

ELT Overview, Methodology & Recent Projects

ELT Group of Companies

ENVIRONMENTAL LIABILITY TRANSFER, INC.



- Est. 1991
- Mid-Major Real Estate Acquisition & Development Firm
- Targeting Former Industrial Sites
- Portfolio Exceeds 65 million sq/ft under roof

www.cdcco.com



- Est. 2004
- Nation's Leading Environmental Liability Assumption Firm
- \$1.4 Billion of Environmental Liabilities Acquired (88% have achieved final milestones)

www.eltransfer.com



- Est. 2008
- Environmental Consulting Firm
- Over 275 Active Clean-up Projects
- Over \$350 Million in Environmental Trust

www.enviroanalyticsgroup.com

ELT Footprint

175+ Sites
U.S. Portfolio

175+ Sites
Canada Portfolio

10,000+
Acres Accumulated

50 Million+
Sq/Ft Under Roof

Over \$1.4 Billion USD
Environmental Liabilities Assumed



ENVIRONMENTAL LIABILITY TRANSFER, INC.

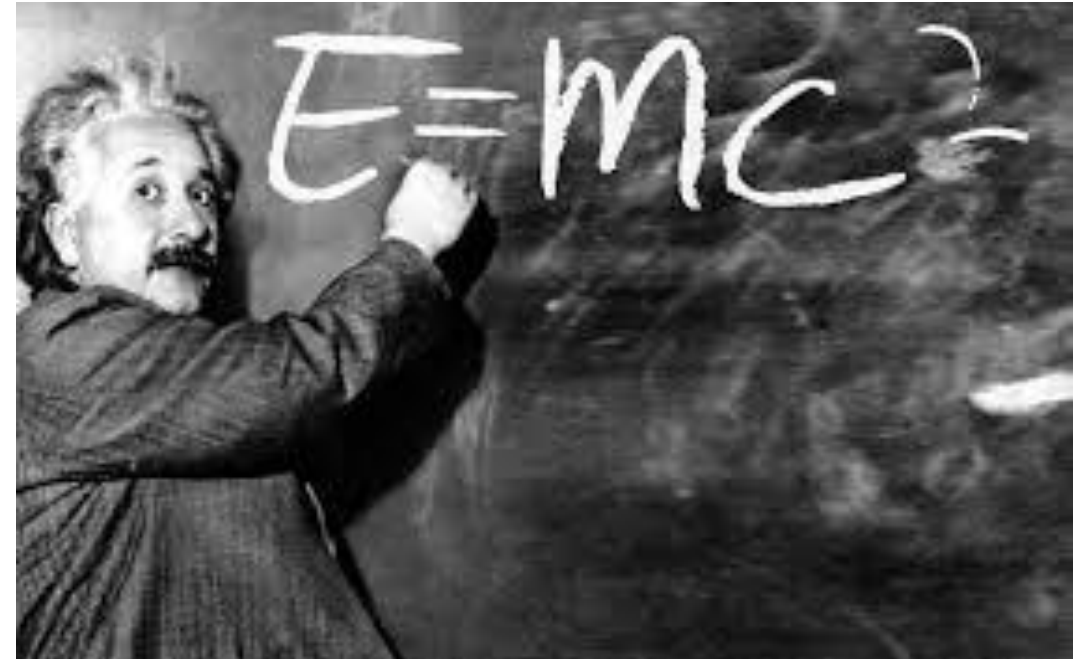
ENVIRONMENTAL
LIABILITY TRANSFER
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Pricing Methodology

ENVIRONMENTAL LIABILITY TRANSFER, INC.

$$\text{ELTC} = (\text{FMV}) - (\text{IC} + \text{EL} + \text{EI} + \text{CC} + \text{X} + \text{R} + \text{P})$$

ELTC	Environmental Liability Transfer Costs
FMV	Fair Market Value of Assets
IC	Investigative Costs
EL	Environmental Liabilities
EI	Environmental Insurance
CC	Carry Costs
X	Contingency
R	Repositioning Costs
P	Profit



