

Euroasian Rail Skyway Systems Ltd

Business Plan 2014.
Presented by Victor Baburin



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Executive Summary

The Need for a New Transport Infrastructure

Major international gateway and corridor infrastructures such as ports, airports and key rail routes are crucially important to the exports and imports of all the products and resources of modern day economies.

Current gateway and inland transport infrastructure capacity will not be adequate to meet 2030 demand. Most of the current gateway and corridor infrastructure could not handle a 50% increase, let alone a doubling of passengers in 15 years or a tripling of freight in 20 years.(OECD)

In the future, given expected limitations on public funds increased private sector investment in strategic transport infrastructure will be essential.

Transport infrastructure is expensive to build, and then costly to operate and maintain. It is also usually a time consuming process for environmental and commercial approvals as well the process of construction. However the lack of adequate infrastructure is debilitating for a nation

Our Solution

During the construction phase of customer projects Euroasian Rail Skyway Systems Limited will provide the services of a general designer; general contractor services and service providers responsible for the know-how of the bearing elements.

During the operational phase of the targeted projects, Euroasian Rail Skyway Systems Limited will receive royalties to compensate for the costs of R&D and the warranty insurance fund.

Services of the post-production group are to be provided including preparation and certification of customers staff, monitoring of building structures and ongoing maintenance services.

Euroasian Rail Skyway Limited will also receive income from equity and full participation in the targeted transport projects including projects for the creation of production elements of a track structure and rolling stock, various support systems as well as sales and service projects for transport infrastructure

The Opportunity

Opportunity to increase a transport networks capacity with more efficient track utilisation.

A lower environmental impact due to track elevation avoids heavy earthworks and embankments with greater flexibility to deploy across a range of terrain and areas with hazardous weather conditions

The key criteria and benefits of our string transport system focuses on utilising less construction material, lighter and faster trains creating less damage to track structure with lower maintenance, aerodynamic and energy efficiency with lower emissions.

Our vision targets rapid growth reflecting the urgent need in the market for better and alternative transport solutions and to become an industry leading supplier of haulage solutions. This involves a number of growth phases as the company scales from demonstration to commercial contracts, and opportunities for early investors to see their value within the company grow.

Introducing Euroasian Rail Skyway Systems Ltd

Euroasian Rail Skyway Systems Limited is focused on world market demand for passenger and freight transport systems providing competitive transportation services and solutions.

The company produces a set of services for the design and construction of rail track structures, manufacture of rolling stock and development of necessary infrastructure with the operation of transport systems that are based on the perspective Rail Skyway (String Transport Systems) technology.

Rail Skyway technology provides the infrastructure and know-how for transportation services (including passengers and cargo to a specific user) that are safe, comfortable, clean and affordable.

Our Business Model



The ultimate goal for the implementation of an innovative transport system is the provision of transport services for overhead transportation of passengers and cargo resulting in safe, comfortable and clean services regardless of time of day and year and any climatic conditions.



A certification centre for Rail Skyway technology demonstrating cargo, passenger and rapid solutions will be created.



Rolling stock and other equipment necessary for testing and certification will be designed and built.



Customer demonstration of the Rail Skyway transport system will be designed and performed for our potential customers.

Our Strengths

1

We design and produce working documentation for rolling stock, transport flyover and infrastructure including equipment for terminals and stations, turnouts and automated control systems.

3

All the string transport systems are effective electricity & information cable transmitting systems based on supporting and anchor columns.

2

The String Transport System is designed to carry a full range of cargo over a full range of distances with consistently high efficiency

4

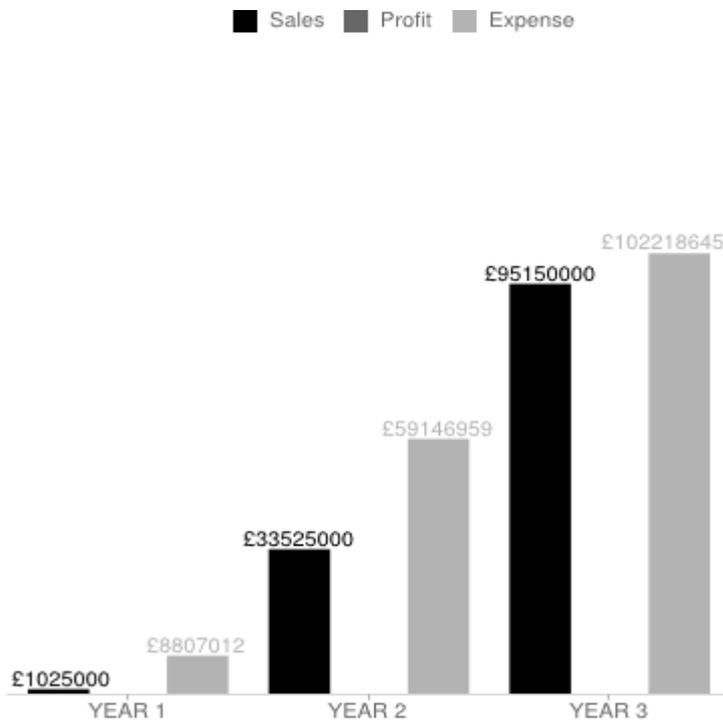
There is a full range of technology providing high speed (<500 kmph) intercity, international cargo and passenger transport systems with capacity of 500k pass. per day; City public transport systems with capacity of 25k pass. per hour & high productive transport systems up to 250M tons per year.

Financial Summary

We are seeking an investment of £186M from an investor for 35% in the shareholding of the business.

The amount

will be used to fund the creation of our R&D Test Centre as well as teams responsible for our income generation.



