

SEABOARD GROUP II AND CITY OF HIGH

30 Purgatory Road P.O. Box 310 • Mont Vernon, NH 03057-0310
Office : (603) 673-0004 • Fax: (603) 672-0004 • Email: randycsmith1@cs.com •

May 27, 2011



Mr. Vance Jackson, P.G.
North Carolina Department of Environment and Natural Resources
Division of Waste Management
401 Oberlin Road, Suite 150
Raleigh, North Carolina 27605-1350

Subject: Seaboard Chemical Corporation and Riverdale Drive Landfill Site
Jamestown, NC

Dear Mr. Jackson:

Attached please a copy of the most recent report on the progress made by the equipment vendor for the PhotoCat® advanced oxidation process and associated equipment. As you will note significant progress has been made, although there continues to be delays in equipment deliveries. Factory acceptance of the system is now scheduled for the end of June with shipments to the Seaboard Site starting in early- to mid-July.

Briefly, at this time we have completed the earthwork on the soil residue mound and should complete the installation of the liner material on the cap during the next few days. We have applied for and should receive shortly the building permit from Guilford County for the PhotoCat® structure and the building permit from the City of High Point for lift station LS-1. We have completed the structural and electrical design, and that has been certified by the appropriate North Carolina Registered Professional Engineers. We have also installed the junction boxes and soil moisture probes, and installed most of the control wiring for the phytoremediation instrumentation system. That will be completed when the node boxes are received along with LS-1 and LS-2.

We have also awarded the contract for the installation of the leachate collection box at the Northern Intermittent Stream (NIS) in accordance with the approved plans. This work should commence in the near future and we will use the same contractor that relocated the NIS streambed. We have submitted, and should receive shortly, building permits for two small prefabricated buildings to house the instrumentation nodes on the east and west lobes of the landfill. They will be installed as soon as the permits are received, and we will then be able to complete installation of the instrumentation wiring for the phytoremediation system.

As you will note, Item 2 of the progress report contains a schedule. That schedule implies that the vendor will ship the last container by July 14, 2011, and begin startup and training by July 25, 2011. Since the containers must travel from London, Ontario, Canada to the Site, delivery of the last container may be as late as Monday July 19, 2011. It may be optimistic to think we can

complete the hookup and testing of all lines and instrumentation and be ready for startup by that time. We are doing our best to urge the vendor to move as quickly as possible to complete the containers and ship them to the site ahead of schedule. However, we also feel that it is prudent to ensure that they are finished and thoroughly tested before they are shipped. We will continue to monitor this and advise you if the schedule appears to be delayed beyond our current estimate for completion of July 31, 2011.

If you have any questions, or if we may be of any assistance, please contact Mr. Gary Babb or Mr. Jim LaRue.

Respectfully,

Seaboard Group II



James C. LaRue, Oversight Consultant
Southwestern Environmental, LLC.
9004 Thompson Lake Drive
Missouri City, Texas 77459
(281) 431-3571

City of High Point



Gary D. Babb, P.G., Oversight Consultant
Babb & Associates, P.A.
P.O. Box 37697
Raleigh, NC 27627
(919) 325-0696

cc Ms. Jackie Drummond

PROPOSAL NO. 8P1205-REV 5 & 10P0705

MAY PROGRESS REPORT

SEABOARD SITE MOBILE GROUNDWATER TREATMENT SYSTEM

Submitted to:

ATTN: James LaRue
Email: jlarue@swenv.com

Seaboard Group II and City of High Point

30 Purgatory Road
P. O. Box 310
Mont Vernon, NH 03057-0310
USA
Tel: 603-673-0004
Fax: 603-672-0004

May 16, 2011

For Additional Information Contact:

Brian Butters, P.Eng., MBA
Purifics® ES Inc.
340 Sovereign Rd
London ON N6M 1A8
Canada
Phone: (519) 473-5788 Fax: (519) 473-0934
E-mail: info@purifics.com Web site: www.purifics.com

This proposal includes data and designs that are **CONFIDENTIAL** and proprietary. The contents of this document shall not be disclosed outside the company or its client and shall not be duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate this proposal. **This product is protected by one or more of the following Patents: US Patent #5,462,674 / #5,554,300 / #5,589,078 / #6,136,203 / #6,215,126 B1 / #6,398,971 B1 / #7,008,473 B2 / #7,326,278 B2 / #7,425,272 B2 / #7,588,688 B2. Other Domestic and Foreign Patents are pending.** Purifics®, Photo-Cat® & AOP⁺ are registered trademarks.

