Getting Bigger by Getting Smaller
The Argument For a Distributed Plant Approach
Smaller is Bigger – Computer World Example

Annual revenues
Technological Innovation Drives To Smaller and Faster

Powered by the economics of Moore’s Law
Small distributed plants reduce costly feedstock transportation costs
Smaller is Bigger For Biofuels Production

Unique technology and distributed model yield best of class economics

Lower Operating costs
Drop-in fuel, Competes unsubsidized directly with oil

Lower Capital costs
Ability to fund smaller plants
Maximizing Efficiency through Mass Production
Combining in-house fabrication and assembly with benefits of volume production

Assembly and deployment strategy

Sources of cost and speed advantage

- In-house mass production
  - Save 80% of assembly cost

- Volume procurement
  - Reduce equipment cost by 25-40%

- Ongoing Innovation (experience curve)
  - Reduce overall cost by 50%

- Mass production model
- In-house driven rapid development
- Think “Wal-Mart” or “Starbucks” rollout

Over 50% reduction versus first commercial plant
Biochar Enables **Carbon Negative** Fuel Cycle

Using biochar as a soil enhancer removes the captured carbon from the atmosphere and places it back into the earth via carbon sequestration. This is what makes the carbon negative fuel cycle possible.

**A positive feedback loop**

*For agriculture production*

- **Sun / CO₂ / water**
- **Improve local agriculture**
- **Yields more crops**
- **Agriculture waste** (corn stover, wood chips)
- **Biomass Fractionator**
- **Food not used for fuel**
- **Carbon negative drop-in fuel; gasoline, jet, diesel**

**Soil enhancer**

**Processing**

**Biochar**

**More fertile soil**

**Carbon sequestration**

**Processing**

**Biochar**
Cool Planet - Only known producer of both drop-in fuels and biochar – Carbon Negative Fuel

**Drop-in fuel product**
- Renewable and sustainable gasoline
- High octane (105-110 RON), low vapor pressure product

**Biochar**
- Enhances water and nutrient absorption in soil
- Biochar soil enhancer removes carbon from Atmosphere

As produced from the fractionator  
Treated (activated) biochar  
Comparative growth control experiment

### Comparative growth control experiment

<table>
<thead>
<tr>
<th>Renewable fuel feature</th>
<th>$/gal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard gasoline</td>
<td>$2.50</td>
</tr>
<tr>
<td>108 RON spread</td>
<td>$1.00</td>
</tr>
<tr>
<td>Value range</td>
<td>$0.25 - $1.00</td>
</tr>
</tbody>
</table>

Theoretical Cash cost

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Cool Planet ENERGY SYSTEMS
Announced at UMass Amherst 2013 US Biochar Conference 10/15/2013
Drop-in Fuel
Using existing infrastructure

Changing our world for good,
but not asking the consumer to change behavior
Pilot Facility In Southern California

Delivered first fuel on Dec 12, 2012

Confirming capacity and yield assumptions
First Commercial Plant – Port of Alexandria, LA

10MM GPY, Planned startup in late 2014
First Commercial Plant

Infrastructure in place

Site

Barge Loading on the Red River

Truck Loading

Fuel Storage
Clear Path to Commercialization, Strong Investor Support

Ability to rapidly deploy: Distributed plant model

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First commercial scale plant
10MM gal/year

US rollout
100’s plants (10MM-50MM gal/year each)

Worldwide rollout
Meaningful impact on the global fuel needs

R&D fractionator
50K gal/year

Pilot fractionator
200K gal/year

First commercial scale plant
10MM gal/year

Series D
>$60 MM

Series C
Shea Ventures
Exelon
ConocoPhillips
NRG
Google ventures
North Bridge
venture partners

Series B
Shea Ventures
Exelon
ConocoPhillips
NRG
Google ventures
North Bridge
venture partners

Series A
North Bridge
venture partners

Current investors all investing in Series D

+ $19MM from Int’l Investors
Our goal is to operate our business based on a set of timeless guiding principles that create mutually beneficial relationships with all our stakeholders—investors, employees, customers, business partners, and communities.
Cool Planet Value Proposition

Committed to performance

Strong economics
✓ Cost-advantaged fuel: renewable high octane gasoline, jet, and diesel compete unsubsidized
✓ Low capex: Economics work as small as 10MMGY
✓ Biochar added value: RFS RINs, and LCFS credits from reduced carbon or carbon negative fuel

Strong business model
✓ Multiple drop-in fuels: high octane gasoline, diesel, and jet fuel; utilize existing infrastructure
✓ Distributed production facilities: Reduce feedstock cost and enable continuous improvement opportunities with hundreds of small plant deployments
✓ Ability to simplify: developing streamlined future designs
✓ Clear path to commercialization: simple plants, simple products

Strong company
✓ Proven management team: IPO ready and values driven
✓ Marquee investor base: GE, BP, ConocoPhillips, Exelon, NRG Energy, Google
✓ High receptivity: over $60MM raised and committed in D-Round, more to come
Meet RFS Volumes Through Smaller, Rapid Innovation

Powered by the economics of Moore’s Law

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