

EXHIBIT II-B
EQUIPMENT OPERATING
COST CALCULATIONS

EXHIBIT II-B

MINE EQUIPMENT HOURLY COST CALCULATIONS

17 Cu Yd Stripping Shovel

| | <u>Cost/Operating Hour</u> |
|--|----------------------------|
| Electric Power 450 kwh x 0.04 \$/kwh | \$18.00 |
| Repairs, Maintenance & Supplies @ \$0.018/ton, 2,380 t/hr x 0.018 | 42.84 |
| Labor | |
| Operator | 14.64 |
| Oiler | <u>13.76</u> |
| | \$89.24 |
| | USE \$89.00 |

Reference P & H Costing Method

Rotary Drill

| | <u>Cost/Operating Hour</u> |
|--|----------------------------|
| Fuel | |
| 18.8 gal/hr @ \$0.38/gal | \$ 7.14 |
| Lube Oil | 1.26 |
| Tires | 0.52 |
| Parts & Supplies | |
| 6.90 x (5 hp + 3 hp) | 11.50 |
| Labor | |
| Operator @ 7/8 hrs - 13.76 | |
| Helper @ 7/8 hrs - 12.96 | <u>26.72</u> |
| Subtotal Operating | \$47.14 |
| Bits | |
| 10" @ \$600 @ 3,000 ft @ 80 ft/hr x 0.83 | 13.28 |
| Dripp Pipe | |
| \$12,000 set 100,000 ft life | |
| \$5,000 rebuild (2) x 0.83 | 4.87 |
| Stabilizers | |
| \$3,000 - 40,000 ft life | <u>4.98</u> |
| Subtotal Consumables | \$23.13 |
| TOTAL OPERATING COSTS | \$70.29 |

USE \$70.00

Reference Updated Ingersoll-Rand T-4 Drilling Costs

Dozers - Pit & Dump (less than 20% ripping)

| | <u>Cost/Operating Hour</u> |
|--|----------------------------|
| Fuel 18.8 gal/hr x \$0.38/gal | \$ 7.14 |
| Preventative Maintenance | 0.46 |
| Repair $\frac{0.09 \text{ factor } (256,000)}{1,000}$ | 23.04 |
| Operator 8.60 x 1.40 x 8/7.5 | <u>12.84</u> |
| | \$43.48 |
| | USE \$43.00 |

Dozers - Mining Application - 100% of Time Ripping

| | <u>Cost/Operating Hour</u> |
|---|----------------------------|
| Ripper - Teeth, Shanks, Adaptors & Repair | \$13.40 |
| Cost from above | <u>43.48</u> |
| | \$56.88 |
| | USE \$57.00 |

Reference Caterpillar Performance Handbook

Hydraulic Excavator

| | <u>Consumption/Hour</u> | <u>Unit Cost</u> | <u>Cost/Operating Hour</u> |
|------------------------------------|-------------------------|------------------|----------------------------|
| Fuel | 12 gal | \$0.38 | \$ 4.56 |
| Lube & Preventative Maintenance | | | |
| Crankcase Oil | 0.15 | 1.50 | 0.23 |
| Final Drive | 0.02 | 1.50 | 0.03 |
| Hydraulic Oil | 0.15 | 1.50 | 0.23 |
| Grease | 0.05 lb | 0.30 | 0.02 |
| Filters | | | 0.13 |
| Repairs | | | |
| <u>0.07 factor x \$314,000</u> | | | |
| 1,000 | | | 21.98 |
| Bucket & Teeth | | | 4.00 |
| Operator | | | <u>14.64</u> |
| | | | \$45.82 |
| | | | USE \$46.00 |

Reference Caterpillar Performance Handbook

35-Ton Hauler

| | <u>Cost/Operating Hour</u> |
|--|----------------------------|
| Fuel | |
| 10.2 gal/hr x \$0.38/gal | \$ 3.88 |
| Lube | 0.93 |
| Repairs | |
| Maintenance & Repair $F_c[P_f + (L_f \times M_w)]$ | |
| $F_c = 10.2$ | |
| $P_f = 0.577$ | |
| $L_f = 0.0527$ | |
| $M_w = 8.60 \times 1.40 = 12.04$ | |
| M&R $10.2[0.577 + (0.0527 \times 12.04)]$ | 12.36 |
| Tires | |
| Life = 4,000 hrs | |
| Cost = $1,098 \times 6 = \$6,588$ | 1.65 |
| Operator | <u>12.84</u> |
| | \$31.66 |
| | USE \$32.00 |

