2012

CAPITALIZATION RATE STUDY FOR CENTRALLY ASSESSED PROPERTIES

FOR: JANUARY 1, 2012

UTAH STATE TAX COMMISSION

PROPERTY TAX DIVISION
NATURAL RESOURCES SECTION
210 NORTH 1950 WEST, THIRD FLOOR
SALT LAKE CITY, UTAH 84134

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www.propertytax.utah.gov

REV. 3/7/2012

Industry	Page	Debt Rate	Debt/Equity	Equity Yield Rate	WACC
COAL MINING	3	8.13%	35% / 65%	13.53%	11.64%
PRECIOUS METALS	6	5.25%	10% / 90%	11.51%	10.89%
NON-PRECIOUS METALS	9	5.25%	10% / 90%	13.56%	12.73%
NON-METALS	12	8.13%	15% / 85%	11.05%	10.61%
OIL & GAS	15	8.13%	25% / 75%	12.50%	11.41%
SAND AND GRAVEL	18	8.13%	25% / 75%	10.08%	9.59%
URANIUM MINING	21	5.25%	15% / 85%	13.95%	12.65%

CORPORATE BONDS

Aaa	3.93%
Aa	4.03%
A	4.40%
Baa	5.25%
Ba1	7.02%
Ba2	8.13%
Ba3	8.13%
B1	8.17%
B2	9.81%
B3	9.90%
Caa1	12.72%
Caa2	12.72%
Caa3	13.90%
Ca	17.92%
C	21.00%

PUBLIC UTILITY BONDS

Aaa	N/A
Aa	4.00%
A	4.33%
Baa	5.07%

PREFERRED STOCKS

Aaa	N/A
Aa	N/A
A	5.63%
Baa	6.59%

MISCELLANEOUS RATES

Risk-Free Rate	2.57%
Market Risk Premium	6.62%
Default Income Tax Rate	38.50%
ValueLine GDP Price Deflator Forecast	1.00%

INFLATION FACTORS

Year	4th Quarter GDP Implicit Price Deflator	Annual Percent Change	Conversion Factor
2001	91.232	N/A	**1.249**
2002	92.894	1.82%	**1.227**
2003	94.818	2.07%	**1.202**
2004	97.874	3.22%	**1.164**
2005	101.302	3.50%	**1.125**
2006	104.186	2.85%	**1.094**
2007	106.958	2.66%	**1.065**
2008	109.300	2.19%	**1.043**
2009	109.943	0.59%	**1.036**
2010	111.644	1.55%	**1.021**
2011	113.946	2.06%	**1.000**

2012 - 2002 Average Change: 2.25%

Source:

St. Louis Federal Reserve as of February, 2012

Website:

http://research.stlouisfed.org/fred2/series/GDPDEF

MISCELLANEOUS INFORMATION

Resources:
The Value Line Investment Survey. January 2012 CD
2012 Ibbotson Risk Premia Over Time Report.
Mergent Bond Record. January 2012 Vol. 79 No. 1
2012 Ibbotson Valuation Yearbook

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	13.82%
CAPM: Total NYSE	13.47%
CAPM: Supply Side	13.01%
CAPM: Deciles 1 & 2	12.58%
Division's Risk Premium	8.66%
DGM: Earnings & Dividend	12.62%
DGM: Plowback Ratio	14.33%

Reconciled Equity Rate			**13.53%**
Reconciled Equity Rate	13.53%	65.00%	8.79%
Debt Rate (Corporate Ba3)	8.13%	35.00%	2.85%
Weighted Average Cost of Capital			**11.64%**
Reconciled Equity Rate	13.53%		
Tax-Adjusted (38.25%)	21.91%	65.00%	8.79%
Industry Debt Rate	8.13%	35.00%	2.85%
Tax-Adjusted Weighted Average Cost of Capital			**17.09%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
Alpha Natural Res.	25.81%	1.00 (B+)	1.90
Arch Coal	NMF	0.89 (B++)	1.65
CONSOL Energy	24.07%	0.89 (B++)	1.70
Peabody Energy	27.68%	0.89 (B++)	1.55
Selected	**38.25%**	**0.92**	**1.70**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.70
Industry Risk Premium	11.25%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.82%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.70
Industry Risk Premium	10.90%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.47%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.70
Industry Risk Premium	10.44%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.01%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.70
Industry Risk Premium	10.01%
Add: Risk-Free Rate	2.57%
Indicated Rate	**12.58%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	0.92
Industry Risk Premium	6.09%
Add: Risk-Free Rate	2.57%
Indicated Rate	**8.66%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
Alpha Natural Res.	$19.70	-	10.00%	-	10.00%	-
Arch Coal	$14.11	$0.44	15.50%	8.00%	11.75%	14.87%
CONSOL Energy	$36.15	$0.52	15.00%	13.00%	14.00%	15.44%
Peabody Energy	$32.50	$0.34	5.50%	7.50%	6.50%	7.55%

