



# BEST PURE GOLD LIMITED



## BUSINESS PLAN

FOR

**GOLD EXTRACTION AND REFINING  
INVESTMENT PROJECT LOCATED IN  
MPOMVU GEITA REGION**

SUBMITTED TO

**TANZANIA INVESTMENT CENTER(TIC)  
FOR APPLICATION OF REGISTRATION  
OF THE PROJECT**

**OWNED AND SUBMITTED BY;**

**BEST PURE GOLD LIMITED**

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June, 2025

## SUMMARY AND RECOMMENDATIONS

### The Application

BEST PURE GOLD LIMITED is a gold exploration, mining, and processing enterprise focused on medium-scale operations in Tanzania, specifically in the Geita Region. The company was registered by BRELA in 2024 with the registration number 174319774 (See Appendix 1). Our business is built on three pillars: responsible extraction, efficient processing, and ethical trading. The company was founded in response to the growing demand for traceable and ethically mined gold, as well as Tanzania's strategic national vision to formalize small and medium scale mining. Our operations revolve around extracting gold bearing ore from licensed tenements, processing it through modern leaching and smelting techniques, and marketing the final product in compliance with both national and international trade laws. With Tanzania ranked as one of Africa's top five gold producers and gold remaining a globally valuable commodity, we are confident that our business model is both timely and scalable. Our mining processes are aligned with environmental best practices, with ongoing efforts to rehabilitate mined land and reduce the use of hazardous chemicals like mercury. We also emphasize community engagement, providing job opportunities, training, and social investment to local populations. From a financial perspective, our model is designed to ensure cost-effective operations by employing efficient technologies, optimized labor, and strategic partnerships.

As we progress, we plan to add value by expanding into gold refining, offering consultancy services to emerging miners, and reinvesting profits into the exploration of new sites. The company will invest at least TZS 2,500,000,000 (equivalent to USD 1,000,000) in the next five years of its operations. The funds shall be used for the procurement of refinery machinery, excavators, bulldozers, trucks, cars, and a roller compactor. This investment will enable the project to process up to 36 kilograms of pure gold annually, making this business one of the potential investments that qualify to be registered by the Tanzania Investment Center (TIC).

Thus, BEST PURE GOLD submits this project to TIC for registration, aiming to qualify for incentives and support granted to strategic investments. The application seeks recognition of the project's potential and alignment with national development goals, ensuring the company benefits from available opportunities and favorable conditions provided under TIC guidelines.

## Current status of the project

To date, BEST PURE GOLD LIMITED has successfully mobilized and deployed an initial investment of approximately USD 600,000 toward setting the foundation for full mining and processing operations. This capital was primarily used to acquire 200 hectares of mining land located in a highly prospective gold belt in Geita Region (See Appendix 2). The land was secured with valid Primary Mining Licenses (PMLs) and is supported by geological reports indicating favorable gold grades. Additionally, the company completed comprehensive geological and geophysical surveys, including sampling and trenching activities, which confirmed the economic viability of the deposit. These preliminary studies were conducted by a certified team of geologists and mining engineers, whose reports guided the decision to proceed with infrastructure development and equipment procurement.

Part of the investment was also used to purchase a small-scale jaw crusher and ball mill, which are currently being used for pilot ore processing. Moreover, basic infrastructure has been established onsite, including worker quarters, sanitation facilities, and a diesel-powered generator to provide electricity. To ensure workforce readiness, the company recruited and trained 20 staff members, including machine operators, geologists, and support personnel. Environmental baseline assessments were conducted and submitted to the National Environment Management Council (NEMC) in preparation for the issuance of the Environmental Impact Assessment (EIA) certificate.



## The Applicant

The applicant is BEST PURE GOLD LIMITED a Tanzanian registered gold mining and processing company, established in 2024. It is owned by Mr. Abdullah Sameer Faeq Al-Rawe and Mr. Sameer Faeq Habeeb Al-Rawi entrepreneurs with a strong commitment to advancing Tanzania’s mineral sector through responsible and innovative mining practices. The company operates under the legal and regulatory frameworks of Tanzania’s mining industry. BEST PURE GOLD LIMITED is focused on the exploration, extraction, and processing of gold, with operations strategically located in mineral-rich region of the country.

With a long-term vision of becoming a key player in Tanzania’s gold value chain, the company is currently engaged in expanding its capacity by investing in refining technology, mining equipment, and site development. The company plans to invest TZS 2.5 billion (approximately USD 1,000,000) over the next five years in procuring refinery machinery, excavators, bulldozers, trucks, and other essential infrastructure to support efficient gold production and processing.

