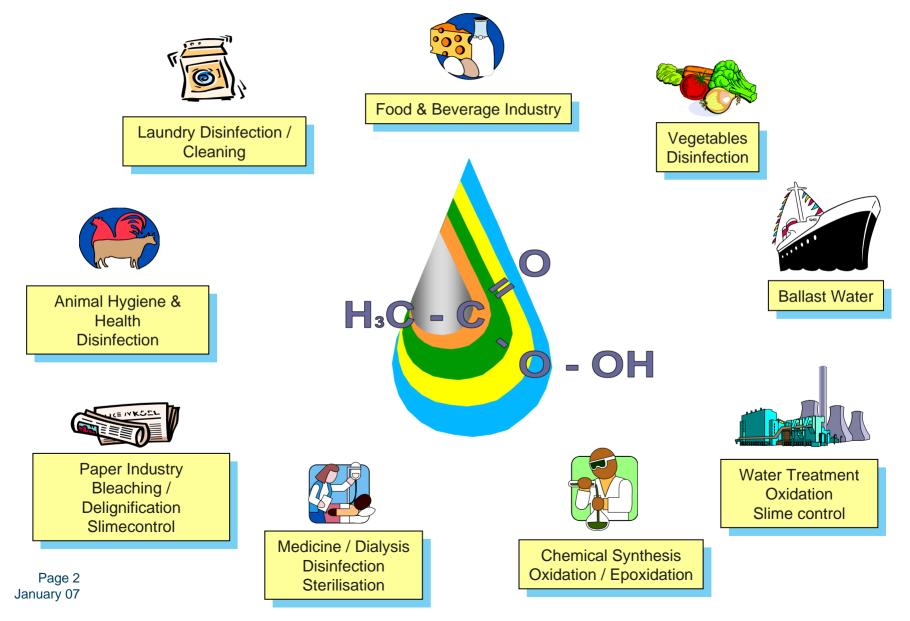


PERACLEAN[®] Ocean Ballast Water Treatment -History and Status

September 27, 2006 Cleveland, OH Presented by Joe Lally, Degussa Corporation

Applications of PERACLEAN®



Formulations of PERACLEAN®

PERACLEAN[®] solutions are stabilized mixtures of peracetic acid, hydrogen peroxide, water and acetic acid.





equilibrium

Acetic Acid + Hydrogen Peroxide

PERACLEAN® Ocean is a proprietary formulation especially created for the Treatment of Ballast Water



Development History – The Early Days

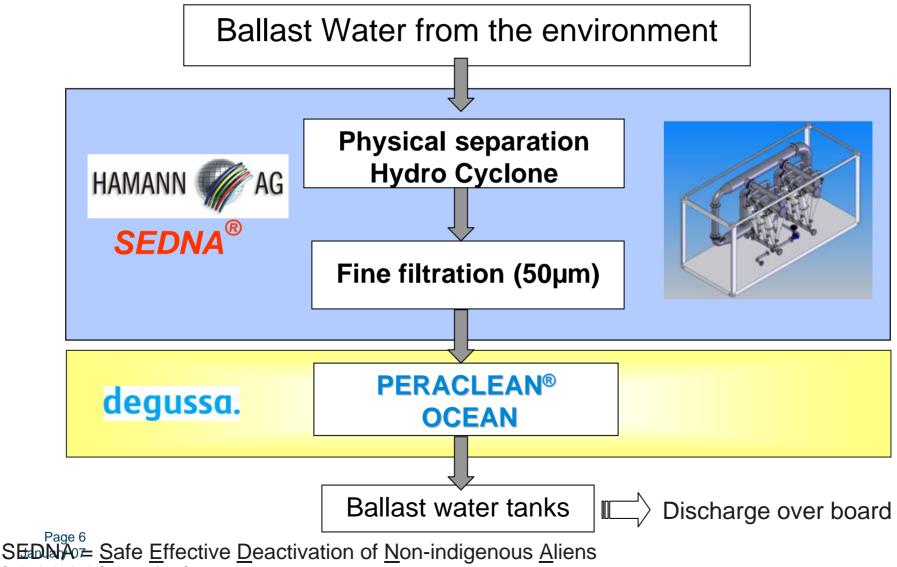
- Experience with sea side cooling water applications
- Bench Scale trials with out filtration
- USS Cape May Testing without filtration
- Proof of concept trails with Hamann Preseparation/Filtration reduces chemical demand