Indicated Rate **12.62%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
Alpha Natural Res.	$19.70	-	2.50%	82.00%	2.05%	-
Arch Coal	$14.11	$0.44	4.00%	80.00%	3.20%	6.32%
CONSOL Energy	$36.15	$0.52	19.50%	84.00%	16.38%	17.82%
Peabody Energy	$32.50	$0.34	20.00%	89.00%	17.80%	18.85%

Indicated Rate **14.33%**

COMMENTS ABOUT THE COAL MINING INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
Alpha Natural Res.	2,931.3	100.0	1.71%	1,575.6	-	-	19.70	120.5	2,373.9
Arch Coal	3,841.3	400.0	5.21%	4,700.9	-	-	14.11	164.1	2,315.5
CONSOL Energy	3,178.7	266.0	4.18%	3,252.9	-	-	36.15	226.2	8,177.1
Peabody Energy	2,458.6	200.0	4.07%	2,459.7	-	-	32.50	270.6	8,794.5
Total				**11,989.1**	**-**				**21,661.0**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
Alpha Natural Res.	39.89%	60.11%
Arch Coal	67.00%	33.00%
CONSOL Energy	28.46%	71.54%
Peabody Energy	21.86%	78.14%
Mean	**39.30%**	**60.70%**
Weighted Mean	**35.63%**	**64.37%**

REMARKS

* Market Value of Debt: 8.13% (Corporate Ba3)

** Market Value of Pref. Equity: 6.59% (Baa)

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	11.51%
CAPM: Total NYSE	11.22%
CAPM: Supply Side	10.86%
CAPM: Deciles 1 & 2	10.52%
Division's Risk Premium	8.73%
DGM: Earnings & Dividend	17.89%
DGM: Plowback Ratio	0.00%

Reconciled Equity Rate			**11.51%**
Reconciled Equity Rate	11.51%	90.00%	10.36%
Debt Rate (Corporate Baa)	5.25%	10.00%	0.53%
Weighted Average Cost of Capital			**10.89%**
Reconciled Equity Rate	11.51%		
Tax-Adjusted (38.25%)	18.64%	90.00%	10.36%
Industry Debt Rate	5.25%	10.00%	0.53%
Tax-Adjusted Weighted Average Cost of Capital			**17.31%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
Agnico-Eagle Mines	38.25%	1.00 (B+)	1.00
Allied Nevada Gold Corp	38.25%	1.00 (B+)	1.45
Aurizon Mines Ltd	38.25%		1.10
Barrick Gold	38.25%	0.78 (A)	0.90
Brigus Gold Corp	38.25%		1.30
Coeur d'Alene Mines	38.25%	1.00 (B+)	1.60
Goldcorp Inc.	38.25%	0.89 (B++)	1.00
Hecla Mining	38.25%	1.00 (B+)	1.65
Kinross Gold	38.25%	0.89 (B++)	1.00
Kirkland Lake Gold Inc	38.25%		1.30
New Gold Inc	38.25%		1.55
Newmont Mining	38.25%	0.89 (B++)	0.80
Richmont Mines	38.25%		0.90
Selected	**38.25%**	**0.93**	**1.35**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.35
Industry Risk Premium	8.94%
Add: Risk-Free Rate	2.57%
Indicated Rate	**11.51%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.35
Industry Risk Premium	8.65%
Add: Risk-Free Rate	2.57%
Indicated Rate	**11.22%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.35
Industry Risk Premium	8.29%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.86%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.35
Industry Risk Premium	7.95%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.52%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	0.93
Industry Risk Premium	6.16%
Add: Risk-Free Rate	2.57%
Indicated Rate	**8.73%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
Agnico-Eagle Mines	$35.77	$0.70	35.50%	22.50%	29.00%	30.96%
Allied Nevada Gold Corp	$30.55	-	-	-	-	-
Aurizon Mines Ltd	$4.78	-	8.19%	-	8.19%	-
Barrick Gold	$45.18	$0.60	1.50%	7.00%	4.25%	5.58%
Brigus Gold Corp	$0.94	-	-	-	-	-
Coeur d'Alene Mines	$24.03	-	-	-	-	-
Goldcorp Inc.	$43.53	$0.54	26.00%	29.50%	27.75%	28.99%
Hecla Mining	$5.23	-	8.00%	-	8.00%	-
Kinross Gold	$11.33	$0.12	21.50%	7.50%	14.50%	15.56%
Kirkland Lake Gold Inc	$14.73	-	-	-	-	-
New Gold Inc	$9.92	-	5.00%	-	5.00%	-
Newmont Mining	$60.36	$1.58	-3.50%	15.00%	5.75%	8.37%
Richmont Mines	$10.75	-	-	-	-	-
Indicated Rate						**17.89%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
Agnico-Eagle Mines	$35.77	$0.70	-	-	-	-
Allied Nevada Gold Corp	$30.55	-	-	-	-	-
Aurizon Mines Ltd	$4.78	-	-	-	-	-
Barrick Gold	$45.18	$0.60	-	-	-	-
Brigus Gold Corp	$0.94	-	-	-	-	-
Coeur d'Alene Mines	$24.03	-	-	-	-	-
Goldcorp Inc.	$43.53	$0.54	-	-	-	-
Hecla Mining	$5.23	-	-	-	-	-
Kinross Gold	$11.33	$0.12	-	-	-	-
Kirkland Lake Gold Inc	$14.73	-	-	-	-	-
New Gold Inc	$9.92	-	-	-	-	-
Newmont Mining	$60.36	$1.58	-	-	-	-
Richmont Mines	$10.75	-	-	-	-	-
Indicated Rate						**0.00%**

