



The Future of Biofuels: A SECOND GREEN REVOLUTION

GREEN  CITIES™ FLORIDA

PetroAlgae 

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Forward Looking Statements

This document may contain certain “forward-looking statements.” Forward-looking statements are based on current expectations and assumptions and are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, and many of which are beyond the Company’s control. Actual results could differ materially from these forward-looking statements as a result of a number of factors, including the uncertainty of the launch of our commercialization strategy, the biodiesel market’s acceptance for our products and technologies or the acceptance of our customers’ products or technologies which incorporate our products and technologies, the failure of our technology to perform as predicted, competition from alternative biodiesel or other alternative energy technologies, uncertainties as to the size of the markets, cost and margins for the Company’s products, current or future government regulations affecting the use of the Company’s products and technologies, the lack of availability of critical components, the degree of protection from future patents, other risks associated with the development or acquisition of new products or technologies and those risks detailed in the Company’s filings the SEC. Given these risks and uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and no assurances can be given that such statements will be achieved. The Company and all affiliated parties do not assume any duty to publicly update or revise the material contained herein.

"The significant problems we face cannot be solved by the same level of thinking that created them."

--Albert Einstein

Challenges

- ◇ **Climate Change**
- ◇ **Rising Food Prices**
- ◇ **Deforestation**
- ◇ **Polluted Waterways**
- ◇ **Dependence on Fossil Fuels**

Requirement

- ◇ **Transformational breakthroughs that change the way we use energy, land, and water.**

Transportation Fuel Solution

- ◇ **A commercial technology system that utilizes micro-crop feedstocks to produce clean fuel and food in an environmentally sustainable manner.**

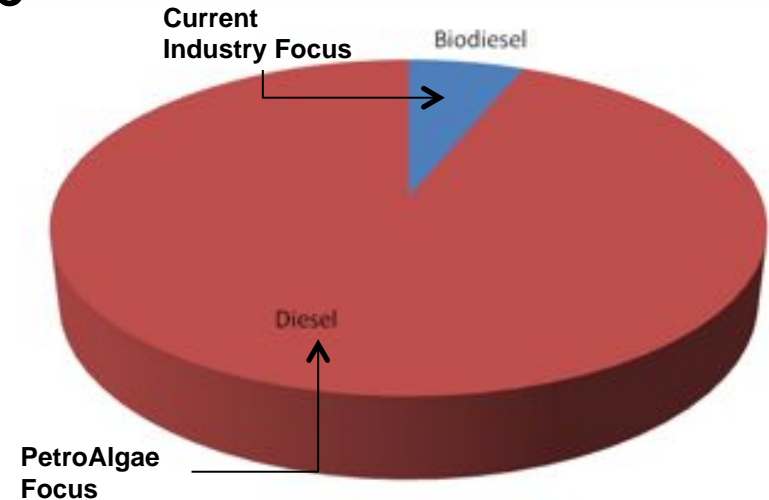
What's a Micro-Crop?

- ◇ **Micro-crops are small fuel-producing organisms with extremely rapid growth like algae, diatoms, angiosperms, and cyanobacters.**

- ◇ **Micro-crops are the only economically viable answer to the biofuels feedstock problem**
 - ◆ Macro-crops (corn, palm, soy, rapeseed, etc.) grow slowly (months) and require more land than is available
 - ◆ Micro-crops grow quickly (hours) resulting in 25-100x increase in productivity and resource efficiency