The project is expected to process up to 36 kilograms of pure gold annually. BEST PURE GOLD LIMITED maintains sound financial systems, transparent operations, and a strong commitment to environmental and social standards, ensuring long-term sustainability and compliance with national policies. As a newly established but ambitious enterprise, BEST PURE GOLD LIMITED is strategically positioned to contribute to Tanzania’s mining sector and qualifies for registration with the Tanzania Investment Center (TIC) as a high-potential investment project.

**Table 1: Planned Investment by Best Pure Gold Limited**

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GOLD EXTRACTION AND REFINING INVESTMENT PROJECT LOCATED IN MPOMVU GEITA REGION					
PLANNED INVESTMENT BY BEST PURE GOLD LIMITED					
S/N	Descriptions of the Asset/Investent	Unit of Measure	No. of Units	Unit Price	Total
1	Mining Plots (Mines)	Site	2	100,000,000	200,000,000
2	Plant and Machinery	Lumpsum	1	2,000,000,000	2,000,000,000
3	Working Cpaital	Lumpsum	1	300,000,000	300,000,000
<b>GRAND TOTAL</b>					<b>2,500,000,000</b>

## Project Management and Organization Structure

BEST PURE GOLD LIMITED has established an appropriate organizational structure designed to uphold best management practices across all areas of its operations. The company is governed by a Board of Directors composed of a minimum of five members, including the founders, Mr. Abdullah Sameer Faeq Al-Rawe and Mr. Sameer Faeq Habeeb Al-Rawi, who actively participate as board members. The Board of Directors serves as the overall supervisory authority, providing strategic guidance and oversight of the company's business activities. The company's Managing Director acts as the Chief Accounting Officer and reports directly to the Board. For the gold mining and processing operations, the Managing Director is supported by a Project Manager, who oversees the execution of mining and refining activities and reports directly to the Managing Director. Reporting to the Project Manager are various operational support staff, including Project Accountants, Mining Supervisors, Refinery Technicians, and other critical support personnel. The project will employ at least 27 permanent and pensionable staff to ensure smooth operations across all departments. In addition, casual labourers will be hired on a daily basis, depending on the operational labour requirements at any given time. The reporting lines and operational hierarchy of BEST PURE GOLD LIMITED in relation to its mining and processing project are illustrated in the organizational structure shown in **Figure 1**.

## Projected Financial Aspects of proposed projects

The financial analysis demonstrates that the project is both viable and low-risk, based on key financial indicators over a five-year projection period (2026–2030). The project is expected to generate a profit after corporate tax of **TZS 1,202,175,743** in its first year of operation, with a projected profit of **TZS 1,241,556,115** by the fifth year (**see Annex 8**). The Internal Rate of Return (IRR) is estimated at **51%**, while the Net Present Value (NPV) stands at **TZS 3,039,278,003** (**see Annex 14**). These figures indicate that the project's returns exceed the cost of capital, making it attractive and less risky for financiers. The balance sheet projections show asset growth from **TZS 3,295,509,076** in the first year to **TZS 7,735,840,252** by the fifth year (**see Annex 10**). Additionally, positive net cash flows are forecast throughout the project life cycle, ensuring the ability to meet both short and long-term financial obligations. Net cash flow is projected at **TZS 1,461,247,583** in the first year, it stands at **TZS 1,454,889,448** by year five (**see Annex 9**).

## **Socio-economic Benefits of the Project/Investment**

BEST PURE GOLD LIMITED's gold mining project is expected to generate significant financial returns while creating around 50 direct jobs, including miners, technicians, and support staff. The project will support local small-scale miners through equipment supply and training, boosting regional mining productivity. It will also offer technical advice on responsible mining and environmental practices, enhancing sector capacity. The operation will stimulate local economic activities, benefiting suppliers, transporters, and service providers, contributing to improved livelihoods. Additionally, the project will increase corporate tax revenues for the Government of Tanzania, reinforcing sustainable economic growth in the region.

## **Conclusions and Recommendations**

The analysis of Project confirms that it is technically sound, economically viable, socially beneficial, and financially sustainable. The project aims to establish a modern gold mining and processing operation, positioning the company to increase production capacity, expand market presence, and contribute to Tanzania's mining sector growth. The project will create significant employment opportunities, support local small-scale miners through equipment supply and training, and stimulate economic activity in the surrounding community. It aligns with national priorities to promote responsible mining, sustainable resource use, and private sector development.

Financed 100% by shareholders, the project requires no external loan, demonstrating strong internal commitment and financial capability. BEST PURE GOLD LIMITED respectfully requests the Tanzania Investment Center (TIC) to register the project as a strategic investment. Registration will facilitate access to investment incentives, regulatory support, and streamlined services, ensuring smooth implementation and long-term sustainability. With a solid asset base, experienced management, and proven operational capacity, BEST PURE GOLD LIMITED is a reliable partner for advancing Tanzania's mining sector.

