

**SAHARA METACRATON RESOURCES COMPANY  
LIMITED**

**BUSINESS PLAN**

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## **1. Executive Summary**

### **1.1 Company Overview**

Sahara Metacraton Resources Company Limited is a privately owned company founded by Dr. Islam Awad Mohammad Dourgram and family. The company's primary focus is the development and operation of a 300 tonnes-per-day (tpd) Carbon-In-Pulp (CIP) gold processing plant located in Mwakitolyo, Shinyanga Region. This plant will serve as the company's central revenue generator and will enable efficient processing of gold-bearing ore with grades ranging from 0.7 g/t to 1.8 g/t.

To ensure a consistent supply of feedstock, Sahara Metacraton Resources will purchase ore from local artisanal and small-scale miners or enter into profit-sharing agreements with them. This approach guarantees steady plant throughput while promoting inclusive participation and economic benefits to the surrounding mining communities.

Once the CIP plant is commissioned and optimized, the company will expand into upstream gold production through:

- Technical Service Agreements (TSAs) with Primary Mining Licence (PML) holders
- Acquisition of its own mining licenses for long-term resource control and sustainability

The company is led by Dr. Islam Awad Mohammad Dourgram, Chief Executive Officer, who brings over 29 years of experience in gold mining and mineral processing. Together with directors Ms. Sohilaa Islam Awad Mohammad Dourgram and Mr. Mohanad Islam Awad Dourgram, the leadership team is committed to operational excellence, environmental compliance, community partnership, and responsible mineral development.

Sahara Metacraton Resources operates in full compliance with Tanzanian mining regulations and OSHA standards, ensuring safe, transparent, and environmentally responsible operations..

### **1.2 Products and Services**

The company's core product is refined gold produced through its 300 tpd CIP processing plant. The plant will process:

- Purchased ore from local miners
- Profit-shared production from partner miners
- Tailings or dumps where economically viable

All gold will be refined, packaged, and sold to certified local and international buyers in compliance with Tanzanian mining and export regulations.

Future service and production expansion will include:

- Establishing TSAs for managed gold extraction
- Developing in-house mining operations under newly acquired mining licenses

This integrated model enables efficient scaling from processing-only operations to full upstream mining.

### **1.3 Financing**

The total capital investment required for Phase 1 (CIP plant) is estimated at USD 3.55 million. This investment covers:

- Plant construction and commissioning
- Processing equipment and machinery
- Site preparation and infrastructure
- Mobile equipment
- Initial working capital for ore purchases

Funding is expected to be sourced through a combination of owner's equity and strategic investors, with the project expected to be completed within 6–12 months.

Additional capital requirements for future phases will include:

- Expansion of the CIP plant or addition of a second line
- Acquisition of mining licenses or TSA-based mining equipment
- Exploration drilling and resource development

These phases will be financed through retained earnings, new equity partners, or debt financing as production scales.

### **1.4 Mission Statement**

Sahara Metacraton Resources Company Limited's mission is to responsibly explore, extract, and produce gold through innovative and sustainable mining practices that maximize value for shareholders, support community development, and uphold the highest standards of environmental stewardship and safety in Tanzania's mining industry.

## **1.5 Management Team**

The company is led by an experienced management team with extensive expertise in gold extraction, processing, and project development:

- Dr. Islam Awad Mohammad Dourgram – Chief Executive Officer with 29+ years of experience in gold mining, processing, and operations management.
- Ms. Sohilaa Islam Awad Mohammad Dourgram – Director who will provide governance oversight and strategic direction.
- Mr. Mohanad Islam Awad Dourgram – Director who will Oversee administrative, operational, and compliance frameworks.

They are supported by a team of qualified metallurgists, engineers, geologists, and mining professionals who ensure safe, efficient, and compliant plant operations.

## **1.6 Expansion Plan**

Sahara Metacraton Resources will grow through a structured, phased approach:

### **I. Phase 1: Commissioning of the 300 tpd CIP Plant (0–12 months)**

- CapEx: USD 2.5 million
- Ore sourced through purchases and profit-sharing agreements
- Achieve stable production and cash flow

### **II. Phase 2: Expansion Through TSAs (Year 1–2)**

- Enter TSAs with PML holders in Shinyanga
- Develop controlled underground shafts through partnership models
- Secure medium-term ore supply

### **III. Phase 3: Acquisition of Own Mining Licenses (Year 2–4)**

- Launch in-house exploration programs
- Secure long-term ore reserves for plant sustainability
- Potential plant capacity increase beyond 300 tpd

Over time, the company will explore additional processing lines and vertical integration opportunities to solidify its position as a major player in Tanzania’s gold sector.

## **2. Company and Financial Summary**

### **2.1 Registered Name & Corporate Structure**

Sahara Metacraton Resources Company Limited, incorporation number 181302232, was registered on 17 January 2025 under the laws of the United Republic of Tanzania. The company was established with the goal of becoming a leading gold processing and production company, specializing in the efficient and scalable processing of gold-bearing materials through a 300 tonnes-per-day Carbon-In-Pulp (CIP) plant located in Mwakitolyo, Shinyanga Region.

The company operates through a privately held ownership structure led by its founder, Dr. Islam Awad Mohammad Dourgram, together with family shareholders. Sahara Metacraton Resources will source feedstock through ore purchases and profit-sharing agreements with local miners, and later expand into upstream mining through Technical Service Agreements (TSAs) with Primary Mining Licence (PML) holders and the acquisition of its own mining licenses.

The company is fully committed to sustainable operations, transparent governance, and full compliance with Tanzanian mining, environmental, and OSHA safety regulations.

### **2.2 Description of the Project**

Sahara Metacraton Resources Company Limited plans to develop a high-impact gold processing operation centered around the construction and operation of a 300 tpd Carbon-In-Pulp (CIP) gold processing plant in Mwakitolyo, Shinyanga Region. The project is designed to process gold-bearing ore with grades ranging between 0.7 g/t and 1.8 g/t, sourced from local mining communities.