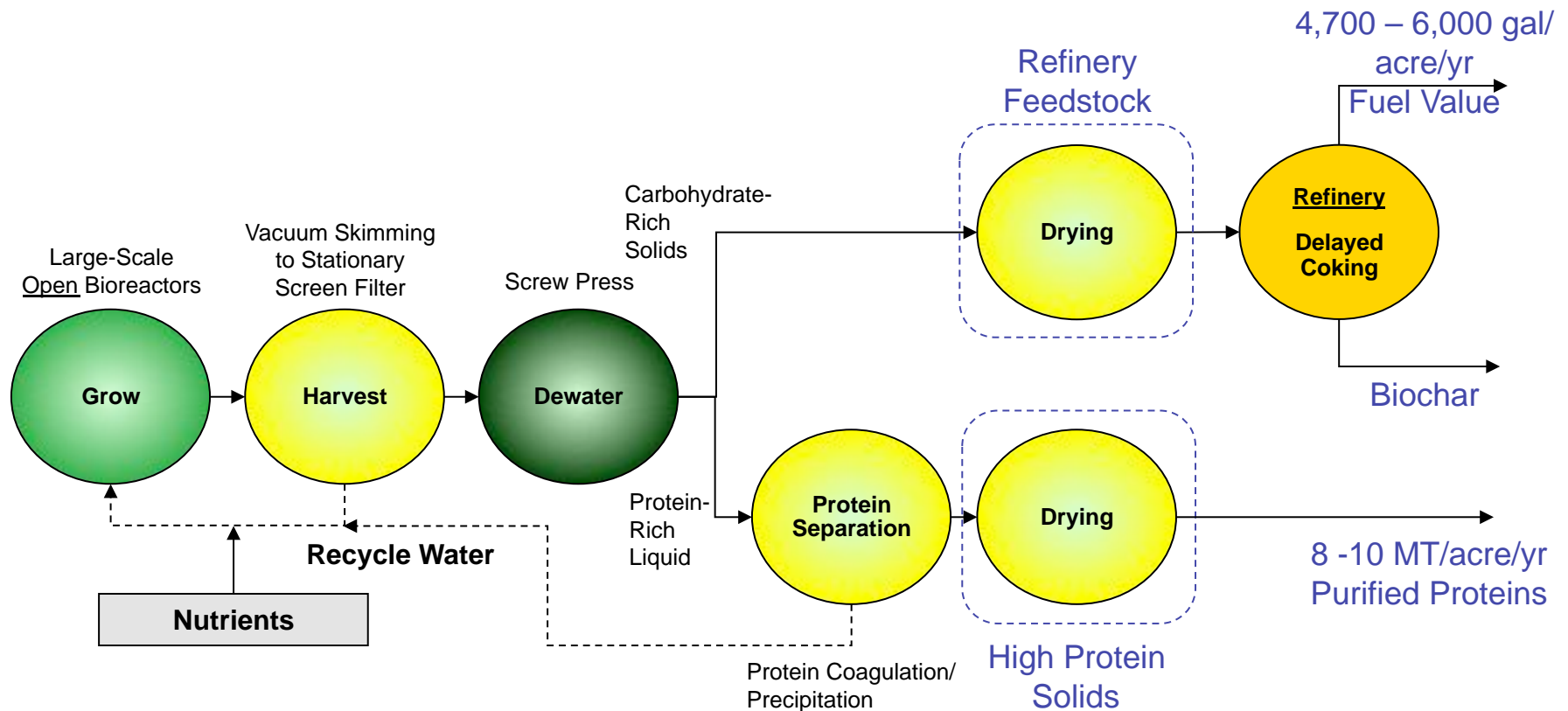
PetroAlgae Delivers Global Solution

- ◇ **Only PetroAlgae has achieved the required breakthrough gains in micro-crop productivity to reach petroleum scale commodity markets**
- ◇ **PetroAlgae Green Diesel**
 - ◆ Chemically identical to diesel but renewable
 - ◆ Surpasses the limitations of biodiesel
 - ◆ Blend solutions
 - ◆ No cold flow problems



PetroAlgae solution addresses entire diesel market demand... not just biodiesel market

Process Overview



Why PetroAlgae?

- ◇ **PetroAlgae provides the ONLY commercially viable and scalable solution available now**
 - ◆ Can be deployed very rapidly compared to other renewable energy technologies (1-2 years vs. 4-20 years)
 - ◆ Truly viable for large-scale fossil fuel replacement
 - ◆ Environmentally sustainable at massive scale
- ◇ **PetroAlgae process actively reduces atmospheric carbon dioxide (CO₂)**
 - ◆ Micro-crops consume almost twice its weight in CO₂
- ◇ **PetroAlgae process does not compete with the food supply**
 - ◆ Does not require arable land
 - ◆ In fact, creates a new source of high-protein value meal that offsets biofuel production costs



Low Risk Business Model

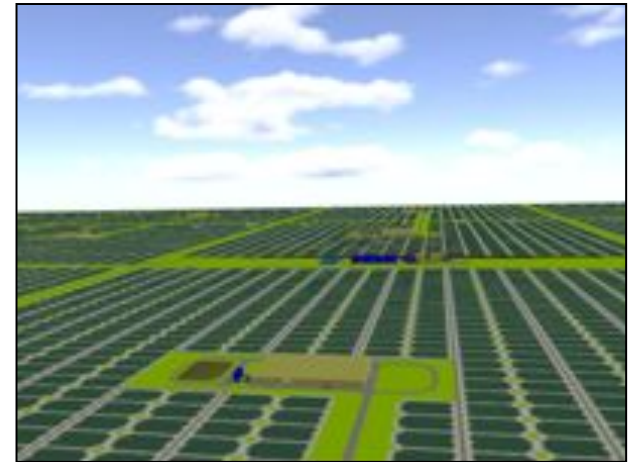
◇ License to national oil companies, refining companies, food companies, etc.

- ◆ Licensee pays all Capex
- ◆ Licensee provides CO₂, land, water
- ◆ Licensee pays PetroAlgae
 - License fees during construction
 - Royalties annually thereafter
- ◆ Licensee receives highly profitable IRR

◇ Licenses are on a unit basis

- ◆ 5,000 hectares per unit
- ◆ Unit* produces ~ 75 million gallons of biofuel/yr
- ◆ Unit* produces ~ 121,000 metric tons of protein/yr

* With CO₂ added system



PetroAlgae Facilities



Kennedy Space Center

- ◇ 100,000 sq ft research facility – opened 2003
- ◇ Lease controlled environment chambers, plus lab space to analyze the results
- ◇ Broad analysis capabilities for chemistry, molecular biology, microscopy, microbiology
- ◇ Access to NASA engineering and scientific expertise



Fellsmere Facility

- ◇ 20 acres in Fellsmere, Florida
- ◇ Cultivation of micro-crops to produce renewable fuel, protein meal and other high-value products
- ◇ Unique proprietary growth and harvest processes

Wrap-up

- ◇ **PetroAlgae is in discussions with customers here in the U.S. and also around the world.**
- ◇ **PetroAlgae's production system is a source for large scale local "green job" creation.**
- ◇ **PetroAlgae's micro-crop system can help cities and states mitigate the effects of climate change and achieve sustainable energy security today.**