## List of Abbreviations

BRELA	Business Registration and Licensing Agency
EIA	Environmental Impact Assessment
Ltd	Limited
MD	Managing Director
NEMC	National Environment Management Council
PAYE	Pay As You Earn
PMLs	Primary Mining Licenses
RMP	Risk Management Plan
SADC	Southern African Development community
TIC	Tanzania Investment Center
TZS	Tanzania Shillings
URT	United Republic of Tanzania
USD	United States Dollar

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# CHAPTER ONE

## 1.0. DESCRIPTION OF THE PROJECT

### 1.1. Background Information the Company

BEST PURE GOLD LIMITED is an established medium-scale gold exploration, mining, and processing company operating in Tanzania's Geita Region. Registered by BRELA in 2024, with the registration No. 174319774, the company has built a solid foundation focused on responsible extraction, efficient processing, and ethical trading of gold. It operates in alignment with Tanzania's national agenda to formalize small and medium-scale mining, employing modern leaching and smelting technologies to produce traceable and compliant gold products. Committed to environmental sustainability, BEST PURE GOLD LIMITED minimizes hazardous chemical use and actively rehabilitates mined land. The company maintains strong community engagement through job creation, training, and social investments that benefit local populations. With Tanzania as a leading gold producer in Africa, BEST PURE GOLD LIMITED plans to invest TZS 2.5 billion (approx. USD 1 million) over the next five years for refinery machinery and heavy equipment, targeting an annual production capacity of 36 kilograms of pure gold. The company is pursuing registration with the Tanzania Investment Center (TIC) to access incentives and support strategic growth.

### 1.2. Planned Investment in the next five years

BEST PURE GOLD LIMITED is set to invest approximately TZS 2.5 billion (equivalent to USD 1 million) over the next five years to expand and modernize its gold mining and processing operations. This investment is aimed at enhancing production capacity, improving operational efficiency, and ensuring compliance with environmental and safety standards.

Key components of the planned investment include the procurement of advanced refinery machinery that will enable the company to process up to 36 kilograms of pure gold annually. Additionally, the company plans to acquire essential heavy equipment such as excavators, bulldozers, trucks, cars, and a roller compactor. These assets will facilitate more efficient extraction, transportation, and processing of gold ore, thereby reduce operational costs and increase productivity.

The investment will also support ongoing efforts to implement environmentally responsible mining practices, including land rehabilitation and reduction in the use of hazardous chemicals like mercury. BEST PURE GOLD LIMITED is committed to maintaining high standards of environmental stewardship while maximizing economic returns.

Furthermore, this capital injection will strengthen the company’s position in the Tanzanian gold mining sector, aligning with national goals to promote sustainable mining and formalize medium-scale operations. After full expansion the company will be able to produce about 36 Kilograms of Pure Gold per year. The estimates of output to be produce each year during expansion is presented in table 2 below.

**Table 2: Output after project expansion**

 <b>BEST PURE GOLD LIMITED</b> P.O. Box 755, Geita, Tanzania. Phone: +255 747 971 234/+971 506 581 238 E-Mail: ALRAWIDUBAI@GMAIL.COM 							
GOLD EXTRACTION AND REFINING INVESTMENT PROJECT LOCATED IN MPOMVU GEITA REGION							
GOLD PRODUCTION QUANTITIES							
S/N	Description of the Project	Unit of measure	OUTPUT				
			2026	2027	2028	2029	2030
1	Quantity of Gold Produced per year	Grams	15,000.00	18,000	21,600	26	31,200
	<b>TOTAL QUANTITIES</b>		<b>15,000</b>	<b>18,000</b>	<b>21,600</b>	<b>26</b>	<b>31,200</b>
<u>Note:</u>							
(a). Gold production will increase by 20 percent each year							

### 1.3. Project Organization and Management

BEST PURE GOLD LIMITED has established an appropriate organizational structure designed to uphold best management practices across all areas of its operations. The company is governed by a Board of Directors composed of a minimum of five members, including the founders, Mr. Abdullah Sameer Faeq Al-Rawe and Mr. Sameer Faeq Habeeb Al-Rawi, who actively participate as board members. The Board of Directors serves as the overall supervisory authority, providing strategic guidance and oversight of the company’s business activities. The company’s Managing Director acts as the Chief Accounting Officer and reports directly to the Board. For the gold mining and processing operations, the Managing Director is supported by a Project Manager, who oversees the execution of mining and refining activities and reports directly to the Managing Director.

