

ABM EQUIPMENT SERVICES
LTD

MINUTE SHEET

EXD

The approved project has fulfilled the investment requirements, which are: -


(a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 0.331

(b) Legal entity has been incorporated under certificate

No. 94176-01 of 10/04/2012

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.



N. Senzia
DIF
17th February, 2014



2.

AG. EXD

Refered to EXD 11/04/2014

In response to the TIC letter of registration dated 10/02/2014

the project has submitted the required documents namely: -

(a) Company Board Resolution.

(b) Reference letter/Financing from Exim Bank (Tz) Ltd.

(c) Lease Agreement as Evidence of Land

With the above submission EXD is requested to sign Certificate of Incentives No. 042606 herein attached.

Ag. DRIS 10/04/2014

①

ABM EQUIPMENT SERVICES LTD

P.O Box 5648

Tanga

Phone: 255 653 703170/ 757 615462

Email : ben_abmfertilizers@yahoo.com

Web : www.abmcalciumandgypsum.com

25.1.2014

To: Director General

Tanzania Investment Centre

PO BOX 938

DAR ES SALAAM



Re: Application for certificate of Incentives

We enclose herewith duly filled application form for registration for Certificate of Incentives for our **Mineral Fertilizer production Plant** due for expansion.

The attached Business Plan contains all documents required by you as attachments in the booklet.

We look forward to your timely positive response.

Sincerely

A handwritten signature in blue ink, appearing to be "Ben Maimu".

Ben Maimu

MANAGING DIRECTOR

Attached : Registration form serial no. 9638 TIC N 11648

Business Plan Booklet

Letter of introduction from our bankers EXIM BANK (T) LTD



**EXIM
BANK**

DIRECTOR GENERAL
TANZANIA INVESTMENT CENTRE
P.O BOX 938
DAR ES SALAAM
TANZANIA

Dear Sir/Madam,

RE: INTRODUCTION OF ABM EQUIPMENTS SERVICES LIMITED

This is to certify that ABM EQUIPMENT SERVICES LIMITED of P.O. Box 5648, Tanga is one of our valued customer and maintains a Tanzanian Shillings Account No.0752961119. The operation in this account has been satisfactory.

This certificate is being issued at the request of our customer without any guarantee or responsibility on the part of this bank or its officials.

Any assistance that could be given to him will be appreciated.

Thanking you,

Yours Sincerely,

ELDA NGOWI
ASST. BRANCH MANAGER

Exim Bank (Tanzania) Ltd

Samora Avenue Branch

9 Samora Avenue
Tel: +255 (022) 2110294/ 2112378/ 2111861
E-mail: enquiry@eximbank-tz.com

P. O. Box 1413, Dar Es Salaam
Fax: +255 (022) 2119737
Website: www.eximbank-tz.com

9638

Unclaimed refund beyond three years will be forfeited

11648



TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC014102

No.008038

Received from : ABM EQUIPMENT SERVICES LTD

Address P.O. Box 5648 Tanga

Received the sum of (In words): ONE HUNDRED SIXTY-FOUR THOUSAND NINE HUNDRED AND ZERO CENTS ONLY

Being payment in respect of REGISTRATION FEES

Amount : TZS 164,900.00

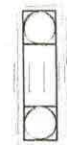
Cash / Cheque No: D/deposited 20/1

Date: 20-Jan-2014

By: [Signature]

Receiving Officer

*For Executive Director
Tanzania Investment Centre*



AUG 11 53980



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)

THE 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 BERNARD FESTO MAIMU
(director/directors/agent of ABM EQUIPMENT SERVICES LTD
(name of business enterprise) apply for registration 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 TANGA IN
TANZANIA

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 TANGA CITY Block KB IX
4. The Principal Officers of the Company are
BERNARD FESTO MAIMU
DEBORA BERNARD MAIMU
5. Auditors of the Company are NGAIWONA & CO CERTIFIED
PUBLIC ACCOUNTANTS - Box 5154 TANGA
6. The authorized share capital of the Company is Tshs./US\$
TSHS 150,000,000.0

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ A.10.9 MILLION
8. The month and day of the financial year end is 31st DEC

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\$ Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*


I, BERNARD F. MAIMU of Post Office Number 5648
TANGA do solemnly and sincerely declare that I am a director/duly authorized agent of ABM EQUIPMENT SERVICES LTD


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 Tanga }
~~Dares Salaam~~ }
 The 28th day of January 2014 }
 2003 }


 Applicant
ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANGA

Before me:


 Commissioner for Oaths



Attach only where applicable, otherwise indicate "N/A"

APPLICATION SUMMARY

Company Name: ABM EQUIPMENT SERVICES LTD

COI Number: 94176 Status:

Post Box: 5648

COI Date: 4.10.12

Town: TANGA

Sector: MINERALS

Sub-Sector: AGRICULTURE

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	<u>160.7</u>	<u>250.2</u>

Project Objectives: TO EXPAND PRODUCTION CAPACITY IN MANUFACTURE OF MINERAL SOIL FERTILIZERS

Capacity: 10,500 TONS / Year

Employment: Foreign: Local: 25 Total: 25

Implementation Period: JULY 2014

Project Location

Site/Plot/Block No.: Block KB IX Gofu Area Tanga

Street: Maendeleo District: TANGA Region: TANGA

(Attach sketch map showing project location)

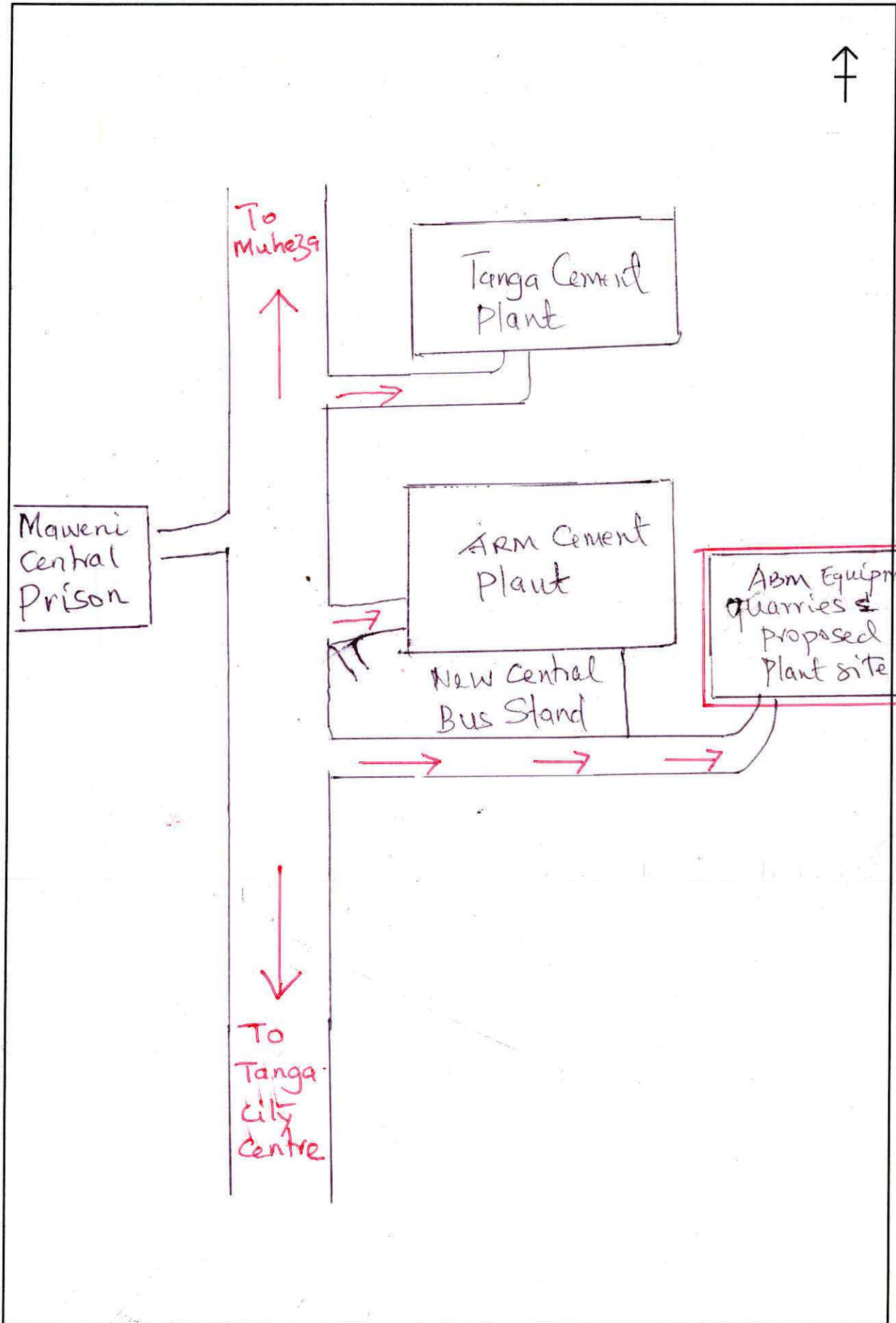
Shareholders	Nationality	%
<u>BERNARD F. MAIMU</u>	<u>TANZANIAN</u>	<u>60</u>
<u>DEBORA B. MAIMU</u>	<u>"</u>	<u>20</u>
<u>MINA B. MAIMU</u>	<u>"</u>	<u>10</u>
<u>AUBRAY B. MAIMU</u>	<u>"</u>	<u>10</u>

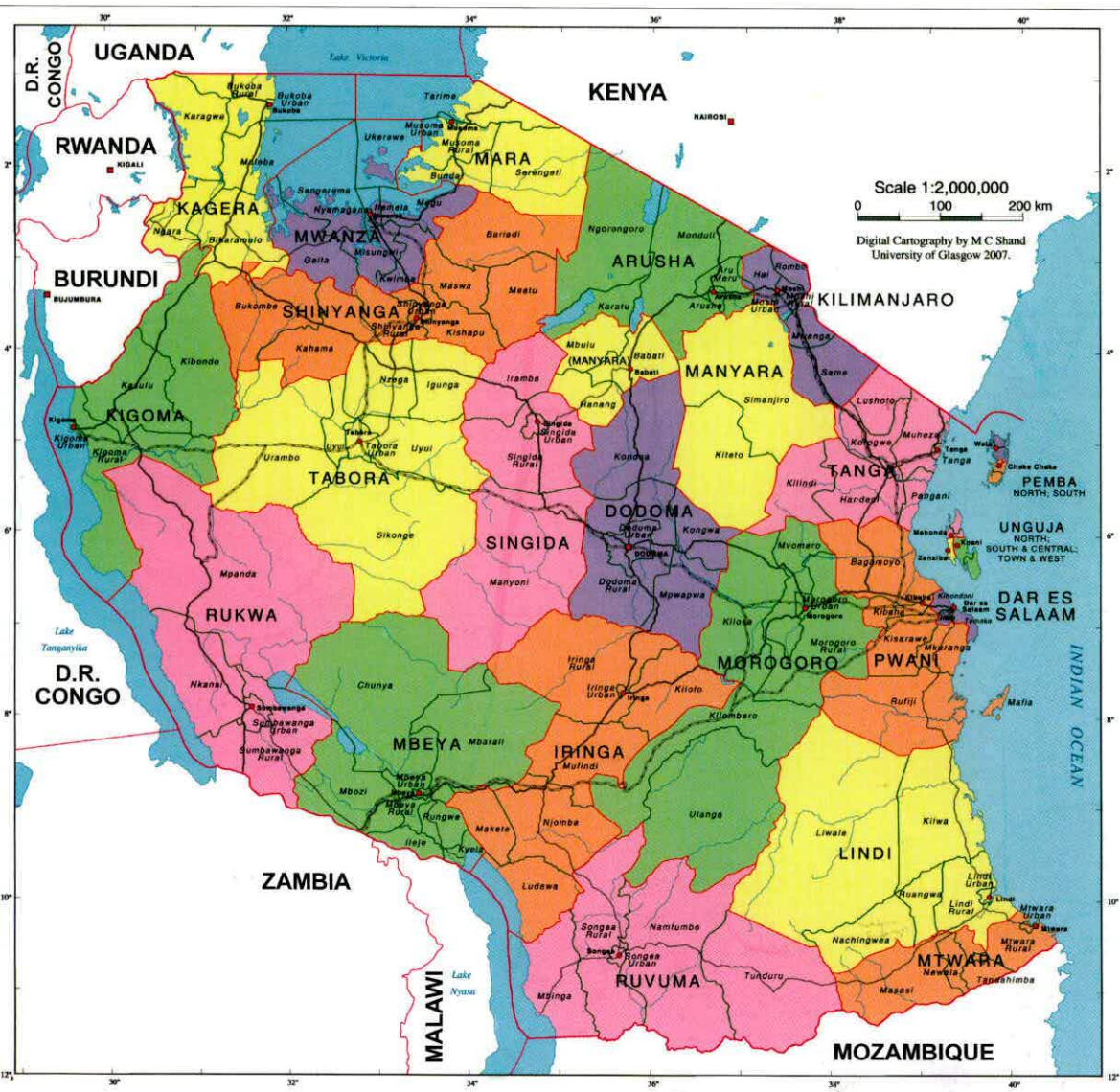
Investment Breakdown	US\$/Tshs.M
Land/Building	39.0
Plant	226.2
Vehicles	43.0
Furniture & Fittings	53.7
Pre-expenses	14.0
Others	-
Working Capital	35.0
TOTAL	410.9

Contact Details:

Name: BERNARD F. MAIMU Title: MANAGING DIRECTOR
 Telephone: 0653 703170 Fax: 0736 603542
 Email: ben_abmfertilizers@yahoo.com

SKETCH MAP SHOWING PROJECT LOCATION





Unclaimed refund beyond three years will be forfeited



TANZANIA INVESTMENT CENTRE

Shaaban Robert Street, P.O. Box 938, Dar Es Salaam, Tel. +255 22 2116328-31, Fax: +255 22 2118253

RECEIPT REC014723

No. 008592

Received from : **ABM EQUIPMENT SERVICES LTD**

Address **P.O. Box 5648 Tanga**

Received the sum of (In words): **ONE MILLION SIX HUNDRED TWENTY THOUSAND AND ZERO CENTS ONLY**



Being payment in respect of: **CERTIFICATE OF INCENTIVES**

Amount: **TZS 1,620,000.00**

Cash / Cheque No: **D/Deposit**

Date: **13-Mar-2014**

Receiving Officer

LEASE AGREEMENT

This **LEASE AGREEMENT** is made this ^{2nd}.....day of APRIL 2014

BETWEEN

BEN MAIMU of P. O. BOX 5648 TANGA
(Hereinafter called the LESSOR) on one part.

AND

ABM EQUIPMENT SERVICES LTD., P. O. BOX 5648 TANGA
(Hereinafter called the LESSEE) on the part.

WHEREAS:

1. The lessor is the owner of Mining land under **PML 004063EZ** measuring 1.3 hectares, at Kange Mkurumuzi area in the Tanga City. (hereinafter called the "Demised Premises")
2. The lessor is desirous of letting to lessee who is also desirous of and agrees to lease the Demised Premises.
3. The term of the lease shall be for a period of validity of this mining right which expires on 7th August, 2019.

THE LESSEE HEREBY COVENANTS with the LESSOR as follow:-

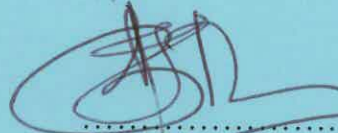
- a) To pay all rates charges and fees in respect of the Demised Premises during the whole period of tenancy.
- b) The LESSEE observing all the covenants herein contained, the LESSEE may hold and enjoy the demised premises during the said term without any interruption by the LESSOR or his agents.

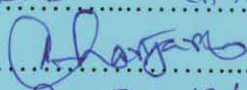
THE LESSOR AND THE LESSEE HEREBY COVENANT WITH EACH OTHER AS FOLLOWS:-

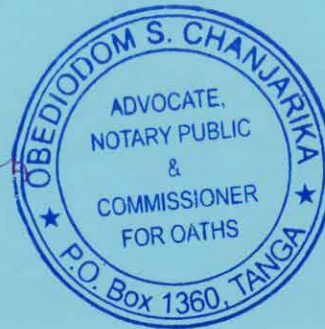
- a) During the said tenancy the LESSEE shall use the demised premises for mining purposes.
- b) THE LESSEE shall during the subsistence of the agreement permit the LESSOR/his agents or workmen to enter the demised premises at reasonable time for purposes of inspecting or repairing the said premises.

IN THE WITNESS WHEREOF the parties hereto have executed these presents in the day and month hereinafter appearing.

SIGNES and DELIVERD by: }
BEN MAIMU }
Who is identified to me by }
..... }
Who is known to me personally }
In my presence }
this ^{2nd} day of APRIL 2014 }

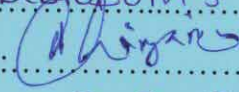

LESSOR

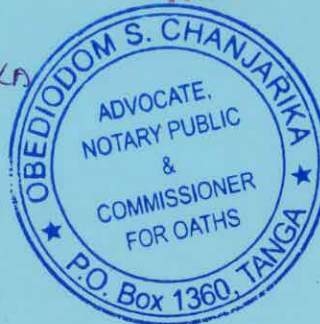
NAME: OBEDIODOM S. CHANJARIKA
Signature: 
Postal address: P.O. Box 1360, TANGA
Qualification: ADVOCATE



SIGNES and DELIVERD by: }
THE DIRECTOR ABM }
EQUIPMENT SERVICES LTD }
Who is identified to me by }
..... }
Who is known to me personally }
In my presence }
this ^{2nd} day of APRIL 2014 }


LESSEE
ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANGA

NAME: OBEDIODOM S. CHANJARIKA
Signature: 
Postal address: P.O. Box 1360, TANGA
Qualification: ADVOCATE





00220171

THE UNITED REPUBLIC OF TANZANIA

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042606

This is to certify that

ABM EQUIPMENT SERVICES LIMITED

of address P.O. BOX 5648

TANGA

has been granted a Certificate of Incentives to invest in a new, ~~XXXXXXXXXXXX/XXXXXXXXXX~~
~~XXXXXXXXXXXX/XXXXXXXXXX~~ enterprise known as

ABM EQUIPMENT SERVICES LIMITED

KANGE MKURUMUZI AREA

Which is located at

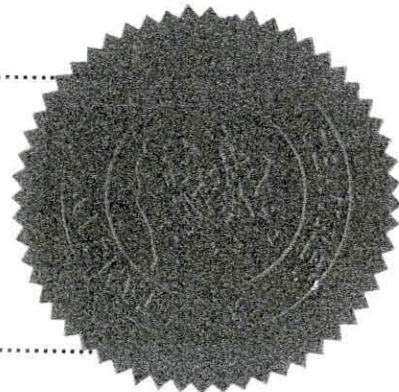
TANGA

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

Dated 10TH FEBRUARY, 2014



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

	Nationality	Shareholding (%)
Aubray B. Maimu.....	Tanzanian.....	10
Mina B. Maimu.....	Tanzanian.....	10
Debora B. Maimu.....	Tanzanian.....	20
Bernard F. Maimu.....	Tanzanian.....	60
2. Proposed Activities To expand production of mineral soil fertilizer
3. Sector: Manufacturing
4. Investment cost: Foreign USD 0m. Local USD 0.3328m. Total USD 0.3328m
5. Project Financing: USD 0.178m. Loans USD 0.156m Total USD 0.3328m
6. Source, terms and conditions of loan.....
7. Assets to be invested:

	Foreign	Local	Total
Capital items:	<u>USD 0m.</u>	<u>USD 0.33328m.</u>	<u>USD 0.3328m</u>
Technology Agreement.....	<u>None</u>		
8. Date of TIC Registration: 10th February, 2014
9. Implementation period: February, 2014 - January, 2017
10. Operative date: February, 2017
12. Investment Incentive Grade: As defined in part III Section 19 (1), (2) and Section 20 of the Tanzania Investment Act, 1997
 - (i) Applicable Import Duty And VAT as per Customs Tariff Act, 1976 & VAT Act, 1997
 - (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

Signed 
Executive Director

ABM EQUIPMENT SERVICES LTD

P.O.BOX 5648

TANGA

PHONE: 653 703170/757 615462

Email: ben_abmfertilizers@yahoo.com

Web: <http://www.abmca/ciumandgypsum.com>

13/3/2014

TO: EXECUTIVE DIRECTOR

TANZANIA INVESTMENT CENTRE

P.O.BOX 938

DAR ES SALAAM.

