

AMKASS GOLD MINING LIMITED

BUSINESS PLAN

**TIC REGISTRATION OF A GOLD PROCESSING AND
MINING PROJECT**



NOVEMBER 2024

A: EXECUTIVE SUMMARY

AMKASS GOLD MINING LIMITED is a local company owned by a Tanzanians. It was registered under the laws of the United Republic of Tanzania with effect from October 4th, 2024. Its authorized share capital is **TShs. 1,000,000,000** divided into **100,000 ordinary shares** of **TShs. 10,000** each. The authorized share capital is an equivalent of about USD 272,000. The company is headquartered in Dar es Salaam.

The company plans to invest in a gold processing and mining project. This is a 5 year project which will be located in the Songwe region of Tanzania. The expected value of the investment is **USD 5,000,000**. Of the investment capital **USD 4,815,000** is fixed capital while **USD 185,000** is working capital. At full capacity (during year 5) the project is expected to be producing gold amounting to **300 Kilograms** per year.

The project is expected to add value to Tanzania's economy by directly employing a total of **138 locals** and **12 foreigners**, and generate approximately **1,000 indirect jobs**. In addition, it will contribute to community development via CSR, pay taxes to the government, and grant business to local SMEs.

Upon thorough analysis of the business idea the Investors have decided to invest in the gold processing and mining project and this plan is meant to be submitted to Tanzania Investment Centre for registration of the project. The aim is to enjoy the incentives given by TIC.

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1.0 COMPANY INTRODUCTION

1.1 Company Background

AMKASS GOLD MINING LIMITED is a local company registered under the laws of the United Republic of Tanzania. It was issued with Certificate of Incorporation (COI) No. 178522620 of October 4th, 2024. For tax purposes the company has been issued with TIN No. 178-522-620. The offices of the company are located on Plot No. 575 Block 44 Mindu Street in Upanga, Kinondoni Dar es Salaam.

1.2 Vision

Vision Statement: To be a leading provider of responsibly sourced gold, promoting sustainable mining practices that benefit our community and the environment.

1.3 Mission

Mission Statement: To operate a profitable gold mining and processing business while maintaining high standards of safety, environmental responsibility, and community involvement.

1.4 Goals and Objectives

- Achieve gold production of X ounces per year within the first three years of operation.
- Establish a processing facility with a capacity of Y tons per day.
- Attain environmental certification from relevant authorities by the second year.

1.4 Shareholding

AMKASS GOLD MINING LIMITED is a local Company whose shareholders are all Tanzanian. It has an 100% Tanzanian ownership. Its authorized share capital is Shillings 1 Billion (**1,000,000,000/=**), divided into One Hundred Thousand (**100,000**) Ordinary Shares of Tanzania Ten Thousand (10,000/=) each. The authorized share capital is equivalent to about **USD 372,000**. Of the authorized shares only 0.05 have been taken as shown in **Table 1** below.

Table 1: Shareholding Structure

S/N	Names	Nationality	Shares Taken	% Stake
1	Kassim Mohamed Said	Tanzanian	20	0.02
2	Fayyed Kassim Said	Tanzania	10	0.01
3	Amani Venance Lyapembile	Tanzania	20	0.02
4	Reserved		99,950	
	TOTALS		100,000	0.05

2.0 MARKET ANALYSIS

This section reviews the market status for gold in Tanzania and beyond. It covers the status-quo of the market, SWOC analysis, and PESTEL analysis as well as market strategy for the product.

2.1 Status Quo of the Market

Gold is a precious metal that is used in jewelry, electronics, and other products. Gold are a part of Precious stones, metals, & pearls. They include Gold in unwrought forms non-monetary, Gold, semi-manufactured forms, non-monetary, and Gold powder non-monetary. It is also used in the production of dental alloys. In 2018 the average tariff for Gold was 5.1%, making it the 818th lowest tariff using the HS4 product classification. Gold ranks 1,018th in the Product Complexity Index (PCI).

Globally, in 2021, Gold was the world's 7th most traded product, with a total trade of USD 434 billion. Between 2020 and 2021 exports of gold grew by 2.14%, from USD 425 billion to USD 434 billion. Trade in gold accounts for 2.06% of total world trade.

