



# CEOCFO

## Interviews & News!

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### Precision Assessment Technology Corporation Is Focused On Acquiring High Quality Drilling Services Companies With An Eye On Building A Comprehensive National Company That Provides A Wide Variety Of Drilling Services To Its Clients

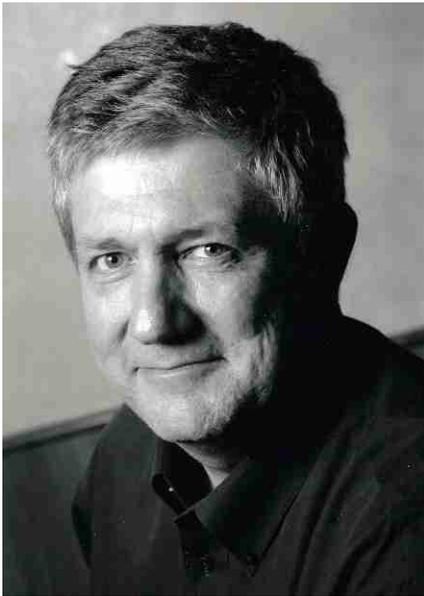
## PATC

The Leader in Drilling Services

Natural Resources  
Drilling Services  
(PDT-TSX)

Precision Assessment  
Technology Corporation

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**John Spisak**  
President & CEO

#### BIO:

John Spisak has enjoyed a long and distinguished career in mining, environmental consulting and drilling services. John began his career at Anaconda Minerals as a research engineer and pro-

gressed to through technical and management positions before joining the Anschutz Mining Corporation in 1980. He quickly advanced to become head of their worldwide exploration and mining operations with companies based in the US and located in several South American countries.

In 1989 Mr. Spisak founded SP Environmental an environmental and remediation firm created for the Southern Pacific Railroad, quickly growing it to \$35 million in revenues. As part of his role with the Southern Pacific, Mr. Spisak was selected as one of only 13 "Fortune 100" CEOs to serve on the United States Senate's Western States' Coalition for Superfund Reform. Following the sale of Southern Pacific to Union Pacific in 1996-1998, Mr. Spisak became the CEO of an environmental technology development company, before moving on to senior leadership positions for several national drilling companies. Mr. Spisak received Bachelor of Science Degrees in Chemistry and Biology from Purdue University.

#### Company Profile:

Precision Assessment Technology Corporation ("PATC") provides drilling services to the environmental, geotechnical and construction industries for site assessment, remediation, groundwater assessment, and utility installation in the U.S. These services are provided using specialized and innovative drilling and sampling equipment and technologies from offices in California, Colorado, New Mexico and Florida.

PATC operates through its wholly owned U.S. subsidiaries, Precision Sampling,

Inc., Trenchless Specialties Inc., Groundwater Protection, and BC2 Environmental. PATC's common shares are listed on the Toronto Stock Exchange under the symbol "PDT".

Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFOinterviews.com

**CEOCFO:** Will you tell us a bit about your background with the company?

**Mr. Spisak:** "I joined the company about one year ago. I was providing consulting services and working in the environmental and geotechnical drilling and services industry. More broadly, over a longer career, I founded and grew the environmental engineering and services company for Southern Pacific Railroad back in 1989. Southern Pacific was a very large consumer of environmental and geotechnical drilling services in numerous US states and cities. My 10-year tenure with Southern Pacific Environmental, gave me an excellent perspective of being a customer of the drilling services industry. I hoped to bring that client perspective to Precision Assessment Technology Corporation and use that knowledge and experience to help them grow and expand as a drilling services company."

**CEOCFO:** How has that vision played out in the last year and what has changed?

**Mr. Spisak:** "PATC is very active in acquiring high quality, small-to-mid sized drilling services companies. Our goal over the next few years is to build a comprehensive national company that can provide a wide variety of drilling services to a wide variety of clients. Over the last couple of years, we have been

successful in completing and deploying a couple of very good acquisitions. We are looking at several more and trying to complete one within the next month. We expect to complete another two or three next year.”

**CEOCFO:** Is consolidation happening in the industry in general or are you ahead of the trend?

**Mr. Spisak:** “We would like to think that if we are not ahead of the trend that we are certainly one of the leaders. Consolidation is occurring in this industry.”

