

**IDERA MINERAL RESOURCES LIMITED**

**PRE-FEASIBILITY STUDY REPORT ON:**

**INVESTMENT IN MINING OF GOLD**

**Presented To:**

**TANZANIA INVESTMENT CENTRE**

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**DAR ES SALAAM, TANZANIA**

**SEPTEMBER 2025**

## **IDERA MINERAL RESOURCES LIMITED**

### **Strategic Pre-feasibility Report**

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## **BRIEF SUMMARY PROJECT**

**COMPANY:** IDERA MINERAL RESOURCES LIMITED

**LOCATION:** IKUNGU- MUSOMA

**CONTACTS:** P. O. Box 22243 DAR ES SALAAM,

**OBJECTIVE:** INVESTMENT IN MINING OF GOLD

**PROJECT VALUE:** USD 2,500,000

**BENEFITS:** JOBS CREATION, GOVERNMENT INCOME, IMPORT  
SUBSTITUTION,

**IMPLEMENTATION PERIOD:** 5 YEARS

## 1.0 EXECUTIVE SUMMARY

### 1.1 Introduction

The global demand for mineral resources continues to rise, driven by industrialization, infrastructure development, and the accelerating transition toward clean energy technologies. Tanzania, endowed with abundant and underexploited mineral deposits, offers a stable and attractive environment for mining investment. In this context, **Idera Mineral Resources Limited (TIC)** seeks to capitalize on these opportunities through systematic exploration, sustainable development, and efficient extraction of key mineral commodities.

**Idera Mineral Resources Limited** is a Tanzanian-registered private company established to engage in the exploration, mining, processing, and trading of mineral resources, including gold minerals. The company's strategic focus is on identifying high-potential mineral tenements and transforming them into economically viable mining operations using modern technology and globally accepted best practices.

The company's vision is to become a leading indigenous mining enterprise contributing to Tanzania's socio-economic growth through responsible mineral resource development. Its mission is to explore and develop mineral deposits that generate long-term value for stakeholders while ensuring compliance with the **Tanzania Mining Act (2010)**, environmental regulations, and community engagement standards.

The mining sector in Tanzania represents a critical component of national economic diversification. However, significant exploration gaps remain, especially in greenfield zones with strong geological indicators but limited historical data. Idera Mineral Resources Limited aims to fill this gap by applying advanced exploration techniques, fostering local partnerships, and ensuring adherence to ESG (Environmental, Social, and Governance) principles.

This business plan outlines the company's operational framework, technical approach, and investment requirements to establish a sustainable mining venture. It presents a comprehensive overview of the project's geological potential, phased implementation strategy, risk mitigation measures, and projected financial returns to prospective investors.

### 1.2 Company Description

Idera Mineral Resources Limited (TIC) is a limited liability company legally registered under the Companies Act of the United Republic of Tanzania. Incorporated on 07th March 2022, under Certificate of Incorporation No. 155391286, the company maintains its registered head office in Kinondoni Municipality, Dar es Salaam, Tanzania.

Idera Mineral Resources Limited was established with a strategic vision to become a leading player in Tanzania's mining sector, focusing on the exploration, extraction, and commercialization of valuable mineral resources such as gold minerals. The company aims to leverage Tanzania's rich mineral endowment to create sustainable, high-value returns for investors while contributing to the nation's economic growth.

Our core objective is to develop commercially viable mining projects that generate significant economic and social impact. Through efficient resource management, technological innovation, and adherence to global best practices, Idera Mineral Resources Limited seeks to deliver consistent growth, operational excellence, and long-term profitability.

The company recognizes that strong partnerships are essential to success in the mining industry. Therefore, we are committed to fostering robust relationships with investors, suppliers, customers, and host communities based on integrity, transparency, and mutual benefit. By aligning investor interests with national development goals, Idera Mineral Resources Limited ensures that both local and international stakeholders benefit equitably from the company's operations.

Driven by sound management, strategic investment, and a results-oriented approach, Idera Mineral Resources Limited is positioned to capitalize on Tanzania's expanding mining opportunities—transforming natural resources into sustainable wealth for its partners, shareholders, and the wider community.

### **1.3 Business Description**

Idera Mineral Resources Limited is a limited liability company incorporated in the United Republic of Tanzania under the Companies Act, bearing Certificate of Incorporation No. 155391286, issued on 7th March 2022.

The Company is primarily engaged in the exploration, development, and mining of gold and other valuable mineral resources within Tanzania. Idera Mineral Resources Limited is committed to operating in line with national mining regulations and international best practices to ensure responsible, sustainable, and profitable resource extraction.

Our strategic focus is on identifying high-potential gold deposits, leveraging modern mining technologies, and fostering partnerships that promote local economic growth and community development. Through ethical business conduct and environmental stewardship, Idera Mineral Resources Limited aims to contribute significantly to the advancement of Tanzania's mining sector and the nation's economic prosperity.

Idera Mineral Resources Limited is limited Company incorporated in Tanzania under the Company Act. The Company was incorporated 07<sup>th</sup> March, 2022 and bears Certificate of Incorporation No. 155391286. The Company will be responsible in investing in Mining of Gold Project.

#### **1.4 Legal Status**

Idera Mineral Resources Limited is a duly registered company operating in full compliance with the laws of the United Republic of Tanzania. The Company's legal status is supported by the possession of all requisite statutory documents, including the Certificate of Incorporation, Memorandum and Articles of Association, Business License, Tax Identification Number (TIN), and Value Added Tax (VAT) Registration Certificate.