Reporting to the Project Manager are various operational support staff, including Project Accountants, Mining Supervisors, Refinery Technicians, and other critical support personnel. The project will employ at least 27 permanent and pensionable staff to ensure smooth operations across all departments. In addition, casual labourers will be hired on a daily basis, depending on the operational labour requirements at any given time.

The reporting lines and operational hierarchy of BEST PURE GOLD LIMITED in relation to its mining and processing project are illustrated in the organizational structure shown in **Figure 1**.

#### **1.4. Physical location, address and contacts of the Projects**

BEST PURE GOLD Limited's mining operations are located in the Geita Region, where the company holds licensed tenements for gold exploration and extraction. The main mining and processing facilities are situated within these designated areas, which serve as the base for current activities and planned expansions.

For official correspondence and all matters related to this project, the company's designated address will be:

**BEST PURE GOLD LIMITED**

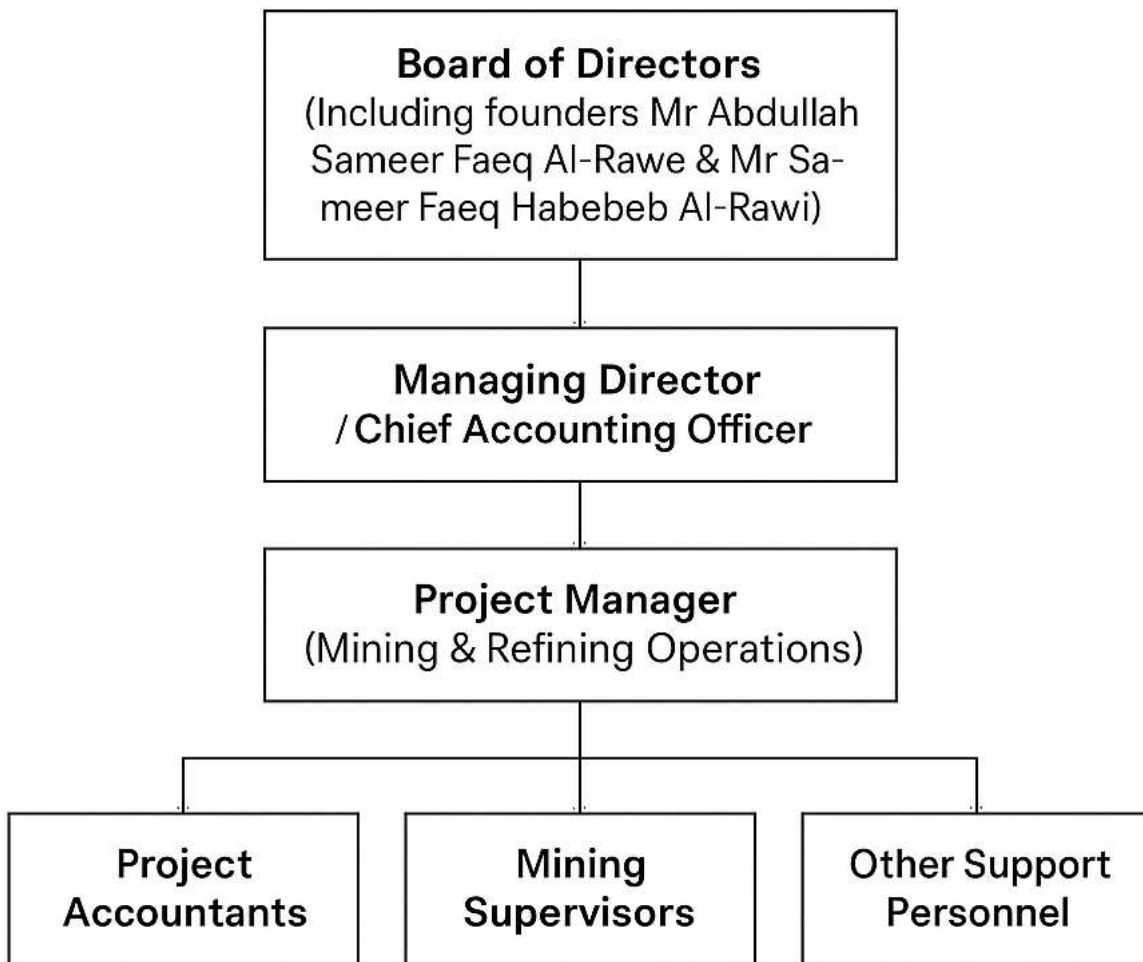
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**Figure 1: Project Organization structure**



Permanent staff: At least 27 pensionable employees

Casual labourers: Hired daily as required

## CHAPTER TWO

### 2.0. OVERVIEW OF MINING SECTOR IN TANZANIA

Tanzania's mining sector is currently experiencing robust growth and transformation, positioning itself as a critical driver of the country's economic development. As of 2024, mining contributes over 10% of Tanzania's GDP, reflecting strategic government reforms aimed at improving governance, attracting investment, and enhancing value addition within the sector. Gold remains the dominant mineral, accounting for a significant share of export earnings and foreign exchange, while the government continues to promote diversification by supporting other minerals such as graphite, nickel, lithium, and helium.

