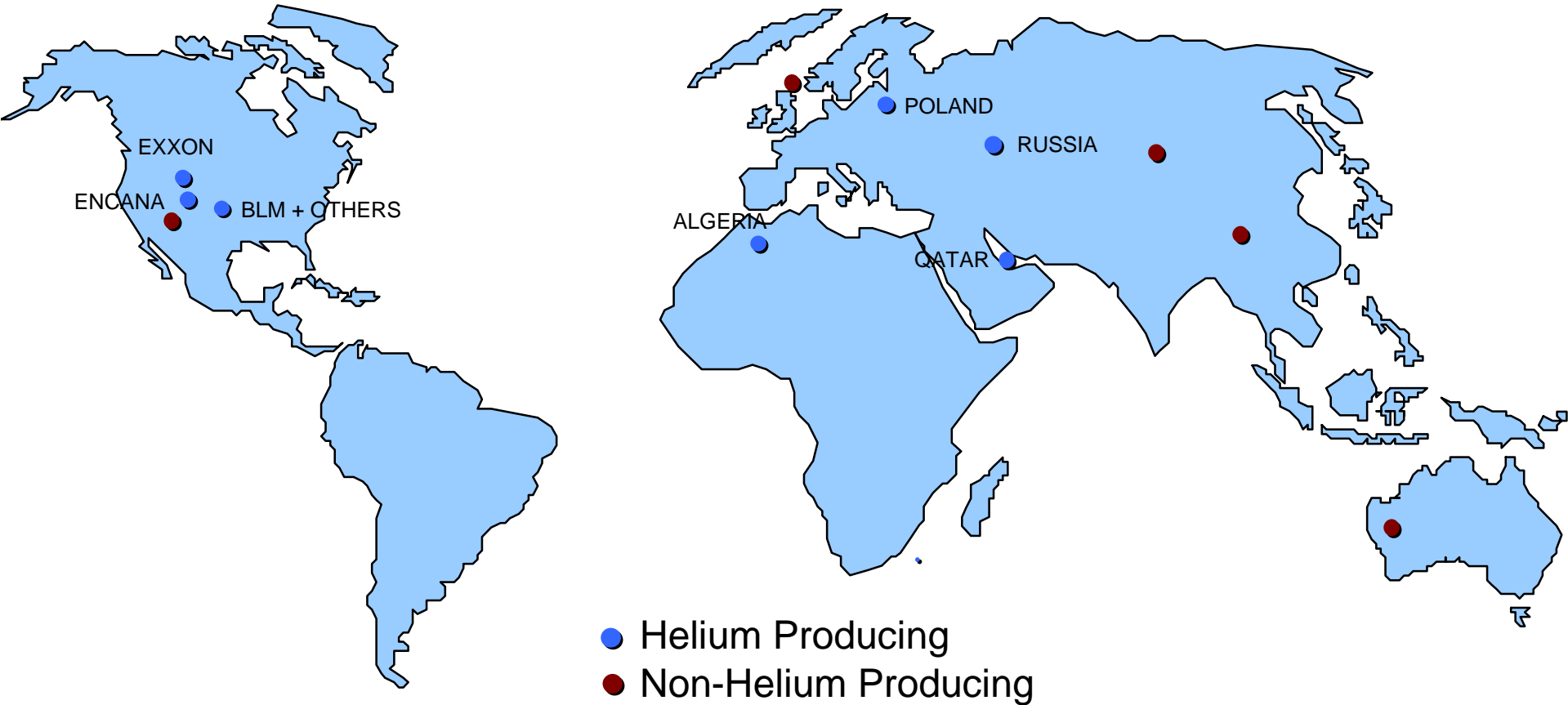


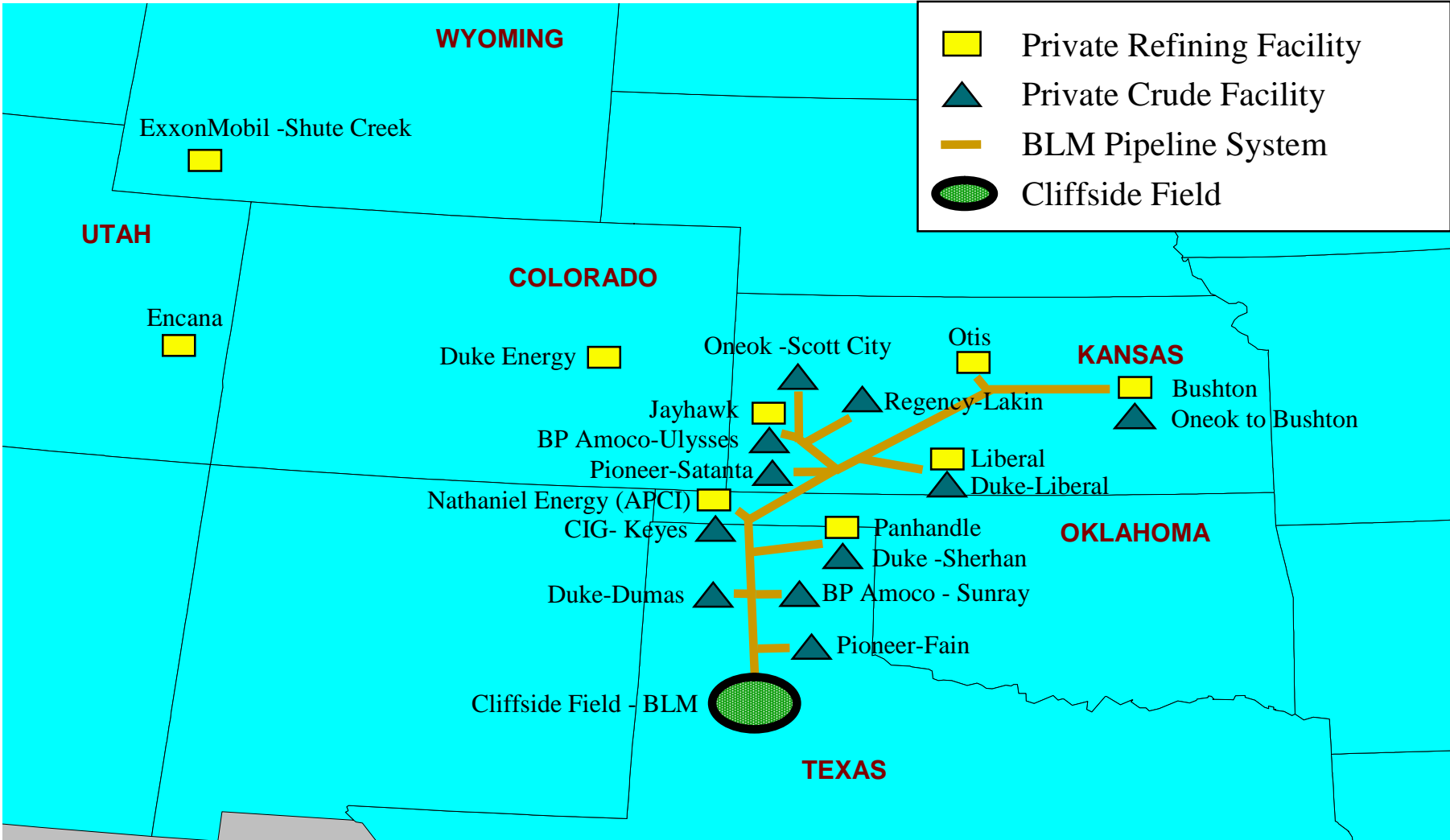