**CEOCFO:** Please tell us about the basic services that you provide and who is using them.

**Mr. Spisak:** “Our principle services are environmental assessment services, and by that I mean we do soil borings in drilling to analyze underground contamination for a variety of clients, including the federal government, state governments, and large industries. We also set environmental monitoring wells at various depths so that our clients, over a period of years, can take water samples from underground and assess whether pollution is being mitigated, expanding, or whether it even exists. We also provide geotechnical services meaning that we take underground samples so that clients can analyze the lithology and the stability of soils for setting foundations for buildings, bridges, and other infrastructure and development projects.”

**CEOCFO:** Are most of the services provided where there is a government mandate to do them or are companies starting to do it on their own?

**Mr. Spisak:** “We are seeing both quite frankly. One of our other service lines is horizontal drilling, where we assist companies in putting utility runs under streets, canals and buildings. We also assist them in very difficult situations where landfills with difficult access or potential contamination under buildings cannot be reached by vertical drilling methods. We can therefore access that contamination horizontally for sampling

and analysis. We are seeing a very strong move on the part of industry to take the initiative in many areas, primarily because a site clean-up will revalue property upwards allowing it to be redeveloped for higher value use. In certain states where there is a large number of underground storage tanks or dry cleaning companies that have gone out of business, there is certainly a lot of regulatory driven work.”

**CEOCFO:** How do you reach your prospective customer?

**Mr. Spisak:** “We reach prospective customers in a number of ways. One, we have sales people in the field who routinely call on the known customer and

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**- John Spisak**

client base, and meet with government agencies. One of the things that we do quite well is using very good technical people to make technical presentations to geologists, government regulators, etc., providing them the latest information on drilling technologies and demonstrating to them the easiest and most efficient ways to access high quality samples. We advertise, but a significant proportion of our business comes from satisfied repeat customers and word-of-mouth.”

**CEOCFO:** What is going to drive the growth for you?

**Mr. Spisak:** “First, we are going to continue this consolidation effort. Second, we are making a major investment in state-of-the-art equipment. This would be both

equipment that delivers high levels of technology to the field such as cone penetrometer technology and membrane interface probes and the sonic drilling technology that is in growing demand across the country. These technologies not only allow us to not only take the highest quality data for a client, but also analyze it real-time as we are taking the data underground. We are also investing in larger, stronger and heavier equipment that is going to allow us to drill far deeper, cover many more layers of stratigraphy, and put in larger holes. This will allow us to go beyond just sampling and expand into production wells for the extraction of water, energy and assisting mining companies with exploration and analysis to greater and greater depths.”

**CEOCFO:** What is the financial picture of the company?

**Mr. Spisak:** “The company is improving its financial picture all the time. We have a strong equity partner who has been investing in the company, providing us with the capital that we need to make these advances in new equipment and technology. With the growth of the company and our judicious selection of acquisition candidates, we are targeting companies where we can achieve synergies of assimilation by reducing overall overhead and increasing the bottom-line performance.”

**CEOCFO:** Why are companies choosing PATC?

**Mr. Spisak:** “As PATC continues to grow and expand, companies are choosing us because of our attention to clients, our service and our ability to deliver a product that is reasonably priced and competitive in the marketplace. Our focus on providing special technology to clients such as CPT/MIP we believe gives us a competitive advantage.”

**CEOCFO:** Please give us an example of a typical project for you.

**Mr. Spisak:** “Typical projects can cover a wide variety of applications. A typical project might be a refinery site or a

chemical site that has been in operation for a very long time, where a wide variety of chemicals may have contaminated the soil. An underground aquifer or underground water source might be contaminated as a result. Typically, we would be called in to drill a fairly large number of holes, analyzing all of the soil underground to determine the depth and extent of the contamination. If there is an underground water source, we could take samples so that it can be analyzed to determine whether or not that water source is contaminated. We could also be asked to set sampling wells in that aquifer. Projects like this can take a week or two to a couple of months. The holes can vary

from fifty to 100 feet to as deep as three or four hundred feet. Another typical project might be a power company or a phone company in a metropolitan area that needs to put a fiber optic cable or an advanced power line in a high-density developed area. Rather than dig-up several streets and disrupt traffic we would horizontally drill under three or four streets, a thousand, or twelve hundred feet so that they can run their utility line or their fiber optic cable with minimal disruption.”

**CEOCFO:** In closing, why should investors be interested and what might people

overlook that they should really focus on with PATC?

**Mr. Spisak:** “I think investors should be interested in PATC because it is focused on acquiring and consolidating only high quality companies with proven performance. It is also only interested and consolidating companies with a continuing growth in a diversity of services. PATC is firmly committed and moving up-market in terms of its ability to deliver deeper capability equipment that can drill longer, wider and deeper as well as provide the latest in drilling support technology.”



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