In 2021 the top exporters of Gold were Switzerland (USD 86.7 billion), United Arab Emirates (USD 32.8 billion), United Kingdom (USD 29.7 billion), United States (USD 26.6 billion), and South Africa (USD 20.1 billion). In terms of imports, in 2021, the top importers of Gold were

Switzerland (USD 83.8 billion), India (USD 58.4 billion), United Kingdom (USD 53.9 billion), United Arab Emirates (USD 46 billion), and China (USD 34.2 billion).

Locally, gold is the leading export for Tanzania, among the top exports of Tanzania are Gold (USD 3.14 billion), Raw Copper (USD 815 million), Dried Legumes (USD 321 million), Rice (USD 315 million), and Refined Copper (USD 224 million). These are exported mostly to India (USD 1.86 billion), United Arab Emirates (USD 1.34 billion), South Africa (USD 922 million), Switzerland (USD 568 million), and Kenya (USD 480 million).

2.2 Potential Demand

- ❖ The huge insatiable markets of Switzerland, India etc
- ❖ The government's move to back the Tanzanian Shilling with gold
- ❖ Thriving local market for gold
- ❖ The ever growing demand from jewelers as driven by demand for jewelry in the country and in the neighboring countries.

Competitor Analysis:

There are giant companies dealing with gold mining and processing in the country. These, however, do not operate in areas of relatively small scale gold mining like Songwe. As such, they pose no much risk to the company's business.

Market Trends:

The market for gold is growing and flourishing. Global trade in gold has been growing steadily, dominating the value of global trade. Locally, the trade comprises of the highest exports value for Tanzania. The trends are promising.

2.3 SWOC Analysis

This sub-section covers the analysis of the overall manufacturing business in the country, and where necessary it covers the analysis for the specific product – gold and its products.

<p>INTERNAL STRENGTHS</p> <ul style="list-style-type: none"> ✓ The promoters of the company have enough muscle to fund the project as their equity amounts to 100% of the financing. ✓ The company also has got staffs that are experienced in the trade of gold mining and processing. ✓ The management is well acquainted with the general Tanzanian market and specifically with gold. ✓ The company, although not much experienced in the Tanzanian market, has engaged seasoned staff 	<p>INTERNAL WEAKNESSES</p> <ul style="list-style-type: none"> ✓ The project focuses only on gold mining and processing, and is not diversified. ✓ The company is new to the Tanzanian market but it uses experts in the mining and processing of gold.
<p>ENVIRONMENTAL OPPORTUNITIES</p> <ul style="list-style-type: none"> ✓ Integration of African nations reduces trade and transport hurdles and provides a wider market ✓ Tanzania provides incentives for investment projects ✓ Good business environment in Tanzania ✓ Tanzania moves to back its currency with gold 	<p>ENVIRONMENTAL CHALLENGES</p> <ul style="list-style-type: none"> ✓ Environmental regulatory hurdles. ✓ Business procedures are somehow complicated in Tanzania.

From the SWOC analysis conducted of the company and of the operating environment the promoters are confident that the project will be a success. Following the analysis we have developed a market strategy for our products.

2.4 PESTEL Analysis

This sub-section analyzes the environment in which our company will be operating by mining and processing gold.

ISSUE	AN OVERVIEW
Political	Political factors such as government regulations and policies, tax laws, and trade laws all influence the gold market. Government regulations and policies related to the gold industry and its products, as well as the export of such products, may limit the potential for growth in the market.
Economic	Economic factors such as GDP growth, inflation, and the cost of raw materials have an impact on the gold market. The cost of raw materials, such as

	machineries, chemicals, equipment etc will influence the cost of production and, in turn, the cost of the finished product. Additionally, the level of disposable income among consumers in different markets can affect the demand for gold and its products.
Socio-cultural	Socio-cultural factors such as consumer preferences, lifestyle trends, and religious beliefs can influence the gold market. Different markets may have different preferences for certain types of gold products, so producers must be aware of these differences in order to better target their products.
Technological	Technological advances in gold production techniques, such as the open cast mining and digitized processing do have a positive effect on the gold market. Additionally, technological advances in the areas of transportation, communication, and marketing can enable producers to better reach target markets and promote their products.
Environmental	Environmental factors such as resource availability, climate change, and waste management can also influence the gold market. The availability of resources such as gold in the ground, water, and energy can affect the cost of production and the cost of the final product.
Legal	Legal factors such as labor laws, environmental laws, and health and safety regulations can also impact the gold business. Labor laws may affect the cost of production, as well as the availability of skilled workers. Additionally, consumer protection laws and health and safety regulations can affect the production process and the marketing of the finished gold product.

