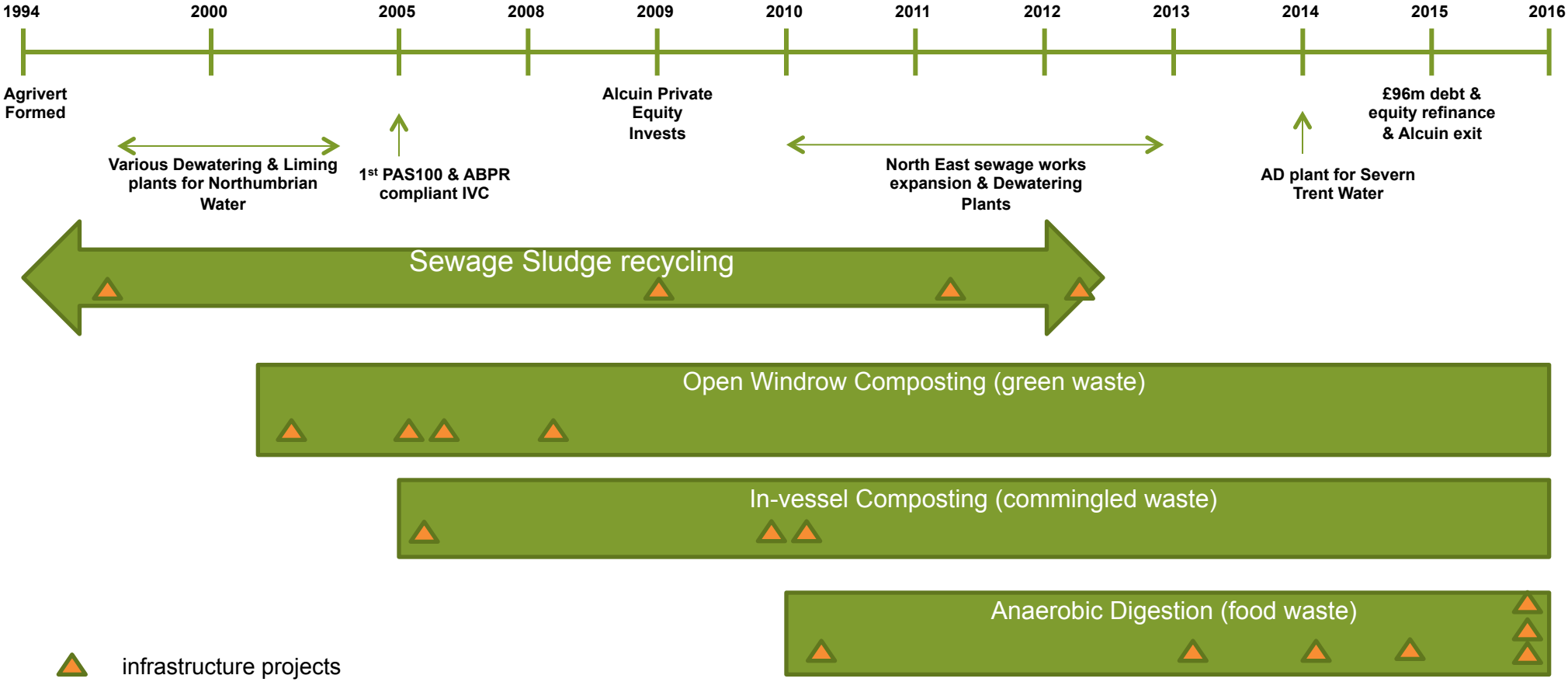
Optimisation at the Plant

January 2016

Strictly Private & Confidential

Agrivert's history



AGRIVERT

The Climate in the UK is Challenging

Market Conditions

- Gate fees dropped to zero from £65 five years ago
- Brown power dropped by over 20% in 2015/16
- Degression in subsidies
- Permitting is more expensive
- Commercial rents up by 12% in 2015

Plant Efficiency Key

AGRIVERT

A necessity not a nice to have

Most UK food waste AD plants are losing money

At least 16 plants are up for sale
(because they are unable to deliver a profit?)

Efficiency Through Design

Experience of building sites on time and on budget

The technology is a differentiator:

- Delivering lowest Capital Cost per MWh
- Industry-leading low parasitic use of power
- High gas yields per tonne of food input
- Minimal staffing
- Low maintenance costs
- High quality end product (lower digestate disposal costs)
- High operational availability
- Suitable for a wide range of wastes
- Biological robustness
- High power output

AGRIVERT

Many factors that determine plant unit cost are dictated by site

Site dictates

- AD process / design (restrictions)
- Digestate market
- G to G or CHP
- Rent
- Access to waste

Plant competitiveness

AGRIVERT

The Agrivert Difference

- Access to waste
- Digestate outlets
- Deliverable (planning & environmental)

- Fast turnaround for trucks
- Safe work environment
- Flexible to multiple waste streams
- Sympathetic to contamination

- 100% availability
- High energy yields

- Stable biology
- Quality digestate
- Maximise gas yields
- Low odour

- Combine the best elements
- Minimise maintenance downtime
- Optimise efficiency

