

September 15, 2006

Dear Friends, Donors and Volunteers,

We wish to thank you for your interest in and support of LifeNets as we begin our eighth year of service. Many volunteers helped us fulfill our mission to provide aid that has brought self-sufficiency and helped to bring hope where there was little hope.

We have many stories of gratitude from those who have benefited. LifeNets volunteers in Houston and New Orleans provided direct relief for Hurricane Katrina evacuees.

Volunteers Kevin and Sonali Fiske from Southern California moved to Sri Lanka to oversee the construction of eight homes for tsunami victims and helped with restoring the livelihood of five more families.

Our wheelchair project is going strong, committed to providing donated used wheelchairs to those within the United States who cannot otherwise afford them. My daughter-in-law, Alix Kubik, now manages this program. We are enclosing our wheelchair brochure that explains more about it.

Perhaps our most valuable program is our established *Developing Nations Scholarship Program* that provides tuition support for about 65 students in Latin America and Africa. After four years, we now have graduates who are trained for a lifelong profession.

Ernesto from Peru writes:

"First of all, let me begin by expressing my deepest appreciation for the support you gave to finish my studies. I studied in one of the best mechanical colleges in my country. I graduated third in my class and that has helped me in getting a job in my field of study. Right now I am working in a company called DELCROSA. We build huge voltage stabilizers to be used in big factories or in public electricity. My responsibilities include the overseeing of production. I wanted to take this opportunity to give you a big THANKS for helping me take this first step, for giving me the push I needed to start a career in the field I always wanted."

We have also helped to transform lives with our farm and cattle program in Zambia. Five years ago a community in the rural area of Mumbwa lived in subsistence poverty. Since then we have helped with cattle, water wells and a revolving farm account program. The cattle herd has more than tripled, from 22 to 68 head.

Below are excerpts from a report by Zambia LifeNets director, Kambani Banda.

"Cattle Restoration Project: Some of the male calves (no longer calves) started work and contributed significantly to the maize (corn) output reported in the section below. The heifer milk production remains steady, providing the much-needed protein. The health of the families is a loud testimony to the success of this project.

"Crop Financing: Once again, using the funds repaid by farmers, we financed 10 hectares of this year's maize crop, one hectare per family, and without recourse to LifeNets International for funding. This, in our opinion, is a major step in achieving self-sufficiency in the communities where we work—LifeNets' pivotal mission. We undertook three trips to supervise the project and ensure participants adhered to the preset cultural practices, taught during training. (over)

"Yield: The past agricultural season was the best we have seen in living memory. As a result we expect that, when the harvest is complete, we will achieve an average yield of approximately 4 to 4.5 tons per family.

"This is an increase of 23% over last year and beyond our wildest expectation. The yield is over 400% above the average yield in this area of 750 kilograms per hectare. This one fact alone should convince any skeptic who doubts the value of this project.

"Crop Marketing: The current maize price at harvest time was \$93.75 per ton. This price is far less than the production cost and below the government floor price of \$225 per ton. The reason for the low prices is because supply far exceeds current demand.

"This is where the crop prefinancing component of this project is invaluable. In the year under review, we used \$4,600 to advance 10 families participating in the project. This advance is used to finance their living expenses while they wait for maize prices to rise.

"We firmly believe that, come December 2006, in six short months, the project would have assisted its members to add value to their crop by 276%. We did better than last season, and we will do it again. The advances as well as the loans are secured by maize that is deposited with LifeNets agents in the area.

"Medicines: We are happy to report that we received another consignment of medicines donated by LifeNets. The consignment included simple but lifesaving antibiotics, antimalarials, oral dehydration salts, vitamins, etc., to mention but a few. The donation value is about \$15,000. We are proud to report that there has not been one single death among our people or their children. This is in an area where death is everywhere, and I am not exaggerating.

"Wells: We completed two wells. We fitted pumps on both wells, which are working perfectly. Women no longer walk long distances, babies strapped on their backs, barefoot, carrying heavy buckets in a hot and scorching African sun in search of water. They can almost, 'at the turn of a switch,' receive continuous safe drinking water, thanks to LifeNets.

"Transport: The truck that LifeNets helped to fund will be very beneficial in transporting produce to market. We are very grateful for this donation."

For the complete report on this and more on our other projects, please go to **www.lifenets.org** on the Web.

We are committed to our core projects, namely education, livelihood development, providing medicine and caring for orphans. We rely on regular support mostly from individual donors who see the value of being active participants in providing hope and dignity to those in need. Because of our volunteers and low overhead, 95 percent of your contribution goes directly to intended recipients.

Contributions can now be made through credit card or PayPal from the home page of our Web site. Also, please let us know if you need more contribution envelopes. We will be glad to send them.

Again, a special thanks to all who are supporting our efforts to help those in need. We are grateful that so many of you have made LifeNets your charity of choice.

With great appreciation,

With Klik

Victor Kubik