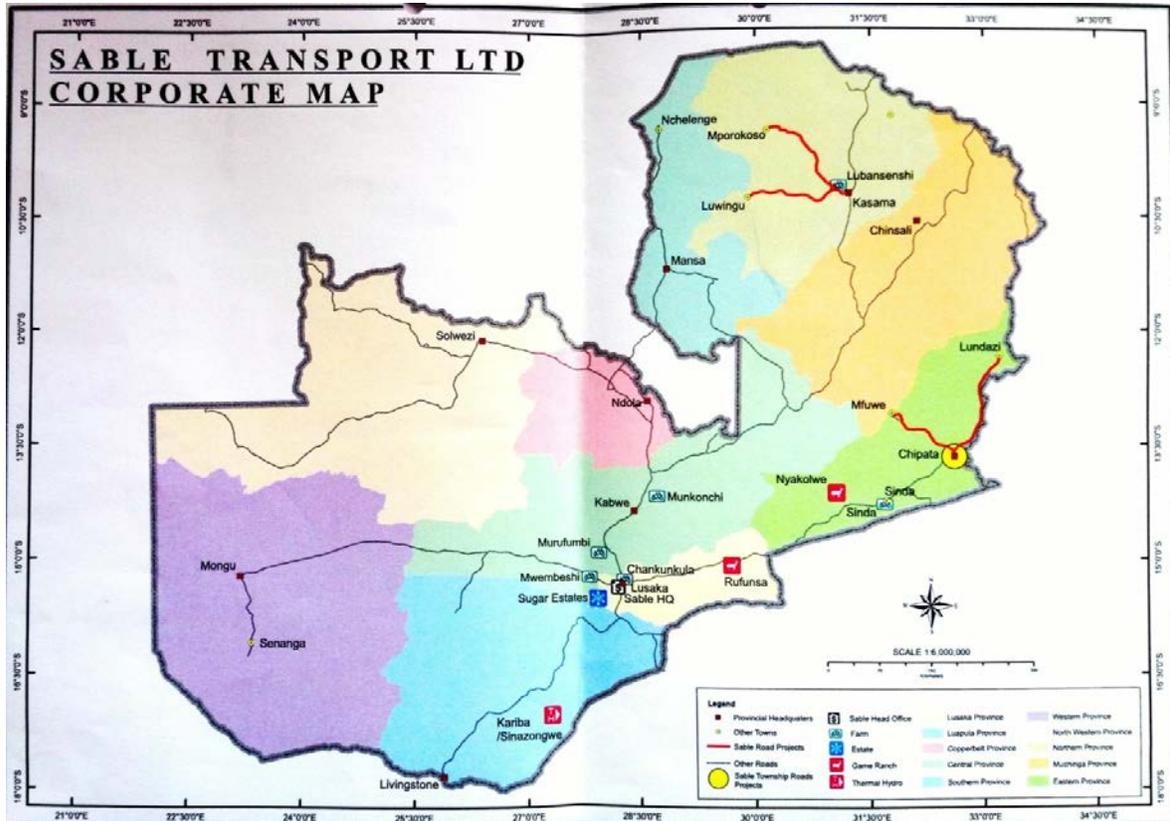




# Corporate Profile

## SABLE TRANSPORT & CONSTRUCTION LTD.



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## Sable’s Corporate Profile

Sable Transport and Construction Limited was incorporated in 1980 as a private limited liability company registered under the Laws of Zambia. Corporate headquarters are located in Lusaka, Zambia. The company currently employs approximately 3,500 employees.

The company is managed by a Board of three Zambian brothers who serve as Company Directors— Mr. Iqbal Y. Alloo, Mr. Essof Y. Alloo, and Mr. Nazir Y. Alloo. The Directors are all Zambians who are knowledgeable and experienced in all facets of the corporate operations. Each Director is actively involved in daily operations for each line of business. Detailed profiles for the top four lines of business are provided below.

