A COMPARATIVE STUDY

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OF INTERNATIONAL MINERAL TAXATION SYSTEMS:

CANADA'S COMPETITIVE POSITION

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Yearn Hong Park

A thesis submitted to the Faculty of Graduate Studies and Research of McGill University, in partial fulfil@ment of the requirements for the degree of Master of Engineering

> Department of Mining and Metallurgical Engineering McGill University, Montreal, Canada

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A comparative study of international mineral taxation systems: Canada's competitive position

The Canadian mining industry is a major gold, lead, zinc and copper producer in international mineral markets. For the industry which competes against many nations, the objective and role of mineral taxation continue to be major issues in the formulation of Canadian mineral policy.

In order to measure the impacts of taxation on mineral investment and to examine Canada's position, the mineral taxation systems of five countries -- Australia, Brazil, Canada, South Africa and the United States -- are compared. For this study, three hypothetical mine development opportunities are used. They are a small-size underground gold deposit, a medium-size underground lead-zinc deposit and a large-scale open pit copper-molybdenum deposit. The comparison is based on before- and after-tax economic indicators of the projects, level and components of taxation, tax position of the company, sensitivity to revenue and inflation levels, and the relationship between tax structure and results.

The study results indicate that although Canada is considered to have a favourable taxation environment, it must monitor its mineral taxation policies and their impact on investment decisions. Also, it must maintain a stable and economically viable tax environment for investors.

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Une étude comparative de systèmes d'imposition dans l'industrie minérale: La position compétitive du Canada

L'industrie minière canadienne est un fournisseur important d'or, de plomb, de zinc et de cuivre au niveau mondial. Le Canada est en competition directe avec plusieurs autres nations sur le marché mondial. En conséquence, l'objectif et le rôle de l'imposition minière continuent à être des sujets de discussion importants en ce qui concerne la formulation de politiques minérales.

Par une comparaison au niveau international, cette étude mesure l'impact de l'imposition dans l'industrie minérale sur les investissements miniers et du fait même, examine la position du Canada relative à quatre autres grands pays producteurs de mineraux, soit l'Australie, le Brésil, l'Afrique du Sud, et les Etats Unis. Trois projets miniers hypothétiques sont utilisés pour ceci: un petit gisement d'or et un gisement de plomb-zinc de taille moyenne, à être exploités par méthodes sousterraines, et un gisement de cuivre-molybdène de grande taille, à être exploité par méthode à ciel ouvert.

La comparaison se base sur plusieurs critères économiques, dont les indicateurs économiques des projets avant et après imposition, le niveau et les proportions relatives des impôts et droits miniers, la position fiscale de la compagnie minière, la sensibilité des systèmes d'imposition à l'inflation et au niveau de revenu, et finalement, les relations entre la structure d'imposition et les résultats observés.

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L'étude se termine par des commentaires concernant l'implication des résultats observés, tout particulièrement en ce qui concerne la position compétitive du Canada par rapport aux autres pays producteurs, à ses provisions particulières visant à favoriser les investissements miniers, et aux perspectives futures de politique minérale.

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TABLE OF CONTENTS.

		Page	
	ABSTRACT	1	
	RÉSUME	<u>†1</u>	
	ACKNOWLEDGEMENTS	111	
	TABLE OF CONTENTS	iv	
	LIST OF FIGURES	vi	
	LIST OF TABLES	viii	
-	CHAPTER 1. INTRODUCTION c^	1	
	1.1. MINERAL DEVELOPMENT PROJECTS AND TAXATION 1.2. OBJECTIVE AND SCOPE OF STUDY 1.3. ORGANIZATION OF THE STUDY	1 3 7	
	CHAPTER 2. PRINCIPLES OF MINERAL TAXATION	9	
	2.1. BASIC CONCEPTS OF MINERAL TAXATION 2.2. MINERAL TAXATION STRUCTURES 2.3. ECONOMIC EFFECTS OF TAXATION ON MINING	9 11 15	
	CHAPTER 3. ASSESSING THE ECONOMIC EFFECTS OF TAXATION	25	
	3.1. GENERAL APPROACH 3.2. EVALUATION CRITERIA 3.3. STAGES OF ANALYSIS	25 29 40	
	CHAPTER 4. FORMULATION OF REPRESENTATIVE MINE DEVELOPMENT CASES	43	
	4.1. GENERAL CONSIDERATIONS 4.2. CASE-SPECIFIC CHARACTERISTICS 4.3. BEFORE-TAX ECONOMIC INDICATORS	43 45 t 52	
	CHAPTER 5. GENERAL DESCRIPTION OF SELECTED TAXATION SYSTEMS	54	
	5.1. TAX REGIMES AND TAXATION MODEL 5.2. DESCRIPTION OF TAXATION SYSTEMS	54 . 55	
	CHAPTER 6. ECONOMIC ANALYSIS OF SELECTED TAXATION SYSTEMS	68	
	6.1. AFTER-TAX INVESTMENT INCENTIVE 6.2. LEVEL OF TAXATION 6.3. SENSITIVITY TO REVENUE AND INFLATION	68 81 124	
	· · · · · · · · · · · · · · · · · · ·		

1v

	CHAPTER 7. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	/	142
*	7:1. SUMMARY 7.2. CONCLUSIONS 7.3. RECOMMENDATIONS FOR FURTHER STUDY		142 150 156
	REFERÉNCES	~	159
	SELECTED BIBLIOGRAPHY	`	161
	APPENDICES .	•	169
	APPENDIX A. CANADIAN MINERAL TAXATION SYSTEM	_	170 [`]
	A.1. DESCRIPTION A.2. DETAILED BASE CASE RESULTS	E .	170 [°] 181
	APPENDIX B. AUSTRALIAN MINERAL TAXATION SYSTEM	8	229
	B.I. DESCRIPTION B.2. DETAILED BASE CASE RESULTS	۶	229 234
	APPENDIX C. BRAZILIAN MINERAL TAXATION SYSTEM		264
	C.1. DESCRIPTION C.2. DETAILED BASE CASE RESULTS	•	264 269
	APPENDIX D. SOUTH AFRICAN MINERAL TAXATION SYSTEM	•	289
	D.1. DESCRIPTION D.2. DETAILED BASE CASE RESULTS	Ň	289 294
	APPENDIX E. MINERAL TAXATION SYSTEM OF-THE UNITED STATES	3	305
	E.1. DESCRIPTION E.2. DETAILED BASE CASE RESULTS		305 313
			•

;

•

999. . t

i C

C

C,

ſ

LIST OF FIGURES

1

Ľ,

÷,

١

÷

5

,

	, •	LIST OF FIGURES	
			Page
Fi gure	2-1.	Effect of Cut-off Grade on Mineral Reserves	18
Figure	2-2.	Effects of Production Taxes on Level of Production	21 .
Figure	3-¥.	Typical Format for Calculating Annual Cash Flow	31
Figure	3-2.	Measures of Profitability Used for Investment Amalysis	34
Figure	3-3.	Rate of Return in Relation to Net Present-Value	38
Figure	5-1.	Profitability Tax Rate	64
Figure	6-1.	Time Distribution of Cash Flows and Ta% Payments	໌ 70
Figure	6-2.	Total Tax Payments: Gold Project	85
Figure	6-3.	Total Tax Payments: Lead-Zinc Project	86
Figure	6-4.	Total Tax Payments: Copper-Molybdenum Project	87
Figure	6-5.	Tax Payments and Components, Discounted at 3 Percent: Gold Project	98
Figure	6-6.	Tax Payments and Components, Discounted at 3 Percent: Lead-Zinc Project	99
Figure.	6-7.	Tax Payments and Components, Discounted at 3 Percent: Copper-Molybdenum Project	1 0 0
Figure	6-8.	Yearly Tax Payments: ' Gold Project Canadian Provinces	104
Figure	6-9. :	Yearly Tax Payments: Gold Project Brazil and South Africa	105
Figure	6-10.	Yearly Tax Payments: Gold Project Australia	106
Figure	6-11.	Yearly Tax Payments: Gold Project U.S.A.	\ 107
Figure	6-12.	Yearly Tax Payments: - • • Lead-Zinc Project Canadian Provinces	108
Figure	6-13.	Yearly Tax Payments: Lead-Zinc Project Brazil and South Africa	109

vi

J.

• •		
Figure 6-14.	Yearly Tax Payments: Lead-Zinc Project Australia	ໍ 110 ໍ
Figure 6-15.	Yearly Tax Payments: Lead-Zinc Project U.S.A.	-111
Figure 6-16.	Yearly Tax Payments: Copper-Molybdenum Project Canadian Provinces	112
Figure 6-17,	Yearly Tax Payments: Copper-Molybdenum Project Brazil and South Africa	. 113
Figure 6-18.	Yearly Tax Payments: Copper-Molybdenum Project Australia	°, 114
Figure 6-19.	Yearly Tax Payments: , , , , , , , , , , , , , , , , , , ,	115
Figure 7-1.	Şummary Rate of Return	148
Figure 7-2.	Summary Effective Tax Rates	້ 149

v.11

.)

٩.

9

ł,

i."

C

LIST OF TABLES

~~	9		Page	
	Table 4-1.	Before-Tax Analysis Results	[,] 52 `	
	Table 6-1.	Effects of Taxation on Economic Indicators: Gold Project,	. 72 -	
٠	Table 6-2.	Effects of Taxation on Economic Indicators: Lead-Zinc Project	73	
•	Table 6-3.	Effects of Taxation on Economic Indicators:	74	
	Table 6-4.	Ranking Among Tax Regimes Based on Economic Indicators	76	
•	Table 6–5.	Effects of Taxation on Economic Indicators: Integrated Company Base Gold Project	« 78⁻	
\$	Table 6-6.	Effects of Taxation on Economic Indicators: Integrated Company Base Lead-Zinc Project	79	
\$	able 6-7.	Effects of Taxation on Economic Indicators: Integrated Company Base Copper-Molybdenum Project	80	
¥,	Table 6-8.	Present Value of Tax Payments:	82	
	Table 6 ≻9 ∙	Present Value of Tax Payments: Lead-Zinc Project	83	
	Table 6-10.	Present Value of Tax Payments: Copper-Molybdenum Project	- 84	
	Table 6-11.	Present Value of Tax Payments: Integrated Company Basis Gold Project	89	
	Table 6-12.	Present Value of Tax Payments: Integrated Company Basis Lead-Zinc Project	90	
r	Table 6–13.	Present Value of Tax Payments: Integrated Company Basis Copper-Molybdenum Project	91	0
	Table 6-14.	Tax Payment Components: Gold Project	94	
L	Table 6-15.	Tax Payment Components: Lead-Zinc Project	, 95 <i>^_</i>	
	Table 6-16.	Tax Payment Components: Copper-Molybdenum Project	-96	
		•		

•

	,	•
Table 6-17.	Tax Components: Income Taxes and Other Taxes	97
Table 6-18.	Tax Payments As a Proportion of Project Value: Discounted at 10 Percent	118
Table 6-19.	Tax Payments As a Proportion of Project Value: Undiscounted	119
Table 6-20.	Tax Payments As a Proportion of Project Value: Integrated Company Base, Discounted at 10 Percent	122
Table 6-21.	Tax Payments As a Proportion of Project Value: Integrated Company Base, Undiscounted	123
Table 6-22.	Sensitivity of Rate of Return to Revenue: Gold Project	126
Table 6-23.	Sensitivity of Net Present Value to Revenue: Gold Project	127
Table 6-24.	Sensitivity of Rate of Return to Revenue: Lead-Zinc Project	130
Table 6-25.	Sensitivity of Net Present Value to Revenue: Lead-Zinc Project	131
Table 6-26.	Sensitivity of Rate of Return to Revenue: Copper-Molybdenum Project	132
Table 6-27.	Sensitivity of Net Present Value to Revenue: Copper-Molybdenum Project	133
Table 6-28,	Sensitivity of Rate of Return to Inflation: Gold Project	136
Table 6-29.	Sensitivity of Net Present Value to Inflation: Gold Project	137
Table 6-30.	Sensitivity of Rate of Return to Inflation: Lead-Zinc Project	138
Table 6-31.	Sensitivity of Net Present Value to Inflation: - Lead-Zinc Project	- 139
Table 6-32.	Sensitivity of Rate of Return to Inflation: Copper-Molybdenum Project	140
Table 6-33.	Sensitivity of Net Present Value to Inflation: Copper-Molybdenum Project	141

-

ЧĽ

Ċ

5

ix

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CHAPTER 1

INTRODUCTION

1.1. MINERAL DEVELOPMENT PROJECTS AND TAXATION

A mining project involves an investment of a large amount of capital which in many respects is no different from other industrial investments. That is, a firm's capital is transferable from one project or region to another according to the profitability that the investment is expected to yield. The management must take a set of various parameters into consideration when making an investment decision. And the decision must guarantee the maximization of wealth to the firm through the use of the available funds. Therefore, the alternative circumstances in which investments can be made have to be investigated and ranked by management before any one is selected. This is a complicated process because investment and recovery of capital in a mining_project is a long-term process, and the inherent high risk nature of the mining industry adds another dimension to the complexity of the investment decision.

For both mining firms and the government, it is essential to have a favourable environment within which the mining industry can be competitive internationally as well as among different industries. This also ensures a healthy environment to the mining sector which will in turn bring about economic development, employment, and promote and encourage mining-linked industrial activities. In these regards, the competitive position of a nation's mining industry can be considered a core aspect among decision parameters.

The term "competitiveness" is used by decision-makers in many different ways. These include: 1) Technology-related parameters such as productivity,

skilled work-force, efficiency of equipment, and method of operation, 2) Cost-advantages due to quality of reserves, availability of input material, deposit location, transportation, changes in exchange rate, and public incentives, 3) Market-related concepts such as export market share, proximity to existing or potential markets, consumers' perception of the industry, and 4) Other usages related to the financial capacity of the industry. However, these various usages are all ultimately related to the wealth motive of the investors as long as the decision is concerned with capital investment. Furthermore, the concern of wealth maximization is really the driving force of the private enterprise.

Canadian mining is primarily subject to higher costs due to lower grades of ores, transportation to and from remote areas, and higher North American labour costs (Drolet 1983). In an international market scene, the Canadian mineral industry hass no monopoly position for any mineral commodity. It is often a price-taker in the market. Therefore, the cost structure of the Canadian mining industry, which includes taxation, should not be detrimental to its competitive position in international mineral markets.

Taxes levied on properties and operations of mining firms represent critical costs in the economic evaluation of mining investments and are an important determinant of the economic viability of an investment. Taxes affect a firm's decisions related to investment and production levels. The appropriate types and levels of taxation imposed upon the mining industry continue to be controversial issues of mineral policy, stimulating continuous discussions as economic conditions change. In fact, mineral taxation levels in Canada have fluctuated over recent years due to widely differing taxation philosophies.

This diversity of taxation is also found in provinces or states within

a country, and from one locality to another. It may also vary from one type of mineral commodity to another. Since the taxation system of a particular jurisdiction reflects its specific goals and the consideration of industrial situations within the regime, governments do not consult each other when formulating and implementating the systems. However, they can compete with one another by adopting alternative taxation policies which affect the relative economics of investment projects. Thus, all other factors being equal, when the overall burden of a taxation system is higher in one jurisdiction than in another, the regime is considered to handicap the project.

From an investor's point of view, the stability of government policies is particularly important. Because mining investment capital is mobile and transferable, management continues to search for investment opportunities with the lowest risk. Jurisdictions with long-term stability with respect to regulations and taxation will provide the investor with a favourable climate for sustained investment in the mining industry.

1.2. OBJECTIVE AND SCOPE OF STUDY

The objective of this study is to measure the f impact of selected international mineral taxation systems on the economics of mine development, and to compare Canada's competitive position relative to other major mineral producers. The study does not attempt to cover all taxes that mining investments are subject to, nor does it consider services governments may provide that would offset part of the tax burden. Limitations associated with documenting such information on an international scale render the study of these aspects beyond the scope of this thesis. Rather, more realistic

objectives are to compare certain certain categories of national taxes of concern to the mining industry, and to evaluate the effects of particular combinations of tax rates and structures on project economics. Emphasis is placed on base and precious metal sectors; hence, this study only considers the taxation systems which relate to these metals.

Canada's competitive position in the world market is particularly important because its mineral industry is highly export-oriented, with over 70 percent of its total mineral production being traded in international mineral markets. The mining industry has a strong impact on Canada's national economy as well as on other industrial activities, through both forward and backward linkages.

The sources of competitiveness may rest on the specific circumstances in which a mineral industry operates in relation to the technological, cost and market factors cited above. This study, however, focuses on the analysis of taxation as an influencial factor.

Previous studies concerned with comparative mineral taxation have dealt with topics varying from tax legislations regarding treatment of different kind of minerals, structures and levels of taxation in several regimes, as well as economic effects of taxation on sample case projects.

Gillis (1980) summarizes important features of mineral tax legislation in seventeen countries, focusing on Indonesia for comparative purposes. The summary of these tax legislations relates only to hard minerals which were at that time considered of potential importance to those countries analyzed. The study was made to provide some useful information to mining firms who wish to invest in foreign countries. Another similar survey was made by Envers (1985), with an interest in comparing tax incidence among Canadian provinces based on statutory regulations. Wilson (1984) introduced risk analysis into a simulation study of tax effects on existing mining projects

in Papua New Guinea, and examined the impacts of uncertainty on investment decisions.

Some studies are concerned with the economic impact of taxation on mining projects, and use representative mine development cases for analysis. However, until the recent past, these types of analyses have not been very common. Krige (1971) is an early exception in this regard. He computed after-tax rates of return of a specimen mine under the taxation systems of Canada, the U.S.A. and South Africa. Uncertainty elements were also taken into consideration in the study. Martin (1976) had a similar interest, but showed more concern about analyzing the situation through computer simulation. Most other studies have come very recently. Using a uranium mining project, Barnett and Anderson (1983) compare the tax regime of Saskatchewan with that of Northern Territory in Australia. Mackenzie et al. (1986) analyze the competitiveness among Canadian provinces while Davidoff (1985) compares eight U.S. states. The former (Mackenzie et al. 1986) characteristically consider locational aspects in addition to differences in taxation systems among the provinces.

Albert (1985) extends the scope of study to the international scene by including several foreign tax regimes in the analysis, adding to the comparisons among Canadian provinces, and provides some preliminary results on after-tax incentives, flow-through basis of analysis, and comparative levels of taxation.

Among the earlier studies focusing on the analysis of after-tax impacts, the ones by Krige (1971) and Martin (1976) are intended as guidelines in cases where taxation is a major factor in the decision-making process. The more recent studies contain increasingly varied objectives and are more concerned about tax structure and its implication for mineral

policy.

As stated earlier, this study consists of an analysis of the economic effects of taxation systems existing in major base and precious metal producing countries. The methodology embodied in this study includes the analysis of relative levels of tax incidence, taxation effects on project economics, the assessment of components and time patterns of tax payments in relation to the structure of the taxation system, and effects of variations in economic and market parameters. The study focuses particularly on Canada's competitive position in the context of mining investment opportunities on an international scale. Type of commodity and scale of operation are also considered.

More specifically, the study examines the taxation policies of five countries -- Australia, Brazil, Canada, South Africa and the U.S.A. These five countries have been selected because their taxation regimes incorporate, in one form or another, most of the types of fiscal instruments generally applicable to mineral projects. These countries are also major mineral producers on a world scale.

Three hypothetical mine development opportunities, considered to be representative of situations of interest in Canada, are used to carry out the necessary comparisons: a small-size underground gold project, a mediumsize underground lead-zinc project, and a large-size open pit coppermolybdenum project. These potential mines are initially evaluated in four provinces in Canada and, then, in a number of other jurisdictions of the foreign countries of interest. Market price conditions and representative deposit characteristics are held constant throughout the analysis. A number of economic criteria are assessed for each study variant. Results, reflecting the competitive position of individual tax regimes, are presented and compared in chapter 6.

This study concentrates on the impact of various tax collection instruments. It does not attempt to assess the relative importance of the taxation regime compared to other factors that an investor would take into account when making an investment decision. International tax studies can be criticized because of their failure to account for environmental differences between jurisdictions. In fact, the application of the foreign taxation systems selected in this study does not include all domestic or local economic conditions of each country in question. Rather, the approach takenhere is to use a set of various tax instruments currently in use in those countries and apply them to the mineral deposits located in Canada.

Mineral taxation continues to be a major issue in Canadian mineral policy, and Canadian mines are major world producers of gold, lead, zinc, and copper. Thus, the findings of this study should contribute to the ongoing policy debate on the role of taxation in determining the international competitiveness of the Canadian mining industry.

1.3. ORGANIZATION OF THE STUDY

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Chapter 2 provides a general review of the concepts related to mineral taxation and their effects on mineral projects. Chapter 3 describes the methodology which is applied to assess the tax effects. Attention is given to the terms of reference of the study, the economic criteria utilized, and the stages of analysis.

The assembly of information for use in the study is discussed in chapter 4. General assumptions regarding economic outlook conditions and market considerations are outlined here. Case-specific descriptions are given for the representative gold, lead-zinc, and copper-molybdenum

projects. Following the deposit descriptions, before-tax economic indicators for the representative projects are established.

Chapter 5 briefly describes the characteristic features of the taxation systems for the countries selected. These systems are then applied to the representative mine development cases, and chapter 6 compares the study results. The after-tax economic effects are $e\sqrt{a}$ uated and sensitivity analysis with respect to revenue and inflation levels is carried out.

The study concludes with an assessment of the policy implications of the findings, with particular emphasis on Canada's competitive position among the major mineral producing countries.

Details on taxation rules, assumptions relating to cash flow estimate and some sample calculations of the cash flows given in the text are described in the appendices.

CHAPTER 2

PRINCIPLES OF MINERAL TAXATION

2.1. BASIC CONCEPTS OF MINERAL TAXATION

As in discussions about taxation in any industry, an explanation of mineral taxation requires an understanding of such basic terminology as taxpayer, tax base, and tax rating structure.

The taxpayer is usually a mining company in the case of mineral taxation. It is required to pay taxes subject to the tax regime existing in the jurisdiction in which it has mining concerns or activities.

The tax base is the ground upon which the actual calculation of tax payments is made. It is considered a proper measurement of what the company has benefited from its mining activities, or to what extent it is able to pay taxes in return for the benefits it received. The procedure used to calculate the tax base involves the government's view towards mining companies as well as objectives which the tax authority wishes to attain through taxation. Therefore, the determination of the base on which a mineral tax is levied is the most important element of a tax study. Different structures of tax base are often used in classifying types of taxation systems, e.g., mineral property tax, mine production (severance) tax, profit tax, etc.

The tax rating structure can either be a specific amount per unit of the tax base, or a rate which is multiplied by the tax base to assess the amount of tax payment. The effect of rate structure offers its own rational for classification of progressive and regressive taxes.

Taxes can be classified based on their effect in several other ways: direct or indirect, according to whether the taxpayer bears the tax

incidence or simply passes it on to the buyer of the products; neutral or non-neutral, according to the way taxes influence the taxpayer's decisions. If the application of a taxation system does not affect decisions, it is considered a neutral tax regime. In reality, there are very few of these.

As stated earlier, the tax base imposes key aspects. The tax base has a significant effect on the after-tax economics of a project since it is calculated, where applicable, through various deductions and capitaly recovery instruments. The tax rating method has a direct effect on project economics as well. Since the tax base cannot be easily changed in the short-term and is generally only subject to major reforms, it imposes long-term effects. Alternatively, the tax rate structure, which can be changed more readily and frequently, has a relatively short-term effect. Therefore, the classification of taxes according to the base on which they are levied directly describes important facets of the tax structure and is considered a more common way of classifying and identifying taxes. The next section of this chapter reviews structures and characteristics of various tax systems with this in mind.

From the point of view of mineral economics, the objective of mineral taxation is to capture excessive profits accrued from the extraction of minerals, while allowing the investor to make a fair return on his capital investment.

It is also desirable for governments who are responsible for designing and enforcing tax systems to ensure that these systems reflect provisions for the characteristics peculiar to the mining industry. Some of these special characteristics are: high risk and long time periods associated with mineral exploration, large capital requirement for the development of a mine prior to the commencement of production, and depletion of a non-renewable mineral resource.

In these regards, various desirable elements have been suggested¹ for the establishment of a fair tax system. Among the goals to be considered in the formulation of tax policies are: (1) equity in distribution of tax burden, (2) economic efficiency to facilitate the use of fiscal policy for stabilization and growth objectives, (3) neutrality with respect to minimization of interference with economic decisions, (4) ease of administration and low cost of compliance, (5) revenue maximization and stability for the government, and (6) flexibility to allow the establishment of certain investment incentive programmes with minimum interference with the equity objective.

2.2. MINERAL TAXATION STRUCTURES

The various elements described above and the consideration of the industry's characteristics combine to yield a wide variety of mineral taxation structures. As stated prevyYously, the base on which the tax is levied is one of the most important elements in understanding the structure of a taxation system. Thus, tax structures are grouped into four categories for discussion purposes. These are: property tax; production tax; profit tax; and profitability tax.

Property Tax

Almost every government is considered to have a certain form of property tax as part of its tax structure. The tax is based on the value of

1. See Church (1981) for example.

the assets of a mining company, i.e. mineral property and/or production facilities. The tax is expressed as a percentage or a monetary value per unit of the assessment base. In the United States, this is also known as an "ad valorem property tax".

The method of appraisal of the tax base differs from one tax regime to another. For mineral properties in the U.S. for example, it is based on discounted annual gross or net proceeds.

Production Tax

Production tax, or severance tax, is levied in proportion to the output of a mining operation. The base can be either the quantity produced (units of production) or the value of mineral products (gross proceeds or net proceeds). Taxation based on quantity produced is directly related to mining capacity, average grade of ore mined and recovery factors, whereas taxation based on value of production is more related to market price.

In the United States, production tax has been used by state governments to supplement property tax rather than as the principal instrument of tax collection.

Profit Tax

Taxes based on profit are the most common type of taxation in the mining industry./The amount of taxes payable is based on the net income available after/deducting operating expenses and certain other allowances. As the profit decreases, so does the tax burden. Therefore, profit taxation is considered preferable to property or production taxation which do not take the firm's profit situation into consideration. However, the actual

calculation of the tax is usually more complex than for other types of

taxation_because it requires the determination of both revenue and the allowable deductions. In practice, the definition of allowable deductions differs widely among profit taxation systems.

Operating expenses are usually allowable deductions. Typically, material, labour, energy and overhead costs are included in this item, although details of its coverage may require reference to the specific legislation.

Depreciation allowances provide compensation to the mining firm for capital expenditures incurred. There are many different methods used for calculating depreciation charges. A widely used method is straight-line depreciation, in which the cost of a capital asset is divided into equal amounts, and each amount is used as an annual deduction. The asset's useful life or other statutory value typically defines the number of years to be used. Declining-balance depreciation, where the depreciation allowance for a particular year is calculated as a percentage of the asset's remaining book value, is another popular method of calculating depreciation. The method provides higher write-offs in the early years of the asset's life. The depreciation rate, which varies according to the type of asset, is usually specified by relevant statutes of tax legislation. Beside these methods, special provisions determined by legislation may also be used. For example, the Accelerated Cost Recovery System (ACRS), allowed for U.S. federal income tax purposes, provides a rapid depreciation over a relatively short period.

In Canada, a unique provision which is called Capital Cost Allowance (CCA) is applied to classes of assets. Every asset must be included in a class and each asset class has a specific declining-balance rate. This rate is applied to the undepreciated balance of the asset class. A taxpayer may claim any amount of desired CCA allowance from nothing up to the maximum

permitted for the class.

The depletion allowance is characteristically used for resource-based industries. Thus, mining companies are permitted a deduction for depletion, based on the cost of finding and developing mineral resources. This provides an incentive for finding new mineral resources. In Canada, for example, depletion must be earned and is one-third of the expenditure's associated with exploration and new mine development.

In cases where a mining company is liable to pay taxes to more than one authority, taxes paid to one regime may be deductible from another regime's tax base. This is to prevent double taxation. Thus, federal tax payments are an allowable deduction for state income taxation purposes in some states of the United States and, similarly, state royalty payments are deductible for Commonwealth income taxation in Australia.

By subtracting all allowable costs and deductions from the gross revenues realized from the sale of mineral products, the taxable income or profit tax base is determined. The profit tax rate may be either fixed or progressive.

The amounts claimed for depreciation, amortization and depletion are not real cash expenses. They simply serve to reduce the firm's tax liability and hence, represent money available to the firm for the replacement of machinery and equipment, expansion, retirement of debt, diversification, higher dividends to shareholders, or exploration of new mineral deposits. These allowances are thus important contributions to the firm's cash flow.

The federal governments of Canada, Australia and the United States levy corporate income taxes which are based on a profit taxation structure. Mining taxation in all Canadian provinces, state corporate income tax systems of the United States, and royalty systems of some state governments in Australia have profit tax structures as well.

Profitability Tax

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Profitability tax is similar to profit tax in that it uses profit as the tax base. But this system determines the tax rate applicable on the basis of the profitability of the project. Thus, the more profitable a mining operation, the higher the tax rate. There may be different measures of profit. Nevertheless, a profitability taxation system still requires the described above. The definition of allowable costs and deductions are the same here.

After determining the taxable income and the profitability, the tax rate is applied to assess the taxes payable. The structure is such that no taxes would be payable below a predetermined level of profitability. The South African gold mining industry, for example, measures profitability as the ratio of taxable income to total revenue. The tax rate is only applicable when the profitability is greater than 8 percent and it progressively increases from a value of zero, when the profitability is 8 percent, up to a maximum of 75 percent.

2.3. ECONOMIC EFFECTS OF TAXATION ON MINING

One of the objectives of this study is to assess the after-tax project economics of mining investments in relation to before-tax values, to allow their comparison among the tax regimes in consideration. This objective concerns the level of taxation and the extent of deterioration of project economics resulting from the tax incidence. Since the taxation system of a regime comprises more than one component, or type of tax, the overall tax incidence from a system represents the aggregated sum of the burdens caused

by the components. It is, therefore, necessary to have an understanding of the effects of the individual types of taxation to be able to analyze the overall economic effects of a taxation system.

In this section, the effects of the different types of taxation systems described above are explained. This is to better understand how closely they achieve various objectives when comparing the systems. Profit tax and profitability tax systems are explained in the Corporate Income Tax section. These descriptions are rather general, with no reference to the assumptions made for the purpose of analyzing the representative mine development cases.

Effects of Property Taxes and Production Taxes on Cut-off Grade

Taxation of mining property is often said to induce faster extraction of mineral reserves from the ground, because mining firms who are liable for this tax tend to increase production, thereby reducing the life of the mine and total tax payments.

Property taxes levied on quantity extracted represents an additional fixed cost in a mining operation. This added cost is recovered by raising the cut-off grade, i.e. selectively mining those parts of the deposit with a higher grade in order to raise the average grade of ore mined. However, an increase in cut-off grade results in a reduced level of recovery because lower grade resources are left behind. Massive low-grade deposits are most vulnerable to this type of taxation, marginal ore being eventually forced to a sub-economic category as the cut-off grade is increased.

A typical relationship between reserves and cut-off grade shown in figure 2<u>-1_illustrates</u> this consequence very clearly. Assuming that a lowgrade porphyry copper deposit approximates a lognormal grade distribution, the proportions of reserves and recoverable metal content above the cut-off

grade can be described as follows¹:

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Tonnage proportion: Metal proportion: $T_c = G(ln(C/g_o)/B + B/2)$ $Q_c = G(ln(C/g_o)/B - B/2)$

If the total in-situ reserves are 300 million tonnes at an average grade of 0.4 percent and the logarithmic standard deviation is 0.2, . then the proportions of reserves and metal quantity above cut-off grade are as shown in figure 2-1. The curve shows that increases in cut-off grade from 0.2 to 0.3 percent and from 0.3 to 0.4 percent reduce the reserves by 58.4 and 105 million tonnes, or 19.5 and 35 percent, respectively. Reductions in the quantity of recoverab e metal resulting from the same change in cut-off grade are 154.3 and 365.9 thousand tonnes, respectively. At today's copper price, this is equivalent to losses of approximately \$230 and \$550 million.

Property taxes based on the capitalized value of a mineral property also tend to accelerate extraction at earlier stages of the production period, thereby reducing mine life. Since this type of tax can be thought of as a cost of holding mineral reserves, it discourages speculative holding. However, it also discourages investment in exploration and development of mineral reserves in advance of mining.

Although property taxation can be considered less preferable than

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1. For details about the formulae, see David (1977) pp. 39-43.

FIGURE 2-1

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EFFECT OF CUT-OFF GRADE ON MINERAL RESERVES

Proportions of Tonnage and Metal Content Above Cut-off Grade



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profit based taxes for the above reason and other possible difficulties such as those involved in assessing the value of a taxable property, it can provide the government with a stable and consistent way of raising large amounts of revenue.

Effect of Production Taxes on Production Level

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Production taxes represent an additional variable cost of operation. If levied, mining firms would react in a way to minimize the impact of an increased production cost. Each of the three types of production taxes stated earlier -- unit production, gross proceeds and net proceeds -- have some common as well as some different effects on the mining operation.

If a production tax is based on quantity mined, the tax tends to reduce the optimum mining rate, thereby offsetting the additional unit operating cost. The effect of production tax on level of production is illustrated in figure 2-2. The mining company earns a profit margin of PC at production level Q with an initial level of severance tax. PC' is the new profit margin when marginal and average cost curves move up to MC' and AC' as a result of the increase in production tax. Q' becomes the new lower optimum production level assuming the same competitive market conditions and prices for before and after the tax increase. The reduction in the volume of production generally results in the exclusion of lower-grade and higher-cost parts of the deposit from gurrent mining operations, thereby restoring short-term profitability. Such an exclusion is made in expectation of better future market conditions or cost effective extraction methods. Hence, in some cases, this may extend the life of the reserves remaining in the ground. However, a reduction of reserves similar to the case of property tax can also be expected.

For the case of a production tax based on value of production, the burden of taxation also represents additional production cost. It may not

directly affect the mining rate, because it is not volume-based, but it will demand more cost-effective mining practice to secure the profit margin, thereby discriminating against high-cost mining operations. Since lowquality ores are generally considered high-cost as well, a value-based production tax also has the effect of raising the cut-off grade.

The higher cut-off grade will tend to lower the overall level of recovery of the deposit because firstly, marginal ore as well as those parts of the deposit which are left in-situ cannot be effectively mined due to technical difficulties. Secondly, even if this material is redeveloped later when economic conditions become favourable, the ultimate recovery will be lower than that for primary mining. Thus, this tax is subject to the criticism of causing wastage of valuable natural resources. The delay in production can also be considered as a burden on the regional economy because of the reduced present value of future mineral production.

A production tax based on net proceeds has effects similar to those of a profit tax system, which is the subject of the following section.

FIGURE 2-2

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EFFECTS OF PRODUCTION TAXES ON LEVEL OF PRODUCTION -



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Corporate Income Taxation Based on Profit or Profitability

In the mineral industry, profit or profitability based taxes are generally used for the purpose of assessing corporate income taxes. As discussed earlier, a profit tax does not directly become part of production costs.

The depletion allowance permitted in the calculation of corporate income taxes in many countries is a unique provision for non-renewable resource industries. This provision may influence management's investment decisions somewhat differently depending on which method is applicable, i.e. percentage depletion or earned depletion. Earned depletion may encourage specific capital expenses such as exploration and development expenditures which create or "earn" allowable deductions. Alternatively, percentage depletion is based on revenue or income after deduction of depreciation and other miscelaneous allowances. In any case, as many analysts have reflected (Church 1981, p. 81), depletion is akin to a negative production tax, or subsidy on output, in the manner in which it reduces the income tax burden. Thus, the economic effect, if any, is to encourage current production as opposed to production tax. If a progressive tax rate is structured to capture higher marginal profits, it could eventually raise the cut-off grade and result in a loss of low-grade reserves in the long-term. In the shortrun, though, corporate income taxes have little or no effect on the behavior of the mining company with repect to grade control and recovery of ore reserves. Hence, it is considered preferable to other types of mineral taxes, although it usually involves more complexity in the definition of operating costs and allowable deductions.

The deduction of expenditures for the purpose of determining taxable income effectively reduce the after-tax cost of these expenditures. For

instance, the direct deduction of operating costs from total revenue leads to the following relationship between before- and after-tax operating costs (BTOC and ATOC, respectively):

ATOC = BTOC (1 - effective income tax rate)

Allowances for capital expenditures also reduce the cost of capital assets to the mining firm according to the following relationship:

-- Using straight-line depreciation:

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ATCC = BTCC $(1 - dt(1-1/(1+i)^n)/i)$

where ATCC = after-tax capital cost BTCC = before-tax capital cost d = straight-line depreciation rate t = income tax rate i = cost of capital n = number of years depreciated

-- Using declining-balance depreciation:

Thus, tax deductions for capital expenditures can be used as incentives to promote exploration and development of mineral resources, thereby encouraging capital intensive mineral development. Also, because depreciation allowances actually increases a firm's cash flow, higher depreciation rates will increase cash flows in the early years of project life, providing a further incentive to investment.

When based on profitability, a tax system does not reduce the profitability of an operation below a predetermined minimum acceptable level upon which the firm and the government have agreed. Therefore, this can be a most efficient and attractive taxation instrument for those who own marginal

ore reserves. However, a profitability tax fails to guarantee a stable source of government revenue, and its actual application is usually complicated. At present, South Africa is in fact the only nation that applies this form of taxation.

This chapter has briefly described various tax regimes, focusing on their effects upon production decisions and general economic conditions of mining enterprises. Many other factors also affect these decisions in conjunction with particular taxation systems. Among these are type and size of deposit, grade distributions_within the orebody, inflation, commodity market fluctuations, and exchange rates. Some of these factors are discussed in the next chapter.

CHAPTER 3

ASSESSING THE ECONOMIC EFFECTS OF TAXATION

3.1. GENERAL APPROACH

The methodology adopted in this study is based on two fundamental principles. Firstly, in order to analyze the effects of taxation systems, deposit conditions should be held constant. Secondly, to understand and explain Canada's competitive position in the area of mineral taxation, foreign taxation systems as well as the Canadian system must be applied to these constant base case conditions. This isolates the taxation effects out of various other factors that would affect mineral development opportunities. Thus, all economic, locational and environmental factors are considered to be constant and independent of the taxation regimes under study.

Three hypothetical metal mines are assumed for evaluation purposes: a small-scale gold mine, a medium-scale lead and zinc mine, and a large-scale copper and molybdenum mine. These models are considered in order to analyze the tax effects on the combination of scale of operation and deposit type. Thus, project lives vary directly with the scale of operation, from a short life for the small-scale mine up to a long life for the large-scale mine. These lives represent the combined length of preproduction and production periods for the hypothetical mines to be evaluated. All money values are expressed in constant 1985 Canadian dollars, and various estimates used in the study are based on market outlook conditions of 1985.

For purposes of evaluating the gold, lead-zinc, and copper-molybdenum mine development opportunities, the following estimates and assumptions are required:

- Deposit type, tonnage, grade and other relevant geological information;

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- Appropriate mine development method;
- Revenue and cost estimates for the hypothetical mine development cases;
- Exchange rates;
- Weighted a Gerage cost-of-capital discount and hurdle rates from government, and mining firm points of view;
- General rate of inflation to correctly assess tax allowances and payments.

Specific descriptions of the representative mineral projects and other relevant economic factors, as well as before-tax economic evaluation results are given in chapter 4.

To allow the analysis of the economic effects resulting from the individual tax regimes, the representative mineral projects are evaluated under the taxation systems of:

-	Four provinces in Canada:	Quebec, Ontario, British Columbia,		
		and Nova Scotia;		
-	Four states in the U.S.AC:	Arizona, Colorado, Montana, and Nevada;		
-	Three states in Australia:	Queensland, Western Australia, and		
		South Australia;		

- Brazil;

- South Africa.

The study considers actual taxation systems existing in January 1985. As stated above, all other locational and environmental aspects are considered constant for all tax regimes analyzed in this study. Thus, it is
as if foreign taxation systems were borrowed and applied to the deposits located in Canada. The most important features of the taxation systems are described in chapter 5, while more detailed information may be found in the appendices.

For base case conditions, it is also assumed that taxation is imposed on an individual project basis. This reflects the tax position of the organization contemplating mineral development. Taxation on an individual project basis only allows deductions from the income resulting from the sale of the mineral product(s) generated by the project itself. Thus, it is assumed that the mining company concerned has no other existing source of taxable income.

Taxation on an integrated company basis, in which a so-called flowthrough allowance applies within the entire corporate structure, is considered as a variant. In this case, the mining company is assumed to have income from other operations. Thus, write-offs may be taken against this income stream as rapidly as the tax system allows. The tax credits realized on an integrated company basis will, therefore, be more immediate than on an individual project basis. The benefits of this basis of taxation to the mining company are also considered.

To measure the incidence of a particular tax system, total tax payments as well as effective tax rate are determined. Effects on project economics are shown mainly with the net present value and rate of return criteria.

Having developed an understanding of before-tax economic characteristics and taxation effects on the representative cases, the impact of other variables, such as revenue and inflation, are examined through sensitivity analysis. The revenue variant considered here represents the combined effect of variations in metal price, exchange rate and production costs.

The following section defines several important terms and outlines the economic criteria used throughout the study.

3.2. EVALUATION CRITERIA

A comparative study of a mineral industry's competitive position with respect to taxation effects mainly concerns level of taxation. Therefore, this study focuses on measuring the incidence of each taxation system considered on the representative gold, lead-zinc, and copper-molybdenum projects and assessing their impact on after-tax project economics. By doing so, it is possible to compare the tax impacts and then, accordingly, each jurisdiction's competitive position with respect to the promotion of investment opportunities necessary for mineral sector growth and development. The comparison is based on the premise that higher levels of taxes are less attractive to private investors. Hence, other factors being equal among the jurisdictions compared, higher taxes would discourage their willingness to invest in that jurisdiction. However, that does not necessarily mean that the higher tax level will actually reduce the future level of mineral investment, nor that the level of taxation is the most crucial aspect of investment decisions. Obviously, investment decisions are affected by numerous other non-tax related factors.

The main concern of the study in the assessment of tax level is not to verify the tax system's ability to raise funds, but to assess the effect of various tax incentives which exist in the system, and provide a better understanding about the possible contribution of those incentives to overall investment attractiveness. The rest of this section describes some important concepts in investment analysis which are adopted for the study.

Cash Flow

Any business activity normally embodies continuous disbursements and receipts of funds for various elements of benefits and costs. These may be portrayed as fund waves flowing in and out. Fund inflows may include sales revenues, royalties received, income from the sale of capital assets, fees and charges received, and recovery of working capital. Fund outflows may include exploration expenditures, capital costs, operating costs, royalty and tax payments. Cash flow (CF) is the difference between the fund inflows and outflows for a specified time period.

A widely accepted concept in investment analysis is that the value of a project should be based on its future monetary benefits, and that monetary benefits be measured as net cash flows and not as profit or income. Thus, the economic outcome of an investment alternative is determined from the actual cash benefits and costs anticipated if the alternative is undertaken. Non-cash allowances such as depreciation, depletion or deferred taxes, may enter into accounting statements or the assessment of actual tax payments, but they are not cash values and should not be included in cash flow analysis. Furthermore, the term 'economic evaluation' applied in this study does not intend to include financial analysis, which generally refers to the raising of funds for proposed investments, nor does it involve intangible factors that would affect management decisions.

Cash flow for a standard unit time period -- typically one year -- is determined by summing the net cash benefits and costs that occur during that period. This cash flow is then identified to one specific point in time which represents the economic outcome for the period. In this study, the end of the year is used as the specific point of time in question. This is referred to as the 'end-of-year' convention -- a convention viewed as

financially conservative. This yields a number of cash flows that corresponds to the combined preproduction and production periods of the mine development case. As such, the economic outcome of a mineral investment opportunity is initially portrayed by the anticipated time distribution of cash flows over its projected future life. The establishment of this cash flow distribution enables the computation of various economic criteria. The cash flow associated with a particular time period is typically calculated by:

CF = Revenue - (Operating costs + Tax payments + Capital expenditures)

This study uses cash flows estimated on a yearly basis. Thus, annual revenues and disbursements must be determined.

Cash flow differs from net income. After-tax cash flow is calculated by either subtracting cash expenditures, including taxes, from the revenue given on an Income Statement, or by adding the non-cash deductions back to net after-tax income. Figure 3-1 depicts a typical format used to determine --annual cash flow.

Most mineral projects require a preproduction period during which time no revenues are generated but major capital expenditures for construction and preparation of plant and equipment are incurred. This acts as a deferment period for various tax allowances and other financial costs. Because of the time value of money, the length of this period greatly affects the economic viability of a project. Therefore, the correct estimation of the length of the preproduction period is important. For mineral projects, it is unusual for this period to be less than one year, and for large projects it can easily reach five or more years.

FIGURE 3-1

TYPICAL FORMAT FOR CALCULATING ANNUAL CASH FLOW

Gross revenue from operations

- Operating costs
- = OPERATING PROFITS
- Interest payments on outstanding loan(s)
- Depreciation
- Deferred exploration expenditures
- Deferred preproduction development expenditures

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- Depletion

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- Net taxable loss carried forward
- = TAXABLE INCOME
- Federal income taxes
- Provincial and local taxes
- = NET INCOME AFTER TAXES
- + Depreciation
- + Deferred exploration expenditures
- + Deferred preproduction development expenditures
- + Depletion
- + Net_taxable loss carried forward
- = NET CASH FLOW FROM OPERATIONS
- Exploration costs
- Development costs
- Plant and equipment costs
- = NET CASH FLOW BEFORE DEBT REPAYMENT
- Principal repayment(s)
- = CASH FLOW

Discounted Cash Flow

A discounted cash flow (DCF) is the value of an expected future cash flow brought back to the present. The method used to bring a future cash flow to the present is called discounting. Discounting takes the earning power of money into account. It removes from the future value the compounded interest which would accrue on an initial investment during the period between the present and the future date in question. An interest rate is used to represent the time value of money and the initial investment is equivalent to the present value of the future cash flow. The formula used to discount an individual cash flow associated with a project is:

$$P_{j} = CF_{j} / (1+i)j$$

where P_j = discounted cash flow CF_j = cash flow in year j i = discount_rate

This method is widely used for investment analysis. It is based on the rational that it reflects the time value of money, and that it yields today's equivalent of future monetary values. However, discounting does not represent an adjustment for inflation nor for risk, two factors which should be considered independently. Adjustment for inflation may be combined with discounting by way of a joint interest rate.

Economic Evaluation Criteria

For the actual assessment of the overall economic attractiveness of investment opportunities, the cash outflows and inflows associated with the potential ventures must be compared and, for this, their relationship

expressed with some meaningful criteria of profitability.

Among the numerous criteria cited in financial literature, the most common are shown in figue 3-2. There is general agreement, however, that only those criteria embracing the time value of money are valid. Accordingly, only the net present value and rate of return methods are discussed here. The rule for accepting a project in each case is based on the premise that a company would be better-off financially by accepting the project than it would be if the project were rejected.

(1) Net Present Value

In this method, the algebraic sum of the present values of all cash outflows and inflows is calculated using a given discount rate, usually the cost of capital or minimum acceptable return on investment. Thus, net present value (NPV) is the difference between the discounted positive cash flows and the discounted investment. The resulting value varies with the discount rate used. Mathematically, the net present value can be expressed as follows:

NPV =
$$\sum_{j=0}^{n} (CF_j/(1+i)^j)$$

where $j = 0, 1, ..., n = project li$

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As mentioned above, the method requires the specification of the discount rate that properly represents the time value of money to the investor. The cost of capital is the weighted average cost of different sources of funds -- common equity, long-term debt, and retained earnings. The cost of each of these sources depends on different factors. This cost of capital rate represents the break-even return on investment, and under

FIGURE 3-2

MEASURES OF PROFITABILITY USED FOR INVESTMENT ANALYSIS

Profitability Measures

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Rule for Accepting an Investment Venture

- DISCOUNTED -

 Net Present Value¹ (NPV) A positive NPV
 Internal Rate of Return (IRR) An IRR greater than (also known as DCF-ROI) company's cost of capital

3. Present Value Ratio (PVR) A positive PVR

- NON-DISCOUNTED -

4.	Payback Period (PbP)	έλ.	PbP no greater than company's maximum
		G	company's maximum acceptable period
F	Dotumn on Investment	(001 an (0))2	POI (CP) above "company

 Return on Investment (ROI or CR)² ROI (CR) above company's minimum acceptable rate

 Known to appraisers as the Inwood Method. This general method includes two specialized formulations used for mining: a Hoskold and Morkill.

2. Capitalization rate (CR) is a synonymous term used in real estate appraisal.

Adapted from Schenck (1985) p. 80

normal circumstances, the minimum acceptable return for an investment opportunity. The investment proposal is considered favourably if the net present value is greater than zero, and is rejected if it is negative.

Since the net present value depends on the chosen discount rate, the importance of using an appropriate rate is evident. In fact, the cost of capital plays an important role in discounted cash flow methods. In the NPV method, it is considered when choosing the discount rate; alternatively, in the rate-of-return method, which is described below, it is used as a base of comparison for the calculated rate of return. Therefore, whether the project can be considered profitable depends largely on the cost of capital assumption.

Because the net present value is the difference between the benefits accrued from mineral production and the costs incurred to generate these benefits, the before-tax net present value of a mineral project can be regarded as the net value of developing a natural resource to society as a whole. As Mackenzie and Bilodeau (1979) state, this net value may also be called surplus value, economic rent or wealth created.

Earlier this century, special types of net present value formulations were developed for use in mining valuations. The most notable of these is the Hoskold method (see Parks 1957, p. 193), infrequently used today except for a few special instances where its use is still favoured by legal requirements or tradition, as in the case of the Arizona property tax.

(2) Rate of Return

The rate-of-return (ROR) method also utilizes the time value concept but does not require the choice of a discount rate. The procedure to calculate ROR is to find the discount rate (r) that renders the present value of positive cash flows generated by the project equal to the present

value of the investments. In economic terms, the rate of return is the average rate of interest earned by the unrecovered balance of an investment over the life of the project. That is, the NPV of the project computed with that rate as discount rate yields a value of zero. Thus, the rate of return represents the highest cost of capital which could be incurred to raise funds for an investment opportunity, without suffering economic loss. The investor can use this yield to compare one particular investment opportunity against other competing opportunities having equal investments and lives. The rate of return can be stated mathematically as:

NPV =
$$\sum_{j=0}^{n} (CF_j / (1+r)^j) = 0$$

where CF_j = cash flow in year j n = life of project in years r = rate of return

If a minimum acceptable return has been set as hurdle rate, investments with a rate of return above the minimum level are acceptable.

From a mathematical point of view, the ROR may have as many real roots as there are changes of sign in the cash flow distribution. Thus, there can be more than one rate of return for an investment opportunity. No such problems are created with conventional investments in which a series of negative cash flows, representing the investment period, is followed /by a series of positive cash flows, representing the production period. An unconventional investment is one for which the cash flow schedule involves more than one sign change between positive CF-sequences and negative CFsequences. The pattern of negative and positive cash flows in a distribution can affect the usefulness of the various measures of profitability used in

investment analysis, and unconventional investments can create problems for the analyst trying to compare one project to another.

Mining is a typical example of an industrial activity which is likely to produce cash flow schedules with more than one change of sign. A mining project may in fact yield periods of negative cash flows within the production period, a period during which positive cash flows are normally expected. This may be caused by the extraction of a poor part of the deposit, the operation of the mine during periods of adverse market conditions, the development of a new part of the deposit requiring high capital outlays, or the costly rehabilitation of the environment destroyed by mining activities. However, this is not the case in this study, in which cash outlays only occur during the preproduction period.

Figure 3-3 shows the net present value profile in relation to the rate of return for a simple time distribution of cash flows.

Effective Tax Rate

The level of mining taxation measures the overall tax burden levied by the government in relation to the project's ability to pay taxes. A government may have established the tax rate structure in view of provisions for cost deductions, capital recovery, depletion and tax credits, with the objective of collecting the necessary amounts of tax revenues.

However, from the mining company's point of view, it is the overall burden and the impact of this burden on project economics which is most important. The overall burden of a taxation system may be measured by the effective tax rate. This rate represents the magnitude of taxes borne by the mining project. The incidence of taxation may be further measured by the goverments' share of the before-tax value of the project. In this study,

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FIGURE 3-3

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RATE OF RETURN IN RELATION TO NET PRESENT VALUE



End of Year	» 1	2	3	4	5
Cash Flow	-\$12000	5000	4500	4000	8000



before-tax net present value represents the value of the project since it is the gross amount that can be generated from the development of the deposit. Thus, the reduction in the project's net present value after applying taxation represents in fact the share going to various levels of government. The effective tax rate is determined by: ,

Effective tax rate = 1 - (After-tax NPV)/(Before-tax NPV)

Generally, a comparison of the economics of different mining projects based on effective tax rates of this kind is not possible because effective tax rates vary with the scale of the project, type of mineral, and size of the mining firm. But given the conditions adopted in this study -- constant geological and environmental conditions -- it becomes quite meaningful to compare the relative burden of the taxation systems with effective tax rates.

However, the effective tax rate cannot be regarded as an indicator of the extent to which the tax system actually influences the return on mineral investment. For that purpose, it is rather convenient to compare before- and after-tax rates of return of the project.

The effective tax rate calculated for a particular project will vary depending on the discount rate which is employeed to compute the net present value. Since the representative cases used in the study involve capital outlays at the early stage of their lives followed by an anticipated stream of cash inflows, higher discount rates will tend to reduce the present values of positive cash flows more severely when taxation is applied on a project basis. Thus, this has the effect of raising the effective tax rate.

It is also obvious that effective tax rates assessed under different tax considerations will vary. These variations in effective tax rate among systems provide the basis for explaining different views of government toward the mineral industry, in terms of its relative importance in the national economy, as a source of government revenues, and with respect to mineral development incentives.

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3.3. STAGES OF ANALYSIS

The basic evaluation elements covered so far are combined in several ways in order to carry but the required stages of evaluation and analysis described below.

Before-tax Economic Conditions

In charpter 4, general economic conditions and deposit-specific characteristics are developed and initially applied to estimate <u>revenues</u>, capital costs and operating costs for the representative gold, lead-zinc and copper-molybdenum mine development projects. For each project, the distribution of before-tax cash flows is derived in constant dollars by aggregating the estimated revenue, capital cost, and operating cost figures. This distribution is then used for assessing the project's net present value and rate of return.

After-tax Economic Conditions

The before-tax estimates for the representative mining projects are then used for evaluation and analysis of taxation effects. Thus, the taxation systems existing in Canada, Australia, Brazil, South Africa and the U.S. are applied in turn to the standardized conditions. The elimination of locational and other environmental differences which would affect before-tax

conditions allows the isolation of tax effects.

In each country, the corresponding taxation system is applied on a project basis to the standard estimates to derive an after-tax cash flow distribution. The economic criteria assessed for after-tax economic conditions are: after-tax net present value; after-tax rate of return; total tax payments; and effective tax rate. Results from the integrated company basis of taxation are also considered in this stage of the analysis.

Tax Payment Components

Tax components result from taxation by more than one level of government or from different categories of mineral taxes levied within a jurisdiction's integrated taxation system. These are expressed as proportions of total tax payments discounted at a 3 percent riskless rate. This riskless discount rate is used for the evaluation of tax revenues from the government's viewpoint. Since the government only collects taxes, it does not share the risks associated with the investment opportunity from which it derives its revenues.¹

Time Profile of Tax Payments

In addition to the level and components of taxes, the pattern in the time distribution of tax payments is examined. This enables a better understanding of the relation between the various tax structures embodied in

^{1.} It could be argued that government has given tax incentives to mining and it has supported the allocation of resource to mining, away from economic activity elsewhere and, to this extent, the government does share risk in mining. However, in this study, the government's role is viewed as that of a tax collector. This is a view identical to that applied in the study by Mackenzie and Bilodeau (1979, p.63).

the tax regimes and the levels of taxation.

Impact of Variations in Estimates *

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The effects of factors such as inflation rate and revenue level are examined together with taxation effects. Once again, in each case, the after-tax time distribution of cash flows is assessed. Net present value and rate of return criteria are-used to measure the overall impact of such factors on the mine development opportunities.

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CHAPTER 4

FORMULATION OF REPRESENTATIVE MINE DEVELOPMENT CASES

4.1. GENERAL CONSIDERATIONS

The formulation of a mine development model for examining taxation effects involves a complex process. Even if economic and political risks need not to be considered for the type of analysis carried out in this study, many factors which characterize the quantitative and qualitative status of the project must be specified before it can be evaluated. Therefore, both deposit-related and general economic conditions must be sufficient to carry out the cash flow analysis using the economic evaluation criteria described above.

The deposit-specific factors consist of estimates of recoverable ore reserves, the grade composition of the reserves, production cost components, and expected long-term price level of the product(s). In order to identify the production costs, the appropriate engineering processes regarding mining and processing methods must be selected in consideration of the geological and mineralogical information at hand. By integrating these variables into revenue and cost estimates, the analysis can proceed further.

In addition, there are other economic factors such as discount rate, inflation, and monetary exchange rates, which are generally assumed and then applied to all the representative cases throughout the evaluation stages of the study. This section describes these general economic considerations while the case-specific characteristics are described in the next section.

The representative cases are evaluated with reference to economic and technological perspectives currently prevailing in Canada, and all monetary values are expressed in constant 1985 Canadian dollars. Inflation is an

inevitable factor in the economic study of taxation effects because of its direct role in reducing the real benefits of tax incentives. This occurs when non-indexed tax write-offs are deducted against inflation-affected future income. A 5-percent general inflation rate is used in the study. Hence, to evaluate the real effects of taxation, the actual tax payment computations are carried out with inflated values of revenues and costs. Cash flows are then expressed in constant dollars before computation of DCF criteria. A real 10 percent discount rate is chosen as the weighted average cost of capital. For the purpose of converting monetary tax brackets contained in foreign taxation systems, one Canadian dollar is considered equivalent to US \$0.80, AUS \$1.00 and 0.0968 Brazilian ORTN units.

The analysis is first carried out with the assumed expected revenue and cost figures. Because revenue and cost estimate components such as commodity prices, cost of inputs, and exchange and inflation rates are subject to considerable variation, it is important to perform sensitivity analysis to examine the effects of changes in these variables. Thus, sensitivity analysis is considered later in the study, in conjunction with the following variants:

- Revenues: Levels of gross revenues ranging from -25 percent to +25 percent. This variation in revenue is asssumed to reflect changes in any of the parameters which affects the level of operating profits. For instance, a rise in commodity prices, a cost saving or a reduction in exchange rate will result in a positive change in revenues. Alternatively, unfavourable moves in economic and operational conditions will result in negative changes.

 Inflation rate: A range from zero percent to 15 percent in increments of 5 percent.

4.2. CASE SPECIFIC CHARACTERISTICS

Descriptions of deposit type and dimensions, as well as assumptions regarding revenue and cost elements are given here for each of the three representative mine development cases. These are formulated as being representative of the mineral endowment potential in Canada. These specifications are prepared with the view of providing the minimum required information to establish hypothetical mine models which are considered fixed throughout the study.

Representative Gold Deposit

(1) Geology: The deposit is assumed to be located in a thick sequence of folded quartzites and slates, with gold occuring in quartz veins. The quartz veins exist within elongated chutes and have an "en echelon" structure. The size of the ore zone is assumed to have an average thickness of 20 metres and a ultimate vertical depth of 50 metres, and extends over a length of 400 metres. The gold ore contains low concentrations of sulfides including arsenopyrite. The pattern of mineralization in this type of deposit is characteristically varied. Thus, the hypothetical deposit represents a typical occurrence of this type.

(2) Ore reserves:

Assuming a mine recovery factor of 90 percent and dilution factor of 10 percent, recoverable ore reserves total:

650 000 tonnes at 9.00 grams Au per tonne

(3) Mining method: underground, irregular open stoping

(4) Mineral Processing:

Capacity: 65 000 tonnes of ore per year
Process: crushing, grinding, cyanidation, carbon-in-pulp
 adsorption, stripping, electrowinning, and smelting.
Mill and smelter recovery factor: 95 percent
Product specification: impure bullion (doré)

(5) Project life:

Preproduction period: 2 years Production period: 10 years Total project life: 12 years

(6) Annual revenues:

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Annual revenues are assessed by combining estimates of gold price projections, transportation and marketing charges, mine capacity, grade of ore reserves, and the mill recovery factor. A price of US \$350/oz is assumed as the projected average gold price during the project life.

Annual revenue during production period: \$7 931 000

(7) Preproduction capital costs:

Estimated total of \$11 199 000, consisting of:

Component	Proportion
Mine development	22 . 2 ~
Mine plant and machinery	24.5
Mill facilities	32.8
Powerline, Road, and Housing	11.1
Working capital	9.4
Tôtal	100.0

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(8) Production costs:

Estimated to total \$4 410 000 per year. This results in unit operating cost of \$64.46 per tonne of ore. Sustaining capital represents \$220 000 per year. It is further estimated for tax purposes that 82 percent of sustaining capital costs are allocated to plant and equipment, and that the remaining 18 percent is allocated to the mill facilities.

Representative Lead-Zinc Deposit

(1) Geology: The mineralization occurs as a massive sulfide deposit in a thick and complex sequence of pillow and vesicular basalts. Above these basement rocks are flows, flow breccias, and tuffs, mainly of andesitic composition, overlain by material consisting of abundant dacitic to rhyolitic, massive and textureless flows of pyroclastics. The massive ore minerals of galena-sphalerite are deposited in a steeply inclined stratabound layer, and are closely associated with coarse fragmental pyroclastics of rhyolitic composition. As in many areas of volcanic activity, the deposit is mainly aligned along structural features.

(2) Ore reserves: The deposit consists of two types of ore reserves classified according to quality, which are expressed as category 1 and 2 in the following description. A mine recovery factor of 85 percent and dilution factor of 15 percent are assumed.

> Category 1 - Recoverable ore: 2 000 000 tonnes at 8.42% Pb and 14.59% Zn Category 2 - Recoverable ore: ⊷5 400 000 tonnes at 11.10% Pb and 6.30% Zn

(3) Mining method: underground, blasthole stoping

(4) Mineral processing:

Capacity: 500 000 tonnes of ore per year Process: crushing, grinding, flotation, dewatering Mill recovery factor: 95 percent (both for lead and zinc) Product specification: lead concentrate (60%)

zinc concentrate (55%)

(5) Project life:

Preproduction period: 4 years Production period - reserve category 1: 4 years reserve category 2: 10.8 years Total project life: 18.8 years

(6) Annual revenues:

Considering mine development conditions in Canada, and the assumed capacity, recoverable or reserve grades and mill recovery factors, the following annual revenues are calculated. These values are designed to yield marginally profitable after-tax economic results for this medium-size representative mine.

> Annual revenue: \$60 000 000 for production years 1 to 4 \$42 500 000 for production years 5 to 18 \$34 000 000 for the last production year

(7) Preproduction capital costs:

Estimated total of \$90 500 000, consisting of:

Component	Proportion (%)	
Mine development	19.8	
Mine plant and machinery	12.2	
Mill facilities	40.9	
Powerline, Road, and Housing	17.7	
Working capital	9.4	
Total	100.0	

(8) Production costs:

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Operating costs are assumed to be \$50 per tonne of ore, consisting of \$30 mining costs, \$10 milling costs and \$10 overheads. Total annual operating costs are estimated at \$25 000 000. Sustaining capital costs represent \$1 800 000 per year, of which 77.8 percent are allocated to plant and equipment, and 22.2 percent to mill facilities.

Representative Copper-Molybdenum Deposit

(1) Geology: This hypothetical project represents a large scale porphyry type deposit consisting of low grade copper-molybdenum mineralization with trace amounts of gold and silver. It is assumed to be located in the western Cordillera of Canada. The orebody occurs in a highly fractured and faulted area within a quartz diorite intrusive. The ore minerals, consisting of chalcopyrite, molybdenite and argentite, exist as fillings in the fractures and faults. The deposit is about 300 metres thick. It shows typical copper sulfide enrichment-zoning, with grades in the upper zones slightly higher than in the lower zones of the deposit. Because the primary minerals of copper and molybdenum are very low in grade, silver and gold are of great importance for the profitable extraction of this deposit. Deposits similar to this one are found in British Columbia. For example, Morrison, Island Copper, and Brenda Mines are of this type.

(2) Ore reserves: Recoverable reserves are classified into two categories based on grade. A mine recovery factor of 100 percent and an internal dilution of 5 percent are assumed. The reserve categories are as follows:

Category 1 - Recoverable ore: 55 000 000 tonnes at 0.4% Cu, 0.1% Mo, and 1.5 grams Ag and 0.1 gram Au per tonne Category 2 - Recoverable ore: 170 000 000 tonnes at 0.3% Cu, 0.065% Mo, and 1.2 grams Ag and 0.07 gram Au per tonne

(3) Mining method: open pit

(4) Mineral processing:

Capacity: 10 000 000 tonnes of ore per year Process: crushing, grinding, flotation (Cu, Mo) and dewatering Mill recovery factor: copper -- 88 percent

molybdenum -- 82 percent

silver and gold -- 60 percent

Product specification: copper concentrate (25%), molybdenum concentrate (45% Mo), gold and silver are recovered in the copper concentrate

(5) Project life:

Preproduction period: 2 years

Production period - reserve category 1: 5.5 years

reserve category 2: 17 years

Total project life: 24.5 years

(6) Annual revenues:

Considering mine development conditions in Canada, the assumed capacity, recoverable ore reserve grades, and mill recovery factors, the following annual revenues are calculated. These values are designed to yield moderately profitable after-tax economic results for this large-scale representative mine.

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Annual revenue: \$155 000 000 for production years 1 to 5 \$127 500 000 for production year 6 \$100 000 000 for production years 7 to 22 \$50 000 000 for the last production year

(7) Preproduction capital costs:

Estimated total of \$262 500 000, consisting of:

Component	Proportion (%)
Mine development	6.1
Mine plant and machinery	13.7
Mill facilities	45.0
Powerline, Road, and Housing	29.7
Working capital	5.5
Total	100.0

(8) Production costs:

Estimated to total \$63 500 000 per year, with a unit operating cost of \$5.80 per tonne and sustaining capital cost of \$5 500 000 per year. It is assumed that 78.2 percent of sustaining capital costs are allocated to plant and equipment, and that 21.8 percent are allocated to the mill facilities.

For all three representative cases, it is assumed that working capital is required in the final preproduction year, but that other capital costs

are spread evenly over the development period.

4.3. BEFORE-TAX ECONOMIC INDICATORS

The foregoing general economic conditions, as well as revenue and cost figures which were estimated by using the case-specific characteristics, are combined to assess before-tax economic conditions. The results given in table 4-1 reflect the study's objective in formulating the representative mine development cases. That is, the hypothetical gold project represents a small profitable mine, the lead-zinc project represents a medium size marginally economic operation and the copper-molybdenum project represents a large-scale, low-grade, and yet profitable operation under the Canadian mineral taxation system.

TABLE 4-1

BEFORE-TAX ANALYSIS RESULTS

	······································	<u></u>	
Representative Case	Rate of Return (%)	Total Cash Flow (\$ million)	Net Present Value discounted at 10% (\$ million)
GOLD PROJECT	25.1	24.6	8.3
LEAD-ZINC PROJECT	19.4	209.7	45.7
COPPER-MOLYBDENUM PROJECT	25.4	860.9	216.1

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The rates of return shown in this table indicate that the three representative mine development cases are profitable on a before-tax basis. However, as shown in chapter 6, taxation of these operations under Canadian provincial systems reduce these rates of return to values ranging from 15.8 to 18.9 percent for the gold project, 11.4 to 13.6 percent for the lead-zinc project, and 14.0 to 17.3 percent for the copper-molybdenum project. Hence, the lead-zinc project becomes marginally economic, while the other two remain profitable on an after-tax basis.

CHAPTER 5

GENERAL DESCRIPTION OF SELECTED TAXATION SYSTEMS

5.1. TAX REGIMES AND TAXATION MODEL

The direct effects of taxation on the representative gold, lead-zinc, and copper-molybdenum projects are evaluated in this study, based on the estimates discussed in the previous chapter. Thus, taxation systems existing in Australia, Brazil, Canada, the United States, and South Africa at the beginning of 1985 are imposed to measure the after-tax incentive for investment as well as the level', structure and incidence of tax payments. These five countries have been selected because their taxation systems incorporate most of the types of fiscal instruments that are generally applicable to mineral projects. These countries are also major mineral producers on a world scale.

In addition to the federal tax systems of these nations, systems of states or provinces must also be considered. The states and provinces selected for this purpose are: Queensland, Western Australia and South Australia in Australia; Quebec, Ontario, Nova Scotia and British Columbia in Canada; and Arizona, Colorado, Montana and Nevada in the United States.

In applying provisions of each taxation system, the individual project basis of taxation is assumed. The integrated company tax base is considered as a variant with exceptions for some cases which will be specified later.

Regulations and provisions of individual taxation systems have been incorporated into computerized models which are used for deriving actual cash flow schedules and economic indicators in accordance with tax calculation formats. The models have been built using a commercial integrated spreadsheet software called Lotus 1-2-3 developed for personal

computers. These models consist of ten separate worksheets, each accomodating one of five taxation systems on either a project or an integrated company basis of taxation. When loaded, the largest of the models, i.e., the Canadian Mineral Taxation Model which embodies a federal as well as four provincial regimes, uses up to 470 k-bytes of working memory. The smallest model uses about 190 k-bytes of memory. Thus, for running these models effectively along with the software's system program, a full 640 k-bytes of memory is desirable.

The taxation systems of the five countries considered in the study are outlined in the following section. More details on the regulations and assumptions are provided in the appendices.

5.2. DESCRIPTION OF TAXATION SYSTEMS

Canadian Mineral Taxation

The Canadian taxation system is a relatively complex tax regime. This is partly because of the fact that frequent and profound changes to the taxation of the mineral industry have been implemented by the federal and provincial governments. These changes have been made in conjunction with major reforms of mineral taxation legislation during the early 1970's and the subsequent refining of the new systems through to the 1980's (Price Waterhouse, 1983). Despite the complexity involved in its enforcement, this system offers fairly generous incentives to the mining industry through various tax provisions.

The Canadian mining industry is currently subject to three kinds of mineral taxation: the federal corporate income tax, the provincial corporate income tax, and the provincial mining tax (or royalty). The federal

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corporate income tax is levied at a rate of 36 percent of the taxable income remaining after subtraction of all production costs and allowable deductions from the company's revenue. A provincial corporate income tax is levied on the same tax base at a rate ranging from 5.5 to 16 percent, depending on the province in which the mine operates. In addition, each province or territory imposes a mining tax or mineral royalty, levied on the taxable income determined according to its own particular rules. Provincial mining taxes and royalties are generally intended to be levied on profits derived from mining operations before the further processing stage.

The current Canadian taxation system incorporates generous provisions towards its resource sector, particularly the mining industry. In the context of federal and provincial income taxation, various special deductions are granted: rapid recovery of exploration and development expenditures, depletion allowance and resource allowance. The investment tax credit is also provided, which directly reduces the amount of income tax otherwise payable. This tax credit is a given percentage of eligible capital expenditures incurred for the production facilities and equipment of a mining project. These deductions and tax credits obviously reduce the overall tax burden, hence decreasing the effective average tax rate on accounting income.

In the Canadian taxation system, none of the three tax payments are deductible in the computation of the other taxes. Thus, a mining firm's overall tax burden with respect to a mining operation is the total amount of these three separate tax components. The system usually distinguishes between the preproduction and production phases of a mining operation, especially for the depreciation of capital expenditures incurred during the preproduction period. It can be generally said that those expenditures are

accorded a more generous treatment in applying the CCA classes than the equivalent expenditures incurred during the production period.

In order to understand Canada's position among other countries more clearly, four provinces are chosen to show the variability of taxation effects within Canada. The provinces of Quebec and Ontario are chosen because they are the most important economic centres in Canada, and also because they involve major Canadian metal mining districts. Nova Scotia and British Columbia are also selected since in recent years these provinces have been considered as the most and least favourable, respectively, in terms of the tax incidence imposed on the mining industry.¹

The federal corporate income taxation system as well as the income tax, mining tax and royalty systems of the selected provinces are detailed in appendix A.

Australian Mineral Taxation

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Australia is among the world's largest producers of iron ore, alumina, zinc, nickel and lead. It also has significant reserves of copper and uranium. Therefore, the importance of the mining industry for Australia is comparable to that of the Canadian mining industry with respect to the Canadian economy.

In order to increase exports $a_{\Theta} - well$ as encourage industrial research and development, the Australian government, both at the federal and state levels, provides incentives to industry. For the mining industry, these incentives are provided through tax provisions, as an accelerated

1. A recent study by Mackenzie et al. (1986) also shows the same result.

depreciation and special deductions for petroleum and mining operations. Except for exploration write-offs, depreciation is generally based on the straight-line method with a three-, five-, or ten-year depreciation period. The immediate write-off of exploration expenditures incurred during a particular year is permitted, up to the amount of income available from mining after all other deductions have been taken. The scheme allows the immediate depreciation of capital expenditures regardless of the state of the project. Thus, during the preproduction period, or when profits are not sufficient to absorb the depreciation, a loss may be generated and carried forward.

19

The commonwealth corporate income tax at the federal level allows the deduction of state royalty payments and is imposed at a rate of 46 percent. Foreign companies operating in Australia, but not incorporated in Australia, are subject to an additional 5 percent tax rate. Notably, the commonwealth income tax, when applicable, is payable in the year following the year for which it is assessed.

Each of the state governments imposes its own mining tax, which is referred to as a state royalty. Most state royalty calculations are based on the value of the commodity(ies) produced (concentrate or metal), with rates ranging from 1.25 to 5 percent, but certain are based on net income as well.

The Australian system provides an exceptional incentive to its gold mining industry. Because most gold deposits are generally low-grade, the federal government has removed all income taxes from gold mining operations in order to attract and generate investment in this sector. For the purpose of this exemption, a gold mine is defined as one having more than 50 percent of its gross income derived from gold, or as a gold-copper mine in which more than 40 percent of gross income is derived from gold. In fact, Australian gold production has been flourishing mainly as a result of this

provision. Gold mining is also exempted from state royalties in two states: Western Australia and Victoria. Therefore, for these states, after-tax economic results for a gold mine are the same as before-tax results.

States selected for the comparison of state taxation effects are:

- Queensland: levies 5 percent of concentrate revenue as 'rail freight' royalty, plus the lower of 2 percent of concentrate revenue or 5 percent of net income after all deductions (exceeding AUS \$30 000 for both the concentrate revenue and the net income)
- South Australia: levies 2.5 percent of concentrate revenue for all metals
- Western Australia: nil for gold, 2.5 percent of metal revenue for nickel and tin, 2.5 percent of concentrate revenue for cobalt,
- silver and platinoids, and 5 percent of concentrate revenue for other metals

Particular characteristics of these state royalty regulations were considered as a basis of selection. As shown above, Queensland (except for the case of a Mount Isa Mines deposit) combines value of production taxation with profit-based taxation, but South Australia uses solely a value of production basis. Furthermore, while these two systems do not distinguish between types of metal. Western Australia applies different rates to various metals, but the royalty structure is based on value of production. More details on commomwealth income tax as well as state royalties are given in appendix B.

Brazilian Mineral Taxation

Two levels of taxation are associated with Brazilian mineral taxation: the federal corporate income tax (Imposto de Renda, IR), and the mining tax

(Imposto Unico Sobre Minerais, IUM). Before describing this system, it should be emphasized that Brazilian accounting systems are inflation adjusted. In other words, all costs and revenues are updated by the National Financial Board Index (Obrigacoes Reajustaveis do Tesouro Nacional, ORTN), which is linked to inflation. This is due to the very high rates of inflation which have prevailed in the Brazilian economy until the beginning of 1985.

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For corporate income tax assessment, a number of allowances may be deducted to determine taxable income. These include production costs, depreciation, amortization and depletion. Depreciation and amortization allowances are deducted on a straight-line basis and are assumed to begin in the first year of production.

For mining projects, depreciable assets consist of mining equipment, mill plant and facilities, and certain types of infrastructure. Although there are detailed regulations concerning the rates to use in depreciating specific types of mine or mill equipment, this study assumes the following simplified rate structure: 20 percent for mill capital costs, 25 percent for mine capital costs, and 5 percent for infrastructure. Amortization is applicable to exploration and mine development expenditures. In this case, the rate is 20 percent on a straight-line basis. For the depletion allowance, a new mine entering production is assumed to be entitled to a deduction of 20 percent of mine revenue for a period of 10 years.

The mining taxes are initially collected by the federal government and then redistributed to state governments (70%) and to municipalities (20%). The remaining 10 percent is retained by the federal government for general purposes.

In the case where concentrates are sold to domestic smelters, the net

mining tax paid is usually nil. However, the tax is first levied from the mine at a given percentage of the value of the commodity produced. The smelter then reimburses the mine and receives credit against federal and state sales taxes for the full amount of original tax payments. If the minerals are exported, the tax rate for precious metals is lower than that for base metals, i.e., 1 percent for precious minerals as opposed to 7.5 percent for iron ore and manganese, and 4 percent for other mineral commodities.

Thus, for the analysis of the representative mine development cases, two Variants are considered: 1) domestic consumption and 2) export of the concentrates produced from the mine. In the case of domestic consumption, mining taxes are not applicable, whereas both the corporate income tax and the mining tax are considered for the export case. More details concerning assumptions and computational procedures are provided in appendix C.

South African Mineral Taxation

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South Africa is one of the largest producers of gold, gem diamonds, platinum, manganese, asbestos, uranium and nickel. It also has large deposits of copper, zinc, iron and titanium, among many others. The mineral industry has been rapidly growing and has taken a very important position in the country's economic development, mainly through the export of mineral commodities, which have accounted for anywhere between one quarter to one third of South Africa's GNP. This growth is partly attributed to the industry's unique structure, which provides advantages for mining companies as well as their investors. Most mining companies in South Africa are managed by six major private corporations or mining finance houses: Anglo American Corporation Limited, Anglovaal Limited, General Mining Union

Corporation Limited, Gold Fields of South Africa Limited, Johannesburg Consolidated Investment Company Limited, and Rand Mines Limited. These mining houses and the individual mines which they manage cooperate through the coordination of the Chamber of Mines of South Africa, which is a privately organized central body of the mining industry.

Formulation and execution of mineral policies are based on arrangements between the government and the industry to a significant extent. Taxation basically involves two layers of taxing instruments: the corporate income tax and the lease payment. The lease payment is levied by government only if the mine is located on state-owned ground. Otherwise, this payment depends on the agreement between the mine operator and the owner of the property. For the convenience of analysis, a state-owned ground location is assumed for the mine site.

Income taxes and lease payments are levied on annual profits. Characteristically, as mentioned in chapter 2, the system has a profitability structure of taxation for both the corporate income taxes and the lease payments in the case of new gold and uranium mines. Tax rates are on a sliding scale and are basically dependent on the ratio of profit to revenue. Profit is determined by deduction of costs and allowances from gross mine revenues. In the case of base metal, platinum and coal mines, a flat rate of 57.5 percent is used as the overall income tax rate.

In calculating taxable profit for a mining project, yearly capital expenditures are deducted in full as a redemption allowance. This deduction is allowed only against income derived from mining operations and only from the income generated by the particular mine for which the expenditure was made. Lease payments are deductible for the purpose of calculating profit for corporate income tax assessment.

In the computation of corporate income tax for the case of new gold and

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uranium projects, an interest adjusment for the carried loss from the previous year is applied. This is called the taxation capital allowance and it is deducted from net income along with other allowances. The analysis on an integrated company basis is meaningless in this case. For other minerals, the taxation capital allowance is not applicable. Hence the study will deal only with the integrated company basis variant in the case of the lead-zinc and copper-molybdenum projects. Gold and uranium projects, as opposed to base metal projects, are the cause of major differences within the South African taxation system. The formula used in determining the annual income tax rate applicable for the representative gold mine is:

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Y = 75 - 600/R where Y = tax rate in percent R = (taxable profit)(100)/(revenue)

According to this formula, the maximum tax rate is 75 percent. The rate becomes zero where the profitability index (R) equals or falls below 8 percent.

Lease payments are in fact determined through an agreement with the owner of the land or the government, based on the anticipated profitability of individual mine development projects. However, the following formula represents a typical agreement:

> Y = 15 - 120/R where Y = lease payment rate in percent R = (profit for lease payment)(100)/(revenue)

Thus, this formula is used for all the representative mine development cases. As in the previous formula, the lease payment rate cannot exceed 15 percent and becomes zero when R equals or falls below 8 percent.



FIGURE 5-1

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PROFITABILITY TAX RATE

Relationship between Profitability and Tax Rate



The relationships between profitability index and tax rate for these two formulae are shown in figure 5-1. Although the tax bases are different, the relationships are similar. The South African taxation system is detailed in appendix D.

Mineral Taxation of the United States

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The mineral taxation system of the United States is comparable to that of Canada in that it is imposed by two levels of government: federal and state levels -- as federal and provincial levels in Canada. The U.S. federal government levies corporate income taxes on mining operations. Individual state governments have their own taxing regimes by which they levy ad valorem taxes, severance taxes, and state corporate income taxes in many cases. Taxes levied by states are deductible for federal income tax purposes.

For the federal corporate income tax, the government levies a tax ranging from 15 percent of total taxable income under US \$25 000, up to 46 percent of taxable income over US \$100 000. Similarly to Canadian federal income tax, taxable income is computed by deducting operating costs, depreciation, depletion, and amortized capital expenditures from gross revenue. Exploration expenditures are deductible either through current write-offs or by including them in the base of a cost depletion account, which is used in this study. Capital expenditures for mine development are deferred for each specific mine or deposit. Amortization of these costs is then allowed as an ordinary deduction on a unit-of-production basis as the deposit is mined. Depreciation may be based on one of the common depreciation methods such as straight-line, declining balance, sum-of-theyears digits, etc. The study applies the Accelerated Cost Recovery System

(ACRS) for calculating depreciation allowances. Under the ACRS, recovery of capital costs for depreciable property is made using accelerated methods of cost recovery over statutory recovery periods, that is, over a 3-, 5-, 10-, or 15-year period, depending on the type of property. In this study, a fiveyear recovery period is applied for most mining and processing equipment, while a ten-year period is used for infrastructure. A depreciation rate schedule for each of the recovery periods is also specified by the system. Generally, the lowest rate of the series applies to the year of acquisition of the asset. This is followed by the highest rate of the series in the following year. The rate then gradually decreases during the remainder of the period. The depletion allowance is derived from the product of gross revenue and the depletion rate, varying from 5 to 22 percent depending on the mineral, with an upper limit set at 50 percent of income for depletion. The federal system also levies a minimum tax of 15 percent of total tax preference items reduced by US \$10 000. The 'tax preference items' refer to the excess of tax deductions, if any, over the amount that would have been allowed if the straight-line method of depreciation had been used.

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Arizona, Colorado, Montana and Nevada are selected for analysis in this study. These four western states of the U.S. are major metallic mineral producers of the country, notable for the production of gold, copper, molybdenum, lead and zinc.

Arizona is an important copper producer. Davidoff (1985) shows that Arizona imposes the highest tax incidence on mining operations among the U.S. states. It levies an ad valorem property tax based on the present value of the net annual proceeds of a mining operation, a severance tax based on the value of concentrate produced, and a state income tax based on taxable profits. Severance and property taxes for the current year, as well as federal income taxes from the previous year are allowed as deductions in the

/calculation of taxable profit for state income tax purposes.

Colorado produces molybdenum, silver, lead and zinc as major mineral commodities. It levies an ad valorem tax based either on proceeds from producing mines, or on the present value of the future net income from nonproducing mines. A severance tax is levied on gross income. The tax rate depends on whether income is derived from molybdenum, iron or other minerals. Ad valorem taxes may be credited up to a maximum of 50 percent of the estimated severance tax. Colorado uses the federal income tax base for calculating state corporate income taxes.

Montana is one of the most important metal producing states in the U.S. It's ad valorem property and severance taxes are based on gross revenues, and state income taxes are levied on the same base as that of federal corporate income taxes.

Nevada is the primary gold producing state in the country. State ad valorem and severance taxes are based on net proceeds. The ad valorem tax is based on the net proceeds of the previous year of operation. No state income taxes are levied from mining operations.

Calculation formats and rates applicable in the U.S. taxation system \nearrow^{-1} are provided in appendix E of the study.

CHAPTER 6

ECONOMIC ANALYSIS OF SELECTED TAXATION SYSTEMS

.6.1. AFTER-TAX INVESTMENT INCENTIVE

The three representative mine development projects are evaluated in this chapter on an after-tax basis by incorporating the taxation environments of the selected regimes. The results from this after-tax economic evaluation are compared with the before-tax economic characteristics of these projects, which have been developed in chapter 4. Because all other benefits and costs apart from taxation are considered to have already been reflected in the before-tax economic outcomes, the comparison of before- and after-tax results reflects solely the effects of taxation on the projects. Changes in economic viability of the projects, tax incidence; share of project value between government and mining concern, and ranking among the regimes are used to show these effects. The range of after-tax economic results associated with a particular mine development case shows the integrated impacts of tax provisions and limitations such as tax brackets, levy points, layering of taxing authorities, and rate structures embodied in the individual taxation systems. This comparison thus measures the degree of after-tax incentive provided by a particular jurisdiction through the formulation and execution of mineral policies.

Net present value and rate of return are employed as indicators of after-tax investment incentive. A positive net present value or a rate of return greater than the cost of capital imply a positive after-tax incentive to the investor. As reviewed previously, these criteria measure the economic viability of investment proposals based on the level of investment required and the time value of money. Thus, projects with greater and earlier

benefits are generally favoured. As a general rule, the higher these aftertax economic indicators, the greater the incentive to invest. In addition, all other factors being equal, a regime with lower tax incidence in the early years of production is necessarily preferred.

To illustrate the analysis technique used in this economic study, after-tax cash flow distributions for the three mine development projects are depicted in figure 6-1. Taxation in Canada under the Quebec provincial regime is used to illustrate the incidence of tax payments on the representative gold, lead-zinc, and copper-molybdenum projects. The total length of each bar in the graph represents the before-tax cash flow of a particular year. Tax payments are isolated at the top of each bar, thus leaving the lower portion as the after-tax cash flow. Working capital requirements and recovery are shown in the last year of preproduction and final year of production, respectively, as slight extentions of the bars. All three cases show typical cash flow profiles, in which a series of positive cash flows follows a period of intensive cash outflows.

For the gold mine development case in figure 6-1, tax payments are shown as an increasing proportion of before-tax cash flows. The lower levels of tax payments in the earlier years result from the higher depreciation in the earlier stage of production as well as the investment tax credit provided by the Canadian mineral taxation system.

The lead-zinc and copper-molybdenum mine development cases illustrated in the same figure clearly show the change which takes place when the mining operations undergo a transition from higher grade to lower grade ore. As stated in chapter 4, the reserves of the lead-zinc and copper-molybdenum deposits consist of two categories: category 1 which represents a high grade part of the deposit, and category 2 which represents a lower grade part. This is well reflected in the graphs, as a sudden drop in the overall level

FIGURE 6-1

TIME DISTRIBUTION OF CASH FLOWS AND TAX PAYMENTS

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of the cash flow distribution. In the later two cases as well, the level of tax payments increases gradually as production proceeds further within the individual grade categories of the deposit.

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The after-tax cash flow distributions shown here as well as all others determined by applying the other taxation systems are used to derive economic criteria which allow the comparison of investment incentive. Aftertax results for the entire series of tax regimes are presented in tables 6-1 through 6-3. In all cases, except the gold project taxed under the regime of Western Australia, after-tax indicators fall below the before-tax values. However, the extent of the decrease varies significantly among regimes.

Comparisons of the tax regimes on the basis of ROR and NPV generally agree. However, the relative positions of Arizona (U.S.) and South Africa in the case of the gold project do not agree. While the ROR associated with South Africa (13.7%) is slightly higher than that associated with Arizona (13.3%), the NPV's suggest the inverse ranking $-\frac{1}{2}$ 1.4 million dollars for South Africa versus 1.8 million for Arizona. The same contradiction occurs between Queensland and South Africa, Quebec and Colorado, and Ontario and Arizona, in the case of the copper-molybdenum project. As is the case here, contradictory results can occur in the ranking of investment projects using these two particular evaluation criteria. This is mainly due to the different discount rates embodied in each of the criteria. A preset cost-ofcapital discount rate is used in the net present value method, whereas the discount rate used in the rate-of-return method is the rate of return itself. In the case of the gold project, for instance, the rates of return associated with Arizona and South Africa are both higher than the 10 percent discount rate applied in the net present value calculation. This implies that Arizona's tax system, which shows a higher after-tax net present value but a lower after-tax rate of return, embodies a time distribution of tax

EFFECTS OF TAXATION ON ECONOMIC INDICATORS:

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GOLD PROJECT

		·	
	4	Rate of Return (percent)	Net Present Value (\$ million)
2222222	# 3 3 3 3 8 8 8 8 9 9 8 8 8 8 8 8 8 8 8 8 8 8 8		
BEFORE-	TAX INDICATORS	25.1	8.3
AUSTRAL	IA		
	Queensland	20.6	5.6
	Western Australia	25.1	8.3
	South Australia	23.5	7.3
BRAZIL			
	Domestic consumption	21.7	6.0
	Export	21.3	5.8
CANADA			ι.
	Quebec 🧹 🦯	18.9	4.0
	Ôntario 🔪	16.4	2.7
	Nova Scotia	16.7	2.9
j	British Columbia	15.8	2.4
UNITED :	STATES		
	Arizona	13.3	1.8
	Colorado	17.0	3.6
	Montana	19.2	4.5
	Nevada	20.3	5.0 ,
SOUTH A	FRICA	13.7	1.4

EFFECTS OF TAXATION ON ECONOMIC INDICATORS: LEAD-ZINC PROJECT

		Raté of Return (percent)	Net Present Value (\$ million)
BEFORE-	TAX INDICATORS	19.8	47.5)
AUSTRAL			(
	Queensland	9.7	-1.1 -6.4
	Western Australia	8.3 9.3	-6.4
	South Australia	9.3	-2.6
004711		$- \sim_V$	
BRAZIL		15.0	22.1
	Domestic consumption Export	13.8	16.4
	Export	13.0	10.4
CANADA			
•••••	Quebec	13.6	13.9
	Ontario	11.4	5.1
	Nova Scotia	13.0	11.4
	British Columbia	12.0	, 7.2
UNITED	STATES .		
ONTICO	Arizona	9.7	-1.5
	Colorado	12.1	10.1
	Montana	15.2	23.0
(Nevada	16.1	27.3 ·
SOUTHA	FRICA	9.7	-0.9

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EFFECTS OF TAXATION ON ECONOMIC INDICATORS:

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COPPER-MOLYBDENUM PROJECT

N. BEE	Rate of Return (percent)	Net Present Value (\$ million)
-	======================================	=======================================
BEFORE-TAX INDICATORS	25.4	220.6
AUSTRALIA		
Queensland	13.1	36.6
Western Australia	11.5	18.0
South Australia	12.7	31.7
BRAZIL		-
Domestic consumption	19.1	116.0
· Export	17.7	95.8
CANADA		
Quebec	17.3	- 78.8
Ontario	14.0	43.2
Nova Scotia	16.8	76.2
British Columbia	15.7	60.1
UNITED STATES		
Arizona	13.8	54.3
Colorado	16.8	95.7
Montana	19.3	121.5
Nevada	20.1	132.0
SOUTH AFRICA	13.5	35.5

payments which is relatively more weighted towards the earlier years of the project as compared to the South African taxation system.

For the gold project, the taxation systems in Australia and Brazil provide the most favourable after-tax investment incentive, whereas Arizona and South Africa provide the least favourable incentive. With respect to base metal projects, a large contrast exists in the Australian taxation system. For the lead-zinc and copper-molybdenum projects, Australian states rank last in terms of investment incentive. This is because gold mining operations are exempted from income taxation in Australia. In fact, Western Australia imposes the most severe taxation regime on base metal mines, but mineral taxes are non-existant for gold operations. Hence, after-tax indicators are equal to before-tax indicators, reflecting the maximum investment incentive. Nevada and Montana taxation systems rank highest for the base metal projects.

The overall ranking of the taxation systems is given in table 6-4, where 1 indicates the most favourable tax regime and 13 represents the least favourable system. After Australia, Brazil provides the best overall incentive, while Canadian provinces, as well as Arizona and Colorado in the U.S. offer an average incentive. South Africa assumes a low overall position, resulting from the low incentives associated with the lead-zinc and copper-molybdenum projects.

Integrated Company Tax Base

The integrated company basis of taxation is examined as a variant of the base case analysis. Because an integrated company is generally capable of claiming tax allowances as soon as they become available, it is anticipated that the integrated company basis of taxation will yield better

RANKING AMONG TAX REGIMES

BASED ON ECONOMIC INDICATORS

Using Using Rate of Net Present Value Return Pb-Zn Cu-Mo Pb-Zn Cu-Mo Au Au AUSTRALIA Queensland Western Australia South Australia BRAZIL Domestic Export CANADA Quebec ° Ontario Nova Scotia British Columbia UNITED STATES Arizona Colorado Montana Nevada ľ -6 SOUTH AFRICA

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economic indicators than the project basis. The effects of such a taxation basis on the gold, lead-zinc, and copper-molybdenum projects are shown in tables 6-5 to 6-7, respectively.

As compared to tables 6-1 to $6_{=3}$, the after-tax economic indicators obtained from the integrated company basis of taxation are significantly higher than those obtained from the individual project basis in most regimes, except for the U.S. cases. Thus, the level of taxation, or the government's share of before-tax value of the project is reduced accordingly. This general relationship clearly shows the advantageous tax position of an integrated company.

For all three projects assessed under the U.S. system, the economic indicators are lower because of the minimum tax rule embodied in federal corporate income taxation. As stated earlier, this rule levies 15 percent of all tax preference items reduced by \$10 000. Hence, taxpayers are not better-off from an integrated-company position as long as the minimum tax rule is applicable, as assumed in this study. Nevada and Montana, which provided the best incentive on a project basis, now_offer average incentives on an integrated company basis.

The results obtained from the consideration of the integrated company basis of taxation reveals approximately the same ranking among the tax regimes as that observed with the project basis. However, Canadian provinces shift from average to very favourable positions, especially for the base metal projects. This suggests that the advantages resulting from the utilization of flow-through deductions are greatest in the Canadian taxation system.

Results from the integrated company basis of taxation also indicate that the ranking among Canadian provinces as well as Australian and U.S. states remain essentially the same.

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EFFECTS OF TAXATION ON ECONOMIC INDICATORS:

INTEGRATED COMPANY BASE -- GOLD PROJECT

		Rate of Return (percent)	Net Present Value (\$ million)
*********************			**************
BEFORE-TAX INDIC	ATORS	25.1	8.3
AUSTRALIA			
Queensl		20.6	5. 6
	Australia	25.1	8.3
South A	ustralia	23.5	7.3
BRAZIL			
	c consumption	23.7	6.6
Export		23.2	6.4
CANADA			
Quebec		25.9	5.3
Ontario	Ň	22.9	4.1
Nova Sc		24.9	4.5
British	Columbia	24.3	4.0
UNITED STATES			
Arizona		13.1	1.6
Colorad	0	16.4	3.3
Montana		18.5	4.1
Nevada		19.3	5.0
SOUTH AFRICA		n.a.	n.a.
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EFFECTS OF TAXATION ON ECONOMIC INDICATORS: INTEGRATED COMPANY BASE -- LEAD-ZINC PROJECT

		Rate of Return (percent)	Net Present Value (\$ million)
=======	***************************************		
BEFORE-	TAX INDICATORS	19.8	47.5
AUSTRAL	IA		
_	Queensland	10.8	2.9
	Western Australia	8.5	-5.4
	South Australia	9.6	-1.5
BRAZIL			
	Domestic consumption	17.0	28.8
•	Export	15.8	23.2
CANADA	n	Ň	
	Quebec	18.5	24.0
	Ontario	15.3	14.2
	Nova Scotia	19.0,	23.9
	British Columbia	17.9	19.3
UNITED	STATES		
	Arizona	9.6	-1.9
	[•] Colorado	11.6	7.5
	Montana	14.6	20.1
	Nevada	15.2	23.2
	FRICA	10.4	1.2 /

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EFFECTS OF TAXATION ON ECONOMIC INDICATORS:

ŭ		Rate of Return (percent)	Net Present Value (\$ million)
333333	**************************************		=========================
BEFORE-	TAX INDICATORS	25.4	220.6
AUSTRAL	IA		
	Queensland	14.1	46.0
	Western Australia	11.8	21.0
	South Australia	13.0	34.7
BRAZ'L			Ŷ
	Domestic consumption	21.1	132.1
	Export	19.6	112.0
CANADA			*
	Quebec	23.1	101.9
	Ontario 🔭	17.8	60.0
	Nova Scotia	· 23 . 7	105.0
	British Columbia	22.3	87.1
UNITED	STATES		
	Arizona	13.4	47.5
	Colorado	16.0	84.0
	Montana	18.4	110.1
-	Nevada	18.9	118.3
SOUTH A	FRICA ,	15.0	45.7

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6.2. LEVEL OF TAXATION

This section examines the level of taxation, more specifically through observation of total tax payments and components, time profiles, and effective tax rates.

Tax Payments

Tables 6-8, 6-9 and 6-10 show total tax payments levied by the tax regimes. The tables give total undiscounted tax payments, i.e. the sum of annual tax payments, as well as their present values discounted at rates of 3 percent and 10 percent. The 3 percent rate represents a riskless discount rate from the government's point of view. The present value of tax payments is simply the difference between before-tax and after-tax project values discounted back to the beginning of preproduction. Thus, a tax regime which is found to offer a low after-tax investment incentive can be considered as one which will collect relatively high amounts of taxes. Hence, ranking of the tax regimes according to these values is apparentally opposite to that using net present value as presented in the previous section. To illustrate variations in tax payments among the regimes, total tax payments' presented in tables 6-8 to 6-10 are depicted in figures 6-2 to 6-4.

In the case of the gold project shown in table 6-8, South Africa collects the most taxes, followed by Arizona and the Canadian provinces. At the other extreme, Western Australia collects no taxes at all. On the other hand, Western Australia is the toughest tax collector when it comes to base metal mining. South Australia, South Africa and Arizona are also among those who impose the heaviest tax burden on base metal mining, and Nevada and Montana collect the least. Here again, changes in ranking based on the magnitude of discounted tax payments may occur. For instance, in the case of

PRESENT VALUE OF TAX PAYMENTS:

GOLD PROJECT

	PV of Tax Payments				
	Undiscounted Total (\$ million)	Discounted at 3% (\$ million)	Discounted ´at 10% (\$ million)		
88833333333333333333333333333333333333	± = = = = = = = = = = = = = = = = = = =	:3332335223322 ×	3919122777222		
AUSTRALIA	5 4	4 0	0 7		
Queensland Western Australia	5.4 0.0	4.3 0.0	2.7 0.0		
South Australia	2.0	1.6	1.0		
South Australia	w C.U	1.0	1.0		
BRAZIL					
Domestic consumption	5.0	3.9	2.3		
Export	5.5	4.3	2.5		
CANADA *	•				
Quebec	10.1	7.8	4.3		
Ontario	12.7	9.8	5.6		
Nova Scotia	12.2	9.4	5.4		
British Columbia	. 13.7	10.5	5.9		
UNITED STATES					
And zona	12.3	10.0	6.5		
CoTorado	9.4	Zata	/ 4.7		
Montana	8.3	0.5×	3.8		
Nevada .	7.2	, 5.6	3.3		
SOUTH AFRICA	16.0	- 12.3	6.9		
			. ,		

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PRESENT VALUE OF TAX PAYMENTS:

LEAD-ZINC PROJECT

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	PV of Tax Payments			
	Undiscounted Total (\$ million)	Discounted at 3% (\$ million)		
AUSTRALIA	*			
Queensland	134.5	96.4	48.6	
Western Australia	150.7	107.7	53.9	
South Australia	140.9	100.5	50.1	
BRAZIL		-		
Domestic consumption	71.0	50.6	25.4	
Export	86.4	61,7	31.1	
CANADA		· ·	5	
Quebec	105.8	73.1	33.6	
Ontario	126.9	89.0	42.4	
Nova Scotia	110.1	· 76.7 .	36.1	
British Columbia	124.0	86.3	40.3	
UNITED STATES	æ	0		
Arizona	· 112.1	84.8	49.0	
Colorado	88.6	66.2	37.4	
Montana	68.7	49.1	24.5	
Nevada	57.1	40.7	20.2	
SOUTH AFRICA	- 145.0	101.7	48.4	

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PRESENT VALUE OF TAX PAYMENTS:

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COPPER-MOLYBDENUM PROJECT

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	· PV	of T-ax Payme	nţs
	Undiscounted Total (\$ million)/	Discounted at 3% (\$ million)	Discounted at 10% (\$ million)

AUSTRALIA		٢	
Queensland	514.9	360.4	184.0
Western Australia	560.7	394.0	202.6
South Australia	524.8	368.4	188.9
BRAZIL			
Domestic consumption	316.8	215.8	104.6
Export	373.0	255.1	124.8
CANADA			
Quebec*	457.0	307.5	141.8
Ontario	536.6	367.2	177.4
Nova Scotia	446.7	304,0	144.4
British Columbia	501.5	34,0.4	160.5
UNITED STATES			
Arizona	411.9	299.0	166.3
, Colorado	319.5	229.0	124.9
Montana	283.1	196.8	99.0
Nevada	254.7	176.8	88.6 -
SOUTH AFRICA	563.9	386.2	185.1

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FIGURE 6-2

TOTAL TAX PAYMENTS:

GOLD PROJECT

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Discounted 010%

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FIGURE 6-3 TOTAL TAX PAYMENTS:

LEAD-ZINC PROJECT

\$ million



FIGURE 6-4

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TOTAL TAX PAYMENTS:

COPPER-MOLYBDENUM PROJECT

	~	\$	millio	n				
		•					5	800
AUSTRALIA		have		k	-			-
Queen	•	- Article A						
W. Au	stralia			$\rightarrow\rightarrow\rightarrow$			220	
S. Au	stralia			$\Sigma \Sigma$			5	
BRAZIL	a							
Domes	tic		$\Sigma \Sigma \Sigma$	2000				
Export	t		\rightarrow	27		r		
CANADA					-			
Quebec	:		Σ	$\Sigma \Sigma \Sigma$			-	
Ontari	0			$\Sigma \Sigma \Sigma$		7777		
N.S.			\longrightarrow	$\rightarrow \rightarrow \rightarrow$		23		
в.С.			\longrightarrow	$\rightarrow \rightarrow \rightarrow$	$\mathbb{P}_{\mathcal{L}\mathcal{L}}$	1111		
U.S.A.								
Arizon	na			\longrightarrow		Þ		
Colora	do		\longrightarrow	222				
Monta	na		$\rightarrow \rightarrow$					
Nevada	3							
S. AFRICA				$\rightarrow \rightarrow$			~~~	





the lead-zinc project, South Africa ranks fifth from the top at a 10 percent rate, but it ranks second at the 3 percent and zero percent (undiscounted) rates. Changes between Ontario and Arizona, and between Nova Scotia and Colorado also occur with respect to the discount rate. As discussed earlier, this problem is due to a different distribution of tax payments through time. The taxation system which yields lower tax payments than another at a high discount rate, but higher tax payments at a low discount rate, embodies a time distribution of greater tax payments during the earlier years of production.

Results obtained from the analysis on an integrated company basis are shown in tables 6-11 to 6-13. The results here are more favourable for all tax regimes except for those of the U.S. states. The reason for this was explained in the previous section. Here again, the improvement over the project basis of taxation is notably greater in the case of the Canadian provinces.

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PRESENT VALUE OF TAX PAYMENTS:

INTEGRATED COMPANY BASE -- GOLD PROJECT

	PV of Tax Payments				
	Undiscounted Total	Discounted at 3%	Discounted at 10%		
-	(\$ million)	(\$ million)	(\$ million)		

AUSTRALIA	, ,				
Queensland	5.4	4.3	2.7		
Western Australia	0.0	0.0	0.0		
South Australia	2.0	1.6	1.0		
BRAZIL					
Domestic consumption	4.3 [°]	3.2	1.7		
Export	4.7	3.6	1.9		
CANADA					
Quebec	9.5	6.8	3.0		
Ontario	12.1	8.9	• 4.2		
Nova Scotia	11.3	8.3	3.8		
British Columbia	12.9	9.4	4.3		
UNITED STATES					
🗠 Arizona	12.8	10.3	6.7		
Colorado	10.1	8.1	5.0		
Montana	9.0	7.1	4.2		
Nevada _,	8.1	6.3	3.7		
SOUTH AFRICA	n.a.	n.a.	n.a.		

PRESENT VALUE OF TAX PAYMENTS:

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INTEGRATED COMPANY BASE -- LEAD-ZINC PROJECT

U	PV	of Tax Payme	nts
	Undiscounted Total	Discounted at 3%	, Discounted at 10%
	(\$ million)	(\$ million)	(\$ million)
=======================================	393232223332323		
AUSTRALIA		ì	
Queensland	(131.2	92.6	44.6
Western Australia	149.6	106.6	· 52 . 9
South Australia	A39.8	99.4	49.0
BRAZIL			
Domestic consumption	62.4	42.6	18.7
Export	77.8	53.7	24.4
CANADA		Ç	
Quèbec	102.6	66.8	23.6
Ontario	127.3	85.0	33.3
Nova Scotia	105.3	68.4	23.7
'British Columbia	120.8	79.0	28.2
JNITED STATES			
Arizona	114.7	86.4	49.4
Colorado	94.2	70.6	40.0
Montana	74.7	53.8	27.4
Nevada .	64.7 ^L	46.9	24.3
SOUTH AFRICA	143.7	100.1	46.3

PRESENT VALUE OF TAX PAYMENTS:

INTEGRATED COMPANY BASE -- COPPER-MOLYBDENUM PROJECT

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	PV of Tax Payments				
١,	Undiscounted Total (\$ million)	Discounted at 3% (\$million)	Discounted at 10% (\$ million)		
		3 5 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	==================		
AUSTRALIA					
Queensland	507.3	351.7	174.6		
Western Australia	557.5	390.9	199.6		
South Australia	521.7	365.2	185.9		
BRAZIL					
Domestic consumption	2 98. Q	197.8	88.5		
Export	354:1	237.1	108.6		
CANADA		,			
Quebec	461.9	299.9	118.7		
Ontario	563.3	373.7	160.5		
Nova Scotia	449.2	292.4 ,	115.6		
British Columbia	510.3	333.0	133.5 🎢		
UNITED STATES					
Arizona	427.3	311.0	173.1		
Colorado	341.3	246.9	136.6		
Montana	304.6	214.4	110.4		
Nevada	278.8	196.9	102.3		
SOUTH AFRICA	559.0	379.1	- 174.9		

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Tax Payment Components

Tax components, expressed as a percentage of total tax payments discounted at 3 percent are shown in tables 6-14 to 6-16. Each table indicates four categories of taxes: federal corporate income tax (the Commonwealth income tax for Australia), provincial or state corporate income tax, mining tax (provincial mining tax for Canada, state royalty for Australia, mining tax for Brazil, and state severance tax for the U.S.), and ad valorem property tax (for the U.S. only). Mineral taxation systems of Australia, Brazil and South Africa contain only two of these categories: the federal income tax and the mining tax. The provincial systems of Canada involve provincial corporate income taxes as well. The states systems of the U.S. contain all four categories.

Significant differences in the tax components are observed among the taxation systems. In the case of the gold project, the federal corporate income tax component varies from 33.2 percent in Arizona to 100 percent for the domestic processing case in Brazil. Provincial or state corporate income taxes vary from 0 percent in Nevada to 32 percent in British Columbia. Mining taxes vary from 0 percent in Westwern Australia and for domestic processing in Brazil, to 100 percent in Queensland and South Australia, Less extensive but significant differences in tax components are shown in the case of the lead-zinc and copper-molybdenum projects. The federal corporate income tax component varies from about 30 percent in Arizona to 100 percent for domestic processing in Brazil, to 40 and, 43 percent for the lead-zinc and copper-molybdenum projects in Quebec, respectively. Azero percent share associated with a

particular tax component reflects a tax exemption provided by the system. Ad valorem taxes, which are only levied in the U.S. state systems, are high in Arizona and Colorado, ranging from 36 to 56 percent, and are lowest in Montana and Nevada, with levels below 10 percent.

Shares, between federal and provincial (or state) governments within a country are only meaningful for the Canadian case, because provincial taxation is independent of federal taxation. In Australia and the U.S., state taxes are deductible for the purpose of calculating the federal income tax base. Thus, the federal income tax share in these countries is quite sensitive to any increase in state taxes.

To contrast the level of corporate income taxes with mineral or mining taxes, provincial (or state) income taxes are added to federal income taxes in the Canadian and the U.S. systems, and the ad valorem taxes are added to the severance taxes in the U.S. Thus, payments are classified into two major components: income taxes and mining taxes. These modified tax components are given in table 6-17. In most systems, corporate income 'taxes account for a relatively high portion of total taxes. Exceptions to this rule are Australia, where corporate income taxes are not levied from gold operations, and Arizona and Colorado, where property taxes play an important role in government revenue, especially during periods of non-production. Hence, income-related taxes are major concerns in all tax regimes considered except in those of Arizona and Colorado.

Tax payments and components discussed so far are depicted in figures 6-5 through 6-7. In the case of base metal taxation, these graphs clearly show the approximate equivalences of the Australian and South African systems on the one hand, and of the Brazilian and U.S. systems on the other. Such equivalences are not evident in the case of gold taxation.

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- TAX PAYMENT COMPONENTS:

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GOLD PROJECT

·	a	Components in percent					
-	Corporate Income Tax Payments		Mining Tax, Royalty or Lease	Ad Valore Property Tax			
	Federal	Provincial or State	Payment	Payment			
338323233233333333333333		***************************************	========================	° 3 2 3 3 2 3 3 3 3 3 3			
AUSTRALIA		٨	8				
Queensland	0.0		100.0	•			
Western Australia	0.0		0.0				
South Australia	0.0	Ŷ	100.0				
BRAZIL							
Domestic	100.0		0.0				
Export	85.1		14.9				
CANADA							
Quebec	57.9	10.6	31.5				
Ontario	46.0	21.7	32.3				
Nova Scotia	47.6	23.9	28.5				
British Columbia	42.7	32.1	25.2				
UNITED STATES		-					
Arizona	33.2	7.5	7.5	51.7			
Colorado	53.8	7.3	0.1	38.8			
Montana	63.2	11.6	18.7	- 6.5			
Nevada	85.1	0.0	7.0	7.9			
SOUTH AFRICA	80.6		19.4				
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TABLE 6-15TAX PAYMENT COMPONENTS:LEAD-ZINC PROJECT

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	Component	ts in percent	rcent				
		Mining Tax, Royalty	Ad Valorem Property Tax				
Federal	Provincial or State	Payment	Payment				
202333222) ; ;		***********				
•							
64 8		35.2					
87.5	e-13.	12.5					
	'n	۵	•				
100 0		0 0					
67.3	-	32.7					
50 2	0 /	<u> 10 1</u>					
42.6	32.5	24.9					
		*					
30 0	6 6	71	- 56.3				
			43.0				
			6.8				
83.0	• • • • • • •	7.7	9.3				
81.1		18.9	١				
	Tax Federal 64.8 76.6 87.5 100.0 67.3 50.2 41.3 47.9 42.6 30.0 43.9 62.0 83.0	Corporate Income Tax Payments Federal Provincial or State 64.8 76.6 87.5 100.0 67.3 - 50.2 9.4 41.3 20.1 47.9 24.5 42.6 32.5 30.0 6.6 43.9 5.9 62.0 11.4 83.0 0.0	Tax PaymentsRoyalty or LeaseFederal Provincial or StatePayment64.8 76.6 87.5 35.2 23.4 12.5100.0 67.30.0 32.750.2 67.39.4 24.5 27.6 42.6 32.5100.0 67.30.0 7.1 38.6 47.9 24.5 24.5 24.930.0 6.6 42.6 32.56.6 7.1 7.1 19.8 83.0				

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TAX PAYMENT COMPONENTS:

COPPER-MOL YBDENUM _PROJECT

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	•	Components in percent							
*	• · · · · · · · · · · · · · · · · · · ·		ate Income Payments	Mining Tax, Royalty or Lease	Ad Valorer Property Tax				
	r V	Federal	Provincial or State	Payment •	Pa <i>y</i> ment				
•	# 22332 # # 23322 # 23323 #	مر د د د د د د د د د د	***************************************		*****				
7	AUSTRALIA	,		/					
* *	Queensland 🖉	66. 3		33•.7					
ľ,	Western Australia	77.3	•	22.7					
	South Australia	- 87.9		12.1 .					
	BRAZIL	۰		•					
•	Domestic	100.0		0.0					
-1	Export	72.0		28.0					
-	CANADA		¥.	۶					
•	Quebec	47.8	9.0	43.1					
	Ontario	40.0	19.2	40:7 -					
	Nova Scotia	48.4	25.1	26.6					
	British Columbia	43.2	33.0	23.8					
	UNITED STATES				e				
	Arizona	31.9	6.6	7.5	53.9				
•	Colorado	52.8	7.1	3.6	36.6				
	Montana 🖡	64.7	11.7	17.6	6.0				
	Nevada	85.2	0.0	6.6	8.1				
	SOUTH AFRICA	81.0		19.0	•				
	•	,	,						

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TAX COMPONENTS:

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INCOME TAXES AND MINING TAXES

	Components in percent					
	Gold project		Pb-Zn project		Cu-Mo project	
,		Mining taxes	Income taxes		Income taxes	
AUSTRALIA Queensland	0.0	100.0	64.8	35.2	66.3	33.7
Western Australia			76.6			
South Australia		100.0		12.5		
BRAZIL						
Domestic		0.0	100.0	0.0	100.0	0.0
Export	85.1	14.9	67.3	, 32.7	72.0	28.0
CANADA						
Qurebec			59.6		56.9	
Ontariò			61.4			
Nova Scotia			72.4			26.6
British Columbia	74.8	25.2	75.1	24.9	76.2	23.8
UNITED STATES						
Arizona		59.2			38.5	61.5
Colorado		38.9		50.2	•	40.1
Montana			73.4		76.4	
Nevada	85.1	14.9	83.0	17.0	85.2	14.8
SOUTH AFRICA	80.6	19.4	81.1	18.9	81.0	19.0
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		<u> </u>	-	1		

FIGURE 6-5

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TAX PAYMENTS AND COMPONENTS

DISCOUNTED AT 3 PERCENT:

GOLD PROJECT




FIGURE 6-6

TAX PAYMENTS AND COMPONENTS

DISCOUNTED AT 3 PERCENT:

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LEAD-ZINC PROJECT

\$ million AUSTRALIA **Queensland** W. Australia S. Australia BRAZIL Domestic Export CANADA Quebec Ontario N.S. B.C. U.S.A. Arizona Colorado Montana Nevada S. AFRICA

Federal Corporate Income Taxes
 Provincial Corporate Income Taxes
 Mining Taxes
 Property Taxes

FIGURE 6-7

TAX PAYMENTS AND COMPONENTS

DISCOUNTED AT 3 PERCENT:

COPPER-MOLYBDENUM PROJECT





BRAZIL

Domestic

Export

CANADA

Quebec Ontario N.S. B.C.

