

1. EXECUTIVE SUMMARY

This writeup represent the extract of the Gold Processing business component from the main Feasibility study for Long Reef Resources Ltd Gold Mining Company which is a legally incorporated mining company based in Nyang'hwale district, Geita Region in Tanzania. Currently, Long Reef Resouces Gold Mining Company has one gold prospecting license at Plot No:47/3, Isondo/Mwakuli village, Nyugwa/Bukimba Nyangwale District.

As a matter of fact, this business plan is our business forecast for the gold minerals processing component of the company for the next five years. In fact, it is our administration and mining operation manual for the period covered. In this plan are our company profile, products, production flow chart, and our market and marketing strategies.

The feasibility analysis of our operation for the period under consideration are also covered here. So, the feasibility analysis covers all the cost of operation, marketing, and turnover forecast. All of these are finally presented in the company income statements for projected gross income and net profit propositions. The balance sheet and the cash flow statement speak volume for our capacity to operate seamlessly without any financial hitch in the next three years.

Our Vision Statement

Furthermore, our vision as a gold mining and processing company is to own more gold mines in the Lake zone geopolitical zone of Tanzania. We want to become the number one brand in the gold mining industry in this geopolitical zone.

Mission Statement

In fact, establishing a world class gold mining and processing company in Tanzania is our goal. Therefore, we want to build a gold mining company that will be listed amongst the top 10 gold mining companies in Africa.

Project ownership

	Shareholder	Nationality	Stake
1.	Mohyadini Mohamed Hussein	Tanzanian	51% (5,100 shares)
2.	Noor Hussein Mohamud	Kenyan	5% (500 shares)
3.	Mustafa Nooh Hussein	British	5% (500 shares)
4.	Mohamed Mahmoud Gedi	British	2% (200 shares)
5.	Unallotted	Tanzania	37%

Our Business Structure:

As a matter of fact, we know that to establish a world class gold mining company our organisation must have in place a standard corporate governance structure. Such structure that are hierarchically linked right from the board of directors to the least

commanding officer in the company. Therefore, we have perfected plans to get it right from the onset. In this wise, we have gone the extra mile to ensure that we have only competent employees to occupy all the available positions in our company.

In view of that, we have decided to hire qualified and competent hands to occupy the following positions in Long Reef Resources Gold Mining Company.

- Chief Executive Officer – Principal Director
- Gold Mine and Processing Manager – an incorporated second director.
- Human Resources and Admin Manager
- Sales and Marketing Officer
- Accountants/Cashiers
- Gold Mining Casual Workers
- Truck Drivers
- Customer Service Executives

2. GOLD ORE BENEFICIATION INVESTMENT FINANCING AND BREAKDOWN

	Investment Item	USD
1	Land and Building	
2	Plant and Machinery	\$450,000
3	Vehicles-Trucks, & Trailers	\$50,000
4	Furniture and Fittings	
5	Pre-Expenses	
6	Others	
7	Working Capital	
	Total	\$500,000

The project financing will be 100 per cent equity financed where the Tanzanian shareholder Mr Mohyadini Mohamed Hussein is contributing land and Prospecting licence and the foreign shareholders will contribute the financial resources amounting to USD 500,000

3. OUR PRODUCT & SERVICES

In addition, Long Reef Resources Gold Mining Company is established with the aim of maximizing profits in the gold mining and value addition industry (Gold ore beneficiation). Therefore, we have taken time to define our products and services. In fact, with efficient management team in place, we are sure that our products are going to be of high standard.

As a matter of fact, we will work hard to ensure that Long Reef Resources is not just accepted in Tanzania and Africa alone but globally. Therefore, our products are listed below;

- Gold ore mining;
- Gold ore beneficiation-To be registered by the Tanzania Investment Centre
- And gold bullion, ore and concentrates
- Gold mining Consultancy Services

4. THE MARKET

Furthermore, the market trend is encouraging. In fact, gold mining in Tanzania has shown to be a lucrative business. Ghana has continued to maintain the market lead in Africa for a long time and up to now. South Africa is another major producer in the Africa. Until recently, Tanzania's gold-mining industries may be considered number three in Africa but had witnessed poor investment in the recent years. It failed to operate as well-oiled machines. In fact, the miners have not considered it wise to put forth sizeable capital towards exploration and development. But with recent government policy and legal reforms and incentives in place, exploration will be successful and will extend to renewing and growing the reserves that were being mined.

In fact, it's hoped that a continual expansion and new development of mining sites will be sustained leading to growth in production. It is common trend in the gold ore mining line of business to find mining companies positioning for business in locations and communities where they can easily have cheap access to mines and labour. This policy is like an industrial standard. It actually, enables miners make profits and maintain overhead and logistics.



