

CASH FLOW RECAP SCHEDULE - Mining - Process Plant Construction - Process Plant Operation - Product Sales - Product Revenue and Employees

OPERATIONAL LIABILITIES and REVENUES	MONTHS										MONTHS									
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th	16th	17th	18th	19th	20th
Mine Road Construction, (Pre-Mine)	5,424																			
Mine Raw Material and Stockpile, 25-30,000 tons	2,490	9,965	9,965										2,490	9,965	9,965					
Transport Raw Material, (Con'tor, \$2.25/ton) (Mine to Process Plant)			1,980	4,220	4,220	4,220	4,220	4,220	4,220	4,220	4,220	4,220	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330
Plant Equipment Purchase - *Capital Investment		55,000*	55,000*	31,396*																
Plant Site Preparation (Pre-equipment)	11,300	2,825	2,825																	
Plant Site Preparation (Bldgs, etc.) (Property Owner, Mr. A. P. Tell) +Escrow.	25,000*																			
Plant Equipment installation-erection		10,576	2,644																	
Plant Operation, Trial Period			4,275																	
Plant Operation, Production to meet sales.				23,122	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246	19,246
Sales Expenditures - Salaries, expenses, adv. etc, but no commission - see below.			12,245	45,755	45,455	70,255	71,905	73,555	75,205	75,205	75,205	75,205	91,760	91,760	91,760	91,760	91,760	91,760	91,760	91,760
G. and A. Expenditures. *Includes \$6,540 Capital Investment of Office Furniture			9,185*	8,335*	9,535*	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355
Raw Material Royalty (Mrs. D. L. Solomon) (\$100.00/wk plus 10¢/bag produced)	400	400	400	11,600	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	11,920	11,920	11,920	11,920	11,920	11,920	11,920	11,920
Consultants Fees and Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500													
Loan Payments (10 years @ 2% above prime interest rate)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
TOTAL MONTHLY CASH OUTLAY	54,614	88,766	107,519	134,428	96,556	119,176	120,826	119,976	121,626	121,626	121,626	121,626	146,601	154,076	154,076	144,111	144,111	144,111	144,111	144,111
NET REVENUE (Gross Sales revenue less commission)			18,000	51,300	81,900	121,500	150,750	163,850	178,650	184,950	192,800	197,710	197,710	197,710	197,710	212,058	222,156	222,156	222,156	222,156
RESULTING CASH MONTHLY OUTLAY	54,614	88,766	89,519	83,128	4,656															
CUMULATIVE CASH OUTLAY		143,380	232,899	316,027	320,683															
MONTHLY NET CASH INCOME (Net Revenue - Oper. Exp)						2,324	29,824	43,874	57,024	63,324	71,174	76,084	51,109	43,634	43,634	67,947	78,045	78,045	78,045	78,045
CASH RESERVE POSITION (\$350,000.00 Loan)	295,386	206,620	117,101	33,973	29,317	31,641	61,465	105,339	162,363	225,687	296,861	372,945	424,054	467,688	511,322	579,269	657,314	735,359	813,404	891,449
Bags MICA-LITE produced			35,000	77,000	77,000	77,000	77,000	77,000	77,000	77,000	77,000	77,000	115,500	115,500	115,500	115,500	115,500	115,500	115,500	115,500
Bags MICA-LITE sold			8,000	24,000	40,000	60,000	76,000	84,000	92,000	96,000	100,800	105,600	105,600	105,600	105,600	110,880	116,160	116,160	116,160	116,160
SALES REVENUE (Gross, @ \$2.25/bag average price)			18,000	54,000	90,000	135,000	171,000	189,000	207,000	216,000	225,200	232,600	232,600	232,600	232,600	249,480	261,360	261,360	261,360	261,360
SALESMEN COMMISSION (15% of gross sales)				2,700	8,100	13,500	20,250	25,150	28,350	31,050	32,400	34,890	34,890	34,890	34,890	37,422	39,204	39,204	39,204	39,204
RESULTING NET REVENUE			18,000	51,300	81,900	121,500	150,750	163,850	178,650	184,950	192,800	197,710	197,710	197,710	197,710	212,058	222,156	222,156	222,156	222,156
Inventory. Warehoused at Plant site. Bags			27,000	80,000	117,000	134,000	135,000	128,000	113,000	94,000	71,200	43,600	53,500	63,400	73,300	77,920	77,260	76,600	75,940	75,280
PERSONNEL Required																				
Mining	1	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Plant Construction	4	5											1	1	1					
Plant Operation, Trial Period	—	—	7																	
Plant Operation, Required capacity	—	—		11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Salesmen and Sales Manager	—	1	11	21	31	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41
G. and A.	1	1	2	3	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Consultant	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL PERSONNEL	7	9	22	36	48	58	58	57	57	57	57	57	58	58	58	57	57	57	57	57

NOTE: Detail figures to arrive at the totals used in this schedule are mentioned and listed in the body of the report and can be substantiated by quotations from the suppliers of equipment and other reliable sources. Sales, of course, are projections.

L. Frechette
R.E. Mientz, Dec. 1970

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