1. Civil Engineering
2. Commercial Farming
3. Kafue Sugar
4. Nyakolwe Game Ranch

Other lines of business include tyre retreading, land conservation, real estate development, semi-trailer manufacturing, and reforestation projects and are provided as informational items.

### Corporate Management

The three Directors --- Iqbal, Yusuf and Nazir Alloo each have over 30 years experience in business management. They oversee daily operations as detailed below. Appendix A provides a corporate organizational chart and Appendix B provides brief bios of each Director

### (1) Civil Engineering

The civil engineering line of business provides capability to build large scale road construction projects to include feeder roads and bridges. We have in-house machinery to include heavy earth moving machinery to include graders, pavers, bulldozers, excavators, rollers, and compactors. Projects executed under contract with the government of Zambia are valued at \$174 million and include the following:

<b>PROJECT</b>	<b>LENGTH</b>	<b>Location</b>	<b>Completion Date</b>
<b>Chipata-Lundazi Road</b>	90 km	Eastern Province	December 2013
<b>Chipata-Mfuwe</b>	120 km	Eastern Province	March 2014
<b>Chipata Township</b>	30 km	Eastern Province	December 2014
<b>Kasama-Mporokoso</b>	170 km	Northern Province	September 2016

We have currently placed tenders for other road projects and are awaiting a decision from the Ministry of Roads and Construction.

## (2) Kafue Sugar

In 2003 we entered the sugar industry by embarking in sugar processing under the management of Consolidated Farming Limited, a 100 % subsidiary of Sable Transport Limited. Kafue Sugar is established at a 9,000 hectare estate with the processing mill along the banks of the Kafue River. The total current value of investment in the sugar estate and factory is approximated at USD \$300 million. The sugar plant currently employs approximately 1,500 people. This includes estate area managers, marketing managers, commercial managers, section managers, and irrigation engineers. 2014 revenue from sugar sales is projected at USD 55 million.

We currently hold a 30% share of the sugar industry in Zambia, with the remainder being held by Ilovo Sugar. As a result of our investment, for the first time in Zambia’s history, out grower farmers are getting a better price for their sugar and local pricing of sugar is now subject to competition which is healthy for the local population and economy.

## (3) Commercial Farming

Farming ventures operated include sugar production and milling, commercial farming of maize, soya beans, and wheat, and cattle farming. The farms are located in Lusaka and Sinda and cover a total of 18,400 hectares.

<b>CROP</b>	<b>AREAS CULTIVATED (Hectares)</b>	<b>OUTPUT (Tonnes)</b>
<b>Maize</b>	7,000	42,000
<b>Wheat</b>	2,000	12,000
<b>Soya Beans</b>	400	5,000
<b>TOTAL</b>	9,400	59,000

The farms are well equipped with in-house agricultural machinery to include tractors, harrows, ploughs, sprayers and harvesters.

## (4) Sable Transport

Sable Transport provides a wide range of solutions for your transportation needs. We have been in business for over 40 years and have extensive knowledge and experience with all aspects of the transportation industry in Zambia. Sable Transport owns a large fleet of well-maintained heavy duty trucks capable of handling high volume regional transportation needs, as well as small scale domestic transportation needs. We routinely transport cargo for a

variety of government and private sector clients to and from ports such as Dar-es-Salaam, Walvis Bay, Beira, and Cape Town.

The cargo we transport includes copper, fertilizer, maize, rice, sugar, petrol, and other general merchandise. Since 1985, we have serviced the copper mines in Zambia, transporting copper to the ports of Durban, Beira and Dar- es-Salaam and returned cargos to maximize return on investments. Client satisfaction is our primary goal; we have established trust with our government and private sector clients as Sable delivers what it promises.

### ***Strategic Transportation Alliances***

Sable has active and long standing strategic alliance partnerships with reputable organizations and clearing agents to expedite cargo clearance from various ports, and handle all aspects of the import and export market needs. Representatives for booking cargo are available at our satellite offices in Dar es Salaam, Beira, Johannesburg, Kapiri Mposhi, Kasumbalesa for the Democratic Republic of Congo border post, and Chanida for the Mozambique border post. It is important to have this assurance in order to meet customer needs and agreed timelines for cargo delivery.

