Submitted by PMG Venture Group LLC

Monarch Energy Partners, Inc

BUSINESS PLAN

OVERVIEW

Monarch Energy Partners has assembled a highly experienced team to successfully reopen the Hovensa Refinery (USVI) and enhance the site with modern technology to move into the 21st Century. Our goal is to provide a clean working asset to the island of St. Croix with the proven blueprint that our team has used to restart other, similar facilities (most recently the former Conoco Phillips refinery in the Philadelphia area now operating as Monroe Energy). Our longstanding relationship with the EPA, gives us confidence to efficiently and effectively establish a successful plan to do the same for Hovensa.

Protecting the very same environment that has been contaminated for more than twenty years must be the first objective for the people of St. Croix and that is why our first order of business is to clean up Hovensa. The site has been declared an EPA RCRA site and Monarch is one of only two major firms equipped to handle an RCRA site cleanup such as this. This is why it was imperative for PMG Venture Group to join forces with Monarch to ensure the EPA and environmental issues from the past twenty years are not just addressed but comprehensively solved. It should also be noted that Region 2 of the EPA oversees this facility. Given our past experience with the Region 2 EPA staff, it provides us with an excellent working relationship in tackling the primary issues facing Hovensa presently. It is our core objective to re- employ the island staff and return Hovensa back to its former glory. Our intent is to restore the Hovensa refinery to its maximum output levels in a clean environmentally friendly fashion. This will be accomplished with an exchange agreement that we have for 10,000,000 light EPA approved barrels per month.

THE MONARCH FOUNDATION

In the spirit of Leon Hess, we are opening this Foundation to benefit the people and the island of St. Croix. Monarch Energy is pledging a minimum of 1% of net profits to assist the island in the economic recovery community projects, along with charitable causes. The Board of Directors will be composed of principles from the Tim Duncan Foundation, The Gemini Foundation and Monarch Energy Partners. We are also looking at ways to provide subsidized gasoline to the USVI. Through the Monarch Foundation we will also be looking at reinstating the Hess educational program for the staff's children and addressing some of the healthcare issues that have arrived since Hovensa closed.

ACQUISITION & RESTART PLAN

1. Our team currently holds a due diligence package that is less than one year old, so our due diligence time will be dramatically reduced. Our in-house engineering team can immediately be mobilized and sent to the refinery where we will need to conduct a comparative analysis between the troubled areas and their conditions today. This will require a minimum of thirty (30) days but shall not exceed sixty (60) days.

   After final negotiations for the acquisition of the refinery with the VI Government and Hovensa, Monarch would like to enter into discussions with WAPA regarding the availability to provide power to the island and converting to LNG, with a combined heat and power generation system. This will be unique in the sense that the same power source will supply the power grid of the island while generating the power and heating requirements of the refinery. If an agreement can be reached, the discounted electricity provided to the grid could be a significant cost saving that can hopefully be passed along to the residents. EPA officials have informed us this is the responsibility of the new owner of Hovensa to pay the current 112R fine so we will forward these payments for the daily accumulating fine to the EPA.

2. Execution of crude supply agreements have already begun (we have quietly negotiated an exchange program for 10,000,000 BPM of Light Crude to restart). Monarch's goal over the next two years is to achieve full capacity of 550,000 BPD to 700,000 BPD. In addition, we will be adding new crude supply contracts as required.

3. Transfer and transition of refinery and storage terminal operations.

4. Monarch will sponsor a job fair to help out the local employment. We have a list of all past employees so they will be extended the priority invitations to join us at the refinery to reapply for positions before other applicants. This will allow us to build a current database of available staff and determine what positions will need to be filled. It should be noted that our salary projections for new employees will mirror salaries currently received by refinery workers in the Philadelphia, PA marketplace. Monarch has also had formal discussions with Robinson Bush in Orlando, FL to handle the employee healthcare plan to address the overall needs of our employees and their families, as well as to address past health issues that have resulted from the Hovensa refinery operations.

