



VILLA TRITONIA

PROJECT FAQs DOCUMENT

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1. What is the definition of a project?

For our purposes, 'project' refers to any business activity or opportunity, corporate arrangement or undertaking, development proposal, business venture, concept or plan. A project can include:

- A request to access international venture capital or project funding.
- A request to access merger and acquisition funding and professional expertise.
- A request to access import and export finance and/or payment guarantees.
- A request to access institutional funding or investments.
- A request to access exposure to high-profile and lucrative new global business, project opportunities and speculation transactions for development or trading purposes.
- A request to access exposure to new markets for products and/or services.
- A request to access global partnership and consortium opportunities.
- A request to access global corporate opportunities.
- A request to access industry specific corporate advisory services available to entrepreneurs.
- A request to access entrepreneurial and/or business support.

The procedures to obtain access to the above corporate resources are available in the "Project Processing and Procedure Flowcharts" document on the "Download Documents" section of the website.

2. What criteria must a project conform to before it can be submitted?

Projects introduced to Villa Tritonia for funding must conform to the following basic criteria:

- The project needs to be registered in a company.
- Venture capitalists offer equity-structured finance for projects requiring a medium- to long-term investment of \$1-million (one million US Dollar) or more.
- All projects must have the demonstrable potential to produce a minimum return on investment of forty percent per annum, except for property related projects which will be evaluated on merit.
- The company's Board of Directors must consist of at least two managers with industry specific expertise and knowledge relating to the project.

3. How long is the project evaluation process?

The duration of the project evaluation process varies from project to project. The initial project evaluation is done within five days of being submitted.

As venture capital investments and project developments are by nature high in risk, our clients are asking financiers who know nothing about them, their capabilities or their venture, to commit substantial capital as well as industry specific corporate advisory services to their project and to share in the inherent risks presented by their project. It is therefore to be expected that the financiers want to know as much as possible about our clients and their ventures. They obviously need to make informed decisions.

Our clients are advised to refrain from having unrealistic expectations about the amount of information and documentation that will be requested as well as the time period involved in the negotiation and facilitation process which in general can take up to nine months, or more, depending on the specialist nature and merits of each project.

Projects can unnecessarily be delayed because of:

- Incomplete documentation being submitted.
- Geographical considerations.

- Comprehensive due diligence process.
- Lack of dedicated expertise and management support on the part of project leaders.
- Unrealistic expectations by project leaders.
- Nature and scale of projects.

Project leaders should bear in mind that any errors, incompleteness, omissions and/or a lack of clarity will reflect negatively on you as project leader. It may also result in unnecessary and lengthy delays in the due diligence process. This can also influence the opinion provided to financiers and/or project developers about the viability or profitability of your project or business opportunity.

4. Which financing options are available?

Venture capital financiers offer loan-structured finance, equity-structured finance, or a combination of these financing options to develop viable projects, new ideas, infrastructure, corporate expansions and/or business opportunities.

Venture capital financiers make provision for two categories of financiers:

4.1 Venture capitalists

Venture capitalists offer equity-structured finance for projects requiring medium- to long-term financing of \$1-million (one million US Dollar) or more. This type of financier is typically directly involved in the business, providing strategic direction to management as well as financial support for the company. The financier may have a seat on the board but does not usually participate in day-to-day management. The reward is rapid growth of the enterprise in the medium- to long-term, with the funder exiting through the sale of the company, a management buy-out, or a flotation on the stock market.

Venture capitalists seek opportunities to finance ventures that offer unique products or services, with management teams that have direct experience in the relevant market, and partners who can demonstrate a strong commitment and ambition to making their business plans work.

4.2 Investment angels

Investment angels provide loan-structured finance of \$100 000 (one hundred thousand US Dollar) or more, utilizing various loan structures, with interest determined by the level of risk inherent in the venture. Although these projects are implemented independently, the project owner makes use of the wide range of professional expertise offered by Villa Tritonia's corporate resources provider.

Funding from venture capital financiers and investment angels can be supplied at various stages in a business' development:

- At start-up, to facilitate product development and initial marketing financing.
- In the early stage, to enable commercial manufacturing to take place so that the venture can start generating profits.
- The expansion phase requires capital to increase an enterprise's production capacity and to develop and market its products.
- Refinancing can entail the purchase of existing shares in a venture from another venture capital firm, providing the funds needed for a management buy-out, financing a buy-in by outside managers, or providing an existing recipient with additional capital.
- Capital can be provided for trading in minerals and commodities as well as for speculation transactions.
- Corporate restructurings.
- International expansion transactions.

Institutions such as Venture Capital Firms, Banks, Governments, Hedge Funds, Private Equity Funds, Speculation Funds and Corporates can apply for finance through Villa Tritonia. The minimum amount available from Institutional Investors is \$100-million (one hundred million US Dollar).