### ***Cargo Handling and Fleet Maintenance***

Our workshop facilities are located in Lusaka, Ndola, and Sinda. They are well equipped with staff and resources to handle all transportation needs -- from drivers to mechanics, to administrative staff. Orders and fleet maintenance are handled through the Lusaka office. Our workshops are well equipped to service our fleet as we have in-house forklifts, mobile workshop vehicles for breakdowns, heavy duty tow trucks, and low bed trailers for unanticipated breakdowns or accident recoveries. In addition we provide all our drivers with cell phones to facilitate constant, and expedite road communications.

## **(5) Nyakolwe Game Ranch**

Sable operates Sable Safaris located in Eastern Province, Zambia. The game ranch spans 18,000 hectares.

Sable Safaris operates Nyakolwe Game Ranch in Zambia's South Luangwa area. We provide two unique and exceptional experiences at our game ranch:

- Safaris for open air game viewing in a natural, serene, and beautiful habitat
- Hunts sanctioned and authorized by the Government of Zambia through annual allocations of licenses when available.

Please visit our links to the slideshows of Nyakolwe Game Ranch on our website.

Zambia offers tourists interested in viewing wildlife a wide range of animals. A link to the range of animals can be found at <http://www.zambiatourism.com/about-zambia/wildlife/>. You will see lions, cheetahs, elephants, giraffes, buffalos, hippos, zebras, wildebeest,

antelopes, deer, water bucks, hyenas, primates, reptiles, wild dogs, and warthogs. Nyakolwe also provides excellent bird watching as the country has over 400 bird species which includes 39 birds of prey and 47 migrant species. Additional resources on South Luangwa are available at <http://www.africatravelresource.com/africa/zambia/southluangwa/south/>.

### **Safaris and Walking Tours**

Unlike other safari camps in Zambia, we offer a unique game viewing experience in well maintained open air vehicles. We do not overbook our camps so that you can have a serene and relaxing trip with undivided attention from our staff. We provide day and evening safaris as well as walking tours. We are well equipped to guide you to areas where you can view game in natural habitats. Our experienced and trained game wardens will escort you at every step of the trip to ensure your safety.

### **Sable Hunts**

Sable Safaris provides a limited number of hunting licenses available only via annual allocations made by the Ministry of Travel and Tourism in Zambia. These licenses are controlled and monitored by the government and provided only to control game populations. We take our work in hunting very seriously as we believe in conservation. Without conservation, there would not be a game ranch so it is in our best interests to protect our wildlife and only offer authorized hunts. As we note below, we have memberships in some organizations that promote conservation in Zambia.

### **Lodging and Dining**

Nyakolwe Camp has excellent lodging facilities with modern amenities in a rural setting. We have clean rooms with beds and mosquito nets, hot shower facilities, and clean dining facilities. Our chefs will prepare three delicious meals a day and make sure that all your needs are fully met, including any special dietary requests. We will prepare meals to order as requested. Our motto is to focus on simplicity and provide all amenities at a reasonable cost as we know that you chose Nyakolwe camp to enjoy the game experience at a reasonable cost.

### **Transportation Options to Nyakolwe Camp**

- Our camp is accessible to international visitors from arrival at Lusaka International Airport. We pick up our clients from the airport and drive you on a five hour journey to Sinda our base. From Sinda, you will be driven to the camp which is approximately 2 hours from Sinda. This route allows you to drive through a scenic area of Zambia as you will encounter Zambia's rural areas along the route.
- If you prefer a quicker journey, you will need to take a flight from Lusaka International Airport to Mfuwe airport which is approximately a one hour trip. We will pick you up from Mfuwe and take you to Nyakolwe lodge via SUV where you will check in and prepare for your exciting safari or hunt.

