

MAFIA CATERING LIMITED
PO BOX2763 DAR ES SALAAM
PROGRESS REPORT TO JUNE 2023

1. Planned Activities for the period

The project should have been completed during the period mid-2018 to mid-2021 but was held-up by the COVID pandemic and difficulties experienced by one of the project partner companies.

2. Achievements made on the project implementation todate

During 2018 the approvals were granted for EIA and and building as per design and environmental management.

In the second half of the 2018 year the local partner company cleared bush and carefully to ensure preservation of native trees and palms.



3. **Project Financial Expenditure todate:**

	Foreign	Local	Total
Land and Buildings	17,000,000	12,000,000	29,000,000
Plant and machinery	0	0	0
Vehicles/Aircrafts	0	0	0
Furniture	0	0	0
Office equipment	0	0	0
Insurance Cover	0	0	0
Pre-operational expenses	17,500,000		17,500,000
Working sub-total capital			
GRAND TOTAL	34,500,000		46,500,000

4. **Project Financing**

To date the land clearing work (investment), pre-operational costs (annual auditing, land rents), administration and security have all been financed by the local partners.

5. **Problems and Solution**

The foreign partner company (Malindi Investments) experienced financial problems incurred by loss of revenue (and compensation lower than investment) from their investment in Selous Game Reserve (now Nyerere National Park) due to the inundation of the Rufiji Dam. Due to changes in their corporate standing and shareholdings they decided to withdraw from the project.

The local partners have solved this issue by sourcing a new partner investor and final negotiations are in progress with a scheduled start of works on 1st March 2024.

The project will remain as planned architecturally and in terms of market segment and design (ie high-value sustainable tourism market) with all drawings and approvals already in place and accepted by the new investor.

6. **Future Plans**

The local partners will return to the site and commence land clearing on 1st December and prepare the site for works over the next two months.

Temporary on-site accommodation will be established and containers for secure stores for cement and other building materials which have been purchased will be delivered to site.



7. Recommendations and any other comments

The directors are also negotiating with TANROADS to ensure alignment of the road from Kilindoni to Bweni village is moved from its current alignment through the southern boundary of the demarcated land area.

8. Other:

The new partner also has three Embraer 120 aircraft (30 seat) and will establish a flight schedule that links Mafia Island directly to the Zanzibar International Airport flight hub and Nyerere National Park. This is a critical step in the evolution of the Southern Circuit of Tanzania.