

# Aquifer Group set to become very large owner and leaseholder of pristine rangeland and water in North America

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

**April 2007 - Austin, Texas – Aquifer Group, LLC** locates, designs, finances, develops, constructs, operates and maintains prolific aquifer recharge, surface water restoration projects throughout rural areas of Texas and North America. 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...”*

Aquifer Group was founded in response to the growing global gap between additional sustainable water resources and the government's ability to fund them. Aquifer Group is the first U.S. owned company with the capabilities to locate lost aquifer recharge and surface water restoration opportunities prolific enough to support the Company's private-sector solutions of development and investment to complete public water recovery and delivery infrastructure.

Aquifer Group's commitment to restore, divert, store and recover high quality water for human and ecological consumption mandates that our projects are restricted to large blocks of pristine rangeland not contaminated by industry or development. This mandate provides Aquifer Group, our investors and consortium partners a rare opportunity to create significant income and tax opportunities via ranch acquisition, improvement and resale transactions.

Typically, the Company **employs three distinct strategies to secure water restoration projects:** 1) Aquifer Group's negotiation of a new type of broad based lease agreement – the “Rangeland and Water Stewardship Easement.”; 2) outright acquisition of the most prolific and financially viable water related rangeland; and 3) formation of industry-specific consortiums to roll-up, manage and market large-blocks of water rights

**Rangeland and Water Stewardship Easements** are being drafted as Aquifer Group's primary tool for managing and marketing water, environmental credits, wind or geothermal rights, mineral, oil and gas production on water related properties the Company acquires, manages through consortiums or leases directly from landowners.

The easement is styled after a traditional surface lease with diffuse, surface and groundwater rights included. The agreement allows Aquifer Group to explore; construct, operate and maintain aquifer recharge structures, brush remediation, well fields, pumping facilities, pipes, canals and other improvements as necessary to produce the water on the property. Additional codicils may grant Aquifer Group similar rights for development or management of environmental credits, wind, solar or geothermal rights, mineral, oil and gas production and hunting or grazing rights in association with water development and production.

Management anticipates that each agreement will be for 25 years with options thereafter. Landowners would benefit from Aquifer Group providing at no cost improvements such as restoration of wetlands, small water holding ponds and brush sculpting in a manner compatible with the landowner's grazing, wildlife and recreational needs. Additional landowner income may be offered in the form of annual base leases and shared royalties.

**Acquisition of rangeland for conversion to water production:** Potential royalties from water or other resources found on certain ranches provide opportunities to restore or recover diffuse, surface and/or groundwater in such volume, quality or nearness to market make it highly profitable and preferable to own the real estate. In many ownership situations associated brush sculpting, spring and stream flow enhancement, lakes and other improvements significantly improve the value of the ranch property, again, creating a preference for ownership, tax advantages and income from resale of the real estate.

**Chief Executive Officer, John Brocksch** has initiated discussions with **leading conservation trusts** to facilitate the transference of Aquifer Group rangeland development rights in return for tax offsets.

Additionally, **Brocksch** is exploring with an important “green” investment firm and others the joint formation of a **“Rangeland and Water Ranch Fund”** to finance and remarket certain Aquifer Group properties to the highly lucrative **Conservation Market**. AG would retain water and other rights.

**Industry-specific water consortiums:** A partnership of **Midland Adams Group** and **Aquifer Group** are evaluating partnerships with **leading investment and real estate firms** to co-manage a **series of water and rangeland based partnerships**. These consortiums are designed for marketing to **individuals, timber, energy, mining, power** and other holders of significant restorable water producing real estate or blocks of surface or groundwater rights.

**“As envisioned, this management service would appeal to owners who are challenged in marketing water and other resource holdings.”**

“Aquifer Group and its partners are excited about partnering with land owners throughout North America on this important and innovative opportunity said **Aquifer Group Chief Executive Officer, John Brocksch**.