

ABC a Limited Liability Joint Venture Corporation
PRO FORMA - ATS2000 Plant processing 15840 Tons of Used Tires per year - operating 330 days per year

Proforma financials of an AATS2000 system
~ process 75 tons/day of wood waste to produce Activated carbon.
~ located in Philippine.
(in USD)

REVENUE	Assumptions 1	Sale Price per Tonne	% of Prod.	Total Ton Production	Revenue	1st year	2nd year	3rd year	4th year	5th Year
Bio Oil	1	300	30%	7,425	2,227,500	2,227,500	2,294,325	2,363,155	2,434,049	2,507,071
Activated Carbon	1	1,500	25%	6,188	9,281,250	9,281,250	9,559,688	9,846,478	10,141,872	10,446,129
Total Revenue					11,508,750	11,508,750	11,854,013	12,209,633	12,575,922	12,953,200
Operational Expense										
Electricity Equipment	2				190,000	190,000	193,800	197,676	201,630	205,662
Diesel or Natural Gas	3				48,000	48,000	48,960	49,939	50,938	51,957
Water	4				7,310	7,310	7,456	7,605	7,757	7,913
Maintenance Equipment	5				60,000	60,000	61,200	62,424	63,672	64,946
Water Treatment	6				2,000	2,000	2,040	2,081	2,122	2,165
AC Packaging	7				464,100	464,100	473,382	482,850	492,507	502,357
Chemical Catalyst	8				30,000	30,000	30,600	31,212	31,836	32,473
Filter Replacement	9				33,000	33,000	33,660	34,333	35,020	35,720
Plant Rental	10				36,000	36,000	36,720	37,454	38,203	38,968
Property Taxes	11				7,500	7,500	7,650	7,803	7,959	8,118
Electricity Plant Office	12				18,000	18,000	18,360	18,727	19,102	19,484
Cleaning	13				2,400	2,400	2,448	2,497	2,547	2,598
Total					898,310	898,310	916,276	934,602	953,294	972,360
Employee Expense			No.	Salary						
Plant Manager			1	36,000	36,000	36,000	37,080	38,934	38,934	38,934
Marketing and Product Manager			1	24,000	24,000	24,000	24,720	25,956	25,956	25,956
Asst Plant Manager			1	24,000	24,000	24,000	24,720	25,956	25,956	25,956
Foreman			3	12,000	36,000	36,000	37,080	38,934	38,934	38,934
Equipment Operators			12	36,000	432,000	432,000	444,960	467,208	467,208	467,208
Engineers			2	18,000	36,000	36,000	37,080	38,934	38,934	38,934
Chemist			1	18,000	18,000	18,000	18,540	19,467	19,467	19,467
Administrative Assistants			2	3,600	7,200	7,200	7,416	7,787	7,787	7,787
Marketing & Sales Staff			1	24,000	24,000	24,000	24,720	25,956	25,956	25,956
Accounting Dept			1	18,000	18,000	18,000	18,540	19,467	19,467	19,467
Total					655,200	655,200	674,856	708,599	708,599	708,599
Liability and Insurance										
Liability	14				30,000	30,000	30,000	30,000	30,000	30,000
Worker's Comp			0.97%		6,355	6,355	6,546	6,873	6,873	6,873
Total					36,355	36,355	36,546	36,873	36,873	36,873
Office & Yard Expense										
Office & Lab supplies	15				24,000	24,000	24,480	24,970	25,469	25,978
Yard Maintenance	16				2,400	2,400	2,448	2,497	2,547	2,598
Postage & Courier					12,000	12,000	12,240	12,485	12,734	12,989
Cell Phones			9		9,000	9,000	9,180	9,364	9,551	9,742
Office phone & fax					1,500	1,500	1,530	1,561	1,592	1,624
Security system					3,600	3,600	3,672	3,745	3,820	3,897
Total					52,500	52,500	53,550	54,621	55,713	56,828
Administrative Expenses										
Marketing/Advertising	17		1.5%		172,631	172,631	176,084	179,606	183,198	186,862
Legal					12,000	12,000	12,240	12,485	12,734	12,989
Public Relations					60,000	60,000	61,200	62,424	63,672	64,946
Testing					60,000	60,000	61,200	62,424	63,672	64,946
Fees & Licenses					12,000	12,000	12,240	12,485	12,734	12,989
Commission	18		3%		345,263	345,263	352,168	359,211	366,395	373,723
Total					661,894	661,894	675,132	688,634	702,407	716,455
Total Operating Expenses					2,304,259	2,304,259	2,356,360	2,423,329	2,456,886	2,491,115
Amortization @5%-10.5M	19		5%		525,000	525,000	#REF!	#REF!	#REF!	#REF!
Royalty % of gross revenue	20		5%		575,438	575,438	592,701	610,482	628,796	647,660
Net Profit Before Tax (NPBT)					8,629,053	8,629,053	8,904,952	9,175,822	9,490,239	9,814,425

Assumptions **Projected costs are in US Dollars for operations in the Philippine**
Cost of an AATS2000 system is \$10,500,000.

- Bio Oil (RFO- Renewable Fuel Oil) and Activated Carbon prices are to increase @ 3% pre year and expenses are to increase 2% per year
- Electricity -projected 2,000,000 kwh@\$09.5/kwh-1,000,000kwh allocated for pre & post processing equipment
- Diesel or natural gas \$48,000 for start up of furnace
- Water projection on usage of 1.9 million gallons @ readily available at site
- Maintenance of equipment \$60,000
- Water treatment \$2,000
- AC Packaging cost projection based on plant size -cost \$50.00/tonne of activated carbon
- Chemical catalysts \$60,000
- Filter & Seal replacement - cost projection \$33,000
- Plant rental for 10,000 sq ft @\$3.00 per sq ft to be negotiated with Landlord
- Property Taxes - - to be negotiated with Landlord of Plant - est \$7,500
- Projected electricity plant office and lab equipment and staff room \$18,000
- Projected cleaning of office, lab and staff facilities \$2,400
- Projected Liability, equipment & auto insurance \$30,000 - Workmens compensation 0.97% - based on WCB designations
- Projected Office and Lab supplies \$2,000/month
- Projected Yard Maintenance \$2,400, Postage & courier\$12,000, Cell phones \$9,000, office tel & fax \$5,500, security \$3,600
- Marketing & advertising 1.5% of sales
- Projected Admin Expenses - Legal \$12,000 -Public relations \$36,000- Testing \$36,000 - license fees \$24,000 Sales comm. 5%
- Amortization based on 20 year amortization rate -5%
- Gross Royalty as per licensing agreement - 5%
- This Philippine party has its own feedstock and has a market already for its end products, and all is required is an AATS2000 system.

- Other assumptions** (a)- revenue projections to increase 3% per year , operational and admin expenses to increase 2% per year
(b) wages to increase @3% per year for year 2 and 3
(c) Wood waste is assumed to bone dry and particle size is to be less than 1/2 inch
(d) Activated carbon particle size is to be less than 200 mesh or 75 microns