Reference Wabco Costing Method

Motorgrader - 16 Ft. Moldboard

| | <u>Consumption/Hour</u> | <u>Unit Cost</u> | <u>Cost/Operating Hour</u> |
|------------------------------------|-------------------------|------------------|----------------------------|
| Fuel | 9.5 gal | \$0.38 | \$ 3.61 |
| Lube & Preventative Maintenance | | | |
| Crankcase Oil | 0.11 | 1.50 | 0.17 |
| Transmission Fluid | 0.05 | 1.50 | 0.08 |
| Final Drive | 0.02 | 1.50 | 0.03 |
| Hydraulic Oil | 0.02 | 1.50 | 0.03 |
| Grease | 0.02 lb | 0.30 | 0.01 |
| Filters | | | 0.08 |
| Repairs | | | |
| <u>0.05 (155,863)</u> | | | |
| 1,000 | | | 7.79 |
| Tires | | | |
| \$6,437 @ 3,500 hrs | | | 1.84 |
| Operator | | | <u>12.84</u> |
| | | | \$26.48 |
| | | | USE \$26.00 |

Reference Caterpillar Performance Handbook

Rubber-Tired Dozer

| | <u>Cost/Operating Hour</u> |
|--|----------------------------|
| Fuel 11.2 gal/hr x \$0.38/gal | \$ 4.26 |
| Preventative Maintenance | 0.56 |
| Tires Life = 3,500 hrs Cost = \$12,400 | 3.43 |
| Repair <u>0.09 (150,600)</u> 1,000 | 13.55 |
| Operator | <u>12.84</u> |
| | \$34.64 |
| | USE \$35.00 |

Reference Caterpillar Performance Handbook

50-Ton Water Truck

| | <u>Consumption/Hour</u> | <u>Unit Cost</u> | <u>Cost/Operating Hour</u> |
|------------------|-------------------------|------------------|----------------------------|
| Fuel | 17.0 gal | \$0.38 | \$ 6.46 |
| Engine Oil | 0.07 | 1.610 | 0.11 |
| Transmission Oil | 0.04 | 2.07 | 0.08 |
| Final Drive | 0.014 | 3.15 | 0.04 |
| Hydraulic Oil | 0.04 | 1.50 | 0.06 |
| Grease | 0.10 lbs | 0.42 | 0.04 |
| Filters | | | 0.20 |
| Repairs | | | |
| | <u>0.07 (223,298)</u> | | |
| | 1,000 | | 15.63 |
| Tires | | | |
| @ 4,000 hrs | | | 2.96 |
| Operator | | | <u>12.84</u> |
| | | | \$38.42 |

USE \$38.00

Reference International Earthmoving Principles

Miscellaneous Equipment

| | <u>Cost/Operating Hour</u> |
|--|----------------------------|
| Air Track Drill (includes operator) | \$34.56 |
| | USE \$35.00 |
| Compressor | \$14.23 |
| | USE \$14.00 |
| 12-Ton Prill Truck (operator not included) | \$13.93 |
| | USE \$14.00 |
| Reference "Preliminary Feasibility Study, 12/77", Morrison-Knudsen | |
| Small Vehicles | USE \$ 6.00 |
| Reference "Cost Reference Guide", Equipment Guide-Book Company | |
| Medium Size Vehicles | \$10.06 |
| | USE \$10.00 |
| Reference "Cost Reference Guide", Equipment Guide-Book Company | |

EXHIBIT II-C
EQUIPMENT JUSTIFICATION

MINING EQUIPMENT AND FACILITY SIZING CALCULATIONS

A. Equipment

1. 17 cu yd Stripping Shovel

Material Density @ 10% H₂O = 1.81 ton/Bank cu yd

Dipper Capacity - 17 cu yd

Dipper Fill Factor = 0.90

Swell Factor @ 25% = 0.80

Effective tons/dipper:

$$17 \text{ cu yd} \times 1.81 \text{ ton/Bank cu yd} \times 0.80 \times 0.90 = 22.15 \text{ tons/cycle}$$

