

ORO COMMERCIAL AND INDUSTRIAL LIMITED

PRE-FEASIBILITY STUDY REPORT ON:

INVESTMENT IN INDUSTRIAL CIP MACHINES FOR GOLD PROCESSING PLANT

**Presented To:
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ORO COMMERCIAL AND INDUSTRIAL LIMITED

Strategic Pre-feasibility Report

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BRIEF SUMMARY PROJECT

COMPANY: ORO COMMERCIAL AND INDUSTRIAL LIMITED

LOCATION: MATUNDASI, CHUNYA, MBEYA

CONTACTS: P. O. Box 33493 DAR ES SALAAM,

OBJECTIVE: Investment In Industrial CIP Machines For Gold Processing Plant

PROJECT VALUE: USD 505,000

BENEFITS: JOBS CREATION, GOVERNMENT INCOME, IMPORT
SUBSTITUTION,

IMPLEMENTATION PERIOD: 5YEARS

1.0 EXECUTIVE SUMMARY

1.1 Introduction

This Business Plan is designed for investment of Industrial Machines CIP project for Oro Commercial and Industrial Limited. Strategies are laid out on this business plan which will be used for investment purposes in the course of Industrial CIP Machines Company's operations.

1.2 Company Description

Oro Commercial and Industrial Limited is a Limited company registered under the Companies Act. The Company was incorporated 01st June 2023, and bears Certificate of Incorporation No. 165945751. Oro Commercial and Industrial Limited has its registered office in Kinondoni Municipality. Our company goals and objectives seek to ensure we generate an income that benefits both Nationals and non-Nationals so that we strengthen the economic status of the society. The company believes in customers, suppliers, and investors therefore it struggles to create good Rapport with both parties.

1.3 Business Description

Oro Commercial and Industrial Limited is limited Company incorporated in Tanzania under the Company Act. The Company was incorporated 01st June, 2023 and bears Certificate of Incorporation No. 165945751. The Company will be responsible in investing in a Industrial CIP Machines Project.

1.4 Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates justify that Oro Commercial and Industrial Limited is operating within the ambit of the law of Tanzania land.

1.5 Project Promoters

The project will be managed and operated by **ORO COMMERCIAL AND INDUSTRIAL LIMITED**.

NAMEOF SHAREHOLDERS	NATIONALITY	SHARE PERCENTAGE
1. ABBAS MOHAMAD KORANY	SYRIAN	500
2. ZIAD ABDOU	LEBANESE	500

1.6 Operations

The project will be managed and operated by **ORO COMMERCIAL AND INDUSTRIAL LIMITED**. The Company will run its activities in a more professional way and it seeks to satisfy its customers by meeting customer expectations. Although the company will use an automated system, people will also be used to manage the operations.

1.7 Project Location

The project shall be located at Matundasi, Chunya District in Mbeya Region.

1.8 Services

❖ **INSTALLATION AND COMMISSIONING**

Provide end-to-end installation of CIP machines at mining facilities, ensuring seamless integration into existing processes. Whereas under this aspect it will include; Site assessment to customize installation, Professional commissioning to ensure equipment functionality, Operator training during setup.

❖ **MAINTENANCE AND SUPPORT CONTRACTS**

Offer ongoing maintenance services to extend the lifespan of CIP machines and minimize breakdowns to include Routine inspections (monthly, quarterly, or annual plans), Replacement of worn-out parts (filters, seals, etc.), Emergency repair services with rapid response times.

❖ **SYSTEM OPTIMIZATION AND UPGRADES**

Analyze and upgrade existing CIP systems to improve efficiency, reduce water and chemical usage, and meet evolving environmental standards, Retrofitting older systems with newer technologies, Process optimization to improve cleaning time and performance and Data-driven recommendations using operational insights.

❖ **SPARE PARTS SUPPLY**

Maintain an inventory of essential spare parts to ensure prompt replacements for CIP machines to Stock of commonly required parts (valves, seals, hoses, etc.) and Quick delivery of spare parts to minimize equipment downtime.

❖ **CUSTOM CIP SYSTEM DESIGN**

Design bespoke CIP systems tailored to the specific needs of mining companies, ensuring compatibility with their equipment and operational scale.

❖ **REMOTE MONITORING AND DIAGNOSTICS (OPTIONAL)**

Offer remote monitoring services for CIP machines using IoT-enabled systems to identify issues before they occur.

1.9 Industry Overview

The global market for Clean-In-Place (CIP) machines has been growing significantly due to the increasing demand for automated cleaning systems that enhance operational efficiency and comply with environmental regulations. CIP machines are widely used across industries, including mining, where they are critical for cleaning tanks, pipelines, and processing equipment without the need for disassembly. This ensures improved equipment performance, reduced contamination risks, and better compliance with environmental standards. In Tanzania, the mining sector plays a vital role in the economy,

contributing approximately 6.7% to GDP. The country is rich in minerals such as gold, nickel, graphite, and rare earth elements, with gold accounting for over 90% of total mineral exports. As the government prioritizes industrialization and sustainable practices under its Vision 2025 strategy, the demand for advanced CIP systems in mining operations is expected to grow.