The project will be rolled out in clearly defined phases that support immediate production, secure long-term feedstock, and establish the company as a vertically integrated gold producer.

#### **I. Phase 1: Construction and Commissioning of the 300 tpd CIP Plant**

Objective: Establish a fully operational CIP plant capable of processing purchased ore and generating immediate cash flow.

Scope of Work:

- Construction of the 300 tpd CIP processing plant
- Procurement and installation of crushers, ball mills, CIP tanks, pumps, conveyors, and refining equipment

- Development of site infrastructure (roads, utilities, foundations, chemical storage, security)
- Establishment of ore purchasing and profit-sharing agreements with local miners
- Hiring and training of operational staff
- Commissioning and optimization of the plant

Estimated Capital Requirement: USD 2.5 million

(Equipment & machinery based on the Phase 1 cost structure)

Outcome:

- Operational processing facility
- Early gold production
- Cash flow generation within 6–12 months

## **II. Phase 2: Expansion through Technical Service Agreements (TSAs)**

Objective: Secure stable and long-term access to higher-grade ore by partnering with PML holders.

Scope of Work:

- Establish TSAs with Primary Mining Licence holders in the Shinyanga gold belt
- Provide mining, equipment, and technical services in exchange for a share of gold output
- Develop small-scale underground shafts and open pits with partner miners
- Integrate TSA ore into the CIP plant supply chain
- Increase throughput reliability and gold output

Outcome:

- Long-term feedstock security
- Improved production efficiency
- Increased profitability and reduced ore-purchase dependency

### **III. Phase 3: Acquisition of own Mining Licenses & In-house Production**

Objective: Vertically integrate by developing company-owned mining operations.

Scope of Work:

- Obtain Prospecting Licences (PLs) and/or Primary Mining Licences (PMLs)
- Conduct detailed geological exploration and drilling
- Develop company-owned shafts or open pits
- Deploy mining equipment (drill rigs, loaders, excavators, transport units)
- Supply high-grade ore directly to the CIP plant

Outcome:

- Full operational independence
- Higher margins from self-mined ore
- Strengthened long-term resource base

### **2.3 Corporate Social Responsibility**

Sahara Metacraton Resources Company Limited recognizes that responsible mining goes beyond gold production — it includes making a positive and lasting contribution to the communities and environment in which it operates. The company is committed to integrating sustainable development principles into all aspects of its operations in the Mwakitolyo Area, Shinyanga Region, while maintaining full compliance with Tanzanian laws and international best practices.

#### **I. Community Development**

- Employment Opportunities: Prioritize hiring and training local residents to build skills, create jobs, and promote local economic growth.
- Local Procurement: Source goods and services from local suppliers and contractors wherever possible to stimulate community business development.
- Education Support: Partner with local schools to provide learning materials, sponsor vocational training, and offer scholarships for youth pursuing mining-related studies.

- Healthcare Initiatives: Support local clinics through medical supplies, health awareness programs, and partnerships for improved healthcare access.
- Infrastructure Improvement: Contribute to the development and maintenance of community infrastructure such as roads, water access, and electricity where feasible.

## **II. Environmental Stewardship**

- Rehabilitation of Mined Areas: Implement environmental management programs to restore tailings and dump sites after extraction, ensuring land can be reused for agriculture or other community purposes.
- Pollution Control: Utilize environmentally friendly extraction technologies such as controlled leaching to minimize chemical discharge and protect nearby water sources.
- Waste Management: Establish safe storage and disposal systems for mining waste, in line with National Environmental Management Council (NEMC) and OSHA standards.
- Tree Planting and Conservation: Engage in reforestation and conservation programs to offset environmental impact and enhance biodiversity in the region.

## **III. Health and Safety**

- Workplace Safety Standards: Adhere strictly to Occupational Safety and Health Authority (OSHA) regulations, ensuring that all employees work in safe and hazard-free environments.
- Training Programs: Conduct continuous safety training for all staff and contractors, emphasizing emergency response and safe handling of mining chemicals.
- Medical Services: Provide on-site first aid and access to medical facilities for all employees working at the mine site.

## **IV. Social Engagement and Transparency**

- Stakeholder Engagement: Maintain open communication with local leaders, government authorities, and residents to ensure that operations align with community interests.
- Corporate Transparency: Publish regular reports on environmental and social performance, ensuring accountability in all operations.

- Conflict Prevention: Promote ethical business practices, respect for cultural heritage, and zero tolerance for corruption or social exploitation.

## 2.4 Projected Capital Cost

The total projected capital cost for launching Sahara Metacraton’s 300 tpd CIP gold processing project is USD 3.5 million, covering all essential items for Phase 1 plant construction, equipment procurement, site development, and working capital.

Future phases, TSAs and acquisition of mining licenses will be financed through reinvested profits, strategic partnerships, or additional investment as production scales.

| Item                       | Description                         | Estimated Cost (USD) |
|----------------------------|-------------------------------------|----------------------|
| 1                          | Land, Licensing & Pre-project costs | 92,000               |
| 2                          | Plant Equipment                     | 1,178,000            |
| 3                          | Electrical Systems                  | 205,000              |
| 4                          | Civil Works                         | 449,000              |
| 5                          | Buildings                           | 168,000              |
| 6                          | Laboratory                          | 49,000               |
| 7                          | Vehicles                            | 174,000              |
| 8                          | Importations & Contingencies        | 381,000              |
| 9                          | 12-month working capital;           | 852,000              |
| <b>Total Capital Costs</b> |                                     | <b>3,548,000</b>     |

*Table 1: CAPEX*

The capital structure is planned as follows:

- Owner’s Equity: 60%
- Bank Loans & Third-Party Funding: 40%

This balanced financial approach ensures timely project execution, operational stability, and long-term sustainability.

## 2.5 Exit Strategy

Sahara Metacraton Resources aims to build a highly profitable, scalable gold processing operation, creating long-term value for investors. As the plant stabilizes and upstream mining is integrated, the company’s valuation and attractiveness will increase significantly.