- You also have the option of flying to Chipata from Lusaka or we can pick you up from Lusaka and drive you to Sinda for departure to the camp via car.
- Additional information on getting to Zambia can be found at <http://www.zambiatourism.com/travel-info/travel-to-zambia/>. Tour operators are also listed at the website for coordinating your flights to Zambia.

### **Nyakolwe Game Ranch Memberships:**

We have membership in organizations that promote and protect wildlife conservation in Zambia such as the Zambia Wildlife Conservation Society, Professional Hunters Association of Zambia, the Safari Hunters Association of Zambia, and Wildlife Producers Association of Zambia.

### **(6) Tyre Retreading**

The company is the franchise holder for Bandag Incorporated tyre retreading technology for Zambia. Currently two plants with capacity to retread 200 tyres per day have been installed. One plant is in Lusaka and one is situated in Ndola. Annual revenues average USD \$500,000 per year.

### **(7) Land Conservation**

Preserving, protecting maintaining, and improving Zambia's natural resources and environment is critical for Zambia's infrastructure and development, particularly with respect to land preservation. Conservation values of Zambia's lands need to be protected, maintained, and improved by restricting the use of land to allow only activities that promote national goals to include conservation, tourism, game ranching, community development and education. The direct benefits to the farming industry are also tremendous as yields increase when applying land conservation measures. Sable is committed to working with private entities that specialize in reducing carbon emissions.

Pursuant to this goal, under an investment agreement with BioCarbon Group Pte Limited (BCP), Sable and BCP are developing and operating the Lower Zambezi REDD-Project under the Verified Carbon Standard (VCS) and the Climate Community and Biodiversity Standard (CCB Standard). The project is being conducted on 38,781 hectares of land and is designed to reduce emissions from deforestation and degradation and generate GHG reductions. This innovative and transformational development model combines rural economic development with environmental conservation financed through the carbon markets.

A Deed of Conservation Easement Certificate of Title Number 134624, Farm Number 10800 (Rufunsa Ranch Deed of Conservation Easement) was executed on 14<sup>th</sup> August 2012 between Sable and BCP for an initial term of 30 years to allow BCP to manage the land to preserve natural, scientific, aesthetic, ecological, scenic, and recreational value. BCP is developing a REDD+ project through the preservation of land leading ultimately to the trading of forest carbon on the international market. The work is being monitored by

recognized international third parties to meet REDD+ validation standards. The Zambia Wildlife Authority (ZAWA) an agency of the Government of the Republic of Zambia is in full support of this project as are all local communities in the area.

On 21<sup>st</sup> June 2013, a Project Validation Report was issued by a U.S. based independent validation company -- Environmental Services, Inc. (Climate, Community & Biodiversity Alliance Approved Validator), Project # VO12079.00. The validation statement issued pursuant to this report indicated that the project entitled BioCarbon Partners – Lower Zambezi REDD+ Project fully met criteria outlined by Climate, Community, and Biodiversity Project Design Standards.

The Validation Statement is consistent with ISO 14064-3:2006 and ISO 14065:2007 and has reduced emissions from deforestation and degradation (REDD+) on Rufunsa Conservatory which remains one of the last intact areas of forest in Lusaka Province, providing a 60 kilometre buffer to Lower Zambezi National Park (LZNP). Environmental Services, Inc. confirmed that all validation activities, including objectives, scope and criteria, level of assurance and compliance with design standards were met. All three GOLD Level Benefits including Climate Change Adaptation, Exceptional Community, and Exceptional Biodiversity Benefits were achieved.

Sable's investment in this conservation project is unique and has allowed us to be one of the first Zambian companies to invest in this viable project that directly benefits the Zambian government and nation. Similar models are planned for other parts of the country based on this successful model.

#### **(8) Real Estate Development**

Prime properties have been acquired in Lusaka town center; we are in the process of developing the properties for commercial use.

#### **(9) Semi-Trailer Manufacturing**

In 2013, Sable began manufacturing 30 tonne trailers that are sold to the general public.