Rev. June 29, 2010

TABLE OF CONTENTS

1	PROGRESS FOR THE MONTH TO MAY 16	3
1.1	PFD.....	3
1.2	Water Treatment Plant.....	3
1.2.1	Entrance Enclosure #1	3
1.2.2	Photo-Cat Enclosure #2	3
1.2.3	Access Enclosure #3	4
1.2.4	Chemical Enclosure 4.....	5
1.2.5	Pre-treatment Enclosure 5	7
1.3	LS1.....	8
1.4	LS2 Enclosures 6 & 7.....	11
1.5	System Integration.....	13
2	SCHEDULE.....	14
2.1	Factory Acceptance	14
2.2	Shipping.....	14
2.3	Enclosure Assembly	14
2.4	Purifics Onsite Support.....	14
3	APPENDIX.....	15

1 PROGRESS FOR THE MONTH TO MAY 16

1.1 PFD

Completed.

1.2 Water Treatment Plant

Ventilation and Thruway Framing completed for all enclosures completed. Structural analysis completed and forwarded to client.

1.2.1 Entrance Enclosure #1

E-Stop, camera and Exit sign and lighting to be installed for completion



1.2.2 Photo-Cat Enclosure #2

The Photo-Cat is to be installed in this enclosure. The equipment pallet is due this week. Once they are installed the electrical cabinets will be installed. This will then allow for the PLC to be installed and powered next week. The Photo-Cat racks are in production and delivered over the month of June.



Racks to be delivered on following schedule:

- 2pcs May 27
- 2pcs June 3
- 4pcs June 10
- 4pcs June 17
- 3pcs June 24
- 3pcs June 30th

Catalyst recovery unit to be completed by June 17th

1.2.3 Access Enclosure #3

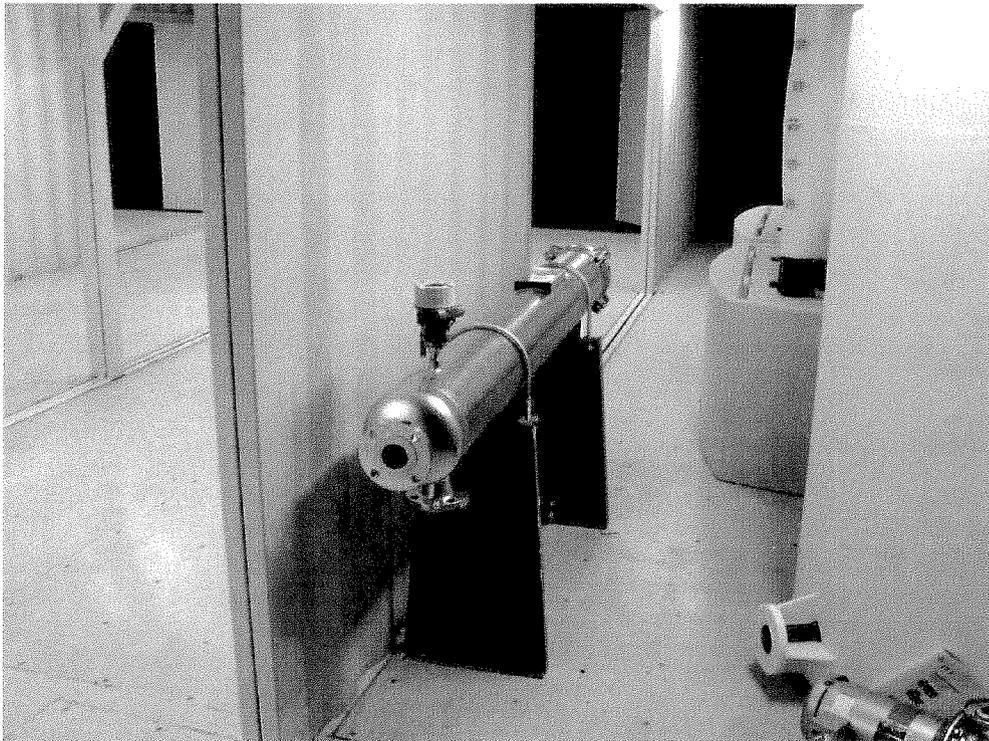
Essentially complete except for conduit and transfer piping between other enclosures. Exit sign and lighting to be installed.