The Company

Company Ownership

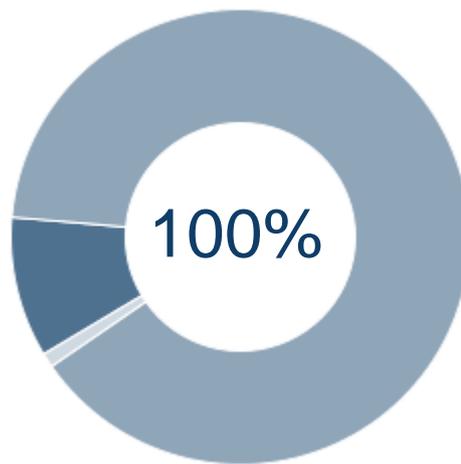
Euroasian Rail Skyway Systems Limited is incorporated in England & Wales with a company registration number of 08745295 and a registered company address of Suite 2, 23-24 Great James Street, London, WC1N 3ES.

The company was registered in October 2013.

Please Note

Dr. Yunitskiy intends to transfer his shareholding into the ownership of Euroasian Rail Skyway Systems Limited.

We also have a number of investors who have a combined minority shareholder of less than 1%.



**Dr. Anatoly
Yunitskiy**

10%

**Global Transport
Investments Inc**

89%

Multiple Investors

1%

Board of Directors & Management

Dr . Anatoly Yunitskiy

Managing Director / CTO

Summary

Anatoly is the author of over 10 scientific books, over 200 scientific papers and the inventor of over 150 inventions.

Key Skills

Railway Engineer; Technology and Scientific-Research specialist on patents and inventions; High-rise buildings Engineer

Highlights

Doctor of Philosophy on Transport since 2002, Academician of RAES - 1999 and a number of other degrees and awards for the development of the transport sector.

Sibiryakov Sergey PhD

CEO

Summary

Strategic management and planning

Key Skills

Graduate of the Institute of Economics (1994) and completed a doctorate in Institute for Systems Analysis (1999), both from the Russian Academy of Science.

Highlights

Since 1994 he has held several executive positions working with Euroasian on various projects since 2000.

Denis Yunitskiy

CEO

Summary

Over the past 20 years Denis has held management positions in a number of companies created for the development of string technology.

Key Skills

Since 1994, Denis is the main assistant to Dr. Yunitskiy, engaged in guidance and providing funding for the development of the string transport system.

Highlights

Denis has a Bachelor Degree in Engineering Economics, a degree in designer of high-rise buildings and studied Belarusian-American courses on business planning.

Victor Baburin

CEO

Summary

Victor has worked on various corporate and commercial legal projects.

Key Skills

Victor is also acting as the Company Secretary ensuring the company remains compliant with the law, governance and shareholder communications.

Highlights

Victor has a Bachelor law degree and economic degree and specializes in advising start-ups and small / medium technology businesses in Russia.

Patents & Technology

The String Transport System Technology has been developed in Russia and includes a suite of over 100 inventions, protected by 43 patents, in passenger and freight transport systems as well as significant technical know-how in materials and technology applications.

The technology has already been awarded two rounds of United Nations HABITAT grant funding and a number of important transport innovation awards, including a technical feasibility expert report from the Institute of Transportation Problems Russian Academy of Science.



Profile - Dr Anatoly Yunitskiy

The String Transport System founder and inventor Dr Anatoly Yunitskiy has been developing the principle of "String Transport" for 30 years. Having produced designs and technology for lighter, faster, cheaper and more environmentally sustainable transport systems the development of the technology is reflected in the numerous patents, designs and awards presented to Dr.Yunitskiy.

His doctoral work has also been highlighted in "The Optimisation of Transportation"

Dr. Yunitskiy graduated as Bachelor of Engineering of Transport Infrastructure, he also holds Bachelor of Law in Patent Law and IP protection. He holds the highest level of membership (Academician) of The Russian Academy of Natural Sciences and is also a member of the USSR Federation of Cosmonautics.

Dr. Yunitskiy has an honorary award the "Knight of Science and Art" by The Russian Academy Of Natural Sciences. He is also a prolific Author of more than 100 publications in scientific and popular scientific journals and of five scientific monographs.

Other famous scientists to hold the title of Academician in The Russian Academy of Natural Sciences include 26 Nobel Laureates such as the former USSR President, Mikael Gorbachev.

Having served a distinguished career in Public Service and Government Institutions, Dr.Yunitskiy commenced work on the String Transport System as the General Director and General Designer.

He has built a highly skilled project team in the fields of civil engineering, mechanical engineering, architecture, structural engineering, finite element analysis and automotive engineering.

Startup Summary

The Directors, present owners and existing shareholders have invested up to 36 years in development of the technology and the systems, including considerable funds, time and effort in research, development, intellectual property, contracts, processes and systems of the business to achieve this stage of the development.

Setup Costs

Working Group 1	4900000
Working Group 2	4200000
Working Group 3	4700000
Working Group 4	2900000
Total :	16,700,000

Product & Services

Preliminary Research (Scoping Study, Preliminary Study)

Scoping and Preliminary Studies Services

Concept

At the stage of development combined with the creation of a full scale project and design bureau in the company taking between one and one and a half years to establish, we will focus on attracting the customers for scoping and preliminary study services.

There are three average prices for the preliminary scoping study for different types of technology development:

- 1) Cargo – GBP 300 000
- 2) City – GBP 500 000
- 3) Rapid – GBP 600 000

USP

The comprehensive research provides details and benefits for the usage of the proposed technology for our customers' specific projects. The average market value of each study is \$1M, which allows us to propose a lower market price.

For example in Australia (2011) we completed a preliminary scoping study report for the technology's application to Queensland's South Galilee Coal project – a joint venture between AMCI Capital and Bandanna Energy for 300 000 AUD.

In Russia (2009) we completed a preliminary scoping study report for the technology's application in Khanty-Mansi Autonomous Okrug (Area Total 534,800 km² (206,500 sq mi) under the contract with government for 600 000 USD.

Direct Competitor

In many cases competition in this area will be evident from other providers in a public tender process where project plans and bids would have to be placed depending on the infrastructure requirements of the transport project to be scoped.

