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FOR IMMEDIATE RELEASE

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PORT FREEPORT REACHES SETTLEMENT ON BERTH 7

FREEPORT, TX (September 4, 2013) – Port Freeport is pleased to announce we have reached a settlement with multiple companies related to the investigation, redesign and repairs to the failure of the Berth 7 project. Berth construction started in 2007 and hopes were high until the completed berth began to show signs that there were stability issues. This started a four year process to save, investigate and rebuild the berth.

"The net result of the Port's efforts which followed the redesign and reconstruction was that the berth was saved and we have reached a settlement with all parties totaling \$19.6 million to Port Freeport. These funds came as a result of a mediated settlement between all parties and insurance proceeds. We intend to use these funds to retire debt," said Executive Port Director/CEO Glenn Carlson.

"Insurance claims and litigation are things that create an atmosphere where no one wins, but we are proud of the fact that we stayed the course, saved this berth and have something to show for our efforts. We are already seeing vessels call this berth and have just had our first project vessel unloading a 265,000 lb piece of equipment for one of the local plant expansion projects" said Commission Vice Chairman Paul Kresta.

"We are moving forward and pleased that Velasco Terminal is open and operational. We are also happy that we were able to bring this issue to a close and we can now place all our focus and efforts on growing the Port's cargo volumes and supporting local industries," said Carlson.

Port Freeport is committed to keeping the local community informed of our operations and results. If you have questions or comments about this article, please email or call Glenn Carlson, Executive Port Director/CEO at carlson@portfreeport.com or 979-233-2667.

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