Development History – Recent Work

- Land Based Trails conducted by NIOZ (salt water)
- Pilot trials at Quebec Aquarium conducted by Environment Canada/Transport Canada
- Canadian Prospector Trial by Environment Canada/Transport Canada
- Tank coating polymer manufacturers Relius and Jotun have tested there coatings for compatibility we PERACLEAN[®] Ocean



Two-stage Ballast Water Treatment



Sedna is the Inuit Godness of the Sea

Field Trial in the Parc Aquarium of Quebec City/Canada

Transport Canada/Environment Canada, March 2005



Results

- High efficacy for fresh and salt water despite of low temperature (retention time 72 h)
- In saltwater there is no residual toxicity after 72 h
- In riverwater catalase removed residual peroxide completely

Target

- -To assess efficacy under cold temperature conditions (2 °C)
- -To assess use of **catalase** to eliminate residual toxicity



4 PE tanks with 4500 I each

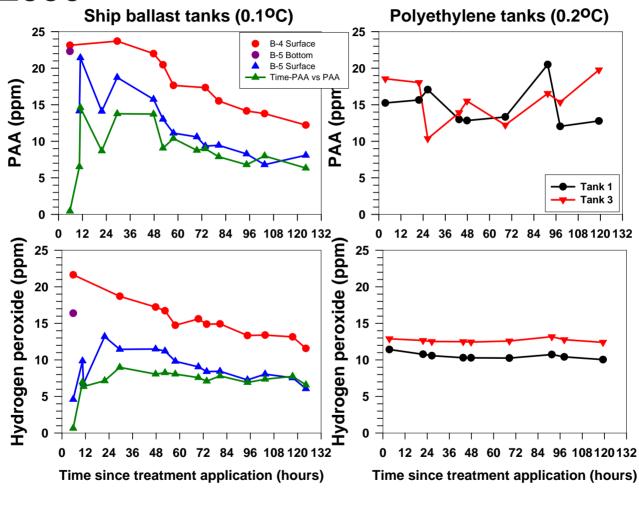
Page 7 January 07

The Canadian Prospector experiment –

March 2006

Page 8

January 07



Microtox = 68-189 TU Fish test = 2 TU $\begin{aligned} \text{Microtox} &= 116\text{-}156 \text{ TU} \\ \text{Fish test} &= 10\text{-}11 \text{ TU} \end{aligned}$

Experimental Results on Corrosion

- Typically, the steel structure of a ballast tank is coated with a zinc rich primer under an epoxy top coating
- Report from BMT Fleet Technology on behalf of Ship Structure Committee (Canada) is available

"The presence of **PERACLEAN®** Ocean did not accelerate the damage of typical ballast water tank coatings"

[30 days testing by BMT Fleetech/Ship Structure Committee, Canada]

 Positive statements from tank polymer coating manufacturers Relius and Jotun are available, too



Accelerated Corrosion Testing Apparatus



Page 9 January 07

Current Testing

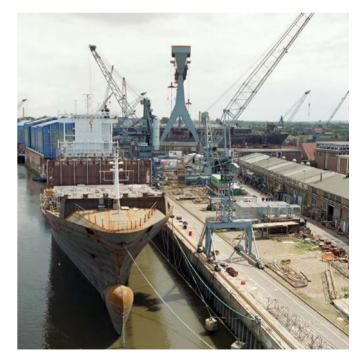
- IMO Status
- Hamann Projects for IMO final Approval
- Maritime Innovations NISOB project
- Corrosion study at the University of Südwestfalen, Iserlohn