U.S.A. Arizona Colorado Montana

Nevada

S. AFRICA

E



Federal Corporate Income Taxes

 Provincial Corporate Income Taxes

 Mining Taxes

Property Taxes

Time Distribution of Tax Payments

To better understand the effects of different tax structures on the stream of tax payments, distributions of annual tax payments, expressed in constant dollars, are examined. When combined with the time value factor, the time pattern of tax payments has a significant impact on the economics of a mine development project. Thus, the pattern of tax payments may provide an important incentive to the taxpayer. Annual tax payment streams are presented in figures 6-8 to 6-11 for the gold project, in figures 6-12 to 6-15 for the lead-zinc project, and in figures 6-16 to 6-19 for the coppermolybdenum project. The figures associated with foreign tax regimes also show a typical Canadian tax payments schedule, obtained by averaging the annual tax payments of the four provinces. This schedule is considered to be representative of the Canadian situation because of the similarity in tax profiles associated with the four provincial regimes, as shown in figures 6-8, 6-12 and 6-16. A detailed account of the tax payments used for the construction of these figures can be found in appendices A to E.

Given that constant annual revenues are considered for the projects, the Canadian regimes show a characteristic trend of tax payments. This trend begins with low levels of tax payments and a slow growth rate during the early stages of production. Then the growth rate sharply increases as the tax allowance pools are depleted. The level of tax payments reaches a plateau, where it rises very slowly up until the end of production. Thus, this characteristic growth pattern consists of three phases: a period of slow growth at first, a period of rapid growth during an intermediate phase, and finally, another period of slow growth for the rest of the production period. The slow growth phase during the earlier years of production results from delays in the implementation of full-scale taxation due to the

accelerated deduction of capital expenditures. As the amount of allowances decreases, the magnitude of tax payments increases sharply in the second phase of the pattern. Finally, when depreciation pools are exhausted, tax payments reach a plateau. As long as there are no major capital investments during the production period, as is assumed in this study, this type of tax distribution pattern is typical of profit based taxation systems. The * patterns in figure 6-8 spowing taxes under the systems of Quebec, Ontario, Nova Scotia and British Columbia are more or less parallel to each other. This is because the provincial taxation systems of Canada are in most part profit-based. Moreover, the federal income taxation system represents a common base for all four provincial systems. As can be seen in figure 6-8, British Columbia has higher tax level, than the other provinces, and Quebec has the lowest.

The tax payment profiles associated with the gold project provide other examples of tax patterns for a fixed level of revenue during the production period. The Australian states display only production tax profiles, because no Commonwealth income taxes are levied. Hence, the patterns in figure 6-10 reflect the difference in royalty rates applied in Queensland, South Australia and Western Australia -- 7, 2.5 and 0 percent, respectively. Thus, taxes are higher than the Canadian average for the first two years of production, and then lower thereafter. The curves associated with U.S. state systems shown in figure 6-11 are examples of those which result from a combination of profit (income), production and property taxes. Taxes in Arizona show a decline in the later years due to the exhaustion of the mineral property tax base. The resulting curves reveal that the U.S. systems levy taxes which are more heavily weighted toward the early years of the life of a project as compared to the Canadian system. Brazil and South Africa offer a marked contrast in relation to the Canadian system. Brazilian

taxes are generally lower than Canadian taxes, but South African taxes are relatively higher in the latter part of the production period. The patterns associated with the Brazilian system reflect federal income taxation. The South African tax schedule clearly shows that when allowance pools are exhausted, i.e., as soon as capital expenditures are recovered, tax payments increase sharply to a very high level.

In the case of the lead-zinc and copper-molybdenum projects, the characteristics and relative positions of the taxation systems remain basically similar to the ones observed for the gold project. A notable exception is the Australian Commonwealth income tax levied on base metal operations. It is characterized by a very high level of taxation compared.to the Canadian average, especially during the early years of production. The profile associated with the Canadian systems in both the lead-zinc and copper-molybdenum project cases may look somewhat abnormal. However, these base metal cases actually have two levels of revenue which depend on the quality of ore reserves. Hence, the curves shown in figures 6-12 to 6-19 display a joint schedule, resulting from the combination of two different time patterns of tax payments.



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FIGURE 6-9

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YEARLY TAX PAYMENTS:

GOLD PROJECT -- Brazil and South Africa



FIGURE 6-10

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YEARLY TAX PAYMENTS:

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GOLD PROJECT -- Australia







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Ontario • N.S.

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FIGURE 6-15

YEARLY TAX PAYMENTS:

LEAD-ZINC PROJECT -- U.S.A.



YEAR

Nevada

• Arizona

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+ Colorado

Montana

× Canadian Average



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0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

YEAR

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"

Brazil (D) + Brazil (E) • S. Africa × Canadian Average

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YEARLY TAX PAYMENTS:

COPPER-MOLYBDENUM PROJECT -- Australia



□ Queensland

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+W. Australia •S. Australia ×Canadian Average

FIGURE 6-19

YEARLY TAX PAYMENTS:

COPPER-MOLYBDENUM PROJECT -- U.S.A.

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115

Tax Payments As a Proportion of Project Value

The level of taxation can be further illustrated by expressing total tax payments as a proportion of before-tax project value. This value represents the overall tax contribution of the mining company to various levels of government in return for the extraction of minerals within its jurisdiction. From the government's point of view, the collection of taxes offsets past and future social costs which are incurred because of the existence of the mining operation within its jurisdiction. These are collected by government on behalf of society. The fact that a mining operation can be viewed as both a cost and a benefit to society, provides government with a wide range of options in designing and implementing mineral policy based on national priorities and public interests.

The remaining portion of the project value is retained by the mining firm. As this part complements the tax portion, a lower tax portion means a greater investment incentive for the company. By raising more revenues from taxes, governments may cause excess burden on the industry, hence weakening the investment environment.

The portion of the project value captured by a tax regime may be defined as an 'effective tax rate'. Thus, the effective tax rate represents here the overall level of taxation imposed by a system on the mining project. Table 6-18 lists the effective tax rates for the mineral projects based on a discount rate of 10 percent.

Although the effective tax rates given in the table 6-18 provide the same ranking among the tax regimes as that based on after-tax net present value, it is easier to compare their relative levels of taxation. It is somewhat surprising to observe so wide a variation in effective tax rates. For example, the rates associated with the gold project range from a low of

zero in Western Australia to a high of 83.4 percent in South Africa. In the case of the lead-zinc project, the range is from 42.6 percent in Nevada to over 100 percent in five of the tax regimes. A similar range is obtained in the case of the copper-molybdenum project, with 40.1 percent in Nevada to 91.8 percent in Western Australia. Although the ranges are very wide for all three projects, the rates associated with the lead-zinc project exceed those associated with the gold project by an average of 34 percent. This difference is reduced to 14 percent in the case of the copper-molybdenum project. This is partly attributable to the preproduction period associated with the lead-zind project, assumed to be twice as long as that of the other two projects. Because of the longer preproduction period, future positive cash flows are further discounted and have less effect on the net present value. Moreover, since the lead-zinc project has a lower profitability than the other two projects, the cost of capital.

In fact, effective tax rates vary not only with discount rate, but also with profitablity. Because the before-tax project value is used as a denominator when calculating effective tax rates, a marginally economic project, whose project value is accordingly small, may yield wider variations in effective tax rates, as compared to a highly profitable project with a greater project value. Therefore, one should be cautious when comparing different projects based on effective tax rates. The rates thus obtained may have little or no correlation with the impact of taxation on project economics, However, for comparing the incidence of different tax regimes on a particular project, the effective tax rate serves a meaningful purpose.

Effective tax rates of over 100 percent are obtained in five cases, where the tax regimes reduced the profitability of the lead-zinc project to

TAX PAYMENTS AS A PROPORTION OF PROJECT VALUE:

DISCOUNTED

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Effective Tax Rates Based on a 10 Percent Discount Rate Gold Lead-zinc Copper-Molybdenum Project Project 9 Project (percent) (percent) (percent) Ì 41 = ------AUSTRAL IA 32.7 Queensland 102.3 83.4 Western Australja 0.0 113.5 91.8 South Australia® 12.1 105.4 85.6 BRAZIL Domestic consumption 27.8 53.5 47.4 65.4 Export 30.7 56.6 CANADA 52.1 70.8 64.3 Quebec Ontario 67.1 * 89.2 80.4 Nova Scotia 65.0 76.0 65.5 72.8 84.9 British Columbia 71.6 UNITED STATES Arizona 78.8 103.1 75.4 56.5 78.7 56.6 Colorado 51.7 44.9 Montana 46.0 40.1 Nevada 39.2 42.6 SOUTH AFRICA 83.4 101.9 83.9 AVERAGE 47.4 81.4 67.8

118

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TAX PAYMENTS AS A PROPORTION OF PROJECT VALUE:

UNDISCOUNTED

	Based on	ffective Tax 1 Undiscounted 1 and Tax Paymen	Project Value
	Gold Project	Lead-zinc Project	Copper- Molybdenum Project
	(percent)	(percent)	(percent)
***************************************			************
AUSTRALIA			
Queensland	21.9	62.6	59.8
Western Australia South Australia	0.0 8.1	70.2 65.6	65.1 61.0
SOULIT AUSCRATTA	0.1	0.00	01.0
BRAZIL			
Domestic consumption	20.3	33.1	36.8
Export	22.2	40.2	43.3
CANADA			
Quebec	41.2	49.2	53.1
Ontario	51.5	59.1	62.3
Nova Scotia	49.7	51.3	51.9
British Columbia	55.6	57.8	58.3
UNITED STATES			
Arizona	50,1	52.2	47.8
Colorado	40.8	41.2	37.1
Montana	33.6	32.0	32.9
Nevada	29.3	26.6	29.6
SOUTH AFRICA	65.0	\$ 67.5	65 . 5~
AVERAGE ·	35.0	50.6	50. 3

a level below the cost of capital. Examining the effective tax rates across the three projects, Nevada appears to have the most leanient tax regime with an average effective tax rate of 40.6 percent. South Africa, with an average of 89.7 percent, followed by Arizona with 85.7 percent, provide the heaviest tax burdens. Western Australia's and South Australia's harshness against the base metal projects is tempered by their relative leaniency for gold mining operations. Nevada, Montana and Brazil are among the most favourable taxation systems. Canadian provinces. rank from third to tenth, with Ontario and British Columbia providing the relatively tougher tax regimes.

Table 6-19, showing tax payment shares based on undiscounted project values illustrate the effects of time values. Here, all discounting effects are deleted; hence, the effects of different time patterns and preproduction periods are removed. Because undiscounted future cash flows carry more weight in total project value, yariations in undiscounted effective tax rates among regimes appear more moderate than discounted effective tax rates. Slight improvements in ranking are observed. for Western Australia, South Australia, Arizona and Colorado, whereas Canadian provinces and South Africa become worse-off with the undiscounted results. Obviously, this reflects the effects of the time distribution of tax payments, which results from the structure of the taxation system. The regimes that show improvement have relatively more production- or property-oriented structures than those that show degradation, which are mainly based on profit or profitability. The relationship between tax structure and distribution of tax payments has been examined in more detail in an earlier part of this section.

Tax payments as a proportion of project value resulting from an integrated company basis of taxation are shown in tables 6-20 and 6-21, which are based on discounted and undiscounted values, respectively. 'Effective tax rates shown here are generally lower than those observed for

the project basis of taxation. An exception to this rule is of course the U.S. regimes, which, as explained previously, are limited by the minimum tax provision. Canada shows again the greatest improvements from the investor's point of view. Tax payments as a proportion of undiscounted project value shown in figure 6-21 do not necessarily reflect the advantages of flowthrough deductions. This is because the provision for flow-through deduction is meaningless without the time-value-of-money consideration. Hence, this provision looses its rational for being an incentive to encourage mining investment.

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TAX PAYMENTS AS A PROPORTION OF PROJECT VALUE INTEGRATED COMPANY BASE, DISCOUNTED

	Effective Tax Rates Based on a 10 Percent Discount Rate						
	Gold Project	Lead-zinc Project	Copper- Molybdenum Project				
	(percent)	(percent)	(percent)				

AUSTRALIA							
Queensland	32.7	93.8	79.2				
Western Australia	0.0	111.3	90.5				
South Australia	12.1	103.1	[*] 84.3				
BRAZIL							
Domestic consumption	20.0	39.4	40.1				
Export	22.8	51.3	49.2				
CANADA	ŭ	-	•				
Quebec	36.1	49.6	53.8				
Ontario	51.1 -	70.2	72.8				
Nova Scotia	45.4	49.8	52.4				
British Columbia	52.4	59 <u>,3</u>	60.5				
UNITED STATES							
Arizona	80.5	103.9	78.5				
Colorado	60.8	84.3	61.9				
Montana	50.6	57.7	50.1				
Nevada	45.1	51.2	46.4				
SOUTH AFRICA	n.a.	97.5	79.3				
AVERAGE	39.2	73.3	64.2				

122

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TAX PAYMENTS AS A PROPORTION OF PROJECT VALUE INTEGRATED COMPANY BASE, UNDISCOUNTED

Jr.	Effective Tax Rates Based on Undiscounted Project Value and Tax Payments						
, ,	Gold Project	Copper- Molybdenum Project					
	(percent)	(percent)	(percent)				
AUSTRAL IA		***********					
Queensland	21.9	61.1	58.9				
Western Australia	0.0	69.6	64.8				
South Australia	8.1	65.1	60.6				
BRAZIL 🗤							
Domestic consumption Export ~	17.3 19.2	29.1 36.2	34.6 41.1				
CANADA			1				
Quebec	38.5	47.8	53.6				
Ontario	49.0	59.3	65.4				
Nova Scotia British Columbia 🛛 🂆	46.1 \ 52.6	49.0 56.2	52.2 59.3				
UNITED STATES		• •					
Arizona	51.8	53.4	49.6				
Colorado Montana	41.0 36.7	43.9 34.8	39.6 35.4				
Nevada	32.9	30.1	32.4				
SOUTH AFRICA	n.a.	66.9	64.9				
AVERAGE	31.9	50.2	50.9				

6.3. SENSITIVITY TO REVENUE AND INFLATION

The sensitivity of after-tax investment incentive to changes in the level of revenue and inflation is examined in this section. This sensitivity analysis completes the study of the effects of taxation on project economics. It is an important part of the study because it analyzes the vulnerablity of an investment opportunity under a particular taxation system as it is exposed to changes in the level of key parameters such as metal prices, labour and other input costs, and exchange and inflation rates. In addition, this type of analysis also shows the response of the various taxation systems to a range of project profitability.

Apart from market related variables, there can be other factors, inherent to the mineral deposit, which can affect the level of operating profits: These include for instance an unexpected variation in the quality of some part of the deposit, or a variation in local geological conditions which may cause additional mining costs. All these factors are risk elements which contribute to the uncertainty associated with mining investment decisions. For the purpose of the study, the factors stated above are classified into two groups: those which affect the level of operating profits, and inflation. Metal prices, costs, exchange rates and deposit quality affect the level of operating profits. Hence, all variations in these elements are aggregated and assumed to be represented by a change in the level of revenue. Thus, revenues are varied from 75 to 125 percent of base case conditions for the purpose of sensitivity analysis. In addition to the 5 percent inflation rate assumed for base case conditions, rates of 0, 10, 15 percent are considered as well.

Tables 6/22 to 6-27 show the sensitivity of economic indicators to changes in the level of revenue. Such changes are of prime concern to the

mine operator, since revenue represents the base which ensures the economic healthiness of a mining business. As can be anticipated, definite effects caused by changes in the level of revenue are observed for all three projects. On both a before-tax and after-tax basis, economic indicators are much more sensitive to reductions in revenue. The profitable gold and copper-molybdenum projects become marginally profitable or sub-economic in most tax jurisdictions with a 15 percent reduction in revenue. The lead-zinc project, initially designed to be marginally economic on an after-tax basis, becomes sub-marginal with a 5 percent decrease in revenue, and definitely sub-economic with a 15 percent reduction in revenue.

The tax regimes do not react to the changes in a parallel way. Their original base-case ranking is distorted in certain cases. By examining the results associated with the gold project, it is seen that Canadian provinces and U.S. states maintain their position throughout the range of revenue variations. Brazil maintains its upper position as well. These are the cases of parallel movements in ranking positions. However, contrasting movements are found in Australia, notably in the case of Queensland and South Australia. Queensland moves from third position, at a high level of revenue, to eleventh position at the lowest level. This is a drastic change in relative position under the same conditions, The South African cases exhibit a totally opposite response to the revenue variations relative to the Australian cases. South Africa assumes the lowest position at high levels of revenues, but it improves to better than average at the lowest level.

These findings directly reflect the structure of the individual taxation systems. Taxes in Brazil, Canada, and the U.S. are dominated by corporate income taxes based on profits, whereas taxes for gold mining operations in Australia are solely based on royalties and those in South

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SENSITIVITY OF RATE OF RETURN TO REVENUE:

GOLD PROJECT

Before-Tax and After-Tax Rate of Return (%)

	Change in revenue							
	-25%	-15%	-5%	0%	+5%	+15%	+25%	
******		******						
BEFORE - TAX	6.1	14.5	21.8	25.1	28.3	34.3 Ø	39.9	
AUSTRALIA					¥.			
Queensland Western Australia South Australia	1.9 6.1 4.3	10.3 14.5 12.9	17.4 21.8 20.1		23.7 28.3 26.6	29.5 34.3 32.6	35.0 39.9 38.2	
BRAZIL								
Domestic consumption Export	6.1 5.4	13.8 13.3	19.3 18.9	21.7 21.3	24.0 23.6	28.2 27.8	32.2 31.8	
CANADA		•						
Quebec Ontario	3.4 2.7	10.7 _9.0	16.3 14.1	18.9 16.4	21.4 18.7	26.0 23.0	30.4 27.0	
Nova Scotia British Columbia	1.7	8.8 8.4	14.2	16.7 15./8	19.1 17.9	23.7 22.1	28.1 26.3	
UNITED STATES								
Arizona Galamada	-3.4		10.7		15.9	20.5	24.3	
Colorado Montana	1.9 2.8	8.8 10.3	14.5 16.4	17.0 19.2	19.4 21.7	23.5 26.0	26.9	
Nevada	4.1	11.6	17.6	20.3	- 22.8	26.9	30.8	
SOUTH AFRICA	3.4	7.7	11.4	13.7	15.1	17.9	21.7	

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SENSITIVITY OF NET PRESENT VALUE TO REVENUE:

GOLD PROJECT

Before-Tax and After-Tax Net Present Value (\$ million)

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			Chan	ge in re	evenue		
	-25%	-15%	-5%	0%	+5%	+15%	+25%
3232322333333333333333333333333333333	*******	========			******		
BEFORE-TAX	-1.8	2.3	6.3	8.3	10.3	14.3	18.4
AUSTRALIA							
Queensland Western Australia	-3.5 -1.8		3.8 6.3	5.6 8.3	7.4 10.3		14.8 18.4
South Australia	-2.5		5.3				
BRAZIL					,	ĩ n á	
Domestic consumption Export	-1.8 -2.1			6.0 5.8		°9.9 9.6	12.5 12.2
CANADA							
Quebec		0.3		4.0 2.7			
Ontario Nova Scotia		-0.4					
British Columbia	-3.1				3.3		7.1
UNITED STATES							
Arizona	-6.2	-2.7	0.3	1.8		5.8	8.2
Colorado	-3.7		2.3				9.5
Montana		0.1		4.5			10.5
Nevada	-2.6	0.7	3.7	5.0	6.4	8.8	11.2
SOUTH AFRICA	-2.6	-(0.9	0.5	1.4	1.9	3.0	4.5
		\mathbf{X}					

Africa are based on profitability. Projects operating under taxation systems based on royalties (production) are most sensitive to level of revenues while those under profitability taxation systems are the least sensitive. Those subject to profit-based taxation systems assume an intermediate position in terms of sensitivity to changes in the level of revenue. Property taxation, which constitutes an important part of the U.S. system, has a similar effect to that of production taxation because ad valorem property taxes are closely related to annual revenue. Such a trend is apparent in the cases of Arizona and Colorado, for lower levels of revenue, although the effects of property taxes seem to be largely dampened by corporate income taxation through deduction of state taxes.

These relationships between structure of taxation and after-tax project economics can be further observed in the other two mine development cases. In the case of the lead-zinc and copper-molybdenum projects, sensitivity under the Australian systems are moderate. This is because corporate income taxes are levied from base metal mining operations, hence causing this component to take on a more important role in overall taxation. Nevertheless, the Australian and U.S. taxation systems assume lower_ positions at the lower revenue levels than at the higher levels, in both base metal mining projects. This reaffirms the statement that productionbased taxes make systems more sensitive to revenue levels than profit-based taxes, despite the fact that these taxes may be deductible from the federal income tax base. Here again, the opposite behavior is observed in South Africa for both projects. From a position of ninth or tenth at the lowest level of revenue, it moves down to the last position at the highest level of revenue.

In summary, it has been shown that rate of return and net present value criteria under production- or property-based systems are the most sensitive

128

to revenue levels, whereas criteria under profitability-based systems are the least sensitive. Taxation systems of Queensland and South Australia on the one hand, and South Africa on the other, have provided examples of both extremes. The systems associated with Canadian provinces assume fairly neutral positions in terms of sensitivity to revenue, while maintaining midrange positions in terms of competitiveness.

5. V

SENSITIVITY OF RATE OF RETURN TO REVENUE:

LEAD-ZINC PROJECT

Before-Tax and After-Tax Rate of Return (%)

	¢		Chang	e in re	venue		
	-25%	-15%	-5%	0%	+5%	+15%	+25
			======				
BEFORE-TAX	5.3	12.1	17.4	19.8	21.9	25.9	29.
AUSTRALIA							
Queensland	-1.3	3.6	7.8	9.7	11.5	14.8	17.
Western Australia	-5.1	1.2	6.1	8.3	10.2	13.9	17.
South Australia	-3.7	2.4	7.2	9.3	11.3	14.5	18.
BRAZIL							
Domestic consymption	4.5	9.5		15.0	16.6	19.6	22.
Export	2.4	8.1	12.1	13.8	15.4	18.4	21.
CANADA							
Quebec	3.3	8.2	12.0	13.6	15.2		20.
Ontario	1.9		9.9	11.4	12.8		17.
Nova Scotia	1.7	7.1		13.0	14.7		20.
British Columbia	1.8	6.6	10.3	12.0	13.6	16.4	18.
UNITED STATES							
Arizona	-4.0	2.7	7.6	9.7	11.6	15.0	18.
Colorado	0.0	5.8	10.2	12.1	13.8	17.0	19.
Montana	2.1	8.4	13.2	15.2	17.1		23.
Nevada	3.3	9.4	14.1	16.1	17.9	21.1	23.
SOUTH AFRICA	0.7	4.8	8.2	9.7	11.2	13.8	16.

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SENSITIVITY OF NET PRESENT VALUE TO REVENUE:

LEAD-ZINC PROJECT

Before-Tax and After-Tax Net Present Value (\$ million)

			Chan	ge in re	venue		
	-25%	-15%	-5%	0%	+5%	+15%	+25
3339322922932222222222222222	2222233		=======	*******			
BEFORE-TAX	-16.8	8.9	34.7	47.5	60.4	86.1	111.
AUSTRALIA							
Queensland		-22.3		-1.1		20.2	34.
Western Australia		-28.5		-6.4			30
South Australia	-40.3	-25.2	-10.1	-2.6	5.0	20.1	35
BRAZIL							
Domestic consumption	-19.6			22.1	30.1	46.2	
Export	-25.7	-7.3	8.7	16.40	24.2	39.7	55
CANADA -							
Quebec	-21.7	-6.1	7.4	13.9	20.4	32.8	44
Ontario	-25.2	-11.9	-0.4	5.1	10.8	21.3	31
Nova Scotia	-26.3	-10.2	4.3	11.4	18.7	32.2	45
British Columbia	-25.3	-11.4	1.0	7.2	13.7	25.4	36
UNITED STATES							,
Arizona		-30.9		-1.5	8.0	26.8	45
Colorado		-17.7		10.1	19.1	36.8	54
Montana		-6.0		23.0	32.4	50.9	68
Nevada	-22.9	-2.2	17.6	27.3	36.7	55.1	72
SOUTH AFRICA	-27.3	-16.4	-6.0	-0.9	4.2	14.0	23

SENSITIVITY OF RATE OF RETURN TO REVENUE:

COPPER-MOLYBDENUM PROJECT

Before-Tax and After-Tax Rate of Return (%)

	-		Chan	ge in re	evenue		
	-25%	-15%	-5%	0%	+5%	+15%	+25%
	======	======	=======	==================			
BEFORE-TAX	9.3	16.5	22.6	25.4	28.1	33.2	`38. 0
ÁUSTRALIA							
Queensland Western Australia	1.0 -2.1	6.4 4.3	11.0 9.3	13.1 11.5	15.1 13.7	19.1 17.8	22.8 21.8
South Australia	-0.7		10.4	12.7	14.9	19.1	23.0
BRAZIL							
Domestic consumption Export	7.4 5.6	12.7 11.2	17.1 15.7	19.1 17.7	21.1 19.6	24.8 23.3	28.3 26.8
CANADA							
Quebec	5.8	11.1	15.4		19.2	22.7	26.0
Ontario Nova Scotia	4.3 4.6	8.9 10.2	12.4 14.7	14.0 16.8	15.6 18.8	18.5 22.6	21.4
British Columbia	4.2	9.5	13.8	15.7	17.5	21.0	24.4
UNITED STATES							
Arizona	-1.4	6.0	11.6	13.8	16.0	19.4	22.4
Colorado Montana	3.9 5.4	10.0 12.2	14.8 17.3	16.8 19.3	18.5 21.2	21.7 24.5	24.6
Nevada	5.4 6.7	13.2	17.3	20.1	21.2	24.5	28.6
SOUTH AFRICA	3.3	7.9	11.8	13.5	15.2	18.4	21.4

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SENSITIVITY OF NET PRESENT VALUE TO REVENUE:

COPPER-MOL YBDENUM PROJECT

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Before-Tax and After-Tax Net Present Value (million)

			A	-			
		5	Chan	ge in r	evenue		
ı	-25%	-15%	-5%	0%	+5%	+15%	+25%
	3222222	. 3 3 5 5 5 3 4		3335365			
BEFORE-TAX	-8.1	83.4	174.9	220.6	266.3	357.8	449.3
AUSTRALIA							
Queensland	-88.6	-38.8	11.3	36.6	61.8	112.6	163.7
Western Australia	-112.7		-8.2	18.0	44.1	96.4	148.7
South Australia	-102.4	-48.7	4`.9	31.7	58.6	112.2	165.9
BRAZIL							
Domestic consumption		31.1	87.7	116.0	144.2		257.3
Export	-45.0	13.5	68.6	95.8	123.1	177.6	232.2
CANADA							
Quebec	-40.4	11.2	56.7	78.8	100.5	143.8	186.0
Ontario	-42.5	-11.2	25.6	43.2	60.9	97.2	134.0
Nova Scotia	-51.8	1.9	51.8	76.2	100.6	149.0	197.9
British Columbia	-53.5	-4.7	39.1	60.1	80.7	122.7	165.1
UNITED STATES							
Arizona	-125.9	-50.2	21.2	54.3	86.8	142.0	193.7
Colorado	-70.4	0.2	66.0	95.7	122.2	173.2	223.6
Montana	-47.7	25.4	92.8	121.5	148.7	200.8	252.7
Nevada ·	-35.4	38.2	103.6	132.0	159.4	213.8	268.1
SOUTH AFRICA	-58.6	-19.8	17.5	35.5	53.5	89.3	124.4

Effects of inflation on after-tax economic indicators result from the fact that capital expenditure allowances are not indexed. As operating profits inflate, the shielding effect of depreciation allowances diminishes, thereby causing an increase in real tax payments. The effects of different inflation rates are shown in tables 6-28 to 6-33. The reduction in <u>before-tax</u> economic indicators which occurs with higher inflation (as shown in the top line of table 6-28, for example) results from the additional annual working capital needed to keep its current dollar level at a fixed proportion of annual operating costs. In many cases, this effect is significant enough to alter the economic viability of marginal situations such as the lead-zinc project.

The sensitivity of after-tax economic indicators to inflation clearly distinguishes the differences in structure embodied in the tax systems. By examining the the differences between after-tax rates of return at inflation rates of 0 and 15 percent, the tax regimes can be grouped into high sensitivity and low sensitivity regimes. Canada and South Africa fall into the high sensitivity group, with differences ranging from 3.7 to 5.5 percent. Brazil and the United States belong to the low sensitivity group, with differences of 3 percent or less. This observation implies that profitand profitability-based taxation systems are more sensitive to the level of inflation.¹ Mine development cases subject to the taxation systems existing in Canada and South Africa show an approximate reduction of 1.5 percentage points in the rate of return for every 5 percent increase in the inflation rate. Cases subject to taxation regimes in Brazil and the U.S. show an average reduction of 0.9 percentage points for the similar increases in

1. For cases where profitability structure "is not indexed.
inflation rate. These latter regimes have structures consisting of income taxes as well as production taxes. In the case of the gold project in Australia, the results merely reflect the increase in working capital which was discussed previously. Thus, when a general inflation rate is applied to all components of revenues and costs, production-based taxes are not at all sensitive to inflation.⁶ As shown, a mixture of profit- and production-based structures has less sensitivity to inflation than a pure profit-based regime.

SENSITIVITY OF RATE OF RETURN TO INFLATION:

GOLD PROJECT

Before-Tax and After-Tax Rate of Return (%)

		Inflat	ion rate	
	0%	5%	10%	15%
		***********		*****
BEFORE-TAX	25.5	25.1	24.7	24.4
AUSTRALIA				
Queensland	21.1	20.6	20.2	19.8
Western Australia	25.5	25.1	24.7	24.4
South Australia	23.9	-23.5	23.1	22.7
BRAZIL	•		١	
	22.7	21.7	20.8	20.1
Domestic consumption Export	22.3	21.3	20.8	19.7
	22.0			13.,
CANADĂ				
Quebec	20.5	18.9	17.5	16.2
Ontario	18.3	16.4	14.9	13.6
Nova Scotia	18.2	16.7	15.5	14.4
British Columbia	17.5	15.8	14.2	12.9
UNITED STATES				
Arizona	14.4	13.3	12.4	11.6
Colorado	18.0	17.0	16.0	15.2
Montana	20.3	19.2	18.2	17.4
Nevada	y 21.4	20.3	19.3	18.4
	1			10.0
SOUTH AFRICA	15.1	13.7	11.8	10.2
	and the second se			
	<u> </u>			

TABLE 6-29SENSITIVITY OF NET PRESENT VALUE TO INFLATION:

GOLD PROJECT

Before-Tax and After-Tax Net Present Value (\$ million)

		Inflati	on rate 🛩	
(in the second s	0%	5%	10%	15%
BEFORE-TAX	8.5	8.3	8.1	7.9
AUSTRALI				
Queensland	5.9	5.5	5.3	5.1
Western Australia	8.5	8.3	8.1	7.9
South Australia	7.5	7.3	7.1	6.9
BRAZIL				
Domestic consumption	6.6	6.0	5.5	5.1
Export	6.3	5.8	5.3	4.9
CANADA	•			
Quebec	4.8	4.0	3.3	2.7
Ontario	3.6	2.7	2.1	1.5 1.9
Nova Scotia	3.6	2.9	2.3	1.9
⁴ British Columbia	3.2	2.4	1./	1.2
JNITED STATES	ø			
Arizona	2.3	1.8	1.3 `	/ 0.9
Colorado	4.2	3.6	3.1	2.6
Montana	5.1	4.5	4.0	3.5
Nevada	5.7	5.0	4.5	4.1
SOUTH AFRICA	2.0	1.4	0 , 7	0.1

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SENSITIVITY OF RATE OF RETURN TO INFLATION:

LEAD-ZINC PROJECT

Before-Tax and After-Tax Rate of Return (%)

		Inflat	ion rate	
	0%	5%	10%	15%
		*********	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	*. 13323333
BEFORE-TAX	20.1	19.8	19.4	19.2
AUSTRALIA		ζ.		
Queensland Western Australia	10.8 8.4	9.7 8.3	9.0 8.2	8.5 8.1
South Australia	9.4	9.3	9.2	9.2
BRAZIL				
Domestic consumption Export	15.9 14.8	15.0 13.8	14.2 13.0	13.6
export	14.0	15.0	13.0	12.5
CANADA		10 0	10.0	10.0
Quebec Ontario	15.5 13.5	13.6 11.4	12.0 9.6	10.6 8.0
Nova Scotia	14.3	13.0	11.9	10.9
British Columbia	13.6	12.0	10.7	9.5
JNITED STATES				
Arizona	10.5	9.7	9.0	.8.3
Colorado Montana	13.0 16.1	2 12.1 15.2	11.3 14.4	10.7 13.8
Nevada	16.9	16.1	15.4	14.7
SOUTH AFRICA	11.4	9.7	8.4	7.1

SENSITIVITY OF NET PRESENT VALUE TO INFLATION:

LEAD-ZINC PROJECT

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Before-Tax and After-Tax Net Present Value (\$ million)

	Inflation rate			
•	0%	5%	10%	15%
				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
BEFORE-TAX	49.5	47.5	45.7	44.0
AUSTRALIA				
Queensland	3.2	-1.1	-3.8	-5.7
Western Australia South Australia	-5.9 -2.2	-6.4 -2.6	-6.8 -2.8	-7.1 -3.0
	~ [. [0	-2.0	-5.0
BRAZIL				
Domestic consumption Export	26.8	22.1 16.4	18.4 12.7	15.4
	21.1	10.4	12.1	9.1
CANADA				
Quebec	22.0	13.9	7.3	2.0
Ontario Nova Scotia	13.7 16.9	5.1 11.4	-1.6 7.1	-7.1 3.3
. British Columbia	13.6	² 7.2	2.5	-1.8
			2.00	
UNITED STATES				
Arizona Colorado	2.7	-1.5 10.1	-5.1 6.3	-8.1 3.2
Montana		23.0	19.3	16.1
Nevada	31.3	27.3	23.7	20.5
	~	(27.10		2010
SOUTH AFRICA	4.9	-0.9	-5,6	-9.7

• %.

SENSITIVITY OF RATE OF RETURN TO INFLATION:

COPPER-MOL YBDENUM PROJECT

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Before-Tax and After-Tax Rate of Return (%)

		Inflat	tion rate	,
	0%	5%	10%	15%
		============		
BEFORE-TAX	25.7	25.4	25.2	24.9
AUSTRAL I A				
Queensland	13.9	13.1	12.6	12.3
Western Australia South Australia	11.5 12.6	11.5 12.7	11.6 12.8	11.8 13.0
Journ Australia	12.0	12.7	12.0	13.0
BRAZIL				
Domestic consumption	20.1	19.1	18.3	17.7
Export	18.7	17.7	16.9	16.2
CANADA				
Quebec	19.1	17.3	15.9	14.6
Ontario	16.2	14.0	12.4	11.1
Nova Scotia British Columbia	18.0 17.2	16.8 15.7	15.8 14.4	15.0 13.3
Briefsh cordinola	1/.1	13.7	1 7 . 7	10.0
UNITED STATES				
Arizona	14.7	13.8	13.1	12.3
Colorado. Montana	17.6 20.6	16.8 19.3	15.9 18.3	15.1 17.4
Nevada	20.0	20.1	19.1	17.4
SOUTH AFRICA	15.0	13.5	12.3	11.3

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SENSITIVITY OF NET PRESENT VALUE TO INFLATION:

COPPER-MOL YBDENUM PROJECT

Before-Tax and After-Tax Net Present Value (\$ million)

4		Infla	tion rate	
	0%	5%	10%	15%
		============	===============	
BEFORE-TAX	225.6	220.6	216.1	211.9
AUSTRALIA				
Queensland Western Australia	47.1 17 .1 -	36.6 18.0	30.5 /19.1	26.8 20.4
South Australia	30.4	31.7	33.3	35.0
BRAZIL	>			
Domestic consumption	130.6 110.4	116.0 95.8	104.7 84.6	95.5 75.4
Export	110.4	30.0	04.0	/5.4
CANADA	ß			
Quebec	100.4	78.8	62.4	49.0
Ontario	68.3	43.2	25.1	11.2
Nova Scotia British Columbia	90.6 77.2	76.2 60.1	64.8 46.4	55.0 35.1
British Columbia	//.2	00.1	40.4	22.1
UNITED STATES				
Arizona	66.5	54.3	43.3	32.4
Colorado	108.1	95.7	82.3	70.6
Montana	138.6	121.5	107.2	95.0
Nevada	149.0	132.0	117.8	105.9
SOUTH AFRICA	50.9	35.5	23.0	12.6

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CHAPTER 7

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

7.1. SUMMARY

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Taxes are a critical cost concern to the mining industry, and it is an important determinant in the economic evaluation of mining investment. The issue of appropriate type and level of taxation imposed upon the mining industry continues to be a controversial aspect of mineral policy. As a result of differing taxation philosophies, mineral taxation levels in Canada have fluctuated significantly over recent years. Such a diversity of taxation policies is also the case in individual provinces or states within a country.

This study measures the impacts of taxation on mining investments. In particular, it examines Canada's competitive position in terms of tax incentives in comparison with other important mineral producing countries. A highly competitive position is particularly important to Canada's mineral industry because it is highly export oriented, with over 70 percent of mineral production being exported to international mineral markets, and it has a strong impact on Canada's national economy through both forward and backward linkages with other industrial activities. The comparison is carried out on the basis of the effects of taxation on project economics, the analysis of the time profile of tax payments in relation to tax structure, the assessment of overall tax incidence, and the sensitivity of those factors to the level of profitability and inflation.

Three hypothetical mine development opportunities, considered to be typical projects of interest in Canada, are used to carry out the necessary comparisons: a small-size underground gold project with preproduction and

production periods of 2 and 10 years, respectively; a medium-size underground lead-zinc mine with equivalent periods of 4 and 14.8 years; and a large-scale open pit copper-molybdenum mine with equivalent periods of 2 and 22.5 years. These potential mines are initially evaluated under the tax regimes of four provinces in Canada. Then, these projects are further assessed in a number of other jurisdictions in Australia, Brazily South Africa, and the U.S.A. All assessments are carried out with reference to economic and technological perspectives currently prevailing in Canada. Monetary values are expressed in constant 1985 Canadian dollars. A 5 percent general inflation rate, a real 10 percent discount rate, and exchange rates of AUS \$1.00/ CAN \$, 0.0968 Brazilian ORTN units/ CAN \$ and US \$0.8/ CAN \$ are used in the study. Market price conditions as well as representative deposit characteristics are held constant for the purpose of the analysis.

The study focuses on the impact of various taxation instrument and does not attempt to assess the relative importance of taxation compared to other factors that an investor would take into account when making an investment decision.

From a mineral economics point of view, the objective of mineral taxation is to capture excessive profits accrued from the extraction of mineral resources, while leaving the investor with a fair return on his capital investment. It is also desirable for governments who are responsible for designing and enforcing a taxation system to ensure that it reflects provisions for those characteristics unique to the mining industry. Some of these special characteristics include: high risk and long time periods associated with mineral exploration, large capital investments required for the development of mines prior to the commencement of production, and depletion associated with non-renewable mineral resources.

In these regards, various desirable elements have been suggested for

the establishment of a fair tax system. Among the goals considered in the formulation of taxation policy are: equity in distribution of tax burden, economic efficiency to facilitate the use of fiscal policy for stabilization and growth objectives, neutrality with respect to minimization of interference with economic decisions, ease of administration and low cost for compliance, stabilization and maximization of revenue for the government, and flexibility to allow the establishment of certain investment incentive programmes with minimum interference with the equity objective.

The various objectives enumerated above and the consideration of the industry's characteristics combine to yield a wide variety of mineral taxation structures. The tax regimes analyzed in this study cover most of the types of fiscal instruments generally applicable to mineral projects. Furthermore, those countries considered are major mineral producers of the world. The regimes are: 1) Provinces of Quebec, Ontario, Nova Scotia and British Columbia in Canada, 2) States of Queensland, Western Australia and South Australia in Australia, 3) States of Arizona, Colorado, Montana and Nevada in the United States, 4) Brazil, and 5) South Africa. The important features of taxation systems as applied to the mining industry in the individual regimes can be summarized as follows:

(1) Ganada: The Canadian mining industry is currently subject to three levels of taxation -- federal corporate income taxation, provincial corporate income taxation, and provincial mining taxation. The federal corporate income tax is levied at a rate of 36 percent of the taxable income remaining after subtraction of all production costs and allowable deductions against a company's mining revenues. On approximately the same taxable income, a provincial corporate income tax is levied at a rate varying from 5.5 percent in Quebec to 16 percent in British Columbia. Each

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Canadian province imposes a mining tax on profits derived from mining operations before the processing stage. All three taxes are profit based. In addition, none of these taxes are deductible against each other.

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(2) Australia: The Australian system consists of Commonwealth income taxation and state royalties. State royalties are deductible for the purpose of computing Commonwealth income taxes, which are levied at a rate of 46 percent of taxable income. They are payable in the year following the year for which they are assessed. Gold mining operations are exempted from corporate income taxation. State royalties in South Australia and Western Australia are based on the value of commodies produced, and are levied at rates of 2.5 and 5 percent, respectively. Gold mining operations in Western Australia are exempted from royalty. Queensland's royalty system is based on the value of production, but a profit-based system may also be used in particular circumstances.

(3) Brazil: Federal corporate income taxation is the only significant tax element here when mineral products are supplied to a domestic smelter. When the minerals are produced for export, a mining tax is levied at a rate of 1 percent for gold and 4 percent for base metals. The mining taxes are collected by the federal government and redistributed to state governments and municipalities, in proportions of 70 and 20 percent, respectively. The remaining 10 percent is retained by the federal government.

(4) South Africa: This taxation system involves corporate income taxes and lease payments. These taxes are based on annual profits. The calculation of lease payments involves a rating structure based on profitability. In the case of new gold mines, corporate income taxation is based on profitability as well. Lease payments are deductible for the purpose of assessing the corporate income tax base. The taxation capital állowance, an interest adjustment associated with carried losses from previous years, is deducted

from operating profits derived from new gold mining operations.

(5) The United States: In the U.S., the federal government levies an income tax on mining operations. Ad valorem property taxes, severance taxes and state corporate taxes are levied by most state governments. However, Nevada does not collect any state corporate income taxes. The federal government levies income taxes at a rate progressively ranging from 15 to 46 percent of taxable income. A minimum tax rule applies in this case as well, Taxes levied by states are deductible in computation of the federal income tax base. Ad valorem property taxes are levied on the present value of future net proceeds (Arizona), the present value of future net income (Colorado, for non-producing mines), the previous year's net income (Colorado, for producing mines), or on the previous year's net proceeds (Nevada). Severance taxes are based on value of mine production. For the purpose of assessing state income taxes, Arizona permits the deduction of severance and property taxes for the current year as well as federal income tax payments from the previous year. Montana and Colorado use the same corporate tax base as that used for federal income tax.

This study examines before- and after-tax economic indicators associated with the representative mine development cases, and investigates the components and time profile of tax payments levied on the projects under the individual tax regimes described above. Taxation on a project basis is assumed in the base case analysis, but an integrated company basis is considered as a variant. Integrated companies may have significant advantages over junior companies, an important factor to consider in a study of this type. 4

Before-tax economic indicators associated with the representative mine development cases are as follows:

Project	ROR (%)	NPV @10% (\$ mil.)
Gold	25.1	8.3
Lead-Zinc	19.4.	45.7
Copper-Molybdenum	25.4	216.1

After-tax economic indicators vary significantly among the tax regimes. The following ranges of results are obtained:

Project	ROR (%)	NPV @10% (\$ mil.)
Gold	13.3 to 25.1	1.4 to. 8.3
Lead-Zinc	8.3 to 16.1	-6.4 to 27.3
Copper-Molybdenum	11.5 to 20.1	18.0 to 132.0

Figure 7-1 illustrates project rates of return across all the regimes. Based on before- and after-tax net present values, effective tax rates are obtained and compared in figure 7-2.

Regimes with least and most favourable tax provisions are found to be Arizona and Western Australia for gold and Western Australia and Nevada for base metals.

Integrated company basis provisions allow a more favourable treatment at the federal corporate income tax level, except in the U.S.A. and South Africa, where flow-through provisions do not create an advantageous tax position.

Tax shares between federal and local jurisdictions are found to vary significantly from country to country. Nevertheless, it appears that in most taxation systems, total corporate income taxes account for a significantly higher portion of tax revenues.

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SUMMARY -- RATES OF RETURN

		Percent
		0 N 4 G G 1 1 1 1 1 1 N N N
BEFORE-TA	Х -	
AUSTRALIA	i	
(Queensland	
ļ	M. Australia	
9	5. Australia	
BRAZIL		
ſ	Domestic	Carrier and the second second
Ę	Export	
CANADA		
1	Quebec	
ť	Ontario	
1	v.s.	
	3.C.	
U.S.A.		
1	Arizona	
(Colorado	and a subscription of the
ł	Montana	
ħ	levada	
S. AFRICA		



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SUMMARY -- EFFECTIVE TAX RATES





Sensitivity analysis is carried out with particular attention to the effects of variations in revenue and inflation on the economic indicators of the mining projects. A range of revenues varying from -25 percent to +25 percent of base conditions, and inflation rates ranging from 0 to 15 percent are used. This analysis shows that, because of their different structure, the tax regimes do not respond in a parallel way to changes in economic conditions.

Subsequent to the analytical part of the study, the following concluding statements and their implications with respect to the formulation of mineral policy and the competitiveness of the Canadian mining industry can be made.

7.2. CONCLUSIONS

The conclusions presented here are discussed under appropriate headings, relevant to key subjects such as taxation as a decision parameter and policy instrument, level and structure of mineral taxation, and Canada's competitive position in international mineral supply.

Taxation As an Element in Investment Decision-Making

In an investment environment where mineral tax considerations are of significant importance, the ranking of tax regimes represents a relative degree of competitiveness from the decision-maker's point of view. For marginal projects, mineral taxation is an aspect that can become a decisive factor in a go/no-go situation.

For gold projects, Australia and Brazil occupy the most favourable positions, whereas Canada ranks in the lower-middle range, and Arizona and

South Africa assume the least favourable position. For both base metal projects, Australian states occupy the lowest positions in terms of investment incentive. Because of the contrasting behavior of the Australian state systems, Canada's position improves slightly, to the middle-range group.

Under the tax regimes of Australia, Brazil, Canada and South Africa, taxation of the base metal projects on an integrated company basis provides better after-tax incentives than on a project basis of taxation. This is not the case for South African gold mining taxation and U.S. taxation in general.

Taxation As a Tool for Mineral Policy

Corporate income taxation is a part of the overall taxation system of all regimes analyzed in this study, and is considered the primary instrument for collecting government revenues. Other forms of taxations are used as complements of corporate income taxation. Exceptions are found in gold mining taxation of Australia as well as in Arizona, where state taxes are significant and can be deducted for the purpose of assessing the corporate income tax base. In this regard, the tax jurisdictions in Canada do not interfere with each other, i.e. the tax base of one jurisdiction is not affected by the taxes paid to another. In Canada, income taxes represent about 70 percent of total government revenue, while they represent shares of 40 percent in Arizona and 80 percent in South Australia, Nevada and South Africa. Among Canadian provinces, Ontario and British Columbia are more aggressive with respect to taxes than Quebec and Nova Scotia.

Different philosophies reflected in the taxation systems are observed from the legislations. Canada provides the most diversified tax provisions.

For example, major items include inventory allowance, capital cost allowance, resource allowance, earned depletion, and investment tax credit. These features have made the Canadian system one of the most complicated taxation systems in the world. At the same time, it is a typical example of a strictly profit-based taxation system. Although the depletion allowance has been considered as a characteristic feature of mining taxation in many tax regimes, it is not incorporated in the Australian and South African systems. These taxation systems use relatively simple methods of capital expenditure allowances and, thus, less complicated tax calculation formats. Many nations use mineral-type related rules such as tax exemptions or different depletion and/or tax rates. Canada does not use such discriminatory instruments. The mining tax exemption for mineral production relating to domestic supply in the Brazilian system is another type of mineral policy concern which is not found in the Canadian system.

Level of Mineral Taxation

Tax payments expressed in proportion of before-tax value represent the project's contribution to government revenue. This value is defined as the effective tax rate in the study. This measure of tax incidence varies significantly among the tax regimes.

Under the taxation systems of Australia, Arizona and South Africa, the lead-zinc project becomes uneconomic on an after-tax basis. Systems of Nevada, Montana and Brazil are the most favourable tax regimés for all three projects. Western Australia displays a striking contradiction with respect to level of taxation, being the most favourable for gold mining operations but the most severe for base metal projects. Canadian provinces generally rank in the middle ranges, with Ontario and British Columbia having the

relatively tougher regimes.

The relative advantage of an integrated company basis taxation is largest in the case of the Canadian system.

Mineral Taxation Structure

Given a constant level of before-tax cash flows over a particular production period, the time profile of tax payments shows characteristics which are closely related to the tax structure. The following are generally observed:

- Property tax: a downward sloping curve for a present-value based property tax. A property tax profile based on net proceeds is set and similar to that of a production tax.
- Production tax: a horizontal line.
- Profit tax: an S-shaped growth curve with a slow increase in tax payments in the early stages of production.
- Profitability tax: a step-function curve with a significant increase in tax payments as soon as capital expenditures are recovered through accelerated write-off provisions.

As opposed to profit-based taxes, property taxes and production taxes are weighted towards the earlier years of production, hence escalating the present value of tax payments and resulting in a relatively higher effective tax rate.

A profitability tax, as embodied in the South African taxation system, displays a sharp increase in the level of tax payments after the capital recovery period. When compared to the Canadian tax schedule, this sudden increase occurs before the Canadian profile reaches its plateau. Moreover, effective tax rate estimates based on profitability are relatively high

period.

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Brazil, Montana and Nevada have tax profiles similar to those of the Canadian system, but they have relatively lower effective tax rates.

Competitive Position

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The above observations concerning level and structure of mineral taxation offer some rational for understanding the differences in tax incentives observed across the tax regimes.

Canada occupies a middle position from the point of view of effective tax rates and present value of tax payments. However, the period of lower tax payments in the earlier years of production is generally longer than in any other taxation regime, effectively shifting the weight of taxation towards the later years. Due to very favourable provisions with respect to capital cost allowances and deductions, the mining projects generate high cash flows in the earlier production years under the Canadian tax regimes, hence producing shorter payback periods than other regimes.

Brazil generally ranks in the most favourable position, while South Africa generally ranks in the least favourable. Although Australia offers very favourable incentives to the gold industry, it is in fact the severest tax regime in the case of base metal mining operations. If the discriminatory treatment of minerals in the Australian system were removed, gold project economics would suffer just as much. The general favourability of the Canadian system, free of such discriminatory provisions, is thus highlighted. Among the U.S. state regimes, Colorado is comparable to the Canadian provinces, Montana and Nevada are more favourable, and Arizona is less favourable.

Considering the relatively long time periods and high risk associated with mining investment decisions, Canadian taxation regimes provide one of the most favourable tax environments among the regimes studied. As shown in the sensitivity analysis section of the study, the representative mine development projects are more sensitive to revenue variations than to variations of non-income parameters, and profit-based systems are more adaptable to revenue variations than production- or property-based systems. This also enhances the favourability of Canadian tax provisions with respect to the uncertainty involved in the decision making process.

Implications for Mineral Taxation Policy

Although taxation is just one of the numerous factors which must be taken into consideration in the process of investment decisions, it should never contribute to the unfavourability of an investment environment. Considering the significance of the mining industry to the Canadian economy, the sound and continuous growth of this sector must be maintained. The level of taxation is not the only important criterion in determining the favourability of a taxation system, but other general objectives, such as stability and effectiveness, should also be considered when formulating and implementing taxation policies. In addition, such activities should be based on the analysis of economic consequences of any changes in tax structure and level.

The results of the study indicate that the Canadian mineral taxation system possesses a strong potential for a favour ble and a competitive instrument of mineral policy. It has fairly extensive provisions regarding the recovery of capital expenditures, as well as many other attractive allowances. It also offers significant benefits to integrated companies by

way of flow-through deductions of capital expenditures, and is nondiscriminative between different minerals. However, the study demonstrates that Canadian tax regimes do not rank among the best with respect to $\frac{V}{V}$ taxation levels. For example, Brazil and some of the U.S. regimes rank above Canada.

When designing and formulating tax policies, it is recommended that authorities consider the economic impacts of the policies as well as the competitive position of their mining industry under the proposed taxation regime. Such a consideration should be based on an assessment of the impacts of taxation on the economic viability of potential mining projects.

There have been concerns about Canadian mineral taxation policy, mainly due to the frequent reforms and revisions which have prevailed during periods of economic instability in mineral markets. What is now required for taxing authorities in Canada is not a more refined system which can better respond to economic changes, but the establishment and cultivation of a stronger degree of confidence and trustworthiness between the private sector and government with respect to mineral policy. Such a relationship can be realized through the implementation of predictable and stable long-term mineral policies by means of sound taxation practices.

In short, although Ganada is considered to have a relatively favourable taxation environment, it must monitor its mineral taxation policies and their impact on investment decisions, as well as maintain a stable and economically viable tax environment for investors.

7.3. RECOMMENDATIONS FOR FURTHER STUDY

In the course of the study, many limitations were imposed when formulating general economic conditions as well as project-specific

characteristics. These factors were fixed and confined to the Canadian context throughout the study, with a view of identifying and isolating the effects of taxation. The study compared certain categories of national taxes pertaining to the mining industry, and evaluated the effects of particular combinations of tax rates and structures on project economics. It did not cover all taxes that mining investments are subject to, nor did it consider services governments may provide that would offset part of the tax burden. Nevertheless, in the light of examining Canada's competitive position, particularly with respect to mineral taxation, this methodology is quite appropriate. In this way, it is possible to analyze the impacts of mineral taxation clearly and fairly extensively.

However, in order to advance the study of comparative taxation, it is desirable to undertake further studies which can be considered as variations or extensions of this study. The following paragraphs outline some suggestions not embodied in this study due to scope and time limitation.

Firstly, the taxation systems of many other countries could be considered for analysis. Secondly, a more extensive coverage of all the forms of government revenues resulting from mining operations is needed. These include, for example, local real estate and business taxes, taxes on materials and supplies, corporation capital taxes, and workers' insurance payments. This extension will involve a tedious process of collecting and invesgating regulations of geographicaly diversed countries and jurisdictions. Thus, it will be necessary to set specific criteria for selecting types of taxes and levels of jurisdictions.

For a tax study to be more comprehensive, local variations under the same taxation regime should also be considered. Specifically, infrastructure considerations are often an important factor in the evaluation of investment

projects. Differences in infrastructure may be accompanied by varied local tax treatment through special rules and provisions, which reflect considerations for the remotencess aspect of the minesite.

Attention should also be given to specific economic characteristics associated with the mineral industry. Cyclicity in prices and costs is one such element which is worth examining. It should be interesting to observe the response of the various taxation systems to price cycling for example. Other related parameters, such as optimum size of ore reserves and optimum production rate schedules, which must be analyzed in the context of marginal analysis, could eventually be incorporated. These would be useful for studies which examine the effects of taxation on the optimization of mine operating variables.

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APPENDICES

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CANADIAN MINERAL TAXATION SYSTEM

A.1. DESCRIPTION

(1) FEDERAL CORPORATE INCOME TAXATION

Tax Calculation Format:

Revenue

- (Operati	ing (Cost
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- Capital Cost Allowance @ 30% db (optional)
 - Interest Payments If negative: Carried Loss (for year X+1 or X-1)

- Operating Cost Net Income before Allowances
- Inventory Allowance - Capital Cost Allowance
- Resource Profits
- Resource Allowance
- Interest Payments
- Exploration Expenditures
- Development Expenditures Income for Earned Depletion
- Earned Depletion Allowance
- <u>Carried Loss (from year X-1 or X+1)</u>
 Income for Federal Corporate Income Tax
 Federal Corporate Income Tax Otherwise Payable
 Investment Tax Credit
- Net Federal Corporate Income Tax Payable

Inventory Allowance:

The allowance is intended to provide some relief from the taxation of inventory profits attributable to inflation.

3 percent of the cost of 'inventory' is allowable each year. Inventory includes operating supplies and the cost of concentrates produced and not sold, but not spare parts. In accounting terms, if working capital (current assets) comprises receivables and inventory, the allowance is determined on the inventory portion.

The allowance is an annual deduction based on the full amount of qualifying opening inventories each year, as determined for tax purposes.

Assume: 50 percent of working capital is applicable to the determination of inventory allowance.
Capital Cost Allowance:

The system of capital cost allowances operates on a pool basis with separate classes provided for various categories of depreciable property and is applied to mine plant and machinery, the mill facility, infrastructure capital, and mine development capital after the start of commercial production. The amount allowable must be reduced by the investment tax credit (see below).

For capital expended during the development stage and for expansions of at least 25 percent in capacity, the deduction permitted is the greater of 15 percent of the allowable capital cost in the year of expenditure and 30 percent per year thereafter on a declining balance basis, or an amount equal to (revenue - operating cost - interest payments) from the new mine, i.e. at 100 percent against new mine income.

The principal capital cost allowance classes generally relevant to the mining industry are:

Class 10 (30 percent rate) -- mining buildings and equipment acquired after the commencement of commercial production.

Class 12 (100 percent rate) -- the cost of mine shafts and other underground workings, and designated overburden removal costs, incurred after the commencement of commercial production. Such costs incurred prior to the commencement of commercial production generally qualify as Canadian exploration expenses.

Class 28 (30 percent to 100 percent rate) -- certain buildings and equipment acquired prior to the commencement of commercial production of a new mine or associated with major expansions of at least 25 percent in capacity.

Assume: Taxation on an individual project basis will use the 100 percent rate. Taxation on an integrated company basis will use the 15 percent and 30 percent rates until new mine income begins and then the balance will be deducted at the 100 percent rate. Note that while capital cost allowance reduces the amount of resource profits and resource allowance, a carried loss does not. Therefore, using the 15 percent and 30 percent rates until new mine income begins may be advantageous even on the individual project basis.

For other capital costs (apart from major expansions) and sustaining capital costs, the capital cost allowance is 15 percent of the capital cost in the year of expenditure and 30 percent per year thereafter on a declining balance basis for all except mine development capital costs, which are allowable at 100 percent.

Capital expenditures incurred to control air and water pollution can be deducted at 50 percent per year on a straight-line basis.

Resource Allowance:

The resource allowance is equal to 25 percent of resource profits.

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In effect, the resource allowance reduces the effective federal tax rate on qualifying income by one-quarter, from 36 percent to 27 percent (36 percent less 25 percent of 36 percent), but without reducing the resultant tax saving related to interest expense and exploration and development expenditures. Accordingly, the resource allowance provides an added incentive for exploration and development activities.

The resource allowance reduces the amount of income subject to earned depletion and therefore, may delay a portion of the earned depletion claim until a later year.

Exploration Expenditures:

Canadian exploration expenses (CEE) may be deducted to the extent of available income (100 percent) before deducting the earned depletion allowance.

Development Expenditures:

Mine development capital costs incurred before the start of commercial production (CDE) are allowed to be deducted at 100 percent.

The deduction may be claimed whether or not the corporation has income, that is, the taxpayer may create a loss (eligible for the loss carry-back/carry-forward rules) by claiming CDE.

Included in the CDE and CEE described above may be expenses incurred by a taxpayer via a so-called flow-through share arrangement.

Earned Depletion Allowance:

\$1 for every \$3 of allowable capital costs and expenditures up to a maximum of 25 percent of income for earned depletion in any year.

Allowable capital costs and expenditures include exploration expenditures; mine development, mine plant and machinery, mill facility, and infrastructure capital in the development stage; mine plant and machinery, and mill facility capital associated with a major expansion; and the processing machinery equipment component in other capital costs (other than major expansions) and sustaining capital costs. The amount allowable must be reduced by the investment tax credit (see below).

Carried Loss:

Losses may be carried back three years and ahead seven years.

Federal Corporate Income Tax:

The federal government imposes income taxes on mining income at the same basic rates of tax applicable to other types of income.

The net rate of corporate federal tax applicable to taxable income is 36 percent. Although the net rate of federal tax is 36 percent, the resource allowance which is deducted from taxable income reduces the effective rate of federal tax on each dollar of "resource income" to 27 percent or less. All provincial mining taxes and royalties paid after May 6, 1974 are disallowed in computing income for federal tax purposes.

Investment Tax Credit:

An investment tax credit is available against federal taxes otherwise payable. The credit is generally 7 percent of the cost of qualified property. The rate of 10 percent in areas designated under the Regional Development Incentives Act in Saskatchewan, Manitoba, Northern Alberta, Northern British Columbia, Northern Ontario and Quebec (other than the Gaspe region). The rate is 20 percent in the Atlantic provinces and most of the Gaspe region of Quebec. Expenditures with respect to scientific research in the Atlantic provinces and Gaspe qualify for a 20 percent investment tax credit, while the rate for these expenditures in the rest of Canada is 10 percent. If scientific research expenses are incurred anywhere in Canada by a Canadiancontrolled private corporation with taxable income eligible for the small business deduction, then the investment tax credit rate is 25 percent. Qualified property must not have been previously used, and includes most buildings, machinery and equipment used in mining and processing operations, and in prospecting, exploration and development activities.

The credit effectively reduces the cost of related assets and expenditures on an after-tax basis. Unused credits may be carried forward for 7 years.

(2) PROVINCIAL CORPORATE INCOME TAXATION

The various provinces each levy a provincial income tax at rates ranging from 5.5 percent to 16 percent. These tax rates are generally levied on federal taxable income applicable to the particular province. However, Ontario, Quebec and British Columbia have in some cases particular rules for determining taxable income which differ in some respects from the federal rules.

QUEBEC

Tax Calculation Format:

Revenue

- Operating Cost
- Capital Cost Allowance @ 30% db (optional)
- Interest Payments
 - If negative: Carried Loss (for year X+1 or X-T)

Revenue

- <u>Operating Cost</u> Net Income before Allowances
- Capital Cost Allowance
 Inventory Allowance
- Resource Profits
- Resource Allowance
- Interest Payments
- Exploration Expenditures
- <u>Development Expenditures</u> Income for Earned Depletion
- Earned Depletion Allowance
- <u>Carried Loss (from year X-1 or X+1)</u>
- Income for Quebec Corporate Income Tax Quebec Corporate Income Tax

Capital Cost Allowance:

Inventory Allowance:

Resource Allowance:

Same rules as for Federal Corporate

Development Expenditures:

Carried Loss:

Earned Depletion Allowance:

Same rules as for Federal Corporate Income Tax except maximum annual deduction is 33 1/3 percent of income for earned depletion.

Income Tax

Quebec Corporate Income Tax:

5.5 percent of income for Quebec income tax.

ONTARIO

Tax Calculation Format:

Revenue

- Operating Cost
- Capital Cost Allowance @ 30% db (optional)
- Interest Payments
 - If negative: Carried Loss (for year X+1 or X-1)

Revenue

- Operating Cost Net Income before Allowances
- Capital Cost Allownace
- Inventory Allowance
- Interest Payments
- Exploration Expenditures
- Development Expenditures
- Income for Percentage Depletion
- Percentage Depletion Allowance
- <u>Carried Loss (from year X-1 or X+1)</u>
- Income for Ontario Corporate Income Tax Ontario Corporate Income Tax

Capital Cost Allowance:

Same as for Federal Corporate Income Tax except that the deduction permitted is the greater of 30 percent per year of the allowable capital cost on a declining balance basis, or an amount equal to (revenue - operating cost - interest payments) from the new mine, i.e. at 100 percent against new mine income.

Inventory Allowance:	٦	Same rules as for
Development Expenditures:		Federal Corporate
Carried Loss:		Income Tax

Percentage Depletion Allowance:

33 1/3 percent of income for percentage depletion.

Ontario Corporate Income Tax:

14 percent of income for Ontario income tax.

NOVA SCOTIA

In Nova Scotia, income for provincial corporate income tax is derived in exactly the same way as income for federal corporate income tax.

Nova Scotia Corporate Income Tax:

15^d percent of income for Nova Scotia income tax.

BRITISH COLUMBIA

In British Columbia, resource al lowance is not an allowable deduction in calculating income for B.C. corporate income tax. Otherwise, income for British Columbia corporate income tax is derived in exactly the same way as income for federal corporate income tax.

British Columbia Corporate Income Tax:

16 percent of income for British Columbia income tax.

(3) PROVINCIAL MINING TAXATION

OUEBEC

Tax Calculation Format:

Revenue	
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- Operating Cost
- Depreciation Allowance (Optional)
- <u>Exploration Expenditures (Optional)</u> Carried Loss

Revenue

- Operating Cost
- Depreciation Allowance
- Exploration Expenditures
 - Income for Exploration and Investment Allowance Exploration and Investment Allowance
- Income for Processing Allowance
- <u>Processing Allowance</u> Income for Quebec Mining Tax Quebec Mining Tax Otherwise Payable
 - Deduction for Carried Loss Net Quebec Mining Tax Payable

1. Significant changes to the Quebec mining taxes have been implemented for 1986. These changes are not considered here.

Depreciation Allowance:

Mine development capital costs are allowed at 100 percent per year; all other capital costs at 30 percent per year on a straight-line basis.

Exploration and Investment Allowance:

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\$1 for every \$3 of preproduction exploration expenditures, capital costs of processing facilities, and exploration costs incurred at operating underground mines; up to a maximum of 33 1/3 percent of income for exploration and investment allowance in any year. The eligible capital costs are actually limited to a prescribed list of exploration expenditures which are a function of such factors as depth of exploration and distance from mine workings.

Processing Allowance:

This is calculated by means of an annual rate applied to the original cost of the processing assets, but not to be less than 15 percent nor more than 65 percent of income for processing allowance.

Annual rate: 8 percent if ore is concentrated; 15 percent if concentrate is smelted and/or refined in Quebec.

Quebec Mining Tax Otherwise Payable:

Subject to the 'tax averaging concept'as explained below. (applies until 1985 taxation year)

Income for Mining Tax (\$)	<u>Marginal Rate (%)</u>
up to 250 000	exempt
250 000 - 3 250 000	15
3 250 000 - 10 250 000	20
10 250 000 - 20 250 000	25
20 250 000 and over	30

Deduction for Carried Loss:

15 percent of 'carried loss' in the year following the loss. This deduction can be carried forward for a maximum of four years.

Tax Averaging Concept:

Based on three-year floating average, including the present year. Procedure:

- i. determine mining tax payable in present year;
- ii. determine average annual income for Quebec mining tax for the last three years (including present year) and calculate what mining tax would be payable on this average annual value (note: loss years)

count as nil tax).

iii. multiply (ii) by 3° and deduct taxes actually paid during the past two years (excluding present year);

iv. pay the lesser of (i) and (iii) in the present year.

ONTARIO

Tax Calculation Format:

Revenue

- <u>Operating Cost</u> Net Income before Allowances
- Depreciation Allowance
- <u>Exploration Expenditures</u> Income for Processing Allowance
- <u>Processing Allowance</u> Income for Ontario Mining Tax Ontario Mining Tax

Depreciation Allowance:

Mine development capital costs at 100 percent per year; mine plant and equipment at 30 percent per year on a straight-line basis; mill, infrastructure and all other capital costs at 15 percent per year on a straight-line basis, but not to be less than 5 percent per year, irrespective of net income before allowances.

Processing Allowance:

Calculated by means of an annual rate applied to the original cost of the processing assets, but not to be less than 15 percent nor more than 65 percent of income for processing allowance. Annual rates are:

8 percent if ore concentrated;
15 percent if ore smelted;
20 percent if ore refined;
30 percent if ore refined in northern Ontario;
35 percent if ore fabricated in northern Ontario.

A 16 percent rate applies to gold milling assets if the facility includes a smelter which produces dore or impure bullion.

Ontarió Mining Tax:

The tax is levied on a sliding-scale basis, at the following rates:

Income for Mining Tax (\$)

Mårginal Rate (%)

Ľ	p to	250	000	exempt
250 000				15
1 000 000	- 10	000	000	20
10 000 000	- 20	000	000	25
20 000 000	and o	over		30

NOVA SCOTIA

Tax Calculation Format:

- Gross Metal Revenue - <u>Smelting, Refining, and Transportation Charges</u> Revenue = Net Smelter Return
- Revenue
- Operating Cost
- Net Income before Allowances
- Depreciation Allowance
- Exploration Expenditures
 Income for Processing Allowance
 Processing Allowance
 Income for Nova Scotia Mining Tax
 Nova Scotia Mining Tax

Depreciation Allowance:

All capital costs except post-production mine access capital costs are allowable at 100 percent against new mine income during the first three Tyears of operation, and at 30 percent per year on a straight-line basis thereafter. Post-production mine development capital costs allowable at 100 percent.

Processing Allowance:

8 percent of the original cost of processing assets per year, but not to be less than 15 percent nor more than 65 percent of income for processing allowance.

Nova Scotia Mining Tax:

The greater of 2 percent of net smelter return or 15 percent of income for Nova Scotia mining tax (subject to change by order-in-councid).

BRITISH COLUMBIA

Tax Calculation Format:

- Revenue Operating Cost
- Net Income before Allowances
- Depreciation Allowance
- Interest Payments
- Exploration Expenditures
- Income for Earned Depletion Allowance
- Earned Depletion Allowance
- Income for Processing Allowance Processing Allowance Income for British Columbia Mining Tax
 - British Columbia Mining Tax

Depreciation Allowance:

Applies to all capital costs. Calculated in the same manner as explained under 'capital cost allowance' and 'development expenditures' in Federal Corporate Income Tax section.

Earned Depletion Allowance:

8 percent of the original cost of processing assets per year, but not to be less than 15 percent nor more than 50 percent of income for processing allowance.

British Columbia Mining Tax.

17.5 percent of income for British Columbia mining tax.

Note: All allowances must be taken on an individual project basis.

A.2. DEȚAILED BASE CASE RESULTS

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CASH FLOW SHIMAAT TEAR TEAR TEAR TEAR TEAR TEAR	a -	A tra		4 72	TEAR 5	4724 9	YEAE 7	TEAR TEAR <th< th=""><th>YEAR 9</th><th>TEAN 10</th><th>ay 11</th><th>764A. 12</th></th<>	YEAR 9	TEAN 10	ay 11	764A. 12
Arvanes Perating costs	•••	•••	9,101,124	.01 001,004,0	10,122,1 0% 5,347,420	10, 621, 279 5, 615, 101	11,159,713 5,095,731	11,717,699 66,190,539 6,190,539	12,303,544 6,506,045	12,918,763 6,825,048	13, 564, 701 7, 166, 322	14,242,937 7,524,630
- Operating profits	• • •	2	4,330,675	4,547,205	1,771,549	5,013,290	5,263,963	5,527,161	5,803,519	6,093,695	6, 396, 300	(42'10'/')
- Cauled TripArtitures - Unring caulal - New dati - Interest pyramis	57 7 7 7 7 7 7 7 7 7 	5,592,983 519,041,1 0	0 (16 ⁶ 195	267,411 0 0	280.782 * 63.946	29, ISI 67, 196 6	275 88 88	325,040	341,292 0 0	358,357 14,677 0 0	6,75,275 8 85,761 8	9 9 9 9 9 9
: Baf Debt-Pant Cash flaw	(5, 226, 650)	(516,857,6)	154'/10'+	4,210,049	14(142)14	4,451,281	4,803,845	5,128,037	5, 384, 139	5,653,661	5,936,344	8,214,247
- Medi's principal premati-	• (85 , 81 , 8)	0 (516.127.3)	• ••••	4.210.049	0 167.828.8	0 147, 128, 1	0	0 5.128.037		0 	• • • • • • • • •	0
- federi corp. Incom [ai] - Princi corp. Incom [ai] Pregincial annua fai				(052,211) 0 107,182	225, 452 374, 442 401, 121	26'57 26'57	527, 85 527, 84	1,001,695 513,690 673,027	1,440,780 539,375 750,442	101,280 101,280	1,618,286 594,641 944,315	11,215,184 119,753 119,879
: A-I Cash flam (car s)	(3, 226, 356)	(516,627,5)	124'/10'+	4,002,015	3,128,175	2,772,598	2,007,719	2,939,624	2,645,842	2,442,319	211.01.5	4,8%,1%
tarmaanammanaanaanaanaanaanaanaanaanaanaana						****	*****	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				
Feel carp incore fai Presid carp incore fai Previncial annual fai Tetal fai permets	••••	••••	••••	(131, I P) 122, 275 121, 171	255, 86 0 293, 385 294, 259 24, 259	11,73 14,73 14,1414,14 14,1414,14 14,14 14,14 14,1414,14 14,14 14,14	821,823 247,823 248,823 241,824	18,114 19,114 115,555 115,555	122,517,11 1991,1881 1912,182 1917,182	939,175 247,645 549,543 1,834,826	946,248,1 247,548,1 151,542	N8,22 N1,02 N2,128 N2,128
CLASH FLANS IN CONST \$	•				- ,s,							
before dust munt of before-tax of Minn-tax of	(3, 073, 000) (5, 073, 000) (5, 073, 000)	(1, 125, 111) (1, 125, 111) (1, 125, 111)	3, 47 0, 4 57 3, 47 0, 4 57 3, 47 0, 4 57	3,478,457 3,478,457 3,293,126	5,4/9,85/ 3,4/9,85/ 2,408,183	3,470,457 3,470,457 2,003,000	3,470,457 3,470,457 2,016,714	1,21,074,15 1,210,057,15 1,200,007,1	3,478,857 3,478,857 1,785,533	3,478,657 3,478,657 1,434,433	3,478,657 3,478,657 1,424,918	4,574, 860 4,574, 860 2,715,246
		TAN TAN			11111111111111111111111111111111111111						11111111111111111111111111111111111111	
Promite income	• • •		9,101,1X 4,858,47	9, 640.180 5, 642.971	10,122,109 5,347,420	10, 42, 259	11,1 59 ,713 5, 005 ,751	45,941,4	12, 363, 564 12, 363, 564 6, 566, 665	12,918,743 6,825,848	13,544,701 7,144,122	N.24,957
- Averting profit - Avertary allowers	· • •		579'82'5 582'81	47''''''	4, //, 569 28, 159	5,013,290 21,167	5, MJ, MJ 27, MJ	3, 527, 161	615,500,2 102,95	817,85 25,72	ME. 1991.15 219.75	€./10.79 •

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42'/5') 122'541'1 441'61

20'81' 20'81' 20'81'

Remailary allowers Capital cost allower ACC (Class 20) CCA (Class 10)

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			1,112,70 14, 197	4,754,410 1,100,401	11,249,4	5, MI, 738	N31.102.2	5,779,014 1,044,754	4, (M), 944 1, 516, 972	577.127.9 197.197.1	442'81(') 442'81(')
Name Name <thnam< th=""> Name Name <thn< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></thn<></thnam<>											
Entrance			2,477,59	5,245.			. 1.12/.848	212, 124, 262		12(11/1)	2, 100, 2
Monometries		• •	• •	• •	•	• •	•	•	•		
Two Metric Metric Tab. Metri TAB. Metric TAB. Metric		•	199'200	241,067	193,367	215,215	152,220	134,994	M.433	te, 101	41.27
Witten whered		•	545 WY 1	1.001.001	1. M. M.	1.455.994	1.00.14	A 199 157	1.154.547	K F CIL 1	N
Previne last obtain Image Image </td <td></td> <td>•</td> <td>124,231</td> <td>206,95/</td> <td>037,69</td> <td>166,518</td> <td>520,125</td> <td>10. 20</td> <td>107.507</td> <td>112.002</td> <td>2.01</td>		•	124,231	206,95/	037,69	166,518	520,125	10. 20	107.507	112.002	2.01
India name I ($1,24$) $1,24$,44 $2,23,25$ $2,31,16$ $2,70,56$ $(49,10)$ $(10,1,00)$		-	11,205	•	•	•	-	-	9	•	
Normalize <		•	1,254,400	2,222,956	2,513,093	2,741,991	2,977,296	1.0.379.1	4,349,835	4,599,538	\$26,870,4
				611.044	117, 100	(117 CM)	1.071.076	1.474.944	113.22	1 415 81	17 194
Interaction		•	197.151	455, 100	20.42	10 B	32,504	14.129	15.014	127.12	7.67
Index (or retrine) S4.12 $2.61, 19$ $2.64, 602$ $2.81, 90$ $4.02, 14$ $4.20, 01$ Index (or retrine) 0 94, 23 $2.61, 19$ $2.64, 602$ $2.81, 90$ $4.00, 10$ $4.00, 10$ Index (or retrine) 0 94, 23 $2.61, 19$ $2.64, 602$ $2.81, 90$ $4.00, 10$		•	•	354,125	075.272	191,954	1,039,322	1,440,790	(11,52,1)	1.618.206	1,715,104
Instant Instant $2,33,33$ $2,431,197$ $2,454,002$ $2,99,101$ $4,296,101$ $4,266,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,296,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,206,101$ $4,$		0	•	222, 199	2,431,199	2,454,802	2,007,007	4,002,144	161,249,491	4,495,017	4,744,178
Interest terms Match Science Match Science <thmatch s<="" td=""><td></td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>9</td><td>9</td><td></td><td></td></thmatch>		•	•	•	•	•	•	9	9		
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $		9	•	127,199	2,431,199	2,654,002	2,647,007	4,002,146	1,249,491	-	4,764,11
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$		•	•	320.721	22.22		1.03.322	1.448.799	1.529.817	1.418.2%	1.215.1
The flat Proble AI, MJ. Image of the flat Proble AI, MJ		•	115,258	105'ZT	34,129	> 35,836	37,627	•	0	0	
m 1.33 1.33 1.33 1.33 1.33 3.23	 entration core. Income Taxi percenting profit forent charges finentiary allesance finentiary allesance finentiary allesance finentiary allesance finentiary allesance cost (class 10) <licost (cla<="" td=""><td>•</td><td>(115,258)</td><td>325,452</td><td>MI, 102</td><td>\$21,959</td><td>1,001,695</td><td>1,440,70</td><td>1,529,017</td><td>1,418,296</td><td>1,715,104</td></licost>	•	(115,258)	325,452	MI, 102	\$21, 95 9	1,001,695	1,440,70	1,529,017	1,418,296	1,715,104
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Eventing profit Eventing profit Eventing profit Eventing profit Eventing test allowance Evential cast allowance E	-	- -		***********	1111111111111111		=		**********	*********
Image: Section of the section of t	 Invest charges Capital cast allowance Casital cast allowance Casital cast allowance Cast (class 18) Cast (class 18)<!--</td--><td></td><td></td><td>174,442</td><td>516'511 216'511</td><td></td><td>513,690</td><td>5/2,922</td><td>546, 344 A. Millio 695</td><td>54, 641</td><td>6.27.0 2.012.2</td>			174,442	516'511 216'511		513,690	5/2,922	546, 344 A. Millio 695	54, 641	6.27.0 2.012.2
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Interest charges - Capital cest allowance ACM (class 20) CLM (class 10) CLM (class 12) CLM (class 12) CLM (class 12) CLM (class 12) CLM (class 12) CLM (class 12) - Erpl. erged - Erpl. erged - Erpl. erged - Forcentine dulta alla. - Previous less dedicted - Previou	19,205	61.61	20,159	21, 167	20.23	23, 336	24,503	25,728	27,015	
Matce 0 $4,312,396$ $2,594,962$ 0 0 <th0< th=""> <th0< th=""> <th0< th=""> <th0< td="" th<=""><td>- Capital cest allowarce Acca (class and cut (class 12) cut (class</td><td>0</td><td>•</td><td>•</td><td>•</td><td>0</td><td>0</td><td>0</td><td>o</td><td>•</td><td></td></th0<></th0<></th0<></th0<>	- Capital cest allowarce Acca (class and cut (class 12) cut (class	0	•	•	•	0	0	0	o	•	
a 4,312,300 2,594,862 0 </td <td>Acta (class 20) cual (class 10) cual (class 10) cual (class 10) cual (class 10) cual (class 10) cual (class 10) berel, est (class 10) - For interes CM - Previous Jacs Andected - Previous Jac</td> <td>4,312,398</td> <td>2,594,982</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>•</td> <td>0</td> <td>- -</td> <td></td>	Acta (class 20) cual (class 10) cual (class 10) cual (class 10) cual (class 10) cual (class 10) cual (class 10) berel, est (class 10) - For interes CM - Previous Jacs Andected - Previous Jac	4,312,398	2,594,982	0	0	0	0	•	0	- -	
c c c c c c c c c c c c c c c c c c c	Cost (Chass 12) - Ergl. ergned. CE - Bevel. ergned. CE - Bevel. ergned. CE - Previous delta alta. - Previous lass deducted - Previous deducted	4, 512, 590 A	2, 34, 742		• •		- 6	• •		•	
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0 0 1,337,293 1,444,443 1,747,244 1,744,400 1,954,334 2,022,655 1 0 0 0 1 0 0 0 0 0 0 1 0 0 0 1,544,407 3,544,492 3,654,216 3,652,635 0 0 0 0 1 0 0 0 2,674,587 3,236,607 3,494,492 3,669,216 3,652,677 4,045,311 1 0 0 231,291 401,121 5,144,607 3,494,492 3,669,216 3,652,677 4,045,311 1 0 0 331,291 401,121 5,144,607 5,442,505 95,181 1 0 0 4,374,507 5,613,296 5,243,543 5,623,427 95,181 1 0 0 1,501,507 1,533,646 1,604,715 1,635,655 6,093,665 1 0 0 1,533,646 1,604,715 1,604,715 1,604,715 1,77,795 5 0 0 1,533,646 1,604,715 1,604,715 1,635,655	- Percentage delta alla	-	•	188,110,4	151'244'1	5,241,730	5,503,824	5,779,016	776',967	6,371,345	62'1112'9
IM 0 2,674,587 3,326,687 3,494,492 3,659,216 3,625,677 4,045,311 IM 0 0 2,674,587 3,326,687 3,494,492 3,659,216 3,625,677 4,045,311 IM 0 31,291 401,121 551,648 6,34,572 673,627 736,442 995,181 IM 0 0 31,791 401,121 551,648 6,34,622 995,181 IM 0 0 1,714,569 5,613,578 5,523,943 5,523,741 5,603,695 5,613,794 6,093,695 5,132,644 1,604,715 14,277 735,749 5,132,19 <td< td=""><td>= furshle income = = = = = = = = = = = = = = = = = = =</td><td>é (</td><td>•</td><td>1,337,293</td><td>1,644,043</td><td>1,747,246</td><td>1, 104, 100</td><td>1,926,339</td><td>2,022,655</td><td>2,123,788</td><td>2,239,4</td></td<>	= furshle income = = = = = = = = = = = = = = = = = = =	é (•	1,337,293	1,644,043	1,747,246	1, 104, 100	1,926,339	2,022,655	2,123,788	2,239,4
III 0 0 2.674,307 3.320,607 3.494,492 3.669,216 3.652,677 4.045,311 Automateration 1 0 0 2.674,307 3.520,607 3.699,402 3.649,216 3.659,216 3.656,277 4.045,311 Automateration 0 0 3.1,291 401,121 531,648 6.44,572 6.73,627 736,442 895,181 Automateration 0 0 3.31,291 401,121 531,648 6.44,572 6.73,627 736,442 895,181 Automateration 0 0 3.327,161 5,603,695 5,6013,796 5,227,161 5,603,695 5,327,161 5,603,595 5,327,161 5,603,595 5,327,161 5,603,595 5,337,644 1,904,715 19,327,395 5,337,161 5,035,695 3,13,219 Automateration 0 0 1,390,626 1,335,644 1,806,735 1,337,944 1,806,735 6,935,695 3,135,795	= Furshle income 1 0 0 Automatication and a 0 0 Amale Maliks Tax 1 0 0 0 Aperating profiles 1 0 0 0	•	•	•	•	•	•	a	•	P	
0 331,291 401,121 551,648 634,572 673,027 759,442 995,181 4,336,675 4,577,269 4,774,569 5,613,296 5,253,963 5,527,161 5,605,519 6,093,695 1,717,797 1,797 1,597 91,800,826 1,533,644 1,604,715 15,653,471 1827,559 313,219	enteranternationation contraction contraction and the contraction many section and the contraction of the contraction provides the contraction of	•	•	2,674,587	3,328,087	3,494,492	3.669.216	3,052,677	4,045,311	1.20.57	1,171,144
1 0 0 0 4,334,289 4,774,549 5,615,278 5,261,943 5,227,161 5,605,519 6,095,695 4,378,346 5,6 mores 0 0 1,717,777 1,737,999 1,800,626 1,253,604 1,604,715 1;053,471 1227,559 313,219 328,600 5,6	ideerating prefits : 0		167.151 331.291	189888844888889 401.121	11111111111111111111111111111111111111			758,442	81111111111111111111111111111111111111		10000000000000000000000000000000000000
ance 0 0 0 1,717,777 1,737,949 1,600,626 1,253,644 1,604,715 1;653,471 127,554 313,219 284,669		4,338,675	4,547,289	4,774,569	5,013,290	5,243,943	5,527,161	5,003,519	6,093,695	6.3%,380	42.017.2
	- Depreciation allowances 0 0	14,711,1	1,757,949	1,800,626	1,253,64	1,004,715	1-053,471	105-123	313,219	328, 660	147,246

GR.D PHÓTECT: MITALO

6,372,974 346,325	5,417,620
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GRED PROJECT: HOWA SCOTTA

CASH FLOU SUMMAY - PROJECT MASIS	YEAR 1	- YEAR 2	YEAR J	YEAR 4	YEAR S	TEAR 6	YEAR 7	YEAR B	TEAR 9	TEAR- 10	YEAR 11	TEM 12
Revenues .	ŧ	•	9,181,124	9,640,190	10,122,109	10,628,299	11,159,713	11,717,699	12,303,504	12,918,763	13,564,701	14,242,937
Operating costs	•	8	4,858,449	5,012,971	5,347,620	5,615,001	5,895 ,751	6,190,538	6,500,065	6,825,868	7,166,322	7,524,638
Aperating profits	•	•	4,338,675	4,547,289	4,774,569	5,013,290	5,263,963	5,527,161	5,883,519	6,093,695	6,390,300	6,718,299
Capital espenditores	5,326,650	5,592,983	254,678	267,411	290,782	294,821	389,562	325,848	341,292	358,357	376,275	395,888
Herking capital		1,168,933	58,847	` 48,949	63,996	67,1%	70,556	74,004	77,798	81,677	e 85,761	(1,891,837
New debt	•	٠	•	•	•	•	9	•				
Interest peymonts	•	•	•	•	•	•	0	•	•	0	•	•
Bef. Bobt-Pant Cash Flow	{5,326,650}	(6,753,915)	4,017,951	4,218,649	4,429,791	4,651,201	4,003,845	5,120,837	5,384,439	5,653,661	5, 936, 344	8,214,247
Dobt's principal payment	•	•	•	٠	•	•	. 0	•	. •	- •	•	0
Bef. Tax Net Cash Flow	(5,326,650)	(6,753,915)	4,017,951	4,218,849	4,429,791	4,651,281	4,803,845	5,128,037	5,384,439	5,653,661	5,936,344	8,214,247
Foderi corp. income taz			•	(115,250)	325.452	\$41,182	920,325	1,001,695	1,440,780	[₽] 1,529,817	1,618,206	1,715,104
Prvicl carp, income tax		•		198,161	337,943	376,964	411,299	446,594	614,545	652,355	689,931	731,009
Provincial dialog tax	•	•	183,622	192,884	282,444	528,878	548,197	569,322	698,862	733,885	770,495	69, 628
A-T Cash flaw (cur. \$)	(5,326,650)	(6,753,915)	3,434,329	3,953,141	3,563,952	2,905,136	3,001,024	3,118,425	2,630,252	2,737,484	2,857,712	4,959,034
IXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	, 621212533533112533	*************	*********	¥111111111111111		**********		**********	711111111111111			
Fedra corp. jacone taz	•	•		(94,823)	255,000	627,644	<u>بم</u> (54,153	677.907	728 ,740	939,175	946,132	955,834
rvaci corp. income taz	i			[54,80]	264,787	281,296	292,302	302,273	396,141	400,490	463,398	407,09
Provincial giaine tax			158,620	158.620	158.620	394,868	272,302 389,594	385,340	- 450.492	450,492	458.492	458,492
otal tar paysonts	i		158,620	218,598	138,620 678,4 08	1,563,000	1,335,954	1,365,599	1,775,374	1,790,157	1,800,012	1,812,62
LASH FLOUS IN CONST. \$												
Before dabt prant CF	(5,873,000)	(6,126,000)	3,470,857	3,470,857	3,470,857	3,470,857	3,470,857	3,479,857	3,479,857	3,479,857	3,470,057	4,574,000
lefere-tas CF	(5,873,000)	(6,126,000)	3,478,857	3,470,857	3,470,857	3,478,857	3,470,857	3,470,857	3,478,857	3,479,857	3,478,857	4,574,00
After-tas CF	(5,873,000)	(6,126,000)	3,312,237	3,252,259	2,792,449	2,167,857	2,134,994	2,105,250	1,695,484	1,690,790	1,678,845	2,761,376
*********************		*****			******						• •	
	*************	************	*****	**********		***********	*******	*****			***********	**********
FEBERAL COMP. INCOME TAX PROJECT BASIS	1	YEAR 2	YEAR J 3	yean 4	YEAR S	YEAO 6	YEAR 7	YEAR B	YEAR 9	YEAR 10	YEAR 11	YEA 12
Besoerce jacobe		•	9,1 0 ,124	7,640,100	10,122,189	10,620,299	11,159,713	11,717,699	12,303,504	12,918,763	13,564,701	14,242,93
Resource operating costs	8	l l	4,858,449	5,092,971	5,347,620	5,615,001	5,895,751	6,190,538	6,500,065	6,825,069	7,166,322	7,524,63
	;				4,774,569	5,813,290	5,263,963	5,527,161	5,803,519	6,893,695	6,398,380	6,718,29
	•		4,330,675	4,547,289	4,//4,207					•,•,,,,,,,,,,		•,/10,67
Operating profit	1 0 1 0		4,350,675 18,285	4,547,207 19,199	20,159	21,167	22,225	23,336	24,503	25,728	27,015	•,/10,27
Operating profit Inventory allousace Capital cost allousace	4 I	8 9 1										•,/1•,23
Operating profit Inventory allowance	4	* * 0	18,285	19,199								•,/19,2/

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cca (class 12)	••	•	•	•	•	•	8	8	0	•	•	•
= Aesource prefit	a a	••	(18,265) 0	1,212,70 101,110 101,110	4,754,410 1,108,403	4,992,131 1,248,833	5,241,739 1,310,434	5, 503, 824 1, 375, 956	5,779,016 1,444,754	6,067,946 1,516,992	110,592,1	4,710,279
z lacas hefere dedections!		•	(10.265)	2.4M MD	1.565.00	3.744.000	1 01 101	870 / CI V	£ 14 20	4.559.075	AC2. EV(. A	147 MAL 2
- Interest charges	-	-		•				-	0	6		
- Expl. expeditures, CE	-	•	•			•	. 0	. 0	-		•	•
- Jev. expenditures, CK	-	•	•	882,447	541,847	102,545	215,215	922'261	134,904	94,433	64,103	44,272
= Incese before depiction	•	•	•	1.6% 223	3,005,941	3.350.791	3.655.969	3.935.140	4,199,357	4,456,542	4.712.420	4,992,452
- Depletion dedected		•	-	424,231	750, 985	637,698	166,516	957,852	102,399	107,507	112,982	118,527
- Provinues loss dedected	- 1	•	-	18,205	•	-	ci	•	9		-	•
= Tarable incee	•	•	•	1,254,408	2,252,954	2,513,093	2,741,991	2,977,796	4,0%,978	4, 349, 835	125'65'1	\$26'5/0'1
Gross federal income tail	•	•	-	451.597	811.064	900°.006	201.117	1.071.024	1.474.909	1.565.653	1.655.034	1.754.613
- Investment has credit	•			(15)	455,100	21.10	5	New CI	M 120	15.21	107.12	5.5
: Int faderal lacare tas ?	• •	•	•		157.454	015.219	956.161	1.03.122	1.440.700	118.622.1	1.410.206	1.215.104
Incess of less carry-bobi		•		•	194, 123	2,431,199	2,656,002	2,007,007	4,002,144	4,249,491	4,495,017	4.744.178
- Less certy-back	•	•	•	•	•	K -	•	•	•	•	•	•
: Tarable incom, Mjusted!	•	-	•	-	101, 123	641,184,5	2,656,802	2,847,007	4,002,146	4,249,491	4,495,017	4.744.12
Tar perable, admisted	-	•	•	•	250,122	47.22	191,956	1.039.322	1, 440, 700	1,529,017	1,618,2%	1,715,10M
II carry tech	•	•	•	115,250	32,504	11,129	35,036	37,427		3	-	•
. Int far Perale af MJ :	•	•	•	(115,250)	125,452	MI, IR2	\$21. 82 4	1,000	1,440,780	11,529,017	1,419.2%	1,715,144
	***************		***********************	********		- 2	mminum	*******	***********	**********		**********
• INN SOILA LICHE TAL	•	•	•	190.141	5H6"/51	334,964	411,299	446,594	614,545	52, J	156.41	489' 152
••••••••••••••••••••••••••••••••••••••		-	111.47	192.00	202.444	10000000000000000000000000000000000000	544,197	100 TO 100		735. 265	1999, M.S. 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017, 2017	100°00
Chic. revenue (153)	-	-	9.101.124	9.440.1M	10.122.189	12.42	217.021.11	647 (12.11	12.203.504	12.910.743	15.54.70	14.242.937
22 BUTAT	-	-	103,422	HW .261	202.444	212.544	23, 194	24, 354	214,072	258, 375	271.294	24,459
(Estimited limit of M)	•	•	1,440,176	1,512,105	1,587,794	1,427,184	1,758,543	1,638,679	116,020,1	2,026,473	2,127,7%	2.2M.IM
Becation profits	•	-	4.330.675	4.547.24	4.774.549	5.013.298	5.263.963	191.722.8	5.003.519	567.268.9	a. 34. 34	42°01/.9
- Dereciation allevance :	-	-	2,010,479	1,015,024	3, 104, 775	8/1.56	NH. 377	1.04	127,256	338, 563	182,281	273, M S
- Exploration expanditures	•	•	•	-	•	•	-	•	•	-	•	•
= lec. fer precessing alu.	•	-	1,448,176	1,512,105	1,50,74	4,141,790	1.25.25	4,445,277	5,441,268	5, 75, 12	6,643,894	4,345,253
- Precessing allemence	•	•	316,331	21,125	247,743	61,24	R(6 ¹ 119	16, 679	61'22	N.1.1	- 76,455	1 , 24
= lacene for avaing tar	-	•	1,123,045	1,221,168	1,20,051	3,50,521	3,654,648	1,795,401	ECO.023.4	1.072,012	5,136,634	5,393,445
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COSI FLARE SUBMERT 1 FLARE FLA		₹ ~	9 ''	a -	an A	1 .	TEAR TEAR <th< th=""><th>2 -</th><th>2 *</th><th>17. I</th><th>11 12 1</th><th>TEM 12</th></th<>	2 -	2 *	17. I	11 12 1	TEM 12
	••	••	9,101,124 4,856,449	91'949'6 91'647'6	10,127,109 5,347,628	10,427,479, 10,423,409 20,623,601	11,159,713 5,005,751	717,11 712,011,11	12,303,504 6,500,645	12,910,763 6,825,848	13,544,701 7,164,122	42,92,1 43,92,1
: thereting prefits	•	•	1,338,675	487'/15'1	4,774,559	5,013,290	5,243,943	5,227,161	5,003,519	4,003,495	97''N('')	19.01(')
- Capital promitiares - Insting cuital - Interest premits - Interest premits	67'52'S	5,592,502,2 574,661,1 1	251,02 26,47 4	114,735 144,949 8	280,782 23,796 63,796	131,142 151,154 101	360, 542 78, 565 0 0	74,848 74,844 9	341,295 17,786	358, 357 81, 677 9	376,275 155,761	
- bef. bokt-fant cash filen	(8, 25, 64)	(516,122, 3)	4,017,951	4.218,849	14,141,1	4,451,201	4,003,045	5,1 29 ,037	5,344,439	5,653,661	5,936,344	8,214,247
- bot's principal pyramit	•	•(•	•	•	•	•	-	•	•	•	•
: hef. Ter het Cash Flew	(5, 326, 658)	(514,122, 6)	1,01,151	4,218,849	1(1,129,17)	1,631,281	4,003,045	5,128,037	5,384,439	5,653,661	5,936,344	1,214,247
- Federl corp. income tar - Prwcl corp. income tar - Prwincial sinneg tar	•••	Ţ		(115,250) 75,975 76,171	225,452 570,529 219,569	591,114 535,662 735,267	528, 125 648, 649 554, 652	1,001,695 865,010 643,623	1,448,790 908,248 808,109	11,229,017 51,673,673 810,114	1,618,246 12,109,1 120,128	1,715,104 1,055,964 926,226
2. 1-1 Cech film (cm. 1) [(5.124,630) [6,753,915) 4,017,951 4,179,273 3,314,300 2,774,055 2,759,999 2,617,709 2,235,290 2,130,054 2,434,641 4,516,553 Quantum manufacture and a second	(5, 28, 630)	(9,753,915) 11111111111111	154'(10'+	4,179,273	3,314,300 	2,774, 6 55	2,759,999	2,617,709	2,235,290	2, 330, 056	2,434,661	4516, 9 53
Fidel carp. Income tax	•	•	-	(53, 14)	255.000	- 43,44	621, 629	196,113	042'926	\$21,95,9	ZI.44	552,634
frunct carp. Income tax	•	•	-	62,173	417,625	· 529'(H)	441,139	545,473	545,473	585,473	565,473	
rrevincial aining tar Vatal tar prynonts	•	••		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	144,171	1,400,217	1,509,378	1,699,088	757,616 2,029,949	2,040,405	27, 610 231, 149,5	2, 658 ,791
cish flees in cast. ;	-										-	4
kelore dukt prant G Belore-tau G Aftor-tau G	(5, 073, 000) (5, 073, 000) (5, 073, 000)	(*, 125, ***) (*, 125, ***) (*, 125, ***)	3,470,457 3,470,457 3,470,457	5,470,457 5,470,457 3,430,290	3, 470,857 3, 470,857 2, 596,841	3,478,857 3,478,857 2,878,648	3, 470, 857 3, 470, 857 1, 961, 480	3, 470, 057 3, 470, 057 1, 771, 769	3,478,857 3,478,857 1,448,898	3,470,457 3,470,457 1,430,452	3,470,057 3,470,057 1,423,4%	4,574,000 4,574,000 2,515,209
EEKA ON LICHE IN 1 FLA FEKA ON LICHE IN 1 FLA 'MAKEI ASIS 1 1 I 2 2	1	TELEVISION			11111111111111111111111111111111111111	11111111111111111111111111111111111111	анински польти польт Убла тела тела тела тела тела тела тела те	11111111111111111111111111111111111111		11111111111111111111111111111111111111	11111	12 12
beserce income : • • • • • • • • • • • • • • • • • •	••	0.	9,101,124	9,640,180 5,092,971	10,122,109 5,347,420	10,628,279 5,615,001	11,159,713 5,095,751	11,717,654 99,517,69	12,303,504 6,500,065	12,918,763 6,825,848	13,54,701	14,242,937
2233	• • • •	••••	20, 001, 1 20, 011, 1 20, 011, 1 20, 011, 1	92, 587, 4 91, 61 825, 201, 1 825, 201, 1	4,774,569 20,159 0	5,013,296 21,167 0	5,243,943 27,225 0	5,527,1161 23,336 0	24,503 24,503	6,093,695 25,728 8	6, 399, 300 27, 015 0	6, 218, 239 0 0 0
CCA (Class 10)	•	¢	•	•	0 , ,	•	•	•	•	Ð	8	

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13-	••	••	(19,255) •	3,122,707 (01,10)	4,754,410	4, 772, 131	5,241,738 1,310,434	5,503,824 1,375,956	5,779,016 11,444,754	266'915'1	6, 371, 345 1, 592, 041	842,815,4
: lacas brins datactions - Interest charges - Exel. especificars, GE - Exel. especificars, GE	••••	••••	(18,265) • •	2,499,598 8 8 8 2,407	3,565,808 9 541,847	3,744,090 8 9 395,387	3,931,303 0 275,313	836, (21, 4 9 0 192, 720	4,334,262 0 134,994	4,550,975 6 94,433	, //. 24 	5,036,726 5,036,726 6 44,272
- Inces brian depletion - bepletion deducted - Previous hass deducted	•••		•••	1,6%,923 12,924 12,255],003,941 750,965 9	3,359,791 637,696	3,655,908 913,997 0	3,935,148 957,852	4,199,357 182,388 6	4,456,542 107,507 0	4,712,420 112,882	4, 77 ,45 118,527
: Tauchle incene	•	•	-	1,254,408	2,252,954	2,513,093	141,141,5	2.111.20	4,056,970	4, 349, 035	925'665'1	\$24'5/8'1
Fress federal incese tari - Errestant tar credit 1			••	(85,184 (92,184	811, 864 453, 100	117, MM 114, 225, 245	711,700	1,071,126 102,53	1447, 1545, 1 144, 154	1,56,655	1,655,834 12,223	11,1X1,613 092.02
= Net federal income tar Income bf less carry-beli	• • •			• •	121, 124	12,270 11,151,2	191,324	2.007.007	1,440,700	-1,529,017	1,418,206	NI,215,104
- less carry-back					527. 1 66	2,431,199	2,656,002	2,847,007		169, 645, 4	4,495,017	KL, MY, A
ter perable, adjusted - UK carry-beck	•••		• •	9 115,250	15, 156 12, 196	621'50 71'15	918'91 191'954	ركة، لا من 221,800,1	1,440,7 00 0	1,529,017 0) 1,610,206 1	101,215,104
= Met Ter Payable Af. 24).	•	•	•	(115,250)	325,452	841, 182	521° 024	1,001,695	1,440,780	11256251	1,418,206	1,715,104
eregesenerenennennennennennennennennennennenne				11111111111111111111111111111111111111	570,529	анаранананананананалалаланананананананан	11111111111111111111111111111111111111	10111111111111111111111111111111111111	#11#11#1#1#1#1#1#1#1#1#1#1#1#1# 065,010 908,260	**************************************	1,001,357	1,055,554
Insurce profit * 1 Interact chrone		• •	(98, 81)	1117.11.1	4,754,410	151,577,4	5,241,739	5,503,824	5,779,016	1.067,944	4, 371, 345	642'812'9
Ewil. event. GE bruil. eventitures CK	• •	• • •	• • •	2,475,550		• • •			• • •	• • •	• • •	••
- laces before delotion - belotion deducted - Province lace deducted		•••		85, (2) (92, 14) (92, 81	4,754,410 1,166,603	121'244'9	5,241,734 1,166,360	5,503,024 97,512	5,770,016 102,201	10, 50 10, 50	531,1(7,) 500,511 0	112.117.1 112.111 112.111
: Terable Income	•	• `	•	111,12	3,54,000	3,74,010	1,055,12	5,446,312	¥ 5,676,620	5,940,459	6,258,442	511,882,8
					313311111111111	(11)1111111111 AV 32		itaatiitaataataataataataataataataataataa		111		100000000
bereitag profits bereitation allemace interest permets			2,561,675 2,575,675 2,575,675 2,575,575,575,575,575,575,575,575,575,57		4,774,569 2,714,004	5,013,250 1,102,700	201,00	5,527,161 20, 165	415'TER'	59'TA'	14, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 141, 211, 21	11.11.1 21.11.1
	• •		••	1,622,652	2,040.446 515.121	963,010,E	574,179,4 819,595,1	127,875,8 121,815,81	5,441,248 182,398	5, 75, 12 51, 87, 8	A, 043,090	4, X5, ŽV 118, 27
: lat. for pressing alliant 1	4 4	•	-	611.0%	1,342,1	100'216'2	3,771,754	4,256,874	5, 378, 661	511, MJ. 2	5,926,216	12.22.1

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					76,576,894 31,907,639	M, 445, 738 33, 542, 391	64,426,825 35,177,511	88, 647, 327 36, 936, 396	84,155,531,449 38,285,385	69,229,622 40,722,346	10, 100, 123 12, 740, 424	76,223,894	11.11
= Operating profits	•	•	•	•	550'677'11	46,983,347	49,248,515	51,710,941	27,144,244	20,565,656	25,920,935	31,427,466	2,99,86
- Capital espenditures - Herling-capital A Mar. Abit	000 ,252,15	0;Z'187'ZZ	23,731,313	24,517,61 200,102,61	2,297,367 516,590	821'215 221'215	102'225'2	2,459,420 599,618	616'/29	2,922,010 415,923	3,079,611	3,232,541	81, ME.2 85, 131
- Interest presents			• •		• •	• •		• •		•	••	• •	
= Bef. Bekt-Pant Cash Flow!		(515,157,52) (052,104,22) (000,252,12)	(21, 71, 113)	(18,249,481)	956'558'11	1 43,948,756	46,146,193	48,453,583	23,727,934	24,914,331	24,160,040	27,448,850	N.M.S.
- Molt's-principal pyreeti	3	•	•	•	•	•	0	•	8	•	-	-	•
= def. Tet thet Cash Flow	(21,525,000)	(21,55,000) (22,601,250) (23,731,313)	(23,731,313)	(35,249,401)	152'531'11	43,944,756	46,146,193	10,453,503	m'u'n	24,914 331	26, 160, Bui	27,448,050	71. 11,453
- Federi cerp. incese tar : - Pruci cerp. incese tar :	• •	• •	•	••	• •	(969°,976) 271,529,1	8,235,301 1.192,547	9,05,120,9 1,125,999	591, 695, 8 171, 829	4,896,727	6,656,074 1.118,303	452,811,2 424,401,1	1,254,748 142,652,1
- Previncial analy tar	•		-	•	-	I,426,041	2,945,033	8,510,040	1(1,522,4)1	1,127,994	5,166,144	5,518,701	5.072.446
: A-1 Cash films (cur. 8)	(21,525,000)	(21,525,000) (22,601,250) (23,731,313)	(23,731,313)	(12,209,601)	11,055,958	42,447,420	11,111,112	29,535,440	13,942,977	14,139,378	13,219,440	13,445,822	14,134,419
ALTERNITISTIC (COL). \$	****	tssartstates		*********	******							LILLISISISSI , , ,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
fedd carp. Incase'tar Pract carp. Incase tar	••	• •	• •	•.•	••	(495'ENZ) (495'ENZ)	5,852,674 847,550	4,126,219 412,321	2,764,832 612,428	3,007,193 202,135	3,m. 65 13, 195	11,134 B	4,011,745 44,546
Provincial alaung tar Total tar permants					• 0	1,06,011	2,772,127	5,748,477	2,917,159 61,294,611	2,970,100	J. R.M. SU	1,66,544	3, 114, 205 7, 794, 207
CASH PLANS IN CAUST. 8									٠		, 		
before the must of	(m				MC 344 61		26 XK 0	10 MK 20	15 245 21		15, 245, 218	15.255.21	15.295.20

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2,75,28 2,75,28 2,75,28 2,75,28 15,75,28 15,75,28 15,75,28 15,75,28 15,75,28 15,755,28 15,755,28 25,755,28 25,755,28 25,755,28 15,755,758 15,755,758 15,755,28 15,755,28 15,755,28 15,755,28 15,755,758 15,755,758 15,755,758 15,755,758,758 15,755,758 15,755,758 15,755,758 15,758 15,755,758 15,755,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,758 15,75 (11, 12, 12) (11, 12) (11, before dati prat G before dati prat G Mine-lux G Mine-lux G Mine-lux B Mine-l

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FERM CHAP, MONE 141	TCAR	TEAM	F		TCAN	TEAL	TEAL	TEAL	and M	TEAR	TEM .	NUN .	TCAN TCAN	N KW
- SISH JANA	-	•		-	•	~	-•	~	-	•	=	H	4	5
hearts incase hearts incase - hearts gerating cots	tracement i de la contraction de la contractione	••		••		40°704,11	14C,332,01	M,425,425 35,177,511	10, 11, 12 14, 14, 14	1 // 10/ 00/ 00/ 00/ 00/ 00/ 00/ 00/ 00/	59,225,62 64,722,84	149'85/32 121'09'2/	74,121,054 14,105,184	6. I I I I
: Question profit : 0 0 0	•	•		•	-	H, 449,055	(N'S)	0,246,515	51,710,941	27,141,24	21,205,654	K6'K6'&	31,427,446	22,990,666
- Investory allowers	•	•		-	•	14,75	200°0()	17.45	106,306	¥.61	19°.(12	218, MJ	24,122	
- Canital cost allowers -	• •			• •	• •	ка. (м. н 231. (м. н	• •	• •	• •	• •	•		•	• •
ED (clear M)	•	•		-	•	é,	•	•	ۍ ج	Y	-	•	•	•
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LEAD-ZINC PROJECT: OFENEC