COMMENTS ABOUT THE PRECIOUS METALS INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
Agnico-Eagle Mines	650.0	59.0	4.54%	955.7	-	-	35.77	168.7	6,034.4
Allied Nevada Gold Corp	20.1	-	-	20.1	-	-	30.55	89.0	2,718.9
Aurizon Mines Ltd	-	-	-	-	-	-	4.78	-	-
Barrick Gold	13,229.0	565.0	2.14%	11,637.0	-	-	45.18	998.5	45,112.2
Brigus Gold Corp	-	-	-	-	-	-	0.94	-	-
Coeur d'Alene Mines	124.5	-	-	124.5	-	-	24.03	89.3	2,145.9
Goldcorp Inc.	715.0	52.0	3.64%	892.8	-	-	43.53	798.4	34,754.4
Hecla Mining	4.1	-	-	4.1	0.6	9.1	5.23	258.5	1,352.0
Kinross Gold	415.0	29.0	3.49%	503.7	-	-	11.33	1,133.3	12,840.3
Kirkland Lake Gold Inc	-	-	-	-	-	-	14.73	-	-
New Gold Inc	-	-	-	-	-	-	9.92	-	-
Newmont Mining	3,771.0	165.0	2.19%	3,365.7	-	-	60.36	492.7	29,739.4
Richmont Mines	-	-	-	-	-	-	10.75	-	-
Total				**17,503.6**		**9.1**			**134,697.5**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
Agnico-Eagle Mines	13.67%	86.33%
Allied Nevada Gold Corp	0.73%	99.27%
Aurizon Mines Ltd	-	-
Barrick Gold	20.51%	79.49%
Brigus Gold Corp	-	-
Coeur d'Alene Mines	5.48%	94.52%
Goldcorp Inc.	2.50%	97.50%
Hecla Mining	0.97%	99.03%
Kinross Gold	3.77%	96.23%
Kirkland Lake Gold Inc	-	-
New Gold Inc	-	-
Newmont Mining	10.17%	89.83%
Richmont Mines	-	-
Mean	**7.23%**	**92.77%**
Weighted Mean	**11.51%**	**88.49%**

REMARKS

* Market Value of Debt: 5.25% (Corporate Baa)

** Market Value of Pref. Equity: 6.59% (Baa)

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	13.56%
CAPM: Total NYSE	13.21%
CAPM: Supply Side	12.76%
CAPM: Deciles 1 & 2	12.35%
Division's Risk Premium	7.60%
DGM: Earnings & Dividend	17.82%
DGM: Plowback Ratio	0.00%

Reconciled Equity Rate			**13.56%**
Reconciled Equity Rate	13.56%	90.00%	12.20%
Debt Rate (Corporate Baa)	5.25%	10.00%	0.53%
Weighted Average Cost of Capital			**12.73%**
Reconciled Equity Rate	13.56%		
Tax-Adjusted (38.25%)	21.96%	90.00%	12.20%
Industry Debt Rate	5.25%	10.00%	0.53%
Tax-Adjusted Weighted Average Cost of Capital			**20.29%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
BHP Billiton Ltd. ADR	38.25%	0.78 (A)	1.40
Freep't-McMoRan C&G	38.25%	0.67 (A+)	1.65
Inmet Mining Corp.	38.25%		1.60
Lundin Mining Corp	38.25%		1.95
Rio Tinto plc	38.25%	0.78 (A)	1.60
Southern Copper	38.25%	0.67 (A+)	1.55
Teck Resources Ltd. 'B'	38.25%	0.89 (B++)	1.90
Thompson Creek Metals Company	38.25%		1.60
Selected	**38.25%**	**0.76**	**1.66**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.66
Industry Risk Premium	10.99%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.56%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.66
Industry Risk Premium	10.64%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.21%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.66
Industry Risk Premium	10.19%
Add: Risk-Free Rate	2.57%
Indicated Rate	**12.76%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.66
Industry Risk Premium	9.78%
Add: Risk-Free Rate	2.57%
Indicated Rate	**12.35%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	0.76
Industry Risk Premium	5.03%
Add: Risk-Free Rate	2.57%
Indicated Rate	**7.60%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
BHP Billiton Ltd. ADR	$70.30	$2.20	17.00%	13.50%	15.25%	18.38%
Freep't-McMoRan C&G	$36.54	$1.08	12.50%	19.50%	16.00%	18.96%
Inmet Mining Corp.	$65.40	-	-	-	-	-
Lundin Mining Corp	$3.78	-	-	-	-	-
Rio Tinto plc	$48.21	$1.34	18.50%	11.50%	15.00%	17.78%
Southern Copper	$29.94	$1.86	19.00%	8.00%	13.50%	19.71%
Teck Resources Ltd. 'B'	$35.21	$0.80	7.50%	16.50%	12.00%	14.27%
Thompson Creek Metals Company	$6.86	-	-	-	-	-

