EDOM MINING & DEVELOPMENT LTD.
Head Office: Timna, Doar na Eilot - Eilat 88000
Phone: 74171-9, Telex: Latin 7781 Fax. 059-74174
Post Office Box 7050, Hakirya, Tel-Aviv 61 070
Tel: 03-263806 - 258126/7 Fax: 03 - 263652

אדום מחצבים ופיתוח בע"מ
משרד ראשי: תמנע ראר"נע אילת-אילות 88000
טלפון: 9-74171, טלקס לטיני 7781 פקס 059-74174
רח' קלמן מגן 18 הקריה, ת.ד. 7050, תל-אביב 61070
טל. 03 - 263806 - 258126/7 פקס. 03 - 263652

14.1.90

Letter from Moshe Joseph, Manager for Maintenance of Garages and Equipment.

For the past 5 years we have been using the additive N.R.G. During the first year, we used the product only on some of the equipment, in order to be able to check it out by comparison.

The tests were in the field and not in the laboratory. After we came to the conclusion that adding N.R.G improved the condition and prolonged the life of the engines, we decided to use the additive in all the heavy equipment as well as the light vehicles in the company.

Our company has 25 heavy-duty machines which includes:

Trucks weighing 50-100 tons; tractors; drills; lifters; generators; etc. In addition, we have 25 light vehicles for transport on the roads and in the field.

Recently, we reactivated the power station at Tinma for the Electric Company. Since the generators are very old (33 years), there were problems of maximizing their efficiency. As an experiment, we added N.R.G to one of the engines with the hope that it might help to improve it's condition. We obtained good results. The efficiency went up by 20% and the engine works without problems.

Yours Faithfully,

Moshe Joseph,
Equipment Maintenance Manager
Edom Mining and Tunneling/Timna.

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Tel-Aviv Office: P.O.B. 7050, Hakirya, T.-A. 61070
Tel: 03-6958126/7, 03-6963808, Fax: 03-6963652

אדום מחצבים ופיתוח בע"מ
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טלפון: 07-374171-9, טלקס לטיני 7781, פקס: 07-374174
משרד ת"א: רח' קלמן ניומן 16, הקריה, ת.ד. 7050, ת"א 61070
טל': 03-6963808, 03-6958126/7, פקס: 03-6963652

January 28, 1997

Fax.: 02-6424422

To: NRG - Israel

Attn: Mr. I. Oved

Re: NRG Contribution to our Equipment

Further to our meeting dated Jan. 27, I reffer to my July 21st. 1996 report and my letter dated Nov. 7, 1996 to Igal Raz.

1. Edom mining owns and operates 70 units of heavy mining and construction equipment.

2. All units are operating in highly abrassive dusty conditions including rugged tunneling jobs.

3. All our units are NRG treated. That includes 4 low RPM 1000 kva units on power station, located in Timna Copper site.

4. We add NRG to our Diesel engines, Mechanical Transmissions, and planetary rear axles.

5. The engines we use are:
   Cummins VTA - 525 - 635 H.P.
   Cummins K-19, KTA 38 - 550 - 1050 H.P.
   Caterpillar (various) 110-350 H.P.
   Deutz (tunneling) 150 H.P.
   Deutz (generators) 1500 H.P. each.
   Detroit Diesel - 50- 350 H.P

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Tel: 03-6958126/7, 03-6963806, Fax: 03-6963052

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טלכון: 07-374171-9, טלקס לטיני 7781, פקס: 07-374174
משרד בת"א: רח' קלמן מגן 15, הקריה, ת.ד. 7050, ת"א 61070
טל': 03-6963806, 03-6958126/7, פקס: 03-6963052

6. Saved oil quantities, maintenance repaires and materials as a result of using N.R.G.

Oil Type	Quan. per year in ltr.	Instead of ltr	Price per 1	Saving in %	Saving in US $
Engine Oil Castrol RX-15w 40	85000	136,000	1.48 $	40%	75480 $
Final Drive Oil Pazrax 85W 140	7500	9,750	1.8 $	30%	4050 $
Power Generator Oil DX - 30	20000	26,000	1.18 $	30%	7080 $

yearly saving in oil 00610 $

Saving in oil filters and labour time 9000 $

Estimated engine life extension between overhauls by using NRG - 25%.