Tanzania is among Africa's leading producers of graphite, with several large-scale mining licenses granted to meet growing global demand for battery materials, crucial for the transition to clean energy technologies. The Kabanga nickel project, supported by major international investors, including BHP and the U.S. International Development Finance Corporation, is expected to strengthen Tanzania's position in the global supply chain by providing a non-Chinese source of this important metal. Additionally, exploration for helium in regions like Rukwa and Songwe holds promise for Tanzania to become one of the world's top helium producers, adding another dimension to the mining sector's diversification.

Small-scale mining continues to play a vital role, contributing approximately 40% of mineral output. The government has taken active steps to support this subsector through improved access to financing, modern equipment, and training, with banks disbursing significant loans to small-scale miners. This effort aims to formalize the sector, increase productivity, and ensure miners comply with environmental and safety standards.

Infrastructure development and technological advancements are also key focuses. Investments in road networks and electricity are enhancing access to mining areas, while the adoption of modern mining technologies, including Carbon in Pulp plants and drone surveys, is improving efficiency and revenue collection. Additionally, geological research through high-resolution airborne surveys is underway to better identify mineral deposits, with plans to cover half the country by 2030. Despite these positive developments, challenges remain. The enforcement of local content policies is inconsistent, which risks reducing the potential economic benefits Tanzania could reap from its mineral resources. Addressing these gaps is critical to ensure that mining activities generate sustainable economic growth and community benefits. Overall, Tanzania's mining sector is on an upward course, driven by policy reforms, investment, and innovation. Continued focus on diversification, infrastructure, technology, and governance will be essential for realizing the sector's full potential as a pillar of the national economy.

## CHAPTER THREE

### 3.0. MARKET ANALYSIS

#### 3.1. Current Market for Company Products

BEST PURE GOLD LIMITED operates in Tanzania's vibrant gold market, which has seen record-high prices reaching over TZS 8 million per ounce in early 2025. The sector benefits from supportive government policies, including mandatory allocation of 20% of gold sales to the central bank, aimed at boosting national reserves and stabilizing the economy. Tanzania is a key gold exporter in the region, but challenges remain, such as the lack of internationally accredited refineries, limiting global market access. Despite this, the company stands to gain from ongoing reforms, strong export demand, and efforts to enhance local refining capacity and sector transparency.

#### 3.2. Market Niche Focused by the Company

BEST PURE GOLD LIMITED operates within Tanzania's evolving mining sector, fully compliant with national mining policies that prioritize sustainable development, local content, and economic growth. The company focuses on gold mining and processing, benefiting from favorable reforms such as mandatory allocation of a portion of gold sales to the central bank and incentives that improve profitability. While its primary market remains domestic, including direct sales to the Bank of Tanzania and local exporters, BEST PURE GOLD LIMITED is exploring opportunities in regional markets within the East African Community (EAC), such as Kenya, Uganda, Rwanda, and Burundi, where demand for gold investment and trading is growing. Additionally, the company is assessing potential access to international buyers by improving refining standards to meet global accreditation, which would open export opportunities to larger global markets in Asia and Europe. By expanding its market reach alongside adherence to government regulations and sustainable practices, BEST PURE GOLD LIMITED aims to strengthen its competitive position, contribute to national revenue, and support local economic development.

#### 3.3. Degree of Competition in the market

BEST PURE GOLD LIMITED operates in a competitive gold mining sector in Tanzania, facing competition from established mining companies and artisanal miners across key regions. However, the company is well-positioned to establish a strong market presence through its commitment to high-quality gold extraction and processing, adherence to strict environmental and regulatory standards, and implementation of modern mining technologies. BEST PURE GOLD LIMITED plans to secure reliable off-take agreements and

direct sales channels, ensuring consistent supply to both domestic buyers, including the Bank of Tanzania, and regional gold markets within the East African Community such as Kenya, Uganda, and Rwanda. The company's strategic focus on improving refining capabilities and compliance with international standards will enhance its competitiveness and open opportunities for access to global buyers. With a vertically integrated operational model and strong governance, BEST PURE GOLD LIMITED aims to become a trusted and leading gold supplier, contributing to Tanzania's mining sector growth and economic development.