These legal instruments collectively affirm that Idera Mineral Resources Limited conducts its operations within the legal framework governing business entities in Tanzania.

#### **1.5 Project Promoters**

The project will be managed and operated by **IDERA MINERAL RESOURCES LIMITED**.

<b>NAMEOF SHAREHOLDERS</b>	<b>NATIONALITY</b>	<b>SHARE PERCENTAGE</b>
<b>1. ALES LIKAR</b>	SLOVENIA	99
<b>2. SASA JOVICIC</b>	SERBIAN	01

## **1.6 Operations**

The operations of Idera Mineral Resources Limited will be conducted using industry-standard practices in gold exploration and mining. The Company will implement a structured operational framework that integrates automated mining and processing systems with skilled personnel to optimize efficiency, safety, and productivity.

Advanced technologies will be employed for resource extraction, processing, and real-time operational monitoring, while trained operational staff will ensure strict adherence to safety protocols, quality control standards, and environmental regulations. This integrated approach is designed to maximize resource recovery, minimize operational risks, and achieve sustainable and profitable mining operations.

## **1.7 Project Location**

The operations of Idera Mineral Resources Limited will be conducted at the Ikungu Gold Mine, situated in the Butiama District, Mara Region, United Republic of Tanzania. The mine is located near the locality of Ikungu, within the Nyakatende area, approximately 27 kilometers southwest of the Musoma District

## **1.8 Products**

The key products of Idera Mineral Resources Limited include:

### **1. Refined Gold Bullion**

Description: **High-purity gold bars refined to meet international standards.**

Applications: Investment, banking, and international trade.

### **2. Dore Bars**

Description: Semi-pure alloy bars containing gold and silver, produced directly from ore before further refining.

Applications: Sold to refineries for further purification; used in industrial and commercial markets.

### **3. Gold Concentrates**

Description: Concentrated gold-bearing material obtained after initial beneficiation.

Applications: Further processing in smelting or refining plants; used in jewelry and electronics industries.

### **4. By-products**

Description: Other recoverable minerals or metals extracted during gold processing.

Applications: Sold to relevant industrial or commercial markets.

All products are produced under strict compliance with quality, safety, and environmental standards, ensuring that Idera Mineral Resources Limited delivers high-value gold products suitable for both local and international markets.

## **1.9 Industry Overview**

The gold mining industry in Tanzania is a significant contributor to the national economy, generating billions of USD annually and accounting for a substantial share of the country's mineral exports. Tanzania is rich in gold deposits, with both large-scale and small-scale mining operations spread across regions such as Geita, Mara, and Pwani.

Despite its potential, a portion of gold processing and refined gold products in the country relies on imports or export of semi-processed gold, which limits value addition within Tanzania. There is a growing demand for high-quality, locally processed gold products that meet international standards, driven by both domestic and global markets.

Idera Mineral Resources Limited aims to address this gap by establishing a state-of-the-art gold processing operation. By producing refined gold bullion, dore bars, and gold concentrates locally, the Company ensures faster supply, reduced operational costs, and compliance with international quality standards. This initiative not only enhances value addition within the Tanzanian mining sector but also supports economic growth, job creation, and responsible resource utilization.

## 1.10 Financial Overview

Idera Mineral Resources Limited has prepared a 5 year financial projection based on conservative growth assumptions in gold mining and processing. The projections account for production scaling, gold recovery rates, sales growth, and operational cost breakdowns. Key inputs include production cost per kilogram of gold, estimated selling price, gross margin, and reinvestment into operations, safety, and environmental compliance.

Item	Year 1 (USD)	Year 2 (USD)	Year 3 (USD)	Year 4 (USD)	Year 5 (USD)	Notes
Gold Produced (kg)	50	100	150	200	250	Estimated recovery per year
Revenue	3,500,000	7,000,000	10,500,000	14,000,000	17,500,000	Average USD 70,000/kg (market price)
COGS	1,500,000	2,800,000	4,200,000	5,600,000	7,000,000	Mining, processing, labor, utilities
Gross Profit	2,000,000	4,200,000	6,300,000	8,400,000	10,500,000	Revenue - COGS
Operating Expenses	500,000	700,000	900,000	1,100,000	1,300,000	Admin, salaries, equipment maintenance
Marketing & Logistics	100,000	150,000	200,000	250,000	300,000	Branding, distribution, export costs
Net Profit	1,400,000	3,350,000	5,200,000	7,050,000	8,900,000	Earnings before tax

Notes:

Gold production is based on conservative estimates of ore grade, recovery efficiency, and processing capacity.

Revenue is calculated at projected market prices for refined gold bullion and dore bars.

Operating expenses include mining operations, processing plant costs, labor, equipment maintenance, and environmental management.

Marketing and logistics budget ensures proper distribution to domestic and international buyers, as well as compliance with export regulations.

This financial overview demonstrates strong growth potential, with increasing production, higher revenue, and robust profitability as operations scale and gold recovery efficiency improves.

### **1.11 Organization Mission**

To explore, develop, and process high-quality gold ore into market-ready products, employing advanced mining and mineral processing technologies. We are committed to operational excellence, safety, and environmental stewardship, ensuring efficient resource extraction, maximum gold recovery, and sustainable mining practices.

