

URALTEHUGLEROD LTD

Volume of investments required: **\$ 1 450 thousand**

Intended use of investment required:

R&D (industrial equipment)	5%
Marketing	1%
Fixed assets acquisition	94%

Company profile:

1. Date of establishment - October 16, 2001
2. Stage of development – Start-Up
3. Size and source of investment to date - \$ 50 th., own funds.
4. Industry - Wood chemical
5. Target market - Oil, petroleum-chemical, metallurgist industry
6. Sales in 2003 - None
7. Description and value of assets - A plot of land with communications is big for building a plant on it
8. Intellectual property rights - A patent analysis was carried out
9. Signs of public recognition - Thank you letter of management international and foreign economic relations of the Perm area for participation in the international industrial exhibition "Hannover 2004" (on April, 19-24 2004r., Germany), the Diploma of the Second district fair of business-angels and innovators (on April, 29-30 2004r., N.Novgorod)

Owners:

1 natural person	100%
Share of government property	0%

Management and key personnel:

Tchernyshev Dmitry - Chief Manager, 36, higher economic education, considerable marketing activity from 1992, takes a key place in solving organizational and financial problems.

Tchernyshev Vladimir - Technical Manager, 48, higher technical education, initiator of the company establishment, at present technical adviser. In the future he intends to be a technical director of a new enterprise.

Tchernyshov Sergey - Technical Director; intends to be an executive officer, 46, higher technical education, has a successful experience in leading of economic and crime safety actions.

Products characteristics:

Universal sorbent for gathering of oil and petroleum products from open water reserves, ground drill barns and soil, concrete, asphalt and other nonabsorbent surfaces by different temperature and during breakdown and planed cleaning procedures, sewage treatment from organic and no organic impurity. In sorbent producing a new low-temperature thermal-chemical cracking of waste of plywood and wood particle plates producing is used and it differs from up-to-date traditional bistaged technology. These products have higher absorbing ability, hydrophobias and low cost. Decrease of energy expenditure 2-3 times, of specific quantity of metal 5-6 times in achieved. An increase in output 3-4 times is achieved. Using this new technology lets us to boarding a range of products thanks to beginning of carbon producing for metallurgic, chemical, nuclear industry, agriculture and other branches.

Comparative analysis with existing alternatives:

Universal sorbent is used to collect oil and petroleum products, to refine industrial and everyday sewage disposal from organic and no organic admixture.

Characteristics	Products of "Uraltehuglerod" Russia 2004	Analogue 1 "Peat-Sorbs" Canada 2003	Analogue 2 "Turbo-Jet" France 2003	Analogue 3 "IETP" (project) Russia 2003
Raw materials	Band grinding powder	Peat	Peat, sawdust	Wood waste
Oil kg / sorbent kg	6,0	4,0	3,6	10,0
Cost 1 ton, \$	910	7 000	5 800	7 000
Cost, \$ (oil / sorbent)	0,15	1,75	1,61	1,57

The "Uraltehuglerod" sorbents exceed all the competitors concerning the index (price/oil capacity).

Markets/Competition:

Marketing explorations show us that annuity need for carbon sorbents on domestic market for ecological and technical purposes is more than 400 th. ton in a year. If the average cost is \$ 1,5 th. for 1 ton, it will be \$ 600 billion and it characterizes with following data:

- demand of water economy for carbon sorbet is 140 th. a year
- demand of each big oil processing plants to maintain ecological safe working condition is 600 t/a year
- demand of fuel and energy enterprises is 250-300 th. ton a year without needs for liquidation of emergency situations
- at present the export neat is about 1 billion tone a year.

Total volume of output of coal and active coal puts together about 38 thousand ton in a year. With it all coal, produced in accordance with the tradition technology has a high cost and high disbursing price, witch is not suitable for many industrial enterprises by a large overall consumption.

So, to satisfactions all the existing requirements it is necessary to put productive capacity 300-350 ton in a year into service under conditions to use new effective technology from cheap raw material. We suppose that a market sector of carbon producing is very attractive.

These are the reasons:

- at the market there are foreign companies in the main and their product is expensive;
- Russians companies don't have technology and production base, which lets to produce large output of carbon;
- Intensification of ecological safety state control.

Availability of large volume of raw materials, sources of energy, convenient routes, labor, a support of the local and regional administration and some ecological organizations make the possibility of the foundation of the enterprise practically perfect.

The task of our company is to place into operation carbon sorbent enterprises with power 3000 ton in a year and share of company at the carbon market will be about 1%. Based on the previous information we confirm that if the capacity increases four times in five years we will have guaranteed sales.