

***Walters Power International
Power Generation Experience
July 20,2018***



Maria Gleta Power Project – Benin, West Africa – Walters Power International has entered into a joint venture with an experienced London/Nigerian based power development company, Genesis Energy, Inc. for the development of a number of projects. This joint venture is called Walters Power Africa. WPI began its work with Genesis in 2013. The first project involving both WPI and WPA is a 29MW, GE TM2500 installation in Cotonou, Benin. WPI has been involved in every aspect of this project, equipment sourcing, design, fuel agreements, equity raise, senior debt financing, modeling, O&M negotiation, EPCM negotiation, Power Purchase Agreement and Concession Agreement and Government Guarantee negotiations. WPI has a development fee and ownership position in the project, estimated to cost approximately \$34M. All project documents and approvals are complete, and this project is expected to start construction in 2018. (top photo is from a Cairo meeting in June, 2018 with WPI partner and CEO of Genesis, Akinwale Omoboriowo (left) and Dr. Benedict Okey Oramah, the President and Chairman of the Board of AFREXIM concerning senior financing for Maria Gleta Project. Bottom is David Walters with the Minister of Energy touring the Maria Gleta site in 2016.)



Chilocco Wind Farm – Kay County, Oklahoma - Walters Power International was retained by the Cherokee Nation in December, 2012 to review the Chilocco Indian School Wind Farm Project in Kay County that had been the subject of federal exploratory grants and development activities for approximately 10 years. WPI interviewed the parties and reviewed the documents and recommended that the project proceed. WPI and its subsidiary Cimarron Power Ventures have over 5 years of experience involved in every aspect of the project. Drafting and negotiating the project documents with 3 different Sovereign Indian Nations, reactivating

a federal grant that had expired to fund pre-development, working to achieve tribal and Bureau of Indian Affairs approval, modeling, marketing of PPA's for power sales and marketing of the sale of the project itself. Initially WPI represented the Cherokee Nation but later had a multi-year engagement with success fees associated with PNE Wind USA, a Chicago based, German owned wind development company. The result is a fully permitted 200MW wind generation project that will start construction in 2018.

Texas Power Reserve – Tyler Pipe Power Plant – Tyler, Texas – After selling its interest in UK Power Reserve Walters Power initiated development of a similar reserve power project in Texas. Utilizing 10MW of gas and diesel fired equipment, Walters Power established a plant on an industrial site that can be remotely dispatched to serve in the Emergency Response Service program under the Energy Reliability Council of Texas (ERCOT). This plant will also participate in other peaking and revenue opportunities and has been operation since 2015. This plant was built, financed, owned and is operated by WPI, other similar projects are expected.



Colton Power – Drews Power Plant and Century Power Plant – California, USA Walters Power International and investors acquired two 40MW power plants in southern California. These two plants are powered by eight GE GT10 gas turbine generators with extensive emission control packages. These plants were operated for several years in the California Resource Adequacy market. They were sold to an investor group in early 2016.



Walters Power UK – United Kingdom

Walters Power International, together with Fortress Funds, a New York based investment fund, decided to deploy some excess equipment into the Short-Term Operating Reserve Program, under the STOR regulations of the National Grid in the UK in 2008. The first project was in Trumfleet, UK. This initial 8.8MW project led to what is now company



called UK Power Reserve that has over 500MW of such projects. Trumfleet consisted of 4X12V220 engines that were installed by First Energy. Soon after this project was deployed, UK Power Reserve was formed and Trumfleet was rolled into this successor organization.

UK Power Reserve – United Kingdom

Walters Power International, through its affiliate UK Power Reserve Ltd. (UKPR) completed eleven power plants in the UK, totaling approximately 130MW for the UK National Grids Short Term Operating Reserve (STOR) service. As the UK transitioned from high-carbon generation plants, UKPR developed power plants to address anticipated peak power shortages.

WPI founded Walters Power UK in 2008 and with JV partners, Fortress Funds (New York) and Barclays (London) rolled up the assets into UKPR in 2009. David Walters served as CEO and Chairman of the Board and ran the UKPR operation until WPI sold its interest to investors in 2013. The company continues as a successful and significant player in the capacity markets in the UK. [Add another photo for UKPR.



Naudero I Power Plant - Pakistan

Walters Power International, through its affiliate, PPR has originated and developed a 50MW power plant in Pakistan. This plant is powered by two Rolls Royce RB211 gas turbine generators. This power plant is the second completed where WPI sourced the equipment, negotiated and administered the EPC, Start Up and Commissioning and the O&M agreements.

