

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED

BUSINESS PLAN

FOR

GOLD PROCESSING

PREPARED FOR

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED,

Dar es Salaam

1.0. Introduction

This business plan proposes an innovative investment opportunity in a gold processing plant in Tanzania. The objective is to raise US\$800,000 for the construction of a gold processing plant, comprising a leaching plant and crushing equipment. This processing plant aims to extract 25kilograms of gold per year from the ore-bearing rocks supplied by nearby gold mines. The facility takes in gold ore, processes it through various stages including crushing, leaching, adsorption, elution, and smelting to produce gold bars. It combines elements of extraction, processing, and some refining, but the core technology and focus is on the vat leaching process for gold extraction.

The expansion project to be implemented by MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED, a company incorporated in Tanzania with Certificate of Incorporation No. 187132045 issued on 22ndJuly, 2025, the company is owned by three foreign investors from Russia.

1.2 Objective of Study

The purpose of this study is to work out the technical and commercial details and financial viability of the project.

1.3 Project location

The gold processing plant will be strategically located at **Nyamongo, Northern Mara, Area, Mara region** in a well-known goldfield in Tanzania, surrounded by numerous neighboring gold mines. This prime location enables us to receive ore-bearing rocks from a large number of mines for gold extraction.

Geology of the project location is characterized by deformed, folded, sheared and metamorphosed paleoproterozoic rocks with major fold axes trending east southeast to west northwest.

1.4 Production process

The proposed gold processing plant will use a special method called vat leaching to extract gold from ore. This method involves several steps: crushing the ore, dissolving the gold, collecting the gold on carbon, separating the gold from the carbon, and melting the gold into bars. The purpose of this facility is to process gold ore from nearby mines and create high-quality gold bars for selling to international buyers

1.5 Construction Project

Expansion of a gold processing plant to extract and process a great quantity of ore-bearing rocks, with the aim of extracting 25 kilograms of gold per year

The construction project will include: Design and building of a secure facility ○ Installation of essential gold processing equipment, Jaw Crusher (x2), Ball Mill (x2), Twelve 3.5-tonne tanks, Carbon Columns, Barrel (Chemical mixer), Chemical Tank, Piping & Lab, Pump & Water Storage, Staff Quarters, Facilities &

1.7 The average price of gold in Tanzania

The average gold Price in Tanzania per Kilo\$103112

1.8 Annual Production Capacity

The company is planning to produce 25Kg per year

1.9 Profitability

The economy and profitability of the project are influenced by the mining costs, operative costs, shipping costs, impurity levels, concentrate treatment charges, and smelter/refinery returns. These factors have to be projected from laboratory tests or scaled metallurgical tests. A gold concentrate has to be related to the mineralized block, gold distribution, and diluents such as pyrite, graphite, clays, and organic matter. MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED has studied all these factors together to optimize the revenue of the project according to the mineralized zone.

1.10 The Sponsors

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED will be sponsoring this project. The Company is currently jointly owned by four shareholders from Russia

Share Holders	% of Share	Nationality
Igor Ovcharov	250	Russia
Igor Strebkov	250	Russia
Dmitrii Mikhailchenko	250	Russia
Alex Nikulnikov	250	

2.0 Gold Recovery

Gold recovery comprises similar stages to the processing of most ores. First, the valuable minerals are to be separated from the gangue through concentration. The

final concentrate will be obtained by repeated processing and is smelted or leached to get a Dore bar. In general, the concentration of gold will include three stages: roughing, cleaning, and scavenging. The reason for concentration is to separate the raw material into two products, concentrate and tails. Ideally, in free gold recovery, all the gold will be in the concentrate and the other part will be in the tails. Separations are not perfect and some waste material is reported into the concentrate and some gold particles remain in the tails. Intermediate products are called middlings and can be defined as particles that belong in either the concentrate or tails. Sometimes, this product is a serious problem.

Roughing can be considered as the upgrading of the ore to produce either a low-grade, preliminary concentrate or to reject tails that contain gangue at an early stage. The equipment used in this part can produce a large amount of concentrate and permit the recovery of a very high percentage of gold, produce clean tails, or a combination of both. The most common equipment are cones Reichert, jigs, sluices, and dry washers.

