

BUSINESS PLAN

For

**TO FINANCE AND ENHANCE THE IMPLEMENTATION OF
EXTRACTING, PROCESSING AND SELLING OF GOLD ORES AND
PRODUCTS FOR LOCAL AND INTERNATIONAL MARKETS**

December, 2025

1.0 EXECUTIVE SUMMARY

F & K FORWARDERS COMPANY LIMITED brings long experiences in sustainable mineral extraction and innovative tourism in Tanzania, driven by the extensive expertise of its shareholders. With a core focus on acquiring and developing new gold mining sites and securing reliable sources of mining investments, we are transforming Africa's resource industries through innovation, ethical practices, and community empowerment.

Building on the legacy of F & K FORWARDERS COMPANY LIMITED, our strong local presence and global partnerships enable us to drive economic progress while prioritizing environmental stewardship and social equity. Our strategic approach ensures operational excellence and a sustainable future for Africa.

Founded on July 1, 2025, F & K FORWARDERS COMPANY LIMITED builds on the legacy of NAJIM & COMPANY LIMITED, a cornerstone in Tanzania mining and tourism sectors. Our core function is to acquire and develop new mineral sites, with a primary focus on gold, while coordinating with various government stakeholders to create efficient platforms that enhance the value of these sites through collaborative partnerships. By leveraging cutting-edge technologies, sustainable practices, and reliable investment sources, we advance resource industries to shape Africa's development landscape with innovation and local expertise.

The project entails construction of laboratories and other building infrastructures, purchase and installation of plant and machinery, acquiring supporting equipment, acquiring motor vehicles and chemicals and other raw materials requirements and working capital to finance gold extraction and purification. The total project cost is estimated at **Tzs 5 billion** and will be funded by shareholders themselves.

2.0 INTRODUCTION OF THE BUSINESS PLAN.

2.1 Overview of This Business Plan.

This business plan has been written to F & K FORWARDERS COMPANY LIMITED with two main objectives;

2.1.1 To be used as a guiding tool to support the inauguration and operation of the new gold mine plant based on the financial and human resources the company have and what are aspirations in the coming 5 years of business operations.

2.1.2 To serve as the basis to assess company`s need of receiving tax incentive from **Tanzania Investment and Special Economic Zones Authority (TISEZA)** based on the financial resources to support the project which will eventually attract revenue generation and employment creation.

Research and market analysis have been conducted to assess the viability and applicability of the nature of this business, the outcome of the research provided concrete evidence to support this line of business. Furthermore, the preliminary financial and investment projections demonstrate the business will generate substantial income from this project because of having reliable markets to sell the products.

2.2 Purposes of the Proposal

The specific purposes of this proposal are:

- Assess the viability of proposed line of business.
- Review general viability of the proposed business, the supply and demand situation in the market, and the amount of financing required as additional working capital.
- Discuss the technical, management, and operational options of the business.
- Analysis the operational and management aspects of the company to determine its capability by considering the industry challenges and overall growth of the company.

3.0 COMPANY BACKGROUND

3.1 Ownership

F & K FORWARDERS COMPANY LIMITED was registered one year ago with certificate of incorporation number 171894220 dated on 2nd February 2025 by Business Registration & Licensing Authority (BRELA) in Dar es Salaam, Tanzania under the Directorship of:

3.1.1 JOSEPHAT JOSEPH MUGANYIZI KAGIRWA, Shareholder & Strategic Mining adviser with vast experience over 20 years in Mining Sector as consultant and owner of various mining licenses.

3.1.2 GODFREY ALLAN FUE, Shareholder & Operations Director A distinguished entrepreneur with extensive success in real estate, owning multiple high-value properties, and in agriculture, managing farms specializing in spices, rice production and diverse crops.

3.2 Location and Facilities

The Head Office of the Company is located in Makongolosi Area found in Chunya District. The Company's mining sites are located at Nanyuki Village found in Chunya District, Mbeya Region. The mentioned areas have about 9.98 Hectares of arable land.

