



**CAPEX SUMMARY**

IL category	Description	Unit	Unit cost	Units	Ext. Cost	Match
Design Engineering	Permitting and Drafting	Labor per foot	\$ 0.60	15,717.25	\$ 9,430.35	\$ 9,304.46
<b>Construction</b>						
Construction crews	Contracted teams	Labor per foot	\$ 16.01	15,717.25	\$ 251,633.10	\$ 248,274.06
Construction	Construction Foreman				\$ 251,633.10	\$ 248,274.06
<b>EML</b>						
Underground			\$ 1.09	15,717.25	\$ 17,131.80	
EML	Conduit	Material per foot	\$ 1.09	15,717.25	\$ 17,131.80	\$ 16,903.11
<b>Fiber/Copper</b>						
EML - Underground	HEAVY DUTY OSP TONABLE 48 COUNT	Material per foot	\$ 0.50	4,487.28	\$ 2,225.69	\$ 2,195.98
EML - Underground	HEAVY DUTY OSP TONABLE 96 COUNT	Material per foot	\$ 0.69	6,792.02	\$ 4,679.70	\$ 4,617.24
EML	Fiber/Copper		\$ 0.61	11,279.30	\$ 6,905.39	\$ 6,813.21
EML	Optical Equipment + Cabinet	Per cabinet	\$ 25,790.26	1.00	\$ 25,790.26	\$ 25,445.99
EML	Slackloops	Average cost per foot	\$ 0.53	600.00	\$ 316.90	\$ 312.67
EML	Connectorized drop hubs	Average cost per foot	\$ 0.26	3,500.00	\$ 906.65	\$ 894.54
EML	Vaults	Average cost per	\$ 275.00	10.00	\$ 2,750.00	\$ 2,713.29
EML	Terminals	Average cost per	\$ -	4.00	\$ -	\$ -
EML	Splitters - Medium	Cost per unit	\$ 332.59	5.00	\$ 1,662.95	\$ 1,640.75
<b>Total EML</b>					\$ 55,463.95	\$ 54,723.56
Other construction material					\$ -	\$ -
<b>Total capex excluding install</b>					\$ 316,527.40	\$ 312,302.08
Customer Premise Equipment	See customer prem	Per take rate install	\$ 352.95	12	\$ 4,282.48	\$ 4,225.32
Install vehicles					\$ -	\$ -
<b>Totals</b>					\$ 320,809.88	\$ 316,527.40 98.7%
Locations at 100%				16	16	
Locations at take rate				12	12	
Take rate				70%	70%	
Project cost per location (excluding CPE & install)					\$ 19,782.96	
Project cost per foot (excluding CPE and install)					\$ 20.14	
Fiber feet				15,379.30		
Fiber miles				2.91		





Pro Forma Financial Statements: Includes Income Statement, Balance Sheet, and Statement of Cash Flows for next 10 years.

**WITH GRANT**

Pro Forma Income Statement Summary										
Year	1	2	3	4	5	6	7	8	9	10
Monthly incremental % complete	84%	16%	0%	0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cumulative complete by year	84%	100%	100%	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total subscribers	4	9	12	12	12	12	12	12	12	12
Grant revenue	167,307	149,220	-	-	-	-	-	-	-	-
RDOF grant revenue	-	-	-	-	-	-	-	-	-	-
Subscriber fee revenue	1,164	6,221	10,461	11,699	11,699	11,699	11,699	11,699	11,699	11,699
<b>Total revenue</b>	<b>168,471</b>	<b>155,441</b>	<b>10,461</b>	<b>11,699</b>	<b>11,699</b>	<b>11,699</b>	<b>11,699</b>	<b>11,699</b>	<b>11,699</b>	<b>11,699</b>
Cost of goods sold	160	345	329	291	291	291	291	291	291	291
<b>Gross profit</b>	<b>168,311</b>	<b>155,096</b>	<b>10,132</b>	<b>11,408</b>	<b>11,408</b>	<b>11,408</b>	<b>11,408</b>	<b>11,408</b>	<b>11,408</b>	<b>11,408</b>
Total operating expense	461	2,281	3,761	4,193	4,193	4,193	4,193	4,193	4,193	4,193
<b>Operating income</b>	<b>167,850</b>	<b>152,815</b>	<b>6,371</b>	<b>7,214</b>	<b>7,214</b>	<b>7,214</b>	<b>7,214</b>	<b>7,214</b>	<b>7,214</b>	<b>7,214</b>
Total other expense (income)	10,715	32,283	32,933	32,923	32,923	31,800	31,653	31,653	31,653	31,653
<b>Net income</b>	<b>157,135</b>	<b>120,532</b>	<b>(26,562)</b>	<b>(25,709)</b>	<b>(25,089)</b>	<b>(24,585)</b>	<b>(24,438)</b>	<b>(24,438)</b>	<b>(24,438)</b>	<b>(24,438)</b>