The rougher concentrate is sent to the cleaning stage in order to eliminate impurities; the process can be as simple as washing black sands by using a vanning dish. Mineral concentrates can pass through several stages of cleaning before a final concentrate is obtained. The equipment employed in this stage is the same equipment used in the rougher stage. Other equipment such as a shaking table is employed in the cleaning stage and let to obtain clean gold concentrates.

The last stage is called scavenger and consists in to process tails from rougher and cleaning stages before discarding them. The material is treated through equipment that concentrates the last particles of gold. This stage is included according to the design adopted in the operation and can be simple or complex depending on the ore type. In operations where there is an amalgamation, this stage is employed to

recover quicksilver that otherwise will be reported in the environment. In general, the equipment employed in the other stages can be used in this stage.

There are some considerations related to the concentration process. Recovery is the percentage of gold in the raw ore collected in the concentrate. For example, a recovery of 85% means that 85% of the gold is reported in the concentrate and the remaining part is in the tails. A concentrate grade is the gold content in the concentrate and usually is expressed in grams per tonne (g/t) or ounces per tonne (oz/t). The ratio of concentration is the proportion of the weight of the feed to the weight of the concentrate. For example, if 500 tonnes of ore feed are processed and 100 kilos of concentrate is obtained, the ratio of concentration is 5,000. If we compare this value with a mine operation whose ratio of concentration is 2,000 and the concentrate grade is similar, the second operation is economically better because it needs excessive raw ore to get a good gold concentrate.

Exist an inverse relationship between recovery and concentration grade. This means, that the higher the concentrate grade, the lower the total recovery. In general, some valuable mineral is lost in producing a high-grade concentrate. Under this consideration, the higher concentrate grade is easier to refine reducing refinery costs. For each operation, a special combination of grade and recovery must be achieved to get optimum incomes.

3.0 Major global trading hubs

The landscape for wholesale gold trading is quite complex and constantly evolving. The three most important gold trading centers are the London OTC market, the US futures market, and the Shanghai Gold Exchange (SGE). These markets comprise more than 90% of global trading volumes and are complemented by smaller secondary market centers around the world (both OTC and exchange-traded).

3.1 The London OTC market

The London OTC market has historically been the center of the gold trade and today comprises approximately 70% of global notional trading volume per our estimates. The London market attracts participants from all around the world and sets the twice-daily global reference benchmark for gold, the LBMA Gold Price. Uniquely the market in London trades 400-ounce bars 'Good Delivery' bars which are stored in the member vaults of the London Precious Metals Clearing Limited (LPMCL) and the Bank of England. London's unique vaulting infrastructure with its strictly enforced chain of custody, as well as the sizeable stocks of gold that reside within it, contribute to London often being referred to as the 'terminal market'. The London market also enjoys a time zone advantage, bridging Asian and US trading hours, and benefits from its status as a leading global financial services hub.

Notwithstanding the London market's pre-eminence, it has been losing a relative share of global trading volumes. In 2015 banks operating in the market stopped submitting forward offered rates (GOFO rates) which were used to establish the market's forward curve, one of several symptoms of a market that has become increasingly fragmented. The World Gold Council's initiative to partner with a consortium of leading financial players and the London Metal Exchange to introduce LMEprecious is a direct response to these pressures. This suite of exchange-traded contracts seeks to modernize and introduce efficiencies to the heart of the gold trading market.

3.2 The US futures market (COMEX)

Despite London's leading role in the physical market, the COMEX derivatives exchange operated by CME Group has become an increasingly important venue in

driving price discovery. Trading activity on COMEX is primarily concentrated on the 'active month' (nearest dated) contract which acts as a proxy for the spot price. Only a small number of contracts physically settle into the delivery of bars into COMEX vaults but the market is nonetheless tightly linked to physical markets through a very active Exchange for Physical (EFP) market. Notably, a steadily increasing share of COMEX volume is transacted during Asian market hours reflecting the exchange's success of tapping into Asian market growth.