Design Focus

+

Initial Investment

=

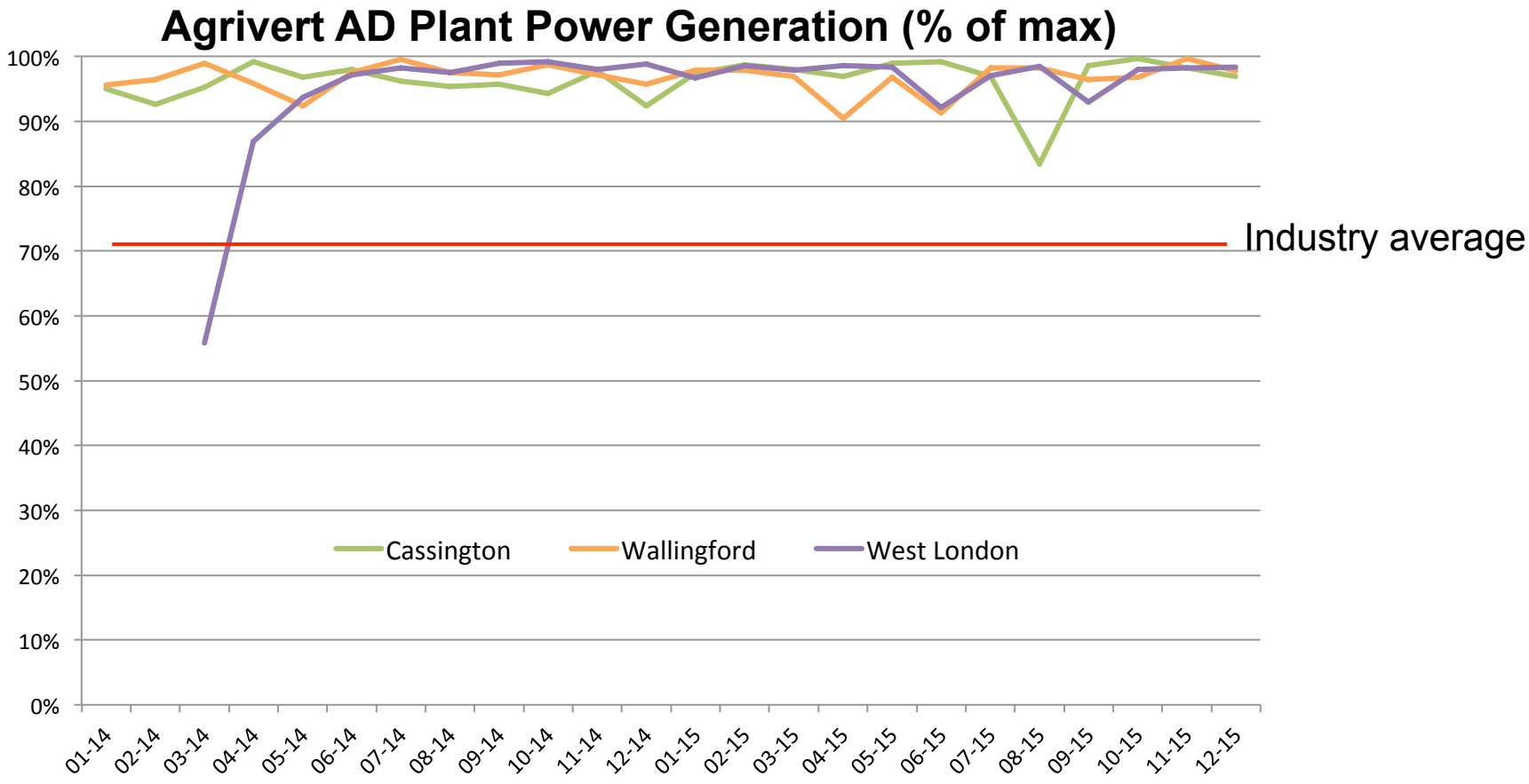
Easier Operation

+

Happy Customers

AGRIVERT

Industry leading, consistent power



2015 average for comparable UK AD plants: 71%

AGRIVERT

Agrivert's Gate Fee Advantage

Agrivert builds a platform to yield the lowest unit economics as illustrated in the table below

Operational Driver	AGRIVERT	Avg. Competitor	Gate Fee Advantage
Power production	96% + efficient	71% efficient	£20.40
Parasitic use	12%	14%	£1.30
Staff	3.5 employees	6 employees	£2.37
Digestate	£7.5 per tonne	£13 per tonne	£5.50
Rent per site	£110k	£180k	£1.80
Food carry in plastic	1%	3%	£2.00
Gas scrubbing (only against some)	£800	£40,000	£1.48
Total			£34.85

*Gate fee advantage is defined as monetary advantage / 38,000 tonnes (based on a 2.4Mw plant)

Other undefined drivers include, proximity to waste, capex and low maintenance costs

AGRIVERT

What next

Focus on major costs / revenue opportunities

- Reduce contamination costs
- Co-digestion opportunities
- Heat utilisation in a non standard way