RE: SUBMISSION OF REQUIRED ATTACHMENTS TO TIC -P.A I FORM NO.11648

This is in ref to your letter TICC/PP.10/042606/3 of 10.2.2014.

We thank your for having approved our application.

We attach herewith the required additional documents

- i. Board resolution
- ii. Certified copies of lands owned per PML No. 004063EZ and PML0010858 and topographic map of the location of the above mining lands.
- iii. Pay in slip for payment of facilitation fees (USD 100 equivalent in Tsh.)

Sincerely,



.....
Ben Maimu
Managing Director

ABM EQUIPMENT SERVICES LTD

Gofu Industrial Area

PO BOX 5648

TANGA

Phones : 255 653 703170/ 757 615462 /784 449908

Email: ben_abmfertilizers@yahoo.com

Website: <http://www.abmcalciumandgypsum.com>

MINUTES OF EXTRA ORDINARY MEETING OF THE DIRECTORS HELD ON THE 29.12.13 AT THE COMPANY 'S PREMISES IN TANGA AT 11.30 AM

Present :

Bernad Festo Maimu	Chairman
Deborá B. Maimu	Director
Mina B. Maimu	Director
Aubray B. Maimu	Director

In attendance

Alfred Mapunda	Secretary
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1. Opening of the Meeting

The chairman opened the meeting by thanking all members for coming to the meeting

On time.

2. Matters Arising

The members were informed that the M.D would travel to follow up on Filing annual returns with BRELA, Application of certificate of incentives with TIC in DAR and visit Machinery

suppliers in China . The MD further informed the members that it was necessary to pass a resolution in regard to the Machinery/ equipment and other project costs for which the Company was seeking relief as local investors.

The members unanimously **passed a resolution** that :

“ The MD , in consultation with the Technical Advisor Mr Robert Reuben should pursue this important matter and draw up a comprehensive list of such requirements acceptable to TIC Investment Regulation 42, and Government Notice No. 318A of 2002 and make consultations with the company Advocates M/S Kashumbugu & Co to this effect”

There being no any other issues for the day the meeting was adjourned to a date to be announced at a future date and the meeting was closed after thanking the members for observing quoram.


Alfred Mapunda

(Secretary)


Bernard Festo Maimu

(Managing Director)


Debora Bernard Maimu (Mrs)

(Director)

**ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANGA**

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY AND MINERALS**

THE MINING (MINERAL RIGHTS) REGULATIONS, 2010

PRIMARY MINING LICENCE 004063EZ

The Mining Act, 2010


The exclusive right, subject to the provisions of the Mining Act, 2010 and of the regulations thereunder now in force or which may come into force during the continuance of this primary mining licence or any renewal thereof is hereby granted to **M/S Ben Maimu of P.O. Box 5648 Tanga-Tanzania** (hereinafter called the Licensee), to prospect and mine for **Limestone**, at **Kange, Mkurumuzi**, in **Tanga District, QDS 130E/1** over an area described in Annex A.

This Licence, unless sooner cancelled, suspended or surrendered pursuant to the provisions of the Mining Act, 2010, shall be valid for a period of **seven (7) years**, effective from the date of grant.

Granted this 07th day of AUGUST 2012

.....


Alex A. Magayane
ZONAL MINES OFFICER
Eastern Zone

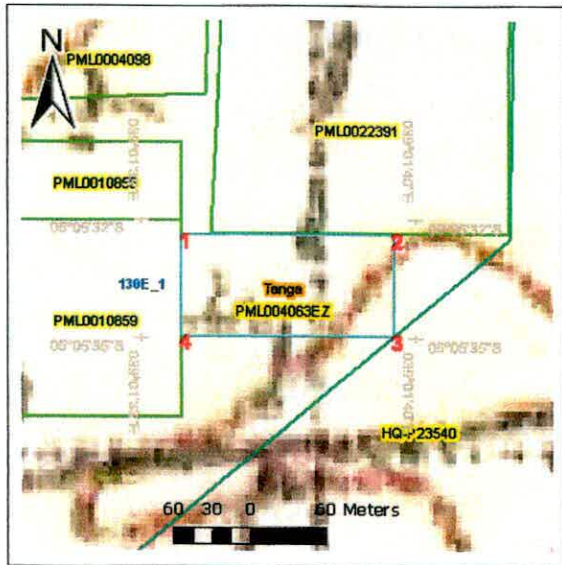
Certified True Copy of the Original
Document Signed by Me.

OBEDI D. S. CHANJARIKA, ADVOCATE
This 11th Day of MARCH 2014

ANNEX A

DESCRIPTION OF THE PRIMARY MINING LICENCE AREA

The Primary Mining Licence is at **Kange, Mkurumuzi** area, in **Tanga** District, QDS **130E/1** defined by the following corner co-ordinates (Arc 1960):

Corner	Latitude	Longitude
1	- 05 deg. 05 min. 32.37 sec.	39 deg. 01 min. 34.01 sec.
2	- 05 deg. 05 min. 32.37 sec.	39 deg. 01 min. 39.41 sec.
3	- 05 deg. 05 min. 34.92 sec.	39 deg. 01 min. 39.41 sec.
4	- 05 deg. 05 min. 34.92 sec.	39 deg. 01 min. 34.01 sec.



Legend	
Licensed area	
License Number	PML004063EZ
District	Tanga
Direction	

An area of approximately **1.30** Hectares.

ANNUAL RENT PAYMENTS

Year	ERV	Amount (TShs.)	Date	Signature & Stamp
1.	<u>40422040</u>	<u>80,000/=</u>	<u>29/8/2010</u>	
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY AND MINERALS**

**THE MINING (MINERAL RIGHTS) REGULATIONS, 2010
RENEWAL OF PRIMARY MINING LICENCE 0010858**

The Mining Act, 2010

I, Alex A. Magayane, the Zonal Mines Officer for **Eastern Zone**, pursuant to the powers conferred upon me under Section 56(2) of the Mining Act, 2010 hereby renew the Primary mining License **0010858** granted to M/S **Bernard Festo Maimu** of **P.O.Box 5648, Tanga-Tanzania** (hereinafter called the Licensee), to prospect and mine for **Limestone**, for a period of **Seven (7)** years effective from Expiring Date.

The description of the renewed Primary Mining License is provided overleaf.

This license is being renewed under the same terms and conditions of Primary Mining License No. **0010858**.

Signed this 01st day of FEBRUARY 2013

.....
Alex A. Magayane
Alex A. Magayane
ZONAL MINES OFFICER
Eastern Zone

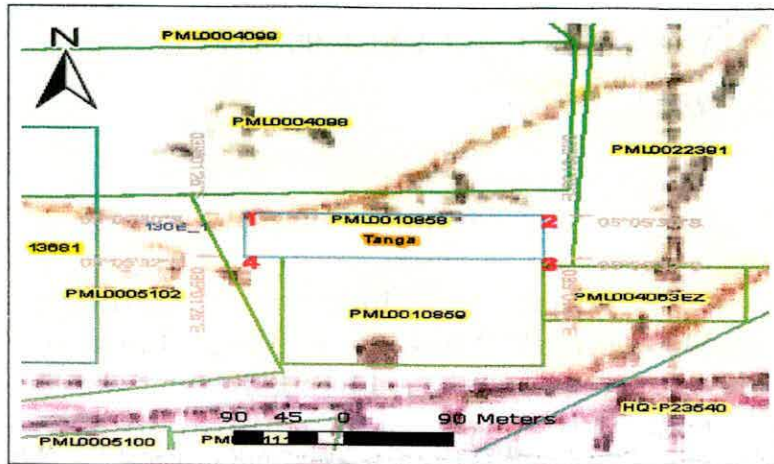
Certified True Copy of the Original
Document Signed by Me.
Obediodom S. Chanjarika
OBEDIODOM S. CHANJARIKA, ADVOCATE
This 11th Day of MARCH 2014

ANNEX A

DESCRIPTION OF THE PRIMARY MINING LICENCE AREA

The Primary Mining Licence is at **Mkurumuzi-Kange** in **Tanga** District, QDS 130E/1 defined by the following corner co-ordinates (Arc 1960):

Corner	Latitude	Longitude
1	- 05 deg. 05 min. 30.00 sec.	39 deg. 01 min. 26.00 sec.
2	- 05 deg. 05 min. 30.00 sec.	39 deg. 01 min. 34.00 sec.
3	- 05 deg. 05 min. 32.00 sec.	39 deg. 01 min. 34.00 sec.
4	- 05 deg. 05 min. 32.00 sec.	39 deg. 01 min. 26.00 sec.



Legend	
Licensed area	
License Number	PML0010858
District	Tanga
Direction	

An area of approximately 1.51 Hectares.

ANNUAL RENT PAYMENTS

Year	ERV	Amount (TShs.)	Date	Signature & Stamp
1.
2.
3.
4.
5.
6.
7.

[Faint blue stamp and handwritten text, likely an official signature or stamp area.]



1. PML No 0010858
2. PML No 004063EZ



TICC/PP.10/042606/3

10/02/2014

Managing Director,
Abm Equipment Services Ltd
P.O. Box 5648

TANGA

RE: CERTIFICATE OF INCENTIVES FOR PRODUCTION OF MINERAL SOIL FERTILIZER IN TANGA.

We wish to acknowledge receipt of your project proposal to establish mineral soil fertilizer production project in Tanga as presented in the TIC P.A. 1 Form No. 11648 and Feasibility Study with a projected investment amounting to USD 0.3328m.

We are pleased to inform you that your investment proposal is officially registered by TIC and therefore the project will be granted a certificate of incentives 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:-

- Board resolution
- Certified document showing evidence of Land ownership for the location of the project

Also be informed that you will have to submit a project implementation Progress Report on the implementation of the project in every six months for centre's information and review. Guidelines for the preparation of the report are contained in annexure attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate prior issuance of the Certificate of Incentives. Please make deposit direct to the bank as per bank details below:-

TICC/PP.10/042606/3

10/02/2014

*Tanzania Investment Centre
Standard Chartered Bank (T) Ltd
US Dollar A/C 8702006002000
T.Shs A/C 0102006002000*

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

Yours sincerely,

Tanzania Investment Centre



Juliet R. Kairuki

EXECUTIVE DIRECTOR

Copy to: Permanent Secretary,
Ministry of Finance,
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



TIC Evaluation Report

Name of the Company
Abm Equipment Services Ltd.

Post Box	Maendeleo, Block Kb Ix Gofu Area	COI Number	94176-01	Contact	Mr. Bernard F. Maimu
Post Office	5648	COI Date	10/04/2012	Designation	Managing Director
Region	Tanga	Application F. No	11648	Phone	0
Country	Tanzania	Status	New	Direct Phone	0
		Sector	Manufacturing	Cell Phone	0653 703 170
		Sub Sector	Fertilizer	Fax	0
		File No	042606	E-Mail Address	0

Project Location		Investment Finance Plan in Millions USD											
/Block	Block KB IX Gofu Area	<table border="1"> <thead> <tr> <th>Foreign Equity</th> <th>Local Equity</th> <th>Foreign Loan</th> <th>Local Loan</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0.1768</td> <td>0</td> <td>0.156</td> </tr> </tbody> </table>	Foreign Equity	Local Equity	Foreign Loan	Local Loan	0	0.1768	0	0.156			
Foreign Equity	Local Equity		Foreign Loan	Local Loan									
0	0.1768		0	0.156									
Street	Maendeleo												
District	Tanga												
Region	Tanga												

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.024
Aubray B. Maimu	Tanzanian	10	Plant	0.141
Mina B. Maimu	Tanzanian	10	Vehicles	0.0268
Debora B. Maimu	Tanzanian	20	Furniture & Fittings	0.033
Bernard F. Maimu	Tanzanian	60	Pre-expenses	0.087
			Others	0
			Working Capital	0.021
			Total	0.3328

Employment	25	Evaluated By	wf officer4
Capacity	10500 tons pa.	Drawn By	wf registry2
Project Turn Over		Project Type	Local

Description

To expand production of mineral soil fertilizer

Recommendations

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

Decision

APPROVED BY EXD

Sign: *[Signature]*

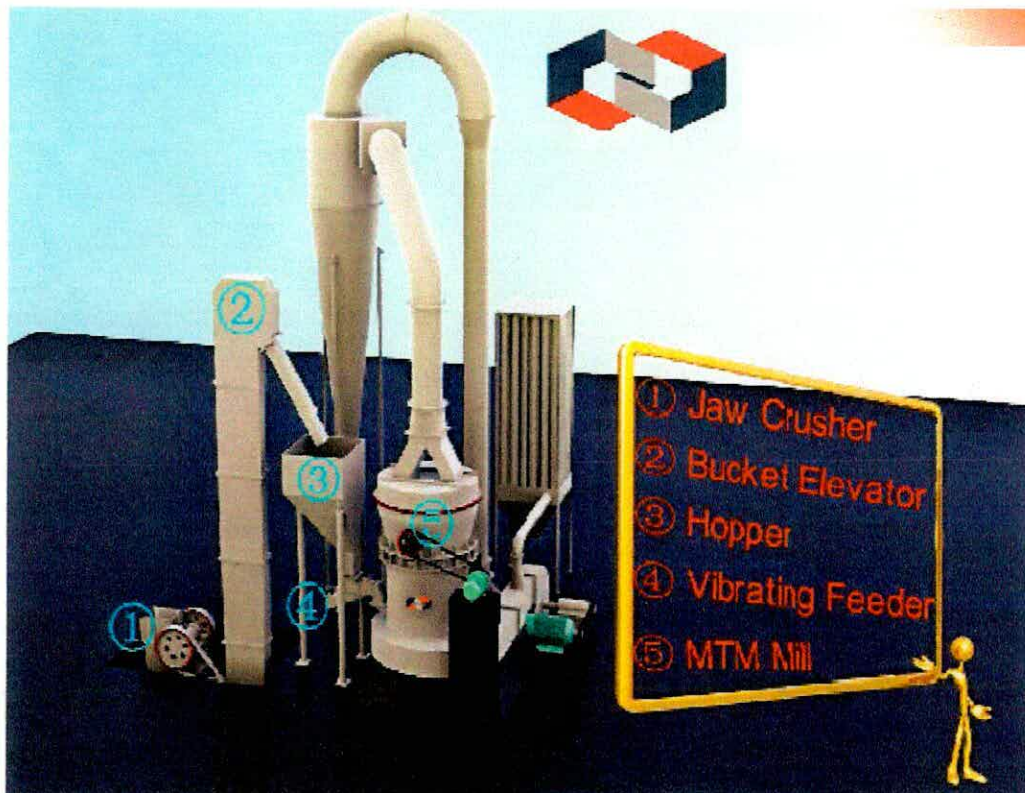
Date: 10/07/14

MINERAL FERTILIZERS PRODUCTION FACILITY

Agricultural Lime, Dolomite Lime, Agricultural Gypsum and Magnesium



BUSINESS PLAN



Prepared by:

Ben Maimu

ABM EQUIPMENT SERVICES LTD

PO BOX 5648

Tanga, TANZANIA

Phones: 255 653 703170/784 449908/757615462

Email: ben_abmfertilizers@yahoo.com

Web : www.abmcalciumandgypsum.com

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1. EXECUTIVE SUMMARY

The proposed Mineral Soil Fertilizer production facility at Tanga entails setting up of a new mineral grinding facility MEDIUM SPEED TRAPEZIUM MILL (MTW 110) with capacity to grind limestone, dolomite, magnesium and gypsum rock material from size 30mm input size to size 250micron - 7 micron as final output size . The milling plant has capacity to produce 7 to 9 tons per hr (60 tons per 8 hr shift) which can be increased to 120 tons per day on a 2 shift per day basis if higher demand arises for any of the above mineral soil nutrients. This capacity is in addition to existing installed capacity of 20 tons per day using 2 Hammer Mills and 2 vibratory sieving equipments currently in operation at company's facility.

Maximum production capacity of 10,500 tons per annum will be achieved on acquisition of the MTW milling plant. The Company, ABM EQUIPMENT SERVICES LTD owns raw material quarries for all the above industrial minerals where contract producers are engaged to excavate raw stones for sale to the company.

The Company will only concentrate on raw material grinding, packing, quality control, storage and marketing. Small scale producers will however be supported in rock drilling and blasting services using our drilling equipment . The MTW MEDIUM SPEED TRAPEZIUM MILL is an advanced mineral powder production technology which is environmentally friendly through its blower and cyclone collection, recycling, closed powder and dust circuitry that allows only clean powder discharge into bagging system.

The demand for calcium, magnesium and sulphur fertilizers produced by us is going up steadily, and we are unable to meet demand in the 17 months since we started production. The main buyers from us are large plantations involved in production of Rice, Coffee, Cotton, Wheat, Vegetables, Avocado, Sugarcane etc. Major agro dealers including BALTON (T) LTD are major bulk buyers from our company who also buy for distribution to their established customers.