3.3 The Chinese market (SGE & SHFE)

The largest purely physical spot exchange in the world is the Shanghai Gold Exchange. Established in 2002 under close oversight of the People's Bank of China, SGE has enjoyed a rapid rise to prominence that has mirrored China's growing importance in the gold market. In 2016 SGE introduced the Shanghai Gold Price benchmark to cement China's role as a price-setter, to help the internationalization of the RMB, and to broaden international participation in the Chinese market. It should be noted that SGE's spot and deferred contracts are complemented by very active futures trading on the Shanghai Futures Market (SHFE), although the two exchanges are not directly linked.

3.4 Secondary market centers

Other important markets include Dubai, India, Japan, Singapore and Hong Kong. There are exchanges in all these markets offering a range of spot trading facilities or listed contracts but these have not attracted the liquidity seen on the market's primary venues. Nonetheless, these markets play an important role to varying degrees in serving local demand or acting as regional trading hubs. For example, Hong Kong has long acted as a gateway to the Chinese market and Singapore is establishing itself as an important focal point for trading in the ASEAN region.

4.0 Gold price forecasts 2024-2050

Price per ounce

Source / Year	2024	2025	2030	2040	2050
Bloomberg	\$1,913.63 - \$2,224.22	\$1,709.47 - \$2,727.94	*	*	*
The World Bank	\$1,950	*	*	*	*
JP Morgan Chase & Co	\$2,175	*	*	*	*
Goldman Sachs	\$2,050	\$1,970 - \$2,050	*	*	*
ING	\$2,031	*	*	*	*

4.1 Gold price forecasts 2024

JPMorgan Chase & Co. foresees an opportunity in gold ahead of a potential US recession that could be caused by a new cycle of rate cuts by the US Federal Reserve. It had predicted that prices would push past \$2,000 an ounce by the end of 2023. In December 2023, gold prices hit \$2,071, reacting to a new central bank monetary policy and rising haven demand. As interest rates start to fall, prices could hit fresh records in 2024. JP Morgan has an average price target of \$2,175 per ounce for bullion in the final quarter of 2024.

Gold's price forecast for Q1 2024 at Bloomberg Terminal is between \$1,913.63-\$2,224.22.

Goldman Sachs commodity analysts expect the potential upside of the gold price to be closely tied to changes in US interest rates and dollar movements, leading them to raise the gold price target for 2024 to \$2,050 an ounce. Increasing consumer demand from China and India could also affect the price of gold.

Many banks, including Goldman Sachs, Citi, ANZ, and Commerzbank, raised their initial forecasts for gold, as they were faced with the possibility of a banking crisis. Goldman Sachs analysts initially expected the price of gold to remain stable in the period between 2023 and 2026, at around \$1,970 an ounce. They hiked their 12-month gold forecasts to \$2,050 an ounce.

Gold's price forecast for 2025 at the Bloomberg Terminal is between \$1,709.47 and \$2,727.94.

Bloomberg Intelligence Strategist Mike McGlone predicts that both gold and its "digital version," bitcoin, will appreciate by 2025. The price of gold has shown divergence strength, being up 84% since 2015, when the Fed just started its tightening, and could be heading for \$7,000 by 2025.

4.2 Gold price forecasts beyond 2025

It is generally believed by commodity analysts that the price of gold will keep rising in the long term. However, it is difficult to accurately forecast the price of gold or the price of any commodity for the next two decades, as the price depends on several different factors. These include the inflation rate, the strength of the US dollar, central bank interest rates, and the increase in the money supply.

Most major banks and financial data providers, such as Bloomberg, provide only short-term price predictions. An additional reason is that commodity markets can be highly volatile, and small changes in supply or demand factors, along with external events like geopolitical tensions or extreme weather events, can lead to unexpected price swings. This volatility can challenge the accuracy of predictions.

Despite the complexity of long-term price predictions, there are different scenarios and long-term price forecasts for gold from 2030-50. Those range from gold reaching \$10,000 per ounce, replacing the US dollar alongside Bitcoin, and even the scenario of the world running out of gold by 2050, faced with growing demand.

