

UNIVERSAL MARINE CONSULTANTS (WEST COAST) LTD.

MARINE SURVEYORS

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M.V. Powerful Viking

CONDITION & VALUATION

AT North Vancouver

DATE 19th August 2004

THIS IS TO CERTIFY that **UNIVERSAL MARINE CONSULTANTS (WEST COAST) LTD.** did at the request of Leader Fishing Ltd., 7008 Venture Street, Delta, B.C., V4G 1H4 attend at the premises of Allied Shipbuilders Ltd., North Vancouver on 19th August 2004 and at various other times on board the subject vessel in dry-dock there and elsewhere in order to carry out a Condition & Valuation Survey. Details of the vessel and our report are as follows.

VESSEL	Powerful Viking	OFFICIAL NUMBER	1052				
PORT OF REGISTRY	Rarotonga	YEAR BUILT	1952				
BUILDER	A. S. Bergen Mek., Bergen	MATERIAL	Steel				
O'ALL LENGTH	150.9'	REG. LENGTH	136.5'	BEAM	26.9'	DEPTH	13.0'
METRIC EQUIV.	46.00 m		41.60 m		8.20 m		4.00 m
GROSS TONNAGE	383.00	REGISTERED TONNAGE	118.00				
METRIC EQUIV.	1084.54 m ³		334.14 m ³				
OCCUPATION	Tuna Fisher	OWNER	Tuna-Pac (C.I) Ltd, First Floor B. C. I. House, P. O. Box 141, Raroronga, Cook Islands.				
SHARES	64	CALL SIGN	ZKVK				
PANAMA CANAL I.D.	373656	SURVEYED AFLOAT	Yes	ON WAYS	Yes		

GENERAL

The subject vessel was built in Bergen, Norway in 1952 and is structured of welded steel throughout with portions of the hull riveted. It is in the traditional design of a north sea trader with raised forecastle, flush deck amidships and the engine room aft which in turn is surmounted by the accommodation and wheelhouse. Until 1997 the vessel saw service as a general dry cargo vessel.

The present owners purchased the unit that year with a view to converting it for off shore tuna, squid and black cod fishing and to this end the vessel underwent extensive maintenance, installation of new gear and systems and updating of existing equipment and systems. This work took place in the southern United States and western Canada over a period of almost one year. As of this time, however, all but the tuna fishery has been abandoned and all gear associated with the squid fishery has been removed.

The vessel is double bottomed and is divided into seven transverse compartments as follows, forepeak tank, No: 1 tank, No: 2 tank, No: 3 tanks port and starboard, No: 4 tanks port and starboard, cofferdam, No: 5 tanks port and starboard and after peak tank with the dry storage space above. There are no double bottom tanks in the engine room.

Below the main deck the vessel is divided into six compartments, lower deck forepeak refrigeration machinery space, cargo hold, cofferdam, engine room, lower deck accommodation and steering flat. Above the main deck there is the upper forecastle deck auxiliary machinery space and the main accommodation block aft which in turn is surmounted by the open quarter deck with lounge accommodation forward. Above this is the bridge deck.

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During this inspection which was carried out while the vessel lay both in dry-dock and later afloat in Steveston it was found to be rigged and equipped as follows. Major equipment and machinery was tested and where possible important hidden spaces were opened up and examined.

HULL

In apparent good outward condition as sighted above and below the waterline and where visible internally. Ultrasonic scan testing of hull plating and visual inspections of all available tanks and void spaces showed the hull to be in apparent good to very good outward condition.

FORECASTLE DECK GEAR

ANCHOR WINCH

Hydraulically operated with 1 x 5 piston drive system. Twin warping heads. Two 1000 lb anchors with 8 shackles of 1" studded chain. Spare 1000 lb anchor on board. Converted at current dry-docking from a DC to hydraulic operation.

MAST

Steel mast and china boom. Wire rope stayed. Wire forestay. China boom fitted to accommodate trolling poles when stowed.

TROLLING POLES

Two "A" frame units.