1.2.4 Chemical Enclosure 4

- This enclosure layout has been revamped. Please note the change in the location of ADX tank and method of loading which is now from the other side. A special tote will be required that will accept the contents from the Super sack. This tote will then be used to dump its contents into the ADX Mix Tank when the barn doors are open.
- Air Stripper installed and vented through roof
- Blower and reactor feed pump to be installed once piping received
- Piping for this container to be completed May 31. Should be installed by June 8th
- ADX tank to be completed on May27th and installed the by June 3
- Expected completion date June 10th





1.2.5 Pre-treatment Enclosure 5

- The settling tank in enclosure 5 completed.

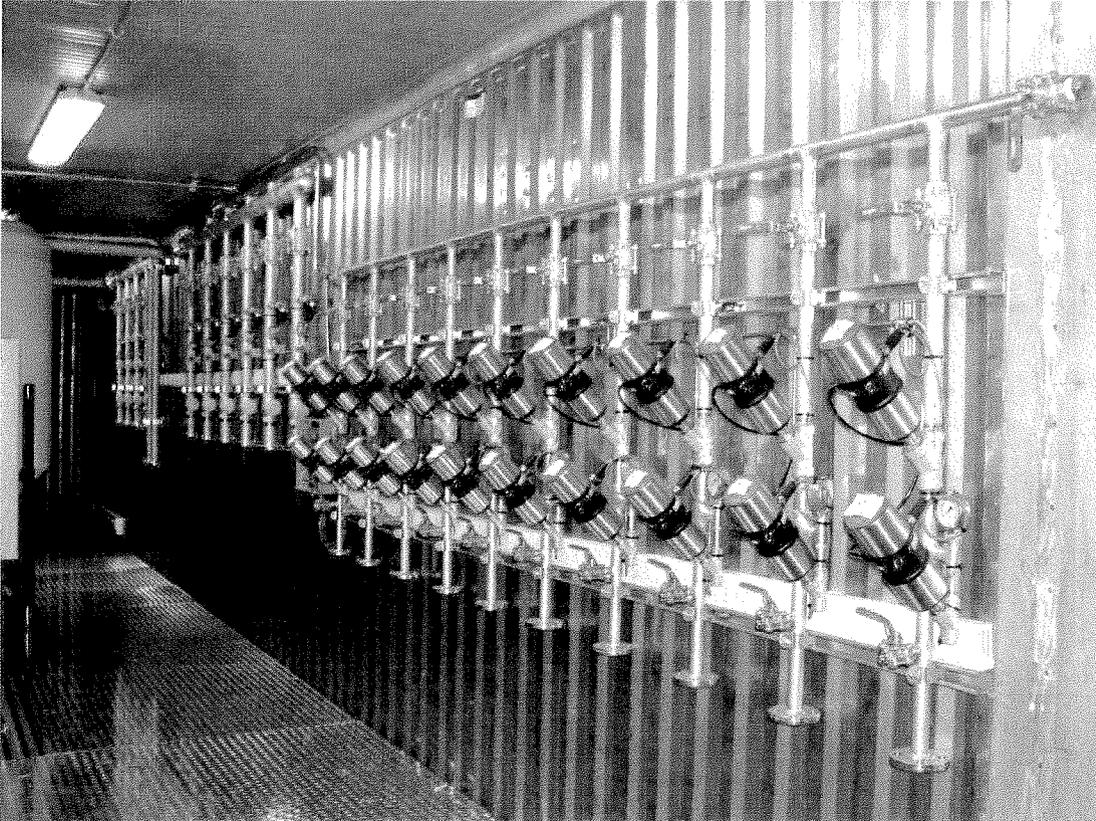
- Lighting installed.
- Ventilation installed, conduit is run. Termination in cabinet to be completed by May 27th.
- Control cabinet in container 5 installed, and panel assembly started. Should be complete May 27th
- Pump suction piping completed and installed with metals removal pump.
- Discharge piping to container 4, backwash piping and bypass piping from post air stripper and post metals removal is being fabricated and will be in house for installation on May 31st.
- Expected date of completion for this container is June 3rd.