Cycle Time @ 90% Swing = 27.8 seconds

Job Efficiency Factor = 83%

Effective tons/hr:

$$22.15 \text{ tons/cycle} \times (3600 \text{ sec/hr} \times 0.83) \div 27.8 \text{ sec/cycle} \\ = 2381 \text{ ton/hour}$$

Effective Operating Hours per 8-hr shift = 7 hours (actual)

Production/shift:

$$2381 \text{ tons/hr} \times 7 \text{ hrs/shift} = 16,667 \text{ tons/shift}$$

Annual Production during Period I:

$$16,667 \text{ tons/shift} \times 35 \text{ shifts/wk} \times 50 \text{ wk/yr} = 29,167,250 \text{ tons/yr} \\ \text{approximately } 29.2 \text{ million tons/yr}$$

% Utilization = 35 scheduled shifts ÷ 42 potential shifts = 83%

Annual Production during Period II:

$$16,667 \text{ tons/shift} \times 25 \text{ shifts/wk} \times 50 \text{ wk/yr} = 20,833,750 \text{ tons} \\ \text{approximately } 20.8 \text{ million tons/yr}$$

% Utilization = 25 scheduled shifts ÷ 42 potential shifts = 60%

2. Front Shovel

Material Weight: 2.71 million tons @ 15.45 cu ft/ton
0.73 million tons @ 20.46 cu ft/ton
3.44 million tons @ 16.51

Material required per shift = 4590 tons

Dipper Fill Factor = 100% assumed

% Swell Factor = 25%

Working time per shift = 7 hr x 60 min x 60 sec = 25,200 sec

Tons per cu yd = 27 cu yd ÷ (16.51 x 1.25)

Front Shovel Production:

5 cu yd dipper = 5 cu yd x 1.31 = 6.55

3 cu yd dipper = 3 cu yd x 1.31 = 3.93

Work efficiency = 0.83

cycle time = 35 sec

availability = 0.75

5 cu yd:

6.55 x (25,200 x 0.83) ÷ 35 x 0.75 = 2936

3 cu yd:

3.93 x (25,200 x 0.83) ÷ 35 x 0.75 = 1761 ÷ 4697

Safety factor: 4697 tons ÷ 4590 tons = 1.02

3. 120-ton Truck Fleet Estimation

Assumptions:

Material Density = 14.95 cu ft/ton

Shovel Production = 16,685 ton/shift x 2 = 33,700 total tons/shift

Truck Capacity = 120 tons

Time Available per Shift - 354 minutes per shift

Calculations:

tons/shift per unit = (min/shift x 120 tons/cycle) ÷ min/cycle

units required = (33,700 tons/shift shovel production) ÷
tons/shift/unit

120-Ton Truck Requirements for Project Life

| <u>Years of Stripping</u> | <u>Accumulated Years</u> | <u>Increments</u> | <u>Cycle Time</u> | <u>Tons/Shift</u> | <u>Units Required</u> | <u>Units Req. @ 75% Avail.</u> |
|---------------------------|--------------------------|-------------------|-------------------|-------------------|-----------------------|--------------------------------|
| 0.54 | 0.54 | A-1 | 9.93 | 4278 | 7.80 | 10.40 |
| 0.97 | 1.51 | A-2 | 9.39 | 4524 | 7.38 | 9.84 |
| 0.67 | 2.18 | A-3 | 10.67 | 3981 | 8.38 | 11.17 |
| 1.65 | 3.83 | A-4 | 10.65 | 3989 | 8.37 | 11.16 |
| 1.94 | 5.77 | A-5 | 12.13 | 3502 | 9.53 | 12.77 |
| 1.03 | 6.80 | A-6 | 12.81 | 3316 | 10.06 | 13.41 |
| 0.88 | 7.68 | A-7 | 12.62 | 3366 | 9.91 | 13.21 |
| 1.28 | 8.96 | A-8 | 12.37 | 3434 | 9.72 | 12.92 |
| 0.78 | 9.74 | A-9 | 12.08 | 3516 | 9.49 | 12.60 |
| 0.76 | 10.50 | A-10 | 12.08 | 3516 | 9.49 | 12.60 |