Our mission emphasizes:

- a. Technical innovation in exploration, beneficiation, and refining processes to produce high-value gold products.
- b. Operational efficiency across mining and processing operations, optimizing cost, time, and resource utilization.
- c. Safety and environmental responsibility, adhering to international standards and Tanzanian mining regulations.
- d. Stakeholder value creation, including delivering consistent, high-quality gold products to local and international markets, while supporting community development and economic growth.

### **1.12 Vision Statement**

To be a leading gold mining and mineral processing company in Tanzania and beyond, recognized for technical excellence, sustainable mining practices, and high-quality gold products. We aim to maximize resource value, drive innovation in exploration and processing, and contribute to economic growth, community development, and responsible stewardship of the environment.

### 1.13 Goals and Objectives

- **Ensure Product Quality and Safety**  
Deliver gold products, including refined bullion, dore bars, and concentrates, that meet or exceed international quality and purity standards, ensuring reliability for local and global markets.
- **Drive Innovation in Mining and Processing**  
Continuously adopt and integrate advanced mining technologies, mineral processing techniques, and automation systems to improve gold recovery, operational efficiency, and process safety.
- **Expand Market Reach**  
Grow domestic and international distribution channels to increase the market presence of Idera's gold products.
- **Enhance Customer Satisfaction**  
Provide exceptional technical support, accurate product assays, and timely delivery, building lasting relationships with buyers and refining partners.
- **Promote Sustainability**  
Implement environmentally responsible mining and processing practices, including **waste** management, water conservation, and energy-efficient processing, to minimize environmental impact.
- **Operational Excellence**  
Optimize mining and processing operations **to** increase efficiency, reduce ore loss, and enhance supply chain management, ensuring maximum value extraction.
- **Strategic Development Goals:**
  - Increase gold recovery rates by 10–15% over the next two years through process optimization.
  - Expand production capacity to achieve a cumulative 250 kg of gold output by Year 5.
  - Achieve ISO 9001 (Quality) and ISO 14001 (Environmental) certifications within the next 12 months.
  - Implement state-of-the-art mineral processing equipment to reduce operational costs by 10% over the next two years.
  - Enter at least five new international markets for refined gold products within the next three years.

- Maintain product purity and customer satisfaction above 95% through consistent quality control and technical service.
- Ensure sustainable waste management and energy-efficient processing systems are fully operational by the next fiscal year.

## **2.0 COMPANY OVERVIEW**

### **2.1 Ownership**

Idera Mineral Resources Limited the project of Mining of Gold at Ikungu in Musoma District Mara Region.

## **3. OVEVIEW OF GOLD MINING AND PROCESSING OPERATIONS**

The exploration, mining, and processing of gold form a critical segment of Tanzania's mining industry. This sector contributes significantly to economic growth, employment, and export revenue. Idera Mineral Resources Limited focuses on safe, efficient, and sustainable gold production, delivering high-quality products such as refined gold bullion, dore bars, and gold concentrates to domestic and international markets.

### **MINING AND PROCESSING OPERATIONS**

#### **1. Exploration & Planning:**

Conduct geological surveys, sampling, and resource estimation to identify high-potential gold deposits.  
Develop mining plans and schedules to optimize ore extraction while minimizing environmental impact.

#### **2. Mining & Extraction:**

Utilize modern open-pit or underground mining techniques depending on ore body characteristics.  
Employ heavy machinery, drilling, blasting, and material handling equipment to maximize ore recovery.

#### **3. Ore Processing & Refining:**

**Crushing & Grinding:** Reduce ore to fine particles for efficient extraction.

**Beneficiation:** Separate gold-bearing material using gravity separation, flotation, or leaching techniques.

Refining: Convert concentrates into market-ready gold products, ensuring high purity and compliance with international standards.

#### **4. Quality Assurance & Safety:**

Implement strict **assay and metallurgical testing** to ensure product quality.

Maintain **safety protocols** and environmental compliance throughout all operations.

#### **5. Waste & Environmental Management:**

Treat tailings and manage water and chemical use to minimize environmental impact.

Employ reclamation strategies to restore mined areas responsibly.

### **4. MARKETING AND BUSINESS STRATEGY**

#### **A. Market Segmentation**

**Domestic Market:** Banks, jewelers, and industrial users.

**International Market:** Refiners, investors, and gold trading companies in Europe, Asia, and the Middle East.

#### **B. Positioning Strategy**

Position Idera Mineral Resources Limited as a reliable and high-quality gold producer, committed to sustainable practices, product purity, and international compliance.

#### **C. Product Strategy**

Offer a portfolio of gold products tailored for investment, industrial, and refining markets.

Continuously implement process innovations to improve product quality and recovery rates.

#### **D. Pricing Strategy**

Base pricing on international gold spot prices, purity, and product form.

Offer competitive rates for bulk buyers and long-term partners.

#### **E. Promotion Strategy**

Participate in mining expos, trade fairs, and investor conferences.

Build relationships with refiners, jewelers, and commodity traders.

Maintain transparency through certified assay reports and technical documentation.

#### **F. Distribution Strategy**

Direct sales to domestic and international buyers.

Utilize secure transport and logistics systems to ensure safe delivery of gold products.

#### **G. Customer Retention Strategy**

Provide assay certification, reliable delivery, and technical support.

Engage with buyers to maintain trust and establish long-term partnerships.

#### **H. Competitive Strategy**

Continuously benchmark against regional and international gold producers.

