

Ecoresource Co. Ltd.

Volume of investments required: \$ 7 000 thousand

Use of funds

R&D - 20%

Acquisition of fixed assets - 55%

Marketing - 5%

Acquisition of current assets - 10%

Other (administrative-organizational expenses) -10%

Company profile

1. Date of establishment – 10 December, 2001.
2. Size and source of investment to date – \$ 89 000. – Source of the investments is capital of the founders.
3. Industry – mining-enrichment equipment.
4. Target market – production and processing of minerals.
5. Sales 2004 – none.
6. Description and value of assets – building of experimental base in Dalnegorsk, the various equipment, including office, components. At the given moment there is an estimation of a fixed assets for statement on balance. Provisional cost of it is \$ 48 000.
7. Goodwill and intellectual property rights – patent for the invention № 2206404 “The method of selective separating hard particles (variants) and device for its realization (variants)”. The owner of the patent is Ecoresource Co. Ltd.
8. Signs of public recognition:
V International salon of the industrial property “Archimed 2002” – “The Diploma of respect and gratitude”, Moscow, March, 2002.
3rd Investment Mart APEC FORUM – “The Diploma for active progress and development innovative business-projects in Asian-Pacific Region”, Vladivostok, September 2002.
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

Individuals (3)	25%, 37.5%, 37.5%
Share of government property	0%

Products characteristics

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.

Markets & Competition

	Data	Enrichment module of Ecoresource Co. Ltd.	Crusher of Lokomo
2004	Geographical Region – Russia and CIS countries. Market size \$ 34 483 million		
	Company market share, \$ ths / %	0	3 448 / 10%
2009	Geographical Region – Russia and CIS countries. Market size \$ 51 000 million		
	Company market share \$ ths / %	5 100–7 650 / 10–15%	7 650 / 15%

Development: 10–15% of the Russian market of sales of the mining-enrichment equipment of a full cycle of enrichment of ore. The given enrichment module is created on the basis of a complex of various know-hows (inventions), therefore similar alternatives that taking place in manufacture might not exist.

The management of Ecoresource Co. Ltd. negotiated with organizations which can take advantage of the project results. In the Far East – with Yaroslavskiy mining-enrichment factory, mining company “Vostok”, Lermontovskiy mining-enrichment

factory (with the given companies were made the protocols of meetings about cooperation on realization by them experiments in interests of Ecoresource Ltd.), Dalpolimetal Jsc. (agreement about granting experimental platforms), in Siberia – with company "Asbest".

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

Marketing & Sales

In connection with that given production highly specialized, marketing will be spent through industry shows of the mining industry, including invitations to display of all technological chain on processing ore. As standard ways of promotion of production – various kinds of advertising will be used. Except for that there is a whole list of legislative and ecologically motivating preconditions, for purchase by the enterprises of the given modules. Modules will be used at processing waste of breed for which the enterprises have to pay large penalties. Technologies of marketing and trade channels can change and vary depending on a concrete kind of ore and a geographical place of use of modules.