Helium

February 24th, 2007

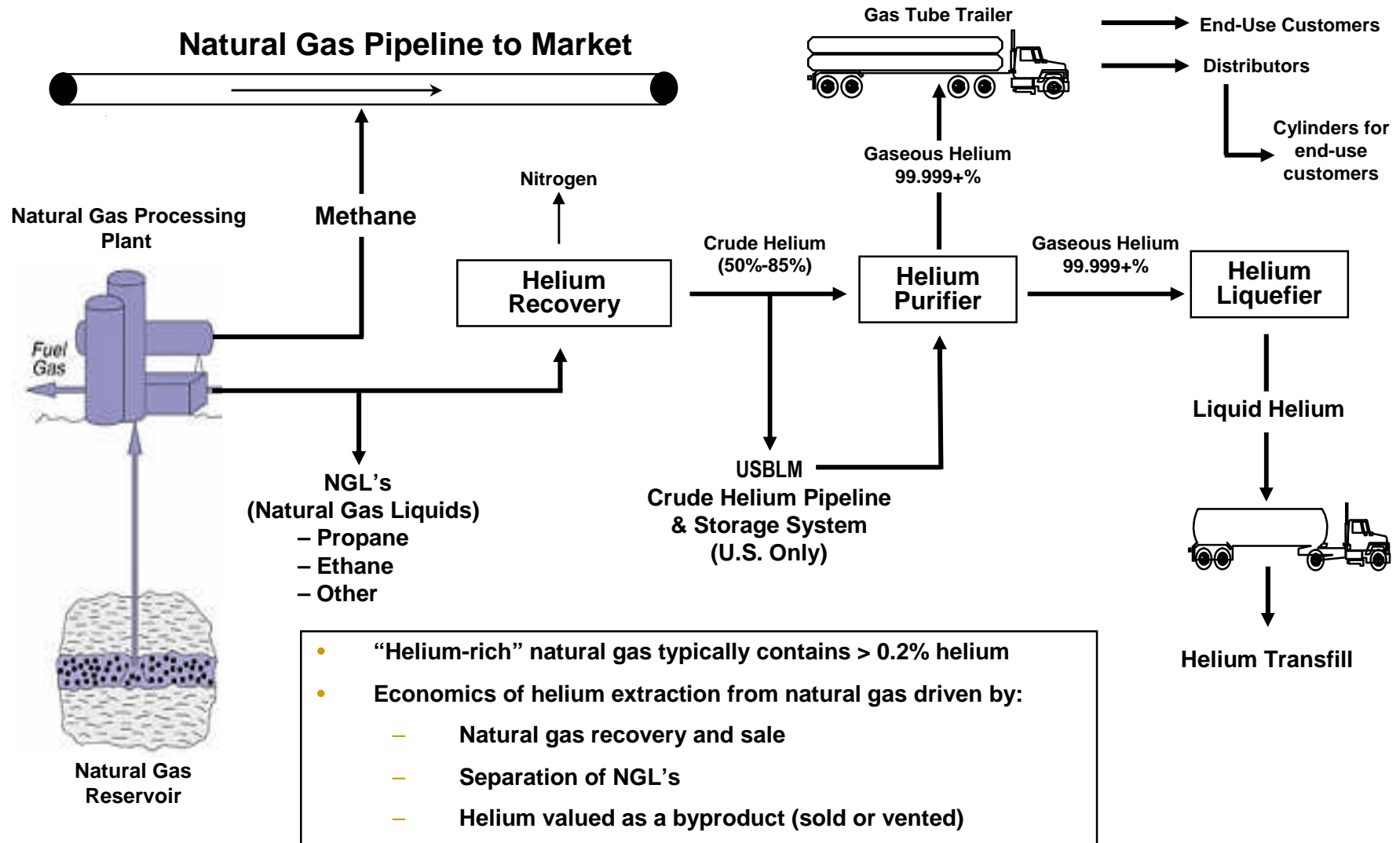
Global Natural Gas Fields Containing Helium



