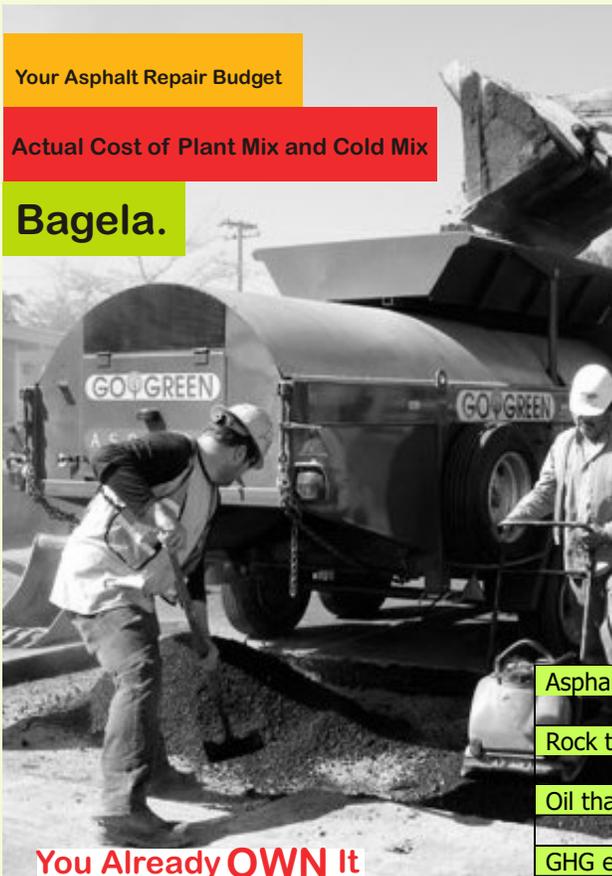


Budget Analysis

While considering the capital purchase of Bagelas, please include the following:

- The fact that you already own every cubic inch of asphalt ever previously laid in your community
- That this same asphalt can be recycled over and over
- Cost of truck and driver to and from, and waiting at plant
- How much you are currently paying for plant-made hot mix asphalt (HMA)
- The non-renewable resources that will be saved by reducing use of the big plants
- The greenhouse gas emissions saved by reducing use of the big plants
- Price you pay for cold mix material, which is eliminated by this system
- Reduction in costs by not returning twice to repair with cold mix and then later with hot mix – repair with HOT mix asphalt any time any where

To help you come up with solid dollar figures to go with the above, we have provided you with the attached Cost Calculation worksheet. Please enter your actual costs and calculate the savings that can be had by producing your own HMA from existing stockpiles.



The savings with recycled asphalt

Actual numbers achieved by Royal Paving in first 3 seasons – just ONE contractor!

| | |
|--|------------------------|
| Asphalt saved from landfills | 20,000 tonnes |
| Rock that did not need to be mined, quarried | 18,699 tonnes |
| Oil that did not need to be refined, delivered | 351,972 gallons |
| GHG emissions that were not put in to the atmosphere | 1,649,871 lbs |

By contrast, to make **just one ton** of plant mix asphalt takes:

| | |
|--------------------------------------|---|
| Mine or quarry the rock or aggregate | 1870 lbs of rock |
| Add asphalt oil | 16 gallons |
| Power the hot plant generators | 75 lbs of greenhouse gas emissions |

"Comparison of Greenhouse Gas Emissions for Patching with Recycled and Traditional Asphalt" by Tim Marbach PhD
California State University Sacramento

Savings Potential

MUNICIPALITY MATERIAL COST SAVINGS

| | Traditional off-season cold / hot mix | 100% Recycled Hot Mix Asphalt using Bagela |
|--|---------------------------------------|--|
| Asphalt Cost per Ton | \$ 105 | \$ 25 |
| Tons Material Purchased | 5 | 5 |
| Worker Cost Per Hour | \$50 | \$50 |
| Man Hours in Travel Time (Typical 2-man crew) | 4 | 0 |
| Man Hours in Wait Time at Plant | 2 | 0 |
| Gross Product Cost (Materials & Labor) | \$ 825 | \$ 125 |
| Total Usable Tons | 3.5 | 5 |
| Cost per Usable Ton | \$ 239 | \$ 25 |
| Seasonal Usage - Tons laid during patching season | 250 | 250 |
| Total Material Cost Using assumptions above | \$ 58,929 | \$ 6,250 |

Annual savings using a Bagela Asphalt Recycler

\$ 52,679

What do you pay now per ton?

