

## **Management**

### **Richard Varner - CEO**

Mr. Richard Varner brings over 31 years of petroleum industry experience to the Navitas Companies. He has held positions in a number of downstream and midstream operations as well as being involved directly in oil and gas producing entities.

Varner, a native of Wichita, Kansas, attended the University of Nebraska on a full athletic grant-in-aid, receiving a Bachelor's degree in Business Administration in 1976. He received his MBA from the University of Kansas in 1978.

Upon graduation Varner worked on the crude petroleum trading desks for the Coastal Corporation in the U.S. and Europe. In addition he served as an equity partner and trader at Questor Petroleum, and held trading positions at Avant Petroleum, a wholly owned subsidiary of Mitsui & Company, USA.

In 1982 Varner returned to the Coastal Corporation to head domestic crude oil operations, and helped form and run its commodity trading operations, during this period and served on NYMEX crude oil contract advisory committee.

Varner transferred to the U.S. West Coast as head of Coastal's West Coast refining and marketing subsidiary, Pacific Refining Company. During this assignment as Pacific's CEO, The Coastal Corporation and The China National Chemical Import and Export Company, (SINOCHEN) formed a joint venture to own and operate the Pacific Refining Company. Varner chaired this organization until leaving in 1991 to form and own Newport Petroleum, Inc.

Newport Petroleum was primarily engaged in the marine transportation, and terminalling of petroleum products along the West Coast of the United States, Canada, Mexico and Hawaii. Newport Petroleum eventually grew its operations to include 9 ocean-going tug and barge units, with primary operators in Alaska, California, and Washington. Cabrillo Shipping, an affiliated company, was the first container-on-barge operation between the ports of Los Angeles/Long Beach and Mexico.

Since the sale of Newport Petroleum in 2003, he has actively been involved in the acquisition of LDC and pipeline assets in the natural gas industry through Navitas Utilities, LLC.

### **Thomas Hartline - President**

Growing up in the farming community of Bakersfield, Calif. gave Thomas Hartline a strong affinity for rural America. Working for 20 years in the energy and heavy construction industries provided him the insight to know that energy is the measure and blood of a modern society.

Hartline was aware that America's rural populations had declined steadily since the end of World War II. He decided to use his education and experience to breathe new life into small-town infrastructure and fill a need not being met by major utility companies, which are better equipped to serve larger cities.

In 2007, Hartline and his business partner Richard Varner formed The Navitas Companies in Irvine, Calif. to make strategic investments in the energy assets of rural America's communities. Their mission was to acquire existing utilities and bring them up to standards necessary for homeowners and farming operations to thrive and for businesses and factories to locate in and utilize the stable and talented farming community workforce.

The Navitas Companies consist of two entities, Navitas Assets, LLC (NALLC), an energy assets holding company designed to develop energy projects and to physically operate energy assets, and Navitas Utility Corporation (NUC), which provides administration, operational and support services to utility companies.

NALLC's first acquisition in May 2007 was Fort Cobb Fuel Authority serving 1,500 customers in Caddo and Washita Counties of Oklahoma with 600 miles of natural gas distribution pipeline. Since then, NALLC has acquired seven additional systems in communities throughout Oklahoma totaling 1,200 miles of pipeline, serving 4,500 customers. The company's growth strategy includes expansion into additional underserved Oklahoma markets, as well as other states across America.

One of NUC's priorities is to utilize, through renovation, existing buildings to serve as the company's satellite offices, while preserving their local flair and historic value. Hartline believes that by successfully investing in these communities, NUC is helping rural towns create an environment where new businesses can locate. "All that's needed is a small seed of investment to create a new sense of business growth," he said.

Prior to forming The Navitas Companies, Hartline worked as a consultant in the energy industry where he learned to navigate the heavily regulated environment of energy utilities. He held nearly every position as a contractor, from a union apprentice operator to director.

At TDH Construction Consulting in Lake Forest, California, Hartline worked on development of the \$125 million Kenya-Uganda oil products pipeline for Zakhem International. The project was designed to improve supply flow for the land-locked nation of Uganda to help spark new economic development. He also implemented the turnaround management and divestiture of a Chilean pipeline subsidiary ARB Chile Ltda, as well as turnaround management of operations and divestiture for a Guyana mining subsidiary of Rock Creek Energy. He arranged for more than \$100 million in asset-backed new loans for numerous entities.

While at TDH, Hartline also worked on a long-term consulting assignment with Stockdale Investment Group. This included extensive work on the development of Mammoth Lakes Gas Distribution System in California. This unregulated propane-based system delivers more than a half-million gallons per year to residential and commercial customers in a mountain resort community. Over the five-year assignment revenue from the addition of new businesses and homes tripled from \$250,000 to \$750,000, and earnings increased ten-fold from \$25,000 to \$250,000.

Prior to his work in the energy field, Hartline worked for the Bay Area branch of Granite Construction Company as a senior large jobs estimator and project manager.

Hartline earned a Bachelor of Arts in liberal studies from California State University, Bakersfield. He holds a Master of Construction Management from the University of Southern California and a Master of Business Administration from the University of California, Irvine. He is a licensed general engineering contractor and a citizen of the Chickasaw Nation.