

**Building a Cleaner Energy Future Today™**

VerdantEnergySolutions.com

**Industry: Renewable Fuel “Bio-Coal” for Electric Power Generation**

**Executive Management:**

Chris Pollatos - CEO, President  
Ed Opall, CPA - CFO  
Andrew Vallas - COO  
Hank Waxman - Chairman of Board

**Advisors:**

Jonathan Burt; *LandVest*  
Dr. Christian Roy, PhD.; *Vaperma, Inc.*  
Dr. Anupam Sanyal, *IEEC*

**Legal Counsel:**

Cozen - O’Conner, Philadelphia, PA

**Current Debt:**

None

**Previous Investment:**

\$518K from Founders

**Financing Sought:**

\$1M to complete Angel Round

\$12.5M Initial Round - repayment within six years

\$52.5M Secondary Round - repayment within eight years

**Use of Initial Funds:**

Development and operation of initial production facility

**Documents Available:**

Executive Summary, Business Plan, Pro-forma

**Business Description:**

Verdant Energy Solutions provides “*Bio-Coal*”, a 100% renewable fuel alternative to fossil coal use for electric generating utilities world-wide; substantially reducing CO<sub>2</sub> and other harmful greenhouse gas emissions. We have pre-selected a suitable location in Brazil to locate the initial *Bio-Coal* production facility. Verdant Energy Solutions will develop additional production capability in biomass-rich regions to serve the growing need for a non-fossil fuel alternative that can be co-fired with coal, to achieve CO<sub>2</sub> emission reductions.

**Unique Value Proposition:**

Legislatively mandated CO<sub>2</sub> reductions have created a market need for our product. No technology currently exists to remove CO<sub>2</sub> from smoke stacks. Switching to clean burning *Bio-Coal*, provides compatibility with today’s existing energy infrastructure and the opportunity to meet tomorrow’s increasingly stringent emission reduction targets cost-effectively.

**Key Success Factors:**

- Established relationships with pre-selected strategic utility customers interested in mitigating carbon risk, will lead to qualifying test burns and committed purchase orders
- Reputable equipment manufacturers warranting product specification and consistency
- Proven management team with more than 75 years of energy-sector experience.
- Principals have successful entrepreneur and start-up business experience
- Sustainable feedstock procurement strategy whereby principal owns and manages timber forestation project in Brazil (no rainforest harvesting; only plantation-grown trees used)
- Market expansion is inevitable as CO<sub>2</sub> emission regulations tighten
- *Bio-Coal* has been independently tested to meet end-customer specifications

**Key Risk Factors:**

- Development/Budget and Schedule of initial production facility construction causing delays and possible cost-overruns, which may require extra equity
- ‘Clean coal’ technology breakthrough

**Competition:**

- Few competitors currently exist. Fewer have similar market focus and experience.
- The vast size of the worldwide coal market and the need for cost-effective CO<sub>2</sub> reductions allows room for potential competitors without compromising product pricing

**Projected Revenue and Earnings:**

	2009 Est.	2010	2011	2012	2013	2014
Revenue	\$0M	\$10M	\$10M	\$95M	\$190M	\$285M
EBITDA	(\$4.3M)	\$.9M	\$.9M	\$27.6M	\$56.7M	\$87M

**Status:**

- Registered as Delaware C Corporation
- Intellectual Property acquisition is in process

**Projected Returns:**

Initial investors are projected to receive generous returns totaling \$96.6M from the operating cash flow beginning in the fourth year and/or buyouts within six years, generating an IRR of 64%. Secondary investors are projected to receive \$120.5M with an IRR of 37%.

**Exit Strategy:**

For more information Contact  
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Projected cash flow from operations to provide preferred returns and equity buy-back,  
possibly explore strategic acquisition or go public.