

**NINGSHENG MINERAL PROCESSING CO.
LIMITED**

P.O. Box 68, Chunya
Mbeya Region, Tanzania

BUSINESS PLAN
INVESTMENT IN MINERAL PROCESSING
(with primary focus on graphite)

Prepared by:
Ningsheng Mineral Processing Co. Limited

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CONFIDENTIALITY STATEMENT

This document is confidential and has been prepared for submission to the Tanzania Investment Centre (TIC), now operating as the Tanzania Investment and Special Economic Zones Authority (TISEZA).

The contents of this Business Plan are provided strictly on the understanding that they shall not be disclosed, reproduced, or discussed with any third party, in whole or in part, without the prior written consent of Ningsheng Mineral Processing Co. Limited, except to professional advisers of TISEZA for purposes related to the evaluation of this investment proposal.

DISCLAIMER

This Business Plan has been prepared for information and evaluation purposes only. The projections, estimates, and assumptions contained herein have been compiled by the promoters of Ningsheng Mineral Processing Co. Limited, in consultation with sector experts, for illustrative purposes.

These projections do not constitute guarantees or actual forecasts of future performance and are subject to change based on market conditions, regulatory approvals, operational decisions, and other external factors.

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1.0 EXECUTIVE SUMMARY

Ningsheng Mineral Processing Co. Limited is a limited liability company incorporated in the United Republic of Tanzania under the Companies Act, 2002. The Company was incorporated on 4 June 2025 and operates in the mining sector with a core focus on mineral processing. The Company proposes to establish and operate a mineral processing facility in Itumbi, Chunya District, Mbeya Region, Tanzania.

The proposed investment focuses on the processing of industrial minerals, with graphite as the primary mineral during the initial phase of operations. The project is aligned with national objectives on local value addition, mineral beneficiation, and industrial development. Through the establishment of local processing capacity, the project will contribute to increased participation in Tanzania's mineral value chain, employment creation, and improved competitiveness of processed mineral products in domestic and export markets.

The total estimated investment cost for the project is USD 2.0 million, to be financed through 100 percent shareholders' equity. The investment will be allocated to land acquisition, construction of warehouse and processing facilities, procurement and installation of mineral processing machinery and equipment, supporting infrastructure, and working capital. Financial projections prepared for a five-year period indicate that the project is technically feasible and financially viable, with an initial ramp-up phase followed by stabilisation of operations and gradual improvement in profitability as production efficiency and market penetration increase.

Ningsheng Mineral Processing Co. Limited aims to operate as a professionally managed, profitable, and ethically responsible enterprise. The Company will implement sound management and human resource practices that promote performance, skills development, teamwork, and a safe working environment. Strong and sustainable relationships will be developed with customers, suppliers, investors, and regulatory authorities to support long-term business growth and operational stability.

The Company is committed to full compliance with all applicable statutory requirements, mining and environmental regulations, and directives issued by relevant authorities. By adopting best commercial practices and high ethical standards in all business dealings, the project seeks to generate reasonable returns to shareholders while contributing to government revenue through taxes and fees, creating direct and indirect employment opportunities, and supporting Tanzania's broader industrialisation and economic development agenda.

2.0 PURPOSE OF THE BUSINESS PLAN

This Business Plan has been prepared to serve as a pre-feasibility and investment planning document for Ningsheng Mineral Processing Co. Limited, in support of the proposed mineral processing investment in Chunya District, Mbeya Region. The document will also be submitted to the Tanzania Investment Centre (TIC), now operating as the Tanzania Investment and Special Economic Zones Authority (TISEZA), as part of the application for a Certificate of Incentives.

The implementation of the project will comprise, among others, the following key activities:

- Construction of a warehouse and associated facilities to accommodate the installation of processing machinery and equipment;
- Procurement and installation of mineral processing machinery and equipment; and
- Equipping the facility with necessary modern furniture, fittings, and operational infrastructure.

Ownership and Management

The project will be promoted, managed, and operated by Ningsheng Mineral Processing Co. Limited. The Company is jointly owned by foreign and local shareholders, with the following shareholding structure:

Shareholder Name	Nationality	Shareholding (%)
Shengtian Huang	Chinese	90%
Taiying Huang	Chinese	10%

The Company will operate in compliance with all legal and regulatory requirements. Key statutory documents, including the Memorandum and Articles of Association, Certificate of Incorporation, and Taxpayer Identification Number (TIN), are in place and form part of the supporting documentation.

The management structure of the Company will comprise a Board of Directors, a General Manager responsible for overall operations and compliance, an Accountant/Finance Officer, and a Production Manager responsible for overseeing mineral processing operations.

