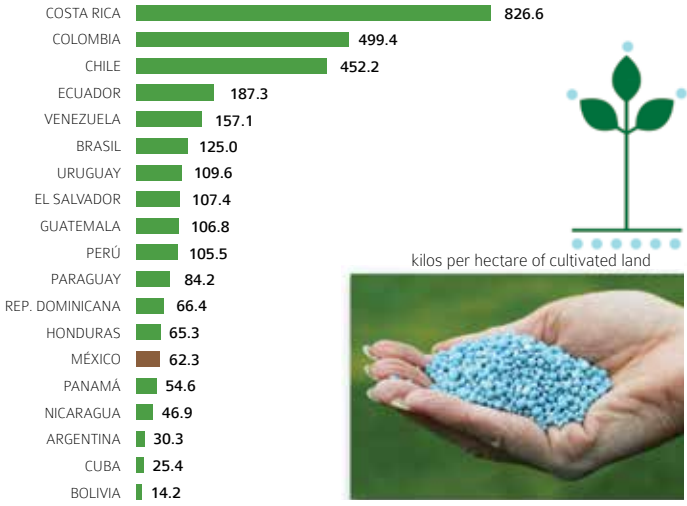
8 THINGS YOU SHOULD KNOW ABOUT THE "EXPLORACIONES OCEANICAS" PROJECT

1 THE "EXPLORACIONES OCEANICAS" PHOSPHATE PROJECT WILL PROVIDE INCOMPARABLE BENEFITS TO MEXICO.

The "Exploraciones Oceanicas" project offers a particularly strategic benefit to Mexico's agricultural development. Dredging of phosphate sands from the "Exploraciones Oceanicas" deposit will offer Mexico an opportunity to correct the trade imbalance that presently exists in its phosphate sector. The dredging of the "Exploraciones Oceanicas" phosphate deposit would allow Mexico to increase its capacity to produce fertilizer. Ultimately, Mexico would cease its dependence on importing phosphate from other countries and transform into a phosphate-exporting nation.

FERTILIZER CONSUMPTION IN LATIN AMERICA

Source: Super Industria y Comercio



2 EVIDENCE-BASED DATA SHOWS THAT THE "EXPLORACIONES OCEANICAS" PROJECT WILL ONLY IMPACT A VERY SMALL ANNUAL FOOTPRINT WITH MINIMAL ENVIRONMENTAL CHANGE.

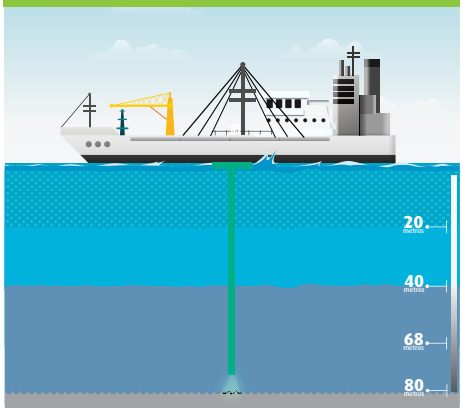
The proposed plan calls for dredging over an area no more than 1 km2 per year, which is less than 1% of the total concession area. Negligible environmental risks are presented by the dredging and mechanical beneficiation of phosphate sands in the Gulf of Ulloa. Experts in marine dredging, plume modeling, sound propagation, ecotoxicology, phosphate research and engineering all contributed to the extensive environmental studies and scientific findings that were incorporated into the "Exploraciones Oceanicas" project MIA (Environmental Impact Assessment). Data included extensive physical oceanography studies as well as comprehensive reports on the nature and distribution of the significant economic and environmental resources.