The Tanzanian mining industry faces increasing regulatory requirements to adopt environmentally friendly practices, as outlined in the Mining Act (2010) and the Environmental Management Act (2004). These regulations emphasize the need for technologies like CIP systems to reduce chemical and water usage, minimize waste, and ensure safe operations. Currently, most CIP machines in Tanzania are imported, which increases costs and delays for mining companies. This creates a significant opportunity for local manufacturing or assembly of CIP machines to address these challenges. Medium- and small-scale mining operations, in particular, represent an untapped market, as they often lack access to affordable and efficient cleaning technologies. Additionally, government incentives offered through the Tanzania Investment Centre (TIC), such as tax relief and duty exemptions, make investing in CIP systems an attractive prospect for both local and foreign investors.

Despite these opportunities, the industry faces challenges, including the high initial cost of CIP systems, limited local technical expertise, and infrastructure constraints in remote mining areas. However, with the government's commitment to supporting sustainable mining practices and the growing adoption of modern cleaning technologies, the outlook for CIP machines in Tanzania is promising. Increased mineral exports, coupled with stringent environmental compliance requirements, are expected to drive demand for CIP systems, presenting a lucrative opportunity for businesses in this sector. Establishing local partnerships and offering tailored CIP solutions for the mining industry can further enhance accessibility and adoption, contributing to both industrial growth and environmental sustainability.

1.10 Financial Overview

The financial outlook for investing in industrial Clean-In-Place (CIP) machines in Tanzania's mining sector is highly favorable, driven by increasing demand for sustainable and efficient cleaning systems. This investment is supported by the Tanzanian government's initiatives to industrialize and modernize mining practices under its Vision 2025 strategy. The introduction of advanced CIP machines aligns with industry needs for regulatory compliance, operational efficiency, and cost-effectiveness.

The business is poised to benefit from key government incentives, such as tax exemptions, duty-free importation of machinery, and reduced corporate tax rates, offered through the Tanzania Investment Centre (TIC) under the Certificate of Incentives program. These incentives significantly reduce the initial financial burden and enhance cash flow, allowing for reinvestment in operations and expansion. Furthermore, operating within Tanzania's mining sector ensures a consistent and growing market due

to the country's abundant mineral resources, which attract both large-scale and small-to-medium mining operations.

1.11 Organization Mission

Our mission is to provide cutting-edge, efficient, and environmentally sustainable Clean-In-Place (CIP) solutions tailored for the mining industry in Tanzania. We aim to enhance operational efficiency, ensure compliance with environmental and industrial regulations, and contribute to the sustainable development of the mining sector. Through innovation, quality service, and strong partnerships, we strive to empower mining companies to achieve their goals while minimizing environmental impact and maximizing resource utilization.

1.12 Vision Statement

To be the leading provider of innovative and sustainable Clean-In-Place (CIP) solutions in Tanzania, revolutionizing the mining industry's operational efficiency while fostering environmental stewardship and driving industrial growth across the region.

1.13 Goals and Objectives

1. Become the leading provider of innovative and sustainable CIP solutions for Tanzania's mining sector, focusing on operational excellence, environmental sustainability, and industrial growth.
2. Deploy CIP systems in at least 20 mining operations within the first two years.
3. Capture 25% of the untapped small- and medium-scale mining market segment by the end of year three.
4. Promote environmentally friendly CIP technologies that reduce water and chemical usage by up to 30%, contributing to sustainable mining practices.
5. Collaborate with regulatory bodies to enhance industry awareness of sustainable cleaning methods and ensure compliance with environmental standards.
6. Achieve a 95% customer satisfaction rate by delivering tailored CIP solutions, providing reliable equipment, prompt maintenance services, and fostering long-term client partnerships.

2.0 COMPANY OVERVIEW

2.1 Ownership

Oro Commercial and Industrial Limited is located in Kinondoni Municipality, Dar Es Salaam but the project is expected to be in Chunya, Mbeya.

3. OVEVIEW OF INDUSTRIAL MACHINES CIP SERVICES

Our company offers a comprehensive range of services designed to meet the unique needs of the mining sector in Tanzania, focusing on Clean-In-Place (CIP) systems. These services aim to enhance operational efficiency, ensure compliance with environmental regulations, and promote sustainability. Our service offerings include:

- **CIP System Installation and Setup:**

We provide end-to-end installation services for CIP machines, ensuring seamless integration into mining operations. Our team works closely with clients to understand their specific needs and customize the installation process accordingly.

- **Maintenance and Repair Services:**

We offer routine and emergency maintenance services to ensure optimal performance of CIP systems. Our technicians provide preventative maintenance, diagnostics, and repairs to minimize downtime and extend the life of the equipment.

- **Spare Parts Supply**

We supply high-quality, genuine spare parts for all CIP systems, ensuring that clients have access to essential components when needed. This service helps prevent delays and keeps operations running smoothly.