However, with the presentation of the technology and the difference to other transport infrastructure solutions, the transport infrastructure project may be specific in nature and each provider would require to align with the requirements of the public or private customer unless the provider is approached by the customer in the first instance.

General Designer

Project Design and Scope of Work

Concept

At the stage of market entry we have a defined pricing and revenue amount (%), which should attract additional demand due to low prices on project and design works.

Average cost of Skyway Rail transport system (freight, passenger and rapid) including track structure, rolling stock and infrastructure is estimated at \$2-7M per 1km (depending on the system type, traffic volume and type of area, weather conditions, etc.)

That is significantly lower than the cost for the implementation of existing transport solutions.

The accepted practice in the world market of the transport industry is that the cost of the project and design works is 6-10% of the total system cost. It is clear that this is an estimation for volume of works and time costs of highly skilled professionals who will research the project documentation.

This includes the profit of the project companies. On average, it turns out that with the cost of the road (such as monorail) approximately at \$1B, and its length is 20 km, for project & design works the spending is around \$80M, or \$4M/km.

USP

We are ready to announce the revolution in market prices based on our 36 years of experience for the development of the project, project design and survey documentation.

We will research documentation for any project, in terms of 1km, 4-5 times cheaper than traditional market price.

This is due to the unique Skyway Rail technology and standardisation of many aspects in the design. With less staff requirements for maintenance this results in less fixed costs.

Every 1km of track structure built with Skyway Rail Technologies will be at least 5 times cheaper than any other mode of transport.

The customer has the direct benefit from ordering the project and the design documentation.

Euroasian Rail Skyway Systems Ltd increases interest rates for design and project works to 20 % from the entire transport system cost.

Direct Competitor

The project design and scope of work would take a similar path to the project scoping and preliminary studies, scoping and design would follow on from the study stage of the project development and planning process.

General Equipment Contractor

Managing the Ongoing Maintenance

Concept

After the completion of project and design works.

Euroasian Rail Skyway Systems Ltd will act as general equipment contractor, including track structure, rolling stock and infrastructure, which will be produced by subcontracted providers. (i.e. factories, manufacturers etc.).

USP

We utilise the expertise of the factory or manufacturer to implement the project while closely managing the progress of the project and liaising with the customer on all technical aspects.

Direct Competitor

There are many qualified general contractors and engineers in any country capable of managing a project on behalf of a customer although they would not have the technical expertise to do so in this case.

General Contractor

Technological Know How

Concept

Our design and technological know-how will be used during the process of construction and installation including technological equipment.

This will allow us to act as the general contractor in the project.

USP

Since all major building and construction works will be performed on a subcontractor basis, we will be able to generate an additional 4% from the entire transport system cost.

Direct Competitor

Similarly general contractors are available however they would not have the technical know how in this case to manage a project of this nature.

Rail Skyway - String Transport System

The String Transport System is a special automobile on steel wheels that is put on two string-rails installed on supports.

High smoothness and rigidity of a string track structure makes it possible for the string transport system to easily reach the travel speeds of 250—350 km/h that in future could be increased to 450—500 km/h.

It is possible to design routes as multiple-track structures with tracks located either on common or free standing supports.

String-rail is a conventional un-plit (along the whole length) steel, reinforced concrete or steel reinforced concrete beam equipped with a rail head and additionally reinforced with pre-stressed (stretched) strings.

Maximal string tension per one rail (depending on a span length and mass of the rolling stock) is 100—500 tons (at +20 °C temperature). It combines the qualities of a flexible thread (at a large span between the supports) and a rigid beam (at a small span under the wheel of a transportation module and above the support) therefore under the impact of a concentrated load of the wheel the deflection (curvature) radius of a string-rail will be equal to 300—500 m and more.

A string-rail is characterised by the high degree of strength, rigidity, smoothness, technological production and mounting, low material consumption (steel: 20-50 km/m, concrete: 0.005-0.015 cub. m/m) and a wide range of working temperatures (from -70 to +70 °C).

It provides an ideally smooth road for the rolling wheels as it has no technological or temperature joints along its whole length (rail head is welded as a single weaving). The cost of the assembled string-rail is estimated from US\$ 50,000 per 1 km which, for example, is less than that of the assembled rail of a railway.

Sales Process

Step 1

Euroasian approaches the potential client and presents the concept.



Step 2

The potential client makes the go or no go decision



Step 3

On go, Euroasian and the client will sign an indemnified contract to proceed with the agreed scope of work that is required.



Step 4

The agreed scope of work commences after the client has paid the first instalment based on the agreed schedule of project payments



Step 5

Euroasian completes the project successfully and invoices the client for the remaining amount that is to paid.



Step 6

The project is signed off as completed, full payment is received and Euroasian move onto work with the next client.

Competitors

Rail & Road Transport

Various

Strengths

1

Rail & Road transport is a major form of passenger and freight transport worldwide

2

Railways and highways channel growth toward dense city agglomerations and along their arteries

Weaknesses

1

Infrastructure investment in rail and road networks is capital intensive

2

Pollution and congestion are major drawbacks of road transport in busy urban areas

Pipeline

Various

Strengths

1

A pipeline provides a direct source for cost-effective, secure, clean and reliable energy across long distances and difficult climatic and topographic terrain.

2

Pipelines offer a number of advantages, some of which are decisive, in relation to other transportation methods including large volume transportation, secure supply and cost efficiency

Weaknesses

1

The initial costs of laying a pipeline infrastructure is also capital intensive

2

Permanent locations limit the transportation to different locations, the transport is slower with fixed pipelines also targeted for sabotage

Aircraft

Various

Strengths

1

It is the fastest and the safest mode of travel for travellers or dispatching cargo over longer distances, cross border and overseas

2

Nowadays, there are many airlines that have a large network with a worldwide reach. Airlines also accept each other's air waybills and that means the shipper can send his shipment to nearly every destination using the same air waybill.

