

**PETROSTRATA CORPORATION**  
**Project Revenues and Utilization of Funds**  
**YEAR THREE - FULL PRODUCTION**  
**( \$82 per Barrel)**

**INCOME**

<b>1.0 ESTIMATED GROSS RECEIPTS FROM SALES</b>					
PMR NO.	ITEM		\$ / BARREL	DAYS	EXT.
1	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	360	\$ 35,424,000
2	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	360	\$ 35,424,000
3	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	360	\$ 35,424,000
4	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	360	\$ 35,424,000
5	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	270	\$ 26,568,000
6	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	180	\$ 17,712,000
7	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	90	\$ 8,856,000
8	1,200 Barrels / Day per PetroStrata Micronic Reactor		82	0	\$ -
<b>TOTAL GROSS RECEIPT FROM SALES OF BARRELS OF KEROGEN</b>					<b>\$ 194,832,000</b>
PMR NO.	ESTIMATED ANNUAL TONNAGE OF ORE REQUIRED	No. Reactors	Days	Annual Tons of Ore	
1	480 Tons of Ore required per Day per Reactor	1	360	172,800	
2	480 Tons of Ore required per Day per Reactor	1	360	172,800	
3	480 Tons of Ore required per Day per Reactor	1	360	172,800	
4	480 Tons of Ore required per Day per Reactor	1	360	172,800	
5	480 Tons of Ore required per Day per Reactor	1	270	129,600	
6	480 Tons of Ore required per Day per Reactor	1	180	86,400	
7	480 Tons of Ore required per Day per Reactor	1	90	43,200	
8	480 Tons of Ore required per Day per Reactor	1	0	0	
<b>TOTAL ESTIMATED ANNUAL TONNAGE OF ORE REQUIRED</b>					<b>950,400</b>

**EXPENSES**

No.	ITEM	\$	QTY.	EXT.
<b>1.0</b>	<b>INDIRECT COST - CONSULTANTS, SUPPORT PROFESSIONS, DESIGN AND ENGINEERING, CONTINGENCIES</b>			
	Environmental Consulting & Monitoring during construction			\$ 120,000
	Site Civil			\$ -
	Building A & E			\$ 100,000
	Transportation			\$ 50,000
	Process Engineering			\$ 100,000
	Mechanical Engineering			\$ 100,000
	Equipment Installation			\$ 125,000
	Storage Logistics			\$ 75,000
	Contingencies			\$ 50,000
	<b>SUB-TOTAL CONSULTANTS, SUPPORT PROFESSIONS, ENGINEERING, CONTINGENCIES</b>			<b>\$ 720,000</b>
<b>2.0</b>	<b>PROJECTED ANNUAL OPERATING EXPENSES</b>			
<b>2.1</b>	<b>ORE HANDLING EXPENSES</b>			
	\$ / TON ITEM		TONS	EXT.
	12 Cost of Mining Ore	\$ 12	950,400	\$ 11,404,800
	12 Transportation of Ore	\$ 12	950,400	\$ 11,404,800
	4 Pulverization	\$ 4	950,400	\$ 3,801,600
	10 Micronic Processing	\$ 10	950,400	\$ 9,504,000
	12 Disposal of Waste Products	\$ 12	950,400	\$ 11,404,800
	<b>SUB-TOTAL ORE HANDLING EXPENSES</b>	<b>\$ 50</b>	<b>950,400</b>	<b>\$ 47,520,000</b>
<b>2.2</b>	<b>ON-GOING PLANT OPERATING EXPENSES</b>			
		AMT.	YEAR	EXT.
	Small Equipment	\$ 200,000	1	\$ 200,000
	Materials	\$ 200,000	1	\$ 200,000
	Labor	\$ 2,000,000	1	\$ 2,000,000
	Contracted Services	\$ 400,000	1	\$ 400,000
	Misc. Operating and Maintenance Expenses	\$ 1,500,000	1	\$ 1,500,000
	Site Utilities	\$ 500,000	1	\$ 500,000
	Permits Fees and Asessments	\$ 500,000	1	\$ 500,000
	Real Estate Taxes	\$ 200,000	1	\$ 200,000
	Contingency Funds	\$ 500,000	1	\$ 500,000
	<b>SUB-TOTAL ON-GOING OPERATING EXPENSES</b>			<b>\$ 6,000,000</b>
<b>2.3</b>	<b>ADMINISTRATIVE EXPENSES</b>			
		AMT.	YEAR	EXT.
	Executive Salaries & Expenses	\$ 750,000	1.0	\$ 750,000
	Exploration, Research and Development	\$ 1,000,000	1.0	\$ 1,000,000
	Legal	\$ 250,000	1.0	\$ 250,000
	Accounting	\$ 150,000	1.0	\$ 150,000
	Marketing	\$ 250,000	1.0	\$ 250,000
	<b>SUB-TOTAL ADMINISTRATIVE EXPENSES</b>			<b>\$ 2,400,000</b>
<b>3.0</b>	<b>FINANCIAL EXPENSES</b>			
	P/I Annual Ammortized Loan Payment (\$30,000,000 @ 8%, 5 Year Term)			\$ 7,299,504
<b>TOTAL PROJECTED EXPENSES - YEAR THREE</b>				

**PROFIT BEFORE TAXES**

	INCOME	\$ 194,832,000
	PROJECTED EXPENSES	\$ 63,939,504
	<b>PROFIT BEFORE TAXES</b>	<b>\$ 130,892,496</b>