Exit options include:

- Strategic Acquisition: Larger regional or international mining companies may acquire the project once steady output and reserves are secured.

- Public Listing (IPO): Subject to performance and market conditions, the company may list on the Dar es Salaam Stock Exchange (DSE) or another regional exchange.
- Dividends & Partial Buyouts: Maintain private ownership while providing continuous returns to investors through dividends and equity buyback options.

This flexible exit framework ensures investors have multiple pathways to realize strong returns.

### **3. Products and Services**

Sahara Metacraton Resources Company Limited specializes in gold processing, recovery, and trading, with operations centered on a 300-ton-per-day Carbon-In-Pulp (CIP) processing plant located in Mwakitolyo, Shinyanga Region. The company's model is designed to maximize gold recovery through modern metallurgical technology while supporting local mining communities through structured ore-supply partnerships.

The company offers the following core products and services:

#### **I. Gold Ore Processing (CIP Plant Operation)**

At the heart of Sahara Metacraton's operations is the 300 TPD CIP gold processing plant, which processes gold-bearing ore sourced from small-scale miners and licensed operators across the Shinyanga mining corridor.

Ore will be supplied through two primary mechanisms:

- Direct Purchase of Ore: Buying gold-bearing material from neighboring miners at competitive rates.
- Profit-Sharing Agreements: Joint arrangements where miners supply ore and receive a share of the recovered gold value.

This model ensures a continuous and reliable feedstock supply while empowering local mining communities.

The CIP plant uses advanced leaching and adsorption technology, allowing Sahara Metacraton Resources to achieve higher recovery rates, improved efficiency, and consistent production of high-purity gold.

#### **II. Gold Extraction & Future Mining Operations**

As the CIP plant scales successfully, Sahara Metacraton will expand into upstream mining activities through:

- Technical Service Agreements (TSAs) with Primary Mining Licence (PML) holders enabling low-capital entry into shaft mining and exploration.
- Acquisition of its own mining licences allowing in-house development of underground workings for high-grade ore.

These future mining operations will supply additional feedstock to the CIP plant while increasing long-term resource security and production capacity.

### **III. Gold Sales and Trading**

Refined gold bars will be sold to:

- Licensed Tanzanian gold buyers
- International traders and refineries
- Authorized exporters

All sales will follow Tanzanian mining, export, anti-money-laundering, and traceability regulations, ensuring full compliance and transparency in every

## **4. Strategic & Market Analysis**

### **4.1 Economic Outlook**

Tanzania's economy continues to demonstrate steady growth, supported by a strong mining sector that contributes significantly to GDP and foreign exchange earnings. The mining industry, particularly gold production, remains a key driver of national development, accounting for over 40% of total mineral exports. The Tanzanian government has maintained a favorable policy environment for mining investment through tax incentives, improved regulatory frameworks, and infrastructure development aimed at promoting sustainable resource exploitation.

The global gold market remains robust, driven by increasing demand for safe-haven assets, central bank purchases, and industrial use. With global gold prices maintaining stability above long-term averages, profitability in gold extraction and refining remains strong. Tanzania's strategic location and growing infrastructure, including improved road networks and access to power, further enhance the viability of mining operations.

Overall, the economic outlook for the mining sector is positive, providing a stable foundation for Sahara Metacraton Resources Company Limited to grow its operations, expand its production capacity, and contribute meaningfully to Tanzania's industrial and economic transformation agenda.

## **4.2 Industry Analysis**

The gold mining industry in Tanzania is one of the country's most vital sectors, contributing significantly to export earnings and economic growth. Tanzania ranks among Africa's top four gold producers, alongside Ghana, South Africa, and Sudan, with an estimated production of over 40 tons of gold annually. The sector has attracted substantial foreign and local investment, driven by rich mineral reserves, political stability, and supportive government reforms.

In recent years, the Tanzanian government has strengthened its regulatory framework through the Mining Act and Local Content Regulations, ensuring that mining activities promote sustainable development, transparency, and local participation. These reforms have enhanced investor confidence while encouraging partnerships between foreign investors and Tanzanian companies — such as the Technical Agreement between Sahara Metacraton Resources Company Limited and Gold Souk Tanzania Company Limited.

Globally, the gold industry continues to show resilience, supported by strong demand for jewelry, electronics, and as a hedge against inflation and geopolitical uncertainty. With gold prices remaining relatively high, the profitability outlook for new and existing producers remains positive.

Technological advancements in processing methods such as Carbon-in-Pulp (CIP) have improved recovery rates and reduced operational costs, allowing mid-tier companies like Sahara Metacraton Resources Company Limited to compete effectively in both domestic and international markets.

Overall, the Tanzanian gold mining industry presents a stable and profitable investment environment, with expanding infrastructure, favorable policies, and rising global demand positioning the sector for sustained growth. Sahara Metacraton Resources Company Limited is strategically positioned to capitalize on these industry dynamics to become a leading player in Tanzania's gold production landscape.

## **4.3 Customer Profile**

The primary customers for Sahara Metacraton Resources Company Limited are organizations and entities involved in the purchase, refining, and trading of gold in both domestic and international markets. These customers typically operate within the precious metals, jewelry manufacturing, financial trading, and industrial sectors, where refined gold is a key commodity.

### **A. Local Gold Buyers and Refiners:**

These include licensed gold dealers and refiners in Tanzania, particularly those operating in Mara, Mwanza and Dar es Salaam, who purchase gold dore or concentrate directly from mining companies for further refining or resale.

## **B. Export Markets and International Buyers:**

Sahara Metacraton Resources Company Limited will also target export markets through partnerships with certified international gold traders, refineries, and bullion dealers located in Dubai, India, Switzerland, and China, where demand for high-purity gold remains strong.

## **C. Jewelry and Industrial Manufacturers:**

Gold jewelry producers and electronic component manufacturers represent an additional customer base. These companies value consistent quality and reliable supply, both of which Sahara Metacraton Resources Company Limited aims to ensure through efficient processing and stringent quality control measures.

