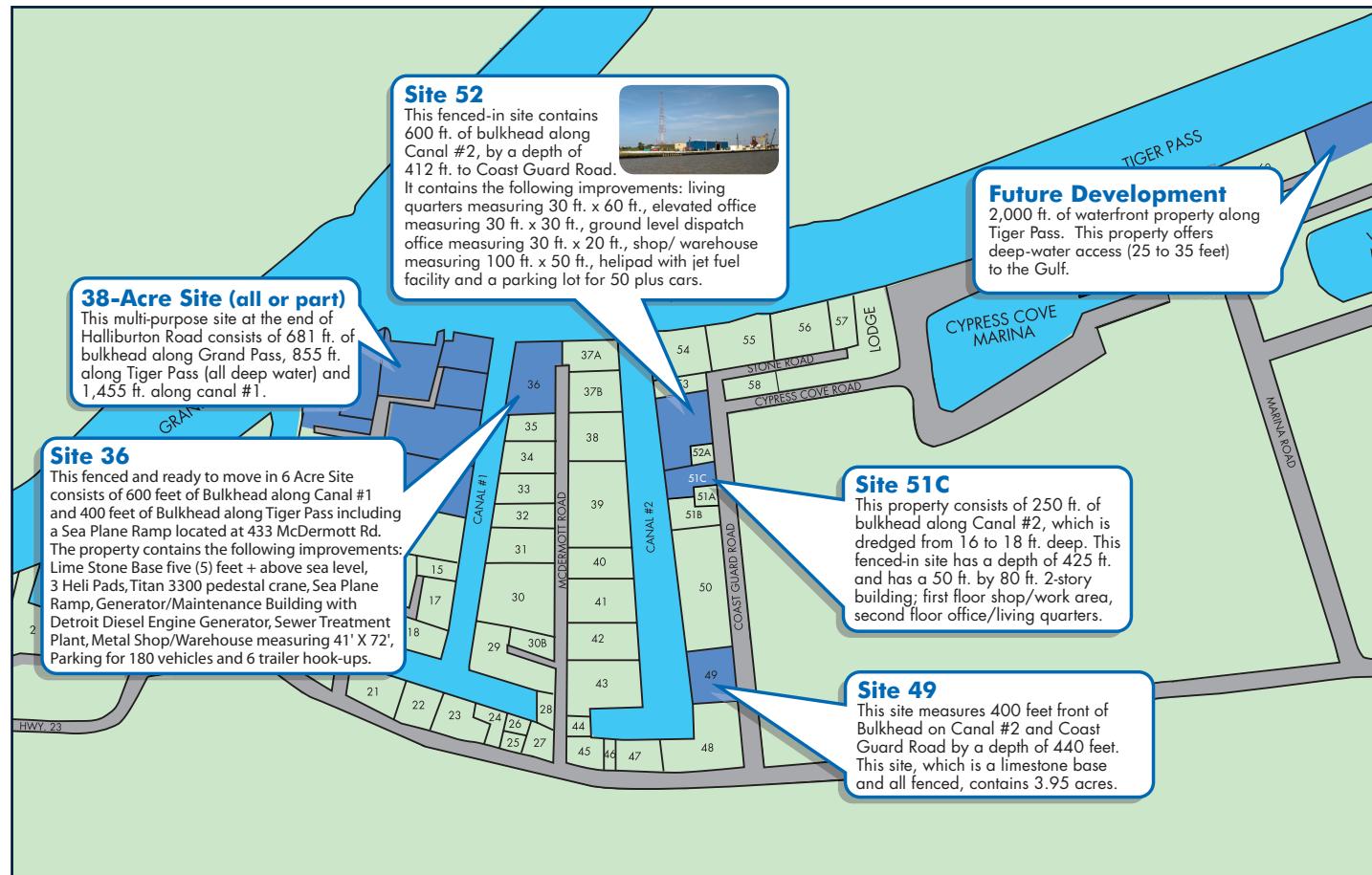


Infrastructure and Future Development

Opportunities abound at the VPC

The VPC offers ready to move in properties as well as customizing to meet your company's specific needs.



