilets in the building reasonably proximate to the demised premises as shall be designated by the Lessor from time to time.
- (c) To the free passage and running of water sewage, gas electricity telephone and other services or supplies (subject to temporary interruption for repair alteration or

replacement) to and from the demised premises in and through the pipes that now or during the lease term serve the demised premises presently laid in or over or under other parts of the building or the estate.

- (d) To display in the reception area of the building a name-plate or sign in positions and of sizes to be specified by the Lessor showing the Lessee's name and any other details approved by the Lessor such approval not to be unreasonably withheld or delayed.

6.0 This Lease shall be governed by and construed in accordance with the laws of Tanzania.

7.0 Any notice to be given under this Lease may be given by sending the same by post, by the quickest mail available or by telex, telefax addressed to the party concerned at its address as given hereinbelow: -

- (a) In the case of the Lessor: -

**THE MANAGING DIRECTOR,
HARBOUR VIEW TOWERS LIMITED,
P. O. BOX 9163, DAR ES SALAAM, TANZANIA.**

- (b) In the case of the Lessee: -

**THE DIRECTOR,
ACROSS TANGANYIKA LIMITED
P. O. BOX 105426,
DAR ES SALAAM, TANZANIA.**

8.0 RENEWAL/TERMINATION CLAUSE

Renewal

- 8.1 If the Lessee shall be desirous of taking a new lease of the demised premises after the expiration of the term hereby created, and if the Lessee shall have delivered to the Lessor notice in writing not less than three (3) calendar months before the expiry of the current lease the Lessor shall renew the lease on the same terms and conditions as existing save as to the rent which shall be mutually agreed upon between the parties

Termination

- 8.2 If the Lessee shall desire to determine the term hereby created he shall give to the Lessor three months notice in writing of the Lessee's intention to terminate the Agreement and on the expiry of the notice the Agreement shall determine forthwith but notice by the Lessee shall be valid only if accompanied by payment for the rent and the service charge for the unexpired term of the Lease, If applicable, PROVIDED NEVERTHELESS the Lessor may determine the same by giving the Lessee three months notice if the Lessee is in default of any of the clause of the Lease Agreement

8.3 "Force Majeure" Termination

Whenever the demised premises or any essential part thereof shall be destroyed or rendered unfit or unavailable for further tenancy through fire, vandalism, earthquake, flood, storm, war, civil disturbance, government action or other similar casualty or event this Lease shall, at the option of the Lessee, immediately terminate. In the case of partial destruction, damage, unfitness or incapacity, this Lease may be terminated in whole or in part at Lessee's option. Should the Lessee exercise this option, he shall provide written notice to the Lessor and no rent shall accrue to the Lessor after such termination, which shall be effective as of the date of such destruction or damage.

If this Lease is terminated the Lessor shall within forty-five (45) business days of termination refund all advance rental payments in excess of rental liability accrued as calculated by multiplying the rental rate per day times the number of days of Lessee's occupancy under the Lease from the beginning of the current quarter, or the commencement of the Term whichever date is later, to the date of termination.

Should the Lessee elect to remain in the demised premises rendered partially untenable, the Lessor shall be obligated to proceed with all reasonable diligence and expedition to restore or repair the demised premises to the condition in which they were immediately prior to such destruction or damage. It is agreed that if the said repairs are made, the materials used shall be at least equal to those that existed at the time of the said damage. In this event, the Lessee shall be entitled to a proportionate reduction of rent from the day of such partial destruction until the said restoration is completed.

In addition, the term of the Lease shall be automatically extended for such period of time as may be necessary to offset any period for which the rent has been suspended under the foregoing provisions.

IN WITNESS WHEREOF the parties hereto have executed these presents in the manner and on the days hereinafter appearing.

SEALED with the COMMON SEAL of the)
Said ACROSS TANGANYIKA LIMITED)
and DELIVERED in our presence)
this 02 day of SEPTEMBER 2008)



Name : IGOR ERIMOV
Postal Address : P.O. Box 105426, DSM
Qualification/Designation : DIRECTOR
Signature : [Signature]

Name : DAVID ZHORZHOLADZE
Postal Address : P.O. Box 105426, DSM
Qualification/Designation :
Signature : [Signature]

Mr. Alex M. Balomi (Advocate)
Notaries Public
Legal Consultant
P.O. Box 11695
DARES SALAAM

SEALED with the COMMON SEAL of the)
said HARBOUR VIEW TOWERS LIMITED and DELIVERED)
in our presence this 15TH)
day of SEPT. 2008.)