- **Consultancy and Training**

We provide consultancy services to help mining companies optimize their cleaning processes and comply with environmental regulations. Additionally, we offer training programs for technicians and operators to ensure they can effectively operate and maintain CIP systems.

- **Upgrades and Retrofits**

As technology evolves, we offer system upgrades and retrofits to ensure that mining companies stay at the forefront of efficiency and sustainability. This includes the integration of IoT-enabled CIP systems for remote monitoring and diagnostics.

- **Custom Solutions**

We work with clients to design and implement custom CIP solutions tailored to their specific mining processes. This service ensures that the CIP system meets the unique operational and environmental requirements of each mining operation.

By offering these services, we aim to be a reliable partner in the mining industry, helping companies improve their cleaning processes while enhancing sustainability and reducing operational costs.

4. MARKETING STRATEGY

Our marketing strategy is focused on establishing a strong brand presence in the mining sector, building relationships with key stakeholders, and positioning our CIP solutions as the preferred choice for mining companies in Tanzania. The strategy includes the following key components:

- **Target Market Identification:**
Our primary target market includes both large-scale and small- to medium-scale mining operations across Tanzania. We will focus on companies involved in gold, nickel, graphite, and other mineral extraction, particularly those seeking to enhance operational efficiency and comply with environmental regulations.
- **Brand Positioning and Value Proposition:**
We will position our company as a provider of high-quality, efficient, and environmentally sustainable CIP solutions. Our value proposition is centered around delivering reliable systems that reduce water and chemical usage, improve equipment performance, and ensure compliance with local and international environmental standards.
- **Partnerships and Collaborations**
We will form strategic partnerships with local mining associations, regulatory bodies, and key industry players to build credibility and expand our reach. Collaborating with Tanzanian universities and technical institutions will also help in building a skilled workforce and further promoting our services.
- **Digital Marketing and Online Presence**
We will leverage digital platforms such as social media, search engine optimization (SEO), and a user-friendly website to raise awareness about our services and solutions. Our website will feature case studies, testimonials, and educational content on the benefits of CIP systems for the mining industry. Regular content updates, including blogs and articles on industry trends, will help position us as a thought leader.
- **Trade Shows and Industry Events:**
Participating in local and international trade shows and industry events will provide opportunities to showcase our products, build relationships with potential clients, and stay updated on the latest industry trends. These events also allow us to demonstrate the effectiveness of our CIP systems through live presentations and on-site demonstrations.
- **Referral Programs and Customer Advocacy:**

To build trust and credibility, we will implement a referral program that encourages satisfied clients to recommend our services to other mining companies. Client testimonials and success stories will also be used in marketing materials to reinforce the quality and reliability of our solutions.

- **Sales Team and Direct Outreach:**

Our sales team will engage in direct outreach to key decision-makers in the mining sector, including procurement managers, environmental compliance officers, and operations managers. The sales team will focus on building relationships and understanding the specific needs of each client to offer customized CIP solutions.

- **Customer Education and Training:**

As part of our marketing strategy, we will offer workshops, webinars, and on-site training programs to educate the mining community on the benefits of CIP systems. This will not only help potential clients understand the value of our solutions but also increase brand recognition within the industry.

By combining these tactics, we aim to build a strong and recognizable brand, drive customer acquisition, and position ourselves as a leader in the CIP solutions market for the mining sector in Tanzania.

5. PROJECT DESCRIPTION

5.1 Location and Site

The project will be based in Tanzania, with potential locations such as Dar es Salaam, Mwanza, or Arusha. These cities are key mining hubs with strong infrastructure, including ports, roads, and energy supply. Being in proximity to mining operations will ensure efficient service and distribution. Additionally, setting up in Special Economic Zones may offer government incentives, including tax exemptions.

5.2 Promotion Strategy

The promotion strategy focuses on building brand awareness through digital advertising, trade shows, and on-site demonstrations. We will also collaborate with mining associations and regulatory bodies to enhance credibility. Content marketing, such as blogs and webinars, will help demonstrate the benefits of CIP systems in the mining industry.

5.3 Pricing Strategy

We will adopt a competitive pricing model based on market conditions and the financial capacity of Tanzanian mining companies. Flexible pricing will include leasing and financing options for small- and medium-sized miners. Service bundles, such as maintenance contracts and spare parts, will offer additional value to clients.

5.4 Customer Segmentation

Our target customers include large-scale mining operations, small- and medium-scale miners, and government/regulatory bodies. Large-scale companies will need high-capacity, automated CIP systems, while smaller miners will need more affordable, flexible solutions. Government agencies will be targeted for compliance with environmental regulations.

5.5 Competitive Analysis

Local competitors mainly focus on price-sensitive customers, but they may lack the advanced technology, customization, and support we provide. International suppliers dominate large-scale operations but face challenges such as higher costs and limited local support.

5.6 Competitive Advantage

Our competitive advantage lies in offering tailored CIP solutions for Tanzanian mining operations, with local expertise and strong customer support. Our systems are more efficient, use less water and chemicals, and help clients comply with environmental standards. The use of IoT-enabled CIP systems adds value by providing remote monitoring and diagnostics.