5. Restart and LNG conversion.

   a. Restart: The refinery has numerous issues as noted in the due diligence that must be repaired for the restart to be successful. This requires a limited amount of staff to facilitate the repairs. We have discussed with the EPA and determined that the equipment previously used in the heavy crude refining process (FCC, Crackers) will be removed and the operating permits withdrawn. The first shipments of light crude will be used as test runs for the restart of the refinery. The restart process is slow and requires stages to ramp up to an optimum capacity. The anticipation is that this will take twenty four (24) months to bring the refinery to full capacity and full maximum employment. During this time there will multiple employment opportunities for various other Hovensa based projects. Monarch will also be implementing and complying with the EPA on outstanding compliance and clean up issues at the facilities.

b. LNG Conversion: The permitting process for this normally takes approximately twelve (12) months. Given the strong support from the Government and our excellent track record with EPA, we are hoping to substantially reduce this time period. Based on discussions with our consulting engineer (formerly of Texas Utilities), we have three (3) specific companies in mind to provide pricing on the project.

c. After careful thought we have elected to select a more expensive track for conversion, bringing the project closer to a $400 million projected budget rather than the lower plan of $300 million. The selection of the former budget proposal for the refinery conversion and operating plan is beneficial to both the local community and our group, considering the employment and revenue perspectives. After the permit is issued, construction of the infra-structure will commence and qualified island applicants will be considered first in the process. The construction consists of the off load terminal at the docks along with the pipeline to the storage tanks (the tanks may be of new construction or conversion of existing tanks), a new control room at the refinery and multiple feeds for the Natural Gas and the associated equipment for the system. This will also include a system to capture and recycle the burn off gases into the Natural Gas system. We have entered into preliminary discussions for delivery and supply of the LNG.

d. Training: Our Team of experts including SeTX will be providing the conversion training required for the new operation with Natural Gas.

e. Implementing the plan as approved by the EPA for the extraction and clean up of ground contaminants.

OPERATING TEAM

Jack Galloway:

Jack Galloway's career spans over forty years. He graduated from La Salle College in 1957 and Georgetown University Law School in 1963. He served several years as a naval aviation line officer in the Pacific fleet. Mr. Galloway is an attorney, admitted to practice law in both the District of Columbia and Pennsylvania. He has practiced public utility law and served as an Assistant United States attorney in Philadelphia and as attorney for Gulf Oil Corporation. He served as Regional Vice President for Government and Public Affairs for Gulf Oil, as President of the Delaware Bay Transportation company, a company jointly owned by major United States oil companies and as the Manager of Public Affairs for the Chevron Corporation in the eastern United States. He held several industry leadership positions, including chairmanship of the American Petroleum Institute sub-committee on Government Relation for the Eastern Region. Jack retired in 1994 from Chevron Corporation and has been a government relations consultant for major refining company working on oil refining, marketing and chemical issues. He currently consults for a major natural gas distribution company engaged in new environmental ventures, including acting as President for Canopy Prospecting, Inc with projects including the Eddystone Rail providing US crude oil to refineries on the Delaware River near Philadelphia. Also a project in Trinidad proving LNG to the Caribbean countries. He also provided consultation for investor owned energy development companies engaged in several new eastern power projects. Mr. Galloway is a founder of Chesapeake Beneficial material Corporation which expects to be engaged in the decontamination of dredged material in the Chesapeake Bay area.

Currently, Mr. Galloway serves as Vice Chairman of the Joint Executive Committee for the Improvement and Development of the Philadelphia Port area. He is also a Board member of the Philadelphia Fire Department Historical Corporation. He has served for more than twenty years as Chairman of the Dad Vail Regatta Organizing Committee.

Robert Shrader, CEO of Monarch Environmental, Inc (and related companies)

Monarch Environmental, Inc. and Monarch Environmental Recycling, Inc. Activities include environmental services including providing equipment and manpower to acquire and re-process refined and unrefined petroleum products through company owned and operated facilities in Woodstown, NJ and Plant City, Florida. In addition to providing field services, RJS Holdings also acts as an International trading platform based in Ireland (RJS Energy LTD) for products that it acquires for its international customers. Monarch Environmental and associated companies was incorporated on December 19, 1989. Monarch's customer base includes: Major Oil Companies in the Northeastern US (which include Sunoco, BP, Hess, and Conoco Phillips, LukOil), Refinery Customers (which include PBF Refining, Sunoco, Monroe Energy, Valero), Major Logistics Companies (which include Sunoco, IMTT, Colonial Pipeline, Buckeye Pipeline, and Plains), as well as large to midsize downstream customers (which include Circle K, Race Track, Sunoco, Hess, and Wawa to name a few). Monarch played a part in the cleanup of the BP Gulf spill of 2010.