## **D. Financial Institutions and Commodity Traders:**

In the long term, the company plans to engage with commodity trading firms, investment funds, and central banks that purchase gold as part of reserve holdings or trading portfolios.

By focusing on these customer segments, the company will establish a diversified and stable revenue base, reduce dependence on any single buyer, and position itself competitively in both local and international gold supply chains. Strong emphasis will be placed on maintaining high product quality, transparent transactions, and compliance with international trading standards such as those of the London Bullion Market Association (LBMA).

### **4.4 Competitive Analysis**

The Tanzanian gold sector is one of Africa's most active mining industries, dominated by large-scale multinational operators, mid-tier processing companies, and thousands of small-scale artisanal miners. Major players such as Geita Gold Mine (AngloGold Ashanti), North Mara Gold Mine (Barrick Gold), and Bulyanhulu Gold Mine lead in large-scale underground and open-pit operations, producing millions of ounces annually.

Below this tier, Tanzania has a rapidly expanding ecosystem of medium-scale processors and local mining groups, particularly in regions like Shinyanga, Geita, and Tabora, where artisanal mining activity is high. This creates a strong market for ore processing plants that can provide efficient, high-recovery solutions to small-scale miners who lack processing capacity.

Sahara Metacraton Resources Company Limited positions itself strategically within this mid-tier processing and gold production segment, operating a 300 TPD Carbon-In-Pulp (CIP) plant that serves as both a processing hub and value-addition facility for ore sourced from local miners.

Unlike large-scale mines—which rely primarily on in-house ore reserves—Sahara Metacraton leverages a flexible and community-inclusive feedstock model built on ore purchasing and profit-sharing agreements, enabling consistent plant utilization at lower exploration and development risk.

The company’s key competitive advantages include:

**A. Centralized High-Recovery CIP Processing Plant:**

The company’s 300 TPD CIP plant offers a competitive edge through:

- Higher recovery rates compared to artisanal vat leaching
- Lower processing costs per ton due to economies of scale
- Ability to process a wide grade range (0.7 g/t – 1.8 g/t)

This positions Sahara as one of the few mid-tier processors capable of delivering industrial-level efficiency for small-scale miners.

**B. Flexible Feedstock Supply Model:**

Unlike mining operators dependent on their own ore bodies, Sahara Metacraton secures feedstock through:

- Direct ore purchases from artisanal and small-scale miners
- Profit-sharing agreements that minimize upfront costs
- Future sourcing through TSAs and company-owned mining licenses

This diversified supply strategy reduces operational risk and strengthens community relationships.

**C. Strong Technical Leadership:**

The company is led by Dr. Islam Awad Mohammad Dourgram, who brings nearly three decades of hands-on experience in:

- Mineral processing
- Plant design and optimization
- Gold recovery technologies
- Mining project development

This depth of expertise offers Sahara a technological and operational advantage over most mid-tier competitors.

#### **D. Strategic Location in a High-Activity Mining Corridor:**

Kahama and the broader Shinyanga region are among Tanzania's most active gold zones. Sahara benefits from:

- High availability of ore from numerous PML holders
- Proximity to major gold trading hubs like Mwanza
- Well-established logistics routes for chemicals, equipment, and exports

This geographic advantage reduces transport costs and improves turnaround times.

#### **E. Future-Ready Growth Model:**

Sahara is structured for phased expansion into upstream mining through:

- Technical Service Agreements (TSAs)
- Acquisition of mining licences
- Development of shallow and underground gold workings

This ensures long-term feedstock security and enhances profitability.

While competition in Tanzania's gold sector is significant, Sahara Metacraton Resources Company Limited differentiates itself through an efficient 300 TPD CIP plant, a flexible ore-supply model, strong technical expertise, and a strong commitment to regulatory compliance and community partnership. These competitive strengths position the company for sustainable growth and long-term success in Tanzania's evolving gold processing industry.

## **5. Marketing Plan**

### **5.1 Marketing Objectives**

The marketing objectives of Sahara Metacraton Resources Company Limited are focused on building a strong brand presence in Tanzania's gold mining sector while establishing strategic linkages with local and international buyers. The company's marketing strategy emphasizes reliability, transparency, and consistent product quality to gain trust and long-term partnerships in the gold value chain.

The specific marketing objectives include:

**A. Establish Brand Recognition and Credibility:**

Build a strong corporate identity as a reliable and compliant gold producer within the first year of operations, emphasizing ethical mining practices, safety, and environmental responsibility.

**B. Develop and Secure Sales Channels:**

Create and formalize offtake agreements and supply contracts with local gold buyers, refineries, and export traders within Tanzania and internationally (notably in Dubai, India, and Switzerland) within the first 12–18 months.

**C. Market Expansion and Export Growth:**

Position the company to export at least 60% of its refined gold output by the third year of operations through partnerships with certified international refineries and gold trading houses.

**D. Build Strategic Partnerships:**

Strengthen collaboration with key stakeholders including the Mining Commission, Tanzania Chamber of Mines, and local business associations to ensure market visibility, compliance, and access to new business opportunities.

**E. Leverage Sustainability as a Brand Advantage:**

Promote the company’s environmentally responsible mining practices and community engagement initiatives as part of its marketing narrative to attract investors, customers, and partners who value sustainable operations.

**F. Enhance Customer Trust and Transparency:**

Implement transparent reporting systems, accurate product documentation, and traceability of gold sources to meet both local regulatory standards and international trading requirements (e.g., OECD and LBMA compliance).

By achieving these objectives, Sahara Metacraton Resources Company Limited aims to position itself as a trusted mid-tier gold producer in Tanzania with a growing presence in the global gold market, ensuring steady demand and sustainable profitability.

## **5.2 Marketing Strategies**

To achieve its marketing objectives, Sahara Metacraton Resources Company Limited will implement a comprehensive marketing strategy that emphasizes product quality, customer

trust, regulatory compliance, and strategic partnerships. The company's approach focuses on both domestic and international markets to ensure sustainable growth and a competitive position in the gold mining sector.

