

FORM B: CAPITAL APPLICATION

PROJECT NAME: GISANZE start up
PROJECT LEADER: Jaco van der Merwe **CONS. ASS. NO.:** _____
DATE: 06/02/2024 **CA NO.:** _____

A	PROJECT DESCRIPTION
	<p>The GISANZE BV 20 Tunnel Start-up project aims to revitalize and reopen the tunnel area that was closed in 2023. The project entails the acquisition of necessary materials and resources to resume production in the area. This capital application seeks funding to support the start-up phase of the project.</p> <p>Objectives:</p> <ul style="list-style-type: none"> • Reopen the Gisanze BV 20 tunnel and resume production activities. • Establish a sustainable and profitable operation in the tunnel area. • Create employment opportunities and contribute to the local economy. • Ensure the efficient and safe transportation of goods through the tunnel. <p>Scope: The project will focus on the following key activities:</p> <ul style="list-style-type: none"> • Procurement of materials: Acquiring the necessary resources, including construction materials, machinery, and equipment, either through purchase or relocation from other areas. • Infrastructure rehabilitation: Repairing and upgrading existing infrastructure within the tunnel area, such as lighting, tramming equipment, safety features and civil works. • Manpower introduction: Introducing a skilled workforce to manage and operate the tunnel effectively and safely. • Increase overall production: Gisanze has shown promising signs of production in the past and therefore, could increase the overall production of Rutongo mine.

B	MOTIVATION
<p data-bbox="203 338 1227 369">The decision to reopen the GISANZE BV 20 tunnel is driven by several factors:</p> <ul data-bbox="253 411 1495 762" style="list-style-type: none"><li data-bbox="253 411 1495 489">• Previous production history: The area has demonstrated steady production in previous years, indicating the potential for continued success.<li data-bbox="253 527 1495 646">• Geological recommendation: Reopening the tunnel has been a recommendation from the technical services team. This has come from historical information where there is promising geological evidence in the area.<li data-bbox="253 684 1495 762">• Utilization of existing assets: By reviving the closed tunnel area, existing infrastructure and resources can be put to productive use, minimizing waste and maximizing efficiency.	

C	COST SELECTED OPTION				
EQUIPMENT LIST	QUANTITY	UNIT	UNIT PRICE	PRICE	COMMENTS
Mobile Compressor	1	Pcs	2,800,000	2,800,000	Repairing one from workshop
Diesel pump	2	Pcs	1,800,000	3,600,000	Purchasing
2 inch Water pipes	600	m	3320	1,992,000	Purchasing
Water tank	2	Pcs	720,000	1,440,000	Purchasing
cement	50	bags	12,000	600,000	Purchasing
Tank connectors 2"	7	Pcs	16,000	112,000	Purchasing
Valves 2"	5	Pcs	25,000	125,000	Purchasing
Coupling with thread out 2"	10	Pcs	8,000	80,000	Purchasing
Plastic Coupling 2"	15	Pcs	8,000	120,000	Purchasing
Nipples 2"	10	Pcs	4,500	45,000	Purchasing
Nipples ¾"	10	Pcs	1,500	15,000	Purchasing
Valves ¾"	5	Pcs	6,000	30,000	Purchasing
Valves 1"	5	Pcs	8,000	40,000	Purchasing
Nipples 1"	10	Pcs	1,500	15,000	Purchasing
Rails	400	Pcs	83,850	33,540,000	Purchasing
Wagons	10	Pcs	1,251,900	12,519,000	Purchasing
Slippers	1400	Pcs	2,190	3,062,500	Made in Woodmizer
Fish plates	400	Pcs	1,950	780,000	Purchasing
Fish bolt	1200	set	299	35880	Purchasing
Flexible horse(Air)	50	m	1,675	83,750	Purchasing
Flexible horse(water)	50	m	1,675	83,750	Purchasing
TOTAL				61,118,880	
TOTAL COSTS INCLUDING CONTINGENCIES (10%)					
BUDGET				0	
VARIANCE					

D	RISK ASSESSMENT
<p>The project entails certain risks that need to be carefully considered:</p> <ul style="list-style-type: none"> • Technical risks: Rehabilitation of the tunnel infrastructure and implementation of operational systems may encounter technical challenges. Adequate expertise, contingency plans, and continuous monitoring/supervision will help mitigate these risks. • Environmental risks: Compliance with environmental regulations and the potential impact of operations on the surrounding ecosystem must be carefully addressed to mitigate environmental risks. This is relevant with the external infrastructure involved. • Security Risk: Rutongo mine currently is mining the Gisanze area, therefore, there is asset protection presence. Theft is not possible in this area. 	

E	PROJECT SCHEDULE
<p>Ordering of Material:</p> <ul style="list-style-type: none"> • Placing orders with suppliers: 1 weeks • Supplier lead time for delivery: 2 weeks (all local suppliers) <p>Installation and Commissioning of Material:</p> <ul style="list-style-type: none"> • Installation of materials: 3 weeks • Commissioning and testing: 1 day <p>Complete Project Start-up:</p> <ul style="list-style-type: none"> • Finalizing remaining tasks: 1 day <p>From capital approval to project closure should take approximately 1.5 months. Most items can be purchased locally and are readily available others are international.</p>	

F	COMMENTS
GROUP FINANCE	We have capacity to do this from operational fund. please proceed for the next approvals.
CEO	Approved
DIRECTOR	

G	APPROVAL
CEO	



BOARD	
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NOTE: attach additional quotes or supporting documents if necessary