



Where Science Crafts *Syn*thetic Diesel

SynSel, Climate Change and Electric Vehicles

October 17, 2017

Declarations

FORWARD LOOKING STATEMENTS Statements contained in this release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934 (the “Exchange Act”), as amended. Actual results may differ materially from those included in the forward-looking statements. The Company intends such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words “believe,” “expect,” “hope,” “intend,” “anticipate,” “estimate,” “project,” “prospects,” or similar expressions. The Company’s ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse effect on the operations and future prospects of the Company on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, significant restructuring activities, and generally accepted accounting principles. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Further information concerning the Company and its business, including additional factors that could materially affect the Company’s financial results, will be found in the Company’s PPM, a copy of which is available upon request with a signed NDA.

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Past results do not necessarily forecast future results. This material contains certain forward-looking statements that are subject to a variety of risks and uncertainties that could cause actual business results to differ from the projected results, including without limitation general economic and business conditions, conditions in the financial markets, the financial condition of Synsel Energy, Inc. or its affiliates (the “Company”), receipt of federal grants, litigation, arbitration, force majeure events and various other factors that are beyond the control of the Company. Because of the inability to predict all factors that may affect future decisions, actions, events or financial circumstances, including, in particular, adverse global financial market and economic conditions, what actually happens may be different from what is set forth in such forward-looking statements.

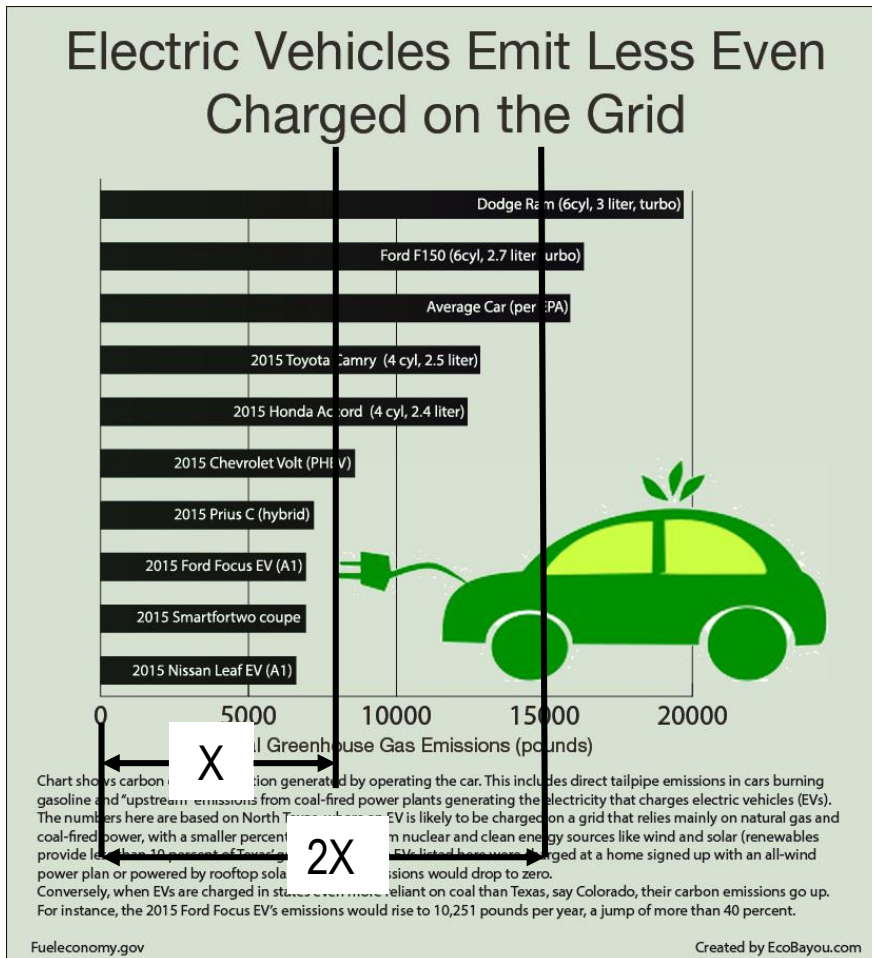
SynSel and The Environment

Compared with refining petroleum-based diesel from fossil crude oil, SynSel's chosen synthetic fuel manufacturing processes also significantly reduce greenhouse gas emissions beyond the reductions obtained in the refining processes of first generation bio-fuels such as soy-based biodiesel and corn-based ethanol. SynSel's state-of-the-art facilities are further engineered to virtually eliminate environmental impact on the land, water, air or waste-processing facilities.

