

## TIK LTD

Volume of investments required: **\$ 3240 thousand**

Intended uses of the investments required:

<b>R&amp;D</b>	<b>61%</b>
<b>Marketing</b>	<b>9%</b>
<b>Patenting and certification</b>	<b>3%</b>
<b>Fixed assets acquisition</b>	<b>27%</b>

Company profile:

1. Date of establishment - TIK - 1992, The Centre of Bioradioinformation Technologies (BRINF) - 2003 as a structural subdivision of SIC TIK.
2. Stage of development - Diversification
3. Size and source of investment to date - \$ 90 th., own funds
4. Industry - electronic devices
5. Target market - natural resources exploration
6. Sales in 2003 - \$ 978 th.
7. Description and value of assets:
  - a) Production equipment - \$ 32 th.
  - b) Office equipment - \$ 11 th.
  - c) Control equipment - \$ 17 th.
8. Intellectual property rights - inventions patenting stage
9. Signs of public recognition:
  - a) IV Russian Venture Fair Participant Certificate;
  - b) Letter of Gratitude for the Participation in Hannover - 2004 Fair.

Owners:

1 natural person	<b>39%</b>
5 (5-9% each)	<b>61%</b>
Share of government property	<b>0%</b>

Management and key personnel:

Bulatov, Vladimir Vladimirovich - General Director, 61. higher technical education, develops strategy as well as technical and financial policy of the Company.

Tchubiy, Adolf Demyanovich - Head of the BRINF-technology Centre, 73, graduated from Leningrad A.F.Mozhaiskiy Air Force Engineering Academy, Candidate of Science (Engineering), senior lecturer, designer of technologies for military purposes employed by RF Ministry of Defense, a developer of BRINF-technologies, more than 30 scientific publications and inventions.

Tsvetkov, Gennadiy Alexandrovich - Research Manager, 60, higher technical education, over 20 inventions and more than 30 scientific publications.

Zhukov, Vadim Olegovic - Leading Specialist of the Centre, 31, higher technical education, cybernetician, over 25 scientific publications, Candidate of Science (Engineering).

Products characteristics:

1. Industrial equipment monitoring and vibrodiagnostics systems for oil and energy companies based on the vibration sensitive monitoring devices (signaling, blocking, etc.) and integration of them in a single hardware and software complex, including the system of technical conditions evaluation and forecasting of the performance of industrial equipment. Monitoring systems are adjusted to special requirements of the customers.
2. Development of non-logging (without prospect well drilling) bioradioinformative (BRINF) technology for prospecting and exploration of oil and gas fields in sedimentary rocks. Electromagnetic reradiation (EMR) of microorganism populations accompanying the pools is used as petroleum information. Radioprobings of the ground and radio reception of populations'

EMR, which appear at probing, is made with ground, air or space radio devices. Identification of populations is performed through the bioradioinformation analogue of their DNA in the form of broadband chaotic signals of their EMR.

Comparison with Similar Oil-and-Gas Exploration Technologies:

Characteristics	SIC TIK product: non-logging BRINF-technology for oil-and-gas exploration. Market entry 2008-2010	Analogue: Logging technology for oil-and-gas exploration used by ZAO LUKOIL-Perm
Technical		
a) Depth of exploration in sedimentary rocks, km	15-17	0,3-7,1
b) Time of exploration of mid-sized fields, years	0,5-1,5	7-8
Performance data		
a) Reliability of exploration, %	95-99	30-50
b) Environmental pollution, relative units	0,005-0,01	1
Pricing, \$ million	7-8	50-80

Oil-and-Gas Exploration Technologies Markets and Competition:

	Characteristics	SIC TIK product: BRINF-technology	LUKOIL-Perm logging technology
	Geographical Region-Perm. Market size \$20m		
2004	Company market share, \$ m/%	0/0	16-17 / 83-87%
	Geographical Region-Perm. Market size \$20m		
2008	Company market share, \$ m/%	15,0-17,0 / 77-78%	2,5-3 / 13-14%

Sales of vibrodiagnostic systems and complexes in Perm and neighboring regions total \$ 3-3.5m a year. The SIC TIK share in this market accounts for \$2-2.5m.

SIC TIK is a leader in the Russian BRINF-technologies for oil-and-gas exploration market. Today the size of oil-and-gas exploration services market in Perm region comes to \$16-17m a year. However, because of imperfect exploratory logging technologies 50 to 70% of drilled prospect wells appear to be barren, which raises the cost of exploration works at least by an order of magnitude. The non-logging BRINF-technology being developed, which employs EMR of oil-accompanying microorganism populations as an exploratory information, excels the existing technologies in such parameters as exploration depth, cost, time and reliability. The environmental pollution is by the two orders of magnitude less than with the logging technology.