Foreword

Unlocking the gateways to economic growth

As advances in modern technology usher in the age of information, communication and diverse new means of commerce, attendant demands for increased movement of goods and services across the globe has broadened the need for a steady, dependable system of transport.

While the transit of goods and people by land and air has supported the global sharing and expansion we enjoy today, transport by sea, because of its inherent economies of scale, remains the transportation method of choice.

Figures as recent as October 2005 show significant numbers of ships and sea going vessels contributing to a global transoceanic fleet of forty thousand, four hundred and thirty-eight (40,438) in eight (8) categories.

It is not therefore overly ambitious to expect that with the present and expanding world fleet of ships and sea going vessels, that there is an increased demand for services that will ensure their continued seaworthiness, soundness, and overall reliability.

Within this context the Trinidad Dry Dock Company Limited (TDDCL) has been established – a noteworthy company with a notable project that will prove a bastion of global trade, through the provision of dry docking and bunkering services.

It is with a pioneering spirit that TDDCL embarks on this venture, working with stakeholders at every level in several countries, to ensure a product and service that is second to none, and that will ultimately help improve the livelihood of the global shipping industry, and the lives of billions of men and women around the world.
Company Overview
Company Overview

The Trinidad Dry Dock Company Limited (TDDCL) was incorporated on September 27, 2004, as a private company pursuant to the laws of Trinidad and Tobago.

The company, which has its headquarters in Point Lisas, Trinidad, was established to provide premium industrial and port development, with specific focus on facilitating the ship repair and construction industry, and providing related industry services to the energy and other downstream sectors of business.

Effectively, TDDCL will plan, build and develop two of the largest graving dock facilities in the world – five graving docks each in the Republic of Trinidad and Tobago and the Cooperative Republic of Guyana. The Dry Dock projects will cater to the growing international demands of the expanding global shipping fleet, with specific emphasis on meeting a critical need in the Western Hemisphere.

The firm’s project in Port of Spain, Trinidad, the Sullivan Island Dry Dock Facility will include a world-class Graving Dock and Bunkering facilities. This project is proposed to be situated on Sullivan Island, along the Gulf of Paria. In Guyana, the New Amsterdam Dry Dock Industrial Port Complex will include Graving Dock and Port facilities, and proposed to be situated on the Berbice River estuary.

The two projects will have a combined total Dry Docking area of 199,300 square metres.

In addition to the core dry docking facilities, TDDCL will maximize the potential of the projects by embarking on the development of a number of on-site, downstream projects including a Marine and Industrial Park, and Residential and Commercial Centres at both locations - resulting in facilities that cater to their own internal requirements for optimal operations.

The Trinidad and Guyana projects will work in synergy towards achieving TDDCL’s overall goals.
Mission / Vision
Mission

To be the company of choice in the maritime industrial sector for its excellence through innovative and best-quality business methods delivered with professionalism, efficiency and enthusiasm. The company is committed in protecting the environment, providing the best workplace for all employees and honest partnership with our shareholders and investors.

Vision

To be the global leader in the maritime industrial sector spearheading innovation in engineering technology, safety, environmental protection and customer satisfaction with honesty, respect, integrity and trust.
Board of Directors
The management of Trinidad Dry Dock Company Limited will be vested in its Board of Directors who will operate under a democratic organizational model with a clear description of roles and responsibilities for each position.

**Etienne P. Mendez**  
*Chairman of the Board*

Etienne Paul Mendez is a Civil Engineer who has served as a Director for many years on the Executive Board of the Point Lisas Industrial Port Development Company (PLIPDECO), the largest industrial estate and port in Trinidad and Tobago.

A graduate in Civil Engineering from the McMaster University, Hamilton, Ontario, Canada, Mr. Mendez has worked as a design-engineering consultant, and project and design construction manager, on a range of projects in several countries.

Presently, Mr. Mendez is responsible for the technical direction of the development of 184 state-of-the-art and user-driven Community Centres on behalf of the Government of Trinidad and Tobago.

