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**RAPIDMIX 400
 AVERAGE OPERATING COSTS**

The operating costs indicated below are based on a seven year pay off, 250,000 tons of mixed material per year and approximately 833 hours of production time per year or 6000 hours for seven years. Labor, insurance, overhead and profit are not included in this analysis. All costs are in U.S. currency.

CONSUMABLES	Per Hour	Per Ton
Fuel @ 10 gal. @ \$3.00 per gal:	\$30.00	\$.10
Engine Lube and Misc:	\$3.50	\$.01
Pugmill Paddles: (two sets)	\$9.60	\$.03
 Total Consumables	 \$43.10	 \$.14

*Please note pugmill paddle cost could be reduced by ½ depending on the material mixed.

NONCONSUMABLES (Including repairs and labor for 6000 hours and over)

Hydraulics:	\$2,000.00
Electric Motors:	\$13,000.00
Electronics:	\$6,000.00
Pugmill Maintenance:	\$9,500.00
General Repairs:	\$6,000.00
Conveyor Belts:	\$10,000.00
Conveyor Skirting:	\$2,500.00
Engine Overhaul :	\$18,000.00
Miscellaneous Expense:	\$8,000.00

Total Nonconsumables: \$75,000.00

	Per Hour	Per Ton
Nonconsumables Operating Costs:	\$12.50	\$.045
Total Consumables and Nonconsumables:	\$55.60	\$.185

ACTUAL EQUIPMENT COST:

Note repaid on a 7 year amortization schedule based on \$400,000.00 principal and 8% interest.

Down Payment:	\$190,000.00
Monthly Payment:	\$6,234.49
Total Payments	\$523,696.67
Interest Deduction:	\$123,696.67
Depreciation:	\$590,000.00

EQUIPMENT AND OPERATION COSTS:	Per Hour	Per Ton
Operation Costs:	\$55.60	\$.185
Equipment Costs:	\$118.95	\$.41
Total Costs:	\$174.55	\$.595

The above prices are based on 7 years 6000 hours and 250,000 tons of material produced per year. These figures are very conservative and are based on only 1/2 to 3/4 of what the Rapidmix 400 can actually produce.

In Seven year the Rapidmix 400 properly maintained will have a resale value of \$250,000.00 or more. Using a 33% tax savings of \$194,700.00 and a resale value of \$250,000.00 that would make your equipment costs \$.15 per ton or \$44.83 per hour, this includes the \$190,000.00 down payment.

Labor, insurance, freight and taxes are not included in the above prices.