



***CANDO PRESENTATION
SEPT. 26, 2018***

INTRODUCTION



Flying Dust Gravel (FDG) is located in the Meadow Lake area and has been in operation for more than 18 years

Employs 8 people in various positions

Generates revenue for Community programs

Provides quality product at fair market price

INTRODUCTION



Value Added Products



FDG has some of the cleanest product in the Meadow Lake area that also meets structural requirements to fulfill the market demand for value added products

Because of it's natural cleanliness the costs of processing the rock to achieve a saleable product is low and very cost effective.

FDB Gravel has the ability to make any product to spec

Value Added Products



3/4" Gravel



Value Added Products



3/4" Washed Rock This is the basis of all products created and worth the highest market value. Any other products created will be a by-product of producing 3/4" washed rock.

5/16" Pea Rock This is the second highest market value. Can be sold as a washed product if needed at an added value.

1/2" Rock This product is in high demand for asphalt purposes. It is also used in some concrete recipes that do not use 3/4" rock.

Value Added Products



Concrete and Asphalt Sands This product can easily be produced upon request (sizing) through additional screening and washing. Recipes for both concrete and asphalt require certain amounts of these products for added structural strengths.

Sub Base/Type 33 (3/8 minus base compacting gravel) unfortunately these screenings are normally sold with the proper amounts of clay (binder) formed naturally through the process of crushing but do to the fact of having such a clean raw product FDG has to pug clay (binder) back into raw product.

Other Products



Jack pine sands Raw product extracted and sold as is

Top soil Sold by FDG but is purchased from FDFN O&M

Screeners sands Screenings that are by product of gravel

Pit Run Raw product extracted and sold as is

Aggregate Market



Concrete – FDFN, Inland Concrete and Meadow Lake area

Asphalt – FDFN and Meadow Lake streets

Road Base/Construction Base – FDFN & RM of ML

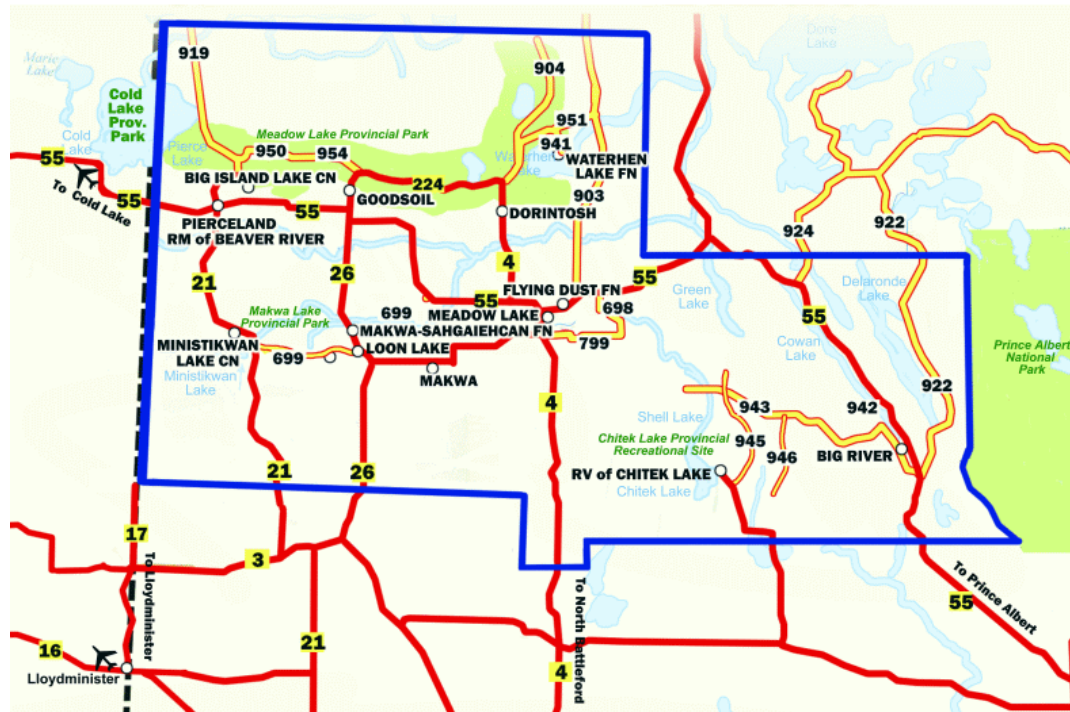
Government Infrastructure (bridges, water treatment stations, sewage lift stations, power stations, buildings, etc.)