Indicated Rate **17.82%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
BHP Billiton Ltd. ADR	$70.30	$2.20	-	-	-	-
Freep't-McMoRan C&G	$36.54	$1.08	-	-	-	-
Inmet Mining Corp.	$65.40	-	-	-	-	-
Lundin Mining Corp	$3.78	-	-	-	-	-
Rio Tinto plc	$48.21	$1.34	-	-	-	-
Southern Copper	$29.94	$1.86	-	-	-	-
Teck Resources Ltd. 'B'	$35.21	$0.80	-	-	-	-
Thompson Creek Metals Company	$6.86	-	-	-	-	-

Indicated Rate **0.00%**

COMMENTS ABOUT THE NON-PRECIOUS METALS INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
BHP Billiton Ltd. ADR	12,388.0	900.0	3.63%	15,456.3	-	-	70.30	2,675.0	188,052.5
Freep't-McMoRan C&G	3,531.0	220.0	3.12%	3,956.6	-	-	36.54	945.0	34,530.3
Inmet Mining Corp.	-	-	-	-	-	-	65.40	-	-
Lundin Mining Corp	-	-	-	-	-	-	3.78	-	-
Rio Tinto plc	17,426.0	850.0	2.44%	16,628.7	-	-	48.21	1,962.1	94,592.8
Southern Copper	2,740.6	195.0	3.56%	3,368.9	-	-	29.94	850.0	25,449.0
Teck Resources Ltd. 'B'	6,879.0	380.0	2.76%	7,110.7	-	-	35.21	590.6	20,795.0
Thompson Creek Metals Company	-	-	-	-	-	-	6.86	-	-
Total				**46,521.2**	**-**				**363,419.6**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
BHP Billiton Ltd. ADR	7.59%	92.41%
Freep't-McMoRan C&G	10.28%	89.72%
Inmet Mining Corp.	-	-
Lundin Mining Corp	-	-
Rio Tinto plc	14.95%	85.05%
Southern Copper	11.69%	88.31%
Teck Resources Ltd. 'B'	25.48%	74.52%
Thompson Creek Metals Company	-	-
Mean	**14.00%**	**86.00%**
Weighted Mean	**11.35%**	**88.65%**

REMARKS

* Market Value of Debt: 5.25% (Corporate Baa)

** Market Value of Pref. Equity: 6.59% (Baa)

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	10.45%
CAPM: Total NYSE	10.20%
CAPM: Supply Side	9.88%
CAPM: Deciles 1 & 2	9.58%
Division's Risk Premium	9.19%
DGM: Earnings & Dividend	16.40%
DGM: Plowback Ratio	13.21%

Reconciled Equity Rate			**11.05%**
Reconciled Equity Rate	11.05%	85.00%	9.39%
Debt Rate (Corporate Ba3)	8.13%	15.00%	1.22%
Weighted Average Cost of Capital			**10.61%**
Reconciled Equity Rate	11.05%		
Tax-Adjusted (38.25%)	17.89%	85.00%	9.39%
Industry Debt Rate	8.13%	15.00%	1.22%
Tax-Adjusted Weighted Average Cost of Capital			**16.43%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
Compass Minerals	25.10%		1.00
Eagle Materials	NMF	1.00 (B+)	1.20
Martin Marietta	22.88%	0.89 (B++)	1.20
Potash	26.20%		1.40
Texas Inds.	NMF	1.11 (B)	1.50
U S Lime & Minerals	28.01%	0.89 (B++)	0.90
Vulcan Materials	NMF	1.11 (B)	1.10
Selected	**38.25%**	**1.00**	**1.19**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.19
Industry Risk Premium	7.88%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.45%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.19
Industry Risk Premium	7.63%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.20%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.19
Industry Risk Premium	7.31%
Add: Risk-Free Rate	2.57%
Indicated Rate	**9.88%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.19
Industry Risk Premium	7.01%
Add: Risk-Free Rate	2.57%
Indicated Rate	**9.58%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	1.00
Industry Risk Premium	6.62%
Add: Risk-Free Rate	2.57%
Indicated Rate	**9.19%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
Compass Minerals	$66.46	$1.80	-	-	-	-
Eagle Materials	$25.50	$0.44	17.50%	3.00%	10.25%	11.98%
Martin Marietta	$75.00	$1.60	14.00%	4.00%	9.00%	11.13%
Potash	$42.34	-	-	-	-	-
Texas Inds.	$30.92	-	-	-	-	-
U S Lime & Minerals	$59.50	-	-	-	-	-
Vulcan Materials	$39.14	$0.04	26.00%	-	26.00%	26.10%

Indicated Rate **16.40%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
Compass Minerals	$66.46	$1.80	44.00%	67.10%	29.52%	32.23%
Eagle Materials	$25.50	$0.44	10.50%	67.05%	7.04%	8.77%
Martin Marietta	$75.00	$1.60	9.00%	66.67%	6.00%	8.13%
Potash	$42.34	-	25.00%	92.34%	23.09%	-
Texas Inds.	$30.92	-	5.00%	-	-	-
U S Lime & Minerals	$59.50	-	14.10%	-	-	-
Vulcan Materials	$39.14	$0.04	5.00%	72.41%	3.62%	3.72%

