

PIQ DEVELOPMENT LIMITED

BUSINESS PLAN

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PIQ DEVELOPMENT LIMITED

Business Profile

A. Executive Summary

1. Company & Project concept

PIQ DEVELOPMENT LIMITED is a limited liability Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated on 28th OCTOBER 2024 and bears a Certificate of Incorporation number 179141779. The Company engages in business activities related to mining and mining processing.

PIQ DEVELOPMENT LIMITED is located at Dar es salaam Tanzania.

Our goals and objectives are mainly to efficiently extract and process resources while maintaining safety, environmental responsibility, and regulatory compliance. Basically, **PIQ DEVELOPMENT LIMITED** is aimed at mining and mining processing.

Company Goals and Objectives:

In Summary **PIQ DEVELOPMENT LIMITED** aims to: -

- To extract valuable minerals or ores from the earth in the most efficient, cost-effective, and sustainable manner possible.
- To process raw materials into refined products with high value, ensuring minimal waste and maximizing the recovery of minerals.
- To adopt sustainable practices in mining operations that minimize environmental damage, such as reducing water usage, limiting waste, and properly managing tailings and emissions.
- To consistently improve operations by researching new methods, improving existing processes, and staying ahead of industry trends.
- To engage with and contribute positively to local communities by creating jobs, providing social development programs, and supporting infrastructure development.

To comply with local, regional, and international mining laws, regulations, and standards, including those related to health, safety, environment, and labor.

2. Purpose of Business Plan

This document is prepared to serve the purpose of the application. We strive to lead the mining and processing industry by delivering superior results, leveraging the latest technology, and maintaining a strong commitment to environmental responsibility. Our goal is to transform industry practices through innovation and sustainable methods, ensuring efficiency and lasting impact.

3. The project promoter

The project will be managed and operated by PIQ DEVELOPMENT LIMITED, which is owned by body corporates with the following shareholders percentages distribution is listed below.

NAME OF SHAREHOLDERS	NATIONALITY	NUMBER OF SHARES
BAKAR IBRAHIM SALIM P.O.BOX 685358, DAR ES SALAAM	TANZANIAN	600,000
YANGUO LENG NO.120, WANXIANGSHANGDONG, MINSHENGROAD, XIANGFANG, HARBIN, HEILONGJIANG, CHINA, 164300	CHINESE	400,000
TOTAL NUMBER OF SHARES OF THE COMPANY = 1,000,000 Ordinary Shares		

4. Intended Investment Amount:

The capital amount 2,400,000,000 TZS

5. Company Legality

The legal certificates, and documents such as Memorandum and Article of Association, Certificate of Incorporation and Tax Identification Number, justify that **PIQ DEVELOPMENT LIMITED** is operating within the ambit of the law of Tanzania.

6. Project Organization Structure

The following organization constitutes the management of PIQ DEVELOPMENT LIMITED set up, the Board of Directors who are responsible for the supervision of the entire operations of the Company and the company's operational team, which implements the project goals and vision.

7. Investment Structure

The project is estimated to cost a total approximation of 2,400,000,000 TZS which will increase from time to time. The money will cover working Capital, material, purchase of lubricant and other company expenses. However, a financial policy of the Company states that the profits generated will be re-invested.

8. Statement of Purpose

This profile is drawn for the purpose of commencement of the business and application for the certificate of incentives

Purpose of Investment

This document is prepared to serve the purpose of a feasibility study of mining and mining processing industry in the United Republic of Tanzania.

Summary of the Expected Results

In the end, the project is expected to achieve the following: -

- To maximize revenue and profitability by providing a diverse range of mining and processing solutions, while upholding quality and efficiency across operations in the United Republic of Tanzania.
- To ensure robust safeguards are in place for all mining operations, maintaining high-quality standards and full compliance with regulatory requirements.
- We aim to comply with all statutory regulations and relevant external authorities, while defining and continuously reviewing company policies to ensure flexibility for local requirements and the delivery of high-quality mining services.
- Adopt the best commercial practices and uphold the highest ethical standards in all aspects of mining operations and services.