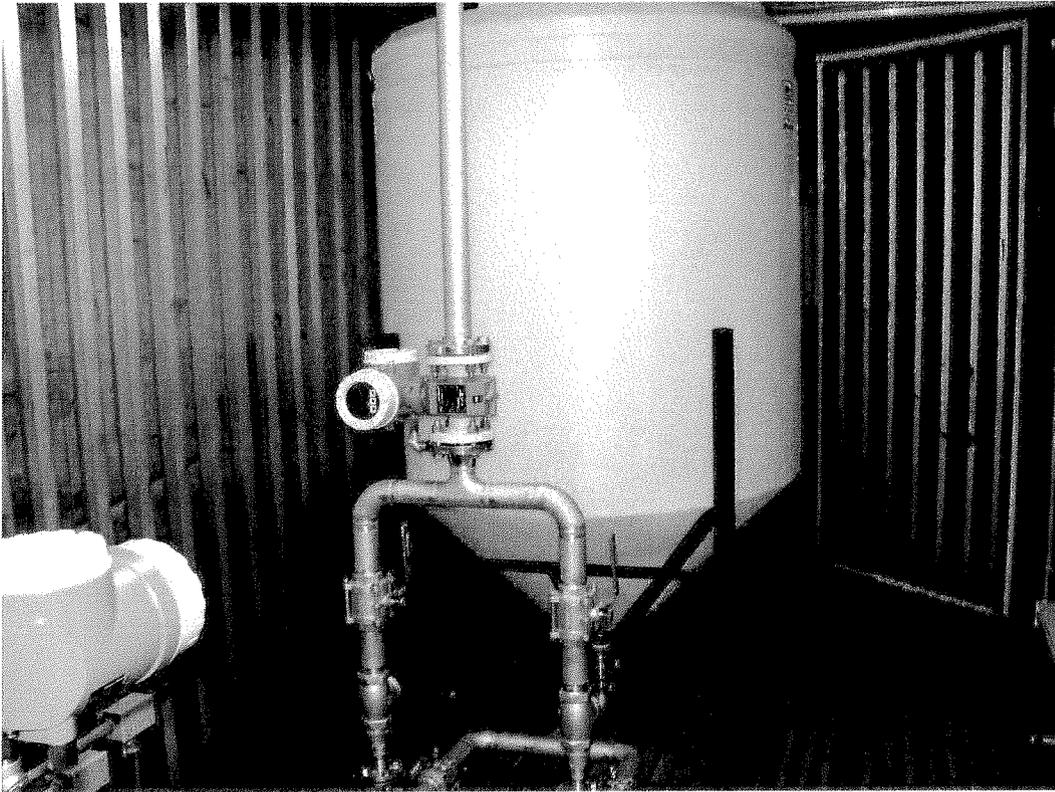


1.3 LS1

- Fabrication essentially complete
- Control panel wired, minor instrumentation and controls wiring remaining.

