

Aquifer Group infrastructure moves Strategic Water Bank Reserves to critical markets

*Aquifer Group is part of Texas' first
comprehensive public-private water
infrastructure partnership*

July 2007 - Austin, Texas –Aquifer Group, LLC is structured to locate, design, finance, develop, construct, operate and maintain prolific aquifer recharge, surface water restoration projects throughout rural areas of Texas. As a sustainable groundwater reserve is developed recovery wellfields, treatment and supporting delivery canals and other infrastructure will be added to enhance environmental flows, improve drought preparedness and provide dependable sustainable water resources for the State's growing water demand.

“Aquifer Group harvests safe, sustainable, natural water supplies through the responsible restoration and conservation of global ground and surface water resources...”

As a primary water rights restorer, the Company contracts or partners with local, state and federal agencies to replace critical water supplies lost to evaporation, evapotranspiration, erosion, sediment and siltation. Aquifer Group water reserve, recovery and transportation models are entirely compatible with environmental, wildlife, fishery, ranching and recreational requirements

Currently, Aquifer Group is focusing on two types of water restoration projects through our **Texas Strategic Water Conservation Reserve Proposal**: **1) Strategic Water “Banks”** providing non-curtable and sustainable Recharge Recovery Credits for recovery during time of drought or critical need; and in support: **2) Active Storage Reserves** providing near market restored recharge and traditional aquifer recharge and storage for banking of excess water rights or treated effluent.

Strategic Water “Banks”

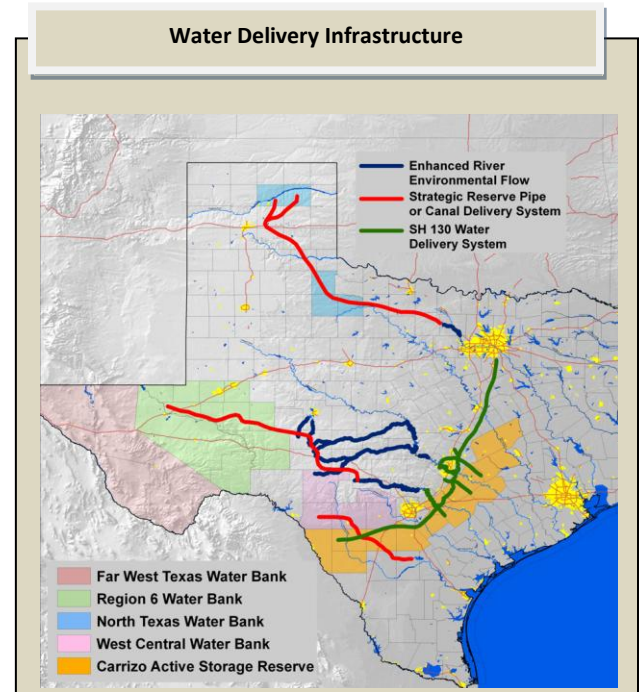
By using proven, proprietary technologies and our history of large water project construction AG identified four major aquifer recharge restoration projects located over rock or alluvial type aquifers in south, west and northwestern portions of Texas. Early projections predict that within 10-20 years of average rainfall 20 million acre-feet of sustainable water could be stored within these critical natural groundwater resources.

Active Storage Reserves

Aquifer Group has identified a number of important restorable natural recharge opportunities with geologically associated traditional aquifer storage and recovery (ASR) well fields within the outcrop of the Carrizo Aquifer. These groundwater recharge, storage and recovery structures are conveniently located near the major water markets along Interstate 35 from Laredo to Dallas-Ft. Worth, Texas.

From our **Strategic Water “Banks”** Aquifer Group moves large amounts of pristine water via pipes, canals and certain rivers to existing **River Authority Distribution Systems** and our **Active Storage Reserve** for delivery to Texas water markets increasingly experiencing critical water needs.

A proposed partnership between Aquifer Group and a **major pipeline company** will operate and maintain the **Strategic Water Bank Delivery infrastructure** for 50 years or more. Water delivery revenue will be used to fund operation and maintenance expenses, repay debt and make future infrastructure improvements.



We anticipate funding, user fees and guarantees would be provided by the **governmental clients** and targeted **municipal water markets**. Critical sponsorships and operating alliances would include various **Texas agencies**.

Aquifer Group may award contracts to construct the estimated **\$3.5 billion dollar well field, pipe, canal, treatment and pumped storage projects** to **Brocksch Construction, LLC**.

“Aquifer Group is excited about **partnering with the State of Texas and industry leaders** on these important and innovative sustainable water resource to design, finance and build them quicker without using taxpayers' dollars to fund construction or maintenance.” said **Aquifer Group Chief Executive Officer, John Brocksch**.