

Dharani Group Limited

Graphite Exploration & Mining Project

Mahenge, Ulanga District, Morogoro Region, Tanzania

Business Plan

Prepared by: Rahul Reddy Petluru, Managing Director

Date: February 2026

Ownership by Indian citizens

Mr. Petluru Rahul Reddy, Managing Director, citizen of India based out of Hyderabad, India.

Mr. Jambula Roshi Reddy, citizen of India based out of Atlanta, USA

Executive Summary

- Obtained a PL for Graphite Mineral Exploration in Mahenge, Extent of Mine 65.88 Sq kms. Reference **PL No. 13620/2025**
- Strategic graphite exploration in Mahenge (world-class district with 211.9Mt resources at 7.8% TGC).^[5]
- Phase 1: \$550K USD over 2 years for exploration; Phase 2: \$450K USD for processing plant, equipment, manpower. Total 4-year investment: \$1M USD.
- Objectives: Local employment (10+ Tanzanians initially), skills transfer, high-purity graphite for batteries/EV market (global demand +310% by 2036).
- Projected: Production 20,000-50,000 tpa post-exploration; quick payback via rising prices (\$419/tonne opex benchmark).

Company Legal Formation

- Dharani Group Limited: Registered in Tanzania (Dar es Salaam, Plot 429, Mahando Street, P.O. Box 38568).
- Incorporation: In Compliance with Tanzanian Companies Act; obtained Graphite Mining License (Mahenge).
- Primary objects: Mining, prospecting, mineral trading per MemArts

Shareholding Structure & Nationality

Shareholder	Nationality	Ownership %	Capital Contribution
Mr. Rahul Reddy	Indian (India-based)		
Mr. J Roshi Reddy	Indian (USA-based)		

- 100% foreign-owned (initial)
- No loans initially; all equity-funded.

Project Location

- Mahenge Project: Ulanga District, Morogoro Region (SE Tanzania)
- Access: Road-linked, approx 400kms from Dar es Salaam
- Reserves potential: District holds 69.6Mt @8.5% TGC (JORC); Tanzania 6th global by 2050.

Project Objectives

- Explore/confirm graphite deposits (Years 1-2: Drilling, assays).
- Develop processing plant (Year 3+): 20,000 tpa concentrate @>95% purity for EV batteries.
- Create 10+ local jobs initially (95% Tanzanian skilled/non-skilled); skills transfer via training.
- Achieve \$1M investment; export revenue; comply with local content (75% TZ management).

Sector Performance Summary

- Tanzania mining: Graphite exports \$70M (2023); rising with Mahenge/Bunyu projects (340Ktpa potential).
- Global: 700-750Kt natural graphite/year; Africa 140-160Kt; TZ emerging (3rd Africa by 2050).
- Growth: Battery demand drives +310% to 2036; supply crunch 2026-28 lifts prices.

Market Analysis Summary

- Demand: Battery anodes 62% market by 2036 (from 28%); EV boom.
- Price: Flake graphite \$500-800/tonne forecast; opex \$419/T competitive.
- Supply: China 85%; TZ diversification (Mahenge offtakes secured).

- Markets: China, EU, US; TZ exports via Dar port.

Project Description

- Phase 1 (Y1-2): Exploration (\$550K) – drilling, sampling; capacity assessment.
- Phase 2 (Y3-4): Processing plant (flotation, drying); 20,000 tpa concentrate @60% yield.
- Tech: Open-pit; standard graphite flotation (low energy via hydro).
- Annual capacity: Scale to 50,000 tpa by Y5.

Visual: Process flowchart (ore → concentrate).

*Speaker Note: ESIA/Mining Plan to follow.

Slide 10: Employment Creation

Category	Local (TZ)	Foreign	Total	Gender Split (Target)
Exploration (Y1-2, Skilled)	5	2	7	30% Female
Exploration (Non-Skilled)	5	0	5	40% Female
Production (Y3+, Skilled)	10	3	13	30% Female
Production (Non-Skilled)	10	0	10	50% Female

- Total initial: 12 (10 TZ); skills transfer: On-job training, 5-yr localization plan.
- Compliance: 95% TZ skilled; NEMC-approved.

Project Investment Costing (\$USD)

Category	Exploration (Y1-2)	Processing/Prod (Y3-4)	Total
Land/Building	20K	100K	120K
Plant/Machinery	50K	300K	350K ^①
Vehicles	30K	50K	80K
Furniture/Other	10K	20K	30K
Working Capital	440K	-	440K
Total	550K	470K	1,020K

Project Financing Pattern

- 100% Foreign Equity: \$1M USD
- No loans initially; potential local JV equity (20%) post-exploration.
- Sources: Shareholder infusions; cash flows reinvested.
- Currency: USD/TZS hedged.

Implementation Schedule

Milestone	Y1 (2026)	Y2 (2027)	Y3 (2028)	Y4 (2029)
Licensing/TIC Reg	Q1-Q2	-	-	-
Exploration Drill	Q3-Q4	Q1-Q4	-	-
Plant Construction	-	Q4	Q1-Q3	Q4
Production Start	-	-	Q4	Full

Financial Projections (5 Years)

Key Assumptions: 20Ktpa Y3+ @ \$600/T revenue; \$419/T opex; 30% tax.

Year	Revenue (\$K)	EBITDA (\$K)	Net Cash Flow (\$K)	Cumulative
1	0	-300	-300	-300
2	0	-250	-250	-550
3	12,000	3,500	2,800	2,250
4	24,000	8,000	6,400	8,650
5	30,000	10,500	8,400	17,050

- NPV (10%): \$12M; IRR: 67%; Payback: 2.5 yrs; Loan: N/A.
(Full statements: Income positive Y3; BS equity-funded; CF reinvests.)

Conclusion

- Dharani Graphite Project delivers TIC priorities: \$1M investment, graphite for global EV market.^{[7][12]}
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