In 2012, when the Company started Commercial production 800 ton of agricultural lime (Calcium carbonate), 200 tons of dolomite lime (Calcium magnesium carbonate) and 1200 tons of agricultural gypsum (Calcium sulphate) were sold . In 2013, during July – Sept agriculture inputs application window, 600 tons of mineral fertilizers were sold . It costs USD 24.0 to produce 1 ton (Tshs. 40,000/=) of agriculture lime while the sales value is USD 57.0 (TShs 94,000.00 per ton ex works , and this is equivalent to a gross profit of USD 33.0 (Tshs. 54,450.0 per ton.

The production target of 10,500 tons per year is projected to bring in a gross profit of Tshs. 931.5 mill in year 1, Tshs 919.3 mill in year 2 and Tshs 919.3 mill in year 3. The projected profit can adequately pay off the loan principal (Tshs 250.2 mill) plus accrued interest in the 3rd year of operations.

The directors of the Company own 6 raw materials quarries in Tanga, Korogwe and Handeni districts for Limestone, Gypsum Magnesite and Dolomite respectively. The market value of all the above quarries have not been established but are estimated at hundreds of millions of shillings based on the market value of rich deposits available which can be extracted for at least 50 years to come. ARM (T) LTD who are adjacent to our Kange quarry have offered to purchase our quarry at Tshs 150.0 mill for exploitation of fine grade limestone for their cement plant currently under construction but we have no plans of selling it.

The company is based at Gofu Industrial area - Tanga on Block KB IX where equipment consisting or 2 heavy duty hammer mills, 2 sieving machines, 1 set of rock drilling compressor , a high pressure air blast

tank, a weighing scale, power generator, electric bag sewing machine, 3 stone cutting machines, a Toyota MK II and 4 WD Toyota Hilux pickup in addition to the 6 quarries is what consists of company's assets used in production chain. The company maintains a minimum cash balance of Tshs 10.0 mill and this will be elevated to Tshs 20.0 mill in fixed deposits by Jan, 2014.

Based on the experience of the Company's MD of more than 15 years in the minerals business, training and participation in many international mineral trade fairs, recognition and licencing by TFRA of our mineral fertilizer products, and acceptance by major plantations, the company is now fully set to move to next level by expanding production of high quality liming agents and expanding markets to reach as many farmers as possible in Tanzania. This vision will be achieved quickly by working with other stakeholders in the Ministry of Agriculture & Livestock development, Regional and District extension Officers, SAGCOT, the Tanzania Fertilizer Company and all Agro dealers and Fertilizer dealers under the "KILIMO KWANZA" and "BIG RESULTS NOW" initiatives. The project fits well in the Mineral sector development as well as the Agricultural sector development both of which are key government priority areas.

BUSINESS DESCRIPTION

2.1 Concept

The project is related to production of mineral fertilizers for agricultural soil liming and amendment purposes.

The production process entails extraction of selected minerals from specific owned mineral quarries within Tanga region for grinding into fine powders by using industrial hammer mills and ultra fine powder mill for sale to plantations and small scale and medium farmers in Tanzania. The business is an ongoing concern, but need to expand to meet demand and quality expected by the international mineral fertilizer standards.

With acquisition of proposed new fine powder micronizing mill the existing facility would have capacity to produce 10,500 ton per year.

2.2 Investment Cost and Finance Plan

The total capital project cost is **Tshs 410.9 million** out of which **Tshs 160.7 million** (39.1%) will be in own equity and Bank finance is **Tshs 250.2 Million** (60.9%)

2.3 Business Description

The business plans to expand current production capability and improve quality of finished products by installing a new state of the art fine powder grinding mill to supplement the existing hammer mills technology and vibratory sieving systems. With the proposed expansion, it is possible to increase production from 20 ton per day to 60 ton per day. Secondly, the new grinding mill to be acquired has the capacity to grind raw stones to the finest granule size (250 micron - 7 micron) demanded by our customers in agriculture and for industrial use.

2.4 Sources of Funds

The projected expansion program will be funded by a bank loan from **TIB- ASM** government support to Small Scale Miners through Ministry of Minerals and Energy or from **TIB** agricultural window. The level of funding sought from this Small scale miners support fund is **Tshs 250.2 Million** which is 60.9% of total project cost amount of **Tshs 410.9 Million**.

2.5 Past Performance

Audited financial statements for the past 17 months from the period the project started actual production of mineral fertilizers is attached to this business plan.

2.6 Collateral Requirements

The requested loan will be supported by the following company assets:

- (a) Limestone Quarry owned under PML no. 0010858EZ
- (b) Limestone Quarry owned under PML no. 004063EZ
- (c) Existing Production Machinery (refer to list)
- (D) New Fine powder Mill MTW 110 to be loaned to the company in the form of Asset Lease.

The mill will be installed at Kange limestone quarry sites owned by company directors.

3.0 PROJECT PROFILE

3.1 Project Brief

The Company (**ABM EQUIPMENT SERVICES LTD**) has been in production since May 2012 at its production facility at Tanga, where the company has been sourcing raw stone materials (Limestone, Dolomite and Gypsum) and grinding same to produce fine powders which are bagged and sold to plantations across the country for soil pH control/ liming agent, amendment and mineral fertilizers.

Demand for the products manufactured have exceeded production by far, hence the need to expand. The market also demands finer powders than what the company is currently manufacturing using hammer mills. This can be achieved by installation of a new **medium speed Trapezium mill MTW 110**.

3.2 History of the Business

The company has in the past 8 years been operating as sole proprietorship trading as **ABM EQUIPMENT SERVICES** up to Oct 2012, when it evolved into a limited liability company with 4 directors. All assets of the sole proprietorship have been acquired by the new company (**ABM EQUIPMENT SERVICES LTD**).

Prior to May 2012, the proprietor of the Company was involved in extraction of industrial minerals from own quarries in Tanga Region which were being sold in raw form to **ARM (T) Ltd** and to **KIOO LTD** in Dar es salaam for production of fine lime powders and for glass making respectfully,

In March 2012, the Company found a need to start adding value to extracted minerals and erected 2 hammer mills and 2 vibratory sieving machines at its Gofu Industrial area processing facility where, from May 2012 to date, the company has manufactured and sold 2151 Metric tons of Agricultural lime, Dolomite lime and Agricultural Gypsum valued at Tshs 403,586,800.0 to coffee plantations in Arusha and Kilimanjaro, Rice plantations and Sugar plantation in Kilombero, Flower plantations, Avocado plantations, Water Melon plantations, Garlic plantations in Iringa and vegetable plantations in Songea .

Due to high demand of the mineral fertilizers, which have hitherto been imported from Kenya and South Africa, the Company needs to install a new fine powder mill at its Kange limestone quarry within Tanga city 5 km from city centre, and next to ARM (T) LTD cement factory under construction.

3.3 Location of the Business

The company's production facilities are located at Gofu Industrial area at Tanga. Soon, on acquisition of a new medium speed Trapezium powder mill, the facility will be relocated to its 3 limestone quarries at Kange owned by the company's directors.

3.4 The Vision

ABM EQUIPMENT SERVICES has the vision to become the most respected company and a market leader in the manufacture and distribution of the highest quality agricultural mineral fertilizers and soil amendments to farmers in Tanzania.

3.5 Mission Statement

To become a leading supplier of all mineral soil amendments and organic fertilizers and to train farmers in conjunction with other stakeholders on how to determine exactly what nutrients are lacking in their soils.

3.6 Legal Aspects

The company is registered with **BRELA** under certificate No 94176, and **TIN NO 118-949-455**. The company is also registered by the **TANZANIA FERTILIZER REGULATORY AUTHORITY (TFRA)** as "Fertilizer Dealers" vide licence No 0021 and also specific product licenses have been issued by TFRA for **Agricultural lime (licence No 0056)** and **Agricultural gypsum (licence No 0057)**.

All the above mineral products have been analyzed by **SOUTHERN & EASTERN AFRICAN MINERAL CENTRE (SEAMIC)** and laboratory analysis reports issued by the company are available. Sieve analyses of the mineral fertilizers have also been conducted by **TANROAD** laboratories as to particle size analysis.

Materials "Safety Data sheet" are also available for the products.

M/S Ngaiwona and Company Public Accountants will oversee preparation of full accounting records and prepare Company's financial statements and audited accounts as well as deal in all company tax matters

Kashumbugu and Co Advocates have been appointed company lawyers.

The company has been registered with the **Ministry of agriculture and Food Security** as recognized Fertilizer Dealers.

3.7 Profile of Key Principals

Name	Ben Maimu (61)
Education level	Adv Diploma Certified Accountancy (IFM)
Work experience	Internal Auditor 16 yrs at Tanzania Sisal Authority up to 1988
Business experience	Exporter of Sisal products 1988-2000 Gemstone and Diamond Dealer 3 yrs Dealer in Industrial Minerals 2006- 2010 Manufacturer- mineral fertilizers 2012- 2013
Other trade related experience	International Mineral Fairs in Japan, Hong Kong, Dubai, South Africa

Name	Robert Reuben (67)
Education	Mechanical Engineer (Germany)
Work Experience	Plant Engineer (Tanzania Fertilizer Co) Chief Engineer (Amboni LTD)
Other professional experience	Designer/fabricator Hammer Mills

Name	Elangwa Shaidi (55)
Education	Advanced Diploma in Auto Engineering Dar Technical College
Work experience	Technical Supervisor- Sulphur plant at Tanzania Fertilizer Plant (TFC) Tanga. Maintenance Foreman- CDA Dodoma

The above personnel work directly under the supervision of the directors who also handles the marketing and sales. When the new fine powder mill is installed at the Kange new facility the engineer from the manufacturers in China will supervise installation of the mill and also train our team of technicians on best practices of operating and servicing the plant.

4 INDUSTRY ANALYSIS

4.1 An Overview of the Industry in Tropical Africa

Food security is under threat. Climate change with the limited capacity of small scale farmers is having a direct impact on food prices. Over the last few years the price of staples like maize flour in Tanzania has gone up by more than 300 %

Since independence, there has been government efforts to encourage and offer incentives in agricultural inputs by way of fertilizers subsidy to small scale farmers . However, many small scale farmers lack the knowledge, innovation, funding and technology to increase productivity. A common practice largely overlooked by small scale farmers, extension officers , soil experts and generally government leaders and politicians is the use of **Low Cost soil amendments like Agricultural Lime (Macronutrients)** not withstanding the diverse benefits of applying such cheap and affordable soil amendments and conditioners that arrests and prevents soil acidity and alkalinity and as a source of essential plant nutrients including Calcium, Magnesium and Sulphur. Farmers continue to struggle to produce crops on poorly drained acidic and alkaline soil for lack of knowledge.

The challenge facing small scale farmers in Tanzania , unlike other farmers in Kenya, Uganda, Rwanda, Zambia and others is lack of efforts to teach them the efficacy of **Mineral Soil Amendments** in agriculture , and lack of soil sampling to ascertain the pH level of their soils , coupled with perceived difficulty in sourcing and obtaining quality agricultural and feed lime are some of the reasons quoted as to why small scale farmers in Tanzania do not use lime products as cost effective and sustainable soil enhancer.

A bag of 50 kg agricultural lime or Gypsum cost Tshs 6,000.0 while a bag of chemical fertilizer such as NPK, DAP etc cost over Tshs 70,000.0 yet, for lack of knowledge or advice spend their meager funds on such expensive fertilizers before having their soils tested to determine what amendments or nutrients are required to correct their soils condition. Perhaps the farmer only needed to correct the soil by applying cheap liming material in the first place. **Training on the use of soil amendments and Soil testing services** to small farmers are lacking throughout the country, and it is only the rich large scale plantations farmers who reap the benefits of using cheap amendments.

4.2 Product Description

Agricultural lime is defined as material containing the necessary qualities to neutralize acidic soils, provide essential nutrients to promote plant growth and correct magnesium deficiency.

The ideal Agricultural lime is ground dolomite lime with particle size between 200 mesh to 400 mesh. Agricultural lime is also used to improve physical properties of soil.

The quality of agricultural lime is determined by the chemical make up of the limestone and how finely it is ground.

The Calcium Carbonate Equivalent (CCE) compares the chemistry of a particular quarry neutralizing power of pure Calcium Carbonate. Dolomite can have CCE of up to 110 % . The smaller the particle size of ground material the more effective the stone is to reacting in the soil.

Soil pH indicates the acidic level of soil. A soil pH less than 7.0 on the logarithmic scale indicates an **acid soil**. Soil pH of higher than 7.0 to 14 indicates an alkaline soil. Soil acidification is a natural process that is increased by normal production practices particularly the use of nitrogen fertilizer and manure.

High levels of soil acidity (Low pH) can reduce root growth, reduce nutrient availability and affect crop protectant activity. For most agronomic crops , the soil pH should be between 6.0 to 7.0 . A soil test determines the soil pH which indicates whether liming is required. Soil pH also determines how much limestone is required to neutralize the acidity on each farmland. Soil pH greater than 7.0 to 14 is considered **Alkaline soil** for which Agricultural Gypsum which contains Calcium and Sulphur should help correct alkalinity or

high pH levels to required Neutral (**pH 6.5- 7.0**) to sustain plant health profile for higher crop yields. For most soil conditions application chart to show how much limestone, dolomite lime or gypsum material is indicated on the bags as a guide. Besides, flyers are issued to buyers at the time of purchase of products which gives a more detailed guide.

4.3 Business SWOT analysis

STRENGTHS

WEAKNESSES

<ul style="list-style-type: none"> • High quality Mineral Sources 	<ul style="list-style-type: none"> • Uncertainty in loan Sourcing
<ul style="list-style-type: none"> • Owned quarries for all products 	<ul style="list-style-type: none"> • Low production vs demand
<ul style="list-style-type: none"> • Project already on going concern 	<ul style="list-style-type: none"> • Lack of extension services
<ul style="list-style-type: none"> • Wide experience/knowledge on technology 	<ul style="list-style-type: none"> • <u>Lack of soil testing services</u>
<ul style="list-style-type: none"> • Established markets reliable 	<ul style="list-style-type: none"> •
<ul style="list-style-type: none"> • Low production costs and high profitability 	<ul style="list-style-type: none"> •
<ul style="list-style-type: none"> • Wide room to reduce product price in competition with other manufacturers of similar product 	<ul style="list-style-type: none"> •

OPPORTUNITIES

THREATS/CHALLENGES

<ul style="list-style-type: none"> • Large deposits on owned quarries 	<ul style="list-style-type: none"> • Difficulty in accessing affordable low interest loan
<ul style="list-style-type: none"> • Small scale manufacturers support supply from their quarries 	<ul style="list-style-type: none"> • Un predictable power supply
<ul style="list-style-type: none"> • Availability of cheap labour 	<ul style="list-style-type: none"> • Uncontrollable power costs
<ul style="list-style-type: none"> • Technology availability and support from manufacturers Nairobi office 	<ul style="list-style-type: none"> • Similar business being opened by copy cats
<ul style="list-style-type: none"> • Availability of engineers experienced in similar industry at TCC and ARM 	<ul style="list-style-type: none"> •
<ul style="list-style-type: none"> • Alternative market for all products in Industry and construction 	<ul style="list-style-type: none"> •
<ul style="list-style-type: none"> • Taking over/choking off imports of liming products into Tanzania 	<ul style="list-style-type: none"> •

4.4 Company Positioning

What is unique about company products is the availability of plenty of raw materials from own quarries and from small scale producers at low costs .The products, except for gypsum are the only natural fertilizers recommended for organic growing .We sell the cheapest soil amendments. We want farmers in Tanzania to be educated on the use of affordable soil amendments, a campaign we intend to wage in conjunction with other stakeholders. Each manufacturer of mineral powders has own targeted market and market share to sustain continuous production and profitability.

5. MARKET AND MARKETING

Hitherto, large plantation owners who happen to have the knowledge on the advantages of using soil liming agents have been importing Ag lime, Dolomite lime, Magnesium and Gypsum from neighboring Kenya and South Africa.

We are not surprised that demand for the products the company has started offering on market for the past 17 months only, has been very positive due to the reason that plantations are now getting quality products locally at much lower prices and at short notice. We need to ensure we supply the highest quality mineral fertilizers, well packed and support this with soil testing services and well written product flyers

The company has made sales to prominent plantations and fertilizer agents to the tune of 2,151 m tons valued at Tsh 402,586,800.0 in 11 months of sales even with the use of sub standard hammer mill production technology . Major customers being Kilombero plantations, Triachem (T) Ltd, Masifio Estates, Montara Continental estates, Shira Flowers, Dekker Bruins, Africado estates, Burka Coffee farms and Balton (T) ltd , Kilimanjaro Coffee plantations, Kilimanjaro Flair flowers, Machame & Uru Coffee estates and Leon Farms. KATANI LTD has shown interest in buying substantial quantities of Agricultural Lime in the 2014/2015 season.

To meet this demand, it is imperative that we expand our production rapidly before the next season May Dec 2014. We have stopped advertizing our products further because the few customers contacted, not exceeding 15 have their requirements which have exceeded our production capacity by far. In addition, some customers are demanding finer powders for faster soil reaction/neutralizing capability.

We have failed to supply Kilimanjaro Coffee plantations (KPL) with 1000 tons of Dolomite Lime which they required in Sept 2013. They have, however indicated that they will buy from us in the June 2014 season.

We have promised our customers that we should be able to meet their orders in the next farming season in 2014, and this is only possible if the new powder mill is installed in time.

5.1 Business Competition

Other producers of agricultural lime in Tanga are **Poli aglime co** whose production capacity is unknown but believed to be 1,000 tons per year. The market for their lime products is in Tea plantation at Amani, Kwankoro in Tanga and Mufindi Tea Plantations in Southern Highlands.

Neel Canth Lime Ltd are giant lime products manufacturers also based at Kiomoni in Tanga. They have a production capacity of over 100,000 tons per year of calcium carbonate, Quick lime, Hydrated lime and recently they have started production of Dolomite powder and Magnesite/Magnesium oxide. Their big markets of the above products are Gold Mines in the lake Region, Uranium mines in Zambia , substantial sales to DRC, huge sales to paint manufacturing companies, sugar companies, construction industry and considerable market share in the agricultural sector.

A part from Agricultural use, demand for lime and dolomite has huge market in the Gold smelting, uranium processing, Effluent treatment, Acid mine treatment, Iron smelting etc. Dolomite fine powder (snow white) is an important raw material in paint manufacturing in the country.

Simba Lime products Ltd also based at Maweni Tanga are second largest producers of quick lime and hydrated lime used in the construction industry.

In Moshi there is a company **SUPER WHITING CO** involved in manufacture/grinding of ultra fine dolomite lime. The company started with one MTM Medium speed Trapezium Mill but have now installed the second and third MTM mills due to high demand for their dolomite powder which they manufacture, pack and sell on the construction industry as super whiting wall plaster in the North and North western regions as well as lake Region.

