



ASSET APPRAISALS & LIQUIDATION

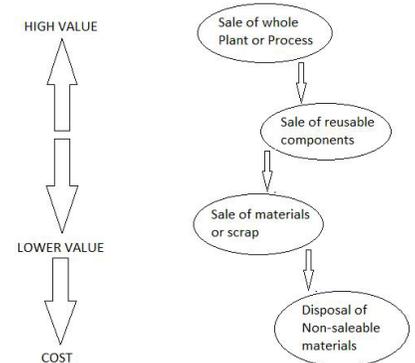
As a facility is closed, there is often significant value in the equipment and materials. For decades, Northwest Demolition has taken a lead role on projects, taking responsibility for the appraisal, marketing, and sale of these assets. With the goal of minimizing all disposal items, our services include:

- Appraisal of the true value of facilities, equipment, and materials
- Conducting auctions or liquidated sales
- Analysis, separation, preparation, and the sale of a full range of metallic goods directly to mills
- Innovative strategies for onsite recycling of materials

The value of assets can often be used to offset or negate the cost of demolition and/or environmental remediation efforts. Northwest Demolition can perform an appraisal and provide a range of financial options to the customer based on the type of plant, and the age and condition of the infrastructure. Such options can include lump sum guarantees of value or a fee or commission contract to perform the marketing and sale.

Within the appraisal, we will determine the range of potential values and whether the project would suit an orderly sale (piece-by-piece sale) or auction-style liquidation. The value of equipment is often affected by the difficulty of its removal from structures. The work required for removal can be considered during the appraisal, especially as it relates to the future demolition and/or remediation.

We use a hierarchy of values methodology for asset management (as shown in the graphic). Multiple factors (location, proprietary information, condition) affect how the hierarchy is applied to any particular project.



Example Asset Appraisals & Liquidation Projects



Partial Cement Plant Decommissioning and Demolition

Northwest Demolition was hired by a national cement manufacturer to remove an outdated section of their facility. As part of our proposal, we evaluated existing equipment and scrap metal assets. The customer was shown total cost for demolition and decommissioning, as well as an offset credit for scrap and saleable assets. During the project, scrap metal was separated into different

commodities (ferrous & nonferrous) and was sold mill direct. Resalable process equipment assets were also marketed during the asbestos abatement and initial demolition phases. Individual pieces of equipment were removed for end users as part of the project. Electrical switchgear, crushers, conveyors and mills were just some of the items sold from the facility. On this particular project, Northwest Demolition was retained for assets evaluation, assets sales and marketing, asbestos abatement, demolition, and site restoration.



Vanadium Processing Plant Assets Sales and Decommissioning

This project involved the complete removal of a vanadium processing facility. The first phase of the work involved the salvage and sale of the entire facility's assets. This included a national mailer marketing campaign as well as privately negotiated sales. Many of the items required decontamination prior to removal. Following removal of salable components, the five-story facility (approx. 60,000 square feet) was demolished to grade. This project led to a future project at the same location involving the asset recovery/facility demolition of a super-phosphate granulation plant. Both projects required air monitoring and engineering controls to mitigate fugitive dust containing vanadium and other metals. Following the asset sale process, the remainder of the plant was demolished with over 95 percent of the materials recycled.



Plywood Mill Demolition and Sale of Assets

This project involved the complete demolition/dismantling of a plywood manufacturing facility and associated power plant. The first phase of asset recovery involved the sale and removal of millions of dollars of specialized equipment. Distributors and end users from throughout the U.S. and Canada were flown in to view the materials. The next phase of this process involved environmental remediation, including asbestos abatement, line draining and cleaning of tanks, vats and sumps. The remaining equipment and steel structures were demolished and processed into a mill-ready state and transported via rail car to a steel mill. The 800-foot-by-300-foot main structure was constructed of timber, hence, was processed into boiler fuel and transported to a co-gen plant.



Chlor Alkali Plant Demolition

Northwest Demolition was retained to evaluate an entire 30-acre chlorine caustic manufacturing plant. The asset appraisal involved determining a saleable value for reusable assets, as well as a recyclable value of a vast inventory of nickel-bearing metals. This appraisal was used as the basis on which to structure an asset sale, demolition, and remediation contract. Northwest Demolition recycled 92 percent of all materials retrieved from the work site, including more than 14,000 tons of materials such as ferrous and nonferrous metals, concrete, and wood. Because of the nature of the site's assets (nickel and nickel-bearing alloys), we were able to complete the demolition and decommissioning work for the value of the site's assets and pay the customer a seven-figure fee. An XRF alloy analyzer was used to categorize the different alloys for maximum sales price for scrap.