Indicated Rate **13.21%**

COMMENTS ABOUT THE NON-METALS INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
Compass Minerals	480.5	22.0	2.29%	313.2	-	-	66.46	38.0	2,525.5
Eagle Materials	285.0	16.4	2.88%	218.6	-	-	25.50	44.5	1,134.8
Martin Marietta	1,038.3	50.8	2.45%	708.8	-	-	75.00	45.5	3,412.5
Potash	3,704.0	217.0	2.93%	2,879.4	-	-	42.34	853.0	36,116.0
Texas Inds.	652.4	63.0	4.83%	750.0	-	-	30.92	27.9	862.7
U S Lime & Minerals	27.9	-	-	27.9	-	-	59.50	6.4	380.8
Vulcan Materials	2,816.2	145.0	2.57%	1,993.3	-	-	39.14	129.1	5,053.0
Total				**6,891.2**	**-**				**49,485.3**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
Compass Minerals	11.03%	88.97%
Eagle Materials	16.15%	83.85%
Martin Marietta	17.20%	82.80%
Potash	7.38%	92.62%
Texas Inds.	46.51%	53.49%
U S Lime & Minerals	6.83%	93.17%
Vulcan Materials	28.29%	71.71%
Mean	**19.06%**	**80.94%**
Weighted Mean	**12.22%**	**87.78%**

REMARKS

* Market Value of Debt: 8.13% (Corporate Ba3)

** Market Value of Pref. Equity: 6.59% (Baa)

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	12.50%
CAPM: Total NYSE	12.19%
CAPM: Supply Side	11.78%
CAPM: Deciles 1 & 2	11.41%
Division's Risk Premium	9.45%
DGM: Earnings & Dividend	17.06%
DGM: Plowback Ratio	12.01%

Reconciled Equity Rate			12.50%
Reconciled Equity Rate	12.50%	75.00%	9.38%
Debt Rate (Corporate Ba3)	8.13%	25.00%	2.03%
Weighted Average Cost of Capital			**11.41%**
Reconciled Equity Rate	12.50%		
Tax-Adjusted (38.25%)	20.24%	75.00%	9.38%
Industry Debt Rate	8.13%	25.00%	2.03%
Tax-Adjusted Weighted Average Cost of Capital			**17.21%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
Abraxas Petrol	NMF	1.11 (B)	1.70
Berry Petroleum `A'	39.54%	1.00 (B+)	1.75
Bill Barrett Corp	37.33%	1.00 (B+)	1.35
Double Eagle Petroleum Co.	38.65%	1.22 (C++)	1.50
EnCana Corp.	54.60%	0.89 (B++)	1.21
Forest Oil	34.65%	1.00 (B+)	1.18
Gasco Energy Inc	NMF	1.22 (C++)	1.75
GMX Resources Inc	NMF	1.22 (C++)	1.75
Isramco Inc.	NMF	1.22 (C++)	0.80
Kodiak Oil & Gas Corp	NMF	1.00 (B+)	1.60
Legacy Reserves	NMF	1.00 (B+)	1.15
Pioneer Natural Res.	34.54%	1.00 (B+)	1.45
QEP Resources	36.87%	0.89 (B++)	
Quicksilver Res.	36.14%	1.11 (B)	1.65
Resolute Energy Corp	27.86%	0.78 (A)	0.60
Ultra Petroleum	35.87%	0.89 (B++)	1.10
Warren Resources Inc	NMF	1.11 (B)	2.05
Whiting Petroleum Corp	37.82%	1.00 (B+)	1.70
Selected	**38.25%**	**1.04**	**1.50**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.50
Industry Risk Premium	9.93%
Add: Risk-Free Rate	2.57%
Indicated Rate	**12.50%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.50
Industry Risk Premium	9.62%
Add: Risk-Free Rate	2.57%
Indicated Rate	**12.19%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.50
Industry Risk Premium	9.21%
Add: Risk-Free Rate	2.57%
Indicated Rate	**11.78%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.50
Industry Risk Premium	8.84%
Add: Risk-Free Rate	2.57%
Indicated Rate	**11.41%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	1.04
Industry Risk Premium	6.88%
Add: Risk-Free Rate	2.57%
Indicated Rate	**9.45%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
Abraxas Petrol	$3.35	-	-	-	-	-
Berry Petroleum `A'	$41.52	$0.32	15.00%	12.00%	13.50%	14.27%
Bill Barrett Corp	$34.27	-	10.00%	-	10.00%	-
Double Eagle Petroleum Co.	$6.97	-	-	-	-	-
EnCana Corp.	$18.35	$0.80	NMF	NMF	-	-
Forest Oil	$13.26	-	2.50%	-	2.50%	-
Gasco Energy Inc	$0.21	-	-	-	-	-
GMX Resources Inc	$1.23	-	10.00%	-	10.00%	-
Isramco Inc.	$91.00	-	-	-	-	-
Kodiak Oil & Gas Corp	$9.66	-	20.00%	-	20.00%	-
Legacy Reserves	$28.36	-	-	-	-	-
Pioneer Natural Res.	$88.97	$0.08	31.00%	8.50%	19.75%	19.84%
QEP Resources	$29.23	$0.12	-	-	-	-
Quicksilver Res.	$6.84	-	11.00%	-	11.00%	-
Resolute Energy Corp	$10.75	-	24.55%	-	24.55%	-
Ultra Petroleum	$30.21	-	18.50%	-	18.50%	-
Warren Resources Inc	$3.11	-	10.00%	-	10.00%	-
Whiting Petroleum Corp	$46.33	-	16.54%	-	16.54%	-
Indicated Rate						**17.06%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
Abraxas Petrol	$3.35	-	-	-	-	-
Berry Petroleum `A'	$41.52	$0.32	14.50%	88.57%	12.84%	13.61%
Bill Barrett Corp	$34.27	-	-	-	-	-
Double Eagle Petroleum Co.	$6.97	-	-	-	-	-
EnCana Corp.	$18.35	$0.80	10.00%	67.72%	6.77%	11.13%
Forest Oil	$13.26	-	15.50%	-	-	-
Gasco Energy Inc	$0.21	-	-	-	-	-
GMX Resources Inc	$1.23	-	-	-	-	-
Isramco Inc.	$91.00	-	-	-	-	-
Kodiak Oil & Gas Corp	$9.66	-	-	-	-	-
Legacy Reserves	$28.36	-	-	-	-	-
Pioneer Natural Res.	$88.97	$0.08	12.00%	96.67%	11.60%	11.69%
QEP Resources	$29.23	$0.12	12.00%	93.33%	11.20%	11.61%
Quicksilver Res.	$6.84	-	15.50%	-	-	-
Resolute Energy Corp	$10.75	-	-	-	-	-
Ultra Petroleum	$30.21	-	22.00%	-	-	-
Warren Resources Inc	$3.11	-	-	-	-	-
Whiting Petroleum Corp	$46.33	-	-	-	-	-
Indicated Rate						**12.01%**