Generally, demand for all lime and associated ground mineral products are estimated at more than 600,000 tons per annum while production does not exceed 150,000 tons in Tanzania. 95% of the lime products produced are for uses other than for agricultural purposes. **ABM EQUIPMENT SERVICES LTD** has started and need to expand rapidly. The production of Calcium products and associated minerals has huge potential for expansion as more farmers are trained on the benefits of applying corrective soil amendments. Mineral grinders, most of who are based in Tanga region seem to enjoy satisfactory demand based in the purpose for which their end market demand.

Other mineral grinders outside Tanga are Chinese Dolomite grinders based near Chalinze in Bagamoyo district . A new mill has also been installed at Kikatiti in Arusha for grinding Gypsum sourced from Makanya for making Gypsum boards and other gypsum products.

5.2 The Product

Agriculture is, and will remain the mainstay of the Tanzania economy. Limestone, Gypsum, Dolomite and magnesium production processed for agricultural use according to recommended international specifications will play a role in this economy. Liming of agricultural land is needed to correct excessive use of Ammonium sulphate fertilizers.

The government is aware about the high price of chemical fertilizers such as NPK DAP etc, but what Tanzania farmers are not told or taught by experts in the industry is the advocacy of the importance of soil testing and use of low priced soil amendments which could be used to give farmers increased yields of their crops. Amendment of farmers soils as to acidity (low pH) or alkalinity (high pH) is crucial prior to applying chemical fertilizers.

It is amazing that, it is the rich farmers in Tanzania who happen to know and use cheap mineral amendments after routine soil testing to determine exactly what amendments or nutrients should be added to their soils. Poor farmers on the other hand are unaware about soil testing and how to amend soils prior to application of expensive chemical fertilizers , which more often than not make them even poorer because if soil pH is not corrected, expensive chemical fertilizers cannot be expected to achieve increased crop yields worth the investment on chemical fertilizers because they are only effective if soil pH is amended to correct levels for soils to be able to absorb the required nutrients.

5.3 The Price

The price for soil liming materials in the form of targeted fine mineral powders slightly differ from different producers dependent on use , fineness and chemical composition of sourced raw material. Limestone and Dolomite from different locations will have different calcium carbonate equivalent ranging from 80% CCE to 110% CCE .

Limestone at the company Kange quarry reaches 95.6% Calcium Carbonate Equivalent (CCE) and Effective Calcium Carbonate Equivalent (ECCE) of 70.3 % which is the finest high calcium material in Tanzania suitable for agricultural use.

On average the price of the standard ultra fine milled stone materials is as follows:-

Mineral product	Price per ton
❖ Limestone Powder (CaCO_3)	- 100,000.0
❖ Dolomite lime (CaMg CO_3)	- 160,000.0
❖ Gypsum ($\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$)	- 100,000.0
❖ Magnesium (Mg CO_3)	- 180,000.0

Since the quality of fine ground materials is determined by particle size (fineness) the project needs to install the state of the art fine powder mill MTW Series which is the latest technology improved from Raymond Mills and MTM Series.

The quality of our minerals meet and exceed international specifications to qualify as mineral fertilizers and amendments also recommended for organic agriculture.

5.4 Product Promotion

Right from starting of production activities in May 2012 the company went full swing in physically visiting Agricultural consultants based in Dar es salaam, Arusha and Mbeya to get their recommendations on who would be in need of our products. We got a list of dozens of large plantation owners who we visited on the internet and to our surprise 90% of all large farmers contacted wanted to buy our products. Within one year orders from the few customers contacted exceeded our limited production capability. We have failed to fulfill 2 important customers order this season one of who wanted 1,000 tons and 500 tons Dolomite lime respectively.

Once new powder mill is acquired, we would be in position to fulfill large orders from the current 2,500 tons per annum to over 17,000 tons. Once this capacity is achieved, we will open our marketing door through the internet to contact most farmers in all the regions and in the East African market generally. The company has set up a web site in the name ***www.abmcalciumandgypsum.com*** and has been running for 8 months now.

The company has received many enquiries on some of our products but we have not been able to pursue any export orders yet due to limited production capability and the level of fineness required which cannot be achieved using hammer mills currently in use. As soon as we install a new fine powder mill in our expansion program, we will not only sell our products locally but to all East African Community countries.

The company further targets to make a difference in improving agricultural yields to small farmers in Tanzania by working with the stakeholders in advocating use of cheap soil fertilizers and soil amendments this company is offering on the market. While a bag of 50 kg NPK costs around Tsh 75,000/=, a bag of agricultural lime costs less than Tshs 8,000/=. Once the new mill is acquired the company will make TV campaigns on the benefits farmers can get by application of affordable soil amendments for maximum yields after carrying out soil tests to determine soil alkalinity and acidity prior to application of such amendments and chemical fertilizers.

In this connection, the company will offer mobile soil testing services consisting of a 4 WD vehicle and a trained expert in soil Sciences to be employed by the company. The company will purchase 3 **Soil Nutrient Analyzing machines** for this purpose. Arrangement have also been made with some District councils who are willing to incorporate in their budgets funds for assisting farmers access affordable soil testing services at the District level. We can only sell our products to farmers who have no access to soil testing services by offering this service at district level to the needy. This is consistent to the **KILIMO**

KWANZA and the *BIG RESULTS NOW* initiative. If the government does not offer soil testing services to farmers, we the fertilizer producers in the Private sector can as well play our role as stakeholders to support our sales and by doing the right thing to the farmers who are stakeholders in our business.

We will participate in fertilizers and agricultural shows locally and internationally to promote our products and learn more from people who have taken the lead in the organic fertilizers and fertilizer supplements industry.

The company has also been contacted through their survey by **African Fertilizers Organization and IFAD** in their recent survey for registration on African mineral fertilizer sources for promotion in their web sites.

We believe we are well positioned and fit well in the government policy of the private sector in the Small Scale Mining development and the Agricultural development to farmers in the country for which we also ask this loan component to support.

5.5 Production Distribution

All our products are paid for in advance by farmers for cost of the fertilizers plus cost of road transport. The company takes responsibility to deliver the fertilizers to the customers designated farm or any other area agreed. Our customers have no problem paying up front because of the good name that we have created based on reliability and ability to meet customers orders on time. **YARA Fertilizer Company**, the biggest fertilizer manufacturers and distributors in Tanzania have been particularly supportive to our Company for having recommended us to a good number of their customers.

5.6 Estimated Sales

There are 2 sales seasons for fertilizers and other agricultural inputs in Tanzania. Window 1 starts in **May-Sept** and window 2 in **Nov-Dec** of each year.

Projected sales for 2014 season are as follows:

	TONS	VALUE (Tsh)
• Agricultural lime	3,000 Tons	300,000,000.0
• Dolomite lime	3,000 Tons	480,000,000.0
• Agricultural gypsum	4,000 Tons	400,000,000.0
• Magnesium	<u>500 Tons</u>	<u>90,000,000.0</u>
	<u>10,500Tons</u>	<u>1,270,000,000.0</u>

The above production and sales would be achieved only if the loan for the ultra fine mill is made available and machinery are received and installed by **April 2014** ready for the next agricultural season in **May 2014**. The return on additional cost of machinery to be deployed are relatively high compared to such low capital investment.

6.0 TECHNICAL ASPECTS

6.1 Geology of carbonate rocks Resources

6.1.1 Limestone- Calcium Carbonate (CaCO₃)

Occurs in massive deposits in Tanga district. High Calcium rocks with up to 97% purity (Calcium Carbonate Equivalent – CCE) are concentrated at Pande, Amboni, Kiomoni, Mkurumuzi, Kange and Pongwe. Mining recovery is by open cast rock drilling, blasting and transport to processing sites.

Massive rocks at Mkurumuzi area where the companies quarries are located measure up to 7 meters above ground level and up to 150 meters deep. The companies quarries are next to **ARM (T LTD)** and **TANGA CEMENT** Companies. There is enough deposit for commercial exploitation for the next 50 years or so. Deposits at main quarry, out of the 3 at Kange are estimated at **3,240,000 m³** of limestone material (240mtrs X 60 mtrs X 150mtrs X 1.5 ton)

6.1.2 Dolomite - Calcium Magnesium Carbonate (Ca Mg CO₃)

Dolomite lime occur at Kwedikwazu in Handeni District where our quarry is also based. Hundreds of small scale miners are involved in excavation of the raw stones which are snow white in color. We find it economical to buy from small scale producers rather than engaging in production ourselves. This way hundreds of small scale producers can be assisted with drilling and blasting services to produce raw materials for sale to our company.

6.1.3 Magnesite (MgCO₃)

Magnesite (MgCO₃) deposits at this quarry are estimated at 500,000 m³

The deposits are located at Gomba at Mombo Korogwe District, where the company owns a good deposit quarry. The company will also source Magnesite from Mbwewe in Pwani Region where there is also abundant deposits of high grade magnesite.

6.1.4 Gypsum - CaSO₄.²H₂O

Gypsum is sourced from own quarries at Mkomazi where hundreds of village communities are engaged in production for sale to our company. Higher quality deposits are also located at Makanya from where the company will soon source raw gypsum rocks for milling at our main mill to be installed at Kange. Gypsum at Makanya has higher calcium and Sulphur content.

All the above industrial minerals have been analyzed by **SEAMIC** laboratories and **CROPNUTS** laboratories of Nairobi the active ingredients found in the identified minerals meet and surpass the required international standards to qualify as soil mineral fertilizers and soil amendments.

To this effect, **TANZANIA FERTILIZER REGULATORY AUTHORITY (TFRA)** have issued a license to our Company to sell the above mineral fertilizers to farmers in Tanzania and beyond after being satisfied by different product test parameters.

6.2 Chemical elements.

The contents of the 4 minerals as analyzed from time to time by SEAMIC by XRF methods and by CROPNUTS laboratories of Nairobi by Wet Chemistry Methods are summarized here under: (Major elements are shown in bold)

Table 1

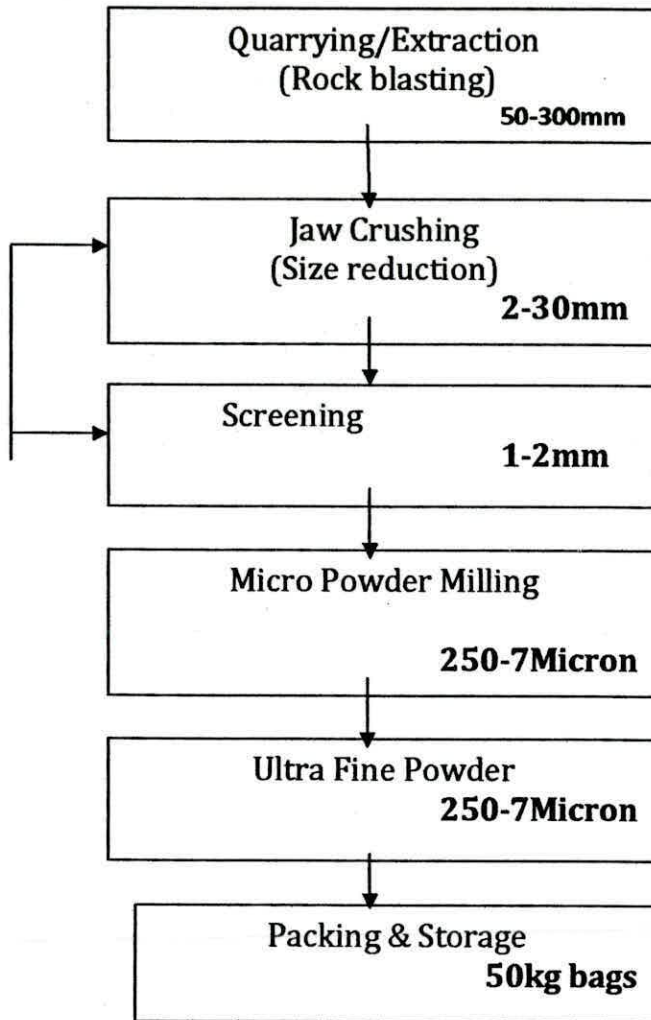
ELEMENT	LIMESTONE	DOLOMITE	MAGNESITE	GYPSUM
CaO	55.10%	33.21%	0.36%	30.04%
Al₂ O₃	0.07%	0.07%	0.03%	2.58%
MgO	0.32%	22.56%	36.76%	0.60%
Si O₂	1.23%	2.06%	16.28%	7.29%
Mn O	0.01%	0.01%		
Fe₂ O³	0.03%	0.09%	0.05%	2.02%
SO₃	0.11	0.10%		36.23%
P₂O₅	0.05%	0.04%		0.05
TiO²	0.01%	0.01%		0.21%
K₂O	0.01%	0.01%	0.01%	0.21%
Na₂O	0.05%	0.02%		0.11%
LOI	43.06%	41.87%	46.01%	20.04%

6.3 PRODUCTION PROCESS

The production of all the above mineral Rocks is relatively straight forward process, it involves extraction (quarrying) or mining, jaw crushing for size reduction and finally milling to get ultra fine powder.

Table 2

PROCESS FLOW DIAGRAM



6.4 Raw Material Sourcing

The company owns 4 quarries of the above raw materials in different locations as earlier indicated. These are as listed below.

Table 7

LICENCE PML	AREA	LOCATION	MINERAL	MAP QDS
0010858EZ	1.51 has	Kange-Tanga	Limestone	QDS 130E/1
004063 EZ	1.30 has	Kange-Tanga	Limestone	QDS 130E/1
0022381EZ	9.84 has	Kwedikwazu Handeni	Dolomite	
0018283 EZ	4.87 has	Mombo - Korogwe	Magnesite	QDS 129/1
0022391EZ	4.84 has	Kange- Tanga	Limestone	QDS 130E/1
006508 EZ	7.38 has	Mkomazi-Korogwe	Gypsum	QDS 109/1
001826 EZ				
002824 EZ	1.24 has	Pande A. Tan	Slate tiles	QDS 130/2

The company does not directly engage in production of raw materials from its own quarries as this task is expensive and difficult to manage. Arrangement are in place in all mining areas to buy the raw materials from small scale miners at agreed contract prices even if the same are produced from our own quarries.

This way hundreds of small scale producers; men and women who have no market source for their minerals become our partners in business in a win win arrangement.

6.5 The proposed new relocation of the Project

In the event that the new powder mill is acquired through loan as per our application, the project will be relocated at its Kange quarry facility where the company enjoys plenty of space measuring 7.65 hectares where all raw materials can be stocked and enough space left for installation of machinery, buildings and for any future expansion. The proposed new production site, hitherto, was being used for sourcing raw limestone. This quarry has the largest concentration of high calcium limestone material with virtually no overburden on the entire quarry area. It is possible at this site to convey raw stones from the quarry to the powder mill by installation of a motorized conveying system 150 metres long.

Otherwise raw materials will be fed by tractors and tipper through local haulage which will cut down cost of production tremendously, and this way the project can produce at the lowest possible cost and maximize profitability.

All other raw materials from owned quarries will be transported by semi trailer trucks for processing interchangeably at this mill. Cost of transport of raw materials from Handeni (Kwedikwazu), Mombo, Mkomazi and Makanya are relatively cheap because trucks coming back empty from North and Southern regions to Tanga or back to Dar es salaam and Iringa and Mbeya and vice versa would transport raw materials at very low costs . However, the project will need some vehicles for local haulage and other company needs.

6.6 Power and Water Connection to new site

TanESCO power is 250 metres from the proposed production facility and water connection is also available on the main pipe to ARM and TANGA CEMENT on the same distance.

The road to the quarry site has been developed and passable throughout the year using heavy trucks, light tippers and smaller vehicles.

7 MANAGEMENT AND ORGANISATION

7.1 Management Descriptions & Responsibilities

7.1.1 Managing Director

●ver all charge. All departmental heads report to him/her on all matters in the weekly meetings. He has more than 15 years experience in the Mineral matters and a professional Accountant.

7.1.2 Technical Manager/Consultant

He is a qualified Mechanical Engineer from Germany. He has worked as a Technical Manager at the former Tanzania Fertilizer Plant (TFC) and the Amboni Ltd chief Engineer. He is now running a private technical workshop and offers engineering consultancy services to other engineering sectors in Tanga. He is chief technical & Production consultant, works closely with production and maintenance personnel and consults with the MD on all important issues.

7.1.3 Finance & Administration Officer

● A qualified accountant registered with the NBAA Tanzania. Candidate to be employed will have worked in similar industry for at least 3 years. Deals in all Finance and Administrative matters. Will work very closely with the Marketing Manager in monitoring sales, debtors/creditors control, banking and bank loan management . He/she will also monitor all revenues accruing from the soil testing laboratory services in liason with the company Agronomist.

7.1.4 Marketing Manager

● A BSc in Agri business with at least 4 years experience . He will search for markets of all fertilizers and will work very closely with the Agronomist/Soil Scientist.

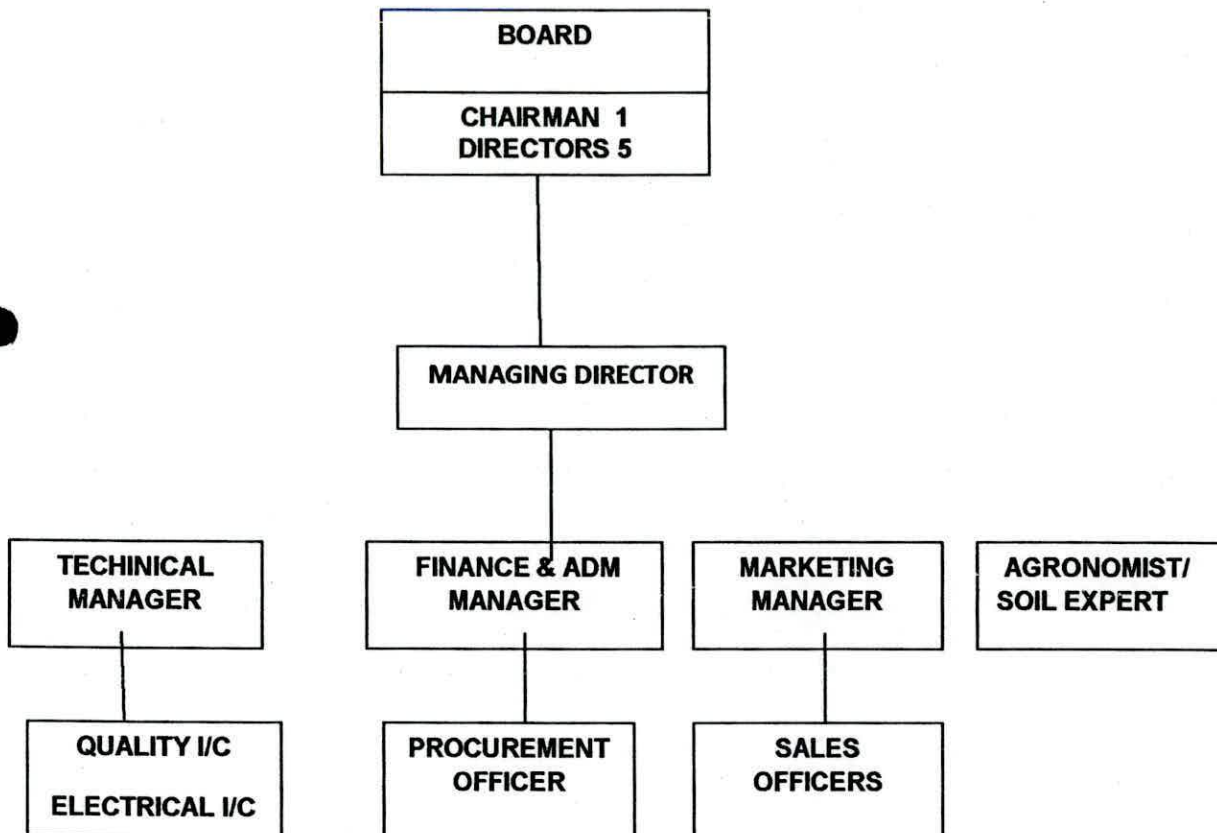
7.1.5 Agronomist/Soil scientist

● BSc in Soil sciences with 4 years experience. Incharge in all soil testing extension services. He prescribes soil nutrient needs to Farmers, large plantation owners in East African region and co-ordinates with government respective programs. Liases with TFRA and the Ministry of Agriculture and Food security, SUA, and co-ordinates all fertilizer and soil health issues and other related local and foreign support services available locally and through supportive international stakeholders such as MFUKO WA PEMBEJEO, AGRA, IFAD , SAGCOT , USAID and many other supportive institutions in the agricultural sector development. This is key position in the company for which the position will be advertized and short listed candidate will be selected by very competent panel of soil Scientists at SUA or the Ministry of Agriculture.