Investment Structure and Financial Outlook

The total estimated investment cost for the project is USD 2.0 million, financed through 100% shareholder equity. The investment will cover expenditure on buildings and civil works, machinery and equipment, furniture and fittings, pre-operational expenses, and working capital. In accordance with Company policy, profits generated from operations will be reinvested to support business growth and operational sustainability.

The financial performance of Ningsheng Mineral Processing Co. Limited has been projected over a five-year period, including projected income statements, cash flows, and balance sheets. The projections indicate a viable operation with the potential to generate sustainable revenues and profitability, subject to market conditions and operational efficiency. Detailed financial projections are presented in the Financial Projections section of this Business Plan.

2.1 Statement Of Purpose

This Business Plan has been prepared for the purpose of seeking a Certificate of Incentives from the Tanzania Investment Centre (TIC), now operating as the Tanzania Investment and Special Economic Zones Authority (TISEZA), and to present a feasibility and investment framework for the establishment of a mineral processing plant in Tanzania.

The document serves as a business and investment plan for the establishment of a mineral processing plant in Itumbi, Chunya District, Mbeya Region. The project will focus on the processing of industrial minerals, with graphite as the primary mineral, while maintaining flexibility to process other compatible mineral ores subject to licensing and market demand.

Project Implementation Scope

The implementation of the project will comprise the following key activities:

- Construction of a warehouse and associated facilities to accommodate the installation of mineral processing machinery and equipment;
- Procurement and installation of mineral processing machinery and equipment at the processing facility;
- Installation of supporting equipment and infrastructure required for mineral handling and processing operations;
- Equipping the facility with necessary modern furniture, fittings, and operational utilities;
- Procurement of semi-processed or run-of-mine mineral raw materials for processing; and
- Recruitment and employment of more than 50 direct staff, with potential expansion as operations scale.

2.2 Investment Financing Plan

The total estimated investment cost for the project is USD 2.0 million, to be financed through shareholders' equity. Profits generated from business operations will be reinvested to support working capital requirements, operational efficiency, and future expansion.

Table 1: Financing Plan (USD)

Financing Source	Amount (USD)
Long-term liabilities	0
Shareholders' equity	2,000,000
Cash contribution	1,600,000
Contributed asset value	400,000
Total Financing	2,000,000

Investment Cost Plan

The total investment cost of **USD 2.0 million** will be allocated across current assets and fixed assets as outlined below.

Table 2: Investment Cost Plan (USD)

Cost Category	Amount (USD)
Current Assets	
Working capital	200,000
Opening inventory	120,000
Other current assets	80,000
Subtotal – Current Assets	400,000
Property and Equipment	
Land	120,000
Buildings and civil works	280,000
Processing plant and equipment	820,000
Furniture and fixtures	40,000
Leasehold improvements	40,000
Motor vehicles and machinery	300,000
Subtotal – Fixed Assets	1,600,000
Total Investment Cost	2,000,000

Expected Project Outcomes

Upon implementation, the project is expected to achieve the following outcomes:

- Increased availability of locally processed industrial minerals, with graphite as the primary product, thereby supporting mineral beneficiation and value addition within Tanzania.
- Introduction and application of modern mineral processing technologies, contributing to technological advancement, improved product quality, and operational efficiency in the mining sector.
- Creation of approximately 50 direct employment opportunities during the initial phase of operations, with potential for additional employment as production capacity and business activities expand.
- Direct private sector investment of USD 2.0 million over the period 2025–2029, supporting infrastructure development, equipment acquisition, and working capital requirements.
- Increased government revenue through payment of applicable taxes, fees, royalties, and other statutory charges associated with mineral processing operations.
- Generation of foreign exchange earnings through the sale of processed mineral products to domestic, regional, and international markets.
- Strengthening of local supply chains and increased participation of local service providers and contractors in the mineral processing value chain.

3. BUSINESS DESCRIPTION

This section describes the legal status, objectives, ownership, operations, and location of Ningsheng Mineral Processing Co. Limited, and provides an overview of how the proposed mineral processing project will be implemented and managed.

3.1 Background of the Company

Ningsheng Mineral Processing Co. Limited is a limited liability company incorporated in the United Republic of Tanzania under the Companies Act, 2002. The Company was incorporated on 4 June 2025 and holds a Certificate of Incorporation No. 185577791.

The Company operates within the mining sector, with a core focus on mineral processing. It is responsible for the development, operation, and management of mineral processing activities, including the establishment and operation of processing facilities and associated infrastructure.