Ave. Overhaul cost - 25,000 $ x 10 units per years x 25% = 62500 $

Average savings in spares per engines overhaul 15%
Ave. spares cost 15,000 $ x 10 units x 15% = 22500 $

Total savings 180610 $

less N.R.G. purchase price - 25026 $

Total 155584 $

*This is a yearly routine saving. It doesn't include cases like those described in our memo dated Jan. 1, 1997 clauses 3 A + B and 4 enclosed In both cases, the result of using N.R.G. saved Edom mining 80000 $ each.

Unfortunately, cases like those described are a part of normal construction, mining and tunneling works and call for consideration when budgeting projects.

Best regards

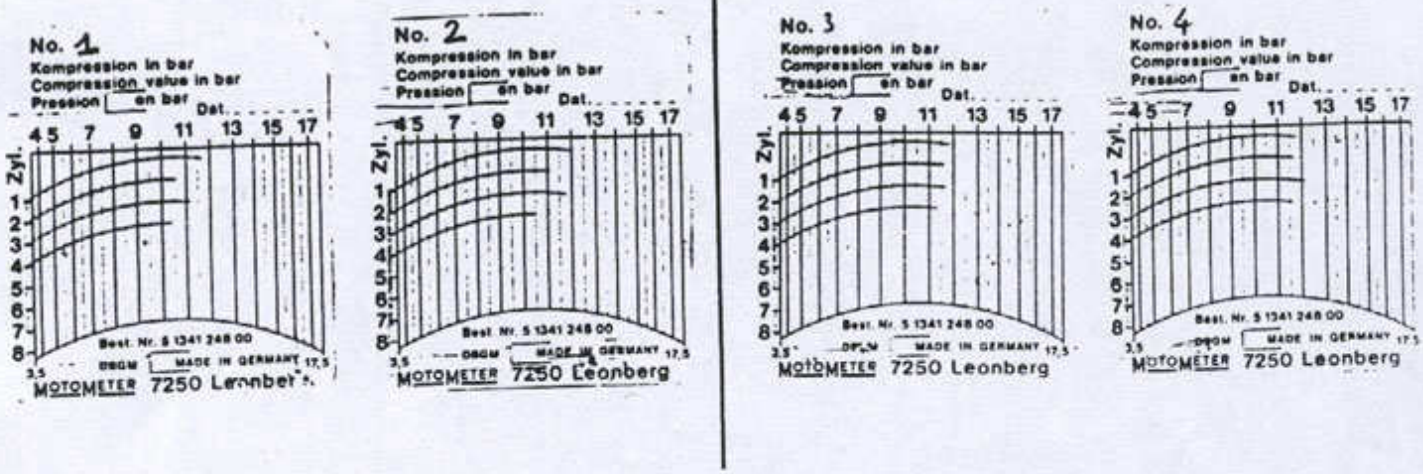
Adi Zucker
General Manager
Edom mining, Timna Copper Mines

Adi Zucker

- Les mesures des compressions moteur avant/après montre une amélioration effective après parcouru avec NRG.
Ces résultats prouvent une amélioration des performances du moteur (couple, puissance, consommation).

English Translation:
This Compression test in the engine is an evidence for increasing torque and horsepower and reducing the fuel consumption while using NRG product, in less than 200 km.