### **3.4. Marketing Strategy**

BEST PURE GOLD LIMITED will implement a focused marketing strategy centered on building strong partnerships with domestic and regional buyers, including the Bank of Tanzania and accredited refiners within the East African Community. The company will emphasize consistent supply of high-quality gold compliant with Tanzanian mining regulations and international standards. Leveraging direct sales agreements and participation in industry trade forums will enhance market visibility and trust. Additionally, BEST PURE GOLD LIMITED plans to invest in certification and refining capacity to access global markets, ensuring competitive pricing and reliability. This integrated approach aims to secure long-term contracts and expand the company's market reach effectively.

## CHAPTER FOUR

### 4.0. RISK AND FINANCIAL ANALYSIS

#### 4.1. RISK ANALYSIS

BEST PURE GOLD LIMITED faces several risks that could affect its mining operations and profitability. Fluctuations in global gold prices pose a significant market risk, potentially impacting revenue and cash flow. To mitigate this, the company will adopt flexible pricing strategies and maintain strong relationships with buyers. Operational risks include equipment failure and safety hazards in mining activities, which will be addressed through regular maintenance, staff training, and strict adherence to safety protocols. Regulatory and environmental compliance risks require ongoing monitoring to avoid penalties and disruptions. By proactively managing these risks, BEST PURE GOLD LIMITED aims to ensure sustainable operations and long-term success.

##### 4.1.1. Risk Management Plan

The Risk Management Plan (RMP) has taken into consideration on the three main angles in assessment of the risks associated with the businesses. With RMP in place the risks have been assessed on the basis of:

- (i). Probability of occurrence;
- (ii). Impact on projects success and sustainability; and,
- (iii). Action to be taken to mitigate identified risks.

**Table 5** below summarizes the risks associate with the projects, their possibility of occurrence and actions to be taken to mitigate. However, the summarized risks might be not the only risks of engaging in these businesses, the Management of the project will for several time review the projects' risks based on the experience from the actual operations and take appropriate mitigation measures.

**Table 3: Summary of the proposed Risks and the Management Plan**

<b>Risk</b>	<b>Probability of Occurrence</b>	<b>Impact on Project's Success and Sustainability</b>	<b>Action to Mitigate Risk</b>
<b>Gold Price Fluctuations</b>	High	Revenue volatility, reduced profitability, and cash flow challenges.	Adopt flexible pricing strategies, diversify buyer base, and monitor global market trends regularly.
<b>Operational Risks</b>	Moderate	Equipment breakdowns, safety incidents, and production delays.	Conduct regular equipment maintenance, enforce strict safety protocols, and provide comprehensive staff training.
<b>Regulatory Compliance</b>	Moderate	Penalties, operational shutdowns, and reputational damage.	Maintain continuous monitoring of regulatory changes, ensure compliance with environmental and mining laws.
<b>Security Threats</b>	Low to Moderate	Theft of gold, loss of assets, and operational disruptions.	Implement advanced security systems, hire trained security personnel, and conduct regular security audits.

## **4.2. FINANCIAL ANALYSIS**

This part presents the financial performance of the project through analysing basic financial statement and other performance indicators. The part presents; Projected Income Statement (Profit and Loss Account), Balance Sheet (Statement of Financial Position), Cashflow Statement, Sensitivity Analysis, Internal Rate of Return (IRR), Net Present Value (NPV) and Payback Period. All these analyses are in relation to established projects that BEST PURE LIMITED plans to implement.

### 4.2.1. Major Assumptions

Projection of results of the project has made under the consideration of the assumptions as presented in **Table 4** below;

**Table 4: Assumptions used in Preparation of Financial statements**

 <b>BEST PURE GOLD LIMITED</b> 	
P.O. Box 755, Geita, Tanzania. Phone: <b>+255 747 971 234/+971 506 581 238</b> E-Mail: <b>ALRAWIDUBAI@GMAIL.COM</b>	
<b>GOLD EXTRACTION AND REFINING INVESTMENT PROJECT LOCATED IN MPOMVU GEITA REGION</b>	
<b>ASSUMPTION USED IN FINANCIAL ANALYSIS</b>	
1	A business-friendly political, economic and social environment will continue to persist throughout the duration of the project.
2	The project will engage in extraction (Mining) and Refining of Gold Minerals
3	The investment in this project will be at least <b>TZS 2,500,000,000</b> once fully funded-this expansion will occur in phases
4	The project will be financed by Equity Funds only (Shareholders contribution)
5	The capacity of this project is to produce about <b>36 Kilograms of Pure Gold annually</b>
6	The investment will involve procurement of Machinery and capacity building to human resources
8	The processing Capacity will be increased by 20 percent each year in a duration of five years
9	Minimum selling price for Gold is <b>TZS 280, 976.04</b> per gram
10	Straight-line depreciation method is used in depreciating fixed assets of the farm.
11	Project of project performance covers the period of five(5) years from 2026 to 2030

