Insight Terminal Agrees to Coal Ban

Insight Terminal has agreed to a 100% phase out of all coal shipments through the Oakland Terminal

- **100% phase out** of coal
- Compliance with California Senate Bill 100
- Establishment of the “Oakland Protocol” to ensure **covered rail cars** and **fully enclosed** material handling facility
- Oakland Initiatives Fund could generate more than **$5 million annually** for community needs
- Sponsorship of job training programs with local unions and high schools

- 910 million tons of coal shipments will be eliminated as a result of the Insight Terminal Environmental Commitment

- 400 to 500 high-paying construction jobs
- 150 long-term union jobs

- **$250 million** initial investment
- **$0.50 contribution** per ton shipped to the Oakland Initiatives Fund

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**Annual Coal Throughput (million tons)**

<table>
<thead>
<tr>
<th>Terminal Capacity</th>
<th>Years 1-10</th>
<th>Years 11-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>5</td>
<td>3</td>
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</table>

*Complete coal phase out before 2045*

**Total Coal Shipments (million tons)**

<table>
<thead>
<tr>
<th>Terminal Capacity</th>
<th>Insight Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>990</td>
<td>80</td>
</tr>
</tbody>
</table>

*910 million ton reduction in coal shipments*
A Unique Opportunity To Build And Operate A Deep Draft West Coast Multi-Commodity Bulk Terminal

The terminal property is leased for 66-years from the City of Oakland and is permitted as a multi-commodity bulk terminal

♦ Construction permits required from City but not to be unreasonably withheld
♦ Terminal development has stalled as a result of opposition regarding coal

The Project will have the ability to handle multiple tenants & commodities with 540K tons a storage

♦ Coal exports to Japan will likely be anchor customer providing up to 3 to 5 million tons of baseload business subject to final negotiations with the City and Utah producers
♦ Discussions with other prospective tenants are in process covering, iron ore, alumina, fertilizer, grains that are all produced and available for export from various Utah Counties

Attractive logistics is key to full utilization

♦ Dual Rail service provided by UP and BNSF providing single service from virtually the entire Western US
♦ Former Oakland Army base location just 8 miles from open Ocean that will reduce vessel transit times versus other Bay Area alternatives

The 50 foot draft and berth provide a competitive advantage on the US West Coast

♦ There is negligible excess capacity at existing ports on the US West Coast to accommodate market and shipping growth
♦ Draft provides ability to fully load Panamax vessels thus reducing the per ton shipping cost
♦ Berth provides Capesize loading capability, thus expanding the market reach for Bay Area bulk exporters

World Class port facility will reduce shipping cost and improve net cash flow

♦ Terminal should provide dramatic reduction in shipping cost with improved draft and lower demurrage given highest loading rate in Bay Area
♦ Covered facility will reduce exposure to elements for customer commodities
♦ Dome option provides the ability to separately store different quality specs and blend to maximize profit
  ● Phase 1 configuration allows for separate storage domes for various tenants