Mission and Vision

Mission: Our mission is to responsibly extract and process valuable minerals, utilizing advanced technology and sustainable practices to drive economic growth and create value for stakeholders. We are committed to maintaining the highest standards of safety, environmental stewardship, and operational excellence, while fostering positive relationships with local communities and adhering to industry regulations.

Vision: Our vision is to be a global leader in the mining industry, known for innovation, sustainability, and the efficient use of resources. We strive to set new standards for ethical mining practices, contributing to a sustainable future while delivering exceptional value to our customers, employees, and communities.

9. Operations

The project will be managed and operated by **PIQ DEVELOPMENT LIMITED**. The company is finalizing the acquisition of operation permits in its project of integrating the use of logistic transportation. Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

10. Project Location

The project shall be located at Vigwaza-Kihungo B Pwani, Tanzania.

11. Project and Services Description

PIQ DEVELOPMENT LIMITED specializes in a wide range of mining and processing projects that span the exploration, extraction, and refining of valuable minerals. **PIQ DEVELOPMENT LIMITED** expertise covers both large-scale industrial mining and custom processing solutions tailored to meet the specific needs of our clients.

12. Project Justification

The proposed project is under management of **PIQ DEVELOPMENT LIMITED** and is in line with Tanzanian government efforts in attempt to develop and ensure industrial efficiency in the mining sector. This also has been complemented by the fact that the government is making a critical effort in ensuring sound mining practices the country.

Regarding the initiative undertaken by **PIQ DEVELOPMENT LIMITED**,

is justified by the following facts: -

- The company has ensured adherence to the required procedures to obtain certification for incentives within the mining and processing operations.
- The company has established robust safety protocols to maintain high standards of quality and efficiency in the mining sector.
- The company also collaborates with relevant certification bodies to understand the requirements and work towards compliance.

a. Social and Economic Impact of the Project

The proposed project will result in the following social and economic impacts:

Economic Impacts:

Job Creation: The project will generate a significant number of direct and indirect employment opportunities. This includes jobs in mining operations, processing facilities, logistics, and administrative functions. Additionally, supporting sectors such as construction, catering, and transportation will experience growth.

Revenue Generation: The project will contribute substantially to local and national economies by generating revenue through taxes, royalties, and production profits. This revenue will support local infrastructure, education, healthcare, and other community development programs.

Infrastructure Development: The company will invest in and help improve regional infrastructure, including transportation networks, power supply, water systems, and communication, leading to enhanced connectivity and growth opportunities for surrounding areas.

Social Impacts:

Community Development: The company will work closely with local communities to enhance social welfare by contributing to educational programs, health initiatives, and community facilities. There will be a focus on improving the overall quality of life for both the local workforce and the broader population.

Local Business Growth: Local businesses will benefit from increased demand for goods and services as a result of the project's operations. This includes supply chains, retail businesses, and contractors supporting the mining activities.

Industry Analysis

a. Sourcing and Technology

i. Sourcing

The company is committed to ensuring quality, efficiency, and reliability by employing skilled professionals to deliver high-standard services in the mining and mining processing industry.