The Renewable Biofuels produced by the SynSel Biorefineries are drop-in, tank-ready, environmentally-responsible replacements for traditional fossil-based fuels. The diesel produced fully meets ASTM D-975-11 specifications. The gasoline produced fully meets ASTM D-4814-10b specifications except for octane. Refiners and distributors will blend this product with 10% ethanol prior to sale to meet the octane spec and maximize RINs financial incentives. In addition, synthetic fuel emissions have been shown to represent significant reductions over petroleum fuels.

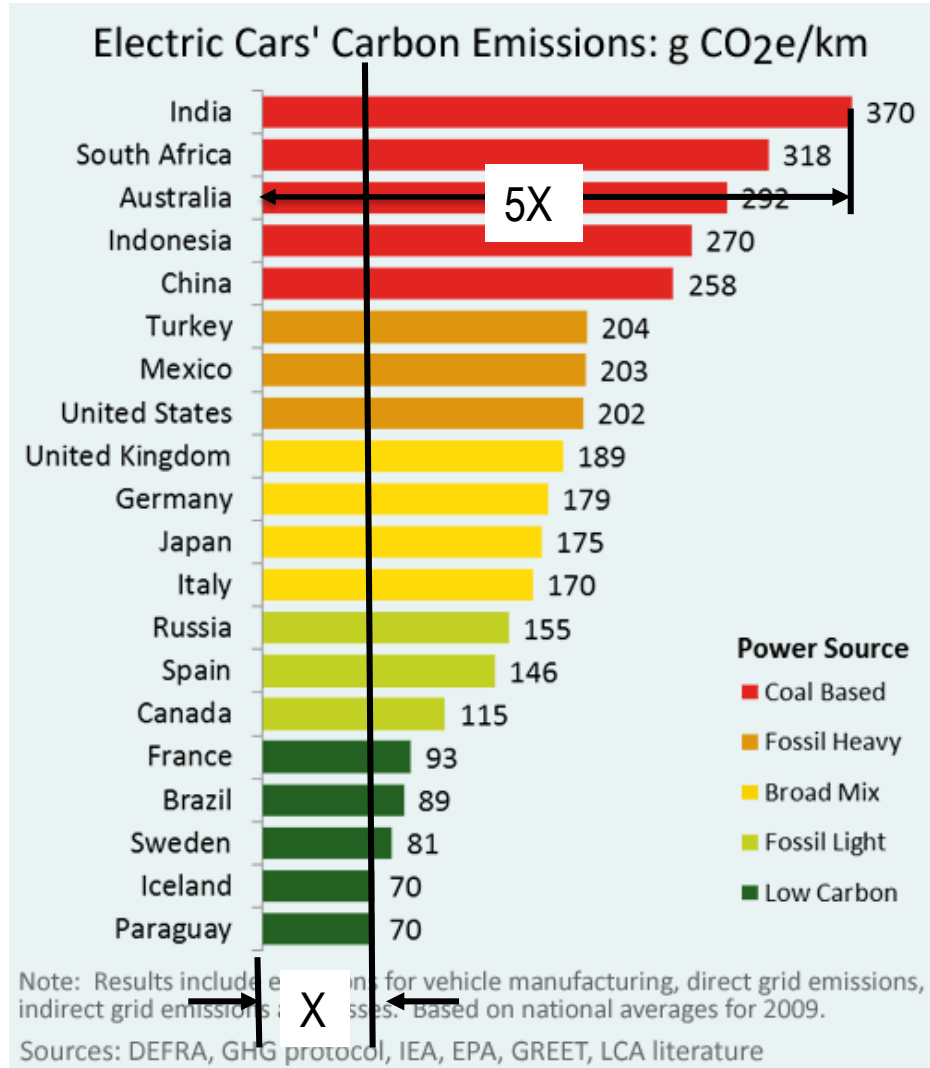
Electric Car vs Petro Cars

- Electric cars have about 50% less GHG than petro cars



<http://www.greenrightnow.com/2015/03/least-polluting-electric-car/>

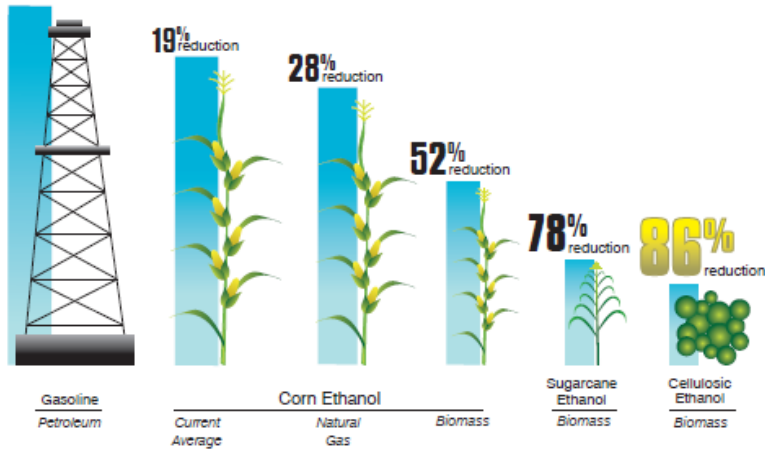
- The GHG emissions of electric cars can vary by a factor of 5: Depending on the source of the electric grid