7.2 ORGANISATION STRUCTURE

Table 3

ORGANIZATION STRUCTURE



7.3 Company ownership

The Company is a limited liability company with 4 shareholders (Directors).

7.4 Board Of Directors

The board members will consist of the following.

1. **Chairman** - To be appointed by other board members.
2. **M.D** - Deputy Chairman of the board.
3. **Board Member 3.**
An officer from the Regional Secretariat or from Mlingano research station or Tanzania Fertilizer Association or a large plantation farmer to be appointed by MD.
4. **Board Member 4**
An Officer from the Ministry of Minerals and Energy (Regional Mines Office)
5. **Board Member 5**
Any one officer from TACRI, TEA company, COTTON BOARD, SUGAR INDUSTRY, KPL Rice Plantations , TBL / SERENGETI BREWERIES and TOBACCO BOARD.

7.5 Support services.

The following institutions will be consulted to offer professional support to the company fertilizer business.

- TFRA - On regulatory and policy issues
 - SUA - On Soil Sciences & Consulting
 - BALTON(T) - Advisory on marketing
 - Ministry of Agriculture - All policy issues and extension support services.
- YARA FERTILIZERS Advisory as largest fertilizer manufacturers in Tanzania

Table 4

PROJECT IMPLEMENTATION SCHEDULE

ACTIVITY	MONTH						
	1	2	3	4	5	6	7
Business Plan/Loan application submission		✓					
Approval letters			✓				
Registration/Loan contract				✓			
Procurement/importation of equipment					✓		
Infrastructure dev power/water connect					✓		
Certificate of incentive TIC/Ac opening TIB		✓					
Mill & Machinery clearance from port						✓	
Machinery installed by engineer from China							✓
Machinery installed by manufacturers engineer							
Trial run and training to local personnel							✓
Full production operations							✓

8.0 FINANCIAL EVALUATION

8.1 Annual Production

The existing mineral fertilizer facility will be expanded from current production capacity of 15t per day to 60t on a single 8 hours shift. This capacity can be doubled on a 2 shift arrangement if need arises to achieve 120t per day. Annual production projected at 10,500 tons.

8.2 Basic Assumptions

Exchange Rate

For purposes of this business plan, the rate of exchange is assumed at Tshs 1,650.0 to 1 US \$

Bank Lending rate

Bank TIB loan to Small Scale Miners is assumed at 7 %

Depreciation Rates

Machinery & Equipment	12.5 %
Motor Vehicles	25 %
Pre operating expenses	33.3 %

Production Capacity

Year 1	90 %
Year 2	95 %
Year 3	95%

Corporate Tax

Application for tax relief from TIC has been lodged. It is assumed that the project will not attract taxes as local investors for the 1st 5 years.

Mining Royalty

At 3 % of price of raw materials

Debt to Equity Ratio

60.9 % of Bank Debt
39.1 % Own Equity

Annual production is projected as follows:-

• Agricultural lime - Calcium Carbonate - (CaCO_3)	3,000 tons
• Dolomite Lime - Calcium Magnesium Carbonate (CaMgCO_3)	3,000 tons
• Agricultural Gypsum - Calcium Sulphate ($\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$)	4,000 tons
• Magnesium - Magnesium Carbonate (MgCO_3)	<u>500 tons</u>
	<u>10,500 tons</u>

The agricultural inputs purchases and application season is between May - Sept of each year, and a short window in Nov/ Dec of each year making a total of 6 months of hectic inputs sourcing and sales to large scale plantations across the country.

On a 2 shift production per day it is possible to produce 17,280 tons for 6 months enough to meet the projected demand throughout the agricultural season window.

Careful financial planning is required to stock finished products awaiting bumper sales from plantations who always place orders at the same time during peak farming season.

8.2 Period of Analysis

The project production using new mill is expected to be achieved within 3 months after LC opening for the additional equipment for which funds are sought.

The project is therefore analyzed for a 3 year period when the loan and interest would have been fully paid.

8.3 Investment Capital Costs

Total capital cost of the project would be **Tshs 410.9 Mill** after expansion. **Tshs 160.7 Mill** of the total project costs will be own equity. Additional finance is required for expansion purposes; hence **Tshs 250.2 Mill** is being sought for expansion purposes from **TIB ASM** facility.

Table 5
Projected Capital Costs (Tshs Million)

DESCRIPTION	TOTAL	EQUITY	LOAN	Percentage %
Machinery and equipment	226.3	26.0	200.3	48.74
Motor vehicles	43.0	11.5	31.5	10.46
Furniture & Fixtures	53.7	53.7		13.07
Intangibles	14.0	14.0		3.41
Land & Buildings	39.0	20.5	18.5	9.49
Working Capital	35.0	35.0		8.51
TOTAL	410.9	160.7	250.2	100 %
Contribution to total project cost	100 %	39.1 %	60.9 %	

It is proposed that the above capital cost be financed through a debt equity structure of 60.9:39.1 as follows:

Investment Distribution	Tshs (Million)
3 Years TIB loan at 60.9 %	250.2
Shareholders equity 39.1 %	160.7
Total	410.9

The operating results of the project are given in the table below. The table shows the net profit before tax at Tshs 718.328 mill in the 3rd year of operation at 95 % capacity utilization with **RoI** at 481.45

Table 6**PROJECTED PROFIT AND LOSS ACCOUNT FOR 3 YEARS (Tshs '000)**

DESCRIPTION	Year 1	Year 2	Year 3
Net sales	1,270,000.0	1,340,660.0	1,340,660.0
Cost of goods Sold	338,500.0	421,269.0	421,269.0
Gross Profit	931,500.0	919,391.0	919,391.0
Adm and selling exps	141,000.0	148,839.0	148,839.0
Operating profit	790,500.0	770,552.0	770,552.0
Financial charges	64,437.0	58,331.0	52,224.0
Profit before tax	726,063.0	712,221.0	718,328.0
Tax at 30%	-	-	-
Net Profit	726,063.0	712,221.0	718,328.0

The company has invested substantially in the project as local investors . We have accordingly submitted our request to the **TANZANIA INVESTMENT CENTRE (TIC)** for tax incentives on such investment targeting the Agricultural sector and Small Scale Mining Development under both the **KILIMO KWANZA** and **BIG RESULTS NOW** initiatives. We believe both **TIB** and the **TIC** will support us in these endeavours for the benefit of not only this project but also hundreds of small scale mineral manufacturers, hundreds of thousands of farmers in Tanzania and their families as well as the economy of this country. The projected production capacity of 32,000 tons of soil liming agents for 3 years are enough to amend between 16,000 hectares to 20,000 hectares of semi barren agricultural lands in Tanzania. This contribution is significant and will have direct impact on agricultural productivity across the country and also boost Industrial Minerals production in the coast Zone. It is a shame that plantations based in Tanzania have for a long time been importing Agricultural Lime, Agricultural Gypsum and Dolomite powder for Agricultural as well as for industrial uses while these mineral products can be produced in the country looking at the vast high quality mineral deposits available in Coast regions of Tanzania. It is equally unfortunate that small scale farmers in Tanzania have not been educated on the use of cheap soil amendments through any intervention unlike their neighboring counterparts in Kenya, Uganda, Zambia and Rwanda where many small scale farmers are already using the above cheap amendments . We, the private sector can as well start to show the way based on what we have learnt from our neighbors who happen to be more dynamic in agricultural revolution.

8.4 Financial Risks

If in the future more and more manufacturers come on board in similar business, this will take a share of the Market dependent on which market is targeted. In the event that existing manufacturers cut down selling prices profits anticipated will go down by the same ratio.

9.0 CONCLUSION AND RECOMMENDATIONS

Based on all Financial parameter results in the actual business performance for the first 17 months (re Audited report attached) and the projected financial statements the business reflects a healthy financial

-standing. It can quickly generate enough income to pay off the bank debt and still maintain a healthy financial standing for re investment and growth.

It is strongly recommended that the finances sought in the form of loan to add a new mill and relocate to the quarry site at Kange be made available on time ready for the coming season in May 2014 onwards and in the worst case scenario by July 2014.

In this regard we would recommend the LC for the Medium Speed Trapezium Mill MTW 110 be opened as soon as possible.

The rest of equipment and other requirements can be sourced locally through local agents and show rooms.

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PROJECTED PROFIT AND LOSS STATEMENT (IN TSHS '000')

	YEAR 1	YEAR 2	YEAR 3
Projected Sales (Tonnes)	10,500	11,084	11,084
Avg Selling price per tonne	120,950	120,950	120,950
Sales value (Tshs)	1,270,000	1,340,660	1,340,660
Raw materials (Purchases)	225,000	237,505	237,505
Transport	60,500	63,872	63,872
Power	53,000	119,892	119,892
Cost of Sales	338,500	421,269	421,269
Gross Profit	931,500	919,391	919,391
Adm and selling expenses	141,000	148,839	148,839
Operating Profit	790,500	770,552	770,552
Financial Charges	64,437	58,331	52,224
Profit Before Tax	726,063	712,221	718,328
Tax at 30%	0	0	0
Net Profit	726,063	712,221	718,328
Balance B/F	54,316	780,379	1,492,600
TOTAL	780,379	1,492,600	2,210,928

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NOTE 2 PROJECTED PROFIT AND LOSS STATEMENT - YEAR 1 (IN TSHS '000')

	Lime stone Calcium CaCO₃	Dolomite Lime CaMgCO₃	Magnesite MgCO₃	Gypsum CaSO₄2H₂O	TOTAL
Projected Sales (Tonnes)	3,000	3,000	500	4,000	10,500
Selling price per tonne	100,000	160,000	180,000	100,000	
Sales value (Tshs)	300,000	480,000	90,000	400,000	1,270,000
Raw materials (Purchases)	15,000	60,000	10,000	140,000	225,000
Transport	3,000	45,000	12,500	0	60,500
Power	15,143	15,143	2,524	20,190	53,000
Cost of Sales	33,143	120,143	25,024	160,190	338,500
Gross Profit	266,857	359,857	64,976	239,810	931,500
Adm and selling expenses	38,435	38,435	7,125	57,005	141,000
Operating Profit	228,422	321,422	57,851	182,805	790,500
Financial Charges	18,411	18,411	3,068	24,547	64,437
Profit Before Tax	210,011	303,011	54,783	158,258	726,063
Tax at 30%	0	0	0	0	0
Net Profit	210,011	303,011	54,783	158,258	726,063

NB 1: Adm & Selling exp.

Maintenance	5,966	5,966	1,714	13,714	27,360
Salary	2,469	2,469	411	3,291	8,640
Packaging	30,000	30,000	5,000	40,000	105,000
Total	38,435	38,435	7,125	57,005	141,000

Financial Charges

Depreciation	10,399	18,399	3,066	17,066	48,930
Interest	4,431	4,431	738	5,907	15,507
Total	14,830	22,830	3,804	22,973	64,437

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NOTE 3 PROJECTED PROFIT AND LOSS STATEMENT - YEAR 2 (IN TSHS '000')

	Lime stone Calcium CaCO ₃	Dolomite Lime CaMgCO ₃	Magnesite MgCO ₃	Gypsum CaSO ₄ 2H ₂ O	TOTAL
Projected Sales (Tonnes)	3,167	3,167	528	4,222	11,084
Selling price per tonne	100,000	160,000	180,000	100,000	
Purchase price per tonne	5,000	20,000	20,000	35,000	
Sales value (Tshs)	316,700	506,720	95,040	422,200	1,340,660
Raw materials (Purchases)	15,835	63,340	10,560	147,770	237,505
Transport	3,167	47,505	13,200	0	63,872
Power	47,958	47,958	2,665	21,311	119,892
Cost of Sales	66,960	158,803	26,425	169,081	421,269
Gross Profit	249,740	347,917	68,615	253,119	919,391
Adm and selling expenses	40,677	40,677	7,499	59,986	148,839
OPERATING PROFIT	209,063	307,240	61,116	193,133	770,552
Financial Charges	16,666	16,666	2,778	22,221	58,331
Profit Before Tax	192,397	290,574	58,338	170,912	712,221
Tax at 30%	0	0	0	0	0
NET PROFIT	192,397	290,574	58,338	170,912	712,221

NB 2: Adm & Selling exp.

Maintenance	6,538	6,538	1,810	14,475	29,361
Salary	2,469	2,469	411	3,291	8,640
Packaging	31,670	31,670	5,278	42,220	110,838
Total	40,677	40,677	7,499	59,986	148,839

Financial Charges

Depreciation	7,400	18,400	3,068	20,062	48,930
Interest	2,686	2,686	448	3,581	9,401
Total	10,086	21,086	3,516	23,643	58,331

ABM EQUIPMENT SERVICES LIMITED

NOTE 4 PROJECTED PROFIT AND LOSS STATEMENT - YEAR 3 (IN TSHS '000')

	Lime stone Calcium CaCO ₃	Dolomite Lime CaMgCO ₃	Magnesite MgCO ₃	Gypsum CaSO ₄ 2H ₂ O	TOTAL
Projected Sales (Tonnes)	3,167	3,167	528	4,222	11,084
Selling price per tonne	100,000	160,000	180,000	100,000	
Purchase price per tonne	5,000	20,000	20,000	35,000	
Transport per tonne	1,000	15,000	25,000	0	41,000
Sales	316,700	506,720	95,040	422,200	1,340,660
Raw materials	15,835	63,340	10,560	147,770	237,505
Transport	3,167	47,505	13,200	0	63,872
Power	47,958	47,958	2,665	21,311	119,892
Cost of Sales	66,960	158,803	26,425	169,081	421,269
Gross Profit	249,740	347,917	68,615	253,119	919,391
Adm and selling expenses	40,677	40,677	7,499	59,986	148,839
Operating Profit	209,063	307,240	61,116	193,133	770,552
Financial Charges	14,921	14,921	2,487	19,895	52,224
Profit Before Tax	194,142	292,319	58,629	173,238	718,328
Tax at 30%	0	0	0	0	0
NET PROFIT	194,142	292,319	58,629	173,238	718,328

NB 3: Adm & Selling exp.

Maintenance	6,538	6,538	1,810	14,475	29,361
Salary	2,469	2,469	411	3,291	8,640
Packaging	31,670	31,670	5,278	42,220	110,838
Total	40,677	40,677	7,499	59,986	148,839

Financial Charges

Depreciation	10,400	18,400	3,068	17,062	48,930
Interest	941	941	157	1,255	3,294
Total	11,341	19,341	3,225	18,317	52,224

ABM EQUIPMENT SERVICES LIMITED

PROJECTED DISCOUNTED CASHFLOW STATEMENT FOR THREE YEARS

(IN TSHS000)

PARTICULARS/ YEAR	0	1	2	3	TOTAL
INFLOW					
Loan	250,200	0	0	0	250,200
Equity	160,700	0	0	0	160,700
Profit (Vide note2 - 4)	0	726,063	712,221	718,328	2,156,612
Depreciation (Vide note 1)	0	64,396	64,396	64,396	193,188
Investment (Vide note 1)	0	0	0	0	0
Total	410,900	790,459	776,617	782,724	2,760,700
OUTFLOWS:					
Investment	0	375,900	29,000	0	404,900
Working Capital	0	35,000	0	0	35,000
Loan repayments	0	87,233	87,233	87,234	261,700
TOTAL OUT FLOWS	0	498,133	116,233	87,234	701,600
NET CASH FLOW	410,900	292,326	660,384	695,490	2,059,100
Cash at Start	0	35,000	327,326	987,710	35,000
CASH AT THE END	410,900	327,326	987,710	1,683,200	2,094,100

There is no need to compute discounted Cashflow as the figures speak for themselves.

ABM EQUIPMENT SERVICES LIMITED

PROJECTED FINANCIAL POSITION (IN TSHS '000')

<u>ASSETS EMPLOYED</u>	<u>NOTE</u>	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	
NON- CURRENT ASSETS	2	78,436	389,940	354,544	290,148
<u>CURRENT ASSETS</u>					
Stock		4,200	265,807	250,340	234,875
Debtors & Prepayment		39,754	34,867	33,567	34,087
Cash and Bank		9,135	318,686	970,430	1,657,280
		53,089	619,360	1,254,337	1,926,242
<u>LESS: CURRENT LIABILITIES</u>					
Creditors & Accruals	3	11,050	12,400	11,100	11,620
Provision for Corporation Tax	4	22,467	22,467	22,467	22,467
		33,517	34,867	33,567	34,087
NET CURRENT ASSETS		19,572	584,493	1,220,770	1,892,155
NET ASSETS		98,008	974,433	1,575,314	2,182,303
<u>REPRESENTED BY</u>					
Share Capital	5	15,000	15,000	15,000	15,000
Profit and Loss		54,315	756,273	1,444,388	2,138,610
		69,315	771,273	1,459,388	2,153,610
TIB Loan		0	174,467	87,233	0
Long Term Loan	6	28,693	28,693	28,693	28,693
		98,008	974,433	1,575,314	2,182,303

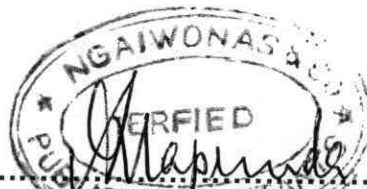
ABM EQUIPMENT SERVICES LTD
P. O. BOX 5648
TANGA

AUDITORS' REPORT

We have examined the attached Financial Statements of ABM EQUIPMENT SERVICES LTD for seventeen months ended 31st October, 2013 in accordance with the generally accepted auditing standards and guidelines.