	Before NRG			After NRG			
	AVANT NRG			APRES NRG			
CYLINDRE N°	MESURES		MOYENNE	MESURES		MOYENNE	RESULTAT
1	11,7	12	11,85	11,9	11,8	11,85	+ 0
2	10,55	11,1	10,82	11,6	11,7	11,65	+ 0,83
3	11,2	11,8	11,5	11,7	12,1	11,9	+ 0,4
4	10,4	10,5	10,45	11,4	11,6	11,5	+ 1,05



- Les sensations ressenties au volant sont seulement qualitative mais néanmoins incontestable

Bruit plus sourd, plus rond du moteur
Meilleur couple lors des accélérations
Meilleure reprise, moteur plus souple
Montée en régime plus rapide, plus aisée à vide
Cognement de la boite de transfert au point mort supprimé.
Moins de point dur à la synchronisation lors du passage des vitesses.
Lors des démarrages la puissance est immédiatement disponible sur le moteur encore froid (2 à 3 km était nécessaire sans NRG).

En conclusion on peut dire que l'ensemble de la conduite de la voiture est plus agreable, que le moteur à réellement trouvé une seconde jeunesse

English Translation:

The driving sensation is not only quality but also reliable.

Less engine noise
Improved torque while increasing rapid
Better start with fast racing
More RPM to the engine
While changing gearbox - less noise
Easier gearbox changing
Better start even with a cold engine (without NRG required 2-3 km to get the same racing).

Conclusion: there is a better feeling with a younger engine.

COMPAGNIE DES LABORATOIRES INDUSTRIELS DU PERCHE
RUE DU PERCHE - B.P. 37 - 28480 THIRON-GARDAIS - TÉL : 37 49 42 12 - FAX : 37 49 40 61
T.V.A. : FR 133 3726 7877 - SOCIÉTÉ ANONYME AU CAPITAL DE 8 000 000 F - R.C. CHARTRES 327 267 877 - SIRET 327 267 877 000 20 - A.P.E. 748 D

REF # : 4852

Ref. Num. : 145/94
Fax Num. : 19 972 251 33 10
Page Num. : 1
ATTN : Mr OVED
Company : NRG INTERNATIONAL
From:Mr FAUCHERE

25 th of July, 1994

Dear Mr OVED,

I well received your fax of 19 of July. I would like to have more informations about the antifriction product. It will permit us to be more competitive.

I have the "ECHAPPEMENT" revue on my desk. I have prepared for you an extract from the revue which I will give you in our next meeting.

From the end of June, we underwent a consumption test on an huge vehicle (38 tons). On the first thousands kilometers, the consumption did not reduce a lot. But, this week, the driver noticed that the consumption savings were 5 liters for 100 kms which is a really good result! The vehicle consumption before treatment was 44 liters for 100 kms and after the treatment, 39 liters for 100 kms (vehicle of 700.000 kms). It is a very interesting result that we had confirmed on more updated vehicles.
All these results will permit us to sell the product to large companies. There are in France 865 companies of 50 vehicles and more, which means 100.807 vehicles for 865 companies, and 6900 companies between 10 to 50 vehicles, which means 127.000 vehicles.

I think there is a more interesting business than cars business.

Miss TIARD is in contact with a multilevel sell business. We are still waiting for an answer. Idem for the catalogue of the modern man.

Finally, I think that we will be able to sell NRG during specialized exhibitions to reach a larger audience. I will try to find a good distributor.

I am interested in six big exhibitions.

I am going to be in vacation in August, but I think that all will be clear in September, and we will be able to begin the sales.