IMO status

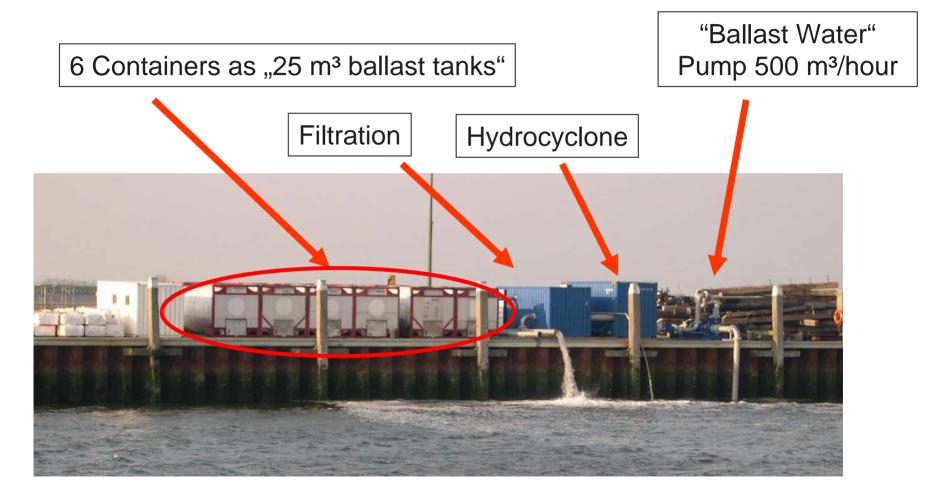
- MEPC, 53rd Session, London, 18-22 July 2005, Submissions by Germany :
 - Application for approval of PERACLEAN[®] Ocean as an Active Substance (G9)
 - Application for approval of the SEDNA[®] System by HAMANN (incl. PERACLEAN[®] Ocean) as Ballast Water Management System (G8)
- IMO Headquarters, London, 23-27 January 2006, Assessment by GESAMP (IMO's group of experts) on PERACLEAN[®] Ocean as Active Substance : "...the Group recommends that a Basic Approval is issued allowing a full-scale development and testing"
- MEPC, 54th Session, London, 20-24 March 2006, Agreement to grant Basic Approval to Active Substance proposal for PERACLEAN[®] Ocean submitted by Germany

Work With Hamann

- Permanent full-scale SEDNA[®] System incl. PERACLEAN[®] Ocean storage tank installed on a newly built container vessel
- Installation approved and certified by GERMANISCHER LLOYD
- Ballast Water Management Plan approved by GERMANISCHER LLOYD
- PERACLEAN[®] Ocean storage tank already filled
- Vessel in regular operation since summer 2006
- Mechanical / electrical fine-tuning of the SEDNA[®]
 System successfully finished
- Shipboard Testing according IMO guidelines in preparation
- Landbased testing according IMO guidelines at two different test sites in final preparation



Field Trial at NIOZ / NL SEDNA[®] System by Hamann AG



NISOB PROJECT TEAM



NISOB PROJECT CONSORTIUM

SDTC IMAR IMQ EC DFO ISMER UQAR

MBRC Degussa Canada MD Technologies Kinectrics

Gearbulk SLSA

Funding contribution (Subject to final contract negotiations) Project management, engineering Marine mechanical engineering **Environmental fate Biological effectiveness Biological effectiveness** Corrosion and coating analysis Pathogen and bacterial analysis **Treatment product PERACLEAN Treatment product Ballaclean Pre-treatment-Filtration system** Shippi

Outreach

New Study on Corrosion

- Extensive study (duration 125 days) performed by University of Südwestfalen, Iserlohn, under supervision of GERMANISCHER LLOYD, Hamburg
- Reporting currently being in progress
- Final Target
 Certificate by GERMANISCHER LLOYD on the influence of PERACLEAN[®] Ocean on common ballast tank coatings

Dosing Equipment and Testing Schemes

- Tote dosing unit
- Bulk Storage
- SEDNA trial unit
- Chemical Testing

Storage Onbord of Ships - Docking Station

- Degussa developed storage concepts according to class requirements for
 - built-in tank
 - ISO container
 - and IBC docking station (1000 liters)
- Stainless steel IBC built at our Engineering Department
- Available for ship trials





Worldwide Availability

- Degussa operates 10 production plants for H_2O_2 and 3 for PAA
- Additional tank farms will be installed in selected harbors
- Cooperation with a major chemical distributor will assure just-in-time deliveries







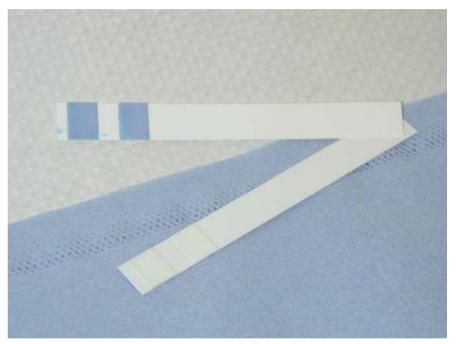


Analytics

Easy Determination of Peracetic Acid/H₂O₂ with Test Stripes (Merck Reflectoquant®)



RQflex[®] pocket photometer from Merck



Blue coloration by Peracetic Acid

Measuring range : 1.0 - 22.5 mg/l Peracetic Acid 0.5 - 25 mg/l H₂O₂

Questions

Page 22 January 07