Mr. Mendez has been the primary development consultant responsible for the creation, refinement, environmental definition, preliminary engineering and budget costing for both the proposed Sullivan Island, Port of Spain Dry Dock Facility and New Amsterdam Dry Docking Industrial Complex.

**Michael A. Laughlin**  
*Managing Director*

Born 1952, he has over 16 years experience at executive management level in the shipping and freight forwarding industry. He is the owner and founder of INTERNATIONAL SHIPPING LIMITED which became operational in April 1997.

Prior to this, Mr. Laughlin worked as country manager for Tecmarine Lines Inc. for 5 years and represented, as the agent, Tropical Shipping Inc. for 3 years. Prior to this Mr. Laughlin worked in two of the largest conglomerates in the Caribbean: the Neal & Massy Group for 20 years and the ANSA McAL Group for 3 years.
Alfred McMillan is a former Chief Pilot attached to the Maritime Services Division of the Ministry of Works and Transport, of the Government of Trinidad and Tobago. He remains a ship’s pilot, in the private sector.

Odunjo Abasewolu Khalabi is the Managing Director of Big Leaf Architectural Concepts, an architectural and construction financial risk management company.

A graduate of Baruch College, City University of New York, with a degree in Accounting and Management, Khalabi has extensive financial and business experience which includes his work at the New York Stock Exchange in Wall Street as a manager in information technology. In 1983, after eleven years in the U.S., Khalabi returned to Trinidad to work for TelCo (The Government Owed Telephone Company) as a Senior Manager in information systems.

Pran Rajendranath is currently the Managing Director of PRASTEC Limited, a firm of Civil and Structural Engineering Consultants. His engineering career spans thirty-one years, embracing a broad spectrum of Civil Engineering sub-disciplines including Client’s Project Supervision and Management, Construction Project Management, Structural Engineering Designs and Soil Stabilization. He holds membership in several voluntary and sporting organizations including the Rotary Club and the Trinidad and Tobago Cricket Board of Control.
Some key project strengths

The Sullivan Island, Port of Spain Dry Dock Facility, and the New Amsterdam Dry Dock Industrial Port Complex are well positioned for success within the global dry docking industry. Several key indicators have provided TDDCL with the justification to proceed with the projects with expectations for optimal success.

Government Policy

In 2004, the Government of Trinidad and Tobago committed to the establishment of a Merchant Marine Industry. In 2005, the Government identified the proposed Merchant Marine Industry as a targeted sector in the development and diversification of the Trinidad and Tobago economy.

The Government’s recognition of the potential for maritime markets in the region, as well as the significant advantages to diversification and strengthening of alternative sectors, was a driving force for the TDDCL venture in this area.

Project approval by Governments

TDDCL has secured preliminary approval to develop the two projects. The Government of Trinidad and Tobago has approved the development of the Sullivan Island, Port of Spain Dry Dock Facility, and the Government of Guyana has approved the development of the New Amsterdam Dry Dock Industrial Port Complex.

Strong financial backing

The Inter-American Development Bank (IDB) has expressed interest in raising all financing for the Sullivan Island Project in Trinidad.
Guyana’s project strengths

The commitment of the Government of Guyana in its policy to rapidly expand that country’s economic potential has resulted in a revitalization of its bauxite production, the diversification, modernization and expansion of its sugar industry (presently experiencing a boom) and a significant increase in foreign direct investment in many other areas including a surge in renewed interest in oil and gas exploration activity.

The Guyana Government has serious proposals on the table to establish an oil refining plant in Guyana and the recommencement of drilling activity off shore, which all bode well for the country’s future development.

Rusal, the largest Mining company in Russia, took over operations of the old Guyana Bauxite Company’s mines up the Berbice River. Rusal is the second largest producer of aluminum and alumina (with 12% of the aluminum market and 15% of the alumina market), globally. The privatization of this industry saw a large capital injection into operations and increased production output. This activity has been followed closely by similar initiatives by Chinese investors and mining companies in the upper Demerara region of Guyana, and in Timber and Fisheries.