Invest in R&D, automation, and process efficiency to maximize yield and reduce costs.

Uphold brand integrity through consistent product quality and responsible mining practices.

### **5.0 Pricing Strategy**

#### **1. Cost-Plus Pricing**

Establish gold product prices by calculating total production costs, including mining, processing, labor, equipment maintenance, and overhead, then adding a reasonable profit margin.

Suitable for standardized products like refined gold bullion or dore bars with predictable production costs.

#### **2. Market-Oriented Pricing**

Benchmark prices against regional and international gold markets.

Adjust pricing based on market demand, gold purity, product form (bullion, dore, concentrate), and trading reputation.

### 3. Tiered Product Pricing

Develop multiple pricing tiers for different market segments:

Industrial/Refinery Line: Bulk gold concentrates for refineries at competitive rates.

Commercial Investment Line: Refined gold bullion for investors and commercial buyers.

Premium Line: High-purity, certified gold bars for export or high-value investment clients.

### 4. Volume-Based Discounts

Offer bulk purchase pricing and volume discounts for large-scale buyers, including refineries, banks, and international traders.

### 5. Penetration Pricing

Enter new markets with initially competitive pricing to establish presence, gradually adjusting prices as brand reputation and demand increase.

### 6. Promotional Pricing

Offer limited-time pricing or bundled packages for large orders to attract new clients or secure strategic partnerships.

### 7. Geographic Pricing

Adjust pricing based on logistics, regulatory costs, and local market conditions, ensuring competitiveness in domestic and international markets.

### 8. Value-Based Pricing

Price high-quality or certified gold products based on the value delivered to clients, including product purity, reliability, and international compliance.

## 5.2 Customer Segmentation

Domestic Refiners and Industrial Buyers: Require bulk gold concentrates or semi-refined products for further processing.

Investors and Commercial Clients: Seek refined gold bullion for investment, trading, and wealth preservation.

Export Markets: Buyers from international refineries and commodity markets looking for high-quality, certified gold products.

Banks and Financial Institutions: Require reliable and standardized gold products for reserve and trading purposes.

Government and Strategic Partners: Interested in consistent, high-purity gold products for national reserves or economic programs.

### 5.3 Competitive Analysis

Evaluate competitors based on gold recovery efficiency, product quality, certification standards, pricing, and market reach.

Key players may offer high-purity gold, established supply chains, and export capabilities.

Analyze competitors' operational efficiency, environmental compliance, and technological adoption to identify gaps.

Strategic insights from this analysis allow Idera Mineral Resources Limited to differentiate through product quality, reliability, and value-added services.

### 5.4 Competitive Advantage

High-Quality Gold Products: Meeting international assay and purity standards.

Operational Excellence: Advanced mining, processing technologies, and optimized logistics ensure consistent supply.

Innovation: Implementing modern beneficiation and refining techniques to maximize recovery and efficiency.

Customer Service: Transparent transactions, technical support, and certification documentation build trust.

Market Responsiveness: Flexible pricing, tailored bulk packages, and export capabilities enhance appeal.

Sustainability & Compliance: Strong environmental management, safety practices, and adherence to Tanzanian mining regulations strengthen brand credibility.

Establish a base price by calculating total production cost (materials, labor, overhead) and adding a reasonable profit margin.

Suitable for standardized products with stable input costs and established demand.

## 2. Market-Oriented Pricing

Conduct competitive analysis to benchmark prices against key players in the electrical components market.

Adjust pricing based on perceived value, brand reputation, and unique selling points such as design, durability, or smart features.

## 3. Tiered Product Pricing

Develop a multi-tiered pricing structure to serve various customer segments:

Economy Line: Affordable, basic models for cost-sensitive markets.

Mid-Range Line: Reliable, feature-rich products for mainstream use.

Premium Line: Smart, high-end, or designer switches with advanced safety or IoT features.

## 4. Volume-Based Discounts

Offer bulk pricing and volume discounts to wholesalers, retailers, and large-scale contractors.

Implement tiered pricing based on order quantities to incentivize larger purchases.

## 5. Penetration Pricing (for New Markets or Products)

Launch new products or enter emerging markets with temporarily lower prices to quickly build market share.

Gradually increase prices as brand recognition and demand grow.

## 6. Promotional Pricing

Use limited-time offers, seasonal sales, or bundle discounts to attract customers and clear out inventory.

Apply introductory pricing on newly launched products to drive early adoption.

#### 7. Geographic Pricing

Adjust prices based on regional cost differences, logistics, and local purchasing power.

Maintain competitive pricing in developing markets to support expansion.