The Venice Port Complex Report will be published quarterly. If you have any updates or news that you would like to contribute, please contact George Pivach II at 504-392-1830 or gpiovich@veniceportcomplex.com www.veniceportcomplex.com

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The VPC Report

SUMMER 2012

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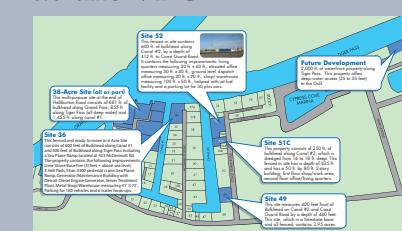
Page 3 Offshore Cleaning Systems, LLC



Senator Alario visits Venice Port Complex



Page 4 Opportunities Abound at the VPC



Major Projects Moving Forward

We have a lot of positive news to report regarding infrastructure improvements beneficial to Southeast Louisiana and the Venice Port Complex.

ROADS

Three major road projects are in the works. Barriere Construction Company has been awarded a \$17 million contract to raise Tidewater Road to +5 feet MSL from Coast Guard Road to the Targa Plant. This construction project will continue for approximately 18 months. Phase I of the Peters Road By-Pass Project connecting Peters Road to Louisiana State Hwy 23 has been funded and is under construction. The \$19.5 million added to the La. State Capital Outlay in the 2012 legislative session will provide \$26.2 million to fully fund Phase II construction for the Peters Road By-Pass Project. An additional \$6 million has been funded in the La. State Capital Outlay for the Department of Transportation and Development to raise a 3-mile stretch of Louisiana State Hwy 23 to prevent flooding during tropical events. We thank Senators John Alario, David R. Heitmeier, O.D. and A.G. Crowe and Representatives Chris Leopold and Raymond Garofalo for their efforts in securing this critical funding.

DREDGING

The Corps of Engineers has begun maintenance dredging Tiger Pass to its authorized depth of -16 feet MSL. This dredging project is scheduled to be completed in October 2012. Meanwhile, the Corps is presently bidding the maintenance dredging of Baptiste Collette Bayou to its authorized depth of -16 feet MSL. Bids are expected to be awarded sometime in July 2012.

BAPTISTE COLLETTE BAYOU DEEPENING

The Baptiste Collette Deepening Feasibility Study has been finalized and approved by Parish President Billy Nungesser. The Feasibility Study identified Baptiste Collette Bayou with a positive cost benefit ratio to provide access from the Venice Port Complex to the oilfields, drilling rigs and production platforms located in the Central

and Eastern Planning areas of the Gulf of Mexico. This report has been forwarded to Secretary Darcy, Assistant Secretary of the Army for Civil Works. The Corps of Engineers is currently initiating a policy review of the Feasibility Study. After a six-month review, the results and recommendations will be sent to Congress. Once the report is approved and funding provided, Baptiste Collette Bayou will be dredged to a depth of -22 feet MSL, with dredging beginning as early as 2014.

LEVEES

Plaquemines Parish Government and the Corps of Engineers will be entering into a Participation Agreement for the construction of a federally authorized levee protecting the Westbank of Central Plaquemines Parish and Louisiana State Hwy 23 from flooding. More than \$600 million has been funded by Congress for construction of this Hurricane Protection Levee. Once the Hurricane Protection Levee is completed as designed, the entire Westbank of Plaquemines Parish and Hwy 23 would be protected by an all-in-one federal levee system. Construction could begin by the end of 2012.

Other positive news is the recently held first oil and natural gas lease sale in the central Gulf of Mexico since the Deepwater Horizon explosion two years ago. The sale attracted more than \$1.7 billion in high bids from energy companies. Many tracts are within miles of the VPC.

We also had an important visit from Louisiana Senate President John Alario who toured the area. The tour was hosted by the Plaquemines Association of Business & Industry and included the Venice Port Complex, Tiger Pass and Baptiste Collette Bayou.

I certainly look forward to seeing the progress as these projects move forward in and around Venice. Please continue reading for tenant updates and property lease opportunities.

Sincerely,


George Pivach II
Venice Port Complex Vice President and General Counsel

INDUSTRY UPDATES

Settoon Construction



A. Settoon purchased the business from his father in 1998 and expanded it to present-day size.

SCI owns and operates five crane barges ranging from 150-160 tons, along with five tugs ranging from 400-600 hp, and services all aspects of the oil-field industry. The Company also owns a 120 ft. x 30 ft. pipeline jet barge, presently located in Venice, capable of jetting 4,000 - 5,000 ft. of pipeline per day. Complementing its construction capabilities, SCI owns an ASME coded fabrication shop (SFI)

capable of prefabricating vessels, spool piping, and inshore and offshore structures. At its main facility in Belle River, La., many production barge facilities were designed and constructed that are currently in service throughout south Louisiana. SAS trucking, a division of SCI, has a fleet of 18 wheelers available to service oilfield needs 24/7. SCI has performed work for a large variety of companies ranging from majors to small independents.