### **I. Product Strategy**

- **High-Quality Gold Output:** Ensure consistent production of high-purity gold through modern processing methods, including Carbon-In-Pulp (CIP), and shaft mining, meeting both local and international standards.
- **Traceability and Certification:** Provide accurate documentation and traceability to comply with LBMA standards and other international regulatory requirements, enhancing buyer confidence.
- **Tailored Product Offerings:** Offer gold in forms preferred by customers, including gold dore bars, and refined bullion, to meet both domestic and export market demands.

### **II. Pricing Strategy**

- **Market-Based Pricing:** Align gold pricing with current international gold rates to ensure competitiveness while maintaining profit margins.
- **Premium for Compliance and Quality:** Command slightly higher prices for gold certified under ethical and environmentally responsible mining practices.
- **Flexible Payment Terms:** Offer reliable buyers structured and secure payment options, including advance payments, letters of credit, or contract pricing for bulk orders.

### **III. Distribution Strategy**

- **Local Market Penetration:** Leverage relationships with licensed local refiners and gold buyers in Mwanza, Dar es Salaam, and other key mining hubs.
- **Export Channel Development:** Establish partnerships with international gold refineries and trading houses in Dubai, India, Switzerland, and China.
- **Efficient Logistics and Transport:** Use reliable and secure transport mechanisms to ensure safe delivery from mine sites to refineries or buyers.

### **IV. Promotion Strategy**

- **Industry Networking:** Participate in mining trade shows, conferences, and exhibitions to increase visibility among potential buyers and investors.

- Digital Presence: Maintain a professional website and online presence to showcase capabilities, certifications, and CSR initiatives.
- Stakeholder Engagement: Engage with government agencies, trade associations, and local communities to strengthen reputation and market credibility.
- Corporate Social Responsibility (CSR): Promote the company's CSR initiatives in local communities as a marketing tool to enhance brand perception and goodwill.

## **V. Strategic Partnerships**

- Forge alliances with export traders, refineries, and financial institutions to secure reliable offtake agreements.
- Collaborate with industry associations and regulatory bodies to stay ahead of market trends, compliance requirements, and opportunities.

By implementing these marketing strategies, Sahara Metacraton Resources Company Limited will position itself as a trusted, high-quality gold supplier, strengthen market access, and maximize profitability both locally and internationally.

### **5.3 Pricing**

Sahara Metacraton Resources Company Limited adopts a pricing strategy that balances competitiveness, profitability, and market alignment in both domestic and international gold markets. The strategy is designed to ensure that the company can attract reliable buyers while maintaining healthy profit margins.

#### **A. Market-Based Pricing:**

Gold prices will be aligned with current international gold market rates, benchmarked against London Bullion Market Association (LBMA) pricing and other global indices. This ensures transparency and competitiveness in both local and export markets.

#### **B. Premium for Quality and Compliance:**

The company will leverage its high-quality gold output, traceable sourcing, and ethical mining practices to command a premium price where applicable, particularly for international buyers and refineries requiring certified gold.

#### **C. Flexible Contract Pricing:**

For large-scale buyers or long-term offtake agreements, Sahara Metacraton

Resources may offer negotiated pricing structures, including bulk discounts, advance payment arrangements, or contract-based price adjustments linked to market fluctuations.

**D. Transparency and Consistency:**

All pricing will be communicated clearly and consistently to buyers, ensuring trust and repeat business. Standardized weighing, assaying, and documentation practices will underpin pricing transparency.

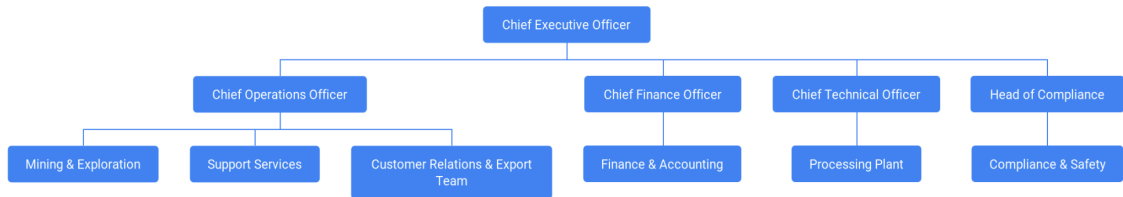
**E. Dynamic Adjustment:**

The company will regularly review pricing strategies in response to gold market trends, exchange rates, and operational costs to protect profitability while remaining competitive.

By implementing this pricing strategy, Sahara Metacraton Resources Company Limited ensures that its gold products are competitive, attractive to buyers, and reflective of the premium quality and ethical sourcing standards that the company upholds.

**6. Organizational Plan and Personnel Summary**

**6.1 Corporate Organization**



*Graph 1: Organizational Chart*

**6.2 Management Biographies**

The key personnel of the company are

- 1. Dr. Islam Awad Mohammad Dourgram** - Dr. Islam Awad Mohammad Dourgram is the founder and CEO of Sahara Metacraton Resources Company Limited. He has over 29 years of experience in gold exploration, extraction, and production. He has successfully led multiple mining projects, providing strategic oversight, operational planning, and investor relations. Mr. Islam is responsible for overall company leadership, strategic decision-making, and ensuring the company meets its operational and financial goals.