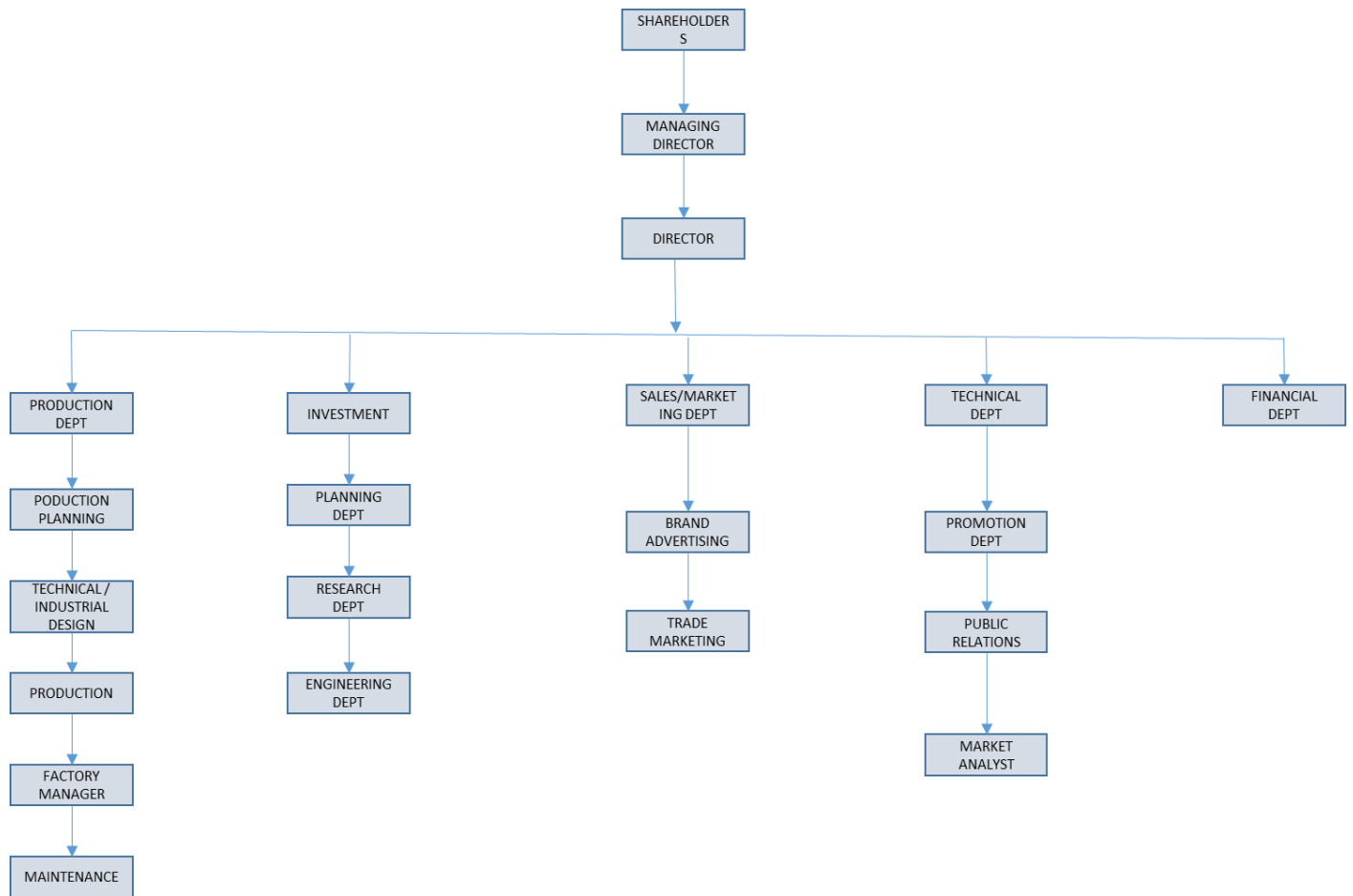
#### 8. Value-Based Pricing

Price high-quality or smart products based on the value they deliver (e.g., energy savings, safety, design appeal), not just manufacturing cost.

Useful for differentiated products in commercial or smart-home segments.

## 6.0 ORGANIZATION AND MANAGEMENT PLAN

### 6.1 Organizational Structure



## 7. MANAGEMENT STRATEGY

The management strategy of Idera Mineral Resources Limited emphasizes building a strong, technically competent leadership team to drive sustainable growth in gold mining and mineral processing. The CEO will oversee strategic direction, including exploration, production, and market expansion, while key managers will handle operations, mining engineering, processing, finance, sales, and technical support.

The company will adopt a flat organizational structure initially to facilitate efficient decision-making, cross-functional collaboration, and rapid response to operational challenges.

### PERFORMANCE MONITORING:

- **Operational Efficiency:** Track ore extraction, processing throughput, and gold recovery rates.
- **Financial Performance:** Monitor revenue, costs, margins, and cash flow.
- **Customer Satisfaction:** Ensure timely delivery, product quality, and adherence to international gold standards.
- **Employee Productivity:** Measure staff performance, safety compliance, and skill development.

Regular performance reviews, incentives, and training programs will support employee growth and technical proficiency. Leadership development is a key priority to ensure a skilled workforce capable of supporting expansion, innovation, and sustainable mining practices.

This management strategy is designed to ensure smooth mining operations, high product quality, customer satisfaction, and long-term success in Tanzania's gold mining sector.

## 8. BUDGET MANAGEMENT

Budget management at Idera Mineral Resources Limited will emphasize financial discipline, efficient resource allocation, and cost optimization across all aspects of gold mining and processing operations. The Finance Manager will oversee the budgeting process, ensuring funds are allocated effectively to support exploration, mining, ore processing, equipment maintenance, safety, environmental compliance, and market expansion.

### Key Elements:

- i. **Monitoring and Reporting:** Regular financial reports will track revenue from gold sales, production costs, operational expenditures, and capital investments, enabling timely decision-making and budget adjustments.
- ii. **Cost Controls:** Implement measures to minimize operational waste, reduce processing costs, and optimize mining efficiency without compromising safety or product quality.
- iii. **Cash Flow Management:** Ensure sufficient funds are available for critical operations, equipment upgrades, and workforce development, while maintaining reserves for unforeseen contingencies.
- iv. **Investment Planning:** Allocate resources for technological upgrades, expansion of processing capacity, and market development, supporting long-term growth.

