

Ecoresource LTD

Volume of investments required: **\$ 10 000 thousand**

Intended use of investments required:

R&D	20%
Fixed assets acquisition (enrichment modules)	55%
Marketing	5%
Administrative personnel expenses	10%
Working capital	10%

Company profile:

1. Date of establishment - 10th of December, 2001.
2. Stage of development - Start-Up
3. Size and source of investment to date - \$ 86.2 th. capital provided by the founders.
4. Industry - Mining-enrichment equipment
5. Target market - Production and processing of minerals
6. Sales 2003, thousands - None
7. Description and value of assets - Building of experimental base in Dalnegorsk, various equipment (including office equipment), components. At present fixed assets are being evaluated for the statement of balance. Estimated cost is \$ 30 th.
8. Intellectual property rights - patent for the invention No 2206404 "The method of selective separating hard particles (variants) and device for its realization (variants)". The owner of the patent is Ecoresource Co. Ltd.
9. Signs of public recognition -
 - a) 5th International Salon of the Industrial Property "Archimed 2002" - "The Diploma of respect and gratitude", Moscow, March, 2002.
 - b) 3rd Investment Mart APEC FORUM - "The Diploma for active progress and development innovative business-projects in Asian-Pacific Region", Vladivostok, September, 2002.
 - c) The Diploma of Commercial and Industrial Chamber of Primorye for the project "Technical and economic research of creation mining-metallurgical base for enriching polymetal ores in Far Eastern region", Vladivostok, September, 2003.

Owners:

Ecoresource Co. Ltd. *	60%
3 natural persons	10%, 15%, 15%
Share of government property	0%

*In June, 2004 one of the company founders left the group of Ecoresource Co. Ltd. owners. However, under the Civil code of the Russian Federation his share in the charter capital may remain in the property of the company within the period of 12 months after his withdrawal.

Management and key personnel:

Vodzinskiy, Konstantin Vladimirovich - CEO, 30. Graduated from the International Institute of Economy and Law, Far Eastern State Academy of Economy and Management, 7-year experience in business administration -Tiger-K Co. Ltd., director; the arbitration manager on a number of the enterprises in Primorye; including 3 years in mining-processing branch on a post of the director Ecoresource Co. Ltd. Responsible for planning, organization, coordination, control of works, personnel policy, legal maintenance, financial management, searching for investments.

Ivanov, Vladimir Grigorievich - Chief Engineer, 67. 40-year experience in mining-processing branch, including the post of power-engineer at Dalpolimetal Jsc., one of the largest mining-processing companies of the Russian Far East. Responsible for analysis of experiments & preparation of the engineer-technical documentation.

Ivanov, Alexander Vladimirovich - Technical Director, 30. Graduated from Far Eastern State Technical University, prepared to defend thesis for Candidate of Science (mining engineering). 5-year experience in the field of research and development of technologies for mining-processing industry. Responsible for search, installation and adjusting of equipment.

Products characteristics:

The product of the company is mobile, compact and flexible technological modules (lines) for processing, gravitational enrichment, selective separation of multicomponent raw material and extraction of valuable components from poor and non-balance ores stocks of valuable metals deposits. In the future it is possible to manufacture metals with use of the given modules.

Comparative analysis with existing alternatives:

Characteristics	Enrichment module of Ecoresource Co. Ltd.	Crusher of Lokomo, Finland, year of the presentation at the market - 1993
Final product of processing	metal	crushed ore
Weight, t	9,5	32
Productivity, t/h	120 (particles of metal)	300 (crude ore)
Price, \$	85-235	unknown

The basic difference of production from analogues is the complete cycle of ore enrichment (from a fence of breed in career to reception of metal particles) achievable by connecting crusher, stream-wave tray with a mechanical drive, stream-wave columns, unit of thin operational development in one technological line.

The basic advantages of using offered modules:

- resource saving, i.e. opportunity to receive a lot of metal from 1 ton of ore by additional extraction of its fine fractions which are not caught by traditional technologies;
- lowering of transport expenses by reduction of crude breed weight at transportation on enrichment factory;
- ecological cleanliness of extraction by washing away metal from ore by water instead of acids;
- low capital expenses;
- compactness & adaptability
- reduction of energy expenses.

Markets/Competition:

	Characteristics	Enrichment module of Ecoresource Co. Ltd.	Crusher of Lokomo
2004	Geographical Region - Russia and the CIS countries. Market size \$ 34,483 ths.		
	Company market share \$ ths./%	0	3 448 / 10%
2008	Geographical Region - Russia and the CIS countries. Market size \$ 51,000 ths.		
	Company market share \$ ths./%	5 100 – 7 650 / 10-15%	7 650 / 15%

The given enrichment module is created on the basis of the complex of various know-how (inventions), so there may be no similar alternatives under production.

The management of Ecoresource Co. Ltd. held talks with organizations that can use the project results. In the Far East negotiations were held with Yaroslavskiy mining-enrichment factory, "Vostok" mining company and Lermontovskiy mining-enrichment factory (protocols of intentions for cooperation where companies undertake to conduct experiments in the interests of Ecoresource Ltd.). Negotiations were also held with Dalpolimetal Jsc. (agreement on provision of test sites) and with company "Asbest" in Siberia.

More detailed information on the situation at the markets of mineral raw material is given in the investment plan of the project.