WEATHER DECK AMIDSHIPS

CRANES

Two hydraulically operated cranes

CHILLER CHEST

One holding chest unit, after end starboard side.

CONDUIT PIPE

A fish conduit pipe is set up to accept product from the after deck to the chilled brine tank. When it is full, it is then directed to the foredeck for partial processing and thereafter to the hold for blast freezing and eventual cold storage in the hold.

BOAT & CRADLE

One 20' aluminum with Isuzu diesel engine scout boat. Equipped with plotter, loran and radar.

CARGO HOLD

The hold is foam insulated with two blast freezers across the forward end and the rest of the hold area given over to the storage of frozen product. There are six bays with wood pen

boards. Capacity is about 250 tons. Hold insulation restored as necessary and recoated.

HATCH ACCESS

On a raised 24" coaming with hinged watertight cover.

HATCH COAMING

Steel, 6" high. One piece steel cover. Bolted every 6" and fitted with gaskets.

QUARTER DECK**LIFEBOAT**

Port side. 15 man fiberglass boat in launching davit. Diesel powered. New unit being installed.

LIFERAFT

Starboard side. 16 man unit.

MAIN CONDUIT PIPE

System in place to direct fish to fore deck chiller tank. Runs outside hull on starboard side aft to foredeck.

FISHING STATION AFT

There is a steel framed gallows at the stern, one deck down, that accommodates a fishing station cage platform. It has an electric hoist which permits it to be lowered or raised and locked in place. The platform is fitted with two line haulers each hydraulically driven.

When fish are caught they are given temporary storage in a fish tote which is then hoisted to the quarter deck where they are placed in the fish conduit pipe for transfer to the chiller tank on the fore deck.

MAST

The after mast is stepped abaft the funnel with a china boom to accommodate the trolling poles when stowed.

TROLLING POLES

Two "A" frame units are located with their base on the wheelhouse deck.

WEATHER DECK AMIDSHIPS**CRANES**

Two hydraulically operated cranes

CHILLER CHEST

One holding chest unit, after end starboard side.

CONDUIT PIPE

A fish conduit pipe is set up to accept product from the after deck to the chilled brine tank. When it is full, it is then directed to the foredeck for partial processing and thereafter to the hold for blast freezing and eventual cold storage in the hold.

BOAT & CRADLE One 20' aluminum with Isuzu diesel engine scout boat. Equipped with plotter, loran and radar.

ACCOMMODATION & GALLEY

The skipper's cabin is abaft the wheelhouse and is complete with toilet and shower. Immediately below, the forward end of the quarter deck is given over to a lounge which is fully furnished with audio and TV and equipped with a short order cooking station. There is also a toilet and shower on the port side.

AIR CONDITIONING The vessel is fully air conditioned.

<u>TANKS</u>	<u>PRODUCT</u>	<u>US GALLONS</u>
FOREPEAK	Fresh water.	2863 gallons
DECK TANK	Fresh water	2500 gallons
NO: 1 TANK	Fuel oil	6842 gallons
NO: 2 TANK	Fuel oil	5153 gallons
NO: 3 TANK PORT	Fuel oil	3602 gallons
NO: 3 TANK STBD	Fuel oil	3602 gallons
NO: 4 TANK PORT	Fuel oil	2276 gallons
NO: 4 TANK STBD	Fuel oil	2276 gallons
NO: 5 TANK PORT	Fuel oil	4299 gallons
NO: 5 TANK STBD	Fuel oil	4299 gallons
AFTER PEAK	Water Ballast	900 gallons
TOTAL	131,849 litres 29,003 gallons	34,831 US gallons
HYDRAULIC OIL	2 tanks	140 gallons
DAY TANKS	2 tanks Fiddley	200 gallons

UPPER FORECASTLE Starboard side. The space is given over to machinery as follows.

No: 1 AUXILIARY Cummins diesel, model N855G, naturally aspirated and with a rated output of 215 HP. Keel cooled. Exhausts to stack. 24 volt starting system. Fully alarmed. Header tank fitted and alarmed. Off the after end by direct drive one Stamford

generator set producing 120 – 208 volts three phase AC power with an output of 195 KVA. New installation. Reconditioned unit.