ARTISANAL GOLD MINING

Furthermore, is that there is an industrial trend in this line of business. That is, that most registered and well-organized mining companies look for market beyond their locations, region or country. In fact, they enjoy economies of scale and with that ensure that they strike business deals with leading jewelry making companies globally beyond the countries of their operation. This is because if one becomes a vendor to one or more jewelry making giants in USA or other countries of the world, one will always smile to the bank.

5. MARKETING STRATEGIES

In the light of the above, we have to define our target market. Indeed, when it comes to supplying product from gold mines, there must be a well-defined market. This goes to show that the target market for raw gold is far reaching. In view of the above, we have conducted our market research to take care of this. Now, we have ideas of what our target market would be expecting from us. In actual fact, we are in business to engage in supply of raw gold to the following organizations;

- Gold merchants
- Jewelry production companies
- Electronic components manufacturing companies
- Art and culture companies
- Government agencies for promotional purposes

Our Competitive Advantage:

Some of our competitive advantages include:

- availability of resource,
- ability to forward sell production when appropriate and
- the ability to comply with environmental laws.
- vast experience of our management team
- robust distribution network
- excellent customer service culture
- taking care of our personnel welfare and working conditions. package

As a matter of fact, we have these competitive advantages through our ability to prepare detailed analysis of the demographics of our surrounding areas and the nature of our existing competitors. In fact, we also have in place workable strategies to remain afloat even when new competitors enter our market at any time.

Marketing Strategies:

Our marketing strategies include:

- Cause Marketing.
- Direct Selling.
- Co-Branding and Affinity Marketing.
- Point-of-Purchase (POP) Marketing.
- Internet Marketing.
- Paid Media Advertising.
- Word of Mouth Advertising.

Milestone:

This is our operational checklist. We intend to adhere to it to achieve our goals.

- Business Name Availability Check-Done
- Business Registration-Done
- Obtaining TIN-Done

- Opening of Corporate Bank Accounts – Regular & Mobile Money Accounts and Online Payment Platforms
- Application for mining license and permit to mine, process and market gold
- Insurance for the Business
- Leasing essential facilities and renovating them
- Conducting Feasibility Studies
- Generating capital from company members, Loan from the bank,
- Writing of Business Plan

Further timelines;

- Drafting of Employee’s Handbook
- Drafting of Contract Documents and other relevant Legal Documents
- Design of The Company’s Logo
- Printing of Promotional Materials
- Recruitment of employees
- Procurement of the needed gold mining machines and equipment, furniture, racks, shelves, computers, electronic appliances, office appliances and CCTV
- Creating Official Website for the Company
- Creating Awareness for the business both online and around the community

Additional time lines;

- Health and Safety and Fire Safety Arrangement (License)
- Launching party planning
- Establishing business relationship with Jewellery production companies and other stakeholders
- Purchase of tippers and delivery trucks
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6. PROJECTED FINANCIAL STATEMENT-INCOME STATEMENT

Revenue		2023	2024	2025	2026	2027
	Sales revenue	310,000	341,000	375,100	412,610	453,871
	(Less sales returns and allowances)		-	-	-	-
	Service revenue	70,000	77,000	84,700	93,170	102,487
	Interest revenue					
	Other revenue					
Total Revenues		380,000	418,000	459,800	505,780	556,358
Expenses						
	Advertising	1,000		1,000		1,000
	Bad debt					
	Commissions					

Revenue		2023	2024	2025	2026	2027
	Cost of goods sold	65,000	63,000	44,100	30,870	21,609
	Depreciation					
	Employee benefits					
	Furniture and equipment		8,000			
	Insurance	5,000	5,000	5,000	5,000	5,000
	Interest expense					
	Maintenance and repairs	21,500	21,500	21,500	21,500	21,500
	Office supplies					
	Payroll taxes (25)	2,200	2,200	2,354	2,519	2,695
	Rent					
	Research and development					
	Salaries and wages	55,000	55,000	58,850	62,970	67,377
	Software					
	Travel					
	Utilities	25,000	28,000	31,360	35,123	39,338
	Web hosting and domains		1,500			
	Other	17,460	19,206	21,127	23,239	25,563
Total Expenses		192,160	203,406	185,291	181,221	184,083
	Net Income Before Taxes	187,840	214,594	274,509	324,559	372,275
	Income tax expense	56,352	64,378	82,353	97,368	111,683
Income from Continuing Operations		131,488	150,216	192,157	227,191	260,593
Below-the-Line Items						
	Income from discontinued operations					
	Effect of accounting changes					
	Extraordinary items					
Net Income		131,488	150,216	192,157	227,191	260,593