2. **Sohilaa Islam Awad Mohammad Dourgram** - Sohilaa brings extensive expertise in corporate governance, project financing, and business development. She oversees corporate strategy, investor relations, and compliance, ensuring that the company adheres to both local and international regulations. Sohilaa also plays a critical role in securing strategic partnerships and monitoring operational performance.
3. **Mohanad Islam Awad Mohammad Dourgram** - Mohanad specializes in mining operations, project management, and technical supervision. He provides oversight for mine development, processing operations, and infrastructure planning, ensuring projects are delivered efficiently, safely, and within budget.
4. **Ahmed Haroun Eshag Ali** - Ahmed Haroun Eshag Ali is an accomplished Mine Engineer with over seven years of progressive experience in gold mining operations, mineral processing, and plant management. His expertise spans across mine planning, ore extraction, and metallurgical processing, with a proven track record in optimizing production efficiency and ensuring compliance with industry safety and environmental standards. Ahmed's leadership and deep understanding of leaching and Carbon-In-Pulp (CIP) technologies position him as a cornerstone in the implementation and management of Sahara Metacraton Resources' gold mining and processing operations. His commitment to operational integrity, innovation, and workforce development ensures that the company maintains the highest standards of productivity, safety, and environmental stewardship.

## 7. Financial Plan

### 7.1 Underlying Assumptions

#### I. Production Assumptions

##### CIP Plant

- Processing Capacity: 300tons/day
- Gold Recovery Rate: 85%
- Elution Recovery: 90%
- Expected Purity before Refining: 92%
- Operational days per month/year: 324

#### II. Sales and Revenue Assumptions

- Gold Price: LBMA price

- Sales Channels: 20% Sold to Bank Of Tanzania and 80% to the local and international buyers
- Payment Terms: Cash on delivery and Advance payments for some contracts

### III. Financing Assumptions

- Equity Contribution: USD 2.5 million in the first year
- Debt Financing: Loan USD 1 million
- Financing Mix: 60% owner’s capital and 40% bank loans and third party funding

### IV. Taxation and Regulatory Assumptions

- Corporate Income Tax: 30%
- Mining Royalties and Levies: 9.3%
- Refinery Charge: \$6 per ounce

### V. Economic and Market Assumptions

- Inflation Rate: 4.8%
- Interest Rate: 3%

### VI. Operational Assumptions

- Operational days per year: 324 days
- Plant Efficiency rate: 90%

## 7.2 Source of Funds

|                        |                  |
|------------------------|------------------|
| <b>Financing</b>       |                  |
| Shareholders (Phase 1) | 2,500,000        |
| Bank Loans (Phase 1)   | 1,048,000        |
| <b>Total Financing</b> | <b>3,548,000</b> |

*Table 2: Source of Funds*

### 7.3 Proforma Profit and Loss

| Proforma Profit & Loss (Yearly) |                  |                  |                  |                  |                  |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|
| Year                            | 1                | 2                | 3                | 4                | 5                |
| Sales                           | 5,256,213.36     | 5,901,976.72     | 7,216,150.20     | 6,914,308.95     | 7,132,973.97     |
| Purchase of Ore                 | (1,166,400)      | (1,458,000)      | (2,041,200)      | (2,332,800)      | (2,624,400)      |
| Gov't Royalty                   | (315,373)        | (354,119)        | (432,969)        | (414,859)        | (427,978)        |
| Gov't Clearing & Inspection Fee | (52,562)         | (59,020)         | (72,162)         | (69,143)         | (71,330)         |
| Local Gov't Service Levy        | (15,769)         | (17,706)         | (21,648)         | (20,743)         | (21,399)         |
| TRA Charge                      | (105,124)        | (118,040)        | (144,323)        | (138,286)        | (142,659)        |
| Refinery Charges                | (7,390)          | (7,918)          | (9,238)          | (8,446)          | (8,314)          |
| Labor Costs                     | (870,000)        | (911,760)        | (955,524)        | (1,001,390)      | (1,049,456)      |
| Fuel/Energy Costs               | (546,500)        | (572,732)        | (600,223)        | (629,034)        | (659,227)        |
| Consumables & Chemicals         | (350,000)        | (366,800)        | (384,406)        | (402,858)        | (422,195)        |
|                                 |                  |                  |                  |                  |                  |
| <b>Gross Revenue</b>            | <b>1,827,095</b> | <b>2,035,883</b> | <b>2,554,457</b> | <b>1,896,751</b> | <b>1,706,015</b> |
|                                 |                  |                  |                  |                  |                  |
| <b>Operating Costs</b>          |                  |                  |                  |                  |                  |
| Maintenance & Repairs           | (240,000)        | (251,520)        | (263,593)        | (276,245)        | (289,505)        |
| Overheads                       | (96,000)         | (100,608)        | (105,437)        | (110,498)        | (115,802)        |
| General & Administrative        | (214,000)        | (224,272)        | (235,037)        | (246,319)        | (258,142)        |
|                                 |                  |                  |                  |                  |                  |
| <b>Total Operating Costs</b>    | <b>(550,000)</b> | <b>(576,400)</b> | <b>(604,067)</b> | <b>(633,062)</b> | <b>(663,449)</b> |
|                                 |                  |                  |                  |                  |                  |
| <b>EBITDA</b>                   | <b>1,277,095</b> | <b>1,459,483</b> | <b>1,950,389</b> | <b>1,263,689</b> | <b>1,042,565</b> |
| Depreciation Expenses           | (172,500)        | (172,500)        | (172,500)        | (172,500)        | (172,500)        |
|                                 |                  |                  |                  |                  |                  |
| <b>EBIT</b>                     | <b>1,104,595</b> | <b>1,286,983</b> | <b>1,777,889</b> | <b>1,091,189</b> | <b>870,065</b>   |
| Interest Expense                |                  | (49,552)         | (44,997)         | (40,304)         | (35,468)         |
|                                 |                  |                  |                  |                  |                  |
| <b>Earnings</b>                 | <b>1,104,595</b> | <b>1,237,431</b> | <b>1,732,892</b> | <b>1,050,885</b> | <b>834,597</b>   |
| Corporate Tax (30%)             | (331,379)        |                  | (519,868)        | (315,265)        | (250,379)        |
| <b>Net Profit/(Loss)</b>        | <b>773,217</b>   | <b>1,237,431</b> | <b>1,213,024</b> | <b>735,619</b>   | <b>584,218</b>   |

Table 3: Proforma Profit & Loss Statement

The P&L demonstrates a financially sound and scalable CIP Gold processing operation:

- Across all five years, the project maintains positive EBITDA, ranging from USD 1.27 million to USD 1.95 million, showing strong operational performance even as ore

grades decline. This confirms the CIP plant remains profitable due to good recovery rates and effective cost control.