3.3 Mission

To deliver world-class, sustainable services to global markets, upholding integrity, environmental responsibility, and social impact.

3.4 Vision

To be Africa premier provider of innovative, sustainable services in mining and tourism, setting global standards for excellence and ethical leadership.

3.5 Core Values

- 3.5.1 Integrity: Transparency and ethical conduct in all operations.
- 3.5.2 Sustainability: Environmental care and social responsibility for lasting impact.
- 3.5.3 Innovation: Advanced technologies for efficiency and progress.
- 3.5.4 Community Empowerment: Jobs, skills, and infrastructure for local prosperity.
- 3.5.5 Excellence: Unmatched quality and continuous improvement.

3.6 Competitive Edge

- 3.6.1 Compliance: Fully licensed with strict regulatory adherence.
- 3.6.2 Partnerships: Technical and financial alliances for growth.
- 3.6.3 Community Trust: Strong local relationships.
- 3.6.4 Scalability: Flexible operations to meet market needs.
- 3.6.5 Global Appeal: Local expertise with international readiness.

3.7 Future Initiatives

- 3.7.1 Advanced Analytics: Real-time data for precise prospecting.
- 3.7.2 Digital Compliance: Streamlined regulatory systems.
- 3.7.3 Partnerships: Joint ventures and acquisitions for expansion.
- 3.7.4 Global Reach: Extending into regional and international markets.

4.0 BUSINESS OPERATIONS AND PRODUCT DESCRIPTION

Mining in Tanzania includes metals (gold, iron ore, nickel, copper, cobalt, silver), industrial minerals (diamonds, tanzanite, ruby, garnet, limestone, soda ash, gypsum, salt, phosphate, gravel, sand, dimension stones and lately graphite), and fuel minerals (coal, uranium). Mining and quarrying activities in Tanzania contributed 5.1% to its GDP with USD 2.96 billion in 2018, compared to USD 1.9 billion (3.8% of GDP) in 2014, representing

an increase of 56%. Based on Tanzania's Development Vision 2025 plan, the mining sector is expected to account for 10% of the GDP by that year.

Minerals export accounted for USD 2.7 billion of the total value of Tanzania's export in 2022 (i.e. 45%) with gold representing more than 90% of the country's minerals export. Tanzania exports gold mainly to South Africa, India, Switzerland and Australia.

F & K FORWARDERS COMPANY LIMITED has been established as a Mining Company in Tanzania. Incorporated since July 2024 the Company plan to be a key example in the Tanzanian market due to its practices positive development of the mining sector in the country.

F & K FORWARDERS COMPANY LIMITED will be operating in a vital industry which do contribute to the large percent of both the income of common citizens and national income of the country in general. Mining sector has presence of high potential of growth both at our country and global level, and it is with this remark we bank on our operating strategy which is continued innovation in our project works, and to grow in staff numbers and to progress our various strategic business units such as agriculture, real estate, hotels and transportation.

5.0 THE DEMAND AND MARKET ANALYSIS

5.1 Industry Analysis

Overall demand for minerals under the base case assumptions grows by 30 times between 2020 and 2040. World population is growing faster than at any time in history, and mineral consumption is growing faster than population as more consumers enter the market for minerals.

World demand for minerals will be affected by three general factors—uses for mineral commodities, the level of population that will consume these mineral commodities, and the standard of living that will determine just how much each person consumes. As new

materials and applications are found, markets for mineral commodities can expand considerably.

As populations grow, infrastructure needed to serve demands for reliable power, transportation, housing, clean water, and sanitation increase the need for minerals.

Economic minerals are used in a wide range of applications related to construction, manufacturing, agriculture and energy supply. Economic minerals include: Energy minerals used to produce electricity, fuel for transportation, heating for homes and offices and in the manufacture of plastics.

6.0 IMPLEMENTATION SCHEDULE

The project implementation schedules cover the activities starting from the project planning, evaluation, approval, testing, trial run and commissioning. The implementation program requires a total of 10 months the first phase starting from the project approval up to plant commissioning and starts commercial production.

Others phases of project execution will follow in the near future based on capital availability and funds mobilization.

