

KADI INTERNATIONAL SPRL

Siège social : Avenue KILOSA N°60, Bis, Commune de Kinshasa/RDC
NRC : 55992, Id. N°01-9-N/42021D; Tél: (+243)999943135, (+243)819943135
E-mail : dushie20022002@yahoo.fr

To: Executive Director of VITAVA d.o.o.
Date: 01/12/2011

Dear Sir!

We are glad to inform you that KADI INTERNATIONAL S.P.R.L. (DRC) has finalized the stage of exploration works and calculation of purveyance of diamonds at the territory of its concession PE N°7626 at Aruvimi River (province Oriental, Democratic Republic of Congo).

As a result of works performed the following extremely important results were achieved.

1. The geophysical method – the distance method of geohology was applied for detection of commercial diamonds deposit for the first time in the world (the distance researches were performed in May, August, 2011).
2. A practical effectiveness of geohology method has been proved. The positive results were achieved in 5 anomalies (62,5%) from 8 certified anomalies of flood-plain part of Aruvimi River valley (where the occurrence of diamonds took place before).
3. The existence of diamonds in Aruvimi riverbed depositions has been proved; 34 objects within the limits of riverbed were detected, two of them (N°93 and 97) had positive checking results.
4. The industrial significance of inclusion-bearing diamonds riverbed depositions of Aruvimi River was proved for the first time; 77 anomalies were detected, 8 objects were checked and 5 of them had positive results.
5. The purveyance of alluvial deposits of Aruvimi River was calculated by three different methods and it makes up from 1,2 to 3,8 million carats. The average variant of 2 582 599 carats is taken into consideration for calculation purposes, including the purveyance of category C2 – 265 411 carats, of category P1 – 597 891 carats and of category P2 – 1 719 297 carats.
6. The level of extractable purveyance of alluvial deposits of Aruvimi River taking into account the adjustment coefficients makes up 2 091 905 carats, and the total value (where the price is \$280/carat) is \$585 733 400.

The French company BRGM is currently making the audit of the obtained results. KADI INTERNATIONAL S.P.R.L. is preparing the project of industrial development of diamonds deposit detected by your company.

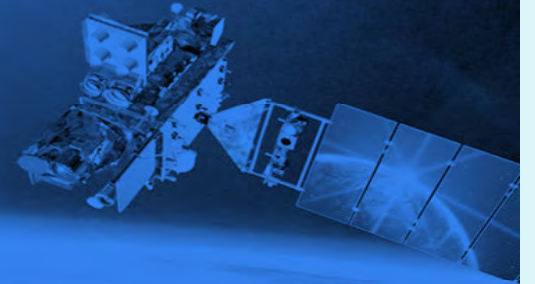
With hope for further fruitful collaboration,
CEO of KADI INTERNATIONAL S.P.R.L.

KAZADI ILUNGA KALAMBA



Remote Sensing Survey

Diamonds in Congo



Mining Shafts Data

№ шурфа	Координаты		Размеры дна шурфа, м	Глубина, м	Объем, м ³
	Долгота	Широта			
13/1	E 25°26'27,5"	N 01°44'04"	6 x 4	7.5	600
29/1	E 25°26'33"	N 01°43'33,5"	4 x 5	10.0	620
35/1	E 25°26'07"	N 01°43'17"	7 x 9	9	1165
35/2	E25°26'10"	N01°43'19,5"	2 x 2	3	30
38/1	E 25°26'08"	N 01°43'07,5"	4 x 3,5	6,5	240
40/1	E 25°26'25"	N 01°43'01"	4 x 5	7,5	400
42/1	E 25°26'57"	N 01°43'05"	6 x 8	10	1050
54/1	E25°28'18"	N 01°43'55"	2 x 2	2,5	15
54/2	20 м северней Ш54/1		3 x 2,5	2	20
54/3	E 25°28'11"	N 01°43'58"	2 x 3	2,5	20
54/4	E 25°28'19"	N 01°44'03,6"	3 x 3	2,2	27
54/5	E 25°28'11,8"	N 01°44'00,3"	2 x 2	2	12
54/6	E 25°28'11,7"	N 01°43'59,9"	1 x 1	1	3
55/1	E 25°27'59"	N 01°44'03"	2 x 3	2,2	20