COMMENTS ABOUT THE OIL & GAS INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
Abraxas Petrol	94.9	-	-	94.9	-	-	3.35	76.0	254.6
Berry Petroleum `A'	1,335.3	75.0	2.81%	1,006.4	-	-	41.52	53.2	2,208.9
Bill Barrett Corp	553.2	-	-	553.2	-	-	34.27	45.9	1,573.0
Double Eagle Petroleum Co.	32.0	-	-	32.0	3.7	56.1	6.97	11.2	78.1
EnCana Corp.	6,598.0	390.0	2.96%	5,162.9	-	-	18.35	736.3	13,511.1
Forest Oil	1,586.6	130.0	4.10%	1,596.5	-	-	13.26	113.6	1,506.3
Gasco Energy Inc	21.7	-	-	21.7	-	-	0.21	121.2	25.5
GMX Resources Inc	341.3	-	-	341.3	7.3	110.8	1.23	28.6	35.2
Isramco Inc.	62.6	-	-	62.6	-	-	91.00	2.7	245.7
Kodiak Oil & Gas Corp	114.8	-	-	114.8	-	-	9.66	178.2	1,721.4
Legacy Reserves	405.0	-	-	405.0	-	-	28.36	43.5	1,233.7
Pioneer Natural Res.	2,571.0	180.0	3.50%	2,286.5	-	-	88.97	115.3	10,258.2
QEP Resources	1,582.7	90.0	2.84%	1,203.6	-	-	29.23	175.9	5,141.6
Quicksilver Res.	1,931.0	130.0	3.37%	1,666.5	-	-	6.84	170.5	1,166.2
Resolute Energy Corp	66.5	-	-	66.5	-	-	10.75	54.7	588.0
Ultra Petroleum	1,560.0	60.0	1.92%	905.0	-	-	30.21	152.6	4,610.0
Warren Resources Inc	71.2	-	-	71.2	-	-	3.11	70.7	219.9
Whiting Petroleum Corp	1,060.0	-	-	1,060.0	1.1	16.7	46.33	117.1	5,425.2
Total				**16,650.6**		**183.6**			**49,802.6**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
Abraxas Petrol	27.15%	72.85%
Berry Petroleum `A'	31.30%	68.70%
Bill Barrett Corp	26.02%	73.98%
Double Eagle Petroleum Co.	53.01%	46.99%
EnCana Corp.	27.65%	72.35%
Forest Oil	51.45%	48.55%
Gasco Energy Inc	45.97%	54.03%
GMX Resources Inc	92.78%	7.22%
Isramco Inc.	20.30%	79.70%
Kodiak Oil & Gas Corp	6.25%	93.75%
Legacy Reserves	24.71%	75.29%
Pioneer Natural Res.	18.23%	81.77%
QEP Resources	18.97%	81.03%
Quicksilver Res.	58.83%	41.17%
Resolute Energy Corp	10.16%	89.84%
Ultra Petroleum	16.41%	83.59%
Warren Resources Inc	24.46%	75.54%
Whiting Petroleum Corp	16.56%	83.44%
Mean	**31.68%**	**68.32%**
Weighted Mean	**25.26%**	**74.74%**