4.3 Gold price forecasts 2030

The \$7,000 an-ounce scenario seems to persist in gold forecasts for 2030. In the Rational Case for \$7,000 Gold by 2030, economist Charlie Morris predicts the \$7,000 price milestone. Morris describes gold as the leading major asset class in the 21st century, which is an extraordinary achievement given that gold doesn't pay a yield.

Investment analyst Jim Puplava predicts a significant bull market by 2030, citing demographics and globalisation as the primary reasons for the price increase. At the turn of the century, when gold was below \$300, Puplava correctly predicted a 10-year bull run in precious metals.

5.0 Market Potential

The market research conducted by **MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED** reveals that there is a very big market potential for

internationally to absorb the company's products, The use of gold as the national reserve is increasing and the use of gold jewelry is increasing too.

6.0 **Project's Investment Capital**

The estimated capital investment cost of the project is US\$ **800,000**.

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED COST STRUCTURE US\$

Land and Buildings	40,000
Machinery & Equipment	400,000
Motor Vehicles	150,000
Furniture & Fixtures	5,000
Pre exp	2,000
Others	15,000
Working Capital	188,000
TOTAL	800,000

6.1 **Financing pattern**

The project will be financed by long term loan US\$ 500,000 and equity and cash generated from investment US\$ 300,000

6.2 **Cost of goods available for sale**

The company has estimated the cost of goods available for sale plus other operating costs to be 85% of the total revenue

7.0 Financial Analysis

7.1 Considerations and Assumptions:

The capital investment allowance is 50%. The capital assets are exempted from customs duty and Value Added Tax. The straight-line method to depreciate the project's capital items has been applied.

Revenues have been conservatively estimated based on the promoters' experience and industry trends.

7.2 Projected Profit and Loss Statement

The Income and Expenditure Statement shows the projected income for the 5 years. The position depicted is that the project earns profit throughout its life. refer Appendix II

7.3 Projected Cash Flows

This is shown in the financial statements. The project has a positive end-of-year cash flow from the year, refer Appendix III

7.4 Projected Balance Sheet Statement

The projected shareholder's equity increase, refer Appendix IV

7.5 Projected payback period

The project payback period is within 3 years, refer Appendix IV

8.0 Economic Aspects

Implementation of this project will have the following social and economic values

- The project is an ideal option for utilization of the available gold mineral resources

- The project will create employment for 20 people on a permanent contract basis as well as on a temporary basis.
- It will create more business opportunities to local suppliers which will also have a economic trickledown.
- It will generate substantial revenue to the government in the form of corporate tax, value added tax and pay as you earn.
- The project will have transfer of knowledge and skills to gold process management
- Increase of foreign currency

9.0 Implementation

Project implementation is expected to be relatively very short once the project has been approved it is estimated to be completed within one year: -

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED IMPLEMENTATION

S/N	ACTIVITY	PERIOD
1	Processing TIC Certificate of Incentive	August 2025
2	Placing order of machines	October– January 2026
3	Installing machines	February -December 2026
4	Recruitment	January 2027
5	In house training	January- February 2027
4	Testing production	March – April 2027
6	Commercial operations	May 2027

10.0 Conclusion & Recommendations

The project is technically feasible, financially viable, and economically sound, provided the sponsors will manage it efficiently.

It is recommended that the project be approved by Tanzania Investment Centre and be granted the TIC Certificate of Incentives with its associated privileges and benefits as provided for under the Tanzania Investment Act, 2025.