3.1.1 Legal Status

Ningsheng Mineral Processing Co. Limited is duly registered and operates in compliance with the laws and regulations of the United Republic of Tanzania. The Company holds the necessary statutory and regulatory documentation required for lawful operation, including:

- Memorandum and Articles of Association
- Certificate of Incorporation
- Business Licence
- Taxpayer Identification Number (TIN)
- Value Added Tax (VAT) registration, where applicable

These documents confirm that the Company is operating within the legal and regulatory framework of Tanzania and is eligible to undertake investment activities in the mining and mineral processing sector.

3.1.2 Mission and Vision

Vision

To become a leading mineral processing company in Tanzania, recognised for operational efficiency, compliance, and responsible participation in the mining value chain.

Mission

To establish and operate a sustainable mineral processing business that creates value for shareholders and stakeholders through:

- Mining and processing of minerals, with primary focus on graphite;
- Development of long-term business relationships with mining companies, suppliers, and buyers; and
- Fair, performance-based remuneration and continuous development of personnel.

The Company is committed to continuous engagement and networking with clients and stakeholders to strengthen its market presence and long-term growth.

3.1.3 Project Promoters

The project is promoted, managed, and operated by Ningsheng Mineral Processing Co. Limited. The Company is owned by foreign shareholders, with the current shareholding structure as presented below:

Shareholder Name	Nationality	Shareholding (%)
Shengtian Huang	Chinese	90%
Taiying Huang	Chinese	10%

3.1.4 Operations

The project will be managed and operated by Ningsheng Mineral Processing Co. Limited. The Company is in the process of finalising the acquisition of all required operational permits and approvals, including tax exemption clearances for machinery and equipment, in preparation for project implementation.

Management will establish sound operational guidelines, internal control systems, and safety procedures to ensure efficient day-to-day operations, regulatory compliance, and responsible business conduct.

3.1.5 Project Location

The project will be implemented at purpose-built facilities comprising processing warehouses and an administration block designed to accommodate a project of this scale and nature. The project site is located at Itumbi, Chunya District, Mbeya Region, Tanzania.

4.0 CORE BUSINESS OF THE COMPANY

The core business of Ningsheng Mineral Processing Co. Limited is the establishment and operation of facilities for mineral processing, with primary focus on graphite, supported by associated mining and material handling activities. The Company will develop and operate the following key facilities as part of the project.

4.1 Processing and Operational Facilities

4.1.1 Construction of Warehouse Facilities

During the first phase of project implementation, the Company will construct purpose-built warehouse facilities. These facilities will be designed to accommodate:

- Installation and housing of mineral processing machinery and equipment;
- Storage of raw and semi-processed mineral materials; and
- Supporting operational activities related to processing and logistics.

The warehouse facilities will be constructed in accordance with applicable safety, environmental, and operational standards to support efficient and compliant operations.

4.1.2 Mineral Processing Plant

The project will include the installation and commissioning of a mineral processing plant comprising processing machinery, equipment, fixtures, and fittings required for mineral beneficiation and handling. The processing plant will be configured to process industrial minerals, with graphite as the primary focus, in line with the Company's operational strategy and market requirements.

The processing plant will support activities such as crushing, handling, and preparation of mineral materials to meet market and buyer specifications.

4.2 Supporting Mining and Material Handling Equipment

Project implementation will require the deployment of various technical and operational equipment to support mining, material handling, and processing activities. Key equipment will include, but not be limited to:

- Machines for excavation and preparation of mining pits for mineral extraction;
- Excavators and loaders for handling mineral ore and overburden material;
- Caterpillar or similar heavy machinery for removal and transportation of waste material to designated disposal or storage areas; and
- Trucks for transportation of raw materials, processed minerals, and operational logistics.

The selection and deployment of this equipment will be guided by operational efficiency, safety requirements, and compliance with applicable mining and environmental regulations.

5.0 MINING AND MINERAL PROCESSING CONTEXT

This chapter provides the context and justification for the proposed mineral processing investment by Ningsheng Mineral Processing Co. Limited, with specific focus on the minerals targeted, market orientation, and the relevance of the project within Tanzania's mining and industrial development framework.

5.1 Focus Minerals and Processing Scope

The proposed project focuses on the processing of industrial minerals, with graphite as the primary mineral during the initial phase of operations. Graphite has growing applications in industrial manufacturing, energy storage technologies, metallurgy, and other value-added uses, creating increasing demand for processed and beneficiated products.

Tanzania hosts significant occurrences of graphite and other industrial minerals, providing a suitable resource base to support mineral processing operations. The establishment of local processing capacity allows for improved value addition, quality control, and market competitiveness compared to the export of raw or semi-processed minerals.

While graphite is the primary focus of the project, the processing facility is designed with flexibility to accommodate other compatible industrial minerals, subject to licensing requirements, technical suitability, and market demand.