- Even with falling feed grades (1.2 g/t → 0.4 g/t), the project still generates positive net profit every year, ranging between USD 584,218 and USD 1.24 million. This demonstrates resilience due to consistent throughput, stable operating costs, and efficient processing.
- Sales increases from USD 5.26 million in Year 1 to USD 7.13 million in Year 5. This confirms the plant’s ramp-up (40% → 90% capacity) directly strengthens top-line performance and increases yearly gross and net revenues.

#### 7.4 Proforma Cash Flow Analysis

| Proforma Cash Flow (Yearly)                |                    |                  |                  |                  |                  |
|--|--------------------|------------------|------------------|------------------|------------------|
| Category                                   | 1                  | 2                | 3                | 4                | 5                |
| Cash at the Beginning                      | 0                  | 97,717           | 1,507,648        | 2,893,172        | 3,801,291        |
| <b>Operation Activities</b>                |                    |                  |                  |                  |                  |
| Cash Inflows                               | 5,256,213          | 5,901,977        | 7,216,150        | 6,914,309        | 7,132,974        |
| Cash Outflows                              | (4,310,497)        | (4,492,046)      | (5,830,626)      | (6,006,190)      | (6,376,256)      |
| <b>Net Cash Flow from Operations (\$M)</b> | <b>945,717</b>     | <b>1,409,931</b> | <b>1,385,524</b> | <b>908,119</b>   | <b>756,718</b>   |
| <b>Investing Activities</b>                |                    |                  |                  |                  |                  |
| Cash Inflows                               |                    |                  |                  |                  |                  |
| Cash Outflows                              | (3,548,000)        |                  |                  |                  |                  |
| <b>Net Cash Flow from Investing (\$M)</b>  | <b>(3,548,000)</b> | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>         |
| <b>Financing Activities</b>                |                    |                  |                  |                  |                  |
| Cash Inflows (\$M)                         | 2,700,000          |                  |                  |                  |                  |
| Cash Outflows (\$M)                        | 0                  | 0                | 0                | 0                | 0                |
| <b>Net Cash Flow from Financing (\$M)</b>  | <b>2,700,000</b>   | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>         |
| <b>Net Increase/Decrease in cash (\$M)</b> | <b>97,717</b>      | <b>1,409,931</b> | <b>1,385,524</b> | <b>908,119</b>   | <b>756,718</b>   |
| <b>Cash at the End of the Year (\$M)</b>   | <b>97,717</b>      | <b>1,507,648</b> | <b>2,893,172</b> | <b>3,801,291</b> | <b>4,558,009</b> |

Table 4: Proforma Cash Flow Statement

The Cash Flow Statement demonstrates the following:

- The project shows steady positive operational cash flow every year, ranging from USD 945k to USD 1.41M, even as ore grades decline. This demonstrates the strength of the CIP plant model — high throughput and high recovery rates continue to

generate reliable cash inflows throughout the project life.

- The only major cash outlay occurs in Year 1, with a CAPEX of USD 3.548M, fully financed through USD 2.7M external financing and working capital contributions. Despite this large upfront investment, the project achieves:
  - Positive net cash position by the end of Year 1
  - Full payback in under 2 years, as cumulative cash balances rise to USD 1.5M+ by Year 2.

This indicates a fast return on investment (ROI) and low financial risk after the first operational year.

- Cash reserves grow continuously from USD 97k in Year 1 to USD 4.56M in Year 5, showing:
  - strong internal financing capability
  - no need for further external funding
  - resilience against volatility in grades or gold prices

The rising year-end balances confirm excellent liquidity and a strong financial buffer for future expansion, exploration, or reinvestment.

## 7.5 Proforma Balance Sheet

| Proforma Balance Sheet (Yearly)            |                  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|
| Category                                   | 1                | 2                | 3                | 4                | 5                |
| <b>Assets</b>                              |                  |                  |                  |                  |                  |
| <b>Current Assets</b>                      |                  |                  |                  |                  |                  |
| Cash/Cash Equivalent                       | 97,717           | 1,507,648        | 2,893,172        | 3,801,291        | 4,558,009        |
| Accounts Receivable                        | 550,783          | 190,018          | 105,000          | 130,000          | 160,000          |
| Inventory (Ore/Gold in process)            | 250,000          | 500,000          | 120,000          | 80,000           | 140,000          |
| <b>Total Current Assets</b>                | <b>898,500</b>   | <b>2,197,666</b> | <b>3,118,172</b> | <b>4,011,291</b> | <b>4,858,009</b> |
| <b>Non-Current Assets</b>                  |                  |                  |                  |                  |                  |
| Property, Plant & Equipment                | 1,774,000        | 1,774,000        | 1,774,000        | 1,774,000        | 1,774,000        |
| Less: Accumulated Depreciation             | (172,500)        | (345,000)        | (517,500)        | (690,000)        | (862,500)        |
| <b>Net Property, Plant &amp; Equipment</b> | <b>1,601,500</b> | <b>1,429,000</b> | <b>1,256,500</b> | <b>1,084,000</b> | <b>911,500</b>   |
| <b>Total Assets</b>                        | <b>2,500,000</b> | <b>3,626,666</b> | <b>4,374,672</b> | <b>5,095,291</b> | <b>5,769,509</b> |
| <b>Liabilities &amp; Equity</b>            |                  |                  |                  |                  |                  |
| <b>Current Liabilities</b>                 |                  |                  |                  |                  |                  |