Naudero II Power Plant – Pakistan

A 50 MW expansion of Naudero I was planned and negotiated as Naudero II. Power Purchase Agreements were negotiated, and an adjoining site was secured, and the engineering was completed for Naudero II. WPI sourced the equipment, from New York by purchasing a plant with LM5000 turbines and these units were disassembled and shipped to Pakistan. The country discontinued the expansion program shortly after the shipping of equipment and Naudero II was

not constructed and the equipment was salvaged. [need to find a picture of the equipment on a ship...DS may know where to find].

Wartsila 12V25SG Cogeneration Power Plant

Walters Power International purchased a complete cogeneration power plant near Barcelona, Spain in October 2009. The plant was used to power a textile factory and consists of three Wartsila 12V25SG engines and complete ancillaries including a HRSG with boiler. The equipment is expected to be sold in the third quarter of 2010.



Deutz Containerized Power Modules - Dubai

Walters Power International purchased 22 1.35 MW diesel fired reciprocal units from Dubai adding to its inventory of power modules. During the last three years Walters Power has purchased nearly 200 power modules for resale, putting it in the category of one of the largest suppliers of this versatile power generation equipment.

Bhikhi Power Plant - Pakistan

Walters Power International, through its affiliate, PPR has originated and developed an \$80M, 136MW power project inaugurated in December, 2007 outside of Lahore, Pakistan. This plant was powered by three General Electric LM6000 gas turbine generators. Walters Power developed the guarantee mechanism with the government owned utility that pioneered a new method of many other power developments in Pakistan. WPI sourced the equipment, negotiated and administered the EPC, Start Up and Commissioning and the O&M agreements.



Pakistan Power Resources



In 2005, Walters Power International was invited to join the Associated Group to meet with General Pervez Musharraf in Pakistan to discuss the development of power projects. Musharraf told David Walters that he had not been able to build any new generation projects for several years despite numerous initiatives and that the country desperately needed new generation. Walters replied that building power plants is easy, getting paid for them is the difficulty. Musharaff and Walters worked out the mechanism whereby the Government of Pakistan could issue short term power purchase agreements, guaranteed with confirmed LC's and immediately projects began getting built. WPI and Associated Group formed Pakistan Power Resources and built their first plant in Bhikhi outside of Lahore. GE built a similar sized plant 10 kilometers from the PPR plant. [show photo of signing ceremony].

50Hz Natural Gas/HRSG Power Plant - Spain

Walters Power International purchased a complete natural gas cogeneration power plant in July, 2007 consisting of two Deutz TBG632 engines and ancillaries from Alfacel Cogeneracion. In addition, a third Deutz TBG632 engine and ancillaries was purchased in September 2007. This makes a total 10.2 MW power plant complete with a heat recovery system. This equipment was sold to Global Enerji of Turkey in July, 2008.





CAT 3516 - Houston Hospitals

Walters Power International purchased 6 MW diesel emergency power plant May 2007 consisting of three 2 MW CAT 3516 engines from St. Luke's Episcopal Hospital and Texas Children's Hospital. The equipment was used for emergency power and had been operated less than 820 hours. The majority of the equipment was sold to a company in Texas that packages containerized power modules for their clients.

BFG – Victorville, California

March 2007, Walters Power and PMSI in conjunction with SCT Energy developed a unique dual fuel power module that operated on bio fuel and natural gas. The unit, which met California emissions standards and qualifies for alternative fuel credits, was a significant development in the arena of containerized power modules. Walters Power International provided the equipment, design, installation, commissioning and O&M for a power solution to the Victorville Municipal Utility in San Bernardino, California. Walters Power had immediately available equipment and was able to provide a rapid and complete solution to a municipal utility that faced growing industrial demands.



KBR - Nigeria



In March 2007, one of the largest engineering and contracting firms, Kellogg Brown and Root and their partners Southern Gas Constructors Ltd, asked WPI to supply 2x Deutz 1350 and 1x MHI 1400 containerized units. The 4.1MW mobile plant powered their “man camp” in Escravos, Nigeria, and

was used to power the completion of construction and pre-commissioning activities for the 34,000 barrel-per-day Chevron Nigeria Limited Gas-to-Liquids project.



Pakistan Power Resources

Pakistan Power Resources - Walters Power International formed an Oklahoma limited liability company for the purpose of developing power projects in Pakistan in December 2006. Pakistan Power Resources, LLC is owned 35% by WPI and 65% by a Pakistan based partner Associated Group. One \$80M project has been completed and two more projects totally over \$200M are under development.