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Pro Forma Income Statement														1	2	3	4	5	6	7	8	9	10
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
Month:	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24											
<b>Revenue</b>																							
Grant revenue	\$ 316,527.40	-	-	-	-	-	67,827	-	-	99,480	-	-	167,307	149,220	-	-	-	-	-	-	-		
Subscriber fee revenue																							
50/50	\$ 49.99	-	-	-	-	-	47	53	60	67	73	80	380	1,350	1,992	2,180	2,180	2,180	2,180	2,180	2,180		
100/100	\$ 79.99	-	-	-	-	-	11	21	32	43	53	64	224	1,392	2,420	2,720	2,720	2,720	2,720	2,720	2,720		
500/500	\$ 89.99	-	-	-	-	-	12	24	36	48	60	72	252	1,566	2,722	3,060	3,060	3,060	3,060	3,060	3,060		
1000/1000	\$ 109.99	-	-	-	-	-	15	29	44	59	73	88	308	1,914	3,227	3,740	3,740	3,740	3,740	3,740	3,740		
Subscriber fee revenue							84	128	172	216	260	304	1,164	6,221	10,461	11,699	11,699	11,699	11,699	11,699	11,699		
<b>Total revenue</b>							67,911	128	172	99,696	260	304	168,471	155,441	10,461	11,699	11,699	11,699	11,699	11,699	11,699		
<b>Cost of goods sold</b>																							
Bandwidth Expense	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Utilities	\$ 20.00	-	-	-	2	4	6	8	11	13	15	17	76	239	240	240	240	240	240	240	240		
Data Center	\$ 4.23	-	-	4	4	4	4	4	4	4	4	4	38	51	51	51	51	51	51	51	51		
Fuel Expenses	\$ 11.51	-	-	-	-	-	15	6	6	6	6	6	46	55	38	-	-	-	-	-	-		
Cost of goods sold				4	6	9	26	19	21	23	25	27	160	345	329	291	291	291	291	291	291		
<b>Gross profit</b>				(4)	(6)	(9)	67,885	109	151	99,673	235	277	168,311	155,096	10,132	11,408	11,408	11,408	11,408	11,408	11,408		
<b>Gross margin</b>				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	85.3%	87.8%	99.9%	99.8%	96.9%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%		
<b>Operating expenses</b>																							
Sales and marketing	\$ 4.33	-	-	-	-	-	6	8	10	13	15	17	69	343	566	631	631	631	631	631	631		
Technical operations expense	\$ 12.28	-	-	-	-	-	16	23	29	36	43	49	196	972	1,604	1,788	1,788	1,788	1,788	1,788	1,788		
Customer support expense	\$ 6.15	-	-	-	-	-	8	11	15	18	21	25	98	487	804	896	896	896	896	896	896		
G&A expense	\$ 6.04	-	-	-	-	-	8	11	14	18	21	24	97	478	788	879	879	879	879	879	879		
Total operating expense							38	54	69	84	100	115	461	2,281	3,761	4,193	4,193	4,193	4,193	4,193	4,193		
<b>Operating income</b>				(4)	(6)	(9)	67,847	55	82	99,588	135	162	167,850	152,815	6,371	7,214	7,214	7,214	7,214	7,214	7,214		
<b>Operating margin</b>				100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	43.3%	47.6%	99.9%	99.6%	98.3%	60.9%	61.7%	61.7%	61.7%	61.7%	61.7%	61.7%		
<b>Other expense (income)</b>																							
Depreciation & Amortization	20	39	59	79	347	627	896	1,169	1,455	1,728	2,001	2,275	10,695	32,283	32,933	32,923	32,923	32,923	32,923	32,923	32,923		
Interest expense	-	7	14	-	-	-	-	-	-	-	-	-	21	-	-	-	-	-	-	-	-		
Total other expense (income)	20	46	73	79	347	627	896	1,169	1,455	1,728	2,001	2,275	10,715	32,283	32,933	32,923	32,923	32,923	32,923	32,923	32,923		
<b>Net income</b>	(20)	(46)	(73)	(83)	(353)	(635)	66,951	(1,114)	(1,373)	97,860	(1,866)	(2,113)	157,135	120,532	(26,562)	(25,709)	(24,585)	(24,438)	(24,438)	(24,438)	(24,438)		
<b>Net margin</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.6%	n/m	n/m	98.2%	n/m	n/m	93.3%	77.5%	(253.9%)	(219.8%)	(214.5%)	(210.2%)	(208.9%)	(208.9%)	(208.9%)		