No: 2 AUXILIARY

Isuzu 6 cylinder diesel with a rated output of 120 HP. Keel cooled. Exhausts to stack. Fully alarmed. 24 volt starting system. Header tank fitted and alarmed. Off the after end a PTO with manual clutch driving one single and two double hydraulic pumps. Major overhaul at current dry-docking.

ANCHOR WINCH

Hydraulically driven. There are two small hydraulic tanks with a capacity of 90 gallons, 400 litres.

UPPER FORECASTLE

Port Side.

No: 3 AUXILIARY

Daewoo six cylinder diesel, model unavailable, naturally aspirated and with a rated output of 120 HP. Keel cooled. Exhausts to stack. 24 volt starting system. Fully alarmed. Header tank fitted and alarmed. Belt drive for one 24 volt 45 amp alternator. Off the forward end by direct drive one Stamford Newage generator producing 480 volts three phase AC power with an output of 60 KW, 75 KVA. New installation.

No: 4 AUXILIARY

Cummins six cylinder diesel. Model 6CT8.3-G, naturally aspirated and with a rated output of 207 HP. Keel cooled. Exhausts to stack. Fully alarmed. Header tank fitted and alarmed. 12 volt starting system. Off the forward end by direct drive one Westinghouse generator set producing 277- 480 volts of three phase AC power with an output of 150 KW, 187.5 KVA. New installation.

BATTERIES

There is one bank of 1 x 12 volts for the Cummins 6CT8, and two banks of 2 x 12 volt batteries for the other units.

CHARGING SYSTEM

One LaMarche charger, 120 volts 3 amps AC input and 24 volts DC 6 amps output. Local chargers run off AC supply.

HAMADE CENTRE Fuse and switch panel located here as well as three EL 2202 transformers, 220 volts AC 19 amps output. Each transformer used for 2 x 2000 watt Hamade pit lamps. This is all that remains of the squid fishing pit lamp system.

FORECASTLE TWEEN DECK

This space is given over to the refrigeration machinery in the form of three separate Grasso freezing units. These are complete with compressor, condenser, condenser cooling pump and a freon receiver. The chilling agent is Forane 22. The systems are electrically driven and serve the port and starboard blast freezers as well as cargo hold.

SONAR There is a dome in position. Furuno CH 14.

POWER DISTRIBUTION The 440 volt power supply is distributed from this location.

WELDING PLANT There is a portable welding plant in place.

ENGINE ROOM

MAIN ENGINE GM diesel, model 12V192, (91227000) naturally aspirated and with a rated output of 675 HP. Twin disc reduction gear, model MG 520 with a ratio of 6.11: 1. Raw water cooled. With heat exchanger. Exhausts to main stack. Fully alarmed. Air started.

NO: 1 AUXILIARY Port side aft. Isuzu diesel, model DA 120 with a rated output of 120 HP. Raw water cooled. With heat exchanger. Exhausts to main stack. 24 volt starting system. Header tank fitted and alarmed. Drives a Kato generator set producing 120 – 208 volts 3 phase AC power with an output of 75 KW, 93.8 KVA. Major overhaul at this time.

COMPRESSORS All electrically driven. Used for main engine. Receiver on starboard side deckhead.

FRESH WATER MAKER Two units. Capable of 400 to 600 gallons per day. Being installed.

PUMPS

FRESH WATER One pump with pressure tank

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TOILET One pump with pressure tank.
BILGE 1 x 3" unit. Electrically driven.
GENERAL SERVICE 1 x 3" unit. Can also be used as a bilge and fire pump.
OILY WATER SEPARATOR One centrifugal unit for oily water separation. Oil directed to dirty oil tank, cleaned bilge water pumped overboard.

