



St. Croix Refinery Acquisition & Restart Strategy Due Diligence plan

Presented by **Caribbean Energy Solutions**

Creating Sustainable Value Through Operational Excellence

Vision & Purpose

Powering the Caribbean's sustainable energy future



Strategic Acquisition.... "Return to Excellence"

Position the St. Croix refinery as a cornerstone asset in the Caribbean energy infrastructure

Operational Excellence.... "Run safe & reliable"

Implement world-class operational standards while maintaining environmental compliance

Community Impact.... "Sustainable footprint"

Create sustainable jobs and economic prosperity for the USVI community

Investor Value.... "Sustainable returns"

Deliver exceptional returns through disciplined capital allocation and operational efficiency



Ongoing Work

Continuing to finetune to support investor needs



Comprehensive Due Diligence

We've initiated multi-phase environmental due diligence (Phase 1, 2, & 3) and are conducting two-phase financial and operational due diligence, including go/no-go assessment and reconciliation. This also involves developing a comprehensive risk register and analyzing LBR case lessons learned.



Operational Readiness

Key engineering support teams are being onboarded for infrastructure assessment, and a detailed terminal status update is being completed to ensure full operational readiness.



Strategic Stakeholder Engagement

Active engagement with key local and governmental stakeholders is underway, fostering strong relationships and ensuring alignment with community goals.

Status & Activities to Date

Strategic Foundation Established

- Management team onboarded and aligned
- Business strategy & project plan developed
- Investment proposals secured

Operational Framework Developed

- OpCo formation and structure underway
- Process & financial models created
- Program management office established

Technical Preparation Advanced

- Environmental due diligence (Phases 1-3) completed
- Engineering support team onboarded
- Terminal status assessment finalized

Key Risk Mitigation Activities:

- Comprehensive risk register developed
- Limetree Bay Refinery case analysis & lessons learned applied
- Two-phase due diligence approach implemented:
 1. Go/No-go decision framework
 2. Reconciliation and adjustments
- Proactive stakeholder engagement initiated
- Legal & financial due diligence underway
- Path to closing established

Due Diligence Requirements

1 — *Phase 1: Go/No-Go Assessment*

- Environmental compliance review
- Asset condition assessment
- Regulatory framework analysis
- Initial capital requirement validation

2 — *Phase 2: Deep Dive Analysis*

- Detailed equipment inspection
- Comprehensive environmental testing
- Consent decree obligation mapping
- Permit transfer requirements

3 — *Phase 3: Reconciliation*

- Financial model adjustments
- Capital spending prioritization
- Schedule optimization
- Risk mitigation planning

4 — *Phase 4: Closing Preparation*

- Final term sheet adjustments
- Regulatory approvals
- Transaction documentation
- Day 1 readiness planning

CES has established a robust due diligence framework to ensure all critical aspects of the acquisition are thoroughly assessed prior to closing, with special emphasis on **environmental compliance** and **regulatory requirements**.



Restart Timeline & Execution Approach

Key Milestones

01

Transaction Closing

Q1 2026

02

Initial Staffing & Planning

Q4 2025

03

Engineering & Procurement

Q2-Q4 2026

04

Critical Systems Restoration

Q2-Q4 2026 / 2027

05

Ready For Start-Up (RFSU)