Appendix I**MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED COST STRUCTURE US\$**

Land and Buildings	40,000
Machinery & Equipment	400,000
Motor Vehicles	150,000
Furniture & Fixtures	5,000
Pre exp	2,000
Others	15,000
Working Capital	188,000
TOTAL	800,000

Appendix II

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED PROJECTED FIXED ASSETS (US\$)

NAME OF ASSETS	1	2	3	4	5
Land And Buildings	40,000	39,200	38,400	37,600	36,800
Machinery, Tools & Equipment	400,000	396,000	392,000	388,000	384,000
Motor Vehicles	150,000	135,000	120,000	105,000	90,000
Furniture & Fixtures	5,000	4,500	4,000	3,500	3,000
Total	595,000	574,700	554,400	534,100	513,800
DEPRECIATION	1	2	3	4	5
Land and buildings	800	800	800	800	800
Machinery tools & Equipment	4,000	4,000	4,000	4,000	4,000
Motor Vehicles	15,000	15,000	15,000	15,000	15,000
Furniture & Fixtures	500	500	500	500	500
ANNUAL DEPRECIATION	20,300	20,300	20,300	20,300	20,300

Appendix III

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED PROJECTED INCOME & EXPENDITURE STATEMENT (US\$)

	1	2	3	4	5
Revenue (Food & drinks)	2,680,000	3,350,000	4,187,500	5,234,375	6,542,969
Operating Expenses:	2,278,000	2,847,500	3,559,375	4,449,219	5,561,523
Profit before Depreciation &Interest	402,000	502,500	628,125	785,156	981,445
Interest	40,000	32,000	24,000	16,000	8,000
Depreciation	20,300	20,300	20,300	20,300	20,300
Gross Profit	341,700	450,200	583,825	748,856	953,145
Tax (30%)	102,510	135,060	175,148	224,657	285,944
Profit After Tax	239,190	315,140	408,678	524,199	667,202
Accumulated Profit	239,190	554,330	963,008	1,487,207	2,154,409

Appendix IV

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED PROJECTED CASH FLOW STATEMENT US\$

SOURCES:		1	2	3	4	5
Profit before interest and depreciation	-	402,000	502,500	628,125	785,156	981,445
Equity	300,000					
Loan	500,000					
Total Sources	800,000	402,000	502,500	628,125	785,156	981,445
Applications:						
Capital expenditure	595,000	-	-	-	-	-
working Capital &Others	205,000					
Cash		299,490	367,440	452,978	560,499	695,502
Tax	-	102,510	135,060	175,148	224,657	285,944
Sub total	800,000	402,000	502,500	628,125	785,156	981,445
Total applications	800,000	402,000	502,500	628,125	785,156	981,445
Accumulated cash		299,490	666,930	1,119,908	1,680,407	2,375,909

Appendix V

AURA RESOURCES LIMITED PROJECTED BALANCE SHEET US \$

Fixed Assets		1	2	3	4	5
Opening balance	-	595,000	574,700	554,400	534,100	513,800
Total Long-term Assets	-	595,000	574,700	554,400	534,100	513,800
Less depreciation	-	20,300	20,300	20,300	20,300	20,300
Closing balance	-	574,700	554,400	534,100	513,800	493,500
Working capital	205,000	205,000	205,000	205,000	205,000	205,000
Accumulated cash	-	299,490	666,930	1,119,908	1,680,407	2,375,909
Total assets	205,000	1,079,190	1,426,330	1,859,008	2,399,207	3,074,409
Financed by						
Equity	300,000	300,000	300,000	300,000	300,000	300,000
Accumulated profit	-	239,190	554,330	963,008	1,487,207	2,154,409
Total equity	300,000	539,190	854,330	1,263,008	1,787,207	2,454,409
Long term loan	500,000	400,000	300,000	200,000	100,000	-
Total debts	500,000	400,000	300,000	200,000	100,000	-
Total equity and debts	800,000	939,190	1,154,330	1,463,008	1,887,207	2,454,409

Appendix VI

MAGNETIC GRAVITY TECHNOLOGYGB ENTERPRISES LIMITED PROJECTED LONG TERM LOAN REPAYMENT SHEET US \$

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
1	100,000.00	40,000.00	140,000.00	500,000.00
2	100,000.00	32,000.00	132,000.00	400,000.00
3	100,000.00	24,000.00	124,000.00	300,000.00
4	100,000.00	16,000.00	116,000.00	200,000.00
5	100,000.00	8,000.00	108,000.00	100,000.00