#### **Long Term Business Strategy**

Sable is deeply invested in Zambia and is always pursuing business ventures that support development in Zambia and achieve corporate profitability. While we initially started out in the transportation industry, the market potential in his area has diminished over the years as more transportation firms have entered the market.

We gradually expanded to agricultural farming in the years 1990-2000 when we established Kafue Sugar and purchased large commercial farms. We anticipate that after the loan servicing for Kafue Sugar is completed, we will be self sufficient and operate much more profitability. The initial huge investment in capital equipment for Kafue Sugar was difficult and resource intensive, but we have overcome this obstacle and expect to fulfill our financial obligations. Kafue Sugar is an attractive investment as the demand for sugar and sugar

products is tremendous and constant. With growth over the years, we anticipate exporting to the region, as well as international markets. We also anticipate growth in commercial farming with improved irrigation methods for maize, soya beans, and wheat, all of which are also in high demand.

We launched Sable Road Construction after exploring the market potential and have invested hugely in this sector as well. We were the first Zambian owned and operated road construction company. We have invested in capital equipment and have readily available labor resources all of whom are experienced professionals. As summarized in the corporate profile, we have several road construction contracts that are underway. We anticipate expanding in this business as new road construction contracts are awarded.

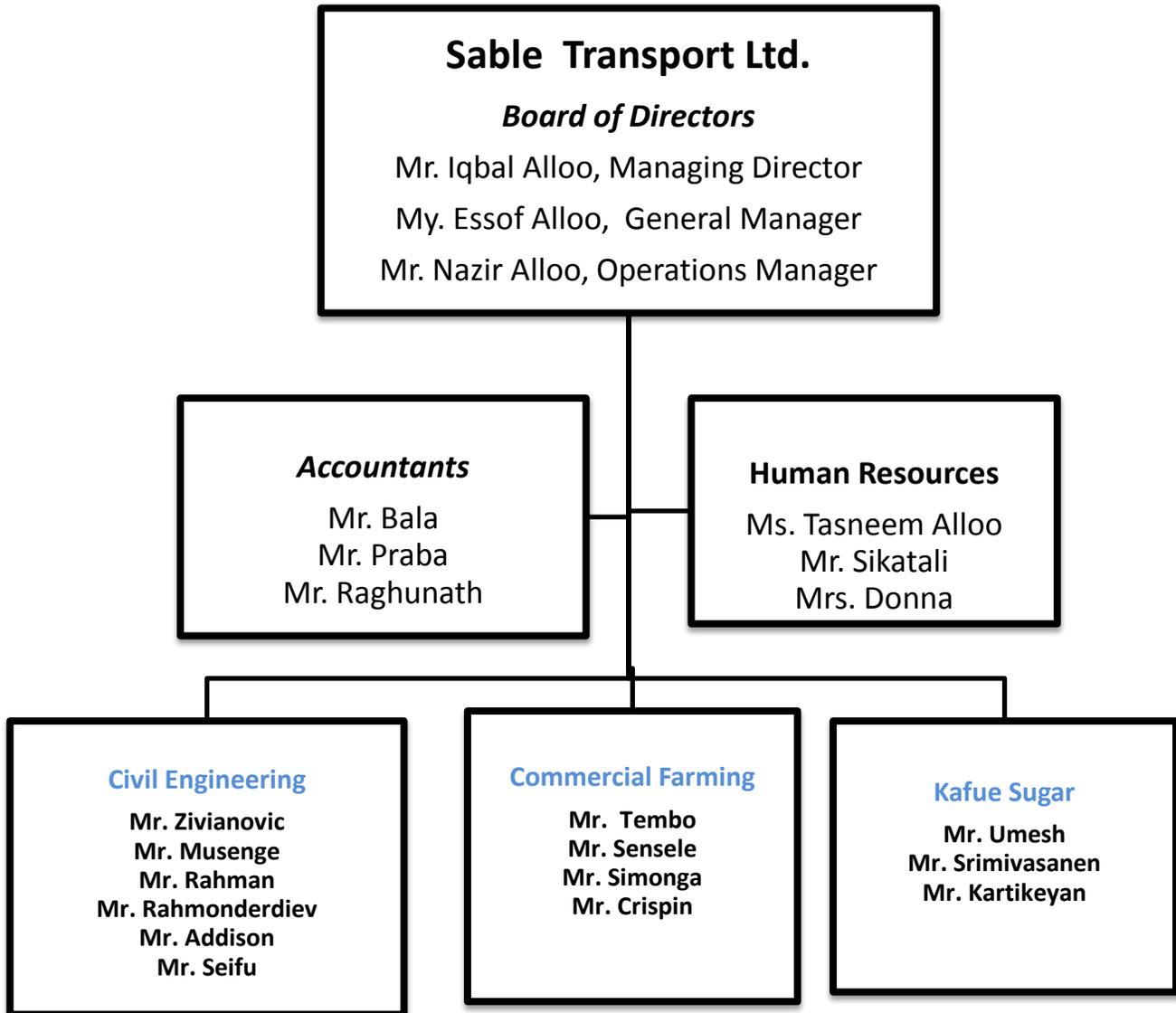
We are currently exploring establishing power plants as well as cement manufacturing, as we own land in several areas of the country that could support these operations. For example, near Mwembeshi Farms which we own, there are huge deposits of limestone that could support cement production. Cement is in high demand in the country, and locally available natural resources make this industry extremely attractive. A Business Plan for cement manufacturing is under current development.