5.2 Market Context and Investment Environment

The Government of Tanzania has prioritised local value addition and mineral beneficiation as part of its broader industrialisation and economic development agenda. Policy and regulatory reforms have been implemented to encourage private sector investment in mining and mineral processing, with the objective of increasing domestic processing capacity, employment creation, and foreign exchange earnings.

Tanzania continues to attract both local and foreign investment in the mining sector due to its mineral endowment, strategic location, and improving investment environment. These conditions provide a supportive framework for investments in downstream mineral processing activities such as those proposed by Ningsheng Mineral Processing Co. Limited.

5.3 Justification of the Project

The proposed mineral processing project is justified on technical, economic, and strategic grounds. The project aligns with national objectives to reduce the export of raw minerals and promote downstream processing within the country.

Key justifications for the project include:

- Availability of industrial mineral resources, including graphite, suitable for local processing;
- The sponsors' experience and specific interest in graphite mining and processing;

- Growing market demand for processed graphite products for industrial and commercial use;
- Opportunities to improve value addition and competitiveness through local processing; and
- Alignment with government policies promoting investment, industrial development, and mineral beneficiation.

By establishing a mineral processing facility in Itumbi, Chunya District, Mbeya Region, the project contributes directly to decentralised industrial development and regional economic growth.

5.4 Socio-Economic and Sector Impacts

The implementation of the proposed project is expected to generate positive socio-economic impacts at both local and national levels, including:

- Creation of more than 50 direct employment opportunities, with potential for further job creation as operations expand;
- Increased participation of local suppliers and service providers in the mineral value chain;
- Enhanced competitiveness and capacity within Tanzania's mineral processing sector;
- Increased government revenue through payment of applicable taxes, royalties, fees, and other statutory charges; and
- Contribution to foreign exchange earnings through the sale of processed mineral products.

The project will be implemented in compliance with applicable environmental, safety, and regulatory requirements to ensure responsible and sustainable operations.

6.0 KEY BUSINESS DRIVERS AND INVESTMENT RATIONALE

6.1 Growing Demand for Mineral Products

Demand for mineral products continues to increase in Tanzania, the region, and global markets, driven by industrial growth, infrastructure development, manufacturing, and technological advancement. Industrial minerals such as graphite are increasingly used in a wide range of applications, including energy storage, metallurgy, manufacturing, and other value-added industrial processes.

This growing demand creates opportunities for local processing and beneficiation, allowing producers to supply both domestic and export markets with higher-value products. The proposed project is therefore well positioned to respond to market demand through the processing of minerals for industrial use and commercial distribution.

6.2 Strategic Location of the Project

The project will be located in Itumbi, Chunya District, Mbeya Region, a location that offers strategic advantages for mineral processing operations. The area provides proximity to mineral-producing regions and access to transport corridors linking key regional markets.

From this location, the Company will be well positioned to serve markets within Mbeya and surrounding regions, as well as broader markets across Tanzania, including Mwanza, Shinyanga, Mara, Singida, and other neighbouring regions. The location also supports efficient logistics for sourcing raw materials and distributing processed mineral products.

The strategic positioning of the project enhances market accessibility, reduces transportation constraints, and supports the Company's objective of operating as a competitive mineral processor within the country.

6.3 Government Policy Environment

The Government of Tanzania recognises the mining and mineral processing sector as a key driver of economic growth, employment creation, and industrial development. Government policies emphasise local value addition, responsible resource utilisation, and increased participation of the private sector in downstream processing activities.

These policy directions support investment in mineral processing facilities that contribute to industrialisation, skills development, and revenue generation, creating a favourable environment for projects such as the one proposed by Ningsheng Mineral Processing Co. Limited.

6.4 Government Incentives and Investment Support

The Government of Tanzania has established a legal and institutional framework to promote both local and foreign investment. The Tanzania Investment Act and related regulations provide for incentives aimed at encouraging investment in priority sectors, including mining and mineral processing.

Through registration with TIC/TISEZA, eligible investors may access incentives related to fiscal relief, facilitation services, and investment protection, subject to applicable laws and regulations. These incentives enhance project viability and support the long-term sustainability of mineral processing investments.

7.0 SWOT ANALYSIS

The table below presents an analysis of the Company's key Strengths, Weaknesses, Opportunities, and Threats (SWOT), providing a structured assessment of internal and external factors influencing the proposed investment.

Strengths

- Strong equity-based financing structure, reducing reliance on external debt and enhancing financial stability.
- Experienced management team with appropriate technical and operational capacity.
- Ability and willingness to expand operations in response to market demand and business performance.
- Access to reliable and modern mineral processing technology, supporting efficiency and product quality.