This approach ensures financial stability, operational efficiency, and sustainable profitability, aligning with Idera Mineral Resources Limited's strategic objectives in Tanzania's gold mining sector.

## 9. TIME MANAGEMENT

Time management will be a key factor in ensuring the successful execution of the project. The company will implement a detailed project timeline with clear milestones and deadlines for each phase, from the initial installation to full deployment and ongoing maintenance. The Operations Manager will be responsible for tracking progress and ensuring that all tasks are completed on schedule. Regular team meetings will be held to address any delays or bottlenecks and adjust timelines accordingly. By prioritizing tasks and setting realistic deadlines, the company aims to optimize productivity, reduce downtime, and ensure that all projects are completed efficiently, helping the business meet its goals in a timely manner.

## 10. RISK MANAGEMENT

Idera Mineral Resources Limited will implement a comprehensive risk management framework to identify, assess, and mitigate potential threats to its gold mining and processing operations. Regular risk assessments will evaluate financial, operational, regulatory, environmental, and market-related risks, ensuring proactive management of uncertainties.

## **Key Strategies:**

- **Operational Risks:** Mitigate risks related to mining accidents, equipment failure, or low ore recovery through preventive maintenance, safety protocols, and staff training.
- **Financial Risks:** Address price volatility, cost overruns, and cash flow challenges by maintaining emergency reserves, hedging strategies, and prudent investment planning.
- **Regulatory and Compliance Risks:** Ensure full compliance with Tanzanian mining laws, environmental regulations, and international certification standards to prevent legal or operational disruptions.
- **Market Risks:** Diversify customer base, establish long-term offtake agreements, and monitor global gold market trends to reduce dependence on single markets or clients.
- **Environmental and Social Risks:** Implement tailings management, water treatment, and community engagement programs to minimize environmental impact and maintain positive stakeholder relationships.

The management team will continuously review and update the risk management plan, ensuring that Idera Mineral Resources Limited remains resilient and prepared for unforeseen challenges. This proactive approach aims to safeguard operations, protect assets, and ensure long-term sustainability in Tanzania's gold mining sector.

## **11. SOCIAL AND ECONOMIC IMPACT OF THE PROJECT**

The gold mining and processing operations of Idera Mineral Resources Limited have significant social and economic impacts at both local and national levels.

### **Social Impact:**

1. Creation of direct and indirect employment in mining, processing, logistics, administration, and technical support roles.
2. Skills development and technical training for local communities, fostering expertise in mining engineering, mineral processing, and environmental management.
3. Community development programs, including infrastructure improvements, health, and education initiatives, enhancing local living standards.

4. Improved occupational health and safety standards, raising awareness of workplace safety in the mining sector.

### **Economic Impact:**

1. Contribution to national GDP through gold production, export earnings, and taxation.
2. Stimulation of the local supply chain, including equipment suppliers, fuel and chemical providers, and logistics services.
3. Enhancement of foreign exchange earnings via export of refined gold products.
4. Promotion of sustainable economic growth through technology adoption, innovation, and operational efficiency.
5. Supports broader resource-based industrial development, encouraging investment in related sectors such as refining, jewelry, and financial services.

## **12. DRIVERS TO INVESTMENT IN GOLD MINING**

Investment in the Tanzanian mining sector is driven by several strategic factors that make it an attractive destination for gold exploration, mining, and processing:

### **12.1 Rising Global Gold Demand**

- Strong demand from investors, central banks, jewelers, and industrial users globally ensures a stable and lucrative market.

### **12.2 Resource Potential**

- Tanzania is geologically rich in gold, with high-grade deposits offering profitable mining opportunities.

### **12.3 Government Policies and Mining Incentives**

- Supportive regulations, mining licenses, and investment protection encourage both domestic and foreign investment.

### **12.4 Infrastructure Development**

- Improved transport, power supply, and logistics infrastructure reduce operational costs and facilitate efficient gold transport.

### **12.5 Technological Advancements**

- Adoption of modern mining and mineral processing technologies increases recovery rates, operational efficiency, and environmental compliance.

### **12.6 Export Opportunities and Market Potential**

- Access to regional and international markets for refined gold products enhances revenue potential.

### **12.7 Environmental and Sustainability Focus**

- Increasing global and local emphasis on responsible mining practices creates opportunities for companies that adopt sustainable approaches.

### **12.8 Stable and Recurring Demand**

- Gold is a globally valued commodity with consistent demand, offering long-term revenue stability and predictable cash flows.

## **13. FINANCIAL ANALYSIS**

### **13.1 Considerations and Assumptions:**

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied. Revenues have been conservatively estimated based on experience of the promoters and trends in the packaging materials products industry.

### **15.2 Project Investment**

The estimated capital investment cost of the project is US\$ **2,500,000** out of which US\$**M1,000,000** will be fixed investment costs.