Weaknesses

1

The charge associated with air freight and passenger air travel is often the most expensive form of transportation

2

For cargo, shipments are normally in larger quantities with smaller shipments seen as more cost effective via other forms of transportation over land or by sea.

Target Market

Federal, State, Provincial, and Municipal Governments

Market Share

High%

An innovative technology is now able to compete effectively only in those segments where traditional transport systems essentially lose.

Focused on mining companies, port authorities, municipalities, cities, regional administrations, governments. The target market also includes the administration of megacities and public transport operators interested in increasing the capacity of urban public transport routes due to the rise of traffic flow on the "second" (trestle) level that can be effective only in the case of 2nd level transportation system.

In addition almost any project can be realised via partnership and co-operation due resulting in projected high profit margins and the customer will become the management company created for the realisation of a particular project.

Main Facts

1

Federal, State, Provincial and Municipal Governments are the main decision makers in developing the transport infrastructure including urban road, urban/inter-city rail and highway networks

2

Public ownership of rail networks has been partly replaced by the international trend which has been towards privatization, however in many countries resultant problems have led to a more mixed solution, particularly in the UK.

Some national railways were always under direct state management, some were state-planned but privately operated (e.g France) with others wholly private enterprises and lightly regulated (e.g. Great Britain, Ireland and Spain).

Mining, Oil & Gas and Private Industry

Market Share

High%

The industry needs a strong logistics process to cope with increasing volumes and the difficulty in exploration and extraction of new commodities.

Main Facts

1

As a mature industry, mining companies must achieve enhanced profitability, in large part, through best in class performance and disciplined cost control as market demand for their products strongly fluctuates. At any point and time, commodity prices may be high or low, but management teams know that commodity price levels are cyclical. In the face of fluctuating demand and cyclical pricing, operating an efficient and streamlined business, as well as squeezing costs, is critical.

2

Operators have a rising number of supply chain challenges to overcome. The increasingly globalised economy has made maintaining an optimised supply chain network more intricate and complex. Private organisations need to continue delivering effective order fulfillment practices without increasing cost. The greater variety of manufacturing and distribution options shows that organisations should repeatedly examine their processes for potential cutbacks and improvements.

Port and Harbour Authorities

Market Share

Medium%

Most harbour authorities are governed by their own local legislation, which is specific to each authority and tailored to meet the needs of each port/harbour. Under these local acts and regulations, the port and harbour authority is responsible for administering the ports and coastal waters within its jurisdiction, for the main purposes of ensuring the navigation and safety of vessels using them.

Main Facts

1

In the era of a globalised economy a port is no longer a mere interface between maritime and land transportation but has become a strategic centre of global and seamless logistics systems.

It is important for major ports around the world to tackle the emerging trend of transformation in any respective port management strategies.

2

Port authorities instill services & controls that safeguard the compliance to international and national legislation, these are mainly inspections that aim to maintain high standards and fulfillment of various IMO Conventions.

The Market

Statistics

Worldwide, the most widely used modes for passenger transport are the Automobile (16,000 billion passenger km), followed by Buses (7,000), Air (2,800), Railways (1,900), and Urban Rail (250)

Source:

European Commission

The most widely used modes for freight transport are Sea (40,000 billion ton km), followed by Road (7,000), Railways (6,500), Oil pipelines (2,000) and Inland Navigation (1,500).

Source:

European Commission

Many ports and harbours located in or near European marine sites already conduct their every day activities and operations according to environmental codes of conduct or good practice guidelines. Some ports have developed their own guidelines, others follow existing guidelines, such as those produced by the European Sea Ports Organisation (ESPO) and British Marine Industries Federation (BMIF), or abide by environmental guidelines provided by local estuary management plans.

Source:

UK Marine SACS Project

Market SWOT

Strengths

1

Travel is an important facet of most people's lives, and the permanent nature of transportation infrastructure directly shapes urban form. This form, in turn, impacts land use, land values, and wages. Travel is a byproduct of the need to work, shop, run errands—essentially, produce and consume. The need for travel is a derived demand, as opposed to a direct demand (which consumers get direct satisfaction from), such as the need for food, clothes, and other consumer goods.

2

Given the longevity of transport infrastructure, system changes often have long-term effects on economic activity. Subsequent changes to residential and employment location patterns will, in turn, influence future transportation demand

Weaknesses

1

Most non-conventional technologies are perceived as new, experimental and untried. Not enough people are aware of the many different types of transport systems in operation today along with their proven track record.

2

There are many variables which influence the price of building a transport system and most forms of rail transit.

Opportunity

1

An efficient, economic transport system is a key element in the viability of the mining and port industries. As more remote deposits are discovered and worked, as production volumes increase, and as the manufacturing/production chain speeds up, it is crucial that the transport infrastructure is simultaneously developed and expanded.

2

While recent years have seen significant investments into mining projects and pit-to-port infrastructure in developing countries especially in Africa, there remains a glaring deficiency in bulk ore transport systems.

Threats

1

The conventional road and rail industry has established a stronghold on the market and alternative new transport technology and systems are often eliminated in the early stages of planning for more conventional options.

2

Pressure on transportation systems worldwide is mounting due to an ageing infrastructure, population growth, increased freight volumes, and funding limitations. Today's challenge is to maintain the integrity and increase the capacity of existing facilities to meet this demand – economically, safely, and within the tight schedules required.

Urban/ Rapid Intercity Transport

Urban transportation and intercity systems in and between most developed and developing cities are far from ideal.

The most visible and frequently mentioned transport problem of a city is its traffic congestion and it is well known that high levels of congestion create a significant impact on local and national GDP.

An accessible and affordable public transport service and safe infrastructure for non-motorized transport such as cycling and walking are lacking in most developing country cities. The number of private vehicles has been increasing continuously and dominates the roads and as a result, the transportation sector is heavily responsible for public health issues in cities such as air pollution (acidification, smog), noise, greenhouse gas emissions, and road accidents.