Weaknesses

- Marketing systems and market penetration strategies are still at an early stage of development.
- Limited brand recognition in the domestic and regional mineral processing market during initial operations.

Opportunities

- Supportive and facilitative government policies promoting local value addition, mineral beneficiation, and private sector investment.
- Growing domestic and regional demand for processed mineral products, particularly industrial minerals such as graphite.
- Ongoing government investments in power generation and infrastructure, improving the operating environment for industrial projects.
- Potential to attract additional investment and strategic partnerships as operations expand and performance is demonstrated.

Threats

- Entry of new competitors into the mineral processing sector, potentially increasing competition in the same geographical area.
- Inflationary pressures that may affect operating costs, logistics, and input prices.
- Risk of counterfeit or non-compliant suppliers in the supply chain, which may affect product quality and market confidence if not properly managed.

Mitigation Measures and Action Plan

To address identified weaknesses and mitigate potential risks, the Company will implement the following measures:

1. Where additional capital is required during expansion or final stages of project implementation, the Company may access supplementary financing from commercial banks or other financial institutions.
2. The Company will strengthen its marketing function by developing a structured marketing strategy, including the engagement of experienced marketing professionals and, where necessary, specialised expatriate expertise to support market development and international outreach.

8.0 MARKETING INFORMATION

8.1 Marketing Strategy

8.1.1 Overview

The marketing success of Ningsheng Mineral Processing Co. Limited will be driven by the supply of consistent, high-quality processed mineral products, competitive pricing, and reliable delivery to target markets. The Company will adopt a proactive, market-oriented approach focused on building long-term commercial relationships rather than transactional sales.

In today's competitive mineral processing environment, success is determined not only by product quality but also by credibility, operational reliability, and responsiveness to customer requirements. Accordingly, the Company will position itself as a dependable processing partner capable of meeting industrial specifications, volumes, and delivery timelines.

Management will maintain a professional and credible corporate image, consistently communicated across all marketing channels and business engagements, to support market penetration and customer confidence.

8.1.2 Customer and Market Information Management

The Company will establish and maintain a structured customer and market information system to support relationship management, sales planning, and market intelligence. This system will capture key customer details, transaction history, and market feedback to inform pricing, production planning, and customer engagement strategies.

Customer information will be collected through direct business engagements, site visits, trade exhibitions, referrals, and formal inquiries. The system will be maintained using appropriate digital tools to ensure data security, accuracy, and effective use for business development purposes.

8.1.3 Advertising and Promotion

Ningsheng Mineral Processing Co. Limited will adopt a targeted and cost-effective promotion strategy appropriate for an industrial and business-to-business (B2B) market. Promotional activities will focus on visibility within the mining and industrial minerals sector rather than mass-market advertising.

Key promotional approaches will include:

- Participation in mining, minerals, and industrial trade fairs and exhibitions;
- Direct engagement with mining companies, mineral traders, and industrial end-users;
- Corporate branding through professional signage at the processing facility; and
- Use of selected industry publications and digital platforms relevant to the mining and industrial sector.

The Company will utilise a combination of traditional and digital communication channels where appropriate, guided by effectiveness, cost efficiency, and relevance to target customers.

8.1.4 Costing and Pricing Strategy

Costing and pricing will be determined by management based on a comprehensive assessment of production costs, operating expenses, logistics, market conditions, and prevailing prices for comparable mineral products.

Pricing decisions will take into account:

- Cost of raw materials and processing inputs;
- Energy, labour, and operational costs;
- Inflationary trends and exchange rate considerations; and
- Market demand and competitive positioning.

The Company will apply a flexible pricing strategy to remain competitive while ensuring cost recovery and sustainable profitability.

8.1.5 Target Customers

The Company will target both domestic and international markets, focusing primarily on business and industrial customers. Target customers will include:

- Mining companies requiring mineral processing services;
- Mineral traders and exporters;
- Industrial manufacturers using graphite and related mineral products as raw materials; and
- Wholesale buyers and industrial supply companies within Tanzania and the region.

8.1.6 Products

As outlined in earlier chapters, Ningsheng Mineral Processing Co. Limited will focus on the mining and processing of graphite minerals in Tanzania. The Company will produce processed mineral products that meet required quality and specification standards for industrial and commercial use.

The processing facility will be designed with flexibility to accommodate additional compatible mineral products in the future, subject to licensing, technical feasibility, and market demand.

8.2 Marketing Plan

The Company will implement both short-term and long-term marketing initiatives to support market entry and sustained growth.

Short-Term Marketing Actions

- Participation in relevant mining and industrial exhibitions and business forums;
- Direct engagement with manufacturers and mineral buyers using graphite as a production input;
- Development of core marketing materials and corporate profiles; and
- Training of sales and marketing staff to strengthen negotiation, customer engagement, and technical product knowledge.