Rusal operates the Berbice deep water facility adjacent to the lands allocated to TDDCL. The present facility is maintained by Boskalis International who is contracted to Rusal.

The lands east of the Berbice River estuary have been set aside as an industrial and export processing zone by the Government of Guyana and the area presently allocated to the Trinidad Dry Dock Company falls within the prescribed territory.

Oldendorf of Germany presently operates the deep water shipment station at the estuary of the Berbice River mouth.

Guyana presents Brazil with an easier access route to the Atlantic as Guyana’s Atlantic Ocean gateway unlocks opportunities for Brazilian products from the large northern arch of the Amazonian region to reach market cost-effectively and on time.

Guyana and Trinidad and Tobago are in the middle of the world’s shipping lanes with an approximate 31,000 voyages per year passing within 25 nautical miles of both countries, positioning these locations as attractive choices for vessels traversing these principal routes.

Trinidad’s project strengths

Trinidad and Tobago’s Vision 2020 initiative, a progressive Government plan to make
the country a fully developed nation by the year 2020, works well with the strategy behind the dry dock project.

The proposed Sullivan Island Project is strategically located to exploit the opportunity for services in the Gulf of Paria, as the Gulf is the destination for 100% of the country's bulk, cargo and other vessel arrivals. The majority of Oil Tankers traversing through T&T's waters also arrive at the Gulf of Paria. In addition, about 550 empty vessels arrive at the Gulf annually (due to petrochemical exports), including large bulk and LNG tankers.

Trinidad and Tobago also has a number of internationally recognized seaports of entry. The major ports in Trinidad include Port of Spain, Point Lisas (which won the Caribbean Port Award in 2003 for the third consecutive year), Chaguaramas and Point Galeota.

Trinidad and Tobago’s rapidly expanding export trade results in approximately 2,200 container and cargo vessel arrivals, per annum.

Port of Spain has a sheltered harbor, capable of handling bulk container shipping and cruise ships. Point Lisas is a fully developed industrial port which specializes in handling petrochemicals, iron and steel and containerized and general cargo.

There is a great deal of large vessel traffic in the southeastern part of the country, which houses a major bauxite plant as well. Point Galeota, located on the southern tip of Trinidad, is the main port from which Trinidad and Tobago companies undertake major oil operations.

The primary port in Tobago is Scarborough, a sheltered deep-water harbor and the main link for transportation of products from Trinidad. It is also a port of call for major cruise lines. Other main towns with deep-water harbors are Roxborough and Charlotteville.

With an economy fueled by energy and petrochemicals and a gross domestic product of TT$154 Billion per capita (or US$18,000), Trinidad and Tobago maintains one of the highest overall standards of living in the region. This is manifest in the republic's low Consumer Price Index which is less than 4.0% and stable exchange rate of US$1 to TT$6.30.

Trinidad and Tobago boasts the lowest rate for electricity in the region, and its relatively low cost of transportation, food and leisure combine to make executive living standards highly competitive when compared with other major metropolitan centers in the Western Hemisphere.

The island's population of 1.3 million has an adult literacy rate of 91%, providing a well-developed human resource base. The population has benefited from years of strong investment from the United States: Trinidad and Tobago has the second highest level of
Some key project strengths

US foreign capital investment in the Western Hemisphere, after Canada. The US is also dependent on the islands for approximately 77% of its natural gas supply.

Trinidad and Tobago’s hydrocarbon and natural gas reserves have enabled it to become the most industrialized country in the Caribbean. Several top international companies such as PCS Nitrogen, Ferrostaal and Methanex have established successful petrochemical plants on the islands with further investment opportunities available in the sector.

The manufacturing and agricultural sectors in Trinidad and Tobago see a significant amount of foreign investment. Manufacturing’s most active sectors currently include food beverage processing, metals processing, chemicals and plastics, printing and packaging. In agriculture, investment opportunities include value-added services like seafood processing, meatpacking and juice processing.