RJS Holdings, along with Obuks Ibru, have a majority ownership of Monarch Environmental Nigeria, Ltd servicing major oil companies in Nigeria such as Total and Oando. As director of the Ibru Organization, a Family owned and controlled conglomerate based in Apappa, Obuks has been in the Oil industry in Nigeria most of her adult life. Ibafon Oil Co. (Nigeria) which owns and operates two storage facilities of 85 million liters in Nigeria along with many other upstream, downstream and oil related service companies including Ibafon Ports, the largest, most prominent port that receives Refined products for distribution throughout Nigeria and Africa

Daniel Dempster

Dan is a chemical engineer with over 33 years of progressive experience in the refining industry. He spent 12 years with Gulf Oil in various planning management positions. Following the acquisition of Gulf Oil, he worked for Chevron as a planning and marketing manager. He spent 10 years with Hess Oil as planning manager at headquarters and their St. Croix refinery. Dan was also a Lead member commissioned by Hess to conduct the complete shutdown of Hovensa. His knowledge of the inner workings of Hovensa are invaluable. Prior to founding I Cubed Energy Consulting, Inc. he was Vice President of Planning Services for KBC Advanced Technologies, Ltd. He is a recognized expert in the areas of strategic investment analysis, business and operations planning practices as well as planning tools such as LP, Scheduling and Blending programs.

Albert Armstrong

Albert Armstrong Sr. is owner and president of SeTX Instrumentation & Electrical, Inc. He promotes safety, education, loyalty and diligence in all employees. He has worked all over the world contracting in many positions. His certifications include Pneumatic/Digital Control Systems (DCS) Programming, Maintenance & Troubleshooting, Instrumentation, NCCER's Master Trained, PID makeup & reline/TDC 3000 board, Troubleshooting, graphics & configurations with 3000, Automation Analyzer, and Large scale project Manager. The conversion and training process of Hovensa will be aided by Al's experience in training and overseeing his team of Instrumentation Technicians, Analyzer Technicians, Master Electricians, Electricians, and Safety Technicians. SeTx also provides Troubleshooting, Calibration & Repair, Energy Restoration, Substation & Switchgear, Operation Training/ SAP Training

Al's work history includes: Global Energy USA in Nigeria as Operations Manager, Hovensa in St. Croix, Alaskan Petroleum in Alaska, Technical & Design Services in Alberta (Canada), BGI in Mexico, Motiva–Shell in Texas, Bechtel-Jacobs – Motiva CEP Project in Texas, Enterfy Sabine in Texas, MOTIVA –SHELL 2012, MOTIVA EXPANSION PROJECT - BECHTEL/JACOBS 2011-2012, ENTERGY SABINE 2010-2011, MATRIX SERVICES INC. - 2011 and RT SOLUTIONS 2010

FINANCING

Given the diversity of Monarch Energy and PMG Venture, and the working knowledge of what it will take to bring the refinery back online, we have the resources and experience to acquire and operate the facility and return it to profitability. We have $1.5 Billion dollar cash-credit facility for acquisition, operation and clean up. We have had preliminary discussions with multiple banking institutions that we have relationships with to establish additional lines of credit for crude oil supply. We have secured a commitment for 10 million barrels of crude per month (non US). We have other substantial assets available to acquire and operate the facility if deemed necessary after our due diligence phase.

Managing Members of PMG Venture: Alexander Grikitis, Daniel Kinsella, Kristin Bentz, Andrew Paul, Michael Strzelecki, Patrick Cerminara, William Block and Rocky Ellingson (strategic partner)

ENVIRONMENTAL PROTECTION AGENCY

Since 2012 PMG Ventures is the only potential purchaser of Hovensa to contact Region 2 offices regarding the cleanup effort and discuss what is needed to restore St. Croix to normal levels. We were given the entire Consent Decree levied against Hovensa on behalf of the Department of Justice as well as the EPA.

- $700 million clean air compliance is still in place.
- 112R Emergency order fine is in place- $100K-$200K
- Outstanding fines and penalties must be addressed during the sale process if Hess is transferring ownership, however Hess is still ultimately liable for the payments
- EPA can withhold permits until fee and fines are paid thus paralyzing the new owners if the process is not done correctly with all parties at the table
- Hovensa is not a Superfund site although superfund workers serviced the site several times since 2002.
- The EPA agreed to meet with our principles in NYC as soon as we are granted the bid package.

- They have reviewed our team assembled for restarting the refinery, and we have been given the requirements needed to satisfy the $700 million.

There are two supervisors that oversee Hovensa: Flaire Mills (EPA) and Myles Flint (DOJ), Carol Stein handles all permits needed and Amy Chester is the lead attorney

- All current info regarding Hovensa's status and determinations are being gathered and prepared for us at this time.
- The EPA would like to see Hovensa fully restored as well (off the record comment)
- It should also be understood that this site is only considered "refinery clean" and cannot be used for any other purpose at this time.