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CCA (Class 12)	•	•		•	•	•	••`	~ •	► •	•	. •	•	` I,
= hesoarce profit - hesoarce allouence	•			;	(162,726) Ø	46,732,485 11,683,121	49,869,189 12,267,277	51) 522,565 12 ,889 ,641	26,950,449 6,737,612	28,297,972 7,874,493	29,712,870 7,420,218	31,190,514 7,799,629	32,750,440 8,107,610
= Income before deductions; - Interest charges	~ (•	1	(162,726)	05,019,364	36,801,832	38,641,924	20,212,037	21,223,479	22,204,653	23,390,806	. 21,568,839
- Expl. expeditures, CEE							, v	~ ¦	:				
- bev. espenditures, CBE	•	•	9	•	•	6,189,682	4,276,722	2,993,785	2,895,594	1,466,915	1,626,641.	718,789	583,152
= Income before depletion (•	•	•	• `		28,939,762	32,525,111	35,648,219	18,117,244	19,756,563	21,257,812	22;680,897	21,865,678
- Depletion deducted 1 - Provinus loss deducted 1	•		•		0	7,234,946 162,726	0,131,279 0	8,912,855 8	4,529,311 Ø	4,391,717 •	923,503	969,762 B	1,818,251 8
= Taxable income	- \	•	78	•	•	21,542,095	24,393,833	26,736,164	13,587,933	15,364,846	28,334,229	21,710,335	23,017,021
Gress federal jacane taxt			-		•	7,755,154	8,781,790	9,625,019	4,893,656	5,531,345	. 7,328,322	7,815,728	0,297,074
- Investment tax credit	Ŭ	ě	i	ŧ	Ő	7,711,950	253,270	265,942	279,239	293,201	307 861	323,254	339,417
= Het federal income tax	₿ _1		•	•	•	43,1%	8,528,502	9,359,877	4,612,417	5,238,144	7,012,461	7,492,446	7,957 657
Incose of less carry-bekt	•	•	•		0	119,990	23,690,283	25,997,436	12,012,269	14,550,399	* 19,479,859	20,812,866	22,104,603
- Loss carry-back : = Taxable incose, adjusted;					0 0	119,990	9 23,690,283	8 25,997,436	0 12,012,269	0 14,558,399	* 8 19,479, 65 9	0 20,812,446)(22,104;603
Tax perable, adjusted [a		•			436196	8,528,502	9,359,877	4,612,417	5,239,144	7.012.461	7,492,446	7,957,657
- IR carry-back	a 🍦	i	· •		1 1	1,439,676	293,201	307,861	323,254	339,417	356,300		392,917
= Net Tax Peyable Af. Mg.1	9	•	•	•	0	(996,490)	8,235,301	9,051,216	4,289,163	4,899,727	6,656,074 e	7,118,259	7,564,748
· OFFIC COOP. INCOME TAX ;	•	•	•			1,052,175	1,192,587	1,355,999	950, 374	1,038,233	1.118,383	1.194.668	1.267.688
Income before depletion :	i .	i	i	•	i	28,939,762	32,525,111	35,648,219	18,117,244	19,756,563	21,257,812	22,688,897	24,665,678
- Ernd depita allunce	•	•		•	0	9,646,586	10,841,702	10,993,692	837,717	879,683	923,583	969,762	1.018.253
- Carried loss	•	•	•	•	•	162,726	0	0	•	8		0	•
= Texable income 1	1	۴ ا	•	8	0	19,130,450	21,683,408	24,654,527	17,279,526	18,876,968	20,334,229	21,710,335	23,647,427
, 2122222222222222222222222222222222222						;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;							
+ OVEREC MINING TAX	•	•	•	ا و		1.426.641	2,943,833	8.510.848	4.525.471	4.837.994	5,166,144	5.510.701	5.872.486
operating profits	•	•	0		44,669,855	46,983,347	49,248,515	51,710,941	27,148,244	28,585,656	29,938,939	31,427,486	32,998,868
- Depreciation allowance	•	•	•	•	22,412,222	23,135,874	23,895,708	9,732,852	2,636,595	2,768,424	2,906,846	3,052,198	3,204,797
- Expl. & Dev. expendits	•	•	•	•••••	20;345,341			••••••••••	· • 0	•••••••••••••••••••••••••••••••••••••••	•	•	
= Inc. for invstant alu.		ŧ	•	٠	1,892,292	23,767,474	25,352,907	41,958,888	24,511,649	25,737,232	27,424,093	28,375,298	29,794,663
- Investment allowance - Processing allowance		•	*	•	630,764 819,993	7,922,491 6,156,314	5,400,774 5,232,467	8 6,293,833	8 3,676,747	8 3,860,585	8 4,853,614	8 4,256,295	8 4,469,189
= Income for sining tax		••	••••••		441,535	7,688,668	14.719.165	35,665,055	20.834.992	21,876,647	22,970,479	24,119,003	25,324,953
H-Te otherwise payable	•	, i	Ì	i i	•	1,426,841	2,943,833	8,510,848	4,525,471	4,837,994	5,166,144	5,510,701	5,872,486
- Dedcta for carried less	Ū.	i i	Ē	Ĭ	Ū	•	0	•	0				
Mining Tax Payable :	•	•	•	•	0	1,426,041 **	2,943,833	8,510,848	4,525,471	4,837,994	5,166,144	5,510,701	` 5,872,486 -

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PROJECT BASIS	. 14	15	16	2	=	61
	04,147,093 49,494,294	11, 11, 11, 11 11, 11, 11, 11 11, 11, 11	12,777,178 54,571,065	97,414,779 57,300,456		15,000,156 54,057,640
: therating profits	34,648,803	34,381,243	24,200,265	10,110,21	42,115,837	35,840,376
- Caeltal emanditures - Merking caeital	3,543,877	3,742,071	3,929,174	221'124	4, 101, 915 001, 976	3, 641, 153 (21, 479, 627)
• New daht - Interest permants	••	••	••	• •	••	••
= lef. bok-hat cash Flow	34,281,575	14.747,12	195'/81'11	35,856,944	34,809,814	\$2,915,300
- Mak's principal pyramit	•	-	•,	•	•	-
= bef. Tar thet cash flow	34,243,525	31,797,701	195,187,02	35,656,946	34,000,014	52,915,360
- Foderi carp. Lácon tar l - Prunci carp. Lácon tar l - Bruvincial atalog tar l	0,006,370 253,005,1 1,225,34	8,451,078 8,451,078 1,414,408 1,231,228	9,359,545 926,645,1 940,950,7	57,649,6 777,522,1 577,692,7	, 102,177,0 102,174,1 102,177,1	287'09'8 169'287'1 (24'69'8
: A-1 Cash film (cur. 1)	11,664,117	SIC,005, 81	15,448,649	1	16,822,M3	W,455,299
ALTERNÍSLIMULTURALIUM ALE MANGAUS LA CAUST. \$			rastrarrasta		á (,,,,,,,,,,,,,,,,,,,
fetti cep. incere tat	1,043,743	4,665,109	112,012,1	1,237,286	1,103,525	3,10,1
Freci cero, incene ta: Previncial anting ta: Total tax permats	51,112 5,157,012 137,012	240,943 231,941,6 7,344,657	128.95 129.95 11.95	3,2%,497 3,2%,497 8,257,714	644,943 3,312,336 8,390,844	10.55 10.55 10.55 10.55
CASH R.MIS IN CASI. \$		1			•	
before debt prest th	15,275,238	15,255,238	15,295,238	15,295,238	15,295,238	11. H. 12
aetwe-ta: 05 After-ta: 05	11,411,175		- 160'900'cl	NY'00'(77°62'61	52'50'12 522'50'11
ontesendersetesenderseterenderenderenderenderenderenderendere	11111111111111111				(1111111111111) (1111111111111)	
FEICHAL COPP. INCHE TAL	별 드	3 I 1	42 7	3 ~	3 a	a r
Resurce incom - Resurce gevation cests	M.107.M3 M.M.24	81, 151, 448 16, 219, 201	81,117,12 84,172,12	97,410,779 27,300,450	102,201,317 40,251,401	65, 090, 656 54, 657, 686
= Berating profit - Innuitry alleman - Capital cost alleman MCM (Class 20) - CC1 (class 10)	111'52' 111'52'	5.4 5.4 5.4 5.4 5.4 5.4 5.4 5.4 5.4 5.4	SR	12,011, 7	42,115,057 206,004 0.4 0.4	10° 10° 10°

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LEAD-ZINE MAKET- ANDIE	v	•				
CC4 (Class 12)	-	-	•	-	-	-
- Arsence profit - Arsence allement	34, 361, 14 591, 692, 1	36,116,100 9,009,005	141,152,15 180,157,15	722,422,4	11, MM, 993 11, 452, 248	13.040.776 1.740.094
 Incase before deductions Interest charges Call conditions occ 	1/2/14/,22	27,007,135	а, ш, 1	7, R.S. St.	, 1354, 244	R.W.X
- Dev. expenditions, CK	90°791	24.54	18:21	128,607	R. K.	561.65
 Incese before depletion Depletion deducted 	75, 445, 64 5 1, 669 , 143	26,040,250 15,121,1-	016,045,05 016,045,05	29,742,759 1,237,69	1/5'442'1	26,221,007 1,001,246
- Province loss deducted	•	-	-	-	-	-
= Terakle incase	24, 375, 982	26,717,55	27,096,154	21,565,669	20,572,65	25,139, M I
Gross federal income taxi	175,225	614, 865, 6	122,457	522,182,01	10,799,138	9,050,343
- Investment tar credit		374.207	16'24	412,543	161,834	211-121 211-121 211-121
increase bi less carry-holi	21,385,914	24,672,565	12, 144, 22	27, 159, 666	367,071,85	21,138,407
- Less carry-back : Tatable incese, adjested	23,265,934	24,673,565	25,994,721	27, 359, 040	28,769,296	24,139,687
las parable, adjested - IIC cary-back	8,418,937 612,543	8,004,252 433,191	945,622,6	9,849,242 0	0 916,332,01 0	126 , 183, 1
= Met Tar Parable Af Ad) ;	1,806,374	8,451,079	945,921,9	9,849,242	10,356,946	126' 477'8
• BEEC CHE / INCHE FAT	1, 340, 675 25, 445, 045	067 011 114 100 26, 040, 550	1,409,959 28,264,910	1,567,779 1,567,375 15	1,649,493 31,272,188	19721
- Erad depita alimice - Carried less	1,649,1	1,12,41	1,170,152	969'/22'F	1,299,574 1	1,981,246
: Tarable Incom	24, 375, 962	25,717,969	27,090,159	28,565,669	299,579,65	25,139,041
I WERE HIRE IN I	A. 252. Ma	64 197 y	2 PM PM	£ 5		
Gerating profits	14,648,003	34, 301, 243	34,200,365	12, 011, 04	12,115,037	35,040,376
- Repreciation allowance - Expl. 6 Nev. expendirs	3,345,037	1,513,2 09 0	3,7 0 9,953 8	3,895,451 0	4, 096 ,224	4,611,428
: Inc for constant als	31,283,766	156'/HI'Z	34,490,352	34,214,869	38,625,613	31,828,948
- Processing allounce	575'249'1	£61'/24't	s, 1/1, 55J	5, 432, 236	5, 703, 642	4,654,342
 Incess for states ta: Incess for states ta: 	26, 291, 201 02(, 222, 340	197, 153, 153, 15 1922, 153, 3	24,316,799 7,070,040	923, 297, 92 747, 892, 7	111,152,52	26, 374, 606
- Metta for carried loss : Nining for Payable	1 6,252,340	127.125.1	0 7,878,940	0 247,102,7	0 125,179,7	0 282,781,2

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LEAP-ZINC PRACET COTARIO

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CLASH FLAN SUMMALY I TEAR TEAR TEAR TEAR TEAR		TEAR 1	YEAA 2	1 1 1	171	7E40 S	YEAR 6	YEAN 7	YEAR 8	YEAR 9	TEAR 10	15AB 11 : : :	16AB 12	1994 51 : : : : : : :
Revenues Gerating costs		:	• •	~~		76,576, 894 31,907,039	142,502,51 142,502,51	84,426,025 35,177,511	16, 647, 327 36, 936, 386	65,931,449 38,783,205	69, 228, 027 40, 722, 346	72,689,423	74,323,894	140,009
Operating prefits		•	•	-	•	44,449,855	44,903,347	49,248,515	51,710,941	27, 148, 244	28, 505, 454	676,079,65	31,427,494	22, 916, 640
Capital expenditores berking capital the dept laterest pyreets	 بو	21,525, 000 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	23,131,131,5 0 0 0	24,917,678 10,331,803 9 0	2,297,307 516,590 0	2,412,172 542,420 0	7, 2,532,781 7,3, 569,541 0	2,659,420 598,018 0 0	2, 792, 591 219 ° 0 0 0	2,932,010 659,314 0 0	3,878,611 082,280 0 0	1,232,541 726, 894 0	3, 34, 16 3, 25 9 9
: bef beht-hant Cash flow		(21,525,000)	(052,101,250)	(23,731,313)	(18,205,441)	41,855,958	43,948,756	16, 146, 193	48,453,503	23, 727, 934	24,914,331	26, 160,048	27,449,050	20,001,053
- heit's principal paymat	Pryment:	•	6	•	0	-	0	0	-		-	0	0	-
: hef Tax Het Cash Flam		(909'525'12)	(52,181,250)	(23,731,313)	(15,209,601)	41,855,954	43,948,756	46,146,193	49,453,503	21,727,234	24,914,331	26, 149, 049	27,448,650	28, BHI, 45J
- Foderi carp. Income tar - Princi carp. Income tar - Princincial alatas tar	33. 8 8 3		c) = #			0 6 6 6 7 7 7 7 8	(81'51/ 522'95'1 (849'96)	8,235,301 4,579,784 7,448,129	9, 051, 216 9, 000, 7 9, 009, 94	1,209,163 2,515,575 2,315,046	4, 896 ,727 2,441,144 3,040,496	6, 6% ,0% 2,777,201 3,926,71	7,118,259 2,911,861 5,706,037	7,564,740 3,525,528,1 3,157,058,3
: A-1 Cash film (cur 1)	-	(21,525,000)	(052'189'22)	(23,731,313)		621. PD 11	34,633,013	006,520,62	25,984,470	14,177,530	14,313,962	12,003,999	11,731 ,6 53	12,108,545
attataannaannaannaannaannaannaannaannaa							*********			10////////////////////////////////////				
fedel Yary, income fur Princl carp, income far	33	• •				• •	(985,587) 718,223,11	5, 852, 674 3, 254, 767	6,126,219 1,254,767	2,744,812 2,84,812	3,007,393 [[4,129,1	27, 159, 1 214, 159, 1	11, 129, 1 11, 129, 1	87,119,4 81,121,1
Moviacual aining tar Intal Aar permets \	3		••		••,/	(M) (M) (88, 11)	5,040,294 5,450,523	5, 293, 246 14, 400, 687	5, 826, 940 15 207, 926	1,77 0,010	1.878,801	2, 755, 943 7, 889, 885	J, 177, JJS 8, 742, 481	3,219,429 8,852,485
CASE FINES IN CONST	+ 1							-	eQ.					
Defere that pant th (28,540,660) (28,54	Ø	(26,56,68) (26,58,68) (26,58,68) (26,58,68)	(00, 02, 05) (00, 00, 05) (00, 00, 05) (00, 00, 05)	(28, 56, 60) (29, 56, 60) (28, 56, 60)		2,7%,23 2,7%,23 2,151,51	2,75,29 2,755,29 27,336,716	2,75,22 2,75,23 18,34,551	2, 75, 29 2, 75, 29 2, 95, 29	9,000,000 U, Y. Y. Z. W. Z. W. Z. W. Z. W. Z. Z. V. J. Z. W. L. W. Z. W WANDAM MA WANDAM MANAMANANANANANANANANANANANANANANANAN	15,295,20 15,295,20 10,785,21	15,295,238 15,295,238 7,446,233	15,7%,2W 15,7%,2W 15,7%,2W 6,522,7%	15,295,238 15,295,238 15,295,238
REMUNICATION CONTRACTION CONTRACTICACIÓN C		11111111111111111111111111111111111111	anmunuu TEM 2		1277 1278 1278	11111111111111111111111111111111111111	TEAL CONTROL CO	120300000000000 YEAA	11111111111111111111111111111111111111	18000000000000000000000000000000000000	IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	10000000000000000000000000000000000000	113(1111111111111111111111111111111111	11 11 11 11 11 11
Arsence laces Assence and allang costs	g consts		• •			1, 576, 8 4	147,232,03	M. 425, 425	11.127 12.914,127	542,127,18 245,157,18	69, 228, 622 69, 722, 346	127, 489, 57 149, 827, 59	74,121, 97	98, 161, 18 17, 161, 10
	z 1	••••	••••	••••	••••	221,04,44 221,05,45 221,04,44 221,04,14	44, 985, 347 178, 862 8	177,405	14, 210, 441 14, 376 14, 376	197, 148, 244 197, 791	21,245,454 21,446	424, M24, 45 200, 005 0	11,421, 1 1 221,972	10 ⁻¹ 10 ⁻¹ 10 ⁻¹ 10 ⁻¹ 10 ⁻¹
CCA (CLASS 10)		•	•	•	-	-	•	-	-	•	•	-	•	

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CCA (Class 12)	-	•	-	•	-	•	•	-	-	•	•	•	•
= Mesaurce profit - Mesaurce Allanaace	••	••	• •		(112,776) •	121'509'11 509'32/'71	11, 261, 211	51,527,545 12,000,641	219'054'92	24,297,972	7,428.210	11, 111, 111 11, 111, 111, 111	0, 191, 410 0, 181, 610
: lices before deductions	•	•	•	-	(142,726)	12,000,34	34,101,42	126'117'85	M ,212,637	21.223.47	22,744.65	23, 394, 866	N.546,036
Interest curges East emoditmes, CE	• •			• •	••				• •			- •	• •
- hrv. exemalitares, CH	-	-	•	-	•	207-641'9	4,276,772	2,993,705	2,005,594	1,444,915	1,0%,MI	711,719	31.08,
- Income before depiction :	•	•	•	•	•	297,426,82	111'53'A	35,440,219	19,117,244	19,756,543	21.257.012	22.640.697	24.065.67
Pepletian deducted	•	•	•	•	•	7,234,946	8,131,278	8,912,055	112,022,1	111,142,4	292,542	\$5,70	1.010.251
Previews laws deducted	•	-	•	•	•	16,7%	•	•	•	-	•	•	-
: larable incese	-	•	•	-	•	21,542,095	24, 393, 833	26,736,164	13,587,933	15, 344, 846	82'MI'R	21,710,335	23,047,427
Gress federal ancese tari	•	-	•	-	-	1,755,154	8,781,780	9,425,019	757.164.1	3,531,345	72.02.1	7.815.720	1.27.074
Investment tas credit	•	•	•	•	کے۔	111,15	253,278	265,942	279.239	293,201	199.00	152'52	114'622
= Net federal jacasé tar	•	•	•	•	0	63,196	8, 528, 502	9, 359, 077	4.612,417	5,239,144	7,012,441	7,472,444	1,951,657
Incese bi less cerry-boli Less serry-boli		•	•	•		£.'.	23,690,283	25,997,434	12,812,269	14,550,399	19°1, 179, 159	20,012,406	Z2.104.403
- Less carryment = ferable income, adjusted		• •		-		11 , 11	23,6%0,283	25,997,434	12,012,269	14,550,399	19,479,659	29,812,446	22, IM, 413
Ter primble, edinsted	•	/•	-	•	•	13,136	9,529,562	710.922.6	4.612.417	5.230.144	7.012.461	111.241.1	123.124.1
r IIG curry-back	•	>	-	•		1,039,620,1	291,201	307,861	123,254	119,688	354,376	374,207	116'245
: Net far Parable Af Adj.!	•	•	•	•	-	(894,408)	0,235,301	9,051,216	4,209,163	4,896,727	1/0'959'9	7,110,259	1,544,746
• except case. Interest [12] • • • • • •	•	•	•	•		0 1,622,175	/05'241'1	1, 355, 779	926,374	1,039,235-	1.116.363	13, 19, 66	1,207,600
lacere before depletion (-	-	•	•	-	21,929,762	111,822,52	35,648,219	18,117,244	19,754,543	21.257.012	22,440,097	24,065,678
- Erad depita allance - Carried less	••	• •	• •		40 4	9.646,566 382,345,0	10,841,702 0	10, 993, 692 0	(1/, (28	597°62	195'54	597,924	1.010.251 0
: Tarable incose	-	•	•	•		19,138,450	21,483,408	24,654,527	17,279,526	18,876,960	10°27'	21,710,335	23,047,427
• entario utning lax		•	•	•	627,610	761,235,3	7,448,129	8,409,044	2,745,866	3,040,499	3,926,773	5,706,037	417,00.2
merating profits	•	•	•	•	11,649,855	44,943,347	49.248,515	51,710,941	27,149,244	28,505,656	22,020,039	31,427,486	10,94,64
- Depreciation allowances - Expl. 6 Dev. expendirs	-	• •			13,072,934 20,345,341	13,434,760	13,814,677	0	10, 890, 800	11, 138, 604	8, 4 87, 308	2,825,300 0	2,946,449
: inc. for processing alu		•	•	•	11,231,500	33,448,588	35,433,838	39,986,448	16,249,441	17,167,052	21,243,639	28,402,105	112,210,02
- Mecessing allement	-	-	•	-	H64'/49'9	5,426,755	a, 512, 676	194,194,6 	-9/6'416'2	acu 'c/c'2		917'842'1	
: Income for mining tar	•	Ð	0	•	4,533,646	27,042,323	30,118,762	33,988,481	13, 333, 466	14,591,994	18,057,093	24,311,790	25,527,379

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LEAD-ZINC PROJECT: ONTARIO

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CASH FLON SUMMARY	11 11	N SN SN SN	49 1	YEAR 17	N II	17 ST
	M. 147.093		21/2/2	6// 011 //6	102,201,317	
- Operating cests	N2'N4'S	MZ, 579, 18	510,172,18	27 , 300, 454	60,145,401	56,457,440
: Operating profits	34,644,803	34, 301, 243	20, 200, 305	40,110,321	42,115,637	35,040,376
- Canadal examplements	((0.125.17	3.742.871	1.929.174	1.12.43	210.1EL.0	3.60.153
- Herting capital	101.100	B41,471	12,24	11.12	974,100	(21,479,677)
	•	•	•	-	•	•
- laterest perments	-	-	•	•	•	•
: Bef Bubt-Pant Cash Flau	30,283,525	11,797,701	33, 307, 567	35,856,946	18, 609, 61	52,915,300
- buit's principal premati	•	•	-	•	-	•
= bef. Tas Int čash Fleu	38,283,525	31,797,701	195,187,587	35,656,946	34,000,014	52,915,300
- Federi cerp. incess tas 1	176,374	0.451,679	9, 339, SA	9,009,262	10, 121, 944	124, 493, 8
- Presci cerp. income tas i	3,210,27	3, 370, 044	1,53,24	3,716,355	5,942,173	3,270,435
- Provincial aining tar	4,453,424	4,055,441	1,277,040	1.151,167	8, 164, 537	111,012,3
: A-T Cash flew (cor s)	12,613,200	13, 120, 107	13,210,022	13,770,242	14,144,158	X.35.X
	1111111111111111111111	11111111111111111		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	121211222121111	
TAT PAYENTS IN CHIST \$						
Fedri coro, incese tas	4. M3. 763	1.045.107	4.207.713	1.297.200	1,201,525	3.471.946

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TAX MATERIS (1 0465) \$						
fedil corp. income tas	1,043,743	4,645,189	11, 202, 4	4,297,246	1, 303, 525	3,471,946
Pred cerp. Incese tar	1.421,433	1.41.43	1.421.433	1.41,411	1.421,433	1.36.447
Provincial ajaing tax	3,259,519	3, 297, 746	3, 334, 642	3, 340, 693	3,401,675	2,545,120
letal tas persents	11, 159, 115	1, M. 212	W'W'6	12, 18, 9	1, 126, 634	1.22.131
CASH FLANS IN CANSI \$		Y				-
before debt prest 07	15,275,230	15,295,230	15,275,230	15,295,238	15,275,238	21.101.731
befere-tus C	15,275,218	15,275,238	15,275,230	15,775,238	15,275,238	21.101,731
Minertu 6 6, 379, 22 6, 319, 9% 6, 625, 639 6, 607, 911 5, 941, 64 13, 617, 978	6, 378, 523	6,310, 9%	6,652,639	116'.00'9	5. M.H	576°/10'EI
	*****					********
FERENC CHP. INCHE 141			2 ×		클 =	12 S.
Reserce large beserce large	94, 147, 893 147, 893	12, 121 H	590'1/5'15 9(1'2//24	97,416,779 57, 386,456	10,201,317 14,165,461	12, 121, 121, 121, 121, 121, 121, 121, 1
 Specifies Profit Ensettery allowate Capital cut allowate Acta (Class 20) CC1 (Class 10) 	X,68,82 X3,48 14	115, 192, 12 216, 225 0 0	907'902'9 115'762 7	12, 1911, 18 12, 1911, 18	2115 2115 2115 2115 2115 2115 2115 2115	8, 86, 19,
	•					•

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3112-6131	

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cci (class 12) ;	•	•	•	•	•	-
= Armerce prefit - Armerce allemace	N, W, K2 1,599,692	34,116,100 9,000,000,000	141°989°6	9,410,400 100,400 100,400	11, 888, 9 53 18, 452, 246	35, 040 ,376 0,760,094
 Income buffere deductions Interest charges Expl. equalitaries, GE Bar. equalitaries, CE 	1/2,07,23 1 102,236	27,007,135 0 1 244,544	185'221 1 185'221	21.86.854 0 128.861	11,356,744 6 6 84,365	56,286,282 • • • •
 Increase before deplotion Papilotion deducted Provinces loss deducted 	25,445,045 1,049,143 0	26,000,550 1,122,621 0	816,885,85 527,871,1 8	29,722,759 1,237,690	+/5'642'1 #/5'642'1	26.221.007 1,001,242
= Tarable incom	24,375,982	25,111,56	27,000,150	71,545,M9	247,572,65	25,139,041
Gress federal incore tas	1,175,225	9,258,469	9,722,457	10,251,125	8C1,9Y7,01	9,e56,343
- Investment ter credit		112.112	(16'24	412,563	101'83	340,415
= Net Foderal Income Las I Income Di Tess carry-hold	25,385,934	21,471,505	12, 99, 21	9,849,242 040,922,15	24,262,046	24,138,447
- Less carry-back = Tasthie Incom, adjusted	9 23,365,934	505'829'NZ	12/106'52	27, 339, 84 0	28,769,2%	24,138,447
lta perable, adjusted - 116 carry-back	8,418,937 ,412,543	161,212 512,100,0	945'651'6 9	9, 643, 242 0	10,354,946	1,409,927 1
: Hel Tar Parable Af. Adj.	0,004,374	0,451,079	945'651'6	9,849,262	10,356,946	126,409,8
 e MERC CARP. TROME TAX licrore before depletion Errol deplin allance Curried loss 	1, 30, 675 25, 445, 645 1, 649, 163	1,414,400 26,000,590 1,122,621	855,004,1 612,005,05 277,071,1	ett, 742, 1 257, 242, 25 29, 257, 650	1,448,493 31,272,180 1,299,574	1,382,691 26,221,087 1,001,246
= Turable incese	24,375,962	25,717,95	27,090,156	28,565,669	29;922,445	25,139,MI
• • •••144[• #JUNE IAX	6,453,424	6,055,601	2,277,940	1,121,107	8,186,537	(4,570,141
- hoursting profils	34,640,860	3,270,731	19, 19, 19, 19, 19, 19, 19, 19, 19, 19,	40, 116, 321 3, 605, 901	42,115,037 3,786,290	3,640,376
- Expl. 4 Bev. expendirs	•	•	•	•	•	-
: Inc. for processing alu.i - Processing allounce	31,533,821 4,739,827,4	33,110,512 4,944,577	34,746,628	34,504,340 5,475,651	18, 129, 557 18, 189, 434	31,252,434 4,440,945
= Income for mining tar	26,003,748	21,143,935	21,182,62	31,628,449	32,500,123	X1,525,470

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Invenses Image: Constraint of the costs Image: Constand of the costs Image: Constraint of the costs<	••		-		•	4	16AL 9	TEAU 9		=	TEAR 12	
		••	• •		76,576, 994 00,465,739 04,426,025 112,701,825 182,282,191 187,171,211	M, 426,025 35,177,511	987,938,92 342,934,938	10, 647, 127 553 551, 649 36, 516, 316 545 545 545	:	72, 481 ,423 42,75 8,48 4	69,228,822 72,499,423 74,123,694 (06,104,099 40,722,344 42,739,484 44,096,404 47,141,227	- M, I.M. 209
	•	0	0	44,469,855	14,903,347	49,248,515	51,710,941	27,148,244	28,505,454	29,930,939	31,427,486	22,999,644
	22,441,250 0 0	23,731,313 0 0	24,917, 878 24,917, 8 03 9 0,	2,297,307 516,590 9 - 8	2,412,172 1 542,420 8	2,532,781 569,541 0 0	2,659,420 598,018 6 0	2,792,391 627,919 0	.2,932, 01 69,314 8	3,078,611 692,298 8 8	3,222,541 726 ,894	3,394,160 763,239
	(052'10)'22) (0	(23, 731, 313)	(35,249,481)	856,258,11	43,948,756	46,146,193	48,453,503	HI TA	24,914,331	24,440,048	27,448,050	21.1H.153
		-	•	•	•	•	6	•	•	•	•	•
Federal carp. increas tai 1 Prvaci carp. increas tai 1 burniaria alabar arc	(21, 525, 800) (22, 601, 250) (23, 731, 313)	(21,731,513)	(18,249,661)	11,055,758	43,949,756	46,146,193	48,453,503	N.6.157.85	24,914,331	26,140,040	27,444,054	28, 141, 153
	•••	• • •	0 • •	0 0 1,531,538	(007, 306), 1 615, 112, 5 (001, 306), 1	8,235,301 3,659,075 2,001,709	9,051,216 4,010,425 6,491,422	4,209,141 2,838,190 3,252,869	4, 8% ,727 2,304,727 3,313,7%0	6, 656, 074 3, 050, 134 3, 445, 572	7,110,259 3,256,550 3,617,850	7,564,740 3,457,114 3,796,363
: 4-1 Cash films (cur 3) (21,525,001	(21, 525, 000) (22, 681, 256) (23, 731, 313)	(21,731,313)	(18,249,681)	40, 324, 428	40,105,806	12,250,109	28,900,440	14,147,713	14, 397, 008	13,008,240	11,475,396	11,621,656
									1323 \$12 \$12 \$12 \$12 \$12 \$12 \$12 \$12 \$12 \$12	F = 2 = 1 = 1 = 2 = 2 = 2 = 2 = 2 = 2 = 2		
Fedral corp. income taz Pranci corp. income taz	••	- •	••	• •	(495'5N/) 5'411'58	5,852,674 2,600,436	4, 126, 219 2, 714, 413	2,74, 81 2 1,313, 8 35	5,007,395 1,414,902	951'52('1	1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	101.70
Provincial aining tar Tetal tar peysants	••	••	••	1,28,660	1,200,000 2,007,660	1,422,577 9,875,488	4, 393, 450	2,004,027	2,034,390 6,456,675	2,014,535 7,400,573	22,014,52	2,014,555
CASH R. ONS JH CANSI 1		~				5					1	
Prest CT		(ma 'm5' m5' m2) (ma 'm5' m5' m2)	(12, 100, 100) (13, 100, 100)	12,25,24 12,25,24	12,25,23 12,25,24	82'%'A	12,27,21 12,27,21	15,275,238 15,275,238	15,275,238	15,275,238 15,275,238	15,2%,2M	15,275,210 15,275,210 15,275,210
				#2'546'15				7,117,142				
FREM. COD. ICOME. LA: TEAR TEAR TEAR TEAR TEAR TEAR TEAR TEAR	u 744	11011111111111111111111111111111111111	7	FEAD 5	17.14 •	16.44 7	1 1 1	15.42 •	61 10		76.MB 12	ã ∷
Prosents inceed a grant of a gran	••	••		14,5%,0%,0%,0%,0%,0%		0,405,738 04,424,425 33,542,391 35,177,511	12'17' 12'17'	914,189,23 (52,714,1 285,587,38 285,285,285	; .	72,4 29 ,425 12,738,441	149,401,40 149,421,51 149,421,52 149,491,451,491,451,491,451,491,451,491,451,491,451,491,451,491,451,491,451,49	m,146,489 67,141,229
: thereting prefit - theretary allements - thefat cast allements Acta (class M) cost (class M)	• • • • •	••••		221,011,11 227,251 228,011,11 228,011,11	278°%(49.244,515 1.77,445 1.71,445	51,718,941 186,376 1	HS. BI. 'S HY, 'YI H	27,222,12 29,252 149,152	46° 786° 42	11,427,465 572,922 9	19 19 19 19 19 19 19 19 19 19 19 19 19 1

LEAB-ZING MAJECT: NAYA SOATIA

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LEAB-ZITE PRAJECT: NON SCOTLA

CC4 (Class 12) :	-	•	•	•		•	-		•	-	•	•	•
: Arsource profit - Arsource atlemance	••	• •	• •	••	(142,726)	44,722,465 111,443,121	49, 669, 109 12, 267, 277	51,527,545 12, 880,6 41	219°/52'92	28,297,972 7,074,493	73,712,870 7,428,218	11,111,11 11,111,111 11,111,111	22,736,440 8,189,418
: lacene before deductions - Enterest charges - Eral. expeditures, CE - Ev. expenditures, CE	••••	••••			(162,726) • •	23)'41'9 9 9	36, 101, 36 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	38,641,924 	20,212,837 0 2,095,594	21,223,479 • • •	22,744,653 0 1,024,041	23, 34, MK	24,564,038 • •
 Incess before desired Begintion deducted Provinus loss deducted 	•••	• • •	•••	•••	•••	21,429,15 21,42,15 14,712	2,525,111 0,131,278 0	35,648,219 0,949,655	10,117,244 11,529,311 0	242,427,41 717,192,4	21,257,02 218,529 218,529	14.82, 54.82	N.885,678 162,810,1 6
: Totable incon	•	•	•	•	•	21,542,005	24,393,633	26,736,164	m., 1990	15,344,846	12"""	21,716,335	23,007,427
Grets federal incese tas!	•	٠	•	•	•	7,755,154	84,111,300	910,629,9	551'IM'1	5,531,345	1,20,22	1,015,720	1,277,074
- Investant Las credit	•	•	•	•	•	NS4'112'1	253,270	245,942	27,239	102'54	347,461	12'12	(11)"615
i ant trantal actant tal listens hi lass curra-brit	• •	•	•	• •	• •		194 997 14	111, VOL. V	4,612,41/	2°58'15	7,812,441		1.99.167.1
- Lees curry-bech	• •	• •	•	• •	-	•							
= larable income, adjusted!	•	-	•	•	•	944'611	23,690,283	721'144'52	P2,812,269	14,550,399 -	19,479,659	20,012,446	22, IM. 443
Tez perable, adjected - EFC carry-beck	• •	• •	• •	J • •	••	767°610°1	6, 528, 502 293, 201	710,925,9 148,702	4,612,417 323,254	5,238,144 339,417	7,012,461 356,388	74,242	1,92,129,1 119,595
= Net Tar Peyable Af. Ad)	•	•	•	•	•	(000'366)	0,235,301	9,051,216	1,201,163	4, 898 ,727	1/0,222,3	7,118,259	7,544,740
IN SOUL MORE AND	. • ,	●,	•	•	•	112,123,2	3,639,075	4,018,425	2,638,199	2,304,727	3,650,134	3,254,550	3,457,114
• Men Solla Kinik Tar : • • • • •		•		•	1,531,538	1,600,115	0 1,531,536 1,666,115 2,601,709 6,491,422 3,752,669	229'14''	3,252,869	3,313,796	3,445,572	1	
Canc. reveaue (154)			• •	4 -	N47'9/5'9/	11 an 1	165 W71 N		611'156'59 67'812'1	220'122'69	72,689,423	Na 22, 27	149'94' 149'94'
(Estimated limit of M)	• •	•	. 0	•	12,012,042	12,612,445	13,243,290	13,905,443	10,342,100	10,059,298	11,462,262	11,972,574	H4'R/S'21
	•	•	•	•	550'677'H	46,903,347	49,248,515	51,710,941	27,140,244	29,505,656	656' B16' 62	31,427,466	999'966'27
- Exploration expenditures	• •	• •	• •	• •	(U')(0'X		() ()	.	•	•i 'eic'?		8 81'708'0	• •
= lac. for processing alu. - Prócessing allounace	••		••		12,012,642 3,340,947	12,612,665 3,001,050	16,179,290 2,034,566	50,913,115 7,636,967	25,512,701 J,826,965	25,999,510 3,898,576	27,024,093 4,053,614	24,375,298 4,256,295	29,24,643 1,449,109
: incention alging to:	•	•	-	-	SHO 177 0	517°105°6	13.344.724	(11.2%, 10)	21.685.7%	27.001.013	M. M. C	24 119 041	IN TA X

LEAD-ZINC PRAKECI: NOVA SCATIA

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CLOW FLOW SAMMAY		YEAD Si	19 19 19	NGN C		41 11 11
levenes Perating cests	84,117,093 19,60,29	NC'126'15	578'1/5'15 8/1'2//'24	97, 014, 74	102,201,317 40,145,401	85,000,055 50,057,460
: therating profits	34,644,963	34, 301, 243	12,286,205	10, 22i	42,115,637	35,040,376
	1 647 077	158 645 3	11.000			T 101 107
- Markine cusital - Markine cusital			1/1/0/11			((1, 479.0))
			-			
- Interest persents	•	•	• •	• •	• •	••
: Bef. Mail-Past Cash Flee	39,283,555	31,797,701	195'18'12	-35,856,946	34,809,014	52,915,300
- buil's principal paramul	•	•	•	•	•	•
: bef. Tax met Cash Flee 1	39,283,555	31,797,701	13, 307, 567	33,856,946	110,000,32	52,915,380
- Fadirel cara, Jacon ta: 1	A	A. 121.0	9.159.5M	0.00.00	210.225.01	(44-447-8
- Preci corp. increa ter 1	3,656,305	3,857,475	102,520,1	1,275,740	149,241,1	3, 770, 976
- Provincial aining tar	1, 10, 10, 10	4,100,114	1.191,52	4,617,3%	4,040,246	161'956'5
: A-1 Cash film (cur. 8)	14,52,61	15,200,622	15.547,003	. 16,314,540	11,100,711	26, 191, 255
nuntannuntannuntannun uternannun unternuntannun unternunternun unternunternun unternunternun unternun unternun Tar MMERT 10 CMST. \$		11111111111	1111111111111	, ,		
					-	
Fedri carp. Licene tu: Prauri rura (irean tu:	4, M3, /43	4, M3, 197				657 765 T
freeisciel anne tar	22,010.5	22.010.2	222.010.5	22.110.5	2.11.522	57.95
fotal tax percents	7,945,040	1,935,201	16.231.0	0,177,255	8,106,215	1/2,622,0
CASH FLINS IN CAUSI \$						
before daix must 0	15.275.23	15.275.23	15.275.23	15.275.23	15.275.23	21.141.13
before-Las C	15.275.23	15.255.230	15.275.238	15.275.238	15,295,230	11.141,121
After-tas 65 -	7, 196, 196	1,24.95.7	1,131,424	7,111,90	2.109,003	14,522,M
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			11111111111111111111111111111111111111	*************		
FEDERAL CARE. LICONE TAT PRAJECT GASTS		ẫ ≂	골 =		2 =	12 12
Researce laceae	M.107.093	8 , 12, 18	8.172.18	£7.410.779	112, 281, 517	15, M 1,65
- Arsence eseratua casts	10 ¹ /10 ¹ /0	W. 116, 15	54,172,42	57,160,650	49,165,481	54, 157, 440
: thursting profit	14,646,411 14,646,411	K.N.N		14,011,04 14,011,04	12,115,637	35,040,376
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: Generating profit - Insultry allowers - Capital cost allowers ACCA (Class 20) CCA (Class 20)

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CCA (Class 12) [•	•	•	•	-	•
: lissurce profit - lissurce allounce	1, 3%, %2 1, 5%, 6%	36,116,180 9,829,845	10, 121, 12 9, 48, 151	39, 618, 60 9, 621, 522	01, 000, 975 874, 000, 14	15,000,376 8,740,094
: Incese before dedictions - Interest charges - East. esemiliares, CE - Per, esemiliares, CE	1/5,1%1,2%1 1 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2	221,00,125 0 142,245	18,571 1 270,100,185 270,100,185	29, MJ, 344	31,356,744 0 0 10,555 10,565	26,200,202 0 0 1 0 1 0 1 0 20,105
 Income before depletion Repletion detected Previous lass deducted 	25,445,065 1,009,143	26,000,590 1,122,421 0	28,249,910 171,752 0	29,742,759 1,237,699	1,272,18 1,299,574	26,221,007 1,011,216 0
: Tarable inces	24,575,982	25,717,55	27,000,150	20,505,069	20,572,405	19,011,61
Gress federal income tas - Envisionet tas credit - the federal income tas	577,877,8 257,272 257,272 257,272 257,272 27,010,57	(12, 125, 14 (15, 147) 23, 141, 142	116,557,9 119,591 119,541	10,261,825 112,543 9,849,242	161,487,81 161,115 182,824,81	511,021,0 211,021,0 722,022,0
	21, 205, 944 21, 205, 944	24,678,565	25,996,721	6.00,621,75 6 6.00,621,75	22,01,25 1 22,01,25	24,136,447
far perable, adjusted - IIC carry-back	8,418,917 412,543	572,100,8 101,225	945'631'6 -	9,849,262 6	10,356,946 0	6, 493, 9 1
= Not Tar Perable Af. Ad.	8,006,374	8,051,078	9,359,540	9,009,262	10,356,946	126'689'8
E NOVA SCOTTA TUCHE TAT	3,454,345	3,657,695	4,063,524	4,275,740	4,495,891	3,770,976
THE STATE ALLER TAL	3,90,60	1,10,114	4, 397, 528	4,617,3%	4,848,266	161'956'E
CANC. (ONOMIC (ASI) : 23 Norw.17 (Seriashad)init of hay :	26'20'1 26'20'1	1,767,000 1,767,000 1,767,000	71,771,77 1,855,411 1,855,411	9/, (10, //) 1, 940, 216 15, 260, 122	2,045,426 2,045,426	
Operating profits - Bupreciation allouance - Exploration expenditores	34,648,003 3,345,037 0	142,102,42 145,112,12	14,200,200 301,005,051 301,005,051	0 151,10,121 3,095,451	42,115,837 4,690,224 0	35, 040, 376 4, 111, 420
= Inc. for processing als. - Processing allemance	31,203,766		34, 496 ,352 5,173,553	36,214, 669 5,412,230	30,025,613 5,703,042	31,628,940
- laces for aining tar	24,591,201	27,920,761	29,316,799	18,712,619	111,121,22	26,374,606

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Americing profits 21,255,000 23,73 Cupical errowitance 21,255,000 23,73 Amilia crowital 21,255,000 23,601,250 Amilia crowital 21,255,000 23,601,250 Amilia crowital 21,255,000 22,601,250 Amilia crowital 21,255,000 23,601,250	• (EIL, IEC,	0 24,917,626 10,121,003		10,562,551	35,177,511	10, 647, 727 36, 936, 386	65, 931, 449 38, 783, 205	69,228,822 40,727,346	72,689,423	74,323,894	10,14,00 12,111,12
Contract encode theres 21,325,400 22,401,350 23,71 Refines contract 1,325,400 21,325,400 23,71 Refines contract 1,21,225,400 (21,323,100) (21,323,11) Refines contract 1,1,225,400 (21,323,11) (21,323,11) Refines contract 1,1,225,400 (22,401,326) (23,71) Refines contract 1,1,225,400 (22,401,326) (23,71) Refines contract 1,1,225,400 (22,401,326) (23,71) Refines contract 1,21,225,400 (22,401,326) (23,71) Refines contract 1,21,225,400 (21,23,401,326) (21,23) Refines contract 1,21,235,400 (22,401,326) (21,23) Refines contract 1,21,235,400 (22,401,326) (21,31,71) Refines contract 1,21,235,400 (22,401,326) (21,31,71)	21E,1E7, • (21E,1E7, • (21E,1E7,	24,917,078 10,151,001	44,649,855	46,903,347	49,248,515	51,710,941	27,148,244	29,565,656	29,920,939	31,427,486	17,910,Ma
M. Mait-frant Cesh Files (21,525,000) (22,401,550) (23,7) Mait's principal permanti (21,525,000) (22,401,250) (23,7) Mait Cenp. Income Lat (21,255,000) (22,401,250) (23,7) Mait Cenp. Income Lat (21,255,000) (22,401,250) (23,7) Mait Cenp. Income Lat (21,255,000) (22,401,250) (23,7) Mait Cenh Files (cent 2) (21,555,000) (22,401,250) (23,7)) (EIE, IEV,		2,297,307 516,59 0 0	2,412,172 542,420	2,532,781 549,541 0 0	2,659,420 599,018 0	2,792,391 627,919 0 0	2,932,018 659,314 0 0	3,078,611 692,2 86 9	3,22,54 14,257 14,257	3, 34, 148 743, 239 0
Mat's principal parameti def. Tar Net Cach Film (21.325,000) (22,401,550) (23,77 defent carp. Income Lar transition of the carb Lar transi	•	(10,249,441)	41,855,958	43,940,756	46,146,193	48,453,503	23,727,934	24,914,331	24,140,040	27,448,050	21,641,453
ef. Ter fiet Cash Fiem 1 (21.325,000) (22,401,250) (23,72 oberi corp. income Lat Twei co	(21,313) (•	•	•	•	•	•	Ð	0	•	•
aderi cerp. incese tar 6 6 0 Truci cerp. incese tar 6 0 0 Truci kerp. incese tar 6 0 0 Truciscial analeg tar 6 0 (23,72 Freedom (cur 8) (21,525,000) (22,601,259) (23,72 A AVNENTS in curst. 8		35,249,481)	11,455,458	13,944,756	46,146,193	48,453,503	23,727,834	24,914,331	24, 140, 043	27,448,050	20.001,45S
-1 Cesh fileu-(cur s) ; (21,555,666) (22,661,256) (23,7) HITTATATATATATATATATATATATATATATATATATAT			0 124, HZ	995'595'2 120'951'5 (009'966)	8,235,301 5,888,293 2,797,512	9,051,216 6,223,944 4,681,039	4,209,14J 4,179,0J7 2,734,591	(27, 999,) 919, JAL, 9 929, J21, 2	6,656,874 4,686,236 3,882,451	7,118,259 4,834,400 4,076,573	7,544,748 5,479,428 4,280,402
RIPPROJUTION	(212,127,	(18,249,481)	41,731,776	39,263,868	29,225,00N	71, (1), 365	12,526,154	12, 349, 745	11,015,237	11,434,617	10,016,11
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fedd cery, incese tax 0 0	•	•	-	(495'592)	5,052,674	4,126,219	2,744,632	3,007,393	3,091,444	3,963,713	4,011,743
Prwel Gery, income tar 0 0 0	• •	• •	1	2,341,640	4,184,700	4,212,618	2,693,200	2,693,200 2,000,694	2,693,200	2,269,200	2,693,2M
ielai tar persents a	• •	•	997,16	3,495,935	115,250,51	13,547,140	M(822' (1,701,200	100,654,657	546,872,8	156, 5/6, 8
case flows in const. a											
mail of (29,50,000) (21,50,000)	(000 '000' '00' '00' '00' '00' '00' '00	(000'000'62)	22,795,238	N.75.28	12'92'A	12,795,238	15,275,238	15,275,238	15,295,28°	15,275,23	15,2%,23 15,2%,23
104.44.44.45.45.45.44.44.44.44.44.44.44.44			N. (1) X		2. C. S.	19.240.000	12''C2''SI	N2'52'51'	100°00'01	12'00'CI	N.N.1

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 112,500,347 178,661 146°205'55 862'599'98. M1,82,1% 413,0%,11 233,033,14 233,033,14 233,033,14 1 1 1 ~ 2 ۲ų. ************* The second FERENL CON-LIDONE 141 | PRAKET AKSIS | Insurce lacase Insurce operating costs Burating profit
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		murce profit murce allemace	-	•	•	•	•	•	•	•	•	•	•	-	-
		-	••	••		••	(142,726)	46,772,445 11,443,121	19, 069, 109 772, 735, 21	51.522,545 12,880,641	26, 950, 449 6, 737, 612	20,297,972 7,074,693	29,712,870 7,428,218	115,1961,115 112,1991,429	017,021,0
		tees before deductions	•	•	•	•	(162,726)	12,00,32	258,108,22	126'117'85	M.212,837	21,223,479	22,2M,653	23, 394, 866	N. 540,830
		terest charges 1 al. emetitares, CE 1	• •			• •	• •	• •	• •	•	• •		• •	• •	• •
		v. expenditures, CK	•	•	•	-	-	5,101,42	4,276,722	2, 993, 705	2,095,594	1,444,915	1.626,041	118,709	21,152
	Adviced to the second s	time before diplotion	•	•	•	•	•	21,939,742	111.52,S	35,640,219	I.117,24	19,256,543	21,257,012	22,640,677	24,045,67
	The second secon	plotion deducted refers loss deducted			• •	• •	••	1,234,946 142,726	0,131,278 0	1,912,055 •	4,529,311	(1/,142,1	185'826 0	57.6% 1	1,010,1
	Image: Second state Image: Second state Imag	rable (acces	•	•	•	•	•	21,542,095	24, 393, 833	3,73,161	13,502,933	45, 344, B46	M, JH, 279	21,710,235	23, MJ, 427
	It is cruit in the cruit is interested in the cr	res foderal income tari	•	-	•	•	-	1,756,154	0,781,700	610,223,6	757'141'1	2 12, 122, 2	221,021,1	1,015,720	10.102.0
	A final discrete the second se	M		• •	• •	• •	• •	956'117'''	251,271 • 539 549	265,943	279,239	102'562 111 010 5	307, 161	12'12	(1)'61
	Income. Adjusted Intervet Intervet	É	• •	• •	• •	• •	• •		23, 699, 203	727,169,25	12,012,269	11,550,399	659°421°61	20,012,466	22, IM, 64
	•• • • • • • • • •	ss chrybach 7		••		••	•••	•	8 23,690,283	0 25,997,434	0 12,812,269	eec. bcc. 11	e 630,679,61	20,012,006	2,10,60
		_	•	•	-	•	-	43.194	9. 528, 502	9.159.077	4.612.417	5.28.14	7.012.441	111.00.0	1.457.657
	• • • • • • • • • • •	C curry hel	-	•	•	•		1(7,609,1	291.201	307.941	121.254	(11)'611		14.11	116'24
1 1 <td>• • • • • • • • •</td> <td>t far Permie Af. MJ.</td> <td>•</td> <td>•</td> <td>•</td> <td>-</td> <td>•</td> <td>(176,428)</td> <td>0,235,301</td> <td>9,051,216</td> <td>4,289,163</td> <td>4,894,727</td> <td>1(0*157')</td> <td>7,110,259</td> <td>7,544,748</td>	• • • • • • • • •	t far Permie Af. MJ.	•	•	•	-	•	(176,428)	0,235,301	9,051,216	4,289,163	4,894,727	1(0*157')	7,110,259	7,544,748
		ITTSM CALINDIA (MC, TK)	•	•	•	•	•	ii -	5,000,293	116'52'9	1,171,057	4,346,939	1.68,28	4,034,646	877'W0'S
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$. 3∓ 	searce prefit tures thereas	• •				(NC, 7%)	44')72'442 9	19,6%9,10 9 0	51,522,565 0	26, 958 ,449 0	2/6'/62'NZ	29,712,870 0	31, 190 , 514	17'X8'H
1 1 <td>3 ¥ • • • •</td> <td></td> <td>•</td> <td>••</td> <td></td> <td>••</td> <td>••</td> <td>147'S77'R</td> <td>• •</td> <td></td> <td></td> <td></td> <td>••</td> <td></td> <td></td>	3 ¥ • • • •		•	••		••	••	147'S77'R	• •				••		
1 1 <td>. 33 ¥ ● ● ● ●</td> <td>com before deplotion pletion deducted arians less deducted</td> <td>•••</td> <td>•••</td> <td></td> <td></td> <td></td> <td>24, 142, 24 241, 145, 3 267, 121</td> <td></td> <td>812,522,18 719,554,51 0</td> <td>949,029,25 717,788</td> <td>519,105,05 560,018 560,018</td> <td>29,212,870 23,563 0</td> <td>31,190,514 569,762</td> <td>1,018,251</td>	. 33 ¥ ● ● ● ●	com before deplotion pletion deducted arians less deducted	•••	•••				24, 142, 24 241, 145, 3 267, 121		812,522,18 719,554,51 0	949,029,25 717,788	519,105,05 560,018 560,018	29,212,870 23,563 0	31,190,514 569,762	1,018,251
Image: Second	37	uable incee	•	-	•	•	•	\$E7'219'61		117'44'8	24,112,722	27,418,349	28, 789, 287	30,226,752	11,005,115
0 0 <td></td> <td>COLORDIA RIATOR TAX</td> <td>•</td> <td>•</td> <td>•</td> <td></td> <td>121.12</td> <td>2.543.346</td> <td>2.797.512</td> <td>4.641.039</td> <td>2.734.50</td> <td>3, 254, 978</td> <td>3,882,451</td> <td>4.0%,573</td> <td>1,200,402</td>		COLORDIA RIATOR TAX	•	•	•		121.12	2.543.346	2.797.512	4.641.039	2.734.50	3, 254, 978	3,882,451	4.0%,573	1,200,402
• • <td></td> <td>wrating profits</td> <td>•</td> <td>-</td> <td>•</td> <td>•</td> <td>11, 649, 655</td> <td>14, 943, 347</td> <td>0,24,515</td> <td>51,716,941</td> <td>27,140,244</td> <td>28,505,656</td> <td>616'R16'62</td> <td>31,427,496</td> <td>10,990,542 100,100,100</td>		wrating profits	•	-	•	•	11, 649, 655	14, 943, 347	0,24,515	51,716,941	27,140,244	28,505,656	616'R16'62	31,427,496	10,990,542 100,100,100
1,052,000 1,002,000 23,102,474 25,152,000 11,558,666 24,511,419 25,997,222 27,424,093 28,175,296 0 0 0 0 0 1,175,003 5,941,666 6,135,322 10,467,722 6,122,912 3,528,283 793,543 789,742 742 742 742 742 742 742 742 742 742		pl. 6 bev. expendirs		• • •			20,345,341								
المنافع ا منافع المنافع		c. for delta allouance, ad depletion allouance!			• •		11,007,003	23,767,474	25,352,907 6,338,262	41,958,888	24,511,649 6,127,912	122,1424,252	285'824 160'929'22	28, 375, 298 949, 742	152'810'1 .
	ster, for presses short (t. for presson alloce 1	Q	Q	•	d	1.419.219	207 200 (I	2077-707	31,469,144	18. 201. 737	21.906.708	26.100.510	27.405.535	28.775.812



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LEAD-ZINC PROJECT: DEITISH COLUMNIA

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"CASH FLOW SHOWING	YEAR	YEAR	YEAR	YEAR	TEAR	YEAR
PROJECT BASIS	14	15	16	17	18	19
10111111111111111111111111111111111111	84,147,893	80.354.440	92,772,170	97,410,779	162,281,317	85,078,656
operating costs A	47,498,298	51,973,284	54,571,865	\$7,308,458	60,165,401	50,857,680
Apprating profits	34,648,883	36,301,243	- 30,200,305	40,110,321	42,115,837	35,640,376
Capital expenditures	3,563,877	3,742,071	3,929,174	4,125,633	4,331,915	3,604,153
Norking capital 1	, 981, 481	041,471	883,544	927,722	974,100	{21,479,077
Hen debt	•	•	` •	•		•
Interest persents	•	•	•	•		ا
Sef. Bebt-Fast Cash Flour	30,283,525	31,797,701	33,387,587	35,856,966	36,809,814	52,915,300
bebt's principal persenti	•	•	8	. •	19	•
Bef. Tax Not Cash Flow 1	30,283,525	31,797,781	33, 387, 587	35,856,966	36,807,814	52,915,300
Federi corp. income taz :	8,006,374	8,451,870	9,359,540	9,849,262	10,356,946	8,689,927
Prenel corp. income tax 1	5,332,352	5,598,969	5,878,918	6,172,864	6.481.507	5,433,461
Provincial aining tax	4,494,422	4,719,143	4,955,100	5,202,855	5,462,998	4,454,721
A-T Cash flee (car. \$)	12,450,378	13,628,518	13,194,829	13,831,985	14,508,363	34,337,191
I STATTATATATATATATATATATATATATATATATATAT		********	***********	*************		*****
edri corp. income tax	4,843,763	4,665,189	4,287,713	4,297,280	4,303,525	3,471,966
rvaci corp. incose tas	2,693,200	2,693,200	2,693,200	2,693,200	2,693,200	1 2,170,800
revincial aining tax	2,269,989	2,269,989	2,269,989	2,269,989	2,269,989	1,779,835
lotal tax payaonts	9,806,951	9,628,298	9,250,901	9,268,389	9,266,714	, 7,422,601
CASH FLORS IN CONST. 8	a					
Sefere debt pyant CF	15,295,238	15,295,238	15,295,238	15,295,230	15,295,238	21, 141, 731
Jefere-taz CF	15,295,238	15,295,238	15,295,238	15,295,238	15,295,238	21, [41,73]
áfter-taz CF	6,208,207	6,266,940	6,844,337	6,834,849	6,828,524	13,719,656
	171117737375772 ***********	77777777777777777777777777777777777777	X X X X X X X X X X X X X X X X X X X	*******		************
EBERAL CORP.INCOME TAX	YEAR	YEAR	YEAR	YEAR	YEAR	TEM
PROJECĮ BASIS				17	18	19
Resource incase	\$4,147,893	86,354,448	92,772,178	97,410,779	102,201,317	85,098,85
Besource operating costs:	49,498,298	51,973,294	54,571, 86 5	57,300,450	60,165,481	\$8,057,690
operating profit	34,648,883	34,301,243	38,200,385	40,110,321	42,115,837	35,040,376
Inventory, allowance	252,441	265,863	278,317	292,232	386,844	(
Capital cast allemance	8	U	. •			
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ACCA (Class 28) ; CCA (Class 10) ;*	0.		•	0		6
CCI (Class 12)	.•	•	•	•	•	•
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: heseure prefit - heseure alleeance	277: "X1." YE	34,116,186 349,450,4	37,921,969 94,484,49	39,618,666 944,818,65	812"251"01 564"999"11	37,040,376 0,740,094
 Increa before Addrections Interest charges Expl. expeditures, CEE Nev. expeditures, CEE 	25,191,271 • •	27,007,135 0 216,544	29.441.492 • •	29,063,546 120,007	31, 354, 744 • •	24,200,202
- Incan before desiritan - busition descrid - Province late descrid	25, 445, B65 1, 869, 163 1	26, 846, 598 1,122, 421 9	919,92,85 227,871,1 9	1,237,59 1,237,69	31,272,18 1,2 79, 574 1	26,221,007 1,001,246 8
: Tarable incee	24,375,922	28,717,85	27,090,150	28,565,669	29,572,65	25,139,041
ErgEN foderal menes tar	8 ,775,325	9,254,469	9.752,457	19,261,025	10,790,138	9,650,343
- Industriant tax credit		14.11	116'242	412,543	161,835	346,415
Incese M less carry-bell	21,205,934	21,17,55	25,999,721	27, 359, 640	X, (9/, 12	Pt. 138, 607
- Jess carry-back - Tarable incese, adjusted)	0 23,345,934	21,671,545	0 127,049,22	074'6X'/Z	247,01,256	8 24,139,487
la perale, alsoid - Ift carry-bed	8,418,937 412,543	8,141,222 433,191	95'62'6	9,049,262 0	916,325,01 &	, (sr. ra).
: Bet for Parable Af. Al).	8,006,374	6,451,079	9,359,546	9,649,242	10,356,946	(26'69'8
Province profile	N.N.K	24, 116, 18	44,124,12	11/2/11/4 10/10/10/		3,00,016 13/2,000,376
- Interest charges - East, ennet, GE		• •		••		
I		•	-	-	-	•
= Jacas before deplotion :	34,386,42	. 34,116,100	66'126' 12	39,010,000	41,000,993	35,000,376
- Preistin skritet - Freiset las skriet	1,1,00,1 •	13'ZI'I	5X'9(1'1	1,237,690	• • •	, m. 1
: leadle laces	41'/a' n	93'E4'N	34,743,237	8(°85')	41,509,410	W1,689,U
21222222222222222222222222222222222222		A 710 IAT			10000000000000000000000000000000000000	14 PV
thereting profiles				12,011,0	4,115,00	10,000,01
 Impreciation allowance Interest normalis 	3,345,617	12'715'F	1,191,195,1	1,895,451 0	1.224	4,011,428 0
	•	•	•	•	. •	•
: he. for delte alloaners - Ernd depiction alloaners	11, 101, 111 11, 101, 11	129'221'1 154'00'2	N. M. IX. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	8,214,669 1,237,690	M,025,413 1,299,574	
: he. for presso allac	38,214,443	N.75,11	11,111,440	MI.772, N	8(3, 25, 609	24.14.45

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5.246,577		24°,821°,62
4,996,74		28,314,040
4,754,886		21,14,52
4,522,134		211,544,612
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ecretary allowers		: laceer fer assump tas
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CASH FLON SUMMAY MANECT BASIS	15AB	7EAB 2	15.14 15.14 3		YEAR S		7 7 7	YEAR B	YEAR 9	76 48 10	7648 11	YEAR 12	1 1 1
	;		179, 431, 075 67, 142, 250	100,403,449 70,499,343	197, 823, 642	207,714,024		. :	155,132,221	162,889,463 94,475,888	189'661'66 916'110'121	179,585,611	416,442,901 416,442,901
: Operating profits	•	0	112,209,425	117,904,106	123, 799, 312	112,989,951	134,489,741	102,643,153	65,1 <u>5</u> 5,785	48,413,574	71,034,253	75,425,966	79,197,264
- Capital expeditures - Mutury capital - Nur deli - Interest payments	1,30,200,600	000,017,421 055,966,25 0 0	826, 246, 938 215, 795 11	6, 685, 284 839, 278 8	7,019,549 891,242 0 0	7, 178, 526 925, 304 9	220,9{7,7 92,179 0	9, 126, 005 1, 020, 148	8,532,305 1,071,155 0	8,958,920 8,928,723 1,124,713 0	9, 406, 866 1, 180, 949 0	9,877,210 1,239,996 0	0/0°1/5°1 9/4°105°1 0
: lef. bit-fast Cash Flau		(139,299,880) (152,696,259)	105,123,375	110, 379, 544	115.898,521	(14,593,151	427,778,119	100,/12,19	sa, szs, sz	146'642'85	61,246,439	64, 308, 760	67,524,198
- Bebt's principal pynest		•	0	•	0	•	•	0	•	0	•	•	•
- lef Tax Met Cash Flow	(139,280,000)	252,200,000 (122,4%,254) (000,000 (121,275	105,123,375	110,379,544	115,896,521	121,693,447	127,778,119	100,122,29	55, 552, 125	116,022,92	61,246,438	64, 300, 769	67,524,196
- Foderi carp income tai - Prunci carp income tai - Previncial alatap tai	•••	* • •	, 11, 126, 132	(2,001,441) 2,473,454 1,549,247	14,472,945 1,264,253 2,601,901	23,990,661 3,673,674 70,115,600	25,426,776 5,116,717 31,216,276	23,404,852 4,026,126 22,502,693	14,425,950 2,485,221 12,835,379	15,256,607 2,626,196 13,563,397	16, 0%, 059 2, 769, 205 14, 327, 017	16, 754, 467 2, 915, 055 15, 130, 458	217,400,11 100,700,5 112,219,21
: A-T Cash film (cur 8)	(134,240,440)	(852,346,521) (000,005,651)	¥9,762, H01	109.231.244	559,422	74,114,512	64,016,351	611, 603, 11	25,005,775	26,843,701	28,653,154	£16.782.42	1/8,214,82
	; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ;		*******	11111111111111	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			111111111111111	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	11111111111111	****		111111111111
fedel carp increa tar	•	•	•	(2,378,549)	156'627'11	17,100,11	10,071,756	22, 149, 21	18°.52°6	9,346,258	111,022	9, 444, MC2	0 19
Prwick carp. Lacee ta: Previncial alates ta:	••		1(7"151	2,034,917	2, 557, 628	2,572,750	3.44.155 22.101.22	2, 720, 97	1,272,194	1, 612, 256 8, 326, 749	K1, 172, 1	192.92.	
	•	-	1/9'84	114,144	15,914,217	15,504,134	43,892,936	33, 793, 606	141,171,11	19, 305, 264	19, 109, 61	19.40.145	CD' NC' (I
CASE FLORE IN CONST \$													-
before dibt prant IX before-tus IX	(124, MM , MM) (124, MM , MM)	(000'05'05'07]) (000'05'05'07])	12.00.8	127. 100.1 1	127, 100,1 9	127. 198.1 8	90, 809, 524 91, 809, 524	62,900,524 63,309,524	12, 100 ,224 15, 100 ,224	125'600'51 125'600'51-	12, 19 , 2	12, 100, 221 15, 100, 221	12. 19 . 2
after-tu 6 (124, 600, 600) (138, 500, 600) 94, 554, 652 Recommendation contraction contraction contraction contraction contraction contraction contraction contraction	(000,000 ,IV])	(000'005'0CI)	10,134,62	111111111111111	74,873,307 111111111111111	55,385,390	44,916,5 0	7.514,517	16,634,633	14,54,24	16,402,217	99(),10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	16,251, 99
RERUCCION INCOLORIA IL TAL RELUCCION INCOLA IL TAL MUECI ASIS 1 1 2 3 3	1		1540 1540 3	10000000000000000000000000000000000000	5		::::::::::::::::::::::::::::::::::::::	12222222222222222222222222222222222222	11111111111111111111111111111111111111	10 10 10	11 72		9 <u>5</u> ::
- Besaurte Inceae	·. :				217,153,161 181,153,161	101,111,105 101,111,105 111,125,517	218, 100, 544 81, 411, 825	110, 375, 549 111, 575, 601		112, 100, 111 141, 100, 111	101,011,01 101,011,01	12,585,61 14,159,66	116, 175, MI
 therating profit limmiter allumers capital cast allumers data (cast allumers data (cast allumers 	• • • • •		112,785,485 251,485 251,485,415 251,485,415 251,485,415 2112,285,485	11, 100, 111 111, 100, 111 111, 100, 101 111, 101, 10	121, 27 1, 121 182, 715 1	10,18	134, 400, 741 266, 844 8	121,413,153 14,152 10,147	37, 32, 155, 775 317, 414	11,415,514 154,245	11, 143, 143, 17 177, 172	22, 423, 25 29, 25 29, 29	M2.(191.47

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: Mesaures profit - Mesaures allamanca - Incana before dadetaans - Etal- espaditures, GE	4											*****	
kraan before deductions atorest charges appl. espeditores, CE	••	••	(IN, 12) •	91,211,11 940,211,15	121,521,770 14,000,430	129,697, 006 12,424,452	197,997,91 34,045,671	102, 341, 007 25, 590, 452	14, 818, 371 14,244,543	17,014, 29 ,	12,520,11	75,035,347 18.750.042	XI'/N'N XI'/N'N
ol. espeditures, CE	• •	• •	(251,743) A	73,001,519	92,441,290	97,273,355	102,137,022 A	74,771,355	44,613,778	51,044,467	53,596,691	56, 276, 525	^{یل} 29, 090 ,351
• her annediturer fill !		• • •				0 0		0		0		ĵ	
	•	•	•						,		7441074		
= Increa before depiction [- Bepletion deducted] - Provinces lies deducted]	• • •	• • •	• • •	615'520'29 600'056'91 615'152	ee,252,090 27,222,273 8	94,742,015 23,445,504	100,325,004 25,091,271 8	75,528,998 5,617,279	17,745,527 2,559,692	20, 22, 22, 02 3/4,/84,5 0	2,171,240 2,022,060	917,979,22 131,138,5 0	36, MI, 405 3, 111, 21
: Tarable incom	•	•	•	29,424,456	4,74,819	71,054,511	75,273,013	69,883,719	45,185,837	410,017,14	MI.05.82	53,015,553	55,77 8,54 4
Grass foderal incam tar!	¢	a	•	11.74.94	ATT. 278. 24	25. SM. W	172.00.74	21 12 22	100 226 21	11 100 114	ه ۱۱ ایک ۲۸	11 PAS (1	14 (10 4
- Investment tas credit	•		• •	18.224.946	121 220	11/101	713,905	812.600	853.231	569, 268	940.647	127.106	1.037.107
Het federal income tar	-	•	-	a	15,285,545	24, MJ, 291	26, 321, 648	24, 345, 539	15,413,671	16, 293, 754	17,185,821	11.097.09	19.0M.2%
lincees bf liets carry-hold Liets Auto-Auto-	¢ q	•	•••	•	42,459,848	271,000,03 0	7,124,077	67,626,496	₹.815,752	45,260,427	ex1.427.74	50.271,003	117,000,52
= Tazable Income, adjusted			• •	• •	42,459,848	69,009,143	73,124,077	67.626,4964	42,819,752	45,260,427	0/1'92/'/1	50,271,863	11/,489,52
lar perable, adjusted - ITC carry-back	a •	G 8		2.001.441	15,285,545 004,518	24,043,291 153,231	24, 124, 668 895, 892	24,345,539	17,18,611,61	16, 293, 754 10, 107, 107	17,185,021	13,697,678 1,145,410	197, MA, 41 198, MA, 1
= Het Tar Payable Af Adj	1	-	•	(2,301,441)	14,472,945	23,990,061	25,428,776	23,404,652	14,425,950	15,254,647	16,096,659	16,954,467	\$1/,400,/1
1. Active Andrews (1990) 0 0 0 0 2, 273,454				2,473,454	3,244(255	3,473,624 5,116 3,473,624 5,116	5,116,217 10, 25, 004	4,020,126	,126 2,485,221 000 47 745 590	2,426,196 2,426,196	202, 63(, 2)	2,749,205 2,915,855 2,515 2,515 2,	4
- Ernd depits allence - Cerried less	•••			21,107	750,274,45	31,560,648	7,111,077	2,437,801	2,559,692	2,607,676	2,022,060	2,943,163	12,111,2
: Terable incese	•	•	•	909,172,44	59,350,063	63,161,346	512,120,24	73,093,197	45,185,837	47,749,016	881,942,02	51,015,551	- 55,778,564
• 000000 UNUNE 177 - 0 0 578 - 1	•	•	67.73	1.549.21	2.601.901	20.115.00	31.216.276	20, 502, 683	12,035,379	145, 542, 51	(10, (22, 1)	15,130,450	162,679,81
dperating profits - Dereciation alleunace - Expl. & Dev. expendirs			112,279,425 76,017,001 17,226,000	117,944,106 74,822,447 9	123,799,312 182,959,08	127, 199 ,277 101,928,151 0	1.36,448,741 7,307,267 0	102,683,153 7,672,630 0	65,155,785 8,056,261 0	68,413,574 8,459,074 8	71,634,253 8,642,621 0	75,425,944 9,326,130 9	N2'161'W N2'161'6
 Icc. for invitant als. Invisional allounce Processing allounce 	• • •		10,252,544 101,404,41	112,222,211	42,870,700 14,290,240 15,322,916	920,040,976 912,920,912 13,249,510	0 129,181,01 0 19,377,221	95,010,523 0 14,251,579	123,100,12 122,100,12	59,954,500 0 8,993,175	(2,952,225 	368,000,24 6 8 879,010,0	69,404,026 6 10,410,724
= Income for mining tar I IFIn otherwise percelle		• • •	1.24, 221, 121, 132	9.119.003 1.549,247	2,601,901	75, 760, 554	31,216,276	80,758,945 72,502,683	48, 534, 595 12, 835, 379	50,961,125 13,563,197	111,121,111	54,184,861 15,130,450	15,071,231
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CASH FLON SUMMARY PROJECT BASIS	14 TEAN 14 TEAN 15		47 7	TEAR 17	an fr	15. 19	2 RA	TGA 2	TEAD 27	YEAN 23	10 10 10	12M 25
Arrennes - Aperating costs	197,993,148 114,834,033	10,179,101 10,172,101		229,201,022	240,441,923 139,583,916	252,695,820 146,543,111	265, 329, 771 153, 191 , 267	278, 596, 259 161, 585, 830	771,226,072 169,645,122	9/5°3/1 9/1/30	167,509,194 187,655,797	165,206,377 95,866,096
: Operating profits	83, 157, 127	07,314,964	91,448,733	8,24,76	101,078,008	104,131,908	111,438,504	117,010,429	122,840,950	129,003,998	135,454,198	49,420,276
- Caestal ergeedstures - Nerking capital - New daht - Interest pyremits	90, 12, 100, 81 90, 12, 1 9	11,434,185 1,435,450	12,005,010 1,507,223 0	12,406,101 1,502,594 0 0	13,236,406 1,661,713 0	13, 898, 226 1,744,7 99 8	14,593,137 1, 0 32,039 0 0	1,923,527 1,923,641 0	14,000,11 2,019,015 0	16, 893, 381 2, 120, 814 0 0	900,847,711	9, 096, 750 (141, 191, 191) 0 0
= Bef. Moht-hant Cash Flee	74,900,400	74,445,428	78,147,790	82,076,085	688, 67, 1, 38	70 ,4P° 60 3	121,10,27	99, 763, 994	104,752,193	109,989,901	115,409,203	109, 431, 672
- Bebt's principal paramit	•	•	•	•		0	0	¢	0	•	•	-
- bef. Tax met Cash Flee	78,900,406	74,445,428	78, 167, 708	200,076,005	69°133, 003	90, 4 00, 0 83	75,813,3 2/	166'59'66	104,752,193	109,999,903	115,489,293	109, 121, 601
- Federil cerp. jacese tar 1 - Pranci cerp. jacese tar 1	18,757,967 3,224,743	19,714,753 3.700,010	20,712,034 712,024	181,121,12	019'191'22	23,990,444 4,124,440	75,701,490 11.111,400	24, 443, 939 4, 548, 196	111,151,15 111,121,14	31, 134, 761 5, 014, 793	32,692,241	16,851,548 2,713,438
- Previncial assing tar	14,050,113	967. '04''(1	18,742,915	112,707.61	20,942,926	21,992,272	23,179,189	24,423,348	297,027,62	27, 103, 554	21,544,991	12,222,154
: A-1 Cash films (cur s)	22,639,53	33,555,865	21''11''	2017 162 192	14,527,744	H2'EUE'H	42,302,147	44,329,510	44,594,445	46, 736, 695	11°, 11°, 125	17,44,527
NANDANDANDANANANANANANANANANANANANANANA	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	*****	*****	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	11111111111111			******		*****	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
fedel carp. Incase fur	9,474,848	9,482,595	17, 189 °	6,492,728	9, 495, 340	9,497,667	9,496,252	121'649'6	10,134,240	10,134,565	10, 134, 015	5, 69), 446
rranci carp (acour ta: beaucris) signer (a:			1/('BC9')	//5'159'1	//6,100,1	11.52.211.1	21, 23, 1	1,612,541	1,412,620	1,612,6/1		
fotal tas permuts	_	19, 440, 944	19.715,273	21,000,01	12. 2. S	19, 412, 440	042'''''''''''''	19.00, 141	21.57.12 21.57.12	20,593,397	24, 123, 455	9.615.219.6
cuim Flens Ja Cansi. ‡												
before debit pyent C	12, 100, 22	15,000,00	12,000,224	12,000,22	15,001,52	12,001,21	15,109,524	122, 100, 22	35,800,524	35,000,32	12,000,224	23,101,02
befere-tat (5 35,000,54 35,000,54 35,000,54 35,000,54 35,000,54 35,000,54 35,005,54 35,007,107,107,107,107,107,107,107,107,107	15,100,21 14,192,24	16,100.24	5,00.24 14,00.21	107,000,22 109,523,81	35,000,524 82,013,238	15,900,22 100,779,21	15, 109, 524 15, 943, 234	15, 909, 524 ~ 15, 911, 340	5,244,445	15,200,224 15,214,127	811'481'51 NS'488'51	33,101,659 23,402,077
		TCM TCM	NUMBER OF STREET	munuum KA	1731 1741 1741	TEAL TEAL	TAN TAN	1711 111111111	TEM TEM	10000000000000000000000000000000000000	10000000000000000000000000000000000000	
Besaurce inceas Besaurce assenting costs	197,993. 114,034.	NU. MT.	121.20 121.20	29'/16'ZI 29'18'ZZ	516'ERS'6E1	22,65,82 111,22,41	265,279,771 151,787,267	271, 554, 259 161, 565, 600	20,82,97	8/5°891'8/1	14, 259, 101 14, 142, 523	16. M. 17
 the alian profit the static profit<!--</td--><td>(1), (2), (2), (2), (2), (2), (2), (2), (2</td><td>1314,354 14,355 152</td><td>UT. 40. 19</td><td>8, 34, 78 68, 51 68, 51</td><td>941'EZX</td><td>11.12 11.12 11.02 11.02</td><td>111, 428, 254 577, 672</td><td>117,010,129 142,447</td><td>94'99'ZI</td><td></td><td>115,454,10 20,454,10 20,454</td><td>10.20.2</td>	(1), (2), (2), (2), (2), (2), (2), (2), (2	1314,354 14,355 152	UT. 40. 19	8, 34, 78 68, 51 68, 51	941'EZX	11.12 11.12 11.02 11.02	111, 4 28, 254 577, 672	117,010,129 142,447	94'99'ZI		115,454,10 20,454,10 20,454	10.20.2

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= Aeseurce prafiit - Aeseurce al]euence	29,726,192 29,401,423	86, 862, 017 21, 715, 794	91,205,957 22,001,409	75,744,255 23,941,544	100,554,548 25,130,642	162,542,591 26,395,574	110.061.41) 27,715,353	116,444,442 59,101,151	127,224,746 121,524,177	586'(189')ZI 186'532'821	134,752,778 31, 486 ,185	69,420,276 17,335,669
: Income before deductions - Interest charges - Expl. expeditures, GE - Dev. expeditures, GE	62,044,069	65,147,112 • •	21, 56, 15	71,024,692 6 8 80,053	424,219,21 45,012,22	79, 186, 722 8 24, 526	83,146,059 0 17,168	87,383,541 0 12,018	91, 646 ,530 8,412 8,412	94,251,956 8 8 8 8 8	221'Y	22,665,207 6 2,665
 Incom before depletion Depletion deducted Previous loss deducted 	61,896,942 3,244,887	5, M, M 3, 68, 23	6, 322, 944 3, 661, 745	11,111,11 11,111,11 11,111,11	78, 106, 87 259, 106, 8 7 259, 1 59, 105	79,162,197 4,169,440	03,129,699 114,572,4	82,392,4 828,392,4	91,444,117 91,444,449 9,424,449	94,244,047 5,044,014	101,060,02 5,321,415	2, 62, 127 2, 127, 225
: Tarable incose	S39'219'8S	61,614,732	H,731,221	00'246'U	71,449,17	11,992,789	78,756,949	85,49,56	16, 833, 43 7	91,178,653	110'6[/'54	10,23,697
Cress federal incarg tar - Investment tar credit - Information tar - Incore of less carry-bett - Loss recentable	21,107,540 1,000,962 20,018,577 55,607,160	22, 101, 344 1, 145, 410 21, 007, 895 59, 439, 592	23, 341,246 1,286,541 22,102,659 61,396,274	24,477,411 1,240,410 11,240,410 252,216,801 44,491,114	25,707,525 11,225,641 24,283,940 24,283,940	26,997,282 25,692,1 25,607,560 25,103,25	28, 358, 342 1, 459, 314 26, 991, 029 74, 697, 300	29,770,822 1,532,279 28,237,743 78,438,174	31,246,037 1,600,093 29,651,144 29,544,209	741,420,521,521,521,521,521,521,521,521,521,521	34,444,944,944 200,277,10 115,292,25 116,118,10	519'691'11 519'696 519'696 519'691'11
: larable income, adjested	55,487,148	545,454,852	1/2:342:19	64,491,114	891,222,73	11,12,110	002,169,11	78,438,174	642,442,54	84,485,447	N.111, M	111 , 111, 11
Tar perable, wijnsted - 116 cerry-bach	20,018,577 1,240,610	21,637,693 143,632,1	23'46('I 67'31'22	23,216, 00 1 1,459,314	24,383,948	25,427,548 1,448,193	825'689'1 820'168'92	29,237,743 1,773, 005	29,651,144	31,134,741 0	117,572,241 112,573,541	075'158'91 075'158'91
: Not Tax Payable Af. Alj.1	18,757,967	19,714,253	20,712,834	21,757,407	22,151,44	23,999,646	25,201,690	26,443,938	29,651,144	31,134,741	IN2'249'A	14,051,540
 BEEKE CORE. THOME TAX 1 Income before depiction 1 Erred depicts allance Carried Less 	3,224,263 61, 000,9 12 3,266, 0 07	3,200,010 5,004,964 3,430,231	1,546,217 13,546,217 14,232,941 14,01,745	3,739,464 3,739,464 3,701,439 3,701,439	1,920,548 15,300,687 3,930,922 8	4,124,400 79,162,197 4,169,448 0	4,331,302 83,129,890 4,377,941	4,548,158 87,291,344 4,596,838	4,775,839 91,668,117 4,826,680	5,014,793 96,246,067 - 5,068,014 0	5,265,446 101,666,422 5,221,415 6	2,713,436 22,662,327 2,727,225 8
= Tarable incase	531'22'16	\$1,614,72	H,731,221	*** *244*73	71,409,967	14,577,779	78,750,949	82,694,585	84,833,437	91,178,053	10,457,29	19,333,097
• emerciang profiles 1 14,450,143 17,707,300 1 • emerciang profiles 1 8,153,127 07,314,994 9 • berretiation allowate 10,327,658 10,795,161 1 • Etpl. & ber, oppendites 0,327,658 10,795,161 1	16.256.143 19.757.127 10.275	000, 707, 71 000, 707, 71 007, 016, 78 101, 287, 01	92, 202, 915 91, 202, 915 92, 202, 11	115,787,91 957,952,96 737,599,11	20, 842, 928 20, 842, 928 101, 029, 908 12, 497, 908	21,992,322 106,131,900 101,231,81	23, 178, 169 111, 438, 504 13, 778, 941	24,423,348 117,010,429 14,467,688	25,730,745 25,00,745 282,191,21	27,103,554 27,103,554 129,003,996 15,956,846	28,544,901 135,454,198 16,748,389 16,748,389	12,222,156 12,420,276 14,725,54
= Inc for investant als. - Investant allamance - Processing allouance	72,875,669 0 18,931,260	76,510,623 0 11,477,623	00,344,764 0 12,051,715	64,342,662 12,654,306	88, 580, 102 6 13, 287, 015	701, 000 ,120 0 3 33 ,126,51	97,659,563 0 14,648,934	102,542,541 0 15,381,381	879,679,679 0 16,150,650	113,053,151 0 16,957,973	118,705,807 0 17,005,071	427,493,12 0 1,204,202
 Income for aliated tar Income for aliated paralle Indeta for curried less Missing far Parable 	61,943,009 16,1158,143 16,858,143	65,040,999 86,097,201 8 117,707,300	640,205,61 219,527,81 819,527,81 819,527,81	507,507,91 112,507,91 112,507,91	75, 293, 00 7 20, 842, 926 20, 842, 926	147,728,67 222,577,12 0 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	83,010,628 23,178,189 23,178,189 23,178,189	87, 161, 160 24, 423, 348 24, 423, 348	91,519,218 25,730,755 25,730,755 25,730,765	94,095,179 27,103,554 2 27,103,554	106'145'001 106'145'05 0 2 106'145'05	44,490,519 12,222,154 12,222,154

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ARE NOT WINCH	

CASH FLOW SHIMMARY I YEAR TEAR TEAR TEAR TEAR TEAR TEAR TEAR T		TEAR 2	YEAR 3	47 - 72	TEAK S	TEAP 6	YEAR /	TEAR 8	4 2 6	16 48 10		TEAR 12	
Revenues Perating costs	90		577, 664, 601 578, 184, 641 528, 664, 601 578, 184, 641	100,403,449 70,479,445	197,623,642 74,024,331	20, 11, 124	210,100,546	188,375,549 85,692,416	155, 132, 622	162,889,463 94,475,888	119'661'66 716'120'121	179,585,633 184,159,667	10,544,914
: Operating profits	•	•	112,209,625	117,904,106	123, 799, 312	112,00,021	134,448,74	102,483,153	65,155,785	68,415,574	71,834,253	75,425,946	197,264
- Capital sependitures - Marting capital - May dabt - Enterest payments	ecc, 200, 201	134,710, 000 15,984,250 1	826,332,3 212,997 8	82'539'9 82'2'68 8	7,019,549 881,242 0 0	7,378,526 925,304 0	220,027,7 692,170 0	8,126,005 1,020,148 0 0	8,532,3 05 1,071,155 0 0	8,958,920 1,124,713 6	9, 406, 846 1, 1.00, 949 1, 1.00	9,27,210 999,239,996 0 8	8 964'10£'1 969'12£'1
: bef bebt-frat Cash files		(136,200,000) (152,6%,250)	105,123,375	110,379,544	115,898,521	121,693,447	127, 778, 119	91,537,001	\$5,552,325	58, 329, 941	61,246,438	64,306,748	67,524,198
tweeted indicating strated	•	•	-	•	•	•	8	•	•	•	•	-	-
: Bef. Tar Net Cash flew (130,200,000) (152,656,250)	(136,786,600)	(152,6%,250)	165,123,375	110,379,544	115,699,521	121,693,447	127,778,119	100'/25'26	22,522,225	146'621'85	61,246,438	64,308,768	67,524,139
- Federi cerp. income tar I. - Prvici cerp. income tar I. - Provincial sining tar	••••	•••	82 1,172,1	(2,001,441) 4,340,074 15,096,260	346,274,41 148 3,852,11 3 15,33 6,71	23,990,061 12,115,129 21,451,454	25,428,776 12,716,346 23,002,796	23,404,852 9,553,769 14, 8 71,552	61/,512,11 21/,610,3 024,251,11	15,256,647 162,352,201 13,861,109	630,200,21 110,623,3 113,623,51	734,422,311 190,509,7 191,609,7	17, eva, 71 14, 252, 7 16, 256, 200
= A-T Cash flew (cwr. \$)	(131,256,666)	(139,200,000) (152,6%,259)	556'155'76	93, 864 ,643	72,528,646	44,144,003	65,036,162	45,706,828	110,244,12	22,859,905	23,046,945	24,946,512	27,449,429
			******		` 2 2 3 1 2 3 7 1 2 2 7 7 1 2				****			******	
fedri curp. Income tar Princi curp. Income tar Premincial aining tar Total tar perments		••••	821'845'9 821'845'9 8	(92, J70, 549) 3, 502, 644 3, 512, 514, 212 515, 514, 212	11, 139, 931 9, 033, 034 13, 608, 467 33, 981, 432	12,101,723 426,224,000,41 440,000,11 46,542,54	42,170,81 420,230,4 202,316,31	15,841,325 6,446,347 10,065,631 10,101,143	9,279,0% 3,699,240 3,699,246 4,500,246 10,106,042	9,244,258 3,899,700 8,509,547 21,775,525	9,411,022 3,099,700 8,555,976 21,046,709	9,440,002 3,499,700 8,480,175 21,940,757	97,00,2 97,00,8 92,50,8 12,50,8
CASH FLANS IN CANSI. 4	•												
before det prost 07 before-tas 07 After-tas 05	(121,100,000,1551) (100,000,1551) (100,000,1551)		127,000,00 152,000,00 140,002,14	92,000,09 92,000,09 91,11,11	107,108,08 102,108,08 102,108,08	127,000,00 152,000,00 152,000,00	122,998,98 152,998,98 1122,007,34	62,902,53 62,902,53 69,36,10	12,100,22 12,000,22 20,200,21	465,108,21 452,108,21 499,11	13,942,524 13,942,524 13,942,815	15, 11 , 21, 21, 22, 21, 22, 21, 22, 21, 22, 22	15,000,22 15,000,21 27(,000,11
FLACTOR AND A CONTRACT AND A CONTRAC		11111111111111111111111111111111111111	11111111111111111111111111111111111111		11111111111111111111111111111111111111	11111111111111111111111111111111111111		11111111111111111111111111111111111111	TEAL	11111111111111111111111111111111111111	11 11 11 11	11111111111111111111111111111111111111	
Reserve large and a set of a s			MI 52'21''4	67,147,81 21,147,81	111, 121, 121, 121 211, 121, 121, 121 111, 121, 12	200,714,024 210,100,5 77,775,547 01,611,0	210,100,544 81,611,825		731,41,221 731,41,221	142,409,443 94,475,998	187'661'66 786'110'121	17, 52, 61 11, 15, 61, 101	16'15'81 16'15'81
- there is a start of the start	••••	••••	27,00.211 28,00.211 28,00.211 28,00.211 28,00.211	31, 38, 16 51, 38 51, 38 51, 38, 8 51, 34, 8	121, PM, 151 182, 172	12, 44, 27 11, 01 10, 11	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	10, 10, 151 10, 107 10, 107	117,125,785 117,111	12,215 25,25 25,25	11,444,253 117,112 114,112	15,425,81 191,591	7,197,264 10,129 10,129

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COPPER-ING TRACING PROJECT: ONTAALO

CCA (Cless 12) :	<u>۱</u>	•	٠	•	•	•	•	, •	•	•	•	•	
féseurce profit : feseurce allouance :	0 8	•	(251,783) •	97, JJ5, J59 24, JJJ, 540	123,521,720 30,000,430	129,697, 88 6 32,424,452	136,182,697 34,845,674	J82461,887 25,590,452	64,818,371 16,284,593	68,859,290 17,814,822	71,462,254 17,865,564	75,835,367 18,758,842	78,787,13 19,696,71
Incomp before deductions!	•	•	(251,783)	73,001,519	92,641,290	97,273,355	102,137,022	76,771,355	48,613,778	51,844,467	53,5%,691	56,276,525	59,090,35
Jatarést charges 🕴	•	•		s de la la	0	•	0	•	•	•	•	•	
Empl. expeditures, CEE	•	•	•	•	•	0	° 🕴	•		0	•	•	
Dev. expenditures, CDE	•	•	•	5,166,000	3,616,290	2,531,340	1,771,938	1,248,357	968,258	68 7,775	425,442	297,818	208,4
Incose before depiction	•	•	•	67,835,519	87,825,899	94,742,815	100,345,004	75,538,998	47,745,529	50,436,693	53,171,248	55,978,716	58,001,0
Supletion deducted				16,958,000	22,256,273	23,685,584	25,091,271	5,647,279	2,559,692	2,687,678	2,822,960	2,963,163	3,111,3
Previous joss deducted	4	•	•	251,783			•	•	•	9	•	•	
Taxable income	•		٠	50,624,856	66,768,818	71,056,511	75,273,813	69,883,719	45,185,837	47,749,016	58,349,188	53,015,553	55,770,5
Grass federal income tax	•	p		18,224,948	24,036,774	25,580,344	27,898,573	25,150,139	16,266,901	17,199,646	18,125,788	19,005,599	20,077,4
Investment tax credit	•	•		18,224,948	8,751,229	737,053	773,905	812,600	853,231	895,892	948,687	907,721	1,037,1
Not federal income tax 1	•		•	0	15,285,545	24,843,291	26,324,668	24,345,539	15,413,671	16,293,754	17,185,821	18,097,878	19,040,2
Income of lass carry-bok!		•		•	42,459,848	69,009,143	73,124,077	67,626,496	42,015,752	45,260,427	47,736,178	50,271,843	52,889,7
Loss carry-back			•				8			•	•	•	
Taxable incose, adjusted:	•	0	•	U	42,459,848	69,009,143	73,124,077	67,626,496	42,815,752	45,260,427	47,736,170	50,271,903	52 ,007, 7
Tax payable, adjusted	•	•	•	•	15,285,545	24 ,843 ,29]	26,324,668	24,345,539	15,413,671	16,293,754	17,185,821	18,697,878	19,848,
ITC carry-back	8	•	•	2,881,441	812,608	\$53,231	895,892	940,687	987,721	1,037,107	1,898,%2	1,143,410	1,200,5
Met Tax Payable Af. Adj 1	٠	٠	•	(2,001,441)	14,472,945	23,990,661	25,428,776	23,404,852	14,425,950	15,256,647	16,896,859	16,954,467	17,839,7
ONFARIO CONP. INCOME TAX:	•	•	•	4.368.874	11.520.694	12.105.129	12.710.386	9.553.769	6.049.715	6.352.201		7.083.301	7,353,4
forrating profit	0		112.209.625	117,904,186	123,799,312	129,989,277	136.489.74]	192, 493, 153	45.155.785	68,413,574	71.834.253	75.425.966	79,197.
Inventory allouance	Ū	i	251,783	264,373	277,591	291,471	306,044	321,347	337,414	354,285	371,999	390,599	416,
Interest charges t			•		0			0		0	` <u></u> 0		-
Capital cest allevance :	•	8	112,037,842	53,794,658	Ó	, i	0	Û	Ō	0	Ó	0	
ACCA (Class 20)	l l l l l l l l l l l l l l l l l l l		112.837.842	53,784,658	0	i	0	, i	Ő	Ō	0	Ō	
CCA (Class 10)	8	8	•	0	0	0	0	0	0	0	0	0	
CCA (Class 12) :	9	0		•	0	0	Û	0	0	0		0	
Expl. anped. CEE	0		•	0	~ O	0	0	0	0	8	0	0	
Devel. espeditures CDE 1	•	,)	•	17,220,000	•	0	0	0	0	0	0	0	
Inc. for percate delta	. •	•	•	46,715,875	123,521,729	129,697,806	136,182,697	102,361,907	64,818,371	68,059,290	71,462,254	75,835,367	78,787,
Percentage dolta allu.	•	0	0	15,571,690	41,173,903	43,232,598	45,394,228	34,120,599	21,606,122	22,686,428	23,820,749	25,011,786	26,262,
Previous less deducted		•	0	•	0	•	0	•	0		•	•	
Taxable income	•	•	9	31,143,385	82,347, \$ 18-	86,465,209	90,789,469	69,241,209	43,212,250	45,372,862	47,641,505	50,823,580	52,524,
ONTARIÓ NEMENS TAX (•••••••••••	•••••	7,571,420	15,0%,268	17,360,236	21,453,454	23,802,796	14,871,552	7,612,749	13,861,189	14,633,623	15,444,679	
Operating profits		6	112,289,625	117,964,166	123,799,312	129,909,277	136,499,741	102,683,153	65,155,785	68,413,574	71,834,253	75,425,966	79,197
Depreciation allowances 1	٠ ۵		44,220,291	45,223,083	46.276.016	39,632,594	36,918,952	38,137,853	28,552,182	7,830,482	8.222.006	8,633,106	9,064,
Emi. & Bev. ernendtrs	.		17.220.000	4312231 08 3	410,010,070 A	J7,836,379	JO,710,7JC A	0,12,422	192,302,192 N	/, 830,46 2 0	B) 666 1908	0,022,180	7,004,
and a serie arbearing 1	•.	•	1.100.000	•	•	•	• •	•	• •	•	•		

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COPPER-INLYDGENER PROJECT: ONTARIO

: Inc. for processing alu.) - Processing allowance		00,049,054 002,012,00	72, (81, (23 12, 544, 123	17,523, 296	189'92'96'96' 199'92'96'96'	687, 622, 64 874, 210, 14	64, 545, 300 9. 641, 745	34,603,603 5,936,196	10,583,092 144,583,092	63,612,207	44,772,059 10.010,979	70, 172, 502 212, 512, 112, 512
: Incose for mining the		N: 1-625 - 10	55,612,559	55,612,559 63,165,796 74,6	74,803,190	84,634,320	003,100 84,624,320 54,643,505 20,647,497	30,447,497	51,495,620	54,070,410	96, 511, 32	59,612,627

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- therating cests	20, 20, 20, 20, 20, 20, 21, 20, 20, 20, 20, 20, 20, 20, 20, 20, 20	128,577,024	210,287,459 126,446,726	291'06'21 211'14'42	240,641,973 248,641,973 139,543,916	252,695,600 144,543,111	86,29,71 15,61,247	278,5%,259 141,545,830	70,556,077 169,665,122	107,152,376 178,148,378	144°445°221	16,26,377 95,004,094
- therating profits	63, 157, 127	87,314,994	51, 483 ,19	94,244,769	800'8/0'101	104,131,908	111,438,504	117,010,429	122,640,956	129,003,996	115,454,198	19,428,2 76
- trainer expenditures - Serting capital	10,000,000	11,434,105 14,435,436	12,005,018 1,547,223	101,444,51 142,544	13.256,406	12, 181, 11 12, 181, 11	11,593,137 11,503,511	109'824'1 104'227'91	16,000,01 25,019,02	14,093,301	2,226,656	95,999,9 (1),501,61)
F the debt Interest permets	••	••	••	••	• •	••	•		90		••	
= Bef. Debt-fast Cash Flee	78,990,40E	74,445,428	78,167,786	82,074,065	600'6/1'9	%,4M,MJ	75, 013, 32 7	166,265,994	104,752,193	108, 696, 601	115,449,293	10,471,472
- Doll's principal permut	••	•	•	•	•	•	0	•	9	0	•	-
= bef. Tax liet Cash Flee	78°,988,488	74,445,428	78,167,786	83,676,005	600'621'9	90,480,88 3	15.013.327	99,763,994	104,752,195	109,496,401	115,489,293	109,431,672
- Federl corp. incese tar - Pruci corp. incese tar - Prucical ataing tar	10,757,947 7,721,140	22,417,61 701,10 372,651,01	20,712,034 8,512,554 9,115,254	21,757,487 0,938,184 20,150,185	27,851,444 9,385, 69 3 21,237,249	23, 790,444 9,854,348 22,578,446	25,201,690 10,347,066 21,576,786	824,234,85 914,434,91 914,233,145	29,451,144 11,407,440 26,156,125	31,134,761 11,978,622 27,543,366	12,692,241 12,576,923 28,997,047	92'121'11 922'42'9 922'42'31
= A-1 Cash flew (cwr. \$)	27,238,823	20,454,443	29,027,007	31,230,657	32,705,878	34,257,322	35,007,786	37,600,637	37,537,285	19,333,714	11,220,283	73,772,640
Feddl carp. incree tar	514,514,643 214,644,514	547,535,6 242,545,6	97, 989, 79 10, 100, 700	92/ 241 .	9,495,348 1 000 700	9,497,607	9,498,252 1 044 240	9,499,028 1 000 700	18,136,240 3 894 700	10,134,505 1 000 700	10,136,015 1 000 700	5, 1 97,496
Fedra carp. income tar.	010'121'6 ·	9,442,693 249,589,7	57'99'6	92/ 241 '6 92/ 241 '6	9,495,348 10 000 1	700°,707,9	9,498,252 1 844 200	100° 567' 6	10,136,240 3 899 700	10,136,585 1 899 700	10,136,015 1 000 700	5,097,696 1 sea ann
Provincial aining tar	6,422,359	75"27"	106 72 8	6, 791, 534	0,824,516	124,838,9	9,805,843	8,914,334	8,941,468	8,967,310	6,91,922	11. 121, 5
Tetal Lat Permans Cash Flans In Const. 4	mi 'ecn'22		245,691,52	cc/m1/2	9CC'617'77	11/32/27	cu/inpin	2901'(1C')22	bmb ¹ ///c ¹ 27	c/c'cm).c2	/64'820'67	cca, /8/, ul
lafwe dit wit 15	ACT PAGE 21	ACT MAR AT	163 HAN 31	ACT BOOM 21	15 POB 51	TC WHO CON	10 000 51	ACT PINE 21	10, 000 11	11 809 134	TV BUG (J)	457 101 11
before-tas C	127.000.21	35,000,221	12,00,21	35, 60 , 52	15,000,221	12, 100 , 22	35,000,524	35,809,524	15,000,22	35,809,524	35,800,524	11,101,459
After-tar G 13,753,416 13,786,391	13,753,416	13,766,391	13,664,132	13,425,570	13,589,948	13, 554, 869	13,525,729	13,496,462	12,832,116	12,805,929	13, 44, 132 13, 455, 570 13, 589, 940 13, 554, 869 13, 525, 729 13, 496, 442 12, 803, 12, 805, 929 12, 791, 807 22, 316, 425	22,316,425
FERENL OMP. INCHE TAL FEA PARKET AASIS 1 14 15	TEAN YEAN	ADDERESSEE YEAD 15	TEAD TEAD 16	TEAN TEAN	16 16 18 18	154 154 19	TEAR TEAR	TEAR 76AR	Z Z	YEAR 23	TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI TCAI	TEAN TEAN
	071'E66'261	918'249'4921 918'249'492	19,28), 26,68,	279,101,022	24,144,042 24,144,916	111,522,675 111,522,611	265, 229, 771 153, 891 , 267	278,596,259 141,585,030	272,526,072 169,665,122	307,152,376 178,148,379	707, 220, 794 797, 220, 791	165,206,377 95,066,096
 - Sperating profit - Investory allowance - Capital cost allowance 	63, 157,127 436,635 0	87,314,984 452,167 0	0 517,000,19 277,174	96,264,769 499,514 0	101.078.008 523,440 0	104,131,908 519,612 0	111,438,504 577,092	117,610,429 605,947 0	122,860,950 636,244	0 950'899 950'899	135,454,196 701,459 0	69,420,276 0 0
ACCA (Class 20)	•	•	•		0			•	•	•	•••	

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PINUECI.	
INVERTIAN AND FRANK	

CCA (Class 12)	•	•	•	•	9	-	0	•	•	•		•
: Aeseurce prefit - Ayseurce allowance	82,726,492 28,681,623	M, M2, 017 21, 715, 794	41, 205, 957 72, 100, 125	95,746,255 23,941,564	100,554,568 25,138,642	105,502,297 24,395,574	110, 001, 411 27, 715, 353	116,404,402 29,101,120	127,224,786 30,556,177	126, 335, 941 32, 063, 965	134,752,738 33,666,165	69,420,276 17,355,069
 Incree before dedections; Interest charges 	62,044,869 8	65, 147. 112 \$	877'H47'87	1,424,692 1	75,415,926 0	7,186,722 D	83, 146,059 0	6/,303,341 0	91,648,530	%,251,956	101,044,554 0	52,045,207 0
- Espl. expeditures, CEE - Pev. expenditures, CHE	145,927	0 102,149	0 105,1%	0 50,053	0 710,21	24,526	0	0 12,018	0 6,412	0 5,889	, 127 1, 122	2,885
i liceae before deplotion beplotion deducted - Previous loss deducted	61,099,942 3,244,087	65,004,%4 3,438,231	68,332,944 3,601,743 0	11,774,639 9.191,850 9	988,002,21/ 3,972,079,1	79,122,197 4,169,468 0	83,128,890 4,377,941	0 828'965'9 975'162'/8	91,440,117 040,428,4	96,246,067 5,068,014 0	101,040,412 5,121,415	22, 200, 52 22, 127, 5 0
= Terable income	58,632,655	61,614,732	122,187,14	, 808 ,249,13	71,459,967	621'244'N	78,750,949	805,494,505	96, 813, 4 37	91,178,653	10,957,29	(69 ,211,0)
Gress federal menes tas	21.107.540	22. IAL 34	21.201.240	114.477.411	25, 20, 50	(A) [M] (24 140 M		(1 240.0V)	MO ACE U	11, 111, 111	27. 14 . 435
- Investment tax credit		1,143,410	105'002'1	1,260,610	1,223,641		1,459,314	1,532,279	1,60,001	1,649,530	1,775,885	5/0,60%
= Net federal unceen tar	29,918,577	21,037,093	22,112,459	23,216,001	24, 383, 946	25,407,540	20,109,22	28,237,743	11,121,15	31,134,761	12,62,24	975,159,31
- Less carry-beck - Less carry-beck - Turable faceae, adjested		245'95'95	1/2"%C"10	• • •		011.521,17 0 011.521,17	005.764.87 0 005.764.87	9 9 1/1/1/1/1/1/1/1/1/1/1/1/1/1/1/1/1/1/		,	10/110'0X	
Tar perable, adjusted - ITC carry-back			- ¤	23,216, 80 1 1,459,11	24,282,946 142,272,1	25, 607, 566 269, 669, 1	828,101,828 828,101,1	28,237,743 1,773,805	29,651,144 0	31,134,761 0	32,692,241	842,128,21 8
= Het Tax Payable Af - Ad -	19,157,967	19,714,253	34,712,836	21,757,467	27,051,644	23,990,444	25,281,690	26,443,939	11,12,15	31,134,761	112'29'2	16,151,540
• estante cent incent i / 721.144 9.107.197 9. • estante prefit 10.1.07.127 07.134.94 91. • Envelor alleunce 10.0.635 02.167	7,721,140 13,127 130,635	6, 107, 197 02, 114, 944 02, 1167	8,512,556 812,100,119 71,171	491,482,4 491,482,48 412,191,24	. •	1,078,003 9,484,740 1,078,000 161,131,900 213,400 161,131,900 213,400 549,612	111, 434, 044 111, 438, 504 577, 092	117,010,427 117,010,427 117,010,427	11, 401, 201 824, 636, 211 122, 368, 211	950'979 964'5209'621 959'979	12,574,923 12,654,198 701,459	, 479, 224 69, 428, 276
- lativest carryes	••						•				•	
ACCA (Class 28) CCL (Class 18) CCL (Class 18) CCL (Class 12)				- • •	•••				•••			
- Expl. exped. QE - breel. espeditures CK	••		• •									
- lik. fer percita della Percentaja della alla. Previona lass dedected	44'52'2	K, K2, 817 26,554,259	91,246,957 28,481,943 8	8 200'224'15 557'797'56	10,534,548 11,612,11	165,562,267 269,191,81	110, 114, 111 1006, 127, 141 006, 127, 141	116, 404, 402 34, 101, 430	122,21,746 242,117,04	128,335,941 42,778,643	82,527,161 872,575 9	6, 426, 276, 276 1970, 186, 185 1
: Terable laces	26, 150, 997	(15°88)'(5	čie, čini, eli	63,000,173	21(")10"/"	7,26,21	73, 407, 611	711,442,472	81,463,141	12° 71	191'STO'4	44,200,107
• MTALO NUME 14 17,196,47 16,127,126 94,407 • Morating profiles 17,137,127 37,314,746 91, • Morating additional dimensional 9,510,660 3,933,967 10, • Explicitly additional dimensional 9,510,660 3,933,967 10,	1,19,01 11,12,12 13,12,12 13,12,12	₩. 141,61,61 ₩.166,4	022,211,91 812,2003,119 812,2003,119	8,1,92,18 82,,92,18 85,241,11	01, 23, 125 01, 02, 10 01, 52, 11	27, 170, 446 28, 131, 946 18, 131, 946 18, 131, 946 18, 131, 946 18, 131, 946 18, 131, 144	23,576,796 23,576,796 111,638,584 12,755,639	24, 415, 000 117, 410, 429 13, 372, 362	- 52, 1,22, 1,22 52, 006,52 15, 506,61	27,543,366 27,543,996 129,643,996 14,245,542	619°505°51 619°505°51 619°505°51	20, 201, 21 20, 201, 20 20, 201, 20

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COMER-INCIDENTE MALECI: WILLIE

142,152,12 111,131,1	187,282,487
81,107,128 85,266,475 85,589,819 93,964,266 96,683,473 163,617,647 186,784,282 114,234,642 119,564,279 54,557 1 12,178,671 12,786,974 13,425,223 14,697,423 14,662,521 15,542,647 16,319,779 17,123,766 17,592,527 6,165,719	220"/54"101 009"201"/6
114,238,454 17,135,748	97,182,488
10, 70, 52 16, 31, 77	NY'NY'24
103,617,647 15,542,647	86,075, 860
14, 603 ,671 14, 002 ,501	83, 860, 952
92,499,50 11,60,61	79.00K.42h
81,500,819 13,426,223	76, 002, 497
15,244,495 12,786,974	12,43,521
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7, 121,004 11,590,163	121,221,23
73, 439, 127 11, 045, 049	12,593,250
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CASH FLON SNIMMAT TEAR TEAR Proveet dasis 1 2 7 3	a -	YEAR 2	TEM	₩ 21	YEAR S	YEAR YEAR <thyear< th=""> YEAR YEAR <thy< th=""><th>YEAR 7</th><th>a a a a a a a a a a a a a a a a a a a</th><th>YEAR 9</th><th>YEAR 10</th><th>ay] =</th><th>1618 12</th><th></th></thy<></thyear<>	YEAR 7	a a a a a a a a a a a a a a a a a a a	YEAR 9	YEAR 10	a y] =	1618 12	
hveenes 0 13,411,05 - Operating casts 0 0 0,142,250			179,431, 0 75 67,142,256	100, 403, 469 76, 499, 363	197, 123, 142 14, 224 , 331	207,714,424 77,725,547	218,100,566 81,611,825	207,714,024 218,100,546 101,775,549 155,125,022 152,009,443 171,032,031 256,643 175,565,77 755,57 104,151,025 055,023 416 05,577,77	110,112,622 229,211,221	162, 809 ,443 94,475,888	207'661'66 716'720'1/1	179,585,633	059°275°401 116°175°401
= Operating profits	•	•	\$27'412'211	117,904,106	123,799,312	112,000,021	134,488,741	102,403,153	65,155,785	61,113,574	71,034,253	75,425,946	197,261
- Capital espenditares - Morking capital - Nov dabt - Interest, Papenets	138,280, 800 8 8	136,710,000 15,906,250 0	86,337,3 515,997	42,24,6 875,20 9	7,019,549 101,242 0	7,770,526 925,304 9	7,739,052 92,179 9 0	6,126,005 1,620,148 0 0	8,532,305 1,601,155 0	6,958,920 1,124,713 0	9,406,304,9 9,9 1,100,301,1	9,077,210 9,022,11 9	0(0'1/2'01 366'102'1
= Bef. Mokt-Pant Cash Flau: (130,200,000) (152,656,250) 105,123,335	(139,299,600)	(152,6%,250)	105,123,375	110, 379, 544	115, 6% ,521	121,693,447	611,877,751	93,557,001	\$5,552,325	116,625,82	61,246,439	64,308,74	61,622,13
	•	•	60	•	0	•	0	0	•	•	•	•	•
= bef. Tar Net Cash Finu (134,200,000) (152,656,250) 105,123,375	(139,200,000)	(152,6%,250)	105,123,375	110,579,544	115,898,521	121,693,447	127,778,119	100'255'16	55,522,125	58, 129, 941	61,246,638	61, 301, 760	67,524,198
- Foderl corp. income ta: - Princi corp. income ta: - Previncial Glaine ta:		40 40 6 0 ,	1 1 3,500,638	(2,801,441) 7,593,720 3,760,669	14,472,945 16,015,223 3,956,473	130,990,661 130,650,477 10,650,937	25,428,776 11,291,072 15, 9 93,400	23,404,652 10,482,559 11,372,548	14,425,950 6,777,676 7,200,189	19,25,44 7,162,352 7,164,199	16,0%,0% 7,552,378 8,026,40	622,159,8 212,529,5 8,1529,6	317, 429, 71 392, 235, 9 311, 499, 9
	8(/'NS'101 (652'95'(37) (000'002'0(1)	(152,694,250)	101,534,73 0		0),453,7 0 1	101.009.107 07.453.701 71.543.972 75.044.471 44.277,023 27.046.318 28.244.743 29.571.592 30.974.236 32.409.703	75,064,671	48,277,023	27,068,318	28,266,743	29,571,592	30,974,239	12,449,745
TAX PATIENTS IN CAUST. 8								Ŧ					
Fadil carp. incase tar Presid carp. incase tar Presidicial estima tar lotal tar persents CASE ABES IN CHEST. 8	• • • •		1 2,190,000 3,190,000	(2, 370, 569) 6, 247, 179 3, 100, 000 5, 976, 019	961'/92'22 998'981'5 992'091'5	17,901,753 7,953,519 11,557,156 11,557,152	10,071,736 10,024,354 11,346,355 37,442,443	15,841,325 7,095,000 7,697,402 30,633,735	9,279,096 7,0,92,4 7,6,72,873 4,572,873 18,161	9, 36, 23 28, 732, 9 24, 723, 9 26, 529, 9 21, 529, 91	5,411,42 617,213,4 7,622,91 525,912 525,912	9,440,802 4,425,157 4,622,875 10,561,913	9, 448, 782 4, 424, 448 4, 424, 448 4, 592, 853 18, 592, 853
kelere daht prast G belare-tur G Altar-tur G	(11, 11, 11, 11, 11, 11, 11, 11, 11, 11,	(88,82,81) (88,82,81) (88,82,81)	12,181,18 12,181,18 12,181,19		92,100,00 92,100,00	102,000,00 102,000,00 230,017,002	145,746,82 142,746,82 148,742,82	92,982,53 92,982,53 92,882,53	35,000,524 35,000,524 17,448,474	12,00,21 12,00,21 12,121,11	35, 89 ,55 35, 99 ,55 17, 29 ,191	92,000,22 922,000,22 913,192,11	17,219,424
RECONTRECTATION INTERVISION AND AND AND AND AND AND AND AND AND AN	- 				11111111111111111111111111111111111111	инпистрительного полнали правити правити правити полнали полнали полнали полнали полнали полнали полнали полна сполноводо так	11111111111111111111111111111111111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	19111111111111111111111111111111111111	11111111111111111111111111111111111111		
hearter lacare 0 1 1/41,025 - hearter questing cets 0 0 1 1/2,250		••	179,421,055 67,123,250	1.09,00,M	. 🖻 🌂	20,10,00,00,00,00,00,00,00,00,00,00,00,00	210,100,546 01,611,825	729,721,821 928,272,001 729,719,48 319,548,24	229'21'51 229'21'51	10,000,001 94,000,000	75'23'121'14		10,12,01 10,12,01
- Bencellas profit - Inneutory allements - Capital cost allements - Mark (flass 28)	••••	••••	22,09,05 23,05 21,05,05,05 21,05,05,05 21,05,05,05 21,05,05,05,05 21,05,05,05,05,05,05,05,05,05,05,05,05,05,	******* ******* ******	123,799,312 192,755 1	10,115	12, 18, 21 12, 18, 21 12, 28, 21 12, 28, 21 12, 28, 21 21, 21 21, 22 21, 22, 22, 22, 22, 22, 22, 22, 22, 22,	121,124,151 142,152 1	25,155,785 207,414	124,215 124,215	44'1/2 44'1/2	121, 221, 27 192, 251, 17	NG.791.47 1916 1