Cellulosic Fuels: Dramatic GHG Reduction

Biofuels Reduce Greenhouse Gas Emissions

Reductions Vary by Feedstock and Type of Energy Used for Processing



US DOE 2014 Biomass Basics: The Facts about Bioenergy

- Cellulose-based fuels (CBF) have 86% less GHG than petrol fuel.
- Michigan Technological University Life Cycle Assessment calculates a 95% reduction in greenhouse gases from SynSel fuel derived from wood waste.

SynSel Fuel is a *Solar Fuel* ‘Miracle’



“Of course, there’s one major challenge of solar power. The sun sets each night and there are cloudy days. That’s why we need to find efficient ways to store the energy from sunlight so it’s available on demand”

*“Batteries are one solution. **Even better would be a solar fuel.** Fuels have a much higher energy density than batteries, making it far easier to use for storage and transportation. For example, **one ton of gasoline stores the same amount of energy as 60 tons of batteries**”*

<http://www.innovatorsmag.com/bill-gates-envisions-solar-fuel-miracle/>

Innovators
magazine

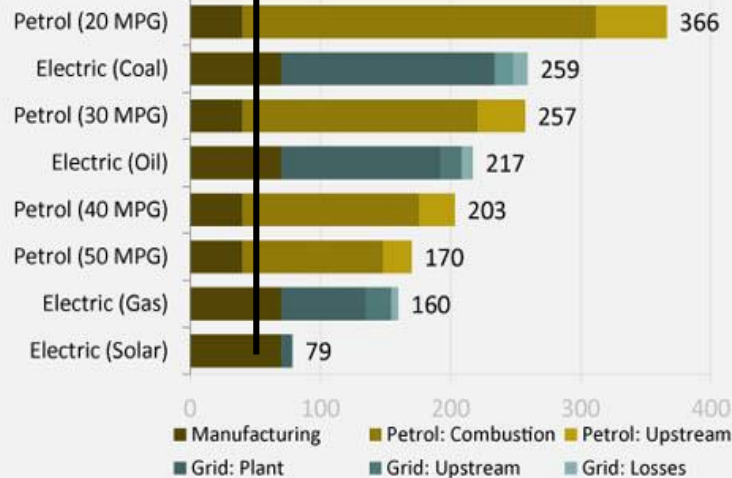
Bill Gates Envisions Solar Fuel ‘Miracle’; March 15 2107, Innovators Magazine

SynSel Fuel: the ULTIMATE Tool to Fight Climate Change – it is NOT Electric Vehicles (EVs)!

IC Engine on CBF

51*

Petrol vs Electric Vehicle Emissions (g CO2e/km)



Notes: Electric vehicle emissions based on Nissan Leaf combined rating of 29 kWh/100 mi. Petrol combustion and upstream based on conventional oil extraction.
Source: DEFRA (emission factors), EPA (ratings), IPCC shrinkthatfootprint.com

- Cars with SynSel fuel have a 95% reduction in CO2 vs EV with Solar which is 78%
- EV charged with electricity generated by natural gas has a 56% less emissions
- EV charged electricity generated by coal-fired power plants has a 29% less emissions
- Much of the improved environmental profile of SynSel fuel versus EVs is because SynSel fuel is utilized in vehicles already manufactured and on the road. EVs need to be built from scratch and the chemicals & materials must be manufactured & mined for the EV battery plants. Fuel has 60 times the energy content per pound compared to batteries

		Diff	%
Petro-Fossil	366		
EV Coal	259	107	29%
EV Nat Gas	160	206	56%
EV Solar	79	287	78%
Petro-SynSel	18.3	347.7	95%