6. Operational Plan

The operational plan outlines the key activities, milestones, and job creation aspects of the project, ensuring that the CIP machine installation and service operations in Tanzania are executed efficiently and sustainably.

6.1 Milestones:

1. Project Launch (Month 1-2):

- Finalize the location for the operation.
- Obtain necessary permits and approvals from the Tanzanian government and regulatory bodies.
- Secure partnerships with local suppliers and contractors for equipment sourcing and materials.

2. Installation and Setup (Month 3-6):

- Begin the installation of the first batch of CIP machines for a few pilot mining companies.
- Conduct initial testing and quality checks for system functionality.
- Train the first group of operators and technicians in proper system use and maintenance.

3. First Batch Deployment (Month 7-12):

- Roll out CIP systems to additional mining operations, expanding from pilot projects to larger-scale deployments.

- Set up local service centers and supply chains to ensure quick access to spare parts and maintenance services.
 - Monitor system performance and customer feedback for further improvements.
- 4. Expansion and Service Contracts (Year 2):**
- Begin scaling operations and installing CIP systems in additional mining companies.
 - Formalize service contracts for long-term maintenance, spare parts supply, and operator training.
 - Introduce IoT-enabled CIP systems for enhanced monitoring.
- 5. Achieving Full Capacity (Year 3):**
- Full-scale operations with all systems running at capacity.
 - Expand market reach to more regions in Tanzania and explore other East African markets.
 - Achieve a target of 20-30 CIP system installations within the first two years.

6.2 Job Creation:

The project will create multiple job opportunities in various sectors:

- 1. Installation Technicians (10-15 people):**
Technicians will be responsible for the installation and initial setup of CIP systems at mining operations. This will include electrical and mechanical engineers, system integrators, and support staff.
- 2. Maintenance and Repair Technicians (15-20 people):**
A team of skilled technicians will be responsible for servicing and maintaining the installed CIP systems. These workers will provide ongoing maintenance contracts to clients, ensuring the systems operate efficiently.
- 3. Sales and Marketing Team (5-10 people):**
A dedicated sales and marketing team will focus on customer acquisition, lead generation, and brand development. This team will also handle promotional activities, trade show participation, and digital marketing efforts.
- 4. Customer Support and Training (5-8 people):**
Customer support staff will offer after-sales assistance, troubleshooting, and training services. The training team will be responsible for educating mining companies on how to operate and maintain their CIP systems.

5. Administrative and Operations Support (5-7 people):

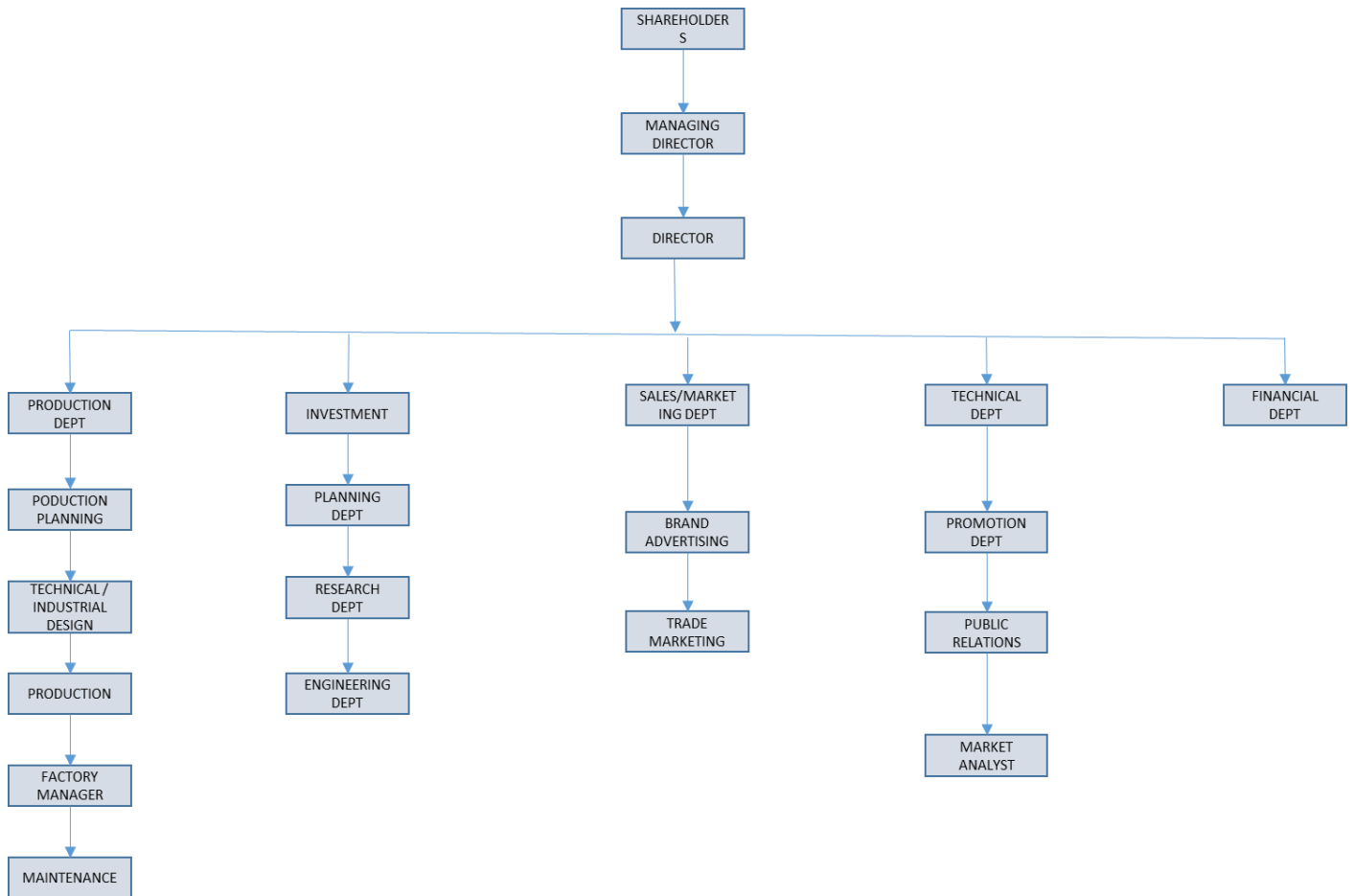
Administrative staff will handle day-to-day operations, including logistics, human resources, accounting, and procurement.