The country has two major airports - Piarco International in Trinidad and Crown Point in Tobago, both well equipped to handle wide-bodied aircraft. Piarco is a modern world class facility that accommodates comfortable and convenient connections to and from all the major metropolitan cities and has well-established air routes serviced by major international air carriers including its own national air carrier, Caribbean Airways.

Trinidad and Tobago has a highly skilled workforce trained through the development of the energy sector in the height of the natural gas expansion boom, and this can be readily absorbed into the Sullivan Island project. Personnel will be sent to augment the human resource industry capacity in the New Amsterdam operations.

The Brazil factor

Brazil needs a shorter, cheaper access route to the Atlantic and Guyana’s Atlantic Ocean gateway will provide this, significantly reducing travel distance from 1,500 nautical miles down to 250 nautical miles. Within this scenario there is a major potential for providing dry-docking services to Brazilian vessels traversing the route.

One of the fastest growing economies in the world, Brazil’s current development as a global supplier of oil, natural gas, industrial products and agricultural produce, assures heavy and regular traffic through Guyana to the Atlantic. This opens up prospects for increased dry-docking services in close proximity.

The Brazilian Government announced its intent to construct twenty-six (26) tankers in the first instance, to modernize its fleet in light of the large oil find in Brazil’s coastal economic zone. This augurs well for the New Amsterdam Dry Docking facility.
The Panama Canal factor

The Panama Canal is approximately 2,400 kilometres away from Trinidad and slightly further for Guyana, making both locations attractive and viable locations for dry-docking for vessels using this route – as opposed to obtaining these services in the Far East.

The Panama Canal is currently undergoing a US$5.250 billion modernization and expansion. Both TDDCL projects are less than seventy-two (72) hours sailing time from this site.

Approximately fourteen thousand (14,000) Ocean Going Vessels transit through the Panama Canal annually.

Post Panamax vessels also comprise a growing proportion of the shipping fleet, and the Canal’s expansion reflects the need to accommodate these larger size cargo ships.

Maritime Industry

Goods and commodities to a value of US$8,900 billion was traded internationally during 2004, which was an increase of 21% compared to 2003, and the largest increase since 1979.

During 2005, approximately 6,760 million tonnes of cargo, equal to approximately 80% of the world’s commodities was transported by sea.

Almost 90% of seaborne transport comprises agricultural products, raw material (steel, etc) and energy and petrochemical products such as Oil, LNG, Ammonia, Urea, Methanol and Coal – all products for the support and sustainability of life and modern living.

In 2004, some 1,827 new vessels with a combined deadweight of 49.9 million tonnes was launched. In 2005, 38 passenger vessels, 12 cruise vessels and 26 Ro-Pax vessels were ordered.

It is estimated that global containerized cargo will double by the year 2020, an increase that will positively affect the viability of TDDCL’s projects.
Financial and Economic Indicators

TDDCL is expected to bring considerable economic gains to both host countries. The proposed New Amsterdam project is expected to double Guyana’s current GDP of US$1.16 billion, while the Sullivan Island project is expected to increase Trinidad and Tobago’s current GDP of US$ 2.39 billion by some 8%.

The New Amsterdam and Sullivan Island projects are expected to achieve a Net Present Value (NPV) of US$ 2.6 billion. It is projected that the projects will achieve an International Rate of Returns (IRR) of 28.7% (which exceeds the discount rate applied). The Payback Period on investments is 7.1 years.

Potential business partners have already been identified in the Cruise, Containerised Cargo and Bulk Shipping, Dry Docking and Ship Building industries as well as in the overseas Heavy Construction Sector and the overseas Heavy Manufacturing Sector.

Royal Caribbean Cruise Lines have expressed an interest in the Port of Spain Dry Docks with the potential for locating an operating base in Trinidad and Tobago.

