

**McCook CUP Reservoir**  
**Contract 73-161-EH: McCook Reservoir Excavation Agreement**  
**Estimated Mining Costs - March 2010**

**Summary of Hard Costs**

Agreement Reference	Description	Current Estimate	Paid as of February 2010
8.3.A.	Incremental Electric Costs	\$2,500,000	\$319,787
8.3.B.	Crusher System Moves	\$3,485,123	\$0
8.3.C.1.	Incremental Conveyance System Maintenance & Repair	\$9,965,000	\$115,892
8.3.C.2.	Incremental Conveyance System Energy	\$4,500,000	\$131,732
8.3.D.	Start-Up Equipment Rentals (starter pit)	\$3,000,000	\$2,656,276
8.3.E.	Pre-Splitting	\$11,800,000	\$1,553,010
8.3.F.1.&2.	Short-Bench Mining - Non-Developmental	\$700,000	\$10,103
8.3.F.3.	Short-Bench Mining - Developmental	\$1,750,000	\$237,963
8.3.F.4.	Short Bench Mining Materials	\$800,000	\$0
8.3.G.	Additional Administration	\$2,585,000	\$1,527,568
8.3.H.	Removal of Deleterious Material	\$1,000,000	\$4,720
8.3.I.	Incremental Insurance	\$1,000,000	\$531,146
8.3.J.	Performance Bond	\$1,000,000	\$179,868
8.3-1	Other - Conveyor Pad	\$700,000	\$671,380
8.3-2	Other - Rock Trench and Site Preparation	\$6,300,000	\$5,862,611
8.3-3	Other - Road Base and Stemming Material	\$2,000,000	\$392,476
8.3-4	Other - Tires for Mining Trucks	\$700,000	\$578,112
8.3-5	Other - IDOT Certification	\$150,000	\$67,620
8.3-6	Other - Reimbursement for Crusher Liner Plates <sup>1</sup>	\$43,956	\$43,956
8.3-7	Other - Miscellaneous Start-Up Mining Work	\$3,464,877	\$3,043,259
<b>Total</b>		<b>\$57,443,956</b>	<b>\$17,927,479</b>

<sup>1</sup>MWRD was reimbursed this amount from Metso, who supplied the original crusher liner plates.

**Summary of Capital Costs**

Agreement Reference	Description	Current Estimate	Paid as of February 2010
9.3.A.	Electrical Supply Systems	\$3,890,275	\$3,890,275
9.3.B.	Crushing Systems	\$9,186,762	\$9,001,131
9.3.C.	Rock Conveyance System	\$10,918,678	\$10,918,678
9.3.D.	Groundwater Pumping System	\$379,000	\$0
9.3.E.	Mobile Equipment Fleet Costs	\$16,434,827	\$16,094,827
9.3.F.	Office, Change and Maintenance Facilities	\$6,230,370	\$6,230,370
<b>Total</b>		<b>\$47,039,912</b>	<b>\$46,135,281</b>

	Current Estimate	Paid as of February 2010
<b>Total Mining Costs</b>	<b>\$104,483,868</b>	<b>\$64,062,760</b>

# MCCOOK RESERVOIR PROJECT

## Mining Progress Update

Year	Project Year	Stage 1			Stage 2 & Pillar		
		Mined Tonnage	Remaining Tonnage*	Percent Complete	Mined Tonnage	Remaining Tonnage*	Percent Complete
2007	0	0	42,000,000	0.0%	0	70,000,000	0.0%
2008	1	5,761,796	36,238,204	13.7%	0	70,000,000	0.0%
2009	2	5,092,718	31,145,486	25.8%	0	70,000,000	0.0%
2010	3	0	31,145,486	25.8%	0	70,000,000	0.0%
<b>Subtotals:</b>		<b>10,854,514</b>			<b>0</b>		

<b>Total</b>	<b>10,854,514</b>
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as of March 11, 2010