Long-Term Marketing Strategy

- Establishment of strategic partnerships with mining companies and industrial users;
- Expansion into regional and international markets as production capacity increases;
- Continuous investment in market research to identify new opportunities and product applications; and
- Strengthening brand recognition as a reliable and compliant mineral processing company.

9.0 MANAGEMENT AND ADMINISTRATION

9.1 Management Structure

The management and administration of Ningsheng Mineral Processing Co. Limited will be guided by a clear governance and operational structure designed to ensure effective oversight, efficient day-to-day operations, regulatory compliance, and sustainable business growth.

The Company's management structure will comprise the following key positions and functions:

9.1.1 Board of Directors

Ningsheng Mineral Processing Co. Limited will be governed by a Board of Directors, which will serve as the highest decision-making body of the Company. The Board will be responsible for providing strategic direction, approving major policies and investment decisions, and overseeing overall corporate governance.

The Directors of the Company are the shareholders of Ningsheng Mineral Processing Co. Limited and will ensure that the Company operates in accordance with its objectives, statutory requirements, and approved business strategy.

9.1.2 General Manager

The General Manager will be appointed to oversee the overall management and operations of the Company. Reporting directly to the Board of Directors, the General Manager will be responsible for:

- Day-to-day operational management of the project;
- Implementation of approved strategies, plans, and policies;
- Coordination of production, finance, marketing, and administrative functions;
- Oversight of staff performance, welfare, and compliance with internal policies; and
- Regular reporting to the Board on operational and financial performance.

9.1.3 Production Manager

A Production Manager with relevant technical experience in the mining and mineral processing industry will be appointed. The Production Manager will be responsible for all processing and production activities, including graphite processing operations.

Key responsibilities will include:

- Supervision of mineral processing activities and production schedules;
- Quality control and compliance with technical specifications;
- Management of technical and operational staff within the processing unit; and

- Ensuring compliance with safety, environmental, and operational standards.

The Production Manager will be supported by an appropriate number of technical and operational staff involved in daily processing activities.

9.1.4 Accountant / Finance Officer

An Accountant or Finance Officer will be employed to manage the Company's financial functions. The role will include:

- Maintaining accurate books of accounts and financial records;
- Managing cash flows, payments, and financial controls;
- Preparing financial reports and supporting audits; and
- Ensuring compliance with accounting standards and statutory financial requirements.

9.1.5 Management Agreements

Management agreements will be executed between Ningsheng Mineral Processing Co. Limited and key management personnel. These agreements will define roles and responsibilities, performance expectations, remuneration structures, incentive mechanisms, and conditions under which the agreements may be reviewed or terminated.

9.1.6 Confidentiality Agreements

All employees, managers, and relevant partners will be required to sign confidentiality agreements. These agreements will protect the Company's proprietary information, trade secrets, operational systems, policies, and procedures.

The use of confidentiality agreements demonstrates the Company's commitment to professional conduct, information security, and protection of its commercial interests.

9.1.7 Organisation Structure

The Company will operate under a defined organisational structure that outlines reporting lines, functional responsibilities, and coordination between governance and operational units.

