Supplemental Disclosure – New Loan Agreement

November 23, 2016

Conrad Industries, Inc. (OTC Pink Sheets: CNRD.PK) and its subsidiaries entered into a new loan agreement on November 21, 2016, providing for a $15 million term loan and $10 million revolving credit facility, superseding its prior loan agreement. The revolving credit facility matures April 30, 2019 and has a sublimit up to $4 million for letters of credit. The interest rate is the prime rate, or one-month LIBOR plus 1.5%, at the Company's option. As of November 23, 2016, no amounts were drawn on the revolving credit facility. The term loan has a 120-month amortization, a 3.5% fixed interest rate, and can be prepaid without penalty at any time. The loans are secured by accounts receivable, deposit accounts and chattel paper, and by two drydocks. The loan agreement restricts mergers and liens on the collateral and on the capital stock of subsidiaries. Subject to compliance with financial covenants, the loan agreement does not restrict dividends, share repurchases or additional indebtedness.