Typically, rapid intercity transportation is provided by trains with an express train passenger service and covers longer distances than commuter trains, at speeds of 160 km/h (100 mph) and more.

Some characteristics of intercity train service include fewer stations along the alignment when compared to urban systems, longer dwells in stations, baggage racks, and generally, fewer doors on the trains.

Changes to Market

The first mega-cities emerged 30 years ago. Now the planet has five times as many urban conglomerations with more than 10 million inhabitants. And still the figures rise. By 2015 there will be 22 mega-cities. With one in two of the world's population living in cities, the need for non-stop urban and inter-city transport has never been greater.

Urban road and intercity rail networks are the arteries that keep the heart of our modern society beating, and they are becoming more clogged every day.

Big Players

Promotion of sustainable transport has become a major issue in cities around the world. Several partnerships have been established to create synergy and leverage resources among different institutions and organizations. For example, the Partnership for Clean Fuels and Vehicles (PCFV), with well over 100 partners has been successfully working on phasing out lead from fuels, establishing standards for low-sulphur fuels and promoting clean vehicle technology.

The United Nations Environment Programme (UNEP) acts as the Clearing House for the PCFV and also works in the area of fuel economy (Global Fuel Economy Initiative), public transport and investment in non-motorised transport (Share the Road Initiative) (www.unep.org/transport).

The Partnership on Sustainable Low Carbon Transport (SLoCaT), www.sutp.org is another example. With over 30 members, it aims to provide options and advice for the establishment of sustainable transport systems.

Trends

In 2011 the European Commission adopted a comprehensive strategy (Transport 2050) for a competitive transport system that will increase mobility, remove major barriers in key areas and fuel growth and employment. At the same time, the proposals are aimed at dramatically reducing Europe's dependence on imported oil and cut carbon emissions in transport by 60% by 2050.

To achieve this will require a transformation in Europe's current transport system. By 2050, key goals will include:

No more conventionally-fuelled cars in cities, 40% use of sustainable low carbon fuels in aviation; at least 40% cut in shipping emissions, a 50% shift of medium distance intercity passenger and freight journeys from road to rail and waterborne transport.

All of which will contribute to a 60% cut in transport emissions by the middle of the century. (Source: European Commission)

2nd Level Transportation

Mono Rails/ elevated highway and railway roads and trains on a magnet suspension constitute the majority of the 2nd Level Transportation systems available in the market today.

Changes to Market

Monorail systems are in advanced planning or construction in several areas of the world. Elevated rail lines are far smaller in footprint than elevated highways, and although highways may have been quieter than rail lines a century ago, the technology has surely shifted in rail's favor with regards to noise. And even if the technologies were equally obtrusive on a per-mile basis there is much fewer less elevated rail miles to transport the same amount of people as with an elevated highway perhaps even almost an order of magnitude less.

Cheaper elevated construction opens the door for more rapid transit expansion, but only if the real negatives of elevated structures can be overcome.

In addition, a few countries are using powerful electromagnets to develop high-speed trains, called maglev trains. Maglev is short for magnetic levitation, which means that these trains will float over a guideway using the basic principles of magnets to replace the old steel wheel and track trains.

Big Players

According to the Monorail Society, monorails are proven. Each and every day hundreds of thousands of passengers are carried on monorails. Many of the world's transit monorails exist in Japan, eight of which are full-scale urban transit systems. Others exist in Australia, Malaysia, Europe, Russia and in the United States. Several more are either under construction or in advanced planning. Surprisingly, Walt Disney World's Monorail System near Orlando, Florida, has one of the highest riderships of all monorails. Well over 100,000 passenger trips are recorded each day on the 14 miles of beamways (a far higher ridership than most USA light rail systems).

Electromagnetic Suspension (EMS) is the magnetic field created by the electrified coils in the guideway walls and the track combining to propel the transport, magnetic levitation, maglev, or magnetic suspension is a method by which an object is suspended with no support other than magnetic fields. Magnetic pressure is used to counteract the effects of the gravitational and any other accelerations.

Trends

Railroads of the future will more likely use a friction-free design, employing the attractive or repulsive force of a magnet to suspend the train either above or below its track. In such systems, the friction and noise associated with conventional, steel-wheel-on-steel-rail systems are eliminated, and much higher operating speeds and lower track-maintenance costs can thus be achieved.

However, the most useful elevated rapid transit grade-separated mainline rail, or else over urban streets is seen in the first instance as impractical due to community opposition.

Cargo Transport

A combination of factors led to the near-destruction of the magnificent freight and passenger railroad system, whose extension and development had been synonymous with the growth of the United States in particular from colonial status to the world's greatest economic power. These destructive influences included: the looting of the railroads by Morgan, Rockefeller, Harriman, and other financial interests, whereby investment in maintenance and replacement of rail and rolling stock was drastically cut, in order to produce an apparent higher rate of return on invested capital; the postwar collusion of General Motors with the oil monopolies to replace urban electric-trolley and light-rail systems with gasoline and diesel-powered buses; the construction of the Interstate Highway System, which, while not evil in itself, served as a taxpayer subsidy to cheapen the apparent cost of trucking over rail; the bureaucratic slowness of the railroads to adopt modern systems of tracking, warehousing, and freight handling.

Changes to Market

This system of globalisation exerts intense pressure for the creation of a more liberalised global transport system. The process of privatisation and commercialisation has already had a major impact on transport in many regions of the world, and it continues to affect transport services virtually everywhere. Even where transport employers have not yet been fully privatised, their transformation into structures which can easily be opened to private capital, is the first step in a continuing process of liberalisation. Even in those countries where governments are reluctant to go down this path, there is increasing pressure on them from international institutions to do so.

Big Players

An export supply chain - beginning with the extraction of ore from a pit and ending with the loading of this ore on to vessels at a port - is a key component of many mining ventures. These supply chains are comprised of a series of complex operations, such as mining, ore processing, transportation, stockyard management and vessel loading. Two differentiating features of mining supply chains are the length of time over which they operate and the many degrees of uncertainty that affect each link in the chain.

