

## Project Overview

2. Deep Water Recovery's principle business is the dismantling and recycling of decommissioned and/or derelict vessels and barges. As we have only recently purchased the site, we have not yet begun activities.

The purpose of the tenure is to facilitate the upland activities which in essence is the core of the company's business. The purpose of the tenure is to facilitate the transit of vessels or barges from the water to the land. Once the vessel or barge has been transferred to the upland location, then the dismantling process can begin at which time the material (*primarily steel and non-ferrous metals*) will be sent away for recycling and repurpose. For anyone who is curious, the steel is sent to Seattle where it is melted down and processed into rebar which is then used for civil engineering and general construction.

We are proposing to tie a barge (*hereafter referred to as site barge*) at the end of the existing ramp, and this barge will serve the purpose of providing a transit point for those vessels/barges that will be removed from the water. For example: when a tugboat delivers a vessel or barge for recycling, they will need somewhere to release the vessel/barge so as we can physically take possession. Once the vessel/barge has been released to us, it would be secured to the site barge so as it could be readied for haul-out and repurpose.

The purpose of tying these assets to the site barge is to both allow the tugboat to release its cargo, and provide us with a working platform that will allow us to remove any items prior haul-out. These items may include loose pieces of equipment that could be sitting on the deck of a vessel/barge or fixed items that we may remove in order to reduce weight. Once a vessel or barge has been deemed ready for haul-out, we would then prepare the necessary rigging in order to complete the haul-out process and the item would then be transferred to the upland portion of the property where the dismantling would be effected.

### Haul-Out Process

When we first identified the site, our objective was to analyze together with two marine biologists, a methodology that would enable us to remove vessels and barges from the water and in doing so having a "zero-impact" process on environment. After having analyzed various methods of vessel retrieval, we concluded that large inflatable airbags being employed with the fortuitous tidal activity (*12-15 foot daily tide change*), would allow us to retrieve these vessels without disturbing the ocean floor. Due to the large surface area of each airbag (*each airbag is six feet in diameter and fifty feet long*) combined with low air pressure (*airbags are inflated between eight and twelve pounds*), we are able to remove vessels with no impact on the environment. (See Exhibit B)