The market for gold and gold products in Africa and the world holds significant potential, driven by demand from religious institutions, government approaches (monetary policies favoring backing of the currencies with gold) and cultural behaviors. While competition exists, there are opportunities for differentiation through adjusting to appropriate scales of operation.

2.5 Marketing Strategy

The company’s strategy is centered on playing not as a giant in the gold mining and processing business. It focuses on venturing into mining in relatively small scale mining areas.

3.0 THE PRODUCT

This is a project for mining and processing of gold for export and local sales as well. The product will be produced in the Morogoro region of Tanzania.

3.1 Pricing

The product will be priced, traditionally, based on ounces. Considering the fact of price sensitivity among consumers the company will work to develop competitive prices as part of the strategy to enhance product sales, revenue, and the ultimate profitability.

3.3 Targeted Outposts

Amkass Gold Mining Limited will locate its business in Songwe. This will be the initial and leading post for the mining and processing of gold by the project. We expect to have our agents in the metropolitans of the neighboring regions to ensure that we secure markets with time. Also, we expect to have our outlet within China where we will export the processed gold.

4.0 MARKETING AND SALES STRATEGY

Marketing strategies are essential plans of action that businesses use to promote their products, reach their target audience, and achieve their business objectives. This section focuses on entry, retention, and expansionary strategies for our quarrying project in Tanzania.

The company, although new in the Tanzanian and regional EAC market, looks forward to use business specialists and seasoned gold processing and mining specialists to secure a niche in the markets. As part of our marketing strategy, we will engage strategies that will enhance our entry, persistence (stay) and expansion.

4.1 Entry Strategy

This strategy to penetrate the market is a plan outlining how we will enter the new market. It involves identifying opportunities, assessing risks, conducting market research, and developing a strategy to successfully establish a presence and compete in the target market. Here are our adopted market entry strategies:

- i) **Strategic Alignment:** with the high value and growing demand for gold came the need for more gold. We have decided to erect our plant in Songwe Region as there is where we will mine our gold.
- ii) **Greenfield Investment:** the shareholders all being both foreigners have resorted to building a new facility from the ground up in the Tanzania – the initial – market. This is the facility for mining and processing of our product. The project is a promise and the promoters have organized significant investment financing and have dedicated time to establish it.
- iii) **Expansion:** in the long run the company will be supplying gold to the Tanzanian market, and beyond the borders of Tanzania.
- iv) **Strategic Alliances:** the company will form alliances with local companies, suppliers, distributors, and industry associations to access new markets, share resources, and collaborate on marketing, distribution, and R&D. also, it will associate itself with global gold trade brokers to access more markets in the global stage.
- v) **E-commerce and Online Marketplaces:** The company will use online platforms i.e. e-commerce platforms, marketplaces, and digital channels to penetrate both local and foreign markets.

4.2 Retention Strategy

Our market retention strategy focuses on retaining existing customers, building loyalty, and maximizing customer lifetime value. It involves tactics and initiatives to keep customers engaged, satisfied, and coming back for repeated purchases. Some key components of our market retention strategy include Customer Relationship Management (CRM), Customer Segmentation (basing on engagement frequency, order value, loyalty status, preferences, and behavior), Loyalty Programs (including creation and implementation of loyalty programs rewarding customers for repeated purchases (engagements), referrals, engagement, and loyalty), Personalization, Customer Service Excellence, Feedback and Surveys, Retargeting and Remarketing, Customer Education and Engagement, Customer Satisfaction Metrics, and Customer Experience Enhancement.

Through these strategies the company will build long-term relationships with existing customers, increase customer loyalty, induce repeated product purchases (engagements), minimize customer churn and maximize customer lifetime value. As a result our business will grow sustainably and profitability will be assured.

