

<u>Period</u>	<u>Invest't & sale</u>	<u>Depreciation</u>	<u>Debt interest</u>	<u>Debt Princ'l</u>	<u>No-prof royals</u>	<u>Prof royals</u>	<u>AdVal royals</u>	<u>Unit royals</u>	<u>Annual loss</u>	<u>Accum loss</u>
0	10000	0	0	0	0	0	0	0	0	0
1	10000	833.5	0	0	0	0	0	0	0	0
2	10000	2361.6	0	0	0	0	0	0	0	0
3	10000	3634.9	0	0	0	0	0	0	0	0
4	10000	4695.9	0	0	0	0	0	0	0	0
5	10000	5580.1	0	0	0	0	0	0	0	0
6	10000	6316.9	0	0	0	0	0	0	0	0
7	10000	6930.9	0	0	0	0	0	0	0	0
8	10000	7442.5	0	0	0	0	0	0	0	0
9	10000	7868.8	0	0	0	0	0	0	0	0
10	10000	10000	0	0	0	0	0	0	0	0
11	10000	10000	0	0	0	0	0	0	0	0
12	10000	10000	0	0	0	0	0	0	0	0
13	10000	10000	0	0	0	0	0	0	0	0
14	11000	10000	0	0	0	0	0	0	0	0
15	12100	10083.4	0	0	0	0	0	0	0	0
16	13310	10327.8	0	0	0	0	0	0	0	0
17	14641	10724.1	0	0	0	0	0	0	0	0
18	16105	11266.1	0	0	0	0	0	0	0	0
19	17716	11950.7	0	0	0	0	0	0	0	0
20	19487	12777.5	0	0	0	0	0	0	0	0
21	21436	13748.4	0	0	0	0	0	0	0	0
22	23579	14867.5	0	0	0	0	0	0	0	0
23	25937	16141.1	0	0	0	0	0	0	0	0
24	28531	17755.1	0	0	0	0	0	0	0	0
25	31384	19530.6	0	0	0	0	0	0	0	0
26	34523	21483.6	0	0	0	0	0	0	0	0
27	37975	23632	0	0	0	0	0	0	0	0

Build-up of depreciation deductions uder 16 2/3 declining balance write-off

Levelling off of deductions before 10% growth in investment expenditure

10% investment growth starts

Growing depreciation deductions after ongoing growth in investment occurs

BASELINE DEPRECIATION DEDUCTIONS WITH INCREASING EXPENDITURE