

TANZANIA HONGDA BLASTING CO., LTD.

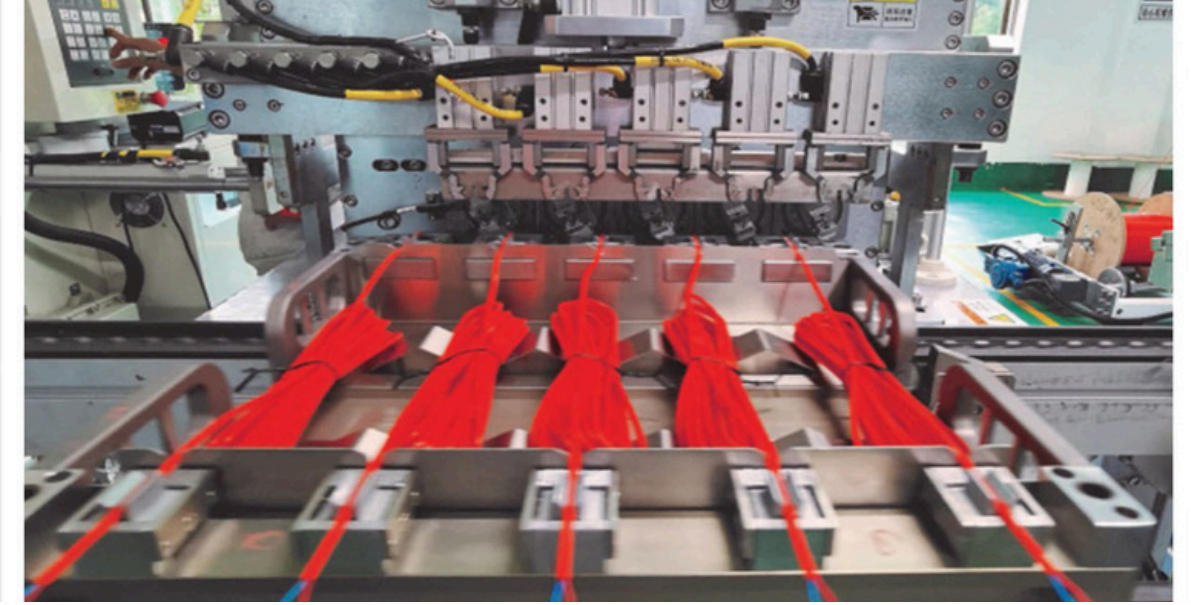
MINING PROCESSING



EXECUTIVE SUMMARY

Tanzania Hongda Blasting Co., Ltd., established in March 2025, is a Tanzanian-registered joint venture between a leading Chinese explosives engineering firm and local entrepreneur Mr. George Mubezi Lwakatare. Building on its core business in professional, safe, and efficient blasting engineering services, the company now seeks to vertically expand into manufacturing specialized products for mineral processing, establishing a modern facility in Chalinze District, strategically located along Tanzania's central transport corridor.

This new business line will produce high-quality mineral processing inputs – including grinding media, leaching reagents, activated carbon, and customized process chemicals – for use by large, medium, and small-scale mining operators across the country. The facility will reduce dependency on imported inputs, lower operational costs for Tanzanian miners, and support the government's vision of local value addition in the mining sector.



COMPANY OVERVIEW

Tanzania Hongda Blasting Co., Ltd. is a dynamic engineering and blasting company with a strong commitment to innovation, safety, and environmental responsibility. Its current services include:

- Blasting scheme design
- On-site mixed explosives preparation
- Vibration monitoring and environmental control
- Comprehensive safety management in mining and infrastructure projects

The company's success is built on the fusion of international (Chinese) technical excellence and local market knowledge. With an initial capital investment of USD 750,000, the company has established a strong market presence and is now poised to deepen its impact through local manufacturing of mineral processing products.