Sable is committed to expansion and is actively pursuing ventures that are of mutual benefit to the corporation and the Zambian government and nation. We have capital equipment and resources that include land and labor, and we are dedicated and committed to successful completion of all projects we undertake.

### **Professional Evaluation**

Sable is currently in the process of conducting an independent evaluation of assets for all business ventures, which will be provided upon request.

## Appendix A: Corporate Organizational Chart



## Appendix B: Director Bios

The owners of Sable are three Zambian brothers who have operated the company since inception in 1980. Together they comprise the Board of Directors with equal shares. Business decisions are made collectively by the Board. Each Director is knowledgeable and experienced in all facets of the corporate operations, and serves in the following capacities.

- Mr. Iqbal Y. Alloo — Managing Director -- 011-260-977861868
- Mr. Essof Y. Alloo— General Manager -- 011-260-977770786
- Mr. Nazir Y. Alloo— Operations Director -- 011-260-967975170

**Mr. Iqbal Alloo**, the Managing Director operates from the Lusaka headquarter offices. He provides overall management for all phases of corporate business ventures in Zambia. Mr. Alloo is the primary point of contact for government and private sectors and serves as primary liaison with all key government heads. His responsibility includes market analysis with exploration of business strategies, to include initiation of new lines of business. Mr. Iqbal Alloo signs off on corporate tenders, together with other Directors. The headquarter offices include all financial and business operations. Approximately 300 employees work from the headquarter offices.

**Mr. Essof Alloo**, the General Manager also operates from the Lusaka headquarter offices. Mr. Essof Alloo heads the Kafue Sugar operations. He manages the sugar farms and manufacturing processes. Kafue Sugar spans 9,000 hectares, managed by zonal managers. He provides operational oversight to include daily operations. In addition, Mr. Essof Alloo has responsibility for purchasing operations, vendor payments, and all administrative corporate operations. Kafue Sugar employs approximately 2,400 employees.

**Mr. Nazir Alloo**, the Operations Manager is in charge of the Eastern Province operations. He oversees all road and farming projects, At the Sinda farms, he manages commercial farming ventures to include maize, soya beans, and wheat production. Mr. Nazir Alloo oversees the road operations in Eastern Province to include the Chipata Township, Chipata-Mfuwe, and Chipata-Lundazi roads. Approximately 800 employees work in Eastern Province. He also manages the Nyakolwe Game Ranch located in Eastern Province.