Phase 1 - Q1 2027 Phase 2 - Q1 2028

06

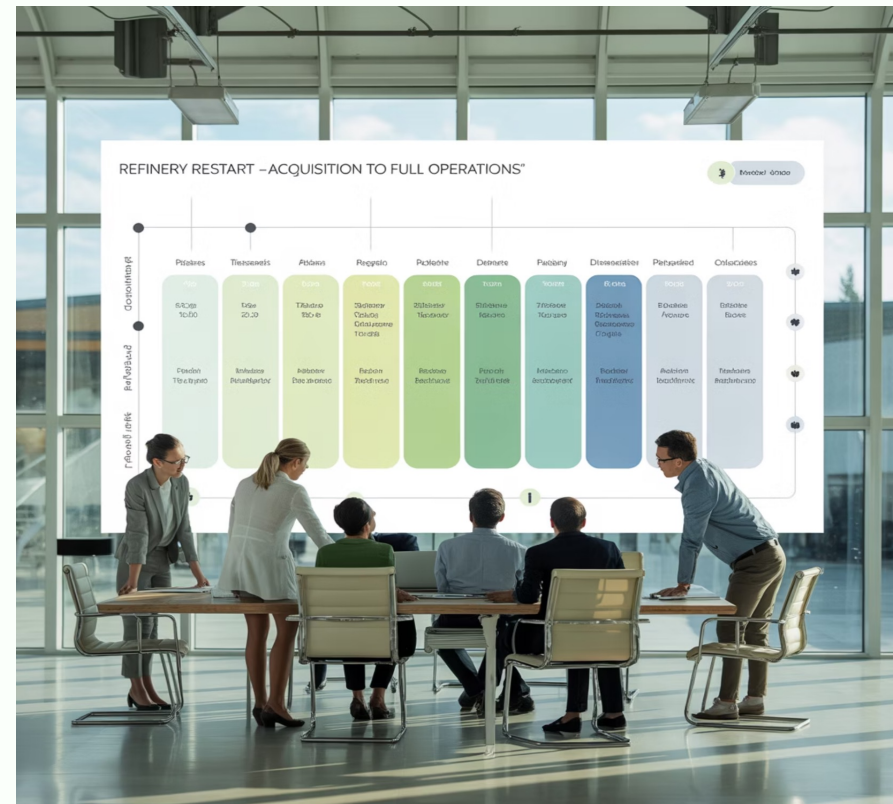
Commercial Operations

Refinery - Q1 2027

Terminal - Q1 2026

Project Execution Strategy

- **Phased Approach:** Terminal operations first, followed by core refining units, then full integration
- **EPC Partnership:** Richard Engineering (RDS/RCI) as lead project management firm
- **Critical Path Management:** Focus on regulatory approvals, long-lead equipment, and safety systems
- **Workforce Development:** Early hiring of key personnel to support restart activities



Our execution approach incorporates lessons learned from previous restart efforts to ensure a **safe, compliant, and efficient return to operations.**

Operational Excellence Strategy

Operational Framework



Safety-First Culture

Zero-incident philosophy with comprehensive safety management systems and daily safety audits



Rigorous Procedures

Standardized operating procedures with continuous improvement mechanisms



Real-Time Monitoring

Advanced process control and monitoring systems for operational envelope compliance



Environmental Stewardship

Proactive compliance with EPA regulations and Consent Decree obligations



Operational Efficiency

Optimized process flows and energy utilization to maximize profitability



Continuous Improvement

Structured problem-solving methodology and performance management system

Daily audits of operating envelope will be conducted to ensure process safety parameters are maintained, with teaching loops built into the audit process to continuously enhance operator capabilities.



- ✔ Our operational excellence strategy is designed to achieve top-quartile performance in safety, reliability, and efficiency metrics while maintaining strict environmental compliance.

Workforce Development Strategy



Training Partnerships

Collaborations with Safety Council & Community College for certification programs and technical training

Technology Integration

Partnerships with OEM providers to ensure cutting-edge technical capabilities and support

Apprentice Programs

Structured development path for maintenance and technical roles through EPC partner relationships

Process Safety Focus

Specialized training in process safety management and hazard recognition

Training resources and programs will be initiated **in parallel with restart activities**, ensuring the workforce is fully prepared for safe operations upon commissioning.

Workforce Development Goals:

- Create 350+ direct jobs for USVI residents
- Establish sustainable career paths in energy sector
- Develop world-class technical capabilities
- Build a culture of safety and operational excellence

Risk Assessment & Mitigation

Risk Matrix



A comprehensive risk register has been developed addressing key areas:

- Environmental compliance challenges
- Regulatory approvals timeline
- Equipment condition uncertainties
- Supply chain constraints
- Workforce availability

Key Risk Mitigation Strategies

EPA & Regulatory Compliance

Early and continuous engagement with regulatory authorities to ensure alignment on restart requirements and environmental standards

Dedicated compliance team with specialized experience in consent decree management

Asset Integrity Management

Comprehensive inspection program to identify and address equipment deficiencies

Proactive replacement of critical components with known reliability issues

Stakeholder Engagement

Transparent communication with local community, government, and business leaders

Regular progress updates and feedback mechanisms to address concerns

Financial Risk Management

Phased capital deployment with stage-gate decision points

Contingency reserves for unexpected regulatory or equipment issues

Next Steps



Board Approval

Secure authorization to proceed with term sheet and due diligence funding



Term Sheet Execution

Finalize and execute term sheet with seller by February 2026



Due Diligence

Complete Phase 1 assessment within 60 days of term sheet execution



Transaction Closing

Target closing date: Q1 2026, subject to regulatory approvals

Immediate Action Items

- Establish data room access and review protocols
- Initiate discussions with USVI government and EPA
- Mobilize technical assessment teams
- Finalize investment syndication



Board Decision Request

We will request board approval to proceed with the term sheet execution and commitment of \$250MM for Phase 1 due diligence activities.



Upon successful completion of Phase 1 due diligence, a follow-up board presentation will be scheduled to review findings and authorize continued pursuit of the acquisition.