WHEELHOUSE GEAR

COMPASS	1 Ritchie.	9" Liquid.
DEVIATION CARD	Posted.	Dated 30/03/00.
V.H.F.	2 Yaesu.	Vertex FTL 1011.
	1 ADI.	AR446.
	1 Icom.	IC M 59.
	1 Icom.	IC M 80.
	1 Imarasat.	Nera.
S.S.B.	1 Icom.	IC M 700.
RADAR	1 Furuno.	FR 8030 D 70 miles.
	1 Furuno.	8048 48 mile range.
SONAR	1 Furuno.	CH 14.
CHART PLOTTER	1 Echotec.	CTM 950.
GPS	2 Furuno.	GPS 50. MK III.
	1 Garmin	128.
DEPTH SOUNDER	1 Furuno.	FCV 782. Video display.
RECEIVER	1 Furuno.	IC R71A.
FAX RECEIVER	1 Furuno.	Fax 207. Paper fed.
AUTO PILOT	2 ComNav.	2001 with ComNav 211 remote.
RUDDER INDICATOR	2.	
CLEAR VIEW SCREENS	2.	
REMOTE VIDEO	1 Remote video viewer for engine room.	
TEMP GAUGES	2 ATA Inc.	
STEERING	1 Joy stick helm and one ComNav.	Hydraulic system.
CLOCK	1.	
BAROMETER	1 Airguide.	

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MAIN ENGINE CONTROLS	Throttle and clutch.
HORN	Air unit.
SEARCHLIGHT	1.
COMPUTERS	2 units. Run various navigation software. 1 Dell laptop. Runs various software.
HAMADE FISH GEAR	Not in position.
<u>ALARMS</u>	
ENGINE	Full machinery system.
BILGE	Full bilge system.
FIRE	Full fire system.
FIRE FIGHTING APPLIANCES	The vessel is equipped with a full set of fire fighting appliances including fire resistant fire suits with air packs. Fire hoses are in position. There is also a bank of 4 x 100 lb CO ₂ cylinder tanks with manual or automatic release.
LIFE SAVING APPLIANCES	The vessel is equipped with a full set of life saving appliances. Includes a 16 man liferaft.
EPIRB	1 Pains Wessex.
DOORS	All steel on weather deck and of an approved type.
THRU HULL FITTINGS	Steel and bronze.
TAIL END SHAFT	Information to be supplied by Allied Shipbuilders.
SIZE	As above.
RUDDER	Single plate unit.
PROPELLER	Information to be supplied by Allied Shipbuilders.
SIZE	As above.
<u>MAINTENANCE</u>	
LAST ENG. OVERHAUL	Annual maintenance only required. At this time engine has just undergone a full general maintenance service.
AUXILIARIES	All but one engine room and one forecassle diesel generator set has been removed from the vessel. These, however, have been given major overhauls. In addition,

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Three new or reconditioned units have been installed in the forecandle.

SUNDRY

LAST DRYDOCKING

August 2004. Vessel inspected in dry-dock and hull found to be in good to very good condition.

MACHINERY CONDITION

All machinery tested and found to be in very good operating condition.

EQUIPMENT CONDITION

Most major equipment tested and found to be in good operating condition.

RECOMMENDATIONS

None. All recommendations have been effected during the vessel's stay in dry-dock or afterwards in Steveston.

REMARKS

At this dry-docking major maintenance and updating has taken place. The hull was ultrasonically checked and found to be in good shape, all available double bottom and peak tanks were physically inspected and the engine room bilge area as well as the bottom of the shaft space were also given detailed inspection. All these areas were cleaned out. In addition the void space between the engine room and fish hold was opened up to permit removal of engine room equipment and this allowed a full inspection of the void space. The vessel has been painted internally and externally, all weather deck closures have been restored as necessary and all new installations have been tested under operating conditions.

The owner elected to install a new shaft and propeller and removed the existing variable pitch propeller and associated shafting and gear assemblies, these to be replaced with a conventional shaft with steady bearing and propeller. A new cutlass assembly was fashioned for the stern tube.

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The forecastle was opened up and is now the platform for four auxiliaries which provide electrical and hydraulic power depending on the type of demand. All DC electrical systems and associated wiring have been removed and the vessel is now fully operational with a dedicated AC supply.