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COMPENSION MARCENA PRACES - NOVA SCATTLA

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CCA (Class 12)	•	•	•	•	•	-	•	•	•	•	م. •	•	•
= Arseurce profit - Arseurce allemance	• •	••	(194, 185) •	%,235,239 %,331,000	123,521,726 30,000,030	23,451,452 22,454,452	136,182,697 34,045,674	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	16, 111, 171	17,014,025 17,014,022	71,442,754 17,105,554	75,005,347	N. N. 11
: licene before polactions - Interest charges - Expl. equatores, CE - bev. expanditares, CE	••••	••••	(52) • • • •	73, 101 , 519 6 5, 166, 100 , 5	27.641.29 • •	822. <i>E1</i> 2.79	223,221,291	74,771,355		1,00,00 1,00,00	10'96'99'	57,276,255	197. 960 . 65
: lineae before deviction : - Projetion deducted - Provinses Laus deducted	•••	•••		015,230,03 000,627,61 207,125	10, 100, 100 11, 12, 12, 12, 12, 12, 12, 12, 12, 12,	94,742,015 23,645,544	100,345,004 25,001,271	75,528,998 5,647,279	47,745,529 23,622,525	59,436,693 2,407,676	51,171,246 2,622,000	317, 179,22 231,236,5	10, 10, 02 10, 10, 02 10, 11, 11
= lucible income Frans federal income tur	• •	•••	• •	51,121,154 10,221,940		71,056,511	75,273,013	61/100.01 25.161.181	16,244,901	910'61('1) 910'61'11	M1'67'8	11,210,230,41 11,200,500,61	55,778,544
 - Investment to: credit = Net federal income tu: Income Vf loss curry-holi - Loss curry-holi - Loss curry-holi - Turable income, adjusted 	••••	••••	•••• *	P 6'12.'8]	12, 129, 145 15, 285, 545 12, 459, 94 12, 459, 94	59"/62 142"590"/62 142"590"/63	28, 224, 649 28, 324, 649 73, 124, 67 73, 124, 07	24, 345, 539 24, 345, 539 67, 626, 496 17, 626, 494	42,015,752 (2,015,752 42,015,752	16,280,427 16,280,427 15,260,427	17,256,170	50,271,002 50,271,003 50,271,003	11/,000,92 11/,000,92 11/,000,92
Tax perable, adjusted 1 - 176 carry-back	• •	• •	• •	0, 101, 141	15,205,545 012,600	24,643,291 183,231	24, 224, 448 598, 899	24,345,539 940, 44 7	15,413,671 907,721 *	101'10'1 \	17,105,021 1,000,%2	10,007,078 1,143,410	19,000,256 162,005,1
= Not far Payable Af. Adj. ; e nova scotta tincne: Tax - t	••	• •	• •	(2,001,411) 7,593,720	14,472,945 10,015,323	23,990,061 10,650,477	25,428,776 11,291,072	23,404,652 10,482,558	14,425,950 - 6,777,876	15,256,647 7,162,352	14,0%,059 7,552,378	16,954,467 7,952,333	17,833,715 812,828,846
• MMM SCOTTA NEWLING TAX • MMM SCOTTA NEWLING (NCR) • • • • • • • • • • • • • • • • • • •		••••	3,580,458 200,128,471 200,428,428 20,146,174	3,564,659 3,764,669 3,954,673 3,954,673 3,954,673 2,014,242 6,0142	3,956,473 3,956,473 3,956,473 3,956,473 31,60,160	15,446,937 2007,714,027 4,154,254 22,542,710	218,100,548 218,100,544 4,342,011 34,211,853	11,372,548 11,372,548 118,737,51 112,737,51 29,519,109	7,280,189 7,280,189 3,182,454 3,182,454 24,334,540	7,44,199 162,809,443 3,257,808 25,511,208	8, 824, 89 24, 828, 171 3, 452, 653, 55	8,42,729 1,42,429 1,53,651 1,171,755 28,171,755	910,072,05 912,022,001 912,072,05
Herating profits - Herating profits - Exploration azhenditarra	•••		112,209,425 64,113,449 0	117,904,116 101,150,621 0	121, 79 , J12 22, 16 , 152 0	e 178'121'8 178'121'8	134,488,741 11,644,738 8	102,483,153 13,484,540 0	6,155,785 8,656,267 9	68,413,574 8,459,674	11,434,255 153,536,6 1	75,425,944 91,325,13 1	%'////% 70'/%''
: Inc. for processing alu. - Processing allowance			28,146,176 10,159, 500	20,553,485 9,547,016	31,031,160 8,599,255	121,742,755 18,161,151	125,446,603 18,814,000	269'6/5'51 \$19'%1'60	57,001,12 152,001,12	521'566'8 105'156'65,	62,952,275 9,442,834	216'916'9 516'916'6	69, MM, R28 10, 410, 724
: Income for alging tar	•	•	17,346,376	29,286,469	22,431,965	103,072,916	106,624,002	75,817,122	48,534,595	50, 941, 325	162'695'85	56,184,861	10°''

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CAPER-INLITICIUM PRAYECT: NOVA SCOTTA

CLUSH FLOOD SMIMLARY 1 TEAM TEAM TEAM TEAM TEAM TEAM TEAM TEAM	NEAL I	ali Si	- 1 1 11	L) L	A U	TEAR 19			TEMB 22	2 E		32
Arrenes - Gerating cests	871,199,191, 811,259,611	110'240'282	218,207,459 126,606,726	279'102'022 279'102'022	240,642,923	252,695,820	265, 329, 771 153, 691 , 267	278, 596, 259 161, 585, 830	272,526,077 169,665,122			940'990'56 /44'559'/81
= Operating profits	8,157,127	07,314,904	11, at), 19	-97, MS. W	101,078,000	164,131,906	1f1,438,504	117,010,429	122,444,550	966,100,621	13,454,190	69,428,276
- Capital expenditures - Merking capital - Men debt - Enterest pyrjants	0 940'/75''1 129'400'81	11,434,105 1,435,450 0	12, 005 ,010 1,547,223 0	12,444,101 1,542,544 0	13,234,404 1,641,713 0 0	13, 876 ,226 1,744,7 79 0 0	14,593,137 1,632,039 0 0	15,322,794 1,923,641 0 0	16,000,934 2,019,823 8	14,893,301 2,120,814 0 0	17,738,656 2,226,855	ez. ec. . (741, 531, 144) 0 0
= Bef. Hebt-Mast Cash Files	¥'86'R	74,445,428	70,167,700	210,010,00	600'6(1'%	70,400,003	75,013,2 7	166'592'66	101,527,101 *	109,999,601	115,449,293	229"129"401
bobt's principal permut	-	•	-	•	•	-	9	0	•	0	•	•
≤ bef. Tar thet Cash Film	78,946,446	74,445,420	M,167,700	201,076,005	86,179,389	99° 490° 983	12,111,27	99°,763,994	101,227,101	200,999,601	115,409,293	10, 131, 672
- Federi cerp. income tar i - Prwci cerp. income tar i - Prevlacial alaiop tar	1/5'162'6 11/5'162'6	15,214,253 12,215,9 12,215,1	20,712,034 9,799,443 10,243,957	551'952'01 124'941'01 281'952'12	541'112'01 541'112'01	23,779,444 11,244,995 11,854,441	25,201,690 11,012,642 12,451,594	26, 443, 938 12, 404, 176 13, 074, 174	29,451,144 13,025,016 13,727,003	18, 184, 761 13, 676, 700 11, 414, 277	14, K1, č1 18, 64, 11, 11	925'121'71 925'999'(
: A-T Cosh flow (cor. 4)	34,456,661	910'#1/'%	27,182,02	15,141,61	11.327,922	11,522,51	45,547,401	47,821,766	40,340,151	50,744,657	11,20	N2, 206, 278
aaaanaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaa	1718181818383828;		TTTTTTTTTTTT	, , , , , , , , , , , , , , , , , , ,	1111111111111			FIJ TUSINI SI TITI	TPTT X TT T T T T T T T T T T T T T T T		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	*****
fadri carp. incas tur Pruci carp. incas tur Provincial alaine tur Hålal tur popunts	9, 474, 044 274, 144, 974 245, 147, 147, 1475 110, 1484, 101	9,422,092 132,234,15 132,275,15 19,152,01	11, 12, 11, 12, 12, 12, 12, 12, 12, 12,	82, 574, 6 22, 574, 6 23, 254, 1 23, 253, 1	942,209,9 749,629,9 278,529,9 288,929,91	700,749,4 272,125,4 270,279,4	9,499,252 4,452,061 4,697,875 18,643,107	100,000,0 142,020,0 270,075,1 210,04,01	002,221,01, 002,222,00 278,53,9 217,105,61	10,124,565 4,422,205 4,672,075 19,282,805	675,285,61 819,251,1 819,295,1	5,007,406 2,208,619 2,109,544 9,445,049
CASH FLORE IN CONST. \$,				
before dabt pysait d' before-tus di Aftor-tus di	N7.49.22 N2.49.23 N2.49.21	25,000,22 25,000,22 17,100,171	12, 10, 24 13, 10, 24 17, 17, 74	12,100,22 12,000,22 17,1,1/1,1/1	15, 100, 22 152, 100, 22 134, 161, 71	105,000,22 102,000,22 119,001,01	12, 000, 22 122, 000, 22 22, 000, 22	35, 009,52 4 35,009,524 17,165,236	107,000,22 102,006,22 100,722,31	92, 999, 21 92, 999, 21 92, 199, 21	NS'441'52 NS'441'52 NS'441'52	010, UJ, U 101, UJ 101, UJ
RECENT CONTRACT OF A LANGE AND A LANG	4 1 1	11111111111111111111111111111111111111	11111111111111111111111111111111111111	1) 1)					- 22 7731		Тан тан тан тан	x⊈ ⊈
Resercts Lacase Resercts generating casts	67, 593, 166 116, 614, 613	20,002,010 120,577,034		:	. 2 2	: 1	25,29,71 15,691,247	5. 55 55 55 10 10	70, 52, 07 10, 62, 12		NG. 183, 191	16,206,372 75,066,095
: threeling profit - thereling profit - Cuital cost allower - Cuital cost allower - Cuital cost allower	(21, (2) (20, 40)	14,114,114, 14,112, 10,123, 10,123, 10,123, 10,124, 10	81, 80 , 11 217, 81	%, 244, 769 498, 514	101,021,161 101,122		H2, 80, 111	117,010,011 146,047	956'949'221 192'359	10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	115,454,196 701,459	10,4 2 0,2%

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CAMER-MUTHERNI PARECI NUN SCHÜN

CC1 (Class 12)	•	•	•	•	-	•	-	•	-	•	•	•
- Researce profit - Researce allemente	82,726, 0 72 20,461,423	86, 662, 617 21, 715, 784	11, 265, 957 191, 100, 52	75,746,755 23,941,544	100,554,540 254,181,65	165,592,591 26,575,574	110,041,411 27,715,353	116, 404 , 402 29, 101, 120	111,224,7%	28,138,94 12,188,94	134,722,738 13,666,185	69,428,276 17,355,669
= licens before delactions - interest charges - Expl. espeditures, CE - Nev. espeditures, CE	626,631 0 105,920	69,107,112 0 1 1 1 1 1 1 2 1 1 2	11,54 21,15	11,824,62 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	710,21 ,510,21	71,186,777 10,126 21,526	83,144,059 0 17,168	67, 303, 341 6 12, 010	91,448,538 0 0 6,412	94,251,956	101 ALL 254	22,645,287 9 9 2,865
: lacas briñe deletia - Bejetia deleted - Frevies les deleted	1,000,942 3,244,000	65,004,%4 3,430,231	6,122,94 3,411,75	1,71,63	8 681 001, 51 681 001, 51	761,531,47 133,631,4	81,128,890 4,377,941 0	9, 291, 102, 18 912, 102, 18 9	91, 623, 10 91, 121, 4	94, 246, 047 5, 048, 014	। इ.1.,152,2 इ.1.,152,2	2, 100, 127 21, 100, 127
: Tarable Lacee	501,523,62	61,614,722	H,731,221	61, 922, 888	11,409,467	11,992,729	78,750,949	82,694,505	86, 833, 437	11/12/02	110,027,29	10,22,01
Gress federal increas tar Errestment tar credit	21,187,546 1,000,542 10,000,542	22,101,24 11,143,410		26,477,411 1,240,410	25,707,500 1,227,641	201,001,11 201,001,11 201,001,11	28,350,342 1,459,314 24,801,000	29,770,022 1,512,279	31,240,037 1,400,893 20 /41 /44	12, 824, 899 1, 489, 138 1, 487, 134	34, 444, 944 268, 577, 11 268, 277, 11	219, 09 7,11 219,009 219,009
Increase bi loss carry-both	55,407,140	265'NEV'NS	61, 596, 274	11,101,114	61,733,100	011.21.11	00, 169, 17	11,61,103,03	642'197'20	36, 485, 447	IN. 110.04	
 Less carry-mex Tarable income, adjusted; 	55,407,140	245,824,82	61,396,274	44,491,114	47,733,189	71.12.110	74,697,300	78.438,174	82, 364, 289	84,485,447	10, 111, 71	101 , 101 , 11
Tar parable, adjusted - ITC carry-back	20,018,577 1,260,618	21,837,893 1,223,641	(23'69(') 1,39,692	23,216, 00 1 1,459,314	24,303,948 1,532,279	25, 487, 548 1, 608, 893	26,891,028 1,689,338	28,237,743 1,773,005	29,651,144 0	197, PEL, IE D	142'249'ZT 1	092, 128, 31 0
= Net Tar Payable Af Md)	18,757,91	19,414,253	20,712,834	21,757,487	22,851,669	23,999,444	25,201,690	26,463,938	29,651,144	31,134,761	32,692,241	16,051,560
• NOVA SCOTTA INCOME TAX	8, 74, 808	9,242,210	9,709,403	124'961'91	10,711,495	11,248,909	11,812,642	12,404,176	13,025,016	13,676,708	14,340,853	7,400,264
0 BW44 SCOTIA MINING TAX 9, 291,571 9, 754,150 10 0 BW44 SCOTIA MINING TAX 9, 291,571 9, 754,150 10 Cance revelues (MSR) 1 197,993,160 207,093,012 218 21 BW1417 1 197,993,160 207,052,018 218 21 BW141 1 3,955,063 4,157,053 218 21 BW141 1 3,955,063 4,157,055 218 (Estimated limit of MA) 21,057,751 22,610,639 34	172,185,18 142,184,181 142,184,181 147,184,181	9,756,150 207,072,010 4,157,056 22,610,620	10,243,957 210,287,459 4,365,749 34,241,179	221,221,122,122 229,102,722 729,102,722 729,102,122	11, 293, 963 240, 661, 923 4, 013, 238 37, 750, 090	11,859,661 252,655,826 5,853,908 39,639,434	12,451,594 12,451,594 265,129,771 5,186,595 41,620,156	13,074,174 13,074,174 278,596,259 5,571,925 43,701,374	13,727,883 13,727,883 292,526,872 5,820,521 45,886,443	14,414,277 14,414,277 307,152,576 6,143,048 48,180,765	191,131,191,191 191,192,192,191 191,992,192,193 191,992,193	872,579,221 572,385,211 577,382,51 157,582,521 157,582
Operating profits - Perecistion allounce - Exploration expenditures		87, 314, 994 18, 796, 161 0	9%'987'11 6%'987'11	94, 264, 769 11, 902, 767	00,078,000 300,764,51 0	104,131,906 13,122,801 0	111,438,504 14,778,941 0	117,010,429 14,467, 6 88	050,050,950 295,191,21 0	866, 100, 621 348, 026, 21 8	135, 454, 1 96 16, 748, 389 8	69,420,276 14,725,548 8
: like for processing alle - Processing allounde	72,875,849 10,931,240	74,510,823	80, 344, 744 12, 851, 715	64, 342, 662 12, 654, 306	88,500,102 13,207,015	91,000,107 13,951,346	97,659,563 14,648,934	102,542,541 15,381,381	107, 669, 668 16, 150, 450	113,053,151	118,705,809 17,805,871	51, 169, 129 201, 201
: Incess for aining tar	61,943,809	666'040'59	14.2 3,049	71,707,702	793,087	79,057,741	83,010,628	87,161,160	91,519,218	96,095,179	100,899,938	46,490,519

- COPPER-MAINTNEMMI PROJECT, ANTITISH COLUMNIA

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CASH FLOR SUMMAT		AR 2	LEAN J	7	CEAN CEAN	9 9	YEAR	TEAN B	1 2.		N =	12 read	813L
Arrennes - Operating cests	0 0 0 0 0 0 1.142,250		179,431,875	180,403,449 70,499,343	197,823,642	207,714,624	218,100,546 81,611,825	108,375,569 85,692,416	155,132,622	94,475,888	171,013,936 20,199,661,99	179,585,633	186,544,914 186,547,691
: Operating profits	0	0	112,209,625	117,904,164	123, 799, 312	129,989,277	134,489,741	102,683,153	65,155,785	68,413,574	71,834,253	75,425,944	M.197,244
- Central expenditures - Merking capital - Mer debi - Interest payments	1 36, 200, 000 6 0	000,017,251 96,250 9	826'772'9 816'662	HZ,285,4 872,258 8	7,019,549 881,242 0	7,370,526 925,304 0	7,739,052 971,569 0	8,126,005 1,020,148 0 0	8,532,505 1,071,155 0 0	8,958,920 1,124,713 0 0	9, 4 84, 844 949 01, 1001, 1	9,677,210 999,996 0 0	970,172,01 1,301,796 9 0
- Bebt's Principal Parent		(1.30,200,000) (1.52,6%,256) 8	165, 123, 375	110,379,544	115,698,521	121,693,447	127,778,119	100,722,19	85.,522,125 0	58, 129; 941	61,246,438		67,524,198
= 6ef Tur Net Cash Filew 1 (139,200,000) (152,6%,25a) 105,123,375	(134,200,006)	(152,6%,250)	105,123,375	110, 579, 544	115,898,521	121,693,447	127,778,119	93,537,001	55,552,125	58,329,941	61,246,439	64, 308, 760	67,524,199
 Federi carp incom tar Princi carp incom tar Previncial aining tar 	•••		e 6 197,191,1	(1++,1++) 9,573,558 3,402,7++	14,472,945 14, 822,606 4, 079,22 2	190,000,22 777,122,21 190,929,910	25, 428, 776 20, 530, 407 14, 411, 908	23,404,652 15,987,841 12,380,927	14,425,550 9,941,389 8,112,000	15,256,647 10,459,4 58 8,518,440	14,094,059 10,982,431 8,944,342	69,162,162,11 552,152,11 908,195,9	12, 459, 715 951, 196, 139 9, 961, 159
: A-f Cash film (cur 8)	(139,296,999)	(138,288,888) (152,696,258) 185,925,552	555'524'581	100,240,127	82,523,748	71,19,722	67,407,133	102,261,14	23,052,186	24,095,396	25,223,546	26, 431, 168	27,715,194
feel carp incese tar	• •	• •	• •	(2, 378, 569)	156'627'11	17, 100,71 000 113 11	18,67,176,81 113,000,11	15, 841, 325 200, 200	9,299,095	9, 346, 254 AC 121	20,111,9	2007 1017 10 2007 1017 1	517, 844, 9 107, 101, 1
freedal manes tar		• • •	1. W. 75	201.420	1,194,177	28,21,6	10.242,201	660,672,0	18.62.5	222,561	5, 22, 503	195,62,5	195.42. 5
CLASH FLORE JH CHIEF 3	•	5	c7/1 won'n	57/ INC 14	100'100'1	641°470°50	ccc, Mr. 34	N1 '210' CC	(18, (97, 12)	1 60 '/10'12			
Defare debt Pyrmit Click.cee.cee.cee.cee.cee.cee.cee.cee.cee.c	(124,000,000) (124,000,000) (124,000,000)	(100,102,101) (100,102,101) (100,102,101)	102,000,00 102,000,00 107,071,10	95, 100, 97 95, 100, 98 101, 74, 53	92,998,99 92,998,99 312,928,19	92,990,8 92,890,8 92,801,82	00, 22 00, 02 00, 02 00, 02 00, 02 00, 02 00, 02 00, 02 00, 02 00, 00 00, 02 00, 02 00, 00 02 00, 00 00, 00 00, 00 00, 00 00, 00 00, 00 00	63, 309, 524 63, 309, 524 28, 267, 100	35,000,524 35,009,524 14,059,645	15,009,224 15,009,224 14,797,411	92,999,82 92,999,82 967,157,11	82,000,22 82,000,22 920,717,11	92,00,2 92,00,2
ексинальны польски пол Молски развали и польски польск Польски развали польски	75AB	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	т. 1 1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	11111111111111111111111111111111111111	A T	жени тем	TEAL TEAL	БАЗТ 9		танинини КА 	тан тан 12	т. 13 13
Reserce acces	:		179,421,425 186, 179,142,226 78,	180,483,469 281,699,165	197, 123, 442 197, 123, 442 74, 624, 131	114,837,11	210,100,544 210,100,544 01,611,025	100, 375, 549 15, 692, 016	155,112, 6 27 155,112, 6 27 15,977,637	112, 895, 413 94, 475, 880	119'441'44 756'119'121	179,585,413 184,159,447	10, 54, 914 10, 24, 914
: therating profit - Jeveniery allemente	••		27,05,011 251,05	117,944,11K 244,213	123, 779 , 312 192,715	10,15	15, 15 , 21 15, 25, 21	181,184,581 141,151	65,155,785 327,414	11,413,574 354,205	11, 814, 151 111, 112	75, 425, 946 390, 599	NS.(81.47

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- Containg profit - Invationy allowater - Capital cest allowater accs. (class 20) cca. (class 20)

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COMEN-MAXIMUM MAXCI: ALITISM CALMALIA

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CCA (Class 12) /		•	-	-	•	-	•	•	-	-	•	•	•
: Assance profit - Assance allounce	<u>)</u>	••	(251,703) •	97, 115, 159 24, 111, 840	123,521,728 30,886,438	129,497, 96 4 221,451,42	134, 182, 497 34, 045, 674	102, 341, 007 25, 590, 452	142,818,43 142,818,43	528, 630, 64 17, 014, 223	12,224,17	75, 615, 347 19, 756, 942	121'12'8
r liceae before deductions - listorest charges - Espeditures, QE - Drv. espeaditures, QE	• • • •		(12/ 152)	73,001,519 0 5,164,000	92,641,290 6 3,616,200	821,217,119 0 041,112,12	0 8 8 9 8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	76,771,355 0 1,240,357	87, (13, 778 9 8 842, 258	51,844,447 0 0 007,775	51,5%,691	24,2/4,2/5	5. 60 . 25
- lices brfere depletion - belation deacted - Previews lies deacted			•••	915,230,73 900,829,61 207,125	09,025,090 27,254,273	94,742,015 23,685,504	100, 345, 004 25, 001, 271 0	75, 530, 998 5, 647, 279 0	2,559,692 0,765,529 0	50,434,493 2,607,676	53,171,246 2,022,066	317,879,22 21,534,54	3,111,221 3,111,221
: Terable inces	•	-	-	51,121,15	64,749,010	71,056,511	75,273,813	69,663,719	45,105,037	47,749,016	50, 349, 180	53,015,553	\$5,778,564
Gress federal income tax: - Envestment tax credit -	•			10,224,948	24,034,774	25,500,344 737,653	272, 990 ,72 202,200	25,158,139 012,400	16, 266, 9 61 171, 271	449 '481 '71 9199 '481 '71	10, 125, 700 144, 427	665'500'61 144 JW	201, 170, 05 701, 174, 1
= Het federal Jacono tar Lacono bf less carry-jock - Lass carry-bock					15,285,545 42,459,848	142,509,05 241,009,63	26, 324, 668 73, 124, 077	24, 345, 539 67, 626, 496	15,415,671 42,015,752	16, 291, 754	120,201,71	10,077,078 50,271,003	NC. 000. 61
: Tarable lacees, edjested	•	• •	• •		42,459,848	11,000,01	73,124,077	67,626,496	42,015,752	45,240,427	11,254,17	28°, 171, 883	111/1400'25
Ter perable, adjected - TFC carry-back	••		•	0 2,001,441	15,285,545 812,600	21, MJ, 291 153, 231	24, 121, 648 895, 892	24, 345, 539 940, 687	15,413,671 127,789	16,293,754 1,037,107	17,185,821	18,897,878 1,143,410	19,040,2%
= Net Tar Parable Af Ad) ;	-	•	-	(2,001,441)	14,472,945	190'864'52	25, 429, 776	23,404,652	14,425,950	15,256,647	16,0%,859	16,954,447	17,009,115
					3,521,72	125,657,000 134,182,69 127,697,006 134,182,69 8		15, 987, 641 15, 987, 641 102, 361, 907 0	9,961,389 64,819,371 64	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	18,982,431 71,442,254 0	11, 531, 553 732, 353 0 0	12,100,130 74,787,135 0
- Income before depletion - begleting deducted				20, 12, 12, 12, 12, 12, 12, 12, 12, 12, 12	u 123,521,720 30,680,430	129,497,406 129,424,452	0 34,182,697 - 7,867,683	02,361,607 2,437,901	u 64,818,371 2,559,692	8 68,059,290 2,687,676	71,442,254 2,822,040	u 75,835,367 2,963,163	
- Terable incom	• •		• •	29, 054, 736	92,641,290	9 22,273,355	0 [28,315,v13	9, 924, DO S	u 42,259, <u>6</u> 80	u 413,172,23	0 194,648,194	72,072,264	75,475,014
0 0 0 1,197,823 3,447,300 0 0 0 1,197,823 3,447,300 0 0 0 122,299,425 117,994,104 0 0 0 12,299,425 117,994,104 0 0 0 12,299,425 117,994,104 0 0 0 74,417,000 0 0 0 10,100 74,417,000 0 0 0 0 10 10,100 0 0 74,417,000 0			1,197,423 112,299,425 76,617,001 9)	3,447,300 3,447,300 117,904,106 79,822,647	0 123, 79 , 122 123, 79 , 121 121, 799, 121 0 0	0 9 102,929,927,11 929,929,921 929,929,921	14,411,800 136,480,741 7,307,267 0	12,380,927 182,683,153 7,672,430 0	8,112,600 6,112,600 8,056,261 9,056,261	8,518,440 68,413,574 6,459,074 8,459,074	9,44,342 71,814,342 8,882,028 8,882,028	0 01, 131, 9 062, 182, 9 061, 351, 9 0 01, 351, 9	9,461,159 79,197,264 9,792,40
 Ered depiction allounace 	• •	• •	11,222,544	844,148,65 844,077,6	42, 870,7 80 10,717,695	90,040,976 24,515,244	12, 181, 11 12, 285, 369	95,010,523 11,777,403	57,099,524 2,559,692	59, 954, 589 2, 687, 676	42,952,225 2,822,048	64,009,814 2,943,163	127'111'5
a linc. for preisney allunc	•	•	13, 499, 406	29,311,080	32,153,085	73,545,732	96,886,106	83,233,121	54,539,832	57,266,824	69,130,145	61,136,673	105,507
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COPPER-HOLTINGENIN PROJECT BETTEN COLUMPLA

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a - Processing allounce	ą	•	6, BHI, 7H	9,612,224 8,541,246 11,601,646 14,522,916 12,484,948 8,180,975 8,590,424 9,619,525	8,843,246	11,031,040	14,532,916	12,484,968	8.180.975	8.590.024	9.019.525	2017-00-00-00-00-00-00-00-00-00-00-00-00-00	NAL MAL

= income for manage tar it	æ	0	6,844,794	M 19,459,654 23,309,846 42,513,672 82,353,190 70,748,153 44,558,657 46,674,600 51,116,444 53,454 179 54, 46, 46	23, 309, 848	42,513,872	82,353,190	70, 748, 153	46.358.857	49.474.000	51.110.444	21	100 M

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COMER-INCOME PARCEL ANITZY COLUMPLA

CLAIR FLOW SUMMARY : FEAR FLAM		a rear	47 1	11 12		13 13	TAAR 20	16 MB	75 K	164 23	1 1 2	ar Ar
hrmmes therating costs	197, 595, 160 816, 816, 811	NU'LLS'NZI S			244,661,923 219,582,916	111,522,403,403		278, 596, 259 161, 585, 030		307, 152, 376 178, 160, 376	141, 182, 521 111, 182, 183	115, 201, 177 35, 001, 001
: ther ation profits	61.157.127	7 07,314,904	91,640,733	N.24.76	101.071.000	104,131,900	111,439,504	117,010,429	054'078'ZI	129,003,990	135,454,194	69,420,276
- Control especificaries - Marting cuitui - Mar Abk - Interest paramits	1,347, 696	4 11,434,105 6 1,435,459 6 -	12,005,018 1,507,223	12,446,101 1,542,544 1,542,544	13,236,406 1,661,713 1	8 642, 804, 21 842, 847, 11 8	14,593,137 1, 6 32,039 0 0	15,322,794 1,923,641 0 0	16,000,934 2,019,623 0	147,873,31 2,120,814 8	17,738,656 2,226,655	9,000,758 (141,591,69) 9
: bef. mit-hait cach f	100'R	. 74,445,428	74,167,766	00,0%,005	68,179,889	90,440,863	95,013,327	163, 194	104,752,193	100,909,001	115,449,293	10,431,672
- bol's principal paper		•	•	•	0	•	0	0	•	•	•	•
: Bef. Tar Het Cash Film	N, NY, N	a 74,445,428	38,167,786	20,0%,005	84,179,889	90,446,963	95,013,127	99,763,994	104,752,193	109,999,983	115,40,293	10,431,672
- Federl corp. Inceme tu - Preucl corp. Inceme tu - Previncial ataleg tat	1 18,757,%7 12,713,537 10,354,217	19,114,253 119,214,253 119,214 119,119 119,119 119,119	20 ,712, 036 14, 016,674 11,415,524	21,757,407 14,717,500 11,906,301	22,451,464 15,453,303 12,545,616	23,999,444 23,999,445 16,226,853	25, 201, 690 17, 101, 155 19, 279, 641	26,463,938 17,889,223 14,569,423	29, 161, 164 18, 783, 194 15, 297, 894	11,134,741 11,722, 848 16,062,799	22,692,201 20,709,012 16,065,779	121,121,121,11 1000,1021,01 121,127,7
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- Income before deductions: - Interest charges - Expl. expeditures, CE - Dev. expeditures, CE	42,044,069 0 145,927	65,107,112 0 102,149	21,55 • • •	249,459,11 0 1 1281,62	75,415, 926 0 0575,037	79,106,722 0 24,526	63, 146, 05 9 0 17, 168	87,303,361 0 12,018	0 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	96,251,956 0 5,009	101,044,554 0 1,122	52, 845, 707 2, 885
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Grass federal income tar	21,107,540	MC'101'22	23, 343, 240	24,477,411	25, 707, 546	26,997,382	24, 350, 342	220,077,65	31,260,637	160'128'27	34,455,446	17,746,635
> Investment tat creekt i a liet federal incese far 1	20,010,577	1,143,410	10, 00, 10 22, 102, 439	1.240.610	143,522,1	25,407,540	24, 091,028	21,222,212 21,232,123	1,40,403,1	1,649,151	17,12,002,241	670'444 675'158'91
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= Net las Payable Af. Alj ;	18,757,567	19,716,253	28,712,636	21,757,467	22,851,648	23,791,444	25,201,690	26,463,938	79,651,144	31,134,761	102'269'2	16,851,540
• AutiFilm cummin inc fri 12,713,527 13,349,214 14,616,674 14,717,566 15,453,333 • Reserves profit 12,726,477 66,604 14,916,674 14,717,566 15,453,333 • Reserves profit 12,726,477 66,662,817 91,265,957 95,766,755 100,554,560 • Interest charges 0 0 0 0 0 0 0 • Expl. expeditures CKE 0	• • 49'92'28 45'512'28	15,96,21 15,96,30 10,00,30	0 6 756'592'16 756'592'16	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	15,453,785 180,554,568 0 0 0 0	16, 226, 653 17, 637, 355 16, 582, 297 110, 641, 411 0 0 0	17,427,355 17,427,355 0 0 0 0	0 8 200, 400, 411 200, 400, 411	18,743,444 18,743,444 122,224,796 0 0	,	0 0 0 10'60('92 10'60('92	10, 421, 24 12, 421, 24 12, 421, 24
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APPENDIX B

AUSTRALIAN MINERAL TAXATION SYSTEM

B.1. DESCRIPTION

(1) COMMONWEALTH INCOME TAXATION

Commonwealth Income Taxes are assessed on 'taxable income', defined as gross income less exempt income and allowable expenses and deductions. Revenues and deductions may be "pooled" within a mining company for income tax purposes.

Gold mining income is completely exempt from Australian income tax, provided that:

- i. More than half the mine's income is from gold; or
- ii. More than 40 percent of the income of a gold-copper mine is from gold.

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When gold income is exempt, the expenditures associated with gold mining are not allowable deductions for the purpose of determining a company's tax base. This exemption applies to both residents and non-residents.

Tax Calculation Format:

Revenue

- State Royalty Payments
- Operating Cost
- Net Income before Allowances
- Carried Loss (from year X-1)
- <u>Capital Deductions</u>
- If negative: carried loss (for year X+1) If positive: taxable income Income Tax Payable

Carried Loss:

To the extent that net income is not available to absorb new deductions in any given year (and any carried loss from the previous year), the balance constitutes a 'carried loss' which may be brought forward to the next year for deduction. Losses may be carried forward in this manner for up to seven years before they are eliminated.

Capital Deductions:

'New deductions' are based on capital expenditures, and are determined according to the following rules:

- i. Exploration expenditures:
 - Includes mapping, geological, geophysical and geochemical work, drilling, exploration shafts and development, prior to making a decision to commence mining;
 - Feasibility studies, metallurgical testing and similar pre-development work are usually allowable.

Exploration expenditures are deductible in the year incurred, but the deduction is limited to the amount of income available from mining after all other deductions have been taken. Undeducted expenditures may be accumulated and deducted against any subsequent mining income.

ii. Capital expenditures for normal depreciable assets:

Basically, there are two applicable rates:

- General plant, equipment and machinery, at 20 percent straight-line;
- Heavy-duty machinery, at 33 1/3 percent straight-line. For study purposes, it is assumed that 15 percent of underground mine plant and machinery, and 20 percent of open pit mine plant and machinery qualify as heavy-duty machinery.

These rates do not change if the remaining mine life falls below 5 years or 3 years, respectively. Deductions must be taken. The applicable rate is determined by referencing the depreciation rates published by the Commissioner of Taxation. If the published straight-line rate for an asset, combined with the current 'loading' of 18 percent, is 20 percent or less, then the 20 percent rate applies. If the published straight-line rate, combined with the 18-percent loading, exceeds 20 percent, then the 33 1/3-percent rate applies. The published straight-line rate is, theoretically, (1.0)/(useful life of asset) x 100 percent. The 'loading' represents a provision for accelerated depreciation.

An investment allowance is granted on capital expenditures for normal depreciable assets, irrespective of which rate is applicable. The allowance takes the form of a tax deduction of 18 percent of eligible capital expenditures in the year first used, in addition to the normal tax deduction for which the expenditures would qualify (outlined above). This deduction must be taken. The investment allowance provision terminates in 1986.

Port facilities, such as cranes, conveyors and shiploaders are eligible for depreciation and investment allowance as 'normal depreciable assets' as outlined above. The provision of housing and townsite facilities at port sites is not deductible.

- iii. Capital expenditures for special mining assets:
 - These capital expenditures are deductible at 10 percent per

year on a straight-line basis when the remaining mine life is ten years or more, or by equal annual amounts when the remaining mine life is less than ten years.

A deduction may or may not be taken. It would not be taken if a 'carried loss' so created was considered to be imperilled by the seven-year loss-carry-forward limitation.

Buildings which are not specifically situated on mining property or at a treatment site may be eligible for depreciation over 40 years (i.e. 2.5 percent straight-line), if the buildings are used for the income-producing activities of the business. This special deduction does not apply to buildings which are primarily used for residential purposes.

iv. Transportation facilities:

- Includes capital expenditure for roads, railways and pipelines used in transporting products from the mine site. Port development costs for dredging, breakwaters, navigational aids and surveys are also included. Road vehicles, railway rolling stock, ships, etc., are not covered by this provision but are eligible for depreciation and investment_allowance as 'normal depreciable assets'.

These capital^A expenditures are deducted at a straight-line depreciation rate of either 10 percent or 5 percent, at the taxpayer's option. This deduction must be taken. The 10-percent rate would normally be selected unless a 'carried loss' created by the deduction was endangered by the seven-year loss-carry-forward limitation.

v. Payments for the purchase of a mining property:

- The value of various types of assets specified in the purchase agreement for a mining property are allowable as 'new deductions'. Deductions may not exceed the vendor's actual expenditure on the property, reduced by any deductions already claimed.

Tax Rates:

Australian income tax is imposed at the normal corporate rate of 46 percent of the taxable income of resident companies (basically, companies incorporated in Australia). Tax is payable in the year following the year for which it is assessed.

Nonresident companies (e.g. a Canadian company operating through a branch) are subject to an additional tax of 5 percent of taxable income.

These taxes are collected by the Commonwealth and are re-distributed in specific proportions to State and local governments.

Withholding taxes on remittances to overseas residents are at the standard rates of 10 percent on interest and 30 percent on dividends (or 15 percent on dividends in the case of Canada and other countries where a tax treaty applies). However, profits of an Australian branch of a nonresident company can be remitted to the foreign head office free of withholding tax. In this case, a branch profit tax of 5 percent must be paid, as mentioned above with respect to nonresidents.

_ (2) STATE ROYALTIES

There are seven states, or political divisions in Australia which impose royalties and, as there are a variety of bases and rates, the payments vary substantially. States may also enter into agreements with companies for the determination of royalty payments. State governments also levy a stamp tax on business transactions and a 5 percent payroll tax. Local governments levy real estate taxes.

The simplified state royalty regimes outlined here only apply to the metals of main interest to the states: copper, gold, lead, silver,/tin, tungsten, zinc, uranium (South Australia only), nickel,(Western Australia only), and bismuth (Northern Territory only).

QUEENSLAND

Royalty Base (Net Income) Calculation Format:

Metal Revenue (cif market)

- <u>Smelter Payments and Transportation Costs</u> Concentrate Revenue (fob mine)
- Operating Cost
- <u>Depreciation Allowance (assume straight-line over mine life)</u> Net Income

'Rail freight' royalty:

5 percent of concentrate revenue as 'rail freight' royalty (for any mineral from which 'adequate' rail freight profits are derived).

Queensland royalty payments:

In addition to the generalized 'rail freight' royalty, one of following royalties is added depending on the minesite.

Mount Isa Mines Agreement:

Copper ore and lead/zinc/silver ore separately assessed;

\$2.00/tonne varying with the ratio of current realizable value of contained metals per tonne of ore and the average realizable value in 1973-74.

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Other Mines:

Lower of 2 percent of concentrate revenue exceeding \$30 000 or 5 percent of net income exceeding \$30 000.

SOUTH AUSTRALIA

2.5 percent of concentrate revenue for all metals.

WESTERN AUSTRALIA

Gold: nil

Nickel, tin: 2.5 percent of metal revenue.

Gobalt, silver, platinoids: 2.5 percent of concentrate revenue.

Copper, lead, zinc, tungsten and others: 5 percent of concentrate revenue.

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: thereting profits	•	-	4,118,675	4.51.20	4,774,549	5,013,296	5,243,943	19728'5	5,003,519	6,003,695	6, 3 0 , 36	• 6,710,279	•
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: Bef. Tas Net Cash Fiew 1 (5,326,650) (6,753,915)	(9;756,650)	(\$16`f\$2'9)	156'/10'1	4,218,849	14,420,1	4,651,281	4,003,045	5,128,037	5,24,439	5,453,461	ME, ME, 244	8,214,247	-
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Committh income taxes	•	-	-	•	•	•	9	9	•	€ •	•	•	•
State regality perments		•	517,64	521,538	525,254	511,122	53' FS	545,624	25,25	548,225	111,912	550,594	•
Total tar personts	0	0	517,634	521,538	52,25	524,972	547,225	545,624	246,925	548,225	519,433	550, 564	-
CASH FLONS IN CANSI. \$								-				,	
before dubt prant C	(5, 873, 840)		3,478,857	3,470,057	3,479,857	3,470,857	3,470,057	3,470,457	3,470,657	3,478,657	3,470,657	4,574,860	•
before tar C	(5, 873, 660)		13,478,657	3,478,057	3,470,857	3,470,057	3,478,857	3,478,057	5,470,057	3,470,857	3,478,857	4,574,000	•
After tas Cf	(8, 873, 809)	(000,125,000)	2, 53, 224	2,949,319	2,945,601	2,935,865	21,926,632	2,925,233	106,252,501	2,722,633	2,921,424	4,023,416	•
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Eress revenues	•	•	9,181,124		10,122,109	10,628,277	11,159,713	11,717,699	12, 301,544	12,918,763	13,564,701	14,242,937	•
- State reveity peresets	•	æ	922,022	11,111	670,375	716,914	115,779	806,135	848,546	893,800	111.426	697, 896	•
- Operating costs	•	•	1, 550, 419	126'240'5	5,347,620	5,415,001	5,895,751	6,190,538	6,500,045	6,025,040	7,166,322	7,524,638	-
= Hot inc. before alluncs	•	•	3,731,449	3,913,276	4,104,195	1,2%,34	4,496,183	1,777,02%	110,535,4	5,200,695	5,459,443	5,129,529	•
- Carried Less	•	316,915	11,12	•	•	•	0	•	•	0	0	•	•
- Investment allemances	•	•	45, M 2	48,134	13,8	53,060	55,721	56,5 8)	11,433	195'13	67,729	71,116	•
- heyreciation allowances !	26'915	112,003	1,4 <u>9</u> ,216	1,478,739	_د 1,459,264	1,273,326	160,070,1	1,092,164	1,104,948	1,122,455	1,139,745	1,155,851	•

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alalag daip. (ME)		•	3.2	3.2	35,25	75, 640	7%,640	259,357	796,440	736.648	3.5	796,648	•
exploration (TEE) 0 0 0		•	•	-	•	•	-	•	-	9	-	-	•
= Tarable incase	(316,915)	2) (946,643)	1,21,67	2,38,441	2,594,39	164'696'2	3,364,371	3,570,355	3,766,630	4,013,736	4,252,100	1,582,563	•
Comparish increase tares		•	-	-	-	•	•	0	•	6	-	•	•
	*****)2222214282829983844444444488888888888888888888	*************	1220222222222222	196988888888888888	101000000000000	**********	**********		***********	************	**************	
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rail freight revalty	H :	•	159,654	480°201	561,100	531,415	557,964	505,805	615,179	645,938	678,235	712,147	-
cenc. rev. reyality del	ï	•	220'501	H2'21	501, B44	211,944	HS'22	233,754	245,472	251,175	274,694	204,259	-
net income regulty		-	140,149 -	151,924	14,265	105,499	207,794	220,250	211, 129	247,042	261,482	276,622	•
STATE BOTALTY PATHERI	15 1	-	599,226		670,375	716,914	765,279	006,135	848,566	900°56 0	111,926	69/ 886	•
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CASH RAN SAMAN' FLA	a –	a ~	3 ~		2	a ,	a 2		a .	1 1 1 1	a = :	12	3월 11 1
breass berating cats	••	•	9, 101, 124 4, 656 ,445		10,122,109 5,347,658	10, 621, 299 5, 615, 001	n. 159, 713 5, 195 , 731	11,717,699 6,190,530	12, 303, 504	12.918.743 6,025.060	13,544,781	14,542,937	• •
= therating profits	•	•	4,338,675	1. 57, 28	4,774,549	5,013,290	5,263,963	* s, \$27, 161	5,803,519		1 17, 185, 14	6,710,279	•
- Carital especificars - Enting carital - Inn AN - Estarst anale	67'%Z'S	100,592,2 110,101,1 0	24.67 24.67	267,411 60,969 0	280, 782 63, 996 0	121, MT 201, 13	575, 692 322, 65 0	8 9 190'12 10	11, 295 BW, 71 B	138, 137 16, 19 10 10	374,275 85,761 8	e (((1)'1(4'1)) 100'54(
= hof, mot that Cash Flact - holt's principal present	(5, 726, 458)	(\$16,127,3) •	9 156'(10't	4,218,849 6	•	4,451,281	4,843,845 0	5,128,037	5, 184, 679	5,653,661 B	6,9%, 34	8,214,247	• •
= Mef. Tar Net Cosh Flow 1 - Committh Incore Lares - State Yeyally Arrents	(95, 256, 659) 0	(\$19,£27,4) 0	124,510,1	. 4,218,649 8	1.4%, 201	4,451,281	4,883,845 0 0	5,128,037 0 0	5, 384, 439 0 0	5,653,661 0 0	5,936,344	8,214,247	
: After Tax Cash Flee	(057'92''S)	(516'152'9) (059'921'5)	4,017,951	4,218,849	4,429,791	4,651,201	4,863,845	5,128,037	5, 384, 439	5,653,661	5,936,340	8,214,247	•

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(3,07), (4) (4,15, (6)) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 3,704, (5) 4,504, (6) 0 <th>TAX PAYTENTS IN CAUST. 4</th> <th></th> <th></th> <th></th> <th></th> <th>•</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>	TAX PAYTENTS IN CAUST. 4					•								
(5,073,000) (1,156,000) 3,470,457 4,574,400 9,544,400 9,411,112 4,470,457 4,544,400 9,411,112 4,470,457 4,544,400 9,411,112 9,444,400 </th <th>Commulth income tares State regility personats Total tar personats</th> <th>, </th> <th></th> <th>,</th> <th></th> <th></th> <th>6 G G</th> <th></th> <th></th> <th></th> <th>G (D) (D)</th> <th></th> <th>5 5 6</th> <th>• • •</th>	Commulth income tares State regility personats Total tar personats	, 		, 			6 G G				G (D) (D)		5 5 6	• • •
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(5,073,000) (6,125,000) 5,170,157 3,470,157 1,410,157 1,410,157 </td <td>lefore debt numt C Lefore ter C</td> <td>(5, 073, 000) (5, 073, 000)</td> <td>(990, 321, 990) (990, 321, 91)</td> <td>3,470,457 7,470,457</td> <td>3,478,657 1,478,657</td> <td>3,470,457</td> <td>3,470,057</td> <td>3,470,457 3,470,457</td> <td>3,470,857 3,470,857</td> <td>3,470,457 7,470,457</td> <td>3,470,857 3,470,857</td> <td>3,470,857 1,470,857</td> <td>4, 574, 000</td> <td></td>	lefore debt numt C Lefore ter C	(5, 073, 000) (5, 073, 000)	(990, 321, 990) (990, 321, 91)	3,470,457 7,470,457	3,47 8,65 7 1,478,657	3,470,457	3,470,057	3,470,457 3,470,457	3,470,857 3,470,857	3,470,457 7,470,457	3,470,857 3,470,857	3,470,857 1,470,857	4, 574, 000	
FLAI TEAI	After tas 65	(5,073,000)	(125, 100)	3,00,657	3,47,67	3,470,857	3,478,657	3,470,857	3,470,657	3,479,857	3,470,657	3,470,457	1,574,600	•
0 0		YEAR	TEM 2	124 1		1640 5	AE AB	1838 ,	YEAN B	TEAN •		11 11 11	YEAR 12	TEM 13
0 0			•••	9, 181, 124 8 4, 850, 449	9,640,100 0 5,692,971		10,420,299 0 5,415,001	11, 159, 713 0 5, 09 5, 751	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	12,303,504 0 6,500,065	12,918,763 8 6,825,068	13,564,701	14,242,937 0 7,524,638	6 6 6
	 Mit inc. before allances Corriad loss Terretionet allouances Representation allouances 	0 0 216, 918	0 516,415 0 117,948	4, 338, 675 946, 643 45, 842 45, 842 700, 646	-	4,7,4,569 0 50,541 542,623	5.013.290 53.048 176,685	5, 26,3, 96,3 0 55, 721 281, 451	5, 527, 161 0 58, 507 295, 523	912,208,2 0 204,13 705,215	6,093,695 6 64,504 525,814	6, 398, 380 9 162, 729 342, 105		

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nerael+scc (7)		244,902	545,045	552,985	(97,16)	662,623	21,12	161,185	275, 523	310, 299	125,814	342, 165	359,210	•
Period Active (Tell	-	72,039	147,641	147,641	15,631	0	•	0	•	•	•	6	-	•
nining oquip. (YKE)		•	•	•	•	0	•	0	0	0	•	9	•0	-
exploration (TEE)		••	•	•	•	•	•	0	•	•	0	•	•	•
= Tatuble lacene 1 (316,922) (946,643) 2,417,545 3,016,976 4,641,405 4,443,545 4,726,791 5,173,120 5,431,78P 5,703,576 6,287,972 0		(224,915)	(946,643) 2,617,545	2,617,545	3,016,976	4,061,405	4,443,545	0(1'121'5 142'924')	5,173,130	5,431,702	5,431,702 5,703,376	5,968,545 6,287,972	6, 287, 977	•
Committh income taxes	<u>.</u>	•	-	•	•	8	•	0	0	•	0	•	÷	•
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	13,544,781	•	111,400	•	•
	12,918,763	9	122,969		
***************************************	12,303,504	•	307,598	•	•
**********	11,717,699	•	216'242	0	9
*********	11,159,713	•	278, 993	0	0
	10,428,279	•	265,707	•	•
*****	10,122,189 10	•	253.055	0	•
**********	9,648,198	•	241,005	•	•
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	-		, III, IX	101 001'001'1	5. <mark>19</mark> 5. 19	11/165111 442 1457101	11, 159, 711	49'(1('11		12,916,763	R/95/9	14,242,937	•••
= Gewating profits		• •	207'RET'H	42°'/15')	67.17.50	5,013,296	5,241,941	5.27.161	515,800,8	6,013,495		42°01/'9	• •
- Caltal comultures - Marting caltal - Marting caltal - Interest presto	3 .	5,592,983 526,651,1 6	27°27	267,411 68,949	286, 782 63, 996 6	N1'/2 128'142	28,562 28,556 8	125,040 74,004 9	, 141,292 101,179 0	132, 921 7(3, 18 9 9	376, 275 85, 741 8	195,800 196,194,1) 0 0	
= bef. bebt-fint Cash film	(5,226,659)	(\$16'152'9)	154'(10')	4,218,849	167,629,9	1,651,781	4,003,045	5,12 9,0 37	5, JUI, 439	5,453,441	5,94,34	6 ,214,247	•
- BABL'S principal parameti	•	•	•	•	•	8	9	9	•	8	•	•	•
= bef. Tas het Cash film	(15, 226, 654)	(516'152'9)	154'/10'1	4,218,849	1,129.791	4,651,781	4,003,045	5,128,037	5,384,439	5,653,661	HE, M.S.	0,214,247	•
- Commulth income taxes	••	• •	1 35'622	, 9 241,805	0 253,055	565, 207	0 278,913	216'242 0	0 307,590	696' 221	011'6N	670, AZE	••
= After Taz Cata Flow (5,226,624) (6,753,915) 3,778,423 3,977,044 _4_226,733 4,604,652 4,815,694 5,076,649 5,330,691 5,597,226 7,654,173 0	(5, 226, 650)	(\$16,125,.6)	3,7M,423	3,977,844	W. W.	4,385,573	1,641,852	4,835,094	5,076, 8 49	5, 330, 691	\$,597,226	7,858,173	-
TAL PATENTS IN COUST &		•			c	-	c	c	c	•	•	e	•
State revails permute State revails permute Total tar permute			9 275,1961 275,1961	9 199,275 199,275	0 198,275 198,275	190,275	u 198,275 198,275	u 198,275 198,275	u 198,275 198,275	98,275 198,275	190.275 196.275	u 198,275 198,275	· • •
Ladar Hens III Cansi. 1 Lefter dat print C Before tar C After ter C	(5, 073, 000) (5, 073, 000) (5, 077, 000)	(000,125,000) (000,125,000) (01,125,000)	3,478,657 3,478,457 3,478,457	3,478,857 3,478,857 3,478,857	3,470,857 3,470,857 1,277,540	3,478,857 5,478,857 5,775,957	3,478,467 3,478,467 1,775,467	3,470,057 3,470,057 1,277,507	3,470,657 3,470,657 1,777 567	3,470,857 3,470,857 1,777,507	3,470,167 3,470,467 1,777,467	4,574,800 4,574,800 4,574,800	
					11111111111111111111111111111111111111		TENTIFIC	11111111111111111111111111111111111111				11111111111111111111111111111111111111	
Gress revenues 0 9, 101, 124 Gress reveales 0 0 9, 101, 124 - State regretty payments 0 0 229, 529 - Overating costs 0 0 4, 159, 449	•••		91,101,1 152,655 142,445	9,600,100 241,005 5,092,971	10,122,109 253,055 5,347,620	10, 629, 299 765, 783 785, 789	11,159,713 278,993 5,895,751	516'541'9 216'542 216'547'9	12,303,594 307,590 6,500,045	12,918,763 122,969 6,825,048	15,544,701 11,911 252,221	14,242,937 156,073 7,524,639	
= Met inc. before alluncs - Currind loss - Investment allounarces - Depreciation allounarces	9 9 9 16,915	0 516,512 0 11/7,043	4,101,167 944,643 45,042 790,646	4,306,204 0 48,134 682,898	815,152,4 0 10,502 50,523	4,747,590 1 53,660 476,685	4,984,970 0 55,721 281,451	5,234,218 0 56,507 295,523	5, 475, 727 0 11, 433 318, 299	5,770,726 0 64,504 125,814	6, 639, 242 0 67, 739 142, 105	6, 362, 225 0 11, 116 259, 210	••••
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meraultscc (THE)	244,982	542, M9	342,945	198,467	642,623	176.605	281, 151	295,223	310,299	10,221	342,185	139,210
herry-daty (Till)	72,030	147,441	147.461	153,631	•	•	0	0	8	•	•	-
aining equip.(THE)	•	-	•	•	•	•	0	•	0	•	•	•
exploration (YEE)	•	•	•	•	•	•	8	•	9	•	•	•
= Turable income (316,932) (M46,643) 2,300,016 3,535,972 3,000,351 4,217,627 4,647,798 4,000,108 5,124,197 5,300,407 5,649,427 5,931,699	(216,912)	(316,922) (946,643) 2,390,01	2,300,016	1,575,972	3,808,351	4,217,037	1,647,798	1,000.100	5,124,197 5,300,407	5,300,407	5,449,427	44'16' 'S
Committh income tares	•	•	•	-	Ð	•	0	•	0	•	0	•

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LEAD-ZINC PROJECT: ONEERSLAND

CASH FLOW SMOKET	TEAR	YEAR	TEAR	TEAR	YEAR	YEAR	YEAR	YEAR	TEAR	YEAR	TEAR	YEAR	YEAR
PROJECT BASIS	• • • • • • • • • • • • • • • • • • •	2	، دیستر ع	اندست 4 	5	1000 6	7	1648 8 	,	1800 180	11	12 12	13
Arvanues 1		•	•	ŧ	76,576,894	80,465,738	84,426,825	88,647,327	65,931,449	69,228,822	72,689,423	76, 323, 894	80,140,087
Iperating cests !	•	I	•	•	31,987,839	33,582,391	35,177,511	36,936,386	38,783,285	40,722,346	42,758,484	44,876,488	47,141,229
parating profits	ŧ	•	ł	8	44,667,855	46,983,347	49,248,515	51,710,941	27,148,244	28,585,656	29,938,939	31,427,486	32,998,868
; Apital expanditures ;	23,525,888	22,681,250	23,731,313	24,917,878	2,297,347	2,412,172	2,532,781	2,659,420	2,792,391	2,932,818	3,878,611	3,232,541	3,394,168
lorking capital 1		•	•	10,331,003	516,590	542,428	569,541	590,018	627,919	659,314	692,288	726,894	743,23
ieu debt 🕴 🚦		•	•	•	•	•	Ð	•		•	~ I	•,	
laterest peyable	\	•	•	•	•	•		0	•	•	•	•	(
lef. Dobt-Pant Cash Flow	(21,525,888)	(22,681,258)	(23,731,313)	(35,247,681)	41,855,958	43,948,756	46,146,193	48,453,583	23,727,934	24,914,331	26,169,548	27,468,858	28,941,453
Nobt's principal payment	•	•	•	•	•	١	•	0	t	•	•	•	
Bef. Tax Net Cash Flow	(21,525,600)	(22,681,258)	(23,731,313)	(35,249,681)	41,855,958	43,948,756	46,146,393	48,453,583	23,727,934	24,914,331	26,168,848	27,468,850	28,841,453
Commulth second taxes						9,922,768	14,298,649	15,684,199	17.010.320	6,900,121	7,577,397	8,832,671	8,586,348
State revalty payments		i	i	i	5,359,783	5,627,802	5,909,222	6,204,713	4,278,568	4,530,585	4,765,935	5,012,553	5,270,829
		*************				*****						14 499 697	
	(21,525,000)	(22,681,256) 1211222211	(23,73),313) ' 11171111111111	(35,249,681) 11331333333	36,4%,175 111111111111	28,378,186 8111111111111111	25,938,322 11111111111111	26,564,591 111111111111111	2,439, 0 55	13,483,625 11311111111111	13,816,716 1111111111111	14,422, 82 6 11111111111111111	
After Tax Cash Flow ATTITITITITITITITITITITI TAX PAYMENTS IN CONST : Commulth income taxes State royalty payments Tetal tax appoints		(22,681,250) 11111111111111 0 0	(23,731,313) 1 111711111111111 11171111111111 0 0	(35,249,481) 1111111111111 0 0	exxxxxxxxxxxxxxx 0 4,199,530	7,404,523 4,199,552	10,161,783 .4,199,578	10,615,6 8 4 4,199,594	1777777777777777777 18,965,984 2,757,998	4,236,076 2,701,386	4,438,347 2,786,543	4,472, 87 2 2,791,177	15,064,275 87787878787878 4,511,090 2,795,233 7,306,333
ATTERTETTETTETTETTETTETTETTETTETTETTETTET		(22,401,250) 11111111111111 0 4 0	(23,731,313) ' 1111111111111111 0 0	(35,249,481) 11111111111111 0 0 0	•	11111111111111111111111111111111111111	10,361,783	22222222222222222222222222222222222222	17111111111111111111111111111111111111	4,236, 0 76	4,4 30 ,347	4,472, 87 2	4,511, 89
AXIFICIAL STATEMENTS IN CONST : Commutth income tares State royalty payments Total tax peyments CASW FLOWS IN CONST. :	1711 171 171 171 171 171 171 0 0 0 0	**************************************	1 1117 111 111 111 1111 0 0 0	1777 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	0 6, 199, 530 4(199, 530	7,404,523 4,199,552 11,604,075	10,161,783 .4,199,574 14,361,357	10,615,684 4,199,594 14,815,277	18,965,984 2,757,999 13,723,002	4,236, 076 2,701,396 7,017,462	4,430,347 2,786,543 7,216,890	4,472, 97 2 2,791,177 7,264, 6 69	4,511, 89 2,795,23 7,386,33
AX PAYNENTS IN CONST a Commuth income tares State revaity payments Total tar payments CASH FLOWS IN CONST. a Before debt pymat CF		**************************************	(23,731,313) - 111711111111111 0 0 (20,500,000) (20,500,000)	(35,249,481) 11111111111111 0 0 (29,000,000) (29,000,000)	exxxxxxxxxxxxxxx 0 4,199,530	7,404,523 4,199,552	10,161,783 .4,199,578	10,615,6 8 4 4,199,594	1777777777777777777 18,965,984 2,757,998	4,236,076 2,701,386	4,438,347 2,786,543	4,472, 87 2 2,791,177	4,511, 89 2,795,231
ITEERSTEERSEERSEERSEERSEERSEERSEERSEERSEE	0 0 0 (20,500,600) (20,500,000) (20,500,000) (20,500,000)	**************************************	**************************************	0 0 0 0 0	0 6,199,530 4(199,530 32,795,230	7,404,523 4,199,552 11,604,075 32,795,238	10,161,783 .4,199,574 14,361,357 32,795,238	10,615,684 4,199,594 14,815,277 32,795,238	18,965,984 2,757,999 13,723,002 15,295,238	4,236,076 2,791,306 7,017,462 15,295,238 15,295,238 0,277,776	4,430,347 2,786,543 7,216,890 15,295,238 15,295,238 9,878,348	4,472, 87 2 2,791,177 7,264, 86 9 15,295,238 15,295,238 8,031,169	4,511,091 2,795,233 7,306,333 15,295,233 15,295,233 2,908,903
ATTERTATION AND A CONSTRUCTION AND A CONSTRUCTUAL A	0 (20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 0 0 0 0 (20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 0 0 (20,500,000) (20,500,000) (20,500,000) (20,500,000)	8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	0 4,199,530 4(199,530 32,795,230 32,795,230	7,404,523 4,199,552 11,604,075 32,795,238 32,795,238	10,161,783 .4,199,574 14,361,357 32,795,238 32,795,238	10,615,684 4,199,594 14,815,277 32,795,238 32,795,238	18,965,004 2,757,999 13,723,002 15,295,238 15,295,238	4,236,076 2,791,306 7,017,462 15,295,238 15,295,238 0,277,776	4,430,347 2,786,543 7,216,890 15,295,238 15,295,238	4,472,872 2,791,177 7,264,669 15,295,238 15,295,238	4,511,09 2,795,23 7,304,33 15,295,23 15,295,23 2,908,90
TAX PATHENTS IN CONST 3 Commulth income tares State revalty payments Total tax payments CASH FLOWS IN CONST. 8 Defore dobt pyment CF Before tax CF After tax CF After tax CF CONNUMERATION REPORT	0 (20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 0 0 0 0 (20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 0 0 (20,500,000) (20,500,000) (20,500,000) (20,500,000)	8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	0 4,199,530 4(199,530 32,795,230 32,795,230	7,404,523 4,199,552 11,604,075 32,795,238 32,795,238	10,161,783 .4,199,574 14,361,357 32,795,238 32,795,238	10,615,684 4,199,594 14,815,277 32,795,238 32,795,238	18,965,004 2,757,999 13,723,002 15,295,238 15,295,238	4,236,076 2,791,306 7,017,462 15,295,238 15,295,238 0,277,776	4,430,347 2,766,543 7,216,990 15,295,238 15,295,238 8,070,348 77,216,990 20,000,000 20,000,000 20,000,000 20,000,00	4,472,892 2,791,177 7,264,669 15,295,238 8,631,169 11222 1248 1248 1248 12	4,511,09 2,795,23 7,386,33 15,295,23 15,295,23 15,295,23 2,960,90 222222222 222222222 222222222 22222222
AX PATHENTS IN CONST a Commulth income taxes State royalty payments Total tax payments CASW FLOWS IN CONST. a Before dobt pymat CF Before tax CF After tax CF	(20,500,000) (20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 0 0 0 0 0 0 0 0 0 0 0 0 0	E E E E E E E E E E E E E E E E E E E	8 8 8 8 9 8 9 8 9 8 9 9 9 9 9 9 9 9 9 9	0 4,199,530 4(199,530 32,795,230 32,795,230 28,595,708 TEAR 5	7,464,523 4,199,552 11,464,075 32,795,238 32,795,238 21,191,143 *****************	10,161,783 .4,199,57 14,361,357 32,795,230 32,795,230 10,433,681 xxxxxxxxxxxxxxxxx TEAR 7	10,615,684 4,199,594 14,815,277 32,795,238 32,795,238 17,979,961 332,795,9361 332,795,838 17,979,961 332,795,838 17,979,961 332,795,838 332,795,838 332,795,838 34,979,961 34,979,961 34,979,961 34,979,961 34,979,961 34,979,961 34,979,9761 34,979,9761 34,979,9761 34,979,9761 34,979,9761 34,979,9761 34,979,977 34,979,9761 34,979,9761 32,795,838 32,795,838 32,795,848 32,795,848 32,795,848 32,795,848 32,795,848 32,795,847 32,795,848 34,94834,948 34,948 34,948 34,94834,948 34,948 34,94834,948 34,948 34,94834,948 34,948 34,94834,948 34,9483 34,9483 34,9484434,9483 34,9483434,94844 34,94844434,9484444444444444444	19,965,004 2,757,999 13,723,002 15,295,238 15,295,238 1,572,236 21,572,2572,2572,2572,2572,2572,2572,257	4,236,076 2,701,306 7,017,462 15,295,238 15,295,238 0,277,776 *********************************	4,430,347 2,786,543 7,216,890 15,295,238 15,295,238 9,878,348 ***************** ******************	4,472,872 2,791,177 7,264,669 15,275,230 15,295,230 0,031,169 112 112 112 112 112 112 112 112 112 11	4,511,09 2,795,23 7,306,33 15,295,23 15,295,23 2,968,90 221722217221722 15,295,23 16,295,25,295,23 15,295,25 15,295,25,25 15,295,25 15,2
AX PATHENTS IN CONST a Commulth income taxes State revaily payments Total tax payments ASM FLOUS IN CONST. a Defore debt pyent CF Defore tax CF INTERESTITUTES After tax CF INTERESTITUTES COMPUTATION REPORT Gross revenues	(20,500,000) (20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 0 0 0 0 0 0 0 0 0 0 0 0 0	E E E E E E E E E E E E E E E E E E E	8 8 8 8 9 8 9 8 9 8 9 9 9 9 9 9 9 9 9 9	0 4, 199, 530 4, 199, 530 4, 199, 530 32, 795, 230 32, 795, 230 28, 595, 708 ************************************	7,464,523 4,199,552 11,664,075 32,795,238 32,795,238 21,191,163	10,161,203 .4,199,57 14,361,357 32,795,230 32,795,230 10,433,801 ####################################	10,415,484 4,199,594 14,815,277 32,795,238 32,795,238 17,979,54 141111111111111111111111111111111111	10,965,004 2,757,990 13,723,002 15,295,238 15,295,238 1,572,234	4,236,076 2,701,306 7,017,462 15,295,238 15,295,238 0,277,776	4,430,347 2,766,543 7,216,990 15,295,238 15,295,238 8,070,348 77,216,990 20,000,000 20,000,000 20,000,000 20,000,00	4,472,892 2,791,177 7,264,669 15,295,238 8,631,169 11222 1248 1248 1248 12	4,511,09 2,795,23 7,306,33 15,295,23 15,295,23 15,295,23 2,900,90 2117111111 20,140,00
AX PATHENTS IN CONST 2 Commutith income taxes State royalty payments Total tax payments CASH FLOWS IN CONST. 2 Aefore debt pyment CF Before tax CF After tax CF INTERNETATION REPORT COMPUTATION REPORT State royalty payments	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0	E E E E E E E E E E E E E E E E E E E	8 8 8 8 9 8 9 8 9 8 9 9 9 9 9 9 9 9 9 9	0 4, 199, 530 4(199, 530 4(199, 530 32, 795, 230 32, 795, 230 20, 595, 708 76, 576, 894	7,404,523 4,199,552 11,604,075 32,795,238 32,795,238 21,191,163 ************************************	10, 361, 783 .4, 199, 57% 14, 361, 357 32, 795, 239 32, 795, 239 18, 433, 681 ************************************	10,615,684 4,199,594 14,015,277 32,795,230 32,795,230 17,979,961 1111111111111111111111111111111111	19,965,004 2,757,999 13,723,002 15,295,238 15,295,238 1,572,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 22,234 24,234 25,234 24,2344 24,2344 24,2344424,23444 24,23444424,234444 24,234444444444444444444444444	4,236,076 2,701,306 7,017,462 15,295,238 15,295,238 0,277,776 #################################	4,430,347 2,784,543 7,216,890 15,295,238 15,295,238 15,295,238 9,079,348 ####################################	4,472,072 2,791,177 7,264,069 15,295,230 15,295,230 0,031,169 15225,233 0,031,169 12222 1222 122 12	4,511,09 2,795,23 7,306,33 15,295,23 15,295,23 15,295,23 2,900,50 2122222 2,900,50 2122222 2,900,50 2122222 2,900,50 2122222 20,140,00 5,270,62
AX PATHENTS IN CONST 2 Commutth increas taxes State regalty payments Total tax payments Cash FLOUS IN CONST. 2 Addres debt pymat CF Before tax CF After tax CF After tax CF After tax CF COMPUTATION REPORT Computation Reports State regalty payments Operating costs Not inc. before alluncs	C C C C C C C C C C C C C C C C C C C	0 0 0 0 0 0 0 0 0 0 0 0 0 0	(20,500,000) (20,5	0 0 0 0 (29,000,000) (20,000,000) (20,000,00	0 4, 199, 530 4, 199, 530 4, 199, 530 32, 795, 230 32, 795, 230 20, 595, 708 TEAR 5 76, 576, 894 5, 359, 783	7,404,523 4,199,552 11,604,075 32,795,238 32,795,238 21,191,163 ************************************	10,161,783 .4,199,57% 14,361,357 32,795,239 32,795,239 18,433,681 ************************************	10,615,684 4,199,594 14,815,277 32,795,238 32,795,238 17,979,961 ************************************	19,965,004 2,757,999 13,723,002 15,295,238 15,295,238 1,572,236	4,236,076 2,701,306 7,017,462 15,295,238 8,277,276 115,295,238 8,277,276 115,295,238 8,277,276 115,295,238 8,277,276 115,295,238 8,277,276 115,295,238 8,277,276 115,295,238 115,295,295,295,295,295,295,295,295,295,29	4,430,347 2,784,543 7,216,890 15,295,238 15,295,238 15,295,238 8,878,348 ************************************	4,472,892 2,791,177 7,264,669 15,295,238 8,631,169 15,295,238 8,631,169 15,295,238 12,295,238 12,295,295,238 12,295,295,295,295 12,295,295,295,295 12,295,295,295,295 12,295,295,295,295,295,295,295,295,295,29	4,511,09 2,795,23 7,366,33 15,295,23 15,295,23 15,295,23 7,900,90 7222 7,900,90 724 10 725 72 72 72 72 72 72 72 72 72 72 72 72 72
AX PATHENTS IN COUST a Commulth increase taxes State royalty payments Total tax payments Cash FLOUS IN COUST. a Before dobt pymet CF Before tax CF After tax CF Ministrational States and Coust CoupyLATION REPORT Cross revenues State royalty payments Operating cests Not inc. before allows S Carried Less	C C C C C C C C C C C C C C C C C C C	0 0 0 0 0 0 0 0 0 0 0 0 0 0	E E E E E E E E E E E E E E E E E E E	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 4,199,530 4(199,530 32,795,230 32,795,230 28,595,708 76,576,894 5,359,703 31,907,039 39,310,072 4,533,770	7,404,523 4,199,552 11,404,075 32,795,238 32,795,238 21,191,143 ************************************	10,161,783 .4,199,577 14,361,357 32,795,239 32,795,239 10,433,681 xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	10,615,684 4,199,594 14,815,277 32,795,238 32,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 332,795,238 17,979,961 32,795,237 16,277 17,377 1	19,965,004 2,757,999 13,723,002 15,295,238 15,295,238 1,572,236 1,572,256 1,572,575 1,575,256 1,	4,236,076 2,701,306 7,017,462 15,295,238 15,295,238 0,277,776 *********************************	4,430,347 2,786,543 7,216,890 15,295,238 15,295,238 15,295,238 9,878,348 xxxxxxxxxxxxxxx YEAR 11 72,609,423 4,745,935 42,750,484 0	4,472,872 2,791,177 7,264,669 15,295,238 15,295,238 8,831,169 174,323,094 5,812,553 44,896,498 26,414,932 8	4,511,09 2,795,23 7,384,33 15,295,23 15,295,23 7,968,90 2177214725 800,140,00 5,270,62 47,141,22 27,720,03
ATTITITITITITITITITITI TAX PAYNENTS IN CONST () Commutit income tares State revaily payments Tetal tax payments CASH FLOWS IN CONST. () Before debt pyent CF Before tax CF After tax CF DITATATATATATATATATATATATATATATATATATATA	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	EXTENSE EXTENSE 0 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1	(20,500,000) (20,5	0 0 0 0 (29,000,000) (20,000,000) (20,000,00	0 4, 199, 530 4(199, 530 4(199, 530 32, 795, 230 32, 795, 230 28, 595, 708 TELE 76, 576, 894 5, 359, 783 31, 907, 839 39, 310, 072	7,404,523 4,199,552 11,604,075 32,795,238 32,795,238 21,191,163 777777777777777777777777777777777777	10,161,783 .4,199,57% 14,361,357 32,795,230 32,795,230 18,433,881 77 84,426,025 5,909,222 35,177,511 43,339,293	10,615,684 4,199,594 14,815,277 32,795,238 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,961 12,979,979,961 12,979,979,961 12,979,979,961 12,979,979,961 12,979,979,961 12,979,979,961 12,979,979,961 12,979,979,970 12,979,979,970 12,970 12,970 1	18,965,904 2,757,999 13,723,002 15,295,238 15,295,238 1,572,234 1,572,574 1,572,574 1,572,574 1,572,574 1,572,574 1,572,574 1,572,574 1,572,575 1,574,575 1,575,575,575 1,575,575,575 1,57	4,236,076 2,701,306 7,017,462 15,295,238 8,277,776 15,295,238 8,277,776 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 15,295,238 16,222,366 10,222,366 23,975,071	4,430,347 2,766,543 7,216,990 15,295,238 15,295,238 8,070,348 72,609,423 4,765,935 42,750,484 25,165,004	4,472,892 2,791,177 7,264,669 15,295,238 8,631,169 15,295,238 8,631,169 15,295,238 12,295,238 12,295,295,238 12,295,295,295,295 12,295,295,295,295 12,295,295,295,295 12,295,295,295,295,295,295,295,295,295,29	4,511,091 2,795,233 7,306,333 15,295,231 15,295,231 2,968,963

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2,400,177 5,272,182	19,122,121 18,132,1	10, 20, 20, 20, 20, 20, 20, 20, 20, 20, 2
2,205,005 0 5,104,430	1/9'200'8 270'244'81	3,016,195 1,525,078 1,196,339 5,012,533
2,177,855 8,694,638	102,524,11 102,172,1	3,638,421 1,638,481 1,131,662 1,765,935
2,073,345 8 5,018,422 0	16, 472, 603 6, 900, 121	1, 220, 345 4, 221, 201 4, 422, 345 3, 254, 572 3, 441, 401 3, 641, 421 1, 520, 750 1, 667, 751 1, 772, 347 3, 254, 572 3, 441, 401 3, 644, 401 1, 520, 750 1, 667, 751 1, 772, 347 1, 116, 627 1, 432, 106 1, 432, 106 1, 607, 821 1, 772, 347 1, 116, 627 1, 176, 209 901, 920 1, 106 1, 143, 106 1, 607, 821 1, 609, 122 6, 704, 713 4, 270, 506 4, 705, 935 931, 950 4, 705, 935
8 1,974,633 6 5,503,852 0	15,000,264 17,016,320	3, 294, 572 1, 318, 629 981, 968 4, 278, 546
8 2,100,510 0 6,046,443 0	36,978,955 15,684,199	4,422,346 3,296,5 1,772,347 1,318,07 2,176,299 981,9 6,204,713 4,278,5
0 2,236,013 0 6,652,605	34,0%,0%6	4, 221, 301 4, 221, 301 1, 649, 921 2, 909, 222 5, 909, 222
2,357,443 167,132 7,299,246	070' 100' IS	1,000 (1,000,000 (1,000,000 (1,000,000)) 1,000 (1,000,000 (1,000,000)) 1,000 (1,000,000 (1,000,000)) 1,000 (1,000,000 (1,000,000))
2,473,091 26,306,306 9,004,047		5, 159, 915 8, 928 1, 539, 928 152, 193 26, 153, 153
2,115,735 177,899 1)	••••
1, 547, 483 455, 142 6	(3,940,138) B	
23°.52 38°.52	(1,937,512) 0	
144,075 1,005,275 142,142 144,075 275,045 144,075 605,045 144,075 605,045 144,075 146,045 144,075 146,045 144,075 146,045 144,045 145,045,045 145,045,045,045,045,045,045,045,045,045,0	(635,236) B	a decent and a ther a there are a the a there are a the a
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LEAD-ZINC PROJECT: DEENSLAND

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CASH FLOW SWIMMEY	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	TEAN
PROJECT BASIS	14	15	14		• 18	19	20
Arvienes (84,147,893	88,354,448	92,772,170	97,410,779	102,281,317	85,898,856	
• Operating cests	47,498,298	51,973,204	54,571,865	57,300,450	60,165,481	50,057,600	0
• Operating profits	34,648,883	36,301,243	30,200,305	40,110,321	42,115,837	35,648,376	0
- Capital expanditures	3,563,877	3,742,871	3,929,174	4,125,633	4,331,915	3,604,153	
Horking capital	801,401	841,471	863,544	927,722	974,100	(21,479,077)	0
ilien debt i	•	•		•	•	• ر	0
- Interest peyable 1	•	•	•	•	•		0
Bef., Bubt-Pant Cash Flow	30,283,525	31,797,781	33, 307, 507	35,856,966	36,999,814	52,915,300	0
- Dobt's principal payment	•	•	•	•	I	٠	D
Bef. Tax Het Cash Flow	30,283,525	31,797,781	33,307,507	. 35,856,966	36,009,814	52,915,300	0
- Commultà income tares	8,997,824	9,585,633	10,626,719	10,554,701	11,075,859	11,552,878	8,550,243
- State revally payments	5,541,077	5,823,458	6,117,759	6,422,964	6,735,407	5,482,112	0
After Tax Cash Flow	15,744,625	16,468,619	17,243,186	18,079,221	18,990,548	35,800,310	(8,550,243)

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TAX PAYNENTS IN CONST. \$

Commulth income taxes	4,544,512	4,572,372	4,593,355	4,685,016	4,682,248	4,615,826	3,222,497
State regalty payments	2,798,628	2,001,179	2,802,616	2,882,318	2,798,781	2,190,318	0
Total tax payments	7,343,133	7, 373, 551	7,395,971	7,487,334	7,400,949	6,886,144	3,222,497
CASH FLOUS IN CONST. 8							
before dobt pyant CF	15,295,238	15,295,238	15,295,238	15,295,238	15,295,238	21, 141, 731	0
Before tax CF	15,295,230	15,295,250	15,295,230	15,295,238	15,295,238	21,141,731	1 ⁻ 0
After tas CF	7,952,105	7.921.647	7.899.267	7.887.994	7.894.289	14.335.586	(3,222,497
	111111111111111111111 44444444444 44 44	***************					1111111111111111 111111 1111111
	11111111111111111 40444440000000000 YEAN 14	ETERTISTISTERTIST 64000000000000000000000000000000000000	UTTEETEETEE 19090000000000000000000 YEAR 16	1111111111111111 1488888888888888888 YEAR 17	1111111111111111 10000000000000000 YEAR 10	11111111111111111111111111111111111111	
COMPUTATION REPORT				-			
COMMUNICAL TH INCOME TAX S COMPUTATION REPORT Gross revenues	14	15	16	17		· 19	20
	14 84,147,093	15 80,354,440	16 92,772,178	17 97,419,779	19 192,281,317	19 85,898,856	
CONTRACTOR TAX 1 CONTRACTOR DEPORT Grass revenues State regality payments	14 84,147,893 5,541,877 49,498,299	15 80,354,448 5,823,450	16 92,772,178 6,117,759	17 97,419,779 6,422,964	19 102,281,317 6,735,407	19 05,090,056 5,482,112	
CONTINUEAL THE TACONE TAX CONTUTATION REPORT Gress revenues State revelue Operating costs	14 84,147,093 5,541,877 49,498,290	15 90,354,440 5,823,450 51,973,204	16 92,772,170 6,117,759 54,571,865	17 97,410,779 6,422,964 57,380,458	19 192,281,317 6,735,407 60,165,481	19 85,898,856 5,482,112 50,057,686	
CONTINUEAL THE TACONE TAX CONFUTATION REPORT Gross revenues State revely payments Operating costs Not inc. before alluncs	14 84,147,093 5,541,877 49,498,290	15 90,354,440 5,823,450 51,973,204	16 92,772,170 6,117,759 54,571,865	17 97,410,779 6,422,964 57,380,458	19 192,281,317 6,735,407 60,165,481	19 85,898,856 5,482,112 50,057,686	


Tights

rauds (1715 Marraul 4500 (1716 Marraul 4500 (1718		2,529,100	2,646,197	2,77 8,56 7	0 2,91/,433	5,043,304	8 632,630,5 8	
ninteq, equip. (THE exploration (TEE)		5.424.177 •	5,590,491 B	5,000,779 B	10C,111,3 0	6, 595, 705 0	7,594,621	
= larable incee		28,644,419	11.797,214	22,945,175	24,071,954	25,111,52	18,547,446	0
Committy income taxes	<u>2</u>	128'(44')	9,505,633	11,026,719	10,554,781	11.075.059	11,552,670	8,550,243
· ONESTICA AND, Other ·					•••••••••••••••••••••••••••••••••••••••			•
rail freight revelty	ilty :	4.207,355	4,417,722	47° 107' 1	4,074,559	5,114,066	4,254,903	•
CONC FOY FOYAL	evalty of:	1,42,342	1,744,409	1, 154, 14 3	1,947,616	2,045,026	1,701,341	•
net incore regult		1, 311, 722	1,445,728	1,479,151	1,522,425	1,621,341	1,227,201	9
STATE BOTALIT PATHENTS		5,541,077	5,823,450	4,117,759	6,422,944	6.735,467	5,482,112	0

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LEAP-2100 PRACET, RESTEAM ANSING 1A

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CASH FLAN SAMMATY YEAA YEAA YEAA YEAA YEAA YEAA YEAA Y		TEAN 2	a.	₩¥	1 2 2	1EAB •	a _^	a -	ā.	2 s	N II	1 2 1	N
Arrents Arreitag cests		••		• •	14.574.094	11, 502, 738 11, 502, 171	M,424,425 35,177,511	14, 14, 27 14, 14, 14	643,851,449 28,783,285	69, 228, 822 40, 722, 344	101'05'21 [21'09'2]	74, 123, 64 14, 141, 141	m, 140, 609 47, 111, 229
: therating prefits	•	•	•	•	558'679'11	11, 101, 147	19,248.51 5	51,710,941	27, 149, 214	21,545,456	21'N'S'	31,427,496	9 1. 14,14
Capital aspenditures Untiles capital New debt	21,525,00	52'109'22	212.157.25 0 0	878,519,428 200,102,01 0	2,297,307 514,590 8	2,412,172 542,428 9	2,512,781 112,942	2,659,420 598,018 8	182.541/2 919.154	2,922,010 659,314 0	92°249 119°249	N9,85,6 N9,85	1.141.142 142,137 0
- laterest payable	•	•	-	•		•	0	•	•	•	0	•	•
= bef. bobt-fant Cash Filent	-100 '525'12)	(22,441,254)	(EIE./IE/,ES)	(13,249,481)	11, 855, 958	43,944,754	44,146,193	48,453,503	23,727,934	24,914,331	24,149,848	27,448,658	151'INI'82
- bubt's principal pyrenti	•	•	•	•	•	•	3	•	0	•	-	•	-
= Bef. Tar Net Cash Flee		(21,525,800) (22,601,258)	(23,731,313)	(187,249,481)	41,855,958	43,948,756	46, 146, 193	48,453,503	23,727,934	24.914,331	24,144,048	27,448,858	28, MI, 653
- Commulth income tares - State regulty payments	••		• •	• •	9 3, 829,94 5	14,345,441 4,020,207	18,409,559 4,221,301	19,520,841 4,412,346	20,404,943 3,296,572	977'598'6 377'199'5	10,377,710	10,000,077 3,016,195	115,141,111 4,000,4
: After Tax Cash Flow	(21,525,600)	(21, 425, 665, 164, 22, 164, 22, 131)	(23,731,313)	(109,042,22)	38,627,113	25,582,607	23,515,333	24,500,295	(175,401)	222, 632, 11	12,147,789	12,755,178	13, 392, 937
Commit h incore trees State regality Argents Total tar prynesis		•••		• • •	9 3,000,000 3,000,000	10, 744, 95 000,008,5 137, 967,51	13,003,330 3,000,000 16,003,330	13,212,474 3,000,000 16,212,474	13,203,432 2,125,600 15,400,432	6, 067, 670 2, 125, 000 8, 192, 679	<pre>c 6,667,679 2,125,000 0,192,679</pre>	6,667,678 2,125,600 0,192,670	6, 102, 108, 3 103, 125, 10 10, 125, 10
CASH FLOUS IN CONST. \$								•					
before dubt pymit CF Before tax CF After tax CF	(10, 10, 12, 12) (10, 10, 12, 12) (10, 10, 12, 12)		(11, 500, 002, 12) (11, 500, 002) (11, 500, 002)	(27, 000, 000) (27, 000, 000) (27, 000, 000)	12,755,23 12,755,24 23,755,24	12,755,220 12,755,220 13,000,200	12, 795, 238 22, 795, 238 16, 711, 900	32,795,238 32,795,238 16,582,764	15,295, 34 15,295,298 (113,294)	15,295,238 15,295,236 7,102,546	15,295,238 15,295,238 24,102,546	15,295,238 15,295,238 7,102,546	15,295,238 15,295,238 7,182,546
		11111111111111111111111111111111111111		11111111111111111111111111111111111111	11111111111111111111111111111111111111	1	11111111111111111111111111111111111111	11111111111111111111111111111111111111	ETTELETERS	11111111111111111111111111111111111111		7540 7540 7540 7540 7540	
Gross revenues Gross revenues - State rejuity arguments - Operating costs - Operating costs	•••		660			142, 258, 21 142, 258, 21	4,221,301 4,221,301 35,177,511	88, 647, 327 89, 647, 327 4, 432, 366 36, 936, 396	1,206,517 1,206,572 18,701,205	69,228,822 5,461,401 3,461,444	72,409,423 3,634,471 42,759,484	76, 223, 894 3, 016, 195 41, 096, 400	422,161,14 400,000,5 422,161,14
: Hat jac. beide allancs Carried Jacy - Investment allanaces		• 9	¢, 1,937,512	3, 940, LT	010,101,04 01,102,04 02,102	12, m3, m4	45,827,214 0 354,589	47,278,574 6 372,319	23,851,671 0 390,935	25,044,255 0 410,481	26, 296, 440 8 431, 866	27,611,791 • •	21,91,854 4 41,71,14
herecisties allewaces	13,25	1, 382, 262 G	S, 002,626	2,593,612	2,799,397	2,524,575	2,236,013	2,108,510	1,974,633	2,0/3,345	2,177,033	2,205,005	2,480,179

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LEAD-21NC PROJECT: NESTERN AUSTRALIA

reads (1710) mercultscc (1700)		0 , 061 20.025		0 1.547.48	0 27.211.2	0 2.473.091	0 2.157.45	0.236.013	0 2.100.510	0 1.974.1	0 2.073.345	0 177.61.5	0 2.205.005	0 2.440.17
Mary-Mity (788)		545.001	34°5£	455, 142	41 ,111	126.306	RI 171	9 0 C	0 4	•	•			
expiration (YEE)		• •		• •					-		-	• •	• •	• •
= Tarable income (435,258) (1,937,512) (3,946,138) (9	(635,250)	(1,937,512)	(821,946,2)	(0, 523, 770)	31, 104, 220		42,436,612	44,797,745	40,420,781 42,436,612 44,797,745 21,486,103 22,540,409 23,480,429 24,072,151 26,116,493	72,540,409	23, 680, 427	24,072,051	24,116,493
Committh income tares		-	•	•	•	c	14, 345, 661	18,409,559	19,520,041	20.606.963	9, 663, 608	10,377,74	10,0%,6//	116,114,11
e Kisten Asilak (A + 1	<u> </u>							4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	•		-	7 ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ?	* * * * * * * * *	
2-2-3", #-22 ". * L		0	•	•	•	•	•	•	•	•	•	•	•	-
cenc. rev., ethers	•••	0	•	•	-	76,576,894	80, 465, 738	BH, 426, 025	64.447.327	644,156,23	£9.228.022	72,609,423	76, 223, 010	M, I M, W7
Meralty free rev(1)		•	•	Ð	•	G	•	0	•	•	•	•	•	•
Newslity free rev(2)		•	•	•	•	3,029,045	1,020,207	1,221,301	1,122,346	3,26,572	3,441,401	3,624,471	3,016,195	1.007.004.1
STATE MOTALTY PATHENTS	3 -	•	-	•	•	3, 828, 845	4,020,287	4,221,301	4,432,346	3,24,572	3,461,401	3,634,471	3,016,195	4.007.00H

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CASH FLAN SHAMAT	TEAR	YEAR	YEAR	TEAR	YEAR	YEAR	YEAR
PROJECT BASIS	14	15				19	20
Access 1	84,147,893	88,354,446	92,772,170	97.418.779	182.281.317	85,970,856	•
operating costs	49,490,290	51,973,284	54,571,865	57,300,458	60,165,401	50,857,680	i
Operating profits	34,648,883	36,301,243	30,200,305	40,110,321	42,115,837	35,040,376	0
Capital espenditures	3,563,877	3,742,871	3,929,174	4,125,633	4,331,915	3,684,153	0
• Working capital	801,401	841,471	883,544	927,722	974,100 A	(21,479,077)	0
Interest peyable	i	i	i	0	` 0	i	0
· Bof. Bubt-Pant Cesh Flow}	30,283,525	31,797,701	33,387,587	35,856,966	36,809,814	52,915,300	0
Bubt's principal payment	.	•	۱,	•	•	. •	0
Bef. Tax Net Cash Flow	30,203,525	31,797,701	33, 307, 507	35,856,966	36,809,814	52,915,300	0
Commulth income taxes	12,013,507	12,614,266	13,244,979	13,907,220	14,682,590	15,332,719	12,517,200
State revelty persents 1	4,207,355	4,417,722	4,638,689	4,878,539	5,114,066	4,254,903	0
·······		14 346 313		1/ 030 100		** ***	/19 617 998
,,,,,,,,,,,,,,,,,,,,,,,,, ,,,,,,,,,,,	24, 662,59 4	14,765,713 ********	15, 583,999 xxxxxxxxxxxxx	16,279,1 99 	17, 093,150 ******	33,327,678	(12,317,200
TAX PAYNENTS IN COUST. 8			*****				
TAX PAYNENTS IN CONST. 8 Committh income tares	6, 6 67,678	£1111111111111111111111111111111111111	4, 86 7,67 9	6, 6 67,678	6, 6 67,678	6, 126, 0 21	(12,317,200 121223333333333 4,717,604 0
TAX PAYNENTS IN COUST. 8			*****				
TAX PAYNENTS IN CONST. 8 Computibility income tares State reveity payments Total tar payments	6,067,678 2,125,000	6,067,678 2,125,000	4,867,678 2,125,080	6,867,678 2,125,888	<i>xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx</i>	6,126,021 1,700,000	4,717,604 0
TAX PAYNENTS IN CONST. 8 Communith income tares State reveity persents Total tar personts CASH FLOWS IN CONST. 9 Defere dobt prest CF	6,067,678 2,125,000 8,192,678 15,295,238	4,067,670 2,125,000 9,192,670 15,295,230	4,867,678 2,125,000 8,197,678 15,295,238	6,867,678 2,125,000 8,192,678 15,295,230	xxxxx1xx1xxxxxx 6,867,678 2,125,000 8,197,678 15,295,238	6,126,821 1,798,000 7,826,871 21,141,731	4,717,604 0
TAX PAYNENTS IN CONST. 8 Communith income tares State reveity persents Total tar persents CASH FLOWS IN CONST. 9 Defore dobt prent CF Before tar CF	6,867,678 2,125,800 8,192,678 15,295,238	6,067,678 2,125,000 9,192,678 15,295,230 15,295,238	4,867,678 2,125,000 8,192,678 15,295,238 15,295,238	6,867,678 2,125,000 8,197,678 15,295,230	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238	6,126,821 1,700,000 7,826,071 21,141,731 21,141,731	4,717,604 4,717,604 4,717,604 0 4,717,604 0 0
TAX PAYNENTS IN CONST. 8 Communith income tares State royalty paynents Total tar paynents CASH FLOWS IN CONST. 9 Defere dobt prent CF	6,067,678 2,125,000 8,192,678 15,295,238	4,067,670 2,125,000 9,192,670 15,295,230	4,867,678 2,125,000 8,197,678 15,295,238	6,867,678 2,125,000 8,192,678 15,295,230	xxxxx1xx1xxxxxx 6,867,678 2,125,000 8,197,678 15,295,238	6,126,821 1,798,000 7,826,871 21,141,731	4,717,604 4,717,604 0 4,717,484 0 0 0 0
TAX PAYNENTS IN CONST. 8 Commilt income tares State reveity persents Total tar persents CASH FLOWS IN CONST. 8 Defere dobt prest CF Gefore tax CF After tax CF	4.067.678 2,125.000 8,192.678 15,295.238 15,295.238 7,102.560	6,067,678 2,125,000 0,192,678 15,295,230 15,295,238 7,182,560	4,067,678 2,125,000 8,192,679 15,295,238 15,295,238 7,102,560 11733117111111	6,867,678 2,125,000 8,197,678 15,295,230	4,867,678 2,125,000 8,192,678 15,295,238 15,295,238 7,182,568	4,126,021 1,700,000 7,876,071 21,141,731 21,141,731 13,315,710	4,717,604 0 4,717,604 0 4,717,604 0 8 (4,717,604
TAX PAYNENTS IN COUST. 8 Communith income tares State reveity personts Total tar personts CASH FLOUS IN COUST. 8 Defore dobt prent CF defore tar CF After tar CF STATUTETETETETETETETETETETETETETETETETETE	6.067.678 2,125.000 8,192.678 15,295.238 15,295.238 7,102.560	4,067,670 2,125,000 0,192,670 15,295,230 15,295,238 7,102,560 11111111111111	XITTITTTTTT 6,067,678 2,125,000 8,192,679 15,295,230 7,162,560 XITTITTTTTTTTTT 102,560 XITTITTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	6,067,670 2,125,000 8,192,670 15,295,230 15,295,230 7,102,560	4,067,670 2,125,000 8,192,670 15,295,230 15,295,230 15,295,230 7,102,560 23111111111111111111111111111111111111	4.126.821 1.700.000 7.876.071 21.141.731 21.141.731 13.315.710 HINTHINININI HERRICHTON YEAR	4,717,604 0 4,717,604 0 (4,717,604 11111111 1111111111111 1111111111111
TAX PAYNENTS IN CONST. 8 Communith income tares State reveity payments Total tar payments CASH FLONS IN CONST. 8 Defore dobt prant CF Gefore tax CF After tax CF INTERESTICTION SECOND TAX 1 COMPUTATION REPORT 1	4.067.678 2,125.000 8,192.678 15,295.238 15,295.238 7,102.560	6,067,678 2,125,000 0,192,678 15,295,230 15,295,238 7,182,560	4,067,678 2,125,000 8,192,679 15,295,238 15,295,238 7,102,560 11733117111111	6,067,678 2,125,000 8,192,670 15,295,230 15,295,230 7,102,560	4,867,678 2,125,000 8,192,678 15,295,238 15,295,238 7,182,568 2333173317331733173	4,126,021 1,700,000 7,876,071 21,141,731 21,141,731 13,315,710	4,717,604 0 4,717,604 0 (4,717,604 1111111 1111111111111111111111111111
TAX PAYNENTS IN CONST. 8 Communith income tares State revelty persents Total tar personts CASH FLOWS IN CONST. 9 Defore das CF After tas CF After tas CF STATESTICATION REPORT 1 CONVERSATION REPORT 1 STATESTICATION REPORT 1	6,067,678 2,125,000 8,192,678 15,295,238 7,102,560 13111111111111111 14440444688888888 14 14	6,067,670 2,125,000 0,197,670 15,295,230 15,295,230 7,182,560 111111111111111 VEAR 15	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,182,568 11731111111111111 *********************	4,067,678 2,125,000 8,197,678 15,295,230 7,102,560 11111111111111 100000000000000000000	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,182,560 ************************************	6,126,021 1,700,000 7,876,071 21,141,731 21,141,731 13,315,710 1111111111111 100000000000000000000	4,717.604 0 4,717.604 0 (4,717.604 1111111 111111111111 11111111111111 1111
TAX PAYNENTS IN CONST. 8 Communith income tares State revelty personts Total tar personts CASH FLOWS IN CONST. 9 Defore dat CF After tas CF Statisticities State CF Statistics Comment IN INCOME FAX 1 COMPUTATION REPORT 1 State revenues 1 State revenues 1	6,067,678 2,125,000 8,192,678 15,295,230 15,295,238 7,162,560 15111111111111111 14410000000000000000	6,067,678 2,125,000 0,192,678 15,295,230 15,295,238 7,102,569 111111111111111 YEAR 15 00,354,448 4,417,722	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,102,568 11111111111111111 1568 16 16 92,772,178 4,638,689	6,067,678 2,125,000 8,197,670 15,295,230 7,102,560 111111111111111111111111111111111111	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,182,568 33113131111111 40007868888881 18 18 182,281,317 5,114,666	6,126,021 1,700,000 7,826,071 21,141,731 21,141,731 13,315,710 111111111111111 1600000000000000000	4,717,604 0 4,717,604 0 (4,717,604 11111111111 1111111111111 1111111111
TAX PAYNENTS IN CONST. 8 Communith income tares State revelty persents Total tar persents CASH FLOWS IN CONST. 9 Defore dat CF After tas CF HISTINISTISTISTISTISTIST COMMUNICAL TH INCOME FAX 9 COMMUNICAL TH INCOME TAX 9 COMMUNICAL THE INCOME TAX 9 COMMUNICAL THE INCOME TAX 9 COMMUNICAL THE INCOME TAX 9 COMMUNICAL THE INCOME TAX 9	6,067,678 2,125,000 8,192,678 15,295,238 7,102,560 13111111111111111 14440444688888888 14 14	6,067,670 2,125,000 0,197,670 15,295,230 15,295,230 7,182,560 111111111111111 VEAR 15	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,182,568 11731111111111111 *********************	4,067,678 2,125,000 8,197,678 15,295,230 7,102,560 11111111111111 100000000000000000000	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,182,560 ************************************	6,126,021 1,700,000 7,876,071 21,141,731 21,141,731 13,315,710 1111111111111 100000000000000000000	4,717,604 0 4,717,604 0 (4,717,604 111111111111111111111111111111111111
TAX PAYNENTS IN CONST. 8 Communit h income tares State reveity personts Total tar personts Total tar personts CASH FLOWS IN CONST. 8 Defere debt prent CF Defere debt prent CF Defere debt prent CF Defere das CF After tar CF INTERESTITUTETETETETETETETETETETETETETETETETETE	6,067,678 2,125,000 8,192,678 15,295,230 15,295,238 7,162,560 15111111111111111 14410000000000000000	6,067,678 2,125,000 0,192,678 15,295,230 15,295,238 7,102,569 111111111111111 YEAR 15 00,354,448 4,417,722	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,102,568 11111111111111111 1568 16 16 92,772,178 4,638,689	6,067,678 2,125,000 8,197,670 15,295,230 7,102,560 111111111111111111111111111111111111	4,867,678 2,125,000 8,197,678 15,295,238 15,295,238 7,182,568 33113131111111 40007868888881 18 18 182,281,317 5,114,666	6,126,021 1,700,000 7,826,071 21,141,731 21,141,731 13,315,710 111111111111111 1600000000000000000	4,717,604 0 4,717,604 0 (4,717,604 0 (4,717,604 111111111 11111111111111111111111111
TAX PAYNENTS IN CONST. 8 Communith income tares State revelty payments Total tar payments CASH FLONS IN CONST. 9 Defore dobt prent CF Defore tax CF After tax CF After tax CF CONTONNEALTH INCOME TAX 1 CONTONNEALTH INCOME TAX 1 Contained costs 1 Not inc. before alluncs 1 Corried loss 1	4,067,678 2,125,000 8,192,678 15,295,238 7,102,560 13111111111111111 1444044660000000 7EAR 14 94,147,093 4,207,355 49,490,290	6,067,678 2,125,000 0,192,678 15,295,238 7,182,569 15,255,238 7,182,569 15,255,238 7,182,569 111111111111111111111111111111111111	4,867,678 2,125,000 9,192,679 15,295,230 15,295,230 7,182,560 1111311111111 116 92,772,178 4,630,609 54,571,065 33,561,697 8	4,067,670 2,125,000 8,197,670 15,295,230 7,102,560 7,102,570 7,00,000 7,000,000 7,000,000 7,000,000	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	6,126,021 1,700,000 7,876,071 21,141,731 21,141,731 13,315,710 111111111111 1000000000 YEAR 19 85,090,056 4,254,993 50,057,600 30,785,473 0	0 4,717,604 0 (4,717,604 111111111111111111111111111111111111
Committe income tares State reveity payments Total tar payments CASH FLOWS IN COMST. 8 Defore dobt prent CF Defore tar CF After tar CF INTERTITIENTIFICATION CF COMMUNICATION REPORT 1	4,067,678 2,125,000 8,192,678 15,295,238 7,102,560 13111111111111111 1444044660000000 7EAR 14 94,147,093 4,207,355 49,490,290	6,067,678 2,125,000 0,192,679 15,295,230 15,295,238 7,182,569 11111111111111 15 15 15 15 15 15 15 15	4,067,678 2,125,000 0,197,670 15,295,230 15,295,230 7,102,560 1111111111111 111111111111111 11111111	6,067,678 2,125,000 0,197,678 15,295,230 15,295,230 7,102,560 111111111111111111111111111111111111	6,067,678 2,125,000 8,197,678 15,295,238 16,295,238 18,295,295,238 18,295,295,295,295,295,295,295,295,295,295	6,126,021 1,700,000 7,876,071 21,141,731 21,141,731 13,315,710 131,315,710 131,315,710 131,315,710 141171111111111 1401011111111111 190101111111111111111111	4,717,604 0 4,717,604 0 (4,717,604 111111111111111111111111111111111111

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LEAD-LINE PROJECT: NESTERN ANSTAN IA

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reeds (YTE) neeral9scc (YTE) iberry-duty (YTE) cialag ewig. (YTE) cratien (YTE)	0 2,520,100 0 0	2,644,197 0 0	2,77 3,50 7 0 0	8 2,917,433 6 0	3, 663,304 0 0	3, 069 ,569 0 0	
r larable incon Commith incon tares	27,422,310	28,793,424 12,614,244	10,233,165 13,244,979	31,744,761 13,907,220	33,331,999 14,682,598	77.211.22 15.312.719	0 12,517,208
KSTEM ANTIALIA Frav., Ni-Sa, etc., rev., Ni-Sa, etc., rev., (ch-sa-Pt. conc., rev., (ch-sa-Pt. conc.) Bytality frae rev(c) Bytality frae rev(c)	64)(0),00,4		607'R3''	8 6 6 6 7 7 8 7 8 7 8 7 8 7 8 8 7 8 8 7 8 8 7 8 8 7 8 8 7 8 8 7 8 8 7 8 8 8 8 7 8 7 8	0, 201, 317 0, 201, 317 0, 0, 0, 0, 0, 0, 0, 0, 0, 0, 0, 0, 0, 0	63.099.056 6.254.903	
State miner is ratheness	crr', A2',	1011101		100,0/8,9	111'C	1, (34, 74)	>

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	CASH FLOW SAMAAT PADARCT BASTS		₩ ₽ °	99 ¹¹ 1	4 1 1		4 9	7 7		3 *	8 = 8 =	4 4 1	및 CI	
	Bruttes Peretian costs		••	••	••		80,485,738 33,582,371	04,426,025 35,177,511		582'184'15 582'184'16	19, 278, 102 14, 722, 346	10, 15/ 14 521 427 22	74, 223, 094 14, 105, 400	10,10,275
Obsituation 1.55.00 2.76.10	therating prefits	•	•	•		11,449,655	46,903,347	19,249,515	51,710,941	27,140,244	37,252,15	451.86.42	31,427,466	13°86'12
(a) (a) <td>- Chellal expenditures - Burling cupital - Nue Ank - Inturest permis</td> <td>21,555,60</td> <td>87,10,12 1</td> <td>212,127,122 0 0</td> <td>24,917,878 24,917 0 0 0</td> <td>2,297,387 516,590</td> <td>2,412,172 542,420 0</td> <td>2,532,78) 569,541 0</td> <td>2,659,420 598,018 0,</td> <td>147,547,5 919,523, 0</td> <td>2, 910, 52, 910 9 9 9</td> <td>11978/012 11978/012 11978/012</td> <td>115'02'(115'02'(</td> <td>6, 194, 168 745, 287 0</td>	- Chellal expenditures - Burling cupital - Nue Ank - Inturest permis	21,555,60	87,10,12 1	212,127,122 0 0	24,917,878 24,917 0 0 0	2,297,387 516,590	2,412,172 542,420 0	2,532,78) 569,541 0	2,659,420 598,018 0,	147,547,5 919,523, 0	2, 910, 52, 910 9 9 9	11978/012 11978/012 11978/012	115'02'(115'02'(6, 194, 168 745, 287 0
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	fert. but-test cosh files	1	•	•	(18,209,401)	956'559'11	43,948,756	161,341,34	48,453,503	126,157,55	122.010.05	24.143.045	27,448,659	29. M. KS
eff (a, 1, 2), and (b, 1,	peak's principal persont	•	•	•	•	•	•	•	•	•	•	•	•	•
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$	bef. Tas thet tash Flow	(21,525,000)			(12,249,41)	856'558'18	43,946,256	46, 146, 193	48,453,503	N.6.727.82	24,914,331	26,168,948	27,448,659	78. M. 455
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Commulth locare tares State regulty personts	••	-	• •	••	8 1,914,422	15,226,2% 2,010,143	15,111,225	281,471,741 2,216,183	21,426,407 1,448,246	102,027,1	019,251,11 1,017,254	11,73,444 1,944,64	42,211,21 582,004,5
MAREERS IN CASE. 1	After Tex Cosh Files	1 (21,525,000)	(052'107'22)	(23,731,313)	(3,20,61)	39, MI, 535	26,712,317	24,701,317	25,745,579	453,241	12,541,011	13,140.992	13, 12, 34)	14.510.714
(24.569.00) (25.560.00) (25.560.00) (1.500.000) (1.500.000) (1.500.000) (24.569.00) (25.560.00) (25.560.00) (25.560.00) (25.560.00) (25.560.00) (25.560.00) (24.569.00) (25.560.00) (25.560.00) (25.560.00) (25.560.00) (25.560.00) (25.560.00) (24.560.000) (27.560.000) (27.560.000) (27.560.000) (27.560.000) (27.560.000) (25.560.000) (24.560.000) (27.560.000) (27.560.000) (27.560.000) (27.560.000) (25.560.000) (25.560.000) (24.560.000) (28.560.000) (28.560.000) (27.560.000) (27.560.000) (25.560.000) (24.560.000) (28.560.000) (28.560.000) (27.560.000) (27.560.000) (25.560.000) (24.560.000) (28.560.000) (28.560.000) (27.560.000) (27.560.000) (25.56.00) (24.560.000) (28.560.000) (28.560.000) (27.560.000) (27.560.000) (27.560.000) (24.560.000) (28.560.000) (29.460.000) (27.55.420 (24.47.50) (24.47.50) (24.560.000) (29.460.000) (29.460.000) (29.47.52) (29.47.50) (21.75.51) (24.560.000) (29.47.52) (29.47.52) (29.	TATALATAN AND AND AND AND AND AND AND AND AND A		<u> </u>				IIIIIIII;				1 SZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZ	i i i i i i i i i i i i i i i i i i i	zzzączi 19115	, filligi lift
(24.566.60) (25.566.60) (25.566.60) (25.266.60) (27.266.10)	Commeltà jacono tares	•	•		•	e	11,342,096	13,740,473	13,869,417	13, 940, 575	NI'03'9	151'123'9	151'025')	6,513,154 1
(71.56) (70.560.00) (70.560.00) 20.75.233 20.755.233 20.755.234	state regulty perments Total tar permots	0		•••	• •	1,500,900	12,942,096	15,240,473	15,369,417	15,003,075	1,515,654	7,595,654	7,595,654	7,595,614
(74.560.00) (75.56.00) (75.5	CASH FLAND IN CARDI. 8							ų				, ,		ĩ
	before dall pract CF	(30°,500,800)		(34, 44, 44) (24, 44, 44)	(11, 111, 111)	N, 75, 24	87.92.01 19.12	R.F. H	N. 75.24	15, 295, 238	15.275.238	15,275,238	15,275,238	6.75.27
	After tar 6	(100, 005, 02)	(11,54,44)		(000'000'42)	31,255,228	19,23,142	17.554.765	17,425,421		H5'667'C	N2'647'1	HS'647'0	N2'64'61
Final Final <th< td=""><td>**********************</td><td></td><td>***************</td><td>IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII</td><td></td><td></td><td></td><td>11111111111111111111111111111111111111</td><td></td><td></td><td></td><td></td><td>11111111111111111111111111111111111111</td><td></td></th<>	**********************		***************	IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII				11111111111111111111111111111111111111					11111111111111111111111111111111111111	
No. No. <td></td> <td></td> <td>2 - 12 Mil</td> <td></td> <td></td> <td>ų n</td> <td>H</td> <td>1</td> <td></td> <td>j~</td> <td>10 10</td> <td>1 =</td> <td>₩ ~</td> <td></td>			2 - 12 Mil			ų n	H	1		j ~	10 10	1 =	₩ ~	
0 0 <td>Grass reveaues</td> <td>-</td> <td>-</td> <td>•</td> <td></td> <td>N4'915'91</td> <td>80,405,738</td> <td></td> <td>(20, 744, 🕅</td> <td>65, 931, 469</td> <td>(9,278,622</td> <td>72.409.425</td> <td>X, 23.04</td> <td>10.01.0</td>	Grass reveaues	-	-	•		N4'915'91	80,405,738		(20, 744, 🕅	65, 931, 469	(9,278,622	72.409.425	X, 23.04	10.01.0
0 0	· State regality permuts · Morrations costs		• 0		••	T, 914, 422 31, 907, 039	2,010,143	-	2,216,193 36,936,396	1,646,246 30,205,205	1,736,701 48,772,346	1,112,734	1.	2,00,52
	Net inc. before ellance	•	•	-	•	42,755,422	14, 193, 204	17,137,864	49,494,757	25,499,958	854.477.45	20,113,703	24,515,51	N., 249, 15
	investment allownees	• •		516,164,1	2° , 940, 138	6,333,770 321,623	3 2,724	685°951	12,272	306,933	410,481	900' 12†	427,554	475. IM

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LEAD-ZING MANECT: SOUTH ANSTRALL

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2,177,033	25,585,645 11,173,916	72, 60 9, 423 1, 0 17, 236
0 2,873,345 8 8	24,291,100	18/, 92/, 1 220, 922, 63
0 0 0 0 0	23,134,390 21,626,407	65,931,449 1,646,246
2.100.510 0 0	47, 013, 926 20, 491, 741 ,	0 74,574,894 80,465,738 84,426,825 86,647,227 65,511,49 69,226,625 72,697,623 74,225,894 86,100,689 0 1,914,422 2,810,143 2,110,651 2,216,183 1,644,74 1,738,781 1,617,234 1,940,897 2,683,542
2.234,015 0 0 0	44,547,262 19,334,225	M, 426, 025 2,110,651
8 2,357,445 167,132 0 0	12, 631, 775 15, 234, 234	00,465,758 2,010,143
2,473, 6 91 276,306 0 0	33, 109, 64 3 0	76,576, 1 94
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LEAD-ZTHE PARTIEST: SHITTA AUSTINU IA

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brease territag costs	547.01.14 547.04.04	N. 124, 14	530'1/S'15 8(1'44/'44	97,410,779 57,300,450	10, 131, 117 10, 151, 411	50,000,554 51,657,400	00
= Overating profits	34,640,003	34,381,245	M, 11, 11	12,011,M	42,115,037	33,000,776	0
- Capital espenditures - Berling capital • New date	3,543,877 801,401	179,547,8 171,1M8	71'84'S HS'SH	121/14, 127/14, 127/14,	4, 101, 101, 4 811, 101, 101 8	3,404,153 (710,474,157) 0	
- Interest perable	•	•	Ð	-	8	•	•
= Def. Debt-Pant Cesh Flee	39,283,525	18.14.18	10, 10, 11	13,154,94	110'600'95	52,915,300	0
- Det's felicipal permit	•	•	•	•	0	0	0
= bef. far het Cash Fien	39,283,525	192'262'15	18.187,54 7	35,654,946	34,009,32	915,319	6
- Commelth income tarns - State revelty perments -	1 12,935,196 2,103,677	2,200,050	14,261,056	14,974,100 2,435,254	15,727,014 2,557,013	16 , 500, 75 4 127, 125	13,495,836 0
= After Tex Cash Flee	15,244,650	16,006,003	16.006.003 16.007,227	17,647,500	18,529,967	34,278, BM	(13,495,836)

