



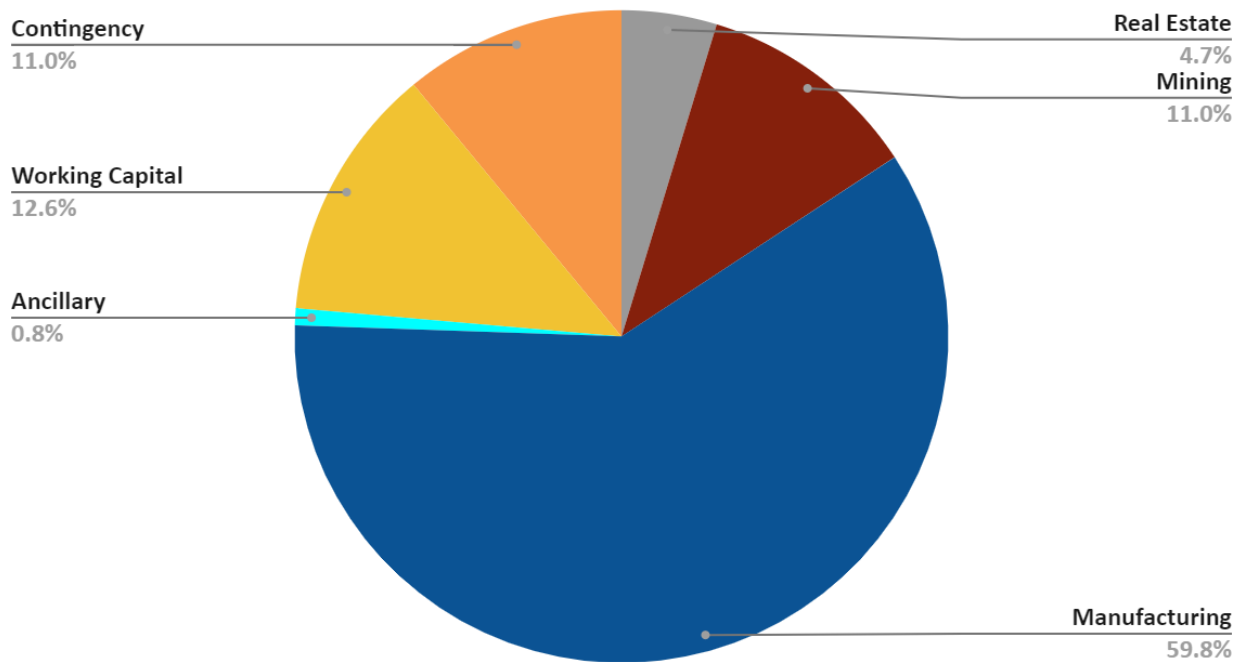
Black Diamond Enterprises, Inc., McDowell and Mercer Counties, WV, USA

Graphene and Metals Extraction Project

USE OF FUNDS

Capital Expenditures for the project total \$150,036,000. Working capital for the first 12 months of manufacturing operations totals an additional \$19,000,000. The major uses of funds are as follows:

CAPITAL EXPENDITURES ALLOCATION



The totals for each category are:

Manufacturing	60%	\$89,735,360
Ancillary	1%	\$1,252,680
Working Capital	12.6%	\$18,976,625
Contingency	11.0%	\$16,457,391
	Total	\$150,035,736

**ITEMISED USE OF FUNDS**

The costs within each category are broken down as follows:

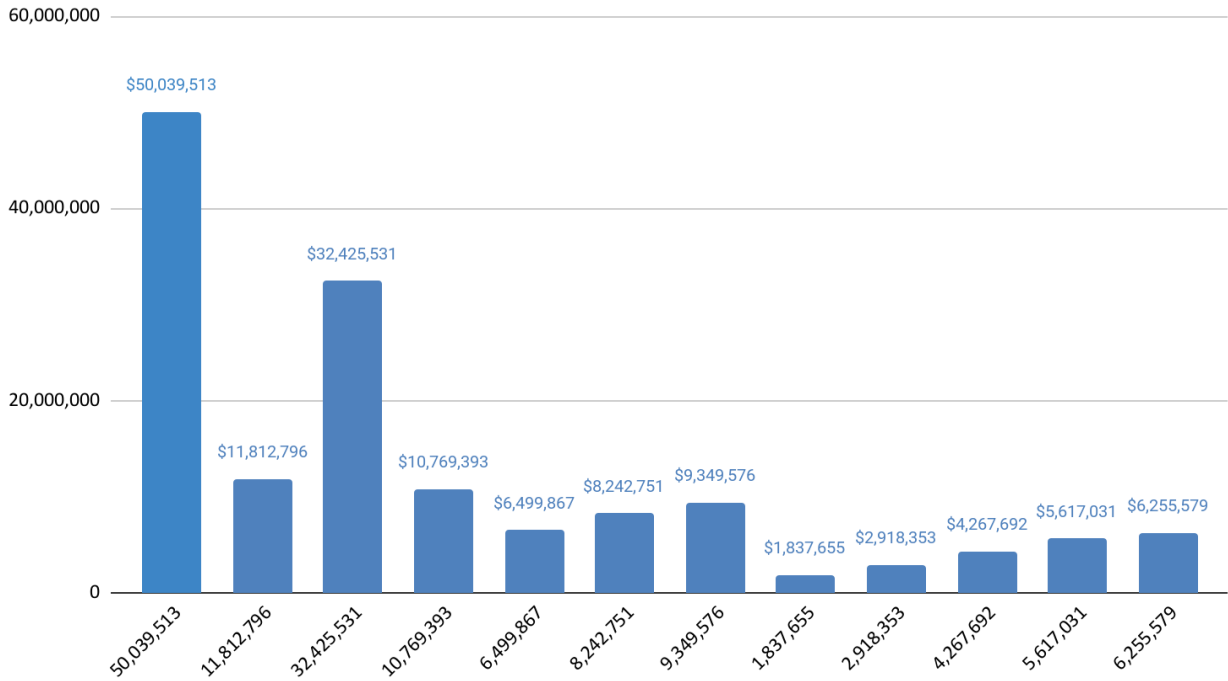
COSTS BY ITEM	Total (\$)
Purchase Building, McDowell Co. WV	1,260,000
Purchase Building, Bluefield, WV	1,620,000
Purchase Building, Corp. Office, WV	4,180,000
Engineering/Permitting	1,887,600
Mining Reclamation Bond, Algoma	2,059,200
Road Improvements/Drainage Structures, Algoma	286,000
Mining Equipment	4,198,480
Maintenance Shop/Office, Algoma	1,258,400
Comminution Equipment	6,864,000
Metal Extraction Tanks/Equipment	24,710,400
Graphene Processing Units	20,592,000
Packaging, Production, Lab Equipment	12,355,200
Equipment Installation/Construction	30,316,000
Facility Mobile Equipment	1,761,760
Legal	114,400
Insurance	160,160
Licence Fee	858,000
Security	120,120
Operating Expenses (5 months)	18,976,625
Subtotal	133,578,345
Contingency for Inflation, Supply Chain	16,457,391
Total (\$)	\$150,035,736



