BSC MARINE GROUP

CORPORATE PROFILE

INTRODUCTION

With a management team having significant experience in both commercial and luxury yacht design and construction, the BSC MARINE GROUP was established in 1994 and comprises of **BSC Marine Design Pty Ltd;** A.C.N. 010 552 002; **BSC Marine International Pty Ltd;** A.C.N. 071 096 261; **Brisbane Ship Constructions Pty Ltd;** A.C.N. 010 623 275; and **Marine Engineers and Contractors Pty Ltd** A.C.N. 071 096 289.

The BSC MARINE GROUP specialises in the design and construction of custom vessels; and has expert project management skills to deliver turnkey major projects on time and on budget. An example of this capability was in the recent delivery of six (6) 38 metre ferries for the Thames River of London; a prestigious contract won against international competition. The project was completed in 14 months and to the highest industry standards.

The GROUP has experience in design and construction of high quality commercial passenger ferries; high speed patrol vessels; and custom luxury mega yachts; and in the refitting and maintaining of vessels of all types.

The GROUP has successfully completed three (3) high profile and significant Government awarded contracts, and seven (7) high profile "multi-build" contracts requiring expert project management skills to deliver highest industry standards against demanding project time constraints.

The GROUP's management and design office is at 12/621 Coronation Drive, Toowong, Brisbane, Queensland. The shipbuilding facility is in the Brisbane Marine Industry Park, Hemmant, Brisbane, located adjacent to deep water frontage on the Brisbane River, ten (10) kilometres from the city centre, and a similar distance from the International Airport. The GROUP has close proximity to specialist suppliers and subcontractors who have established and grown with our industry over the past fifteen years.

MANAGEMENT

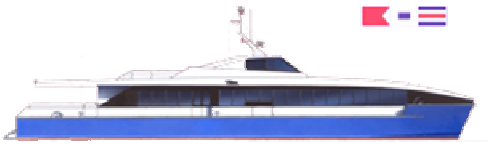
The management and staff of BSC have significant cumulative ship design and shipbuilding knowledge and experience in high technology vessels of all types and has designed and/or built to the rules of a number of Classification Societies including LR; DNV; BV; ABS; GL; JG; KR; and ZC.

Qualified and specialised Project Management and the application of quality assurance systems for complex custom projects including multiple concurrent constructions is a standard capability.

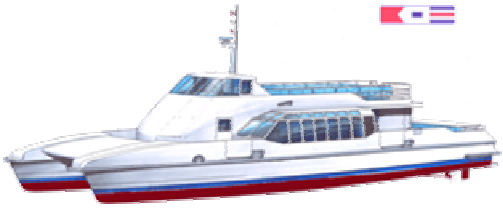
BSC has a capable and experienced design office which is managed to ISO 9001 Standards; both in its design function and in its co-ordinating with production.

DESIGN CAPABILITY

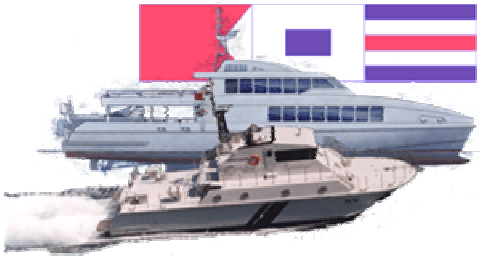
BSC Marine Design Pty Ltd comprises an experienced and qualified design office specialising in the design of vessels to local and international classifications and standards within the size range of 20 metres to 50 metres. The design portfolio includes:



- Passenger and vehicular coastal ferries ranging in size from 26 metres, 150 passenger to 50 metres, 600 passenger.

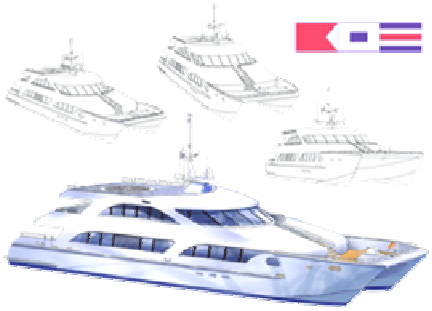


- A range of low wash smooth and partially smooth water vessels with passenger numbers from 60 passengers to 450 passengers.