Exploration

Concession Information					Including blocks:				
Acreage #	Area S, m ²	Average depth H _{3ан} , M	Average thickness h, m	*Resources, ct	Block #	Block's area S, m ²	Average depth H _{3ан} , M	Average thickness h, m	**Resources, ct
1	413230	7,9	0,7	202483	***1	3000	8	0,23	966
					2	3000	8.1	0,2	840
					8	16000	7.9	0,2	4480
					9	12000	8	0.25	4200
					****10	5000	8	0.3	2100
2	509330	7,5	0,8	285560	3	8000	7.7	0.2	2240
					4	17600	7.7	0.2	4928
					5	21300	7.8	0.3	8946
					6	28000	7.8	0.2	7840
					7	3000	7.7	0.2	840
					11	6300	7.8	0.25	2205
3	270000	7,6	0,7	132300	21	7800	7.8	0.2	2184
					13	36000	7.8.	0.2	10080
					14	34000	7.9	0.25	11900
4	384400	7,8	0,8	215264	15	8500	8.1	0.3	3570
					16	3000	8.1	0.2	840
					17	39000	8	0,2	10920
					18	2900	8	0.2	812
					19	22000	7.8	0.4	6160
5	307520	7,5	0,9	118384	22	27000	8	0.2	9450
					23	12000	7.7	0.25	4200

					24	27000	7,7	0,2	7560
					25	12000	7,6	0,2	3360
6	211400	7,7	0,8	118384	20	64000	7,8	0,4	35840
					29	7700	8,1	0,25	2695
					30	2500	8	0,2	700
7	420000	7,5	0,9	264600	12	23000	8	0,2	6440
					31	8000	4	0,25	2800
					32	15500	4	0,25	5425
					33	2800	8	0,2	784
					34	2800	8	0,2	784
8	460000	7,6	0,6	193200	35	16600	7,8	0,2	4648
					36	15000	7,8	0,2	4200
					37	15000	7,8	0,2	4200
					38	16000	7,7	0,25	5600
					39	14000	7,8	0,2	3920
					40	14000	7,7	0,2	3920
					41	15000	7,7	0,25	5250
9	470900	7,5	0,8	263704	26	42000	7,8	0,2	11760
					27	12000	7,8	0,2	3360
					28	7500	7,7	0,2	2100
					61	13000	7,8	0,22	4004
10	519000	7,8	1,0	363300	42	15000	8	0,2	4200
					43	27000	4,3	0,3	11340
					44	13000	8	0,2	3640
					62	3500	8	0,2	980
					66	16000	7,9	0,25	5600
					67	9000	7,9	0,2	2520
11	240250	7,5	0,7	117722	45	16000	7,7	0,2	4480
					46	26000	7,7	0,2	7280
					47	14500	7,8	0,2	2900
12	346000	7,8	0,9	217980	57	24000	8,1	0,20	6720
					58	8000	8,4	0,25	2800
					59	4000	8,1	0,2	1120
					60	3500	8	0,25	1225
13	422300	7,7	0,6	177366	53	14000	7,9	0,2	3920
					54	25000	7,9	0,2	7000
					55	28000	7,9	0,2	7840

Таблица 2.

55	28000	7.9	0.2	7840					
56	14000	7.9	0.2	3920					
14	288300	7,5	1,0	201810	63	24000	7.7	0.3	10080
					64	13000	7.7	0.3	5460
					65	26000	7.8	0.2	7280
15	615000	7,6	0,6	258300	48	15000	7.9	0.2	4200
					49	14500	7.8	0.25	5075
					50	15000	7.9	0.2	4200
					51	15000	7.8	0.2	4200
					52	14500	7.7	0.2	4060
Объекты в современном русле р. Арувими					68	27900	4	0,3	11718
					69	43200	4	0.3	18144
					70	327000	4,2	0.35	160230
					71	115000	4,	0.3	48300
					72	86500	4	0.35	42385
				73	230000	4	0.3	96600	
Итого	6 706			3 507 734		581500			*** 171583
	960					476800			****162680
						829600			*****377377

Note:

* Estimated resources of diamonds in this concession were calculated using the formula:

$Z_{pr} = h \times Q_{ct} \times S \times K$, where

- Z_{pr} - forecast resource, ct

- h – thickness of the horizon, m

- Q_{ct} -number of diamonds =1 ct / m³

- S - diamond-bearing area, m²

- K -recovery factor=0.7 (****manual washing) =0,97 (*****industrial production, optical sorter)

** Estimated resources of the jewelry diamonds of this concession were calculated using the formula:

$Z_{pr} = h \times Q_{ct} \times S \times K$, where

- Z_{pr} - forecast resource, ct

- h – thickness of the horizon, m

- Q_{ct} -number of diamonds=2 ct / m³

- S - diamond-bearing area, m²

- K -recovery factor=0.7 (****manual washing) =0,97 (*****industrial mining, optical sorter)

*** Anomaly type - "diamonds jewelry 0,8 ct+»

**** Anomaly type - "diamonds jewelry 0,2-0,8 ct»

***** Anomaly type - "diamonds jewelry 0,2-0,8 ct+»

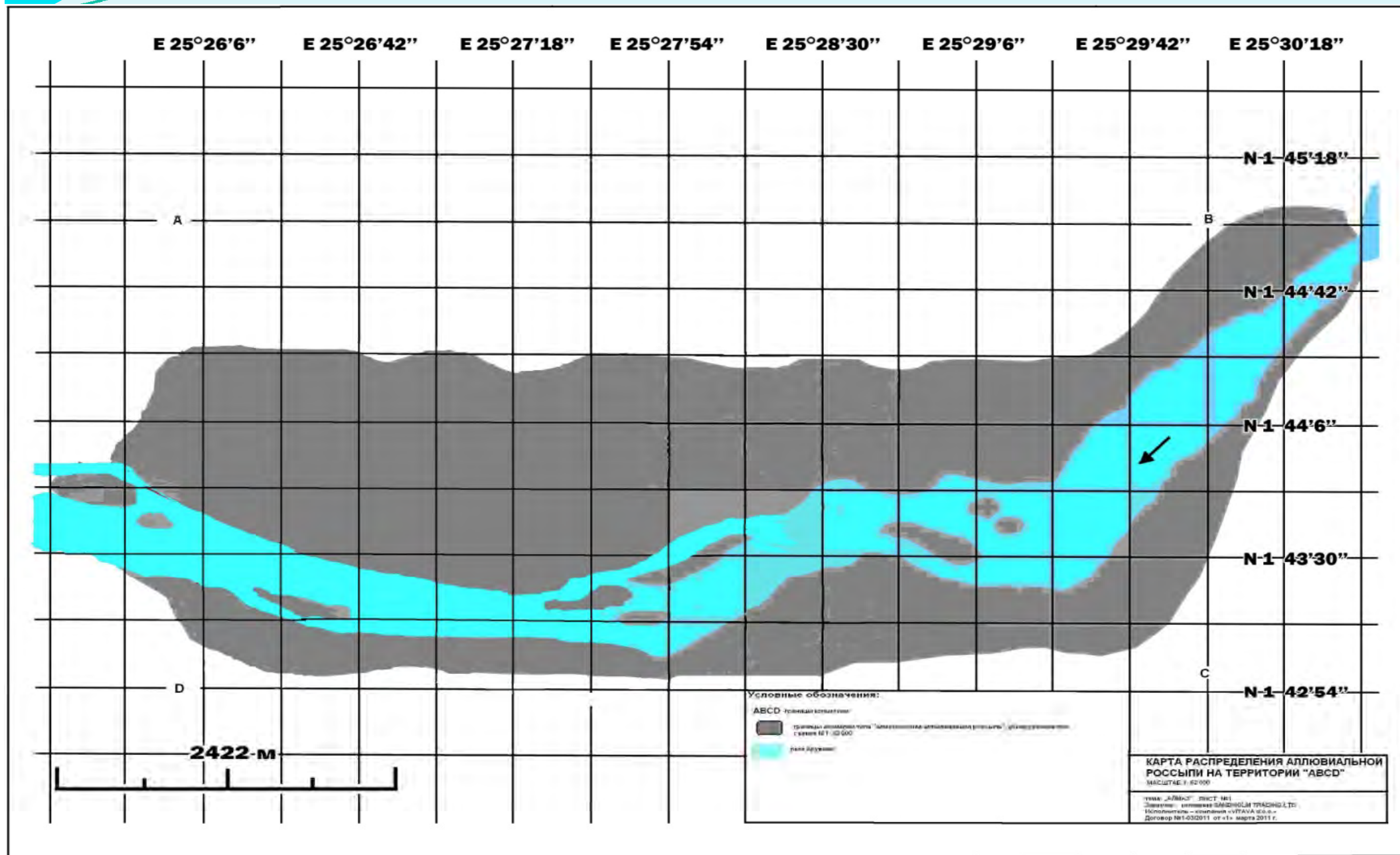
1st Stage Results. DR Congo

Район р. Арувими
Спутник Терра, высота 186 км. Фрагмент
снимка 60x60 км. 03.02.2008

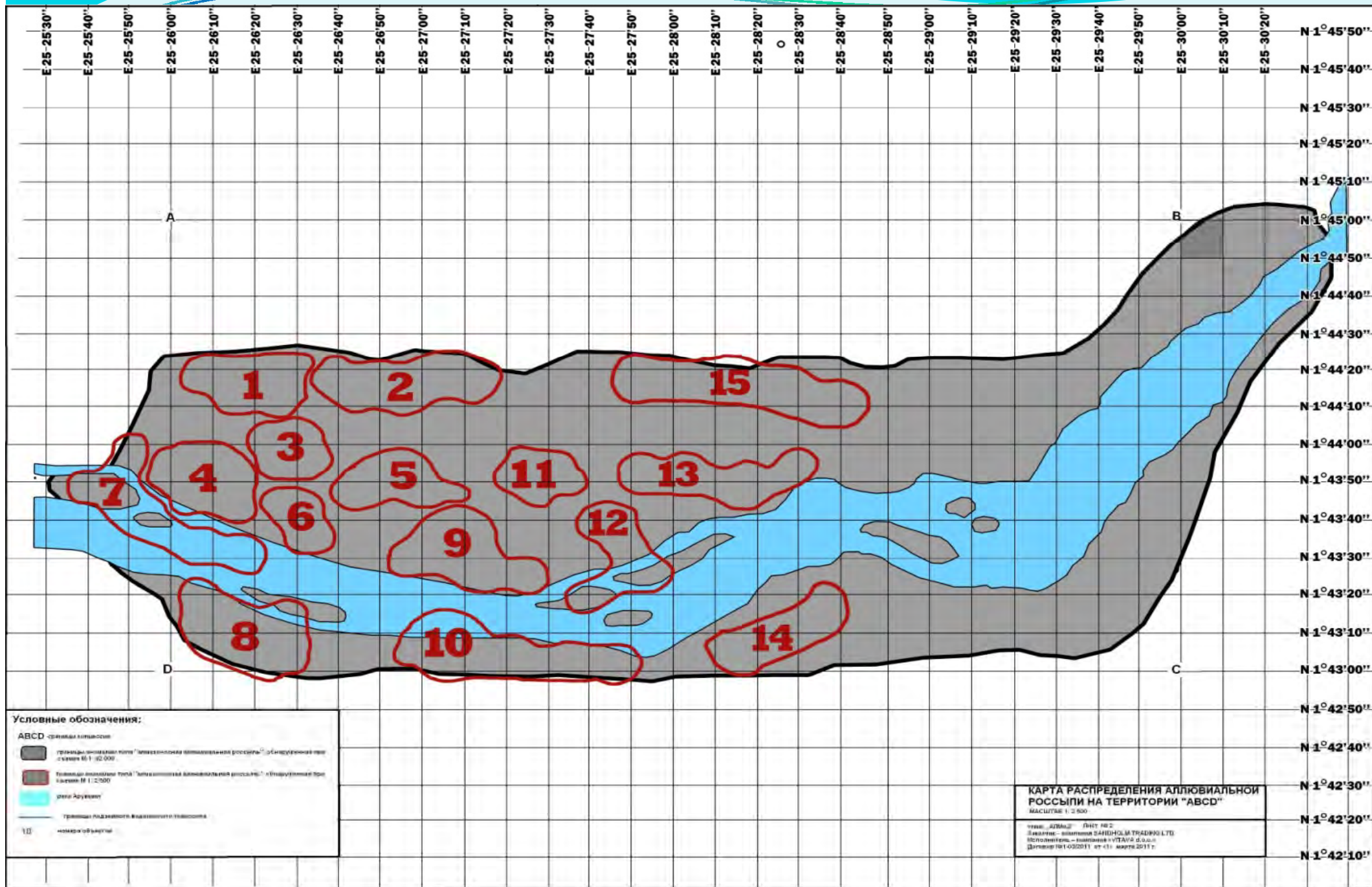
Контурь алмазеносных участков. Аллювиальные
россыпи.