Note: Revenue includes grant revenue



Pro Forma Financial Statements: Includes Income Statement, Balance Sheet, and Statement of Cash Flows for next 10 years.

**WITH GRANT**

Pro Forma Balance Sheet Summary										
Year	1	2	3	4	5	6	7	8	9	10
Cash	-	-	-	-	-	-	(0)	0	0	(0)
Other current assets	23,270	470	238	238	238	238	238	238	238	238
PPE	258,987	276,656	244,899	211,976	179,672	147,872	116,219	84,567	52,914	21,261
Current liabilities	256	508	672	672	672	672	672	672	672	672
Debt	-	-	-	-	-	-	-	-	-	-
Retained earnings and equity	(20)	4,656	2,233	4,504	59,122	93,162	127,016	158,639	192,023	221,598

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Pro Forma Balance Sheet													1	2	3	4	5	6	7	8	9	10
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	2	3	4	5	6	7	8	9	10
Month:	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24										
<b>Assets</b>																						
<b>Current assets</b>																						
Cash	-	4,722	(4,722)	(4,722)	(4,722)	(4,722)	-	-	-	-	-	-	-	-	-	-	-	-	(0)	0	0	(0)
Accounts receivable	7.31	-	-	-	-	20	31	42	53	63	74	74	74	171	238	238	238	238	238	238	238	238
Inventory	117.7	-	-	-	22,797	23,833	22,760	23,196	24,233	23,196	23,196	23,196	23,196	300	-	-	-	-	-	-	-	-
<b>Total current assets</b>	-	4,722	(4,722)	(4,722)	18,075	19,111	22,780	23,228	24,274	23,240	23,260	23,270	23,270	470	238	238	238	238	238	238	238	238
<b>Property, plant &amp; equipment</b>																						
Fiber network	2,358	4,715	7,073	9,430	41,602	75,237	105,947	138,119	171,753	203,925	236,097	268,269	268,269	316,527	316,527	316,527	316,527	316,527	316,527	316,527	316,527	316,527
Construction equipment and vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Installed equipment (CPE)	-	-	-	-	-	-	471	659	847	1,035	1,224	1,412	1,412	3,106	4,282	4,282	4,282	4,282	4,282	4,282	4,282	4,282
Accumulated depreciation	(20)	(59)	(118)	(196)	(543)	(1,170)	(2,066)	(3,235)	(4,690)	(6,418)	(8,420)	(10,695)	(10,695)	(42,978)	(75,911)	(108,834)	(141,138)	(172,938)	(204,590)	(236,243)	(267,896)	(299,549)
<b>Total property, plant &amp; equipment</b>	2,338	4,656	6,955	9,234	41,059	74,067	104,351	135,542	167,910	198,542	228,901	258,987	258,987	276,656	244,899	211,976	179,672	147,872	116,219	84,567	52,914	21,261
<b>Total assets</b>	<b>2,338</b>	<b>9,378</b>	<b>2,233</b>	<b>4,512</b>	<b>59,134</b>	<b>93,177</b>	<b>127,131</b>	<b>158,770</b>	<b>192,184</b>	<b>221,791</b>	<b>252,161</b>	<b>282,257</b>	<b>282,257</b>	<b>277,126</b>	<b>245,137</b>	<b>212,213</b>	<b>179,910</b>	<b>148,110</b>	<b>116,457</b>	<b>84,804</b>	<b>53,152</b>	<b>21,499</b>