CAP-EX DRAW SCHEDULE

The majority of funds are used in months 1 through 7, when the real estate and the majority of the manufacturing and mining equipment are procured. All construction and installation is finished in month 7 and limited production begins in month 8. Full production capacity is reached in month 12:

DRAW SCHEDULE



The detailed cap-ex table is included on the following page.



CAPITAL EXPENDITURES	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	
Purchase Building, Welch	1,260,000	0	0	0	0	0	0	0	0	0	0	0	1,260,000	0.8%
Purchase Building, Bluefield	1,620,000	0	0	0	0	0	0	0	0	0	0	0	1,620,000	1.1%
Purchase Corporate Office, Bluefield	4,180,000	0	0	0	0	0	0	0	0	0	0	0	4,180,000	2.8%
Engineering\Permitting	660,660	377,520	377,520	94,380	94,380	94,380	188,760	0	0	0	0	0	1,887,600	1.3%
Mining Reclamation Bond, Algoma	0	0	0	0	0	2,059,200	0	0	0	0	0	0	2,059,200	1.4%
Road Improvements\Drainage Structures	0	0	0	0	0	143,000	143,000	0	0	0	0	0	286,000	0.2%
Mining Equipment	0	2,099,240	0	0	0	0	2,099,240	0	0	0	0	0	4,198,480	2.8%
Maintenance Shop\Office, Algoma	0	209,733	209,733	209,733	209,733	209,733	209,733	0	0	0	0	0	1,258,400	0.8%
Comminution Equipment	3,432,000	0	3,432,000	0	0	0	0	0	0	0	0	0	6,864,000	4.6%
Metal Extraction Tanks\Equipment	12,355,200	0	8,648,640	3,706,560	0	0	0	0	0	0	0	0	24,710,400	16.5%
Graphene Processing Unit	10,296,000	0	10,296,000	0	0	0	0	0	0	0	0	0	20,592,000	13.7%
Packaging, Production, Lab Equipment	4,942,080	2,471,040	1,235,520	1,235,520	1,235,520	617,760	617,760	0	0	0	0	0	12,355,200	8.2%
Equipment Installation\Construction	4,332,156	4,332,156	4,332,156	4,332,156	4,332,156	4,332,156	4,323,062	0	0	0	0	0	30,316,000	20.2%
Facility Mobile Equipment	0	880,880	0	0	0	0	880,880	0	0	0	0	0	1,761,760	1.2%
Legal	114,400	0	0	0	0	0	0	0	0	0	0	0	114,400	0.1%
Insurance	20,020	20,020	20,020	20,020	20,020	20,020	20,020	20,020	0	0	0	0	160,160	0.1%
Licence Fee	858,000	0	0	0	0	0	0	0	0	0	0	0	858,000	0.6%
Security (Construction)	17,160	17,160	17,160	17,160	17,160	17,160	17,160	0	0	0	0	0	120,120	0.1%
Working Capital	0	0	0	0	0	0	0	1,650,576	2,653,048	3,879,720	5,106,392	5,686,890	18,976,625	12.6%
Contingency - for Inflation and Supply Chain	5,951,836	1,405,046	3,856,781	1,153,864	590,897	749,341	849,961	167,060	265,305	387,972	510,639	568,689	16,457,391	11.0%
Total Capital Expenditures	50,039,513	11,812,796	32,425,531	10,769,393	6,499,867	8,242,751	9,349,576	1,837,655	2,918,353	4,267,692	5,617,031	6,255,579	150,035,736	100.0%
	33%	8%	22%	7%	4%	5%	6%	1%	2%	3%	4%	4%	100%	