4.3 Expansionary Strategy

The market expansion strategy for this project seeks to enhance business growth by tapping into new markets starting from the local Tanzanian market to the global markets. The strategy embraces market research, identification of target markets, the development of a marketing plan, service adaptation, distribution channels, pricing strategy, market entry approach, building partnerships, regulatory compliance, and M&E

5.0 ORGANIZATION AND MANAGEMENT

5.1 Organizational Structure

Amkass Gold Mining Limited’s team is tiered into directors, management team, supervisors, support staff and operators as well as drivers as detailed under *appendix 3*.

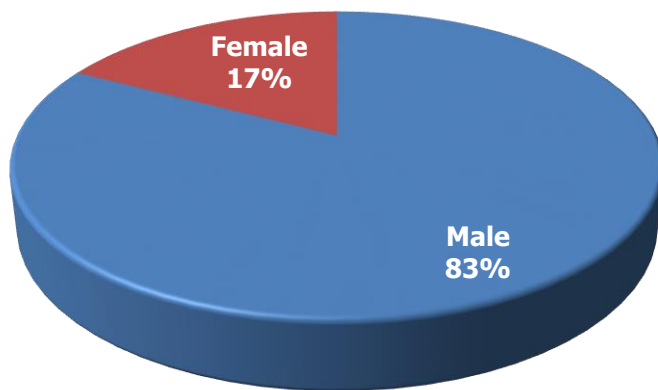
5.2 Project Manning

This project expects to directly employ a total of 150 people 138 of whom are locals as shown in **table 4** below. The gender and nationality distributions of jobs are shown in the **figures 1 (a)** and **(b)** as well.

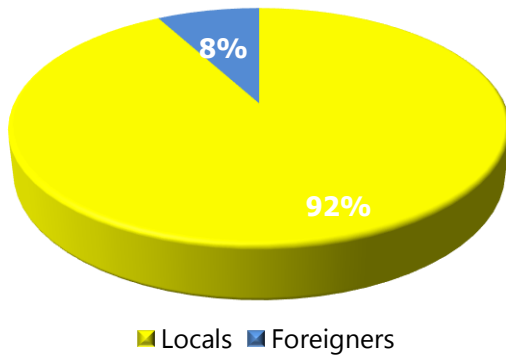
Table: 4: Planned Direct Jobs

GENDER	LOCALS	FOREIGNERS	TOTALS
M	115	9	124
F	23	3	26
TOTALS	138	12	150

Gender Distribution of Jobs



Jobs by Nationality



6.0 OPERATIONS PLAN

6.1 Project Location

This project is located within the Songwe region of Tanzania. This location provides easy access to the raw materials i.e. the gold mines.

6.2 Key Suppliers

Amkass Gold Mining Limited expects to source its supplies from Tanzania, except for those which cannot be sourced from within the economy. Supplies of machineries are expected to be sourced from outside the country, from China to be exact. The local supplies will be sourced via local SMEs. The key raw material – raw gold – will be sourced primarily from Tanzania.

6.3 Key Business Connections

Locally the company expects to use local dealers in getting orders from customers. The consumers can be private or public institutions.

6.4 Project Assets

The company expects to invest a total of **USD 5,000,000** in this project. Injection of the capital will be in the form of various items as summarized in **table 5** below. A detailed list of items will be shared via the proposed list for exemptions.

Table 5: Summary of Assets

ITEM	AMOUNT IN USD
Land & Buildings	780,000
Plant	2,000,000
Vehicles	1,850,000
Furniture & Fittings	60,000
Pre Expenses	60,000
Others	65,000
Working Capital	185,000
TOTALS	5,000,000
TOTAL FIXED CAPITAL	4,815,000
TOTAL WORKING CAPITAL	185,000

6.5 Project Roll-Out Plan

This is a 5 years plan by design but can need more time in order to attain the desired goals. The roll-out plan starts in 2024 as it is shown in **Figure2**

Figure 2: Implementation Plan

S/No.	ACTIVITY	TIMING															
		2024												2025	2026	2027	2028
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC				
1	Planning and registrations																
2	Land Acquisition																
3	Plant Installment (Gold processing)																
4	Commencement of Production																
5	Staff and Consultants engagements																
6	Planning for expansions																
7	Marketing Campaign																
8	Company Performance Assessment																

7.0 FINANCIAL PROJECTIONS

This section covers projections in terms of production and sales, profit and loss, and cash flow projections for the first five years of implementation of the project.