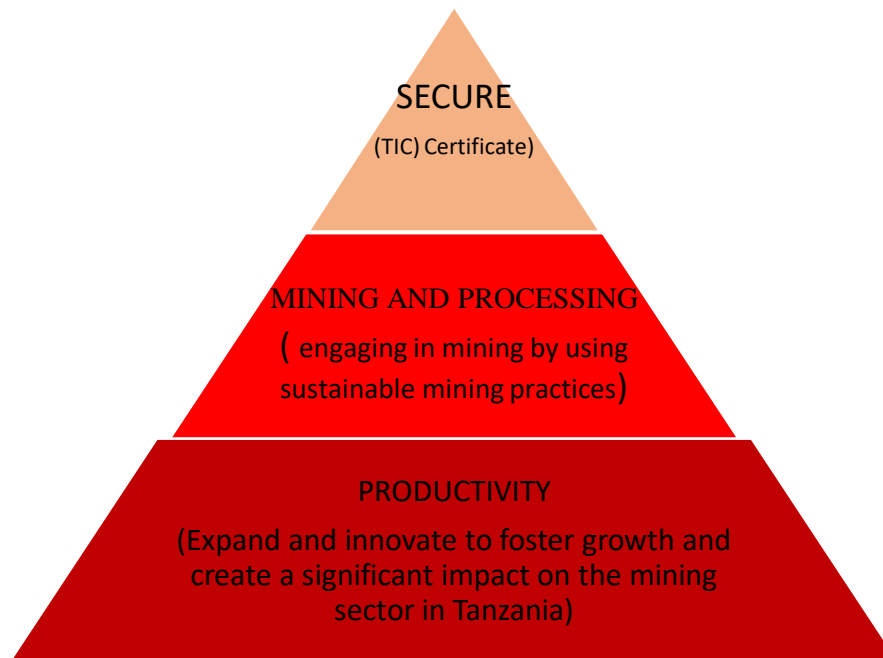
ii. Technology

The company aims to incorporate high-quality and advanced machinery into its operations, which would improve its function and match new technologies related to mining and mining processing.

b. Future Services

The company envisions exploring advanced solutions for its operations, focusing on high-quality, environmentally-friendly services. Additionally, the company aims to source support for the domestic mining industry, enhancing the efficiency of mining and processing activities both within the country and internationally.

Strategy Pyramid



c. Competitive Edge

The Company will have a rather bigger advantage from their competition due to the following reasons: -

1. Market Analysis and Positioning

Market Research:

- **Industry Trends:** Analyze current trends in mining industry, including technological advancements, regulatory changes, and market demands.
- **Competitive Landscape:** Identify key competitors, their strengths and weaknesses, and their market share. Understand their service offerings, pricing strategies, and customer base.

Target Market:

- **Customer Segmentation:** Define and segment your target market based on industry, size, location, and logistics needs. Tailor your services to meet specific customer requirements.
- **Value Proposition:** Clearly articulate what makes your service unique and why customers should choose you over competitors. This could include specialized services, superior technology, or exceptional customer service.

d. Analysis of Strengths, Weaknesses, Opportunities, and Threats

The table below presents the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

<p>Strengths</p> <ul style="list-style-type: none"> • Availability of enough machinery to process minerals. • Quality service is ensured 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Capital Injection
<p>Opportunities</p> <ul style="list-style-type: none"> • Suitable facilitative policy. • Government development of the sector. 	<p>Threats</p> <ul style="list-style-type: none"> • High Tax costs • Increment of inflation

The company has prepared for the action plans by doing the following: -

i. Maintenance Information

The company will employ qualified people to conduct maintenance and proper mining practices.

Maintenance Strategy

i. Overview

The success of **PIQ DEVELOPMENT LIMITED** will be achieved through efficient operations, a highly skilled workforce, and a strong commitment to safety and compliance. **PIQ DEVELOPMENT LIMITED** will prioritize sustainable practices to minimize environmental impact while maximizing productivity. Strategic investments in technology, sound financial management, and the ability to adapt to market demand will drive growth and profitability. Additionally, effective risk management, strong community engagement, and proactive maintenance of assets and equipment will ensure the company's long-term success and operational

13. Management & Administration

The management team of **PIQ DEVELOPMENT LIMITED** is planned to be constituted of the following management team: -

i. Board of Directors

PIQ DEVELOPMENT LIMITED will be managed by the board of Directors, which is the apex body for strategic decision-making of the project in line with the resolutions from the shareholders.

ii. Accountant

An internal accountant will be employed to work with the existing external accountant who is expected to have good experience in accounting system as well as he will be responsible in managing cash of **PIQ DEVELOPMENT LIMITED** but also keeping books of accounts properly.

iii. Management Agreements

Management Agreements will be executed between **PIQ DEVELOPMENT LIMITED** and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