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• TAX PATHENTS IN CONST

TAL PRIMERS IN CORSI &							
Committh income tarres	6,533,154	6.53,154	6,523,154	6.533.154	6.533,154	576,242.9	5.006.439
State reveilty persents	1,042,500	1,042,500	1,642,560	1, 112, 500	1, 642, 560	150, 1 00	•
Total tax permets	7,595,654	7,595,654	7,595,654	1,595,654	159"545"2	21,445,973	5,066,439
CASH FLOWS IN CONST \$							
before dubt prent CF	15,275,231	15,275,238	15,245,238	15,295,230	15,275,231	21.141.731	e
before tar G	15,295,238	15,295,238	15, 295, 238	15,275,238	15,295,238	21, 141, 731	0
After .tar G	7,69,54	195'69'2	7,69,54	7,69,54	7,69,544	13, 695, 750	(5,006,439)
				1212111111111111		731111111111111	[]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]]
COMMERCIAL TROOM TAX	NEM.	TEAR	TEM.	TEAN	TEAD	TEM	YEAN
CONFUTATION REPORT	2	51	2	11		•	2
Grass revenues	147,093	8 , 354, 44	NI. <i>m</i> , 1	97.410,779	102,281,317	15,000,054	0
- State revailty persents	2,103,677	2,200,041	2,319, 30 4	2,435,269	2,557,033	2,127,451	0
- Operating cests	49,498,290	S1,973,204	54,571,065	57,386,159	60,145,48]	50, 657, 400	0

826'216'A 564,561 3,069,569

39,558,804 D

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606,468 3,063,304

ه 520,004 577,509 2,778,507 ممک 2,917,413

843,838 2,644,197 34,172,382

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LEAD-ZINC MAJECT: SOUTH AUSTRALIA

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reads (YTE) 0	2,520,1 86 0	8 2, 646 ,197 0 8	0 0 0 0 0	8 2,917,433 0 0 0	0 3,063,704 0 0	0 0 0 0 0 0 0 0	0000E	•
= farable income Commulth income tares	29,525,995 12,935,198	854'185'E1 542'200'1E	22,522,469 14,261,056	34,100,039 14,974,109	35, 009,03 1 15,727,014	0 877,821,825,816 100,808,826 826 826 826 826 826 826 826 826 826	0 13,495,836	
** SMUTL ANSTRALIA ***********************************	84,147,095 2,183,677	M, 354, 448 2, 200, 861	NCT - 227 - 24	97,410,779 2,426,826,2	102,281,317 2,557,8U3	85,098,056 2,127,451	~ ~ ~	

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CASH FLAN SHIMARY - 1 PHOJECT BASIS	ag. T	4 1 1 1	ar L		17.46 S	42. °	75.A /	a e	1540 •	4 2	a =		
Inverses I 0 179,431,875 11 - Investing costs -			82,541,75	577,449,66 186,463,469	197, 023, 642 24, 024, 331	114,424 114,424 112,257,17	219,100,546	100, 375, 549 85, 692, 416	720°221'551	142, 809, 443	171,003,074 209,171,003	179,545,643 100,159,667	114,152,181 114,152,181
= therating profils	•	•	112,211,655	117,904,106	123, 799, 312	175,999,951	134,400,741	182,683,153	65,155,785	68,413,574	71,054,753	75,425.946	19.191.61
-Amilal especifiares - Mating cuitai - New Ant - Interest permis	• • •		111'E	0 8/2'509'9 8/2'619	7,019,54 9 0 0 0	0 905'924'1'1 925'924'1'1	220,027,7 92,179 0	8,126,005 8,120,005 0 0	8,532,505 1,071,155 0	8, 958, 928 8, 124, 715 0 0	9, 406, 945 940, 949 1, 190, 949 0	8 964-622-1 912-778-8	8(0,1(7,0) 8(0,100,1 8
= Bef. Bubt-Pant Cash Flow! (139,200,000) (152,6%,250) 105,123,375	(139,200,600)	(152,6%,250)	12,6%,250) 105,123,375 1	110, 379, 544	115, 8% ,521	121,693,447	127, 778, 119	93, 537, 001	55.552.775	14°52'8	61,246,439	(1,300.76	N1.N2.(3
- bebt's principal permit	•	•	Ð	•	0	0	0	0	0	•	•	-	•
= Bef. Ter Net Cesh Flee (130,200,000) (152,6%,256) 105,123,775	(130,200,000)	(152,6%,250)	105,123,375	110, 379, 544	115, 898 ,521	121,693,447	127,778,119	100'22'5'	\$5.552, 375	1M'121'BI	61,246,438	617,300,748	67,524,190
- Commulth Income tares 1 - State revality perments		•	0 12,559,631	24,395,925 13,102,643	33,767,144 13,847,055	82°141'20	41,305,761 15,266,440	45,552,468 13,185,690	31, 443, 744 10,060, 394	16,028,208 10,651,100	17,595,385 11,262,597	19, 164, 337 11, 196 , 774	20 ,742,017 12,555,543
- After Tes Cab Flee	(139,200,000) (153,6%,250)	(152,6%,250)	7,543,744	72,775,976	64, 784, 322	78,009,743	814'502'12	34, 798, 843	14,048,187	31,650,625	27,002,52	33,247,649	и,225.019
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Commulth Jaccas tares • State revailty persents Total tar persents		• • •	507, 614, 61 504, 614, 61	95'84'82 95'84'81	26,457,441 10,849,538 37,306,97]	223,717,72 222,949,61 371,752,92	29, 335, 233 10, 849, 574 40, 204, 807	162'952'65 165'924'8	20,240,910 6,485,019 26,237,85	926,928,9 730,922,3 977,872,31	10,207,454 10,505,007 16,877,443	10, 17, 120 22, 152, 3 29, 305, 91	10.85,11 10.82,3
cash flows in const. p						ų							
lefere dukt prant G befere tar G Aftaitum G	(124,000,000) (124,000,000) (124,000,000)	(124,000,000) (138,500,000) (124,000,000) (133,500,000) (124,000,000) (138,500,000) (124,000,000) (138,500,000)	10, 10, 10, 10 10, 10, 10 10, 10, 10	1 , 11 , 12, 11 , 12, 11 , 12, 11 , 12, 12, 12, 12, 12, 12, 12, 12, 12, 12	555°205'56 125°400'06 125°400'06	90, 100, 521 91, 100, 521 91, 212, 330	90,809,524 922,808,99 922,808,99	127, 997, 524 127, 997, 524 257, 555, 55	35, 809,5 24 35,909,524 9,855,587	125,000,221 125,000,221 127,024,71	15, 000, 52, 100, 51, 152, 100, 51 141, 367, 91	127,000,22 152,000,22 222,515,61	59,991,81 15,991,81 15,991,81
CENTREMATION AND A CONTRACTION		11111111111111111111111111111111111111	11111111111111111111111111111111111111	7 111111111111111111111111111111111111	HIRTINIIIIIIII HIRTONIA YEAR 5		11111111111111111111111111111111111111	11111111111111111111111111111111111111	111111111111111 1111111111111111111111	13111111111111111111111111111111111111	11111111111111111111111111111111111111	A A	NUNUUUU NUNUUUU AGA
Creas Crea Creas Creas <thc< td=""><td></td><td></td><td>179, 431, 075 12, 539, 431 67, 142, 250</td><td>575°444°84 579°441°51 674°504°80</td><td>197,823,642 13,647,655 74,024,331</td><td>14, 21, 14, 14, 14, 14, 14, 14, 14, 14, 14, 1</td><td>218,100,546 218,100,546 15,246,440 81,611,825</td><td>13,185,569 13,185,690 13,692,416</td><td>155,132,622 16,060,394 10,977,037</td><td></td><td>7.201.01 20.201.11 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20</td><td>174,205,421 174,205,421 177,209,111 184,159,447</td><td>10,152,001 12,555,501 12,557,661</td></thc<>			179, 431, 0 75 12, 539, 431 67, 142, 25 0	575°444°84 579°441°51 674°504°80	197,823,642 13,647,655 74,024,331	14, 21, 14, 14, 14, 14, 14, 14, 14, 14, 14, 1	218,100,546 218,100,546 15,246,440 81,611,825	13,185,569 13,185,690 13,692,416	155,132,622 16,060,394 10,977,037		7.201.01 20.201.11 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20.201.01 20	174,205,421 174,205,421 177,209,111 184,159,447	10,152,001 12,555,501 12,557,661
 Mot inc. before alluncs Chrind less Investant allumaces Morrecistion allumaces 	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	900, MC, 1 000, MC, 1 000, 207, 8	221'1122'82 200'940'51 944'422'44	544, A17, MEI 9 2010, MV 759, AM2, ME	101, 752, 257 0 107 102 102 102 102 102 102 102	115,449,629 0 1,637,234 24,617,472	121,227,301 0 1, 889,096 21,106,101	89,497,464 0 ~ 1,143,551 19,997,948	142,200,22 0 142,005,1 1420,702,1	57,742,444 0 1,240,744 18,259,949	6,571,656 0 101,557,10 235,362,11	611'790'/1 566'682'1 8 261'625'59	11, 111, 11 11, 111, 11 11, 111, 111 111, 111, 111 111, 111, 111

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COPPER-HOLTBRENCH PROJECT - QUEENSLAND

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reeds	(YTE)	1	0	0	0	0	. 0	.0	0	0	0	0		8	•
normal+sec	(YNE)	1	3,024,000	6,199,200	7,194,758	8,248,093	9,337,695	7,466,177	5,501,084	5,776,138	6,064,945	6,368,192	6,686,602	7,020,932	7,371,978
	(1788)	1	1,260,000	2,583,000	2,583,000	1,323,000	0	0	0	0	0	0	0	0	•
aining oquip ((YNE)	1	0	8	22,955,415	20,805,734	18,079,315	17,151,295	15,605,017	14,221,810	12,985,789	11,082,677	10,899,650	18,825,188	9,248,947
exploration ((YEE)	1	0	0	0	0	0	0	0	0	0	0	0	0	•
	••••••	-¦	•••••	•••••	•••••	••••••••••••••	••••••••••••	•••••	•••••	••••••	•••••	🕷		••••••	• • • • • • • • • • • • • • •
= Taxable incone		1	(4,284,800)	(13,066,200)	53,034,620	73,406,835	80,748,405	89,795,134	99,027,105	68,355,965	34,843,930	39,250,833 /	41,661,602	45,073,000	48,561,294
Commulth income	taxes	1	0	0	0	24,395,925	33,767,144	37,144.266	41,305,761	45,552,468	31,443 744	16,029,208	17,595,383	19,164,337	20,742,817
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					*************	munnin		**********	*************		************				
STATE BOTALT		i	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	TEAR	YEAR	YEAR
- COMPUTATION NEI	PORT	1	1	2	3	4	5	6	7	8	9	10	11	12	13
		••••							***********	: :::-:	. · ··: ·· :·:	•••••••	• • • • • • • • • • • • • • • • • • • •		
# OVEEXSLAND, othe															
rail freight i	reyaity	1	0	÷ 0	8,971,594	9,420,173	9,891,182	10,385,741	10,905,028	9,418,778	7,756.641	8,144,473	8,551,697	8,979,282	9,428,246
CONC. POV. PO	yəlty O	Rt	0	0	3,500,030	3,767,469	3,955,873	4,153,696	4,361,411	3,766,911	3,102,056	3,257,189	3,420,079	3,591,113	3,778,698
net incose rep	volty	1	0	0	3,976,323	4,375,264	4,777,665	5,267,890	5,767,632	4,132,760	2,303,753	2,506,635	2,710,900	2,917,492	3,127,317
STATE BOYALTY PI	ATHENTS	1	0,	, 0	12,559,631	93, 187, 643	13,847,055	14,539,438	15,266,440	13, 185, 690	10,060,394	10,651,100	11,262,597	11,896,774	12,555,563

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COMPANY VIOLUN MAXET: OUENSLAD

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COSH FLAN SHIMMIT Imalect lasts		27	CASH F.M. SHIMMAY I TEAM TEAM TEAM TEAM TEAM TEAM TEAM TEAM		3 <u>5</u>	15 19	4 2 2 2 2	TEM 21	75W 22	42 7	11 2 2	99 K	TEAR TEAR <th< th=""></th<>
boomunes 197,991,160 207,972,610 210,207,659 229,2 - boosting casts 114,626,623 129,576,624 122,9	071,209,401	110'240'42'	218,287,459 126,406,726	20)'05'21 20'06'21	916'E85'451	22,65,00 14,53,111	85.279.771 153.01,267	278,5%,259 161,585,830	71,234,07	307, 152, 376 178, 144, 378	161,828,191 182,528,191	15. M. 17	
: therefies profits	63,157,127	N6'NE'/8	91.646.733	N, 24, 76	101,079,000	106,131,998	111,438,504	117,010,479	054'070'221	179,003,990	13.454.19	69,428,276	•
- Carital espenditures - Murting carital - Murting carital - Inturest perallo	967'680'01 ×	11,434,105 1,435,450 8	12, 005, 010 1,507,223 0	12,446,101 1,582,594 1	13.236. 006 1.661,713 0 0	13, 8%, 224 8%,14%,1 9	14,593,137 1,837,039 0 0	19,252,11 19,259,11 0	14,000,11 23,010,2 0 0	100,021,2 910,021,2 0	17,739,656 2,226,655 9	9,000,79 (151,191) (151,191)	• • • •
a bef. Bet-Pat cosh File	7.98.4	74,445,420	74,167,780	82,676,665	86,179,889	90,486,883	95.013.327	99,763,994	104,752,193	109,969,003	115,449,293	10,10,101	•
- Kebt's principal permenti	•	0	Ð	•	0	Ð	Ð	0	0	•	•	•	• •
= bef. Ter Met Cech Flee	70,900,400	74,445,420	79,167,790	200,976,55		90,486,883	75.013. 327	99,763,994	104,752,193	109,999,601	115,489,293	101.431.672	
- Commulth Incore tares - State revelty perments	191,226,191	272'154'51 985'754'52	89'69'5H 11'69'14	27,294,064 15,437,446	28,400,102 16,218,441	929'51'97' 929'619'21	31,627,703 17,865,666	33, 163, 343 18, 748, 222	34,727, 0 67 19,666,130	14,292,277 20,614,577	37,001,521 21,578,194	19, 101, 154 10, 159, 164	129'256'51 0
s After Tes Cech Flee	112,121,314	34,533,159	37,041,015	H,343,775	11.201,046	43,335,416	45,519,959	47,852,429	944'851'85	954,200,52	54,109,578	59,960,154	(11,92,674)
IAN PARABILIS IN CARSI. 3				~	,				:				
Committh Income Laters State semalty assesses	NG"242"11	NY, 522, 11	111,171,111	659°986°11	205'024'II	104'144'11	691'024'11	62,506,11	11,071,445	11,015,724 4,211,515	11.721.009 12.111	N2'63'11	3,910,436
Tetal tar personts	17, 949, 640	10, 234, 449	764 ¹ M7 ¹ H	10,443,745	IR, ASA, 396	10,014,01	10,653,530	18,431,240	19,594,308	10,527,239	18,411,744	14,942,975	3,918,434
CASH FLOWS IN CONST. \$	``	L				-		•					
before dukt pront CF	15,000,52	35,000,524	35,000,524	122,100,52	15, 101, 52	35,000,524	35,909,524	35,009,524	125, 000, 52	152, 609, 52	35,000,524		ī.
before tor Cf After tor Cf	12: 10: 22: 2: 10: 52:	12, 000 ,220 17,572,074	75° 88° 757	12,000,221 12,231,71	35, 809,52 4 17,153,127	35,009,524 17,149,296	35,009,521 17,155,994	35,809,524 17,176,264	35,009,524 17.215.216	35, 00 9,520 202,202,71	925" 409" SE	33, 103, 659 10. 140, 603	(3,910,434)
		11111111111111111111111111111111111111	1985899999999999		17111111111111111111111111111111111111	12111111111111111111111111111111111111	11111111111111111111111111111111111111				122222222222222222	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
CONFICTION REPORT	17 F	and Si	a 2	TEAR 17	an Bi	TEAR 19	YEAR 20	YEAR 21	TEAR 27	YEAR 23	TEAN 23	TEAR 25	A K
Grass revenues - State revailty perments - Operating costs	197,993,148 200,062,51 200,052,61	287,892,010 210,209,459 229, 13,564,742 14,699,149 15, 13,574,742 15,666,735 123, 121,777,871 126,666,735	216,207,459 14,699,140 126,406,725	200'102'52 200'102'51 200'102'51	916'585'421 199'916'91 24'199'421	52,65,650 53,610,71 111,132,301	782,129,771 343,846,71 785,168,821	278, 5%, 259 18, 748, 222 16, 748, 200	272,526,072 19,666,130 169,665,127		30,152,376 322,5 69,994 20,614,577 21,578,194 176,146,379 107,655,797	-	•••
: Net jec. beføre aljuncs - Carried Jess - Tenestand aljunaers	NZ'916'69	127,002,177 0 0 0 0 0 0 0 0 0 0 0 0 0 0 1	9 26, 101, 572 1, 601, 505	100 PUL 1	04,967,347 0 1,962,723	69,112,679 6 1,755,659	93,572,839 0 2.853,652	96,262,207 2,156,335	103,194,820 0 2,264,152	129, 200, 300 0 2, 377, 359	113,0%,004=	51,130,42 1,279,317	
- Berecisties allements	16.32.221	16,002,557	15,955,387	16.407.409	17.496.716	10.400 343	19.424.96	20.612.248	22.034.414	23.834.842	24.370.310	11.111.17	

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COPPER-HOLYBDENCH PROJECT: OCEENSLAND

roads (YTE)	1	0	8	0	8	0	0	0	0	0	0	9	•	0
normal+scc (THE)	:)	7,740,577	8,127,686	8,533,966	8,968,686	9,408,720	9,879,156	10,373,114	10,891,769	11,436,358	12,008,176	12,688,584	11,748,211	
heavy-duty (1780)	1			6	•	0	0	0	0	0	9	0	•	•
states easip. (THE)	1 (8,561,644	7,954,951	7,421,401	7,727,003	8,087,996	8,521,198	9,851,847	9,720,478	10,598,056	11,826,666	13,741,726	15,745,162	•
exploration (YEE)	!	0	0	I	0	Ò	0	0	0	0	0	•	•	•
= Tazabje income	5	2,081,536	55,668,574	59, 336, 660	62,365,613	65,507,900	68,755,876	72.094.225	75, 493, 624	78,8%,254	82,177,220	85,887,444	38,298,422	•
Commulth income taxes	; z	2,338,191	23,957,586	25,687,544	27,294,664	28,688,182	30,133,638	31,627,703	33, 163, 343	34,727,067	36,292,277	37,801,521	39,104,354	13,932,674
	******	*********	*************	*************	*************	************	*************	************	************	************	***********	**********	************	***********
STATE BOYALTY	***** **	11231223341 YEAR	************** YEAR	*************** YEAR	YEAR	YEAR	*************** YEAR	************** YEA R	8888888888888888888 YEAR	**************** YEAR	00700000000000000000000000000000000000	REFERENCES	00000000000000000000000000000000000000	10120772007700 TEMD
	******* : :					•••••••••••••		•••••		**************** YEAR 22	8888888888888888 YEAR 23			
STATE BOYALTY Computation Report	 	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 10	YEAR 19	YEAN 20	YEAR 21	22	23	TEM 24	TEM 25	TEM 26
STATE BOYALTY Computation Report	 	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 10	YEAR 19	YEAN 20	YEAR 21	22	23	TEM 24	TEM 25	TEM 26
STATE BOYALTY CONFETATION REPORT * OVERTSLAND, other *	 	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 10	YEAR 19	YEAR 20	YEAR 21	22	23	TEAR 24	TEM 25	TEM 26
STATE BOYALTY CONFETATION REPORT * OVEERSLAND, other * rail freight royalty	 	YEAR 14 9,879,658	YEAR 15 10,3%,641	YEAR 16 10,914,373	YEAR 17 11,460,072	YEAR 10 12,033,0%	YEAR 19 12,634,751	YEAR 20 13,266,489	YEAR 21 13,729,813	22 14,626,304	23	YEAR 24 16,125,500	TEAN 25 8,264,319	TEM 26

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lbreads bereiling casts		MI 20,115,111 0 0 MI 20,115,111 0 0	17, 41, 675 67, 10, 171	14, 254, 141 74, 699, 143	247.150.17 112.150.17	10,214,024	210, 100, 544 01, 611, 025	92,272,001 214,578,20	/10°*//6*60	162, 109 , 443 94, 475, 108	70°'01''4	179,585,411 119,159,447	10, 54, 914 10, 14, 63
: therefore profiles	•	•	112.29.455	117,944,166	123,000,851	12,999,051	134,400,741	102,483,153	45,155,785	40,413,574	71,634,753	7,05.%	N2'61'W
- Carital essenditures - Nurting control - Nur date - Interest preate	8 8	00,017,221 05,346,21 0	10, 22, 22, 2 21, 24, 2 10, 24, 24, 24, 24, 24, 24, 24, 24, 24, 24	N2'597'9 N2'669 0	7,019,549 801,242 0	0 90('526 90('526	7,739, 8 52 971,569 0	8,126,005 1,620,148 0	887,572,0 821,178,1 9 0	824,829,8 0 0 0	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	9,277,78,9 249,425,1	948,102,01 244,195,11
: bef. beit-fant Cesh Fleet	1	(130,200,000) (152,6%,754)	165,123,375	110, 379, 544	115,090,521	121,693,447	127,778,119	93,537,001	5 2'255'55	56, 329, 941	61,246,438	41, 300, 74	N. N2.(1)
- Bubt's principal perment	6	Đ	•	•	6	6	0	o	Ð	•	•	•	•
: bef. Tas Not Cash Flee	(138,288,080)	(138,200,000) (152,6%,256)	105,123,375	110,379,544	115,898,521	121,693,447	127,770,119	93,537,001	SS2, SS2, 225	116'621'85	61,246,439	11,300,748	MI'NS'()
- Committh income tares - State reveity permets	•••	••	8 MS'126'8	34,605,913 571,051,9	910.070.21 9.691.182	192,202,01 101,205,741	10,905,029 10,905,029	54,737,025 9,418,778	39, 718, 556 7, 756, 641	23,061,397 8,144,473	24,214,467 0,551,697	25,425,19 8,579,282	21, 62, 449 9, 621, 246
: After Ter Cesh Flow	(139,299,000)	(139,299,000) (152,6%,259)	181'1SI'%	(4.33.457	60,936,521	617,023,03	65, 767, 034	791,182,05	6,677,128	27,124,671	20,400,275	11, 18, 11	11, 79, 50
INTERPOLITION DE LA CONST. À			11111111111111111111111111111111111111		1.								
Committh income tares State regulty permets	60	• •	000°057''2	30,115,776 7,758,889	35,314,165 7,750,000	25,555, 646 7,750,000	34,320,121	37,048,173 6,375,000	229,000,000,2 200,000,2	14,157,697 000,000,2	14, 157, 697 5, 800, 800	14, 157, 6 97 5, 609, 60 0	14, 157, 697 5, 860, 860
Total tar persents CASH FLANS IN CANST \$	-	•	000''05''' 2	37,845,776	43,064,165	43,305,646	44,070,121	43,423,173	30,602,935	19, 157, 697	19,157,697	19,157,697	19,157,697
before dut prant & before ter & After ter &	(124, 000,000) (124,000,000) (124,000,000)	(*************************************	N2,000,00 N2,000,00 N2,000,01	90,009,524 90,009,524 52,013,728	90,809,524 90,809,524 47,745,339	92,000,024 922,000,024 923,000,024	90,809,524 90,809,524 44,739,403	62, 209, 524 192, 201, 153 191, 186, 154	485'468'52 145'468'52 145'468'52	35,009,524 35,009,524 16,651,027	35,000,524 35,000,524 16,631,123	752, 999, 22 1922, 999, 22 1922, 999, 22	127,000,22 192,000,22 193,100,61
		TITTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT		11111111111111111111111111111111111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	12111111111111111111111111111111111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	TELEVISION	2211112121212121
Gress reviewes 1 0 1 1/4,42,40 1/9,42,44 2/9,714,424 2/16,402,564 2/16,106,566 5/16,566 5/16,566 5/16,566 5/16,566 5/16,566 5/16,566 5/16,566 5/16,566 5/16,566 5/16,566 5			179,431,875 179,431,594 192,124,750	180, 403, 403 24, 404, 173 74, 494, 167	151"160"61 201"160"6 201"160"6	207,714,024 10,305,741 77,725,547	210,100,566 10,905,028 01,611,825	100, 375, 569 9, 418, 778 05, 692, 416	155,132, 6 22 7,756,641 89,977,837	142, 009 , 443 244, 473 90, 275, 900	269,102,171 263,182,9 263,991,99	914,452,001 035,601 409,000,111 04,000,201 524,511 94,462,44,914 055,524,511 04,464,514 055,526 055,52	657/25.001 916/95/001 92/25/601
= Net inc. beføre alluncs - Carried less - lifestanat allemaces - berrelation allemaces			100,010,001 100,000 200,000 200,000 200,000	126,128,181 126,183,181 126,183,181 126,183,181 126,183,183,183,183,183,183,183,183,183,183	113,900,127 0 548,589 248,584	N22,000,011 N22,700,1 0 771,244,7	125,582,251 0 1,009,096,1 1,009,006,2	811,261,175 0 182,151,1	941,992,72 0 957,2005,1 857,200,3	101.05.03 0 107.052.1 271.052.3	207'502'17 9 955'202'17	407,204,20 209,002,1 8 9	010'07'09 249'639'1 8 846'172'2
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7,828,922 6 0	24, 025, 746 25, 625, 196 2	
e 0 0 0	55,777,152 24,214,467	11.00.101 11.00.101 25.00.1 25.00.1
e 0 241'871'9	23,041,043 23,041,052	0 54,000,531 679,661,8 679,661,8
6,044,945 0 0 0	50,133,471 37,716,956	0 20,521,221 14,227,7
0 0 0 0 0	66, 344, 687 54, 737, 025	0 180, 375, 569 9, 410, 779 9, 410, 779
0 5,501,004 0 0	110,903,533 51,106,057	8 218,100,465 9 13,905,029 10,905,029
7,466,177 8 9	111,100,125 17,647,743	207,714,424 6 16,205,74 18,205,74
8 293, 537, 6 0 0 0	103,582,593 45,070,010	0 219,109,6 9,811,109,9 211,109,9
8 0,240,093 1,123,000 0	97,900,020 36,605,913	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
0, 114,750 2,523,000 8	8,578,675 0	80,101,101,101 80,101,101,101 80,110,10
9 902,199,200 21,543,000	4,294,000) (13,044,200) 8 0	
0 3,024,000 1,240,000 0	(4,234,000) B	•••••
reeds (TTE) T mereal+scc (TTE) T heavy-ditr (TTB) t alaige evelp. (TTE) t evolvention (TTE) t	= Tatable increas 1 (4,284,000) (13,064,200) 79,579,073 97,980,030 103,582,593 711,180,125 110,993,533 66,344,687 59,133,471 52,640,145 55,272,152 59,623,740 49,973,540 56,647 55,676 49,973,540 49,575,540 49	0 ESTERN ABSTRALIA 1 0
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COPPEN-INLYNDENN PROJECT: HESTENN ANSTALLA

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CASH FLOW SHIMMAY	YEM	YEAR	YEAR	TEAR	YEAR	TEAR	TEAR	YEAR	YEAR	TEAR	TEAN	YEAR	YEM
PINJECT NASIS	<u>ب</u> ل '	15			18		20		77	23	24	75	2
Arvenes 1	197.993.160	287.872.010	218,287,459	229,201,832	240.661.923	252,695,620	265,329,771	278,594,259	292,526,072	387,152,376	322.589.994	165.206.372	
operating cests	114,834,833	120,577,854	126,666,726	132,937,862	139,583,916	146,563,111	153,891,267	161,585,830	169,665,122	178,148,378	187,855,797	75,866,8%	
Apprating profits	83,157,127	87,314,994	91,688,733	96,264,769	191,078,000	196,131,908	111,438,504	117,810,429	122,860,950	129,003,990	135,454,190	69,420,276	
Capital essenditores	10.007.624	11,434,105	12,985,810	12,686,101	13,236,306	13,898,226	14,593,137	15,322,794	16.008.934	16.893.381	17,738,658	9,898,758	
Herbine capital	1,367,0%	1.435.458	1,507,223	1.582.584	1,661,713	1,744,799	1,832,039	1.923.641	2.019.823	2,129,814	2,226,855	(49,102,147)	
New debt	•			0	8		0	0	0		•	•	
Interest peyable	0	•	•	0	0	0	0	0	0	0	8	•	
Bef. Bubt-Pant Cash Flow	78,980,488	74,445,428	78,167,708	82,876,885	\$6,179,889	99,488,863	\$5,813,3 27	99,763,994	104,752,193	109,989,803	115,489,293	189,431,672	
Bobt's principal payment		•	•	0	0	0	0	\ 0	0	•	•	•	
Bef. Tax Het Cash Flow	79,968,460	74,445,428	78,167,788	82,876,885	86,179,889	90,480,883	95,013,3 27	99,763,994	104,752,193	189,989,803	115,489,293	189,431,672	*-*******
Commulti income taxes i	28,831,272	29,432,836	38,964,477	32,449,701	34,072,186	35,775,7%	37,564,585	39,442,815	41,414,955	43,485,703	45.659.900	47,942,900	22.139.0
State regalty personts	9,899,658	18,394,641	10,914,373	11,460,092	12,033,0%	12,634,751	13,266,489	13,929,813	14,626,304	15,357,619	16,125,508	8,264,319	22,137,4
	**************			70 1// 100	40.074.606	42.678.337	44,182,254	46,391,366	48,710,935	51,146,481	53,783,885	53.224.344	(22,139,6
After Tax Cesh Flew :	32, %9,478 188711111111111111111	34,617,952	36,34 9,017	38,166,292		•							
						•							
AX PAYNENTS IN CONST. 4 Commulth income tares	14,157.697	14, 157, 697	11111111111111111111111111111111111111	14,157,697	1 22221 2222222222222222222222222222222	14 , 1 57, 69 7	· 14,157,697	11111111111111111111111111111111111111	14,157, 69 7	11111111111111111111111111111111111111	14, 157, 69 7	14, 583,88 7	*******
AX PATHENTS IN CONST. & Commulth income tares State revaity peyments	14,157,697 5,000,000	14,157,6 9 7 5, 000 , 000	14,157,6 9 7 5, 000,00 7	14,157,697 5, 000 ,000 £	14,157,697 5,600,080	14,157,697 5,000,000	· 14,157,697 5,000,000	14,157,697 5,000,000	14,157,697 5,600,800	14,157,697 5,000,000	-		*******
AX PATHENTS IN CONST. & Commulth income tares State revaity peyments	14,157.697	14, 157, 697	11111111111111111111111111111111111111	14,157,697	1 22221 2222222222222222222222222222222	14 , 1 57, 69 7	· 14,157,697	11111111111111111111111111111111111111	14,157, 69 7	11111111111111111111111111111111111111	14, 157, 69 7	14, 583,88 7	6,226,4
AX PAYNEWTS IN CONST. \$ Commulth income tares State revaily payments Total tar payments	14,157,697 5,000,000	14,157,6 9 7 5, 000 , 000	14,157,6 9 7 5, 000,00 7	14,157,697 5, 000 ,000 £	14,157,697 5,600,080	14,157,697 5,000,000	· 14,157,697 5,000,000	14,157,697 5,000,000	14,157,697 5,000,000	14,157,697 5,000,000	14 , 157 , 697 5 , 000 , 88 0	14,583,007 2,500,000	6,226,4
AX PAYNENTS IN CONST. & Commulth income tares State revaity peyments Total tar peyments ASN FLOUS IN CONST. & Before debt pyant CF	14,157,697 5,000,000 19,157,697 35,009,524	14, 157, 697 5, 000, 000 19, 157, 697 33, 007, 524	14,157,697 5,000,000 19,157,697 35,009,524	14,157,697 5,000,000 £ 19,157,697 33,007,524	14,157,697 5,600,000 19,157,697 35,809,524	14,157,697 5,000,000 19,157,697 35,809,524	 14,157,697 5,000,000 19,157,697 35,809,524 	14,157,697 5,000,000 19,157,697 35,809,524	14,157,697 5,600,600 19,157,697 35,809,524	14,157,697 5,008,000 19,157,697 35,809,524	14,157,697 5,000,000 19,157,697 35,009,524	14,583,007 2,500,000	6,226,4
AX PATHENTS IN CONST. & Commulth income tares State revaity peyments Tetai tar peyments ASN FLOUS IN CONST. & Before dobt prant CF Defore tar CF	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524	14, 157, 697 5, 000, 000 19, 157, 697 33, 009, 524 33, 009, 524	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524	14,157,697 5,000,000 f 19,157,697 33,009,524 35,009,524	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524	14,157,697 5,600,600 19,157,697 35,809,524 35,809,524	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524	14,503,007 2,500,000 17,003,007 33,103,659 33,103,659	6,226,4 6,226,4
AX PAYNENTS IN CONST. & Commulth income tares State revalty payments Tetal tar payments ASM FLOWS IN CONST. & Defore dobt prant CF Defore tar CF	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,631,027	14,157,697 5,000,000 19,157,697 33,009,524 33,009,524 16,631,827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 / 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,631,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 1	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,627	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,452	6,226, 6,226, 6,226,
AX PAYNENTS IN CONST. 4 Commulth income tares State revaity payments Tetai tar payments ASN FLOUS IN CONST. 8 Defore debt pymat CF Defore tar CF After tar CF	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,627	14,157,697 5,000,000 19,157,697 33,009,524 35,009,524 16,651,827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827	14,157,697 5,000,000 / 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,451,627	14,503,007 2,500,000 17,003,007 33,103,659 33,103,659 16,100,652	6,226,4 6,226,4 6,226,4 (6,226,4
AX PAYNENTS IN CONST. 1 Commulth income tares State revaily payments Total tar peyments CASN FLOUS IN CONST. 1 Before dobt pyant CF Defore tar CF After tar CF	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,627	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 127	14,157,697 5,000,005 19,157,697 35,009,524 35,009,524 16,651,627	14,157,697 5,000,000 / 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827	14, 157, 697 5, 000, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14, 157, 697 5, 000, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,627	14,583,007 2,500,000 17,003,007 33,103,659 33,103,659 16,100,652	6,226,4 6,226,4 6,276,4 (6,226,4 111111111111111111111111111111111111
AX PAYNENTS IN CONST. 1 Commulth income tares State revaily payments Total tar peyments CASN FLOUS IN CONST. 1 Before dobt pyant CF Defore tar CF After tar CF	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,627	14,157,697 5,000,000 19,157,697 33,009,524 35,009,524 16,651,827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827	14,157,697 5,000,000 / 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,451,627	14,503,007 2,500,000 17,003,007 33,103,659 33,103,659 16,100,652	6,226,4 6,276,4 (6,226,4 (6,226,4 111111111 11111111111111111111111111
AX PAYNENTS IN CONST. 8 Commulth income tares State reyaity paynents Tetai tar peyments CASN FLOUS IN CONST. 8 Before dobt prant CF Defore tar CF After tar CF After tar CF After tar CF CONFERENCESSIONALIZED CONFERENCESSI	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 77777777777777777777777777777777777	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 027	14, 157, 697 5, 000, 000 <i>f</i> 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 027	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,027 172722200000000000000000000000000000	14, 157, 697 5, 000, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 FERR	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 111111111111111111111111111111111111	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 027	14, 157, 697 5, 008, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,452 111111111111111111111111111111111111	6,226,4 6,276,4 (6,226,4 (6,226,4 111111111 11111111111111111111111111
AX PATHENTS IN CONST. 4 Commulth income tares State reyaity payments Tetai tay payments Tetai tay payments CASH FLOWS IN CONST. 4 Before debt pymat CF Defore tay CF INTERNATION AFPORT CONFUTATION AFPORT	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,631,027 77777777777777777777777777777777777	14, 157, 697 5, 000, 000 19, 157, 697 33, 009, 524 35, 009, 524 16, 651, 827 FEAR 15 207, 097, 010	14,157,697 5,000,000 19,157,697 33,009,524 35,009,524 16,651,027 717777777777777777777777777777777777	14,157,697 5,000,000 / 19,157,697 33,007,524 35,007,524 16,651,027 177777777777777777777777777777777777	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 FERRERE YEAR 19 240,661,723	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 77277777777777777777777777777777777	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 111111111111111111111111111111111111	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 YEAR 21 278, 596, 259	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 TEAR 22 292,526,872	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 YEAR 23 307,152,376	14, 157, 697 5,000, 000 19, 157, 697 35,009, 524 35,009, 524 16, 651, 827 7577575757 757757575757 757757575757 757757	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,452 77588 7688 7688 25	6,226,4 6,276,4 (6,226,4 (6,226,4 111111111 11111111111111111111111111
AX PAYNENTS IN CONST. 4 Commulth income tares State revaity payments Total tax peyments Total tax peyments ASN FLOUS IN CONST. 4 Before dobt prant CF Defore tax CF After tax CF INTERTITUESTICATION AFPORT 1 COMPUTATION AFPORT 1	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 77277777777777777777777777777777777	14, 157, 697 5,000,000 19, 157, 697 35,009, 524 35,009, 524 16, 451, 827 111111111111111111111111111111111111	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,127	14,157,697 5,000,000 f 19,157,697 35,009,524 35,009,524 16,651,027	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 TELERENTING YEAR 10	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 TEXTERNAL YEAR 19	14, 157, 697 5,000,000 19, 157, 697 35,809, 524 35,809, 524 16,651,827 YEAR 20 265, 329, 771 13,266, 489	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 TEAR 21 278, 596, 259 13, 929, 813	14,157,697 5,600,600 19,157,697 35,809,524 35,809,524 16,651,827 TEAR 22	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 YEAR 23	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,627 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	14,503,007 2,500,000 17,003,007 33,103,659 33,103,659 16,100,652 22222222222222222222222222222222222	6,226, 6,226, (6,226, 111111111 11111111111111111111111
AX PAYNENTS IN CONST. 4 Commulth income tares State revaity payments Tetai tax payments Tetai tax payments ASN FLOUS IN CONST. 4 Before dobt prant CF Defore tax CF After tax CF INTERESTITUTESTITUTES SUMMERALTH INCOME TAX 1 COMPUTATION REPORT 1 Tess revenues 1 State revaity payments	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,631,027 77777777777777777777777777777777777	14, 157, 697 5, 000, 000 19, 157, 697 33, 009, 524 35, 009, 524 16, 651, 827 FEAR 15 207, 097, 010	14,157,697 5,000,000 19,157,697 33,009,524 35,009,524 16,651,027 717777777777777777777777777777777777	14,157,697 5,000,000 / 19,157,697 33,007,524 35,007,524 16,651,027 177777777777777777777777777777777777	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 FERRERE YEAR 19 240,661,723	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 77277777777777777777777777777777777	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 111111111111111111111111111111111111	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 YEAR 21 278, 596, 259	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 TEAR 22 292,526,872	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 YEAR 23 307,152,376	14, 157, 697 5,000, 000 19, 157, 697 35,009, 524 35,009, 524 16, 651, 827 75775775777 757757777777777777777777	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,452 77588 7688 7688 25	6,226, 6,226, (6,226, 111111111 11111111111111111111111
AX PAYNENTS IN CONST. 8 Commulth increme tares State reyaity paynents Total tar perments CASN FLOWS IN CONST. 8 Defore debt prant CF Defore tar CF After tar CF After tar CF CONFORMATION REPORT CONFUTATION REPORT State revenues State revenues formating cests	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 77277777777777777777777777777777777	14, 157, 697 5,000,000 19, 157, 697 35,009, 524 35,009, 524 16, 451, 827 111111111111111111111111111111111111	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,027 111111111111111111111111111111111111	14,157,697 5,000,000 / 19,157,697 35,009,524 35,009,524 16,651,027 177777778 17777777777 177777777777777	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,027 1999,524 16,651,027 1999,524 19 10 240,661,923 12,033,096	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 7252,695,029 12,634,751	14, 157, 697 5,000,000 19, 157, 697 35,809, 524 35,809, 524 16,651,827 YEAR 20 265, 329, 771 13,266, 489	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 TEAR 21 278, 596, 259 13, 929, 813	14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 TEAR 22 292,526,072 14,626,304	14, 157, 697 5, 000, 600 19, 157, 697 35, 609, 524 35, 809, 524 16, 651, 827 7EAR 23 307, 152, 376	14, 157, 697 5,000,000 19, 157, 697 35,009, 524 35,009, 524 16, 651, 827 752, 509, 524 24 322, 509, 994 16, 125, 509	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,652 11,100,652 1	6,226,4 6,276,4 (6,226,4 (6,226,4 111111111 11111111111111111111111111
AX PAYNENTS IN CONST. & Commulth increme tares State reyaity peyments Tetal tar peyments CASH FLOUS IN CONST. & Before dobt prant CF Defore tar CF After tar CF Internetional CF Internetional CF Computation Report 1	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827 777, 973, 160 9, 099, 650 114, 836, 033	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827 117777777777777777777777777777777777	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 027 18, 207, 459 10, 914, 373 126, 605, 726	14,157,697 5,000,000 f 19,157,697 35,009,524 35,009,524 16,651,027 YEAR 17 229,201,832 11,466,092 132,937,062	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827 177777777777777777777777777777777777	14, 157, 697 5, 000, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 TEXEXTENTION 19 252, 695, 020 12, 634, 751 146, 563, 111	<pre>14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 16,651,827 YEAR 20 265,329,771 13,266,489 153,891,267</pre>	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 35, 809, 524 16, 651, 827 7EAR 21 278, 596, 259 13, 929, 813 161, 585, 830	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 TEAR 22 292, 526, 872 14, 626, 304 169, 665, 122	14, 157, 697 5, 000, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 YEAN 23 307, 152, 374 15, 357, 619 178, 148, 378	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827 YEAR 24 322, 509, 994 16, 125, 500 187, 055, 797	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,652 114,100,652 114,100,652 114,100,652 114,100,652 1145,206,372 0,264,319 95,066,096	6,226,4 6,276,4 6,276,4 (6,226,4
AX PAYNENTS IN CONST. & Commulth increme tares State reyaity peyments Tetal tar peyments CASH FLOUS IN CONST. & Defore debt prant CF Defore tar CF After tar CF INTERNETION AFFORT COMPUTATION AFFORT State reyaity peyments I Operating cests Int inc. before alluncs I	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 77777777777777777777777777777777777	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 827 117777777777777777777777777777777777	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 19,157,497 16,551,827 16,651,827 16,914,573 16,914,573 10,914,573 126,406,726	14,157,697 5,000,000 £ 19,157,697 35,009,524 35,009,524 16,651,027 177777777777777777777777777777777777	14,157,697 5,000,000 19,157,697 35,009,524 35,009,524 16,651,827 1777878787878 16,651,827 177787878787878 18 240,661,923 12,033,096 139,583,916 89,044,912	14,157,697 5,000,000 19,157,697 35,809,524 35,009,524 16,651,827 177777777777777777777777777777777777	<pre>14,157,697 5,000,000 19,157,697 35,809,524 35,809,524 14,651,827 rtmxxxxxxxx rEAR 20 265,329,771 13,266,489 153,891,267 98,172,015</pre>	14, 157, 697 5,000,000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 TEAR 21 278, 596, 259 13, 929, 813 161, 585, 830 103, 080, 616	14,157,697 5,600,600 19,157,697 35,809,524 35,809,524 16,651,827 TEAR 22 292,526,872 14,626,304 169,665,122	14, 157, 697 5, 000, 000 19, 157, 697 35, 809, 524 35, 809, 524 16, 651, 827 YEAN 23 307, 152, 374 15, 357, 619 178, 148, 378	14, 157, 697 5, 000, 000 19, 157, 697 35, 009, 524 35, 009, 524 16, 651, 627 TEAL 24 322, 509, 994 16, 125, 509 187, 055, 797 119, 328, 696	14,503,007 2,500,000 17,003,007 33,103,459 33,103,459 16,100,652 114,100,652 114,100,652 114,100,652 114,100,652 1145,206,372 0,264,319 95,066,096	6,226,4 6,276,4 (6,226,4 (6,226,4 111111111 11111111111111111111111111

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COPPER-MALTARENNI PNAJECT- NESTENI AUSTRALIA

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APPENDIX C

BRAZILIAN MINERAL TAXATION SYSTEM

C.1. DESCRIPTION

(1) FEDERAL CORPORATE INCOME TAXATION (Imposto de Renda): IR

Tax Calculation Format:

Revenue

- Operating Cost
- Interest Payments
- Carried Loss (from year X-1)
- Depreciation Allowance
- Amortization Allowance

- Depletion Allowance

Taxable Income or Carried Loss (for year X+1) Income Tax Payment

Carried Loss:

Tax losses may be carried forward for up to four consecutive years and are set off against taxable profits. All tax deductions may be used to create carried loss.

Depreciation Allowance:

Depreciation may be used for those tangible assets which are subject to wear and tear, use and the effects of obsolescence. This includes machinery, vehicles, buildings and plant installations. Depreciation is allowable on a straight-line basis. The maximum rates are authorized by the government although a company may opt to reduce the depreciation rate if necessary.

Provision is also made for accelerated depreciation rates. If equipment is used on a two-shift or three-shift basis, depreciation rates are increased by a factor 1.5 and 2, respectively! In certain cases where machinery and equipment are made nationally, application may be made to increase depreciation rates to twice the normal rates for the first three years after project start-up (This is the special incentive depreciation). Furthermore, in the case where the mine life is expected to be shorter than the depreciable life, accelerated depreciation is allowed.

The 'normal' depreciation rate depends on the type of asset. For example, buildings are subject to a 4 percent rate, most mine equipment and machinery to a 20-25 percent rate, and railway rolling stock to a 10 percent rate.

This study assumes that the hypothetical mines operate on a three-shift

basis and where appropriate, uses accelerated rates if mine lives are short. The special incentive depreciation is not considered.

Maximum depreciation rates for the projects evaluated in this study are assumed, as:

Mill capital costs	20 percent
Open pit mine capital costs	25 percent
Underground mine capital costs	25 percent
Infrastructure	5 percent
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Amortization Allowance:

This is applicable only to the costs of acquiring intangible assets which have a limited life and are related to the soil. These include:

- exploration expenditures;
- mine development expenditures;
- roads and dams.

The amortization rate is 20 percent per year on a straight-line basis.

Depletion Allowance:

Depletion write-offs are allowed for mining operations in either one of two ways, as 'Economic' or as a 'Mineral' depletion allowance.

i. Economic Depletion (Cost Depletion):

This is based on the decrease in the assessed value of mineral rights due to annual production. The value of mineral rights is usually defined as the purchase cost. It may also include exploration expenses but, if claimed here, they cannot be amortized.

The decision depends on the remaining mine life, i.e.,

if greater than 5 years, amortize;

if less than 5 years, use economic depletion.

Calculation of economic depletion can be expressed as:

The deductions will be linear if mine life and production ratestay constant.

Economic depletion requires authorization by the Ministry of Mines and Energy on a yearly basis. ii. Mineral Depletion (Incentive Depletion):

This option is used in this study. A mine entering production is entitled to a deduction equivalent to 20 percent of sales revenues for a period of 10 years. The deduction may be greater or less than 20 percent in any year as long as the overall percentage deduction over the ten-year period averages 20 percent.

This form of depletion allowance is most commonly used by mining operations in Brazil today (e.g. Mineracao Morro Velho), although economic depletion is occasionally used (e.g. Companhia Minas da Passa Gem).

In general, the choice between the two types of depletion depends on revenues, mine life, operating costs, and purchase and exploration costs. For example, in the case where the proving-up costs per unit of ore is very high compared to the value of the ore, economic depletion might be chosen.

For stratabound copper deposits, it appears that the mineral depletion allowance would generate the most reductions in taxable income and therefore, be the most favourable allowance to use.

Special Regional Incentives:

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Special incentives are provided for mineral development in northern and northeastern regions. This takes the form of a 'tax free period'. This period may be as long as 10 years for some situations in Amazonia. After this tax free period, the mine can use the normal allowances specified above.

Inflation Adjustment:

It should be emphasized that Brazilian accounting systems are 'inflation adjusted'. All costs and revenues are updated by the inflation-related ORTN index. This measure counter-acted the very high inflation which prevailed in the Brazilian economy up until early 1985.

Unwritten-off balances for depreciation, amortization, carried losses, and accumulation of incentive depletion associated with mining taxes (IUM, see below) are adjusted for inflation as they are carried forward. The ORTN index measures the purchase price increase of the National Treasury bonds, and is indirectly linked to past inflation, expected future inflation and current market interest rates. This is the basis of most official inflation adjusting mechanisms.

Integrated Company Tax Basis:

The system allows to write off non-cash deductions and losses against other corporate income if available.

Income Tax Payment (ITP):

Corporate income tax is based on a flat rate of 35 percent of taxable income which does not exceed 60 000 ORTNs, and 45 percent of the portion which exceeds 60 000 ORTNs. Thus, it is assessed as following:

ITP = 0.35 (TI) + 0.1 (TI - 60 000)

where TI = Taxable Income in ORTNs.

60 000 ORTNs = US \$496 000 (Aug. 1983)

(2) BRAZILIAN MINING TAXATION (Imposto Unico Sobre Minerais): IUM

Mining taxation applies to both private and public sector mining operations. The mining taxes are collected by the federal government and re-distributed between government levels as follows:

- 10 percent is retained by the federal government for general purposes;
- 70 percent is paid to state governments for mineral sector development;
 - 20 percent is paid to municipalities.

In the case where concentrates are sold to a domestic smelter, the net mining tax paid is usually nil, but if the minerals are produced for export, the rate for precious metals is lower than that for base metals, as explained below.

i. Minerals produced for domestic consumption:

Mineral production revenues are valued on an f.o.b. minesite basis. The rates used are:

- 1 percent of revenue for gemstones and precious metals;
- 15 percent of revenue for other mineral commodities.

However, the IUM paid by producers is credited against industrial taxes paid by consumers, i.e., 10 percent of the IUM is credited against 'industrial production tax' (federal) and 90 percent of the IUM is credited against 'internal trade tax' (state). Therefore, the 'net IUM paid is usually zero. In the case of 'arms léngth' transactions, the IUM paid is added onto the selling price established between producer and consumer. ii. Minerals. produced for export

Mineral production revenues are valued on f.o.b. port-of-export basis. The mining taxes are levied as follows:

- Gemstones and precious metals: 1 percent of revenue;
- Iron ore and manganese: 7.5 percent of revenue. However, in applying commodity prices, 60 percent of the previous year's price is used as special incentive for iron ore, and 80 percent of the previous year's price is used for manganese.
- Other mineral commodities: 4 percent of revenue.

EXEMPTIONS: No IUM is paid for production of fertilizer minerals and for production of givil engineering related minerals if used for public works.

If a mining organization does not own the surface rights, an additional payment of 10 percent of the IUM must be made by law to the surface rights owner. This payment can be expensed for income tax purposes.

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CASH FLOR SUMMARY IN THE RELEASE TO A SUMMARY IN THE RELEASE AND FET AND FE	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5 G &		1888111224128128 YEAR 4	10000000000000000000000000000000000000	1008869888688866 YEAR 6	TEAR TEAR TEAR TEAR TEAR TEAR TEAR TEAR	818569268688888 YEAR B	18181818181818181818181818181818181818	TEAL	27722222222202020 YEAR 1.1	12 12
Concentrate revenues 0 - Movailleg costs 0		G	0	941,014	10,122,189 5,347,620	10,420,279		11,717,699 6,190,538	12,303,504	301,504 12,916,763 500,065 6,825,048	13,544,701 7,164,322	14,242,477
= Operating profits	0	•	4,330,675	4,547,209	4,774,569	5,013,298	5,263,963	5,527,161	5,803,519	6,093,695	6, 399, 200	4,718,279
- Casital expenditures - Morting capital - New debt - Interest arrable	5.126,650 0 0	5,572,902 5120,051,1 0	254 ,678 58,047 8	267,411 60,949 0	280,782 63,996 0	128'42 961'29 0	309, 562 70, 556 0	325,040 74,064 0	341,292 0 0	358,357 91,677	376,275 85,761 0 0	995,099,11) (710,111) 0 0
: bef. Not-fant Cash Flow	(5, 126, 658)	(514,753,915)	4,017,951	4,218,849	167.024.4	4,651,281	4,803,845	5,178,037	5, 344, 439	5,653,661	5,934,344	0.214.247
- Publ's principal permit	•	Đ		0	•	•	8	Ð	0	0	0	8
: hef. Tar Net Cash Flee	(957,226,650)	(516,237,6)	156'210'1	4,218,849	142,624,4	1,451,201	4,683,845-	5,178,037	5' JAT' 5	5,653,6612	5,936,344	8,214,247
- Gerp. Lacene tarris - Hialey tarris		• •	175,957 B	197,6K2 0	341.13K B	134,523 0	005°296	1,020,135 0	0 165 '640' 1	1,066,041	1,055,304 0	9 M1'554
- +-1 Cash film (cw. s)	(5.26,650)	(519,227,915)	3,841,494	44.021.7%	1,061,995	3,916,757	3,916,345	4,107,302	4, 335, 048	419,782,4	1 .	£11.452.4
ANT ANENTS IN COUST. \$	22122222222222222222222222222222222222	*		mmmy				, ser rereated a	, se		, , ,	
Corporato lacono tares Miaine tar presente	• •		966°, 121 A	142,124	285.827 0	546,113 ×	187,581 A	640.874 A	676.447 0	654,457 0	0-417.014	121
fetal tar permets			151,999	14,124	285,827	540,113	107,504	128.063	614.969	654.457	417,014	131,152
ción films in carsi. 1									ŝ	ير ال		

TAX PAYENTS IN CHIST. \$		1									~	
Cerperate incese tares Bisine tar nevents	• •		966''ISI 9	142,124 D	245.127 0	548,113 × 0	487,584 0	670.074 D	676.447 D	654.457 0	B-117.014	121,122
Total tar perments			151.990	162,124	205,027	541,113	10,50	420.029	676,447	654.457	417,014	131,154
CLOR FLORS IN CONST. \$									5			
before duck prant CF	(9,073,000)	(000,121,000)	3,474,457	3,479,857	3,470,657	3,470,057	3,470,057	3,470,057	3,478,457	1,470,857	3,478,657	4,574,000
before tes 6	(5,073,000)	(11,11,100)		3,470,657	3,478,857	3,470,657	3.420.057	3,470,657	3,478,657	3,479,057	3,470,657	4,574,000
Num tur G	(5,673,600)	(4, IX, 80 Y	2	3, 300, 734	3,165,639	2,922,744	2,783,273	2,777,944	2,74.410	2,74,410 2,816,48 2,823,843	2,103,101	4,942,146
							100000000000000000000000000000000000000	111111111111111111111111111111111111111		**********		**********
CORPORATE THEORE TAX	4	47. 24. 24.	W	ar T	TEME S	ALT.	7 7	164 1	TEAN •	N. I	3 =	91) 11
erus revenes Pres revenes - Moralia cets			9,101,12 1,656,449	1/6 [*] 249 [*] 5	10,122,1 89 5,347,620	100'519'5 442'829'01	11,159,213 5,895,713	85'96'9	12, 303,564 6,500,665	12, 919, 51 14, 528, 8	12,44,71	110,05,11 110,05,1
- Rialey Lans	•	-	•	•	•		•	0	•	•	•	•
" Bet laces bef. alliants	••	• •	57° 017' 1	· 62'/15'1	4,774,549	5,013,210 6	5, 20, 04	5,527,161	5,003,519	243,279,4 4		£.81.3
- Bervelstien allemances bise equants, 253 sid :		• • •	11, 721, 164 191, 167, 1		147-245 147-245	211,200	145. 85 145.755	27.15 27.15	837'45 831'111 *		111.00	NS. 57

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C.2. DETAILED BASE CASE RESULTS

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ND PROTECT: BOAZIL --- Production for Deerstic 1

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22,25 22,25 22,25 22,25 23,25	864,936,5 461,889
121,121 103,121 102,531 207,554	2,566,744 1,655,264
10, 20 13, 60 2, 561, 751 2, 561, 751	2,591,44 1,664,641
78,586 873,610 717,600 267,556	2,545,718 1,849,391
(\$,993 (\$,993 111,679 2,745,546 267,556	2,471,040 1,020,735
51,173 173,670 123,1,943 262,556	2,345,467 947,560
44,95 133,67 2,125,660 20,556	010,010,1 734,523
111,670 111,670 2,024,428 267,556	17. X 17. X
955'02 909'021 918'026'1	519,132 239,192
80,00 10,01 10,01 10,00 10,00	121,232 121,521
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Concentrale revoues 0 0 0 0 0 0	00		9,181,124 4,650,449	9,648,180 5,092,971	:: ::: ::: 10,122,189 5,347,620	10,620,279 5,615,001			12,303,564 6,500,065	12,918,763 6,825,068	127.981.7 1.166.127	14,242,957
= therating profits	•	•	4,330,675	1,517,200	1,771,569	5,013,299	5,263,963	5,527,161	5,803,519	6,093,695	002.041.3	442'01(')
- cupital espenditures - Marting cupital + Non dolt - Interest payable	5,326,650 0 0 0	0 8 11,160,981,1 8	254,678 58,847 0	118,732 0 949,63	280, 782 63, 996 0	0 961°/9 128° M62	309,562 0 0 0	325,040 74,084 0	341, 292 897, 77 0	356,357 0,477 0	374, 275 161, 761 0	999,2 92 (720,119,11)
= Hof Holt-Pant Cish Flaw	(5.326,658)	(\$16'\$\$2'9]	4,017,951	4,218,849	14.43.1	102,123,1	4,883,845	5,128,037	5,384,439	5,653,661	5,936,346	8,214,247
- Bubt's principal payment	•	-	4 0	•	6	c	•	0	0	•	•	•
= lef. for het Cash Flow F	(5.326,458)	(\$16'£\$2'9)	4,017,451	4,218,849	1429.791	4,651,201	4,803,845	5,178,037	S, 284, 439	5,453,441	5,936,344	0.214.217
- Carp. incase tarrs - Alieing tares	••	60 69	143,823 118,19	161,322 96,402	319,246 222,181	16, 15 16, 31	182°216 182°111	%8,00 5 771,111	220°166 520°1621	1,007,907 129,100	74, 75 135, 41 1	62'21 10'14
= A-7 Creh flew (cer. 8) (5,326,620) (6,733,915)	(5.326,659)	(516,227,3)	3,782,317	3,939,125	1,009,123	3,858,301	3, 154, 966	4,042,054	4,267,378	4,516,546	4,006,434	7.100,776

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TAX PARENTS IN CHIEF.

in release to cardi. B					,							
Corporate Increa tares	•	•	124,248	134,345	250,130	512,423	541,123	455, JM	151,044	61 9 , 767	54,192	ew. 16
Bining tax premts	6	•	79,310	7,310	79.310	7,310	79,310	2.510	215.2	2171	17.K	917°£
letal tar perments	•	•	N3,550	213,675	m'47	111,112	502'161	194,451	199,621	2/0'869	57'99	213,473
CAN FIRE IN CONST. 3	``		•	ŗ	3							
before debt-prest CF	(5,873,890)	(124, 124, 1001)	5,478,457	3,470,457	3,470,657	3,479,857	3,479,857	3,470,657	3,479,857	3,479,857	3,474,457	4,574,000
before ten G	(000"520"5)	(11,125,000)	3,470,057	3,478,657	1,478,657	3,479,657	3,478,657	3,478,857	3,478,657	3,478,857	1,47,45/	••••
After tar Ø	(949,570,640)	(9, IN, M)	3,242,307	3,757,10	3,141,410	2,079,124	2, 139, 651	2,74,343	5, 22, 3	2,777,786	2,010,222	3, MI , 255
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COMMANY LINE AND I	T.M.	A TEA	A T	² N3L	RA	TEME	S C TEAN	TEM	TEAR	TEAR	NLAN	T.L
Line()	1	\$	-	-	~	-	1	-	•		=	5
			8 -					••••••••••••••••••••••••••••••••••••••				DI OK H
- thereating casts	• •	• •	(H) (B) (H)	5.002.071	5.347,620	5,415,001	5,005.75I	6,190,538	5. SN . S	1, 225. 648	1.14.22	7,504,638
· Mining Lanes	•	•	110'16	¥ X		18K, 203	111.597	117.17	123.636	127.1 0	112.41	10.01
a lift jacese bef. allance	•	•	1,238,864	1,454,407	14,673,4	4,902,015	5,152,346	¥, ¥, S	5,480.403	5,44,50	6.26.713	6,575,069
- Carried leaves	•	•	•	•		-	e	•	•	•	•	•
- Depreciation allements :	•	•	1,724,140	1,78,56	1.4%.875	121,200	192, 851	12.'H	57.53		11.01	N. 62.1
eine remets. 252 sid i	•	•		BNS, 898	IN. 52	27.22	23.22	247,542	317.355	415,005	111.67	12.51

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alline. Se sid :	•	•	£, 13	110,114	121.02	510,444	51,173	62,993	35.5	100,224	134,431	57°2
isfreetretrs, St sid i	•	•	NJ'111	111.67	R9'321	12,67	133,670	133.67	N9"171	153,670	R9"NI	13,67
- Depiction allowances 1	•	•	1,04,255	1,771,054	2,024,438	2,125,640	212, 221, 943	2,343,540	2,440,717	2,543,753	2,712,940	2, M, S/
- beforred chrys warticts	•	•	251,556	267,554	267,556	20,554	267,554	267,556	X7,554	267,556	267,556	N), 54
: famble laces	•	•	£26'01)	53,34	ens.279	1,710,627	2,232,2M	2,354,683	2,427,683	2,444,219	2,445,119	2,277,528
THE TAY MANUE	•	•	141,623	14.21	319,246	14° 25	112.114	NG, 005	521'146	1,007,907	38''8	INI'14
		1111111111111	ALLOWING STATE	HERE CONTRACT	ananana a	MINIMUM	*********	*****	*********	*********	*****	******
WINSHE TAY COMPUTATION		.,										
ter free pold, gives 1	•	•	110,14	¥,¥	101,227	187,265	111,597	117.177	123,034	12,18	13.47	142,421
tar free ires.empes. ?	-	•	•	•	¢	•	•	•	0	•	•	• .
tar free ethers	-	•	-	•	•	•	•	•	•	•	-	
SUBMA IN MUNI	•	-	110'16	5°.5	222'101	10°,203	111.597	111,117	123.034	17,10	13,617	142,429
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	LEAN 1	TEAP	TEAR	YEAR	YEAR	TEAR	TEAR	YEAR	YEAR	TEAL	YEAR	16.11	TEAD
PROJECT BASIS	-	2	.	-	5	•	`	-	•	9	=	11	1
Cancentrate revenues - Amerating cests			6 C	• •	74,574, 0 74	162,733,00 33,502,334	84,428,025 35,177,511	36 , 417, 327 36, 936, 386	63, 931, 449 38, 785, 205	69, 278, 022 40, 272, 346	72,600,423 42,759,484	109'940'97 140'627'97	14, 14, 10
= therating profile	•	0	•	0	44,649,855	44,903,347	49,248,515	51,710,941	27,148,244	24,505,454	676'876'62	31,427,446	199'96'A
- Caeltal expenditures - Berting caeltal + New debt	21,525, 600 0 8	22, 691 ,256 0 0	23,731,313 0 0	070,719,15 200,122,01 0	2,297,387 516,390	2,412,172 542,428 0	2,532,781 569,541 0	2.459.420 598.018 8	1102,297,52 919,753 0	2,932,010 2,1314 2,1314	012,170,2 015,170 015,170	1,22,541 141,257	671, MC, E 455, EJS 8
- Interest perable			•						,			•	•
= bef. bubt-bunt tash Flow! (21,525,000) (22,601,250) (23,731,313) (35,249,601)	(21,525,000)	(22,401,250)	(21, 127, 127)	(35,249,401)	41,855,958	43,948,756	44,146,193	48,453,503	23,727,934	24,914,331	26,140,040	27,448,058	28, IM, 85
- built's principal permeti	Ċ	ø	•	•	0	÷	٥	Ð	0	•	- ;	•	•
= Bef. Ter Net Cash Flee (21,525,000) (22,401,250) (23,731,313) (35,209,481)	(21, \$25, 808)	(22.10).250)	(21, 127, 127)	(35,249,481)	41,455,958	43,944,756	46, 146, 193	40,453,503	23,727,934	24,914,331	24,141,848	21,443,854	78.M1.453
- Carp. incase tares - Mining Lares	•••	60	••	-	6, 006, 527 8	8 86' 169' 1	166,191.01 0	11,949,486 0	3 ,8 49 ,8 43 0	4,120,210 8	. 	121'97)')	e 2(5'151't
= A-T Cash Flow (car 8) ; (21,525,000) (22,481,250) (23,731,313) (35,249,481)	(21,525,000)	(22.441.259)	(11,111,111,111)	(12,219,441)	34,949,431	35,449,007	35, 954, 202	34,483,817	19,058,872	8,74,113	21,776,117	22,007,221	100,000,055

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• TAX PAMENTS IN CAUST.

INT FINELIS IN CHISI'S													
Corporate income taxes	-	•	•	•	5,395,774	6,342,046	7,245,258	8,101,555	219,494,5	2,529,456	241,193	12,372,52	14'57'2
Minian tar persents Total tar persents		6 8	••	•	0 5,395,774	949,542,4	0 7,243,258	0 0.101.555	12,494,037	. 2,529,652	0 2,543,193	2,595,29	144.227.5
CASH FLANS IN CAUST. 9				,		°	,				•		
before dek prant of				(17, MA, MA) (17)	142°544,42	N.75,23	22,242,22	2.75.20	12,275,23	15,275,238	15,25,23	15, 295, 234	15,25,23
where us a build be the di					12'54'57	12'92'92'92 24'103'12	87.54.4 24.197.52	21, 75, 230	15,255,250 12,001,200	12,745,742	12,772,045	12.69.51	112,002,01
CONVENTIE INCLUEE TALL TEAM TEAM TEAM	.	rsné 2	41 1		FEAR TEAR TEAR 4 5 6 7	4 7	7 7	171 1	144 1	15.42 15.44 15.44 15.44 15.44 15.44 15.44 15.44 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.		8 8 9	
Cross revenues - Derating cats - Mailer Luns - Mailer Luns		• • •			16,5%, 0 % 31,907,097	10, 200, 23 11, 500, 33	112,171,22	757,714, 10 262,214,200	11,121,22 11,121,22 1	77, 177, 18 27, 177, 18	72,489,423 48,754,664	14,22,2 14,22,2	
= the lacess by allance				•	1,449,165	175°EM4'94	5, 24, 515	51,710,941	27, IM, M	21,282,15	466'866'62	31,427,46	10,990,640
- Carried Jacons - Depreciation allowances		•	• •	•	12.517.550	19.27.27	NN. 231.8	524,021,2	1,772,69	260"126"5	1.05, 051,	1.1. 1.	431°44C'1
aim examts, 252 sid	•	•	•	-	2.0%.1%	2, 52, XG	2.25.62	12.27.1	2,021,995	2.122.673	2.22.	2.2.2	N. 19.1

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32, 35 35, 35	010'028'91 010'028'1	11.84.84 52,181,1
611,123 11,223,185,1	1,15,44,77	8.3 1 1 1
121, 121 121, 121	1.25, 65	9,977,779,9 809,880,4
552, 358 1286, 805	13,045,464	9, 380, 465 4, 128, 218
101,132 101,132	13, 166, 290	8,811,454 3,869,963
2. 600, 761 1. 206, 815	49''42''11 1''12''	26, 862, 8 43 246, 686, 11
4,712,171	819,959,31 77,195,21 389,522,11 795,505,11 975,301,51 236,525,71 235,236,31 241,136,21 752,515 9 789,525,11 799,525,11 799,525,11 798,525,11 799,525,11 799,525,11 799,525,11 799,525,11 9	(5/,5 18 ,22 1 71 ,191,01
127°02'1	11, 151, 14 11, 151, 14	061,110,61 014,005,0
875''NZ''	15,315,377 1,337,409	15,479,224 6,886,527
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LEAD-ZIDE PRIVEET: DEAZH

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MUCCI Lists	*	1		2		<u>,</u> =
Cancentrele revenues Generating cests	14,147,005 19,00,240	M, 354, 440	570'1/5'75 9/1'2//'24	57, 014, 79 57, 005, 72	102, 201, 317 60, 165, 481	950°848'58 950°848'58
therating profits	34,648,863	34,301,243	27°72'72	40,110,321	42,115,037	35,040,376
Coolial ensembleures burking conitai hum dool Interest peradio	3,543,877 194,108 1	3,742,871 841,471 9	3,929,174 863,544 0	•	0 0 0 0 0 0 1 7 4 1 0 1 7 7 6	1,604,153 (721,479,077 0 0
bef. Bekt-fast Cash Film	30,245,525	IR. 747, IE	195,192,5 2	13,056,944	34,809,814	902.919.52
· Bubi's principal promi	0	•	•	•	Ó	0
: bef. Tar Het Cesh Flau	34, 283, 525	107,707,12	783,182,2 87	35,656,946	36,009,014	992,915,300
- Carp. Jacame Larer - Alaine Lares	5,254,452	13, 979,6 57 0	9 9 9	14,074,653 0	13, 775 ,349 0	9, 183, 555 8
: A-T Cash Flam (cur. 8)	25,006,673	10,727,045	19,34,429	818' 3%' %	72,014,465	847,167,04
its mension to ous . s				,		
Conserved income Pares Maine ter presents Total ter presents	2,455,MI	, (77, (1) , , , , , , , , , , , ,	113,045,3 0 113,045,3	92/101/19 9 92/101/19	5,815,357 9 5,015,357	141,92,2 9 3,46,183
CASH PLANS IN CANST. \$						-
Before duct pract 07 15,275,238 15,275,238 15,275,238 15,275,238 15,275,238 21,141,731 Before ter 07 15,275,238 15,275,238 15,275,238 15,275,238 21,141,731 After ter 07 12,404,178 0,015,422 0,754,427 9,154,514 9,479,001 17,472,542	15,275,21 15,275,23 12,440,170	82,275,21 82,275,21 9,015,61	15,755,228 15,755,238 1,556,627	12.25.21 15.25.21 12.25.21	15.255.25 15.255.25 19.47.MJ	127,141,12 127,141,15 17,07,50
CONTRACT FICHT		MCM 15	91 1214 1214	TEAR 17	TEM	19 19
these freezes threading costs Missing Loors	0, 147,093 49,490,790		8,177,19 8,172,12 8,172,12	97,418,779 57,300,420 8	102,201,317 104,201,64 0,145,401	10,000,000 10,000,000
the large by allows	34,640,003	24.1M.245		120'011'0	42,115,637	B. , 176
Marginia allances and anote. 23 sid	1.50,010	101,000,1	5, 7M, 42N	20.92.4	11.12.1 11.12.1	12.27.21

LEAD-ZING PROJECT: BIAZIL (Production for Depestic Supply)

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adil ME, 200 sid i infractretrs, 50 sid i	, 779,054	× 31.55	1.104.655 1.206.005	1,418,250 1,216,055		2,677,565
heleties ellements beforred chres extirga	11,153,411	1,357,400	1, 357, 681 4	1.337.681	1.37,60	1.357.68
= Teurbie Income Income Tax PAYANE	11.754.485 5,726.452	8,21,22 11,4%,67		31,592,796	31,422,355	20,752,741 147,574

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LEAD-ZINC PROJECT: BRAZIL (Production for Export)

CASH FLON SURINARY MOJECT BASIS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAN 7	•	YEAR 9	YEAR 10	YEAA 11	TEAR 12	YE /
Concentrete revenues	0	•••••••••••••••••••••••••••••••••••••••		••••••	76.576.894	80,485,738	N.426.025	88.647.327	65,931,449	69,228,022	72,689,423	74.323.094	98,146,96
perating costs	0		0	Û	31,907,039	33,502,391	35,177,511	36,936,386	31,783,285	40,722,366	42,758,484	44,896,408	47,141,2
perating profits	0	0	0	0		46,903,347	49,248,515	51,710,941	27,148,244	28,505,656	29,930,939	31,427,486	32,990,N
apital espenditures	21,525,000	22,601,250	23,731,313	24,917,878	2,297,307	2,412,172	2,532,781	2,659,420	2,792,391	2,932,010	3,078,611	3,232,541	3,394,16
urking capital 1	0	Û	8	10,331,803	516,590	542,420	569,541	598,018	627,919	659,314	692,280	726,894	763,2
w debt	0	0	0	0	0	Q	Q	0	0	Q	*0	•	
latorest perable	0	0		0	0	0	0	· 0	0	0	•	•	
rf., Jobt-Fant Cash Flow	(21,525,000)	(22,60),250)	(23,731,313)	(35,249,681)	41,855,958	43,948,756	46,146,193	48,453,503	23,727,934	24,914,331	26,168,848	[*] 27, 468,85 8	20,941,45
ibt's principal payment	•	•	· 0	•	. 9	8	0	. 0	8	ت ا	+	•	
ef, Tax Net Cash Flav	(21, 525, 800)	(22,601,250)	(23,731,313)	(35,249,681)	41,855,958	43,948,756	46,146,193	48,453,503	25,727,934	24,714,331	26,168,848	27,468,658	20,041,4
uro. incene tares 🕴	8	ß	()	, 	5,500,143	7,051,645	8,672,323	10,374, 03 4	2,682,797	2,874,113	3,075,521	3,286,599	3,507,6
ining taxes	0		\ 0		3,063,076	3,216,230	3,377,041	3,545,893	2,637,258	2,769,121	2,907,577	3,852,956	3,205,6

****		(22.601,250) (1)))))	(23.731,313) 11111111111111	(35,247,681) 11111111111111	33,284,739	33,600,001 - 	34,096,830 11111111111111	34,533,576 1911:111111111	18,408,380 	19,2 71 ,09 7 ; ;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;	20,176, 950 • • • • •	21,128, 0% 188231933193833	
ITTOTEEREEREEREEREEREEREEREEREEREEREEREEREER				(33,249,681) 111111111111111				11. Junium			• • •		
STREERES IN CONST. 8 Nyorata Jacobs tares			_(23,734,313)	(33,249,481) 31111317711733177 -	4,315,774	- 	6,163,258	7,021,555	11111111111111 1,729.632	1,764,456	, 1,290,193		1, 660,9
-T Cash flow (cwr 8) : ITTTTTTTTTTTTTTTTTTTTTTTTTTTTT R PartENTS IN COUST, 8 Internate Jacobe Lares Sining tax poyments otal tax poyments				(33,249,681) 11111111111111111 - 0 0				11. Junium			• • •		1,960,9 1,700,0
ITTELETISTICE I PARENYS IN COUST, S Deparato Jacobe Lares Salag tas populats etal tar personts			(23,731,313) 1111 1111 111 111 1111 11 11 11	(33,249,481) 11111111111111 - 0	4,315,774 2, 000,000	-	6, 163, 258 2°, 480, 000	1712)1111111111 7,021,555 2,400,000	1,729,632 1,760,000	1,764,456 1,780,880	, 1111111111111111 1,790,193 1,700,800	41 (13 1 5 1 7 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	1,960,9 1,960,9 1,790,0 3,560,9
ATTITUTELETTILITIELET R PANENTS IN CONST. 2 Injugite Jacobe Lares Injugite poyoets etal Lar poyoets SN FLOUS IN CONST. 2 Infure dabt prast CF ufere Lar CF			(22,731,313) (22,731,313) (21,731,111,111,111,111,111,111,111,111,11	(33,249,681) IIIIIIIIIIIIII - (29,680,680) (29,680,680) (29,680,680)	4,315,774 2, 000,000	32,795,238 32,795,238	6,163,258 2,460,000 8,563,258 32,795,238 32,795,238	7,021,555 2,400,000 9,421,555 32,795,238 32,795,238	1,729,632 1,760,000	1,764,456 1,780,880	, 1111111111111111 1,790,193 1,700,800	41 (13 1 5 1 7 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	1,960,9 1,700,0 3,560,9 15,275,2 15,275,2
ATTEITETTI ATTEITETTI ATTEITETTI R PARIENYS IN CONST. 3 Informate Jacobe Lares Informate Jacobe Lares Informate Person Informate Const. 9 Informate Person Informate Person Information Inform	0 0 0 (20,500,000) (20,500,000) (20,500,000)	(20, 500, 000) (20, 500, 000)	(20,540,800) (20,540,800)	0 (29,000,000) (29,000,000) (29,000,000)	4,315,774 2, 600,000 6,715,774 32, 795,230 32, 795,230	32,795,238 32,795,238 32,795,238 32,795,219 25,133,192	6,163,258 2,460,000 8,563,259 32,745,238	7, 021, 555 2, 400, 000 9, 421, 555 32, 795, 238 335, 795, 238 23, 373, 683	1,729,032 1,760,000 3,429,032 15,295,238 15;295,238 11,664,206	1,764,456 1,760,600 3,464,456 15,295,230 15,295,230 .11,630,782 21713777772	1,290,193 1,700,000 3,490,193 15,295,230 15,295,230 15,295,230	-1,430,324 1,700,006 3,530,324 15,295,230 15,295,230	1, 960, 9 1, 700, 0 3, 560, 9 13, 295, 2 15, 295, 2 11, 754, 31
ITTEITTEITTEITTEITTEITTEITE Pariments III Const. s ining tas poynents ital tas poynents ital tas poynents III Flows IB Const. s ifors dobt pyent CF ifor tas CF ifor t	0 0 0 (20,500,000) (20,500,000) (20,500,000)	(20,500,000) (20,500,000) (20,500,000)	(20,500,000) (20,500,000) (20,500,000) (20,500,000)	0 (29,000,000) (29,000,000) (29,000,000)	4,315,774 2, 600,000 6,715,774 32, 795,230 32, 795,230	32,795,238 32,795,238 32,795,238 32,795,219 25,133,192	6,163,250 2,400,000 8,563,258 32,795,238 32,795,238 32,795,238 24,231,980	7, 021, 555 2, 400, 000 9, 421, 555 32, 795, 238 335, 795, 238 23, 373, 683	1,729,032 1,760,000 3,429,032 15,295,238 15,295,238 11,866,286	1,764,456 1,790,000 3,464,456 15,295,230 15,295,230 11,639,782 2121312112111111111111111111111111111	1,290,193 1,700,000 3,490,193 15,295,230 15,295,230 15,295,230 1,797,005 11111111111111111111111111111111111	-1,430,324 1,700,000 3,530,324 15,295,230 15,295,230 11,764,914	1,060,9 1,700,0 3,560,9 15,295,2 15,295,2 15,295,2 15,275,275,2 15,275,275,275,275,275,275,275,275,275,27
ITTETTETTETTETTETTETTETTETTE Parkenrs III Const. 2 Injorato Jacobo Laros Injog Las populats Hal Lar populats Hal Lar populats M FLOUS ID Const. 2 Mero dukt pymit CF Mero Lan GF Territan GF T	0 (20,500,000) (20,500,00) (20,500,000) (20,	(20,500,000) (20,5	(20,500,000) (20,5	0 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	4,315,774 2,000,000 6,715,774 32,795,230 32,795,230 25,079,464 1111111111111111 111111111111111111	32,795,238 32,795,238 32,795,238 32,795,238 32,795,238 43,133,192 43,133,192 44,134,144,144,144,144,144,144,144,144,1	6,163,258 2,460,000 8,563,258 32,795,238 32,795,238 24,231,980 FITTOTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	7,021,555 2,400,000 9,421,555 32,795,238 32,795,238 23,373,483 (111111111111111111111111111111111111	1,729,032 1,700,000 3,429,032 15,295,230 15,295,230 11,066,206 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	1,764,456 1,700,000 3,464,456 15,295,230 15,295,230 .11,630,702 211732771207711 00000000000000000000000000000	1,290,193 1,700,000 3,490,193 15,295,230 15,295,230 41,797,045 Transformer Tra	-1,430,324 1,700,006 3,530,324 15,295,230 11,764,914 15111111111 11,764,914 11,764,914 11,764,914 11,764,914 11,764,914 12	1,860,97 1,700,00 3,560,97 13,275,22 15,275,22 11,750,31 1171212171711 1171212171711 11712121717171 11712121717171 11712121717171 117121217171717
ITTETTETTETTETTETTETTETTE Parkents III CONST. 2 Injug tas poyonts Ital tas poyonts Ital tas poyonts Ital tas poyonts In Flows IB Const. 2 Iforo dabt pyant CF Iforo tas CF Isortas CF Isorta	0 (20,500,000) (20,500,00) (20,500,000) (20,	(20,500,000) (20,5	(20,500,000) (20,5	0 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	4,315,774 2,000,000 6,715,774 32,795,230 32,795,230 32,795,230 25,879,464 181111111111111111 18111111111111111	32,795,238 32,795,238 32,795,238 32,795,238 25,133,192 5121111111111 1111111111111111111111	6, 163, 258 2, 460, 000 8, 563, 258 32, 795, 238 32, 795, 238 24, 231, 980 FITTER CONTRACTOR FITTER CO	7,021,555 2,400,000 9,421,555 32,795,238 32,795,238 25,373,683 111111111111111111111111111111111111	1,729,032 1,700,000 3,429,032 15,295,230 15,295,230 11,866,206 111,866,206,206,206,206,206,206,206,206,206,2	1,764,456 1,700,000 3,464,456 15,295,230 15,295,230 ,11,630,702 21773773121711217112 1173773121711217112 1173773121711217112 11757712 117777712 117777712 117777777777	1,790,193 1,700,000 3,499,193 15,295,230 15,295,230 15,295,230 1,797,005 771111111111111111111111111111111111	-1,430,324 1,700,000 3,530,324 15,295,230 15,295,230 11,764,914 151111111111111111111111111111111111	1,860,97 1,700,00 3,560,97 15,295,22 15,295,22 15,295,22 15,734,33 1717171717171 1100000000 72/ 1 100,640,640
TTETTETTETTETTETTETTETTE PARTENTS IN CONST. 2 (Partent'S IN CONST. 2 ning tas payments ning tas payments tal tas payments N FLOUS ID CONST. 2 fore dobt prant CF fore tas CF partent CF partent CF partent FILLENT IN STATE Deposit IN STATE BEFORT I STATENTS IN STATE Prolog costs	0 (20,500,000) (20,500,00) (20,500,000) (20,	(20,500,000) (20,5	(20,500,000) (20,5	0 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	4,315,774 2,000,000 6,715,774 32,795,230 32,795,230 25,079,464 1111111111111111 111111111111111111	32,795,238 32,795,238 32,795,238 32,795,238 32,795,238 43,133,192 43,133,192 44,134,144,144,144,144,144,144,144,144,1	6,163,258 2,460,000 8,563,258 32,795,238 32,795,238 24,231,980 FITTOTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	7,021,555 2,400,000 9,421,555 32,795,238 32,795,238 23,373,483 (111111111111111111111111111111111111	1,729,032 1,700,000 3,429,032 15,295,230 15,295,230 11,066,206 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	1,764,456 1,700,000 3,464,456 15,295,230 15,295,230 .11,630,702 21173271120711 40000014444441 YEAR 10	1,290,193 1,700,000 3,490,193 15,295,230 15,295,230 41,797,045 Transformer Tra	-1,430,324 1,700,006 3,530,324 15,295,230 11,764,914 15111111111 11,764,914 11,764,914 11,764,914 11,764,914 11,764,914 12	1,960,9 1,700,0 3,560,9 15,275,2 15,275,2 17,754,3
TTETTETETETETETETETETETE Particurs IN Const. ; reprate jacone tares ning tas perments tal tar perments in Flows IN Const. ; fare dobt penet CF fare tae CF sector CF se	0 (20,500,000) (20,500,00) (20,500,000) (20,	(20,500,000) (20,5	(20,500,000) (20,5	0 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	4,315,774 2,400,000 6,715,774 32,795,230 32,795,230 25,079,445 101000000000000000000000000000000000	5,252,046 2,400,000 ⁻⁷ ,642,046 32,795,238 32,795,238 25,133,192 78279712111111 101011111111111 10101111111111	6, 163, 258 2, 460, 000 8, 563, 258 32, 795, 238 32, 795, 238 24, 231, 980 FEAR 7 B4, 426, 825 33, 177, 511	7, 021, 555 2, 400, 000 9, 421, 555 32, 795, 238 23, 775, 238 24, 775, 238 25, 775, 238 25, 775, 238 25, 775, 238 25, 775, 238 25, 775, 238 26, 755, 238 26, 755, 238 28, 755, 238, 238 28, 755, 238, 238, 238, 238, 238, 238, 238, 238	1,729,032 1,760,000 3,429,032 15,295,230 11,864,284 TEAM 9 65,931,449 30,703,205	1,764,456 1,760,000 3,464,456 15,295,230 15,295,230 11,630,782 201702101010101010 10010010101010101010 100100	1,790,193 1,760,000 3,490,193 15,275,230 15,275,230 11,777,005 11,777,005 11,777,005 11,777,005 11,777,005 11,777,005 11,777,005 11,777,005 11,772,009,423 42,758,004	-1,830,324 1,700,006 3,530,324 15,295,230 15,295,230 11,764,914 171111111111111 12120000000000000000000	1,960,9 1,700,8 3,560,9 15,275,275,2 15,275,275,2 15,275,275,2 15,275,275,275,275,275,275,275,275,275,27
ATTREETERSTERSTERSTERSTERSTERSTERSTERSTER	0 (20,500,000) (20,500,00) (20,500,000) (20,	(20,500,000) (20,5	(20,500,000) (20,5	0 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	4,315,774 2,000,000 6,715,774 32,795,230 32,795,230 25,079,664 25,079,664 5 76,574,094 31,907,039 3,063,076	5,262,046 2,400,000 7,662,046 32,775,238 32,775,238 32,775,238 23,133,192 23,133,192 23,133,192 414104141411111 YEAR 6 40,405,730 33,562,371 3,216,230	6, 163, 258 2, 460, 000 8, 563, 258 32, 795, 238 32, 795, 238 24, 231, 980 7111111111111111111111111111111111111	7,021,555 2,400,000 9,421,555 32,795,238 32,795,238 23,775,238 23,373,683 111111111111111111111111111111111111	1,729,832 1,729,832 1,700,000 3,429,032 15,295,238 15,295,238 11,864,284 11,864,284 11,864,284 9 65,931,449 30,783,205 2,637,258	1,764,456 1,780,000 3,464,456 15,295,230 15,295,230 15,295,230 11,630,782 217131711117111 VEAR 19 69,220,022 40,922,366 2,769,121	1,790,193 1,760,000 3,490,193 15,295,230 15,295,230 15,295,230 15,295,230 15,295,230 1,797,045 1,797,045 1,72,609,423 42,758,004 2,907,577	-1, 830, 324 1, 700, 008 3, 530, 324 15, 295, 230 15, 295, 230 11, 764, 914 17777777777777777777777 12 12 76, 323, 094 46, 096, 600 3, 052, 956	1,860,97 1,700,00 3,560,97 13,275,22 15,275,22 11,750,31 1171212171711 1171212171711 11712121717171 11712121717171 11712121717171 117121217171717

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infrætretrs, SI sid l	0	•	-	0	1.206.035	1. 206, 815	1.206.835	1.206.835	1.706.035	1.206.835	1.7%.835	1.7%.035	1.7% B.5	
- bepletion allowances !	Ð	0	0	0	15.315.379	16.001.148	14.885.205	17.77.465	13.104.270	13. MS. 604	14.537.005	11. 44. 21	14.429.010	
- Beferred chrps aertigta			•	0	609'255'1	1.357,609	1,357,609	1, 357, 499	1,357,409	1,357,644	1.357,600	1.357,409	1,337,449	٠
= Terable Income		0 0	0 0	: • :	12,416,160	15,054,956	19,465,696	23.256.970	6,174,396		7,070,137	9,551,078	0,057,690	
INCONE TAX PATABLE	•	0	e (0	5,508,143	7,051,645	8,672,323	10, 574, 034	2,682,297	2,874,113	3,075,521	1.2K, 14	3,509,PSB	
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I MINING-TAY CONFETATION /												0		
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tai free others	Ð	6	0	0	3,063,076	3,216,230	3, 377, 041	3,545,893	2.637.258	2.769.121	2,907,577	3, 052, 756	1, 205, GM	
· HENENG TAX PAYNENTS	0	0	0	0	3.063.076	3,216,230	3,377,041	3,545,893	2.637.258	2,769,121	2.907.577	3,052,956	1.255.64	
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LEAD-ZINC PROJECT: BAAZIL (Production for Export)

CASH FLOW SUBMARY : PROJECT MASES 1	YEAR 14	TEAR 15	TEAR 16	YEAR 17	TEAR I B	YEAR 19
	••••••	• • • • • • • • • • • • • • • • • • • •	•••••••••••			
cacantrate revenues	84,147,893	88,354,448	92,772,170	97,410,779	102,281,317	85.898,856
Iperating costs	49,498,290	51,973,284	54,571,865	57,300,458	60,165,481	50,057,600
porating profits	34,648,883	36,301,243	38,200,305	40,110,321	42.115.837	35,040,376
apital expenditures	3,563,877	3,742,071	3,929,174	4,125,433	4.121.9	3,604,153
Merting capital 1	801,401	841,471	883,544	927,722	974,108	(21,479,077
ieu debt	0	0	9	•	0	•
interest perable		•	1		0	0
lef. Dobt-Pant Cash Flow	.39,30 3,525	31,797,701	33,307,507	35,856,966	36,809,814	\$2,915,300
Nebt's principal payment	<u>ک</u> ۵	٠	•	•	0	•
lef, Tax Net Cash Flow	30,283,525	31,797,701	33, 307, 507	35,856,966 -	36,009,014	52,915,300
tarp, income taxes i	3,742,285	11,000,277	12.170.859	12.321.259	12,154,285	7.651.790
liaing teres	3,365.884	3,534,178	3,710,887	3,8%,431	4,091,253	3,483,922
	*************		········		M \$/1 47/	41.859.588
*****	23,175,437	16, 383 ,247	17, 505,0 41	1 8,837 ,276	20,564,276	41,637, 300
LE PAYNENTS IN CONST &	; 870, 668	5,714,616	5.575,611	5, 375, 724	5, 050, 3 57	3,057, j <i>0</i> 7
TEEESEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEE	1,890,868 1,700,008	5,714,626 1,7 00,000	5, 575, 611 1, 7 80, 600	5, 375, 724 1, 7 00, 000	5, 858,3 57 1,7 00,000	3,057,107 1,340,000
TEEESEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEE	; 870, 668	5,714,616	5.575,611	5, 375, 724	5, 050, 3 57	3,057,107 1,340,000
LI PAYNENTS IN CONST & Aurporate income taxes lining tax payments lotat tax payments	1,890,868 1,700,008	5,714,626 1,7 00,000	5, 575, 611 1, 7 80, 600	5, 375, 724 1, 7 00, 000	5, 858,3 57 1,7 00,000	3,057,107 1,340,000
VI PATIENTS IN COUST & Corporate income tares lining tar peyments lotal tar peyments ISM FLOUS IN COUST & Lefore dobt prant CF	1,890,868 1,700,008	5,714,626 1,7 00,000	5, 575, 611 1, 7 80, 600	5, 375, 724 1, 7 00, 000	5, 858,3 57 1,7 00,000	3,057,)89 ,369,000 4,417,189
VI PAYNENTS IN CONST 8 Corporate income tares lining tar paynents lotal tar paynents lating filling IN CONST 8 Lefore debt pyont CF lefore tar CF	1,890,068 1,700,008 3,590,068	5,714,626 1,700,000 7,414,616	5,575,611 1,708,000 7,275,611	5,375,724 1,700,000 7,075,724	5,858,357 1,700,800 6,758,357	3,057,189 1,360,000 4,417,199 21,141,731
ATTERESTERTERTERTERTERTERTERTERTERTERTERTERTERT	1,890.668 1,700.008 3,590,668 15,295,238	5,714,616 1,700,000 7,414,616 15,295,230	5, 575, 611 1, 700, 000 7, 275, 611 15, 295, 230	5,375,724 1,700,000 7,075,724 15,295,230	5,850,357 1,700,000 6,758,357	3,057,107 1,360,000 4,417,109 21,141,731 21,141,731
VI PAYNENTS IN CONST & Surporate Jacano Lares Haing tar paynents Intal tar paynents Intal tar paynents SMI FLÖUS IN CONST & Infore tar CF Inter tar CF	1,090,068 1,700,000 3,590,068 15,295,238 15,295,238 11,705,170	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622	5,575,611 1,700,000 7,275,611 15,295,230 15,295,230	5,375,724 1,700,000 7,075,724 15,295,230 15,295,230	5,850,357 1,700,000 6,750,357 15,295,230 15,295,230	3,057,107 1,360,000 4,417,109 21,141,731 21,141,731
LI PATIENTS IN CONST & Aurporate income taxes lining tax payments lotal tax payments lotal tax payments stift FLÖUS IN CONST & lefore dobt prant CF infore tax CF ifter tax CF	1,890,068 1,700,000 3,570,068 15,295,238 15,295,238 11,705,170	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 15,295,230 7,000,622	5,575,611 1,700,000 7,275,611 15,295,230 15,295,230 8,019,627	5, 375, 724 1, 700, 600 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514	5,050,357 1,700,000 6,750,357 15,295,238 15,295,238 8,544,001	3,057,109 1,360,000 4,417,109 21,141,731 21,141,731 16,724,542
VI PAYNENTS IN CONST & Surporate Jacano Lares Haing tar paynents Intal tar paynents Intal tar paynents SMI FLÖUS IN CONST & Infore tar CF Inter tar CF	1,090,068 1,700,000 3,590,068 15,295,238 15,295,238 11,705,170	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622	5,575,611 1,700,000 7,275,611 15,295,230 15,295,230 8,019,627	5, 375, 724 1, 700, 000 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514	5, 850, 337 1, 700, 000 6, 750, 337 15, 295, 230 15, 295, 230 8, 544, 001	3,057,109 1,560,000 4,417,109 21,141,731 21,141,731 16,724,542 111111111111 ************************
AVIENTS IN COUST & Corporate income tares lining tar payments lotal tar payments lotal tar payments lofare dobt prant CF lefore tar CF lifter tar CF interventionality componate income tar f NEPORT 1	1.090.068 1.700.000 3.570.060 15.295.230 15.295.230 11.705.170	5,714,616 1,700,000 7,414,616 15,275,230 15,275,230 7,000,622 HILLITITITI FEAR	S, 575, 611 1, 760, 600 7, 275, 611 15, 295, 230 15, 295, 230 8, 019, 627 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	5, 375, 724 1, 700, 000 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 111111111111	5,050,357 1,700,000 6,750,357 15,295,230 15,295,230 8,544,001	3,057,109 1,360,000 4,417,109 21,141,731 21,141,731 16,724,542 112111111111111111111111111111111111
LE PAYNENTS IN CONST & Corporate income tares lining tar payments lotal tar payments lotal tar payments LSN FLOUS IN CONST & Lefore dobt prant CF infore tar CF Littritititititititititititititititi ComponentE INCOME TAX = NEPORT I	1.090.068 1.700.000 3.570.060 15.295.230 15.295.230 11.705.170	5,714,616 1,700,000 7,414,616 15,275,230 15,275,230 7,000,622 HILLITITITI FEAR	S, 575, 611 1, 760, 600 7, 275, 611 15, 295, 230 15, 295, 230 8, 019, 627 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	5, 375, 724 1, 700, 000 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 111111111111	5,050,357 1,700,000 6,750,357 15,295,230 15,295,230 8,544,001	3,057,109 1,360,000 4,417,109 21,141,731 21,141,731 16,724,542 11111111111 *************************
AL PAYNENTS IN CONST & Corporate income tares Hining tar payments Total tar payments Note filling in const & Note filling in const & Noter tar CF Infore tar CF Infore tar CF International Termine Tar I Networkstructure Component Income Tar I	1,090,068 1,700,008 3,590,068 15,295,238 15,295,238 11,705,170 111705,170 111705,170 111705,170	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622 ###################################	5, 575, 611 1, 700,000 7, 275, 611 15, 295, 230 15, 295, 230 8, 019, 627 711111111111111111111111111111111111	5, 375, 724 1, 700,000 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 *************	5,850,357 1,700,000 6,750,357 15,295,230 8,544,001 11777111777777 7548 10	3,057,107 1,360,000 4,417,199 21,141,731 21,141,731 16,724,542 112711121112 7EAR 19
AL PAYNENTS IN CONST & Corporate income tares Hining tar payments Total tar payments Note filling in const & Note filling in const & Noter tar CF Infore tar CF Infore tar CF International Termine Tar I Networkstructure Component Income Tar I	1,090,068 1,700,000 3,590,060 15,295,238 15,295,238 11,705,170 11111111111111111 11111111111111111	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622 HILLITITITITI TEAR 15	5, 575, 611 1, 780,000 7, 275, 611 15, 295, 230 15, 295, 230 8, 019, 627 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	5, 375, 724 1, 700,000 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 111111111111111 14 17 17 97, 410, 779	5,850,357 1,700,000 6,750,357 15,295,230 8,544,001 1111111111111111 7E44 10	3,057,149 1,360,000 4,417,199 21,141,731 21,141,731 16,724,542 111111111111111111111111111111111111
AL PAYNENTS IN CONST 1 Corporate income taxes Hining tax payments Total tax payments ASN FLONS IN CONST 1 Refere dobt pront CF Sefere tax CF After tax CF IntxixitXIXIXIXIXIXIXIXIXIXI CONFORMTE INCOME TAX 1 REPORT I INFOST FORMOUS 1 Norating costs 1 Ining taxes	1,090.068 1,700.000 3,590.068 15,295.230 15,295.230 11,705.170 1211111111111111 14 14 14 14 14 14 14 14 1	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622 ############### 15 00,354,440 51,973,204	S, 575, 611 1, 700,000 7, 275, 611 15, 295, 230 15, 295, 230 15, 295, 230 15, 295, 230 15, 295, 230 15, 295, 230 16, 205, 230 16, 205, 230 16, 205, 200, 200, 200, 200, 200, 200, 200	5, 375, 724 1, 700, 000 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 11111111111111111111111111111111111	5, 850, 337 1, 700, 000 6, 750, 357 15, 295, 230 15, 295, 230 8, 544, 001 1111111111111111111111111111111111	3,057,107 1,340,000 4,417,107 21,141,731 21,141,731 16,724,542 19 7EAR 19
AL PAYNENTS IN CONST 1 Corporate income taxes Vising tax payments Vefare dobt pront S Nefare dobt pront CF Nefare dobt pront CF Nefare tax CF Niter	1,890,068 1,700,000 3,570,068 15,295,238 15,295,238 11,705,170 111,705,170 111111111111111 14 84,147,093 49,498,290 3,365,084	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622 ###################################	S, 575, 611 1, 700, 000 7, 275, 611 15, 295, 230 15, 295, 230 8, 019, 627 TEAR 16 72, 772, 170 54, 571, 065 3, 710, 007	5, 375, 724 1, 700, 600 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 11111111111111 11111111111111 1111111	5,050,357 1,700,000 6,750,357 15,295,238 15,295,238 8,544,00 15,295,239 8,544,00 15,295,239 15,295,238	3,057,109 1,360,000 4,417,109 21,141,731 21,141,731 21,141,731 16,724,542 11,744 11,74
	1,890,068 1,700,000 3,570,068 15,295,238 15,295,238 11,705,170 111,705,170 111111111111111 14 84,147,093 49,498,290 3,365,084	5,714,616 1,700,000 7,414,616 15,295,230 15,295,230 7,000,622 ###################################	S, 575, 611 1, 700, 000 7, 275, 611 15, 295, 230 15, 295, 230 8, 019, 627 TEAR 16 72, 772, 170 54, 571, 065 3, 710, 007	5, 375, 724 1, 700, 600 7, 075, 724 15, 295, 230 15, 295, 230 8, 219, 514 ************************************	5, 850, 357 1, 700, 800 6, 750, 357 15, 295, 238 15, 295, 238 8, 544, 80 15, 295, 238 8, 544, 80 15, 295, 238 15, 295, 238 16, 295, 238 18, 295, 295, 238 18, 295, 295, 295, 295, 295, 295, 295, 295	3,057,109 1,360,000 4,417,109 21,141,731 21,141,731 16,724,542 11,141,731 16,724,542 19 05,090,056 50,057,600 3,063,922 31,636,454

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LEAD-ZINC PROJECT BRAZIL (Production for Export)

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aili ME, 200 sid	129,62	197, 348	1, IM, 655	1,410.250	1,001,502	2.672.505
infrastretrs, SI sld		1,206,035	1.206.035	1.206.835	1.266.035	1.206.835
- beletion allements	114,023,419	•	•	•	ſ	•
- beferred chres eertuite	1,357,689	1,357,489	1,357,489	1,357,409	1.357,689	1,337,609
: facéle incen	1.5M. M	24. 487, 045	20.147.165	37 KN US	2) 111 (m	17 TAB D10
THENE TAY PAYABLE	3,742.205	11.800.277	12,170,059	12, 21, 259	12, 154, 185).651.790
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ATTACA CAPTATION						• • • • • • • • • •
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ter free others	1 3,345, 864	5,554,178	3,710,007	3.06.131	1,091,253	3, 463, 922
NEWERS LAY PAYNENTS	3,345,004	3,534,170	3,710,007	3,096.431	1,091.253	224'509'5

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CLOR R. COM R. C. Martin C. Mar Proveent ausis 1 1 2 3 3 4 5 6 7 6 9 10 11 12 13 13	1EAB	TEAN 2	TEM J	47 7	a s	TEAB TEAB 5 6	YEAR 7	TEAR B	17. 1 0	TEAD 10	4 H	12 12	
Concentrate revenues 0 0 179,431,075 100,401,449 - Generating casts 2 0 0 0 77,142,250 70,499,343	•••	• •	179,431,075	18, 461, 449 70, 499, 343	101,020,01	115'52L'11	218,100,546 81,611,825	18.373,549 85,677,416	133,122,027 191,037	142,000,443	70°,000,171	179, 265, 611	14, 12, 11 14, 12, 11
: therating profits	•	-	112,209,425	117,994,186	123,799,312	12,999,951	134,408,741	102,483,153	45,155,785	48,413,574	(n. 23	75,425,944	N.191.K
- Cupitul espenditures - Marting cupitul - New dest - Interest paralle	90° 80' 80'	134,710,000 15,904,250 0	86, 22, 1	6,485,284 639,278 0	7,019,549 881,242 0 0	7, J78, S26 925, 304 0	7,739,052 971,569 0 0	8,126,005 1,020,148 0 0	0,532,305 0,532,305 0 0 0	0 0 024,824,8 024,824,8	9, 404, 944 1, 180, 949 0	9,877,218 9,877,294 1,239,946	KU'IA'.H
: bef. Bekt-Pant Cash Flee	(134,240,000) (152,654,250)	(152, 6%, 750)	105,123,375	110, 379, 544	115,000,521	121,693,447	611,877,751	100,517,001	55,552,125	116,622,18	61,246,438	61, 300, 740	61,452,13
- bubt's principal persent	0	•	•	0	Ð	0	0	9	0	•	-	•	•
= bof. Tar Net Cash Flee	(130,200,000) (152,6%,250)	(152,6%,250)	105,123,375	110, 779, 544	115,000,521	121,693,447	127,778,119	93,537,001	12,127,125	1M'621'85	61,246,439	64,308,768	67,524,190
- Corro. liceane tartes - Allaine tartes		• •	15,610,346 D	16,406,555 0	9 92 9,9 77,91 9	21,445,786 0	34,252,718 0	23, 549, 832 0	9,480,441 D	10 ,065 ,77 0 0	10,690,344 0	617,225,619 8	1.974.K
- 4-1 Cosh film (cw. s)	(130,200,000)	(130,200,000) (152,6%,250)	6213,629	446'222'56	96,119,697	93,000,241	91,525,401	691,786,69	14,071,944	48,264,171	240'975'93	\$2,903,110	28,550,157
						, , , , , , , , , , , , , , , , , , ,			1 1 2 1 7 7 2 2 7 7 7 7 7 7 7 7 7 7 7 7				,
Corporate Income tarres	•	6	13,494,994	13,442,254	15,497,226	21,405,343	25,764,130	15,939,453	6,111,199	6,179,510	4.244.577	6, 346, 545	15,345,54
Mailey Lar personits Total tur personits Com name namet e		0 0	13,484,884	0 13,642,254	0 15,497,226	21,405,343	25,764,130	0 254,979,81	8 041,111, 9	0 9, 1, 79, 53, 9	0 6.244,577	515'39C'3	15, 345, 56
before datt prost of before ter of	(124, 000,000) (124,000,000)	(124, 124, 184) (124, 124, 184) (124, 124, 184)	92, 98 , 92 92, 98 , 92 92, 94, 92	90,000,524 90,000,524 91,000,524	90, 809, 524 90, 809, 524 90, 609, 524	125°600°06 125°600°06	90,809,524 90,609,524 90,609,524	63, 309, 524 63, 309, 524 63, 309, 524	35, 809 ,524 35,809,524 32,609,524	35, 009 ,524 35, 009 ,524 35,009,524	35, 89 ,52 35,89,52 12,23 14,52	55, 89 5,52 55, 89 5,52 54,655,52	15, 19 , 54 15, 19, 54 15, 19, 54
		ACCESSION OF THE OWNER OWNER OF THE OWNER OWNE							11111111111111111111111111111111111111		TITTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT		
		2 •		• • ••••••••••••••••••••••••••••••••••)			01 11111111111111111111111111111111111		17 WD WI	
- Operating costs - Mining Lares			67,142,250		74,024,331 0	71,725,547	0 528,113,18 0	00,692,416 01,592,416 0	0,779,861 0 0	10, 000 94, 475, 000 0	8 199'441'44	1/1/201100	6 57'.75'.61
a Net income bof. aliance	• •	•	527'68.211	117.994.166	123,799,312	112,199,151	136,400,741	102,683,153	65,155,7 7 5	68.413.574	71,834,253	75.425.946	HZ'161'61
- Dereciation allumeers			40, 405, 442	42,463,793	39,357,103	23,744.07	11.344,469	11.72.623	12,009,096	12,494,182	12,909,022	11.11.65	13, MI, 946

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NET. 027. 103. Mol. 1 OCI, 777. 1 EXE. 027. 1. 533. 1. 617. 1. 617. 1. 617. 511. 617. 1. 617.	OPPER-MALTABERRIM PRAJECT. BLAZIL (Production for Boomstic Supply)
Z6.275.359 14.206.982 1.535.186 1.611.945 1.677.543 1.777.170 1.866.021 1.797.135 4.197.375 4.197.476 7.49.46 7.49.46 7.49.476 7.41.55.479 7.41.55.479	\$
4.197,375 4.197,375 4.197,375 4.197,375 4.197,375 4.197,375 4.197,375 4.197,375 4.197,375 3,317,127 3,317,127 3,35,317,127 3,35,417,127 3,35,417,127 3,35,417,127 3,416,464 748,464 14,175,464 748,464 14,175,464 748,464 14,175,464 748,464 14,175,464 748,464 14,175,464 748,467 75,354,367 741,427 75,354,367 741,427 75,354,367 741,427 75,354,367 741,427 75,354,364 748,757 741,427 75,354,364 748,757 741,427 75,354,364 748,757 741,427 75,354,364 748,757 741,427 75,354,364 748,757 741,427 75,354,364 748,757 741,427 75,354,364 741,10,465,770 10,466,770 10,466,770 11,135,449	2
39,564,728 41,542,565 32,620,113 37,655,114 31,026,564 22,557,993 34,266,787 35,917,127 748,696 748,649 749,750 75,719 75,718 75,718 75,519 75,519 75,519 75,519 75,519 75,510 75,510 75,516 75,516 75,516 75,516 75,516 75,516 75,516 75,517 75,517 75,517 75,517 75,517 75,517 75,516 <t< td=""><td>•</td></t<>	•
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44,178,785 63,979,538 80,755,443 52,536,520 21,281,429 22,592,804 23,969,748 25,415,539 19,778,824 28,685,206 36,252,718 23,549,832 9,480,461 10,065,770 10,698,346 11,325,649	
20.685,206 36,252,719 23,549,832 9,400,461 10,065,770 10,609,346 11,325,649 2	8
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COMEN-INLINGENT PRAKET: DRAFT, (Prediction for beastle Supply)

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CASH FLAN SHIMAT	ar - 1984 - 1984 - 1984 - 198	ж Ц	an A	WY C	ā a	an E	7 7 7	a t	17. 27. 27.	TEAN 25	TEAR TEAR <th< th=""><th>2 2 2 2 2 2</th></th<>	2 2 2 2 2 2
Concentrate revenues 197,993,140 207,092,010 210,7 - Georating costs 114,026,603 120,577,024 126,6	07,975,160 01,876,970	207,092,010 110,577,051	210,207,459 126,406,726	200'100'02	916'895'461 824'199'942	22,455, 626 144,543,111	86, 29, 771 153, 991, 267	278,596,259 161,585,830	71,226,077	307.152.376 170.140.376	X72, 589, 994 187, 055, 797	2,589,994 145,284,994 27,385,277 155,84,994
: morating profits	6,157,127	07,314,9 0	91,600,733	N, 24,769	101,078,000	100,131,900	111,438,504	117,010,429	122,646,950	129,003,996	13,454,19	69,429,276
- Cavital espenditures - Burting cavital - Rue dat - Interest avadie	949'/98'11 1999'/98'11	11,424,105 1,435,456 1	12,005,010 1,507,223	12,404,101 1,582,544 0	13,236,406 1,661,713 0 0	13, 890,22 6 1,744,799 0	14,593,15 920,528,1 0 0	119,222,21 119,257,1 0	16, 000 ,934 2,019,623 0	180,009,01 919,051,5 9	17,7 30,056 2,226,055	12,000,0 ((9,12),0) 1
= Bef. Bakt-Past Crak Film	79,900,000	74,445,420	71,10,70	500,000,50	681,57,689	70,440,6K3	75,013,327	99,763,994	101,527,MI	101.999.001	542'449'511	279, 150, 401
- Debt's principal permuti	•	•	•	•	6	•	Ð	0	•	•	-	•
= bef. Ter Met Cash Flee	79,980,680	74,445,420	71.167.70	20,076,005	84,179,889	99,449,463	15,013,227	99, 763, 994	104,252,193	101, 909, 803	115,409,293	10,131,67
- Carp. income tarns - Nining Larns	1 1 1 1 1 1 1 1 1 1	a.17.4	826"148"11	410,793.25 9	0 0	979, 182, 1 2 B	41,675,509 0	43,634, 0 21 1	44.449.914 0	44.670.210 0	(12,572,2) 0	9,761,116 911,136,4
s A-1 Cosh flow (cor. 3)	10°,344,357	42,272,59	4,275,772	44,578,274	48,565,901	48'186'B	53, 337, 818	54,1%1,23	60,303,279	265,915,59	210,116,11	122,673,69
na marana manana man Na macina in casi a s				1 3 1 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3		 	141111414111					
Corporate Income tarres Minime tar minimeter	15,421,779 6	15,475,301	15,526,243 a	15.574.857	15,621,079	15,665,118 •	15, 707, 041 0	15,642,3 66	15, 194 , 85 6 8	14,543,339	13,510,346 A	2,952,7 9
Total tar permuts	15,421,770	15,475,201	15,586,703	15,574,857	15.421.07	15,445,110	15.707.061	15,662,396	15, 194, 056	14,545,339	13,510,346	2, 952, 789
CAM R. WS 71 CHIST. 4			Ą									
before dubt pymt &	15, 66, 55	12,100,22	122,000,82	25,440,52	35,889,524	35, 909, 52	35,809,524	35,009,524	35,000,524	35,000,524	35,809,524	10,439

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Corporate Income tares	H 15,421,770	15,475,301	15,566,703	15,574,837	15,421,079		15,707.041					2,952,789
Total tar personts	15,421,770	15,475,301	15,526,703	15,574,037	15,621,87		15,445,116 15,707,041	15,642,396	15, 194, 156	14,543,339	13,510,346	11,521,5
CASH FLORE IN CONST. 8			¢									
before dabt pront CF before the CF	25, 001 ,254 175,000,524	N3, 999, 32	107 - 000 - 21 107 - 000 - 21	12, 19 1, 17 10, 191, 17	35, 000 ,520 15,000,520	12, 100, 224 13, 100, 524	35,909,524 35,000,524	35, 809, 524 35, 809, 524	13, 110 , 21	12, 100, 21 12, 100, 21	15, 109 , 524 15, 109 , 524	33,103,459 11,101,459
After ten 65	151, 181, 82			20,234,607	20,100,445	24'11'W	20,102,463	20,147,130	20,614,640	21,266,105	2.29.17	2.12.K
					LILLILLILLILLE	111111111111111111111111111111111111111	111111111111111111111111111111111111111		TTTTTTTTTTTTTTTTTT			1212121212121212
CONTRANTE INCOME TAL	TEAR	TEM		YEM	TEAR	YEAR	YEAR	YEAR	. YEAR	YEAR	TEAR	TEAR
REPORT	1	13	1	6	=	•	R	5	2	2	~	2
Cress revenues 197,993,160 207,610 210	197,993,160	110'W4'UV (210,207,659	AN'IR'AZ	24,123,045	252,655,820	XS.29.711	278.5%,259	m.sx.m	307,152,376	75, 56, 91	16.24.372
- Amerating casts - Mining Lutts	1114.036.033	5 120.577.634 9 0	124,444,726	9 9 9	139,543,916 D	144,543,111	153, 8 91,267 0	003,282,131 0	169, 665, 122	178,148,378 0	187,055,797 0	5.NL.01
= for increase bof. allowers (13,157,127 67,314,964 91	es 03,157,127	M6'VIE'4	91,400,730	87.126	101.679.000	164,131,900	111,438,554	117,010,429	954,060,551	129,003,990	135,454,190	69.420.276
- carrier leave - berecistim allemans cine events, 255 sid	2007,102,102 101,202,102 101,102,17	14,786,417	15,315,090	9 910,170,21 907,271,9	0 16,455,530 9,632,473	17, 042,445 19,114,097	0 666,117,71 18,619,802	929,119,91 953,119,01	22,933,654 14,275,417	21,544,991	424"159"52 300"HEP"//	46,52N,756 212,739,243