7.1 Production and Sales

This sub-section focuses on production and sales projections. Production is expected to grow gradually over the first five years of operation. Maximum level of production is expected to be attained during the fifth year and it will hit a 300 Kilograms of processed gold as shown in **table 6 below**.

Table 6: Production/ Tonnage Projections

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Kilograms p.a.	50	150	200	250	300
TOTAL PRODUCTION P.A.	50	150	200	250	300

Revenue from the transported tonnage shows steady growth over the year, peaking at Year 5 as shown in **table 7** below. Key assumptions are that of the existing stock 100% will be sold, and that inflation stands at 4% growth rate p.a.

Table 7: Sales/ Revenue Projections

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Production (KG) P.A.	50	150	200	250	300
Sales Projections (100% of the stock)	50	150	200	250	300
Price per KG (4% Inflation)	64,000.00	66,560.00	69,222.40	71,991.30	74,870.95
TOTAL SALES	3,200,000	9,984,000	13,844,480	17,997,824	22,461,284

7.2 Profit and Loss

This is a viable project ceteris paribus. Retained earnings are assured from the starting of the project, implying that the project will breakeven during the first year of operation as shown in **Table 8**.

Table 8: Projected P&L

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Total Sales Revenue	3,200,000.00	9,984,000.00	13,844,480.00	17,997,824.00	22,461,284.35
Less: Cost of Sales	513,600.00	534,144.00	555,509.76	577,730.15	600,839.36
<i>Gross Profit</i>	<i>2,686,400.00</i>	<i>9,449,856.00</i>	<i>13,288,970.24</i>	<i>17,420,093.85</i>	<i>21,860,445.00</i>
Less: Operating Expenses	391,800.00	195,408.00	224,266.00	254,274.15	517,580.51
<i>EBIT</i>	<i>2,294,600.00</i>	<i>9,254,448.00</i>	<i>13,064,704.24</i>	<i>17,165,819.70</i>	<i>21,342,864.48</i>
Less: Loan Interest	-	-	-	-	-
EBT	2,294,600.00	9,254,448.00	13,064,704.24	17,165,819.70	21,342,864.48
Less: Taxes (30%)	688,380.00	2,776,334.40	3,919,411.27	5,149,745.91	6,402,859.35
Net Profit/(Loss)	1,606,220.00	6,478,113.60	9,145,292.97	12,016,073.79	14,940,005.14
Dividend (10%)	160,622.00	647,811.36	914,529.30	1,201,607.38	1,494,000.51
Retained Earnings	1,445,598.00	5,830,302.24	8,230,763.67	10,814,466.41	13,446,004.62

7.3 Cash Flow

Table 9: Projected Cash Flow

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Net Income	1,606,220.00	6,478,113.60	9,145,292.97	12,016,073.79	14,940,005.14
Add: Depreciation and Amortization					
(Increase)/ Decrease in Operating Working Capital					
Cash Flow from Operating Activities	1,606,220.00	6,478,113.60	9,145,292.97	12,016,073.79	14,940,005.14
(Capital Expenditure)	- 859,000.00	- 41,000.00	-	-	-
Cash Flow from Investing Activities	- 859,000.00	- 41,000.00	-	-	-
Increase (decrease) in long-term debt					
(Dividend)	- 160,622.00	- 647,811.36	- 914,529.30	- 1,201,607.38	- 1,494,000.51
Issuance of Equity					
Cash Flow from Financing Activities	- 160,622.00	- 647,811.36	- 914,529.30	- 1,201,607.38	- 1,494,000.51
Beginning Cash	60,000.00	- 526,598.00	- 6,315,900.24	- 14,546,663.91	- 25,361,130.32
Net Cash Flow	586,598.00	5,789,302.24	8,230,763.67	10,814,466.41	13,446,004.62

