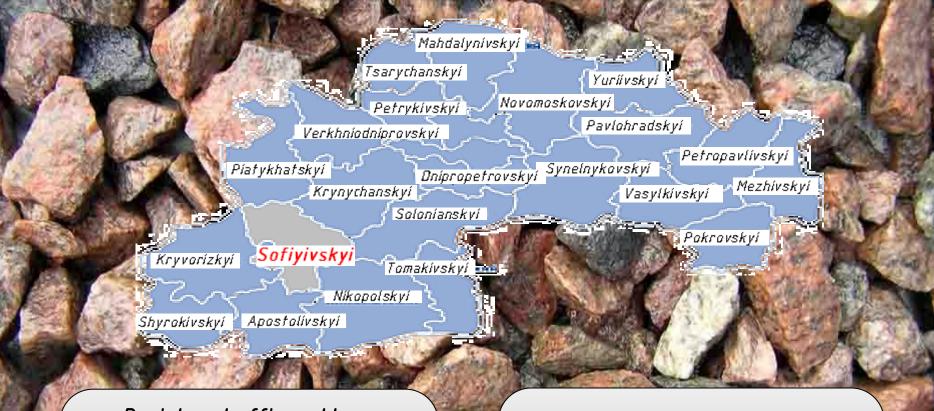
SALE OF GRANITE QUARRY



Registered office address

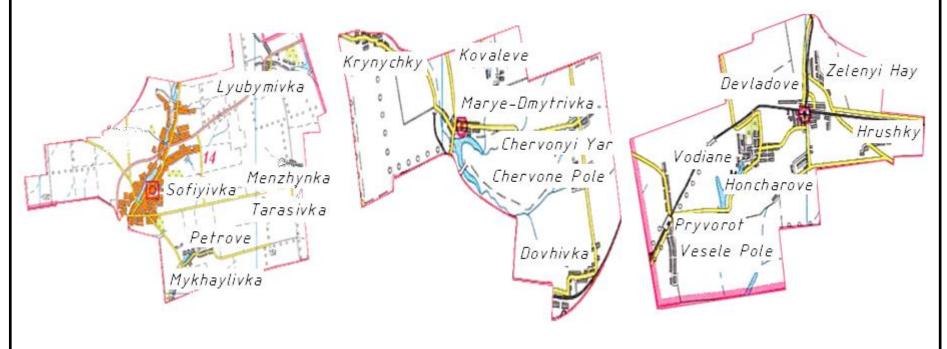
52132
Dnipropetrovsk Region
Sofiyivskyi District
Marye-Dmytrivka village
12, Molodizhna street

<u>Mailing address</u>

50011 Dnipropetrovsk Region Kryvyi Rih city 33, Dzhambula street

GENERAL DESCRIPTION OF THE QUARRY

- Devladove granite deposit and quarry exploited in it is located in Sofiyivskyi District of Dnipropetrovsk Region and is connected with Devladove station of Prydniprovska railway by broad rail gauge 7 km long. In July 2014 capital overhaul and modernization of the railway line was performed.
- In its geological and structural dimension Devladove deposit area pertains to central part of Ukrainian crystal shield.
- Devladove granite deposit is developed by open-pit method.



GENERAL FEATURES OF THE QUARRY

- ➤ Land allotment 50.12 ha (Land Lease ➤ Agreement for 25 years, till 2032). In prospect, increase to 105 ha.
- Licensed reserves 31.5 mln. tons of break stone product, that corresponds to 12.2 mln. cu. m of solids. Additionally explored reserves of granite 9.2 mln. cu. m of solids, that corresponds to 25 mln. tons of break stone product. In prospect, product reserve increment throughout the deposit to 50 mln. cu. m.
- ➤ License (special permit for subsoil use)

 Nº 3706 dated 09.12.2005. License validity 13 years (till 09.12.2018).
- ➤ Break stone grade M1200, frostresistance – 300, radioactivity – 1st class (break stone can be used for all types of construction works).

- Railway line with broad rail gauge from loading bunker to Devladove station, 7 km long (in 2014 capital overhaul and modernization of the railway line was performed).
- Production capacity of actually operating enterprise 140 thousand cu. m / year. It is advisable to increase capacity to one mln. cu. m/year through modernization, partial replacement of the plant equipment, that should significantly improve economic performance. Pay-back of the new project is to 4 years.
- In Kryvyi Rih city, Dnipropetrovsk Region, on the plot of land of 0.98 ha there are administrative building, garages and other amenity premises.

COMMERCIALLY EXPLOITABLE RESERVES

Taking into consideration partial development of the quarry, remainder of commercially exploitable reserves throughout the deposit actually makes up 12.2 mln. cu. m, that corresponds to about 31.5 mln. tons of finished break stone product. Additionally explored reserves of granite – 9.2 mln. cu. m of solids, that corresponds to 25 mln. tons of break stone product. In prospect, product reserve increment throughout the deposit to 50 mln. cu. m.





CHARACTERISTICS OF GRANITES OF DEVLADOVE DEPOSIT

For Granites of Devladove deposit are characterized by high rates of physical and mechanical properties. Compressive strength in water-saturated state corresponds to break stone grade of 1200 kg / sq. cm. Softening factor is in the range from 0.7 to 1.1. Maximum water saturation is less than 1%, frost-resistance test has shown high strength, within 1500 kg / sq. cm.

As to its physical and mechanical properties, granite brake stone is suitable for manufacture of Grade 500 concrete in structures that meet the requirements of GOST 3344-83, GOST 7395-85, DSTU B.V.2.7.-30-95, DSTU B.V.2.7.75-98, and it can be used in all types of construction without any limitations.