4. Rotary Drills

10-inch, truck mounted

Assumptions:

| | |
|---------------------------------|---|
| Preproduction and Production I: | 29.2 x 10 ⁶ tons/year (years 1-5) |
| Production II: | 20.8 x 10 ⁶ tons/year (years 6-10) |
| Density: | 14.95 ft ³ /ton |
| Scheduled weeks/year: | 50 weeks/year |
| Drill Productivity: | 550 feet/shift (maximum est. drilling rate) |
| Feet/hole: | 50 ft bench plus 5 ft subgrade = 55 ft |
| Drill Pattern: | 25 ft (burden) x 30 ft (spacing) pattern x 50 ft bench |

Calculations:

$$\text{Tons/hole} = (25 \text{ ft} \times 30 \text{ ft} \times 50 \text{ ft}) \div 14.95 \text{ ft}^3 \text{ ton} = 2,508.36 \text{ tons/hole}$$

$$\text{Holes/shift} = 550 \text{ ft/shift} \div 55 \text{ ft/hole} = 10$$

$$\text{Tons/shift} = 10 \times 2,508.36 = 25,083.6 \text{ tons/shift}$$

| <u>Production Annual Tons</u> | <u>Required Tons/Week</u> | <u>Required Shifts/Week</u> | <u>Scheduled Shifts/Week</u> | <u>Utilization of Scheduled Shifts</u> |
|-------------------------------|---------------------------|-----------------------------|------------------------------|--|
| 29.2 x 10 ⁶ | 584,000 | 23.28 | (2) 30 | 77.6% |
| 20.8 x 10 ⁶ | 416,000 | 16.59 | (2) 17 | 97.6% |

Stripping activity will require two rotary drills scheduled for 30 shifts per week during Preproduction and Production I, and only 17 shifts per week during Production II.

5. Ore Control Drill

Basis: 1. Required Productivity = 2.71 million tons/year secondary
and interior waste
0.73 million tons/year ore

2. Average Density = 16.51 ft³/ton

3. Estimated average drill patterns = B x S x Depth

(A) 10x10x10 (B) 15x15x15 (c) 20x20x20

4. Drill Productivity (failing 1000)

400 ft/8 hr shift actual productivity, includes a low job efficiency due to the many shallow holes and irregular nature of drilling. (Does not include machine availability).

5. 50 scheduled weeks/yr

6. Required drill holes per year = 3.44 million tons/yr x 16.51
ft³/ton ÷ cu ft per drill hole

| | | |
|--------|--------|-------|
| 56,794 | 16,828 | 7,099 |
|--------|--------|-------|

7. Ft drilling/yr = drill holes/yr x depth

| | | |
|---------|---------|---------|
| 576,940 | 252,420 | 141,980 |
|---------|---------|---------|

8. Required drill shifts/wk = annual ft drilling ÷ 50 wk/yr
÷ 400 ft/shift

| | | |
|------|-------|------|
| 28.4 | 12.62 | 7.10 |
|------|-------|------|

Recommendation:

Based upon an estimated average drill pattern of 15x15x15 and applying an 85% machine availability, required shifts/week are
12.62 ÷ .85 = 14.85

Conclusion:

1 (one) ore control drill scheduled 15 shifts/wk

6. Mining Dozer (Ripping)

Basis: 1. 68,800 t/wk or 4,587 t/shift

2. 7 operating hours/8 hour schedule

3. 83% job efficiency

4. Effective available time/shift = 350 min

5. 2.71 million tons/yr secondary @ 15.45 BCF/ton
0.73 million tons/yr ore @ 20.46 BCF/ton

Weighted average material density = 16.51 BCF/ton

6. Required panel per shift
 $4,587 \text{ tons/shift} \times 16.51 \text{ cu ft/ton} = 75,731 \text{ ft}^3/\text{shift}$
@ 2 ft ripping depth = 37,866 sq ft/shift
250 ft x 150 ft panel7. Cycles/shift (based upon 2 ft ripping width)
 $150 \text{ ft} \div 2 \text{ ft/cycle} + 250 \text{ ft} \div 2 \text{ ft/cycle} = 200 \text{ cycles/shift}$

8. Linear ft ripping/shift

 $75 \text{ cycles} \times 250 \text{ ft} + 125 \text{ cycles} \times 150 \text{ ft} = 37,500 \text{ ft/shift}$