Sparrows Point: Environmental Liability Assumption

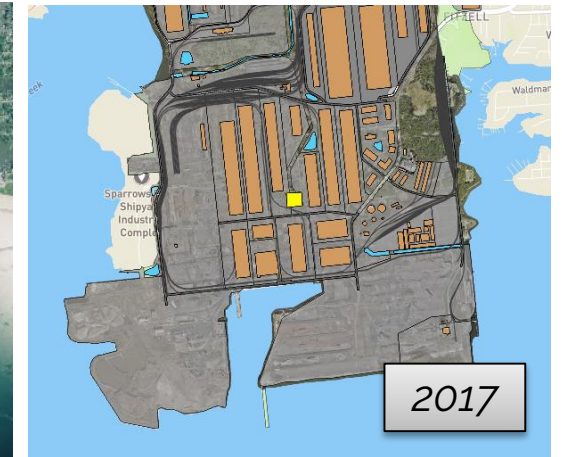
ENVIRONMENTAL LIABILITY TRANSFER, INC.

Poor market conditions resulted in an RG Steel bankruptcy and the largest brownfield site in North America (3,100 acres)

ELT solution:

- Environmental Liability Assumption
- Real Estate Purchase
- Signed Consent Orders with EPA and MDE

ELT subsequently sold the real estate, yet retains the environmental liabilities from 100+ years of steel manufacturing operations.



“The potential for redevelopment could yield as many as 10,000 jobs within 10 to 15 years.”
– Baltimore Sun

Catalyst for Re-development: ELT's environmental remediation is preparing Sparrows Point for the development of "TradePoint Atlantic" – an international trade hub expected to create **\$2.9 billion in economic activity**. Construction currently underway.

Royal Dutch Shell: ELT Assumes Large Risk Portfolio

ENVIRONMENTAL LIABILITY TRANSFER, INC.

ELT is currently managing remedial activities at 150+ sites formerly owned and operated by Shell Global. Located across ten Canadian provinces/territories and 3 U.S. states, these sites were impacted by petro-hydrocarbons due to past oil services operations.

Shell determined that managing environmental contamination was outside their core business and decided to transfer environmental liabilities to ELT. CDC provided fair market value for the real estate assets.

This transaction subsequently jumpstarted the environmental clean-up process. Today, 40% of the impacted sites have been brought to regulatory closure. The remaining sites are on track to achieve regulatory closure prior to predetermined timeline goals.



This ELT transaction enabled Shell to:

- 1. Divest Non-Core, Contaminated Real Estate*
- 2. Transfer Significant Liabilities to ELT*
- 3. Secure Environmental Clean-up with Fully-Funded Remedial Trust*
- 4. Reallocate capital and man power to core operations*

Tanners Creek: 725-Acre Retired Coal-Fired Power Plant

ENVIRONMENTAL LIABILITY TRANSFER, INC.

October 2016: ELT assumed environmental liabilities and purchased real estate at the 725-acre retired “Tanners Creek” Power Plant from Indiana & Michigan Power.

ELT solution:

- Environmental Liability Assumption
- Real Estate Purchase
- Environmental Remediation/Demolition Underway
- Major Development Planning Underway

Catalyst for Redevelopment: Redevelopment of this site has received tremendous support, including Gov. Mike Pence who said a port-related project “could unleash enormous economic investment throughout the southeast region of our state.”



“While I&M’s expertise in generating power is no longer needed at this site, ELT will use their talents to prepare the site for potential future use and continued benefit to the community.”