### 4.2.2. Financial Performance

With regard to the aforementioned assumptions, the financial forecasts of the projects illustrate to have strong financial performance as described in the following parts;

#### 4.2.2.1. Income Statements

The projected income statement, as detailed in **Annex 8**, shows the project generating a profit after corporate tax of **TZS 1,202,175,743** in the first year of operation. Profit grows to **TZS 1,241,556,115** during the fifth year of operation. This consistent profit performance within the first five years confirms the project's viability and its potential for long-term success.

#### 4.2.2.2. Projected Cash flow Statements

The cash flow projection demonstrates a strong liquidity position for the project, with positive net cash flows throughout the five years of operation. This confirms the business's ability to meet both short-term and long-term financial obligations. The net cash flow in the first year is

projected at **TZS 1,461,247,583** and is expected to grow steadily, reaching **TZS 1,454,889,448** by the fifth year. This upward trend reflects the project's financial sustainability and increasing operational efficiency over time. **See Annex 9.**

#### **4.2.2.3. Balance Sheet/ Statement of Financial Position**

The projected asset base for the project stands about **TZS 3,295,509,076** during the first year of operations; the capital will accumulate and grow to **TZS 7,735,840,252** during the fifth year of operations. The asset base of the project is more than enough to cover its liabilities throughout the forecast period, meaning that the project will remain solvent throughout its lifetime. The projected balance sheet is available in **annex 10.**

#### **4.2.2.4. Sensitivity Analysis**

A sensitivity analysis was carried out on the project to see the effect on the project profitability when sales revenue drops by 5% and when project operating costs increases by 5% assuming other factors influencing profit of the project remain unchanged. The analysis was carried out to find if the project is still financially viable if the sales revenue will be reduced by 5% assuming other factors influencing profit (such as operational costs) held constant. The analysis was also done by inflating the operation costs by 5% at the same levels of sales revenue. Both situations lead to the fall in the profits of the project, however, the events still show the project to be viable since it still generates profit despite of the circumstances applied **(Seen Annex 12 and Annex 13).**

## CHAPTER FIVE

### 5.0 ECONOMIC AND SOCIAL VIABILITY

#### 5.1. Overall Benefits of the projects

Once fully operational, the gold mining project by BEST PURE GOLD LIMITED will deliver significant economic and social benefits to the company, employees, local communities, and the broader Tanzanian population. The project is expected to create around twenty-seven (27) permanent and pensionable jobs, more than 50 direct casual jobs, and at least 200 additional employment opportunities along the gold value chain. These jobs will increase income levels and improve livelihoods for those involved. Additionally, the project will contribute to government revenues through corporate tax and PAYE payments, supporting public services and national development.

#### 5.2. Socio-economic Benefits of the Project

The BEST PURE GOLD PROJECT is expected to contribute significantly to the socio-economic development of Tanzania, particularly in the project's host communities. Its impact will span across income generation, poverty reduction, infrastructure development, and national economic growth.

##### (a) Employment and Income Generation

- The project will create substantial direct and indirect employment opportunities for local populations, including youth and women.
- Salaries and wages earned will increase household incomes and purchasing power, improving living standards and reducing poverty.

##### (b) Economic Empowerment of Local Communities

- Local businesses will benefit from supplying goods and services to the project, including food, construction materials, logistics, and other support services.
- The project will stimulate the growth of **small and medium enterprises (SMEs)**, promoting entrepreneurship and self-employment.

##### (c) Contribution to National and Local Revenue

- BEST PURE GOLD LIMITED will pay taxes, royalties, and license fees to the government, contributing to national revenue.
- Local government authorities will benefit from increased revenues through service levies and fees, enabling them to fund community development projects.

**(d) Infrastructure Development**

- The project will support the development and maintenance of infrastructure such as access roads, bridges, power connections, and water supply systems.
- These improvements will enhance mobility, connectivity, and service delivery in remote areas.

**(e) Skills Development and Technology Transfer**

- Through on-the-job training and capacity building, local employees will gain valuable technical and managerial skills in mining and related sectors.
- The project may establish partnerships with technical training institutions, supporting long-term human capital development.