Preventive Maintenance Services Inc., - Louisiana

Walters Power International in June 2006 begun to vertically integrate its activities by acquiring interest in engine service and emission companies



that complement the turn key solutions that so many customers require from secondary market equipment. One such firm was Preventive Maintenance Services, Inc. (PMSI), located in New Iberia, Louisiana.

Colonial Pipeline - Mississippi

In June 2006, when one of the nation's largest pipeline companies decided to buy its first electrical generating equipment to avoid future shutdowns as experienced during Hurricane Katrina, they came to Walters Power International for 12 Mitsubishi power modules that were fully containerized, and trailer mounted. Modified and tested by PMSI, these units have become the mainstay in a pipeline network that spends over \$100M a year in electricity.



Moses Lake Power Plant

Walters Power International contracted to purchase the Moses Lake Power Plant in April, 2006. This plant consists of 29 Mitsubishi containerized bi-fuel power modules complete with SCR, transformers, substation components, and 6 unassembled Mitsubishi engines and auxiliaries. WPI sold 12 of these units immediately in June, 2006. The rest of the inventory was utilized in WPI projects.

UK Wartsila's

Walters Power International purchased 9 Wartsila 12V200 engines and ancillaries and 6 Wartsila 18V200 engines and ancillaries from West Bromwich Steel, UK in February 2006. This equipment was installed in the UK and operated via UK Power Reserve under the Short Term Operating Reserve Program.



Holditch Power Plant UK

Walters Power International purchased the 10 MW Holditch Power Plant, UK, in September, 2005 consisting of three 3.4 MW Deutz TBG632 engines from PowerFind International. WPI marketed and sold this plant in December 2005 to Zao Tamanneftegas, a Russian limited liability company.

BTEC Project, Houston Texas

Walters Power International leased 6X1.5 MW containerized power modules to BTEC Turbines to use in a green field emergency power station development that was put in operation in 48 hours. This short-term lease, executed in September, 2005 backed up the Coastal Water Authority in Houston, Texas in the aftermath of Hurricane Rita. This project, which required WPI to purchase five additional Deutz 620 packages from Stewart & Stevenson, was the fastest round the clock deployment ever achieved by WPI.



Consorcio Energetico Punta Cana-Macao, S.A.

Walters Power International sold in May, 2005 four Deutz 620 diesel fired packaged units to CEPM for application in the Dominican Republic. These units provided 5 MW of additional power to accommodate load growth from hotel developments in the burgeoning Punta Cana resort area.

Pyebriidge Power Plant UK Purchase

Walters Power Investors, an affiliate of Walters Power International formed with a New York hedge fund, purchased the Pyebriidge power plant from Warwick Energy in March, 2005 and sold the plant 7 months later to a heating district company in Sophia, Bulgaria. This project consisted of 3X16V25SG Wartsila engines and the sale included the entire power plant and its auxiliaries. This was WPI's first transaction in the UK, which ultimately resulted in hundreds of millions of dollars of investment in the UK electrical market through dozens of projects.



Stewart & Stevenson

Walters Power International purchased in February, 2005 twenty two mobile Deutz 620 packaged units from S&S. WPI has had significant experience in marketing such packaged units. 6 of these units were sold and the remaining equipment was utilized in a variety of WPI projects.

Stewart &

Stevenson

Walters Power International purchased in January, 2005 4X16V632 natural gas Deutz gensets each producing 3.2 MW of power. These units were sold for a retail distributed energy application in the U.S. in less than three months.



Stewart & Stevenson

Walters Power International purchased in October, 2004 \$600,000 of surplus equipment (2X18V220SG Wartsila Gensets) when a division of this S&S, involved in the distributed energy business, was liquidated. Half of the equipment was sold within 4 months paying off the original investment cost.

Cement - Pakistan

RTO Power, managed by David Walters and partially owned by WPI, bought and sold two 18V34SG Wartsila gensets in a multi-million dollar transaction with Gharibwal Cement company in Pakistan in 2005. The power was used to provide a reliable source of power for their cement plants. This 12MW plant originated in Finland and was transported to Lahore, Pakistan for installation.



Ittehad Chemical - Pakistan

RTO Power, managed by David Walters and partially owned by WPI, bought and sold five 18V34SG Wartsila gensets in a multi-million dollar transaction with Ittehad Chemical company in Pakistan in 2004. The power was used to provide a reliable source of power for their chemical plants. This 30MW plant originated in Finland and was transported to Lahore, Pakistan.