## **IDERA MINERAL RESOURCES LIMITED COST STRUCTURE**

<b>PARTICULAR</b>	<b>US\$</b>
Land and Buildings	250,000.00
Machinery & Equipment	1,500,000.00
Motor Vehicles	150,000.00
Furniture & Fixtures	20,000.00
Pre exp	0.00
Others	80,000.00
Working Capital	400,000.00
<b>TOTAL</b>	<b>2,500,000.00</b>

For the project to be a reality a total investment amounting to US \$2,500,000 is needed

## Financing pattern

The project will be financed by equity **US\$400,000** and loan **US\$ 600,000**

## Project operating costs

In order to realize its intended objective, the project will have to meet operating cost not exceeding 15% of annual total revenue and 75% of total revenue is cost of sales

## Projected Revenue

For projection purposes, it is assumed that the economic life of the project is five years, and that revenue from the project commences from the first year of operation.

### **IDERA MINERAL RESOURCES LIMITED SUMMARY OF REVENUE "US\$"**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Revenue	2,610,000	2,818,800	3,044,304	3,287,848	3,550,876

## Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 5 years' period. The position depicted is that the project earns profit throughout its life

Accumulated after tax profits grow from. US\$ in first year **154,875** to US\$ in the year 5<sup>th</sup> **858,503**

**IDERA MINERAL RESOURCES LIMITED PROJECTED INCOME &  
EXPENDITURE STATEMENT (US\$)**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Revenue	2,610,000.00	2,818,800.00	3,044,304.00	3,287,848.32	3,550,876.19
<b>Cost of Sales</b>	1,957,500.00	2,114,100.00	2,283,228.00	2,465,886.24	2,663,157.14
<b>Operating Expenses</b>	391,500.00	422,820.00	456,645.60	493,177.25	532,631.43
<b>Profit before Depreciation &amp; Interest</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.40</b>	<b>328,784.83</b>	<b>355,087.62</b>
<b>Interest</b>	24,000.00	180,000.00	16,000.00	6,000.00	-
<b>Depreciation</b>	15,750.00	15,750.00	15,750.00	15,750.00	15,750.00
<b>Gross Profit</b>	<b>221,250.00</b>	<b>86,130.00</b>	<b>272,680.40</b>	<b>307,034.83</b>	<b>339,337.62</b>
Tax (30%)	66,375.00	25,839.00	81,804.12	92,110.45	101,801.29
<b>Profit After Tax</b>	<b>154,875.00</b>	<b>60,291.00</b>	<b>190,876.28</b>	<b>214,924.38</b>	<b>237,536.33</b>
Accumulated Profit	154,875.00	215,166.00	406,042.28	620,966.66	858,503.00

**Projected Cash Flows**

This is shown in the financial statements. The project has a positive end of year cash flow from year 1 US\$**194,625**. of operation to the 5th year US\$ **1,183,25**

**IDERA MINERAL RESOURCES LIMITED PROJECTED CASH FLOWS STATEMENT (US\$)**

	0	1	2	3	4	5
<b>SOURCES:</b>						
Profit before interest and depreciation	0	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.40</b>	<b>328,784.83</b>	<b>355,087.62</b>
Equity	205,000.00					
Loan	300,000.00					
<b>Total Sources</b>	<b>505,000.00</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.40</b>	<b>328,784.83</b>	<b>355,087.62</b>
<b>Applications:</b>						
Capital expenditure	325,000.00		-	-	-	-
working Capital &Others	180,000.00	-	-	-	-	-
Cash	0	194,625.00	256,041.00	222,626.00	256,674.00	253,286.00
Tax	-	66,375.00	25,839.00	81,804.12	92,110.45	101,801.29
<b>Sub total</b>	<b>505,000.00</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.12</b>	<b>348,784.45</b>	<b>355,087.29</b>
<b>Total applications</b>	<b>505,000.00</b>	<b>261,000.00</b>	<b>281,880.00</b>	<b>304,430.12</b>	<b>348,784.45</b>	<b>355,087.29</b>
Accumulate dcash		194,625.00	450,666.00	673,292.00	929,966.00	1,183,252.00

## 9.1 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from US\$**205,000** in the first year of operation to US\$**547,536** in the 5<sup>th</sup> year.

**IDERA MINERAL RESOURCES LIMITED PROJECTED BALANCE SHEET STATEMENT**

(US\$)

<b><u>Fixed Assets</u></b>		1	2	3	4	5
Openin gbalance	-	<b>325,000</b>	<b>290,250</b>	<b>255,500</b>	<b>220,750</b>	<b>186,000</b>
<b>Total Long- term Assets</b>	-	<b>325,000.00</b>	<b>290,250.00</b>	<b>255,500.00</b>	<b>220,750</b>	<b>186,000</b>
<b>Less depreciation</b>	-	15,750.00	15,750.00	15,750.00	15,750	15,750
<b>Closing balance</b>	-	<b>309,250.00</b>	<b>274,500.00</b>	<b>239,750.00</b>	<b>205,000</b>	<b>170,250</b>
Workin gcapital	180,000	180,000.00	180,000.00	180,000.00	180,000	180,000
Accumulate dcash	-	194,625.00	450,666.00	673,292.00	929,966	1,183,252
<b>Total assets</b>	<b>180,000</b>	<b>683,875.00</b>	<b>905,166.00</b>	<b>1,093,042.00</b>	<b>1,314,966</b>	<b>1,533,502</b>
Financed by						
Equity	205,000	310,000.00	310,000.00	310,000.00	310,000	310,000
Net profit	-	<b>154,875.00</b>	<b>60,291.00</b>	<b>190,876.28</b>	<b>214,924</b>	<b>237,536</b>
Total equity	205,000	464,875.00	370,291.00	500,876.28	524,924	547,536
Long term loan	<b>300,000</b>	225,000	150,000	75,000	0	0
<b>Total debts</b>	<b>300,000</b>	<b>225,000.00</b>	<b>150,000.00</b>	<b>75,000.00</b>	-	-
<b>Total equity and debts</b>	<b>505,000</b>	<b>689,875.00</b>	<b>520,291.00</b>	<b>575,876.28</b>	<b>524,924</b>	<b>547,536</b>