The cost for project implementation shall include project management, project design, detail engineering, procurement of plant and machinery, erection and commissioning, consultancy services and personnel training. The table below indicates processes, activities and time frame for project implementation.

Start- up Schedule	Particular/Activity	Time frame (Months)
1	Ordering of equipment/machineries	2 Months
2	Supplier to prepare the ordered equipment /machineries	1 Month
3	Shipping	3 Month
4	Importation and Installation plant and supporting equipment	1 Months

5	Trial running and Commissioning	1 Month
7	Starting operations	2 Months
Total		10 Months

The Company will be staffed with eligible personnel with corresponding authority and responsibility for achievement goals and objectives of the company. The highest body of company will be Board of Directors responsible for handling policy issues, approving strategic plan and follow up activities of General Manager.

7. ENVIRONMENT AND SOCIAL IMPACT

In adherence to regulations, the company obtained environment guidelines from National Environment Management Council regarding milling project. The following environment factors have been considered in order to protect environment as well as to comply with other regulatory bodies including OSHA, TBS.

a. Factory Design

The factory designs are planned properly in a way that not only is environmentally friendly but also aesthetically appealing. The facility will comprise of the processing plant, office space, warehouse, an open and a reserve water tank, which will be designed to allow adequate ventilation and lightning to minimize energy consumption.

b. Plants, Machinery and Equipment

The equipment designs make and capacity ratings have been carefully selected based on their suitability and minimal environmental emissions as advised by industrial experts.

8.0 ORGANIZATION STRUCTURE AND MANAGEMENT

8.1 Organization Structure

The organization structure will be staffed with eligible personnel with corresponding authority and responsibility for achievement goals and objectives of the company. The highest body of the company is Board of Directors responsible for handling policy issues, approving strategic plan and follow up activities of the General Manager.

The General Manager is accountable to the Board of Directors and responsible for planning, executing, monitoring and controlling whole activities of the company. Further to that, General Manager will be responsible for management of day to day business operations and will lead five departments as follows:

a. Human Resource and Administration Department

This is the main department which will handles all matters of the company. It will be responsible for rules and regulations, security of the employees and other facilities to workers. This department also encircles quality control, production, security and information technology departments.

b. Commercial Department

This will be the most important department of the company. It is responsible for management of finance, sales and marketing activities of the company.

c. Procurement, Stores and Logistics Department

This is the most important department of the factory. The function of this department is to deal with raw materials procurement and logistics as well as handling store goods.

d. Production Department

The main function of production department is to produce maximum high quality of products. The department has to maintain a quality standard for products and their raw materials which are being tested with different laboratories. The department will also handle the equipment in the process and packing house.

e. Mechanical Department

The mechanical department is merged with electrical department and has mechanical workshop that provides all equipment for smooth running of the plant. In case of failure of machine or any part this department is responsible for repair. The operation activity of mechanical department is to provide mechanical and electrical maintenance and repair.

8.2 Governance Structure

The company will operate as a gold mine project. Since the scale of operation is relative medium, there will be a diversified Board of Directors with Board Charter will be formed to manage the project. The Board of Directors will be involved with numerous responsibilities among others including:

- Oversee management, finances, and quality;
- Set strategic direction of the company;
- Build community relationships;
- Establish ethical standards, values, and compliance; and
- Select General Manager and monitor his or her progress.

8.3 Staff Plan

The total manpower required for the project is 46 people for production operations, marketing and administration.

- Shareholders
- Board of Directors
- General Manager
- Commercial Manager Procurement & Logistics Manager
- Production Manager Human Resource and Administration Manager
- Technical Manager.