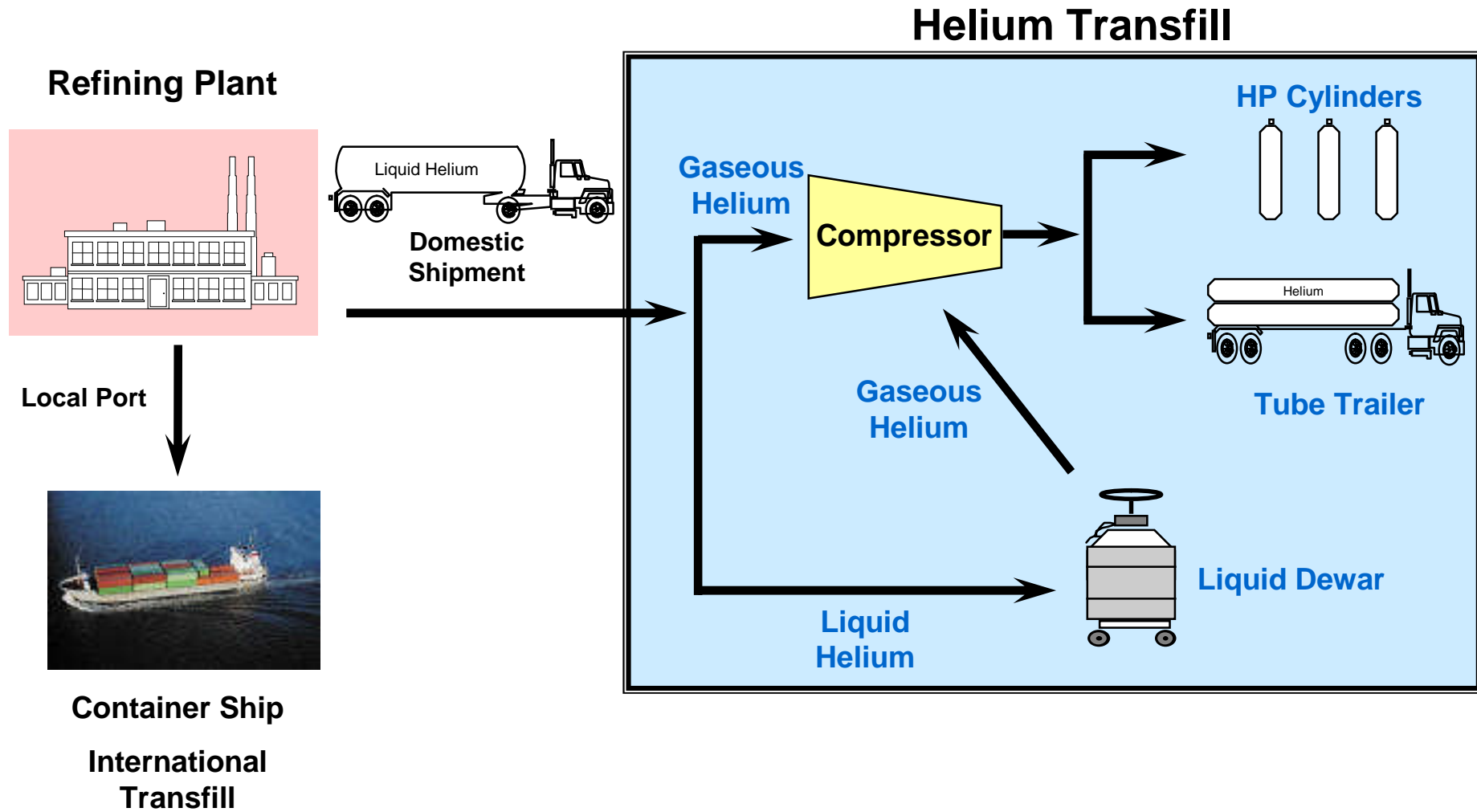
BLM Pipeline System & Private Helium Facilities



Helium Production from Natural Gas Processing



Typical Helium Distribution Logistics



Helium Business Characteristics

- By-product of natural gas production/processing (concentrations are typically less than 1%, but have been as high as 4%)
- Crude feed to refining plant is 50-85% pure helium
- Costly to produce relative to other gases
- Relatively small number of sources
- World-shippable commodity - shipped in specially designed containers
- Perishable in liquid form - liquid has a shelf life of 30-45 days, depending on the container and availability of liquid nitrogen
- World's coldest known liquid @ -452° F (only 7 degrees above absolute zero)

Future Outlook

- **The underlying market will continue to grow**
 - NASA has re-launched the space shuttle and helium demand will resume to pre-Columbia explosion levels
 - Helium demand growth should reflect growth of US manufacturing
 - *Manufacturing shift to China will negatively impact US helium demand growth*
 - US share of global demand will continue gradual decline
- **MRI demand, the largest segment, expected to peak due to increasing efficiency of new machines**
- **Costs will continue to increase for all helium suppliers**
 - Higher cost of new sources coupled with rising US costs due to high-cost BLM crude purchases are expected to mitigate pricing pressures as new supplies come online
 - Additional product facilities in Qatar and Algeria are being reviewed
 - New production facility in Australia