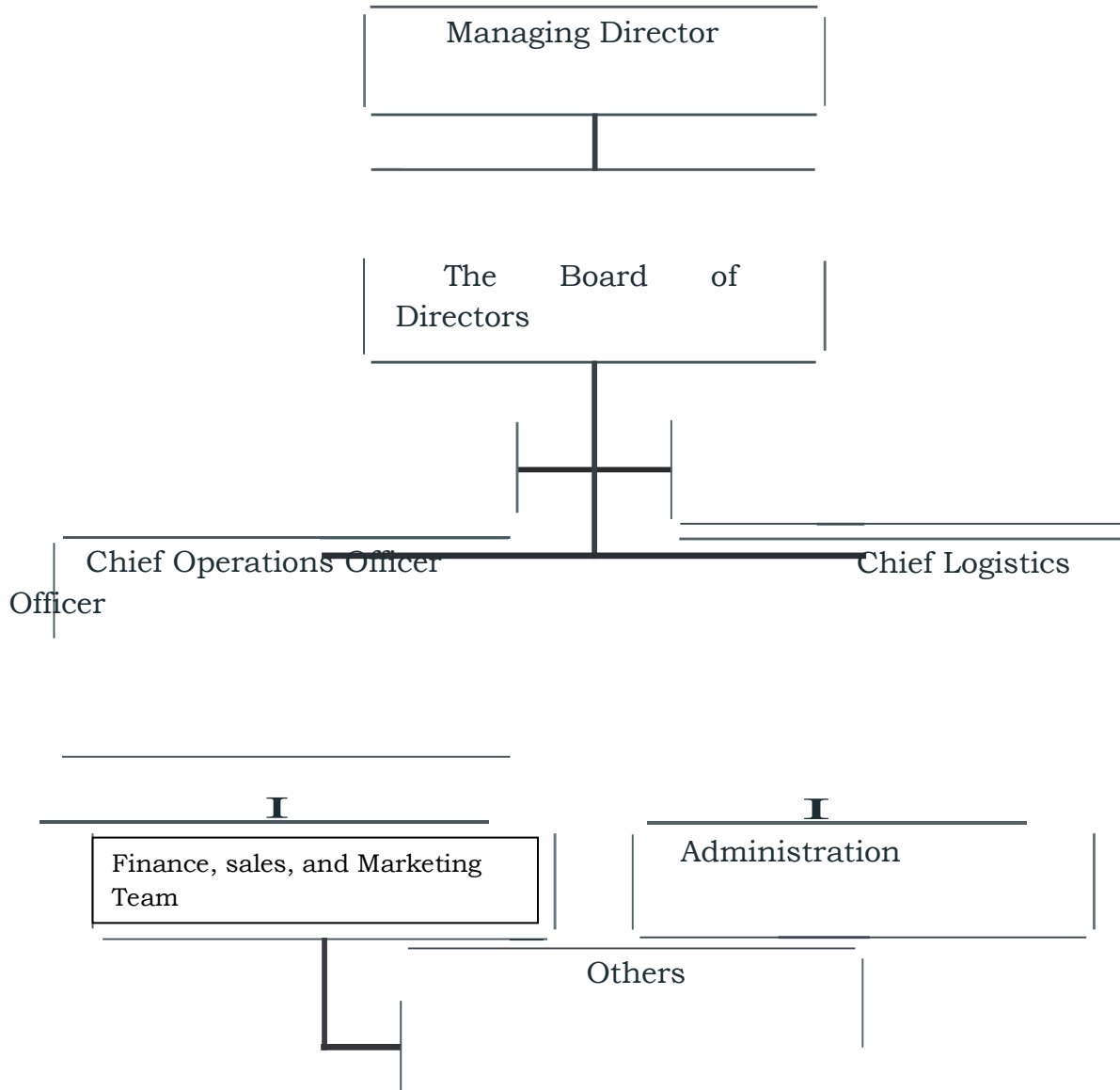
iv. Confidentiality Agreements

PIQ DEVELOPMENT LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees

and partners will protect our business, operating systems, policies, and procedures. A confidentiality agreement is essential to protect the company's trade secrets and show our employees that we take our business seriously.

v. Organization Structure

The management of PIQ DEVELOPMENT LIMITED plans to have the following organizational structure.