|                                       |                  |                  |                  |                  |                  |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Accounts Payable                      |                  | 307,222          | 200,000          | 185,000          | 325,000          |
| Short-term portion of Loans           | 0                |                  | 524,000          | 540,000          | 556,000          |
| <b>Total Current Liabilities</b>      | <b>0</b>         | <b>307,222</b>   | <b>724,000</b>   | <b>725,000</b>   | <b>881,000</b>   |
| <b>Long-term Liabilities</b>          |                  |                  |                  |                  |                  |
| Bank Loan - Year 1                    |                  | 819,444          | 629,651          | 430,148          | 220,439          |
| <b>Total Long-term Liabilities</b>    | <b>0</b>         | <b>819,444</b>   | <b>629,651</b>   | <b>430,148</b>   | <b>220,439</b>   |
| <b>Total Liabilities</b>              | <b>0</b>         | <b>1,126,666</b> | <b>1,353,651</b> | <b>1,155,148</b> | <b>1,101,439</b> |
| <b>Equity</b>                         |                  |                  |                  |                  |                  |
| Share Capital                         | 2,500,000        | 2,500,000        | 2,500,000        | 2,500,000        | 2,500,000        |
| Retained Earnings                     |                  |                  | 521,021          | 1,440,143        | 2,168,070        |
| <b>Total Equity</b>                   | <b>2,500,000</b> | <b>2,500,000</b> | <b>3,021,021</b> | <b>3,940,143</b> | <b>4,668,070</b> |
| <b>Total Liabilities &amp; Equity</b> | <b>2,500,000</b> | <b>3,626,666</b> | <b>4,374,672</b> | <b>5,095,291</b> | <b>5,769,509</b> |

*Table 5: Proforma Balance Sheet*

- Current assets grow from USD 898k in Year 1 to USD 4.86M in Year 5, primarily driven by rising cash reserves.

This shows:

- excellent working capital management
- strong operational profitability
- the ability to self-fund expansions and future exploration

The company becomes highly liquid, maintaining a substantial cash buffer that significantly reduces operational and financial risk.

- Total liabilities peak in Year 2 but decline every year thereafter, with long-term debt falling from:
  - USD 819k (Year 2) → USD 220k (Year 5)

This demonstrates:

- strong internal cash generation
- fast repayment capacity
- minimal reliance on external financing

By Year 5, debt is almost eliminated, positioning the company for a clean balance sheet and improved creditworthiness.

## 7.6 Sensitivity Analysis

To assess the financial robustness of Sahara Metacraton Resources Company Limited, a sensitivity analysis was conducted to evaluate the impact of key variables on project profitability, cash flows, and return on investment. This analysis helps identify the areas of highest financial risk and informs strategic planning and risk mitigation measures.

### Key Variables Analyzed

#### A. Gold Price Fluctuations

- A 10% decrease in gold prices reduces projected annual revenues significantly, impacting net cash flow and payback period.
- Conversely, a 10% increase in gold prices improves profitability and shortens the payback period.

#### B. Operating Costs (OPEX) Variations

- Increases in operational costs (e.g., fuel, labor, maintenance) by 10–15% can substantially affect net margins.
- Cost control measures and efficiency in mining and processing operations are critical to maintaining profitability.

#### C. Production Rate Changes

- A reduction in production capacity by 10–15% (e.g., due to equipment downtime or lower ore grades) negatively affects cash flow and return on investment.
- Efficient equipment utilization and phased production planning mitigate this risk.

#### D. Capital Expenditure (CAPEX) Overruns

- Projected CAPEX is USD 3.55 million for phase 1 (CIP Plant). Overruns of 10–20% would extend the payback period and increase financing requirements.

### Summary of Findings

- The project remains financially viable under moderate variations in gold price, operational costs, and production output.

- Gold price volatility is the most sensitive factor affecting revenue, highlighting the importance of securing long-term offtake agreements and monitoring market trends.
- Effective cost management, operational efficiency, and phased capital deployment are key to mitigating risks and sustaining profitability.
- Under the base-case scenario, the project achieves positive cash flows within the first 12 months of operations and a robust return on investment, demonstrating resilience to moderate market fluctuations.

This sensitivity analysis provides confidence to investors and lenders that Sahara Metacraton Resources Company Limited can maintain profitability and achieve financial sustainability, even under varying market conditions.

## 9. Conclusion & Recommendation

The establishment of the 300 TPD Carbon-In-Pulp (CIP) gold processing plant in Mwakitolyo, Shinyanga Region demonstrates strong financial and operational feasibility based on the projected five-year performance. With ore supply secured through local miners at a fixed cost of USD 30 per ton, and with a phased production capacity ramp-up from 40% in Year 1 to 90% by Year 5, the project is positioned to achieve stable and scalable gold output.

From the financial projections, the project generates consistent positive operating cash flows, supported by high-volume processing capacity, competitive operating costs, and a favorable regulatory environment for gold trading in Tanzania. The financial evaluation using a conservative 10% discount rate yields a Net Present Value (NPV) of approximately USD 608,059, confirming that the investment delivers value in excess of the initial capital outlay.

The project also achieves a rapid return on investment, with a Payback Period of approximately 2.86 years, meaning the initial capital is recovered before the end of Year 3. This short payback cycle significantly reduces investment risk and enhances liquidity for future expansion phases.

Operationally, the CIP plant's design ensures high recovery rates, reliability, and flexibility to process ore from multiple local sources. The strategic location within the Shinyanga mining corridor further supports efficient logistics, strong mineral input availability, and access to Tanzania's main gold trading centers.

### **Recommendation:**

Based on the strong financial indicators, early cash-flow generation, and the strategic advantages of the Shinyanga mining zone, it is recommended that the company:

- Proceed with full implementation of the 300 TPD CIP plant, as the project meets the required investment thresholds and delivers positive returns within a favorable risk profile.
- Adopt the phased capacity ramp-up, which reduces operational risk in the early years while ensuring long-term scalability and higher margins.
- Prepare for the second strategic phase, expansion into exploration, extraction, and technical service agreements with PML holders after the CIP plant reaches steady-state operations and cash flow stability.

Overall, the project is financially viable, operationally feasible, and strategically sound, positioning the company for sustainable growth and leadership within Tanzania's gold processing and mining sector.