Trends

The scarcity of traditional transportation funding is contributing to a growing gap between the funds required for improvements and the funds available to do so.

Although this is the case, the global transport industry, both freight and passenger is going through a period of rapid change and restructuring, resulting in a process of growing concentration in different sectors, the blurring of borders between different modes of transport and with other industries.

The rapid growth in logistics and just-in-time production and distribution has given well organised transport organisations a potentially strategic position in the world economy.

The Shanghai Declaration of Better Cites, Better Life

“Cities should respect nature, consider the urban ecological environment as an asset, integrate environmental issues into urban planning and administration, and accelerate the transition to sustainable development. They should promote the use of renewable energy sources and build low-carbon eco-cities.

They should strongly advocate for conservation of resources and promote environment-friendly manufacturing. Cities and their citizens should join together to create sustainable lifestyles and an ecological civilization in which people and environment co-exist in harmony.” United Nations



From Competitor to Partner

Almost all specialised businesses and organisations with the development of a new generation of transport will be able to expand production volume by expanding the range of products, with increasing focus on RSW technology, moving from the category "competitor" to the category partner. This is explained by the simple reason that RSW technology composed of elements, components, assemblies and equipment already produced at present in any industrialised country in the world, and its launch in

industrial production does not require the creation of fundamentally new materials, technologies and equipment.

Competitors are not specific companies (e.g. Siemens , Alstom , DoppelMayer), but transport industries and modes of transport as a whole this includes rail, road, pipeline and aircraft
There are many existing specialised companies and organisations in each segment. That could also cross over into becoming a partner.



Transportation Systems of The Future

Source: <http://www.gizmag.com/future-transport/22959/>
The Evacuated Tube Transport (ETT) system envisions superconducting maglev trains operating in evacuated tubes at speeds of up to 6,500 km/h (4,039 mph) on international trips - that's New York to Beijing in two hours! The proponents of this system say that ET3 could be 50 times more efficient than electric cars or trains.

Terraspan goes even further than ultra-efficient mass transport with its vision for a network of superconducting tunnels. As well as providing infrastructure for "Terraspan trains," this network would also facilitate zero loss transmission of electricity to our homes.

While taking the above ground rail concept further (and then turning it on its head) is Robert C. Pulliam's Tubular Rails.

In this system the trains themselves carry the tracks, while the wheels and motors are contained in elevated rings that the train passes through at speeds of up to 240 km/h (150 mph). Because the design would cause minimal disruption to existing infrastructure and the technology is readily available, Tubular Rail estimates that construction costs could be 60 percent less than conventional urban train networks.

In addition to this and while making use of existing infrastructure. The "straddling bus" is designed to roll on stilts above traffic using small tracks positioned between lanes of traffic while passengers get on and off at elevated bus stops. The result: additional people carrying capacity for urban roads, no disruption to traffic and no need to build completely independent track systems.

Extreme Climatic and Topographic Conditions

Geographical location can enhance or diminish the harmful impacts of forceful weather phenomena. For example, dense forests and vegetated areas bind rainwater effectively and even out floods. Uncovered land is prone to erosion and increases flood impacts. Also steep topography fortifies flooding rivers and is one reason for avalanches.

Snow, low temperatures, wind and their combinations seem to be the most harmful weather phenomena for railway infrastructures. Snow can block tracks and yards, accumulate on cuttings and damage cables. As a result snow and freezing can forge loss of electricity. Low temperatures also cause load on safety devices, which may become overheated as well as freeze and thaw cycles placing pressure and excess strain on equipment and machinery.

The reliability of the supply chain is the most important quality required from logistics service providers. A high degree of uncertainty means that operators and shippers may adopt costly hedging strategies such as high inventory or reserve levels needed for emergency/crisis management.

Supply chains, especially those that span large geographical distances or difficult terrain, cut across multiple country territories and/or involve multimodal transport are exposed to both external and internal risks.

The magnitude of external risk is typically exacerbated by the dependence of logistics services on public and private infrastructure such as roads, airports and harbours and rail networks.

Implementation Summary

The implementation scheduling is focused on the development of the R&D Testing Centre as well as the technical, project and design bureaus that will be created over the next twelve to eighteen months.

First Year Projection



Research and Development

PRIMARY GOAL:

Research & Development Centre

MILESTONES

1

Creating the Testing Centre

2

Establish Working Groups to Create
the Blueprints

Capital Raising & Use of Funds

PRIMARY GOAL:

Establish the Testing Centre and Creating Working Groups

MILESTONES

1

Design Bureau Rolling stock for bulk cargo, passenger and rapid

4

Marketing. Preparation of the customer base and orders. Regulatory framework. Legal support

2

Design Bureau Transport flyover

3

Design Bureau Terminals & Infrastructure

Strategic Growth Plans

PRIMARY GOAL:

Invest in Infrastructure and Gain More Customers

MILESTONES

- 1 First scoping project commences in June 2014
- 2 First Infrastructure Project Design commencing in April 2015

Financial Targets

PRIMARY GOAL:

To Reach the Targets. disclosed in the Business Plan

MILESTONES

- 1 Target Sales \$95M by the end of Year Three
- 2 Target Investment amount £186M -
Full Scale Certification Testing Centre
- Full Scale Prototype
- 3 Target CashFlow \$20M by the end of
Year Three

Creating the R&D Test Centre

Costs on construction of “Demonstration and certification prototype “Skyway Rail – bulk cargo, passenger, rapid” (Prototype) in the first stage may be minimised. In order to complete this we will focus on the design and construction project for the development of basic equipment and on marketing for the formation of long-term contracts and attraction of investments

The R&D Centre will be created by Euroasian Rail Skyway Systems Ltd, a company that is the owner of exclusive IP Rights and know-how to Skyway Rail technology.