In total, the project is expected to create approximately 40-60 direct jobs within the first two years, contributing to local employment and skill development in the mining and industrial sectors.

By following this operational plan, the business will not only ensure the successful deployment and ongoing maintenance of CIP systems but also foster job creation and local expertise development in Tanzania's mining industry.

7. ORGANIZATION AND MANAGEMENT PLAN

7.1 Organizational Structure



8. MANAGEMENT STRATEGY

The management strategy will focus on building a strong leadership team with the CEO overseeing strategic direction, and key managers handling operations, sales, finance, and technical support. The company will start with a flat organizational structure for efficient decision-making and collaboration. Performance will be monitored through operational efficiency, financial performance, customer satisfaction, and employee productivity, with regular reviews and incentives for staff development. The strategy also prioritizes leadership development to ensure a skilled workforce capable of supporting growth. This approach aims to ensure smooth operations, high customer satisfaction, and long-term success in the Tanzanian mining sector.

9. BUDGET MANAGEMENT

Budget management will focus on maintaining financial discipline and ensuring that funds are allocated effectively across all business areas. The Finance Manager will oversee the budgeting process, tracking revenue, costs, and investments to ensure that the business operates within its financial means. Regular financial reports will be generated to monitor cash flow, identify potential issues, and adjust the budget as needed. Additionally, cost controls will be put in place to minimize waste and maximize profitability, while ensuring that funds are available for critical operational needs and future growth. This approach will help maintain financial stability and support the company's long-term objectives.

10. TIME MANAGEMENT

Time management will be a key factor in ensuring the successful execution of the project. The company will implement a detailed project timeline with clear milestones and deadlines for each phase, from the initial installation to full deployment and ongoing maintenance. The Operations Manager will be responsible for tracking progress and ensuring that all tasks are completed on schedule. Regular team meetings will be held to address any delays or bottlenecks and adjust timelines accordingly. By prioritizing tasks and setting realistic deadlines, the company aims to optimize productivity, reduce downtime, and ensure that all projects are completed efficiently, helping the business meet its goals in a timely manner.

11. RISK MANAGEMENT

Risk management will involve identifying, assessing, and mitigating potential risks that could impact the business's success. The company will conduct regular risk assessments to evaluate potential threats, including financial risks, operational challenges, regulatory changes, and market fluctuations. A risk mitigation plan will be developed, outlining strategies to minimize the impact of these risks, such as diversifying suppliers, maintaining emergency funds, and ensuring compliance with local regulations. The management team will regularly review and update the risk plan, ensuring that the company is prepared for unforeseen challenges. By proactively managing risks, the business aims to safeguard its operations and ensure long-term sustainability in the Tanzanian mining sector.

12. SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The social and economic impact of this project will be significant for both the local community and the broader Tanzanian economy. Socially, the project will create direct job opportunities, including positions in installation, maintenance, technical support, sales, and administration, positively affecting employment rates in the mining and industrial sectors. The company's commitment to training and skills development will further empower local workers and build a skilled workforce for future industry needs.

Economically, the project will contribute to the growth of the mining sector by improving operational efficiencies through the introduction of advanced CIP systems, which will reduce mining companies' operating costs and increase their competitiveness. This will lead to higher productivity and profitability for local mining operations. Additionally, the project's use of locally sourced materials, services, and labor will stimulate the local economy and promote the growth of ancillary industries, such as logistics and supply chain services. By contributing to environmental sustainability and improved mining practices, the project will help meet international standards, potentially attracting foreign investment and enhancing Tanzania's position as a key player in the mining industry. Overall, the project will foster both social development and economic growth, benefiting local communities, businesses, and the country's mining sector as a whole.