15,315,090 0,736,937

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COPPER-HOLYBDENIN PROJECT: BRAZIL (Production for Desestac Supply)

aill ME, 201 sid i	2,160,161	2,268,169	2,301,578	2,500,656	2,625,689	2,756,974	2,894,822	3,563,453	4,441,032	5,669,641	7,604,701	9,500,130
infrastretrs, 5X sld	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375
- Degletion allowences	0	•	8	•	0	9	0	0	0	8	8	•
- Deferred chrgs aartizte 1	748,6%	748,6%	. 748,696	748,696	748,696	748,696	748,696	748,696	748,6%	748,6%	748,696	748,696
**********************				• • • • • • • • • • • • • • • • • • • •	••••							
= Taxable income	68,126,236	71,779,851	75,616,147	79,644,258	83,873,775	00 ,314,767	92,977,809	97,350,113	99,178,401	99,690,321	97,271,4%	22,146,825
INCOME TAX PAYABLE	30,534,050	32,172,059	33,891,928	35,697,811	37, 593, 988	39, 584, 974	41,675,509	43,634,821	44,448,914	44,670,210	43,572,217	9,761,116

CAMI FLOU SHOWNY PROJECT BASIS		anga 2	an In In	an Ci	TEAN S	993L	YEAD 7	area ,	47. •	TEAR 10		12 12	
Concentrate revenues 9 0 1.7.431,425 100,405,449 - Generating cests- 0 0 0 67,142,429 79,405,449	•••	••	179,431, 075 67,142,250	10,445,449 70,499,X43	101,020,01	18,81,11	219,100,544 B1,611,825	116,375,569 15,692,416	155,132,622 528,521,621	147,000,143 14,175,000	507'641'66 965'000'171	179,385,621	10, X2, 01
: Overating profits	•	•	112.200.625	117,944,116	123, 799, 312	12,44,451	134,400,741	102,603,153	45,155,785	60.413,574	71,034,253	75,675,946	M. 191.41
- Cueltal espenditures - Burting cueltal - Buru dut - Inturest perade	20°,20°	134,710,000 15,946,250 15,9	86, 225, 1 515, 997	127,231, 127,271	7, 819,549 9 81,242 9	7,378,556 925,304 0	7,739,052 921,569 0 0	8 ,126,005 1,026,148 0 0	8,572,965 8,170,1 9 0	8,958,928 8 9 9 9	9, 46, 164 99, 101, 1	9,47,210 12,773,9 14,705,1	1, 21, 02
= bef. bolt-hast Cash Files	1	(130,200,000) (152,6%,250)	145,123,375	110,579,544	115,090,521	121,693,447	127,778,119	100'455'84	\$5,552,325	111,122,18	61,246,438	64,300,740	N1.42.11
- Bubt's principal permut	-	-	-	•	Ð	0	Ð	6	Ð	Ð	•	-	•
z bef. Ter Net Crah Flee	1	(057,263,521) (000,007,051)	165,123,375	110, 779, 544	115,090,521	121,693,447	127,778,119	100'255'56	SAT'855'55	146'622'85	1,244,438	11, XH, 74	161,152,13
- Ĉerp. lacene tarre - Alaise tarse	• •	€) ●	12,300,572	13,215,215 752,215,75	16,217, 990 7,912,946	24, 944, 339	22,376,908 8,724,908	20,159,072 7,535,623	6,205,313	7,133,760	7. 101, 735 277, 104, 7	8,013,100 7,183,425	74.472.25 742,542,54
: A-T Cash flam (cur. 8)	(130,280,000)	(130,200,000) (152,6%,254)	15,545,52	611,624,013	11,767,577	86,439,515	84,727,189	65,842,906	42,658,942	44,600,602	46,003,346	122,520,64	4R, 18, 13
	i ku		i ki î î i i i i i i i i i i	1111111111111111111			I I I I I I I I I I I I I I I I I I I						
TAX PANENTS IN CONST. 8 th	4					•	-					•	
Corporate Inches tures	-	8	10,694, 89 4	10,07,24	12,787,256	10,215,343	22,974,130	13,644,453	4,311,198	4,379,510	4,444,577	4,566,545	13,543,543
Mining Las perments Total tax perments	0 0	6 8	6,200,000 16,114,004	17,072,550	6.200.000 14.707.276	6,200,000 24,015,343	6,700,000 79,174,130	5,100,000 18,744,453	4,000,000	4,000,000	4, 500, 000 8, 444, 577	4,000.00 4,506.515	4, 66 , 6
CASH FLORE TH CONST. 8				, ,	,		٩						1
Before debt prest CF	- (124, 000,000)		127,000,05	101,100,1 204	N. M. S.	99,809,524	90,009,524	63, 309, 524	35,889,524	52,000,52	52,000,524	12,000,22	N7 600 'SS
before tar CF After tar CF	(124, 000,000) (124, 000,000)	(1%,5%,%%) (1%,5%,%%)	90, 000, 524 027, 914, 27	9/2°,000,00	90, 909, 524 902, 598, 17	90, 809, 524 [8], 994, 18]	125.000.00 162.535.13	63, 309, 524 64, 565, 071	35, 009 , 524 27, 496, 334	35, 809 ,524 27,438,014	22, 000 ,224 74,44,14	12, 100 , 22, 17, 202, 12	N3,000,520 10,203,001

CHEMAATE-THOME TAX REPORT		1648 2	12 1	TEM T	YEAA S	, ,	YEAN 7	YEAR 8	YEAR 9	YEAR 10	angy 11	YEAR 12	• YEM
Eress Preses	0	0	17,61,05	1M,403,469	197,823,642	207,714,824	218,100,566	109,375,569	155,132, 122	162,009,463	326,000,171	17,56,63	10,121,91
- Operating cests - Mining tanes	••••	•	67,142,256 7,177,275	821°92'4	74,024,331 7,912,946	71,725,547 8,306,593	81,611,825 8,724,023	85,692,416 7,535,023	6,205,313	94,475,000 6,515,579	209'461'64 209'461'9	104,159,667	165°275'1
= Net increa bef. allence	•	-	105,112,350	110,347,948	115,886,366	121,680,694	127,764,718	95,148,131	56, 958, 472	964'268'19	949'244'19	68,242,540	71,654,667
- Carried lesses - Decreciation allemaces		• •		9 24,403,793	59.357,103	0 23, 740, 079	0 11.344.469	0 0	0 12. 0 9.0%	0 12.494.182	0 12. 940.6 22	13,344,485	13,001,946
aim events, 251 sid	•	•	10,936,637	12, 237, 344	8,884,369	5,343,722	5,431,908	5,913,503	6,1,002,9	6,519,637	6,845,619	7,187,990	7,547,775

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COPPER-HOLYSBERNH PROJECT: BRAZIL (Production for Export)

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aill PLE, 201 sld	1	0 (25,677,338	25,969,852	26,275,359	14,206,982	1,535,186	1,611,945	1,692,543	1,777,170	1,866,828	1,959,338	2,857,296
infrestrctrs, SE'sid	1	0 (0 4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4, 197, 375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375
- Depletion allowances	1	0 (35,886,375	37,680,694	39,564,728	41,542,965	43,620,113	37,675,114	31,026,564	32,577,893	34,296,707	35,917,127	
- Deferred chres aertizta	1	C (0 748,696	748,696	748,696	748,696	748,696	748,696	748,6%	748,6%	748,6%	748,696	749,6%
= Tarable income		0 (8 27,671,877	29,534,786	36,215,839	55,620,945	72,031,441	45,001,498	1,076,116	16,077,226	17,128,398	18,232,114	57,194,006
INCOME TAX PAYABLE	:	0 (12,388,572	13,215,292	16,217,998	24,946,339	32, 326, 900	20,159,072	6,688,070	7,133,760	7,601,735	8,093,108	25, 579, 892
							, ,						
NINING TAX COMPUTATION	1												
taz fron gold, gous	:	0 (0 0	0	0	0	0	0	0	0	0	•	•
taz fron 1ron, nangan.	1	8 (0 0	0	0	0	0	0	0	0	0	•	•
taz fres others	:	0 (ð 7 ,177,275	7,536,139	7,912,946	8,308,593	8,724,023	7,535,023	6,205,313	6,515,579	4,841,357	7,183,425	7,542,597
NUMERIC TAX PAYNENTS	:	9 (0 7,177,275	7,536,139	7,912,946	8,308,593	8,724,023	7,535,023	6,205,313	6,515,579	6,841,357	7,183,425	7,542,597

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COMER-IN INCOME PRAJECT: 200211 (Fredertise for Espert)

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CASH FLAN SHIMAFT PRIJECT AASIS	41 ×	an Si		N 11	2 =	an t	a R	11 ke 21		YEAR - 23	24 24 24 24 24 24 24 24 24 24 24 24 24 2	a 2. A
Concentrato revenues 1 _197,993,140 247,992,010 210. - Operating casts 1 _114,026,033 120,577,034 126.	671'566'66"	110'240'021	218,207,459 126,486,726	279'446'ATI	240,142,045 219,548,941	252,675,675,826 146,543,771	265, 279, 771 153, 891, 267	278, 5%, 259 141, 585, 830	772, 526, 677 * 169, 645, 122	307,152,376 178,160,378	141'550'101 -	165.206.377 95.066,0%
: Operating profits	U , 157, 127	10,314,944	91,600,733	8,24,76	101,070,000	106,131,900	111,438,564	117,010,429	054'070'221	129,003,998	13,454,196	69,420,276
- Carital especificaes - Marting carital - Mar dak - Internit peralle	10,207,200,01	11,434,165 1,435,459 1	12,005,010 1,507,223 0	12,466,101 1,582,594	13,236, 404 13,246,404 1,661,713 0	90,250,000,61 907,047,1	0 0 0 0 0	15, 322,794 1,923,641 0 / 0 /	16, 000 ,934 2,019,623 0 0	16, 893, 38 1 2, 120, 614 0	17,73 8,656 2,226,855 0	9,099,738 (741,591,69) 0 0
= bef. bekt-hat cash files	¥'¥'Z	74,445,428	N.101.N	74.101,70 22,074,005	60°,(179,009	N, 48, 803	15,013,327	99,763,994	104,752,193	200'686'601	115,489,293	277'157'401'
- Bobt's principal permant	•	-	•	-	•	0	æ	0	6	Đ	•	•
: bef. Tar Met Cash Flae	7	74,445,428	M.167.780	200,878,50	84,179,889	94,440, MAS	75.013.227	H46'292'66	104,752,193 -	109,999,901	115,409,293	109,431,672
- Bery, Incese Laires - Kiaing tanes	5/1,0%0,1% 257,010,7	28,429,5K9 0,315,713	84,157,5 14,157,1	51,572,179 9,160,073	33,262,074	33,634,444	34,009,574 10,613,191	30,620,000 11,143,850	39,103,445 11,701,043	39,141,447 12,206,095	37,767,637	555(119*9 196*586*9
= 4-1 Cesh filem (cur. s)	34,010,508	UL.49,12	39,673,442	11,335,833	63,291,338	45,344,619	47,500,563	50,000,055	53,867,796	59,542,241	991'lal'19	×,22,25
TAT AVENTS IN CONST. \$			ere franke fer		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	******	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1111111111111				
Cerperate lacase tures Nialeg far seysents Tetal tar sensets	13,421,778 1,000,000 17,401,778	100,000,1 100,000,1 100,000,1	15,726,205 4,000,000 17,756,201	13,774,827 4,800,800 11,774,817	13,821,679 4,000,000 17 821,675	13,865,118 4,000,800 17,845,118	13,907,061 4,600,000 17,967,041	13,862,386 4,000,880 17 842 784	13, 794, 854 4,000, 900 13, 784, 854	12, 743, 379 4, 000, 600 41, 147 31	11, 719, 346 4, 880, 980	44/ 251/2 49/ 199/2

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Corporate income taxes	_		13,726,203	13,774,637	13,821,077	13,045,110	13,997,061	13,862,386	13, 394, 856	12,743,339	11,710,346	2,652,709	
Mining ter perments					1,000,000		4,600,000	4,000,000	4,000,000			100,000 ,5	
simulat in this	1/, 170, //		(1/,1	10,111,11	1/0,123./1	11'cm'/I	100'/04'/1	11, 562, 305	9CB' MC' / I	10, /43, 439	erc'al/'ci	48/120816	
CASH FLOWS IN CONST. \$	•						, 1	ť	•				
before dubt prant CF	12,100,22	35,000,524	35,009,524	35,000,524	35,009,524	35,000,524	35,009,524	35,809,524	35,869,524	35,809,524	35,009,524	10,101,459	
before tax CF	35,000,520	35,009,521	35, 809, 524	35,809,524	35,809,524	S, 00, S2	35,809,524	35,809,524	35,809,524	35,809,524	35,009,524	33, 101, 659	
After tur 65	10, 107, 753	18,134,223	10,003,241	18,034,407	12,990,445	17,944,405	12, 100, 11 - 201, 200, 11	17,947,138	10,414,440	19,066,105	20,099,177	29,050,069	
	\\	\	*************	12122121212121212121212121212121212121	77777777777777777777777777777777777777	1111111111111111	,	122222222222222222		11111111111111111111111111111111111111	*************	11/11/11/11/11/11	
CORPORATE LIDONE TAX	l real	TEMP	TEAD	. YEAR	YEAR	<pre>LEAL</pre>	YEAR	TEAR	YEAR	YEAR	YEAR	NEAD	
REPORT	=	15	91		81	Ĩ	8	21	2	23	24	x	

Cress revenues	071'66'/61	118'249'(92	210,207,459	20,16,157	240,641,923	252,395,020	NS. 179. 771	278,5%,259	24,524,072	307.152.376 5 322.50.94	122,559,54	165, 206, 372	
therating cests	114,836,033	120,577,434	124,404,724	12, 937, 62	139,583,916 =	111,543,111	153, 191, 267	161,585,830	169,665,122	178,148,37	107,005,797	5. K. K.	
- Rining tares	962.916.1	8,315,713 8,731	8,731,498	9,148,073	9,626,477	10,107,501	10,613,191	11,143,850	11,701,043	12,286,095	12,998,460	6,611,455	
= Not income hof. alluncs	~ 	112.000,00	12,949,234	87,896,696	91.451,531	%,024,107	100.825,313	105.866.578	111,159,907	116,717,963	122,553,790	(2,00,2)	
- Carried Jesses - Bernefation alloweers	11-24C-11	14.716.457	0 15.315. 890	0 710~120~11	0	0 17. 640 .444	0 112,711	047-116-81		0 100,544,000	0 200-201-201	N. 521.754	
eine ements, 233 sid :		6, 578, 693	0,734,937	9,173,784	9.632.473	10,114,097	10,619,802	11,150,792	14,205,447	18,697,965	25.631,929	12, 779, 241	
	, 1												

287

COPPER-HOLYSBEHRN PROJECT: BRAZIL (Production for Export)

									•		ه _		-
aill PLE, 202 sld		2,160,161	2,268,169	2,381,578	2,500,656	2,625,689	2,756,974	2,894,822	3,563,453	4,441,032	5,669,641	7,684,701	9,500,138
infrastrctrs, SI sld	1	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375	4,197,375
- Depletion allowances	1	0	8	8	0	0	0	0	0	0 D	9	0	
- Deferred chres aestizta	1	740,6%	748,696	748,696	748,696	748,6%	748,696	748,6%	748,696	748,696	748,696	748,6%	748,6%
= Tarable income	, i	60,206,589	63,464,138	66,984,649	70,476,185	74,247,298	78,206,966	82,364,618	86,206,262	87,477,358	87,404,226	84, 374, 097	15,535,370
INCOME JAX PAYABLE	1	26,978,173	28,429,969	29,962,754	31,572,178	33,262,074	35,036,464	36,899,574	38,620,088	39,183,445	39,141,467	37,767,837	6,785,961
						• •••••••							
NINING TAX COMPORATION	1							/					
tax fron gold, goos	1	•	0	9	0	0	0	9	0	0	0	•	
tax from iron,mangan.	1	0	C	0	0 '	0	0	. 0	0	0	· 0	0	1
tax from others	1	7,919,726	8,315,713	8,731,498	9,160,073	9,626,477	10,107,001	10,613,191	11,143,850	11,701,843	12,286,895	12,900,400	6,611,455
NUNTING TAX PAYNENTS		7.919.726	8.315.713	8,731,498	9,168,073	9,626,477	10.107.001	10.613.191	11,143,850	11.701.043	12,286,095	12,900,400	6.611.455

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288

APPENDIX D

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SOUTH AFRICAN MINERAL TAXATION SYSTEM

D.1. DESCRIPTION

D.1.1. CATEGORY I -- New Gold and Uranium Mines

(1) CORPORATE (INCOME TAXATION

Tax Calculation Format:

	Revenue
-	Operating Cost
	Net Income before Allowances
-	Current Capital Costs
<u>_</u> ~	lease Payment

Carried Loss (from year X-1) Taxation Capital-Allowance

Profit for Taxation Payment or Carried Loss (for year X+1) Corporate Income Tax Payment

Current Capital Costs:

Capital costs incurred during a new mine's development period must be carried forward to the start of production for redemption. These include exploration expenditures and interest payments on loans, but exclude working capital and the cost of purchasing mineral rights. During the first production year, the accumulated carried loss, taxation capital allowance, and current capital costs may be written off as rapidly as possible against mining income available within the organization concerned (i.e., not restricted to mining income from the project itself). To the extent that sufficient mining income is not available, losses continue to be carried forward together with the associated taxation capital allowance.

Lease Payment: as defined below.

Carried Loss:

From previous year. Losses may be carried forward indefinitely.

Taxation Capital Allowances:

ten percent of the loss carried forward from the previous year.



Current Capital Costs:

The same as for corporate income taxation.

Carried Loss:

From previous year. Losses may be carried forward indefinitely.

Lease Capital Allowance:

Six percent of the loss carried forward from the previous year. As in the case of income taxation, capital costs incurred during a new mine's development period must be carried forward to the start of production for redemption. During the first production year, the accumulated carried loss, lease capital allowances, and current capital costs may be written off as rapidly as possible against mining income available within the organization concerned (i.e. not restricted to mining income from the project itself). To the extent that sufficient mining income is not available, losses continue to be carried forward together with associated lease capital allowances.

State Lease Payment:

Negotiated with government, based on the formula:

Y₁ a - 8a/R

where, Y_L = percentage of profit for lease payment payable to state

> a = Constant negotiated for individual mines which varies from 10 to 30. ASSUME 15 is typical

R = (Profit for Lease Payment)(100)/(Revenue)

ASSUME: $Y_1 = 15 - 120/R$

and

Lease Payment = (Y_1) (Profit for Lease Payment)/(100)

D.1.2. CATEGORY II -- New Base Metal, Platinum and Coal Mines"

(1) CORPORATE INCOME TAXATION

Tax Calculation Format:

- Revenue
 Operating Cost
 Net Income before Allowances
- Current Capital Costs
- Lease Payment
- <u>Carried Loss (from year X-1)</u> Profit for Taxation Payment or Carried Loss (for year X+1) Corporate Income Taxation Payment

Current Capital Costs:

Same as corporate income taxation for new gold and uranium mines. Exploration expenditures include unredeemed expenditures embodied in the cost of purchasing mineral rights.

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Lease Payment: as determined berow.

Carried Loss:

From previous year. Losses may be carried forward indefinitely.

As shown above, capital costs may be written off for tax purposes in the year incurred if sufficient mining income is available within the organization concerned. To the extent that mixing income is not available, the resulting carried loss is brought for redemption in a subsequent year where mining income is available.

Corporate Income Taxation Payment:

Levied on profit for taxation payment.

normal rate	50.0%
15% surcharge	7.5%
Overall rate	57.5%

(2) LEASE PAYMENT

- 1. Private Ground (normal situation)
 - Based on agreement with owner;

BA.

 Usually a prospecting agreement which includes annual rental over a 2 to 5 year period with option to purchase mineral rights and possibly surface rights at the end of that period. May also include royalty or profit sharing provisions.

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- 2. State Ground
 - Negotiated lease payment agreement with government, e.g. 5 percent of profit after allowable deductions in the case of Palabora.
 - State lease payment for platinum mines is similar to that of gold, based on the formula:

 $Y_T = a - ba/R$

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Lease payments are deductible for corporate income tax purposes. However, the cost of purchasing mineral rights (e.g., exercising the purchase option in a prospecting agreement) is not deductible except to the extent that the purchase price may embody prior exploration expenditures which have not been previously written off for tax purposes.

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OLD PRICES SWITH MATCH

CASH FLAT SUMMATY PRAVECT LASIS	-	2 2	15A0 J	17.14 -	17. 2	1540 6	7 7	16.41 8	16.40 •	15 M		
Pres reveas	••	• • • • • • • • • • • • • • • • • • •	9, 101, 124 4, 154 , 449	9,640,100 5,002,971	10,122,109 5,347,620	10,620,279	11, 159, 213 5, 895 , 713	85'81'9 49'/1/'11	12, 303, 544 6, 508, 645	12,914,763 14,625,060	221'77'''	124,542,11
: therating profits	•	•	4, 338, 675	4,547,780	4,774,549	S.013,294	5,243,943	5, 527, 161	5,863,519	6, 6 13, 495	1 , 198, 28	4.710.274
- Chaita! enneditares - turting custal - Rue dat - Interest arradio	1 79'92'S	196,595,2 510,641,1 9	10" N2	112,725 60,94 0	8 966°219 9662	961°29	387,562 78,556 8	325, 846 74, 984	9 9 242°115	781, 8 81 713, 18	376,275 165,761	114, 114, 11) (114, 114, 11)
: tef. bot-feet Cesh Flee (5,2%,654)	(5, 3%, 659)	(\$16,557,3)	154'(10')	(,210,649	- 14,41,1	1.151.781	4,003,045	5,128,037	5,344,439	5,653,661	5,926,244	1,214,2V
- Not's principal present	•	-	•	•	-	•	•	•	•	•	•	•
: bef. Tes Net Cesh Files	(5, 276, 654)	(514,227,6)	4,017,951	4,218,049	14.43.1	18,121,1	4,000,045	5,170,037	5, M. C.	5,453,641	s,936,344	0.214.247
- Corp. Income tas permenti - Loosa perments	••	••	• •	•••	23, ML 23, ML	2,445,944 546,232	21,992,193 115,193	2,716,7 1 9 26,725	2, 154, 407 193, 173	2,191,421 375,237	101,297 741,504	1. M. (5) 11. St.
: A-T Cash flem (cer 1) (5,256,650)	(5,256,650)	(516,122,915)	4,017,951	4,218,049	1, 26, 62	1,665,663	1,605,316	1,769,582	1,050,0KI	1,958,1	2.000,512	4,12,604

D.2. DETAILED BASE CASE RESULTS

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OLD PROJECT: SOUTH AFRICA

TAR PAVNENTS IN COUST #												
Corporate jacone taxes	•			•	18,418	1,000,157	1,949,156	1,040,157	1,000,157	1,848,157	1,000,157	1,000,157
Loose persents	•	•	•	•	67,418	432,978	432,978	437,978	432,978	432,970	432,978	432,970
Total tas payaonts	•	•	•	•	80,820	2,273,135	2,273,135	2,273,135	2,773,135	2,273,135	2,273,135	2,273.135
CASH FLORS DE CONST. 8												
before debt prest Cf	(5,873,888)	(6,126,000)	3,470,857	3,470,857	3,470,857	3,478,857	3,470,857	3,470,057	3,470,857	3,470,857	3,479,857	4,574,000
		(6,126,000)	3,470,857	3,470,657	3,470,857	3,478,857	3,470,057	3,470,857	3,470,657	3,470,657	3,470,857	4,574,000
before-tas CF	(5,073,000)	le.120.0007										
Mter-tax CF	(5,673,600) (5,673,600)	(6,126,000)	3,470,657	3,470,857	3,390,829	1,197,723	1,197,723	1,197,723 ₀	1,197,723	1,197,723	1,197,723	2,300,864
					• •	• •	• •	• •			1,197,723 11111111111111111 111111111111111111	• • •
Mter-tar G attractorerestications secondenses	(5,073,000)	(4,126,000) ITEESIESEESEESEE INCONTRACTOR	3,479,657 1222222222222222222222222222222222222	3,470,857 18383288888888888 194828888888888888	3,390,629 xxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxx],197,723 [1111111111111111],197,723 ####################################	1, 197, 723 ₀ 111111111111111111111111111111111111	1,197,723	1,197,723 #111#################################		
After-tas CF	(5,073,000)	(4,126,000) ITEESIESEESEESEE INCONTRACTOR	3,479,657 1222222222222222222222222222222222222	3,470,857 18383288888888888 194828888888888888	3,390,629 xxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxx],197,723 [1111111111111111],197,723 ####################################	1, 197, 723 ₀ 111111111111111111111111111111111111	1,197,723	1,197,723 111111111111111111 11111111111111111	TEM	TEM
After-tax CF After-tax CF CONFORMER CONFORMER MEPORT	(5,073,000)	(4,126,000) ITEESIESEESEESEE INCONTRACTOR	3,470,657 1999 1999 1999 1999 1999 1999 1999 199	3,470,657 113112223471121 11603000000000000000000000000000000000	3, 390, 629 ****************** *****************),197,723 1977,723 19	J, 197, 723 ############### ####################	I, 197, 723 18878888888888 1887888888888 188788888888	1, 197, 723 1988 - 197, 723 1988 - 197, 723 1988 - 197, 723 1987 - 197, 723 1987 - 197, 723 1987 - 197, 723 1987 - 725 1987 - 725 1977 - 725 1977 - 725 1977 - 725 1977 - 725 1977 - 725 1977 - 725 19	I, 197, 723 FINITETTTTTTTTT INTETTTTTTTTTT TEAM IO	TEAR 11	TEM 12
After-tas CF httm://www.secondecondecondecondecondecondecondecond	(5,073,000)	(4,126,000) ITEESIESEESEESEE INCONTRACTOR	3,470,657 ************************************	3,470,657 113112223211221 1141222221211221 114122222 11412222 114122 11412 1141 11412 114111 11411 1141111 114111 114111 114111 1141111 114111111	3,350,829 ************************************	1,197,723 	J, 197, 723 ####################################	I, 197, 723 IIII FIIII IIII IIII FIIII IIIII IIIII IIIII IIIII IIIII IIII, 717, 699	1,197,723 1988 - 1977,723 1988 - 1977,723 1988 - 1977,723 1988 - 1977,723 1977,723 1977,723 1977,723 1977,723 197,724 197,725 1	1, 197, 723 11101111111111111 1000000000000000000	TEM 13,564,701	TEM 14,242,937
After-ter CF HTTTLEFTERTERTERTERTER CONFORTE INCOME TAX REPORT Gross revenues Operating costs	(5,073,000)	(4,126,000) ITEESIESEESEESEE INCONTRACTOR	3,470,057 111111111111111111111111111111111111	3,470,857 1131111111111111111111111111111111111	3, 390, 829 ************************************	1,197,723 TITTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	1,197,723 ####################################	1,197,723 TEAR 8 11,717,699 6,190,530 5,527,161 325,040	1,197,723 TEXENTRY TEAR 9 12,303,504 6,500,065	1, 197, 723 TENE TEAN 10 12, 910, 763 6, 825, 860	TEAR 11 13,564,701 7,166,322 6,370,300 376,275	14,242,937 7524,630 6,710,299 375,680
After-tax C After-tax C After-tax C CONVOLTE NICOVE TAX GEPORT Gross revenues Operating costs Het incuse bef, alluncs	(5,073,000)	(4,126,000) ITEESIESEESEESEE INCONTRACTOR	3,420,057 777787777777777777777777777777777777	3,470,857 11331 2133 2133 2133 TEAR 4 9,640,100 5,072,971 4,547,209	3, 390, 029 ************************************	1,197,723 TEA TEA 6 10,620,299 5,615,001 5,013,290	1,197,723 TEAR 7 H,159,713 \$;895,751 5,263,963	1,197,723 TEAR B 11,717,699 6,190,530 S,527,161	1,197,723 TEAR 9 12,303,504 6,500,065 5,003,519	1, 197, 723 TEAN 10 12, 910, 763 6, 825, 660 6, 093, 695	TEAR 11 13,564,701 7,166,322 6,370,300	TEAN 14,242,537 7,524,630 6,710,297

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OLD PRAFET: SOTH AFTER

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- Tazatien capti alimcs	•	•	•	111,141	828'YZ	0	•	•	0	•	•	•
= Profit for Taration	•	•	(6,043,635)	(3,248,201)	B41, 103	4,136,245	4,345,157	4,562,415	4,790,536	5,030,062	5,281,544	5,545,644
Tar rates(Precises set.)! Tar parees(BN,Cael.Pt)	60	۲.	50	6 8	ñ .	y -	i g o	1 3 0	19 19	1 9 9	1 5 9	<u>3</u> =
INCOME TAX PAYNENTS	-	•					2,509,205	2,718,749		2,054,600,000,00,00,000,000	3,107,292	3,304,657
MINER'S Mer	TEAR	TEM 2	YEAR 3			TEAN TEAN TEAN 7	YEAR >	147011111111111111111111111111111111111	2	TEAR TEAR TEAR TEAR	11 11	
Gres remains Beneting casts	••		9,101,124 4,186,449	91,044,9 91,044,8	18,122,189 5,347,428	10,420,299	11,159,713 5,095,751	11,717,6 9 9 64,190,538	12,303,544 6,500,065	12,918,743 6,825,048	13,544,781 7,164,572	14,242,937
: Net increase bef. ellance	0	•	1,330,675	4,547,289	4,774,569	5,013,296	5,263,963	5,527,161	5,803,519	\$49"840"9	97, 96, 3	ec.318,299
- Cerrind Loss Losses - Cerrind Loss - Leeus cupital allements		• • •	11,174,31 8 9	267,411 25,645,6 410,619	200,702 2,974,455 178,447	121'NZ	575, 68 0 0 0	175,040 0 8	0 242'1N	131, BU	376,275 0 0	.
= Profit for Jocor persont	•	•	(6,043,433)	(2,974,455)	1,340,045	4,718,477	4,954,401	5,202,121	5,442,277	5,735,338	6,022,165	6,323,210
Leeter raters	5	2	2	Ħ	19	12	1 21	13	17	<u>N</u>	21	Ē
, LEASE MINERTS	C	-	•	-	73.663	560.222	112.141	902, 706	169.179	705,274	14,53	35 '111

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CASH PLOE SHIMALY	LCM.	TEAN TEAN TEAN	TEAM	KIN	TEAN	TEAR	TEAM TEAM TEAM TEAM TEAM TEAM	TEM	TEM	TEAN	N.S.	T EM	TEAN .
Multit table 1 1 2 3 3 4	-	2	~	-	5		ب ک	-	•	9		8	9
Bross revenues Bearaiting costs			••		~ ~	•	M, 426, 875 35, 177, 511	m, (1, 17) MC, MC, M	64,121,449 38,282,365	69.778.87 191.777.94	7, 481, 423 23, 784, 484	74.27.PN 44. PN ,480	8 , 1 8 , 8 • 15, 15, 5
- Avereting profits	•	•	•	•	550'677'11	44,943,347	49,246,515	51.710,941	2).I Gen	71.505,656	£6'.86'£	31.427.46	14.99.MG
- Capital expenditures - Nerting cusital - New day: - Interest perais	21,555.00	27,101,22	23,721,313 • •	849,112,82 249,182,01 0	2,297,387 516,590 0	2,412,172 542,420 0	0 145'675 182'225'2	2,659,428 599,010 0	21.27.2	2,922,010 112,923 114	119"420"5 119"429	N9,85,5	1. W. IL
: bef. Met-furt Cash Flau	(21,525,000)	(52,161,250)	(21, 731, 313)	(18,249,481)	11,655,950	43,946,756	44,144,193	48,453,563	¥24,157,25	24,914,331	34,144, 046	27.448.659	71, 111, 153
- Bubt's principal personal	•	•	•	•	•	•	Ð	-	6	-	-	•	•
: bef. Tes met cash Flas	(21,525,000)	(857,164,55)	(23.731,313)	(13,209,401)	854'550' 11	43,948,756	44, 146, 193	40,453,503	127,127,25	24,914,331	X, 10, M	27,444,659	71.MI.453
- Carp. Jacone Luz payment - Leese peymonts	••	••		66	••	• •	70,622,501 4,573,441	24,585,597 6,273,960	12,358,859 2,662,201	115'500'E	13,425,422 3,155,576	14, JM , 914 3, 313, 355	15,622,246
: A-1 Cost film (cur s)	(21,525,000)	(952,162,22)	(212,127,25)	(18,249,481)	854'558'11	43,946,756	3/1°9/.R	17,573,946	B. 506, ML	N	419'R/S'6	187,749,9	10,340,178
		ralırrırı altı					1213211212121		l i z z z z z z z z z z z z z				
TAY PARENTS IN CAUST &)								
Carperate income tares Losse persents Total tax persents	• 0 0	• • •	•••				14,005,325 3,250,259 10,655,566	16,640,500 4,260,000 20,900,500	529'110'6 900'500'1 529'110'6	527'756'2 600'511'1 527'756'2	527'796'2 889'518'1 527'796'2	7, 94, 65 10, 84, 11 23, 119, 9	7,946,455 100,800,11 9,011,10,9
CASH FLANS IN CANST. \$		ť										م	
Jefere dakt prant Cf Jefere-Lis Cf	(20,500,000) (20,500,000)	(000,002,02) (000,002,02)	(34,54,42) (34,54,42)	(000'000'62) (000'000'62)	12,75,23 12,75,23	12'32'5H 12'32'5H	175,278 12,775,238	17, 775, 238 12, 795, 238	15,275,238 15,275,238	15,275,238 15,275,238	15,275,230 15,275,230	15,275,230 15,275,230	15,275,238
After-tar G (20, 50, 600) (20, 500, 600) (20, 500, 600) (20, 500, 600) 20, 755, 230 20, 755, 230 14, 739, 653 11, 294, 739 Филинининининининининининининининининини	(20,520,000) IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	(30, 500, 600) 32111111111111111111111111111111111111	(20,500,000)	(29,000,000)	22,795,238 21111111111111	22,795,239 IIIIIIIIIIIIIII	14,739,653 111111111111111	82/, M9, II	5,483,613 2111111111111	5,483,613 IIIIIIIIIIIIIIII	5,403,613 5,403,613 > 5,403,613 5,403,613 5,403,613 5,403,613	5,403,613 נותותותות	5, 4 3, 613
COMPANIE INCOME TAY I TEAR TEAR TEAR TEAR TEAR TEAR TEAR TEAR		1731 1731 2	summum KAI S	- 1931	50000000000000000000000000000000000000		11111111111111111111111111111111111111	1 1 1 1	4 1731 6	structures YEAR 10	телентинин телетики т 10 11 12 12 12 12 12 12 12 12 12 12 12 12	12 12 12	
Gress reviews Gress reviews - Gersting casts				60	76,576,894	00,005,738 04,426,025 33,502,591 35,177,511	84,426,025 35,177,511	302,329,320 302,329,320	65, 931, 449 28, 783, 285	69, 279, 822 69, 722, 346	49,427,52,425,43,427,49,447,127,49,447,42	622'101'20 900'83'91 600'901'00 900'83'92	82,141,775 141,275
: Het income bef. alluncs	•	•	0	•	44,669,855	46,903,347	49,248,515	51,710,941	27,148,244	71,565,656	66'R6'6	31,427,446	R.99.66
- Carriet capital cests - Leese agreents	• • •	• • • •			747,578,2 7 0 0	2,412,172 0 50 AND 001	147,522,7 144,572,4 147,572,4	2,259,428 6,293,960	2,792,391 2,862,201 2,862,201	010,529,5 3,000,311 0	3, 070 ,611 3,155,576	1,222,541 3,313,355	1,194,168 23,474,823
catcal salium -	•	•	>	•	>	Pro1 3014 1 00		•	•	•	•	•	,

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LEAD-ZINC MOJECT SOUTH AFRICA

- Taxation copti alluncs	Ð	0	0	0	•	8	q	0	•	6	•	Ð	•
: Profit for Taration		0	0	0	(50,402,893)	(211,717)	36,230,575	42,757,561	21,493,652	22,548,335	23, 696, 752	24, 101, 509	24,125.669
Tas rates(Precious met) Tas perment(UN,Coal,Pt)	1 0 o	` च	50	6 o	50	1 0 0	01 20,832,581	01 24,585,597	01 12,358,050	10 12,976,743	10 729,859,21	11, 306, 914	13.027.24
INCONE TAX PAYNENTS	0	0 0 0	0	0	0	0 '	~ 0 20,832,591 , 24,585,597 12,358,850	24,585,597	12, 358, 850	12.976,793	13, 425, 432	14,366,914 15,822,268	15,622,240
LEASE PATHENTS	YEAA 1	YEAR 2	r Wyn		:	• • •	YEAR 7	YEAR B	YEAR 9	rean , io	YEAR 11		M 2
Gress revenues berating costs	00					162,502,538 33,562,351	84,426,025 35,177,511	88,647,327 36,936,386	65,931,449 38,783,205	69.229.027 48.722.344	72,489,423	N4"52"1	80, 140, 009 47, 141, 229
: Net income bef. alluncs	0	0	0	•	44,669,855	46,903,347	49,248,515	51,710,941	27,148,244	29'292'E	120,320,55	31,427,466	72.99.64
- Chrinel capital costs - Chrinel less - Lease capital allements		.			747,550,29 0 0	2,412,172 50,402,893 3,024,174	2,532,781 8,935,891, 536,153	2.659.420 0 0	2,792,391 0 8	2,932,018 0 0	3,078,611 0 0	1,232,541 6 0	3, 394, 168 0
- Profit for lease payments	0	0	0	•	(50,402,893)	(168'526'8)	37,243,690	49,051,521	24, 355, 853	25,573,646	26, 652, 278	18'KI'R	29.49.62
Less rates	g	19	E	10	6	E	17	<u>1</u>	121	121	12	121	121
LEASE PAYNERIS	0	6	-	•	0	6	4.573,441	076.293.940	2.842.201	3,005.311	1, 155, 576	1, 111, 155	1,479,003

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CASH FLAN SUMMAT			a ≍	17. 17	15A8 19	47 1
Fress revenues Berration costs	M, 107, 013	M2,219,12	578'1/5'NS 9(1'4//'44	57'00C'/S	102,791,317 40,165,401	12, 199 , 054 26, 053, 120
= Genetics profits	34,648,803	36, 381, 243	20,200,205	40,110,221	42,115,037	35,040,376
Carital espenditores Berling carital Bar date	3,543,877 104,100 0	3,742,871 841,471 8	3, 929, 174 143, 544 18	1,125,633 257,159 •	4, 131, 915 974, 108 50	3,604.153 (71,479,077)
Enterest perable	•			-	-	•
: bef. bebt-fant Cash Flee	28,283,525	11, 797, 781	195,196,52	35,056,946	34,009,814	52,515,200
hebt's principal pyramit	•	•	6	¢	0	•
= bef. Tas Net Cash Flow	39,283,525	31,797,701	787,587	33,056,946	11, 109, 31	52,915,309
- Carp. (income tas payment) - Leese perments	15, 773, 373 3, 424, 974	16,542,041 3,835,622	11, 190, 111 141, 400, 111	18,259,650 4,228,774	19,172, 6 33 4,440,212	15, 181, 631 15, 184, 237
= A-T Cash film (cur 8)	10.057,177	11,400,639	010,070,010	12,540,542	13,196,969	33,269,412

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Corporate income tares					•	
Lease payments Total tax payments	7,946,625 1,845,000 9,811,625	279,446,425 000,244,11 253,1118,9	277,446,7 000,246,11 252,1118,9	7,944,425 000,201 1,045,000 9,011,425	7,966,625 1,845,000 9,811,625	005, 575, 4 002, 574, 1 005, 649, 7
CASH FLOWS IN CONST \$		``				
lefere debt prait Cf	15,295,238	15,295,231	15,245,238	15,295,238	15,295,238	21,141,731
before-tar Ø After-tar Ø	15,295,230 5,403,613	15,295,238 5,483,613	15.255,624 5.481,613	15,295,238 5,483,613	15, 295 ,238 5,403,613	21,141,731
	11111111111111111111111111111111111111	11111111111111111111111111111111111111		11111111111111111111111111111111111111	*************	
CORPORATE INCOME TAX	YEAN YEAN	TEAB 15	, YEAR 16	TEAD 17	N 201	AA2 F
Gress revenues Generating costs	062,001,01	00,354,440 51,973,204	578'1/5'15 9/1'2//'24	97, 410, 779 57, 300, 450	102,201,317 60,165,401	15,099,054 50,057,680
: Net income bef allancs	34,648,803	34, 381, 243	36,260,305	40,110,321	42,115,837	35,040,376
- Current capital costs - Lease paramits - Curried lesses -	3,5 43,8 77 3,652,974 0	3,742,671 3,835,622 0	3,929,174 404,720,4 0	4,125,633 4,228,774 0	4, 331, 915 4, 440, 212 0	3,444,153 3,694,257 0

LEAR-ZINC PROJECT, SOUTH AFRICA

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- Taration contl alluncs	0	0	0	8	0	6
- Profit for Taration	27,431,952	28,863,556	30,243,727	31,755,914	33, 343, 709	27,741,946
Tar rates(Precious met): Tar perment(BH,Coal,Pt)]	01 15,773,373	01 14,562,041	81 17,390,143	10 10, 259, 650	10 10,172,633	01 15, 951, 631
INCOME TAY PAYNENTS	15, 773, 373	16,562,041	17,390,143	10,259,450	19,172,633	15,951,631
LEASE PATRENTS	7648 7648 14	TEAN 15	YEAR 14	12112222222222	YEAR YEAR YEAR YEAR YEAR YEAR YEAR YEAR	
Gross revours - Operating casts	64, 147, 093 49, 496, 296	80, 354, 440 51, 973, 264	54,177,54 8(1,571,54	97,410,77 9 57, 300,456	102,281,317 60,165,481	85,098,056 50,057,680
: Not increase bef allance	34,648,803	34, 381, 243	38,266,365	40,110,321	42,115,857	35,046,376
- Currant conital casts - Currant loss - Laose copital allonances	3,543,877 0 0	3,742,671 0 0	0 17/1°624°5	4,125,633 0 0	4,331,915 0 0	3,604,153 0 0
: Profit for lease parametic	31,004,926	21.03,17	161,175,46	35, 994, 640	17,111,122	31,436,223
Laese rates	13 13	17	171	KI	17	121
LEASE MITTENTS	3,452,974	3,035,627	4,827,404	4,220,774	4,448,212	3,694,257

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COPPER-HOLYDDEHNH PROJECT: SOUTH AFRICA

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Gross provides Generating casts B 179,431,075 IIII,437,449 197,421,422 280,714,422 281,005,54 105,375,541 152,127 12,289,443 17,433,54 197,135 1197,933,54 197,135 1197,933,54 197,135 1197,933,54 197,135 1197,933,54 197,197,26 6,121,297,96 1,121,135 11,129,79 11,121,797,941,16 1,221,797 11,121,797,941,16 1,221,797 11,221,795 1,121,797,941,16 1,221,797 11,211,797,941,16 1,221,797 11,211,797,941,16 1,221,797,941,13 1,140,797 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,97 11,217,9	CASH FLOU SUMMARY PROJECT BASIS	I TEAR	TEAN 2	YEAA 3	YEAR 4	TEAR 5	TEM 6	YEAR 7	YEAR	TEAR 9	YEAR 10	TEAR 11	YEAR 12	YEAN YEAN
Severilies cels 0 0.7.(27,25 77.275,577 0.1.(1.275 56.47,416 99.79,437 91.475,420 91.37,421 191.32,425 Severilies predits 0 0.1.(27,256 17.775,577 13.4.(1.275 55.47,416 99.79,437 91.475,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,425 91.374,416 91.374,425 91.374,425 91.374,425 91.374,416 91.374,416 91.374,425 91.374,427			•••••••••••••••••••••••••••••••••••••••	179.431.875	100.403.469	197.823.642	287.714.824	218.100.544	100.375.549	155.137.827	162.009.463	171.833.936		199.564.910
Constrain 13, 201, 000 134, 719, 000 4, 354, 739 4, 455, 246 7, 379, 552 7, 779, 552 1, 120, 101 1, 121, 701		•	Ī	• •										109,367,650
Barting control Bit System	perating profits	•	0	112,289,625	117,994,186	123,799,312	129,989,277	136,480,741	102,683,153	45, ÍS5, 785	68,413,574	71,834,253	75,425,966	79,197,26
And Adds Intervet services In	Capital expenditorie	130,200,000	136,710,000	6,366,938	6,685,294	7,019,549	7,378,526	7,739,052	8,126,005	8,532,385	0,758,720	9,406,866	9,877,218	10,371,07
Description 0 <th0< th=""> 0 <th0< td=""><td></td><td>- 1</td><td>15,986,258</td><td>799,313</td><td>839,278</td><td>081,242</td><td>925,384</td><td>971,569</td><td>1,020,148</td><td>1,071,155</td><td>1,124,713</td><td>1,180,949</td><td>1,239,996</td><td>L,301,99</td></th0<></th0<>		- 1	15,986,258	799,313	839,278	081,242	925,384	971,569	1,020,148	1,071,155	1,124,713	1,180,949	1,239,996	L,301,99
back 1: principal persekt 0<			•		8 0	0	9 0	0	0	0	0	9 0	•	
back 1: principal persekt 0<		(110 200 000)	(153 464 350)	195 191 175	118 T78 S44	115 898 521		197 778 114	et st7 mi		C# 178 641	41 946 ATB	(A 100 748	47 594 19
Bef. Tax Bet Cesb File (138,200,000) (152,656,250) 105,123,175 110,179,544 115,090,521 121,473,447 127,770,119 93,537,001 55,552,325 50,329,911 41,944,438 41,300,746 47,324,959 Corp. Income tax persents 0 0 5,641,072 15,000,225 14,453,140 47,314,598 28,172,786 44,131,794 4,514,598 29,175,254 21,104,017 22,243,218 23,235,379 24,523,107 Ar-7 Cash File 0 0 5,644,072 15,000,225 14,655,247 11,723,465 4,431,768 4,514,529 7,311,701 7,477,286 34,937,99 Ar-7 Cash File 0 0 27,425,009 45,770,125 42,750,005 18,529,375 <t< td=""><td></td><td>l –</td><td></td><td>10411541414</td><td></td><td></td><td></td><td></td><td></td><td></td><td>•</td><td></td><td></td><td></td></t<>		l –		10411541414							•			
Corp. Income Lar perment 0 <td>Bubt's principal peyacht</td> <td> </td> <td>•</td> <td>•••••••</td> <td>•</td> <td></td> <td>C</td> <td>0 ••••••••••••••••••••••••••••••••••••</td> <td>0</td> <td></td> <td>0</td> <td></td> <td>•</td> <td></td>	Bubt's principal peyacht		•	•••••••	•		C	0 ••••••••••••••••••••••••••••••••••••	0		0		•	
Lesse personals 0 0 0 5,494,072 (5,100,225 14,655,247 11,923,045 4,431,926 6,543,325 7,311,721 7,477,284 8,64,15 a-7 Cash film (cur d) (130,200,000) (152,696,254) 105,123,375 110,379,544 74,947,059 44,430,045 44,451,549 34,097,337 20,175,254 21,184,817 22,243,218 23,355,377 24,523,44 At PATRENTS 18 Const 1 a Compared a local serve tarks 0 0 0 - 0 0 27,625,000 45,770,125 45,770,125 32,159,750 18,529,375 12,537,535 125 37,6555 125 37,6556 125,997,624 37,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,999,524 33,	Bef. Tax Het Cesh Fleu	(138,200,000) 	(152,696,250)	105,123,375	110,379,544	115,899,521	121,693,447	127,778,119	93,537,001	55,552,325	58,329,941 _o	61,246,438	64,388,769	67,524,19
A-T Gash Flee (cur e) (138,200,000) (152,694,250) (85,123,375 110,379,544 74,947,059 44,430,645 44,451,549 34,099,337 20,175,254 21,184,017 22,243,218 23,355,379 24,523,44 THATTATTATTATTATTATTATTATTATTATTATTATTAT	Corp. Income tax peysont	•	•	6	•	35,257,390	61,363,147	64,431,304	47,514,598	28,745,142	30, 182, 399	31,691,519	33,276,095	34,939,98
All PATIENTS TA CANST 1 Corporation factors to the second tarters 0 0 0 0 27,625,000 45,770,125 45,770,125 32,159,750 18,529,375 12,809,524 13,509,524 13,509,524 13,509,524 13,509,524 13,509,524 13,509,524 13,509,524 13,609,524 13,509,524 13,609,524 13,509,524 13,609,524 12,609,609 13,609,524 14 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12	Leese peysonts	0	•	1 0	0	5,694,072	15,900,235	16,695,247	11,923,065	6,631,929	6,963,525	7,311,701	7,677,286	0,661,15
NX PATRENTS TH CONST 0 0 0 27,425,000 45,770,125 45,770,125 32,159,750 18,529,375 22,004,375	i-T Cash Flau (cur s)	(138,200,000)	(152,696,258)	185,123,375	110, 379, 544	74,947,059	44,430,665	46,651,569	34,099,337	20,175,254	21,184,017	22,243,218	23, 355, 379	24,523,4
Lesse personnts 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Addin F1.009 TH CONST. 1 Arfore dobt primt CF (124,000,000) (130,500,000) 10,007,524 90,007,524 90,007,524 90,007,524 53,007,524 35,007,52	TAX PAYNENTS IN CONST 8			. •		27, 625, 090	45,790,125		32,159,7 5 0	11111111111111111111111111111111111111	18, 529 , 375	18,529,375	11111111111111111111111111111111111111	19,529,37
Defore dubt prent CF (124,000,000) (130,500,000) 10,009,524 90,009,524 90,009,524 90,009,524 35,009,5	IAX PAYNENTS IN CONST a Corporate income taxes	**************************************	19111111111111111 19111111111111111111	. 0 	(111111111111111111)) 0 0		• • •	45,790,125						19,529,37 4,275. 0
Before-tax CF (124,000,000) (130,500,000) 90,009,524 90,009,524 90,009,524 90,009,524 33,009,524 35,0	AX PAYMENTS IN CONST & Corporate income taxes Losse personts	8777987887897999999 877799799 0 0 0	**************************************	. • • •		4,461,454	11,865,000	45,790,125 11,865,000	8,070,000	4,275,000	4,275,000	4,275,600	4,275,808	10,529,37 4,275,00 22,004,37
After-tax CF (124,000,000) (130,560,000) 90,009,524 90,009,524 58,722,902 33,154,399 33,154,399 23,079,774 13,005,149 13,00	TAX PAYNENTS IN CONST a Corporate income taxes Louse paymonts Total tax payments	822288288282828288 0 0 0 0	**************************************	- 0 8 0		4,461,454	11,865,000	45,790,125 11,865,000	8,070,000	4,275,000	4,275,000	4,275,600	4,275,808	4,275,00
THEAR YEAR	AX PATHENTS IN CONST a Corporate income taxes Loose personts Total tax personts Main FLOUS IN CONST. 8	0 0 0	• *0	0 0 0 0	0	4,461,454 32,086,542	11,845,000 57,655,125	45,790,125 11,865,000 57,65%,125	8,070,000 40,229,750	4,275,808	4,275,000 22,804,375	4,275,600 22,804,375	4,275,000 22,804,375	4,275,0
Composition Composition <thcomposition< th=""> <thcomposition< th=""></thcomposition<></thcomposition<>	AX PATHENTS IN CONST : Corporate income taxes Loose personts Total tax personts Adm FLOUS IN CONST. : Before dubt print CF Gefore-tax CF	0 0 (124,000,000) (124,000,000)	8 0 (138,560,600) (139,560,600)	90,007,524	0 0 9 99,609,524 99,609,524	4,461,454 32,086,542 90,809,524 90,809,524	11,845,000 57,655,125 90,809,524 96,809,524	45,790,125 11,865,000 57,65\$,125 90,809,524 90,809,524	8,070,000 40,229,750 63,309,524 63,309,524	4,275,800 22,804,375 35,809,524 35,809,524	4,275,000 22,004,375 35,809,524 35,809,524	4,275,600 22,804,375 35,889,524 35,809,524	4,275,000 22,804,375 35,009,524 35,009,524	4,275,00 22,004,3 35,009,5 35,009,5
Image: New part in the second secon	AX PAYNENTS IN CONST : Corporate income taxes Leave personts Total tax personts ASM FLOUS IN CONST. : Defore dubt print CF Defore-tax CF	0 0 (124,000,000) (124,000,000) {124,000,000}	8 (130,500,000) (130,500,000) (130,500,000)	90,009,524 90,007,524	0 0 99,909,524 99,809,524 99,809,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982	11,845,000 57,655,125 90,809,524 96,809,524 33,154,399	45,790,125 11,865,000 57,65\$,125 90,809,524 90,809,524	8,070,000 40,229,750 63,309,524 63,309,524	4,275,808 22,884,375 35,809,524 35,809,524 13,005,149	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	4,275,600 22,804,375 35,889,524 35,809,524 13,005,149	4,275,600 22,804,375 35,009,524 35,009,524 13,005,149	4,275,0 22,004,3 35,009,5 35,009,5 [3,005,10
Gress revenues B 0 179,431,875 100,463,445 197,823,642 287,714,824 218,100,566 188,375,569 155,132,822 162,089,443 171,033,936 179,545,633 B 0 67,142,250 70,499,343 74,024,331 77,725,547 81,611,825 85,692,416 89,977,037 94,475,888 99,199,643 184,159,667 189,367,6 Not income bef. alluncs 0 0 112,289,625 117,904,186 123,799,312 129,919,277 136,488,741 102,683,153 65,155,785 68,413,574 71,834,253 75,425,966 79,197,2 Current_capital cests 0 8 273,276,938 6,665,284 7,019,549 7,370,526 7,739,052 8,126,005 8,532,305 8,558,920 9,406,666 9,877,218 19,371,0	AX PAYNENTS IN CONST 2 Corporate income tares Locae personts Total tax personts MSN FLOUS IN CONST. 2 Before dubt prent CF Before-tax CF TERTERETEXTERETEXTERETEXTER	0 0 (124,000,000) (124,000,000) (124,000,000)	8 (130,500,000) (130,500,000) (130,500,000)	90,009,524 90,007,534- 1111111111111111	0 0 99,807,524 99,807,524 99,807,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982	11,845,000 57,655,125 90,809,524 96,809,524 33,154,399	45,790,125 11,865,000 57,65\$,125 90,809,524 90,809,524	8,070,000 40,229,750 63,309,524 63,309,524	4,275,808 22,884,375 35,809,524 35,809,524 13,005,149	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	4,275,600 22,804,375 35,889,524 35,809,524 13,005,149	4,275,600 22,804,375 35,009,524 35,009,524 13,005,149	4,275,0 22,004,3 35,009,5 35,009,5 13,005,1
Operating costs O 67,142,250 70,499,343 74,024,331 77,725,547 B1,611,825 85,692,416 89,977,037 94,475,890 99,199,643 104,159,667 109,367,647 Not income bef. alluncs 0 0 112,209,625 117,904,106 123,799,312 129,909,277 136,490,741 102,683,153 45,155,785 68,413,574 71,834,253 75,425,966 79,197,21 Corrent_capital costs 0 8 273,276,938 6,665,294 7,019,549 7,370,526 7,739,052 8,126,005 8,532,305 8,950,928 9,406,066 9,877,210 19,371,07	AX PATHENTS IN CONST a Corporate income tares Locse personts Total tax personts Was FLOUS IN CONST. a Defore dubt prent CF Defore-tax CF After-tax CF After-tax CF INTERTIBUETERSETERSETERSET COMPORATE INCOME TAX	0 0 (124,000,000) (124,000,000) (124,000,000)	8 (130,500,000) (130,500,000) (130,500,000) (130,500,000)	90,007,524 90,007,524 111111111111111111111111111111111111	0 0 90,009,524 90,009,524 90,009,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982	11,845,000 57,655,125 90,809,524 98,809,524 33,154,399	45,790,125 11,865,000 57,65%,125 90,809,524 90,809,524 33,154,399	9,070,000 40,229,750 63,309,524 63,309,524 23,079,724	4,275,800 22,804,375 35,809,524 35,809,524 13,005,149	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11994211111111111 1994204888888888 \YEAR	4,275,600 22,004,375 35,009,524 35,009,524 13,005,149	4,275,600 22,804,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	4,275,0 22,004,3 35,009,5 35,009,5 13,005,1 11777777777 100000000000 1277777777777
Not increase bef. alluncs 0 0 112,209,625 117,904,106 123,799,312 129,909,277 136,480,741 102,683,153 65,155,785 8 68,413,574 71,834,253 75,425,966 79,197,2 Corrent_capital costs 0 0 8 273,276,938 6,665,284 7,019,549 7,370,526 7,739,052 8,126,005 8,532,305 8,950,920 9,406,066 9,877,210 19,371,0	AX PATHENTS IN CONST a Corporate income taxes Locse personts Total tax personts Main FLOWS IN CONST. s Defore dubt prent CF Defore-tax CF After-tax CF INTERTATIONSTITUTESTATION COMPORATE INCOME TAX I REPORT	0 0 (124,000,000) (124,000,000) {124,000,000} ##############################	8 9 0 (130,500,600) (130,500,600) (130,500,600) TXTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	90,007,524 90,007,524 111111111111111111111111111111111111	0 0 90,009,524 90,009,524 90,009,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982	11,845,000 57,655,125 90,809,524 98,809,524 33,154,399 588888888888888888	45,790,125 11,865,000 57,65%,125 90,809,524 90,809,524 33,154,399	9,070,000 40,229,750 63,309,524 63,309,524 23,079,724	4,275,800 22,804,375 35,809,524 35,809,524 13,005,149	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11774211111111111 1188807448888888 \YEA2 10	4,275,600 22,804,375 35,809,524 35,809,524 13,005,149	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 113,005,149	4,273,0 22,004,3 35,009,5 13,005,1 1370511 12808888888 TE
Carrent_capital cests 0 8 273,276,939 6,645,294 7,019,549 7,370,526 7,739,052 8,126,005 8,532,305 8,950,920 9,406,066 9,877,218 18,371,67	AX PATHENTS IN CONST a Corporate income tares Locse personts Total tar personts ASN FLOWS IN CONST. \$ Defore dobt prent CF Outpretar CF After-tar CF After-tar CF EXTRACTIONALITY STATESTATES CONFOLATE INCOME TAX IN REPORT	0 0 (124,000,000) (124,000,000) {124,000,000} ##############################	8 (130,500,000) (130,500,000) (130,500,000) (130,500,000) TEAR 2	90, 009, 524 90, 009, 534 111111111111111111111111111111111111	0 0 0 90,007,524 90,007,524 90,007,524 90,007,524 90,007,524 90,007,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982 111111111111111111111111111111111111	11,845,000 57,655,125 99,807,524 96,807,524 33,154,399 (***********************************	45,790,125 11,865,000 57,65%,125 90,809,524 90,809,524 33,154,399 11111111111111111111111111111111111	9,070,000 40,229,750 63,309,524 43,309,524 23,079,774 TEXTENTION TEAR 8	4,275,800 22,804,375 35,809,524 35,809,524 13,005,149 xxxxxxxxxxxxxx YEAR 9	4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 1299,524 13,005,149 1299,524 13,005,149 1299,524 13,005,149 1299,524 13,005,149	4,275,600 22,004,375 35,009,524 35,009,524 13,005,149 11 11	4,275,000 22,804,375 35,009,524 35,009,524 13,005,149 121212121212121 YEAR 12	4,275,00 27,004,37 35,009,52 35,009,52 13,005,14 11111111111111111111111111111111111
and the second	AX PATHENTS IN CONST 2 Corporate income tares Leeve personts Total tax personts ASM FLOUS IN CONST. 8 Defore dobt prent CF Defore-tax CF After-tax CF TEXTEXTEXTEXTEXTEXTEXT CONPOLATE INCOME TAX 1 MEPORT Gress revolues	0 0 (124,000,000) (124,000,000) {124,000,000} ##############################	8 9 0 (130,500,000) (130,500,000) (130,500,000) FXXTXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	90,009,524 90,009,534 1111111111111111 11000000000000000000	0 0 0 90,607,524 90,007,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982 INTITITITITITITITI YEAR 5 J97,823,642	11,845,000 57,655,125 90,809,524 94,809,524 33,154,399 5322324 54,359 55254 524 33,154,399 5224 524 524 524 524 525 524 524 524 52	45,790,125 11,865,000 57,65%,125 90,809,524 90,809,524 33,154,399 117777777777777777777777777777777777	9,070,000 40,229,750 63,309,524 63,309,524 23,079,774 TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	4,275,800 22,804,375 35,809,524 33,809,524 13,005,149 ************************************	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 1375 149 149,005,149 10 162,009,443	4,275,600 22,004,375 35,009,524 33,009,524 13,005,149 11 11 121,033,936	4,275,000 22,804,375 35,009,524 35,009,524 13,005,149 1111111111111111 YEAR 12 179,505,633	4,275,00 22,004,3 35,009,5 35,009,5 13,005,14 1277777777777777777777777777777777777
Leese persents ; 0 0 0 0 0 0,694,072 15,900,235 16,695,247 11,923,065 6,631,928 6,963,525 7,311,701 7,677,286 9,961,15	AX PAYNENTS IN CONST a Corporate income tares Lease personts Total tax personts ASM FLOWS IN CONST. a Before dubt prent CF Before-tax CF After-tax CF After-tax CF COMPORATE INCOME TAX REPORT Gross revenues Gooration cests	0 0 (124,000,000) (124,000,00)	8 9 0 (130,500,000) (130,500,000) (130,500,000) **********************************	90,009,524 90,009,534 111111111111111111111111111111111111	0 0 0 99,609,524 90,609,524 90,609,524 90,609,524 90,609,524 90,609,524 90,609,524 90,609,524 90,609,524 90,609,524	4,441,454 32,006,542 90,809,524 90,809,524 58,722,982 ************************************	11,845,000 57,655,125 99,809,524 94,809,524 33,154,399 521,124,379 7EAR 6 207,714,824 77,725,547	45,790,125 11,865,000 57,65%,125 90,809,524 90,809,524 33,154,399 TEXENTERED YEAR 7 218,100,566 81,611,825	9,070,000 40,229,750 63,309,524 63,309,524 23,079,774 ***********************************	4,275,800 22,804,375 35,809,524 35,809,524 13,005,149 ####################################	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 1179211111111111 11813430411111111111 1181343041111111111111111111111111111111	4,275,600 22,804,375 35,809,524 35,809,524 13,005,149 171,033,936 99,199,643	4,275,000 22,804,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	4,275,00 22,004,37 35,009,52 13,005,14 11,005,15,15,15,15,15,15,15,15,15,15,15,15,15
Carried lasses : 0 0 9 160,907,313 49,768,491 0 0 0 0 0 0 0 0 9	TAX PAYNENTS IN CONST a Corporate income taxes Louse perments Total tax persents CASH FLOWS IN CONST. s Before dobt prent CF Before-tax CF After-tax	0 0 (124,000,000) (124,000,00)	8 9 0 (130,500,000) (130,500,000) (130,500,000) **********************************	90,009,524 90,009,534 YEAR YEAR 3 179,433,075 67,142,250 112,209,625	0 0 0 9 90,009,524 90,009,524 90,009,524 90,009,524 YEAR 4 100,443,469 70,499,363 117,904,106	4,461,454 32,006,542 90,809,524 90,809,524 58,722,982 1111111111111111 1111111111111111111	11,845,000 57,655,125 90,809,524 96,809,524 33,154,399 xxxxxxxxxxxxxx YEAR 6 207,714,824 77,725,547 129,909,277	45,790,125 11,865,000 57,653,125 90,809,524 90,909,524 33,154,399 YEAR 7 218,100,566 81,611,825 136,488,741	9,070,000 40,229,750 63,309,524 63,309,524 23,079,774 TEXTENTION YEAR B 108,375,569 85,692,416 102,683,153	4,275,800 22,804,375 35,809,524 35,809,524 13,005,149 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 1199,524 13,005,149 1199,743 162,009,443 94,475,000	4,275,600 22,004,375 35,009,524 35,009,524 13,005,149 11 11 171,033,936 99,199,643 71,034,253	4,275,000 22,804,375 35,009,524 35,009,524 13,005,149 13,005,149 12 179,545,433 104,159,667 75,425,966	4,275,00 22,004,37 35,009,52 35,009,53 13,005,14 11,005,15 11,005,

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COPPER-HOLYBBENCH PROJECT: SOUTH AFRICA

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Taxation capt1 alluncs	1 0	0	0	•	0	0	/ 0	0	0	0	0	9	•
Profit for Taxation	0	0	(160,987,313)	(49,768,491)	61,317,201	106,718,516	112,054,442	82,634,083	49,991,552	52,491,129	55,115,686	57,871,470	60,765,044
Tax rates(Precious set)		01	10	10	01	01	01	01	10	10	61	61	61
Taz payment(BH,Coal,Pt)	0	0	0	× 0	35,257,390	61,363,147	64,431,304	47,514,598	28,745,142	30,182,399	31,691,519	33,276,095	34,939,900
INCOME TAX PAYNENTS	0	0	0	0	35,257,390	61,363,147	64,431,304	47,514,598	28,745,142	30,182,399	31,691,519	33,276,895	34,939,9 00
LEASE PAYNENTS Report	YEAR	YEAR 2	YEAR J	YEAR 4	YEAR C S	YEAR 6	YEAR 7	YEAR õ	YEAR 9	TEAR 10	TEAR 11	YEAR 12	YEAR 13
Gross revenues Operating costs	* 0 0	0 0	179,431,075 67,142,250	198,403,469 70,499,363	197,823,642 74,024,331	207,714,824 77,725,547	218,100,566 81,611,825	189,375,569 85,692,416	155,132,822 89,9 77,037	162, 089 ,463 94,475, 898	171,033,936 99,199,683	179,585,633 184,159,667	<pre>2 100,564,914 109,367,650</pre>
Net income bef. alluncs	0	0	112,209,625	117,904,106	123,799,312	129,989,277	136,488,741	102,683,153	65,¥55,785	68,413,574	71,834,253	4 75,425, 966	79,197,264
Corrent capital cests	. 0	0	273,276,938	6,685,284	7,019,549	7,370,526	7,739,052	8,126,005	8,532,305	8,958,920	7,406,866	9,877,210	10,371,070
Carried loss Loose capital allowances	: 0 I 0	0	0	160,907,313 9,659,239	59,427,729 3,565,664	0	0	0	0	0	0	0	•
Profit for loose payment	•	•	{160,907,313}	(59,427,729)	53,796,370	122,618,751	128,749,689	94,557,148	56,623,480	59,454,654	62,427,387	65,548,756	68,826,194
Leese rates		ez	81		· 11 2	131	131	137	121	121	121	121	121
LEASE PATHENTS	i >	•	•		5,694,072	15,908,235	16,695,247	11,923,065	6,631,928	6,963,525	7,311,701	7,677,286	8,661,150

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COPPER-NULYNERIN PROJECT: SOUTH AFRICA

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CASH FLOW SHIMMAY	YEAR	YEAR	· YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	· YEAR	YEAR	YEM
PROJECT BASIS]4	15			18		20	21	22	1 2J	24	
Gress revenues	197.993.160	207.072.810	218,287.459	227.201.832	240.661.923	252,695,620	265, 329, 771	278.5%.259	292,526,072	307.152.376	322.589.994	165.286.37
Operating cests	114,836,833	120,577,834	126,686,726	132,937,862	139,583,916	146,563,111	153,891,267	161,585,830	169,665,122	178,148,378	187,855,797	95,866,89
Operating profits	\$3,157,127	.87,314,984	91,688,733	96,264,769	181,078,008	106,131,908 ⁴	111,430,504	117,010,429	122,860,950	129,003,990	135,454,198	69,420,27
Cupital expenditures	10,807,624	11,434,105	12,005,819	12,606,101	13,236,406	13,890,226	14,593,137	15,322,794	16,008,934	16,893,381	17,738,050	9,090,75
Working capital :	° 1,367,0%	1,435,450	1,507,223	1,582,584	1,661,713	1,744,799	1,832,039	1,923,641	2,019,823	2,120,814	2,226,855	(49,102,10
Neu debt l	•	•	•	•	8	0	0	8	0	6	•	
Interest perable	•	0	•	0	0	0	8	0	0	0	0	
Bef. Bobt-Punt Cesh Flou	78,999,408	1 .74,445,428	70,167,700	82,076,085	84,179,889	90,480,883	95,813,32 7	99,763,994	104,752,193	109,989,803	115,489,293	109,431,67
Bubt's principe] payment	9	•	٠	0	9	•	D	•	0	9	•	
Bef. Tax Het Cash Flow	78,988,488	74,445,428	78,167,788	82,876,985	86,379,889	70,480,80 3	95,013,327	99,763,994	104,752,193	109,999,803	115,489,293	109,431,67
Corp. incres tas persent!	36,686,895	30,521,240	48.447.382	42,469,667	44.593,150	46,822,808	49,163,948	51,622,146	54,203,253	56,913,415	59,759,886	38,626,53
Loese poynents	8,444,298	8,007,418	9,331,789	9,798,378	10,200,297	10,002,712	11,342,848	11,909,990	12,505,490	13,130,764	13,707,302	7,665,91
					31,298,441	32,663,363	34,506,531	36,231,858	38,043,451	39,945,621	41,942,905	71,739,10
*****	25,749,385	27, 036 ,770	28, 388,689	27,000,839 - 1278831232233233	31,27 4,441 111,111,111,111,111,111,111,111,111,1	32, 0 3,343						
AX PAYNENTS IN CONST. 5 ⁻⁰ Corporate income tares Loose personts	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,660	18,529,375 4,275,600	18,529,375 4,275,000	18,529,375 4,275,000	18,529, ¹ 18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	9,264,64 2,137,56
TATELET AND A CONST. 2 Corporate income tares Loase personts Total tar personts	18,529,375	19,529,375	18,529,375	18,529,375	18,5 29,3 75	18,529,375	18,529,375	18,529,375 4,275,000	18,529,375	18,529,375	18,529,375	9, 264,6 8
AX PAYNENTS IN CONST. 8 ⁻² Corporeto income tares Loose poyoents Total tar personts	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,660	18,529,375 4,275,600	18,529,375 4,275,000	18,529,375 4,275,000	18,529, ¹ 18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	9, 264,64 2,137,56
AX PAYNENTS IN CONST. 2 ⁻⁵ Corporate income tares Losse personts Total tax personts Total tax personts Table FLOUS IN CONST. 2 Before dobt prent CF	18,529,375 4,275,000	18,529,375 4,275,000	10,529,375 4,275,000 22,004,375 35,009,524	18,529,375 4,275,600	18,529,375 4,275,000	18,529,375 4,275,000	18,529, ¹ 18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	18,529,375 4,275,000	9,264,64 2,137,56
AT PAYNENTS IN CONST. 2 Corporate income tares toose personts Tetal tax personts ASN FLOUS IN CONST. 2 Defere dobt prent CF Before-tax CF	18,529,375 4,275,000 22,804,375	18,529,375 4,275,000 22,984,375	18,529,375 4,275,600 22,804,375	18,529,375 4,275,000 22,004,375	18,529,375 4,275,000 22,804,375	18,529,375 4,275,000 22,004,375	18,529,375 4,275,000 22,804,375	18,529,375 4,275,000 22,804,375	18,529,375 4,275,000 22,804,375	18,529,375 4,275,000 22,804,375	18,529,375 4,275,000 22,004,375	9,264,64 2,137,56 11,482,18
AX PAYNENTS IN CONST. 5 ⁻⁰ Corporate income tares Loose personts Total tax personts 230 FLOUS IN CONST. 5 Defore dobt prent CF Before-tax CF	18,529,375 4,275,008 22,804,375 35,809,524	18,529,375 4,275,000 22,984,375 35,889,524	10,529,375 4,275,000 22,004,375 35,009,524	18,529,375 4,275,000 22,004,375 35,009,524	18,529,375 4,275,000 22,804,375 35,809,524	18,529,375 4,275,000 22,004,375 35,009,524	18,529,375 4,275,000 22,804,375 33,809,524	18,529,375 4,275,000 22,804,375 35,809,524	18,529,375 4,275,000 22,804,375 35,809,524	18,529,375 4,275,000 22,804,375 35,809,524	18,529,375 4,275,000 22,004,375 35,009,524	9,264,64 2,137,56 11,402,10 33,103,64 33,103,65
AX PAYNENTS IN CONST. 5 Corporate income taxes Loose personts Total tax personts 2010 FLOUS IN CONST. 8 Defore dobt prent CF Defore-tax CF After-tax CF	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,600 22,004,375 35,009,524 35,009,524 13,005,149	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 33,809,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,605,149	10,529,375 4,275,000 22,804,375 35,809,524 35,909,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,085,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,800 22,804,375 35,809,524 35,809,524 13,005,149	9,264,64 2,137,56 11,402,10 5 33,103,66 33,103,66 21,701,40
AX PAYNENTS IN CONST. 5 Corporate income taxes Loose personts Total tax personts Sain FLOUS IN CONST. 8 Defore dobt prant CF Sefore-tax CF After-tax CF Threat CF	18,529,375 4,275,000 22,804,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	19,529,375 4,275,600 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,000 22,004,375 35,009,524 35,809,524 13,085,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,800 22,004,375 35,809,524 35,809,524 13,005,149	9,264,64 2,137,55 11,402,10 5 33,103,6 33,103;6 21,701,4
AX PAYNENTS IN CONST. 5 ⁻⁰ Corporate income taxes Louse personts Total tax personts 25N FLOUS IN CONST. 5 Defore dobt prant CF Sefere-tax CF After-tax CF INTERTIFUTURENTIAL CORPORATE INCOME TAX 1 NEPORT	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,984,375 35,989,524 35,989,524 13,085,149 HILLING LEAR 15	18,529,375 4,275,600 22,004,375 35,009,524 35,009,524 13,005,149	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 33,809,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,605,149	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,085,149	18, 529, 375 4, 275, 000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 F1111111111111 Storesteetsteet YEAR 23	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	9,264,64 2,137,56 11,462,10 5 33,103,64 33,103,64 21,701,40 1111111111111111111111111111111111
AX PAYNENTS IN CONST. 9 Corporate income taxes Losse personts Total tax personts Total tax personts ASN FLOUS IN CONST. 8 Defore dobt pront CF Defore-tax CF After-tax CF After-tax CF INTERTATIONALISE CONTOCHTE INCOME TAX 1 NEPONT 1	18,529,375 4,275,000 22,804,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 INTERNETINE	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 211111111111111 ****************	10,529,375 4,275,000 22,004,375 35,009,524 35,609,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 33,809,524 35,809,524 13,005,149	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 1111111111111 111111111111111111111	18, 529, 375 4, 275,000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 F111111111111111 100000000000000000000	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	9,264,64 2,137,56 11,402,10 5 33,103,66 33,103,66 21,701,40 1111111111111111111111111111111111
AT PAYNENTS IN CONST. 5 Corporate income tares Losse payoonts Total tar payoonts Total tar payoonts ASM FLOUS IN CONST. 5 Defore dobt pront CF Defore-tar CF After-tar CF After	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,984,375 35,989,524 35,989,524 13,085,149 HILLING LEAR 15	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 IXJELETETETETETETETETETETETETETETETETETETE	18,529,375 4,275,000 22,004,375 35,009,524 33,009,524 13,005,149 IXILITITITITITITI	18,529,375 4,275,000 22,804,375 35,809,524 33,809,524 13,005,149 23111111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 EXTREMENTAL	18,529,375 4,275,000 22,804,375 35,809,524 33,909,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 TITTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	18, 529, 375 4, 275, 000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 TFAR 22	18, 529, 375 4, 275, 000 22, 904, 375 35, 809, 524 35, 809, 524 13, 805, 149 FILTITITITITITITITI YEAR 23	18,529,375 4,275,000 22,004,375 35,009,524 35,809,524 13,005,149 11111111111111111111111111111111111	9,264,64 2,137,56 11,402,10 5 33,103,64 33,103,64 21,701,40 1111111111111111111111111111111111
Befere-tax CF After-tax CF Haranxiyxxxxxxxxxxxxxxx Haranxiyxxxxxxxxxxxxxx ColfooldTE THCOME TAX \$	18,529,375 4,275,000 22,804,375 35,009,524 35,009,524 13,005,149 ####################################	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	10,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 HHTHHHHHHHH YEAN 16 210,207,459	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 211111111111 *************************	10,529,375 4,275,000 22,004,375 35,009,524 35,809,524 13,005,149 1111111111111114 YEAR 19	18,529,375 4,275,000 22,904,375 35,809,524 35,809,524 13,005,149 HINTERETEXTINE VEAR 20 265,329,773	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 11111111111111111 YEAR 21 278,596,259	18, 529, 375 4, 275, 000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 TEAR 22 292, 526, 872	18, 529, 375 4, 275, 000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 FILLININITIAL YEAR 23 307, 152, 376	18,529,375 4,275,000 22,004,375 35,809,524 35,809,524 13,005,149 11111111111111111111111111111111111	9,244,44 2,137,56 11,402,10 5 33,103,44 33,103,44 21,701,47
AX PAYNENTS IN CONST. 2 Corporate income taxes Loose personts Total tax personts Total tax personts 2011 FLOUS IN CONST. 2 Defore dobt prant CF Defore tax CF After-tax CF Interstationalizations CORPORATE INCOME TAX 1 NEPORT 2 Gross revenues 1 Operating costs 1	18,529,375 4,275,000 22,804,375 35,809,524 35,909,524 13,005,149 11111111111111111 YEAR 14 197,993,160 114,836,933	18,529,375 4,275,000 22,904,375 35,909,524 35,009,524 13,005,149 HHILLININ ELA 15 207,972,819 120,577,834	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 HAITHARLINH YEAN 16 218,207,459 126,606,726	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 2111111111111 10005,149 240,661,923, 18,236,406 13,236,406	18,529,375 4,275,000 22,804,375 35,809,524 33,809,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,904,375 35,809,524 33,909,524 13,005,149 1111111111111111 YEAR 20 265,329,771 153,691,267	18,529,375 4,275,000 22,804,375 35,809,524 33,809,524 13,005,149 1111111111111111 141111111111111111	18, 529, 375 4, 275, 600 22, 804, 375 35, 809, 524 35, 809, 524 13, 085, 149 TEAR 22 292, 526, 872 169, 645, 122	18, 529, 375 4, 275, 000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 F111111111111111 YEAR 23 307, 152, 376 178, 149, 378	18,529,375 4,275,800 22,804,375 35,809,524 33,809,524 13,005,149 11111111111111111111111111111111111	9,264,64 2,137,56 11,402,10 ¢ 33,103,65 21,701,45 21,701,45 113333103365 21,701,45 113333103365 75,066,07
AX PAYNENTS IN CONST. 5 Corporate income taxes Louse personts Total tax personts 2000 FLOUS IN CONST. 8 Defore dobt prant CF Sefere-tax CF After-tax CF INTERTIFUTENTIALIZET CORPORATE INCOME TAX 1 NEPORT 2 Gress revenues Corpating costs Net income bef. alluncs 1	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,805,149 14 14 14 197,993,166 114,836,933 83,157,127	18,529,375 4,275,000 22,884,375 35,809,524 35,809,524 13,005,149 HINTERENERAL VEAR 15 207,892,818 120,577,834	18, 529, 375 4, 275, 000 22, 004, 375 35, 009, 524 35, 009, 524 13, 005, 149 147777777777777777777777777777777777	18,529,375 4,275,000 22,004,375 35,009,524 35,009,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 35,809,524 33,809,524 13,005,149 EXEMPTION TEAR 18 240,661,923, 139,583,916 101,078,008	10,529,375 4,275,000 22,004,375 35,009,524 35,609,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 11111111111111111111111111111111111	18,529,375 4,275,000 22,804,375 35,809,524 35,809,524 13,005,149 11111111111111111111111111111111111	18, 529, 375 4, 275, 000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 131, 005, 149 14111111111111111111111111111111111	18, 529, 375 4, 275,000 22, 804, 375 35, 809, 524 35, 809, 524 13, 005, 149 1111111111111 111111111111111111111	18,529,375 4,275,000 22,004,375 35,809,524 35,809,524 13,005,149 11111111111111111111111111111111111	9,264,6 2,137,5 13,402,11 5 33,103,6 33,103,6 21,701,4 111111111111 11131111111 111311111111 1113111111

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COPPER-HOLYBBENKIN PROJECT: SOUTH AFRICA

- Taxation capti alluncs 1	0	0	•	•	. 0	10	0	0	0	0	Đ	•
= Profit for Texation	63,903,296	66,993,461	70, 343, 134	73,868,290	77,553,305	81,438,979	85,502.519	. 89,777,644	94,266,527	98,979,853	183,928,846	53,243,533
; Tex rates(Precious not); Tex payment(BH,Coa],Pt) ;	81 36,686,895	01 38,521,240	01 40,447,302	01 42,469,667	01 44,593,150	01 46,822,908	01 49,163,948	01 51,622,146	01 54,203,253	81 56,913,415	81 59,759,066	07 30,626,532
INCOME TAX PAYMENTS	36,686,895	30,521,240	40,447,382	42,469,667	44,593,150	46,822,800	49,163,948	51,622,146	54,203,253		59,759,006	30.626.537
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LEASE PARTENTS	YEAR 14	YEAR IS	YEAR 16	YEAR 17	YEAR 18	TEAR 19	YEAR 20	YEAR 21	YEAR 22	YEAR 23	YEAR 24	TEAN 25
Gress revenues : - Operating costs :	197,993,160 114,836,033	207,892,818 129,577,834	218,207,459 126,606,726	229,201,832 132,937,062	240,661,923 139,583,916	252,695,020 146,563,111	265,329,771 153,891,267	278,596,259 161,585,830	292,526,072 169,665,122	307,152,376 179,148,379	322,589,994 187,055,797	165,286,372 95,866,896
= Net income bef. alluncs :	83,157,127	87,314,98 <u>4</u>	91 ,680,73 3	96,264,769	101,878,008	106,131,900	111,438,504	117,010,429	122,860,950	129,003,990	135,454,198	69,420,276
- Correct capital cests 4 - Carriel Jess	10, 989 ,624	11,4 34,18 5	12,005,818	12,606,101	13,236,406	13,898,226	_l4,593,137	15,322,794	16,080,934 0	16,893,301 0	17, 738,650 0	1,890,758 8
-"Lesse capital allowancest	0	- ; •	0	0	9	0	0	0	0	8	. 0	i
= Profit for losse persent	72,267,583	75,888,879	79,674,922	83,658,669	87,841,602	92,233,682	%,8 45,366	101,687,635	106,772,016	112,110,617	117,716,140	68,329,526
Loose rates	121	121	123	121	171	122	121	171	121	121	121	171
LEASE PAYNEITS	8,464,208	8,887,418	9,331,789	9,798,378	× 10,288,297	10,882,712	11,342,848	11,909,990	12,505,490	13, 130, 764	13,787,382	7,865,992

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APPENDIX E

MINERAL TAXATION SYSTEM OF THE UNITED STATES

E.1. DESCRIPTION

(1) FEDERAL CORPORATE INCOME TAXATION

Tax Calculation Format:

R	evenue
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- Operating Costs
- Interest Payments
- Exploration Expenditures
- Mine Development Expenditures
- Royalty Payments
- State Taxation Payments Net Income before Allowances
- Depreciation Allowances
- Amortization
 Income before Depletion
 Depletion Allowance

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- Federal Tax Otherwise Payable Investment Tax Credit Net Federal Tax Payable

Income before Federal Tax

Exploration Expenditures:

Exploration expenditures may be expensed for tax purposes. In that case, exploration write-offs related to a property which is subsequently brought into production are subject to 'recapture' from the depletion allowance. The taxpayer may elect to do this in either of two ways:

- include in revenues the amount of exploration expenditures previously deducted when the mine starts production;
- forego the amount of depletion otherwise deductible with respect to the mine until the cumulative amount equals previously deducted exploration expenditures.

Only 85 percent of such expenditure can be expensed; the remaining 15 percent must be written off over a five-year period. The depreciation rates over the five-year period are-15, 22, 21, 21 and 21 percent, starting from the year the cost is incurred. The 15 percent of exploration expenditures so capitalized is eligible for investment tax credit.

If exploration expenditures are not expensed, they must be capitalized and either written-off when the property is abandoned or included in the basis of the cost depletion account if the property comes into production. This method is assumed in the study.

Mine Development Expenditures:

Mine development expenditures may either be expensed against current income or amortized as the mineral deposit is mined. Development expenditures are not subject to recapture from the depletion allowance.

If the taxpayer elects to expense development expenditures, only 85 percent of these can be treated as such. The remaining 15 percent must be written off over a five-year period in accordance with the schedule specified above for exploration expenditures. Similarly, the capitalized amount is eligible for investment tax credit.

Rather than expense development expenditures, the taxpayer may elect to defer such deductions for each specific mine or deposit. The amortization of these costs is allowed as an ordinary deduction based on units of production during production. This provision is applicable to development expenses incurred both in the development and production stages.

Royalty Payments:

Royalty payments made to the private or public owner of the mineral property to secure the right to mine. These payments are not considered in the study.

State Taxation Payments:

This includes ad valorem property tax, severance tax, and state income tax as discussed below, all of which are allowable deductions for federal income tax purposes.

Depreciation Allowance:

Assets with a useful life greater than one year are depreciable. Depreciation of an asset is based on the estimated useful life of the asset to the taxpayer. Under the Accelerated Cost recovery System (ACRS), recovery of capital costs for most tangible depreciable property placed in service after 1980 is made using accelerated methods of cost recovery over statutory recovery periods. The cost of eligible property is recovered over a 3-, 5-, 10-, or 15-year period, depending upon the type of asset. Each item of property is assigned to one of the following classes:

- 3-Year Property; automobiles, light-duty trucks, property used in connection with research and experimentation, etc.
- 5-Year Property; this includes mostymining equipment.
- 10-Year Property, and 15-Year Property; infrastructure

The following table gives the ACRS depreciation schedules:

Annual-Depreciation Rates (in percent)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 Recovery Year Class of Property 3-Year 25 38 37 15 22 21 21 21 5-Yeam (8 14 12 10 10 10 9 10-Year Q 5 10 9 8 7 7 6 15-Year 6 6 6 6 6 6 6 6

In this study, the 5-Year Class is applied for mining and processing equipment, and the 10-Year Class is used for infrastructure. The depreciation basis must be reduced by 50 percent of the investment tax credit (ITC), for which a 10 percent rate is used in this study.

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Amortization:

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When it is impossible to expense mine development expenditures against current income as provided for above, these costs may be capitalized and amortized on a unit-of-production basis as the deposit is mined.

Depletion Allowance:

The greater of cost (unit) depletion or statutory (percentage) depletion.

Cost depletion involves pro-rating the amount of exploration and property acquisition costs capitalized' into the depletion account (the cost depletion base) against the number of units of production in the deposit. In practice, cost depletion seldom results in a greater deduction than the statutory depletion allowance.

The statutory or percentage depletion allowance is determined by selecting the lesser of:

- the product of the depletion rate for the mineral(s) in question and the difference between revenue and royalty payments;
- 50 percent of income for depletion.

Depletion rates for selected minerals are as follows:

22 percent: uranium, asbestos, chromite, bismuth, cadmium, cobalt, lead, manganese, mercury, molybdenum, nickel, platinum, tin, tungsten, zinc;

-15 percent: copper, gold, silver, iron ore;

14 percent: phosphate rock, potash;

, 10 percent: coal.

Revenue usually refers to the income derived from the sale of the 'first marketable product', a concentrate in the case of base metals. When there are different saleable products, appropriate depletion rates must be applied in proportion to the product's respective contribution to revenue.

Federal Tax Otherwise Payable:

The following marginal tax rates currently apply:

Income for F	ederal Tax (\$)	Marginal Rate (%)
_		
0 -	25 000	15
25 000 -	50 000	18
50 000 -	75 000	30
75 000 -	100 000	40
over	100 000	46

Investment Tax Credit (ITC):

Incentive which reduces federal income taxes in the year the asset is acquired. To qualify for the credit, the asset must be depreciable, have a useful life of at least three years, and must be placed in service during the year the credit is taken.

The allowable credit is a function of the life of the asset. On average, 90 percent of depreciable assets qualify for the credit. The investment tax credit is currently 10 percent of the qualifying investment. In any one year, the credit is limited to the lesser of the federal tax otherwise payable, or a total of \$25 000 plus 90 percent of the tax liability exceeding \$25 000. Investment tax credits may be carried back up to 3 years and forward up to 15 years.

Minimum Tax:

A minimum tax is levied at a rate of 15 percent on tax preference items. The minimum tax base is the total of the taxpayer's preferences reduced by the greater of \$10 000 or the full amount of the taxpayer's income tax liability (reduced by the ITC, if any). The major tax preference items considered in this study are:

- accelerated depreciation: Excess of the depreciation taken

during the year over the amount that would have been allowed with the straight-line method (depreciation of equipment and amortized development expenditures).

- excess depletion: Excess of the depletion deduction in a tax year over the unadjusted base of the property.
- exploration and development: Difference between the deductions claimed for exploration and development (when the current deduction method is used) and the deductions associated with a ten-year straight-line amortization of these costs.

(2) STATE MINERAL TAXATION

ARIZONA

Ad Valorem Property Tax:

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Arizona property tax is based on the present value of the annual net proceeds of a mining operation and investment property (Hoskold Property Tax). Mineral reserves in the ground must be predicted and assessed.

The value of the mine is determined by estimating annual gross revenue and deducting the probable annual costs of extraction, reduction, and sale of the product. These annual net proceeds are then converted to the present worth of the remaining mineral reserves. The Hoskold formula used in the study is:

$$V_{\rm D} = A / (r/((1+r)^{\rm n} - 1) + r')$$

where, V_p = value of mineral property

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The taxable base is the product of v_p and the assessment rate. The assessment rate is 44 percent for the period 1983 - 1985 and is scheduled to decrease to 36 percent for 1986 - 1988, 28 percent for 1989 - 1991, and 25 percent for 1992 and beyond. The property tax is determined by multiplying the tax base by the "mill levy" rate of 11 percent.

Severance Tax:

Arizona severance tax is based on the value after milling. The metalliferous mineral severance tax is levied at a rate of 2.5 percent of the net severance base, which is defined as the commodity revenues less the sum of smelter operating costs, refinery operating costs and smelter to refinery transportation costs.

Income Tax:

Arizona income tax is based on the net taxable profits obtained by deducting various allowances from gross revenues. Deductions include operating costs, transportation costs, amortization and depreciation, federal taxes from the previous year, current severance and property taxes, royalty payments, interest payments, and depletion.⁴ A sliding scale rate is applied as follows:

Net	Taxable	Profit (\$)	Marginal Rate (%)
	0 -	2 000	exempt
	2 000 -	3 000	5.0
	3 000 -	4 000	6.5
	4 000 -	5 000	8.0
	5 000 -		9.0
	over	6 000	10.5

COLORADO

Ad Valorem Property Tax:

For producing mines, Colorado property tax base is the greater of 25 percent of gross proceeds of the previous year or 100 percent of net proceeds of the current year. For non-producing mines, the tax is based on 30 percent of the present value of the net income it will generate. A mill levy rate of 7 percent is used.

Severance Tax:

The severance tax is-2.25 percent of gross income (value after mining) in excess of \$11 million. Tax on molybdenum ore is 15 cents per ton* and tax on iron ore is 2 cents per ton*. Ad valorem taxes are allowed as a credit against this tax in an amount not exceeding 50 percent of the severance tax levied.

* Imperial tons.

Income Tax:

Colorado income tax is levied at a rate of 5 percent of income for federal tax.

MONTANA

Ad Valorem Property Tax:

The Montana property tax base is determined by multiplying annual gross revenue by an assessment rate of 3 percent. The mill levy rate is 22 percent.

Severance Tax:

The severance tax is 0.5 percent of gross income (value after mining); this is the Resource Indemnity Tax. In addition, the Licence Tax is assessed as follows:

<u>Gross Revenues (\$)</u>	Marginal Rate (%)
0 - 100 000	0.150
100 000 - 250 000	0.575
250 000 - 400 000	0.860
400 000 - 500 000	1.150
over 500 000	1.438

Income Tax:

Montana income tax is levied at a rate of 6.75 percent of income for federal tax.

NEVADA

Ad-Valorem Property Tax:

This is termed "net proceeds of mines tax" and is based on the net proceeds from the previous year. The assessment rate is 35 percent, and the mill levy rate is 5 percent.

Severance Tax:

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The severance tax is based on net proceeds, obtained by deducting a various allowances from gross revenues. The deductions include: (operating costs, transportation costs, property taxes, royalty payments, amortimation and depreciation, and interest payments. The rate is 1.3 percent.

Income Tax:

No state income tax.

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Note: Royalty Payments and Investment Property Taxes are not considered in this study.

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	•	•	1,330.675	17. (15.1	4.774.569	5.013.290	5,241,943	5,527,161	5,003,519	4,093,695	1. 74. X	42,01(,)
Cusital estenditares	5.26.69	5,592,963	24.67	111/28	200,702	121,127	295° 8 5	225,040	M. 77	124.357	374.275	35.
Werking capital	•	1,146,933	50°M	64,943	11,11	67,196	70,556	74,084	17, 7 H	11,677	15,741	(//1.1.1.1)
the dat Interest persents	••	• •		• •					• 0			••
- Mf. Mit-Mit Cah Fim	(5,256,650)	(516,127,6)	154'/10'+	4,218,047	14.43.1	14,121,201	4,003,045	5,129,037	5, 384, 439	5,653,641	MC, X2, 2	0,214,247
- Bubt's principal permuti	•	-	-	•	Ð	•	•		Ð	•	•	-
: bef. Tar liet Cash Flan	(5,256,450)	(516,257,3)	4,017,551	4,218,849	14.421.1	4,651,281	4,803,845	5,128,037	5, 344, 439	5,653,661	HK, 359, S	0.214.247
- Federi cere, incese tar	•	•	127、13	120.431	260.515	410.545	454, 385	000° 200	IN. 286	1,095.056	1.238.567	
- State presents tax	\$46,762	6M.717	261,000	114,000	013,452	103.243	780,765	742,155	101,101	81,548	141,481	273,240
- State severance tar	•	•	100,267	113,440	119,344	125.332	131,599	51.81	145,000	152,342	159,959	167,751
State income tar	•	-	110.64	12°41	689 °16	126''(8	81,485	191,13	164°995-	162,157	203.207	¥.5
: A-T Cash file (cw. t) (3,924,643) (7,666,622) 2,951,662 3,666,391 3,145,171 3,224,206 3,435,610 3,162,724 3,407,755 3,666,749 6,195,677 Названиятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальнаятальна TAC PANEDS IN CONST 9 CONST 9	i (5, 9 24, 6 43)	(2, 440,4 22)	2,951, 862	1 00, 100, 3 01 111111111111111	3,145,171 31111111111111	3,224,296	J, 433, 610 11111111111111	3, 182, 724 11111111111	3,409,705 111111111111111	3,631,165	3, 000 ,749 ПППППППППП	6,14 9,6 77
Each can large to:	e	•	11.11	27.8	244.121	206.115	127.521	242,242	633, 687	672.712	789.612	776.545
State property ter	549,510	51,12	110.43	111,863	637,510	599,407	554,875	502,320	132,921	343,559	269,935	152.159
State severance tar	•	•	512,575	13,525	93,525	13,525	93,525	522,575	93,525	525'84	53,525	52,19
State increase tar	1 540 510		519'56 219'56	20.51A	71,370	619'59 1 045 005	59, 331 1 ATA 444	124,862	106,357	120°11	116,916	121, 131 141, 151
CLAN FLORE IN CONST. 8												
bévetn B	(1.073.000)	(ann. 241. 2)	1.470.057	1.478.057	1.470.057	7.47M-857	1.479.457	1.478.057	1.470.057	1.470.457	1,470,067	4.574.000
After-tar G	(5,642,510)	(421,254,129)	2,549,238	2.537.52	2.444,323	2,465,952	2,440,202	2,154,193	2, 197, 926	2,229,103	2.248,994	3,424,636
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FEDERAC, CORP., THOME TAX 1	1.548	TEAR	YEAR	TEAR	TEAR	TEAR	YEAR	YEAR	YEAR	TEAN	TEAR	
PROJECT LASIS	-	\$	5	-	`	•	~	80	6	•	=	12
Rine sperating revenue •	•	•	9,101,124	9,648,180	10,122,101	10,428,279	11,159,713	669'212'11	12,303,564	12,918,763	13,564,701	14.242.937
operating cast		•	4,156,449	5,072,971	879'/NC'S	5,615,001	167,699,6	8,190,538	6,508,065	6,875,045	7,166,572	/, 24,63
therating prafit	•	•	1,338,675	4,547,209	4,774,569	5,013,290	5,263,963	5,527,161	5,803,519	6,093,695	002"845"9	6,718,299
- Interest charges		0	•		0			0	0	0 0	0	
- State ter personals	547,196	/1/*%4	1,0,010,1	1,000,579	1,000,233	/89,630,1	1,018,/20	1,063,013	1,120,1	DA/ 'RCA	2711' 1450	

E.2. DETAILED BASE CASE RESULTS

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COLD PRAFECT: ARIZONA

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= N.I. before allowances	(264, 793)	(212,928)	3,220,178	3,543,311	3,754,336	3,997,811	4,245,243	4,464,148	4,778,747	5,134,915	5,543,547	6(9,120,3
- berciation allowances - Mortization			1.121,18 267,554	1,712,756 267,556	1,677,113 267,556	955'/92 975'/92	11,770,910 267,556	406, 185 267, 556	467,444 267,556	422.104 267,556	207,005 267,556	451,655 267,556
: lacese fer depletion	(264°,792)	((1/, 149)	1,939,441	1,52,99	1,809,800	2,010,3%	2,206,776	3, 790, 407	4,103,745	4,445,255	1,838,497	5,300,428
- bepletion allemente	•	•	12,21	305'18,	904,8 34	1,005,199	1,103,388	1,757,655	1,045,538	1,937,014	2,034,705	2,136,440
: Tarable laces	(207,903)	((12, 169)	12,21	781,500	731' 3 8	1,005,170	1,103,386	2,032,753	2,250,200	2,507,440	2,003,772	3,163,907
Ter etherwise perable - investment ter credit	60	6 8	418, 649 379, 945	334,177 303,805	116,982 116,081	45°,574	482,246 27,861	25, 254 25, 254	1,013,463 30,716	1,128,118 32,252	1,264,422 33, 6 63	1,438,122 33,536
: les payable met ef 17C	0	•	77, R	36,2 33	260.515	410,545	154, 285	880. X00	(11, 286	138'544'1	1,238,547	12,142,1
International sector of the test of te	¢	-	1.26.737	1.946.312	927,946,1	1.977,415	2.039.466	11.74	(N). (N)	697 - 687	ete, ter	112,127
Impethetical S.J. bese		-	11,174,310	10, 324, 290	626.724.9	0,570,509	7,655,713	108.107.9	5.705.113	1.637.286	3,467,746	2,128,%1
Arelevated due the tr	•	e e	1.117,451	1,107,143	1,102,241	1,224,358	1,275,952	096,948,1	1,426,20 3	1,545,735	1,733, 8 73	2.128.961
Niniere Las bese	•	• • •	235, 252	M2, 176	516,118	342,512				• •		• •
Rialous tar perable .	•	Ð	X0,0X	120,431	15,207	51,377	41,219	Ð	e	•	•	-
Federal carp. Income tar	-	6	197° B	120,431	240,515	414,545	454, 385	800, 500	111,500	1,005,054	1,234,567	1,391,564
ALTAM STATE TATES : 597,943 694,717 1,224,145 1,014,427	10111111111111111111111111111111111111		1,00,145	1,014,037	1,124,115	1,024,265 1,016,220 022,049	54 [°] 54	1,04,01 0,05,00 0,00 0,00 0,00 0,00	16, 18,		12) (2)	M),M)
The precede. class 8	•	•	3.741.000	3.741.000	3.741.000	3.74L M	3.741.000	3.741.60	3.741.00	3.741.000	3.741.000	3.741.000
Incheld Py of Property	14,24,81	13,019,187	14,442,371	13,051,444	13,171,651	12, 3M, HA	11,444,369	10, 379, 507	9, MI, M3	7,511,543	5, 577, 179	3, 143, 697
Mulared far bese, 441 M valares preserit tar	24''29'S	6,315,600 717,993	21'55'S	7,4 8 0,079 814, 8 99	7, 3%, 614	1, 300, 177 201, 201	7,007,048 237,087	6,746, 8 44 742,155	121'41'9 121'41'9	5, 201, 675 592, 199	4, 197, 182 441, 441	2,444,077
Bet severance has	•	•	8/7° NY 1	11 , 11, 18	1.771,569	82'510'S	5.24.94	5,527,161	5,803,519	\$69,569,6	3 . 32. 3	6.718.279
Severance Las	•	•	100.267	113,400	119,344	15.12	131,5**	£1,81	145.80	152,342	154' 151	10,95
thereding profiles	•	•	1,300,475	11,547,789	1,771,569	5,013,790	5.243,943	5.527.161	5, m 3,519	6,003,695	1. 121 . 12 12 12 12 12 12 12 12 12 12 12 12 12 1	6,718,279
· Interest permit	•	• •	-			-		• <u>1</u>	•	- <u>-</u>		•
- Maner Li Zetien	• •	•	X1.55	20,55	20.55	22.12	N. 55	22.55	27.55	22.125	22.12	20.55
- Federal Las, previews mi	-	•	-	H("R	129,451	210,515	410,545	19.5	19. 11 11	111,54	1, 115, 154	1,231,547
- Preserty Las	547,443	117.119	241,192	614,009	539,610	11.XJ	292,982	12,155	1. II	545,199	107,134	R.'11
- Severals for	• •	••	100, X/) 200	93 11 11	3.61	12.12	11.57		145.68	12, 22	56' 55I	26.31
- the tradie profits	• •	•	1.150.256		11.17	M1.573		1.741.046	1.575 M	116.002.1	1. W. 15	2.100.874
Arizen incer ta:	-	•	110.6%	19.12	11.00	NC6'18	L. 465	1M. (7	14.75	182,157	181° 192	100'622

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COSH R.CON SHITMARY I TEAR TEAR TEAR TEAR TEAR TEAR TEAR TEAR		11 	TEM J	•	TEAR 4 TEAR	a	та л ^	a .	a .	4 E -	a =	
Nine operating revenues Operating costs	••	••	61, 101, 1 MSI, 101, 1	•	10,122,189 5,347,420	10,620,299 5,615,001	11,159,713 5,005,751	11,717,699 6,198,538	12, 343, 544 6, 544, 665	12,910,743 6,825,040	13, 54, 701 14, 127 7, 114, 127	11, 55, 11 11, 55, 1
: Operating profits	•	•	4,139,675	62'13'	4,774,549	5,013,290	5,243,943	5,527,161	5,003,519	£69'E49'9	1 , 12, 12	£7.10.73
Casital espenditures Marhing casital	5, 226, 450	5,592,943 1,168,933	76, 127 78, 182	117.722 -	24, 182 344, 13	121'HZ 121'HZ	389, 562 78, 556	325, 040 24, 064	842, 145 887, 17	120.151 (13.19	276,275 156,275	(239°144°11)
the dot interest permuts	•••	• •	6.	• 0		86	66	• •				••
= Bef. Mikt-Part Cash Files	(5,326,650)	(\$16,587,6)	154,718,4	4,218,849	14, 44, 1	14,131,781	4,003,845	5,128,037	877'HX'S	5,653,661	5,936,344	0.214.247
- Debt's principal prysmit	•	٠	•	•	-	Ð	Ð	•	-	-	•	•
= bef. Tax Het Cash Flee	(05,326,650)	(6,753,915)	154'/10'1	4,218,849	14,17,1	4,651,281	4,003,845	5,128,837	5,344,439	5,653,661	S.936,344	1.214.247
Federi carp. Incese tar 1	•	•	52,54	216'991	500,023	540,517	577,152	1,107,751	1,178,712	1,247,337	MC. 612.1	109'242'1
 State preperty ta: State severance ta: 	241°81	421'53†	741,284	318,365	927'NS	126,931	7(1, 03 (104°345	40K, 24L D	{24, 35} •	447.007	12.51 13.51
State income tar		-	65,345	เน'ร	61, MJ	11,534	18. B	121,94	134,947	14,74	241,221	161,182
= 4-1 Cash fise (cw. s) i (5,745,542) (7,277,735) 3,596,899 3,503,705 3,693,299 3,647,417 3,504,791 3,542,613 3,625,619 4,616,171 6,104,622	((5,745,542)	(7,237,735)	3,596,899	3,659,872	3,523,705	3,693,299	3,067,417	3,504,591	3,442,493	3,635,019	4,016,171	279'WI''
TAX PANENTS IN COUST. 8		,										
Fadri corp. Income tar State property tar	0 576, 860	613°827	241,234 241,874	18.15 18.15	R8'16	403, 342 261, 870	410,171 241,870	672, 647 078, 182	998'65/ 978'192	757,237 251,035	721,177 251,070	351'52 Ro"182
State severapce tax state (economics	•••		6 1	•	0	0 0	° 1 5	0 1	- 5 1	- 3	• <u>;</u> 1	
fotal ter personts	SHI'NG	131,057	12.23	140,67	101, 201	714,040	m, 35	1,096,947	1,10,11	1,116,48	1,122,465	1,130,164
CASH FLOWS IN CONST. \$												
befere-tas Cf	(5,073,000)		3,470,457	3,478,857	5,470,857	3,470,457	3,470,657	3,470,057	3,470,057	1,479,857	3,470,857	4,574,000
ATCA-Car (5, (2, 471, 945) (6, 54, (29) 3, (Attantantantantantantantantantantantantan	(5,471,945) IEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEEE	((), 54, 0 7)		5 , 816, 1 /7 IIIIIIIIII	2,7 68,750	2,755, 9 7 Elementer	3, 016,179 2,7 46,730 2,735,797 2,740,501 ####################################	2, 5/1, 910 Electronic	2,3,0,8/6 711111111111111	2.571,710 2.560,876 2.554,569 2.564,172 3.443,634	2, 340, 1/2 THE THE THE T	J, 43, L J4
FEDERAL CODE - TAX - TEAF - YEAR	I TEM	TEAL TEAL	TEM	TEM T	esteratores TEM	TEM	20200200000000000000000000000000000000	Ħ	FERRICTION FERRICE	алататалаталаталаталаталаталаталаталата	TAN TANK	12222222222222222
PROJECT 04515 1 1 2 2 3	-	۲	5	-	\$	•	1	•	•	9	=	12
Nine operating revenue	•		9,181,124	9,640,1M	10,122,189	10,421,279	11,159,713	11,717,69	12,303,504	12,910,763	12,544,701	11,242,937
Operating cost	•	•	1,850,449	5,092,971	5.347,620	5,415,001	5,895,751	6,190,538	6,500,045	6,825,048	1,144,222	7,524,63
therating profit	•	•	4,338,675	4,547,289	4.774.569	5,613,296	5,263,963	5,527,161	5,803,519	6,093,695	90, 92, 1	6,718,279
- Interest charges	••••	•	•	•	•	0	Ð	Ð	•	•	•	•
- State tar permets	116.872	402,820	410,443	1/6"689	435,962	482,034	156' 101	568,990	596,761	(11'67)	641,736	316°914

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II.1. before all montes	(418,892)	(483,820)	3,919,992	4,137,235	4,359,607	4,552,900	4,779,012	4,958,171	5,204,758	5,464,217	5,736,650	6,817,38
Depreciation allowances Apertization	0	0	1,122,182 267,556	1,712,756 267,556	1,677,113 267,556	1,709,860 267,556	1,770,910 267,556	406,185 267 , 556	407,446 267,556	422,104 267,556	437,495 267,556	453,45 267,55
Income for depletion	(418,892)	(483,820)	2,538,255	2,156,923	2,393,938	2,575,493	2,740,546	4,284,431	(,529,756	4,774,558	5,031,600	5,296,17
Depletion allonance	8	0	1,265,127	1,078,462	1,196,969	1,207,747	1,370,273	1,757,655	1,845,538	1,937,814	2,034,785	2,136,44
Taxable income	(41 8,87 2)	(483,828)	1,245,127	1,078,462	1,1%,%9	1,207,747	1,370,273	2,526,776	2,684,219	2,836,743	2,9%,8%	3,159,73
Tax otherwise payable investment tax credit	0	0	556,646 504,106	4 78,788 284,848	525,293 25,270	567,051 26,534	605,013 27,861	1,1 37,084 29,254	1 ,209,428 30,716	1, 279,589 32,252	1,3 53,259 33,865	1, 420 ,16 35,55
Tax payable net of ITC	0	0	\$2,540	185,932	500,623	549,517	\$77,152	1,107,751	1,178,712	1,247,337	1,319,394	1, 392,68
HEHEININ TAX SCHEDULE												
et. dopr. al. for the Yr (•	1,389,737	1,900,312	1,944,669	1,977,415	2,038,444	673,741	675,002	689,668	785,850	721,21
mothetical SLD bese	, 0	•	11,174,314	18,324,290	9,457,929	8,570,509	7,655,713	6,704,001	5,705,133	4,637,206	3,467,746	2,120,%
rpthtcl SLA for the fr 1	9	•	1,117,431	1,147,143	1,182,241	1,224,350	1,275,952	1,340,960	1,426,203	1,545,735	1,733,873	2,120,%
ccelorated depr assunt i inisso tay bese	a a	đ	27 2,386 219,767	833,168 647,237	762,428 262,485	753,657 212,548	762,514 185,362	0		U		
ining tar payable	•	:	12,965	97,006	39,361	31,001	27,804	0	i	0	i	
Fodoral corp. income tax i		•	52,540	185,932	500,623	540,517	577, 152	, 1,107,751	1,178,712	1,247,337	1,319,394	1,392,68
COLONDO STATE TAXES	419,892	463,829	368,512	374, 825	*************** 3%, 6 63	417,464	439,275	515 ,89 5	543,234	571 ,30 4	••••••••••••••••••••••••••••••••••••••	637, 00
tress preceds, prav. 11	0	10	9.181.124	9,640,180	10,122,189	18,628,299	11.159.713	11.717.699	12.303.504	12.910.763	13,564,701	14,242,93
Net preceeds, censt. 8	•	•	3,741,000	3,741,000	3,741,000	3,741,000	3,741,000	3,741,000	3,741,000	3,741,000	3,741,000	3,741,00
PV(not praces), preprod	• •	23,839,848	•	•	•	•	0	•	•	•	•	
Property tax bese	5,904,174	6,911,720	4,330,675	4,547,209	4,774,569	5,013,290	5,263,963	5,527,161	5,003,519	6,893,695	6,398,308	6,718,29
M valores property tar	418,892	463,820	303,147	310,305	334,220	350,931	368,477	386,901	406,246	426,559	447,887	(70,28
Grocs severance bese	8	•		•		•	8		•		•	492,93
Annual are production	•	•	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65, M
severance tax, escally		•	•	•	•	•	C	0	•	•	•	5,54
severance tas, sely-ere			6,89	6,094	6,894	6,894	6,894	6,094	6,894	6,094	6,014	6,99
Severance Laz, Iron-ore Severance Laz peyable			e13	e13	813 9	813 0	813 0	0 0	813 8	813 0	0 813	81. 5,54
operating profits	•	•	4,330,675	4,547,289	4,774,569	5,813,298	5,263,963	5,527,161	5,803,519	6,073,675	6,398,388	6,718,29
Interest payment	Is●	•	•	•		•	•		•	•	•	
Property tas	418,892	483,829	383,147	310,305	334,220	350,931	368,477	366,901	466,246	426,559	447,117	479,28
Severance taz		•	•	•		•	•	t in the second s	•		437,495	5,54 453,65
Depreciation :		•	1,122,102 267,556	1,712,756 267,556	1,677,113 267,556	1,707,860	1,778,918 267,556	496,185 267,556	407,446 267,556	422,184 267,556	267,556	267,55
Amertizetian i Insietian i		:	1,265,127	1,070,462	1.1%.%9	1.217.767	1.378.273	1,757,655	1,045,538	1,937,014	2,034,705	2,136,44
			1,543,16/	7 * # * # * ## C	5 x L 70 x 70 7	111011141	*******	t i t at stad	110441446	3,839,662		3,304,82

