

INDUSTRY

ACID-RESISTANT, THERMAL INSULATION MATERIALS,
SOLID GLASS PRODUCTION INVESTMENT PROJECTS



PRODUCTION OF ACID-RESISTANT MATERIALS USING BASALT

“Karakert stone factory” is equipped with technological melting machinery (open hearth furnaces), which allows to produce basalt acid-resistant materials that are applicable in mining and transport sectors, particularly in the sphere of transportation or storage of chemical aggressive substances, producing basalt acid-

resistant pipes and tiles.

Project's expediency and core directions of the required investments.

Project's implementation expediency is determined by the following factors:

- Armenia is rich with basalt having one of the largest basalt reserves in the world (350 mln cubic meters) which are of high quality.
- Currently there is a big demand of basalt acid-resistant materials worldwide as their exploitation period is ten times longer than period of the same products made of metal.

According to preliminary assessments the necessary investment for project implementation is estimated around 5 mln USD.

Investments will be directed to:

- Repair, modernization and replenishment of the existing equipment for the production of acid-resistant materials.
- Replenishment of working capital.

Application of materials.

Acid-resistant materials produced by basalt melting are applicable in the construction of sewage pipelines, underground tunnel niches and tailing pipelines.

Expected outcomes

Annual production of up to 40 thousand tones of basalt acid-resistant materials.

PRODUCTION OF THERMAL INSULATION MATERIALS USING PERLITE PROCESSING

“Karakert stone factory” is equipped with technological machinery, which gives opportunity to process perlite and obtain thermal insulated foamed glass, which is widely used in construction of thermal insulation buildings and in the field of energy-efficiency.

Expediency of the program and the main directions of required investments



The expediency of programs implementation is based on the following.

- One of the largest world’s reserves of perlite (3 billion cubic meters) is located in Armenia. Perlite in Armenia has high qualitative characteristics.
- Nowadays energy efficient products are in great demand. The whole export potential can be utilized by exporting to CIS and other countries of the region.

According to preliminary assessments the necessary investment for project implementation is estimated around 10-12 million USD.

Investments will be directed to:

- Reconstruction and modernization of equipments, which are used for thermal insulation materials production.
- Replenishment of the working capital.

Current capacities allow producing about 430 thousand cubic meters annually.

For annual production of 100 thousand cubic meters of thermal insulation materials financial indicators will be as follows:

Production volume, thousand cubic meters	Price/ USD	Annual revenue/ mln USD	Profitability %	Income, mln USD	Payback period year
100	600	60	10	6	2

Expected results

- Production of thermal insulation materials which have great demand in construction sector.
- Increase of production and export volumes.

PRODUCTION OF SPECIAL SOLID GLASS USING KANAZIT

“Karakert stone factory” is equipped with technological machinery (open hearth furnances), that allows making special solid glass using kanazit. Solid glass is widely used in aviation, space industry and production of products for special purposes.



Expediency of the project and main directions of the required investments

Project's implementation expediency is determined by the following factors:

- The world largest reserves of perlite deposits (3 billion cubic meters), where perlite is of high quality.
- Nowadays solid glass has a huge global demand. There is certain high potential of exporting solid glass to CIS and other countries in the region.

According to preliminary assessments the necessary investment for project implementation is estimated around 15 million USD.

Investments will be directed to:

- Maintenance of buildings and facilities.
- Organization of perlite processing for the purpose of getting kanazit.
- Purchase of equipment for solid glass production.

Expected outcomes

- Production of solid glass which enjoys great deman worldwide.