We have obtained the information and explanations required for our audit.

In our opinion, the Financial Statements as presented by the Directors give a true and fair view of the company's affairs as at 31st October, 2013 and of the profit and cash flow for the period ended on that date.



.....
ALFRED N. MAPUNDA
CERTIFIED PUBLIC ACCOUNTANT
(IN PUBLIC PRACTICE)

Ngaiwona & Co
Certified Public Accountants
P. O. Box 5154
Customs Road
Tanga.

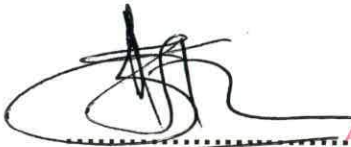
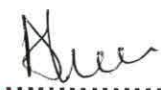
Date 14-11-2013

ABM EQUIPMENT SERVICES LIMITED

FINANCIAL POSITION AS AT 31ST OCTOBER 2013

<u>ASSETS EMPLOYED</u>	<u>NOTE</u>	<u>31.10.2013</u>	<u>01.05.2012</u>
NON- CURRENT ASSETS	2	78,436,459	23,675,000
 <u>CURRENT ASSETS</u>			
Stock		4,200,000	0
Debtors & Prepayment		39,754,358	1,063,476
Cash and Bank		9,134,731	4,861,024
		<u>53,089,089</u>	<u>5,924,500</u>
 <u>LESS: CURRENT LIABILITIES</u>			
Creditors & Accruals	3	11,050,000	3,755,300
Provision for Corporation Tax	4	22,467,181	0
		<u>33,517,181</u>	<u>3,755,300</u>
 NET CURRENT ASSETS		<u>19,571,908</u>	<u>2,169,200</u>
 NET ASSETS		<u>98,008,367</u>	<u>25,844,200</u>
 <u>REPRESENTED BY</u>			
Share Capital	5	15,000,000	15,000,000
Profit and Loss		54,315,547	0
		<u>69,315,547</u>	<u>15,000,000</u>
Long Term Loan	6	28,692,820	10,844,200
		<u>98,008,367</u>	<u>25,844,200</u>

The notes on pages 5 to 6 form part of these Accounts

 DIRECTOR	 DIRECTOR
ABM EQUIPMENT SERVICES LTD P. O. Box 5648 TANGA	
Date <u>14-11-2013</u>	

ABM EQUIPMENT SERVICES LIMITED

COMPREHENSIVE STATEMENT OF INCOME AND EXPENDITURE

FOR 17 MONTHS ENDED 31ST OCTOBER, 2013

INCOME	<u>31.10.2013</u>
Sales	368,586,800
 <u>LESS: COST OF PRODUCTION</u>	
Direct Materials	207,457,620
Direct Labour	15,300,000
Power	8,250,000
Depreciation	14,078,125
	<u>245,085,745</u>
Less: Stock	4,200,000
Cost of Sales	<u>240,885,745</u>
 GROSS PROFIT	 <u>127,701,055</u>
 <u>LESS: OPERATING EXPENSES</u>	
Directors expenses	15,290,000
Repairs to property	1,625,000
Rent and Water	2,385,000
Licences	2,162,000
Travelling and Transport	14,605,000
Marketing	3,380,000
Depreciation	10,660,416
TOTAL	<u>50,107,416</u>
 NET PROFIT BEFORE TAX	 <u>77,593,639</u>
Tax Provision at 30%	23,278,092
NET PROFIT AFTER TAX	<u>54,315,547</u>

The notes on pages 5 to 6 form part of these Accounts




 DIRECTOR DIRECTOR
ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANCA
 Date 14-11-2013

ABM EQUIPMENT SERVICES LIMITED

**CASH FLOW STATEMENT FOR SEVENTEEN MONTHS (17)
ENDED 31st OCTOBER 2013**

<u>SOURCES</u>	<u>31.10.2013</u>
Profit for the period	<u>77,593,639</u>
Adjust for the Depreciation	<u>24,738,541</u>
	102,332,180
LESS: Provision for Tax	<u>23,278,092</u>
	79,054,088
Long Term Loan	<u>17,848,620</u>
	96,902,708
 <u>APPLICATION</u>	
Acquisition of Fixed assets	79,500,000
 Available for Working Capital	 <u>17,402,708</u>
 <u>MOVEMENTS IN WORKING CAPITAL</u>	
Increase in Stock	-4,200,000
Increase in Debtors & prepayment	-38,690,882
Decrease in Creditors	7,294,700
Increase in Taxation	22,467,181
NET MOVEMENT	<u>-13,129,001</u>
 NET SOURCE	
Cash at 01.05.2012	<u>4,861,024</u>
Closing Cash/ Bank Balance	<u>9,134,731</u>


.....

DIRECTOR


.....

DIRECTOR

ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANDA

ABM EQUIPMENT SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS - 31ST OCTOBER 2013

1 ACCOUNTING - POLICIES:

1.1 Basis of Accounting.

The company prepares accounts on historical cost of accounting principles modified when necessary to include revaluation of fixed assets.

1.2 Depreciation

Depreciation is calculate to write off the cost of the fixed assets on Straight line method of Depreciation over the expected useful lives of the assets.

The rates used throughout the period are;

Plant and Machinery	12.5%
Motor Vehicles	25.0%
Furniture & Fittings	12.5%

1.3 Bad Debts

Bad debts are written off when all reasonable steps to recover them have proved unsuccessful.

1.4 Stock

Stock is value at the lower of cost and net realisable value on First In First Out basis.

1.5 Income

Income is taken at the gross invoice price less any trade discounts and commissions.

2 NON CURRENT ASSETS (See Schedule)

3 CREDITORS AND ACCRUALS

	<u>31.10.2013</u>
Ministry of Minerals and Energy	1,600,000
Directors Allowances	4,500,000
TRA	1,800,000
Law Advocates	3,000,000
Ngaiwona and Co.	150,000
	<u>11,050,000</u>

NOTES CONTINUED

ABM EQUIPMENT SERVICES LIMITED

4 PROVISION FOR TAXATION

Provided	23,278,092
LESS: Paid	810,911
Balance at 31.10.2013	<u>22,467,181</u>

5 SHARE CAPITAL

Authorised Capital

1000 Shares of Tshs 150,000/= each **150,000,000**

Issued and Paid up Capital

100 Shares of Tshs 150,000/= each **15,000,000**

6 LONG TERM LOAN

These are funds from Directors the terms of which have not been agreed.

ABM EQUIPMENT SERVICES LIMITED

INTEREST & LOAN REPAYMENT SCHEDULE

MONTHS	PRINCIPAL	INTEREST	INSTALMENT	BALANCE
1	261,700,000	1,555,860	7,269,444	254,430,556
2	254,430,556	1,366,257	7,269,444	247,161,112
3	247,161,112	1,469,424	7,269,444	239,891,668
4	239,891,668	1,380,199	7,269,444	232,622,224
5	232,622,224	1,382,987	7,269,444	225,352,780
6	225,352,780	1,296,550	7,269,444	218,083,336
7	218,083,336	1,296,550	7,269,444	210,813,892
8	210,813,892	1,253,332	7,269,444	203,544,448
9	203,544,448	1,171,078	7,269,444	196,275,004
10	196,275,004	1,166,895	7,269,444	189,005,560
11	189,005,560	1,087,429	7,269,444	181,736,116
12	181,736,116	1,080,459	7,269,444	174,466,672
	TOTAL	15,507,020	87,233,328	
13	174,466,672	1,037,240	7,269,444	167,197,228
14	167,197,228	897,826	7,269,444	159,927,784
15	159,927,784	950,804	7,269,444	152,658,340
16	152,658,340	878,308	7,269,444	145,388,896
17	145,388,896	864,367	7,269,444	138,119,452
18	138,119,452	794,660	7,269,444	130,850,008
19	130,850,008	777,930	7,269,444	123,580,564
20	123,580,564	734,712	7,269,444	116,311,120
21	116,311,120	669,187	7,269,444	109,041,676
22	109,041,676	648,275	7,269,444	101,772,232
23	101,772,232	585,539	7,269,444	94,502,788
24	94,502,788	561,838	7,269,444	87,233,344
	TOTAL	9,400,687	87,233,328	
25	87,233,344	518,620	7,269,444	79,963,900
26	79,963,900	429,395	7,269,444	72,694,456
27	72,694,456	432,183	7,269,444	65,425,012
28	65,425,012	376,418	7,269,444	58,155,568
29	58,155,568	345,747	7,269,444	50,886,124
30	50,886,124	292,769	7,269,444	43,616,680
31	43,616,680	259,310	7,269,444	36,347,236
32	36,347,236	216,092	7,269,444	29,077,792
33	29,077,792	167,297	7,269,444	21,808,348
34	21,808,348	129,655	7,269,444	14,538,904
35	14,538,904	83,648	7,269,444	7,269,460
36	7,269,460	43,218	7,269,460	0
	TOTAL	3,294,354	87,233,344	

TANZANIA



Certificate of Incorporation

Section 15


No 94176

I HEREBY CERTIFY THAT

ABM EQUIPMENT SERVICES LIMITED

is this day incorporated under the Companies Act, 2002 and that the Company is Limited.

Given under my hand at Dar es salaam

this 4TH day of OCTOBER**TWO THOUSAND AND TWELVE.**
.....
Asst. Registrar of Companies

COMPANIES ACT, 2002

(ACT NO. 12 OF THE LAWS OF TANZANIA)

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

ABM EQUIPMENT SERVICES LIMITED

Incorporated thisday of2012

Drawn by:

Dominic Kashumbugu & Co Advocates
NIC Life Hse Building 3rd floor
P.O.BOX 36025
DAR ES SALAAM

28392
Said
01/10/2012

THE COMPANIES ACT No. 12 of 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF

28392
Said
01/10/2012

ABM EQUIPMENTS SERVICES LIMITED

1. The Name of the Company is **ABM EQUIPMENTS SERVICES LIMITED**
2. The Registered Office of the Company will be in United Republic of Tanzania
3. The Objects for which the Company is established are:
 - a) The company will acquire and take over as a going concern the business hitherto, carried out under the name and style of **ABM EQUIPMENTS SERVICES**, together with all its assets and liabilities.
 - b) To deal in mining and processing of all types of industrial minerals and to mine, crush, sieve, blend, pack and market mineral soil nutrients as soil conditioners, stabilizers and amendments.
 - c) To acquire mineral rights, mining licenses, blasting certificates and explosives licenses from the authorities responsible.
 - d) To deal in all types of fertilizers and farm implements.
 - e) To appoint sub agents and sales representatives for the company's mineral products locally and internationally.
 - f) To make full use of available local or foreign consultants in the field for the benefit of the company.
 - g) To offer mobile pH soil testing services to farmers to supplement sale of liming and other products offered by the company.
 - h) To liaise with different institutions including financial institutions, local and foreign, in purchase of appropriate equipment and technology in mineral exploitation and processing for purpose of adding value.

deal with procurement, exportation and importation of all types of merchandise and commodities.

- (i) To carry on the business of management consultants, financial and industrial consultants, business analysts, and to undertake technical writing and the management or reorganization of any business; to act as advisors to any individual firm, organization, company, corporation, public body, government department, agency or other authority in connection with all aspects of management, organization, stock taking, planning, advertisement, public relations, marketing and statistics, to act as secretary, registrar, receiver and treasurer for any company, corporation or body; to provide technical assistance with connection with any trade business, to provide data processing, computer, costing, accounting services and generally act as consultants and advisors.
- (j) To carry on the business of financial agents and advisers, mortgage brokers, stock brokers, commercial agents, commission agents, business and general transfer agents, surveyors, assessors, valuers, underwriters, advertising agents, publishers, printers and marketing agents and to undertake and execute agency or commission work of all kinds and to act generally as ~~agency or commission work of all kinds~~ and to act generally as agents for provision of services.
- (k) To establish, develop, extend, manage and acquire industrial, commercial or agricultural enterprises in all its field and in particular workshops in all branches of work and industry, whether alone or enter into partnership or into arrangement for sharing profits, union of interest, reciprocal and concessions or cooperation with any person, partnership or company in Africa or overseas and also to form constitute, float, lend money to and to assist and control any company, association or undertaking whatsoever.
- (l) To carry on business as transporters of passengers, goods, package merchandise, wares, luggage, personal effects and also to act as agents for railway, shipping, chartering, forwarding, clearing and transporting, road contractors, cargo superintendents, haulers, machinery haulage specialists, warehousemen, motorcars, cabs, omnibus and coach proprietors, civil, government and parastatal transport contractors and carriers, boat owners, amusement carriers, and to render other carriage and haulage services which include regular machinery, trucks, vehicles, spare parts and personal conventional containers and group shipments, shipment of commercial cargo, industrial plants and machinery, trucks,

vehicles, spare parts and personal household effects, clearance and dispatch of sea and air cargo to various parts or destinations in the world.

- (m) To carry on the business of boreholes drilling and servicing, contract rock drilling and blasting services, sand blasting, concrete demolition services, civil engineers and contractors, architectural designers and builders of roads and building structures, importers, exporters of electrical, mechanical and electro mechanical appliances, equipments of all kinds, experts to make, construct, erect, maintain, install electricity, alter, manufacture and service such buildings, structures, machinery, plants and equipments.
- (n) To carry on the business of reconditioning, repairing, servicing or otherwise dealing with vehicles of all descriptions, motor cycles tractors, trailers, vehicles, however propelled, new and second hand motor vehicles, scooters, refrigerators and refrigeration equipment and system, agricultural machinery, new and agricultural machinery, new and used automotive spare parts of all descriptions, tires and tubes, batteries, battery solutions and all other maintenance accessories and goods as may be conveniently sold and all things capable of being used therewith or in the maintenance, repair and manufacture thereof, importers, dealers and distributors of petrol, kerosene, motor spirit, mineral oils, crude oil, petroleum, lubricating oils, petroleum, grease and all other kinds of petroleum and mineral products.
- (o) To carry on the business of bureau de change, bankers, industrial bankers, financiers, monetary agents, concessionaires and merchants and to undertake and carry on and execute all kinds of financial, commercial trading and other operations.
- (p) To carry on the business of advertising and business promotion, secretarial services, photocopying and document reproduction services, audio-visual recording, production, sales, distribution and exchange of audio visual materials, office equipment, sales of stationery, office equipment and facilities.
- (q) To deal in importation of mining machinery, equipment and spares of all kinds.
- (r) To carry on the business of water trench digging, pipe laying, Compressed air provision and general comp air solution.

- (s) To carry on the business of forest products, woodcarvings saw mills, and the preparation of timber for market and the manufacture of, and dealing in all articles made of or principally made of wood.
- (t) To carry on the business of proprietors, managers, lesasers, lessee of hotels, restaurants, cafes, billiard rooms, refreshment rooms, lodging houses, game and safari lodges, promoters, organizers and providers and managers of all kinds of entertainment, amusements, recreations, games, sports, competitions and pastimes.
- (u) To carry on other business, which may seem to the company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render profitable any of the companies amalgamate with any other company having objects altogether or in part similar to those of this Company.
- (v) To pay out of the funds of the Company property or rights.
- (w) To establish depots and agencies in different parts of the world for the purpose of carrying on any kind or all of the business of the company.
- (x) To enter into arrangements with the governments or authorities (supreme, municipal, local, or otherwise) or any corporations, companies or persons having objects that may seem conducive to the Company's objects or any of them, and to obtain from any such Government, Authority, Corporation, Company or person and charters, contracts decrees, rights, privileges and concessions which the Company may think desirable, and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
- (y) To enter into any arrangements of sharing profits, union or interests, cooperation, joint venture, reciprocal, concession or otherwise with any persons, form or company carrying on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money, to guarantee the contracts of, or otherwise acquire shares and securities of any such company, and to sell, hold, reissue with or without guarantee, or otherwise deal with the same.
- (z) To promote any other company for the purpose of acquiring all or any of the property, undertaking, or any of the liabilities of the company, or of undertaking any business or operation

which may appear likely to assist or benefit this Company, or to enhance the value of the property or business of this company, and to place or guarantee the pricing of, underwrite, subscribe for or otherwise acquire all or any part of the shares of securities of each company as aforesaid.

-
- (aa) To oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
 - (bb) To lend and advance money or give credit to such persons, firm or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to give guarantee to become surety for any persons, or companies for the due payments of money for the performance of any obligations or liabilities.
 - (cc) To cause the Company to be registered or recognized to do business in any part of the world.
 - (dd) 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 of lieu, to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.
 - (ee) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments.
 - (ff) To sell or otherwise dispose off the whole or any part of the business or property of the company, either together or in portions, for such considerations as the Company thinks fit, and in particular for shares, debentures, or securities of any company purchasing the same.
 - (gg) 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, or any predecessors in business, or of any company which is a subsidiary company of the Company or is allied thereto or associated therewith, or dependants 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 insurance, pension or other benefits to or any Directors or employees of the Company, or any such predecessor or such company as aforesaid, or the relations, connections or dependants of any such predecessor or such company as aforesaid, or the relations, connections or dependants 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 scheme (including funds, trusts, and scheme providing for payment towards insurance) which may be considered calculated to promote such persons or benefit.

- (hh) To purchase or otherwise acquire letters, patents, brevets d' invention, concessions, licenses, rights and privileges subject to royalty or otherwise, and whether exclusive or non exclusive or limited, or any part interest in such letters, patents, brevet d'invention, concession, license, rights and privileges, whether in East Africa or in any part of the world.
- (ii) To take all necessary and proper steps with authorities, national, local municipal, or otherwise, of any place in which the Company may have interest, and to carry on negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in to on constitution of the Company or furthering the interest of its members, and to oppose any steps taken by any other company or persons which may likely, directly or indirectly, to prejudice the interest of its members.
- (ij) To take part in formation, management, supervision, or control of the business or operations of any company, and for the purpose to act as Directors Administrators, Mangers, Secretaries or any other capacity and to appoint and remunerate any directors, administrators, managers, accountants or other experts or agents.
- (kk) To purchase, sell, subscribe for, underwrite, or otherwise acquire and hold shares, stocks, or other interest in, or obligation of any other company or corporation.
- (ll) To distribute among the members of the Company in kind any property of the Company and in particular any shares of securities of other company or corporation.

(mm) To act as agents, brokers and as trustees for any person or company and to undertake and perform subcontracts and to do all or any of the above business any party of the world, and either as principals, agents, trustees, contractors or otherwise and either alone or jointly with others and either through agents, sub- contractors, trustees or otherwise.

