



Executive Summery

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1. Introduction

The company in brief.

Pita Africa Company Ltd. was founded on June 21, 2021 by Tanzanian citizen Abdu Nuha and has been mainly dormant until March 2024 when two Swedish entrepreneurs acquired 33% of the company's shares each.

The company has acquired land and mining rights in a 115 ha large area near Moshi, Kilimanjaro region, in Tanzania.

According to a geological survey, the land contains 1,560 000 mt of recoverable graphite ore, which makes it one of the largest deposits ever discovered in the country.

According to the laboratory analyzes carried out, the ore contains 17.88% and 32.76% graphite, respectively, depending on the graphite type.

The estimated value of the graphite deposit according to available price statistics is USD 366 million.

The operational activities with the extraction of graphite ore will begin in April 2025

The company is expected to extract graphite ore to a stock value of USD 3,75 million during the beginning of 2025 for further processing into concentrated graphite.

The company's book value in the form of ore assets is estimated at USD 58,9 million (15% of the deposit value) at the beginning of 2025.

The company's profit 12 months after the start of full-scale operations is expected to be USD 13,90 million after tax.

2. Phases

The company's operations include 3 different phases, which are briefly described below.

Phase 1 and 2 is financed by existing shareholders. Before phase 3, additional funding will be required for implementation.

Phase 1 (completed).

- Prospecting.
- Geological survey.
- Hydrological survey.
- Acquisition of land.
- Application/acquisition of a mining license.
- Application for Business License, TIC, TIN and Tax Clearance.

Phase 2 (completed).

- Purchase of machines.
- Start of operational activities.

Phase 3 (ongoing).

- Construction of warehouse and other buildings.
- Electricity/water.
- Purchase of processing plant.
- Purchase of additional machines.
- Employment of personnel.
- Start full-scale operation.

3. Investments needs

The various phases in the company's development are associated with the following costs:

Phase 1	74 000 USD
Phase 2	52 000 USD
Phase 3	791 600 USD
Total:	917 600 USD

4. Market

The global graphite market size was valued at USD 7.32 billion in 2023 and is projected to grow from USD 7.80 billion in 2024 to USD 13.35 billion by 2032, exhibiting a CAGR of 6.9% during the forecast period. Asia Pacific dominated the graphite market with a market share of 55.74% in 2023.

Graphite is a lightweight, naturally soft element with metallic and nonmetallic properties, making it ideal for various industrial applications. Its metallic properties include high thermal and electrical conductivity. In contrast, nonmetallic properties include inertia, high resistance to chemicals, corrosion, and temperature, and excellent cleavage and lubricity. With a melting point of 3,927°C, it is used in applications that require high-temperature environments. Owing to its high melting point, it is used to manufacture materials for high-temperature environments, such as kilns, incinerators, reactors, and blast furnace linings. Its high utilization in refractories and the surging demand for Electric Arc Furnaces (EAF) are expected to drive the market growth during the forecast period.

5. Investment proposal

The need for external capital coincides with the cost of implementing phase 3 described above and running costs for the first 2 months when the plant is fully operational. We are therefore looking for a total investment of USD 1.1 million for 10% of the shares in the company and a minimum individual investment of USD 110 000.

6. Business plan

PITA Africa Co. Ltd. has developed a complete business plan for distribution to serious stakeholders.