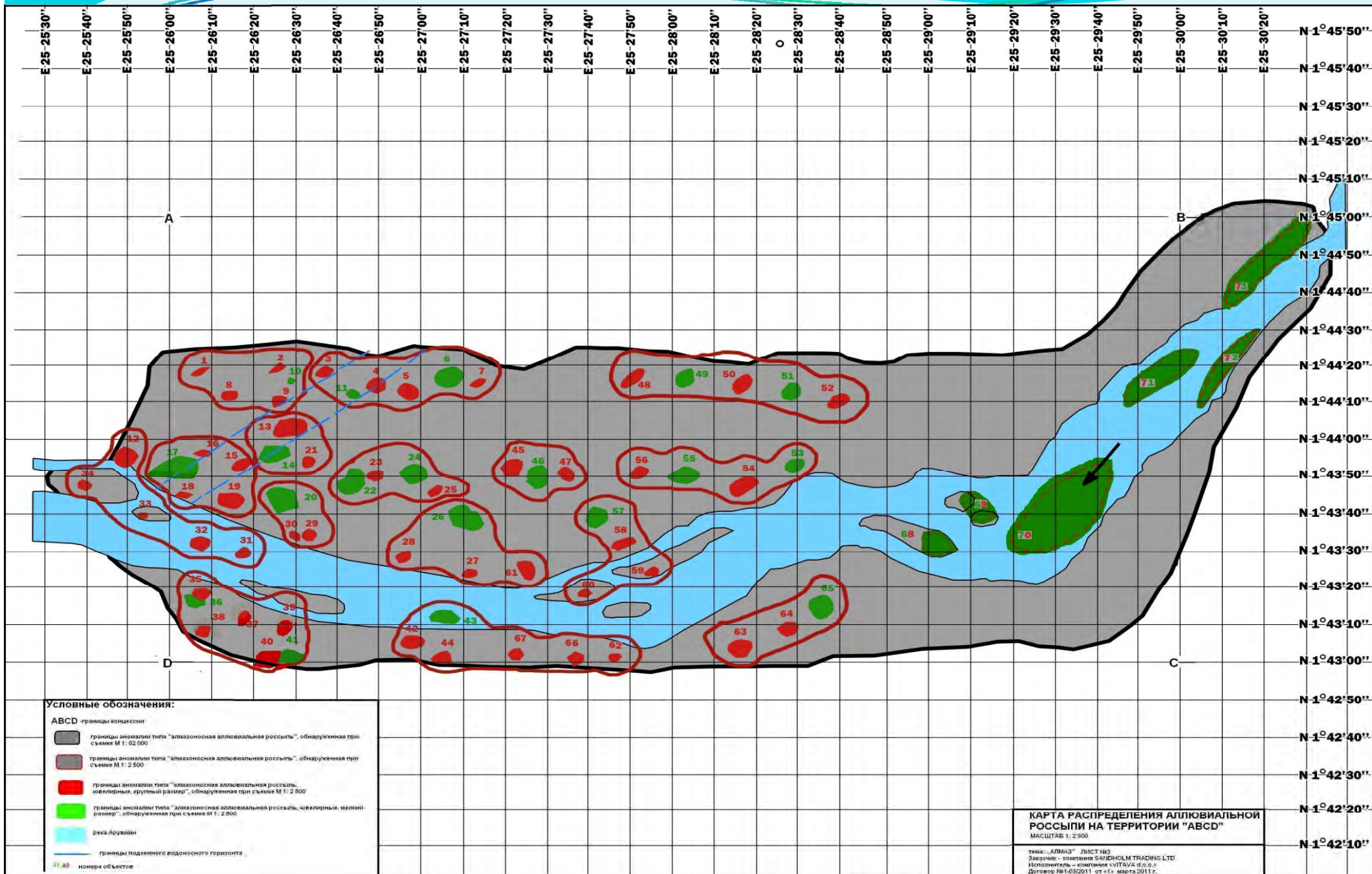
1st Stage



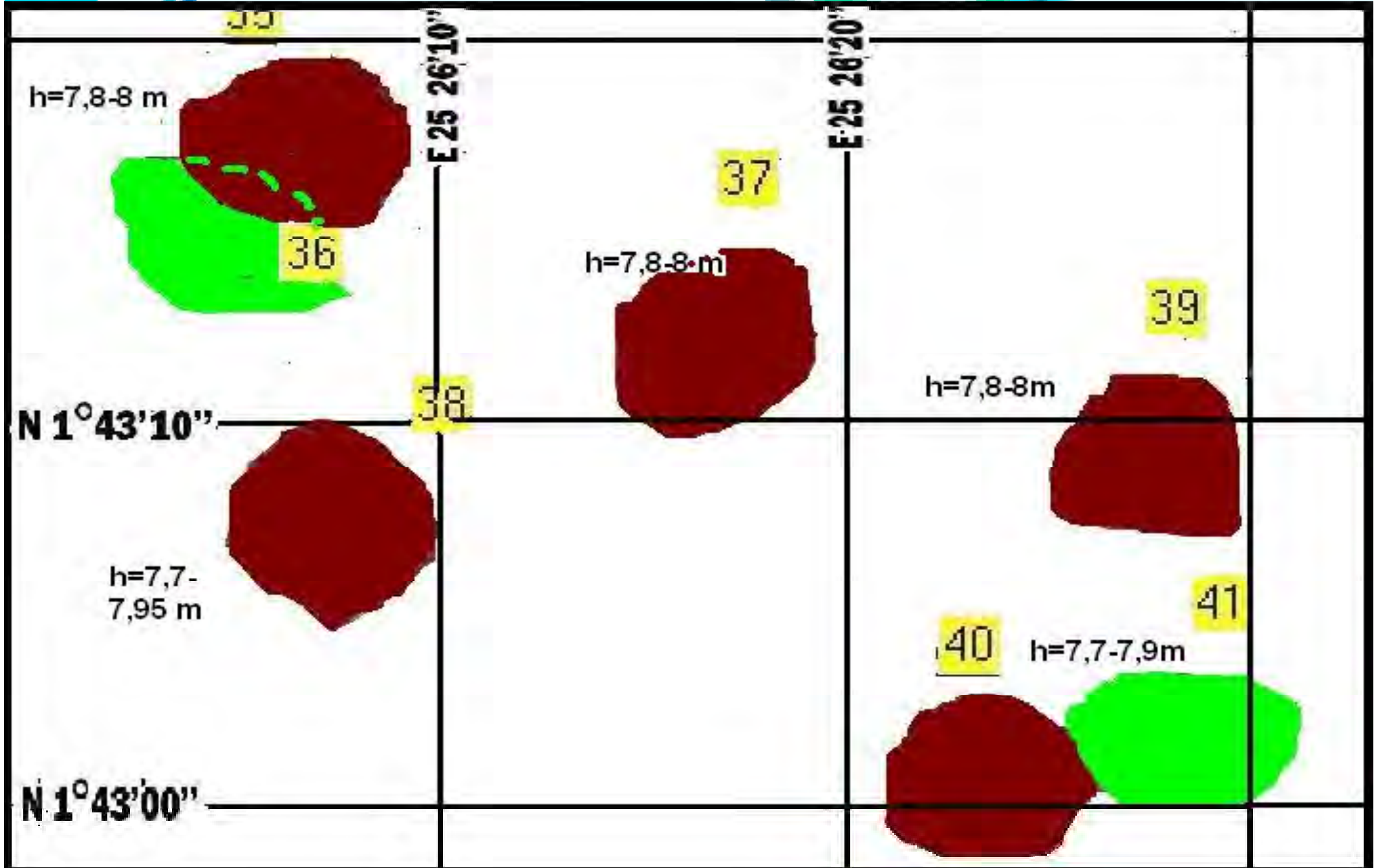
1st Stage



2nd Stage Results. DR Congo



2nd Stage (areas and depths)



Selective mining



Mined diamonds

Aruwimi river area



Floodplain area