The main purpose of the R&D Centre is to bring innovative technology to blueprints, which will then start the construction of the rolling stock and track structure. By this, we will transfer the technology from the category of "innovation" into the category of "investment project" and attract the necessary investments for the implementation of numerous targeted projects. The first of these targeted projects will become a Prototype and the customer of this project will be Euroasian Rail Skyway Systems Ltd itself.

Creating the R&D Test Centre Continued

During the preparation of the blueprints our project will be implemented in the R&D Centre as follows:

Development of the most efficient and high-tech products in the field of bulk cargo, passenger, rapid transport services;
Additional research in the development of innovative designs for rolling stock with an external drive, parts and assemblies in trestle track structure and terminals;
Additional engineering calculations of design - in statics and dynamics during the movement of the rolling stock by the track structure, taking into account the impact of wind, temperature and other external influences and pressures on prestressed and statically indeterminate transport flyovers in order to avoid resonant operating conditions;
Optimal design using modern software tools and methodologies.

Control over the project and organisations of the activities in the R&D Centre will be executed by chief designer and author of the technology, Anatoly Yuntskiy, who is also a co-founder of Euroasian Rail Skyway Systems Ltd.

During the phase of estimation and basic design, documentation development working groups will be formed to create blueprints, as well as to interact with businesses to implement prior order and to ensure the legal protection and promotion of the technology on the world market.

Working Group 1

Design Bureau "Rolling stock for bulk cargo, passenger and rapid"

Within 12 months from the beginning of the funding, working documents for rolling stock will be prepared. Total funding requirements - £4,9M

Our rolling stock (RS) will be designed according to international standards (standards UN, U.S., EU and Russia). After certification, RS can be used in targeted projects anywhere in the world. It will be the most economical and thus the most environmentally friendly commercial vehicle of all currently known wheeled vehicles.

In terms of safety RS will have no equal among all other types of vehicles. The "second level" of accommodation availability, anti-derailment system, bearing on the high-strength steel construction with a tenfold safety margin, uncritical to adverse climatic events (snow, fog, rain, icing, flood, earthquake, etc.), high vandal-proof and anti-terrorist stability, absence of unreliable human factor in management – all this will make RS unprecedented safe.

RS with such unique characteristics, which, moreover, is 1.5 to 2 times cheaper than traditional rolling stocks, will be in demand in the transportation industries anywhere in the world.

The work of the Design Bureau for "Rolling stock" (Working Group 1) will be coordinated with the work of design bureaus for "Transport flyover" (Working Group 2) and for "Terminals & Infrastructure." (Working Group 3)

Working Group 2

Design Bureau "Transport flyover"

Within 12 months from the commencement of funding the working documentation on transport flyovers will be prepared (string-rail, prestressed, non-cut and statically indeterminate track structure, intermediate and anchors with foundations).

Total funding requirements - £4,2M

The flyovers will be designed to pass on all types of ground, including permafrost and weak. Optimal spans – have a length of about 50 meters, with the possibility of increasing, if necessary, up to 1,000 m. The flyovers will be applicable to targeted projects in any climatic and topographical conditions with the following characteristics:

annual temperature difference - up to 120 ° C,
hurricane wind - up to 250 km / h,
snow drifts – height up to 5 m,
flooding and high water - up to 10 m depth,
earthquake - with a magnitude up to 9 on the Richter scale, etc.

The Flyovers will be stable in heavy rains, heavy snowfalls, sandstorms, tsunamis, glaciation, manifestations of terrorism and vandalism. An example of such a transport flyover prototype was built by Anatoly Yunitskiy and his team in the town of Ozery in Moscow region, Russia, in 2001.

The Transport flyovers will be designed according to bridge standards (for Russia - Construction Norms and Rules "Bridges and pipes", similar regulations - for other countries), that are the same standards for all present bridges, overpasses, viaducts, flyovers, including railways.

According to Russian and international law certification of transport flyovers is not required. It will be necessary to utilise a number of other requirements.

Working Group 2 Continued

- 1) Implementation of expertise for working documents by the competent national organisations;
- 2) Construction of a flyover must be completed strictly by working documents and only from certified building materials;
- 3) Before commissioning, the transport flyover must be tested with designed loads.

The Flyover will be designed to align with linking multi-lines (wire, fiber optic, cellular), power lines, as well as solar and wind power stations, both for their own needs, and to provide services to third-party users.

The transport flyover will be resource-efficient, having lower price than conventional rail, road or other transport flyover used for transporting goods at similar volumes of transportation in similar climatic conditions. Accordingly, the cost of the flyover will be reduced because land acquisition will be reduced (for the construction of the two-lane road not more than 200 sq.m. / km is needed (traditional roads and railways with their mound withdraw at least 20,000 m²/km soil , that is 100 times more).

It is necessary to underline the benefits, primarily environmental, of flyovers, as the supporting part of a track structure, before the traditional earthen embankment (recess), and – before the crushed stone and sand cushion and rail-sleeper bars.

Working Group 2 Continued

During the construction of a transport flyover the amount of excavation will be reduced about 100 times in comparison with similar freight roads with the mound. Therefore, the landscape and ecosystem in a construction zone will not be damaged and will not need a land reclamation. This is especially important when laying tracks on soft ground and permafrost, which are not able to withstand the additional load from the mound, not only weight, but also heat.

Transport flyovers with such unique characteristics, which will be less expensive than traditional transport racks and will be in demand in the transport industry.

The work of the design bureau "Transport Flyover"(Working Group 2) will be coordinated with the work of design bureaus "Rolling Stock" (Working Group 1) and "Terminals & Infrastructure"(Working Group 3).

Working Group 3

Design Bureau "Terminals & Infrastructure"

Within 12 months of the commencement of funding working documents for Terminals & Infrastructure will be prepared.

Total funding requirements £4,7M

Passenger stations and automated terminals for loading and unloading of bulk cargo for the mining and coal industry, as well as sea ports specialising in bulk cargo.