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CASH FLAN SHIMARY TEAR PROPERT ANSIS 1 2	TEAR 1	YEAA 2	TEAL J	LEAR 1	TEAR S	TEAR 6		, YEAR YEAR 7 8	YEAR 9	YEAR 10	4 H	TEAR TEAR 11 12
Hine envalling revenues · · · · · · · · · · · · · · · · · ·		•	9, 101, 124 4, 056, 449	011,045,94	10,122,109 5,347,620	190'519'91 642'929'91	11, 159, 713	11, 717, 699	12,303,504 6,500,045	12,910,75 12,014,21	13,544,781 7,164,322	1,524,639
= Operating prafits	•	•	4,330,675	4,57,29	4,774,569	5,013,296	5,263,963	5,527,161	5,803,519	6,093,695	6, 396, 380	£7.01.2
Capital espanditures Marhing capital May dot Alorest permuls	5, 176, 650	5,592,943 1,160,933 0	254,67 56,67 0	114% 846,03 8	200,772 200,772 0 0 0	24° 121	309, 562 70, 556 0	325, 040 74, 084 0	0 0 082,172 085,172	358, 357 81, 677 0 0	376,275 85,761 8	0 (723,149,1) (723,149,1)
: def. bekt-fant tesh filen	(5, 256, 658)	(\$16,127,415)	4.017,951	4,218,849	14.121.1	1.651,201	4,003,845	5,128,037	5,284,439	5,653,461	5,924,344	8.214.247
- Bebt's principal permet	:•	9	•	•	o ,	6	0	Ð	•	6	•	•
- bef. Tes thet cash Flee	(5,226,659)	(\$16,237,3)	154'210'1	4,218,849	14.421.1	1,651,781	4,003,845	5.128.637	5,384,439	5,653.441	645,359,2	8.214.247
- Foderl carp. Jacone Lui	•	•	12,22	226,002	¥. 33	24, 6 5	566, 387	826,711,1	1.189,165	1,256,030	1,530,462	1,446,392
- State preperty tax - State proventie tar	• •	• •	49°5.07	57°55	191. PC		73,654	707.11 111.002	11.22 211.12	85.24 215.691	742. 11 212. 11 2	211.156
State income tar	•	-	162.0	1.14	45,715	2113	200.06	114, 241	219,101	19.24	200,153	110'122
: 4-1 Cash film (car. 1) [(5.26,629) (6.23.915) 3,60,638 3,69,777 3,576,903 , 3,736,215 3,914,199 3,523,549 3,677,646 3,666,224 4,648,649 6,221,482	(5,256,630)	(516,557,9)	3,640,630	3,6%,777	3,576,903	3,730,215	3,914,198	3, 533, 540	987°269'S	3, 84 ,424	4,040,049	111111111111
TAT PATTERTS IN COUST. 8	•											
fedri corp. income tas	•	•	16,90	145,342	159"042	410.025	416,734	734,644	744, 548	u r'ut	111. ES	41'IK
State prepariy ta: State prevance ta:	••	-	10.42 ¹	22.22 10.151	50,545 150,042	52.345	28,345	27,345 142,821	59°.95	8.3 20.8	57.37 [1]	57.34 101,121
State incree ter	•	•	77,945	67,649	67.140	12, 23	619.69	[19,61]	5/6.021	121.707	12,45	123.069
lotal tar persents	è	•	111.52	131,155	KI'IN	112	011'49	1,079,213	615,040,1	11,172,200	1,103.57	11,10,44
CASH R. AND TH CANEST. \$			ي •	•								
before-tus ti Altor-tus ti	(5, 673, 600) (5, 673, 600)	(999, NE , 1) (999, NE , 999)	1,478,967 1,144,599	3,478,657 3,478,782	5,470,457 2,400,440	3,478,457 2,789,511	(50°,0(1),5 (11/,107,5	190°0479	3,470,457	3,470,057 2.373,649	3,474,457	4,574, 000 3,444,354
		11111111111111111		Ē								
FEIENL ONP. TRONE TAT I PRAFET AAGIS		7 2 2	4 H		4 2 2	YEAD		4 •	ā.	NEAL 10	22 22	위 C
Hine correcting revenue 1 0 0 4,000,447 thereaded to 1,000,447	•		9,101,124 9,101,124 4,050,447	9,640,100 5,072,971	10,12,10 5,347,620	19,429,299 5,415,001	11,159,713 5, 895 ,751	669°212'11	12, 301,594 6,500,665	12,910,21 14,010,21	13,544,701 7,144,322	N. W. IJ
Aneraling profit	•	•	1,101,675	A X	4,774,569	5.013,796	5, XU, SU	5,27,161	5,003,519	6,003,675	11.31.3	6,718,299
 Interest charges State for presents 	••		. 247, 0 1	21,24	200,102	• • •	- 80, 11	- 1.3	9 576.166	1 11	•	(* 'K)

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COLD PRAJECT MUTANA

: N.I. Defere allements	•	-	R.4. 68 'S	4,175,441	1.56.71	1,591,044	1.819 143	4,940,317	5.777, 154	5,467,463	5,740,579	6, M7, J32
· Nevreciation allemances · Nevrtiration	• •		1.12,18 31,514	1,712,756 207,556	1,477,413 302,536	95'/N 98'/N	11,770,910 252,135	46K, 105 247, 554	407,444	472, 184 287, 554	207,005 262,045	651,655 X1,554
: Income for depiction	•	•	2,544,193	2,195,169	2,422,050	2,614,428	2,780,697	4,306,576	1.552.351	4.757.84	5,055,527	5.26,141
- Popletion allonnee	•	•	1.200.017	1,07,565	1,216,829	1,307,214	945,042,1	1,757,655	1,045,538	110,720,1	2,634,765	2,136,440
: Terable Jacese	•	-	1.28.097	1.07.565	1.216.029	1,307,214	1, 390, 348	2 548,972	2,706,813	2,859,989	3,020,024	3 181.76
Ter ethernise perable - Envertanet tur credit		• •	562,558 106,012	129°82	5.4. ml	574, 866 24, 534	614.248 27.861	147,191	220,912,1 220,912,1	227.07.1 252.077.1	1,344,744	855'51 854'189'1
= Tax peyable set of 110	•	-	12,22	524°002	اير. 195	211'685	Sec. 387	826'211'1	1.181.105	1,254,030	1, 334, 462	1,444,777
REPERTIONAL TAX SCHEDULE [bt. days. al. for the Tr.]	-	6	1,200,737	1. 900 , 312	. 94, 66, 1	1.977.415	2.038.446	192.229		57 87	ž	116 164
Impethetical 3.0 base	•	•	11,174,310	10, 324, 290	9.457,929	8,570,509	7,655,713	4, 704, 801	5, 705, 133	1,637,206	3, 467, 746	2,128,961
training and far the Tr	•		1,117,431	1,147,143	1,182,241	1.724.359	1.275.952	096'045'1	1, 326, 203	1,545,735	1.733.073	2,171.94
	,		219,07	12,21	253,62	595'592 595'592	176,127	•				
Minimum ter perskle	•	Ъ	299'22	14,834	38,046	30, 538	26.419	0	Ð	0	•	•
Federal carp income tar	¢	-	82,22	20,925	167,902	21.92	586, 387	117,938	1,189,105	1,258,639	1,130,482	1. M. H
atartaranananananananananananananananana	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		999.147 999.147	Minimum	Internetion in the second s	11111111111111111111111111111111111111	11111111111111111111111111111111111111	426.551	unninnu 100 ta			
										107 ¹ /74	344 ¹ / MC	
Bress reveaurs Assessed tar brae, 31 Preperty tar			121,181,1 121,112,1225 122,03	91,964,9 20205 20205 23,623	10,122,101 303665 47217 806,806	19,428,295 510848 95577 78,147	11,159,71 334791 40356 73,654	717,11,11 717,4 012121 711,17	12,202,51 54252 201985 407,18	12,918,743 387542 89855 345,254	197,142,121 197,143,121 197,143	729,595,61 23290 005755 200,09
Eress revenues	0	•	9.101.124	001.014.9	10.127.189	PFC . PC7 . 01	11.159.213	669 712 11	12 101 564	12 918 241		019 676 TI
Bes indemity trust to !	Ð	Ð	5.3	10.61	1	53.141	55, 799	58,588	61,518	165.19	0.124	71,215
Licence tar Serve ance tar payable	5 6	• •	171, 171 171, 171	133, 754	969'161 969'161	201,305	211,603	163,829	233,771	181, 160 245, 694	190, 389 258, 212	200,142 271,356
Geneting profits	0	6	4, 338, 675	4,547,289	4,774,569	5,013.298	5, 263, 963	. 5.527,161	5,803,519	6,093.695	000,940,6	£7.81/ 3
laterest pareest		•	8	0	•	0	0	0	•	a	0	0
Severance Lar			842°571	53.13 12.15	20.10 10.10		107 116	115.11 111 77	NG. 10	85,264 215 201	72.27	
Depreciation	6	0	1.122.162	1.712.756	1.677.113	1.709.860	016.077.1	ADA IRS	AD7 AN4	101 CC1		507 158
Amortization 1	0	0	267,556	267,556	267,556	267,556	267.556	267.556	267,556	267,556	267,556	X7,556
· Depietien	•	•	1,286,097	1,097,585	1,216,029	1,307,214	1, 390, 348	1,757,655	1,845,538	1,937,814	2.034,705	2.1.34.440
H.I. BY SHIT OFOCIAL A	5	Ð	1.125.788	526.127.1	196.252.]	1.457.217	545 B	2.7%.011	2.968.004	3.135.263	1.110.205	

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CASH FLOW SUPPART PROVECT BASIS			1648	TEAR 4	TEAR S	7E A.R.	YE AR 7	12.AF	7E.AR 9	TEAR 10		TEAU 12	
Rim merating revenues			9,101,124 4,050,449	9, 648, 180 5, 012, 971	10,122,189 5,367,620	10,628,277 5,615,001	11,159,713 5,895,751	825'061'9	12, 303, 584 6, 500, 065	12,918,743 6,825,068	13,544,701	14,242,957 7,524,630	•••
: Operating profile	0	0	4,330,675	4,547,209	4,774,569	5,013,2 9 8	5, 263, 963	5, 527, 161	5,803,519	6,093,695	1961, 1961, 3	£, 11, à	•
- Caoital erronditures - Nerking caoital - New debt - Enterest payments	5, 326, 450 0 0 0	0 8 516'091'1 596'245'5	254,678 58,047 0	267.411 60,949 8	0 996''29 996''	0 961''/9 961''	309,562 70,556 0 0	325,040 74,084 0	0 0 88/,//	359, 357 16, 18 0 0	376,275 85,761 0 0	0 (200'14 <u>9</u> '1) 990'545	
: Bef bubt-funt Cash Flou	(5,326,650)	(6, 753, 915)	4.017,951	4,218,849	14.91	4,651.781	4,003,045	5,128.037	5,384,439	5,653,661	5,936,344	0.214.247	•
- Debt's principal payant	0	•	0	¢	o	Ð	Ð	0	Ð	Ð	6	Ð	-
: Bef Ter Het Cesh Flow	(5,326,650)	(516,227,6)	4,017,951	4,218,849	14, 621, 1	4.451,281	4,863,845	5,128,037	5, 384, 439	5.653.641	5,936,344	8.214 247	•,
- Feder] cers acces tar	•	•	(19,61)	519,529	511,716	612.199	652,773	1,294,059	1,374,943	1,453,738	1,536,473	1,423,345	
- State preperty to: - State soverance ta: - State income tar	~ ~ *	60,	• . . 	55,78) 59,114 8	5.2 2 2	83, 555 65, 173 8	87,733 48,432 0	0 1,28,17 0	X. X 2. 5	101, 562 79, 218 •	106, 640 17, 13 0	245'11 961'10	•
= A-1 Cash films (cur s)	(5, 326, 650)	(514,122, 6)	3,097,%5	3,734,428	3, 720, 430	3, FR , 324	4,074,907	3,679.006	3,837,224	4,019,143	4,210,052	145'142'9	(117,570)
A A MENTAL AND A CONTRACTANTIANA AND A A A A A A A A A A A A A A A A	8		, , , , , , , , , , , , , , , , , , ,						147 - 246 147 - 246 147 - 246	•77 - 48			•
State preperty ter		•	0	12, 330	62,330	62,350	12,350	62,350	62,330	42,350	12,350	62,336	•
State severance tar	- •	•	11 , 1 3	H, 63	18,633	44,633	48.633	48, 633	40.633	10,633	40,633	10°	•
state uncome car Total tar perments CASH Frens 13 CANST S			103,649	N. W	0 E M 1,888	0 247, AIS	0 200 P/S	۲۲ ۲۲	n 197	0 1 003,457	1. 89 , 177		• •
befere-tar G After-tar G	(5, 673, 660) (5, 673, 660)	(000''921''9) (000''921''9)	3,470,057 3,567,082	3,47 0,6 57 3,072,314	3,47 0,45 7 2,915,854	3, 47 9, 11 57 2, 10 3, 042	3, 470, 857 2, 8 95, 946	3,470 857 2,494,084	3,470,057 2,473,574	3,47 1,15 7 2,447,405			
;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;	\		************	*************					***************	*************			11111111111111111111111111111111111111
FERENAL CHIP. TICHE TAT Primeter Lasis	4 - 4	에 ~ 제품	90 T		a S	2 - 2	1640	15 A.B	4 ·		a =	aviii	an = ; an = ;
Hise generating revenue : 6 0 9,101,124 Bearating cast : 8 0 4,059,449	• •		9, 101, 124 4, 856 , 449	9,640,100 5,002,971	10.122,109 5,347,620	10,420,245 5,415,001	11,159,213 5, 290 ,251	945'941'9	12, 301, 54 6 56, 655	197,819,51 198,558,4	13.544.701 7.144.327	1,59,63	••
Berating profit	•	•	1,100.1	1.57,23	4,774,559	5,013,796	5,243,943	5,527,161	5.003.519	\$69'560'9	1 ,	4.711.27	•
- Interest charges	• •	• •	- R 3	• • • •	.		• 18.15 18.15	163, 977	• •	• <u>•</u>	• • • •	• • • • •	• •

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= H.I. before allonnoces	. 0	•	4,274,376	4,412,388	4,632,924	4,864,570	5,187,798	5,363,188	5,631,348	5, 912, 915	6,298,561	6,518,989	(117,578)
- Depreciation allowences - Amertization		:	1,122,182 267,556	1,712,756 267,556	1,677,113	1,7 99,868 267,556	1,770,910 \$67,556	406,185 267,556	487,446 267,556	422,104	437,495 267,556	453,655 267,556	:
	• •	·		CU /,JJO	· · ·		10/1330	28/,336	267,336	267,556	267,336	267,336	
= Incose for depiction	•	•	2,004,639	2,431,997	2,688,255	2,007,155	3,869,332	4,687,438	4,956,346	5,223,256	5,583,518	5,797,778	{117,570}
- Jupletian allounce	•	. 🖡	1,377,169	1,215,990	1,344,127	1,443,577	1,534,666	1,757,655	1,845,530	1,937,814	2,034,705	2,136,440	•
= Taxable income	•	•	1,507,471	1,215,998	1,344,127	1,443,577	1,534,666	2,931,793	3,118,000	3,285,441	3,468,885	3,661,330	(117,570)
Taz otherwise peyable	•	•	668,124	\$34,047	592,986	638,733	680,634	1,323,312	1,485,659	1,485,998	1,579,330	1,658,983	•
- Investment tax credit		1	684,437	184,518	25,270	26,534	27,861	29,254	30,716	32,252	13, 86 5	35,558	•
= Tag peyable not of ITC	0	8	63,687	349,529	\$67,716	612,199	652,773	1,294,059	1,374,943	1,453,730	1,536,473	1,623,345	٠
NUMBER OF STREET	:												
Tot. dopr. al. for the Yr	t e	0	1,389,737	1,900,312	1,944,669	1,977,415	2,038,446	673,741	675,002	687,660	785,850	721,211	•
Appothetical SLD base	: 0	0	11,174,310	10,324,290	9,457.929	8,570,509	7,655,713	6,704,801	5,705,133	4,637,206	3,467,746	2,120,961	•
Hypthic] SLA for the Tr	1 0	0	1,117,431	1,147,143	1,182,241	1,224,350	1,275,952	1,340,960	1,426,283	1,545,735	1,733,873	2,120,961	•
Accelerated depr essent	0	•	272,386	833,168	762,420	753,857	762,514	0	0	0	0	•	•
Rinium tar base	. 0	9	200,619	483,640	194,712	140,850	109,741	0	0	Ô	•	•	•
Niminum tas peyable	1 0	0	31,293	72,546	29,287	21,129	16,461	0	C	•	0	9	•
Federal corp incose taz	•	•	63,68 7	349,529	567,716	612,199	652,773	1,294,859	1,374,943	1,453,730	1,536,473	1,423,345	•
NEVADA STATE TAXES			**************** 56,299	134,901	19999999999999999999999999999999999999	**************** -148,728	88888888888888888 156,164	163,972	*************** 172,171	1993933333484444849 199,799		1209 42020000000000 1 99 ,318	************** 117,57 0
	!			+									
Net proceeds previous y	1 0	0	0	4,330,675	4,547,209	4,774,569	5,013,298	5,263,963	5,527,161	5,803,519	6,893,695	6,398,388	6,718,299
Assessed tax base	1 0	•	0	1,515,736	1,591,523	1,671,099	1,754,654	1,842,387	1,934,596	2,631,232	2,132,793	2,239,433	2,351,401
Property tax	1 0	0	0	75,787	79,576	83,555	\$7,733	92,119	%,725	101,562	186,640	111,972	117,570
Het proceeds tax base	0	0	4,330,675	4,547,289	4,774,569	5,013,298	5,263,963	5,527,161	5,803,519	6,893,695	6,398,380	6,718,299	ŧ
Severance tax	: 0	0	56,299	59,114	62,069	65,173	68,432	71,853	75,446	79,218	83,179	87,338	•

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CASH FLON SUMMARY PROJECT BASIS	TEAR	16A8 2	TEAN J	4437	rear S	7EA8 6	16AR /	TEAR 8	TEAR	TEAE			
Hime operating revenues Operating costs			00		76,576,894 31,907,039	80,405,738 33,502,391	84,426,0 2 5 112,771,55	18, 647, 377 36, 936, 386	911,119,21 212,170,205	49,778,877 40,772,346	72, 48 7, 423 42, 75 0, 4 94	14"121"11	10, 14, 101 17, 141, 279
= Ger ating profits	0	0	0	0	44,469,855	46,903,347	49 248,515	51,710 941	27, 148, 244	78,505,654	456'RE6'FE	31,427,486	070' 044 ' 21
- Cavital orpenditures - Marking cavital - Mar dolt - Interest Aryeents	21,525, 600 0 0	22, 103 , 230 0 0	23,731,513 0 0 0	24,917,878 24,917,878 10,331,803 0 0	702,7 9 7,2 516,590 0 0	2,412,172 542,420 0	2,532,781 569,541 0 0	7.659.420 598.018 0 0	147,547,5 1919,153	2,932,019 659,314 0 0	0 062°269 0	3,222,341 726, 9 44 0	3,394,140 763,239 0
: bef bot-Pant Cash Flaw	(21,525,008)	(052, 164, 250)	(23,731,313)	(35,249,601)	41,855,958	43,948,756	46,146,193	48,453,503	23,727,934	24,914,331	26,160,048	27,444,059	M.M. (S)
- Bebt's principal perment	6	0	¢	Ð	0	0	0	0	0	0	9	Ð	-
: Bef. Tas Net Cash Flow	(21,525,000)	(052' 107' 22)	(212,121,213)	(13,249,681)	41,855,958	43,948,756	46,146,193	48,453,503	23,727,934	24,914,331	26,168,048	27,444,054	28.MI.453
 Federil corp. Incess tar State preserty tar State severance tar State incess tar 	0 1,733,771 0 0	4.318,200 6	0 224°934°9	0 5, 703, 526 0 0	586, 394 6, 574, 759 6, 574, 759 1, 116, 746 1, 115, 1	3,348,014 6,400,661 1,172,584 1,217,600	652'980'1 512'152'1 524'821'9 585'£55'5	6, 101, 854 5, 735, 474 1, 292, 774 1, 299, 894	1,250,151 5,191,164 6,78,706 0	3, 438, 899 5, 252, 785 712, 641 791, 551	124'119 522'192 546'22'5 745'952'5	931,010,1 179,185,2 188,188 188,188	5/1°102°19 11/6°1021 11/6°1021 11/6°1021
: 4-Т Cesh flow (ev. 8) '; (25,278,771) (26,911,459) (20,466,239) (40,953,267) (2,14,965 (3,401,754 (3,151,754 (3,151,455 (3,755,545 (4,727,97) (3,770,774 (11,1111111111111111111111111111111111	(1/2, 2/3 ,7/1)	(24,911,450)	(29, 486, 239) (40	(46,53,267)	14,965	31.810,297	22,161,754	34,323,500	16,607,914	14,715,455	15, 755, 545	16,722,977	17 , 700, 774 1111111111111
Fedel corp. Income ta: State property ta:	3,575,020	0 1, 199, 1	0 4,200.252	9 9 9	559,455 249,121,2	2,498,339	3,935,429 4,355,712	3, 129, 975 3, 881, 995	805, 856 3, 344, 270	3,224,754	2, J04, 594 3,005,003	HI 72'2	2,24,914
State severance tar			-	-	875, 800	975,600	000 5/8	875,000	437,500	105 , 121	197. See	10°.5	197.69 197.69
seere meane ear lotal tar norments CASH Flows (In Cons) 8	J, S75, 829	8	4,2 00 ,252	4,692,305	187,209,7	506 1/50 °6	911 277 919, 939, 930	• 56, 757	£3'45'1	SW' N.	142°EM-9	22.24	5, M 5, 714
Pr(sr+Lar G) (24,560,660) (29,560,660) (20,560,660) (20,560,660) (20,560,660) (20,560,660) (21,667,670) (21,677,670)<	(20,500,000) (20,075,020) (1111114(1111111	(900, 902, 95) (871, 196, 95)	(20, 500, 000) (21, 700, 252)		2,7%,23 2,187,91	822,297,52 ULL,127,55	000,000 X. 05.250 X. 27.251 X. 27.251 X. 27.255.21 X. 27.275.21 X. 27.27. X. 27.277 X. 27.277 X. 27.277 X. 27.27 25.251 X. 27.271 X. 27.27	823,247,52 102,125,25	15,275,238 16,205,409	15,275,238 9,034,013	822,295,238 9,211,941	85.252,21 749,115,9	15.255.21 15.255.24 152.254
FERENCIPERTURNING TAN	11111111111111111111111111111111111111	11111111111111111111111111111111111111	19999999999999 125.442]		янелоторов ТЕАР 5	11111111111111111111111111111111111111	аннованны темпольности польти пол Темполь темпольны темпольных польти польт А 5 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	1 1 1	10000000000000000000000000000000000000	10 10 10 10	11 12 12 12 12	ранинанин ТЕАР 12	
Rise seration reveau Speration cast		••	, , . .	••	420'265'10 H40'925'92	142,542,51	20, 25, 10 23, 27, 10 21, 77, 12	121°179°18 121°179°18	121, 121, 419 245, 245, 24	727, 157, 18 729, 1822, 69	72,649,57 12,734,64	W'%'H	m. im. m.
there is a staff it	•	•	•		11.44,855	142,534,24	49,248,515	51,718,941	27.148.244	7,555,65	2.98.53	31,427,446	17.99. M
- Interest charges their to commute						- 1			0				

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: N.I before allowances	(13, 753, 771)	(4, 310, 200)	(124.921)	(5, 70, 55)	35, 874,344	34,346,627	40, 774, 861	43,456,445	21,040,741	21, 823, 344	23,179,152	N.553,852	N. 10.01
- Boyracciation allowances - Appreciation	••			• •	966,188,6 120,878,1	14, 501, 791 1, 376, 037	14,221,427	14.401,%1	14, 952, 666	4,238,233 1,376,037	41,192,184	4, 374, 465	4, 443, 237
: Income for depiction	(177, 223, 271)	(4, 310, 200)	(154.456.4)	(35,205,226)	25,052,360	22,302,200	25,177,417	27, 480, 49 8	4,740,038	140'482'91	186'655'/1	10,652,411	N. 29, MI
- Pepletien allemace		-	•	•	12,526,180	11,191,100	12, 588, 709	13,646,249	2,370,019	8, I M. 548	116.117.0	4,476,365	11,134,700
: landle incer	(177,227,2)	(4, 310, 200)	(124'154'1)	(35, 703, 526)	12,526,100	001,191,11	12,500,709	13 040,249	2,370.019	8, 191, 548	1.77.94	9,426,205	19, 134, 700
Ter athernise perable : farestamt tar credit		• •		••	5,734,730 5,144,182	5,122,593 1,774,500	5,765,493 227,950	64, 341, 202 202, 141, 340	1,064,8%	3,702,790 243,001	4,013,472	17. 11. 1 17. 11. 1	1, LL , LL 11, LL
: las payable met of 11C	0	•	0	•	578,548	3, 348, 014	5,537,543	6,101,854	e13, Sel	3,44,81	3,724,397	1,019,459	4,31,15
ILTERNA TAX SCHEDUE Tet. dev. al. for the Yr	8	8	8	Ð	10,010,024	150°, 154, 81	15,597,464	100,111,01	14, 128, 201	5,614,278	12,94,2	5,700,442	112.000.2
Hypothetical 31) have the training the terms of the training the train	• •	• •		•	197,570,24 191 977 4	91,146,736 6 SIA 401	87,169,036 87,115 AM	83, 123, 145 4 974 979	704,989,607 704,689,70	74,739,035	78, 344, 443 7 814, 841	11, 14, 11, 11 11, 14, 11	
Accelerated day. assert					4,479,841	9,447,346	151 244 8	8,851,660	026'211'6	0	0		
Minimus ter Perable			00		141, 141 141, 141	004 ¹ 114	5, 354, 610 503, 191	2, 749, 214	a, 334, 339 1, 250, 151				-'-
Federal corp income tar	•	9	0	8	586, 374	3,348,014	5,537,543	6,101,854	1.250,151	3,438,899	3,736,397	4,019,059	4.13.17
MICOMA STATE TAXES 3,753,771 4,319,200 4,927 5,703,52	3,753,771	4,318,200	(24'154'1	5,703,526	9,122,659	8,770,445		8,028,141	5, 669, 870		6,444,105	6,775,210	1.77.56
We precede, const 1	43	-		•	35,000,000	35,000,000	35,000,000	35,000,000	17,500,000	17,500,000	17,500,000	17,500,000	17.581.61
Accessed for head and the	71, 244, 053	10, 114, 347 10, 101, 414	12, 121, MC	51. P 50. 275	106,435,854	67° 981' 86	89,994,056 51,717,496	90,206,501 57 140 674	42,137,819 47,197,798	66,627,151 47 757 587	224"/52"59	11 117 LA	
Ad valuene presenty tax	3,753,771	4,316,200	(24, 156, 1	5,703,526	6.574,759	6,400,661	6.128.925	5,735,474	5, 191, 164	5, 252, 785	5,277,900	116,145,8	5,141,700
Net severance base Severance tax		••			44,669,855 1,116,746	46,903,347 1,172,584	49,248,515 1,231,213	51,710,941 1,292,774	27, 148, 244 678, 706	28,505,454	575,857 272,857	31, 427, 446 785, 487	1/6'N21
thereting prefits	G	•	•	0	41,649,855	44,983,347	49,248,515	51,710,941	27, 148.244	205,454	29,930,939	31,427,446	21,990,MA
- laterest persent - burcelation			-	• •	0		14 142 14	0 14 101 41	0 000 11				1.1.1.1
- Ameriliaties					1,376,037	1,376,037	1,376,057	1, 376, 037	1, 376, 037	1,374,037	1,376,037	1,376,007	1.376,037
- Federal tar, previous yr	0	0		0 0 1 1 1 1 1	0 1 134 768	26°35	3, 348,014	5,537,543 5,112,543	6, 101, 8 54	1,250,151		3,736,397	690°610'1
- Severance Las			0	0 0	6,3/4,/37 1,116,746	1,177,564	1.231.213	1, 292, 1	102'82'	CH/'3C3'C	2/2"#1/	111' w?'s	1/6"101"
- Mesletion	•	6		-	12.526,100	11.191.100	12,588,709	13,840.249	2,370,019	8, 104, 548	8,779,944	9,426,305	10, 134, 700
= Met terable profits	• •	80 C	• •	6 6	13,634,146	11, 594, 501 1.217, 000	10,354,191	9,526,903 999,894		7,571,261	6,117,672 641.924	10°23'9	7,011,276

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LEAD-27thC PROJECT AR1204A

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Rine eperating revenues	1 = .	YEAN 15	TEAR 16	L' I	돌르)	
Operating costs	84,147,095	51, 973, 204	599'125'NS	97,410,779 57,300,458	102,281,317 60,165,481	85,098,056 50,057,680
therating profits	34,649,903	34, 381, 243	38,200,305	40,110,321	42,115,837	35,040,376
Caeital espenditures Marting caeital Mar dalt Marting caeital	3,563,877 101,108 0	3, 742,071 841,471 0	3,929,174 883,544 0 0	4,125,433 927,722 0	4, 331, 915 974, 108 0	3,404,153 (21,479,077) 0 0
bef bebt-Pant Cash Flow	30,283,525	10v'/w''11	33,387,547	35,056,966	36,809,814	52,915,300
theory individual states	•	0	•	0	0	0
Bef Tar Net Cash Flow	30, 203, 525	31.797.701	33, 387, 567	33,056,946	36.809.814	52,915,300
Federal cars increase tar 1 state seconds for	1,675,6%	5,400,499	5.00.69	1,527,850	549,104,4	5, 788, 0J0
State service tar	1	112,100	927, 472, 4	1,000,150	2, /44, /06	876.009
State Income Laz	701'24	944,365	115, 113	1.057,759	1,153,017	BID'662
: A-T Cash fiew (cer. 6) 1 19,559,397 19,429,703 21,333,673 23,619,725 24,955,549 44,626,271 Пополнити полнити 174,271 ТАХ РАМЕНТЯ ПА СОНКТ 1	795,954,81	19,420,703	21, 333, 073	23,010,725 111111111111	24, 955, 549	44,026,271
federi corre. Income tar	2.341.443	21.192.2	2.672.275	2.749.023	2.047.776	2.312.544
State property Las	2,523,003	2.269.691	1.94.957	1,595,915	1.141.313	211-675
State severance tar	437,500	127,500	437,500	127,568	437,500	150,000
state income tai Tetal tai pergents	412'000 2',724,044	5,757,256	5,521,945	5.255.735	201'-X-1 249'-524'-1	142,912 312,182,5
CASH FLOWS IN CONST &						
befere-tas 65	15,295,23	15,295,230	15,295,230	15,24,28	15,295,238	21,141,731
After-tar 65 9, 571, 193 9, 537, 94 9, 773, 793 19, 609, 569, 546 17, 596, 216 Паланарананананананананананананананананан	9, 571, 193 Панининини	9,537,944	9,773, 29 3	10,039,503	10,349,546 3111111111111111111111111111111111111	17.590.216
REAL COP (NOME 141 TEAL TEAL TEAL TEAL TEAL TEAL TEAL TEAL	HEREFERENCE TEAL	ennennen Ra	TEM	anternersen KA	TEAL TEAL	TEAL TEAL
PRATECT BASIS	-	2	91	1	=	•

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859'985'/5 \$99'1/5'75 192'526'15 842'849'49

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Gerating profit

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- Interest charges
 - State tar permets

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= N.I. before allowances | 27,817,987 29,645,116 31,761,400 34,156,667 36,989,384 31,558,992 - Depreciation allowances | 3,543,773 3,772,439 4,689,810 3,214,307 3,375,622 3,720,962 - Amertization 1,376,837 1,376,037 1,376,037 1,376,037 1,376,037 1.100.029 ----.......... = Income for depletion 21,832,868 25,854,772 27,010,422 29,236,857 31,012,305 26,685,724 - Inpletion allowance 10,916,430 12,527,386 13,565,211 14,618,429 15,986,153 13,342,662 ---------= Taxable income 10,916,430 12,527,386 15,966,153 13,342,862 13,545,211 14,618,429 5,737,285 Tax otherwise perable 4,9%,245 6.197.084 6,699,165 7,291.518 6.112.404 - Investment tax credit 328,749 336,786 353,626 371,307 389,872 324,374 = Tax peyable set of ITC 4,675,4% 5,400,499 5,833,459 6,327,850 6,901,645 5,788,030 HTHINN TAX SCHEDULE Tot. door. al. for the Yr 5, 16, 998 5,985,847 4,590,343 4,751,659 4,717,818 4,873,268 Hypothetical SLB base 55,793,879 50,236,969 44,118,750 37,214,695 29,141,712 18,175,009 **Hypthici SLA for the Tr** 9,298,988 10,847,394 11,029,687 12,404,898 14,570,856 18,175,009 Accelerated depr. acount Ninimo tar bece Λ . 8 A 1 Winious tax payable 0 6 . n n Federal corp. incose tax 1 4,675,4% 5,488,499 5,833,459 6,327,858 6,901,645 5,788,030 ARIZONA STATE TAXES 6,657,722 6,568,420 6,228,255 5,718,383 4,952,619 3,100,999 ---------------Net proceeds, const. \$ 17,500,000 17,500,000 17,500,000 17,500,000 17,500,000 14,000,000 - 1 Nosheld PV of property 52,167,084 46.894.437 40,598,282 32.973.449 23.580.849 11.764.706 Assessed tax base, 442 45,446,324 42,895,673 38,993,222 33,253,330 12,956,105 24,970,054 M values property tas ; 4,999,096 4,718,524 4,289,254 3,657,866 2,746,706 1,425,172 Het severance base 34,648,883 36.301.243 38,200,385 40.110.321 42,115,837 35,040,376 Severance tas \$66,228 909,531 955,000 1,002,750 1,052,8% 876,009 - -------........... _____ **Operating** profits 34,648,983 40,110,321 42,115,837 35,040,376 36, 381, 243 38,200,385 - Interest peynent 8 6 0 0 0 - Depreciation 3, 375, 022 4,689,010 3.214.397 3.543,773 3,720,962 3,772,439 - Amertization 1,376,037 1,376,037 1,376,037 1,376,037 1,376,037 1,100,829 - Federal tax, previous yr? 4.331.175 4.675.4% 5,400,499 5.833.459 6,327,858 6,901,645 - Property tas 4.999.0% 3,657,866 4,718,524 4,289,254 2,746,706 1,425,172 - Severance Las 866,220 909,531 955,008 1,002,758 1,052,8% 876.009 - Depletion 10,916,430 12,527,386 13,585,211 14,618,429 15,906,153 13,342,862 = Not taxable profits 7,550,834 8,959,962 9,299,275 10.077,999 10,985,226 7,621,419 Arizona income taz 792,406 940,365 975,993 1,057,759 799.818 1.153,017

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CASH FLOW SOMMARY TEAR TEAR TEAR PROJECT BASIS 1 1 2 3 3	YEAR 1	TEAD 2	TEAR 3	TEAR 4	•	YEAR 6	YEAA 7	TEAR	TEAR TEAR TEAR TEAR TEAR 5 9	TEAN 10	16.41 TEAN TEAN TEAN TEAN 100 11 12 13	TEAR 12	15 15
Nime exercting revenues - Overating cests	.		• •		76,576, 89 6 31,907,039	00,405,730 31,502,391	84,426,075 35,177,511	88,647,327 36,936,386	65, 931, 449 38, 783, 205	69, 228, 022 440, 722, 346	72, 609, 423	76, 323, 994	622'101'/J
= therating profits	0	0	6	•	44,649,855	46,983,347	49,248,515	51,710,941	27,148,244	78, 505, 656	66'86'62	31,427,446	17, 991, MA
- Cooltal erponditeres - Berking cooltal + Insu dobt - Interest Arguments	21,525,000 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0	23,731,313 0 0	24,917, 878 10,331, 80 3 0	2,297,307 516,590 0	2,412,172 542,420 0	2,532,781 569,541 0 0	2,659.420 598,018 0 0	2, 797, 52 19 0 0 0	2,932,010 659,314 0	0 0 002'249 119'020'E	18'22'E	3, 141 142, 147 142, 147
: Def Debt-Pant Cash Flow		(21,525,000) (22,401,250)	(23,731,313)	(35,249,481)	41,855,950	43,948,756	46,146,193	48,453,503	23,757,934	24,914,331	24, 140, 048	27,440,050	70. MI.455
- Bebt's principal pyramit	0	•	•	0	0	0	0	6	•	•	•	•	•
: Bef Tar Met Cash Flee		(212,127,223) (022,103,223) (000,252,12)	(23,731,313)	(189,249,681)	41,855,958	43,948,756	46,146,193	48,453,503	13,777,934	24,914,331	26, 160,040	27,448,050	Z8, MI, 453
- Feder] cera lacase tar - Stata preserts tar - Stata servementa tar - Stata lacase lar	2,827,446 0 0),245,723 9 9	0 3,771, 910 8	6 4,336,556 0 0	598,845 3,126,899 206,903 206,905	4,952,295 3,283,234 749,877 644,824	6,256,811 3,447,396 795,105 726,486	479,701,879 3.619,766 342,595 777,425	1,54,742 11,900,577 11,910,505 11,91,005	1821'905 922'966'1 225'961'9	4,448,126 2,095,166 643,869 533,781	4,776,007 2,199,924 703,924 563,006	5, 19 , 25 27, 98, 25 29, 41, 2 29, 41, 2 20, 41, 41, 41, 41, 41, 41, 41, 41, 41, 41
: A-1 Cedi film (cur s) : (24,332,444) (25,044,973) (27,503,223) ((24, 332, 444)	(57, 25, 26, 27)	(27, 182, 123)		39,466,27 7) 36,421, 9 7 (97,58 31,597) 56,541 (93,494) 19, 19, 10, 10, 59,57 (97) 19, 28, 261, 562 (17, 26, 16, 462	34,296,526	Ju, 920, J95	36, 511, 0 59	19, 444, 459	202,295,705	18, 307, 967	19,264,316 	577'NI'R
Field Corp. Jacobs La State preserver La State severance La State lacobs La Total La persents	2,592,592,5 2 2 2 2 2 2 2 3 2 3 2 3 2 3 2 3 2 3 2	2,942,107 9 2,942,167	010,02,0 010,02,0 0 0 010,02,0	3,544,150 3,544,150 3,544,150	516, 223 516, 223 2, 450, 000 553, 740 581, 020 581, 020 4, 101, 041	3,6%,4% 2,450,000 559,578 4%,182 7,201,158	4,444,599 2,450,000 545,066 516,300 7,977,966	4, 536, 095 2, 450, 000 578, 301 526, 192 8, 082, 589	1,010,635 1,725,000 378,412 137,640 2,744,727	2,577,405 1,225,000 303,140 303,140 303,045	719, 918, 2 949, 252, 1 948, 211 948, 211 243, 442, 4	2,637,788 2,637,880 1,225,880 391,980 1,546,144	2,64,19 66,05 76,90 76,21 27,2
cium Flens III Const. 8 Befere-Lat of After-tax of	(520°241°52) (980°965°92)	(101,544,662) (101,544,653)	(10, 10, 10) (10, 10, 10)	(81, 85, 21) (81, 82, 21)	862,287,51 701,003,852	82,287,52 88,984,88	82,245,238 21,215,215	82,297,52 843,717,85	15,245,218 12,546,511	15,245,238 18,002,234	85,285,21 879,127,01	767,295,21	157,895,81 157,995,81
REPORT OF THE STATE STATE STATE STATE STATE STA State of the state of the state state Additional states state stat	₩300000110111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	11111111111111111111111111111111111111	изаниски политики по На Ка 10 11 12 12 13	61111111111111111111111111111111111111	ETTETETETETETE 202020202020202020 . YEAR	11111111111111111111111111111111111111	11111111111111111111111111111111111111	12222131332322 10001020202020 16 18	11111111111111111111111111111111111111	21 22 24 25 25 25 25 25 25 25 25 25 25 25 25 25	
the constitut research in the constitution of			•••	• •	420,100, JE	16(, 50, 11) 11, 50, 31	820,424,00 112,171,21	127.117.118 114.116.11	547,124,23 447,124,23	17.12.12 19.121.12 19.121.14	7.69.61 29.49.61	14'52'%	11.11.27
thereating profit	•			•	11,449,155	N. 511, M	P1,240 S1S	51,710,941	27,140,244	71'98''E	11, 12, 12, 12	31.42.46	7.94. Md
- Interest cherges - State tas permets	2.021.04	1, XX, 7	916,177,5	- 	- 31.124.1	• • •	- 197.147.2	8 5,643.643	9 2.000.174	• •	2174, 182 5, 549, 182	9 3,740,573	3, 11, 51
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LEAD-ZINC PROJECT COLORADO

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: N.I. before allamaces	(2.127.444)	(13,245,723)	(3, 771, 910)	(1, 34, 54)	11, 11, 11	11,641,649	13,902,131	142,140,44	24,346,879	7.15.76	121,131,35	214,444,75	12,00,65
- beraciation allounces - Amertization	• •				9,441,990 1,374,037	14, 561, 791	14.271.427	14,401,961 1,376,057	14,952,444 1,374,037	4,239,233 1,376,037	(10'9/1') MI'24I'4	4.324.465	4, 443, 237 11, 374, 413
: incase for depiction	(2,827,444)	(13,245,723)	(016,177,5)	(1, 354, 554)	24,001,375	25,900,227	21. 24. 468	80, 14 , 100	7%E, 610, 8	19,510,934	N, 73, 534	21,24,42	23,114,654
- Depiction allamate	•	-	-	•	14.445.487	11, 951, 111	14,152,534	15, 144, 650	47,000,4	9, 755, 449	10, 346, 768	10,903,234	11,599,687
: Tetable incase	(2,827,446)	(3,265,723)	(3, 771, 910)	(1,354,554)	11,445,487	12,951,111	IA, IS2, 334	15,144,650	1,009,444	9,755,448	10.3%.76	10,903,236	11.59,62)
Ter otherwise perable - Envestment tax credit	• •	• •		• •	6,619,704 5,940,858	5,922,199 91,522,820	17, 181, 141 227, 950	842°166'1 942°166'1	1,019,142 251,315	4,442,343 245,001	157.201 210,715	5,854,974 294,975	5,310,240 245,475
= far perable met of 170	0	•	•	•	658,845	1,952,795	6,256,811	6/8/10/.9	1,567,827	4,191,22 45	4,400,125	1,736,047	5,000,745
RETING IN SOUTH IN SOUTHER Int. App. al. for the Tr hypothetical 3.0 here hypotheti 3.4 for the Tr Accelerated doer assout Recolorated doer assout					10, 818, 624 95, 072, 747 6, 138, 185 6, 138, 185 5, 149 5, 149	15, 957, 027 11, 166, 734 184, 134 184, 194, 194, 194 194, 194 194, 195 194, 194	15,597,464 87,169,036 6,705,310 9,992,153 2,635,342 295,342	769,777,21 81,123,185 842,929 842,929 842,929 190,190 22,139	207, 1922, 131 703, 1989, 197 217, 1301, 17 317, 1301, 17 317, 1311, 1 310, 721, 1	85,413,2 213,617,31 149,179,1 0 0	5,540,221 24,442,22 7,016,651 7,016,651	5, 200, 442 5, 201, 252 11, 228, 119	505, 648,2 506,259,69 508,267,8 9 9
Fodral corp. Incom tar	8	•	C	, e	658,145	4, 52, 295	4,254,811	6, 701, 879	1.547,827	4,198,322	1,400,125	4,736,047	5,004,765
COLORADO STATE TAXES	2,007,444	2,127,444 3,245,773	3,771,910	1, 35, 556	4,575,238	4,697,935		5,239,786	2,693,249	T. 120, 304	3,791,935	3,447,446	3,429,775
Gress proceeds, prov. pr. Not proceeds, canst 8 Prices proceeds, proved 8	0 134,441,251	0 155,510,619	179.614.765	0 0 20,455,053	76, 576, 9 94 35, 000, 000 35, 000, 000	80,465,739 35,000,000 15,000,000	84,426,025 35,000,000 0	59,647,327 35,000,000 15,000,000	65,931,449 17,500,000 17,100,000	69,228,022 17,500,000 0	72.609.423 17.500.000 17.500.000	17, 293, 644 17, 569, 666 0	12, 14, 18 17, 14, 18 17, 14, 18 17, 14, 18 17, 14, 18 18 19, 18 19, 18
Ad values property tax	2,827,446	3, 245, 723	3,771,910	1,354,554	3, 126, 890	3,213,234	3,447,396	3.619.766	1,900,377	1,995,396	2.005,144	2,19,924	2, 96, 92
Fress Provence bese Amoual oro predection provement tar, usually severance tar, moly-oro severance tar, iran-oro Severance tar, iran-oro			••••••		444 442 444 444 442 444	827, 223, 24 000, 002 778, 947 025, 2 025, 2 10, 24	70,676,025 500,000 795,105 46,875 6,250 795,105	74, 697, 127 500, 000 842, 595 46, 875 6, 258 842, 595	52,181,449 500,808 500,808 587,941 44,875 64,187 582,6250 582,641 582,641	55,4%,022 508,000 504,000 51,453 62,8, 6,256 624,128	524, 626, 182 800, 108 800, 134 825, 3 825, 3 825, 3 825, 3 825, 3 825, 3 825, 3 825, 3 825, 3 825, 4 825,	954 (DK 952 (9 962 (9 966 (9) 966 (10) 956 (10) 9	201 201 201 201 201 201 201 201 201 201
Georating profits - Interest paramet - Property Las - Property Las	0 0 2,444 1444	0 3,245,723	9 0 1, <i>1</i> ,1,910	0 4,134,534	44,669,855 9,125,090 3,125,090	44,903,347 0 3,203,234 714 817	49,248,515 0 3,447,396 347,396	51,710,941 0 3,619,766 842 595	27,148,244 0 1,900,377 417 407 041	961 967 967'546'1 959'505'82	21,938,939 0 2,095,144 41,049	744, 191, 15 147, 141, 15 141, 151, 151	
- Mercelation - Americation - Merciation - Mercelation - Mercelation - Mercelation - Mercelation - Mercelation - Mercelation					1, 376, 037 1, 376, 037 11, 376, 037 11, 376, 037	14, 102, 11 1, 194, 017 11, 184, 017	14,221,427 1,376,037 14,152,334	14,401,961 1,376,037 15,144,450	1, 376, 007 1, 376, 007 1, 176, 007	000, 222, 4 11, 376, 12 212, 927, 9	712 200 11 200 1122 10 101 1241 1	4,374,465 1,376,637 10,961,236	12.134 1.20,107 1.21,102
	•	•		•	100.2/0.01	10' IEL'CI	917'967'61	rr, 'r)r'al	· · · · · ·	*****	•1/'/AJ'11	•24 ' ACA' 11	

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LEAD-ZINC PROJECT COLORADO

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CASH FLOW SHIMMAY	TEAR	YEAR	TEAR	TEM	TEM	YEAR
PROJECT BASIS						
Nine operating revenues :	84,147,893	88,354,448	92,772,170	97,410,779	102,281,317	85,878,856
Operating cests	49,498,298	51,973,204	54,571,865	57,300,450	68,165,481	50,857,680
Operating profits	34,648,883	36,381,243	30,200,305	40,110,321	42,115,837	35,848,376
Capital espenditures	3,563,877	3,742,071	3,929,174	4,125,633	4,331,915	3,484,153
Verting capital	801,401	\$41,471	883,544	n1,m	974,108	(21,479,077
Heu debt		0	0	^	0	0
Interest permits	••••••	••••••		•	••••••	0
Bef. Bubt-Pant Cash Flow	30,283,525	31,797,701	33,387,587	35,856,966	36,809,814	52,915,300
Debt's principal payment	ł	•	•	0	9	0
Bef. Tax Hot Cash Flow	30,283,525	31,797,781	33, 387, 587	35,856,966	36,809,814	\$2,915,380
Feder] corp. income tax {	5,286,918	5,925,803	6,236,877	\$,563,585	6,906,464	5,60,649
State property tax	2,425,416	2,546,687	2,674,821	2,807,722	2,948,109	2,452,826
State severance tas	791,967	839,300	666,777	941,184		802,666
State income tax	628,688	781,693	730,287	776,718	817,054	664,804
A-T Cash flaw (car. 8)	21,158,616	21,784,218	22, 849, 482	23,967,845	25,142,211	43,387,354
ATTATATATATATATATATATATATATATATATATATA	118811888118888			*************		1111111111111111
Fedri corp. income tas	2,670,253	2,850,413	2,857,185	2,863,635	2,869,778	2,240,475
State property tax	1,225,000	1,225,000	1,225,000	1,225,000	1,225,000	700,000
State severance tax	399,997	463,718	487,261	418,635	413,849	320,6%
State income tax	317,490	337,527	338,218	338,876	339,503	265,615
Total tas paymonts	4,612,740	4,816,657	4,827,664	4,838,147	4,848,130	3,806,787
CASH FLOUS IN CONST #						
Sefere-tax CF	15,295,238	15,295,238	15,295,238	15,295,230	15,295,238	21, 141, 731
After-tax CF	19,682,498	10,478,501	10,467,574	10,457,092	10,447,100	17,334,944
**************************************	11111111111111111 188888888888888888	::::::::::::::::::::::::::::::::::::::		######################################		**************
FEDERAL CORP. INCOME TAX :	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR
PROJECT BASIS	14	15	- 16 '	- I7	10	19
Nine operating revenue	84.147.093	66,354,448	92.772.170	97.410.779	102.201.317	85, 978, 056
Operating cest	49,490,290	51,973,204	54,571, 6 65	57,308,458	60,165,481	50,857,680
Operating profit	34,648,803	36,301,243	38,200,305	40,110,321	42,115,837	35,040,376
Interest charges	0	0	0	0	0	0

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LEAB-21HC PROJECT COLORADO

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= W.I before allowances {	30,476,262	31,929,047	33,515,472	35,181,219	36,930,254	30,774,727
- Depreciation allowances	4,607.810	3,214,307	3, 375, 822	3.543.773	3.720.962	3.777.439
- Apprelization	1,374,037	1,376,037	1,376,037	1,376,037	1,376,857	1,100,825
Income for depiction	24,491,215	27,338,703	28,764,414	30,261,410	31,833,255	25,901,459
- Deplotion allowance	12,245,600	13,669,352	14,382,207	15,130,705	15,916,628	12,950,72
= Tazable income	12,245,600	13,669,352	14,382,297	15,130,705	15,916,628	12,958,72
Tax otherwise payable	5,607,667	6.262.589	6.598.503	6,934,812	7.2%,336	5,932,623
- Investment tax credit	320,749	336,785	353,626	371,307	389,872	324,37
= Tax peyable net of BIC 1	5,286,918	5,925,803	6,236,8 77	6,563,505	6,906,464	5,607,649
NENENNI TAX SCHEDULE						
Tet. dopr. al. for the Yr 1	5,985,847	4,590,343	4,751,859	4,919,810	5,0%,998	4,873,26
Nypothetical SLD base	55,793,879	50,236,969	44,110,750	37,214,695	29,141,712	10,125,60
Nysthtel SLA for the Tr 1	9,298,980	10,047,394	11,029,607	12,404,898	14,570.856	18,175,00
Accelerated deer assust 1	0	0	•	0	0	1
Hinious tar bese l	0	0			0	1
Hiningo tas perable 🔰 🕴						
, 1	•	•	•	•		1
Foderal corp. income tap 1	5,286,918	5,925,883	6,236,877	6,563,585	6,786,464	5,607,64
Federal corp. income tay 1	5,286,918 3,845,991	5, 925,80 3 4, 007,600	6,236,877 4,301,307	6,563,585 4,525,616	6, 986,46 4 4,763,139	
Foderal corp. income tap	3,845,991	4,087,680	4,301,307	4,525,616	4,763,139	<u> </u>
Foderal corp. income tar : COLONADO STATE TAXES : Graes procoods, prov. yrt	3,845,991	4,087,680	4,301,307 92,772,170	4,525,616		3,920,29
Federal corp. income tap	3,845,991	4,087,680	4,301,307	4,525,616	4,763,139	3,920,29
Foderal corp. income tar : COLONADO STATE TAXES : Gross proceeds, prov. yrt Not proceeds, const. 8	3,845,991	4,087,680	4,301,307 92,772,170	4,525,616	4,763,139	
Foderal corp. income tar : COLONADO STATE TAXES Gross proceeds, prov. yr Not proceeds, const. 8 PV(net proceds), propred.	3,845,991 94,147,893 17,509,000 0	4,007,600 00,354,440 17,500,000 0	4,301,307 92,772,170 17,500,000 8	4,525,616 97,410,779 17,500,000 0	4,76),139 102,281,317 17,500,000 0	3,920,294 5,978,856 14,000,000 35,940,376
Foderal corp. income tar COLONADO STATE TAXES Gross proceeds, prov yr Thet proceeds, const 8 PP(net proceds), propred. Property tax bose	3,845,991 94,147,893 17,500,000 8 34,640,883	4,007,600 00,354,440 17,500,000 0 36,301,243	4,301,307 92,772,170 17,500,000 0 30,200,305	4,525,616 97,410,779 17,500,000 0 40,110,321	4,761,139 102,201,317 17,500,000 0 42,115,037 2,940,189 00,531,317	3,920,294 85,990,856 14,000,000 35,840,377 2,452,820 71,340,856
Federal corp. income tap : COLONADO STATE TAXES Gross proceeds, prov. yr Not proceeds, const. 8 Property tax boso Ad valores property tax Gross severance bese Annual ore production	3,845,991 94,147,093 17,500,003 34,640,003 2,423,416 70,397,093 500,000	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000	4,301,307 92,772,170 17,500,000 0 30,200,305 2,674,021 79,022,170 500,000	4,525,616 97,410,779 17,500,000 0,110,321 2,007,722 03,660,779 500,000	4,761,139 102,201,317 17,500,000 0 42,115,037 2,940,189 00,531,317 500,000	3,920,294 85,990,854 14,000,000 35,840,377 2,452,820 71,340,854 400,000
Foderal corp. income tar : COLONADO STATE TAXES : Gross proceeds, every yr Net proceeds, const 8 : Prinet process, const 8 : Property tax bese Ad valorem property tax Gross severance base Annual ore production severance tax, escally	3,845,991 94,147,093 17,599,000 8 34,640,003 2,425,416 70,397,093 500,000 791,967	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,37,300	4,381,387 92,772,170 17,560,000 8 30,200,385 2,674,821 79,822,170 500,000 000,997	4,525,616 97,410,779 17,500,000 0 40,110,321 2,007,722 83,660,779 500,000 941,104	4,763,139 102,201,317 17,500,000 0 42,115,037 2,940,109 00,531,317 500,000 995,977	/ 3,920,294 85,098,050 14,000,000 (35,040,37 2,452,02 71,340,056 400,000 802,664
Foderal corp. income tar : COLONADO STATE TAXES Gruss proceeds, prov yr Not proceeds, const 8 Prinet process, const 8 Prinet process, const 8 Prinet process, propred. Property tas bese Ad valores property tas Gross severance base Amost ore production severance tas, essally severance tas, essally	3,845,991 94,147,093 17,509,000 8 34,640,083 2,425,416 70,397,093 500,000 791,967 46,075	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,379,300 46,075	4,381,387 92,772,170 17,580,000 8 30,200,385 2,674,821 79,822,170 560,600 800,999 46,875	4,525,616 97,410,779 17,500,000 0 40,110,521 2,007,722 03,660,779 500,000 941,104 .46,075	4,763,139 102,201,317 17,500,000 0 42,115,837 2,940,189 00,531,317 560,000 995,977 46,075	3,920,29 5,978,656 14,600,000 (35,640,37 2,452,82 71,340,656 600,600 882,444 37,580
Federal corp. income tar : COLONADO STATE TAXES Gross proceeds, prov yr Thet proceeds, const \$ Primer proceds, const \$ Primerty tax bese Ad valorem property tax Gross severance base Amost ore production severance tax, essally severance tax, only-ore severance tax, iren-ore	3,845,991 94,147,093 17,500,000 9 34,640,003 2,425,416 70,397,093 500,000 791,967 64,075 6,250	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,37,300 46,075 6,250	4,301,307 92,772,170 17,560,600 0 30,200,305 2,674,1021 79,822,170 560,600 600,999 46,875 6,250	4,525,616 97,410,779 17,500,000 0 40,110,321 2,007,722 03,660,779 500,000 941,104 .46,075 6,250	4,761,139 102,281,317 17,580,880 0 42,115,837 2,540,189 00,531,317 560,680 995,977 46,075 6,250	5, 607, 649 , 3, 920, 294 , 3, 920, 294 , 3, 920, 294 , 4, 000, 000 , 452, 024 , 452, 024 , 452, 024 , 460, 000 , 002, 664 , 37, 500 , 5, 000
Foderal corp. income tar : COLONADO STATE TAXES Gruss proceeds, prov yr Not proceeds, const 8 Prinet process, const 8 Prinet process, const 8 Prinet process, propred. Property tas bese Ad valores property tas Gross severance base Amost ore production severance tas, essally severance tas, essally	3,845,991 94,147,093 17,509,000 8 34,640,083 2,425,416 70,397,093 500,000 791,967 46,075	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,379,300 46,075	4,381,387 92,772,170 17,580,000 8 30,200,385 2,674,821 79,822,170 560,600 800,999 46,875	4,525,616 97,410,779 17,500,000 0 40,110,521 2,007,722 03,660,779 500,000 941,104 .46,075	4,763,139 102,201,317 17,500,000 0 42,115,837 2,940,189 00,531,317 560,000 995,977 46,075	3,920,2% 5,978,656 14,000,000 (35,640,37/ 2,452,82/ 71,340,656 682,664 37,500 5,000
Federal corp. income tar : COLONADO STATE TAXES Gross proceeds, prov yr Thet proceeds, const \$ Primer proceds, const \$ Primerty tax bese Ad valorem property tax Gross severance base Amost ore production severance tax, essally severance tax, only-ore severance tax, iren-ore	3,845,991 94,147,093 17,500,000 9 34,640,003 2,425,416 70,397,093 500,000 791,967 64,075 6,250	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,37,300 46,075 6,250	4,301,307 92,772,170 17,560,600 0 30,200,305 2,674,1021 79,822,170 560,600 600,999 46,875 6,250	4,525,616 97,410,779 17,500,000 0 40,110,321 2,007,722 03,660,779 500,000 941,104 .46,075 6,250	4,761,139 102,281,317 17,580,880 0 42,115,837 2,540,189 00,531,317 560,680 995,977 46,075 6,250	/ 3, 920, 294 85, 998, 856 14, 000, 000 (35, 040, 37 (2, 452, 824 71, 340, 856 400, 000 082, 664 37, 500 5, 000 082, 664
Federal corp. income tap : COLONADO STATE TAXES Gross proceeds, const 8 Prinet proceds, const 8 Property tax bose Ad valores property tax Gross severance base Annual ore production severance tax, oswally severance tax, nuly-ore severance tax, irm-ore Severance tax, proble Severance tax perable Severance tax perable	3,845,991 94,147,093 17,509,000 8 34,640,003 2,425,416 70,397,093 500,000 791,967 46,075 6,259 791,967 34,640,003 0	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,379,300 46,075 6,250 0,379,300 36,301,243 0	4,381,387 92,772,170 17,580,680 8 30,260,385 2,674,821 79,822,170 580,680 880,999 46,875 6,250 880,999 30,280,385 8	4,525,616 97,410,779 17,500,000 0 00,110,321 2,007,722 83,660,779 500,000 941,104 -46,075 6,250 941,104 40,110,321 0	4,763,139 102,201,317 17,500,000 0 42,115,037 2,940,109 00,533,317 500,000 995,977 46,075 6,250 995,977 42,115,037 0	/ 3,920,294 85,998,655 14,600,000 (35,640,37 2,452,82 71,340,655 400,000 802,664 37,540 5,600 802,664 35,640,370 (
Federal corp. income tap : COLORADO STATE TAXES Gross proceeds, prov yr Not proceeds, const & Prinet process, propred. Proverty tas bese Ad valores property tas Gross severance base Amoul ore production severance tas, soully severance tas, number Severance tas, proble Severance tas, proble	3,845,991 94,147,093 17,500,000 9 34,640,083 2,425,416 70,397,093 500,000 71,967 46,075 6,259 791,967 34,640,083 9 2,425,416	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 637,300 64,075 6,250 837,300 36,301,243 0 2,546,607	4,301,307 92,772,170 17,560,600 0 30,200,305 2,674,021 79,822,170 560,600 600,999 46,875 6,250 600,999 30,200,305 0 2,674,621	4,525,616 97,410,779 17,500,000 0 40,110,321 2,007,722 03,660,779 500,000 941,104 .46,075 6,250 941,104 40,110,321 0 2,007,722	4,763,139 102,281,317 17,580,880 842,115,837 2,548,189 84,531,317 580,680 995,977 44,075 6,258 995,977 42,115,837 9 2,948,189	3,920,2% 5,978,856 14,800,000 (35,940,37/ 2,452,82 71,340,856 400,000 802,664 37,500 5,600 802,664 35,940,37/ (2,452,820
Federal corp. income tap : COLONADO STATE TAXES Grass proceeds, prev yr Not proceeds, prev yr Prinet proceds), preprod: Praperty tas bese Ad valoren property tas Grass severance base Annual ore production severance tas, nou-ore Severance tas, nou-ore Severance tas, nou-ore Severance tas, persont - Interest permont - Property tas	3,845,991 94,147,093 17,500,000 0 34,640,003 2,425,416 70,397,093 560,000 791,967 64,075 6,250 791,967 34,640,003 0 2,625,416 791,967	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,37,300 46,075 6,250 0,37,300 36,301,243 0 2,546,607 8,37,300	4,301,307 92,772,170 17,500,000 0 30,200,305 2,674,021 79,822,170 500,000 000,999 46,875 6,250 000,999 30,200,305 0 2,674,621 000,999	4,525,616 97,410,779 17,500,000 0 40,110,321 2,007,722 03,660,779 500,000 941,104 .46,075 6,250 941,104 40,110,321 0 2,007,722 941,104	4,761,139 102,281,317 17,580,880 0 42,115,837 2,540,189 00,531,317 560,680 995,977 46,875 6,250 995,977 42,115,837 0 2,546,189 995,977	3,920,2% 5,978,854 14,000,000 35,040,376 2,452,126 71,340,854 400,001 802,444 37,540 5,000 802,444 35,040,376 (2,452,126 802,444 802,444 35,040,376 802,444 35,040,376 802,444 35,040,376 802,444 802,
Federal corp. income tap : COLONADO STATE TAXES Gross proceeds, const 8 Property tax base Ad valares property tax Gross severance base Amoul are production severance tax, soully severance tax product Severance tax produc	3,845,991 94,147,093 17,500,000 9 34,640,003 2,425,416 70,397,093 500,000 791,967 6,259 791,967 34,640,003 9 2,425,416 791,967 34,640,003	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,37,300 46,075 4,250 837,300 36,301,243 0 2,546,607 837,300 3,214,307	4,301,307 92,772,170 17,500,000 8 30,200,305 2,674,021 79,822,170 500,000 000,999 46,875 6,250 000,999 30,200,305 8 2,674,621 000,999 3,375,622	4,525,616 77,410,779 17,500,600 0 40,110,321 2,007,722 63,660,779 500,000 941,104 46,075 6,250 941,104 40,110,321 0 2,007,722 91,104 3,543,773	4,761,139 102,281,317 17,560,000 0 42,115,837 2,940,109 00,531,317 500,000 995,977 46,075 6,250 995,977 42,115,837 0 2,948,189 995,977 3,720,962	3,920,294 5,978,654 14,600,000 (35,646,374 2,452,824 71,348,654 400,000 802,444 37,500
Federal corp. income tap Federal corp. income tap COLONADO STATE TAXES Gross proceeds, cremt 8 Prinet proceeds, cremt 8 Property tax base Ad valores property tax Gross severance base Ament ore production severance tax, estably severance tax, estably severance tax, non-ore Severance tax, non-ore Severance tax perable Operating profits - Interest perment - Property tax	3,845,991 94,147,093 17,500,000 0 34,640,003 2,425,416 70,397,093 560,000 791,967 64,075 6,250 791,967 34,640,003 0 2,625,416 791,967	4,007,600 00,354,440 17,500,000 0 36,301,243 2,546,607 74,604,440 500,000 0,37,300 46,075 6,250 0,37,300 36,301,243 0 2,546,607 8,37,300	4,301,307 92,772,170 17,500,000 0 30,200,305 2,674,021 79,822,170 500,000 000,999 46,875 6,250 000,999 30,200,305 0 2,674,621 000,999	4,525,616 97,410,779 17,500,000 0 40,110,321 2,007,722 03,660,779 500,000 941,104 .46,075 6,250 941,104 40,110,321 0 2,007,722 941,104	4,761,139 102,281,317 17,580,880 0 42,115,837 2,540,189 00,531,317 560,680 995,977 46,875 6,250 995,977 42,115,837 0 2,546,189 995,977	3,920,294 3,920,294 14,000,000 14,000,000 35,040,376 2,452,026 71,340,056 600,000 602,664 37,590 602,664 35,040,376 602,664 35,040,376 602,664 35,040,376 602,664 37,2435 802,664 3,772,435 802,645 3,772,435 802,645 3,772,435 802,645 3,772,435 802,645 1,772,435 1,975,975 1,772,435

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LEAD-ZINC MAJECT: NONTAMA

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	YEAN	TEAD 2	TEAR J		YEAN S	, ,	YEAR 7	YEAR B	YEAN 9	YEAR 10	12 8 1	12 12	44.77 15
Nime operating removes - Operating costs	••	• •		00	76,576,894 31,907,039	142,202,238		BB, 647, 327 36, 936, 386	449 18, 783, 205 38, 785, 205	69,228,022 40,722,366	72,449,423	74, 323, 894	10, 10, 275
: therating profits	-	0	8	•	44,449,855	46,903,347	49,248,515	51,710,941	27,148,244	28,505,656	626'926'62	31,427,486	2,990,660
- Cavital assemblares - Marting cavital - Nov dot - Interest pyromts	21,525,000	0 0 0 0	23,731.313 0 0-	24,917,878 16,331,803 0	2,297,307 516,590 0	2,412,172 542,420 0 0	2,532,781 569,541 0	2,659,420 598,018 0 0	2,792,391 0 0 0	2,932,010 659,314 0	3,078,611 0 0 0 0 0 2 0 2 0 2 0 2 0 2 0 2 2 0 2	1,212,511 199,357 0	3, 34, 168 763, 239
= Lef. Debt-Pant Cash Flow	(21,525,000)	(22,401,250)	(23, 731, 313)	(35,249,441)	956'558'11	43,940,756	46, 146, 193	48,453,503	23,727,934	24,914,331	26,160.048	27,448,059	28, 141, 453
- Debt's principal pursent!	3 ,	0	C	•	Ð	ر پې	0	Ð	8	0	•	-	-
- bef. Tax het Cash Flaw	(21,525,000)	(22,601,250)	(23,731,513)	(13,209,401)	856,228,14	13, 948, 754	46, 146, 193	49,453,503	23,727,934	24.914.331	26,160,048	27,448,058	28. MI.453
- Federi cire Jacon taz - State proserte taz - State severance taz - State Jaconé taz		0 0 0 b			805,075 505,075 505,175,1 505,175,1 1,057,999	911'95'5 849'985'5 911'956	6, 621, 137 557, 212 1, 631, 504 1, 044, 463	7,004,362 585,072 1,713,313 1,116,575	1,714,160 435,148 1,273,000 302,471	4, 128, 523 456, 905 1, 316, 967 170, 170	8/1,944,4 8/7,9/4 1,444,849 11,444,849	4,672,785 542,735 542,665 786,195 786,195	19720 517.005'1 524.025 105.041'5
: A-T Cech files (cer. s) 1 (21,525,000) (22,401,550) (21,711,313) (35,249,401) 38,122,630 (33,319,407) 35,591,807 (37,954,181) 77,954,181 (39,097,547) 18,099,547 (18,778,640) (9,229,646 (24,781,445)) (19,11111111111111111111111111111111111	(21,525,000)	(95, 109, 22) HHHHHHHH	(23, 731, 313)	(35,249,601)	39,122,639	709,915,52	34, 291, 8 77	7, 954, 181	20,803,077	18, 09 ,57	040,024,81	**********	200'107'02
fedil čery, jacene tar State preserty tar			• •	G C 1	541,124	4,169,028 3%,000	4, 705, 519 396,000	279, J97, J 000, J92	1,104,943 290,500	2,652,452	- 2,69, 80 28,59	2,713,549	
State severance ta: State faces ta:	e a		•		1,159,139 829.091	1,159,314	1,159,480	1,159,639	879°828	216"141	114,121	440''128 -	51.12 141.57
letal tu permets com Rums In const. s	•	•	-	-	1,874,5	6,439,793	7,003,279	7, 106, 355	2,401,076	4, 103, 446	4.232.615	4,23,96	4,274,103
before-tas G Aftor-tas G		(199, 192, 152) (199, 192, 152)	(1997,197,197) (1999,197,197)	(11, 100, 100) (11, 100, 100)	12, 795, 238 27, 870, 884	12,7%,23 24,225,945	102,201,22 102,201,22	12, 75, 23 25, 46, 81	15,295,238 12,894,162	15, 245 , 238 11, 111, 552	15,295,238	15.295.23 211.00.11	827°542°51
		1219 1219 1219	75AB		11111111111111111111111111111111111111	, ,	TTALETTETETETETETETETETETETETETETETETETE	11111111111111111111111111111111111111	75111111111111111111111111111111111111			17.11.11.11.11.11.11.11.11.11.11.11.11.1	
the cortain reveace 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	••	••	••	••	16,576, 8 9	147, 584, 88 137, 582, 57	M, 425, 025 35, 177, 511	90, 90, 91 (4, 19 8	65,951,449 28,285,285	777, 277, etc.	72,489,423 42,758,484	72,151,02,02,000,000,000,000,000 22,750,001,000,000,000,000,000,000 22,750,000,000,000,000,000,000,000	8.18.89 9.11.0
bereting profit	•	• · ·	•	•	11.44,055	(15'504'99	49,248,515	51,710,941	27,140,244	71,565,656	27, 38, 979	31,427,446	N.W.W
 Interest charges State for moments 	••	• •	• •	••	• C20 (2)		94 676 1			/5		940 771 1	

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- Perscietien allemenes - Ametization	••	••			228'945'1 866''Ett'6	14, 162, 11	14.221.427	14, 401, 961 1, 376, 037	14, 952, 645	4.239.233	MI . 771. 4	4, 374, 465	1,1%,1%
: incee for depiction	•	•	•	•	20,273,152	27,417,789	24,888,65	31,452,271	8,455,597	30.642.387	1.154.59	22,544,965	149'/20'12
- Pepietien allemence	-	40	•	Ð	15,134,577	13,700,054	14,944,348	15.976.135	W. 121. H	10,621,144	18,677,348	11,200,093	ALL IN
: Terable lecas	•	•	6	0	15,136,577	13,700,054	14, 44, 34	15,976,135	1. 	10, 821, 144	10.677,300	11,284,653	11,913,845
Ter etheraise perable - levestment tar credit	••	• •	60	••	6, 937, 513 6, 246, 86 6	920°599	056°,755	7, 321, 710 239, 340	1,965,475 215,185	4,504,414 263,001	4,006,245 277,075	5,113,714 278,975	5,455, 654 385,475
: Tar perable set of 170	-	•	•	•	927-069	5,564,885	6.621,137	7,084,342	/1.714,160	4, 120, 533	R(1'699')	4,077,785	5,149,501
REALMAN TAX SCHEMEE Tot. dame@al. for the Yr Proethetical Q.J. han ~	8 8			6. 69	10,818,024 75,720,24		15,597,464 07,169,036	15, 777, 99 7 83, 123, 145	1 14, 129, 703 14, 999, 607	5,614,270 74,739,835	5,548,221 244,443	5, 780, 442 65, 740, 953	511, 111, 111, 2 500, 214, 04
Methics and for the Yr Accelerated days assumed Missions for how		• • • `	• • •	• • •	201'02(') 100'6()') 216 006 1	6,510,481 9,447,346 7,640,441	6, 705, 310 8,897, 153 1 11, 124	6.,926,979 8.851,068 1.222,370	026'001'2 026'001'2	• •• •274,7 0 0	7,016,051 0 0	6,11, n57, 1	
Minimue Lar perable		- -			560, 382		340,652	265 006	1115,064	50	5 0		••
Federal care lacour tar	e		6	C	699,626	5,586,885	6,621,137	7,084,362	1,714,160	4, 320, 533	6(1'699'1	4,872,745	5,149,501
MUTAMA STATE TAXES	0		•	•	3.042,694	3,642,383	3,233,179	3,414,960	2,010,699	2,494,252	2,638,634	2,638,034 2,746,619	2,910,029
Grass revenues Assessed to bese, 31 Property tax	C C 8		• • •		76,576, 89 4 2297306 8125 505,407	80,405,738 2412172 1531 530,678	04,426,025 2532790 7609 2537325720 7609	647,127 2659419,7986 585,072	45,931,449 4977943 4754 435,148	200, 228, 027 1914, 0492 200, 0493 200, 040	72,409,425 2100622,4016 2107,750	100'EST. 11 1210 AIRMES 1210 AIRMES	14, 14, 14 14, 14, 14 14, 14, 14 14, 14, 14, 14, 14, 14, 14, 14, 14, 14,
Gress revenues Bress ledwanity trust tr Licence tar Severance tar perale	0 0 6 6	6 6 6 6		• • • • •	76, 576, 694 582, 684 10, 596, 504 1, 596, 504 1, 579, 388	827,209,000 1 709,509 1 738,121,1 1 192,522,1	04, 426, 025 147, 130 1, 631, 504	88,647,327 441,237 1,270,077 1,2115,313	65,931,449 329,657 943,422 1,273,080	796, 228, 069 746, 140 758, 069 796, 352, 1	72,4 09 ,423 747,447 263,040,1 1,040,104,1	509'822'92 619'105 109'106'1	90, 140, 909 400, 709 1, 147, 745 1, 540, 443
berating profits - Interest nement	0 6	• •	• •		00	146,903,347	49,248.515 D	51,710,941 0	27,148,244 D	78, 505, 656 D	126,1829,155 B	31,427,4 66	12.991.66
- Property Las Severance Las							557,212	585,072 1,713,313	435,148	456,905	179.750	503,739	54° 85
- Aurtization				-	1, 376, 037	1,376,037	14,221,427	14,401,961	1, 376, 037	1, 376, 037	1,376,037	1, 376, 032	1,576,037
- Bepletion			• •	00	15,134,577	13,700,854	14,944,348 16,517,987	15,976,135	4, 327, 798	10,021,144	10,677,300 11,101,111	11, 200, 60 ⁵ 12, 440, 329	210,210,11
Mastana income tar	-	• •		. 0	1057.898	-	1.044 46.1	1.116.575	1/1 44	MU UN	244. 2 19	790 100	177 648

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CASH FLOU SUMARY	YEAR	YEAR	YEAR	YEAR	YEAR /	YEAR
PROJECT BASIS	76AR 4	15'	16 IS	17	IAR IA	1641
PROJECT 84313	••• 	1¢ • • • • • •	•	۱/ بسبورز،،،،،،		···:·:··
Nine operating revenues }	84,147,073	88,354,448	92,772,178	17.110.779	102.201.317	85,098,056
perating cests	49,498,290	51,973,204	54,571,865	\$7,300,458	60,165,481	50,057,680
Operating profits	34,648,803	36,381,243	38,200,365	40,110,321	42,115,837	35,040,376
Capital expenditures	3,563,877	3,742,071	3,929,174	4,125,633	4,331,915	3,604,153
Horking capital	801,401	841,471	963,544	927,722	974,108	(21,479,07)
Neu debt	0	0		C	0	٥
Interest payments	``	0	•	0	0	0
Def Best-Punt Cash Flow	30,283,525	-31,797,701	33, 397, 507	35,056,966	136.909,814	52,915,300
Bebt's principal payment	0	0	•	0	0	0
Bef. Tax Net Cash Flow	30,283,525	31,797,701	33, 307, 507	35,856,966	36,809,814	52,915,300
Federi cera, incose taz i	5,440,217	6.003,565	6,463,991	6.740.438	7,093,708	5,759,670
State property tax	\$55, 371	583,139	612,2%	642,911	675,057	561,647
State severance tax 1	1,626,899	1,707,637	1,793,253	1,983,149	1,977,540	1,644,528
State income tar	879,139	979,323	1,838,565	1,884,370	1,140,865	728,226
A-T Cask flow (cur 1)	21,782,788	22,444,837	23,547,481	24,766,898	25,922,645	44,621,221
IAX PAYNEHTS IN CONST \$		******		111111111111111111111111111111111111111	**********	*******
Fodri corp. income tas	2,747,679	2.926.299	2,933,742	2,940,831	2,947,582	2,301,214
state property tax	280,500	299,509	280,500	290,500	288,580	224,480
State severance tax	821,290	821,463	821,518	821,612	821,709	657,053
itete incone taz	444,825	471,071	472,114	473,107	474,853	370,863
letal tax persents	4,293,495	4,499,273	4,587,866	4,516,849	4,523,844	3,553,524
CASH FLORS IN CORST 8						
defere-tax CF	15,295,230	15,295,238	15,295,238	15,295,230	15,295,230	21, 141, 731
After-tar Ø	11,001,744	10,795,965	10,707,372	18,779,189	10,771,395	17,500,201
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FERENCE CONF. INCOME TAX : PROJECT GASTS :	1111111111111111 111111111111111111111	**************** TEAR 15	***************** YEAR 16	1988888888888888 TEAR 17	1848888888888 TEM 18	YEAN
EDEAM, COOP. JHCONE TAX (PROJECT DASIS]4	15	16	17	YEAR 18	YEAI 19
FEDERAL COOP. INCOME TAX : PROJECT BASIS : Rine aporating revolue :	14 84,147, 89 3	15 10,354,440	16 92,772,170	17 97,410,779	YEAR 18 102,201,317	YEAI 19 85,090,056
EDEAM, COOP. JHCONE TAX (PROJECT DASIS]4	15	16	17	YEAR 18	YEAI 19 85,090,056
FEDERAL CORF. INCOME TAX : PROJECT BASIS : Rine aporating revolue :	14 84,147, 89 3	15 10,354,440	16 92,772,170	17 97,410,779	YEAR 18 102,201,317	YEAI 19 85,090,056 50,057,600
Nine operating revolue (Operating cost	14 84,147,893 49,498,298	15 00,354,440 51,973,204	16 92,772,170 54,571,865	17 97,410,779 57,320,450	YEAR 18 102,201,317 60,165,401	TEAR 19 85,090,056 50,057,600 35,040,376

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LEAD-ZINC PROJECT: HONTANA

	31.142.779	32,614,970	34,242,855	35,950,495	37,744,356	31,435,689
= H.I. before allowances						
- Depreciation allowances	4,607,010	3,214,307	3, 375, 622	3,543,773	3,728,962	3,772,439
- Amertization	1,376,037	1,376,037	1,376,837	1,376,037	1,376,837	1,100,829
= Incode for depletion	25,157,732	28,824,627	29,490,997	31,830,685	32,647,358	26,562,421
- sepletion allounce	12,578,866	14,012,313	14,745,498	15,515,343	16, 323, 679	13,201,210
= Texable income	12,570,866	14,012,313	14,745,498	15,515,343	16,323,679	13,201,210
Ten otherwise perstie	5,768,966	6,420,352	6,757,617	7,111,745	7,483,500	£ 6,001,044
Herestment tex credit	320,749	336,786	353,626	371,307	389,872	324,374
= Tax payable not of ITC	5,440,217	6,083,565	6,483,991	6,748,439	7,893,708	5,759,670
NININN TAX SCHEDULE	:					
Tet. dopr. al. for the Yr :	5,985,847	4,590,343	4,751,459	4,919,818	5,0%,9%	4,873,268
Hypothetical SLD bese	\$5,793,879	50,236,969	44,118,750	37,214,695	29,141,712	18,175,809
Rypthici SLA for the Yr	9,298,988	10,047,394	11,829,687	12,404,898	14,570,856	18,175,001
Accelerated depr amount	1 0	•	•	0	0	0
			-	-		
			. 1	•	8	(
	6 1 0	8	. 1	9 0	0 0	0
	6 0 5,440,217	0 6,003,565	_ 0 0 6,403,991	0 6,740,438	•	·
Nininen ter peyable Federal carp. income tar					0 7,093,708	5,759,670
Nininen tas payable Federal carp. income tas	6 0 5,440,217 3, 668,60 9	• • • • • • •			0 7,093,708	5,759,670
Ninimun tex peyable Federal corp. income tax					0 7,093,708	5,759,670 3,134,402
Nininuo tax payable Federal carp. income tax NONTAMA STATE TAXES	3,869,689	3,279,100	3,436,114	3,610,430	0 7,093,708 3,793,461	5,759,670 3,134,402 85,898,056
Nininuo tax payable Federal carp. incomo tax NONTAMA STATE TAXES Grass revonues	3,969,609 84,147,093	3,270,100 80,354,448	3,436,114 92,772,170	3,610,430	0 7,093,709 11 3,793,461 102,281,317	5,759,670 3,134,402 85,898,056 2552941 6831
Riningo ter payable Federal corp. income ter NONTAMA STATE TAXES Gross revenues Assessed tar bese, 31 Property ter Gross revenues	3,060,609 84,147,093 2524412 7093	3,278,100 88,354,448 2656633 4287	3,436,114 92,772,170 2783145 1082	3,610,430 97,410,779 2922323 3552	0 7,093,708 3,793,461 102,281,317 3068439 523	5,759,670 3,134,402 85,999,056 2552941 6831 561,647
Ninimu ter payable Federal carp. income ter NONTAMA STATE TAXES Grass revenues Assessed ter base, 32 Property ter Grass revenues Des. indomnity trust tr	3,868,689 84,147,093 2524412 7893 555,371 84,147,093 420,735	3,279,100 80,354,440 2656633 4207 583,139 88,354,440 441,772	3,436,114 92,772,170 2783165 1082 612,296 92,772,170 463,061	3,610,430 97,410,779 2922323 3552 642,911	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857	5,759,670 3,134,402 85,999,056 2552941 6831 561,647 85,099,856
Rininum ter payable Federal carp. income ter NONTAMA STATE TAXES Grass revonues Assessed tar base, 32 Property ter Drass revonues Dos. indomnity trust tr Liconce ter	3,969,609 84,147,693 2524412 7893 555,371 	3,278,100 20,354,440 2650633,4207 583,139 18,354,440 441,772 1,265,865	3,436,114 92,772,170 2783165 1082 612,296 92,772,170 463,061 1,329,392	3,610,430 97,410,779 2922323 3552 642,911 97,410,779 407,054 1,376,075	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,407 1,466,133	0 0 5,759,670 3,134,402 e5,999,056 2552941 6431 561,647 85,099,856 425,690 1,219,038
Ninimu ter payable Federal carp. income ter NONTAMA STATE TAXES Grass revenues Assessed ter base, 32 Property ter Grass revenues Des. indomnity trust tr	3,868,689 84,147,093 2524412 7893 555,371 84,147,093 420,735	3,279,100 80,354,440 2656633 4207 583,139 88,354,440 441,772	3,436,114 92,772,170 2783165 1082 612,296 92,772,170 463,061	3,610,430 97,410,779 2922323 3552 642,911 97,410,779 487,054	0 7,093,708 3,793,461 102,281,317 3068439 523 675,057 102,201,317 511,407	5,759,670 3,134,402 85,999,056 2552941 4831 561,647 85,898,856 425,490
Rininum tay payable Federal carp. income tay NONTANA STATE TAXES Grass revenues Assessed tay base, 32 Property tay Drass revenues Des. indemnity trust ty Licence tay Severance tay payable Operating profits	3,060,609 84,147,693 252442,7993 555,371 94,147,693 420,735 1,205,363 1,426,099 34,648,803	3,278,100 20,354,440 2650633,4207 583,139 18,354,440 441,772 1,265,865	3,436,114 92,772,170 2783165 1082 612,296 92,772,170 463,061 1,329,392	3,610,430 97,410,779 2922323 3552 642,911 97,410,779 407,054 1,376,075	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,407 1,466,133	5, 759, 670 3, 134, 402 85, 899, 056 2552941 6831 561, 647 85, 898, 856 425, 890 1, 219, 038 1, 644, 528 35, 049, 376
Riningo tar payable Federal carp. income tar HONTAMA STATE TAXES Grass revenues Assessed tar bese, 31 Property tar Drass revenues Des. indomnity trust ta Licence tar Severance tar payable Operating profits - Interest payment	3,868,609 84,147,093 2524412 7893 555,371 84,147,095 420,735 1,205,363 1,205,363 1,626,099 34,648,803 0	3,278,100 88,354,448 2459633 4287 583,139 88,354,448 441,772 1,265,865 1,787,637 36,381,243 0	3,436,114 92,772,179 2783165 1082 612,296 92,772,179 463,061 1,329,392 1,793,253 38,200,305 0	3,610,430 97,410,779 2922323 3552 642,911 97,418,779 487,054 1,336,095 1,003,149 40,110,321 0	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,407 1,466,133 1,977,540 42,115,837 0	5,759,670 3,134,402 85,999,056 2552941 4831 561,647 85,099,856 425,690 1,219,038 1,644,528 35,049,376
Niningo tar payable Federal carp. income tar HONTANA STATE TAXES Grass revenues Assessed tar base, 32 Property tar Grass revenues Des. indemnity trust tr Licence tar Severance tar payable Geerating profits - Interest payaent - Property tar	3,868,689 84,147,093 2524412 7893 555,371 84,147,093 420,735 1,205,363 1,205,363 1,626,099 34,648,803 0 555,371	3,279,100 00,354,449 2650633 4297 S83,139 19,354,449 441,772 1,265,845 1,797,637 36,391,243 0 583,139	3,436,114 92,772,179 2783165 1082 612,296 92,772,179 463,861 1,327,392 1,793,253 38,200,305 0 612,296	3,610,430 97,410,779 2922323 3552 642,911 97,418,779 487,054 1,336,095 1,003,149 40,110,321 0 642,911	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,407 1,466,133 1,977,540 42,115,837 0 675,057	5,759,670 3,134,402 85,999,056 2552941 6831 561,647 85,698,854 425,690 1,219,038 1,644,528 35,048,376 0 561,647
Riningo tar payable Federal carp. income tar HONTANA STATE TAXES Grass revocaes Assessed tar base, 31 Property tar Grass revocaes bes. indomnity trust tr Licence tar Severance tar payable Operating profits - Interest payaent - Property tar - Severance tar	3,868,689 84,147,093 2524412 7893 5355,371 84,147,093 420,735 1,205,363 1,205,363 1,626,099 34,648,883 0 555,371 1,626,099	3,279,100 20,354,449 2650633 4207 583,139 28,354,449 441,772 1,265,665 1,707,637 36,391,243 0 583,139 1,707,637	3,436,114 92,772,179 2783145 1082 612,296 92,772,179 443,061 1,329,392 1,793,253 38,200,305 0 612,296 1,793,253	3,619,430 97,410,779 2922323 3552 642,911 97,416,779 487,054 1,336,075 1,603,149 40,110,321 0 642,911 1,603,149	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,407 1,466,133 1,977,540 42,115,837 0 675,057 1,977,540	5,759,670 3,134,402 85,999,054 2552941 6831 561,647 85,099,854 425,697 1,219,038 1,644,528 35,049,374 (561,647 1,644,528
Rininum tay payable Federal carp. income tay HONTANA STATE TAXES Grass revonues Assessed tay base, 32 Property tay Grass revonues bes. Indeanity trust ty Licence tay Severance tay payable Georating profits Interest payable Severance tay Severance tay Severance tay Severance tay Depreciation	3,868,689 84,147,093 2524412 7893 535,371 84,147,093 420,735 1,205,363 1,205,363 1,626,079 34,648,883 6 5555,371 1,626,079 4,669,818	3,279,100 20,354,440 2650633 4207 S83,139 28,354,440 441,772 1,265,065 1,707,637 36,391,243 0 S83,139 1,707,637 3,214,307	3,436,114 92,772,170 2783145 1082 612,296 92,772,170 443,061 1,329,392 1,793,253 38,200,305 0 612,296 1,793,253 3,375,822	3,610,430 97,410,779 2922323 3552 642,911 97,410,779 407,054 1,356,095 1,003,149 40,110,321 0 642,911 1,003,149 3,543,773	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,467 1,466,133 1,977,540 42,115,837 0 675,057 1,977,540 3,720,962	5,759,670 3,134,402 85,999,056 2552941 4831 561,647 85,099,854 425,690 1,219,038 1,644,528 35,049,376 0 541,647 1,644,528 3,772,433
Rininum tar payable Federal carp. income tar HONTAMA STATE TAXES Grass revenues Assessed tar base, 32 Property tar Drass revenues Des. indemnity trust tr Licence tar Severance tar payable Operating profits - Interest payaent Property tar Severance tar - Depreciation - Amerization	3,868,669 84,147,693 252442,7893 555,371 84,147,693 420,735 1,205,363 1,205,363 1,426,099 34,648,803 0 555,371 1,626,099 4,669,810 1,376,037	3,279,100 88,354,448 2650633 4287 583,139 88,354,449 441,772 1,265,065 1,797,637 36,381,243 0 583,139 1,707,637 3,214,387 1,376,037	3,436,114 92,772,170 2783165 1882 612,296 92,772,170 443,061 1,379,392 1,793,253 38,200,305 0 612,296 1,793,253 3,375,822 1,376,837	3,619,430 97,410,779 2722323 3552 642,911 97,416,779 487,054 1,376,054 1,603,149 40,110,321 0 642,911 1,603,149 3,543,773 1,376,637	0 7,093,708 3,793,461 102,281,317 3068439 523 675,057 102,281,317 511,487 1,464,133 1,977,540 42,115,837 0 675,057 1,977,540 3,720,962 1,376,037	5, 759, 670 3, 134, 402 85, 999, 056 2552941 6831 561, 647 85, 899, 856 425, 690 1, 219, 038 1, 644, 528 35, 049, 376 0 561, 647 1, 644, 528 3, 772, 433 1, 100, 823
Rininum ter payable Federal carp. income tar INNTAMA STATE TAXES Grass revenues Assessed tar base, 32 Property tar Dross revenues Des. indomnity trust tr Licence tar Severance tar payable Operating profits - Interest payaent - Property tar Severance tar - Depreciation - Amertization - Depletion	3,060,609 84,147,093 2524412 7093 2525412 7093 420,735 1,205,363 1,205,363 1,426,099 34,648,003 0 555,371 1,626,009 1,376,037 12,579,066	3,279,100 68,354,448 2659633 4297 583,139 88,354,448 441,772 1,265,865 1,797,637 36,381,243 0 583,139 1,707,637 1,376,037 14,912,313	3,436,114 92,772,179 2783165 1092 612,296 92,772,179 443,061 1,329,392 1,793,253 38,200,305 0 612,296 1,793,253 3,375,622 1,776,637 14,745,499	3,610,430 97,410,779 2922323 3552 642,911 97,418,779 607,054 1,336,095 1,003,149 40,110,321 0 642,911 1,003,169 3,543,773 1,576,037 15,515,343	0 7,093,708 3,793,461 102,281,317 3068439 523 675,857 102,281,317 511,467 1,464,133 1,977,540 42,115,837 0 675,057 1,977,540 3,720,962 1,376,037 16,323,679	5,759,670 3,134,402 85,899,056 2552941 6831 561,647 85,898,856 425,690 1,219,038 1,644,528 35,049,376 0 561,647 1,644,528 3,772,438 3,772,438
HONTAMA STATE TAXES Grass revenues Assessed tax base, 32 Property tax Dross revenues Des. indemnity trust ta Licence tax Severance tax payable Operating profits - Interest payment - Property tax	3,868,669 84,147,693 252442,7893 555,371 84,147,693 420,735 1,205,363 1,205,363 1,426,099 34,648,803 0 555,371 1,626,099 4,669,810 1,376,037	3,279,100 88,354,448 2650633 4287 583,139 88,354,449 441,772 1,265,065 1,797,637 36,381,243 0 583,139 1,707,637 3,214,387 1,376,037	3,436,114 92,772,170 2783165 1882 612,296 92,772,170 443,061 1,379,392 1,793,253 38,200,305 0 612,296 1,793,253 3,375,822 1,376,837	3,619,430 97,410,779 2722323 3552 642,911 97,416,779 487,054 1,376,054 1,603,149 40,110,321 0 642,911 1,603,149 3,543,773 1,376,637	0 7,093,708 3,793,461 102,281,317 3068439 523 675,057 102,281,317 511,487 1,464,133 1,977,540 42,115,837 0 675,057 1,977,540 3,720,962 1,376,037	5, 759, 670 3, 134, 402 85, 999, 056 2552941 6831 561, 647 85, 899, 856 425, 690 1, 219, 038 1, 644, 528 35, 049, 376 0 561, 647 1, 644, 528 3, 772, 433 1, 100, 823

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PROFECT BASIS		~ ¥¥			YEAN S	YEAN 6	YEAR 7	YEAR 8	YEAR 9	TEAR 10	YEAR 11	YEAN 12	
Hime morating revenues 0 0 0 0 0 0		00		0	76,576, 8 74 31,907,039	30,507,391	35,177,511	12, 936, 326	65, 931, 449 38, 783, 205	69, 229, 022 64, 227, 946	72, 689, 423	74, 123, 10 4	141,000 141,000
= therating profits	6	0	•	0	44,669,855	46,903,347	49,248,515	51,710,941	27,148,244	28, 505, 656	ete, 819, es	31.427.496	17,990,044
- Capitál espenditares - Navříne capital A Nov Ano	21,525,000	052'109'22	212,127,222 0 0	24,917,878 10,331,803	2,297,307 516,590 2	2,412,172 542,420	2,532,781 569,541 2	2.659.420 598.018	2,792,591 627,919	2,912,010 659,314	3,078,611 692,280	3,222,541 726, 874	3, 394, 168 7(2,2)7
- interest personts								.		• •	-		
= Bef, Bebt-Past Cash Fiee	w (21,525,000)	(22,461,250)	(23,731,313)	(35,269,401)	41,055,958	43, 948,756	46,146,193	48, 4 53 503	23, 727, 934	24,914,331	26,140,048	27,448,050	78, 111, 15
- bobt's principal pyrami	•	•	•	Đ	•	Ð	8	C 1	0	•	0	•	
= bef las het Cash Flow	[21,525,600]	(857,109,52)	(212.1731.313)	(15,249,481)	954'558'11	43,948,756	46,146,193	48,453,503	23,777,934	24,914,331	26, 149, 848	27.448.050	71.M. 63
- Federi carp incese ta: - State accestr ta:	•••	• •	•	00	903,379 D	6,555,024	7,150,440	7.647.076	1,972,557	171.JZ2	5,0%, 807 140 AM	あ。 第15 第15	5,690,755 540 @1
- State servence to: - State income to:					560.708 0	609, 741 8	640,231 0 0	6/2,242 0	352.927	9/5'0/5	201.102	(SS.)	
- 4-T Certifier (certi) (21,55,660) (22,401,590) (23,731,313) (25,595,481) (0,371,071 34,002,565 37,534,714 37,272,136 20,475,396 21,167,163 22,171,731 Deterministrum menterm	(000 , 522, 15)	(22,10,25)	(21, 12, 13)	(3, 29,4 1)	40,371, 8 71	34,002,745	37,534,714 111111111111111	39,277,336	20,547,509	547,5 67 ,91	82'%!'£	21,149,163	2,171,73 101,171
Fedri cara, incese ter State meanin for	• • •		• •	• •	151./11/ A	879-144-11 141-142	5,001,444 547 111	5, 175, 942 541, 113	1.239.297	2,915,117	2,978,972 191, 192	59 R.2	644°210 S
State severance ter					455,000	155.000	000'SSI	100.554	105 .122	127, See	100°	10°	1. 12
Stete income tai Tetal tar pergents		•	•	• •	0. [2][79[1]	5.779.74	0 4.120.018	0 4.214.175	0 1(1,050,5	3,454,483	3, 099, 165	3.510.593	3,537,00
CASH FLANS (14 CANS) &				-X									
before-tar G Aftor-tar G	(11, 12, 12, 12) (11, 12, 12, 12) (11, 12, 12, 12)	(#****;R) (#***;R)	(N. 19, 19, 12) (N. 19, 19, 12)	(39, 88 , 8 9) (39, 88 , 8 9) (27, 88 , 8 9)	11,75,23 31,422,417	21,795,238 24,645,445	N.63.23 N.65 231	12,7%,23 26,501,063	15,295,230 13,245,107	15.255.039 255.046.11	15,295,238 11,7%,033	15. 25.23 11.776.445	11,255,228 11,256,11
FERENCE CHR. TRAN TEAN TEAN TEAN TEAN TEAN TEAN TEAN TE		К. н ~	16.M	44 47	TEAR 5	45 M	TEAD TEAD TEAD TEAD TEAD TEAD	- 1 1	TAN -	19 19 19	1 2	тала тала 11 12 -	8 <u>1</u>
Nine ann atlan remane Merating cast		••	••		100,000,000 100,000,000 100,000,000	10, 50, 70	17,17,511	127.121 127.121 126.126	12, 931, 449 28, 713, 265	12.12.14 12.12.14	72,609,57 199,667,59	14 '54'1	10.161.0
terreting profit	•	•	•	•	M.449,855	44,943,347	M.240.515	51.718.941	27,140,244	7.25.64	121, KE1, PS	31.477.46	Z.99.M
 Interest charges State for memory 	•••	••		• •	- J					- 77,58	.		