## **PROJECTED PAYBACK PERIOD**

Total investment is **US\$2,500,000** cash accumulation in 54<sup>th</sup> years is **US\$683,966** which is more than the initial investment by **US\$ US\$ 17,8966**, the project payback Period is within **3 year**

**IDERA MINERAL RESOURCES LIMITED PROJECTED PAYBACK PERIOD  
STATEMENT (US\$)**

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	<b>154,875.00</b>	15,750.00	170,625.00	170,625.00
2	<b>60,291.00</b>	15,750.00	76,041.00	246,666.00
3	<b>190,876.28</b>	15,750.00	206,626.28	453,292.28
4	<b>214,924.38</b>	15,750.00	230,674.38	683,966.66
5	<b>237,536.33</b>	15,750.00	253,286.33	937,252.99

Projected loan repayment

Total loan is **US\$2,500,000** to be repaid within 4years withinterest of 8%

**IDERA MINERAL RESOURCES LIMITED PROJECTED LONG TERM LOAN  
REPAYMENT**

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
<b>0</b>				
1	75,000	24000	99,000	<b>300,000</b>
2	75,000	18000	93,000	225,000
3	75,000	12000	87,000	150,000
4	75,000	6000	81,000	75,000
5	0	0	0	0
6	0	0		0

## 14. PROJECT MAN POWER AND INVESTMENT

**Management:** The project will be managed by **39** key staffs; the Management Officer will be the Chairperson. Under him/her will be the General manager, the Manufacturing department, the Finance Manager and the Marketing manager.

**Manpower:** The project will have a high -tech installment of machinery and new technology application

### Employees Distribution Summary

<b>Employment</b>	<b>Foreign Skilled</b>	<b>Local Skilled</b>	<b>Local Unskilled</b>	<b>Total</b>
Women	10	15	20	35
Men	20	20	80	120
<b>TOTAL</b>	<b>30</b>	<b>25</b>	<b>100</b>	<b>155</b>

**Training:** All workers inclusive will benefit from the internal training for proper operations, quality and security observance. There will be out-dooring trainings for recommended staffs depending on their working requirements. Generally, the plant will apply sophisticated machinery of high technology, it is through the trainings that the Management team plans to transfer technology and skills to local workers and makeSure, those foreign workers are employed where inevitable.

**Health and Insurance:** The project will provide medical treatments to its workers as per Country policy requirements and will enroll workers to social security institutions as per the country policy too.

## **15. Analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT)**

### **Strengths:**

- High-quality gold products (refined bullion, dore bars, and concentrates) meeting international assay and purity standards.
- Strong operational infrastructure, including mining, processing, and logistics networks ensuring consistent product availability and timely delivery.
- In-house technical expertise and R&D for process optimization, ore beneficiation, and recovery efficiency improvements.
- Competitive cost structure due to efficient mining and processing methods.
- Established relationships with local and international buyers, including banks, jewelers, and refineries.

### **Weaknesses:**

- Dependence on external suppliers for specialized mining equipment or chemicals may affect operational continuity.
- Limited recognition in new international markets for refined gold products.
- Initial high capital investment for advanced processing equipment and environmental compliance.
- Exposure to fluctuations in ore grade and recovery rates, affecting short-term production efficiency.
- Potential delays in adopting the latest mining technologies or automation techniques.

### **Opportunities:**

- Growing for global demand gold, both for investment and industrial purposes.
- Expansion into emerging international markets seeking high-quality, certified gold products.
- Strategic partnerships with refineries, banks, and commodity traders to secure stable offtake agreements.

- Adoption of sustainable and environmentally responsible mining practices to meet global ESG standards.
- Government initiatives supporting mining development, infrastructure, and local beneficiation.

**Threats:**

- Volatility in global gold prices, affecting revenue projections.
- Supply chain disruptions for key mining inputs or equipment.
- Changes in Tanzanian mining regulations, taxes, or environmental compliance requirements.
- Intense competition from regional and international gold producers.
- Economic downturns affecting investment flows and demand for gold in commercial and industrial markets.

## **16. RECOMMENDATION**

To strengthen its position in the Tanzanian gold mining sector, **Idera Mineral Resources Limited** should:

- Invest in advanced mining and processing technologies to improve recovery rates, reduce operational costs, and maintain high product quality.
- Expand into international markets by developing strong marketing, certification, and export strategies to increase visibility and sales.
- Enhance operational efficiency through lean mining practices, workforce training, and process optimization.
- Build strategic partnerships with refineries, banks, and commodity traders to secure long-term offtake agreements.
- Implement sustainable and environmentally responsible practices, including tailings management, water treatment, and energy-efficient operations, aligning with global ESG standards.
- Monitor market trends and regulatory changes proactively to adapt quickly and maintain competitiveness.

This approach will help maximize profitability, ensure long-term operational sustainability, and enhance the company's reputation as a reliable gold producer in both domestic and international markets.