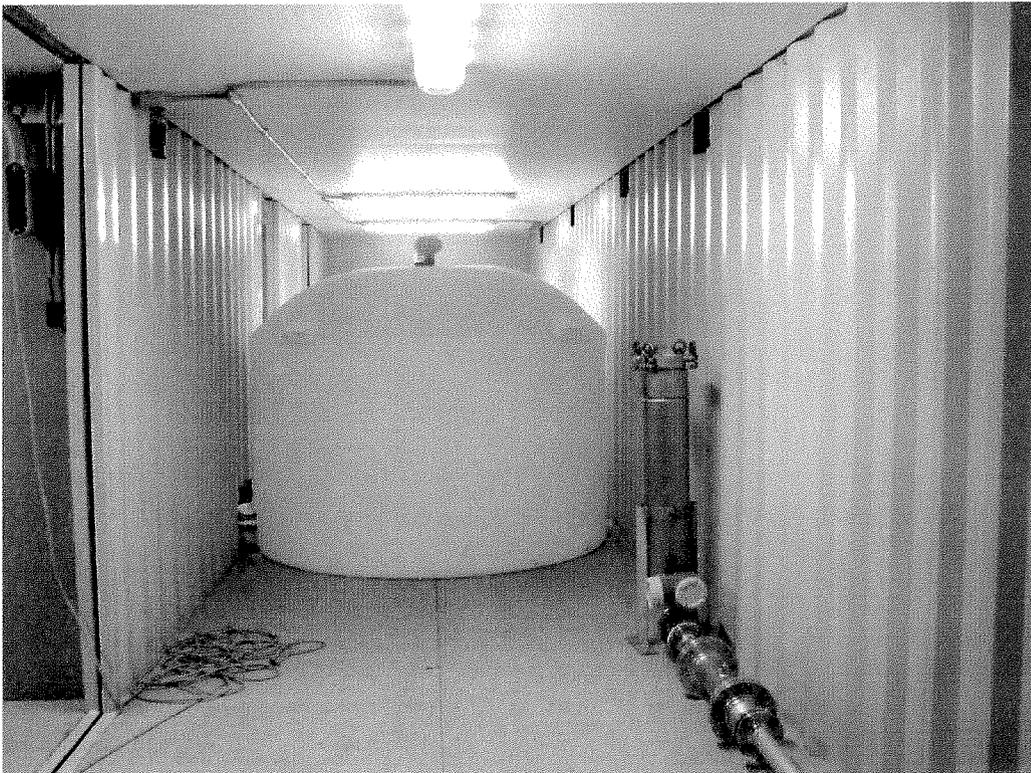
- Need to install exit sign & lights to be installed over man door. Camera to be installed.
- Awaiting completion of LS2 to develop and verify software.
- Holes in floor to be cut.