Socio-economic considerations

The Sullivan Island project is expected to be a stimulus to an improved standard of living in the nearby Sea Lots, Beetham Gardens, and Laventille communities.

The implementation of the Trinidad project will also bring about enhanced use of an area that is presently under utilized due to shallow shipping waters unsuitable for mainstream commercial or recreational activity.

The Dry Dock at Sullivan Island will create opportunities for Trinidad and Tobago-based contractors in a range of areas, including construction, safety industrial tools, engineering consultancy, marine services and logistics, project management, chemical cleaning, environment and chemical testing, welding, fire protection and gas detection, fabricating, sand blasting, painting, industrial supplies, hospitality, and information technology.

Projected high profit margins

Sullivan Island (Port of Spain)

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New Amsterdam
Peak Revenues - $1,240,202,415
Peak Operating Costs & Overhead - $541,013,487

Safe harbour
Geographical location and weather conditions of the Sullivan Island and Berbice River projects both provide safe anchorage away from turbid seas and extremes in weather, providing optimal circumstances for operations.

Environmental focus
The site proposed for the Sullivan Island project is just West of a large mud flat which has been forming at the estuary of the Caroni River over the past forty-five (45) years. Conceivably, the natural progression of this accretion would have caused the establishment of this mud flat to extend to and cover the site of the proposed Sullivan Island, over the next twenty (20) years.

The Environmental Management Authority of Trinidad and Tobago has issued TDDCL its Terms of Reference for the conduct of the Environmental Impact Assessment (EIA), a prerequisite for the grant of a certificate of Environmental Clearance. A consultant has been selected to conduct the EIA.

The New Amsterdam project will unfold in a zone reserved by the Government of Guyana for major industrial development.

Requirement for dry-docking
There is a need for certain classes of vessels to dry-dock periodically for service and repair in meeting certification requirements with regard to the transport of cargo and passengers.

Additionally, dry-docking is the only method of providing the service that returns a vessel’s fuel efficiency to optimal levels – a particularly critical factor in the competitive shipping industry.

Maximizing opportunities of a shortfall
At present, there are only fifteen (15) Dry Dock sites of the West Atlantic with facilities to accommodate vessels longer than 300m – this represents approximately 17% of the Global Dry Docking Capacity in this length category. It is critical to note that the Americas
alone account for an estimated 42% of global trip origins and destinations, showing immediately a critical shortage of dry docking capacity in the Western Hemisphere.

The Sullivan Island Dry Docks will add three (3) Dry Docks to the identified shortfall category (300m), while the New Amsterdam project will add an additional three (3), together increasing West Atlantic capacity in the large vessels category by some 76%.

This increase in dry docking capacity will redound to a wealth of opportunity for the maximization of service provision, and a broad spectrum for investment and profits for TDDCL and its investors.

**Optimal accommodation**

The Sullivan Island and New Amsterdam Dry Docks will have the capacity to accommodate twenty-five vessels simultaneously. Vessel categories to be accommodated range in size from schooners, to Cruise Liners, to the Ultra Large Crude Carriers (ULCC) of the 200,000 DWT category.

**Wide scope of services provision**

TDDCL will seek to service the market for ship inspection, repair, supply and construction and further service the industrial, commercial and tourism industries.

**Job creation and capacity building**

TDDCL’s projects will inherently have a significant positive impact on the building of human capacity, and the maximization of human capital in the territory, as its projects will engage the training and employment of individuals in Trinidad and Tobago, Guyana and the wider Caribbean Region.

Each project is estimated to provide 2,500 Construction Sector employees during their construction phases, while an estimated 25,000 industry related employment opportunities will be created in the Southern Caribbean region.

**Stable social and political environments**

Trinidad and Tobago and Guyana both enjoy a stable system of democratic politics and government, and citizens enjoy a peaceful lifestyle marked by tolerance, respect for civil law, and equality for all peoples.
Trinidad Dry Dock Company Ltd.

Some key project strengths