PIQ DEVELOPMENT LIMITED

**CASHFLOW PROJECTION FOR FIVE YEARS
FROM 2025 TO 2029**

PIQ DEVELOPMENT LIMITED

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Cash Inflows:	2025	2026	2027	2028	2029
Revenue from Mining	-	-	600,000,000	1,000,000,000	1,500,000,000
Sale of Processed Minerals	-	-	300,000,000	500,000,000	700,000,000
Authorized Share Capital	2,400,000,000				
Total Cash Inflows	2,400,000,000	-	900,000,000	1,500,000,000	2,200,000,000
Cash Outflows:					
Land Acquisition Cost	600,000,000	-	-	-	-
Exploration and Mining Equipment	480,000,000	-	-	-	-
Mining Operations (Labor & Materials)	20,000,000	450,000,000	500,000,000	650,000,000	850,000,000
Processing and Manufacturing	80,000,000	250,000,000	400,000,000	500,000,000	600,000,000
Marketing and Distribution Costs	20,000,000	60,000,000	100,000,000	150,000,000	250,000,000
Legal, Regulatory, and Admin Costs	20,000,000	30,000,000	50,000,000	70,000,000	90,000,000
Operational Expenses	30,000,000	50,000,000	60,000,000	80,000,000	80,000,000
Total Cash outflows	1,250,000,000	840,000,000	1,110,000,000	1,450,000,000	1,870,000,000

PIQ DEVELOPMENT LIMITED

Net cash inflow/(outflow)	1,150,000,000	(840,000,000)	(210,000,000)	50,000,000	330,000,000
Balance b/f	-	1,150,000,000	310,000,000	100,000,000	150,000,000
Balance C/f	1,150,000,000	310,000,000	100,000,000	150,000,000	480,000,000

INVESTMENT PURPOSE & BREAKDOWN

PIQ Development Limited's 5-Year Cash Flow Projection

PIQ Development Limited is ready for substantial growth in the mining sector over the next five years. The company's phased approach, starting from exploration to full-scale mining and processing, is designed to ensure profitability and sustainability.

Investment Overview

The total investment over the five years amounts to TZS 2.4 billion. The capital will primarily be used for land acquisition, equipment purchases, exploration, and the establishment of mining and processing operations. The authorized share capital of TZS 2.4 billion will fund the initial phases, with the aim of gradually scaling up production and generating increasing revenue streams.

Revenue Projections

Year 3-4 will mark the start of substantial revenue generation. In Year 3, revenue from mining operations is projected at TZS 600 million, with an additional TZS 300 million coming from processed minerals. This growth is expected to continue in Year 4, reaching TZS 1.5 billion in total cash inflows.

Year 5 will see a sharp increase in revenue, with a projected total of TZS 2.2 billion. This will come from both mining operations and the sale of processed minerals.

PIQ DEVELOPMENT LIMITED

Cost Projections

Year 1-2 will see significant capital expenditures, particularly on land acquisition, exploration, and purchasing equipment. The total cash outflows in these years will primarily focus on setting up the infrastructure for mining operations.

From Year 3 onwards, operational costs will rise with the increase in mining activity, processing, and distribution efforts. However, careful management of costs and scaling operations gradually ensures that the company stays on track for profitability.

Profitability Timeline

The company will experience negative cash flow in the initial years (Years 1-3) due to high capital expenditures and setup costs. However, as operations ramp up, Year 4 will mark the beginning of profitability, with revenues increasing significantly from both mining and processed mineral sales.

Year 5 will see the company reaching a more stable and profitable state, generating TZS 480 million in net cash flow, thanks to increased production and more efficient processing and distribution.

Risk Mitigation Strategies

PIQ Development Limited faces potential risks, such as:

- Construction delays, which may delay mining activities.
- Market fluctuations in mineral prices and demand.
- Regulatory changes affecting mining and processing activities.

PIQ DEVELOPMENT LIMITED

To mitigate these risks, the company will:

- Focus on strategic land acquisition in high-potential mining areas.
- Use a phased investment strategy to manage cash flow effectively.
- Regularly assess market conditions and adapt to changes to maintain financial stability.

Conclusion

The 5-year financial projection for PIQ Development Limited demonstrates a clear path toward profitability, starting from exploration and setup in the first two years, followed by growth in mining and processing in Year 3-4, and full-scale operations and profitability by Year 5. By focusing on efficient management, strategic investments, and timely scaling of operations, the company is positioned for sustainable growth in the mining sector, with a robust return on investment by Year 5.