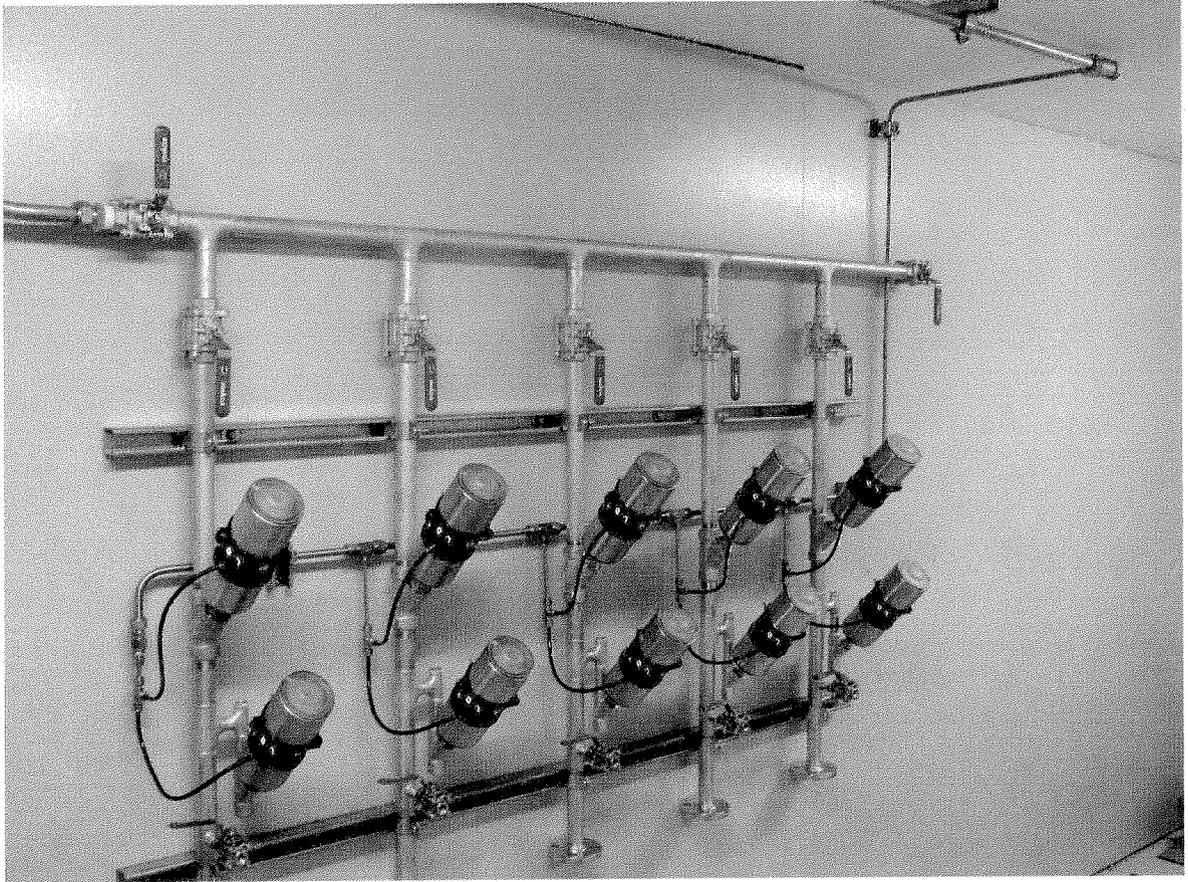




1.4 LS2 Enclosures 6 & 7

- Enclosures essentially complete.
- 95% of Piping fabricated, received, and installed in LS2. Two interconnecting pieces still under fabrication due to required field measurements
- Auto sampler to be shipped to us next week. Back flow preventer or any of the other irrigation manifold pieces have not been received
- All parts received for assembly of irrigation valve manifold. Assembly to be completed by May 25th
- All pumps installed and associated piping installed, wiring to be completed by May 20th
- Programming proceeding testing of program to begin May 24th
- Instrumentation wiring to be completed by May 24th
- System to be assembled and tested by May 31st