(nn) To do all other such things as are incidental or conclusive to the attainment of the above objects or any of them.





AND it is hereby declare that the word "Company" in this clause shall be deemed to include any partnership or other body of persons, whether domiciled in TANZANIA or elsewhere and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph be independent main reference to or the Company. The objects set forth in any sub- clause of this clause shall no, except when the context when expressly so requires, be in any ways limited or restricted by reference to or interference from the term of any other sub – clause, or by the name of the Company. None of such sub- clause or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub- clause of this clause but company shall have full powers to exercise all or any part of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business, undertaking , property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the object of the first sub – clause of this clause.

4. The liability of the Members is limited.

5. The share capital of the Company is Tanzania Shillings one hundred and fifty million. (150,000,000/=). Divided into 1000 shares of Tanzania Shillings One hundred fifty thousand each, (150,000.00/= each).

The Company shall have the power to increase or decrease the capital into several classes and to attach thereto respectively, and from time to after or modify, any preferential, qualified, special or deferred rights, privileges or conditions.

We have several persons whose names, postal addresses and occupations are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, POSTAL ADDRESSES AND DESCRIPTION OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURE OF SUBSCRIBER
Bernard Festo Maimu (Mr) P. O. BOX 5648 TANGA	60	
Debora Bernard Maimu (Mrs) P. O. BOX 5648 TANGA	20	
Mina Bernard Maimu (Miss) P. O. BOX 5648 TANGA	10	
Aubray Bernard Maimu (Mr) P. O. BOX 5648 TANGA	10	

DATED at Tanga this 17 Day of SEPTEMBER 2012

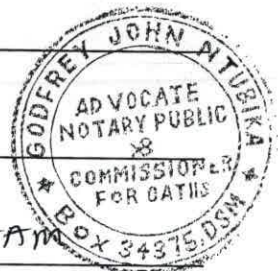
WITNESS TO THE ABOVE SIGNATURES:

SIGNATURE: 

NAME: GODFREY JOHN NTUBIKA

ADDRESS: P.O. Box 34375 DAR ES SALAAM

QUALIFICATION: ADVOCATE



5/28/22
25/12/22
28/3/22
21/10/22

THE COMPANIES ACT
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
ABM EQUIPMENT SERVICES LIMITED

PRELIMINARY

1. Subject as hereinafter provided, the regulations contained in Table "A" in the First Schedule to the Companies Act (Act no 12) hereinafter referred to as Table ("A") shall apply to the Company.

INTERPRETATION

2. In these Articles unless there is something in the subject matter or context inconsistent therewith:

"The Company" means the above named Company:

"Subsidiary company" has the meaning ascribed under section 127 of the Companies Act.

- (b) The company has power (not being power vested in it by virtue only of the provisions of a debenture, trust deed or by virtue of shares issued to it for the purpose in pursuance of those provisions) directly or indirectly to appoint the majority of the directors of that other company, that other company shall be deemed to be a subsidiary company within the meaning of this Act and the expression "subsidiary company" in the Act means a company in the case of which the conditions of this section are satisfied.

"The Companies Act " means the Companies Act no. 12 of the Laws of TANZANIA.

"The Office" means the registered officer for the time being of the company.

"The Seal" means the Common Seal of the Company.

"Dividend" includes bonus.

PRIVATE COMPANY

3. The Company is a "Private Company" within the meaning of the Act and accordingly.

- (a) No invitation shall be issued to the public to subscribe for any shares or debentures of the company;
 - (b) The number of the members of the Company (not including persons who are in the employment of the Company, and persons having been formerly in the employment of the Company were, while in that employment and have continued after the determination to be members of the Company) shall be limited to fifty, provided that, for the purposes of this provision, where two or more persons hold one or more shares in the Company jointly, they shall be treated as a single member;
 - (c) The right to transfer the shares of the company is restricted in the manner to the extent hereinafter appearing.
4. The Share Capital of the company is **Tshs. 150m.** divided into one thousand Ordinary Shares of Shillings One fifty thousand (**150,000**) each.
 5. The shares shall be at the disposal of the directors and (save as otherwise directed by the company in General Meeting) they may allot or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, ~~subject nevertheless to Article 4 and provided by the copies ordinance.~~
 6. The Company may pay a commission to any person in consideration of his subscribing to agreeing to subscribe whether absolutely or conditionally for any shares in the Company, procuring or agreeing to procure subscriptions whether absolute or conditional, for any shares in the Company provide that the commission does not exceed 10% of the price at which such shares are issued, or an amount equivalent thereto, and such commission may be paid, in whole or on part, in cash or full or partly paid shares of the Company as may be arranged.
 7. No person shall be recognized by the Company as holding any shares upon any trust, and the Company shall not be bound by or recognize any equitable contingent future or partial interest in any share or any interest in fractional part of a share, or (except only as by these presents otherwise expressly provided) any other right in respect of any shares except an absolute right entirely thereof in the registered holder.

TRANSFER OF SHARES

8. Any share standing in the names of the trustees of any settlement or of the will of any deceased member may be transferred upon change of the trustees for the time being of such settlement or will.

9. Except in the case of a transfer of shares expressly authorized by the last proceeding Article, the right to transfer shares in the Company shall be subject to the following restrictions, namely:

Transfer notices

- (a) Before transferring any shares the person proposing to transfer the same (hereinafter called "transfer notice") shall give a notice in writing (hereinafter called a "transfer notice") to the Company that he desires to transfer the same and the transfer notice shall constitute the Company his agent for the sale of the shares therein mentioned at the prescribed price to any member being the holder of shares in the same class of these shares or to any other person selected or approved by the directors as a person whom it is desirable to admit to membership. A transfer notice once given or deemed to be given shall not be revocable except with the consent of the Directors. Share of different classes shall not be included in the same transfer notice.

Purchasers Found by the Company

- (b) If the Company within the prescribed period shall find Member or other such person as aforesaid (hereinafter called "the purchasers") will to purchase the shares concerned or any of them and shall give notice in writing thereof to the proposing transferor, he shall be bound, upon payment of the prescribed price, to transfer such shares to the respective purchasers thereof. Every such notice shall state the name and address of the purchasers and the number of shares agreed to be purchased by him, and the purchase shall be completed at a place and time to be appointed by the Directors, not being less than Seven days nor more than Twenty-eight days after the date on which the prescribed price of shares shall have been agreed or fixed as hereinafter provided.

Default of Transfer

- (c) If in any case a proposing transferor, after having become bound to transfer any shares to a purchaser, shall make default in transferring the shares, the Directors may authorize some person to execute on behalf of and s attorney for the proposing transferor any necessary transfers and may receive the purchase to be entered in the register as the holder of the shares and hold the purchase money in trust for the proposing transferor. The receipt of the company for the purchase money shall be a good discharge to the purchaser, who shall not be bound to see the application thereof, and after the name of the purchaser has been entered in the register in purported exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person.

Defaulter in Finding a Purchaser

- (d) If the Company shall not within the proscribed period find purchasers willing to purchase all the shares or if the Company shall within the proscribed period give to the proposing transferor notice in writing that the company has no prospect of finding purchasers of such shares, or any of them, the proposing transferor at any time within six months after the date on which the transfer notice was given or deemed to be given shall be at liberty (subject only to Regulations of Table "A") to transfer those shares for which the company has not found (or has given notice that it has no prospect of finding) purchasers to any person on a bona sale at any price not being less than the prescribed price; provided that the Directors may require to be satisfied in such manner as they may reasonably require that such shares are not being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied may refuse to register the instrument of transfer.

Prescribed Period and Price Defined

- (e) The expression "prescribed period" shall mean a period of Three months from the date on which the transfer notice is given or deemed to be given. The expression "the prescribed price" shall, where applicable, mean the sum per share specified in the transfer notice as the sum which the proposing transferor claims to be the fair value of the shares therein mentioned (unless the purchaser, when agreeing to purchase those of the shares which are to be purchased by him, notifies that he does not accept such sum as the fair value of the shares) and in any other case shall mean the fair value of the shares to be agreed between the proposing transferor and the purchaser within seven days after the name and address of the purchaser is notified by the Company to the proposing transferor, or, failing such agreement, to be determined and certified by the Auditors for the time being of the Company on the application of either party or the Company, such Auditors to act as experts and not as arbitrators in so determining and certifying and their determining and certifying and their decision to be final.

SELLING AND BORROWING POWERS

10. The Directors may raise or borrow for the purpose of the Company's business such sum of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by Mortgage or Charge upon the whole or any part of the property and assets of the Company, present and future

including its uncalled or unissued capital or by the issue at such price as they may see fit, or bonds or debentures either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other ways as the Directors may think expedient.

PROCEEDINGS OF GENERAL MEETINGS

11. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two members personally present shall be a quorum.
12. The Chairman of the Board of Directors shall preside at every General Meeting, but if at any meeting he shall not be present within 30 minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the members present shall choose some member present to be Chairman of the meeting.
13. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or by a member present in person or any proxy and entitled to the Chairman that a resolution has on a show of hands been carried the Minute Book of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution.

VOTES OF MEMBER

14. On show of hands every member present in person shall have one vote and upon a poll every member present in person or by proxy shall have one for every share held by him. Except as hereinafter provided no member both personally present shall be entitled to vote on a show of hands.
15. In case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith be final and conclusive.
16. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing. No person shall act as a proxy unless either he is entitled on his behalf to be present and vote at a Meeting at which he is appointed to act at that meeting for a corporation, but a representative of a corporation unless entitled on his own behalf to be present and vote at the meeting shall not act except for the corporation which appointed him.

17. When a Company registered under the Companies Ordinance is a member of the Company, a person duly appointed to represent such company at a meeting of the Company in accordance with at a meeting of a copy of such resolution duly signed by one Director of such Company and by the Secretary (if any) and certificate by him or them as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of his appointment.

DIRECTORS

18. The number of Directors shall not exceed Five (5) and shall not be less than two (2).

19. The first Directors shall be:

- (1) **BERNARD MAIMU (MR)**
- (2) **DEBORA MAIMU (MRS)**
- (3) **MINA MAIMU (MISS)**
- (4) **AUBRAY MAIMU (MR)**

POWERS OF DIRECTORS

20. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in getting up and registering the company, and may exercise all such powers of the company as are required by the Ordinance or any law or by these Articles required to be exercised by the company in General Meeting, subject to, nevertheless to any regulations of these Articles, to the provisions, as may be prescribed by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general Powers given by this Article shall not be limited or restricted by any special Article.

21. The board may arrange that any branch of the business carried on by the company or any other business in which the company may be interested shall be carried on by or through the one or more subsidiary companies, and may, on behalf of the company, make such arrangements as it thinks advisable for taking the profits or bearing the loss of any branch or business so carried on or for financing, assisting or subsidizing any such subsidiary company or guaranteeing its contracts, obligations or liabilities, and it may appoint, remove and reappoint any person (so whether members of its own body or not) to act as Directors or Managing Director or Managers of any such company or any other company in which the company may be interested and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any

person so appointed and any Director of the company may retain any remuneration so payable to them.

22. The Directors may from time to time and at any time by Power of Attorney under the Seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the Attorney or Attorneys of the company for such purposes and with such Powers, Authorities and discretion's (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as they may think fit, and any such Power of Attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Board may think fit and may also authorize any such Attorney to subdelegate all or any of the Powers, Authorities and discretion's vested in him.
23. (i) A Director who is in any way interested whether directly or indirectly in a contract or proposed contract with the company shall declare the nature of his/her interest to the Board.
- (ii) A Director shall not vote in respect of any contract in which he/she is interested, and if he/she shall do so his/her vote shall not be counted, but these prohibitions may be relaxed to any extent by the company in General Meeting.
- (iii) Any Director may act by himself/herself or his/her firm in a professional capacity for the company, and he/she or his/her firm shall be entitled to remuneration for professional services as if he/she were not a Director. **PROVIDED THAT** this provision shall not authorize a Director or his/her firm to act as Auditor to the company.
24. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all other documents, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed or otherwise examined, as the case may be in such manner as the Board may from time to time determine.
25. The Directors shall cause minutes to be made in Books provided for purpose:
- (i) All the names of the Directors present at each meeting of the Directors and of any Committee of Board of Directors; and
- (ii) All appointments of officers made by the Directors; and
- (iii) All Resolutions and Proceedings of General Meetings and of Meetings of the Directors and Committees.

MANAGING DIRECTOR

26. The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceased from any cause to be a Director.
27. A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.
28. The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.
29. ~~No Director shall be disqualified by his office from contracting with the company either as vendor or purchaser or otherwise nor shall any such contract or arrangement entered into by or on behalf of the company in which any Director shall be in any way interested by avoided nor shall any Director so contracting or being so interested be liable to account the company for any such profit realized by any contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined if his interest than exists or in any other case at the first meeting of the Director after the acquisition of his interest. A Director shall not be entitled to vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so vote, his vote shall not be counted. The said prohibition against voting shall not, however apply to any contract or arrangement for giving security to a Director for advances made or to be made by him to the company or for liabilities or obligations (whether by way of guarantee or otherwise incurred or assumed by him on behalf of or for the benefit of the company to a Director, and it may at any time be suspended, relaxed or removed to any extent or by any terms relaxed or removed to any extent or by any terms or conditions by the company in General Meetings.~~

A General Written Notice that a Director is a member of any specific firm or company shall be regarded that such Director has interest in all transactions with that firm or company and shall be regarded as sufficient disclosure under this clause as regards such Director and the said transactions and after such General Notice it shall not be necessary for such Director to give a special notice relating to any particular transactions with that firm or company

30. The business of the company shall be managed by the Directors who may use power vested to them by the General Meeting.
31. The Directors may appoint one of them to be the Managing Director who will be paid a monthly salary or commission as shall be fixed from time to time by the company in the General Meeting. Other Directors may also be paid such remuneration as the company may determine in the General Meeting.
32. The qualification of a Director shall be holding of at least one share in the company.

DISQUALIFICATION OF DIRECTORS

33. The office of a Director shall "ipso facto" be vacant:-

- (a) If he/she be bound lunatic or becomes of unsound mind; or
- (b) If he/she shall become bankrupt in this Territory or in any other territory which is declared to be a reciprocating territory under Section 147 of the Bankruptcy Ordinance; or
- (c) If he/she becomes prohibited from being a Director by reason of any order made under Sections 213 or 265 of the Ordinance; or
- (d) If he/she resigns his office by notice in writing to the company; or
- (e) If he/she is punished with imprisonment for a term exceeding six months without the option of a fine; or
- (f) If he/she absents him/herself from meetings of the Directors during a continuous period of six months without special leave from other Directors and they pass a resolution that he has by reason of such absence vacated office; or
- (g) If he/she without the consent of the company in General Meeting holds any other office of profit under the company except that of Managing Director or Manager.

BORROWING POWERS

34. The Directors may raise or borrow for the purpose of the company's business such sum of money as they think fit and secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the company, present and future, including its uncalled capital or by the issue at such price as they may think fit, of bonds or debentures, either charged upon the whole or part of the property and assets of the company, present and future including its uncalled or unused capital, or not so charged or in such other way as the Directors may think expedient.

SECRETARY

35. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.
36. A provision of the Ordinance or these regulations requiring or authorising thing to be done by or to a Director or the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

AUDIT

37. Auditors shall be appointed and their duties regulated in accordance with the Ordinance.
38. Every account of the Directors with the company, when audited and approved by the General Meeting, shall be conclusive, except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected, and there forth shall be conclusive.

WINDING UP

39. If the company shall be wound up the Liquidator may, with the sanction of an Extraordinary resolution of the company and any other sanction required by the Ordinance divide amongst the members in specie or kind the whole or any part of the assets of the company and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like sanction vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributors as the Liquidator, with the like sanction shall think fit, but so that no

CTIN.: 2145136

ISO 9001 : 2008 Certified



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

ABM EQUIPMENT SERVICES LTD

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

118-949-455

12/11/2012

with effect from

P. N. Kassera

OFFICIAL SEAL

COMMISSIONER FOR DOMESTIC REVENUE

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



WAKALA WA USAJILI WA BIASHARA NA LESENZI.
S.L.P 9393, Dar-es-Salaam,
SIMU: +255 22 2180141, 2180113, 2181113. NUKUSHI: +255 22
2180371
BARUA PEPE: ceo@brela-tz.org, usajili@brela-tz.org, info@brela-tz.org
TOVUTI: http://www.brela-tz.org



NIMEPOKEA KWA
Received from

ABM EQUIPMENT SERVICES LTD

RECEIPT NO: 00189908

KIASI CHA SHILINGI (KWA MANENO)
Sum of shillings (in words)

EIGHTEEN THOUSAND TANZANIAN SHILLINGS ONLY

KWA MALIPO YA
In respect of

FILLING FEES [TSHS 18,000]
TOTAL TSHS 18,000

KWA FEDHA TASLIMU/HUNDI NAMBA
By cash/cheque No.

CASH

KITUO
Station

DAR ES

SAHI YA MPOKEAJI
Receiving officer's sign

CHEO
Title

TAREHE
Date

GODFREY EDWARD

ACCOUNTS ASSISTANT

03/01/2014



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY AND MINERALS**

**THE MINING (MINERAL RIGHTS) REGULATIONS, 2010
RENEWAL OF PRIMARY MINING LICENCE 0010858**

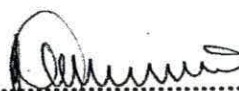
The Mining Act, 2010

I, Alex A. Magayane, the Zonal Mines Officer for **Eastern Zone**, pursuant to the powers conferred upon me under Section 56(2) of the Mining Act, 2010 hereby renew the Primary mining License **0010858** granted to M/S **Bernard Festo Maimu** of **P.O.Box 5648, Tanga-Tanzania** (hereinafter called the Licensee), to prospect and mine for **Limestone**, for a period of **Seven (7)** years effective from Expiring Date.

The description of the renewed Primary Mining License is provided overleaf.

This license is being renewed under the same terms and conditions of Primary Mining License No. **0010858**.