Sincerely yours
Claude FAUCHERE

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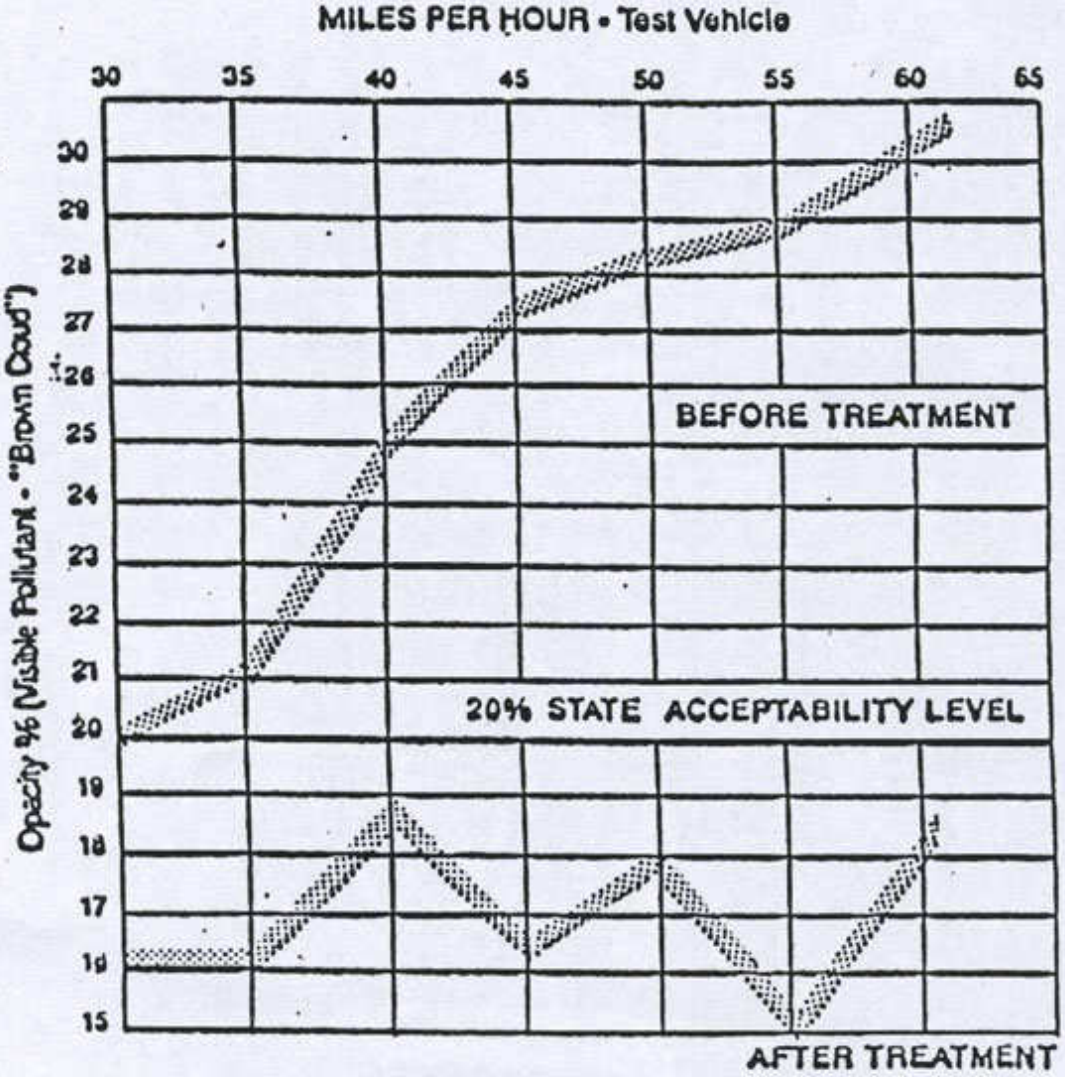
TEST RESULTS
VISIBLE EMISSIONS



Product Tested At; Colorado Department of Health • West Denver Emission Technical Center.

Date of Test; Pre-treatment Jan. 7, 1987.
Treated Jan. 7, 1987, after initial Test.

Date of Test; After treatment Feb. 6, 1987

Test Vehicle; 1981 Oldsmobile 5.7 liter deisel

Test Vehicle Miles; Pre-treatment-88311
After treatment-89438

RESULTS: 34.6% REDUCTION IN OPACITY*

*Visible pollutant • Brown Cloud • 100% = opaque, 0% = clear
State Requirements: not higher than 20%

COLORADO STATE TEST - U.S.A.