PROJECT DESCRIPTION

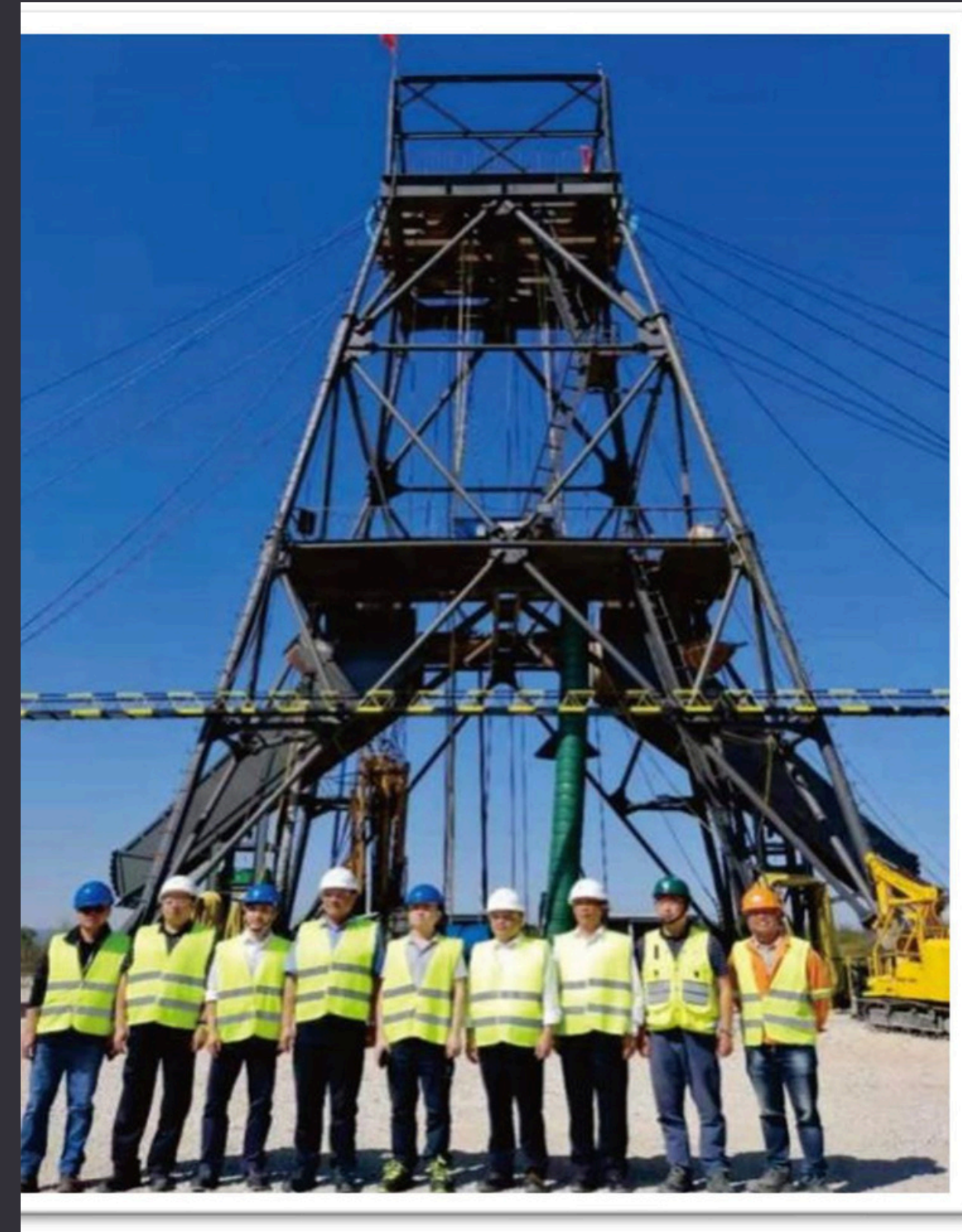
Mineral Processing Products Manufacturing Facility
The proposed facility in Chalinze will be designed to produce:

Phase I Products:

- Grinding media (steel balls, rods)
- Activated carbon for gold recovery
- Sodium cyanide (in partnership with licensed chemical suppliers)
- Flocculants and coagulants for tailings treatment

Phase II Products (Expansion):

- Specialty flotation reagents
- Lime for pH control
- Wear-resistant liners for crushers and mills



Facility Components

- Steel ball and rod forging/rolling line
- Activated carbon production kilns
- Reagent mixing and packaging unit
- Quality control and R&D laboratory
- Secure chemical storage and handling area
- Tailings & wastewater treatment system for production effluents



Target Market

Segment	Key Details & Needs
Large-Scale Mines	Geita Gold, North Mara, Bulyanhulu, Williamson Diamonds. Need grinding media, activated carbon, cyanide, flotation chemicals. High volume, quality-
Medium-Scale Mines	Buckreef, Singida Gold, Shanta Gold. Require smaller batch grinding media, flocculants, activated carbon. Price-sensitive, steady demand.
Small-Scale & ASM	Cooperatives in Kahama, Nzega, Geita. Demand small-pack cyanide, lime, affordable grinding media. Served via mining supply depots.
Processing Contractors	Multiple-client operators needing full consumables range & logistics support.
Regional Exports	Zambia, DRC, Zimbabwe, Mozambique. Demand for grinding media, activated carbon, reagents. Faster, cheaper delivery via Dar es Salaam port.

Investment Plan

Cost Item	Amount (USD)
Civil works & construction	230,000
Manufacturing equipment & machinery	620,000
Activated carbon production line	210,000
Reagent mixing and packaging system	115,000
Laboratory and environmental systems	45,000
Power generation & water supply	110,000
Vehicles (2 delivery trucks, 1 pickup)	140,000
Permits, licensing, and pre-operation	80,000
Contingency (10%)	122,500
Subtotal Capital Costs	1,572,500
Initial Working Capital	275,000
Total Required Investment	1,847,500

Financial Projection

Year	Capacity Utilization	Revenue	Operating Expenses (Opex)	EBITDA	Depreciation	EBIT	Net Profit
1	75%	3,041,280	980,000	2,061,280	150,000	1,911,280	900,000
2	85%	3,294,720	1,050,000	2,244,720	150,000	2,094,720	1,050,000
3	95%	3,548,160	1,100,000	2,448,160	150,000	2,298,160	1,150,000
4	100% + Product Expansion	4,050,000	1,250,000	2,800,000	160,000	2,640,000	1,350,000
5	100% + Export Growth	4,320,000	1,320,000	3,000,000	160,000	2,840,000	1,500,000

Implementation Plan

Milestone	Timeline
Feasibility study and EIA	Q3 2025
TISEZA & Ministry of Minerals approvals	Q4 2025
Site acquisition and civil works	Q1 2026
Import and installation of machinery	Q2–Q3 2026
Pilot runs and staff training	Q3 2026
Full commercial operations	Q4 2026

Environmental and Regulatory Compliance

The facility will comply with:

- NEMC requirements and EIA approval
- OSHA safety standards
- Ministry of Minerals licensing for production of mineral processing inputs
- TBS and GCLA standards for handling and storing hazardous chemicals

Effluent and solid waste from production will be treated to meet environmental standards before discharge.



Strategic Advantages

- Established mining client base from blasting division
- Synergy with in-house explosives logistics
- Access to proven Chinese manufacturing technology
- Local partner ensures smooth regulatory facilitation and land access in Chalinze
- Alignment with Tanzania's Vision 2025 and local content policy in the mining sector



Conclusion

The proposed Mineral Processing Products Manufacturing Facility in Chalinze will position Tanzania Hongda Blasting Co., Ltd. as a leader in providing locally produced, high-quality inputs for the mining sector. By reducing reliance on imports and enhancing the local value chain, the project offers strong financial returns, a fast payback period, and broad socio-economic benefits through job creation, skills transfer, and foreign exchange savings.