- High speed patrol vessels

- Commercial fast crew/supply boats; fire fighting; and workboats



- Private yachts

The design office applies and uses current technology and all of its experience to ship design. BSC designs combine hull efficiency and seakeeping with failsafe engineering, shipboard systems, and operator functionality. Ease and economy of operations and vessel maintenance is fundamental to every BSC vessel design.

The design office can on a fee for service basis develop custom private yacht designs and indeed has a heritage originating from such private client projects.

The GROUP employs AutoShip; Maxsurf; AutoCad; NavCad; Strand7 and other specialised design software in the design and engineering office, and computer aided manufacturing techniques on the production floor.

A conscientious approach is made to all aspects of our designs to guarantee that every vessel we design or build works as intended. Through the use of tried and tested methods we always achieve consistent and predictable results. We are constantly working to expand our knowledge through research and development to ensure that we are providing the best possible vessels available today.

COMPLETED CONSTRUCTION PROJECTS

Delivered to Sail Venture Cruises in November, 1995; this unique custom project was completed on time and budget and within six months of contract signing.

The vessel was a 70 tonne lightship all aluminium 26 metre x 12.5 metre beam motor sailing catamaran named "Aussie Legend".

It commenced cruise and charter operations on Sydney Harbour in early December 1995, as scheduled, in time for the busy festive season. The vessel has a fully equipped commercial galley, complete with walk-in freezer, for catering in restaurant mode for up to 200 guests. On the main deck the entertainment facilities include a bar and dance floor.

In late 1995 Brisbane Ship Constructions was awarded a competitive contract to build six high speed low wash passenger ferries ("CityCats") for the City of Brisbane. The vessels have an LOA of 26 metres, beam of 7.6 metres and a carrying capacity of 130 passengers. The vessels have all aluminium hulls and composite superstructures and operate at an average full load service speed of 21-22 knots with 2 x 367 bhp Scania main engines.

The initial order, comprising six vessels, was completed in record time of eleven months, on budget, and ahead of a demanding production schedule. The operation was officially commenced with all six vessels in service by November 1996 and continues to be a highly successful operation for the City of Brisbane.

In March 1998 BSC completed four (4) x 23 metre x 42 tonne high speed all aluminium Patrol vessels for export to the Vietnamese Department of Customs.

The vessels were built under survey to Bureau Veritas and to USL 2B. All four vessels were built simultaneously and completed within fourteen months, including an extended trials period; this being two and a half months ahead of the contractual build period.

In 1998 BSC received an order for two further 26 metre "CityCats" from Brisbane City Council; one being delivered in September 1998 and the second delivered in January 1999.

In early 1999, BSC commenced construction of MV - Suzanne; a 26 metre prototype for a fast displacement low wash vessel which was launched in August, 1999.

The vessel was designed structurally to Lloyds Register SSC G2 classification and built to USL 1D Survey having an LOA of 26.4 metres, a beam of 7.8 metres and under dual NSW and Queensland Survey for 150 passengers and three crew.

Comfortable interior and exterior amenities provide maximum versatility to an operator; with interior features including a bar / kiosk and external features including an upper / observation deck.

The design has proved a versatile 1D (partially smooth water) vessel tunnel clearance and reserve buoyancy permitting normal service in conditions beyond that of previous generation low wash vessels whilst retaining its minimal environmental impact characteristics - through low wash; low emission engines; and Lectra-

san environmentally friendly toilets. In a fully loaded condition the vessel achieves a maximum service speed in excess of 26 knots with 2 x 490 bhp Caterpillar 3196 electronic main engines.

MV - Suzanne is currently owned and operated by Transtejo; based in Lisbon, Portugal having acquired the vessel from Fantasea Cruises.

In July, 2000 BSC launched a prototype design for a 25 metre hull form with deep forefoot and constant buttock lines producing a very efficient vessel with good seakeeping characteristics for coastal passenger ferry operations.

The vessel designed to and approved by Lloyds Register SSC G2, is surveyed to USL 1D / 1C and permitted to carry 192 passengers.

The vessel is of all aluminium construction, is powered by two Volvo 163P engines at 680 hp each, and has a full load service speed of 22 knots at 85% MCR.

