



The Celtic Group, L.L.C.

The Celtic Mariner

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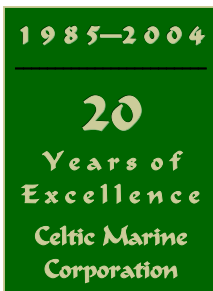
Celtic Marine—Meeting the Challenges



The year 2003 brought with it many changes in the world political climate; a war on terror, tightening of homeland security, and in the U.S. economy. These are just a few of the factors that played a part in bringing about changes in the transportation industry.

Affected by all these and no stranger to change was Celtic Marine Corporation, one of the operating companies of The Celtic Group. After almost three years of lackluster performance, in recent months, as the U. S. and world economy began to recover, transportation markets have begun to respond to an increased demand for services, particularly in ocean freight and inland transportation. Adding to this factor is the surge in China's import and consumption of raw materials and steel as its economy grows at a rapid pace. To complicate even further, oil prices have been on a steady rise throughout the past 12 months.

As Celtic Marine Corporation enters our 20th year in business, our mission has never wavered. Our goal has always been and remains, to provide the best quality of logistics services in the industry to our customers. We are totally committed to this goal and are working with our business partners to navigate these changing and challenging times. To accomplish this goal, CMC has continued to build a team of seasoned, knowledgeable professionals both in our marketing group and in our operations departments. We have continued to invest in tools, such as information systems, necessary to provide support services to meet the challenges that lie ahead.



In addition to top quality services as an independent third party logistics provider, one of our goals has been to provide additional services to shippers by offering integrated total-package transportation services. Many customers have found CMC's capability to arrange services at origin port, ocean freight, discharge port, barge freight, terminal services and over-land transportation to be beneficial in coordinating all aspects of transportation for their commodities. By combining all logistics under one provider, CMC is able to offer to shippers of cargo a continuity of services which can eliminate complications, saving costs. Working with our sister company, Celtic International Shipping Agency, provides seamless communication in ship, stevedore, and barge operations in U.S. Gulf ports, where CISA acts as vessel agents.

One of the ways CMC is meeting the challenge to provide an even higher level of service is to provide over-land transportation by expanding our Truck and Rail Division. CMC's philosophy has always been that "people are

our most valuable assets."

In December 2002, Ms. Sandy Moulton joined the CMC team as Marketing Manager of our Truck and Rail Division. Sandy brought 25 years experience in the trucking industry to her position at CMC and has been instrumental in increasing the level of service to our customers.

Complimenting the addition of Sandy's position, Anita Beneteau (Transportation Coordinator) continues to work from a New Orleans office as she has since 1998. Mr. Byron Miller (Transportation Coordinator) joined our Baton Rouge truck and rail operations staff in July 2003. Byron has extensive experience in the transportation industry. In our New York office, Ms. Estee Schueller continues to augment the team, handling operations primarily in the Northeast corridor, and all points in North America. As a team, our Truck and Rail Division is capable of arranging, managing and coordinating inland transportation for all types of commodities (including project cargo), van, flatbed, dump trucks, rail, and container service (including drayage, stuffing and stripping) throughout North America.

We are pleased that, in September 2003, Ms. Mona Phegley and Mr. Greg Caldwell joined the CMC team, both as Assistant Vice Presidents of Marketing. Many folks are familiar with Mona and Greg from their many years in the inland marine industry prior to joining Celtic Marine, although they come from diverse backgrounds and market segments. Mona, having relocated from the St. Louis area to Baton Rouge to join us in the corporate office, has brought a positive, can-do approach to her marketing and administrative functions at CMC. Greg, working from a new CMC office established in the Louisville, KY area, brings a wealth of barge and rail experience to our company. In addition, Mr. Ross Baker works from a Houston, TX base, while Mr. Greg Cramer is located in Pittsburgh, PA. Strategically located, both these gentlemen provide many

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years of transportation experience to the team. We at CMC, are proud to be associated with Mona, Greg Caldwell, Ross and Greg Cramer, and wish them many years of success.

In our marine operations group, Mr. Barry Cromley joined CMC in late 2002. With previous experience in customs and freight forwarding, he has added his expertise in the area of project cargo and ocean freight to the team. We are pleased that Ms. Enid Trammell joined the CMC team as Transportation Coordinator in March 2003. Many are familiar with Enid from her many years of marine experience prior to joining CMC. Enid's extensive knowledge of marine operations and thorough approach to problems solving are a welcome addition to our established operations department.