(11/15/88 News Release)

SPECIALTY LUBRICANT REDUCES DIESEL SMOKE EMISSION

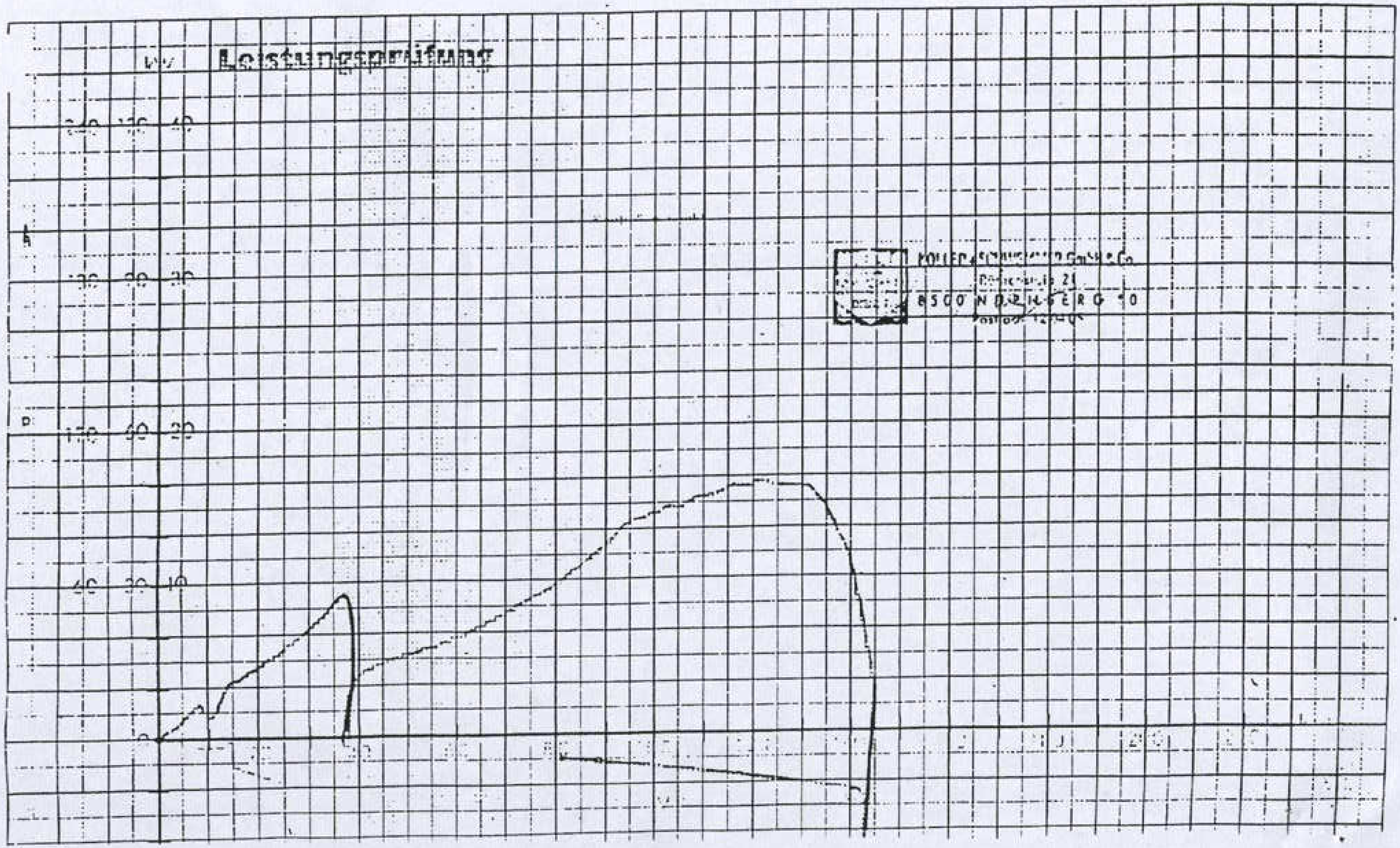
Exhaust emission tests sponsored by AIC Industrial Lubricants, Inc., Denver, CO (AIC) show that NRG 1540 P Engine Treatment reduced smoke opacity (particulate matter) of light duty diesel Vehicles more than 50 percent below pre-treatment level. Statistical analysis showed that the reduction in opacity following the lubricant treatment was highly significant ($p=<0.01$). There was no loss in horsepower or torque. The tests were conducted by an independent vehicle emissions test facility on a Clayton chassis dynamometer. One quart of NRG 1540 P was added to each engine crankcase for each four quarts of regular oil immediately after obtaining pre-treatments measurements. Vehicles were then driven an average of 4,500 miles and retested for post-treatment smoke opacity, horsepower, and torque. Driving patterns remained the same between emission tests and no engine adjustments were made.