3 THE PROPOSED TECHNIQUE TO EXTRACT THE PHOSPHATE HAS BEEN PROVEN AROUND THE WORLD.

A Trailing Suction Hopper Dredger (TSHD) will be used to extract ore from the deposit. This technology has already been proven viable at water depths and sediment environments comparable to the "Exploraciones Oceanicas" deposit. TSHD's are in use globally and comply with environmental, social, and fisheries impact regulations. A secondary vessel, a Floating Production and Storage Platform (FPSP), will separate the dredged material to sized and flotation feed product specifications. Gangue material will be returned to the seabed by way of a downpipe close to the seabed. Based on this operational premise, the negligible environmental impacts and comprehensive mitigation measures have been carefully analyzed in the "Exploraciones Oceanicas" MIA. Scientific analysis indicates there are no toxic effects relating to any of the materials associated with project dredging. (See page 44 of the "Exploraciones Oceanicas" Non-Technical Summary for more information.)

DISCHARGE USING ECO-TUBE

(73 meters)



4 DREDGING WILL HAVE MINIMAL IMPACT ON TURTLES.

Turtles are not normally found at depths of 70 to 90 meters (the depth of the deposit); they are found in much shallower water because of their need to return to the surface for air. Nevertheless, turtle exclusion devices and deflection equipment is factored into the dredging operation. These measures are proven in shallow waters, where turtle densities are high, to keep losses of turtles by 'entrainment' to an absolute minimum. By way of comparison, turtle losses by entrainment in shallow water maintenance dredging operations are recorded as less than five turtles per year in the USA. For comparison, the estimated losses attributed to fishing by-catch amount to several thousand per year. The effectiveness of turtle exclusion devices and deflection equipment will be rigorously monitored and any entrainment of individual turtles will be recorded and reported as part of the proposed monitoring procedure specified in the dredging proposal. (See page 24 of the "Exploraciones Oceanicas" Non-Technical Summary for more information.)

5 THE "EXPLORACIONES OCEANICAS" PROJECT WILL NOT AFFECT WHALES.

Sound levels from dredging operations are below those that cause harm to marine mammals and are no greater than that of ships of similar size passing in transit through the area. Their migration route is in deeper water well to the west of the dredge site. The distance of the dredge site from migration routes of these principal migratory whale species also precludes the likelihood of any potential collision risk. Dredging takes place at a speed of only 1.5-3 knots (a slow walking pace) and the processing vessel will be at anchor except when maneuvering, so the risk of collision with any marine mammals is absolutely minimal. (See page 17 of the "Exploraciones Oceanicas" Non-Technical Summary for more information.)

6 THE PROJECT WILL NOT INTERFERE WITH COMMERCIAL OR ARTISANAL FISHING.

Minimal, if any, incursion with commercial or artisanal fishing is expected due to the location, lack of fish and the small area of operations. However, as an added precaution, Oceanica voluntarily relinquished a significant part of its concession area that lies to the east of the deposit. This eliminates any overlap with primary regional fisheries frequenting the shallower waters to the east and reduces potential conflicts of interest with other resource stakeholders. Fishermen will be allowed to fish in all areas of the concession except for the Notice to Mariners area (500 meter berth around the vessels while in operation). (See page 29 of the "Exploraciones Oceanicas" Non-Technical Summary for more information.)

7 PROJECT WILL RESULT IN THE CREATION OF 350 DIRECT AND 300 INDIRECT JOBS IN THE LOCAL COMMUNITY OF BAJA.

By expanding the phosphate supply there is the potential to substantially and positively impact broad economics and employment in Mexico. Increased fertilizer production has the opportunity to directly generate growth in the industrial, transportation and agriculture categories with cascading positive impacts to other business sectors. (See page 48 of the "Exploraciones Oceanicas" Non-Technical Summary for more information.)

8 TOURISM WILL NOT BE AFFECTED BY THE PROJECT.

Operations will be conducted between approximately 20 and 45 kilometers from the coast. Therefore, offshore operations will not be visible from the shoreline, eliminating potential risks visual effects the project may have on the amenities of the adjacent coastline. The dredge site does not require adjacent shore-based facilities which might affect the Baja California Sur area Leisure & Tourism industry.