9. INVESTMENT COST AND FINANCING PLAN

9.1 INVESTMENT COST

The total project cost is estimated at **Tzs 5 billion** made up of the following items

- a. Plant & Machinery:
- b. Supporting equipment (Generator, weighbridge, Tanks and transformers)
- c. Furniture and Fittings
- d. Motor vehicles

e. Pre-operation Expenses

	Items	Amount-TZS
1	Furniture & Fittings	100,000,000
2	Plant & Machinery	3,500,000,000
3	Buildings & Associated Infrastructures	500,000,000
4	Motor Vehicles	300,000,000
5	Pre-operation Expenses	100,000,000
6	Initial Working Capital for funding chemicals reagents and other operating and admin expenses	500,000,000
Total		5,000,000,000

Note: SOURCES OF FUNDING

The sources of funding will be Equity based on Shareholder's funding.

9.2 FINANCIAL ASSUMPTIONS BEHIND THE PROJECT TO BE IMPLEMENTED

	PROJECT DESCRIPTIONS
a	The capacity of the plant assumes to be operated at 100% throughout
b	The price of gold will be growing at 7.5% as Inflation rate year on year

9.3 SALES FORCAST / REVENUE PROJECTIONS

We have depicted the financial highlights and analysis for the projected 5 years of operations.

Revenue Projections					
"USD"	Year 1	Year 2	Year 3	Year 4	Year 5
Utilization Capacity	100%	100%	100%	100%	100%
Tonnage	180	220	250	280	320
Price of Gold/Ton	115,150	123,786	133,070	143,050	153,779
Net Revenue	20,727,000	27,232,975	33,267,555	40,054,136	49,209,367

The reason behind the growth of revenue is supported by the fact that the un limited demand for gold taking into the level of massive investment in the operational efficiency of the project to curb all the opportunities as market potentials.

9.4 PERSONNEL PLAN ANALYSIS

"USD"	Qt	Year 1	Year 2	Year 3	Year 4	Year 5	
Net Revenues		20,727,000	27,232,975	33,267,555	40,054,136	49,209,367	
Staff Salaries	Monthly Income						
General Manager	1	18,000	216,000	221,400	226,935	232,608	238,424
Commercial Manager	1	15,000	180,000	184,500	189,113	193,840	198,686
Procurement & Logistics Mngr	1	10,000	120,000	123,000	126,075	129,227	132,458
Production Manager	1	10,000	120,000	123,000	126,075	129,227	132,458
Technical Manager (Geology)	1	10,000	120,000	123,000	126,075	129,227	132,458
Finance Manager	1	10,000	120,000	123,000	126,075	129,227	132,458
Marketing Manager	1	10,000	120,000	123,000	126,075	129,227	132,458
Procurement Officer	4	4,000	192,000	196,800	201,720	206,763	211,932
Accountants	5	4,500	270,000	276,750	283,669	290,760	298,029
IT Officer	3	4,000	144,000	147,600	151,290	155,072	158,949
Supervisor	5	5,500	330,000	338,250	346,706	355,374	364,258
Maintenance Technician	2	2,500	60,000	61,500	63,038	64,613	66,229
Workers - Admin & Operations	20	1,500	360,000	369,000	378,225	387,681	397,373
Total Salary	46		2,352,000	2,410,800	2,471,070	2,532,847	2,596,168
Benefits							
Percent (%)			10%	10%	10%	10%	10%
Total benefit costs			235,200	241,080	247,107	253,285	259,617
Total S & M Compensation			2,587,200	2,651,880	2,718,177	2,786,131	2,855,785
% of Revenue			12.5%	9.7%	8.2%	7.0%	5.8%

The projected staff costs are in consideration from the investment in the newly expansion phase of the project with experienced staff team which will yield the maximum output in the coming phases of productions. The staff budget is in line with the expected levels of operating income and we are comfortable. At full capacity the plant will have a total of

46 staff with different disciplines with vast experiences in the manufacturing, finance and marketing and strategic business experts.

