

# Executive Summary

## **SADANA AGRO AND MINING GROUP LIMITED**

### **Small-Scale Mining**

**Location: KONDOA DISTRICT, ISUSUMIYA VILLAGE**

**11/01/2024**

### **Overview**

SADANA AGRO AND MINING GROUP LIMITED, is a small-scale venture wholly-owned by Tanzanian shareholders, dedicated to responsibly extracting and providing high-quality minerals to meet market demands. With a commitment to environmental sustainability and ethical mining practices, we aim to contribute to both local economies and global industries.

### **Mission Statement**

SADANA AGRO AND MINING GROUP LIMITED, our mission is to conduct small-scale mining operations with integrity, emphasizing environmental responsibility, community engagement, and the production of sought-after minerals.

### **Legal Structure**

Our business operates as a Limited Liability Company (LLC), ensuring legal compliance and providing a structured framework for growth and sustainability. We adhere to all local and national regulations governing small-scale mining operations.

### **Products/Services**

Our mining operation supplies industries such as construction industry, manufacturing, and mega infrastructure with essential raw materials. These minerals have applications in cement and steel production etc. ensuring a steady demand for our products.

### **Market Analysis**

In-depth market research reveals a growing demand for iron ore due to increasing industrial needs and technological advancements.

## SWOT Analysis

**Strengths:** Experienced team, sustainable mining practices.

**Weaknesses:** Limited capital for expansion, reliance on market fluctuations.

**Opportunities:** Emerging markets, technological advancements.

**Threats:** Regulatory changes, global economic downturns.

## Operations Plan

Our day-to-day operations involve heavy equipment, manpower, and efficient extraction processes. Safety measures are paramount, and we prioritize ongoing training to ensure the well-being of our workforce. Detailed schedules and contingency plans will be in place to optimize production.

## Environmental Impact

Conducting an environmental impact assessment, SADANA AGRO AND MINING GROUP LIMITED is committed to minimizing its ecological footprint. Measures include the use of eco-friendly technologies to mitigate environmental impact. SADANA AGRO AND MINING GROUP LIMITED is in the process of obtaining the necessary permits.

## Financial Plan

Our financial projections outline startup costs, operational expenses, and revenue forecasts. We anticipate breaking even within 24 months of operation and achieving profitability shortly thereafter.

## Risk Management

Risks associated with our mining operation include [Specify Risks], and we have implemented strategies such as [Risk Mitigation Strategies] to minimize their impact. Regular reviews and adjustments to our risk management plan will be conducted to adapt to changing conditions.]

## Conclusion

In conclusion, SADANA AGRO AND MINING GROUP LIMITED is poised for success as a responsible and sustainable small-scale mining venture. Our commitment to ethical practices, environmental stewardship, and operational excellence positions us as a reliable supplier in the industry. We look forward to contributing to economic growth while safeguarding the environment for future generations.

## Company Overview

Business Name: Sadana Agro and Mining Group Limited

Certificate of Incorporation of Company No: 169422133

Date of Incorporation: 18<sup>th</sup> October 2023

TIN Number: 169-422-133

VRN: 40-314857-Q

VRN Effective Date: 8<sup>th</sup> January 2024

Shareholders: Salim Abdallah Dhiyebi (90%) – 19450111-71103-00001-27

Tariq Adil Dhiyebi (10%) - 19800606-11103-00001-23

PMLs: 3975DOM – 3980DOM issued on 27<sup>th</sup> December 2023

Location: Isusumya area in Kondoa District

Total Area: 58.05 Hectares/ 143.44 Acres

# Market Analysis of the Iron Ore Industry

## Introduction:

The iron ore industry serves as the primary raw material for steel production, a crucial element across various industries. A detailed market analysis of the iron ore sector is essential for comprehending the multifaceted factors influencing supply, demand, and pricing dynamics.

## Supply Landscape:

China, the world's largest consumer of iron ore, maintains substantial domestic production, yet its demand far surpasses what domestic sources can provide, leading to significant imports. India, actively working to enhance production and reduce dependency on imports, contributes to the global supply chain.

## Demand Drivers:

The fundamental driver of iron ore demand remains the global steel industry. Sectors such as construction, automotive, and infrastructure heavily rely on steel, and their growth directly influences iron ore demand. Economic development, urbanization, and government-led infrastructure projects are pivotal factors shaping steel demand and, consequently, iron ore.

## Price Trends:

Iron ore prices are subject to volatility due to diverse factors, including supply disruptions, changes in demand, geopolitical events, and macroeconomic trends. The robust demand for steel in China significantly influences global iron ore prices. Moreover, supply disruptions from major producers can lead to price spikes. The market is presently exhibiting a period of continuous rising of prices driven by strong demand.

## Risk Assessment

Small-scale iron ore mining operations face inherent risks that demand careful consideration. Geological instability, including slope failures, and variability in ore quality pose immediate threats. Environmental risks such as water and soil contamination require rigorous management through proper water control systems and erosion prevention measures.

Navigating regulatory hurdles, including permitting delays and compliance costs, is crucial. Stringent health and safety protocols must be in place to protect workers from dust, noise, and machinery-related risks. Accidents and injuries, along with potential market fluctuations, further emphasize the need for contingency planning and diversification strategies.