9. Total cycle time/shift required

a) Fixed time based on a maneuver time of 0.5 min/cycle
 $0.50 \text{ min/cycle} \times 200 \text{ cycles/shift} = 100 \text{ min/shift}$ b) Travel time based on average ripping speed of 150 ft/min
 $37,500 \text{ ft/shift} \div 150 \text{ ft/min} = 250 \text{ min/shift}$

Required cycle time/shift = 350 min

Recommendation:

Units required per shift = $\frac{\text{Required cycle time/shift}}{\text{effective available time/shift}}$ $= 350 \text{ min} \div 350 \text{ min} = 1.0$

Down time due to machine availability (estimated at 75%) can be adequately covered during the non-scheduled mining shifts, (i.e., machine utilized only 15 out of 21 potential shifts). Backup is available from the dozers assigned to pioneer work

Conclusion:

1 (one) track dozer with ripper scheduled 15 shifts per week

7. Track Dozer and Rubber-Tired Dozer

(3 dozers)

1. Rubber-tired dozer is allocated for pushing newly blasted material and will also clean up rock spills on haul roads and mining areas, and the working area around the shovel.
2. Dump Dozer - 1 dozer will be required on the waste dump to push the material over the side and create a safety berm. It will also be utilized to maintain the level dumping area.
3. Pioneer Dozer - 2 dozers are scheduled to prepare access drill roads and preliminary levels. These two dozers will provide backup for the dump and mining dozers. In the latter years of the mine life, one dozer will be transferred to the mining backfill dump.

8. 35-Ton Truck Fleet Estimation

Assumptions:

Annual Production = 3.44 million tons

Shift Production = 3.44 million tons \div 50 wk/yr \div 15 shifts/wk
= 4590 tons/shift

Truck Capacity = 35 tons

Time Available/
shift = 354 min/shift

Average cycle time = 20.4 min
(Ore/waste hauls)

Calculations:

Tons/shift/unit = $(354 \text{ min/shift} \times 35 \text{ tons/cycle}) \div 20.4 \text{ min/cycle}$
= 607.4

Units required = 4,590 tons/shift \div 607.4 = 7.56 or 8 units

Units required
@ 75% fleet
availability = 10.08 or 10 units

9. Motorgrader

1. Length of Hauls:

| | | <u>Width</u> |
|----------------|------------------------|--------------|
| Stripping | 6,000 ft (2 shovels) | 90 ft |
| Mining-ore run | 5,600 ft | 90 ft |
| Mining-waste | <u>3,300 ft</u> | 90 ft |
| TOTAL | 14,900 ft = 2.82 miles | 90 ft |

2. Travel Speed:

1st gear forward = 2.4 mph

1st gear reverse = 3.9 mph

$$\text{Average Travel Speed } (4.8 \times 3.9) \div (2.4 + 3.9) = \frac{18.72}{6.3} = 2.97 \text{ mph}$$

3. Required Blading (assume 12 ft of blade surface):

$$(2.82 \text{ miles})(90 \text{ ft}/12 \text{ ft}) = 21.15 \text{ miles}$$

4. Blade Production/Shift (assume 83% job efficiency):

$$(2.97 \text{ mph})(7\frac{1}{2} \text{ hr}/\text{shift})(0.83) = 18.49 \text{ miles}/\text{shift}$$

5. Blades Required/Shift:

$$21.15 \text{ miles} \div 18.49 \text{ miles}/\text{shift} = 1.14 \text{ blades}$$

6. Blades Required @ 75% Availability:

$$1.14 \div 0.75 = 1.53 \text{ blades}$$

∴ Use 2 Motorgraders

10. Water Truck

1. Area required to cover:

| | | <u>Area (Ft²)</u> |
|------------------|------------------|------------------------------|
| Stripping | | |
| Roads | 6,000 ft x 60 ft | 360,000 |
| Dumps | | 1,000 |
| Pits | | 2,000 |
| Mining | | |
| Roads - Ore | 5,600 ft x 50 ft | 280,000 |
| Roads - Backfill | 3,300 ft x 50 ft | 165,000 |
| Stockpile | | <u>1,000</u> |
| TOTAL | | 809,000 |

2. Coverage = 25 ft/pass:

$$\text{Linear Coverage} = \frac{809,000 \text{ ft}^2}{25 \text{ ft}} \times 3 \text{ passes} = 97,080 \text{ ft}$$