9.5 DIRECT COSTS ANALYSIS

"USD"	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	20,727,000	27,232,975	33,267,555	40,054,136	49,209,367
Cost of Revenue					
Mine Royalties	4,145,400	5,446,595	6,653,511	8,010,827	9,841,873
Water costs	45,500	50,050	55,055	60,561	66,617
Electricity	150,000	165,000	181,500	199,650	219,615
Sodium Cyanide	220,000	242,000	266,200	292,820	322,102
Lime	180,000	198,000	217,800	239,580	263,538
Caustic Soda	330,000	363,000	399,300	439,230	483,153
Flocculant	205,000	225,500	248,050	272,855	300,141
Fuel	590,000	649,000	713,900	785,290	863,819
Activated carbon	150,000	165,000	181,500	199,650	219,615
Total Direct Costs at 100% capacity	6,015,900	7,504,145	8,916,816	10,500,463	12,580,472
Gross Profit	14,711,100	19,728,830	24,350,739	29,553,673	36,628,894
% of Revenue	70.98%	72.44%	73.20%	73.78%	74.43%
Salaries and wages	2,352,000	2,410,800	2,471,070	2,532,847	2,596,168
Insurance	150,000	165,000	181,500	199,650	219,615
Utilities	30,000	33,000	36,300	39,930	43,923
Miscellaneous expenses	57,500	63,250	69,575	76,533	84,186
Total Administrative and Operating costs	2,589,500	2,672,050	2,758,445	2,848,959	2,943,892
Other Expenses					
Loan repayments	-	-	-	-	-
Depreciation	1,397,476	1,537,224	1,690,946	1,860,041	2,046,045
Total Cost of Revenues	3,986,976	4,209,274	4,449,391	4,709,000	4,989,936
% of Revenue	19.2%	15.5%	13.4%	11.8%	10.1%
Allocation of Cost of Revenue between:					
Variable	6,015,900	7,504,145	8,916,816	10,500,463	12,580,472
Fixed	2,589,500	2,672,050	2,758,445	2,848,959	2,943,892
Total	8,605,400	10,176,195	11,675,261	13,349,422	15,524,364

The components of direct costs (costs of revenue) are in line with the targeted levels of production revenue which give us comfort in the generation of strong operating income which will lead to sustainable profitability. The projected operating income are promising which will be able to cover both short-term and long-term obligations on time without delay.

9.6 INCOME STATEMENT ANALYSIS

"USD"	Year 1	Year 2	Year 3	Year 4	Year 5
NET REVENUES	20,727,000	27,232,975	33,267,555	40,054,136	49,209,367
DIRECT COSTS	6,015,900	7,504,145	8,916,816	10,500,463	12,580,472
% of Revenues	29%	28%	27%	26%	26%
EARNINGS FROM OPERATION	14,711,100	19,728,830	24,350,739	29,553,673	36,628,894
% of Revenues	71%	72%	73%	74%	74%
ADMINISTRATIVE AND OPERATING COSTS	3,986,976	4,209,274	4,449,391	4,709,000	4,989,936
% of Revenues	19%	15%	13%	12%	10%
PROFIT BEFORE TAX	10,724,124	15,519,556	19,901,348	24,844,673	31,638,958
% of Revenues	0%	0%	0%	0%	0%
TAXES	3,217,237	4,655,867	5,970,404	7,453,402	9,491,687
NET EARNINGS	7,506,887	10,863,689	13,930,943	17,391,271	22,147,271
% of Revenues	36%	40%	42%	43%	45%
Cumulative Earnings	7,506,887	18,370,576	32,301,520	49,692,791	71,840,062

The Comprehensive Income analysis of the project is one among the things showing the going concern of this business and likelihood survival in next three decades. The Company's projected numbers are showing consistency in the making profitability. This will be tremendous increasing a year to year thus showing business efficiency and prosperity in the coming phases of production.

10.0 CONCLUSION AND RECOMMENDATIONS

The Company is planning to open gold mine project in Chunya District, Mbeya Region, Tanzania. The promoters are confident that the project will operate successfully of which investors are assured their return of capital to be invested due to the following reasons;

- a. The company will recruit competent management team to run the project.
- b. The project will be implemented under turnkey contract and hence implementation, completion and operation risks will be mitigated.
- d. The project is located in Chunya District, Mbeya Region where the availability of proper infrastructure is not a problem.
- f. The infrastructure to facilitate production is available at the project site.
- g. The project is technically, financially and commercially feasible and hence worth for implementation and hence it worth for implementing.