5. Who is responsible for the initial costs involved?

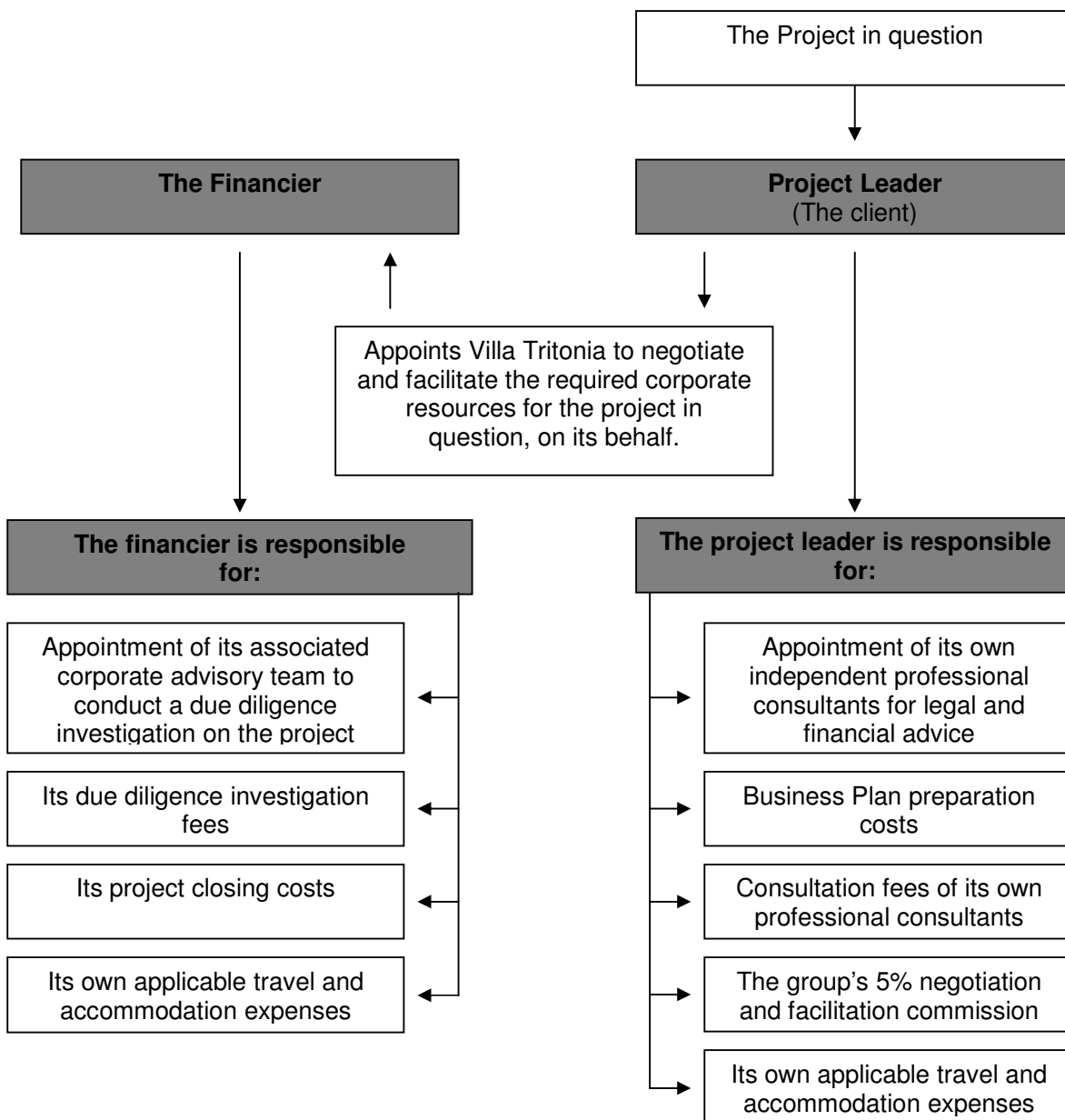
The following diagram illustrates the applicable responsibilities and costs involved of the financier and that of the project leader, when a client requests the negotiation and facilitation services of Villa Tritonia for the required corporate resources.

The project leader:

The costs involved in the preparation of Business Plans, the 5% negotiation and facilitation commission, the project leader's legal and financial specialists involved in negotiations as well as applicable travel and accommodation expenses are for the project leader's account.

The financier:

The costs pertaining to the due diligence investigations as well as the closing costs of of the financier are for the financier's account.



6. Which projects will not qualify for financing or development facilitation?

Projects under \$1-million (one million US Dollar) in value and that do not have the ability to deliver a minimum return on investment of forty percent per annum, will not be considered for financing or development facilitation.

Other reasons why projects may be declined include:

- Non-compliance with funders’ project financing preferences, and/or
- Non-compliance with funders’ rate of return requirements, and/or
- Non-compliance with funders’ geographical preferences.

7. Will my project’s intellectual capital be protected?

Yes. Villa Tritonia provides contractual protection.

8. What percentage of projects is generally being approved?

In the venture capital industry, on average, one percent of projects seeking investment angel funding are funded and developed. On average, between four percent and five percent of projects seeking venture capital funding are funded and developed.

9. What field or industry and geographical area are most favored?

No one particular industry, field or geographical area is more favored or sought after for financing than another. Projects are evaluated on an individual basis, each according to its merits.

10. Does the due diligence process result only in a simple yes or no, or does it add value to a business plan?

The due diligence process adds value. Its end is not a simple yes or no. It prepares all project documentation to international levels of competence and standards that are required by Villa Tritonia, international venture capitalists and project leaders. Our consultants will not introduce a project to a funder if they are not convinced of its merits and/or mutual benefits, and vice versa. The same goes for linking our industry specific corporate advisory services to projects, etc.

11. Can the negotiation and facilitation process be cancelled at any stage?

Villa Tritonia has the sole and exclusive right to cancel the negotiation and facilitation process or procedures at any stage for various reasons. For example:

- The information provided by the project leader will be taken by Villa Tritonia to be true and correct. If any of the information proves to be incorrect, misleading or fraudulent, for whatever reason, the negotiation and facilitation process or procedures will be halted immediately;
- On written request from the applicant;
- If the project or request is found to be not viable, profitable or reasonable.

In such an event, Villa Tritonia will assume no responsibility for any losses of whatsoever nature incurred by the project leader, whether resulting from liability for international travel expenses, industry specific corporate advisory services expenses, due diligence costs or any other related expenses or costs from whatsoever nature.