1.5 System Integration

LS2 software is under development

Network to be online by end of May

Remote access by end of May with full access to SCADAs

2 SCHEDULE

2.1 Factory Acceptance

June 28 & 29

2.2 Shipping

July 5 for enclosures LS 1 and LS 2 (enclosure 8 & 7) including Field Nodes

July 11 for enclosures 5, 4, 3

July 14 for enclosures 2 & 1

2.3 Enclosure Assembly

By others and restraints to pad

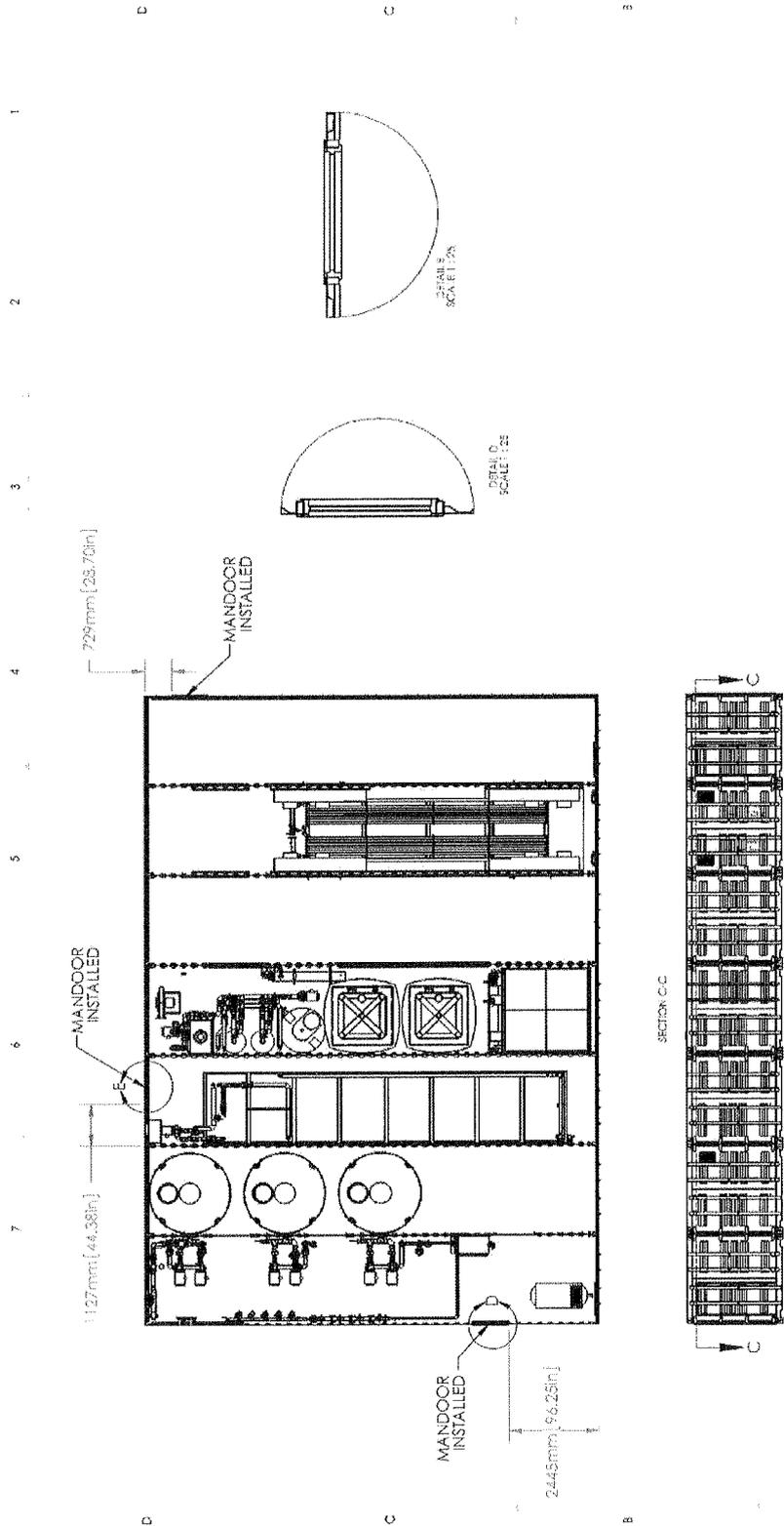
2.4 Purifics Onsite Support

July 11 for the week to complete control wire terminations and power up for LS1, LS2 and Field Nodes

July 18 for the week to complete control wire terminations and power up

July 25 Start up and Training.

3 APPENDIX



CONFIDENTIAL

THIS DOCUMENT INCLUDES DATA THAT IS CONFIDENTIAL AND PROPRIETARY. THE CONTENTS OF THIS DOCUMENT SHALL NOT BE DISCLOSED TO ANY OTHER PARTY WITHOUT THE WRITTEN CONSENT OF PURIFICYS. ANY REPRODUCTION OR TRANSMISSION OF THIS DOCUMENT WITHOUT THE WRITTEN CONSENT OF PURIFICYS IS STRICTLY PROHIBITED. PURIFICYS AND PHOTO-CAT ARE REGISTERED TRADEMARKS.

Purificy's

LS2 AND PHOTO-CAT
TREATMENT
CONTAINER LAYOUT

DESIGN: JDP
DRAWN: JDP
CHECK: JDP

DATE: 4/01/2011

SCALE: 1:100 SHEET 10-3 **B. SITE**