Such infrastructure in comparable conditions are 2-3 times less expensive than traditional infrastructure.

The work of the design bureau "Terminals & Infrastructure" (Working Group 3) will be coordinated with the work of design bureaus "Rolling Stock" (Working Group 1) and "Transport Flyover"(Working Group 2)



Working Group 4

Marketing. Preparation of the Customer base and Orders.
Regulatory Framework and Legal Support

Total funding requirements £2,9M - ready within 15 months of the commencement of funding

1) Market research of world markets for transport services in urban transportation, including megacities and conurbations, mining global markets, rapid transportation;

2) Determination of customer base:

At least 100 potential customers with projects of an urban and suburban route.

At least 100 potential customers with projects for cargo routes (transportation of iron ore, copper, bauxite, coal etc.).

At least 50 potential customers for rapid route projects ("city - airport", "city - city", "capital city - regional", "capital - capital");

3) Entering into preliminary agreements (contracts) of intent with potential customers (at least 10) on implementation of urban and suburban routes with a total cost of at least £2B.

Entering into a preliminary agreement (contracts) of intent with potential customers (at least 10) on implementation of cargo routes for transportation of bulk cargo with a total cost of at least £1B.

Entering into a preliminary agreement (contracts) of intent with potential customers (at least 10) on implementation of rapid routes for transportation of passengers and goods with a total value of not less than £5B;

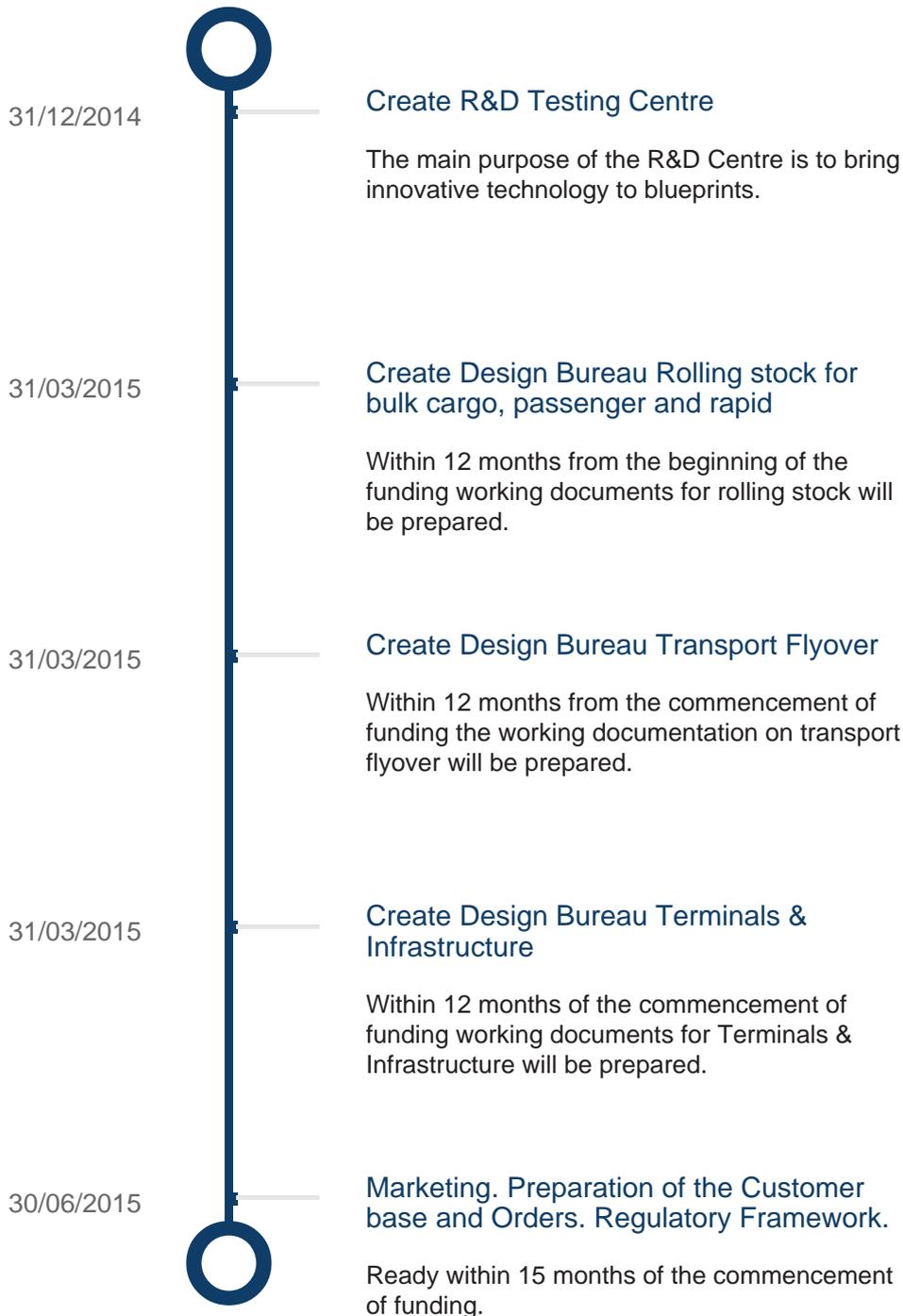
Working Group 4 Continued

4) Establishing legal framework for urban and suburban transportation bulk cargo transportation, rapid transportation;

5) A number of structural and technological know-how (at least three for each mode) will be transferred to the category of inventions and they will be filed for international patent application.

The working group "Marketing. Preparation of the customer base and orders. Regulatory Framework. Legal Support" (Working Group 4) will be aligned with the work of the other design bureaus.

Timeline



Opportunity to Investors

Investment highlights

We are seeking an investment of £186M for a shareholding of 49%.

Exit Plan

Our exit plan is focused on two methods, IPO and a trade sale to a large institution or corporations looking to expand into the international market

Finance Required

186,000,000

Equity Offered

35%