**(f) Promotion of Local Content and Procurement**

- The project will promote the use of Tanzanian goods, services, and labor wherever possible, in line with local content regulations.
- This approach will maximize the retention of mining benefits within the country and foster domestic industry development.

**(g) Social Welfare Improvements**

- The company may invest in social services such as education, healthcare, and clean water through Corporate Social Responsibility (CSR) programs.
- Improved access to these services will lead to better health outcomes, reduced illiteracy, and improved overall well-being of community members.

# CHAPTER SIX

## 6.0. SWOC ANALYSIS

This section presents an assessment of the internal capabilities and external factors that influence the operations of BEST PURE GOLD LIMITED. The analysis is based on the SWOT framework highlighting the company's Strengths, Weaknesses, Opportunities, and Challenges (Threats) in the context of its planned gold mining and processing project.

### 6.1. Strengths of Best Pure Gold Limited

- **Strategic Location of Mining Sites:** The company's gold reserves are located in mineral-rich zones, increasing the potential for high-yield extraction.
- **Experienced Technical Team:** A qualified and experienced team in mining operations, geology, and processing ensures efficient project execution.
- **Regulatory Compliance:** The company adheres to national mining regulations and has secured relevant permits and licenses, ensuring legal operational status.
- **Clear Vision and Business Model:** The company has a focused business plan with a clear strategy for scaling up mining and processing capacity over time.

### 6.2. Weakness of Best Pure Gold Limited

- **Limited Initial Production Capacity:** As a new venture, the company may face constraints in processing large volumes of ore during the initial phases.
- **High Capital Requirement:** Mining projects are capital intensive, and the company may experience limitations in acquiring and deploying advanced equipment without strong financial backing.
- **Limited Brand Recognition:** As a new player in the gold sector, the company needs time to establish a reputation in the competitive market.
- **Lack of In-house Refining Facility:** Absence of refining infrastructure could lead to dependence on third-party refiners, affecting margins and timelines.

### 6.3. Opportunities available in the sector

- ✓ High population growth rate that ensures the market for farm products;
- ✓ Raised income of individuals and urbanization that raise the demand for meat-chicken;
- ✓ Friendly business environment and political stability in Tanzania;
- ✓ Technological advancement that has simplified marketing and distribution of product;
- ✓ Presence of Financial Institutions and Agribusiness loan product;
- ✓ Tanzania being a member to the regional blocks EAC and SADC simplified international trade among the member states; and,
- ✓ Opportunity in the labour market to supply required skills in cost effective manner.

#### 6.4. Challenges that exist in the market

- **Market Price Volatility:** Gold prices are subject to fluctuations due to global economic conditions, which may impact revenue predictability.
- **Environmental and Social Risks:** Mining operations may face scrutiny over land use, environmental impact, and community relations, requiring proactive engagement and compliance.
- **Competition from Established Players:** The presence of large-scale mining companies in the sector presents competition in market share and access to resources.
- **Infrastructure Constraints:** Remote mining areas may have limited access to essential infrastructure such as roads, power, and water, increasing operational costs.

## CHAPTER SEVEN

### 7.0. CONCLUSIONS AND RECOMMENDATIONS

#### 7.1. Conclusion

The analysis of the Best Pure Gold Limited project demonstrates that it is technically sound, socially responsible, economically beneficial, and financially viable. The company aims to engage in sustainable gold mining and processing activities, capitalizing on Tanzania's rich mineral resources and the steadily increasing global demand for gold. The strategic location of operations, combined with the use of modern mining and processing technologies, ensures operational efficiency, safety, and environmental compliance. This project is fully financed through equity, which reflects the commitment and confidence of the investors in the project's success and long-term profitability. By avoiding debt financing, the company minimizes financial risk and retains full operational control, enabling greater flexibility in reinvestment and growth planning. The global market outlook for gold remains strong, driven by industrial use, jewelry demand, and its function as a financial hedge. Best Pure Gold Limited is well-positioned to tap into these opportunities, both in domestic and international markets. The project is expected to generate substantial returns for shareholders, create employment, and contribute positively to local economic development. With strong governance, sound technical execution, and strategic market positioning, Best Pure Gold Limited is poised for sustainable growth and long-term success.

#### 7.2. Recommendations

In view of the preceding analysis, it is recommended that the Tanzania Investment Centre (TIC) to register the Best Pure Gold Limited Gold Mining and Processing Project as a Strategic Investment. This registration will enable the project to benefit from investment incentives, streamlined regulatory processes, and institutional support necessary for efficient implementation and sustainable operations. Given the project's potential to contribute significantly to national development through employment creation, export growth, and value addition in the mining sector, Strategic Investment status will enhance its impact and success.