CMC Barge Service To Milwaukee

Celtic Marine continues to operate the Milwaukee program for barge traffic north and southbound into Milwaukee. Celtic will offer delivered pricing into and out of Milwaukee, coordinating and handling the river barge and lake towing package to present a complete price to the shipper,

Finally, CMC has continued to invest in state-of-the-art facilities, information and communications systems, which provide the backbone necessary, as a third-party logistics provider, to meet the high standards of service and information that today's business customers require. With our newly expanded facilities at the corporate office in Baton Rouge, and new offices in Louisville, KY, Houston, TX, and Pittsburgh, PA.. CMC is ready to meet the business demands and challenges that lie ahead.

We wish to express our gratitude to all of our customers and vendors for past and continued support and wish to all, future health and prosperity. As an old Irish adage says, **"May the road rise with you and may the wind be always behind you"**

often including time delays for lake transit. We offer pricing to/from any other river port for bulk, break bulk and heavy lift projects.

Please contact Tim Klein in our Chicago office at 773-774-2569 or Cell at 773-225-7767.

Celtic International Shipping Agency

The Baton Rouge office of Celtic International was opened in October 1998. This is the main office for the company and covers all of the berths on the Mississippi River from Southwest Pass to Baton Rouge and handles vessels carrying all types of break bulk, dry bulk and liquid cargoes. Despite the overall decline in the number of vessels calling the Mississippi ; the number of vessels handled by Celtic International increases each year.

Celtic International has experienced a steady growth since 1998 and has expanded to establish offices in the other main U.S. Gulf ports of Mobile and Houston.

The Mobile office was established in September of 1999. The main business for this office is vessels loading metallurgical coal destined for Brazilian steel mills, but also handles vessels loading wood chips and grain for discharge in the Far East.

The Houston office was established in November of 2001, and covers all ports in Texas, as well as Lake Charles, LA. The main business for this office is tanker vessels discharging various petroleum products at the multitude of refineries and tanking facilities in the area, but also handles vessels carrying dry bulk and break bulk cargoes.

Celtic Mortgage

The Celtic Mortgage slogan "Trusted Advice...Exceptional Service" is the best indication of its employee's attitudes toward their customers. Whether the customer is a real estate agent placing a mortgage for a client, or an individual homeowner refinancing a residence, Celtic Mortgage employees make every attempt to provide the best product available to meet each customer's needs. Celtic Mortgage has access to hundreds of national lenders who offer a wide range of loan programs for borrowers. There are programs available for customers with perfect credit, to borrowers with past credit problems. With our access to so many lenders, we can meet the specific needs of individual borrowers, while providing a competitive interest rate.

Closing services for all types of real estate transactions are available through Celtic Title, LLC. By providing in-house closing services, Celtic can assure its customers a speedy closing of mortgage loans.

Celtic Mortgage also purchases real estate mortgages and contracts for deed in all 50 states. When an individual has provided financing for the sale of real estate, Celtic Mortgage can provide a lump sum in exchange for the right to receive future payments.

For more information about our services, please visit our website: www.celtic-mortgage.com or www.celtic-financial.com.

Celtic & Stone Liquid Consulting, L.L.C.

During November of 2003, Brendan F. O'Connor and John M. Stone formed a new entity called Celtic & Stone Liquid Consulting, LLC to service the liquid end of the transportation business. Both members are managing partners and actively pursue all phases of logistical services for customers in the liquid business, on a domestic and international basis. These services include international chartering, tanker storage, and on carriage by barge, truck or rail.

Our vision is to provide shippers of liquid cargoes the highest level of service in the industry. While the company is new, our years of experience in the liquid industry, together with our knowledge of transportation markets, allows us to offer our clients total solutions to their transportation requirements.

Our services include arranging for quality transportation of all types of liquid cargoes. We provide cargo management with an emphasis on barge freight and truck and rail services. We also offer blue-water tanker chartering and liquid storage.

For our clients who may benefit, our association with The Celtic Group provides access to transportation services for dry cargo as well, including barge, truck and rail, contract stevedoring, vessel chartering and vessel agency.

To better serve our customers, John Stone will relocate from Greenville, MS to Houston, TX in July to our new office located at 1322 Space Park Drive, Suite A248, Houston, TX. Phone: 281-333-9030, Fax: 281-333-9031, Cell: 662-394-1900.

Celtic International Shipping Agency is already at this address serving the liquid and dry agency needs of our domestic and international customers covering the entire state of Texas. Both companies will work closely to provide the best service to our valued customers.