Local Area construction – Including all northern communities

MLTC - Including MLTC's procurement for development (schools, administration buildings, housing, etc.)

Rural – roads & driveways

Market Area



Equipment Required



Cone crusher needed to purchase for the first year it may be best to use the initial crush to develop the capital to look at purchasing one. Given the market speculated, a 36" cone crusher or smaller is sufficient.

3 Stackers to have capability to value add to the product. Through the process of reentry into washing, screening or pugging in clay to reach Compaction, cleanliness and any other grades that may come up in the future.

Equipment Required



Long conveyors have the capability to pile at high heights to eliminate spreading the base of the piles into too large of a diameter intruding the chance of contamination

Washer wash all value added product. Concrete rock, asphalt rock and sands needed for concrete. Increasing the value of the aggregate from \$29.00 yard of rock turns into a \$43.00 yard.

Equipment Required



Pug Mill Usually the byproduct of a gravel pit is screened down to sizes used for sub base purposes but the byproduct created at FDG is too clean and to turn it into a saleable product one must pug clay back into it.

Generator The fact that the power source does not reach into the pit makes it mandatory to have a gen set big enough to handle the daily operations of the pit. (750kw with three phase capability)

Equipment Required



Machinery Must purchase a D7 or D8 Cat and a Track Hoe.

First Aid And Lunch Room complete with eye wash station, stretcher board, first-aid supplies, power, drinking water station, furnished with all safety and MSDS manuals and possibly a land line for telephone/fax.

Initial Start Up Costs advertising, establish COR safety program, insurances, wages for the first quarter, travel costs to locate equipment to purchase or rent, testing, welding repairs, administration costs.

Capital Costs Key Notes



The biggest **DECISION** is deciding between the risk of purchasing crushing equipment compared to contracting out the service to an already established crushing company

Owning and maintaining FDG crushing equipment will allow the growth of the company. FDG would have the ability to crush in other gravel pits, whether newly acquired (through TLE) or other company's pits, promoting expansion inside the company.

Capital Costs Key Notes



Through strict buying techniques FDB Gravel should be able to acquire the machinery at a cost savings compared to the prices stated.

Another benefit of owning the equipment would be to best utilize the raw product that is being processed from the ground. If the raw product happens to change characteristics FDB Gravel would be able to adapt to meet specs of a saleable product .

NEW EQUIPMENT



NEW EQUIPMENT



Gravel Pit Management



Duties

Implement safety program (COR)(SCSA standards)

- Certificate of recognition, Sask. Construction safety association

Manage gravel crushing

Product sales (planning)

Project Development

Supervise crew (establish employment)

Schedule machinery maintenance

Establish Trades certification (red seal millwright)

Reclamation of old areas as well as new

Benefits To Flying Dust



A separate identity business that Chief and Counsel will not have to spend huge amounts of time managing. There are meetings set up on a regular basis to keep FDC&C.

Employment of FDFN Members.

Training programs set up to train individuals as well as help with the reclamation of the past and the future.

The **ability to grow** from within.

Use the **financial return** of the FDG to support the community, through funding programs or infrastructure eg: Rink, elder's complex, etc.

MOVING FORWARD



For the two decades we have spent developing this business whether it be for commercial, Industrial or residential; has been spent establishing working relationships with engineering firms, contractors, project managers, local government agencies, educational facilities.

MOVING FORWARD