Speed - 17 mph

$$\text{Spray Time} = 10,000 \text{ gal} \div (1,500 \text{ gal/min} \times 0.5) = 13 \text{ min}$$

3. Time Required per Pass:

| | |
|-----------------------------|-------------|
| Fix and fill time @ 400 gpm | 30 min |
| Travel time | 15 |
| Spray time | <u>13</u> |
| TOTAL | 58 min/trip |

4. Water Schedule:

| | |
|-----------|----------|
| Day Shift | 4 |
| Swing | 3 |
| Graveyard | <u>2</u> |

Average 3 passes (used above)

5. Units Required:

$$\begin{aligned} \text{Coverage/Trip} &= 13 \text{ min} \times 17 \text{ mph} \times 5,280 \text{ ft/mi} \times \text{hr}/50 \text{ min} \\ &= 19,448 \text{ ft/trip} \end{aligned}$$

$$\text{Time to cover} - 97,080 \text{ ft} \div 19,448 \text{ ft/trip} \times 58 \text{ min/trip} = 290 \text{ min}$$

Add 3 hrs (180 min) to cover mill and office

$$\begin{aligned} \text{Units Required (75\% availability)} &= (290 \text{ min} \div 180 \text{ min}) \div 0.75 \\ &= 1.68 \text{ units/shift} \end{aligned}$$

∴ Use 2 Units

11. 12 Ton Prill Truck

- Basis:
1. Preproduction and Production I (highest stripping period)
 2. $11,641 \text{ holes/yr} \div 50 \text{ wk/yr} = 233 \text{ holes/wk}$
 3. Capacity based upon certain periods when loading 100% dry holes.
 4. $\text{Tons ANFO/we} = 838 \text{ lb/hole} \times 233 \text{ holes/wk} \div 2000 \text{ lb/ton}$
 $= 97.63 \text{ tons/we}$
 5. Prill truck scheduled 5 shifts/wk = 19.53 tons/shift OR
10 tons ANFO/shift/blast-site

Recommendations:

A prill truck with a 10 ton tank would adequately cover each drill with a single trip under fully dry loading conditions during the highest productivity periods of the mine.

The following points justify going to the next larger commercial tank size, which is a 12 ton:

1. At 98% capacity with a 10 ton tank when servicing each blast site with a single trip. Any change in rock type and powder factor may require an additional trip.
2. Amerind-MacKissic's capital cost sheets indicate the extra 20% capacity will cost only 1% over the smaller 10 ton truck.

Conclusion:

1 (one) 12 ton prill truck

B. Facilities

1. AN Prill Storage

Basis:

1. 1-week storage
2. Highest stripping period (preproduction & production I)
3. Dry loading conditions - blasting 100% ANFO
4. Required Tons AN Prill/wk = 91.7
(233 holes/wk x 787 lbs AN/hole ÷ 2000 lb/ton)

Recommendations:

1. Multiple tanks - allows the capability of periodically cleaning and repairing one while others remain in service. Structural damage which would bring the storage tank out of service is much less likely with multiple tanks.
2. Storage capacity factor - 20%
Considers the possible increase in powder consumption during the stripping of harder than average rock conditions. $91.7 \text{ tons/wk} \times 1.20 = 110 \text{ ton capacity}$
3. Design considerations - Amerind-Mackissic recommends two identical storage units of 60-ton capacity each.

Conclusion:

(two) 2 60 ton vertical storage units

2. Explosives Magazine

Basis:

1. 1-week of storage of slurry
2. 2 weeks storage of ancillary explosives, most specifically primers and primer cord.
3. Highest stripping period (preproduction & production I)
4. Loading condition - temporary severe conditions of wet holes, estimated at 2x the average 25% giving 2 x 25% x 233 holes/wk = 117 holes/wk
5. Blasting caps are stored separate and distant from the above explosive magazine. Cap storage is necessary but incidental.
6. Slurry storage: $117 \text{ holes/wk} \times 1072 \text{ lbs/hole} \div 65.6 \text{ lbs/cu ft} = 1912 \text{ cu ft}$
 $1912 \text{ cu ft} \div 6 \text{ ft high piles} = 319 \text{ sq ft}$
7. Primers and Primer cord storage:

Primers/2 wk = $466 \text{ holes/2 wk} \times 2/\text{hole} = 932$

Primer storage = $932 \text{ primers} \div 60/\text{case} \times 4.5 \text{ ft}^3/\text{case} = 70 \text{ ft}^3$
 $70 \text{ cu ft} \div 6 \text{ ft high piles} = 12 \text{ sq ft}$

Primer cord/2 wk = $466 \text{ holes/2 wk} \times 105 \text{ ft/hole} = 48,930 \text{ ft}$

Primer cord storage = $48,930 \text{ ft} \div 1000 \text{ ft/case} \times 1 \text{ ft}^3/\text{case} = 49 \text{ cu ft}$
 $49 \text{ cu ft} \div 6 \text{ ft high piles} = 8 \text{ sq ft}$

Total primers and primer cord storage = 20 ft^2

Recommendation:

(based on Table 30-3, DuPont Blaster's Handbook, p.463)

Concrete block magazine, 16 x 26 ft outside dimensions with 336 cu ft of inside space.

3. Fuel and Lubricant Storage Requirements

Conclusions: Apply a factor of 1.10 to the major mine equipment for allowance of all the minor vehicle consumption at the mine.

Results:

| | |
|---------------------------------|---------------|
| Stripping Shovels | |
| Open Gear Lube | 294 lbs/wk |
| Grease | 466 lbs/wk |
| | |
| All Other Mine Mobile Equipment | |
| Crankcase | 494 gal/wk |
| Transmission | 185 gal/wk |
| Final Drive | 127 gal/wk |
| Hydraulic | 331 gal/wk |
| Grease | 338 lbs/wk |
| Fuel | 70,521 gal/wk |

Lubricant Storage - Tank Farm Design Capacity

Assumptions:

1. Standardized crankcase (engine oil) to 40W
2. Combine hydraulic and transmission oil to one grade, 10W
3. Standardized final drive to 90W
4. Grease will be stored in 55 gal drums
5. All special lubricants (i.e. 140W wheel motor lube for electric haulers) shall be stored in individual 55 gal drums
6. Storage duration of 2 weeks
7. Design for later use of particular lubricant changes, extra lube grades, etc., by two half-size tanks for each major component above
 - 2 engine oil tanks
 - 2 transmission & hydraulic tanks
 - 1 final drive tank (because of small quantity)
8. Use of a storage ratio of 0.5:1 coolant to engine oil (as shown by Kaiser Engineers Drawing No. 10-23-HV, "Lubricant Storage for Sweetwater Project")

Lubricant Storage - Tank Farm Design Capacity (continued)

| <u>Tanks</u> | <u>Lubricant</u> | <u>Unit Capacity</u> gal | <u>Total Capacity</u> gal |
|--------------|--------------------------------------|-----------------------------|------------------------------|
| 2 | Engine Oil (40W) | 500 | 1000 |
| 2 | Transmission and Hydraulic Oil (10W) | 500 | 1000 |
| 1 | Final Drive (90W) | 300 | 300 |
| 1 | Coolant | 500 | 500 |

Fuel Storage - Project Consumption

| <u>Point of Use</u> | <u>Two Weeks Supply</u> gal | <u>Fuel Type</u> |
|-----------------------|--------------------------------|------------------|
| Mine Mobile Equipment | 141,042 | #2 |
| Mill Boilers* | 52,752 | #2 |
| ANFO Explosive Mix | <u>3,357</u> | #2 |
| | 197,151 | |

*Ramon Pizarro, Morrison-Knudsen
 Used Ross Milling Report, p. 523 as basis
 Mill consumption - average for leaching, solvent extraction,
 precipitation, etc.
 $157 \text{ gal/hr} \times 24 \text{ hr} \times 14 \text{ days} = 42,752 \text{ gal/2 wks}$
 #2 Diesel Fuel (140,000 Btu/gal)

Fuel Storage - Tank Farm Design Capacity

| <u>Tanks</u> | <u>Fuel Type</u> | <u>Unit Capacity</u> gal | <u>Total Capacity</u> |
|--------------|------------------|-----------------------------|-----------------------|
| 2 | Diesel #2 | 100,000 | 200,000 |

EXHIBIT II-D
MINING ASSUMPTIONS
AND FACTORS