13. DRIVERS TO INVESTMENT IN REAL ESTATE

The drivers of investment in the mining sector in Tanzania are influenced by several key factors that make the country an attractive destination for mining investments. These include:

- 13.1. **Rich Natural Resources:** Tanzania is home to abundant mineral resources such as gold, coal, copper, and gemstones, providing a strong foundation for investment in mining. The demand for these resources globally, particularly gold, has attracted international interest in mining operations.
- 13.2. **Government Support and Incentives:** The Tanzanian government has made efforts to attract foreign investment in the mining sector by offering incentives such as tax exemptions, reduced import duties on mining equipment, and access to special economic zones. These policies create a favorable environment for investors.
- 13.3. **Improving Infrastructure:** The government's investment in infrastructure, including transport networks (roads, ports), energy supply, and communications, enhances the ease of doing business and lowers operational costs for mining companies.
- 13.4. **Stable Political and Economic Environment:** Tanzania has maintained political stability in recent years, which provides confidence to foreign investors. Additionally, the country's efforts to improve its economic policies and strengthen the financial sector contribute to creating a more predictable and secure investment climate.
- 13.5. **Growing Demand for Mining Products:** With the rise in global demand for minerals, especially from emerging markets, Tanzania's mining sector offers attractive opportunities for investment in both extraction and processing industries.

- 13.6. **Strategic Location:** Tanzania's location in East Africa, with access to major shipping routes, makes it an ideal place for the export of minerals to international markets, especially to Europe, China, and India.
- 13.7. **Availability of Skilled Labor:** With a growing skilled workforce and increased emphasis on vocational training, Tanzania is positioning itself as a labor pool for the mining industry, reducing operational costs and making it easier for companies to find skilled workers.
- 13.8. **Environmental and Sustainability Focus:** The increasing emphasis on sustainable mining practices and environmental responsibility offers an opportunity for businesses investing in cleaner technologies, such as the use of CIP (Carbon-in-Pulp) systems, which contribute to reducing waste and environmental damage.
- 13.9. **Access to Financing:** Tanzania's mining sector has attracted significant investment from both local and international financial institutions. The development of financing options for mining projects, including loans and equity financing, offers capital to fund new mining ventures.
- 13.10. **Regional Market Potential:** As the mining industry in Tanzania grows, neighboring countries in East Africa may also become important consumers of mining technology and services, broadening the regional market potential.
- 13.11. **Improved Regulatory Framework:** Efforts to streamline mining laws and enhance regulatory clarity have improved the ease of starting and operating mining projects in Tanzania, reducing bureaucratic barriers and increasing investor confidence.

These factors, combined with the potential for high returns on investment, make Tanzania an attractive destination for mining investments, driving both local and international capital into the sector.

14. FINANCIAL ANALYSIS

15.1 Considerations and Assumptions:

The corporate tax charged is 30% of the profits. Capital investment allowance is 50%. The capital assets are exempted from custom 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 experience of the promoters and trends in the packaging materials products industry.

15.2 Project Investment

The estimated capital investment cost of the project is US\$ **505,000** out of which US\$**375,000** will be fixed investment costs.

ORO COMMERCIAL AND INDUSTRIAL LIMITED COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	25,000.00
Machinery & Equipment	220,000.00
Motor Vehicles	75,000.00
Furniture & Fixtures	5,000.00
Pre exp	0.00
Others	5,000.00
Working Capital	175,000.00
TOTAL	505,000.00

For the project to be a reality a total investment amounting to US \$505,000 is needed

Financing pattern

The project will be financed by equity **US\$375,000** and loan **US\$ 130,000**

Project operating costs

In order to realize its intended objective, the project will have to meet operating cost not exceeding 15% of annual total revenue and 75% of total revenue is cost of sales

Projected Revenue

For projection purposes, it is assumed that the economic life of the project is five years, and that revenue from the project commences from the first year of operation.

ORO COMMERCIAL AND INDUSTRIAL LIMITED SUMMARY OF REVENUE "US\$"

	1	2	3	4	5
Revenue	2,610,000	2,818,800	3,044,304	3,287,848	3,550,876

Projected Profit and Loss Statement

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

Accumulated after tax profits grow from. US\$ in first year **154,875** to US\$ in the year 5th **858,503**