The vessel, originally chartered to Fitzroy Island Ferries in Cairns as Queenslander I, sold in April of 2002 to South Sea Cruises of Fiji, where she continues operating, as Yasawa Flyer. The GROUP has recently completed a larger 27.5 metre vessel of similar design for the Fiji based tourism operator.

In February, 2001 BSC launched a new design for a 19 metre monohull fast workboat / patrol boat designed to Lloyd's Register SSC G3.

The vessel achieves 30 knots at max MCR; and cruises most economically at 85 litres per hour at 24 knots with

two x Volvo 163P engines having a maximum rating of 760 hp each.

This new monohull design demonstrates exceptional sea-keeping characteristics for a vessel of this size and class and after due consideration of the design attributes Queensland Department of Boating and Fisheries commissioned BSC Marine Group to design and build a new patrol boat class.

MV FLINDERS; launched September 2002; is a BSC designed monohull patrol boat operated by Queensland Department of Boating and Fisheries.

The vessel is in Survey to USL 2B and allows for extended cruising at 16-18kts. The vessel has a maximum speed of 22.7 knots and has cabin sleeping accommodation for eight persons.

For high speed interception during patrol operations MV FLINDERS carries a high speed RIB on the aft deck designed for quick release (under 30 seconds including boarding time) whilst the vessel is underway. The vessel is self sufficient for extended cruising with it's own desalinator and laundry. Other facilities include galley / mess and separate workshop.

In July, 2004 BSC delivered three x 32 metre high speed crew vessels purposefully designed for the specific requirements of transporting workers in the offshore oil industry.

The design and construct contract for these ferries was won by BSC Marine Design and Brisbane Ship Constructions against significant international competition. Structure for the vessels was designed to Lloyd's Register SSC G2 compliance. The ferries provide minimal impact on the environment with a low wash hull form.

Providing for 132 passengers as well as a live aboard complement of 12 crew, the vessels have been designed to maximise operational efficiency. This is further emphasised through its bow boarding capabilities facilitating minimal turn around times.

A design requirement was for an extremely low draft of less than 900mm for travelling up river.

Constructed of aluminium and featuring a composite wheelhouse, the vessels are powered by twin Caterpillar 3412E marine diesel engines driving Hamilton 571 waterjets allowing the vessels to reach speeds in excess of 30 knots.

In 2004 BSC completed the design and construction of a 7 metre workboat for the Environmental Protection Agencies,

Marine Parks and Wildlife service with highly efficient 35kt x 115hp four stroke outboard and design requirements calling for shallow draft and a forward boarding ramp / gate to simplify loading and unloading of materials during operation.

The vessel was designed to Australian Standards and surveyed to carry 8 passengers/ crew with an operational cruise speed of 25 knots and a top speed of 35 knots.

Also in 2004 BSC completed the design and construction of a prototype 50kt interception vessel for law enforcement use. The interceptor is designed for maximum operational efficiency in adverse sea states, comprising a fine entry forward and significant deadrise aft. The simplicity of the design and layout provides a safe and efficient work platform facilitating the ability to perform boarding operations and interception in the most adverse of weather conditions.

The vessel is powered by twin 250hp Suzuki four stroke outboards which facilitate both economical operation and exceptional performance. With a capacity for 8 passengers/ crew, the vessel has a high speed cruise of 45 knots and a maximum speed in excess of 50 knots.

In 2005, the BSC Marine Group commenced construction of a 27.5 metre coastal passenger catamaran for the South Sea Cruises, Awesome Adventures Fiji operation. The client currently operates a BSC designed and built 25 metre passenger catamaran, Yasawa Flyer, and the new vessel is scheduled to become the flagship of the operation in late March of 2006.

With an overall length of 27.5 metres and a beam of 9.1 metres the vessel has a passenger capacity of 267 as well as significant cold storage and luggage/ cargo carrying capacity.

Passenger comfort and vessel operational efficiency is a high priority on Yasawa Flyer II. A full kiosk amenity, VIP lounge, hostess station and an on board travel agent as well as significant external amenities provide exceptional comfort during the extended journey.