To ensure sustainable and responsible operations, small-scale mining ventures must conduct regular risk assessments, engage with local communities, and adhere to regulatory standards. By addressing these risks systematically, mining operations can enhance their resilience, contribute positively to local economies, and uphold industry standards in a cost-effective manner.



**FINANCIAL PLAN****Income Statement:**

<b>YEAR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Revenue	2,000,000,000.00	2,180,000,000.00	2,376,200,000.00	2,590,058,000.00	2,823,163,220.00
Expenses	1,816,000,000.00	1,979,440,000.00	2,157,589,600.00	2,330,196,768.00	2,516,612,509.44
<b>Net Income/Profit</b>	<b>184,000,000.00</b>	<b>200,560,000.00</b>	<b>218,610,400.00</b>	<b>259,861,232.00</b>	<b>306,550,710.56</b>

**FINANCIAL POSITION (BALANCE SHEET)**

<b>YEAR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Current Asset	50,000,000.00	61,250,000.00	75,031,250.00	91,913,281.25	112,593,769.53
Non-Current Asset (Fixed Asset)	265,000,000.00	304,750,000.00	365,700,000.00	457,125,000.00	594,262,500.00
Current Liabilities	-	-	-	-	-
Long term Liabilities	-	-	-	-	-
<b>Owner's Equity</b>	<b>200,000,000.00</b>	<b>332,375,000.00</b>	<b>504,068,750.00</b>	<b>719,990,188.00</b>	<b>985,558,566.00</b>

**STATEMENT OF CASH FLOW PROJECTION:**

<b>DESCRIPTIONS</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>CASH INFLOW:</b>					
Revenue	2,000,000,000.00	2,100,000,000.00	2,205,000,000.00	2,216,025,000.00	2,227,105,125.00
Collections from Debtors	-	-	-	-	-
Loan from Bank	-	-	-	-	-
<b>Total Cash Inflow</b>	<b>2,000,000,000.00</b>	<b>2,100,000,000.00</b>	<b>2,205,000,000.00</b>	<b>2,216,025,000.00</b>	<b>2,227,105,125.00</b>
<b>CASH OUTFLOW:</b>					
Purchases of Property, Plant & Equipment	350,000,000.00	343,000,000.00	339,570,000.00	342,965,700.00	346,395,357.00
Drilling and Blasting Operation	170,000,000.00	170,000,000.00	181,900,000.00	181,900,000.00	190,995,000.00
Salaries and Wages	272,400,000.00	272,400,000.00	277,848,000.00	283,404,960.00	289,073,059.20
Rent	45,400,000.00	45,400,000.00	45,400,000.00	45,400,000.00	45,400,000.00
Printing and Stationaries	1,816,000.00	1,816,000.00	1,997,600.00	2,197,360.00	2,197,360.00
Telephone, Postage and Internet	5,448,000.00	5,175,600.00	5,175,600.00	5,720,400.00	5,720,400.00
Fuel and Maintenance	399,520,000.00	399,520,000.00	399,520,000.00	399,520,000.00	399,520,000.00
Travelling and Accommodation	127,120,000.00	127,120,000.00	127,120,000.00	127,120,000.00	127,120,000.00
Bank Charges	3,632,000.00	3,632,000.00	3,632,000.00	3,632,000.00	3,632,000.00
Professional Fees	18,160,000.00	16,707,200.00	16,707,200.00	16,707,200.00	16,707,200.00

Utilities	81,720,000.00	81,720,000.00	77,634,000.00	73,752,300.00	73,752,300.00
Royalties and Taxes	200,000,000.00	200,000,000.00	224,000,000.00	224,000,000.00	224,000,000.00
Legal Processing Fees	27,240,000.00	25,197,000.00	23,559,195.00	23,559,195.00	23,559,195.00
Miscellaneous Expenses	50,848,000.00	48,305,600.00	45,890,320.00	47,542,880.00	45,165,736.00
Other Administration Expenses (Director Fees	160,000,000.00	168,000,000.00	176,400,000.00	177,282,000.00	178,168,410.00
Advertising and Marketing	20,000,000.00	20,000,000.00	20,000,000.00	24,000,000.00	24,000,000.00
Insurance and Permit	90,800,000.00	90,800,000.00	92,025,800.00	92,025,800.00	92,025,800.00
<b>Total Cash Outflow</b>	<b>2,024,104,000.00</b>	<b>2,018,793,400.00</b>	<b>2,058,379,715.00</b>	<b>2,070,729,795.00</b>	<b>2,087,431,817.20</b>
<b>Net Cash Inflow/(Outflow)</b>	<b>(24,104,000.00)</b>	<b>81,206,600.00</b>	<b>146,620,285.00</b>	<b>145,295,205.00</b>	<b>139,673,307.80</b>
Balance b/f	50,000,000.00	25,896,000.00	107,102,600.00	253,722,885.00	399,018,090.00
<b>Balance c/f</b>	<b>25,896,000.00</b>	<b>107,102,600.00</b>	<b>253,722,885.00</b>	<b>399,018,090.00</b>	<b>538,691,397.80</b>

MANAGING DIRECTOR