The fact that the reduction in smoke opacity was achieved with no loss of horsepower or torque indicates that NRG 1540 P increased engine efficiency by reducing friction and fuel consumption. NRG s secret lies in its ability to bond a long lasting micro thin film in internal engine surfaces, producing less friction and greater power and fuel efficiency.

The results of a technical feasibility study by Colorado State University (Research Report on Air Quality and Light Duty Vehicles Along Colorado s Front Range, August, 1983) showed that it is possible to reduce smoke opacity 50 percent by adjusting engines to reduce horsepower. Our findings show that NRG 1540 P will equally reduce diesel smoke opacity without the disadvantage of losing horsepower. As such, it offers a simple and cost effective way of reducing air pollution by diesel vehicles.

A fleet of 200 trucks in Colorado has logged more than five million miles by treating its engines with this product at approximately 15,000 mile intervals. Spectrochemical analysis of cranckase oil from sample test trucks of the fleet showed more than a 25 percent decrease in engine wear following the treatment. A seven percent decrease in fuel consumption was also measured.

R.D. Thompson, Ph.- Research Division Manager


Leistungsprüfung
8500 NÜRNBERG 10

BOSCH

58 - 51 = 7 $\frac{7}{51} = 13.7\%$

Leistungsprüfstand

Kunde Horst Friedrich Wiesner — RH-XK 74 (Amtl. Kennzeichen)

Fahrzeug VW (Hersteller) — 32B (Typ) — 37815 (km-Stand)

Motordaten

		nach Kfz-Schein bzw. Werksangaben		gemessen mit LPS 002	
Motorleistung	kW	P_{norm}	51	P_{gem}	58
Nenndrehzahl	min^{-1}	n	4500	entspr. km/h	130
Barometerstand	mbar	p nach t DIN 70 020	1013	Ist	725
Ansaugtemperatur	°C		20	Ist	10

P_{norm} = 60 kW

Achtung

Atmosphärischer Druck (Barometerstand) und Ansaugtemperatur beeinflussen die Motorleistung. P_{gem} weicht deshalb im Regelfall von P_{norm} ab. Um auf die nach DIN 70 020 angegebene Motorleistung schließen zu können, kann eine Korrektur notwendig sein. Die Meßgenauigkeit des Prüfstandes ist zu beachten.

