Agenda

- Corporate Overview
- Technology Platforms
- Targeted Markets
- Industry Value Proposition
- Climbing the “S” Curve
- Summary
EcoSynthetix is a biobased specialty chemicals company with sustainable solutions which provide our customers independence from petroleum-based chemicals while reducing their cost and carbon footprint.

### Corporate Fact Sheet

<table>
<thead>
<tr>
<th><strong>Year Founded:</strong></th>
<th>1996</th>
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<tbody>
<tr>
<td><strong>Offices:</strong></td>
<td>Burlington, Ontario and Lansing, Michigan</td>
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<tr>
<td><strong>Largest Shareholders:</strong></td>
<td>Lions Investments, Cargill, Management and GWD Ventures</td>
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<tr>
<td><strong>Patents:</strong></td>
<td>13 patents &amp; applications, covering 20 countries and representing US$30 million in R&amp;D investment</td>
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<td><strong>Manufacturing Facilities:</strong></td>
<td>2 (3 production lines)</td>
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<tr>
<td><strong>Employees:</strong></td>
<td>14 (plus technical consultant network and manufacturing partners)</td>
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EcoSynthetix Proprietary Technology

1. Inputs
   - Corn
   - Starch
   - Potatoes

2. Proprietary Processing
   - Proprietary process turns starch (soluble polymer) into a Biolatex™ emulsion (insoluble polymer)
   - 30 µm
   - 0.1 µm (100 nm)

3. EcoSphere® Produced

4. End Product Shipped Dry

5. Combined with Water
   - EcoSphere® Biolatex™ runs on current machines with minimal or no CAPEX
   - L* = 46.5
   - L* = 77.0

6. Applied in Paper Manufacturer’s Process
   - Other applications in diversified industries

7. Other industries
   - Biobased Latex

Other applications in diversified industries
Latex: Broad Applications

- Paper and Paperboards
  Global 4.0 Billion lb Market

- Paints and Adhesives
  Global 7.2 Billion lb Market

- Other
  Global 3.8 Billion lb Market

Global Market of 15.0 Billion Lbs or Approximately US$15 billion

Source: Kline & Co.
Markets

Emulsion Polymers - Global Markets: 15 B lbs.

- Paper & Paperboard 25%
- Adhesives, 2.8
- Text./NW, 1.5
- Carpet, 1.2
- Constr., 0.9
- Other, 1.5

- Paper - SB latex 3.2 B lbs
- Paper - SA latex 0.7 B lbs
- Paper – PVAc 0.1 B lbs
Targeted Market – Paper and Paperboard

- **Green adhesives:**
  - EcoSphere® bioadhesive

- **Green paper coating:**
  - EcoSphere® Biolatex™ binder
  - Replace synthetic SB/SA paper coating binders

- **Green tapes/labels:**
  - EcoStix® PSA
  - Replace petroleum pressure sensitive adhesives in labels and packaging tape

- **Green Ink:**
  - EcoMer® resin
  - Replace synthetic resins in printing inks

- **Green tapes/labels:**
  - EcoStix® PSA
Targeted Market – Paper and Paperboard

- Improve appearance
  - Gloss
  - Brightness
  - Whiteness
- Improve printing performance
Carbon footprint reduction

Mean Biobased Result: **99% * **

- Proportions Biobased vs. Fossil Based indicated by $^{14}$C content
- Biobased Content 99%
- Fossil Content 1%

Mean Biobased Result: **1% * **

- Proportions Biobased vs. Fossil Based indicated by $^{14}$C content
- Biobased Content 1%
- Fossil Content 99%

- Immediate impact: 15,000 mt of CO$_2$ reductions per mill per year
- Potential industry wide impact: >30 million mt of CO$_2$ (Paper & Paperboard)
- Carbon tax credit benefit: + 5% of revenue
Product Life Cycle: Petroleum Latex

Synthetic latexes are reaching the end of their product improvement life cycle.

- **Discovery**
  - Low Research Investment
  - Few New Products
  - Commoditization
  - Main Focus on Cost

- **Growth**

- **Mature Product**

Adoption & Economic Value Added

Time

2010
Biobased latex: A new technology “S” curve in the making

Adoption & Economic Value Added

Current Technology becomes the minimum hurdle in terms of cost and performance.

Petroleum Latex

Today

Research & Development Discovery
New Products
New Applications

50 years of product development

ECOSPHERE® biolatex™ emulsions
1. **Research and Development**
   
   Need pilot plant for fundamental product and process development.

2. **Application Development**
   
   Resources (people and capital) for targeted market segments. We require a Paper Coating Applications lab for product development and market penetration.

3. **Customer Demonstration**
   
   Many mills can’t handle dry product today. We need to demonstrate they can use dry (carbon footprint reduction).
Future Challenges

1. Manufacturing where the customers are
   - How do we build a multi-billion pound per year business?
   - Can this be done rapidly?

2. In-house manufacturing → optimize process to grow the business. Tolling only works for standard product
Biolatex™ from starch, a Canadian Success Story

- Global market opportunity arising from the need to decouple chemicals and other materials from volatile oil prices
- Disruptive patent protected technology leveraging green chemistry to produce sustainable materials
- Product offering equal or greater performance at a substantially lower cost
- Marquee list of strategic and ongoing commercial customers and prospects
- Broad intellectual property portfolio
- Attractive business and financial model enabling immediate, large scale, and profitable deployment
- Strong management team, manufacturing partners and technical consultant network
Thank you

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