7.4 Projected Ratios

The projections show that the project will be a success as the margin, profitability and solvency ratios show a positive trend for the first five years of operation of the project. **Table 10** gives the details

Table 10: Projected Ratios

Margin Ratios	Y1	Y2	Y3	Y4	Y5
Gross Profit Margin	83.95%	94.65%	95.99%	96.79%	97.33%
Operating Profit Margin	85.42%	97.93%	98.31%	98.54%	97.63%
Net Profit Margin	71.71%	92.69%	94.37%	95.38%	95.02%

Profitability Ratios	Y1	Y2	Y3	Y4	Y5
Gross Profit Margin: (Gross Profit/Total Revenue)	83.95%	94.65%	95.99%	96.79%	97.33%
Net Profit Margin: (Net Income/Total Revenue)	50.19%	64.88%	66.06%	66.76%	66.51%
Return on Assets (ROA): (Net Income/Total Assets)	186.99%	719.79%	1016.14%	1335.12%	1660.00%
Return on Equity (ROE): (Net Income/Shareholders' Equity)	178.47%	719.79%	1016.14%	1335.12%	1660.00%

Solvency Ratios	Y1	Y2	Y3	Y4	Y5
Debt-to-Equity Ratio: Total Debt/Shareholders' Equity	0.00%	0.00%	0.00%	0.00%	0.00%

8.0 PROJECT FINANCIALS

8.1 Funding Sources

This is a **USD 5 million** project. Its source of funding is equity only. The equity is local. The details are given in **table 11** below.

Table 11: Project Funding

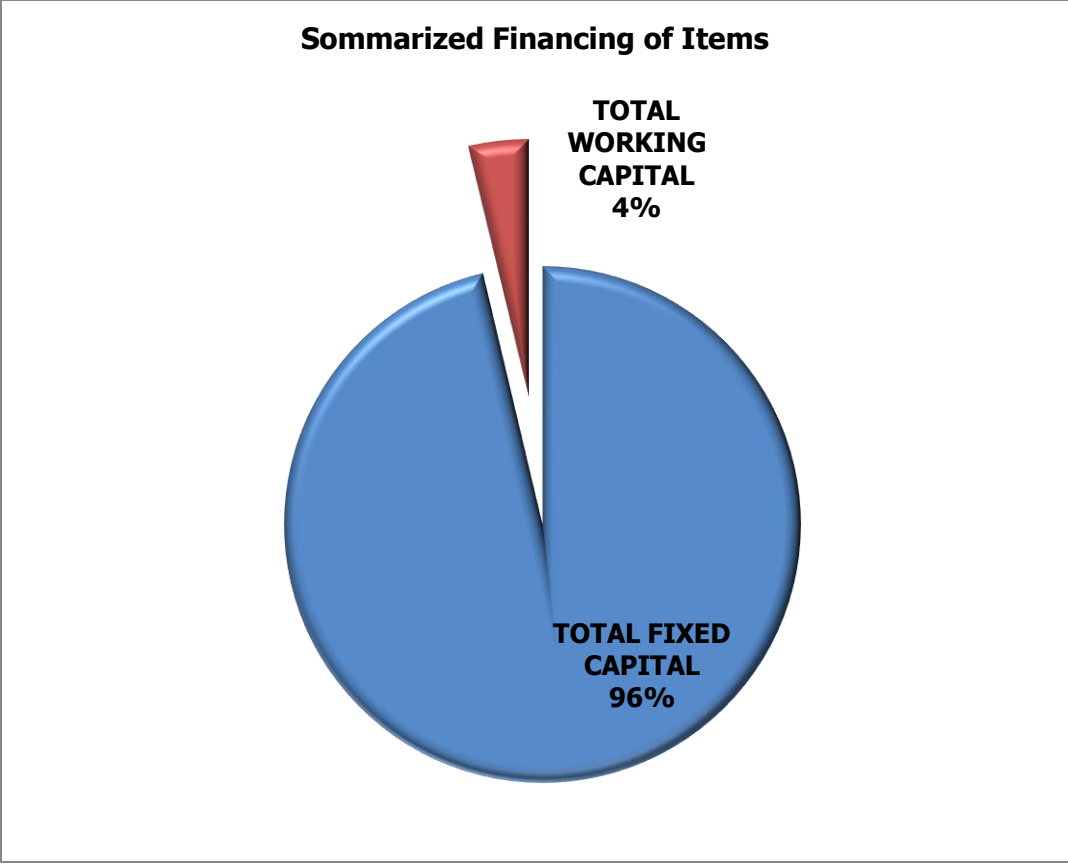
CATEGORIES	AMOUNT (USD)	%
EQUITY		
<i>Local Equity</i>	2,000,000	40
<i>Foreign Equity</i>	-	-
Total Equity	2,000,000	40
LOAN		
<i>Local Loan</i>	3,000,000	60
<i>Foreign Loan</i>	-	-
Total Loan	3,000,000	60
TOTAL FINANCING	5,000,000	