REMARKS

* Market Value of Debt: 8.13% (Corporate Ba3)

** Market Value of Pref. Equity: 6.59% (Baa)

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	10.71%
CAPM: Total NYSE	10.45%
CAPM: Supply Side	10.12%
CAPM: Deciles 1 & 2	9.81%
Division's Risk Premium	9.32%
DGM: Earnings & Dividend	8.85%
DGM: Plowback Ratio	0.00%

Reconciled Equity Rate			**10.08%**
Reconciled Equity Rate	10.08%	75.00%	7.56%
Debt Rate (Corporate Ba3)	8.13%	25.00%	2.03%
Weighted Average Cost of Capital			**9.59%**
Reconciled Equity Rate	10.08%		
Tax-Adjusted (38.25%)	16.32%	75.00%	7.56%
Industry Debt Rate	8.13%	25.00%	2.03%
Tax-Adjusted Weighted Average Cost of Capital			**14.27%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
Eagle Materials	NMF	1.00 (B+)	1.20
Granite Construction	NMF	1.00 (B+)	1.15
Martin Marietta	22.88%	0.89 (B++)	1.20
Texas Inds.	NMF	1.11 (B)	1.50
Vulcan Materials	NMF	1.11 (B)	1.10
Selected	**38.25%**	**1.02**	**1.23**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.23
Industry Risk Premium	8.14%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.71%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.23
Industry Risk Premium	7.88%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.45%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.23
Industry Risk Premium	7.55%
Add: Risk-Free Rate	2.57%
Indicated Rate	**10.12%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.23
Industry Risk Premium	7.24%
Add: Risk-Free Rate	2.57%
Indicated Rate	**9.81%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	1.02
Industry Risk Premium	6.75%
Add: Risk-Free Rate	2.57%
Indicated Rate	**9.32%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
Eagle Materials	$25.50	$0.44	17.50%	3.00%	10.25%	11.98%
Granite Construction	$23.80	$0.52	13.00%	0.50%	6.75%	8.93%
Martin Marietta	$75.00	$1.60	14.00%	4.00%	9.00%	11.13%
Texas Inds.	$30.92	-	-	-	-	-
Vulcan Materials	$39.14	$0.04	26.00%	-19.50%	3.25%	3.35%
Indicated Rate						**8.85%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
Eagle Materials	$25.50	$0.44	-	-	-	-
Granite Construction	$23.80	$0.52	-	-	-	-
Martin Marietta	$75.00	$1.60	-	-	-	-
Texas Inds.	$30.92	-	-	-	-	-
Vulcan Materials	$39.14	$0.04	-	-	-	-
Indicated Rate						**0.00%**

COMMENTS ABOUT THE SAND AND GRAVEL INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
Eagle Materials	-	-	-	-	-	-	25.50	44.5	1,134.8
Granite Construction	-	-	-	-	-	-	23.80	38.7	921.1
Martin Marietta	-	-	-	-	-	-	75.00	45.5	3,412.5
Texas Inds.	-	-	-	-	-	-	30.92	27.9	862.7
Vulcan Materials	-	-	-	-	-	-	39.14	129.1	5,053.0
Total				**-**		**-**			**11,384.1**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
Eagle Materials	-	100.00%
Granite Construction	-	100.00%
Martin Marietta	-	100.00%
Texas Inds.	-	100.00%
Vulcan Materials	-	100.00%
Mean	**-**	**100.00%**
Weighted Mean	**-**	**100.00%**

REMARKS

* Market Value of Debt: 8.13% (Corporate Ba3)

** Market Value of Pref. Equity: 6.59% (Baa)

RECONCILIATION

Equity Models	Equity Rate
CAPM: Rule 62 Compliant	13.82%
CAPM: Total NYSE	13.47%
CAPM: Supply Side	13.01%
CAPM: Deciles 1 & 2	12.58%
Division's Risk Premium	8.46%
DGM: Earnings & Dividend	16.46%
DGM: Plowback Ratio	19.99%

Reconciled Equity Rate			**13.95%**
Reconciled Equity Rate	13.95%	85.00%	11.86%
Debt Rate (Corporate Baa)	5.25%	15.00%	0.79%
Weighted Average Cost of Capital			**12.65%**
Reconciled Equity Rate	13.95%		
Tax-Adjusted (38.25%)	22.59%	85.00%	11.86%
Industry Debt Rate	5.25%	15.00%	0.79%
Tax-Adjusted Weighted Average Cost of Capital			**19.99%**

GUIDELINE COMPANY INFORMATION SUMMARY

Company Name	Tax Rate	Relative Financial Strength	Beta
Alcoa Inc.	27.01%	1.00 (B+)	1.45
Allegheny Techn.	30.07%	0.89 (B++)	1.55
BHP Billiton Ltd. ADR	23.39%	0.78 (A)	1.40
Freep't-McMoRan C&G	35.05%	0.67 (A+)	1.65
Teck Resources Ltd. 'B'	31.97%	0.89 (B++)	1.90
Uranium Energy Corp	NMF		1.70
Uranium Resources Inc	NMF	1.11 (B)	2.25
Selected	**38.25%**	**0.89**	**1.70**

