



EDOM MINING & DEVELOPMENT LTD.

Head Office: Timna, Doar na Elliot - Ellat 88000
Phone: 74171-9, Telex: Latin 7781 Fax: 059-74174
Post Office Box 7050, Hakiryas, Tel-Aviv 61070
Tel: 03-263806 - 258126/7 Fax: 03 - 263652

אדום מחצבים ופיתוח בע"מ

משרד ראשי: תמונע רא"נע אילת-אילת 88000
טלפון: 9-74171, טלקס לטיני 7781 פקס 059-74174
רד קלמן מנן 18 חקריה, ת.ד. 7050, חלאביב 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 Timna 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: 07-374171-9, Telex: Lotin 7781, Fax: 07-374174
 Tel-Aviv Office: P.O.B. 7050, Hakirya, T.A. 61070
 Tel: 03-6958126/7, 03-6963806, Fax: 03-6963652

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 טלפון: 07-374171-9, טלפק לטיני 7781, פקס: 07-374174
 משרד כת"א: רח' קלמן זנון 16, ונקריה, ת.ד. 7050, ת"א 61070
 טל': 03-6963806, 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 refer 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 abraded 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-Aviv Office: P.O.B. 7050, Hekirva, T.-A. 61070
 Tel: 03-6958126/7, 03-6963806, Fax: 03-6963052

EDOM מחצבים ופיתוח בע"מ

משרד ראשי: תמונע, דאר-נע אילוט-אילוט 88000
 טלפון: 07-374171-8, טלפקס: 07-374174, פקס: 07-374174
 משרד בת"א: רח' קולונ מנן 15, הקריה, ת.א. 61070
 טל: 03-6963052, 03-6958126/7, פקס: 03-6963052

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

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

yearly saving in oil 80610 \$
9000 \$

Saving in oil filters and labour time
 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

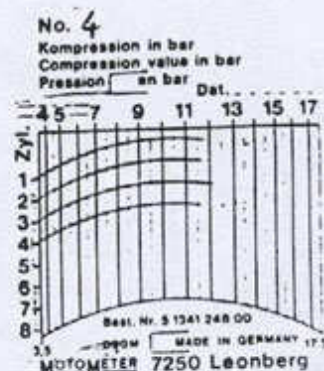
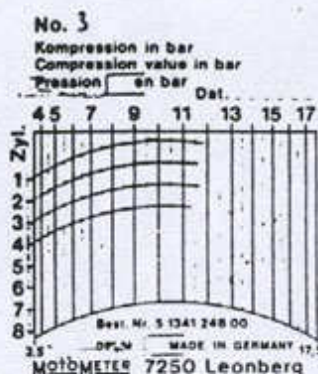
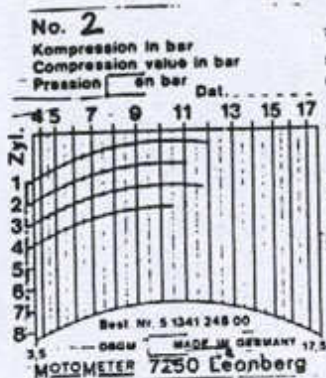
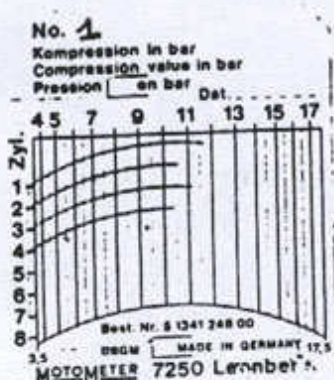


- Les mesures des compressions moteur avant/après montage de l'amortisseur système NRG
parcouru avec NRG.
Ces résultats prouvent une amélioration des performances du moteur (couple, puissance, consommation).

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.

CYLINDRE N°	Before NRG			After NRG			RESULTAT
	AVANT NRG		MOYENNE	APRES NRG		MOYENNE	
	MESURES	MESURES		MESURES	MESURES		
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 boîte 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 agréable, que le moteur a 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-GARDOIS - TÉL : 37 49 42 12 - FAX : 37 49 40 61

F.V.A. : FR 133 8728 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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RUE DU PERCHE - B.P. 37 - 28400 THIRON-GARDAIS - TEL : 37 49 42 12 - FAX : 37 49 40 61

S.V.A. : FR 133 2726 7677 - SOCIÉTÉ ANONYME, AU CAPITAL DE 8 000 000 F - R.C. CHARTRES 337 267 877 - SIRET 337 267 877 000 20 - A.P.E. : 748 E