Name : SUBHASH MUTHA
Postal Address : BOX 9163, DSM
Qualification/Designation : FC
Signature : [Signature]

Name : N. KASSAM
Postal Address : BOX 9163, DSM
Qualification/Designation : CO. SECRETARY
Signature : [Signature]

Mr. Alex M. Balomi (Advocate)
Notaries Public
Legal Consultant
P.O. Box 11695
DARES SALAAM

9

AMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA
ATAKABADHI YA SERIKALI
EXCHEQUER RECEIPT

30324325 1

TFN. 614 (Rev. 8.94)

IMPEGEA KWA
Received from

ACROSS TANZANIA LTD



KIASI
Amount

Shs.										Cts.	
U	S	D									

UMEA YA SHILINGI (Kwa maneno)
The Sum of Shillings (Words)

USD DOLLAR SEVEN HUNDRED FIFTY ONLY

NA SENTI
And Cents

KWA MALIPO YA
In Respect of

CERTIFICATE OF INCENTIVES

KWA FEDHA TASLIM/HUNDI NAMBA
By Cash/Cheque No.

CASH

Kituo - Station

MAJUMBA YA MPOKEAJI - Receiving Officer's
Signature

[Signature]

CHINA - Title

TARHE - Date

21/12/2008

Printed Press, Dsm.



Executive Director
Tanzania Investment Centre



No 00215188

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 041609

This is to certify that

ACROSS TANGANYIKA LIMITED

of address P.O. BOX 154026

DAR ES SALAAM

has been granted a Certificate of Incentives to invest in a new, ~~rehabilitation/expansion~~ or equity of the enterprise known as

ACROSS TANGANYIKA LIMITED

Which is located at ROOM NO. 216, 2ND FLOOR, J.M MALL, PLOT NO. 2317/108

AND 2318/108, SAMORA AVENUE, ILALA DISTRICT-DAR ES SALAAM

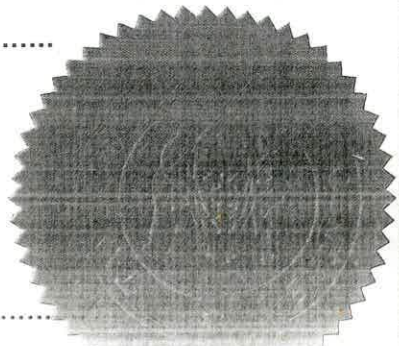
Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

Executive Director

Tanzania Investment Centre
P.O. Box 938, Dar es Salaam

4TH DECEMBER 2008

Dated



This Certificate is issued in accordance with the provisions of Section 17 of the Tanzania Investment Act, 1997 and subject to the conditions prescribed under item 14 and 15 hereafter:—

1. Shareholders
Igor G. Erinov Russian 75
Abbas H. Nasser Tanzanian 25
.....
.....
2. Proposed Activities : To establish and operate a facility for gemstone cutting and
polishing
.....
3. Sector: Manufacturing Subsector Gemstone cutting and polishing
.....
4. Investment cost: Foreign USD 0.325m. Local USD 0.025m. Total USD 0.35m.
.....
5. Project Financing: Equity USD 0.35m. Loans - Total USD 0.35m.
.....
6. Source, terms and conditions of loan.....
.....
7. Assets to be invested:
Capital items: Foreign Foreign Local Total
USD 0.325m. USD 0.025m. USD 0.35m.
.....
Technology Agreement None
.....
8. Date of TIC Registration: 26th November 2008
.....
9. Implementation period November 2008 - October 2011
.....
10. Operative date..... November 2011
.....
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
(i) Applicable Import Duty
(ii) Applicable with-holding Tax As per Income Tax Act, 2004 (as amended)
(iii) Eligibility of Capital Allowances As per Income Tax Act, 2004 (as amended)
.....
13. Protection of Investment, Arbitration and Transfer of Foreign Currency: as defined in part III Section 21, 22 and 23 of the Act.
.....
14. Conditions attached to this Certificate of Incentives
(i) Date of Commencement of investment has to be notified to the Centre.
(ii) Certificate not to be transferred, assigned or amended
(iii) Failure to commence implementation within two years invalidates Certificate
(iv) Failure to operate investment must be notified to the Centre
(v) Changes in shareholding, project activities and level of invested capital must be notified to the centre
.....
15. Additional conditions attached to Certificate
Finished goods are not allowed under this Certificate
.....