For more information and confidential rate quotes, please contact John M. Stone or visit our website at www.csliquids.com.

The Celtic Group's New Office—Houston, TX

Our new office was opened in May of 2004, at 1322 Space Park Drive, Suite A248, Houston, TX 77058. This office will domicile our three operational companies in Texas.

Celtic International Shipping Agency, LLC can be reached at Phone: 281-333-9030, Fax: 281-333-9031.

Our agency/marketing manager is Mr. Bob Walls and he can be reached at Cell: 281-667-8227, Fax: 281-333-9031, Email: bwalls@celtic-international.com. He is assisted by Mr. Jack Roberts, who joined Celtic International Shipping Agency in May, 2004. He can be reached at Cell:

713-384-2467, Email: jroberts@celtic-international.com.

Celtic Marine Corporation representative, Mr. Ross Baker, can be reached at Cell: 936-499-4179, Fax: 713-780-1476, Email: rbaker@celticmarine.com.

Celtic & Stone Liquid Consulting, LLC managing partner, Mr. John M. Stone, can be reached at Cell: 662-394-1900, Fax: 662-378-3009, Email: jmstone@csliquids.com.

Please call and visit and we will show you what we can do for your company with our new consolidated group services.

AARC/ABC Commercial Movers

In October of 2003, Brendan F. O'Connor became the sole owner of our data record storage, commercial and residential moving and warehouse business. AARC and ABC Commercial Movers are now managed by Celtic Management Corporation, which is renovating the two warehouses and has hired Mr. Tom Pritchard as General Manager. We have permits for two additional warehouses and will be building as business requires.

Mr. Seth Nezat joined this group in July of 2003, and has been appointed Regional Sales Manager. Brad Ross started in January of 2004, as Warehouse Supervisor and Sherman Nero, who has been with us for the last five years, has been promoted to Crew Supervisor for ABC Commercial Movers.

AARC is fully air conditioned with dust collectors, allowing climate and humidity controlled storage. We offer 24/7

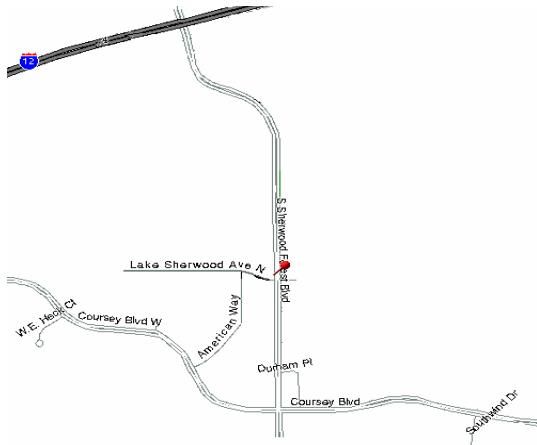
access to records via the Internet, with our online services. Convenience, security and easy access to your records are our fundamental services. We also offer prompt, confidential, full service record storage, including retrieval and destruction. AARC can store any type of files including computer tape, audio and video, x-rays, microfilm and hard copy tapes.

ABC Commercial Movers has earned a reputation as Louisiana's premier corporate office and industrial relocation company. We provide our customers with the most organized, realistic relocation plans possible. ABC Commercial Movers is licensed and insured and has specialized equipment for moving computers and glass. We handle both commercial and residential moves at a reasonable cost to our valued customers.



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Pittsburgh, PA (412) 952-7417 * Louisville, KY (502) 891-4494 * Houston, TX (713) 784-9366

Celtic International Shipping Agency

Baton Rouge, LA (225) 368-0980 * Houston, TX (281) 667-8227 * Mobile, AL (334) 694-7001

Celtic Financial (225) 752-2492 * **AARC/ABC Movers** (225) 751-8535

Celtic & Stone Liquid Consulting, LLC (281) 333-9030

The Celtic Centre

The Celtic Centre is growing. Our next phase of construction will be Starbucks Coffee House that will be on the corner of S. Sherwood Forest Blvd and North Lake Sherwood. This should be completed by the end of September.

Building I houses The Celtic Group which consists of Celtic Management, Celtic Marine, Celtic International Shipping, Celtic Financial and AARC/ABC.

Building II is shared by Jerrold Black, CPA and Premier Resource Group.

Along with these three buildings, The Celtic Centre will be comprised of several more new buildings to be constructed in the future for long term lease to commercial businesses.



Main Office Building in the Celtic Centre Complex