CAPM: RULE 62 COMPLIANT

Item	Rate
Market Risk Premium	6.62%
x Industry Beta	1.70
Industry Risk Premium	11.25%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.82%**

CAPM: FULL NYSE

Item	Rate
Market Risk Premium	6.41%
x Industry Beta	1.70
Industry Risk Premium	10.90%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.47%**

CAPM: SUPPLY SIDE

Item	Rate
Market Risk Premium	6.14%
x Industry Beta	1.70
Industry Risk Premium	10.44%
Add: Risk-Free Rate	2.57%
Indicated Rate	**13.01%**

CAPM: DECILES 1 & 2

Item	Rate
Market Risk Premium	5.89%
x Industry Beta	1.70
Industry Risk Premium	10.01%
Add: Risk-Free Rate	2.57%
Indicated Rate	**12.58%**

DIVISION'S RISK PREMIUM

Item	Rate
Market Risk Premium	6.62%
x Industry Financial Strength	0.89
Industry Risk Premium	5.89%
Add: Risk-Free Rate	2.57%
Indicated Rate	**8.46%**

DIVIDEND GROWTH MODEL: EARNINGS AND DIVIDEND GROWTH

Company Name	Recent Stock Price	Next Year's Dividend	Projected Earnings Growth	Projected Dividend Growth	Market Growth Rate	D.G.M. Rate
Alcoa Inc.	$8.63	$0.14	-	-	-	-
Allegheny Techn.	$47.94	$0.72	22.00%	3.50%	12.75%	14.25%
BHP Billiton Ltd. ADR	$70.30	$2.20	17.00%	13.50%	15.25%	18.38%
Freep't-McMoRan C&G	$36.54	$1.08	12.50%	19.50%	16.00%	18.96%
Teck Resources Ltd. 'B'	$35.21	$0.80	7.50%	16.50%	12.00%	14.27%
Uranium Energy Corp	$2.97	-	-	-	-	-
Uranium Resources Inc	$0.74	-	-	-	-	-

Indicated Rate **16.46%**

DIVIDEND GROWTH MODEL: PLOWBACK RATIO

Company Name	Recent Stock Price	Next Year's Dividend	Return on Equity	Retention Rate	Market Growth Rate	D.G.M. Rate
Alcoa Inc.	$8.63	$0.14	8.50%	86.00%	7.31%	8.93%
Allegheny Techn.	$47.94	$0.72	13.00%	88.00%	11.44%	12.94%
BHP Billiton Ltd. ADR	$70.30	$2.20	41.70%	70.00%	29.19%	32.32%
Freep't-McMoRan C&G	$36.54	$1.08	37.00%	77.50%	28.68%	31.63%
Teck Resources Ltd. 'B'	$35.21	$0.80	15.00%	79.10%	11.87%	14.14%
Uranium Energy Corp	$2.97	-	-	-	-	-
Uranium Resources Inc	$0.74	-	-	-	-	-

Indicated Rate **19.99%**

COMMENTS ABOUT THE URANIUM MINING INDUSTRY

CALCULATION OF CAPITAL STRUCTURE

Company Name	Long-Term Debt	Long-Term Interest	Implied Coupon Rate	Market Value of Debt*	Pref'd Divs	MV of Pref Eqty**	Recent Stock Price	Shares Outstd	Market Value of Equity
Alcoa Inc.	8,773.0	450.0	2.56%	8,642.9	2.0	30.3	8.63	1,022.0	8,819.9
Allegheny Techn.	1,496.5	62.0	2.07%	1,292.9	-	-	47.94	98.5	4,722.1
BHP Billiton Ltd. ADR	12,388.0	900.0	3.63%	15,456.3	-	-	70.30	2,675.0	188,052.5
Freep't-McMoRan C&G	3,537.0	220.0	3.11%	3,958.7	-	-	36.54	945.0	34,530.3
Teck Resources Ltd. 'B'	4,700.0	280.0	2.98%	5,108.7	-	-	35.21	590.6	20,795.0
Uranium Energy Corp	-	-	-	-	-	-	2.97	73.4	218.0
Uranium Resources Inc	-	-	-	-	-	-	0.74	92.4	68.4
Total				**34,459.5**		**30.3**			**257,206.2**

CAPITAL STRUCTURE AT MARKET VALUE

Company Name	Percent Debt & Preferred Equity	Percent Common Equity
Alcoa Inc.	49.58%	50.42%
Allegheny Techn.	21.49%	78.51%
BHP Billiton Ltd. ADR	7.59%	92.41%
Freep't-McMoRan C&G	10.29%	89.71%
Teck Resources Ltd. 'B'	19.72%	80.28%
Uranium Energy Corp	-	100.00%
Uranium Resources Inc	-	100.00%
Mean	**21.74%**	**84.47%**
Weighted Mean	**11.82%**	**88.18%**

REMARKS

* Market Value of Debt: 5.25% (Corporate Baa)

** Market Value of Pref. Equity: 6.59% (Baa)