BA10000

COST PER TON ANALYSIS

Market Assumptions

| | |
|-----------------------------------|-------|
| Anticipated Days of Operation | 5 |
| Hours of Operation per Day | 8 |
| Average tons required per Day | 70 |
| Off-road Diesel Fuel cost (per g) | \$5 |
| Fully loaded labor cost per Hour | \$62 |
| Capital cost of Equipment | \$176 |
| Input Material per Ton | \$6 |

Daily Operating Expenses

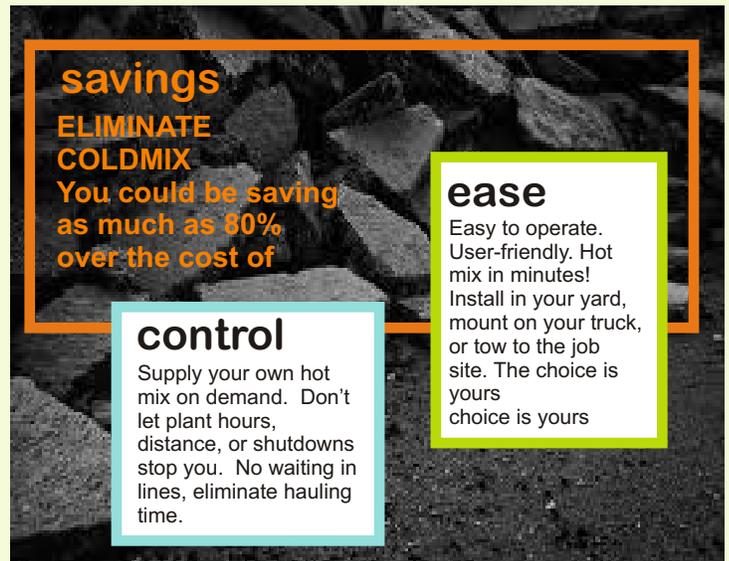
| | |
|--------------------------------------|----------------|
| Labor Cost for Daily Operation | \$500 |
| 8 hrs @ \$62 / hr | |
| Input Material | \$420 |
| 70 tons @ \$6 / t | |
| Maintenance | \$35 |
| Fuel | \$375 |
| 75 gallons @ \$5 / g | |
| TOTAL Daily Operating Expense | \$1,180 |

Total Cost per ton of Recycled Asphalt

| | |
|----------------|--------|
| Depreciation | \$2.01 |
| Maintenance | \$0.50 |
| Labor | \$7.14 |
| Fuel | \$5.36 |
| Input Material | \$6.00 |

Total Cost per Recycled Ton \$ 21.01

Data provided by

savings
ELIMINATE COLDMIX
 You could be saving as much as 80% over the cost of

control
 Supply your own hot mix on demand. Don't let plant hours, distance, or shutdowns stop you. No waiting in lines, eliminate hauling time.

ease
 Easy to operate. User-friendly. Hot mix in minutes! Install in your yard, mount on your truck, or tow to the job site. The choice is yours choice is yours

YOUR FACTORY-AUTHORIZED DEALER

reclaimasphalt.com
 Equipment Sales & Service
 Canada / US West / Mexico

t: 866.754.0848

e: sales@reclaimasphalt.com



reclaimasphalt.com

Why BAGELA ?

Bagela is the only indirect heat, continuous-flow recycler available. Serviceability, readily available parts and technical assistance is simply attributed to market penetration (there are more Bagela recyclers in operation worldwide than any other competitive brand). Our system is safe, operating on readily-available diesel rather than propane. Bagela's ease of operation, quality hot mix as compared to direct-heated recyclers, proven ROI and cost savings as compared to other methods and equipment types as well as productivity and simplicity of design and operation, make them the most reliable, and cost-effective portable asphalt recyclers available.

Why reclaimasphalt.com ?

As the equipment sales division of our parent company Royal Paving, the principals have over 50 years experience in asphalt paving. There are many asphalt recycling systems on the market, and Royal researched them all. Bagela was deemed to be the best overall portable asphalt recycler available. Using Bagela recyclers for all of their asphalt supply for years, this is the experience behind the training, and ongoing service our customers receive with purchase of equipment. Our on-staff mechanical engineer has been factory-trained in Germany and will spend up to 3 days with your crew to make sure you are comfortable with your purchase, and we are always available to provide ongoing after-sale support.

Geographically, reclaimasphalt.com is your closest representative for Bagela portable asphalt recyclers. Working closely with the US distributor Pavement Recyclers LLC, and the North American importer DKE Enterprises, our company handles sales and service for Western Canada and USA, as well as Mexico.