**ORO COMMERCIAL AND INDUSTRIAL LIMITED PROJECTED INCOME &
EXPENDITURE STATEMENT (US\$)**

	1	2	3	4	5
Revenue	2,610,000.00	2,818,800.00	3,044,304.00	3,287,848.32	3,550,876.19
Cost of Sales	1,957,500.00	2,114,100.00	2,283,228.00	2,465,886.24	2,663,157.14
Operating Expenses	391,500.00	422,820.00	456,645.60	493,177.25	532,631.43
Profit before Depreciation &Interest	261,000.00	281,880.00	304,430.40	328,784.83	355,087.62
Interest	24,000.00	180,000.00	16,000.00	6,000.00	-
Depreciation	15,750.00	15,750.00	15,750.00	15,750.00	15,750.00
Gross Profit	221,250.00	86,130.00	272,680.40	307,034.83	339,337.62
Tax (30%)	66,375.00	25,839.00	81,804.12	92,110.45	101,801.29
Profit After Tax	154,875.00	60,291.00	190,876.28	214,924.38	237,536.33
Accumulate dProfit	154,875.00	215,166.00	406,042.28	620,966.66	858,503.00

Projected Cash Flows

This is shown in the financial statements. The project has a positive end of year cash flow from year 1 US\$**194,625.** of operation to the 5th year US\$ **1,183,25**

ORO COMMERCIAL AND INDUSTRIAL LIMITED PROJECTED CASH FLOWS STATEMENT (US\$)

	0	1	2	3	4	5
SOURCES:						
Profit before interest and depreciation	0	261,000.00	281,880.00	304,430.40	328,784.83	355,087.62
Equity	205,000.00					
Loan	300,000.00					
Total Sources	505,000.00	261,000.00	281,880.00	304,430.40	328,784.83	355,087.62
Applications:						
Capital expenditure	325,000.00		-	-	-	-
working Capital & Other s	180,000.00	-	-	-	-	-
Cash	0	194,625.00	256,041.00	222,626.00	256,674.00	253,286.00
Tax	-	66,375.00	25,839.00	81,804.12	92,110.45	101,801.29
Sub total	505,000.00	261,000.00	281,880.00	304,430.12	348,784.45	355,087.29
Total applications	505,000.00	261,000.00	281,880.00	304,430.12	348,784.45	355,087.29
Accumulate dcash		194,625.00	450,666.00	673,292.00	929,966.00	1,183,252.00

9.1 Projected Balance Sheet

The projected Balance Sheet of the projected is shown in the financial statements under same heading. Shareholder's equity increases from US\$**205,000** in the first year of operation to US\$ **547,536** in the 5th year.

ORO COMMERCIAL AND INDUSTRIAL LIMITED PROJECTED BALANCE SHEET STATEMENT (US\$)

Fixed Assets		1	2	3	4	5
Openin gbalance	-	325,000	290,250	255,500	220,750	186,000
Total Long- term Assets	-	325,000.00	290,250.00	255,500.00	220,750	186,000
Less depreciation	-	15,750.00	15,750.00	15,750.00	15,750	15,750
Closing balance	-	309,250.00	274,500.00	239,750.00	205,000	170,250
Workin gcapital	180,000	180,000.00	180,000.00	180,000.00	180,000	180,000
Accumulate dcash	-	194,625.00	450,666.00	673,292.00	929,966	1,183,252
Total assets	180,000	683,875.00	905,166.00	1,093,042.00	1,314,966	1,533,502
Financed by						
Equity	205,000	310,000.00	310,000.00	310,000.00	310,000	310,000
Net profit	-	154,875.00	60,291.00	190,876.28	214,924	237,536
Total equity	205,000	464,875.00	370,291.00	500,876.28	524,924	547,536
Long term loan	300,000	225,000	150,000	75,000	0	0
Total debts	300,000	225,000.00	150,000.00	75,000.00	-	-
Total equity and debts	505,000	689,875.00	520,291.00	575,876.28	524,924	547,536

PROJECTED PAYBACK PERIOD

Total investment is **US\$505,000** cash accumulation in 54th years is **US\$683,966** which is more than the initial investment by **US\$ US\$ 17,8966**, the project payback Period is within 3 year

**ORO COMMERCIAL AND INDUSTRIAL LIMITED PROJECTED PAYBACK PERIOD STATEMENT
(US\$)**

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	154,875.00	15,750.00	170,625.00	170,625.00
2	60,291.00	15,750.00	76,041.00	246,666.00
3	190,876.28	15,750.00	206,626.28	453,292.28
4	214,924.38	15,750.00	230,674.38	683,966.66
5	237,536.33	15,750.00	253,286.33	937,252.99

Projected loan repayment

Total loan is **US\$505,000** to be repaid within 4 years with interest of 8%

ORO COMMERCIAL AND INDUSTRIAL LIMITED PROJECTED LONG TERM LOAN REPAYMENT

Year	Principle	Loan Interest (8%)	Total Amount Paid	Loan Balance
0				
1	75,000	24000	99,000	300,000
2	75,000	18000	93,000	225,000
3	75,000	12000	87,000	150,000
4	75,000	6000	81,000	75,000
5	0	0	0	0
6	0	0		0

15.PROJECT MAN POWER AND INVESTMENT

Management: The project will be managed by **20** key staffs; the Management Officer will be the Chairperson. Under him/her will be the General manager, the Chief Engineer, the Finance Manager and the Marketing manager.