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LEAP-TINE PRIJEC - NETWON													
= II.1. before allowners	•	7	•	•	(11,000,14	191,112,26	40.00.0	50,176,049	25,000,375	106,923,75	1 , 11, 11, 11, 11, 11, 11, 11, 11, 11,	36,475,1 37	N8'610'A
- berecistien ellemences - Anyrtization	••	/	••	~ •	9, 441, 940 1, 376, 037	14, 581, 791	14.221.427 1,376,037	14,401,961 1,376,037	14, 952, 444 1, 376, 0 37	4,238,233 1,374,037	700,872,1 MB1,571,8	4.29.405	4,443,237
: încese for deplotion	•	•	•	-	21'112'11	29,554,854	2,190,012	34, 374, 652	5,182.9	22,045,718	23,474,767	21.M.65	N. IM.43
- bepletion allemance	•	•	60	•	16,635,541	14,777,627	900'544'91	17.199.426	4,780,836	11,622,659	, 11, 737, 303	12,597,340	13,090,510
= Tutable inces	•	•	•	•	16,635,561	14,777,027	14,005,006	17,199,426	4,700,836	11,022,059	11,777,385	12,597,346	13,000,310
Ter ethernise sevale - Investment ter credit	••	• •			7,627,046	6,772,1 20 217,095	92, 972, 1 929, 155	7, 006 ,423 239,348	2.173. 872 251.315	5,045,243 245,001	5, 373, 864 270, 675	S, 671, 467 274(979	5,996,238 365,475
s Tas peyable net of 11C	•	•	0	•	415°EM	6,555,024	7,150,440	7,647,076	1,722,557	1, 11, 22	5.95.485	s. M. ST	5,694,755
Information that scoreduce a fort, door, al. for the Tr	-	5	-	•	10,018,624	720,724,81	15,597,464	16, 777, 91	16, 128, 703	5,614,270	5,540,221	5, 78 , 442	5, 879, 879
Institution 2.3 here	•	0	•	0	11/:2/015	91,146,736	97,169,036	83, 123, 145	109° WK' R	14,739,035	79, 346, 463	194'07/'59	200'526'07
trycatic) 31.4 for the Tr incolorated days, assumit			-		110.671.4	100°.010°.9	8,092,110 8,092,153	6, 926, 929 8, 851, 060	024'.(11'.	1 1 1 1 1 1 1 1	1.01.410./ 0	611'822'8	
linieee tar bese inieee tar proble	6 •	, 	•	• •	3.576,442 536,469	949,521 522,548,5	217, INT, I 251, 257	1,201,993	7,225,343	•••		• •	••
Federal carp. Income tar	0		•	o	903, 379	· ,555,024	7,150,440	7,647,076	155'224'1	122,187,1	5,006,009	5,366,579	5,690,353
NEVAM STATE TAXES	0	•		•	580, 708	777-142-1	1,461,039	160, 62, 1	1,257,869	M3,641	154',700	912,349	3%'%6
Not precede previous 77 Instant La base Present La base		690				44,449,455 15,424,419 257,114	44,903,347 16,414,172 820,809	49,248,515 17,234,900 841,849	51.710.941 10.090.127 0 900.941	27,148,244 9,501,005 475,094	21.265.65 9.9%,96 99,199	426'986'44 428'527'01 142'725	11, 121, 12 12, 121, 121 12, 121, 121 12, 121, 121
Not preceds tar bese Severance tar	• •			• •	44,669,#55 580,708	112,001,34	49,248,515 640,231	51,710,941 672,242	27,148,244 352,927	28,505,656 370,574	501,002 201,002	31,427,446	28'88' 28'88'

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CASH FLOW SUMMARY : PROJECT BASIS :	YEAR 14	YEAR 15	TEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAA 20
Nime operating revenues :	84,147,093	88,354,448	92,772,178	97,418,779	102,281,317	85,098,056	0
operating costs	49,498,290	51,973,204	54,571,865	57,300,450	60,165,481	50,057,680	C
Operating profits	34,648,803	36, 381, 243	38,200,305	40,110,321	42,115,837	35,040,376	(
Capital expenditures	3,563,877	3,742,071	3,929,174	4,125,633	4,331,915	3,604,153	c
Working capital	801,401	841,471	883,544	927,722	974,108	(21,479,077)	C
lieu debt	0	0	0	0	0	0	(
Interest paysonts		0	0	0		0	
Bef Bebt-Pant Cash Flou	30,283,525	31,797,701	33, 387, 587	35,056,966	36,809,814	52,915,300	l
Bobt's principal payment!	0	0	0	0	0	0	(
Bef Tax Net Cash Flow	38,283,525	31,797,791	33, 307, 587	35,856,966	36,909,814	52,915,300	(
Federi corp. income taz i	6,010,102	6,701,567	7,053,735	7,423,512	7,811,778	6,314,462	(
State property tax	577,480	686,354	636,672	668,505	701,931	737,027	613,20
State severance tax	450,434	472,956	496,684	521,434	547,506	455, 525	l
State incose tas	0	0	1	•	0	0	
A-T Cash flow (cur \$) 1	23,245,429	24,016,025	25,288,576	26,443,514	27,748,680	45,400,296	(613,20)
A-T Cash flow (cur s) 1 1111111111111111111111111111111111	23,245,429 11111111111111111	24,016,825 111111111111	25,2 00 ,576 171111111111111111	26,443,514 11111111111111111	27,7 48,680 111313111111111	45 ,408,266 177723332727333733	(613,20)
TATATATATATATATATATATATATATATATATATATA	3,035,550	3,223,540	3,231,397	3,238,854	3,245,955	2,522,874	1111111111
TATATATATATATATATATATATATATATATATATATA	3,035,550 291,447	3,223,568 291,667	3,231,397 291,467	3,238,854 291,667	3,245,955 291,667	2,522,874 294,47]	
TATATATATATATATATATATATATATATATATATATA	3,035,550 291,667 2927,500	3,223,540	3,231,397	3,230,854 291,667 227,500	3,245,955 291,667 227,500	2,522,874 294,471 182,000	
TATATATATATATATATATATATATATATATATATATA	3,035,550 291,447	3,223,568 291,667	3,231,397 291,467	3,238,854 291,667 227,588 0	3,245,955 291,667	2,522,874 294,47]	
TATATATATATATATATATATATATATATATATATATA	3,035,550 291,667 227,500 0	3,223,568 291,667 227,586 0	3,231,397 291,667 227,506 0	3,230,854 291,667 227,500	3,245,955 291,667 277,500 0	2,522,874 294,471 182,000 0	
TATESTICITIESTICESTICESTICESTI TAT PATHENTS TH CONST. \$ Fedral curp. income tar State property tan State severance tar State income tar Total tar peymonts	3, 835, 550 291, 667 227, 540 6 3, 554, 717	3,223,568 291,667 227,500 0 3,742,735	3,231,397 291,467 277,500 9 3,750,564	3,238,854 291,667 227,588 0	3,245,955 291,667 227,500 0 3,765,122	2,522,874 294,471 182,009 0 2,999,345	
TATATATATATATATATATATATATATATATATATATA	3,035,550 291,667 227,500 0	3,223,568 291,667 227,586 0	3,231,397 291,667 227,506 0	3,238,854 291,667 227,500 0 3,756,820	3,245,955 291,667 277,500 0	2,522,874 294,471 182,000 0	
Four payments in const. s Four curp. income tar State property tar State servence tar State servence tar Total tar personts CASH FLONS IN CONST s Before-tar CF After-tar CF	3, 835, 556 291, 447 227, 580 6 3, 554, 717 15, 295, 238	3,223,568 291,667 227,500 0 3,742,735 15,295,238	3,231,397 291,447 227,500 9 3,750,564 15,295,230	3,238,854 291,667 227,560 0 3,756,829 15,295,230	3,245,955 291,667 277,500 3,765,122 15,275,230	2,522,874 294,471 182,000 0 2,999,345	
TAT PATHENTS TH CONST. \$ Fedra curp. income tar State property tar State property tar State income tar Total tar poyments CASH FLONS TH CONST & Before-tar CF After-tar CF	3, 635, 550 291, 667 277, 580 6 3, 554, 717 15, 295, 238 11, 740, 521	3,223,548 291,467 227,580 0 3,742,735 15,295,238 11,552,583	3,231,397 291,467 227,580 0 3,750,544 15,295,230 11,544,474	3,238,854 291,667 227,569 0 3,758,828 15,295,238 11,537,218	3,245,955 291,667 227,500 3,745,122 15,275,230 31,530,117	2,522,074 294,471 182,000 0 2,999,345 	
Four payments in const. s Four curp. income tar State property tar State servence tar State servence tar Total tar personts CASH FLONS IN CONST s Before-tar CF After-tar CF	3, 835, 556 291, 447 227, 580 6 3, 554, 717 15, 295, 238	3,223,568 291,667 227,500 0 3,742,735 15,295,238	3,231,397 291,447 227,500 9 3,750,564 15,295,230	3,238,854 291,667 227,560 0 3,756,829 15,295,230	3,245,955 291,667 277,500 3,765,122 15,275,230	2,522,874 294,471 182,000 0 2,999,345	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
TATION CONTRACTOR CONT	3, 035, 550 291, 667 227, 500 0 3, 554, 717 15, 295, 230 11, 740, 521 11, 740, 521 11, 740, 521	3,223,548 271,667 227,500 0 3,742,735 15,295,238 11,552,563 112559,12151 11352,563	3,231,397 291,467 277,500 0 3,750,564 15,295,230 11,544,674 111111111111111111111111111111111111	3,238,854 291,667 227,560 0 3,758,829 15,295,230 11,537,218	3,245,955 291,667 277,500 3,765,122 15,275,230 11,530,117	2, 522, 874 274, 471 182, 000 0 2, 999, 345 47, 141, 731 19, 142, 305	(((((((((((((((((((
TAXINITY INTERPOLATION AND A CONST. \$ Fodri corp. income tax State property tax State severance tax State income tax Total tax perments CASH FLOWS IN CONST # Before-tax CF After-tax CF After-tax CF ENTERPOLATION AND AND AND AND AND AND AND AND AND AN	3, 835, 550 291, 667 227, 540 6 3, 554, 717 15, 295, 238 11, 740, 521 FERRET RECENTION TEAM 14	3,223,560 271,667 227,500 3,742,735 	3,231,397 291,467 277,500 9 3,750,564 15,295,230 11,544,674 11,544,674 11,544,674 11,544,674 11,544,674	3,238,054 291,667 227,500 3,756,020 15,295,230 11,537,210 11,537,210 11,537,210 11,537,210	3, 245, 955 291, 667 227, 500 0 3, 745, 122 15, 255, 230 11, 530, 117 THE THE THE THE THE THE THE THE THE THE	2, 522, 874 274, 471 182, 000 2, 999, 345 24, 144, 731 19, 142, 385 24, 144, 731 19, 142, 385 24, 144, 731 19, 142, 385 21, 22, 874 21, 22, 22, 874 21, 22, 22, 874 21, 22, 24, 27, 24, 24, 24, 24, 24, 24, 24, 24, 24, 24	(((((((((((((((((((
TAXINITYIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	3, 835, 550 291, 667 227, 580 6 3, 554, 717 15, 295, 238 11, 740, 521 11, 740, 521 11, 740, 521 11, 740, 521 11, 740, 521 11, 740, 521	3,223,548 291,447 227,548 0 3,742,735 15,295,238 11,552,543 11,552,543 11,552,543 11,552,543 11,552,543 11,552,543	3,231,397 291,467 277,500 9 3,750,564 15,295,230 11,544,674 11,544,674 11,544,674 11,544,674 11,544,674	3,238,054 291,667 227,500 0 3,756,620 11,537,210 11,537,210 11,537,210 11,537,210 11,537,210 11,537,210	3, 245, 955 291, 647 227, 500 0 3, 745, 122 15, 295, 230 11, 530, 117 TEAR 10 102, 201, 317	2, 522, 874 294, 471 182,000 0 2, 799, 345 21, 141, 731 10, 142, 385 21, 141, 731 10, 142, 385 21, 141, 731 21, 142, 385 21, 141, 731 21, 142, 385 21, 141, 731 21, 142, 385 21, 141, 731 21, 142, 385 21, 142, 385 2	10000000000000000000000000000000000000
TAXINITY AND	3, 035, 550 291, 667 27, 500 0 3, 554, 717 15, 295, 230 11, 740, 521 757777575 11, 740, 521 757777575777 14, 740, 521 75777777777 14, 740, 521	3,223,548 291,467 227,580 0 3,742,735 15,295,238 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583 11,552,583	3,231,397 291,667 277,500 0 3,750,564 15,295,230 11,544,674 15,195,230 11,544,674 16 72,772,170 54,571,665	3,238,854 291,667 227,508 0 3,758,828 15,295,238 11,537,218	3,245,955 291,667 227,500 3,745,122 15,275,230 11,530,137 7EAR 10 102,201,317 60,165,001	2,522,074 274,471 182,008 0 2,799,345 et,141,731 18,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,142,385 et,144,73 et	(613,20)

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LEAD-ZOIC PROJECT: NEWNON

N.I. before allounces	33,620.887	35, 301, 933	37,867,838	30,920,301	40,366,400	33,847,824	(613,207)
Depreciation allowances I	4,689,010	3,214,307	3, 375, 622	3,543,773	* 3,720,962	3,772,439	0
Appreciation 1	1,376,837	1,376,837	1,376,037	1,376,837	1 1, 376, 037	1,100,829	0
Income for depletion	27,635,841	30,711,590	32,315,971	34,000,371	35,769,482	28,974,556	(613,207
Projetion allounce	13,817,921	15,355,795	16,157,985	17,000,286	17,884,791	14,487,278	Û
Taxable income	13,817,921	15,355,795	16,157,985	17,000,296	17,884,701	14,487,278	(613,207
Tax otherwise peyable	6,330,931	7,838,353	7,407,361	7,794,819	8,201,658	6,638,835	0
Investment tex credit 1	328,749	336,786	353,626	371,307	389,872	324,374	0
Tax persble net of ITC 1	6,010,182	6,701,567	7,053,735	7,423,512	7,011,770	6,314,462	0
I NEWTING TAX SCHEDULE							
et. depr. al. for the Yr [5,985,847	4,590,343	4,751,859	4,919,818	5,0%,998	4,873,268	0
pethetical SLD base	55,793,879	50,236,969	44,118,758	37,214,695	29,141,712	18,175,009	0
<pre>wpthtcl SLA for the Yr _ ccelerated depr. acount _ </pre>	9,298,988	10,847,394	11,829,687	12,464,898	14,570,856	18,175,009	0
ininuu tar bese						0	0
inimus tar peyable	i	i		•	0	0	0
 Federal carp, income tax	6,019,182	6,701,567	7,853,735	7,423,512	7,811,778	6,314,462	0
NEVADA STATE TAXES	1,627,914	1,079,310	1,133,276	1,187,940	1,249,436	1,192,552	
1-							
Net proceeds previous yr! Assessed tar base	32,998,860	34,648,883	36,381,243	38,288,385	40,110,321	42,115,837	35,040,376
Preservy Lag 1	11,549,601 577,400	12,127,001 404 TLA	12,733,435	13,370,107	14,030,612	14,748,543	12,264,132
	3//, 480	686,354	636,672	668,585	701,931	737,027	613,207
Net proceeds tax base	34,648,803	36,301,243	38, 299, 385	40,110,321	42,115,837	35,940,376	0
Severance tax	450,434	472,956	496.684	521.434	547,506	455, 525	Ó

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CLASH FLOOR SEGMULTY I TEAM TEAM TEAM TEAM TEAM TEAM TEAM TEAM	TEAD	rear 2	TEAD 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	TEAR 8	rear 9	TCAR 10		YEAR 12	TEAR 13
Mine morating correct Operating costs	• •		179,431, 875 67,142, 250	. = '//	197, 823, 642 74, 073, 623	207,714,824 71,725,547	219,100,566 B1,611,825	100, 375, 569 85, 692, 416	720,521,221 720,719,98	162, 007 , 463 94, 475, 86 8	587'641'66 956'550'121	179,585,621 104,159,667	16,54,914 10,34,914 10,34,459
: therating profits	•	0	112,209,625	117,904,106	123, 799, 512	129,989,277	134,408,74	102,683,153	65,155,705	68,413,574	71,834,253	75,425,%6	N.191.K
- Caultal argenditures - Marting capital + Nov did - Estart paramts	139.200.000	1.34, 710, 000 15, 946, 250 0	80, 245, 245, 2 812, 447 8	6, 485, 284 8.59, 278 0 0	7.019,549 881,242 0 0	725, 370, 526 1925, 394 10	7,739,052 971,569 0 0	8,126,005 1,020,148 0 0	202.222.8 221.110.1 0	8,958,970 1,124,713 0 0	9,406,844 1,180,949 0 0	9,235,210 999,799,1	979,192,1 979,192,1 9
= \$ef. \$mbt-funt Cash Flow! (130,200,000) (152,654,250)	(100,005,001)	(152,6%,250)	105,123,375	116,379,544	115,896,521	121,693,447	127.778,119	93,537,001	55, 552, 325	146'622'85	61,246,438	64, 208, 768	67,524,198
- Bebt's principal paramet		0	Ð	Đ	0	0	Q	0	8	Ð	6	6	•
= Bef Tax Met Cesh Flee (139,200,000) (152,6%,250)	(139,200,000)	(152,6%,250)	105, 123, 375	110, 379, 544	115.898.521	121,693,447	127, 778, 119	93,537,001	55, 552, 125	146, 652, 85	61,246,438	64,300,769	61,62,73
- Foder carp. incase tar - State armostr tar	0	0 747-017-21	2,757,993	5,340,610	10, 300, 945	13,212,976	107 971 101 101 629 101 11	520,888,81 520,888,81	6.691.219 14 145 742	7,144,570	10, 119, 119	1, 226, 007	16. 26 . 44
- Steto soverance tar - State Income tar	•		2,907,241	2,947,603	3,094,903	3,249,722	3.412.219 2.417.773	2,567,079	909"66 540"829"1	11.10.10	1, 75, FS	1,885,649	511.579.1 511.279.1
- 4-1 Cash flaw (car 0) (14),465,422) (144,919,679) 70,545,460 111111111111111111111111111111111111	(143,465,422)	(148,010,679) 111111111111111	70,545,404	נו, אל, ש חוווווווווווווווו	1111111111111	06, 305, 571	11111111111111111111111111111111111111	34,688,776	72, 24, 49, 52, 42, 42, 42, 42, 42, 42, 42, 42, 49, 54, 54, 54, 54, 54, 54, 54, 54, 54, 54	33,546,690	3, 39, 27 ⁷	7,254,911	37,350,574
Fedral carpo lacase ta: State presents ta:	12,744,480	677' 040'51	2,302,458	11,205,101	8,148,010 13,321,030	9, 1159, 776 447, 1057, 21	10, 290, 946 11, 112, 590	"11, 430, 480 9, 862, 205	912,213,471 9,118,471	1, 460. 1 19, 364, 17		4,540,595 8,467,233	353 353 353
state services to State incom tar Intel ter service			1,020,12 1,020,14 1,020,12	2142-122-122-122-122-122-122-122-122-122	190, (%), , , , , , , , , , , , , , , , , , ,		112, 122, 100 112, 117, 1	500'124'1 500'124'1	770, P21 770, P3 735, 742, A1	075'/4/ 075'/4/	10,000,1 10,000,1	(K')21	20, 100, 1 20, 1, 100, 1
CASH FLAND IN CONST &				×									
before-ten G After-ten G	(124, 100, 000) (124, 74, 400)	(00,002,001) (00,000,001,01) (02,002,021) (00,002,027,021)	N2, 100, N 114, N3, 13	127.000,02 127.000,02	90, 809, 524 91, 976, 615	90,000,524 64,442,243	107,100,10 271,105,23	62,309,524 80,355,84	35, 889 , 554 21, 245, 757	17, 192, 15 137, 192, 15	11,544,824 20,642,114	NS, NB , 21 321, 747, 85	52,000,52 700,700,91
	11111111111111111111111111111111111111	121212121212121212		19888888888888888888888888888888888888	11111111111111111111111111111111111111				1121121121212		11111111111111111111111111111111111111		
PRACT CAPY. INCOME. 141	2 -		TEAN 3		2 S	7	/14 1			1 9 1	¥ =		2
Rise specialing revenue Operating cost			179, 431, 475 47, 142, 250		147, 823, 442	14,271,18 193,111,181	218,100,544 81,611,875	110 375 540 115,697 416	155,112,122	142, MM , 443 94, 475, MM	171,013,916 109,191,19	178,205,613 198,159,647	959'/75' 681 959'/75' 681
terating profit	•	- \$6	112,200,625	117,994,106	123.744,312	121.999.951	134,400,741	102,483,153	65,155,705	60,413,574	11,034,053	7.15.14	N.191,N
- Interest charges - State tas perments	• 13.005.027	• •5,314,42	0 23,000,251		0 27.700,345	2,620,105	20.24	8, 348, 555	• 524,542,11	616"144"./I	0 211,033,01	19,224,303	10'31'N
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COPPER-HUL TRIEDION PROJECT AR120NA

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CAMER-ME, YOOCHIE PARKET ANIZHIA

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= N.I. before allowances	(13,465,622)	(13,465,622) (15,314,429)	M.782.374	10.575.617	101,094,944	107, 369, 174	114,241,477	127,134,627	47,012,6 1 5	50,421,656	53,201,141	59'.01'95	515,010,915
- berecietien allemances - Amertization		•••	39,965,465 765,333	44, 600 , 543 745, 333	46,383,356	46, 161, 945	47, 600, 214 765, 333	14,954,964 265,333	14, 506, 441 745, 333	14,872,900 745,333	15, 257, 678 111, 245, 111	15,441,4 44 111,241	0, 990, 394 245, 337
: Incase for depletion	(11,465,822)	113,465,622) (15.314,269)	57.531,635	44,521,141	54,020,255	10,111,0%	65, 787, 924	64,614,331	27,541,039	34,785,414	37,178,138	39,740,643	e
- Popletion allement	•	-	10,111,15	23,240,570	27,015,127	30,220,948	32,715,085	78, 256, 335	16,270,520	107,102,71	18,589,045	222,059,01	21.64.24
: Terable incom	(13,465,627)	(15, 314, 429)	157'919'8	23,260,570	27.015.127	B*6'022'05	13,072,839	366, 751, 85	16,270,520	(9(*)145'(1	399'445'EI	22, 878, 61	N.111.N
Ter attervise perable - Investment tar credit	00		14,050,340 12,655,639	022'019'6	12,401, 646 2,812,701	112, 278, 211 142, 378, 211	15, 188, 194 696, 515	17,619, 366 731,340	7,459,127 767,907	7,974,873 806,383	8,525,657 846,618	9,115,035 690,900	30,522,111 302,122
: fer perable net of 110	0	6	1,402,710	1,064,330	10,300,945	13,212,976	14,491,679	16,889,025	6,691,219	7,168.578	1,479,059	8,276,007	10, 300, 666
Infilmen TAL SOCEMEE 191. dawn. al. for the Yr Mynothotical 310 base Prothotal 314 for the Yr Arcellerated day assunt Minisme tar besty Minisme tar perradio	000000		80,873,873 80,973,873 80,100 90,100 91,10000000000	40, 853, 876 260, 000,615 12, 185, 443 36, 648, 394 35, 644, 394 35, 644, 394 35, 540, 610	47,068,691 262,914,682 12,519,747 34,548,944 34,548,944 34,000	872,757,44 124,285,757,752 200,820,42 200,820,42 800,821,8 800,821,8	49, 453, 548 253, 616, 240 11, 295, 592 35, 157 20, 666, 277 3, 099, 942	15,720,298 247,466,654 13,747,036 1,973,261 0 0 0	1,271,75,211 1,272,125,242 1,248,917 1,022,857 0 0 0	15, 638, 241 236, 941, 906 14, 808, 66 829, 372 0	16.023.011 231.559,994 15,435,994 507,018 0	16,427,628 225,981,128 225,141,58 265,511 265,511 265,513 275,513 275,515,513 275,515,515,515,515,515,515,515,515,515,5	117.573.9 293.015.055 205.479,31
Federal corp. Income tar	-	8	24,47,5	5,340,618	10, 388, 945	13,212,976	14,491,67	16, 999, 025	6.691,219	7,168,570	7,679,039	1,726,007	10, 300, 64r
ARIZONA STATE TAXES	13,405,027	13,405,022 15,314,429 23,919,978 22,6	579,910, 55		22,645,189	22,094,900	21,494,393	19, 980, 679	15,874,040	17,614,673	10,226,171	10,023,763	666' MK' 61
Met preceds, canst 8 Meshald M'of property 1 Assessed to bese, 445 Ad valence property to:	0 243,774,536 121,843,836 13,805,825	1 200,222,005 137,015,215 200,222,005	000,000,10 151,421,621 000,000,10	000"000"/4 216"00"/52 000"000"/6	990,000,74 940,955,875 980,955,851 871,982,821	900,000,74 900,000,74 900,000,74	97,000,000 230,000,000 242,503,650 104,545	69, 500, 000 203, 764, 561 132, 463, 347 14, 570, 968	42,000,000 186,399,165 128,597,651 14,145,742	42,000,000 185,254,575 132,774,400 14,605,193	42,000,000 191,751,346 136,776,846 15,945,455	42,000,000 177,035,390 100,521,397 15,657,354	42,000,000 173,442,940 142,903,131 15,829,344
Net severance base Severance tat			112,200,225	117,994,196 2,947,603	123, 799, 312 3,094, 983	129, 909, 277 3, 249, 732	136,488,741 3.412,219	102,683,153 2,567,079	65,155,785 1,628,895	68.413,574 1.718.339	71,034,753	75,425,946 1,005,649	19, 19, 24 15, 72, 1
Operating profits Interest payment	•••		112,209,425	117,994,106 0	123, 799, 312	129,949,257	136,488,741 0	102,683,153 0	65,155,785 0	68,413,574 0	71,034,253	75,425,946	987.791.47
Antizetien			511,237 211,237		46, 301, 330 745, 333	46,161,945 745,333	4/,688.214 765,333	765,333	14,306,441	10, 271, 11	10,27.01 10,101	111'19'SI	101°59/
Federal tax, previews yr! Preserty tax	0 13.405.007	15.314.429	0 202-202-21	2,757,993	5,340,610	10, 300, 945 16, 457, 374	13,212,976 15.644.601	14, 491, 679	14, 800, 025 14, 145, 742	6, 691, 219 14, 605, 193	7, 148, 578 15, 645, 455	1,679,039	8, 226, 007 15, 627, 344
Severance Las			2,807,241	2, 917, 483	3,094,943	3, 209, 732	3,412,219	2,567,079	1,629,855	1,710.339	1,75,154	1.885.649	26.476.1
- Wejetian - Met tarable erefite				27, 241, 577 71, 11, 12	/21,210,72	JU, 220, 949	JZ, /15,085	28,236,335	16,270,520	/0/ 16C'/1	(90'44) (90) 10 10 10 10	17. MJ. 11	27. 00 .12
Arizon incere tar			3,505,454	2, 307, 750	2.548.812	2, 387, 794	210'nm'rz	2, 842, 632	10, 00,	191'662'1	13,212,273	14,100,740	CLV, VIII, III 234, 275, 1

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CLASH FLOOR SAMMARY 1 YEAR TEAR TEAR TEAR TEAR YEAR YEAR YEAR YEAR YEAR YEAR YEAR TEAR TEAR TEAR TEAR TEAR TEAR Proceed lasts 1 14 15 16 17 18 19 20 21 22 23 24 25		1EAR 15	ALAN 16	YEAR 17	YEAR 18	TEAR 19	YEAR 20	YEAR 21	YEAA 22	TEAN 23	JEAR 21	77.48
Mine enerating revenues - therating costs		207,077,018	210.207.459 126.606.726	229,201,032	240.661.923 139.583.916	252,695,070 146,543,111	265, 329, 771 265, 329, 771 153, 891, 267	278,596,259 161,585,830	247,526,072 169,665,122	307,152,376 178,148,378	322, 500, 994 187, 055, 797	165, 766 , 377 366, 306 , 3 76
= Operating profits	83,157,127	87,314,964	512'089'16	94, 264, 769	101,076,008	106,131,908	111,438,564	117,010,429	122,860,950	966 (100, 621	135,454,198	69,420,276
- Capital especialsures - Burking capital - Nou dot - Interest presents	0,889,624	11,434,105 1,435,450 0	12, 005,010 1,507,223 0	12,406,101 1,502,504 0	13,236,406 1,661,713 0 0	13, 890 , 226 1, 244, 799 0 0	14,593,137 1,832,059 0 0	15, 322, 794 1, 923, 641 0 0	16,008,934 2,019 823 0	16, 9 93, 381 2, 120, 814 0 0	17, 7 39, 050 2, 226, 955 0	0 9 9 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
: tef, bet-feet cash flee	70,900,408	74,445,428	79,167,700	82,074,085	66,179,889	90,488,643	95,013,327	99,763,994	104,752,193	509'686'601	115,489,293	109,121,472
- Bebt's principel payment	•	0	0	0	0	C	0	G	0	0	•	0
: Bef Tax Het Cash flee	70,900,408	74,445,428	78,167,706	230, 876, 58	86,179,889	90, 400, 003	95,013,327	\$66,163,994	104,752,193	109, 199, 101	115,489.293	109,151,001
- Federi cere incese tar - State preserty tar	NG, 150, 11 1	500''142''91 11'''20'''142'	12,448,345 16,539,405	13,257,249 16,540,520	14,143,313 16,415,369	19,911,21 16,022,220	16,204,302 15,402,297	17.419.142 14.372.419	18,878,903 12,634,135	21,100,419 10,606,002	23, 802, 488 7, 424, 358	10,092,449
- State severance tar - State incere tar	5,0%, %9	2,102,075 2,035,730	2,292,010	2,406,619 2,300,541	2,526,950 2,451,572	2,653,798	2,785,963 2,802,339	2,925,261 3,008,943	3,071,524 3,262,137	3,225,100 3,440,704	3, 396, 355 4, 111, 96 1	1,135,507
: 4-1 Cash files (car t) 39,734,135 42,199,389 44,755,366 47,531,135 50,642,665 54,645 54,645 54,645 12,028 728 64,765,414 71,399,496 76,764,218 94,543,67 THE THE FORM T	79,734,135	48°,62',53	44,775, 3%	47, SSI, J IS 11111111111	50,642, 60 5	54,045,579	57,818,426 IIIIIIIIIIIII	62,038 728	414, 202, 29	N7'4K'1/	76, 764, 210	94,543,872
			:	i							1	1 ACT A10
State property ter	155,259		249.90.0	POR' 522'/	S24.028.9	2, 700, 440 252, 414	6, 10/, 231 5, 604, 964	0/0-222.4	8// 'Ca' '4	5,453,010 3,453,010	2,302,051	
State severance tar	1, 650,000	000,020,1	1,056,000	1,050,000	1,050,000	1,650,000	1,050,000	1.050.000	1,050,000	000,050,1	1, 654, 006	125. 11
state income tai Total tai perments	240°454 500°117,51	52, M4	197.84 197.927.91	15,003,121	1,018,677	14,421,053	1,056,172	1,080,037	1,115,161	12,567,152	12,00,10	1, 503, 000
CASH FLOOD IN CONST \$			-									
before-tas ci Altor-tas ci	775° 488' 52	127, 198 ,22 127,195,85	35, 00 ,524 26,409,215	121,000,021 201,041,05	35,009,524 21,043,001	179,100,524 21,307,671	35, 009 ,524 21,791,157	35, 809, 524 22, 268, 141	72, 001 ,52	15, 001 ,51 21,212,515	121,000,82	10,101,02 11,192,15
		TEAL IS	11.11.11.11.11.11.11.11.11.11.11.11.11.	1/1	1111111111111111 244195985954949 YEAR	1) 11	11111111111111111111111111111111111111	11111111111111111111111111111111111111				
Mine aperating reveale 197,93,16 Berating cest 184,836,83		N0'240'242	20,182,822 - 829,282,201 20,182,822 - 829,282,281 28,728,281 - 857,282,281	299'/16'/21 209'/16'/22	200,100,001 201,002,001	222,695,020 146,563,111	265,179,771 263,179,771 153,191,267	 278,5%,259 161,585,830	712,526,077 716,665,172	9/1, 521, 102 9/1, 841, 871	14, 89, 111 14, 182, 731	165.266.17
territing profit	01.157.127	MK'91E'/3	11. 1007,14	8,34,76	101.171.000	106,131,900	105'857'111	117.010.477	122,664,556	8.'18't.	15,454,19	9/2"827"69
 Interest charges State tax permets 	1 ,245, 24	0 6(1,002,15	(19,1/3,15 (19,1/3,15	1 , 11 , 151	0 27.160.007	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	4 187,438,15	1 200'202'12		11.424.254	0 124,200,21	- 13.3 1
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= H.J. before allowances	62,411,131	66,866,84 5	78,889,128	74,276,638	78,917,121	83,990,682	89,574,223	95,768,406	182,788,201	118,579,739	119.648,247	62,569,73
• Depreciation allowances {	9,353,003	9,821,493	10,312,568	10,820,1%	11,369,606	11,938,886	12,534,991	13,161,748	13,819,827	14,510,818	15,236,359	14,639,556
Apertization 1	765,333	765,333	765,333	765,333	765,333	765,333	765,333	765,333	745,333	765,333	765,333	382,667
Income for depletion	52,291,995	\$5,480,018	58,931,219	62,683,889	66,782,182	71,207,262	76,273,899	\$1,841,332	\$8 ,123,041	75, 303, 50 7	183,646,554	47,547,51
Depletion allowance	26,145,997	27,748,089	29,465,609	31,341,544	33, 391, 691	35,643,431	30,134,950	40,920,666	43,878,911	46,072,856	48,376,499	23,773,75
Tazable incase	26,145,997	27,740,009	29,465,689	31,341,544	33,391,091	35,643,631	30,136,950	40,920,646	44,244,130	49,238,731	\$5,278,855	23,773,75
Tax otherwise perable	12,001,846	12,735,892	13,529,868	14,391,798	15,334,589	16,370,758	17,517,684	18,798,194	20,326,907	22,620,824	25,398,913	10,910,610
- Investment tex credit	900,066	1,829,669	1,000,523	1,134,549	1,191,277	1,250,840	1,713,382	1,379,851	1,448,804	1,520,484	1,5%,424	618,16
Tax peyable not of IIC	11,021,700	11,766,022	12,440,345	13,257,249	14,143,313	15,119,917	16,284,302	17,419,142	18,878,983	21,100,419	23,802,488	18,892,44
ILENTING TAX SCHEDULE												
lot. door. al. for the Yr 1	10,119,136	10,586,826	11,077,901	11,593,529	12,134,939	12,703,420	13,300,324	13,927,073	14,585,160	15,276,152	16,001,693	15,822,22
hypothetical SLD bese 1	214,161,822	207,748,375	200,867,970	193,387,274	185,136,204	175,892,405	165,358,056	153,121,174	138,585,873	120,832,786	98,293,240	58,237,37
hethic] SLA for the Yr 1	17,846,752	18,906,216	20,006,797	21,407,475	23, 142, 026	25,127,496	27,559,676	30,624,235	34,646,468	40,277,595	49,146,628	58,237,37
ccelerated depr. amount	0	0	0	0	0	0	0	, O	0	0	0	
inious tax base	0	0	•	0	0	0 -	0	0	0	0	D	
fininum tax payable 	O	Ø	0	8	0	0	0,	. 0	0	0	0	4
: Federal corp. income tax {	11,821,790	11,706,822	12,448,345	13,257,249	14,143,313	15,119,917	16,204,302	17,419,142	18,878,983	21,100,419	23,802,400	10,077,44
ARIZONA STATE TAXES {	29,]44, 492	20,619,017	20,993,968	21,267,701	21,393,891	21,323,387	20,990,599	20,306,623		17,499,006	14,922,586	4,7%,15
			20,773,700		21,373,071			20,300,823	17,30/,/70	17,477,000	14,722,300	4,/ 96,13
Not proceeds, const.t	42,900,900	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,008,008	42,980,058	42,000,000	21,000,00
Neskeld PV of property	168,497,892	162,903,842	156,547,353	147,283,963	140,928,204	131,240,268	119,937,271	106,588,227	90,647,675	71,343,183	47,543,073	17,647,05
Assessed tax bese, 441	144,789,5%	149,012,770	150,350,225	150,550,196	149,230,631	145,929,448	140,020,086	130,658,358	116,673,956	%,418,204	67,494,893	25,668,00
Ad valores property tax 2	16,146,856	16,391,405	16,539,405	16,560,520	16,415,369	16,052,239	15,402,297	14,372,419	12,834,135	10,606,002	7,424,350	2,823,48
Net severance base	83,157,127	87,314,984	91,600,733	96,264,769	101,078,008	106,131,900	111,430,504	117,010,429	122,860,950	129,883,998	135,454,198	69,420,27
Severance tax	2,070,920	2,182,875	2,292,018	2,406,619	2,526,950	2,653,290	2,785,963	2,925,261	3,071,524	3,225,100	3,386,355	1,735,50
operating profits	83,157,127	87,314,984	91,680,733	\$6,264,769	101,078,909 R	106,131,908	111, 439,50 4 0	117,010,4 29 0	122, 860,950	129,003,999	135,454,190	69,420,27
- Interest persent : • Depreciation :	•	0	0	0	•	11.070.00/	12,534,991	•	•	14 514 818	15 47/ 756	14 4 10 55
Apertization 1	9,353,003 765,333	9,821,493 765,333	10,312, 568 765, 3 33	10, 020 ,196 765,333	11, 369,606 765,333	11,9 38,06 6 765,333	765,333	13,161,740 765,333	13,819,827 765,333	14,510,010 765,333	15,236,359 765,333	14,639,55 382,66
- Foderal tax, previous yrl	10,300,686		•				-				-	-
		11,021,700	11,706,022	12,440,345	13,257,249	14,143,313	15,119,917	16,204,302	17,419,142	18,878,993	21,190,419	23,802,44
• Property tax 1 • Severance tax 1	16,146,856	16,391,405	16,539,405	16,560,520	16,415,369	16,052,239	15,402,297	14,372,419	12,834,135	10,606,002	7,424,350	2,823,4
· Severance Les in it. it.	2,078,928 26,145,997	2,182,875	2,292,010	2,406,619 11 TAL SAA	2,526,950	2,653,298	2,785,963	2,925,261	3,071,524	3,225,100	3,386,355	1,735,56
Het taxable profits		27,748,099	29,465,689 38 598 777	31,341,544	33,391,091 23 352 AM	35,643,631 24,836,888	30,136,950	40,920,666	43,878,911	46,072,056 TA BAA 904	48,376,499	23,773,75
	18,277,524	19,392,009	28,599,777	21,914,211	23,352,409	24,936,000	26,693,053	29,660,707	31,072,078	34,944,904	39,164,801	2,262,82
Arizona income taz 💦 🕴	1,918,709	2,035,730	2,162,545	2,300,561	2,451,572	2,617,050	2,002,339	3,008,943	3,262,137	3,668,784	4,111,881	237,16

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COPPEN-INLY JERUN	

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CASH FLON SOMMAY I YEAR YEAR YEAR YEAR PHDREET DASTS I 1 2 3 4	TCAR -	YEAR 2	TEAD 3	YEAR YEAR <thyear< th=""> YEAR YEAR <thy< th=""><th>YEAA S</th><th>YEAN 9</th><th>YEAR 2</th><th>HEAR B</th><th>1EAP</th><th>YEAR 10</th><th>16AN</th><th>YEAR 12</th><th>12 11</th></thy<></thyear<>	YEAA S	YEAN 9	YEAR 2	HEAR B	1EAP	YEAR 10	16AN	YEAR 12	12 11
Niae encreting revenues Operating costs	66	0	179,431,875 67,142,250	100,403,469 70,499,363	197,823,642 74,024,331	207,714,824	218,100.566 81,611,825	188, 375, 56° 85, 6°2, 416	155, 132, 822	162,889,463 94,475,888	171,033,936 86,199,683	129,585,631	16,152,191 114,152,191
= Operating profits	•	0	112,209,425	117,904,106	123, 799, 312	112, 999, 277	136,489,741	102,683,153	65,155,785	68,413,574	71,034,253	75,475,946	HZ'/61'64
Cupital expenditures Working capital New debi Talerast pyromits	130,200,000	134, 710,000 15, 946, 250 0	0 1 111'66/ 816'991'9	6, 685, 284 839, 278 0 0	7,019,549 681,242 0 0	7,570,526 925,304 0	7,739,052 971,569 0	8,126,005 1,020,148 0 0	8, 532, 305 8, 537, 155 0 0	8,958,920 8,958,920 0 0	° 9, 406. 84 6 1, 190, 949 0	9,239,996 999,996 0	0/0,1/2,01 979,100,1 6
= Bef. Bebt-Pant Cash Flew	i i	(130,200,000) (152,6%,250)	105,123,375	110, 379, 544	115,898,521	121,693,447	127,778,119	93, 537, 001	\$5,552,325	194,929,941	61,246,438	64,306,768	67,524,198
- bot's principal present	0	•	•	•	0	•	6	•	0	0	G	•	-
: Bef. Tar Het Cash Flee	(138,200.008)	(138,200,008) (152,6%,250)	105,123,375	110.379.544	115,898,521	121,693,447	127,778,119	100'25'56	55,552,125	144,452,82	61,246,439	64, 300, 769	67,524,199
- Federi cerp Jacese Lar - State preperty Lar - State severance Lar - State Jacese Lar	10, 833, 587 0 0	12,518,478 8 9	2,730,757 7,866,274 937,500 11,774,289	4,920,059 9,253,287 9,72,599 1,478,722	14.202,448 8,665,752 937,500 1,658,259	15,476,699 9,099,249 937,500 1,803,940	16,443,717 9,554,212 937,500 1,915,575	555, 595, 61 158, 781, 7 102, 500 11, 94, 500	9,037,271 4,540,905 937,500 1,096,468	9,503,441 4,700,750 937,500 1,162,260	10,162,169 5,828,399 937,500 937,502 1,231,342	10,725,01 5,279,019 517,500 713,500 1,343,677	12,944,142 5,543, 84 2 932,129 942,1257,1
: A-T Cesh Flee (cer. 8) : (141,038,599) (165,214,728) 91,029,625 9 INFORMATIONATIONATIONATIONATIONATIONATIONATION	(((1 () () () () () () () ()	(165,214,720)	91, 020,42 5	2/6 ,00 7,14	74,995, 97, 19, 10, 10, 10, 10, 10, 10, 11, 11, 12, 12, 12, 12, 12, 12, 14, 15, 17, 16, 17, 16, 10, 17, 14, 10, 14, 100, 14, 14, 14, 14, 14, 14, 14, 14, 14, 14	94, 576, 039	90,9 77,115 111111111111	66. 768. 785 111111111111111	39, 925, JBI	41,857,790	45, 86 7, 03 6	4, 01/, 737	11.11.11.11.11.11.11.11.11.11.11.11.11.
Fedri core. Income tur State preserty tor State severance tar	48,552,01 9	0 0 0 0	929, 922, 5 909, 997, 1 944, 948	4, 647, 745 4, 799, 800 4, 711, 244	11,120,146 000,007,6 734,556	000'042'9 154'095'11 154'045'9	11,486,243 6,790,000 644,264	11,300,071 4,865,000 634,537	5, 822, 282 2, 940, 880 4.04, 321	5, 003, 401 2, 940,000 575, 544	5,941,618 2,940,888 548,137	5, 99, 94 2, 94, 94 272, 015	6,177,451 2,540,000 2,540,000
State incone ta: Total tar perments	9 10,122,01	0 11,354,620	115,105,11	1,216,540	164,129 91	1,346,143 28,344,671	1,361,364	1,518,175	10, 073, 796	713.217 10.112.477	905'61(905'641'81	721,201,01 10,105,127	200°520 102°531°11
CASH FLANS IN CANST &	-												
Defer-tra of (124,500,600) (134,500,600) 90,504 94 After-ta of (134,122,309) (147,124,126,100 71 After-ta of (134,122,309) (147,126,100 71	(000,000,1/21) (010,752,1/21) (11111111111111111111111111111111111	(000,002,001) (000,000,051) (058,051,011) (000,522,021) 11111111111111111111111111111111111	90,009,524 79,510,100	90, 909, 92 79, 509, 97	90, 804, 524 70, 857, 533	90.001.524 79.424.053	79, 109, 524 70, 305, 654	45, 309, 524 45, 191, 742 111111111111111	35, 799 ,524 25,736,139 1111111111111	90, 000, 124 90, 000, 124 13, 20, 12, 000, 124 13, 000, 124 13, 000, 124 13, 000, 124 15, 000, 124 15, 000, 124 26, 424, 053 20, 154 15, 191, 242 25, 25, 25, 124, 128 25, 697, 052 25, 49, 027 25, 624, 295 24, 504 002	75, 409 ,524 75, 40 ,037	35, 00 ,28 26,95,26 111111111111111111111111111111111111	200' NSY NZ
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Rine entrating revenue 0 Operating cest 0	••	-	179,431,075 67,142,256	14, 463, 449 24, 479, 443	219,153,141	145,257,71 742,257,71	218, 100, 545	111,573,569 15,672,416	220'21'SI	142, 899 , 443	121,013,914 199,011,01	179,505,633 104,159,647	10, 50, 11 02, 72, 11
bounding profit	•	•	112.200.425	117,944,166	123. 79. 312	12.00.27	134,400,741	102,641,153	43, 155 745	44,413,574	71,434,253	7.45.44	M.(9),M
- Interest charges - State for persents	•	e 12.518,478	11, 103, 630	• •	• [91,621,51	0 0 0 0 0 0 0 0 0	8 142,596,81	0 11,004.574	7.144.446	119,249,7	0 710,036,7	190,534	9 277 (M. I
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emerginal allowerse e Bit Bit Sign (4) Constrain (2 78,349,5%	67,227,432	63,997,356	60,921,093	57,991,319	91,598, 580	123,006,350	117,211,445	111,676,168	186,466,429	180,795,975	(12,518,478)	(18,838,589)	II.I. before allowances
Income for doyletion (III, SUB, SMD) (IIII, SUB, SMD) (III, SUB, SMD) (III, SUB, SMD) (III, SUB, SMD) (III, SUB, SMD) (IIII, SUB, SMD) (IIII, SUB, SMD) (IIII, SUB, SMD) (III, SUB, SMD) (IIII, SUB, SMD) (IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII				765, 333	765, 333							8 1	•	
Tamble Jaccess (18,39,59) (12,316,47) 34,542,516 21,001,730 35,142,000 77,316,001 77,957,141 21,357,572 22,001,720 35,02,000 77,316,001 77,977 10,397,733 11,000,727 11,600,720 11,61,627,627 11,6	12 60,675,679	58,000,412	47,974,345			75,878,782	74,632,802	79,284,167	64,607,477	\$7,412,553	69,125,637	(12,518,474)	(10,830,509)	factor for depletion
To etherulise nervals 6 15,071,444 13,225,575 14,814,407 14,144,444 17,141,232 17,454,457 9,800,178 10,389,703 11,689,727 11,683,727 for estimut tar credit 0 0 1,529,225 5,352,575 14,140,444 15,076,647 14,445,317 14,645,312 9,852,271 9,852,271 9,852,271 9,852,271 9,852,271 9,852,271 9,852,271 9,852,271 9,852,271 9,852,271 16,455,352 9,852,271 9,852,271 16,453,354 15,472,494 15,472,494 15,472,494 15,472,179 15,451,411 19,142,149 16,472,199 ref der, der, est 0 0 11,644,421 12,519,717,544 122,519,735 11,755,572 11,717,791 15,451,441 15,472,199 15,472,199 15,471,794 15,452,411 16,472,199 ref 0 0 11,783,472 12,463,797 11,725,572 11,717,103,41 172,273,533,599 25,991,190 ref 0 0 11,729,72 11,724,972,771,444 12,717,794 15	16 30,337,948	25,480,286	23,907,172	22,641,426	21,359,762	37,939,141	37, 316, 401	35,142,083	32,303,738	28,886,276	34,562,518	•	, ا	Depletion allowance
Investment lar credit 0 16,299,225 9,357,570 431,729 443,527 645,515 731,320 762,707 005,303 044,410 009,919 Ifsr peysible set of ITC 0 0 1,642,207 3,664,001 14,722,448 15,076,579 16,4457,717 16,455,552 9,052,271 9,531,441 19,142,169 18,776,953 refittions far Socience 0 0 271,429,973 44,853,546 15,707,774 15,453,741 15,423,141 16,423,141 16,427,149 15,707,774 15,428,721 16,423,141 16,427,149 16,427,141 16,423,141 16,443,141 16,443,1717 16,463,141 1	N 30,337,940	25,400,206	23,987,172	22,641,426	21,359,762	37,939,141	37,316,401	35,142,083	32,303,738	28,996,276	34,562,518	(12,518,478)	(18,838,509)	Taxable income
Efficient far screent, composite list for the tr presterical stab basis presterical stab basis presterica				• •			• • •			• •		•		
et. dep. al. for the Tr: et. dep. dep. dep. dep. dep. dep. dep. dep	33 12,996,743	10,769,833	10,162,169	9,583,441	9,032,271	16,695,352	16,443,717	15,476,699	14,202,648	3,868,801	1,564,229	ŧ	I	Tax peyable net of IIC
methetical 8.0 bede presterical 8.0 bede p														
Construction Construction<							• •					~ *	8	
Consistent about consistent in an and the provide 0 0 19,799,352 34,646,374 34,546,443 34,353,05 35,157,556 1,973,261 1,922,857 929,372 587,018 285,511 Initiame tar bear 0 0 18,205,131 32,606,373 3,051,544 34,035,055 15,717,556 1,973,261 1,922,857 929,372 587,018 285,511 Initiame tar bear 0 0 2,738,767 4,920,055 3,051,544 15,476,699 16,443,717 16,455,352 9,052,271 9,583,441 10,162,169 16,769,853 CRUMADD STAFE TAXES 10,438,509 12,510,479 18,457,1983 18,467,510 11,261,710 11,840,710 12,407,207 10,072,463 4,594,873 4,688,710 7,197,229 7,521,115 CRUMADD STAFE TAXES 10,438,509 12,510,477 18,457,510 11,261,710 11,840,710 12,407,207 10,072,463 4,594,473 4,688,710 7,197,229 7,552,115 CRUMADD STAFE TAXES 10,433,504 12,510,478 199,431,4975 199,431,495 199							• •	•••			• •	0	a	
Isiams tar bess 0 0 18/251/13 32/2600/393 20/346/297 18/542/397 19/16/239 0<											•••••••••••••••••••••••••••••••••••••••		0	• •
inisiment tas perpender 0 0 2,738,767 4,920,059 3,051,744 2,744,344 2,807,115 F- 0 <	н , ,	285,511	587,018									0	0	
CRUBAND STATE TAXES 10,833.509 12,519,479 18,647,510 11,261,710 11,840,710 12,407,267 10,072,663 6,594,873 6,888,710 7,197,229 7,521,195 Gress proceeds, prev. rr 0 0 179,431,875 100,483,469 197,823,442 287,714,824 218,100,546 188,375,569 155,137,822 162,889,433 171,033,936 179,585,633 met proceeds, prev. rr 0 0 97,000,000 97,000,000 97,000,000 47,000,000 42,000,000	0 0	0	0	•	•							0	0	
COLUMANO STATE TAXES 10,838,509 12,518,478 10,637,902 11,261,710 11,840,710 12,407,207 10,072,663 6,594,873 6,888,710 7,197,229 7,521,195 Gress proceeds, prev. yr 0 0 179,431,875 100,483,469 197,823,642 207,714,824 218,100,546 188,375,569 155,132,822 162,809,463 171,033,936 179,585,633 Proceeds, prev. yr 0 0 97,000,000 97,000,000 97,000,000 97,000,000 42,000,000 43,015,787 11,984,233 75,425,764 dvalare proceer/it tar 10,833,8597 12,518,478 7,843,721 1,94,453,429 195,944,824 204,350,564 174,455,54 141,382,822 149,159,433 157,283,873 158,883,833 </td <td></td> <td>10 7/0 077</td> <td></td> <td></td> <td></td> <td>14 405 759</td> <td>· 14 AAT 717</td> <td>16 474 400</td> <td>14 202 (48</td> <td></td> <td>3 778 3/7</td> <td>3</td> <td></td> <td>Faderal care larger to t</td>		10 7/0 077				14 405 759	· 14 AAT 717	16 474 400	14 202 (48		3 778 3/7	3		Faderal care larger to t
COLLMAND STATE 10,838,509 12,518,478 18,521,983 18,649,510 11,251,710 11,840,710 12,407,287 10,072,963 6,594,073 6,998,710 7,197,239 7,521,195 Gress proceeds, prev. yr 0 0 179,431,875 180,643,445 197,523,642 297,714,824 218,100,566 186,375,569 155,132,822 162,889,463 171,033,934 179,585,433 But preceds, caust. s 0 97,000,000 97,000,000 97,000,000 42,000,000 10,000,000 10,000,000 10,000,000 10,000,000 10,000,000					7,032,271	16,673,332	16,443,/1/	13,4/8,877	14,202,048	6,728,837	2,730,767	•	-	
Bit proceeds, cmst, 8 6 0 97,000,000 97,000,000 97,000,000 67,500,000 42,000,000					6,594,873	10,072,863	12,407,287	11,840,710	11,261,710	10,667,510	10,571,903			
Pr(net precds), preprod. 516,119,443 596,117,979 0 <th0< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>•</td><td>0</td><td></td></th0<>												•	0	
Property tax bese 154,833,837 178,633,574 112,299,625 117,984,186 123,799,312 129,999,277 134,488,741 102,483,153 45,155,785 64,413,57 71,664,233 75,425,964 drass severance base 0 0 145,681,975 174,653,449 184,073,442 193,964,824 204,350,566 174,625,569 141,382,822 149,139,463 157,283,936 5,229,918 drass severance base 0 0 16,653,921 1,964,823 2,070,828 2,099,249 9,554,212 7,187,821 141,382,822 149,139,463 157,283,936 165,833,633 demeal are production 0 0 18,609,000 10,000,000			42,000,000	42,000,000						97,000,000		•	•	
Ad valeres property tar 10,838,569 12,518,479 7,640,274 8,253,287 8,645,952 9,999,249 9,554,212 7,187,821 4,560,905 4,788,950 5,028,398 5,228,398 5,279,818 Gress severance bess 0 165,681,975 174,653,449 184,073,442 193,944,824 204,330,566 174,655,549 141,382,822 149,139,443 157,783,936 165,080,600 10,000,000 125,000 125,000 125,000 125,000 125,000 125,000 125,000 125,000 125,000 125,000 125,000 125,000	• •	•	71 445 947	4 ALX 874	•	•	0	•	•	117 884 184	v			
Annual are production 0 10,000,000 10,00			· · ·	-										
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severance tax, noly-are i 0 0 937,500 937,5												0		
severance tax, iran-ore severance tax, iran-ore severance tax, payable 0 0 125,000 <			-									U A	0 0	
Severance tar payable 0 0 937,500			•							~				
Interest Property 0												8	V 0	
Property tax 10,838,509 12,518,478 7,660,274 8,253,287 8,665,952 9,092,249 9,554,212 7,187,821 4,560,905 4,789,950 5,028,398 5,279,818 Severance tax 0 0 937,500 937,					• •	•	-	• •	· · · · · · · · · · · · · · · · · · ·		• •	•	0	
Severance tax 0 937,500 <t< td=""><td>• •</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td></td><td>•</td><td>-</td><td>•</td><td>•</td><td>•</td><td>10.000 504</td><td></td></t<>	• •	•	•	•	•	•		•	-	•	•	•	10.000 504	
Depreciation 1 0 0 30,905,605 48,000,543 46,303,350 46,161,945 47,689,214 14,506,461 14,872,908 15,257,670 15,662,686 Amortization 1 0 0 765,333 765												101010141410	.010001007	
Amertization 1 0 0 765,333 765,330 765,300 760		•			t - 1							0	Č Č	
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• 999191109 ; 0 0 34,362,31# 29,906,276 32,303,738 33,142,085 37,316,401 37,939,141 21,359,762 22,641,426 23,987,172 25,600,706		25,400,206	23,997,172	22.641.426	21,359,762	37,939,141	37,316,401	35,142,083	32,303,738	28,006,276	34,562,518	0	Î Î	Bepletion :
W.I. bf SITz dedctn, A 1 0 0 37,259,395 31,053,166 34,823,430 37,893,166 40,227,090 40,898,394 23,025,824 24,407,457 25,858,172 27,381,422		• •						• •				A	ń	



CASH REN SHIMMET : TEAR PROJECT DASIS : 14 15	킕드	N 2	a =	TEAR TEAR <th< th=""><th>10 10</th><th>ange er</th><th></th><th>75 M</th><th>15M 72</th><th>122</th><th>an Y</th><th>1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1</th></th<>	10 10	ange er		75 M	15M 72	1 22	an Y	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Nite operation removes beeration costs	091,809,161 011,804,811	nta, 772, 1851 111, 549, 765	211,717,459 126,446,726	29'46'AI	240,123,045	23,65,87	111, 111 , 111 151, 111 , 267	278, 596, 259 161, 585, 830	711,222,191 710,452,191	30,152,174 372,148,378	127, 529, 994 187, 855, 797	16.7N.377 75.NL.9N
s, Generating profilts	03,157,127	17,514,944	11, 489, 12	\$4,244,769	809'840'101	104,131,900	105.851.111	117.010.429	122,040,950	129,883,996	12,454,19	69.420.276
- Caultal ergenditures - Nerting caultal - New dat - Externet payments	10, 100 ,624 1,347,096 0	11,434,1 65 1,435,456 1,435,456	12,005,010 1.507,223	12,446,101 1,582,544	13,234,404 1,661,713 0 0	13, PM , 226 11,744, 799 0	14,593,137 1,632,039 0 0	15, 322, 794 1, 223, 641 0	16,000,934 2,019,823 0 0	16(,193,311 2,120,014 0 0	17,738,856 2,274,855 9	9, 00 ,750 (70,107) (70,107)
: Def. Wet-Part Cash Flow	70,900,400	N, 445, 27	78,167,780	20°,976,005	686, 671, 86	90,448,803	55,013, 327	161, 763, 994	104,752,193	100'446'501	115,449,293	10, (31, 472
- Sebt's principal parameti	•	c	•	0	0	q	0	6	0	•	•	•
: bef. Ter Net Cash Flow	90» ° 906 ' 94	74,445,428	78,167,790	2016,005	86,179,869	248,484,04	752,613,57	99,763,994	104,752,193	109, 189, 1931	115,489,243	273,183,191
Federal cers. Income tau	13,646,691	14, 379, 142	15,100,742	15,004,313	16,698,642	17,553,697	18,451,485	19.394,172	166'SR'R	21,423,307	22,514,565	10,010,959
- State presents tar	12, 820, 9 19	6,112,049	6,417,451	HSS'#22'9	7,075,461	129,224	7,800,695 937,500	8,190,730 937.500	8,600,267 937.500	9,030,200	94, 101, 754 202, 520	417'59''T
State incese tar	1,637,310	1,721,287	1,809,455	1,90,507,1	1,999,236	2,101,301	2, 208.469	2, 370, 996	2,439,149	2,543,210	2,693,674	1.212.105
: A-T Cash flow (cur. 8) 49,837,897 51,304,450 אנגדנוונונונונונונונונונונונונונונונונונו	48,837,897 111111111111111111111111111111111111	51, 304, 450		S4, 613, 707	59,469, 050	2,467,342 1111111111111	33, M4, X3 34, 437, 70 59, 469, 650 (21, 47, 142) (51, 615, 178) (4, 9%, 5%, 781, 781) 781 (76, 507) (79, 660) (77, 789) 111111111111111111111111111111111111	68 ,920,596	72, 391, 284	705,507 111111111111111111111111111111111111	79,861,941	63,70,79
Fadri cara, incone tai	6,902,609	H2721619	6, 721, 498	6.930.273	6.938.631	6,946,390	6,954,170	6, 941, 390	6, 968, 266	6,974,814	090,106,9	3,030,740
State preperty tax	2,940,000	2,946,000	2,940,000	2,940,000	2,940,000	2,940,000	2,940,000	2,940,000	2,940,000	2,940,000	2,940,600	1.478.000
State severance ter atoto (more to:	473,501	150.954	8. S	120° 401	195°.480	371,001 110,001	353, 534 012 140	336, S06	320,484	205.723 10	197 962 191 518	8. E
fotal tar perments	11,143,067	11,131,286	016.611.11	11,101,111	11.098,905	11,000,11	11.079.853	11.071.002	11,062,573	11,054,545	11,046,079	5,001,200
CASH FLORS IN CONST \$												
before-tar CF After-tar CF	751, 809 ,524 29, 666 ,457	35,009,524 24,679,318		35, 009 ,524 24,700,373	35,809,524 24,710,619	35, 809,5 24 24,720,377	35,809,524 24,729,671	35,809,524 24,738,522	35,009,524 24,746,951	35,809,524 24,754,979	35, 009 ,524 24,762,625	23, 101, 659 28, 094, 379
ILIAATATATATATATATATATATATATATATATATATAT	ILTITTTTTTTTTTTT 199899999994441 YEAR 14	11411111111111111111111111111111111111		(1111111111111111111111111111111111111	1111111111111 9888888888899 7EAR 19	(1111111111111111111111111111111111111	ининститирининскитирининининскитиринининининининининининининининининин	11111111111111111111111111111111111111		11111111111111111111111111111111111111		11111111111111111111111111111111111111
Mine operating revenue 197,993,600 207,972,818 Operating cost 114,836,033 120,577,834	197,993,160 114,036,033	118'244'281	210,207,459 [26,406,726	229, 201, 032 132, 937, 062	240,661,923 139,583,916	252,695,020 146,563,111	265,329,771 million 153,891,267 million	278,5%,259	271,526,077 169,665,122		167, 200, 791	16, 24, 377 16, 24, 377
Operating profit	83,157,127	87,314,964	51,060,133	94,264,769	101,078,009	106,121,901	111,438,504	117,010,429	122,860,950	129,003,998	135,454,198	49,420,276
- Interest cherges - State tar payments	0,246,372	0 9,665,012	0 10,104,583	0 10,566,133	0 19(, 020 ,11	0 619,622,11	0 12, 09 3,921	0 12,654,938	0 13,244,006	0 13,962,527	0 279,112,11	0 1,170,041
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- Depreciation allowances - Amortization	9, 353, 90 3 765, 333	567,153,9 222,237	10,312,540 765,333	10, 828, 196 201, 237	11,369,606 115,331	11, 930, 924, 11 300, 924, 11	12,534,991 765,333	13, 161, 7 40 765, 333	13,819,827 765,333	14,510,818 765,333	15.236,359 115,331	14,639,554 382,667
* lacone for depletion	619,107,619	67,063,146	78,494,249	74,105,107	805,548,11	81,668,869	86,044,258	111 821.06	95,031,784	99,865,319	052,094,901	17.27.4
- Depletion allouance	31,895,809	575,155,62	35,249,124	37,052,553	38,946,154	40,934,435	43,022,129	45,214,209	47,515,892	49,932,659	52,470,265	23,613,997
: Tarable incore	31,895,809	33, 531, 573	35,249,124	37,062,553	38,946,154	40,934,435	43,022,129	45,214,209	47,515,892	49,932,659	\$2,470,265	23,613,997
Tar otherwise payable - investment tar credit	14,646,740 980,066	15, 399, 211 ³ 7 1, 029, 069	16, 189, 285 1,000,523	17.018.042 1,134,549	17,889,918 772,191,1	18.804.527 1,250,840	19,764,867 1,313,382	20,773 223 1,379,051	21,831,999 1,448,004	22, 943, 711 1, 520, 404	24,111 010	10,837,126 818,168
= Tax payable net of LIC	13,666,694	14,570,142	15,108,762	15,004,313	l6,698,642	17,553,687	18, 451, 485	19, 394 172	20,383 994	21,423,307	€r 22,514,585	10,018,959
African IAN SCHEDULE Tot. depr. al. for the Tr Arpethetical SLD bese	10,119,134 214,161,022	10, 506, 126 207, 748, 375	04,770,11 04,740,002	425,542,11 452,582,11	12,134,939 185,136,204	12, 703, 420 175, 6 72, 405	13, 300, 324 165, 358, 056	13, 727, 073 151, 151, 151	14,505,160 130,585,973	15,276,152 120,832,7 86	16, 001, 693 293, 298	15,622,278 56,237,371
Mother 34 for the Tr Accelerated days accent Highers to base	12,846,752 0 0	10,006,216 0 0 0	28, 984, 747	21,407,475 0 0 0	23.142.026 0 0 0	25,127,486 0 0 0	27,559,676 0 0 0	30, 574,235 0 0 0	34, 646, 468 0 0 0	40,277,595 0 0	49, 146, 620 8 9 1	58,237,371 0 0 0
Federal cars. Incose tar	13,666,694	14,578,142	15,148,742	15,004,313	16,699,642	17,553,687	18,451,485	19 394,172	20, 383, 944	21,423,307	22,514,545	10.018,759
COLORADO STATE TAXES	110,275,017		3	9,578,845	10,012,1%	10,448,035	10,946,665	·: :·· 11,449,226	11,976,916	12,538,990	13, 112, 767	6, 540 , 755
Cress preceds, prev yr Ret precieds, canst a M(mat pracks), prevod Prametis tiz baco	197,500,000 12,000,000 12,121,121	207,872,018 42,000,800	218.287,459 42,000,000 91,448	229,200,000 42,000,000 42,242	000,000,54 000,000,54 10,000,000	000'000'21 020'569'552 020'569'552	177,900,225 177,000,24 000,000,54	278, 594, 259 42, 000, 000 112, 010, 429	70, 324, 072 12, 000, 000 0 0	307, 152, 374 42, 000, 000 179, 001, 911	000'000'27 900'000'27 966'405'221	165, 206, 377 21, 000, 000 69, 679, 276
Ad valeres preserty tar	5. 828. 979	6, 112, 649	6.417.451	4,738,534	7,075,441	7, 479.234	269'008'2	8, 190, 730	8.600.267	9, 030, 200	9,481,794	4184,419
Dess synerace less lamuel are production serverance tai, usually serverance tai, mair-are serverance tai, pra-are Serverance tai perable	041,215,000,001 10,000,001 2570,570 251,570 252,500 252,500	194,142,000 194,000,000 2,194,107 297,500 297,500 207,500	284,537,459 10,000,000 2,301,000 937,500 125,000 937,500	215, 123, 124, 212 10, 000, 000 10, 000, 000 10, 000, 000 10, 000 10, 000 10, 000	005,114,822 000,000,01 002,122 000,000,01 002,124	238, 945, 000 11, 000, 000 2, 688, 131 957, 500 125, 000 977, 500	71, 575, 575, 125 10,000,000 10,000,000 21, 500 21, 500 21, 500 21, 500	264,846,259 10,000,900 2,979,520 175,000 125,000 917,500	005,729 162,621,6 162,621,6 162,621,6 162,621,6 1,62,621,621,621,621,621,621,621,621,621	243, 462, 544 10,000,000 1,002,12 125,002 125,002 125,002	995'/26 995'226 955'226'1 960'900'91 961'900'91	50, 322, 121 95, 089, 2 96, 196, 1 92, 188, 1 92, 189
teerating profils - Interest permet - Presents tas - Severance Las - Deverance Las - Deverance Las - Deverance Las - Deverance Las - Deverance Las - Deverance Las	151. (21. 21. 151. (21. 21.)))))))))))))))))))))))))))))))))	00,111,10 00,111,1 00,121,0 00,120,0 00,120,0 00,120,0 00,120,0 00,100,0 00,100,0 00,000,0 00,000,0 00,000,0	11,000,110 11,000,110 11,000,110 11,000,110 11,000	90('94('8) 91('94('9) 91('94('9) 91('94('9) 91('94('9)	101,070,000 101,070,000 104,270,010 104,270,010 104,270,000 104,270,000 104,0000 104,000 104,0	11, 11, 11, 11, 11, 11, 11, 11, 11, 11,	002,425,504 0 107,500,50 107,534 10	0117,010,411 017,001,010 017,001,010 017,001,010 017,011,010 017,011,010	004,000,521 752,000,1 102,100,1 102,101,10,1 102,101,10,1 102,102,102,10 102,102,102,102,102,102,102,102,102,102,	94, (00, 15) 96, 100, 151 962, 127 962, 127 910, 012, 11 910, 012, 12 910, 012, 12 910, 012, 12 910, 012, 12 910, 12 9	11,424,121 11,124,124,124 11,124,124,124 11,124,124,124,124,124 11,124,124	81, 421, 821, 93 81, 422, 423, 4 81, 423, 424, 424, 424, 424, 424, 424, 424
= R.I. of SIIz detter, 4	10, 10, 10	20.11.12	N. W. S.	13. W. N	X1'91'X	N. 171, XN	N. 177.155	716.097.93	101.002.18	101,121,12	N. 35. 5	2,455,89

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Understand 0 <th< th=""><th>CASH FLON SUMMATY PROJECT BASIS</th><th>YEAR</th><th>YEAR 2</th><th>YEAR 3</th><th>YEAR</th><th>YEAR S</th><th>YEAR 6</th><th>YEAR 7</th><th>YEAR B</th><th>YEAR 9</th><th>YEAR 10</th><th>YEAR 11</th><th>TEAN 12</th><th></th></th<>	CASH FLON SUMMATY PROJECT BASIS	YEAR	YEAR 2	YEAR 3	YEAR	YEAR S	YEAR 6	YEAR 7	YEAR B	YEAR 9	YEAR 10	YEAR 11	TEAN 12	
weble weble $(1, 2, 3, 3, 3, 1, 3, 3, 3, 3, 3, 3, 3, 3, 3, 3, 3, 3, 3,$	Nine operating revenues Operating costs		• •	179,431,075	100,403,469 70,499,363	197,823,642 74,024,331	207, 714, 824 707, 725, 547	218,100.566 01,611,825	188.375,569 85,692,416	155,132,872 89,977,037	162, 007 , 463 94, 475, 888	589'661'66 956'550'1/1	179, 585, 671	659'/95'401 116'795'401
Obside interventions 137,0000<	Operating profits	0	0	ñ2, 209, 425	117,904,106	123.799.312	129,989.277	136,489,741	102,683,153	65,155,785	68,413,574	71,834,253	7425.94	79,197,244
If is invested from the following interval (5.12) in (127,54.1 (12,77,11) in (127,74.1) in	Capital espenditures Burking capital New debt Interest parments	0 0 0 0 0 0	136,710,000 15,986,250 0 0	826,362,4 812,997 0 0	6, 645, 284 839, 278 0 0	7.019,549 881,242 0 0	7, J70, 526 925, 304 0	7,739,052 971,569 0 0	8,126,005 1,020,148 0 0	8,532,305 8,532,305 0 0 0	8,958,920 1,124,713 0 0	9,406,866 0,949 0 0	9,877,210 1,239,996 0 0	90,172,01 990,101,1 9
of. The first file (12,2,6,12,3) (12,2,6,12)<	Bef Bebt-Paat Cash Flow Bebt's principal paraent	:	(152,6%,250)	105,123,375 B	110,379,544	115,898,521	121,693,447 0	127,778,119	93,537,001	55, 552, 325	1N6'622'85	61,246,438	61,200,760	67,524,190
(Arri Core Network 11 0 1 2.495.05 (11).412 (12).411 (12).412	Bef. Tar Net Cash Flow		(152,6%,250)	105.123.375	110, 379, 544	115,899,521	121,693,447	127,778,119	93, 537, 001	55, 552, 725	144,452,82	61,246,438	64, 300, 766	67,524,198
Ind (ne. 1) (132,00,00) (12,00,00)<	Federi cera incom tar State annerty tar State servement tar State facene tar	0000		2,659,265 1,164,250 3,472,718 3,101,229	9,019,612 6,245,645 1,246,567 35,646,567 200,002	16,040,120 1,305,636 3,829,150 2,650,824	19,748,647 1,570,918 4,020,841 2,941,104	20,065,017 1,439,464 1,422,117 3,140,001	21,950,669 1,243,279 3,646,047 3,646,047	9,101,071 1,023,877 3,001,902 1,528,524	9, 728, 546 970, 275, 12 971, 521, 5 12, 125 12, 125	10, 302, 595 10, 302, 595 10, 301, 11 1, 217, 11 1, 217, 11	10,905,326 365,381,1 365,355,5 31,118,1	14,144,619 1,244,520 3,649,716 2,798,134
1a1 1 2,297,173 1 0 1,823,604 1 2,797,644 1 2,797,644 1 2,797,644 1 2,797,644 1 1,24,666,660 1 1,24,666,660 1 1,24,666,660 1 1,24,666,660 1 1,24,666,660 1 1,24,664,660 1 1,24,266,660 1 1,24,275 1 1 <td>A-1 Cash flee (cer. 9) IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII</td> <td>(139,200,609)</td> <td>(12,6%,250)</td> <td>94,795,013</td> <td>000, 04C, 29</td> <td>147,272,19</td> <td>97, 193, 1936</td> <td>90,911,521</td> <td>63, 794, 046</td> <td>40, 816, 250 1111111111111</td> <td>44, 755, 910</td> <td>44, 772, 734</td> <td>46.931.307</td> <td>4, 15, 71</td>	A-1 Cash flee (cer. 9) IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	(139,200,609)	(12,6%,250)	94,7 95,0 13	000, 04 C, 29	147,272,19	97, 193, 1 936	90,911,521	63, 794, 046	40, 816, 250 1111111111111	44, 755, 9 10	44, 772, 734	46.931.307	4, 15, 71
(124.000.000) (124.500.000) 94.007.524 (124.000.000) (124.500.000) 94.007.524 (124.000.000) (124.500.000) 94.007.524 (124.000.000) (124.500.000) 94.007.524 (124.000.000) 122.500.005 1 (127.500.005 1)	del caro, income tar del caro, income tar tato severance tar tato income tar dal tar perments			2,277,173 1,023,000 2,999,664 2,679,044 8,999,002	0,070,419 1,023,000 3,000,656 1,667,546 13,569,212	13, 194, 675 1, 023, 000 3, 000, 239 2, 034, 994 19, 234, 904	14,005,454 1,023,000 3,000,414 2,194,697 20,223,565	14,259,833 1,003,000 3,000,500 2,231,540 20,514,953	14,857,077 841,500 2,467,798 2,303,259 20,469,422	500,991, 100, 200, 990, 100, 200, 900, 100, 200, 200, 200, 200, 200, 200, 2	549,576,2 254,594 254,594 254,594 1A2,1A2,4,1 254,594 1A2,4,2 244,24,24 244,24,24 244,24,24 244,24,24 244,24,24 244,24,24 244,244,	912,228,8 922,229,864 000,864 000,102,1	911'92''' 961'929'' 981'939 981'939''	7,342,354 648,684 648,685 11,216,515 11,316,516
I 22, 92, 21, 21, 21, 21, 21, 21, 21, 21, 21, 2	ASH FLARE IN CARST, 1 before-tar di After-tar di	(124, 000,000) (124, 000,000) (124,000,000)	(000,002,0K1) (000,002,0K1) (000,002,0K1)	92, 98 ,87 10,019,012 10,010,011	982, 998,9 2 92, 998,9 7 515, 946 ,31	າຍ. ສາງ. 524 ້າງ. 58 4 ເວ	42, 001,0 2 422,000,00 524,202,67	92,909,92 92,909,92 73,994,571	63, 309, 524 63, 509, 524 42, 639, 901	52, 000 ,524 52,310,519	25, 889 ,524 26,289,074	15, 199 , 124 124, 199, 124	25,009,224 26,133,100	82,000,82 879,050,85 81111111111
11 123,482,471 24,142 121,142 216,161,142 121,142 216,161,142 121,141 122,142 121,142 121,141 121,142 121,141	TAL BACH AND	474	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	TELESCO STATE		S S S S S S S S S S S S S S S S S S S	RAN A	72222222222222222222222222222222222222	11111111111111111111111111111111111111	TAN TANK	10 10	талитини Тал	τε 12	A F
921/001/2 967.9227/2 2057.101/12 921.2017.101 107.1001.101.101.101.101.101.101.101.101	time merating revenue Derafing cast	•	-	179, 431, 875 67, 142, 256	=	107, 023, 642 74, 024, 642	14, 217, 14 14, 227, 17	218,100,544 218,100,544	100, 275, 549 15, 677, 416	133.12.027 729.71.021	100 (SA) (A	509'441'44 509'441'44	17.56.61 19.19.61	110,122,001 110,122,001
9 9 9 9 9 0 0 1 0 0 0 0 0 0 0 0 0 0 0 0	berating profit	•	•	227,002,511	117,904,105	123, 799, 312	112.000.051	134,480,741	12,431,153	45,155,775	61.413,574	71,034,753	7.45.44	N.191.M
	Interest charges State tax permets	••	••	SK. K/.	50''IA'	86, 610 %	112,243,1	10,131,316	1.542.P	0 00,514,630	005" [90"9	, 75K, 34	1, 481, 436	0 101,100,0

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COPPER-INUTION PARKET NOTION

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= II.] before allowances	-	•	103,510,042	(19'2TS'6I	114,779,611	96'28'82	126, 357, 425	93,340,376	58,641,755	11.552.072	64,607, MS	67,816,530	N. 74. 121
- Neyrociation allowances - Amertuzation	0 0		38, 985, 485 745, 333	40, MM, 543 745, 333	921,281,241 UIL,237	46, 161, 945 765, 333	47, 480,2 14 765,333	14,954,964 222,233	14,506,461	14, 872, 908	15,257,67 111,257	15, 441, 444	1. 900. Jun
- Incore for depiction	•	-	71,839,994	(EL'11)	67,718,920	73.455,718	878,200,71	17,620,079	43,349,961	45,913,831	H. 24, M	51, 309, 510	61'12' 0 0
- byjetten allemace	•	•	111,111,21	28,240,520	29,673,546	11.157.724	22,715,085	28, 256, 335	21,484,990	216,654,55	24,292,417	25,64,755	71, MY, M
: Tarable incoor	•	-	44,925,123	2.410.217	38,037,574	12, 291, 15 ¹	45,188,793	49,363,743	21,434,900	21,454,915	24,272,447	25.69,755	X,637,667
Far otherwise parable - Investment tar credit	60	-	28,648,244 18,579,345	14,007,067 5,667,455	951,114,11 921,124	745,124,91 745,233	20, 761, 532 696, 515	22,682,009 042,127	206 191 206 191	10,534,669 806,303	11, 149, 213 846, 618	11,74,275 14,275	15,000,014 10,010
: tar payable net of 110	•	0	2,044,079	519,618,6	16,040,120	18,768,647	70,065,017	21,950,669	1/8'181'6	975'82/'6	545'205'01	18,905,326	14,146,610
RENTIMEN TAX SCHEDULE fait, depr. al. for the Yr :	e	•	856°879'IS	44,053,876	47,068,691	8/2,724,44	48, 453, 548	15, 720, 298	15, 271, 794	15,638,241	16,023,011	16,427,028	112,673,717
Protictical 3.0 has	•	•	273,276,938	2(9, 000 , 6)(262,914,662	257,765,461	252,616.240	247,446,654	242, 231, 923	236,941,966	231, 539, 904	225, 901, 120	229,210,482
Arcelerated deer, assurt !			211, eff., el	16, 641, 51	34,548,944	500°650°15	35,157,956	1,973,281	14,748,73/	711, 1 29	#10"/95	115'582	
Minimum tar bese Minimum tar payable		• •	17,728,433 2,659,265	26, 048, 702 4,027, 317	17,708,824 2,656,324	15,270,356	15,092,939	• •	• •	00	60		••
Federal corp incose tar	8	6 \	2,659,265	9,819,612	16,840,120	18,768,647	20,065.017	21,950,669	9.181.871	9, 728, 566	10, 302, 545	10,905,326	14, 144, 610
MONTAMA STATE TAXES		•	0 7,758,297 7,160,052	7,160,052	7,785,610	1. 372,863	B, 801, 581		s, 554, 203	5,845,377	6,151,109	6,472,127	42.41.1
Gross runners Assessed tar bese, 31	60	••	22,421,67,471 52,4255,25	100,403,469 5652104 0625	197,823,642 5934709 2656	201,714,024 1214,7285	218, 100, 566 6543016, 9654	108, 375, 569 5651267 0725	155,132,622 258,64,6479	162,809,443	171,033,936 5131018 0743	157, 585, 613 1879 1921822	110, 544, 914 150, 108282
Presenty tax	•	•	1,184,250	1,243,443	1,305,636	1.370.918	1,439,464	1.243.279	1.023.877	1,075,070	1,128,624	1,185,245	1.244,52
Gress revenues	•	•	201,121,075	100,403,469	197,823,442	207.714.824	218,100,566	188, 375, 569	155,132,822	162,889,463	71,100,000	17,565,61	110,142,001
Nes. Indemity trust tr	•	•	667,159	942,017	989,118	1.038.574	1,090,503	941,878	775,664	814,47	BSS, 128	824'168	22°22
serverance tax payable			111,574,5	3,646,567	3,879,150	1,020,041	11,222.1	3,646,047	3,001,902	3,152,126	796°687°5	3, 475, 498	3,649,716
therating profits	0	•	112, 289, 625	117,904,106	123, 799, 312	112,000,021	136,488,741	102,683,153	65,155,785	68,413,574	71,034,253	75,425,944	197,191,81
Interest perment	0	•	•	•	0	•	0	0	0	Ð	•	•	•
- Property Las		•	1,194,250	1,243,443	11.305.634	BI6'845'I	1,439,464	1.243.279	1.023.077	0/0.5/0.1	1.120.024	1,105,245	55' 52' I
Severance (ar beareristion	-	• •	11/2/1°S		051, 738, 2 14 - 117 - 1150	1,027,941	111 222	3,646,047	2,001,002,001 14,506,461	5,122,125 11, 017, 000	5, 751, 171	15. 61. 6W	
Amertization		• •	76,20	745, 333	765,333	765,233	765, 333	765,333	765,233	745, 333	76, 31	745,333	745,237
Depiction		0 0	24,914,25	27,240,520 71,240,520	29'(2)'2F	31,157,224	32,715,085 19 249 439	78 , 256, 335	21,604,900	21,954,915 ** 501 ml		75.69.755 # 61.775	
Montana Income tar	• 0	• •	5, 101, 32	2,270,002	2,650,824	2,941,104	3,140,001	3,402,961	1,528,524	1,619,180	1,712,319	1,811,164	21. 22 . '2

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CASH FLOW SUMMARY PROPECT BASIS	YEAR 14	YEAR 15		YEAR 17	YEAR 18	YEAR 19	TEAR 20	YEAA 21	YEAN 22	YEAR 23	YEAR YEAR YEAR YEAR YEAR YEAR YEAR YEAR	16.48 75
Mine operating revenues 1 Deerating costs 1	197,993,160 114,836,033	207,892,916	218,287,459 218,287,459 126,606,726	229, 201, 632 132, 957, 062	240,661,923 139,583,916	252,695,020 146,563,111	265, 329,271 265, 329,271 153, 891, 267	278, 596, 259 278, 585, 830 161, 585, 830	242, 526, 072 169, 665, 122	307,152,376 178,148,378	322, 509, 994 187, 055, 797	165, 206, 372 95, 866, 096
: Operating profits	83,157,127	87.314,964	91,680,733	96,264,769	101,078,008	106,131,908	111,439,504	117,010,429	122,860,950	844'100'621	135,454,198	69,420,276
- Capital espenditures - Norking capital + Nov debt - Interest paramits	10,889,624 1,367,096 0	11,434,105 1,435,450 0	12,805,818 1,503,223 0 0	12,606,101 1,582,584 0 0	13,236,406 1,661,713 0 0	13, 898 ,226 1,744,799 0 0	14,593,137 1,832,039 0 0	15, 322, 794 1, 923, 641 0 0	16,008,934 2,019,823 0 0	16,893,381 2,120,814 0 0	17.738.050 2.226.855 0 0	052,0 0 0,9 (741,501,84) 0 0
: Bef Debt-Pant Cash Flow	807'006'0/	74,445,420	78,167,700	82,076,085	86,179,869	90,408,883	95,013,227	99,763,994	104,752,193	[09'686'60]	115,489,293	109,431,672
- Bebt's principal payment	-	0	0	•	0	0	0	e :	•	•1	0	0
: Bef Tax Net Cash Flow	70,900,406	74,445,428	78,147,700	82,076,085	86,179,869	90, 488, 883	95,013,327	99, 763, 994	104, 752, 193	200"486"601	115,489,293	100,431,672
- Federi carp incose tai - State preserty tai - State severance tai - State incose tai	14,871,761 1,306,755 3,832,436 2,415,446	15,633,160 1,372,093 4,024,291 2,530,623	16, 432, 525 1, 440, 697 1, 225, 739 2, 667, 959	17,272,073 1,512,732 4,457,260 2,003,762	18,153,408 1,588,369 4,659,356 2,946,355	19, 079, 974 187, 787 1, 692, 558 8, 096, 077	20,050,734 1,751,176 5,137,419 3,253,286	21,071,082 1,638,735 5,394,524 3,418,355	22,142,448 1,930,672 5,664,483 3,591,678	23, 267, 392 2,027, 296 5,947,941 3,773,667	24, 448, 562 2, 128, 564 6, 245, 577 3, 964, 755	961,920,01 978,970,1 978,970,1 971,970,1 971,970,1 971,970,1 971,970,1 971,971,1 971,971,1 971,971,1 971,971,1 971
- 4-1 Cash Film (cer s) 44,474,011 54,077,242 		8,077,262		5,650,259	50,622,321	(8), 753, 487	64,020,712	68,041,797	71,422,912 111111111111111	74, 573, 60 6	53,406,675 56,659,59 54,622,221 61,753,487 64,820,712 68,041,277 71,422,912 74,973,606 78,781,826 93,415,602	93,415, 86 2
Fedral certa income tar	7.511,250	7.519.017	11,12,1	1,535,740	7,543,149	7,554,198	7,556,911	7,563,304	7,569,393	41'515'1	7,566,715	20.240.6
sidie severance tai	1,935,640	147,229,1	1, 535, 160	1,935,962	000'044 1,934,059	1,936,151	1,936,239	000,000 1.936,323	640,000 1,836,403	647°.726°.1	155,326,1	
State jaceer tar Tatai tar perevuts	1,279,956 11,326,854	121,122,1	11, 344, 059	11,223,272	172, 221, 1	1.225.223 11, 371, 572	1.276.129	1.226.993	1.277,015	1,228,598	11, 105, 143 11, 106, 11	565,242 1,844,861
CASH FLONS IN CONST #												
befere-tar Ø After-tar Ø	25, 000 , 521 24, 442, 678	21,477,524 211,477,633	27, 100 ,224 21,443,434	22, 000 ,524 24,424,542	33, 809 , 524 24, 446, 045	52, 100 , 22 527, 131, 15	35,009,524 24,430,245	35,009,524 24,422,904	35, 809 ,524 24,415,913	15, 101 , 524 21, 461 , 255	116,500,52 116,500,15	11,101,05 78,292,15
FERENCE AND THE TRANSPORTATION CONTRACT	11111111111111111111111111111111111111		11 11 11 11 11 11		11111111111111111111111111111111111111	11111111111111111111111111111111111111		11111111111111111111111111111111111111				
Him merating revenue Devalues cast	107, 003, 160 114, 836, 833	207, 672, 618 210, 577, 834	218,207,459 126,606,776	23.18.62 23.18.62	916°293'911 246'199'911	222,695,000 144,543,111	245, 279, 771 153, 199, 267	278, 5%, 259 141, 585, 830	70,82,77 70,82,77	307,152,376 171,148,378	142'558'181 N44'995'227	15. W. 37
derating profit	43, 157, 127	B7, 314, 944	11, 480, 733	N. 241,769	101.078.008	106, 131, 900	105'851'111	117 010.42*	054'079'ZI	129, 803, 998	135,454,198	69, 428, 276
 Interest charges State tay memoris 					0 0 11 01					40121211	14.441	(H)

COPPER-INULTIBIERUM PROJECT MONTANA

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COPPER-INLYDDENIN PROJECT NONTANA

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= H.I. before allowances	74,333,630	78,048,814	81,948,318	86,843,226	90,343, 098	94,857,947	99,598,547	104 576,178	187,802,689	115,290,526	121,052,755	62,411,829
· Depreciation allowances	9,353,883	9,821,493	10,312,568	10,828,1%	11,369,606	11,930,006	12,534,991	13,161,740	13,819,827	14,510,018	15,234,359	14,639,554
- Amertization	765,333	765,333	765,333	765,333	745,333	765,333	765,333	765,333	765,333	765,333	765,333	382,667
Income for depletion	64,214,494	67,461,188	78,878,217	74,449,697	78,208,151	82,154,528	86,298,224	90,649,104	95,217,529	100,014,374	105,051,062	47,389,689
- Depletion allowance	29,698,974	31,183,923	32,743,119	34,300,275	36,099,289	37,904,253	39,799,466	41,789,439	43,878,911	46,072,856	48,376,499	23,694,885
- Tarable jacane	34,515,529	36,277,265	38,127,699	40,069,422	42,108,863	44,250,275	46,498,758	48,859,665	51,338,618	53,941,518	56,674,563	23,694,885
Tar otherwise poyable	15,851,827	16,662,230	17,513,153	18,406,622	19,344,764	20,329,814	21,364,116	22,450,134	23,590,452	24,787,786	26,044,987	10,874,290
- Investment tax credit	990,066	1,029,069	1,000,523	1,134,549	1,191,277	1,250,840	1,313,382	1,379,051	1,448,004	1,528,404	1,5%,424	810,144
Tax peyable net of IIC	14,871,761	15,633,160	16,432,630	17.272.073	18,153,488	19,078,974	20,050,734	21,071,082	22,142,448	23,267,382	24,449,562	10,056,130
NTHEMEN TAX SCHEDULE												
Tot. depr. a], for the Yr	10,119,136	10,506,826	11,077,901	11,593,529	12,134,939	12,703,420	13,300,324	13,927,073	14,585,160	15,276,152	16,001,693	15,622,226
Hypothetical SLD base 👘 🕴	214,161.822	207,748,375	200,867,970	193,307,274	185,136,204	175,892,405	165,358,056	153,121,174	130,505,073	120,832,796	98,293,248	58,237,371
Hypthic SLA for the Yr	17,846,752	18,886,216	20,996,797	21,487,475	23,142,026	25,127,486	27,559,676	30,624,235	34,646,468	40,277,595	49,146,620	58,237,371
Accelerated depr. amount	0	0	0	0	0	0	0	0	0	0	0	•
Nin1000 tax base	0	0		0	0	0	0	0	0	0	0	
Mininus tar payable	0	0	0	0	0	0	0	0	0	0	0	C
Federal corp income tax :	14,871,761	15,633,160	16,432,630	17,272,073	18,153,488	19,078,974	20,050,734	21,071,082	22,142,448	23,267,382	24,448,562	10,056,130
NONTANA STATE TAXES	7,554,636	7,935,006	8,334,395	8,753,754	1 9,194,080	9,656,422	10,141,692		11,186,834	-: - :-::- : 11,740,014		····· 5,959,660
Gross revenues	197,993,160	207,892,818	218,287,459	229,201,832	240,661,923	252,695,020	265,329,771	278,5%,259	292,526,072	307,152,376	322,509,994	165,286,372
Assessed tax base, 31	5939794 7983	6236784 5382	6548623 7651	6876854 9534	7219857 7011	7580850 5861	7959893 1154		4775782 1598	9214571 2678	9675299 8311	4958591 1635
Property Laz	1,386,755	1,372,093	1,440,697	1,512,732	1,589,369	1,667,787	1,751,176	1,838,735	1,930,672	2,827,206	2,128,544	1,090,890
Gross revenues	197,993,160	207,892,818	218,287,459	229,201,832	240,661,923	252,695,020	265, 329, 771	278,5%,259	292,526,072	307,152,376	322,509,994	165,296,372
les indemity trust tr l	989,966	1,039,464	1,091,437	1,146,009	1,203,310	1,263,475	1,326,649	1, 392, 981	1,462,630	1,535,762	1,612,550	826,432
Licence tax	2,842,470	2,984,827	3,134,302	3,291,250	3,456,047	3,629,083	3,810,770	4,001,542	4,201,853	4,412,179	4,633,822	2,372,146
Severance tax payable	3,832,436	4,024,291	4,225,739	4,437,260	4,659,356	4,892,558	5,137,419	5,394,524	5,664,483	5,947,941	6,245,572	3,198,576
Operating profits	83, 157, 127	87,314,984	91,680,733	96,264,769	101,078,008	106,131,900	111,438.504	117,010,429	122,860,950	129,003,998	135,454,198	69,420,276
- Interest payment	0	0	0		0	0	0	0	0		0	
- Property tax 1	1,306,755	1,372,093	1,440,697	1,512,732	1,508,369	1,667,787	1,751,176	1,030,735	1,930,672	2,027,206	2,128,566	1,090,890
- Severance tas	3,832,436	4,024,291	4,225,739	4,437,268	4,659,356	4,892,558	5,137,419	5, 394, 524	5,664,483	5,947,941	6,245,572	3,198,576
- Depreciation - Amortization	9,353,803 765,333	9,821,493 765,333	10,312,548	10,820,1%	11, 369,60 6 765,333	11,938,086 765,333	12,534,991 765,333	13,161,740 765,333	13,819,827 765,333	14,510,010 765,333	15,236,359 765,333	14,639,554 382,667
- Apprelization :	765,333 29,698,974	765,333 31,183,923	765,333 32,743,119	765,333 34,3 90 ,275	765,333 36,099,289	37,904,253	765,333	41,789,439	43,879,911	46,072,856	48,376,499	23,694,805
= N J bf SITz ded cta, A i	38,199,827	40,147,851	42,193,277	44,340,973	46,596,055	48,963,891	51,450,119	54,060,658	56,801,724	59,679,843	~ 62,701,868	25,674,803
- W J DF SITE GROCIN, W F	2,415,446	2,538,623	2,667,959	2,003,762	2,946,355	3,096,077	3,253,286	3,418,355	3,591,678	37,677,643	~ 62,701,000	1,670,192
LANCOM INCOME FOR 1	£14121446	c, 100,0C)	2,00/1737	C10A31/05	C' 140' 773	3,070,077	3,633,600	3,410,333	2,3,1,0/0	2,773,007	3,704,733	1,0/0,170

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| Interfactor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | CASH FLOW SUMMARY<br>CASH FLOW SUMMARY<br>PROJECT BASIS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | The second se | 11111111111111111111111111111111111111 | 196886989696<br>7648<br>3                             | 10000000000000000000000000000000000000                                 | 12020000000000000000000000000000000000                        | TEAR<br>TEAR                                             | 191898884488888<br>1648<br>7                            | ассасоссе с с с с с с с с с с с с с с с с с           | 222222222222222<br>YEAR<br>9                    | 88888888888888888888888888888888888888                | 11<br>11                                           | 12000000000000000000000000000000000000                    | 13<br>13<br>13<br>13                            |
| Interface $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$ $1$                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | tiee operating revenues<br>Decrating costs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                 |                                        | 179,431,075<br>67,142,250                             | 70,499,363                                                             | 197,823,642<br>74,024,331                                     | 207,714,824                                              | 218,100,\$66<br>81,611,825                              | 188, 375, 569<br>85, 692, 416                         | 155,132,822<br>89,977,037                       | 162,8 <b>89</b> ,463<br>94,475,888                    | 189°510'1/1<br>950'510'1/1                         | 179,505,633<br>104,159,447                                | 059"/95"001<br>916"995"001                      |
| Notice         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000         (12,00,000<                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Mèrating profits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 0                                                                                                               | 0                                      | 112,209,425                                           | 117,904,106                                                            | 123, 799, 312                                                 | 129,989,277                                              | 134,488,741                                             | 107,683,153                                           | 65,155,785                                      | 68,413,574                                            | 71,034,253                                         | 75,425,944                                                | 197,244                                         |
| of Mathematican Landon         (12,2,3,0,400)         (12,2,3,0,400)         (12,2,3,0,400)         (12,2,3,0,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,3,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)         (12,4,400)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Seital espeeditüres<br>borking cepital<br>bu debt<br>laterest arments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 130,200,000                                                                                                     | 136,710,000<br>15,986,250<br>0<br>0    | 6,366,938<br>212,997<br>0<br>0                        | 0<br>875,284,8<br>875,284                                              | 7,019,549<br>881.242<br>0                                     | 0<br>9<br>90£'\$24<br>925'0/£'/                          | 7,739,052<br>971,569<br>0<br>0                          | 8,126,005<br>1,020,148<br>0<br>0                      | 8,532,305<br>1,071,155<br>0<br>0                | 8,958,920<br>8,958,920<br>9<br>0                      | 9,406,866<br>1,180,949<br>0<br>0                   | 9,877,210<br>9,996<br>1,239,996<br>8                      | 64,172,01<br>64,195,1                           |
| with black larged         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c         c                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | ief Beht-Pant Cash Flow                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                 | (152,696,250)                          |                                                       | 110, 379, 544                                                          | 115,696,521                                                   | 121,693,447                                              | 127,778,119                                             | 93,537,001                                            | \$5,552,325                                     | 146'625'85                                            | 61,246,439                                         | 64, 308, 760                                              | 67,524,190                                      |
| of         1         0.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500         10.230, 500<                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | whit's principal payament                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                 | 6                                      | 6                                                     | 6                                                                      | 0                                                             | e                                                        | 0                                                       | 0                                                     | œ                                               | 8                                                     | 8                                                  | 6                                                         | •                                               |
| whi         two $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10,0$ $1,00,10$                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ef Tar Net Cash Flow                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (130,200,900)                                                                                                   | (152,696,250)                          | 105,123,375                                           | 110,379,544                                                            | 115,898,521                                                   | 121,693,447                                              | 127,778,119                                             | 93, 537, 001                                          | 55, 552, 375                                    | 116'142'185                                           | 61,246,430                                         | 64, 308, 760                                              | 67,524,199                                      |
| 1       Lash Tau (nr. 1)       (13, 30, 30)       (13, 30, 30)       (1, 30, 30, 30)       (1, 30, 30, 30)       (1, 30, 30, 30)       (1, 30, 30, 30)       (1, 30, 30, 30)       (1, 30, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)       (1, 30, 30)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ident corp. Income ter<br>tate presenty tar<br>tate severance tar<br>tate income tar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                 |                                        | 2,600,764<br>0<br>1,459,765                           | 15,091,574<br>1,965,049<br>1,522,753<br>0                              | 19.294,735<br>2.063.322<br>19.290.1                           | 21,413,616<br>2,146,408<br>1,699,861                     | 22,862,806<br>2,224,812<br>1,774,354                    | 24,535,567<br>2,388,553<br>1,334,881<br>0             | 10,233,020<br>1,7%,955<br>847,025<br>0          | 11,272,048<br>1.140,226<br>389,376<br>0               | 019,6019<br>12,197,238<br>13,845<br>13,845         | 12,004,527<br>999,525,1<br>982,999<br>9                   | •<br>•24, 102, 11<br>•22, 123, 1<br>•22, 123, 1 |
| of the frame is a first of the set of the | In the contraction of the contra | (000,002,021)                                                                                                   | (152,6%,250)                           | 101, 054, <b>0</b> 46                                 | 91, 9%, 14                                                             | ¥20°924'24                                                    | <b>%</b> , 423, 402                                      | 100,864,147                                             | 62,29,000                                             | 42,675,224<br>11111111111                       | 45,429,24                                             | 47,095,754                                         | 192,284,591                                               | <b>4, 24, 3</b> ]4                              |
| Contract of the file in cost is       Properties if cost is       Properily is<                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | del cere, lacase tar<br>ale preserte ta<br>ale presence tar<br>ate jacese tar<br>dal tar persents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                 |                                        | 2,253,549<br>0<br>1,261, <b>600</b><br>0<br>3.514,549 | 12, 415, 875<br>1, 616, 667<br>1, 261, <b>609</b><br>0<br>15, 273, 542 | 215,999,151,21<br>000,135,1<br>212,999,132,1<br>212,999,132,1 | 071,079,170<br>1,616,667<br>1,261,000<br>0<br>18,854,837 | 16,248,170<br>1,616,667<br>1,261,000<br>0<br>19,125,836 | 16,606,637<br>1,616,667<br>903,500<br>0<br>19,126,804 | 942, 992, 8<br>0<br>000, 681, 1<br>845, 900, 61 | 920,957,4<br>000,007<br>000,342<br>0<br>0<br>1,142,13 | 7, 627, 612<br>7, 607<br>906, 609<br>546, 609<br>6 | 2,130,061,7<br>900,007<br>944,008<br>944,003<br>1,374,013 |                                                 |
| Clear-Lar G         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400)         (124, 400, 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | SA FLANS IN CANSY &                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                 |                                        |                                                       |                                                                        |                                                               |                                                          |                                                         |                                                       |                                                 | •                                                     |                                                    |                                                           |                                                 |
| First         TEAH         TEAH <thteah< th="">         TEAH         TEAH         <th< td=""><td>efer-ta: 6<br/>fter-ta: 6<br/>internationentie</td><td>(124, <b>886</b>, <b>889</b>)<br/>(124, <b>886</b>, <b>889</b>)</td><td>(1%,%,%)<br/>(1%,%,%)<br/>(1%,%,%)</td><td>176, MT, 19</td><td>75,515,726</td><td>90,<b>00,2</b>4</td><td>70, 507, 524<br/>711, 952, 617</td><td>90,000,524<br/>71,603,600</td><td>41, 109, 524<br/>44, 102, 720</td><td>25, 609, 524<br/>27, 500, 64</td><td>35,<b>00</b>,524<br/>77,643,444</td><td>37,535,912</td><td>27.403.50</td><td>N. 99, 50</td></th<></thteah<>                                                                                                                                                                                                                                                                                                                               | efer-ta: 6<br>fter-ta: 6<br>internationentie                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (124, <b>886</b> , <b>889</b> )<br>(124, <b>886</b> , <b>889</b> )                                              | (1%,%,%)<br>(1%,%,%)<br>(1%,%,%)       | 176, MT, 19                                           | 75,515,726                                                             | 90, <b>00,2</b> 4                                             | 70, 507, 524<br>711, 952, 617                            | 90,000,524<br>71,603,600                                | 41, 109, 524<br>44, 102, 720                          | 25, 609, 524<br>27, 500, 64                     | 35, <b>00</b> ,524<br>77,643,444                      | 37,535,912                                         | 27.403.50                                                 | N. 99, 50                                       |
| Number         Image         Image <t< td=""><td>TENN, CAN' FINCHE FAI<br/>Pracet ausis</td><td>TEAN<br/>I</td><td>те<b>н</b><br/>~</td><td>17.<br/>17.<br/>17.</td><td>47<br/>7<br/>7</td><td>TEAN<br/>S</td><td>a a<br/>A</td><td>TEAD<br/>2</td><td>TEAR<br/>1</td><td>4<br/>4</td><td>3 =</td><td><b>3</b> =</td><td>176.AN<br/>12</td><td>88)<br/>11</td></t<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | TENN, CAN' FINCHE FAI<br>Pracet ausis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | TEAN<br>I                                                                                                       | те <b>н</b><br>~                       | 17.<br>17.<br>17.                                     | 47<br>7<br>7                                                           | TEAN<br>S                                                     | a a<br>A                                                 | TEAD<br>2                                               | TEAR<br>1                                             | 4<br>4                                          | 3 =                                                   | <b>3</b> =                                         | 176.AN<br>12                                              | 88)<br>11                                       |
| 0         112,289,425         117,994,106         121,799,121         134,400,711         134,400,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151         131,151 </td <td>line secreting revenue<br/>Berating cost</td> <td></td> <td>•••</td> <td>179, 631, 075</td> <td>197, 149, 161<br/>187, 149, 161</td> <td>111,123,111<br/>213,123,111</td> <td>201, 714, 124<br/>77, 755, 547</td> <td>218, 101, 544<br/>253, 114, 10</td> <td>100, 375, 549<br/>85, 692, 416</td> <td>220-21-551</td> <td>112, MP, 445<br/>M, 475, M</td> <td>107'661'66<br/>716'110'121</td> <td>U3,88,471<br/>(31,191,101</td> <td>18.54.91<br/>19.16,18</td>                                                                                                                                                                                                                                                                        | line secreting revenue<br>Berating cost                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                 | •••                                    | 179, 631, 075                                         | 197, 149, 161<br>187, 149, 161                                         | 111,123,111<br>213,123,111                                    | 201, 714, 124<br>77, 755, 547                            | 218, 101, 544<br>253, 114, 10                           | 100, 375, 549<br>85, 692, 416                         | 220-21-551                                      | 112, MP, 445<br>M, 475, M                             | 107'661'66<br>716'110'121                          | U3,88,471<br>(31,191,101                                  | 18.54.91<br>19.16,18                            |
| 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Werating profit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | ••••••••••••••••••••••••••••••••••••••                                                                          | •                                      | 112,289,625                                           | 117,994,166                                                            | 123 799,312                                                   | 121,999,9277                                             | 134, 488, 741                                           | 102 403,153                                           | 65,155,765                                      | LA. 413,574                                           | 11,034,253                                         | 7.05.14                                                   | N.'11.R                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | interest charges<br>State tax nervents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ••                                                                                                              |                                        | <b>.</b><br>237.923.1                                 | 8<br>3, 111, 122                                                       | 9<br>511,574,2                                                | 9<br>3,854,349                                           | 0<br>191.940.1                                          | <b>.</b><br>1,71,61                                   | 2,443.9                                         | 2,027,013                                             | •<br>131.000                                       | 1.277.637                                                 | 0<br>2,349,519                                  |

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| = H.J. before allowares "                                     | •          | •   | 110,429,040                         | 11, 44, 21                             | 120,126,579                            | 18,12,37                                     | 272,029,575                                  | +12'45+' <del>8</del> 4                | 500'115'29                             | 216,382,43                            | N1,2N7,93                             | 73,18,27                              | 24, 641, 745                             |
|---------------------------------------------------------------|------------|-----|-------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------|----------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|------------------------------------------|
| - Beereciation allemances<br>- Americation                    | ••         | • • | 38,985,645<br>765,333               | 46,000,543<br>745,333                  | 46, 303, 350<br>765, 333               | 46, 161, 945<br>765, 333                     | 47,600,214<br>745,333                        | 14,954,964<br>765,333                  | 14,506,461<br>765,333                  | 14,872,948                            | 15.257.67<br>125.257                  | 15.661.666<br>765.217                 | 1, 10, 10, 10, 10, 10, 10, 10, 10, 10, 1 |
| : Incese for depletion                                        | 0          | •   | 224, 821, 67                        | 65,552,408                             | 73,057,907                             | 79,285,650                                   | 83,986,027                                   | 83,239,422                             | 110,848,011                            | 50,745,730                            | 51,640,159                            | 54, 761, 285                          | 0.174,020                                |
| - bestetion alleuance                                         | Ð          | 6   | 26,914,701                          | 21,240,526                             | 29,673,546                             | 31,157,274                                   | 32,715,005                                   | 78.254, JJS                            | \$24.892.82                            | 24,433,419                            | 25,455,090                            | 24,737,845                            | N.N.                                     |
| = Itrable Incom                                               | 6          | •   | 52,244,140                          | 37,291,000                             | 41, 384, 361                           | 48,048,426                                   | 51,270,943                                   | 54,983,086                             | 23,970,000                             | 26,312,311                            | 71,025.049                            | 7.123,444                             | 12,100,12                                |
| Tas etherwise perable<br>- Envestment tas credit              | • •        | •   | 24, <b>00</b> , 972<br>21, 400, 112 | 17,128,956<br>287,382                  | 467,153<br>421,153                     | 74,634<br>147,633                            | 23,559,321<br>646,515                        | 25,266,907<br>731,340                  | 11,000,737<br>102,737                  | 12,078,350<br>006,303                 | 12, <b>86</b> ,219<br>816,618         | 13,693,401                            | 192°526                                  |
| = far perchie net of life                                     | 0          | •   | 2,597,574                           | 12,111,571                             | 19,299,734                             | 21,413,616                                   | 27,962,806                                   | 24,535,567                             | 10,233,020                             | 11,277,048                            | 12,014,601                            | 12,004,51                             | 14,939,345                               |
| RINTMAN TAX SONE MALE  <br>Tot. depr. al. for the Yr          | 8          | •   | 856'829'15                          | 9(8°59'8                               | 169,691                                | 815,159,44                                   | 44,453,548                                   | 15, 770, 278                           | 15,271,794                             | 192, 823, 21                          | 16,223,011                            | <b>920</b> , 427, <b>629</b>          | 117,243,4                                |
| Mynothetical SLD base                                         | 0          | •   | 273,276,938                         | 219,000,835                            | 262.914.682                            | 257,765,461                                  | 252,414,240                                  | 247,446,654                            | 226,122,595                            | 234, 941, 966                         | 231,539,904                           | 225, 901, 120                         | 249'012'N2                               |
| Arcelerated dev. Area :                                       |            |     | 200° 100° 11                        | 12, (10, 40)<br>14, 440, 394           | 17, 916, 71                            | 12, <b>WH</b> , 2/3                          | 742,077,61<br>254,051,62                     | 13, /4/,036                            | 11,027.057                             | (M, 104, M)                           | 10,435,794<br>587.010                 | 50' 12' 19<br>115' 192                | 12.22.11                                 |
| Ninieus tar bera                                              |            |     | 12, 102, 11                         | 21,576,820                             | 15,249,210                             | 12,425,389                                   | 12,295,150                                   |                                        | 66                                     | 00                                    |                                       | •                                     | -                                        |
|                                                               | 5          | •   |                                     |                                        |                                        |                                              | 2 / 2 l and 1                                |                                        |                                        | >                                     | •                                     | •                                     | •                                        |
| Federal corp. Income tar 1                                    | e          | •   | 2,400,744                           | 15,091,574                             | 167,945,91                             | 21,413,616                                   | 22,842,806                                   | 24,535,567                             | 10.233.020                             | 11,272,040                            | 12,019,481                            | 12,004,532                            | 14,930,345                               |
| HEVAM STATE TAPES 0 0 1,459,765 3,497,622                     | 0          | •   | 1,459,765                           | 3,497,822                              | 3,672,713                              | 3,854,349                                    | 4,049,166                                    | 3,723,434 2,643,900                    | 2,643,980                              | 2,027,603                             | 2,131,003                             | 2,237,637                             | 2,30,519                                 |
| Net practods provides yr<br>Assested fat bese<br>Property tat |            |     | •••                                 | 112,209,425<br>29,201,349<br>1,945,040 | 117,904,106<br>41,266,437<br>2,063,322 | 123, 799, 312<br>43, 329, 759<br>2, 166, 480 | 129, 969, 277<br>45, 494, 247<br>2, 274, 812 | 136,488,741<br>47,771,059<br>2,388,553 | 102,483,153<br>101,479,51<br>1,794,855 | 65,155,705<br>22,004,525<br>1,140,226 | 60,413,574<br>23,944,751<br>1,197,238 | 71,034,253<br>25,141,999<br>1,257,099 | 37, 251, 27<br>38, 399, 38<br>38, 912, 1 |
| The proceeds tai base Severance tai                           | <b>c</b> 0 |     | 112,209,425                         | 117, 904, 106<br>227, 522, 1           | 121,799,312                            | 129, 999, 277<br>1.609, 861                  | 136,409,741<br>1.774.354                     | 107,683,153<br>1.314,681               | 65,155,785<br>847,025                  | 68,413,574<br>689,376                 | 11,000,050<br>200,050                 | 75,675,946<br>199,509                 | N.197.N                                  |

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| NEVADA     |
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| PROJECT    |
| NU TBRENUM |
|            |

| CASH FLOW SUMMARY<br>PROJECT BASIS                                                                                                                                                                                                                                                                                | ag ≍ :<br>                                               | 15AB<br>15                                              | YEAR<br>16                                          | YEAB<br>17                                                                           | YEAR<br>18                                                | <b>1</b> 91<br>61                                                                                                                        | 20<br>20                                                                   | 1548<br>21<br>21                                                | 77<br>72                                            |                                                   | 491<br>2                                             | 16.<br>17.<br>17.                            | 12 X :                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|------------------------------------------------------|----------------------------------------------|------------------------------|
| Nime aperating revenues<br>- Omerating costs                                                                                                                                                                                                                                                                      | 197,993,160                                              | 207,892,818                                             | 218, 287, 459<br>126, 406, 726                      | 2 2                                                                                  | 240,661,923<br>139,583,916                                | 252,695,020<br>146,563,111                                                                                                               | 265, 229, 771<br>265, 891, 267                                             | 278.5%,259<br>161,585.830                                       | 272,526,072<br>169,665,122                          | 307,152,376                                       | 164, 602, 522<br>167, 052, 551                       | 165, 706, 372<br>95, 866, 096                |                              |
| : Operating profits                                                                                                                                                                                                                                                                                               | 83,157,127                                               | 87,314,984                                              | 91,680,733                                          | 96,264,769                                                                           | 800'8/0'101                                               | 106, 131, 908                                                                                                                            | 111,438,504                                                                | 117,010,429                                                     | 122,860,950                                         | 129,003,998                                       | 135,454,198                                          | 69,420,276                                   |                              |
| - Capital erpenditures<br>- Working capital<br>+ New debi                                                                                                                                                                                                                                                         | 10,889,624                                               | 11,434,105<br>1,435,450<br>0                            | 12,005,810<br>1,507,223<br>0                        | 12,606,101<br>1,582,584<br>0                                                         | 13,236,406<br>1,661,713<br>0                              | 13, <b>199</b> , 226<br>997, 147, 1<br>0                                                                                                 | 14,593,137<br>1,832,039<br>0<br>4                                          | 15, 377, 794<br>1, 923, 641<br>0                                | 16,008,934<br>2,019,823<br>0                        | 16, 893, 381<br>2, 120, 814<br>0                  | 17,738,050<br>2,226,855<br>0                         | 9,090,750<br>(49,102,147)<br>9               |                              |
| - Incerest payments                                                                                                                                                                                                                                                                                               |                                                          | U 445 430                                               | 0<br>0000 (71 60                                    | 0<br>200 760 60                                                                      | D 000 04 1 70                                             |                                                                                                                                          |                                                                            | 0                                                               | 101 535 101                                         |                                                   | 156 554 511                                          | 0<br>100 Atl 423                             |                              |
| - Bebt's principal payment                                                                                                                                                                                                                                                                                        |                                                          |                                                         |                                                     | 8                                                                                    | Ū                                                         | 0<br>0                                                                                                                                   | 0                                                                          | 0                                                               | 0                                                   |                                                   | 0                                                    | <b>0</b>                                     | • •                          |
| : Bef. Tar Net Cash Flow                                                                                                                                                                                                                                                                                          | 70,900,406                                               | 74,445,420                                              | M.167.700                                           | 200, 2/0, 28                                                                         | 989, 971, 989                                             | M. 480, 863                                                                                                                              | 752.210,24                                                                 | 444,297,44                                                      | 104,752,193                                         | 208, 484, 601                                     | 115,409,293                                          | 109,431,472                                  | •                            |
| <ul> <li>Feder] carp. income tar</li> <li>State preserve tar</li> <li>State serve-sece tar</li> <li>State income tar</li> </ul>                                                                                                                                                                                   | 0,001,001,001,001,001,001,001,001,001,0                  | 18,704,407<br>1,455,258<br>1,135,095<br>0               | 949, 923, 61<br>218, 922, 1<br>2031, 191, 1<br>0    | 20,640,289<br>1,404,413<br>1,251,442<br>6                                            | 21,712,172<br>1, <b>604,633</b><br>1, <b>314,014</b><br>0 | 22,816,649<br>1,768,845<br>1,379,715<br>0                                                                                                | 23,976,350<br>1,857,308<br>1,448,701<br>0                                  | 25, 194, 035<br>1, 950, 174<br>1, 521, 136<br>0                 | 26, 472, 605<br>2, 047, 683<br>1, 597, 192<br>0     | 27,815,184<br>2,150,067<br>1,677,052<br>0         | 1, 740, 705<br>27, 575<br>2, 740, 905<br>1, 740, 905 | 11,269,227<br>2,370,448<br>982,444           | 9<br>1,214, <b>8</b> 55<br>9 |
| - A-T Cash Fiae (car s)   59,437,441 53,150,674 55,799,342 59,559,941 61,469,669 44,223,654 67,730,969 71 098,649 74,634,713 78,347,591 82,246,991 94,489,634 (1,214,455)<br>TATATATATATATATATATATATATATATATATATATA                                                                                               | 50, 637, 641                                             | 53,150,676                                              | 55, 7 <del>99</del> , 342                           | 24,559,941                                                                           | 61,469,069                                                | (4, \$23,654                                                                                                                             | 696'0£7'79                                                                 | 71 098,649                                                      | 74,634,713                                          | 78, 347, 5 <b>8</b> ]                             | 82,246, <b>6</b> 9]                                  | ₩7, <b>408</b> , ₽4                          | (1,214,655)                  |
| Fadri cero, incono tar<br>Stato property tar<br>Stato strovener tar<br>Stato incono tar<br>Stato incono tar<br>Total tar perments                                                                                                                                                                                 | 8, 900, 644<br>700, 000<br>244, 000<br>0<br>10, 234, 064 | 0, 97, 140<br>740, 660<br>544, 000<br>0<br>10, 243, 148 | MC, 200, P<br>000, 007<br>000, 242<br>000, 242<br>0 | 9,014,016<br>700,000<br>544,000<br>0<br>10,248,010                                   | 9,871,856<br>700,000<br>546,000<br>0<br>10,267,856        | 227, <b>723</b> , 9<br>000,007<br>000,248<br>0<br>0<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2<br>2 | 9,036,434<br>700,000<br>546,000<br>0<br>19, <b>297</b> ,434                | 705, 207<br>200, 200<br>246, 200<br>0<br>0<br>10, 285, 101      | 723,940,9<br>700,007<br>900,012<br>10<br>10,245,000 | 000" 195" - 0<br>000" 195<br>000" 195<br>000" 195 | 057'184'5<br>000'795<br>000'795<br>000'795           | 5,409,403<br>717,075<br>275,000<br>4,399,104 | ****                         |
| ски повы и смыз и<br>монт-ты 6 — 35,000,224 35,000,224 35,000,224 35,000,224 35,000,224 35,000,224 35,000,224 35,000,224 35,101,629 0<br>Mont-tы 6 — 35,53,440 75,567,304 75,597,706 75,547,506 75,547,701 75,527,000 75,520,317 75,513,167 75,507,724 75,507,875 0<br>интеритеритеритеритеритеритеритеритеритери | 975,999,22<br>946,272,43                                 | 35, <b>60</b> 9,524<br>25,566,394                       | 82,900,82<br>85,52,52                               | 12, <b>19</b> , 12,<br>12, 19, 12,<br>12, 14, 12, 12, 12, 12, 12, 12, 12, 12, 12, 12 | NS, 100, 32<br>NS, 102, 15<br>D34, 162, 25                | 25, <b>00</b> ,524<br>25,54,30<br>101111111111111111                                                                                     | 152, <b>108,</b> 25<br>152,109,25<br>1011111111111111111111111111111111111 | 25,900,224<br>25,520,317<br>11111111111111111111111111111111111 | 52,966,82<br>53,666,82<br>736,818,83                |                                                   | 15, <b>00</b> , 24<br>75, 501, 074                   | 23,103,659<br>28,704,555                     | •                            |
| ELEME COO-LICOTE TALE TELA TELA TELA TELA TELA TELA TE                                                                                                                                                                                                                                                            | 14<br>17<br>17                                           | TEAL TEAL                                               | 11111111111111111111111111111111111111              | NUMBER NEW                                                                           | 2220000000000<br>YEAR<br>10                               | 19<br>19                                                                                                                                 | 764889199919991999                                                         | 12<br>21                                                        | 12<br>12<br>12                                      |                                                   | TEAB<br>21                                           | а<br>Ч                                       | A T                          |
| tine operating revoce<br>decrating cost                                                                                                                                                                                                                                                                           | 197,993,169<br>114,836,833                               | 207,072,018<br>120,577,013                              | 0,497,481 21,544,454 2<br>2,457,484 25,484,454 2    | 279'45'A1                                                                            | 514,122,911<br>214,122,911                                | 252,695,026<br>242,695,026<br>144,543,111                                                                                                | 86, 129, 771<br>153, 191, 267                                              | 279, 596, 259<br>161-585, 839                                   | 70,82,07<br>10,82,07                                | 10,12,36                                          | (A, 553, (1))                                        | 16.2%.17<br>75.6%.0%                         | ••                           |
| mereting prefit                                                                                                                                                                                                                                                                                                   | 83, 157, 127                                             | 87,314,944                                              | 11/100716                                           | 87.142.26                                                                            | 101.678.000                                               | 104,131,900                                                                                                                              | 111,634,564                                                                | 117,010,479                                                     | 854 '878' ZZI                                       | N4'EN'KI                                          | 135,454,198                                          | 69.420.776                                   | -                            |
| - Interest charges                                                                                                                                                                                                                                                                                                | • E<br>3                                                 | 2,5%,8%2,5                                              | 200"612"2                                           | 1<br>2,855,855                                                                       | 0<br>2. 990.640                                           | 9<br>3, 146, 500                                                                                                                         | 1. 346.001                                                                 | 171.2                                                           | 9<br>2.644,075                                      | 9<br>3.027 119                                    | 874,010,4                                            | 51272.8                                      | 0<br>1.214.055               |

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|---------------------------------------------------------------|---------------------------------------|---------------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|----------------------------------------------|----------------------------------------|---------------------------------------------|----------------------------------------|-------------------------------------------------------------|----------------------------------------------|---------------------------------------|---------------------------------------------|
| = N.I. before allowances                                      | 211.063, M                            | 4C7'121'12                                  | M. 540,871                            | 816° <b>00</b> °'86                  | 97,579,85                             | 142,343,351                                  | 10,12,45                               | 113,539,119                                 | 119,216,075                            | 12,176,079                                                  | 131,435,773                                  | 42,147,344                            | (1,214,855)                                 |
| - Nereciation allouances<br>- Amertization                    | 200,227,9<br>211,237                  | 549°,159,4<br>112,237                       | 10.312,540<br>745.313                 | 10,020,1%<br>241,027                 | 11,34 <b>9,446</b><br>265,333         | 11, 930, 006<br>111, 235                     | 12,534,991<br>265,335                  | 13, 161, 740<br>745, 333                    | 13,010,021<br>111,235                  | 14,510,010<br>745,333                                       | 15,234,359<br>745,111                        | 197'005'017'11                        | ••                                          |
| : Income for depiction                                        | 24,578,996                            | 74,137,813                                  | 9/6'200'//                            | 01,015,285                           | 85, 944, 421                          | 90,279,909                                   | 1/1,228,14                             | 99,612,846                                  | SI6'859'HOI                            | 109, 900, 727                                               | 115,434,038                                  | 51,125,144                            | (1,214,055)                                 |
| - Depiction allowance                                         | 116.003.05                            | £24°£01'1£                                  | 11, 24, 22                            | 34,380,275                           | 17, 191, 14                           | 37, 104, 253                                 | 79° K. 5                               | 41, 789, 439                                | 116,078,24                             | 46,072,056                                                  | 44,376,499                                   | 754'ZAL'NZ                            | •                                           |
| = Tereble income                                              | 40,872,822                            | 42,953,890                                  | 121,021,251                           | 47,435,110                           | 44,845,132                            | 22, 775, 654                                 | 55, 617, 705                           | 57,822,607                                  | 60°725.004                             | 1/11/201121                                                 | 67,057,531                                   | N. 10, 10                             | (1,214,855)                                 |
| Tar etherwise perable<br>- Envestment tar credit              | 910,277,91<br>340,000                 | 670°620'1                                   | 20,739,019<br>1,000,523               | 21,744,838<br>1,134,549              | 22,903,448<br>775,191,1               | 24,067,489<br>1,250,840                      | 25,289,732<br>1,313,382                | 26,573,007<br>1,579,051                     | 27, 920, 449<br>1, 449, 000            | 102,232,546<br>1022,1                                       | 30,421,152<br>1,5%,424                       | 12,007,074<br>010,140                 | ••                                          |
| : Tas payable set of 110                                      | 17,795,752                            | 10,704,407                                  | 19,658,496                            | B,64,27                              | 21,712,172                            | 22,816,649                                   | 23,976,350                             | 25,194,035                                  | 26,472,405                             | 27,015,164                                                  | 121.127.12                                   | 11, 18, 12                            | •                                           |
| ITTERNEN LAX SOME MALE                                        | 10.119                                | 10.566,426                                  | 104,770,11                            | 425,545,11                           | 466, 461, 51                          | 12.703.420                                   | 13,300,324                             | [10, 759, []                                | 14,565,160                             | 15.276.152                                                  | 269° 100° 91                                 | N2'220'SI                             | -                                           |
| Providentical 3.0 base                                        | 214,161,022                           | 207,740,375                                 | 200, 647, 978<br>147, 978             | -777, 201, 191, 174-                 | 185, 134, 204                         | 175,092,405<br>75,177,465                    | 145,359,056                            | 153, 121, 174<br>W 424, 235                 | 130, 505, 073<br>Vi 444, 440           | 120,032,796<br>M7,520,051                                   | 94,293,244<br>141,254                        | 54,237,371<br>10, 07, 21              | • •                                         |
| Accelerated depr. assent                                      |                                       |                                             |                                       |                                      | 0                                     |                                              |                                        | 0                                           |                                        | 0                                                           | 8                                            |                                       | •                                           |
| Ministra Lar bese<br>Ministra Lar peyable                     | • •                                   |                                             | • •                                   | •                                    | ••                                    |                                              |                                        |                                             | • •                                    | • •                                                         | • •                                          | • •                                   | • •                                         |
| Federal corp. Incode tar                                      | 11,775,752                            | 18, 704, 407                                | 369,853,61                            | 79,640,2 <del>1</del> 9              | 21,217,15                             | 27,816,649                                   | 23,976,350                             | 25, 194,035                                 | 26,477,605                             | 27,915,104                                                  | 10.101                                       | 11, 25, 27                            | •                                           |
| HEVAM STATE TAXES 2,466,995 2,590,349 2,719,662 2,            | 2,466,995                             | 2,590,349                                   | 2,719,662                             | 2,855,855                            | ~                                     | 98,648 3,148,580                             | 3, 306, 009                            | 3,471,309                                   | 3,644,075                              | 3,471,309 3,644,875 3,627,119 4,010,475 3,272,912 1,214,655 | 4,010,475                                    | 3,272,912                             | 1,214,855                                   |
| Net precends previous y:<br>Assessed tax base<br>Property tax | 79,197,264<br>27,719,042<br>1,305,952 | 81, 157, 127<br>29, 184, 995<br>1, 455, 250 | 87,314,994<br>30,560,244<br>1,529,812 | 91,400,733<br>32,000,52<br>1,400,413 | 96.264.769<br>33.692.669<br>1.684.633 | 101, 678, 608<br>35, 377, 303<br>1, 748, 845 | 106,131,908<br>37,144,148<br>1,657,308 | 111, 438, 564<br>39,003, 476<br>1, 950, 174 | 117,010,429<br>40,953,650<br>2,647,443 | 122,848,958<br>43,601,333<br>2,156,667                      | 129, 803, 998<br>992, 151, 29<br>2, 257, 578 | 135,454,194<br>47,408,%5<br>2,378,446 | 69, 429, 278<br>24, 797, 197<br>1, 214, 185 |
| Met precends tar bise<br>Severance tar                        | 83,157,127<br>1,081,043               | 07,314,944<br>1,135,095                     | 958'161'1<br>11'190'161               | %, 264, 769<br>1, 251, 412           | 101,078,000<br>1,314,014              | tics, 131, 908<br>1, 379, 715                | 111,438,504<br>1,448,701               | 117,010,429<br>1,521,136                    | 261'265'1<br>054'090'221               | 550°229'1                                                   | 135,454,199                                  | 69,428,276<br>902,444                 | • •                                         |

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