Auswertung

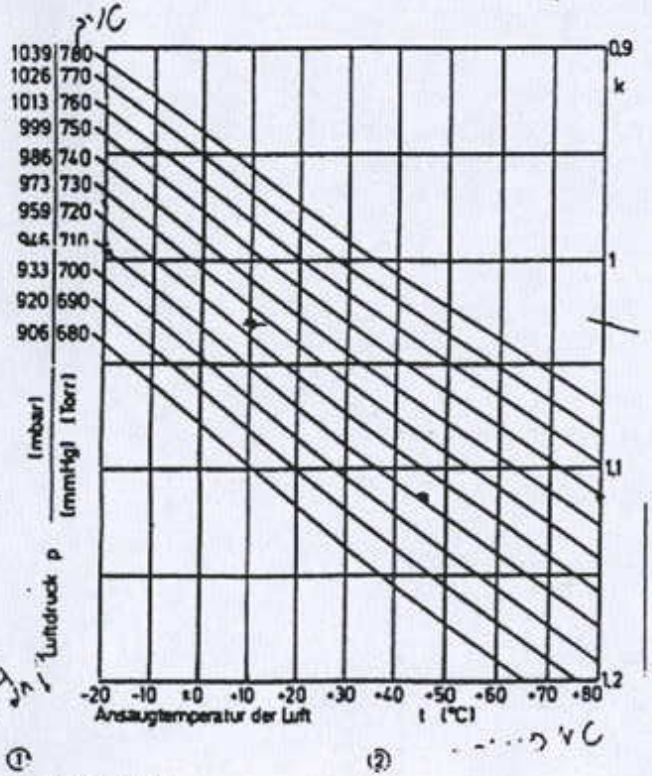
① Atmosphärischen Druck (Barometerstand) im Nomogramm eintragen.

② Ansaugtemperatur rot einzeichnen. Schnittpunkt beider Strahlen rechtwinklig nach rechts zum Wert „k" führen.

③ P_{gem} in kW rot einzeichnen. Mit Lineal Schnittpunkt „k" und „P_{gem}" verbinden und Linie bis „P_{norm}" ④ weiterführen.

④ P_{norm} in kW ablesen und in der mittleren Skala ⑤ rot einzeichnen.

⑤ Leistung nach DIN 70 020 (mit Toleranzband) ablesen.



① ②

$P_{norm} = k \cdot P_{gem}$

$k = \frac{1013}{p} \cdot \sqrt{\frac{273 + t}{293}}$

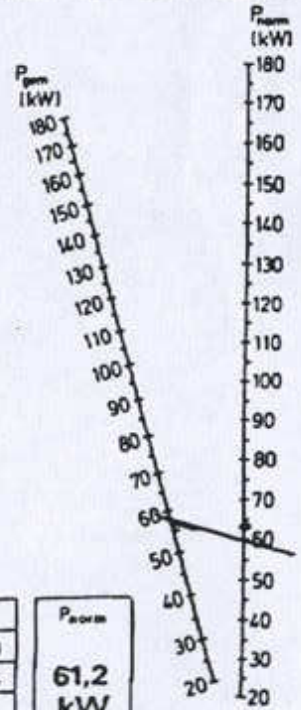
P_{norm} = theoretischer (errechneter) Leistungswert (kW)

P_{gem} = gemessener Leistungswert (kW)

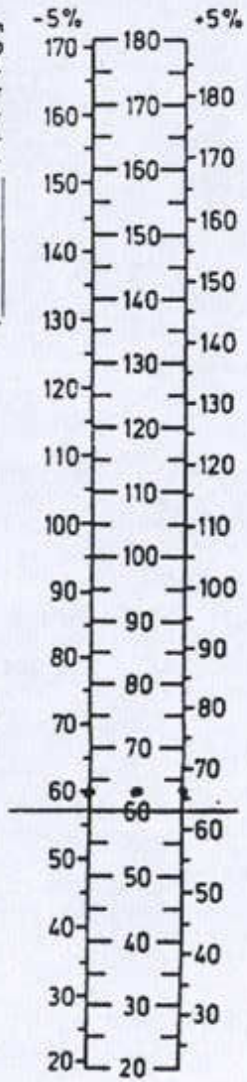
k = Korrekturfaktor

p = atmosph. Druck (mbar)

t = Ansaugtemperatur (° C)



③ ④



⑤

Beispiel:

nach Kfz-Schein bzw. Werksangaben		gemessen mit LPS 002	
P_{norm}	82,5	P_{gem}	55
n	5600	entspr. km/h	170
p nach t DIN 70 020	1013	Ist	946
	20	Ist	44

P_{norm} = 61,2 kW

1 689 900 014