Manpower: The project will have a high -tech installment of machinery and new technology application

Employees Distribution Summary

Employment	Foreign Skilled	Local Skilled	Local Unskilled	Total
Women	10	15	20	55
Men	10	20	60	90
TOTAL	20	35	88	145

Training: All workers inclusive will benefit from the internal training for proper operations, quality and security observance. There will be out-dooring trainings for recommended staffs depending on their working requirements. Generally, the plant will apply sophisticated machinery of high technology, it is through the trainings that the Management team plans to transfer technology and skills to local workers and makeSure, those foreign workers are employed where inevitable.

Health and Insurance: The project will provide medical treatments to its workers as per Country policy requirements and will enroll workers to social security institutions as per the country policy too.

16. Analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT)

Strengths:

1. **Innovative Technology:** The adoption of advanced CIP (Carbon-in-Pulp) systems will allow mining companies to improve their operational efficiency, reduce waste, and enhance their environmental sustainability efforts. This positions the business as a technology leader in the Tanzanian mining sector.
2. **Government Support:** The Tanzanian government offers incentives for industrial development, particularly in sectors like mining. These incentives, including tax breaks and reduced duties on equipment, create a favorable environment for the business to thrive.
3. **Skilled Workforce:** The company plans to provide extensive training programs for local employees, contributing to the growth of a skilled workforce in Tanzania. This not only improves operational efficiency but also helps create local employment opportunities.
4. **Growing Mining Sector:** Tanzania's mining sector is expanding, driven by strong global demand for minerals like gold, coal, and gemstones. This offers a reliable market for the company's CIP systems and services.

Weaknesses:

1. **High Initial Capital Investment:** The cost of purchasing and installing the CIP systems, as well as securing regulatory approvals, is a significant initial investment. This could be a barrier to entry if financing is not secured effectively.
2. **Dependence on Mining Sector:** The business is highly dependent on the mining sector's performance. Any downturns in the sector due to economic, environmental, or political challenges could negatively impact the company's revenue.
3. **Limited Local Brand Recognition:** As a new player in the market, the company may initially struggle with brand recognition and customer trust, especially when competing against established service providers in the mining industry.
4. **Regulatory Challenges:** Navigating Tanzania's regulatory environment can be complex, and delays in obtaining necessary permits or changes in mining regulations could impact project timelines and operational costs.

Opportunities:

1. **Expansion into Other East African Markets:** Once the business establishes itself in Tanzania, there is potential to expand into other East African countries with similar mining needs. This regional expansion could significantly increase the company's customer base.
2. **Sustainability Trends:** Increasing global focus on environmental sustainability provides an opportunity to promote the CIP systems as eco-friendly solutions, helping mining companies comply with stricter environmental standards and reduce their environmental footprint.
3. **Growing Demand for Mining Equipment:** As the mining sector in Tanzania grows, there is rising demand for advanced mining technology and equipment. This presents an opportunity for the company to expand its product offerings, such as introducing IoT-enabled CIP systems for remote monitoring.
4. **Long-Term Service Contracts:** The business can benefit from offering long-term service and maintenance contracts to mining companies, ensuring recurring revenue while providing customers with reliable and ongoing support.

Threats:

1. **Market Competition:** There are established competitors in the mining equipment and services market. If competitors offer similar or superior technology or more competitive pricing, the company may face challenges in capturing market share.
2. **Economic and Political Instability:** Changes in political leadership or shifts in economic policy could affect the mining sector's stability, potentially leading to delays, changes in tax rates, or regulatory burdens that impact profitability.
3. **Fluctuating Commodity Prices:** Global fluctuations in commodity prices, especially for minerals like gold and copper, can affect the profitability of mining companies, potentially leading them to delay investments in new technologies like CIP systems.
4. **Supply Chain Disruptions:** The mining industry is reliant on a steady supply of raw materials and equipment. Global supply chain disruptions, caused by factors such as geopolitical tensions, inflation, or natural disasters, could lead to delays in procuring materials or equipment needed for the installation and servicing of CIP systems.

In summary, the SWOT analysis highlights that while the business has strong technological advantages and a growing market, it must navigate challenges such as high initial investment costs, competition, and potential regulatory hurdles. However, with a strategic focus on innovation, sustainability, and market expansion, the company can capitalize on significant growth opportunities in the Tanzanian mining sector and beyond.

- Conduct thorough market research to align the development with demand.
- Work with experienced contractors to ensure timely and cost-effective construction.
- Develop a flexible pricing strategy to adjust to market fluctuations.

- Engage with local authorities early to ensure compliance with regulations.

17.RECOMMENDATION

To ensure the success of the business in Tanzania's mining sector, it is recommended to leverage government incentives, focus on customer education and brand awareness, and develop strategic partnerships with established industry players. Expanding service offerings like technical support and maintenance contracts, while promoting sustainability, will enhance customer loyalty. Additionally, securing diverse financing options and focusing on regional expansion can increase market reach. A strong risk management plan and continued investment in innovation will help the company stay competitive and resilient, ensuring long-term growth and profitability in the mining industry.