

CNT Mineral Consulting

Volume of investments required: \$500 000

Use of funds

R&D - 15%

Acquisition of fixed assets - 20%

Product upgrade - 45%

Marketing - 10%

International certification, IP defense - 10%

Company profile

1. Date of establishment – October, 2000.
2. Size and source of investment to date - \$200 000. personal resources.
3. Production – separators of original construction (Hydroseparators) for separation of fine (< 45 µm) particles of powdered materials according to their physical density in an upward water flow; Electric-pulse and Electron-hydraulic devices for disaggregation/extraction, enrichment and processing of rocks and ores of precious metals, diamonds and other useful minerals; unique services of complete mineralogical and geochemical investigations for deposits of precious metals and diamonds, as well as their technological processing criteria.
4. Target market – the product line is used for the laboratory enrichment of precious metal ores (ores of Au, Ag, Pt, Pd, Rh, Ir, and others) and diamonds with an aim to their determination, as well as mineralogical, geochemical, and technological investigations to enable production of mono-mineral concentrates for the mining and jewelry industries.
5. Sales 2004 - \$150 000.
6. Description and value of assets - \$250 000 – scientific-research equipment, manufacturing equipment, samples of a serial Hydroseparators, fittings.
7. Goodwill and intellectual property rights - patent of Russian Federation (invention), PCT (method and device), application for new patent of Russian Federation (invention).
8. Signs of public recognition – from the start of the company there were over 50 mineralogical/geochemical/technological reports produced for major worldwide known companies (producers of precious metals and mining consulting companies), 4 new minerals discovered and one new deposit found. The directors of the company perform regular scientific seminars and workshops presenting their developments of the new equipment on major geological conferences and symposiums in different countries (USA, Canada, Europe, Brazil, South Africa and Russia). They are the authors of nearly 30 manuscripts, abstracts, and reports describing the use of Hydroseparators of HS series and Electric-pulse disaggregation for extraction, separation and mineralogical investigation of ores and their tailings that are published in well respected scientific international journals.

Owners

Individuals (4)	35%, 25%, 20%, 20%
-----------------	--------------------

Products characteristics

The company produces and sells an exclusive reliable and cost-effective equipment - Electric-pulse disaggregators (EPD) and Hydroseparators (HS) and technology for testing of mining feasibility and the efficiency of mineral extraction procedures to consulting and mining companies providing a quantitative and comprehensive mineralogical determination of different accessory precious metal and other useful mineral constituents in rocks, ores and tailings. The equipment and expertise are used to determine complete mineralogical and technological investigation of geological objects (rocks and ores of precious minerals) on small (less than 2 kg) samples having an extremely low geochemical concentration of useful elements (as little as 0.1%). The semi-industrial equipment, when used in the technological production line of enrichment of precious metal ores and other useful minerals (deposits of Au, Pt, Pd, rare earth elements etc; deposits of emeralds, diamonds and other crystals suitable for jewelry), makes it possible to evaluate concentrates of several orders of magnitude. For example, when hydroseparation technology (Hydroseparator HS-02M) is used for processing of placer gold sample it produces 98% concentrate of native gold.

Markets & Competition

There were no competitors producing proposed equipment (EPD and HS) known before commercial sales of this equipment for production of mono-mineral concentrates started in 2003. Example: during past three years the company remains the sole contractor with Geological Survey of Denmark and Greenland (GEUS) performing mineralogical investigations of Skaergaard deposit of precious metals (Greenland) using original Hydroseparation technology. After the first commercial sales of Hydroseparators HS-02M and EPD of SPARK series, the market of above mentioned equipment and services has started to grow. The sales of the laboratory hydroseparators has doubled in 2005 as opposed to previous financial year, and presently comes up to 20 units per year. The volume of the world's market of laboratory hydroseparators is estimated to be about 1.5 million USD. The volume of the market of semi-industrial and industrial equipment such as EPD and HS may be estimated as high as 100 million USD.

Marketing & Sales

In 2003 for the aim of expansion on to the market - begin regular sales of equipment and provide exclusive services of mineralogical investigations, the company signs an exclusive distributorship agreement with Canadian company Cabri Consulting Inc. From 2005 for the same reason a new company CNT Mineral Consulting Inc. (CNT-MC Inc.) was incorporated, the website of this company (www.cnt-mc.com) becomes an efficient instrument for marketing and sales of both - products and services. The same CNT-MC Inc. is now providing reliable warranty services to its clients.

Prospects of development

From the beginning of 2005 the company has started the development of the new hydroseparator HS-11 that is automatically controlled by a PC and uses the database of experimentally determined regimes of separation. The prototype of this new product was shown in operation at a workshop of the 10th International Platinum Symposium (Oulu, Finland), as the result - 11 prospective orders received. After initial funds will be received the company will be able to produce a number of laboratory separators HS-11 in appropriate amounts to fulfill the need of the market of this product and finish the development of first semi-industrial hydroseparator HS-21, which will have advanced technical characteristics - high sensitivity and processing throughput.