

## **EXTRA ORDINARY BOARD MEETING AT THE MAIZE MILL SITE –KISESA ON THE 20<sup>th</sup> JUNE 2023**

Attendance;

1. Dr .Cuthbert S.Kivuyo, Board chairman
2. Mr Arip C Joel, Board Secretary
3. Mrs Sinyati Solomon, member
4. Mrs Neema K Mhada, member
5. Mr Fred Mariki, member

Absent

Ms. Joyce N Kivuyo, board member, was away and has given concert of representation by the chairman.

Agenda;

1. Opening of the meeting
2. A brief development of the maize milling operation
3. Discuss the terms and conditions of the offer letter for a loan of Tsh 500, million, from TADB, the Agriculture Bank, and also the registration with Tanzania Investment center
4. Using shareholders land to implement the project
5. Closing

Agenda no 1;

The chairman opened the meeting at 11:26 ,by welcoming the members and thanking them for the good attendance .One member was not able to attend but has given her concert to the chairman to represent her. He informed them that their inputs will be needed , so as to make sure the company proceed well, for the prosperous future .

Agenda no 2;

A brief development of the company

The company has successfully installed the maize mill plant at the Kanyama Kisesa site, and was successfully tested. The only problem is that the power from TANESCO is not enough, and a private transformer is needed, and the company is working for it.

We have agreed with TANESCO to replace the Kanyama 100 KVA transformer with a 350KVA transformer, so that we can get enough power at the village, and that we shall be able to run our New Maize mill using it.. We have been informed by Tanesco that, the new transformer was put in place at the end of May 2023, so we are ready for our new operationThe fund requested is Tsh 500 million, which will be used as follows

1. Tsh 200 million will go to the 1000 ton silo importation and installation
2. Tsh 250 million will go into the purchase of maize ,the raw material.
3. Tsh 50 million will go into operational costs, including printing and purchaising packaging material/ bags for the flour packaging, registration process of flour at TBS, initial salaries for the mill workers and other small issues which may arise.

It was emphasized that the loan is for the start up. When we go well with the business, more money will be required for purchasing of more maize. The 250 million allocated to purchase maize, can purchase an average of 500 tons of maize, which is a two week processing capacity. So we see that at least we need six month processing capacity which is about 6,000 tons of maize. This means, we shall need more silos, in the future, once we get access to export of maize flour, and then we can see how we can get more loan from the different available sources.

The hatchery and breeder farm, which were previously been closed following the Covid-19 pandemic problems, will be reopend after the start of the maize milling process, as the company will get maize bran for making feeds for the chicken farm. It is expected the hatchery to reopen in early 2024.

The new government, is making good contacts with the neighbouring countries, and coupled with the African Trade Agreements, which are really the markets we will be targeting, as our processing plants are medium production capacities, which warrants us for export .

Agenda no 3;

Accepting terms and conditions for the loan

The company is using the mortgage over the landed property on plot no 88 and 89, block (A ) located at kanyama Kisesa, which is valued at Tsh 500 million on the previous valuation report . The plots belongs to the company chairman , and the board has accepted to use it for the project, because it was noted that the co shareholder is the daughter of the chairman, and they work together.

PASS is providing a guarantee of 60% of the loan facility value. Also AGRA will guarantee, 30% of the value of the silos. These surpass the value of the loan and in any case, more discussions will be open for both parties, for adjustments and possible more funding in the future depending on our performance.

After the discussion, it was agreed by all members that, the terms and conditions of the offer letter are accepted, and we can proceed with the loan procurement.

After processing the loan, it was agreed to be withheld, until we can get sufficient power at the plant, which we have managed to get.

It was also agreed that the new project should go ahead with the registration with The Tanzanian Investment center, (TIC) following getting enough electric power from Tanesco, to run the plant. It was noted that there are tax incentives which will be obtained and access to export markets for the finished product will be available

Agenda no 4.

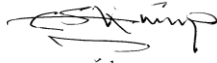
It was agreed that shareholders land located in Plot No 88 and 89 Block A Bukerebe (Kisesa Trading Centre) to be used for implementing a project as well as to be presented as evidence of land to Tanzania Investment Centre

It was informed that the company plans to move the feed mill equipments, the pellet mill and Extruder to the Kisesa maize mill site, so that the administration and supervision of the production will be made easy .

Agenda no 5;

Closing the meeting

The meeting was closed at 14:20 hrs, by the chairman, thanking the members for coming and contributing well for the better future of the company.



Signed -----

Dr . Cuthbert S. Kivuyo  
Chairman

A.C.Joel  
Mr Arip C Joel  
Board secretary