<b>Liabilities and equity</b>																						
<b>Current Liabilities</b>																						
Accounts Payable	53.95	-	-	8	11	15	116	130	162	193	225	256	256	508	672	672	672	672	672	672	672	672
Payroll related liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	-	-	-	8	11	15	116	130	162	193	225	256	256	508	672	672	672	672	672	672	672	672
<b>Long-Term Liabilities</b>																						
Debt	2,358	4,722	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Long-Term Liabilities</b>	2,358	4,722	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>2,358</b>	<b>4,722</b>	<b>-</b>	<b>8</b>	<b>11</b>	<b>15</b>	<b>116</b>	<b>130</b>	<b>162</b>	<b>193</b>	<b>225</b>	<b>256</b>	<b>256</b>	<b>508</b>	<b>672</b>	<b>672</b>	<b>672</b>	<b>672</b>	<b>672</b>	<b>672</b>	<b>672</b>	<b>672</b>
<b>Equity</b>																						
Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional investment outside of Grant proposal	-	4,722	2,371	4,726	59,697	94,372	61,275	94,012	128,768	60,483	92,688	124,866	124,866	(1,049)	(6,640)	(13,855)	(21,069)	(28,284)	(35,498)	(42,713)	(49,927)	(57,142)
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	157,135	277,668	251,105	225,396	200,307	175,722	151,283	126,845	102,407
<b>Net Income</b>	(20)	(66)	(139)	(221)	(574)	(1,210)	65,741	64,627	63,255	161,115	159,248	157,135	157,135	120,532	(26,562)	(25,709)	(25,089)	(24,585)	(24,438)	(24,438)	(24,438)	(24,438)
<b>Total Retained Earnings</b>	(20)	4,656	2,233	4,504	59,122	93,162	127,016	158,639	192,023	221,598	251,936	282,001	282,001	276,619	244,465	211,541	179,238	147,438	115,785	84,132	52,480	20,827
<b>Total equity</b>	(20)	4,656	2,233	4,504	59,122	93,162	127,016	158,639	192,023	221,598	251,936	282,001	282,001	276,619	244,465	211,541	179,238	147,438	115,785	84,132	52,480	20,827
<b>Total liabilities and equity</b>	<b>2,338</b>	<b>9,378</b>	<b>2,233</b>	<b>4,512</b>	<b>59,134</b>	<b>93,177</b>	<b>127,131</b>	<b>158,770</b>	<b>192,184</b>	<b>221,791</b>	<b>252,161</b>	<b>282,257</b>	<b>282,257</b>	<b>277,126</b>	<b>245,137</b>	<b>212,213</b>	<b>179,910</b>	<b>148,110</b>	<b>116,457</b>	<b>84,804</b>	<b>53,152</b>	<b>21,499</b>

Note: Revenue includes grant revenue



Pro Forma Financial Statements: Includes Income Statement, Balance Sheet, and Statement of Cash Flows for next 10 years.

