

MANTRA TANZANIA LIMITED
BUSINESS PLAN FOR MKUJU RIVER PROJECT
2024

i. OBJECTIVE, SECTOR AND PRODUCTS

The Mkuju River Project is located in Southern Tanzania, about 470km South West of Dar es Salaam, Namtumbo District, Ruvuma Region. The main objective of the Mkuju River project is exploration and mining of uranium. The mine has estimated lifetime of 15 years.

ii. INVESTMENT COSTS AND SOURCES OF FINANCES

The initial capital cost for the mine, process plant and associated infrastructure excluding the mining fleet and ancillary equipment is estimated at US\$845 Million. The project will be funded by Direct foreign investments, local and foreign financial institutions.

iii. JOB CREATION

Mantra aims as far as possible to employ Tanzanian citizens maximizing the number of those from the local community, to work at Mkuju River. A total of 762 employees have been identified, of which 694 will be Tanzanians, based on an Owner operator model. It is believed by Mantra Tanzania that this will be beneficial in terms of creating jobs and passing on skills, and in terms of benefiting from a cost effective and motivated workforce familiar with working in conditions such as those found at Mkuju River. However, during construction, the project will create the employment of about 1,600 people.

	Expatriate	Tanzanians	Total
Dar Management	0	6	6
Mine Management	1	1	2
Mining	13	459	472
Process	21	141	162
Support Services	22	53	75
Stores	2	8	10
Finance and Admin	4	8	12
Organizational Capability	1	3	4
SHEQ	4	15	19
TOTAL	68	694	762

iv. INVESTMENT FUNDING EXPENDITURE BREAKDOWN

DESCRIPTION	AMOUNT
EPCM	48,281,404
Main Access Roads	39,542,439
Construction / Permanent camp	34,102,517
Earth Works	20,561,934
Infrastructure & Buildings	127,457,340
Mining	61,635,626
Plant Construction:	547,136,809
Mobile equipment:	6,907,917
Owners Cost	15,337,715
CPOD TSF Approach CAPEX Savings	(55,546,094)

v. MARKETING PLAN

Mantra's marketing strategy will be in line with the overall organization needs of Uranium One Group. Mantra marketing strategy has been summarized below:

Mantra's marketing strategy consists of maintaining a globally diverse portfolio of long term uranium sales contracts with prices indexed to the spot market at the time of delivery to maximize leverage to future price increases. These multi-year contracts, averaging terms of about 5 years in length, will also be supplemented by opportunistic spot sales equal to 10 to 15% of production each year. Long term contracts may include floors and ceilings in some circumstances.

Mantra also benefits from the stability provided by the off-take agreements with its largest shareholder, Uranium One Group, the uranium subsidiary of the Russian nuclear energy company Rosatom.

vi. FINANCIAL PROJECTION FOR THE NEXT FIVE YEARS

Description	2025	2026	2027	2028	2029
	USD "000"	USD "000"	USD "000"	USD "000"	USD "000"
Revenue	554,878	814,830	870,147	887,805	829,912
Expenses	237,154	311,853	334,715	349,206	334,299
Gross Profit	317,724	502,977	535,432	538,599	495,613