All life saving and fire fighting appliances have been serviced and brought up to date. In all it is estimated that maintenance and updating expenditures have exceeded \$150,000.

On 13th October a final inspection was made at which time it was established that all recommendations have indeed been complied with and the vessel is considered to be seaworthy in all respects. The surveyor has no hesitation in recommending it to interested underwriters.

OPERATOR

Qualified Master on board at all times.

EXPERIENCE

Forty plus years.

LOSS HISTORY

None.

VALUES

FAIR MARKET VALUE

\$1,000,000-\$1,250,000

REPLACEMENT VALUE

\$4,250,000-\$4,500,000

REPORT ISSUED

14th October 2004.

UNIVERSAL MARINE CONSULTANTS (WEST COAST) LTD.

M. Matheson.

Surveyor.

In issuing this report or certificate it is agreed that the extent of the obligation of this company with respect thereto is limited to providing a surveyor believed to be competent and in the making of this report or certificate it is understood that the surveyor is acting on behalf of those requesting the same and no liability shall attach to this company for the accuracy thereof.

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3:17 PM
02/11/05

Powerful Viking Major Repair invoices

Date	Name	Debit	
08/23/2004	Klassen Diesel Sales Ltd.	18,580.00	New Gen Set
08/24/2004	Karl's Diesel Service	6,007.67	Remove old gen set
09/03/2004	Klassen Diesel Sales Ltd.	13,500.00	New Gen Set
09/07/2004	Klassen Diesel Sales Ltd.	1,206.00	
09/08/2004	Klassen Diesel Sales Ltd.	1,052.18	
09/09/2004	Mill-Jag Wilson Equipment Ltd.	10,003.96	Reduction gear parts for overhaul
09/10/2004	Olsen, Erling	7,440.00	Crew paid to work on boat
09/10/2004	Detroit Diesel-Allison British Columbia	2,092.67	Water Pump on main
09/23/2004	Detroit Diesel-Allison British Columbia	6,098.77	New Injectors
09/24/2004	Olsen, Erling	9,762.38	Crew paid to work on boat
09/24/2004	C. Handcastle	7,201.54	New Alarm & hook up Aux
09/27/2004	Pacific Refrigeration Sales & Service	2,671.71	Refrigeration repair
09/28/2004	Klassen Diesel Sales Ltd.	1,160.99	Skiff gear repair
09/28/2004	Klassen Diesel Sales Ltd.	8,320.30	Rebuild skiff eng
09/29/2004	I.G. GAVAC & SON INC.	1,064.29	
09/29/2004	Amik Salvage & Sales Ltd.	2,625.00	Ballast
10/01/2004	Wayne Nordentoft	2,255.00	Repair
10/02/2004	Karl's Diesel Service	20,655.78	Instalation of gen set & gear work
10/05/2004	Walter Cadwallader	7,600.00	Used gen set, cummins
10/05/2004	Hydraulic Technology & Machining	10,125.26	Hyd" s for anchor winch'
10/14/2004	Shepherds House of Imports Ltd	1,829.00	Fiber glass
10/18/2004	Karl's Diesel Service	4,113.29	Main engine work
10/19/2004	Detroit Diesel-Allison British Columbia	1,758.70	Injectors
10/21/2004	Detroit Diesel-Allison British Columbia	3,063.41	injectors
10/26/2004	Williams and Gosling Ltd.	13,741.06	
10/26/2004	Allied Shipbuilders Ltd.	122,304.17	Shaft,, Prop, Stuffing Box etc
11/08/2004	Highland Refrigeration	2,527.83	Filters
12/10/2004	Williams and Gosling Ltd.	12,088.00	New fuel tank & reapi
12/20/2004	Emmor Pump Sales & Service Ltd.	1,684.09	Pump repair
01/04/2005	Frontier Power Products Ltd	821.94	Votage regulator
01/28/2005	Towns Netting & Marine Supplies Ltd.	1,560.00	Sonar repair
		<u>305,726.95</u>	