The vessel is powered by twin MTU 10V2000 series engines delivering 1200hp through ZF3000 gearboxes to provide a cruising speed in excess of 24 knots. Structural design has been to Lloyd's Register SSC G3 with survey to USL 1C/ 1D.

In February 2006 BSC delivered two 18 metre passenger catamarans for airport and resort transfers within the Whitsunday Islands in Northern Queensland.

Designed in-house, the vessels have an overall length of 18.3 metres with a beam of 7.5 metres and an operational

draft of 1.65 metres. Caterpillar 3406E engines provide a fully laden cruising speed of approximately 23 knots.

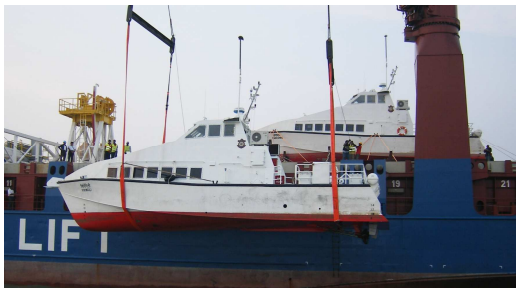
The compact half height wheelhouse makes use of the latest in electronic navigational and engine monitoring and management equipment in order to maximise usable space and visibility. Both vessels were delivered end February 2006.

The structural design of the vessels is to Lloyd's Register SSC G2, and survey to USL 1C/ 1D. A passenger capacity of 123 is comprised of 70 internal and 53 external seats. The hull form incorporates a deep forefoot and fine entry forward to minimise vertical accelerations in a seaway along with zero deadrise aft and constant buttock lines to provide running trim, further improving the vessels sea keeping characteristics.

In January 2007 following a 10 month build period, the company delivered two x 30 metre ferries to Sunferries Ltd in Townsville, North Queensland for their Magnetic Island operation.

The vessels are certified to carry 127 passengers for operations out to the Great Barrier Reef (USL 1C), and 300 passengers in their regular (USL 1D) Townsville to Magnetic Island route.

January 2007 two new BSC designs were completed by a Malaysian builder; being a 32 metre catamaran passenger/crew boat (3 off) and an 18 metre monohull passenger/crew boat (2 off). The vessels were built to meet BV Classification rules.



The BSC Marine Group delivered the first four of this six vessel contract in September 2007 with vessels number 5 & 6 delivered in February 2008. This order for the Anshutz Entertainment Group for operation on the Thames River, London was completed to a very tight build schedule of a little more than 12 months. These vessels are 38 metre ultra low wash ferries with a passenger capacity of 220, constructed to MCA & LR Class requirements.

Internal seating for 158 is complemented by a commercial grade kiosk area, LCD panels, leather seating, wireless internet, reverse cycle air conditioning and overhead skylights. With an operational speed of 27knots the vessels provide a fast and efficient service for the commuters of London.

In January 2007 BSC signed a contract with Hong Kong Police and the Hong Kong Marine Department to design and construct twenty three (23) high speed interceptor patrol boats over a period of about 2 and a half years. The first batch of six vessels having been delivered as scheduled in December 2007. The boats powered by twin outboards, have a maximum speed in excess of 50kts.

CURRENT PROJECTS

- Second batch of six vessels for the Hong Kong Police are in construction with a scheduled delivery of October 2008.

- 10.5 metre Superyacht monohull tender.

- 9 metre prototype new design Twin Asymmetrical hull for law enforcement market.

- 20 metre passenger ferry.

QUALITY ASSURANCE

BSC applies Quality Assurance practices to ISO 9001. It is conservative in its business processes and will not compromise on design due diligence with all major milestones in the design process being verified or subjected to independent review by external consultants.

Our management and quality assurance system centres around proprietary software named "SHIPSHAPE" founded in 1994 and developed fully in-house. The prototype design of this software, with "deemed mandatory features" unable to be found in any existing commercial software, went live in 1996 and after some two months of operating in parallel with existing systems the umbilical cord was cut and the system went stand-alone. Since that time it has operated without downtime. The system, running on a Novell network, seamlessly integrates our design office with the production floor with real time control and management in relation to design / requisitioning, purchasing and receiving of goods / production and job management / and document registration and control.

