



PHOENIX AWARDED SUBMARINE RESCUE CONTRACT

For Immediate Release – November 15, 2006

Washington, DC -- Phoenix International, Inc. (Phoenix) was competitively awarded a five-year contract to provide engineering and technical services to operate and maintain the U.S. Navy's next generation submarine rescue system. The new Submarine Rescue Diving and Recompression System (SRDRS) will replace the Deep Submergence Rescue Vehicles as the Navy's premier submarine rescue capability in 2007. Phoenix personnel will work closely with the U.S. Navy and the manufacturer during a series of system tests and sea trials to obtain system acceptance and certification. Once the system is certified, Phoenix will provide a core staff on North Island in San Diego, CA to maintain the system in ready to deploy status at all times, as well as a surge staff to operate the system during training exercises or emergency submarine rescue operations.

The SRDRS consists of three primary elements: the Assessment Underwater Work System (AUWS), the Pressurized Rescue Module (PRM), and the Surface Decompression System (SDS). AUWS is comprised of a side scan sonar system to locate a missing submarine and a one-atmosphere diving system (ADS 2000) capable of inspecting the submarine and preparing it for rescue operations. The PRM is the surface tethered vehicle that descends to and mates with the disabled submarine. It is capable of returning 16 rescuees per sortie to the surface. The PRM is nearing completion at the Vancouver, BC facility of its developer OeanWorks International. The SDS consists of a transfer lock, two 33-man decompression chambers, and associated chamber control systems that allow the hyperbaric treatment and decompression of 66 sailors at a single time.

Phoenix is a marine services company providing quality manned and unmanned underwater operations and engineering services to an international customer base. Worldwide services include Underwater Ship Inspection & Repair, US Navy & ABS Certified Underwater Welding, ROV Operations, Deep Ocean Search & Recovery, Subsea Construction Support, Submarine Rescue, and Underwater Equipment Design. Phoenix resources include divers and diving systems, one-Atmosphere Diving Systems (ADS), Remotely Operated Vehicles and associated tooling systems, and turnkey engineering design and development capabilities.

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