8.2 Financing of Items

The **USD 5,000,000** planned investment will finance the project in terms of fixed assets to the tune of **USD 4,815,000** and working capital of **USD 185,000** as shown under **table 12** and **Figure 4** below.

Table 12: Items Financing

INVESTMENT BREAKDOWN	
ITEM	AMOUNT IN USD
Land & Buildings	780,000
Plant	2,000,000
Vehicles	1,850,000
Furniture & Fittings	60,000
Pre Expenses	60,000
Others	65,000
Working Capital	185,000
TOTALS	5,000,000
TOTAL FIXED CAPITAL	4,815,000
TOTAL WORKING CAPITAL	185,000



8.3 Investment Plan

The planned investment capital will be injected into the project over the years as implementation goes on. By the end of the 5th year all the capital will be injected and the project is expected to be operating at its full capacity. **Table 13** below gives the details

Table 13: Capital Injection Plan

INVESTMENT BREAKDOWN ITEM	INVESTMENT PLAN					TOTAL INVESTMENT
	Y1	Y2	Y3	Y4	Y5	
Land & Buildings	500,000	280,000	-	-	-	780,000
Plant	1,000,000	750,000	250,000			2,000,000
Vehicles	60,000	750,000	1,040,000			1,850,000
Furniture & Fittings	-	50,000	10,000			60,000

Pre Expenses	60,000					60,000
Others	5,000	15,000	15,000	15,000	15,000	65,000
Working Capital	15,000	100,000	70,000			185,000
TOTALS	1,640,000	1,945,000	1,385,000	15,000	15,000	5,000,000

9.0 PROJECT JUSTIFICATION

This section covers the justification for the project. It covers the fiscal, socio-economic, and financial rationale. This coverage provides apologetics for green-lighting of the project for both fiscal and non-fiscal incentives from the government side.

9.1 Fiscal Rationale

Fiscally this project will contribute to taxes to the government. This contribution is in the form of income tax and value added tax. As such, ceteris paribus, the project will fill the government's coffer with money to the tunes shown under **appendix 1**. This amount includes Income Tax and VAT. These amounts correspond to the business of the company but will create a multiplier along value chains. There will be more taxes down the chain.

9.2 Socio-Economic Rationale

Socio-economically this project has many benefits to the economy of Tanzania. It will directly employ a total of 150 people, where only 12 are foreigners. As of indirect employments, the project expects to generate 1,000 indirect jobs. Payment to the employees will create a trickle-down positive effect in the economy giving an impetus for growth and development among households.

Through its CSR policy the company expects to spend on the surrounding community over the first 5 years of operation. **Appendix 1** gives the details.

9.3 Financial Rationale

Monetarily this project will create flows that will nourish Tanzania's economy. The money spent on supplier SMEs, on wages and on other supplier firms will create taxes, revenues and other

benefits along the various value chains supported by this quarrying project. To the supplier firms, other things remaining the same, cash will flow to supplier SMEs and other entities like banks in the form of settlement for purchases.

9.4 Environmental Rationale

This project expects to adhere to all environmental requirements to ensure safety of the environment and of the workers. All guidance by NEMC will be taken onboard in order to stay environmental friendly.

10.0 CONCLUSION

This is a gold mining and processing project. It will be located in Songwe region. The project will create a total of 170 direct jobs, 138 jobs being for locals, and 1,000 indirect jobs to the locals. This implies job creation to Tanzanians as 92% of all direct employees, and 100% of all the indirect employees are Tanzanian.