SCI has been servicing companies in the Venice Port Complex since 1998 currently working out of its own dock at 319 Tidewater Rd. in the VPC. The Venice area has been extremely productive for the Company, which looks forward to many more successful years.

For more information contact Butch Gros at 985.252.6296 or visit www.settoon.com.

French's (French's Welding & Marine Services, LLC)

French's (French's Welding & Marine Services, LLC) is among Louisiana's most respected and cost-effective sources for small to medium pipe and structural fabrication, inland facilities construction, shallow water pipeline installation and field maintenance services.

Strategically located at the Venice Port Complex in Venice, La., French's fabrication yard has bulk-headed waterfront dock space that will accommodate large barges and workboats. Turnkey fabrication capabilities and in-house design make French's a one-stop shop for specialty projects for majors and independents alike.



French's workforce is composed of seasoned professionals with years of experience in the industry. Their adherence to strict safety standards and a code of environmental responsibility—combined with a commitment to quality and on-time delivery—has established French's as a can-do outfit with an enviable track record on projects throughout the Gulf Coast. French's welders are certified under ASME B-31.3 for process piping, and all employees receive HAZWOPER, H2S, and water survival training as part of an ongoing formal safety education program. French's personnel are experienced in fabrication, construction, installation, demolition and abandonment.

French's rental fleet consists of several Workboats, Jo-Boats, Self-propelled Work Barges and Crane Barges with up to 100-ton lifting capacity.

French's has refined its philosophy, which sets the company apart – focus on quality, deliver on time, communicate effectively, respond quickly and work safely. It's a formula that works for them, and it will work for you. It's what they call PROVEN PERFORMANCE.

For more information call 504-433-9747, fax 504-433-9958 or visit their website at www.frenchsmarine.com

Offshore Cleaning Systems, LLC

In 2008, Offshore Cleaning Systems, LLC (OCS) built its dockside facility on McDermott Road in the Venice Port Complex to support both the shore base logistics and dockside cleaning operational divisions.

Since the opening, OCS Venice has grown its reputation with the present customer base by offering dependability and professional service. OCS' commitment to the Venice area is well documented through generous donations of time and resources as well as a continued solid local employment rate. OCS Venice Regional Manager Ken Hotard, a 13-year resident of Plaquemines Parish, states "As a Venice Port Coalition member and a local environmental service provider, we feel it is imperative that we support the continued growth of the Port and our customers."

Offshore Cleaning Systems logistics facility sits on four acres directly connected to Tiger Pass. The yard offers 24,500 ft² of outbound, 8,000 ft² of inbound staging and storage areas and a 6,000 ft² dry storage warehouse. In addition, an elevated emergency backup generator and over 100 well lit parking spaces ensure customer safety. Dispatcher services for Production and Drilling logistical operations, crane and forklift services and a 400ft. waterfront bulkhead are available to OCS customers. A prior production logistics customer on the OCS dock recently stated, "I highly recommend the use of this



dock for anybody in need of dock services in the Venice area. We were here for 30 months after moving from another dock with 0 incidents and accidents. The dock personnel operated professionally at all times with timely loading and offloading of vessels and trucks."

During the moratorium, many aspects of our industry were affected; however, Offshore Cleaning Systems took a strong stance by retaining all of its employees to ensure quality service to our customer base during and after the drilling ban. As a result, OCS has strengthened its relationships with existing customers as well as grown new relationships with additional companies.

For information on OCS' Logistics Facility contact Regional Manager Ken Hotard at (504) 534-0830, via e-mail at khotard@ocs1.com or visit our website at www.offshorecleaningsystems.com.

Senator Alario visits Venice Port Complex



On June 7, 2012 The Plaquemines Association of Business & Industry (PABI) hosted Louisiana Senate President John Alario on a tour of Plaquemines Parish. Senator Alario's new district includes most of the Westbank of Plaquemines Parish including Venice. The Senator's tour included a flyover of the Parish as well as the industries so vital to the economic growth of Southeast Louisiana. Senator Alario's tour of Venice included a visit to the Venice Port Complex, Tiger Pass and Baptiste Collette Bayou.