– Paul Chodak III, President and COO of I&M

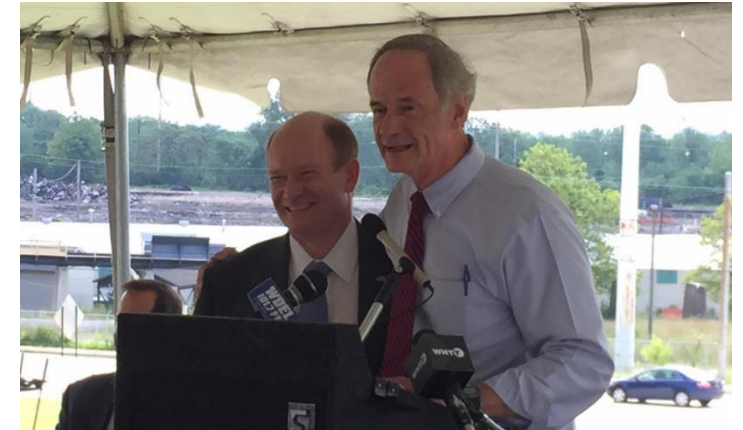
Evraz Steel: Acquisition Leads to Development

ENVIRONMENTAL LIABILITY TRANSFER, INC.

ELT assumed environmental liabilities and purchased real estate at a 425-acre retired steel mill in Claymont, DE (outside Philadelphia).

During remediation, CDC has successfully repositioned this site for new development.

In July 2016, the site received a \$10 million TIGER grant toward a new transportation center expected to “ignite growth in Claymont” and create hundreds of new jobs to the area.



(Above) U.S. Senators Carper and Coons announce federal funding for new transportation development project July 29, 2016



DTE Energy: Retired Coal-Fired Power Plant

ENVIRONMENTAL LIABILITY TRANSFER, INC.

After 80 years of operations, this 511-MW Coal-Fired Power Plant closed in 2011 and quickly became a local hazard/eyesore.

ELT solution:

- Environmental Liability Assumption
- Real Estate Purchase
- Environmental Remediation & Demolition
- Repurposed for new development

Long after operations cease, the legacy and brand of the Seller remains in the community. Following environmental clean-up, redevelopment plans attract new users and sparks new life for shuttered facilities.



2015: CDC Imploded the 500,000 sq./ft. Power Plant



Picway Power Plant: American Electric Power (AEP)

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In July 2016, CDC purchased the 468-acre, retired "Picway" coal-fired power plant from AEP.

ELT assumed responsibility for the environmental liabilities at the site. While operational, the plant generated 100 MW and used over 220,000 tons of coal annually.

Environmental impact from decades of coal plant operations prohibited a traditional real estate transaction. An environmental liability transfer and remediation plan proposed by CDC will now enable this site to be cleaned and redeveloped.



Catalyst for Re-development: *Prior to ELT's acquisition and assumption of liability, this 468-acre retired power plant was a source of blight and progressive atrophy. Today, the site is on a fully-funded pathway to remediation and redevelopment.*

Asarco: Retired Metals Smelting Facility

ENVIRONMENTAL LIABILITY TRANSFER, INC.

ELT purchased a 250,000 SF retired smelting facility on 70-acres in Perth Amboy, NJ and assumed legacy environmental liabilities at the site.

Working with NJ's Voluntary Clean-up Program, EAG oversaw environmental remediation and demolition of existing structures on the site.

CDC and a development partner are currently building a 2-million SF logistical center with deepwater port and rail access.



"Today is a new day in Perth Amboy, this sustainable project will carry the city into a successful future."

-- Wilda Diaz, Mayor of Perth Amboy

Des Peres Quarry: 20-Year Urban Reclamation Project

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CDC purchased this 180 foot deep rock quarry in 1995, with the intention to reclaim the environmental hazard for new use. CDC hauled in approximately 6,250,000 cubic yards of inert fill material to transform this site into one of the largest infill development tracts available in St. Louis County.



1994: 180 ft deep rock quarry, environmental hazard



2014: CDC completes environmental restoration



2016: New construction underway, major mixed-use development

Des Peres Quarry: Ongoing Construction Activity

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Thank you

For more information on anything in this presentation, or to schedule a confidential call regarding your corporate environmental liabilities, please contact us.

Randall Jostes, CEO

Email: rjostes@eltransfer.com

Phone: +1 (314) 835-2848

CORPORATE HQ

1650 Des Peres Road, Suite 303

St. Louis, MO 63131

ONLINE

CDC: www.cdcco.com

ELT: www.eltransfer.com

EAG: www.enviroanalyticsgroup.com