Considering the rationale for this project, having analyzed the market and developed strategies for our market and the impending success in this project the promoters present the plan and the idea for consideration in the form of registration with the TIC and enjoyment of the incentives that will provide a soft landing for this project to the greater good of the economy.

D APPENDICES

1. Project Rationale

DETAILS	YEARS					TOTAL
	Y1	Y2	Y3	Y4	Y5	
Interest to the local banking sector	78,000.00	78,000.00	78,000.00	78,000.00	78,000.00	390,000.00
Payment to supplier SMEs	889,400.00	679,632.00	710,553.36	742,015.18	1,006,113.45	4,027,713.99
Income Tax	664,980.00	2,752,934.40	3,896,011.27	5,126,345.91	6,379,459.35	18,819,730.93
VAT	640,000.00	1,996,800.00	2,768,896.00	3,599,564.80	4,492,256.87	13,497,517.67
CSR	44,332.00	183,528.96	259,734.08	341,756.39	425,297.29	1,254,648.73
SUMMARIES	Y1	Y2	Y3	Y4	Y5	TOTAL
To the Private Sector	967,400.00	757,632.00	788,553.36	820,015.18	1,084,113.45	4,417,713.99
To the Government	1,304,980.00	4,749,734.40	6,664,907.27	8,725,910.71	10,871,716.22	32,317,248.60
To the Hosting Community	44,332.00	183,528.96	259,734.08	341,756.39	425,297.29	1,254,648.73

2. Detailed Project Manning Plan

S/N	Category	Local		Foreigners		TOTAL
		M	F	M	F	
A.	Directors					
1	Managing Director			1		1
2	Director			1		1
3	Technical Lead				1	1
B.	Management Team					
1	Finance Manager		1			1
2	Logistics Manager	1				1
3	Technical Manager			1		1
4	Mining Managers	1		1		2
C.	Supervisors					
1	Mines Supervisors	1		2		3
2	Plant Supervisors		1	1	1	3
3	Product/ Strong Room Custodian				1	1
D.	Drivers and Operators					
1	Drivers	12				12
2	Plant Operators/ Workers	23	8			31
3	Mines Workers	60				60
E.	Support Staff					

1	Cleaners	3	7			10
2	Mechanics	6		2		8
3	Security Guards	7	5			12
4	Accountant/ Cashier	1	1			2
	TOTAL	115	23	9	3	150

3. Gross Profit Projections

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Projected Sales	3,200,000.00	9,984,000.00	13,844,480.00	17,997,824.00	22,461,284.35
Cost of Sales					
Power Utilities	12,000.00	12,480.00	12,979.20	13,498.37	14,038.30
Water Utilities	3,600.00	3,744.00	3,893.76	4,049.51	4,211.49
Wages	438,000.00	455,520.00	473,740.80	492,690.43	512,398.05
Supplies	60,000.00	62,400.00	64,896.00	67,491.84	70,191.51
<i>TOTAL COST OF SALES</i>	513,600.00	534,144.00	555,509.76	577,730.15	600,839.36
GROSS PROFIT	2,686,400.00	9,449,856.00	13,288,970.24	17,420,093.85	21,860,445.00

4. Operating Expenses Projections

ITEMS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Marketing Expenses	10,500.00	7,980.00	8,778.00	9,655.80	10,621.38
Bank Charges	3,600.00	3,744.00	4,118.40	4,530.24	4,983.26
Insurance	31,100.00	32,344.00	35,578.40	39,136.24	43,049.86
Office Expenses	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00
Permits and Licenses	232,600.00	500.00	500.00	1,500.00	231,500.00
Vehicle Expenses	68,000.00	70,720.00	73,548.80	76,490.75	79,550.38
Professionals Fees	2,000.00	1,000.00	2,000.00	1,000.00	2,000.00
Provision for Bad Debts	16,000.00	49,920.00	69,222.40	89,989.12	112,306.42
Miscellaneous Expenses	12,000.00	13,200.00	14,520.00	15,972.00	17,569.20
TOTAL OPERATING EXPENSES	391,800.00	195,408.00	224,266.00	254,274.15	517,580.51