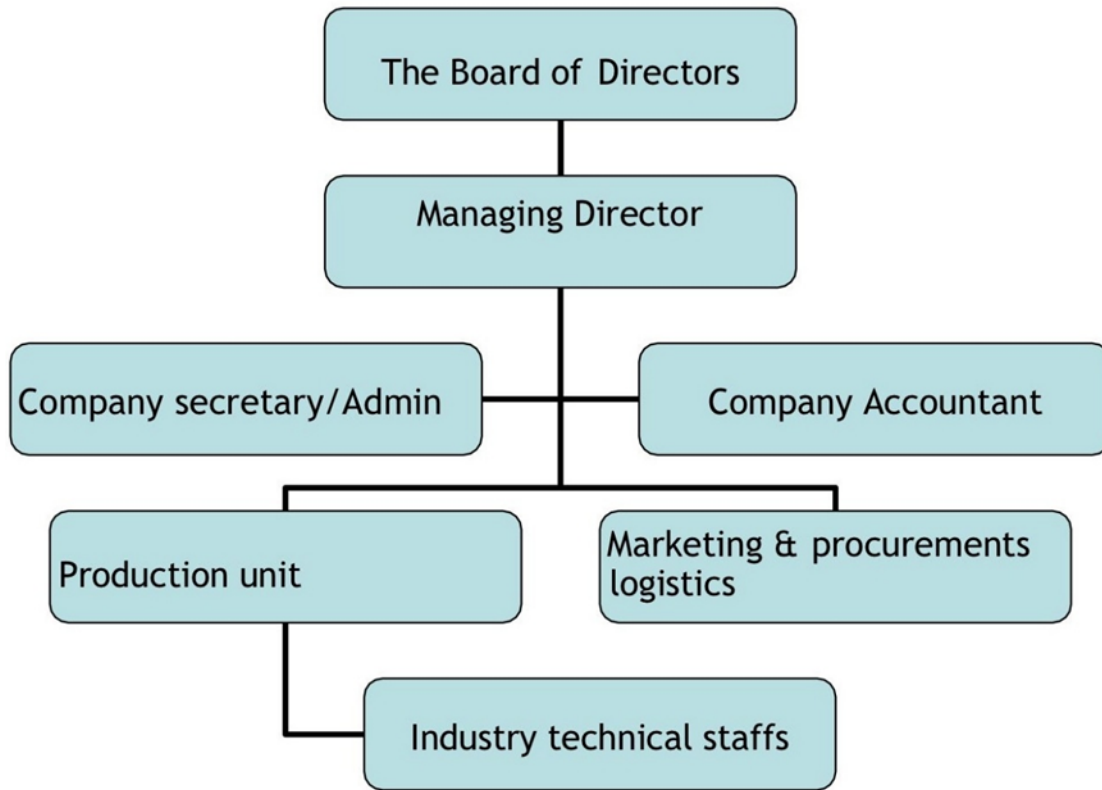


Figure 9.1: Organisational Structure of Ningsheng Mineral Processing Co. Limited

10.0 CONCLUSION

The proposed project will contribute to Government revenue through the payment of applicable taxes, fees, royalties, and other statutory charges associated with mineral processing operations. The investment is expected to create sustained direct employment for approximately 50 people during the initial phase of operations, in addition to generating indirect employment opportunities through supporting services, logistics, and local supply chains.

Based on the technical assessment, market analysis, and five-year financial projections, the project is considered technically sound and financially viable. With a total investment of USD 2.0 million financed through shareholders' equity, the project demonstrates a clear pathway toward operational stability, improved profitability over time, and long-term sustainability. It is therefore recommended that the project be implemented and supported as a viable contribution to Tanzania's mineral beneficiation, industrial development, and economic growth objectives.

Appendices

Appendix 1: Summary of Forecasted Sales, Cost of Sales, and Revenue from Sales

Description	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)	Year 4 (2028)	Year 5 (2029)
Forecasted Sales Revenue	1,200,000	1,500,000	1,900,000	2,300,000	2,700,000
Cost of Sales	(696,000)	(855,000)	(1,045,000)	(1,242,000)	(1,431,000)
Gross Profit from Sales	504,000	645,000	855,000	1,058,000	1,269,000
Gross Profit Margin (%)	42%	43%	45%	46%	47%

Appendix 2: Breakdown of Funding Sources and Capital Structure

Funding Source	Year 0 / Startup	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Shareholders' Equity (Cash Contribution)	1,600,000	–	–	–	–	–	1,600,000
Shareholders' Equity (Contributed Assets)	400,000	–	–	–	–	–	400,000
Total Equity Financing	2,000,000	–	–	–	–	–	2,000,000
Long-Term Debt	0	0	0	0	0	0	0
Short-Term Debt	0	0	0	0	0	0	0
Total Financing	2,000,000	0	0	0	0	0	2,000,000

Table 8: Detailed Breakdown of Operating Expenses

Operating Expense Category	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)	Year 4 (2028)	Year 5 (2029)
Salaries and Wages	180,000	200,000	220,000	240,000	260,000
Payroll Taxes and Staff Benefits	36,000	40,000	44,000	48,000	52,000
Power and Utilities	120,000	135,000	150,000	165,000	180,000
Fuel and Equipment Operation	90,000	105,000	120,000	135,000	150,000
Repairs and Maintenance	70,000	80,000	90,000	100,000	110,000
Administrative and Office Expenses	45,000	50,000	55,000	60,000	65,000
Marketing and Business Development	40,000	50,000	60,000	70,000	80,000
Insurance	30,000	32,000	34,000	36,000	38,000
Professional Fees (Legal, Audit, Consulting)	25,000	27,000	29,000	31,000	33,000
Transport and Logistics (Non-production)	60,000	70,000	80,000	90,000	100,000
Environmental, Safety, and Compliance Costs	20,000	22,000	24,000	26,000	28,000
Miscellaneous and Contingencies	14,000	15,000	16,000	17,000	18,000
Total Operating Expenses	730,000	826,000	922,000	1,018,000	1,114,000

Appendix 4: Initial Machinery and Equipment Investments with Depreciation Schedule