**WITH GRANT**

Pro Forma Statement of Cash Flows Summary										
Year	1	2	3	4	5	6	7	8	9	10
Net cash from operating activities	\$ 144,815	\$ 175,867	\$ 6,768	\$ 7,214	\$ 7,214	\$ 7,214	\$ 7,214	\$ 7,214	\$ 7,214	\$ 7,214
Net cash used in investing activities	\$ (269,681)	\$ (49,952)	\$ (1,177)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cash used in financing activities	\$ 124,866	\$ (125,915)	\$ (5,591)	\$ (7,214)	\$ (7,214)	\$ (7,214)	\$ (7,214)	\$ (7,214)	\$ (7,214)	\$ (7,214)
Cash and cash equivalents at end of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ 0	\$ 0	\$ (0)

Pro Forma Statement of Cash Flows																							
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
Month:	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	1	2	3	4	5	6	7	8	9	10	
Cash flows from operating activities																							
Net Earnings	(20)	(46)	(73)	(83)	(353)	(635)	66,951	(1,114)	(1,373)	97,860	(1,866)	(2,113)	157,135	120,532	(26,562)	(25,709)	(25,089)	(24,585)	(24,438)	(24,438)	(24,438)	(24,438)	
Adjustments to net earnings																							
Add depreciation	20	39	59	79	347	627	896	1,169	1,455	1,728	2,001	2,275	10,695	32,283	32,933	32,923	32,304	31,800	31,653	31,653	31,653	31,653	
Decrease/(Increase) in trade and other receivables	-	-	-	-	-	-	(20)	(11)	(11)	(11)	(11)	(11)	(74)	(96)	(67)	-	-	-	-	-	-	-	-
Decrease/(Increase) in inventory	-	-	-	-	(22,797)	(1,036)	1,073	(436)	(1,036)	1,036	-	-	(23,196)	22,897	300	-	-	-	-	-	-	-	-
Increase/(Decrease) in trade payable	-	-	-	8	4	4	100	15	32	31	31	31	256	251	164	-	-	-	-	-	-	-	-
Increase/(Decrease) in other payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash from operating activities	-	(7)	(14)	3	(22,799)	(1,041)	69,000	(377)	(933)	100,645	156	182	144,815	175,867	6,768	7,214	7,214	7,214	7,214	7,214	7,214	7,214	7,214
Cash flows from investing activities																							
PPE capital expenditure	(2,358)	(2,358)	(2,358)	(2,358)	(32,172)	(33,634)	(31,180)	(32,360)	(33,823)	(32,360)	(32,360)	(32,360)	(269,681)	(49,952)	(1,177)	-	-	-	-	-	-	-	-
Net cash used in investing activities	(2,358)	(2,358)	(2,358)	(2,358)	(32,172)	(33,634)	(31,180)	(32,360)	(33,823)	(32,360)	(32,360)	(32,360)	(269,681)	(49,952)	(1,177)	-	-	-	-	-	-	-	-
Cash flows from financing activities																							
APIC - Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APIC - Additional investment outside of Grant proposal	-	4,722	(2,351)	2,354	54,971	34,675	(33,097)	32,737	34,756	(68,285)	32,205	32,178	124,866	(125,915)	(5,591)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)
Increase/(Decrease) to Long-term Liabilities	2,358	2,364	(4,722)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash used in financing activities	2,358	7,087	(7,073)	2,354	54,971	34,675	(33,097)	32,737	34,756	(68,285)	32,205	32,178	124,866	(125,915)	(5,591)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)	(7,214)
Net Increase/Decrease in cash and cash equivalents	-	4,722	(9,444)	-	-	-	4,722	-	-	-	-	-	0	-	-	-	-	-	-	(0)	0	0	(0)
Cash and cash equivalents at beginning of period	-	-	4,722	(4,722)	(4,722)	(4,722)	(4,722)	-	-	-	-	-	-	-	-	-	-	-	-	0	0	(0)	0
Cash and cash equivalents at end of period	-	4,722	(4,722)	(4,722)	(4,722)	(4,722)	-	-	-	-	-	-	-	-	-	-	-	-	-	(0)	0	0	(0)

Note: Revenue includes grant revenue