Occidental Petroleum - Ecuador

RTO Power, managed by David Walters and partially owned by WPI, bought and sold three 18V34SG Wartsila gensets for \$1,000,000 each to Oxy Petroleum in 2004 to power a remote oil and gas exploration site in Ecuador. This 20MW plant originated in Finland and was transported up the Amazon to its final destination.



Ringhaver Mexico Lease

Brooks Power, managed by David Walters and partially owned by WPI, identified the opportunity and negotiated in 2003 a multi-million dollar lease of 100 MW of power in Mexico for a 7 month period using mobile generation equipment. The original lessee was Alstom Power and they later partnered with Ringhaver Power for the lease with the CFE national utility in Mexico.



CAT 3516b Power Modules

Brooks and RTO Power, managed by David Walters and partially owned by WPI, bought and sold 45 of the mobile power modules, primarily to CAT dealers during the period of September 2003 to February 2004. This volume of sales exceeded the sales of such modules by any CAT dealers during this same period.

Capstone Micro Turbines

Brooks Power and RTO Power, managed by David Walters and partially owned by WPI, bought and sold 45 Capstone C30 microturbines during the period of September 2003 to March 2004. This was a higher volume of sales than the original equipment manufacturer during the same period of time.

Williams Distributed Power Services

Walters Power International negotiated the purchase and financing of \$78 million of surplus equipment in 2003 when a major energy company decided to get out of the distributed energy business. Two LLC's were organized to handle this purchase and both were managed by David Walters and partially owned by WPI.



General Electric Corporation

Walters Power International negotiated the purchase and financing of a \$3 million GE Frame 6 gas turbine from GE and remarketed the equipment for sale. This project was sold to BTEC Turbines for an application in Iraq.

Carthage Power Plant

Walters Power International purchased this 60 MW GE Frame 6 cogeneration plant in upstate New York in December 1998. Initial plans to salvage the plant changed to bringing this

5-year-old power plant back on-line. David Walters negotiated water access, connection and tax agreements to restart the plant. A majority interest in this plant was sold to Cayuga Energy, Inc., a subsidiary of Energy East for operations as a merchant power plant.

Natural Dam Power Plant

Walters Power International purchased this 60 MW GE Frame 6 co-generation plant in upstate New York in December 1998. The turbine generator set was sold to GE and the remaining equipment and facilities were salvaged within a 9-month period.



PowerBarge I (30 MW, Boiler Steam Turbine, HFO)

Walters Power International served as the co-developer and lead negotiator for a 30 MW barge-mounted power project. This project was refurbished in Port Arthur, Texas and was contracted to the Dominican Republic on March 18, 1998. The PowerBarge I, was delivered to the site in Barahona, Dominican Republic 27 days after signing of the contract and began commercial

operations 3 weeks later. This project was a marine boiler, steam turbine configuration that can operate on a wide range of fuels. Legal representation was provided by the Houston office of Akin, Gump, Hauer, and Field.



PowerBarge II (50 MW, Reciprocal Engines, HFO)

In conjunction with the PowerBarge I project, an additional project of 50 MW was contracted in the Dominican Republic to be installed approximately 6 months after the connection of PowerBarge I. This barge-mounted project consisting of slow-speed reciprocal engines (4x12.5 MW, 18 V Man 52/55) operated on Bunker C fuel and was also located in Barahona, Dominican Republic. WPI arranged for the purchase of a 72 MW power plant in Australia powered by large MAN engines, which was disassembled and remounted in Mexico on a barge purchased in Singapore for this project.

PowerStation III

An affiliate of WPI, Odyssey Marine, Inc., purchased 2 x 22 MW LM2500 gas turbines for resale or contract. WPI was asked to market this equipment and arranged for a sale to a U.S. utility that

was closed 60 days after the request to market the equipment and was done so at a significant profit above the acquisition cost.

Walters PowerShip

David Walters developed a power barge concept containing 16 mobile power units (CAT 3516b's) for application in international markets. Financing was arranged with CAT Financing. The project was put on hold when an existing power barge was acquired. The work on the Walters PowerShip concept spurred the investment in power barges in the very early stages of the development of this segment of the power generation business.