Signed this 01st day of FEBRUARY 2013

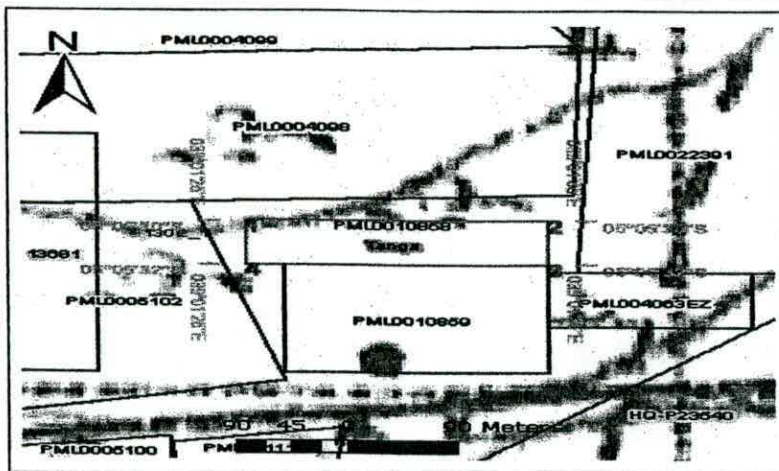

.....
Alex A. Magayane
ZONAL MINES OFFICER
Eastern Zone

ANNEX A

DESCRIPTION OF THE PRIMARY MINING LICENCE AREA

The Primary Mining Licence is at **Mkurumuzi-Kange** in **Tanga District**, **QDS 130E/1** defined by the following corner co-ordinates (Arc 1960):

Corner	Latitude	Longitude
1	- 05 deg. 05 min. 30.00 sec.	39 deg. 01 min. 26.00 sec.
2	- 05 deg. 05 min. 30.00 sec.	39 deg. 01 min. 34.00 sec.
3	- 05 deg. 05 min. 32.00 sec.	39 deg. 01 min. 34.00 sec.
4	- 05 deg. 05 min. 32.00 sec.	39 deg. 01 min. 26.00 sec.



Legend	
Licensed area	
License Number	PML0010858
District	Tanga
Direction	

An area of approximately 1.51 Hectares.

ANNUAL RENT PAYMENTS

Year	ERV	Amount (TShs.)	Date	Signature & Stamp
1.
2.
3.
4.
5.
6.
7.

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY AND MINERALS**

THE MINING (MINERAL RIGHTS) REGULATIONS, 2010

PRIMARY MINING LICENCE 004063EZ

The Mining Act, 2010

The exclusive right, subject to the provisions of the Mining Act, 2010 and of the regulations thereunder now in force or which may come into force during the continuance of this primary mining licence or any renewal thereof is hereby granted to **M/S Ben Maimu of P.O. Box 5648 Tanga-Tanzania** (hereinafter called the Licensee), to prospect and mine for **Limestone**, at **Kange, Mkurumuzi**, in **Tanga District, QDS 130E/1** over an area described in Annex A.

This Licence, unless sooner cancelled, suspended or surrendered pursuant to the provisions of the Mining Act, 2010, shall be valid for a period of **seven (7) years**, effective from the date of grant.

Granted this 07th day of AUGUST 2012



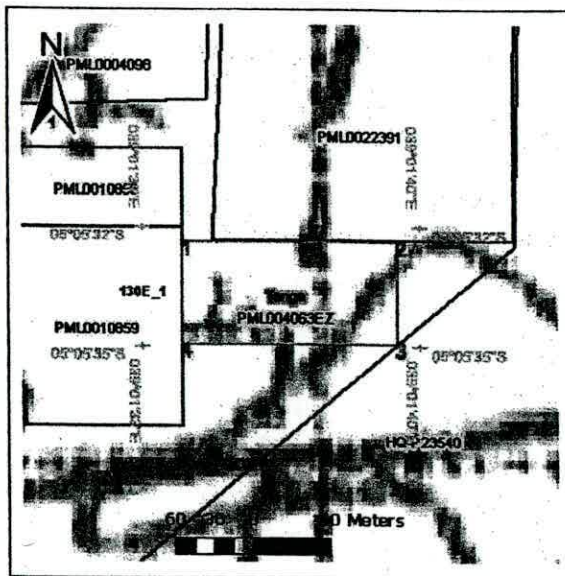
Alex A. Magayane
ZONAL MINES OFFICER
Eastern Zone

ANNEX A

DESCRIPTION OF THE PRIMARY MINING LICENCE AREA

The Primary Mining Licence is at **Kange, Mkurumuzi** area, in **Tanga District, QDS 130E/1** defined by the following corner co-ordinates (Arc 1960):

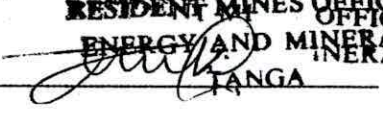
Corner	Latitude	Longitude
1	- 05 deg. 05 min. 32.37 sec.	39 deg. 01 min. 34.01 sec.
2	- 05 deg. 05 min. 32.37 sec.	39 deg. 01 min. 39.41 sec.
3	- 05 deg. 05 min. 34.92 sec.	39 deg. 01 min. 39.41 sec.
4	- 05 deg. 05 min. 34.92 sec.	39 deg. 01 min. 34.01 sec.



Legend	
Licensed area	
License Number	PML004063EZ
District	Tanga
Direction	

An area of approximately 1.30 Hectares.

ANNUAL RENT PAYMENTS

Year	ERV	Amount (TShs.)	Date	Signature & Stamp
1.	40422040	80,000/=	29/8/2012	 RESIDENT MINES OFFICER ENERGY AND MINERALS TANGA
2.				
3.				
4.				
5.				
6.				
7.				

EIGHT SCHEDULE

(Made Under Regulation 11)

FORM FR 8

TANZANIA FERTILIZER REGULATORY AUTHORITY

The Director
Tanzania Fertilizer Regulatory Authority
PO BOX 9192
DAR ES SALAAM.

REGISTRATION CERTIFICATE AS FERTILIZER DEALER

1. By virtue of the power conferred on me, under the act, I hereby grants registration certificate as fertilizer dealer to **ABM EQUIPMENT SERVICES LIMITED** of P.O.BOX 5648 TANGA
2. This certificate shall be valid from **15/11/2012** to **15/11/2014** and may be renewed as prescribed in these regulations.

signed and sealed for and on behalf of the authority

Date 15/11/2012.

Signed by the applicant.....

ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANGA

Director.....

EXECUTIVE DIRECTOR
TANZANIA FERTILIZER REGULATORY AUTHORITY
P. O. Box 9192
DAR-ES-SALAAM

TENTH SCHEDULE

(Made under regulation 13(2))

FORM FR 10

The Director
Tanzania Fertilizer Regulatory Authority
P.O.BOX 9192
DAR ES SALAAM

LICENSING CERTIFICATE AS FERTILIZER DEALER

LICENCE No 0021

1. By virtue of the power conferred on me, under the act, I hereby grants
Licence as fertilizer dealer to **ABM EQUIPMENT SERVICES LTD**
of P.O.Box **5648 TANGA**.
2. This certificate shall be valid from **15/11/2012** to **15/11/2014**
and may be renewed as prescribed in these regulations.

Signed and sealed for and on be half of the Authority

Date **15/11/2012**.

Signed by the applicant.....

ABM EQUIPMENT SERVICES LTD
P. O. Box 5648
TANGA

Director.....

EXECUTIVE DIRECTOR
TANZANIA FERTILIZER REGULATORY AUTHORITY
P. O. Box 9192
DAR-ES-SALAAM

TANZANIA FERTILIZER REGULATORY AUTHORITY

FOURTH SCHEDULE

(Made Under Regulation 4(6))

FORM FR 4

The Director
Tanzania Fertilizer Regulatory Authority
P.O.BOX 9192
DAR ES SALAAM.

CERTIFICATE No 0057

FERTILIZER OR FERTILIZER SUPPLEMENT REGISTRATION CERTIFICATE

1. By virtue of the power conferred on it by the fertilizer act, 2009 the TFRA here by register.....**AGRICULTURE GYPSUM ($CaSO_4 \cdot 2H_2O$)**.....as fertilizer to:

..... **ABM EQUIPMENT SERVICES LTD**

Of P.O.BOX. 5648, TANGA.....

2. This certificate shall be valid from.....**15/11/2012 to 15/11/2014**..... and may be renewed as prescribed in these regulations.

Name: ROSE KITAMBI

Title: A/O - TFRA

Date: 15/ 11/ 2012

EXECUTIVE DIRECTOR
TANZANIA FERTILIZER REGULATORY AUTHORITY
P. O. Box 9192
DAR-ES-SALAAM

TANZANIA FERTILIZER REGULATORY AUTHORITY

FOURTH SCHEDULE

(Made Under Regulation 4(6))

FORM FR 4

The Director
Tanzania Fertilizer Regulatory Authority
P.O.BOX 9192
DAR ES SALAAM.

CERTIFICATE No 0056

FERTILIZER OR FERTILIZER SUPPLEMENT REGISTRATION CERTIFICATE

1. By virtue of the power conferred on it by the fertilizer act, 2009 the TFRA here by register.....**AGRICULTURE LIME (CALCIUM CARBONATE $CaCO_3$)**.....as fertilizer to:
..... **ABM EQUIPMENT SERVICES LTD**

Of P.O.BOX. **5648, TANGA**.....

2. This certificate shall be valid from.....**15/11/2012 to 15/11/2014**..... and may be renewed as prescribed in these regulations.

Name: ROSE KITAMBI

Title: A/O - TFRA

Date: 15/ 11/ 2012

EXECUTIVE DIRECTOR
TANZANIA FERTILIZER REGULATORY AUTHORITY
P. O. Box 9192
DAR-ES-SALAAM



CH-240-12-242

16TH JAN 2012

CHEMICAL LABORATORY REPORT

Client: BEN MAIMU
ABM EQUIPMENT SERVICES CO LTD
P.O.BOX 5648
TANGA

Type of sample: Limestone and Dolomite
Number of samples: 2
Job request: Analysis of elements by XRF methods

Sample ID	SiO ₂ %	Al ₂ O ₃ %	FeO ₃ %	MnO %	MgO %	CaO %
01	1.23	0.07	0.03	0.01	0.032	55.10
02	2.06	0.07	0.09	<0.01	22.56	33.21

Sample ID	Na ₂ O %	K ₂ O %	TiO ₂ %	P ₂ O ₅ %	SO ₃ %	LOI %
01	0.05	<0.01	<0.01	0.05	0.11	43.06
02	0.02	<0.01	<0.01	0.04	0.10	41.87

DISCLAIMER

SEAMIC is not responsible for any loss or damage due to business transaction connected to the use of the results(s) in this report. The result(s) pertain ONLY to the samples(s) submitted to SEAMIC laboratories for analysis and not to any other sample(s) of similar nature.

Edwin E. Gawele
For MANAGER,

CHEMICAL AND ENVIRONMENTAL SERVICES



OR. No. 240-12-346

7th December, 2012

CHEMICAL LABORATORY REPORT

Client: ABM EQUIPMENT SERVICES LTD
P.O. BOX 5648
TANGA
MOB: 0653703170
E-mail: bmaimu@yahoo.com

Type of sample: GYPSUM AND LIMESTONE
Number of samples: 2
Job requested: Analysis of major elements by XRF

Sample ID	CaO %	SiO ₂ %	Al ₂ O ₃ %	Fe ₂ O ₃ %	MgO %	Na ₂ O %
LIME	53.31	2.86	0.96	0.42	0.32	<0.01
GYPSUM	30.04	7.29	2.58	2.02	0.60	0.11

S/No	K ₂ O %	TiO ₂ %	SO ₃ %	SrO %	P ₂ O ₅ %	LOI %
LIME	0.30	0.09	0.06	0.02	<0.01	41.65
GYPSUM	0.21	0.21	36.23	0.63	0.05	20.04

Sample ID	Water of Crystallization %	Purity of Gypsum %
GYPSUM	17.41	83.18

DISCLAIMER

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John O. Bomani
MANAGER,
CHEMICAL AND ENVIRONMENTAL SERVICES

Page 1 of 1

Southern and Eastern African Mineral Centre
P. O. Box 9573
Kunduchi Beach Area
Dar es Salaam
Tanzania

Telephone numbers: +255 (0)22 2650321
+255 (0)22 2650347
Fax: +255 (0)22 2650319
Email address: seamic@seamic.org

www.seamic.org



OR. NO. 240-12-378

3RD January, 2012

CHEMICAL LABORATORY REPORT

Client: BEN MAIMU
ABM EQUIPMENT SERVICES CO LTD
P.O. BOX 5648
TANGA

Type of sample: MAGNESITE
Number of samples: 1
Job requested: Analysis of major elements by ICP-OES method

Sample ID	Fe ₂ O ₃ %	SiO ₂ %	Al ₂ O ₃ %	K ₂ O %
MAGNESITE	0.05	16.28	0.03	0.01

Sample ID	MgO %	K ₂ O %	CaO %	LOI %
MAGNESITE	36.76	0.01	0.36	46.01

DISCLAIMER

SEAMIC is not responsible for any loss or damage due to business transaction connected to the use of the result(s) in this report. The result(s) pertain ONLY to the sample(s) submitted to SEAMIC laboratories for analysis and not to any other sample(s) of similar nature.

Edwin E. Gowele
For **MANAGER,**
CHEMICAL AND ENVIRONMENTAL SERVICES

Page 1 of 1

Southern and Eastern African Mineral Centre
P. O. Box 9573
Kunduchi Beach Area
Dar Es Salaam
Tanzania

Telephone numbers: +255 (0)22 2650321
+255 (0)22 2650347
Fax: +255 (0)22 2650319
Email address: seamic@cats-net.com

Lime Analysis Report

Lime Quality Assessment



Customer :	Burka Coffee Estates Ltd	Comments :	Agricultural Lime	Date Received :	13-Sep-13
Address :	Box 90 TZ	Condition :	Milled	Analysis Date :	14-Sep-13
Farm Name :	Burka Estates			Report Date :	20-Sep-13
Contact Person :	Hunter Flint			Sample ID :	CB024LI0001

Sample Name : Ag Lime			
Parameter		Unit	Result
Calcium	Ca	%	38.1
Calcium Oxide	CaO	%	53.3
Calcium Carbonate	CaCO ₃	%	95.2
Magnesium	Mg	%	0.21
Magnesium Oxide	MgO	%	0.35
Magnesium Carbonate	MgCO ₃	%	0.74
Particle Size (< 0.3 mm)	PSRE	%	47.0
Partical Size (0.3 - 2 mm)	PSRE2	%	26.4
Calcium CO ₃ Equivalent	CCE	%	95.6
Eff. Calcium CO ₃ Eq.	ECCE	%	70.3

Gakobo Jo Lab Manager		Cordingley Jeremy Managing Director		Approval Date: 25/09/2013
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 * Parameter is not RvA accredited. - Parameters sub contracted to a third party laboratory. # Opinions and Interpretations expressed herein are outside the scope of RvA accreditation.

Fertiliser Analysis Report

Gypsum (Ca, S) Analysis



Customer :	ABM Equipment Services	Comments :	MK2 Rock Gypsum	Date Received :	17-Jan-14
Address :		Condition :		Analysis Date :	18-Jan-14
Farm Name :	ABM Equipment Services			Report Date :	24-Jan-14
Contact Person :				Sample ID :	CA125FA0001

Fertilizer Name : Gypsum			
Parameter		Unit	Result
Sulphur	S	%	16.7
Sulphates	SO4	%	50.0
Calcium Oxide	CaO	%	30.2
Calcium	Ca	%	21.6

Gakobo Jo Lab Manager		Low Richard General Manager		Approval Date: 24/01/2014
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* Parameter is not RvA accredited. - Parameters sub contracted to a third party laboratory. # Opinions and Interpretations expressed herein are outside the scope of RvA accreditation.*

Lime Analysis Report
Lime Quality Assessment



Customer :	ABM Equipment Services	Comments :	Dolomite	Date Received :	16-Jan-14
Address :		Condition :		Analysis Date :	18-Jan-14
Farm Name :	ABM Equipment Services			Report Date :	24-Jan-14
Contact Person :				Sample ID :	CA125LI0001

Sample Name : Dolomitic Lime			
Parameter		Unit	Result
Calcium	Ca	%	19.5
Calcium Oxide	CaO	%	27.2
Calcium Carbonate	CaCO ₃	%	48.7
Magnesium	Mg	%	10.9
Magnesium Oxide	MgO	%	18.2
Magnesium Carbonate	MgCO ₃	%	38.1
Particle Size (< 0.3 mm)	PSRE	%	98.8
Partical Size (0.3 - 2 mm)	PSRE2	%	0.59
Calcium CO ₃ Equivalent	CCE	%	67.8
Eff. Calcium CO ₃ Eq.	ECCE	%	67.4

Gakobo Jo Lab Manager		Cordingley Jeremy Managing Director		Approval Date: 27/01/2014
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Disclaimer Statement: "Due care and skill are applied in handling of samples presented by you for examination at the Laboratory to ensure that the Analysis Report is as accurate as possible. It is noteworthy that the Analysis Report exclusively relates to the sample presented and examined by the Laboratory. The Company gives no warranty that the Analysis Report relates to the source or any part of the source of the sample. Please note that the recommendations given in the Analysis Report are based on the parameters included in the request from you for analysis. The sponadic character of samples and the date of the Analysis Report shall be fundamental in the reading and interpretation of the Analysis Report. This document cannot be reproduced except in full, without prior written approval of the company."
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ABM EQUIPMENT SERVICES LTD

P.O.BOX 5648

TANGA

MINUTES OF THE EXTRA ORDINARY MEETING OF THE DIRECTORS

HELD ON 20TH DECEMBER 2013 AT THE COMPANY'S REGISTERED

OFFICE IN TANGA AT 10.00 AM

PRESENT:

- BERNARD FESTO MAIMU - CHAIRMAN
- DEBORA BERNARD MAIMU - DIRECTOR
- MINA BERNARD MAIMU - DIRECTOR
- AUBRAY BERNARD MAIMU - DIRECTOR

IN ATTENDANCE:

- ALFRED MAPUNDA -SECRETARY

1. OPENING OF MEETING/ AGENDA

The chairman opened the meeting at 10.00 a.m. after ascertaining the presence of a quorum.

2. FINANCIAL MATTERS

OPENING OF FIXED DEPOSITS ACCOUNT

It was noted that there was need to open a fixed deposit A/C Exim Bank Ltd after examining the company's plans and budgets. It was unanimously resolved: "That the company is hereby empowered to open Fixed Deposit account under the name and style of ABM EQUIPMENT SERVICES LIMITED and that one of the following is hereby authorized to sign cheques, bills of exchange, promissory notes, bills of lading, Invoiced for the purpose of operating the account: Bernard Festo Maimu and Debora Bernard Maimu

3. **BORROWING POWERS**

After examining the plans to be submitted to the bank (TIB) it was again resolved: "That the company be hereby authorized to borrow from the Tanzania Investment Bank Ltd a sum not exceeding Tanzania three hundred million shilling (Tsh 300,000,000) and to offer such collateral as will be acceptable to the Bank"

4. **CLOSURE OF THE MEETING**

There being no other business to transact the chairman closed the meeting at 11.00 am with thanks to the member for their contribution.

These minutes were approved on 23RD December 2013



.....
BERNARD FESTO MAIMU
CHAIRMAN



.....
DEBORA BERNARD MAIMU
DIRECTOR



.....
ALFRED MARUNDA
SECRETARY