Asset Category	Initial Cost	Useful Life (Years)	Annual Depreciation	Accumulated Depreciation (5 Years)	Net Book Value after Year 5
Mineral Processing Plant & Equipment	820,000	10	82,000	410,000	410,000
Mining & Material Handling Machinery	180,000	8	22,500	112,500	67,500
Motor Vehicles & Transport Equipment	120,000	5	24,000	120,000	0
Electrical & Mechanical Installations	80,000	10	8,000	40,000	40,000
Furniture, Fixtures & Office Equipment	40,000	5	8,000	40,000	0
Total	1,240,000	—	144,500	722,500	517,500

Appendix 5: Projected Income Statement (Year 1–Year 5)

Description	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)	Year 4 (2028)	Year 5 (2029)
Sales Revenue	1,200,000	1,500,000	1,900,000	2,300,000	2,700,000
Cost of Sales	(696,000)	(855,000)	(1,045,000)	(1,242,000)	(1,431,000)
Gross Profit	504,000	645,000	855,000	1,058,000	1,269,000
Operating Expenses	(730,000)	(826,000)	(922,000)	(1,018,000)	(1,114,000)
Earnings Before Interest, Tax & Depreciation (EBITDA)	(226,000)	(181,000)	(67,000)	40,000	155,000
Depreciation	(144,500)	(144,500)	(144,500)	(144,500)	(144,500)
Earnings Before Tax (EBT)	(370,500)	(325,500)	(211,500)	(104,500)	10,500
Corporate Income Tax	—	—	—	—	(3,150)
Net Profit / (Loss)	(370,500)	(325,500)	(211,500)	(104,500)	7,350

Appendix 6: Cash Flow Projections

Description	Year 0 (Startup)	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)	Year 4 (2028)	Year 5 (2029)
Operating Activities						
Net Profit / (Loss)	–	(370,500)	(325,500)	(211,500)	(104,500)	7,350
Add: Depreciation	–	144,500	144,500	144,500	144,500	144,500
Net Cash Flow from Operations	–	(226,000)	(181,000)	(67,000)	40,000	151,850
Investing Activities						
Capital Expenditure (Plant & Equipment)	(1,240,000)	–	–	–	–	–
Land and Buildings	(400,000)	–	–	–	–	–
Net Cash Flow from Investing	(1,640,000)	0	0	0	0	0
Financing Activities						
Shareholders' Equity Injection	2,000,000	–	–	–	–	–
Dividends Paid	–	–	–	–	–	–
Net Cash Flow from Financing	2,000,000	0	0	0	0	0
Net Increase / (Decrease) in Cash	360,000	(226,000)	(181,000)	(67,000)	40,000	151,850
Cash Balance at Beginning of Year	–	360,000	134,000	(47,000)	(114,000)	(74,000)
Cash Balance at End of Year	360,000	134,000	(47,000)	(114,000)	(74,000)	77,850

Appendix 7: Projected Balance Sheet Overview

Description	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)	Year 4 (2028)	Year 5 (2029)
ASSETS					
Cash and Cash Equivalents	134,000	(47,000)	(114,000)	(74,000)	77,850
Current Assets (Inventory & Receivables)	300,000	330,000	360,000	390,000	420,000
Total Current Assets	434,000	283,000	246,000	316,000	497,850
Property, Plant & Equipment (Cost)	1,640,000	1,640,000	1,640,000	1,640,000	1,640,000
Accumulated Depreciation	(144,500)	(289,000)	(433,500)	(578,000)	(722,500)
Net Fixed Assets	1,495,500	1,351,000	1,206,500	1,062,000	917,500
TOTAL ASSETS	1,929,500	1,634,000	1,452,500	1,378,000	1,415,350
LIABILITIES & EQUITY					
Current Liabilities (Payables & Accruals)	300,000	320,000	340,000	360,000	380,000
Long-Term Liabilities	–	–	–	–	–
Total Liabilities	300,000	320,000	340,000	360,000	380,000
Shareholders' Equity	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Retained Earnings / (Accumulated Losses)	(370,500)	(696,000)	(907,500)	(1,012,000)	(1,004,650)
Total Equity	1,629,500	1,304,000	1,092,500	988,000	995,350
TOTAL LIABILITIES & EQUITY	1,929,500	1,634,000	1,452,500	1,378,000	1,415,350

Appendix 8: Project Valuation

Description	Amount (USD)
EBITDA – Year 5 (2029)	155,000
Applied EBITDA Multiple	5.0
Estimated Enterprise Value (EV)	775,000
Less: Total Debt	0
Estimated Equity Value	775,000
Initial Equity Investment	2,000,000
Implied Investment Horizon	Medium to Long Term
Valuation Basis	Income / Earnings Multiple