Other Significant Proposals

International power projects can take years of development, travel, negotiations, design, financing to provide credible and viable proposals to prospective clients. WPI has organized dozens of such extensive proposals for projects in Turkey, China, Vietnam, Malaysia, Myanmar, Philippines, Australia, China, Guyana, Colombia, El Salvador, Sri Lanka, Bangladesh, Yemen, Costa Rica, Grenada, Greece, Guam. Even though not built such work provided significant expertise and knowledge about power development.

After his term as Governor of Oklahoma, David Walters' spent a year working as President of the International Division of an independent power company from January 1995 to March of 1996. This experience introduced Walters to international power development and after a year he formed his own company and began his work under the banner of Walters Power International. Walters Power International's tenure, project volume and success surpassed his original employers company after a few years. The following projects were those worked on during his one year tenure with another company

Karnataka Power Barge - India (300 MW, Combined Cycle, PLC, 5 years)

David Walters submitted proposals that resulted in the awarding of two power barge projects totaling 300 MW to be located in Karnataka, India. David Walters made two trips to India where he personally turned an initial negative decision into a positive one after lobbying over a period of 18 days both the Chief Minister of the State of Karnataka and also several members of the Cabinet. Two EPC proposals were assembled from GE and Westinghouse. Westinghouse, development engineering consultants, and Raytheon assisted Walters in assembling an equipment configuration that was responsive to the Government's need to move with extraordinary speed. Legal representation was provided by Skadden Arps of Washington, D.C. and Luthra & Luthra of Delhi, India. Following the initiation of the PPA negotiations, David Walters formed his own company. One of these two power barge projects was completed.

Smith/Enron Power Barge - Dominican Republic (185 MW, Combined Cycle)

David Walters was President of one of the co-development companies while Phase Two of this project was being completed in 1995. The Smith/Enron Dominican Republic Power Project is one of the world's first and was at the time, the world's largest barge-mounted, combined-cycle

power project. The plant has a capacity of 185 MW.

Pakistan Lakhra Integrated Coal Mine and Power Plant Project (450 MW, CFB Boiler, Coal)

David Walters invested extensive work on this project in 1995. He visited the site in the desert north of Karachi, negotiated a memorandum of understanding and a technical services agreement with Bechtel and negotiated with the Sindh provincial government a demarcation of coal leases. The LOI was issued on July 6, 1995. The LOS was issued in March 1996. Walters also negotiated a coal mine development agreement with Crouch Mining, England's largest surface coal mine developers, J. T. Boyd consultants and other members of the project team. Legal representation was provided by Chadbourne Parke.

Senegal (50 MW, barge, diesel)

Following work together in Ecuador, GTI, a local Ecuadorian engineering company, asked David Walters to fill the role of developer for a bid in which GTI had been previously qualified by the country to participate. The bid package was assembled and submitted in February 1996. The bid was the lowest bid submitted. GTI proceeded with the project.



ProEnergy power plant - Evanston, Wyoming

In 2009 Walters Power International identified and purchased the Intermountain Power Project plant in Utah, that



had been recently decommissioned. The plant consisted of two Rolls Royce turbines (RB211's) and all the ancillaries. The plant was disassembled by a division of ProEnergy services in Sedalia, Missouri sent to Houston, Texas and then and was shipped to Karachi to be trucked to the northern Sindh province for installation as the Naudero Power Plant using the same foot print of the Utah plant.

Cayuga Energy - Binghamton, New York

In 2008 Walters Power International identified and purchased the Cayuga Energy, Inc. plant in New York, that had been recently decommissioned. The plant consisted of two GE LM6000 gas turbines and all the ancillaries. WPI supervised the disassembly and the equipment which had to be moved by train and was then shipped to Karachi to be trucked to the northern Sindh province for installation as Naudero II by Pakistan Power Resources.

Pakistan Gas Port Project

The Associated Group entered into a joint venture for the purpose of developing Pakistan's first LNG import and regassification facility in Port Qasim, near Karachi. This project engaged international engineering and economic analysis groups and competed under an RFP process run by the Government of Pakistan. This effort resulted in the Pakistan Gas Port consortium being selected twice by the independent engineers and consultants retained by the Government of Pakistan. However, the initiation of the project was significantly delayed and restarted.



Strategic Power Solutions

In late 2017, Walters Power International formed a new company in partnership with Mr. Jay Young, formally with Constellation Energy, to market demand response services, equipment and power supply contracts to industrial clients in the ERCOT power district in Texas. This initiative will commission sales its services and utilizes the expertise and the network of business contacts that WPI developed in the Texas as a result of the Texas Power Reserve project.