



DieselGas
International Ltd
Alternative Fuels Specialists

3 Rishworth Street
Lower Hutt
Box 38 634
Wellington
New Zealand

Telephone: 64 4 569 6988
Facsimile: 64 4 569 6988
E-mail: harvey.reid@dieselgas.co.nz

26 October 2003

At IPCO Tehran

Ref: OM355 dual fuel engine development (contract dated 12 February 2001)

Validation of OM355 dual fuel engine achieving commissioning in Tehran.

The Parties have witnessed that the OM355 dual fuel engine has been satisfactorily commissioned in Tehran and this means that Milestone 4 of the contract has been achieved.

IPCO (IKER) and IFCO agree that IPCO can pay to DGI the amounts as agreed for Milestone 4 according to the contract.

DGI will support IPCO to complete a 50,000km road trial or for 5 months which ever comes first.

IPCO

Mr S M Mirsalim

IFCO

Mr Khaki & Mr Bohlooli

IFCO will pay the money based on contract. S. Khaki

DGI

Mr H M Reid

IPCO

Mr Y Jeihouni

IPCO

Mr Zali

IPCO

Dr Pirouzpanah