SHIPSHAPE was conceived as a computer networked "paperleast QA system" effectively integrating all quality assurance aspects of our business. Besides drawings and job sheets; our production team uses a single pre-numbered controlled document called an "ARF" (Action Request Form) with tick boxes to account for it's document type / nature of action request.

SHIPSHAPE provides for timely reporting and control of all our internal and external documentation and correspondence; including job instructions, drawings, revisions to controlled documents and drawings, meeting minutes, rules and regulations, shipyard standards, project / job specifications, client specifications, product R&D, product specifications, design change requests, surveyor comments, and inspection and test plans, bill of materials / requisitioning of goods / ordering / purchasing / receiving of goods.

Our quality control in design R&D, new vessel prototyping, and product integrity is achieved by design due diligence, compliance with standards, and by testing and correction if required. Our aim is to produce consistent, commercial, high quality components and products from one project to another.

QA Policy Manual and QA Procedures Documentation was completed by April 1998 and our formalised QA System has been in operation since that time.

Descriptive Outline of SHIPSHAPE system

SHIPSHAPE is an integrated management information system providing timely and relevant information for the purpose of managing and assuring our quality and for effective management control of the ship design, marketing and building process. An outcome of any systematic approach such as SHIPSHAPE is that productivity is greatly increased by the effective and timely communication of objectives; budgets and daily tasks.

SHIPSHAPE COMPONENTS

1.0 SHIPSHAPE Organisational Structure

1.1 Cost Centres

1.2 Departments

1.3 Project Manager(s)

2.0 SHIPSHAPE Projects

2.1 Project Register

2.2 Project Management

2.3 Project Scheduling

3.0 SHIPSHAPE Design

3.1 Design Projects

3.2 Drawing Register

3.3 Action Request Form (ARF)

3.4 Drawing Revisions

3.5 Drawing Coding to Jobs and Projects

3.6 Drawing Issue

3.7 Design Management and Reporting

4.0 SHIPSHAPE Production

4.1 Job Coding

4.2 Project Job Sheet

4.3 Specifications

4.4 Action request Forms

4.5 Daily Task and time recording

4.6 Reports

5.0 SHIPSHAPE Products

6.0 SHIPSHAPE Purchasing

6.1 Purchasing Register and Database

6.2 Request for Goods (ARF) / Specification Bill of materials / Project Job Sheet

6.3 Bill of Materials / Direct

6.4 Quotation Request

6.5 Purchase Requisition

6.6 Purchase Order

7.0 SHIPSHAPE Receiving of Goods

7.1 Outstanding Orders Management

7.2 Stores / Goods Receiving

7.3 Documents required with Purchased Goods

7.4 Data Entry - Partial Receipt of Goods / Full Receipt of Goods

8.0 SHIPSHAPE Transmission Registration and Filing Systems

8.1 Transmission Register

- 8.1.1 Document Source (Outgoing / Incoming / Internal / ARF)
- 8.1.2 Document Types (incl. e-mail)

8.2 Transmissions & e-File Coding

- 8.2.1 Coding to Projects
- 8.2.2 Coding to Job Codes

8.2.3 Coding to Other (Products/Vessel types/other modules)

8.3 Filing

8.3.1 File Types (Entity / Subject / E&C / Register)

8.3.2 File indexing (DRN / FRN)

8.3.3 File Contents Reports (incl. paper/electronic/virtual)

8.3.4 File Audit

8.4 Records Search Engine

9.0 SHIPSHAPE Action Management

9.1 Actions Register

9.2 Creating and Action

9.3 Delegation and/or Communication of Action

9.4 Completing an Action

9.5 Action(s) Outstanding Management and Reporting

10.0 SHIPSHAPE Contacts

10.1 Contact types - Entity / Employees and Contractors / Individuals

10.2 Contacts Register

10.3 Contacts Register Coding

10.3.1 Cost centre coding

10.3.2 Supplier of Product

10.3.3 Relationship(s)

10.3.4 Representatives

10.3.5 Supplier Brand Management

10.4 Contact Log

10.4.1 Entering a Contact Log

10.4.2 Log Coding (project / job code)

10.4.3 Log Action

10.4.4 Log e-mail communication

BSC DETAILS

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