



Business Plan : Tanzania Operations

i. Project Objective

Golden Leaf Energy Company Limited will operate two facilities in Tanzania, one in Mkuranga and the second in Tanga. Our facilities will produce cashew nut seed liquid, biochar, ethanol and bio oil. The biochar is under contract and will be supplied to Twiga Cement. The cashew nut seed liquid, bio oil and ethanol will be exported to the US and Europe. The facility in Mkuranga is operational and is currently producing and exporting CNSL. Construction on the Tanga facility will begin on October 27th of this year. Biochar, bio oil and ethanol will be made in Tanga. In our Tanga facility, we will build biochar production units and ethanol production units. For both facilities, the total investment is approximately \$500,000 over the next 12 months.

The raw materials for the project include cashew nutshell, cashew apples na sisal boles where the main sources will be Mkuranga and Tanga region.

Most of the products manufactured at the factory will be for export. However, our biochar, and the motorcycle engine oil will be sold in Tanzania.

ii. The Project Market Plan

Our market plan focuses on identifying and catering to the unique needs of each product. For Cashew nut seed liquid, we are targeting industries looking for high-quality natural ingredients. Ethanol/alcohol market targets local beverage manufacturers, pharmaceutical companies, and small-scale alcohol producers. The motorcycle engine oil market is targeting motorcycle owners and repair shops, with competition from established oil brands. Biochar will serve the agricultural sector, competing with traditional fertilizers and soil amendments. Develop an online sales platform for smaller businesses and end consumers.

To penetrate the market, our marketing strategy will involve several key elements. First, we will invest in branding and advertising, highlighting the benefits of our products, such as sustainability, quality, and affordability.

iii. Details of Investment costs

The Investment costs of the project are highlighted below.

Land/Building	- \$95,000
Plant	- \$200,000
Vehicles	- \$100,000
Furniture and Fittings	- \$15,000
Working Capital	- \$85,000
Total Investment Cost	- \$500,000



iv. Source of Finance

The initial funding source is direct foreign investment from the American partner, Golden Leaf Energy, Corporation. Subsequent funding will come from company contracts and receipts. At capacity, the project will generate \$12,000,000 per year in foreign exchange.

v. Market study of the products or services to be produced.

Tanzania is a significant producer of cashew nuts, and there is a growing interest in extracting value-added products from cashew nuts, including cashew nut shell liquid. The demand for this product is increasing, driven by its use in the industry. Local producers have entered the market. Competition is moderate, with opportunities for innovative products and marketing strategies. Compliance with food safety and quality standards is essential.

Ethanol is used in various industries, including pharmaceuticals, beverages, and as a fuel additive. The demand is expected to rise due to increased industrialization and a growing awareness of renewable energy sources. The market has local distilleries and importers. Competition is moderate, and prices are influenced by government policies. There is a potential for growth in the production of ethanol, especially as the government supports biofuel initiatives and policies to reduce dependence on fossil fuels.

The demand for motorcycle engine oil is directly tied to the number of motorcycles on the road. Tanzania has a significant and growing motorcycle population, making it a promising market. Multiple national and international oil companies operate in Tanzania. The market is competitive, and brand recognition is essential. The motorcycle engine oil market has the potential for growth as the motorcycle population continues to rise. Additionally, demand for high-quality and environmentally friendly products is growing.

Biochar is an organic material used in agriculture for soil enhancement. The demand for biochar is increasing due to its benefits in improving soil quality and carbon sequestration. The market is relatively new in Tanzania, offering opportunities for early entrants. However, competition could increase with more awareness of biochar's benefits. The biochar market in Tanzania has significant growth potential as sustainable agriculture practices gain prominence and environmental awareness increases.

vi. Project production capacity.

The Mkuranga facility has a capacity of four containers (80 tons) of cashew nut seed liquid per month and currently employs 11 people.

The Tanga facility will have a capacity of 10,000 tons of biochar, 7000 tons per month of bio oil, and 20,000 liters of ethanol per month. The tanga facility will employ 250 people at capacity.

vii. Statement of commitment on environmental protection



We are dedicated to sourcing raw materials for our products, such as cashew nut seeds and biomass for biochar, in a manner that promotes sustainability. We work closely with local farmers and communities to implement responsible harvesting practices, ensuring minimal impact on local ecosystems. We employ state-of-the-art technologies and practices to control emissions from our manufacturing facilities. This includes the installation of efficient pollution control systems to mitigate air and water pollution. Our commitment to environmental protection is not just a statement but a core part of our corporate culture.

viii. Proposed project implementation schedule

Below are the expected product availability dates for all products under development.

- | | | |
|----------------------------------|---|---------------|
| 1. CNSL (Cashew nut seed liquid) | – | Available now |
| 2. Ethanol/alcohol | - | November 2023 |
| 3. Motorcycle engine oil | - | November 2023 |
| 4. Biochar | - | November 2023 |

ix. Employment Creation

GLE has already hired a country manager, one business administrator and three chemical engineers, and three technicians. We will need to continue to hire as our operation grows. We expect to add another five engineers and a dozen technicians to our payroll in the coming months.

x. 5-year revenue projections have been shown below

2023	\$275,000
2024	\$12,000,000
2025	\$18,000,000
2026	\$23,000,000
2027	\$23,000,000