<http://evworld.com/news.cfm?newsid=32951>

*86% less than 366 = 315; (366-315) = 51

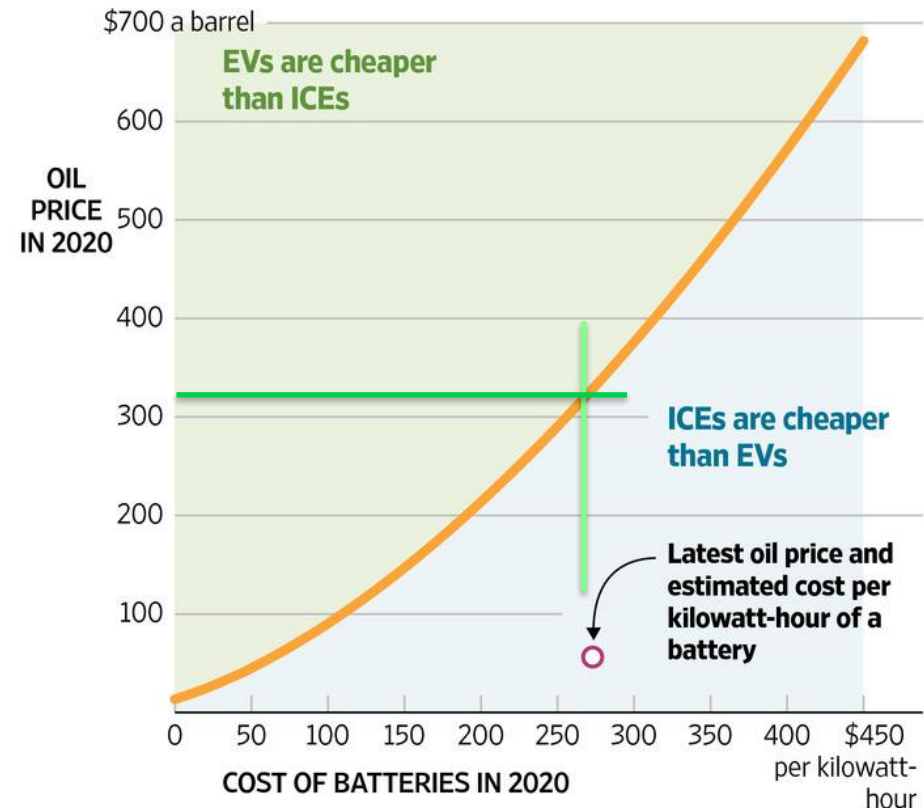
What is Driving EVs? It is NOT the Cost

- At the current cost of batteries (July 2017), oil would have to be over \$300 per barrel for EVs to be competitive with cars powered by SynSel fuel
- Environmental profile NOT cost is driving EVs popularity: EV with electric via natural gas is 56% lower CO2 emissions

<https://www.wsj.com/articles/electric-cars-are-the-future-not-so-fast-1499873064>

The Future Is Not Yet Electric

For electric vehicles (EVs) to displace internal combustion engines (ICEs), it will require some combination of higher oil prices and cheaper battery storage.



Sources: Thomas Covert, Michael Greenstone, and Christopher R. Knittel

THE WALL STREET JOURNAL.

EV and ICE Production Forecasts

- OPEC predicts 12% EV share by 2040 = 266M (BP predicts 216M)
- Bloomberg Energy Finance: Automakers predict 8M EVs per year by 2030; ***EV market is SynSel market: 4.8B gal/year EV market = 146 SynSel plants PER YEAR: average car consumes 600 gallons/yr.***
- 900M Vehicles currently on the road in 2016
- 1.8B vehicles on the road by 2040

- EVs increase 92% annual
- ICEs increase 3% annual

2016	900,000,000	Total Vehicles	
0.01	9,000,000	EV in 2016	
	891,000,000	ICE in 2016	
2040	1,800,000,000	Total Vehicles	
0.12	216,000,000	EV in 2040	
	1,584,000,000	ICE in 2040	
	207,000,000	New EV over 25 years	
	8,280,000	EV/year	
	92%	EV annual increase	
	693,000,000	New ICE over 25 years	
	27,720,000	ICE/year	
	3%	ICE annual increase	

<http://www.marketwatch.com/story/want-to-fight-climate-change-dont-invest-in-tesla-2017-08-17?mg=prod/accounts-mw>

http://www.rigzone.com/news/oil_gas/a/151025/Big_Oil_Just_Woke_Up_to_Threat_of_Rising_Electric_Car_Demand?utm_campaign=DST_DAILY_EDI_REFINING_2&utm_source=GLOBAL_ENG&utm_medium=EM_NW

<https://www.linkedin.com/pulse/how-clean-electric-vehicle-balram-suman>

Improved EV Costs vs ICE Op. Efficiency

- EV Capital Cost History

\$ 1,000	\$/kWh	2010		
\$ 273	\$/kWh	2016		
\$ 727	\$/kWh	Reduced battery cost over 6 years		
73%	% reduction in battery cost over 6 years			
12%	Average Cost Efficiency of batteries			
0.35	Ratio of battery/total EV cost			0.042
4.2%	Average Annual reduced cost of EV			1.042
\$ 40,000	Starting EV Capital Cost			

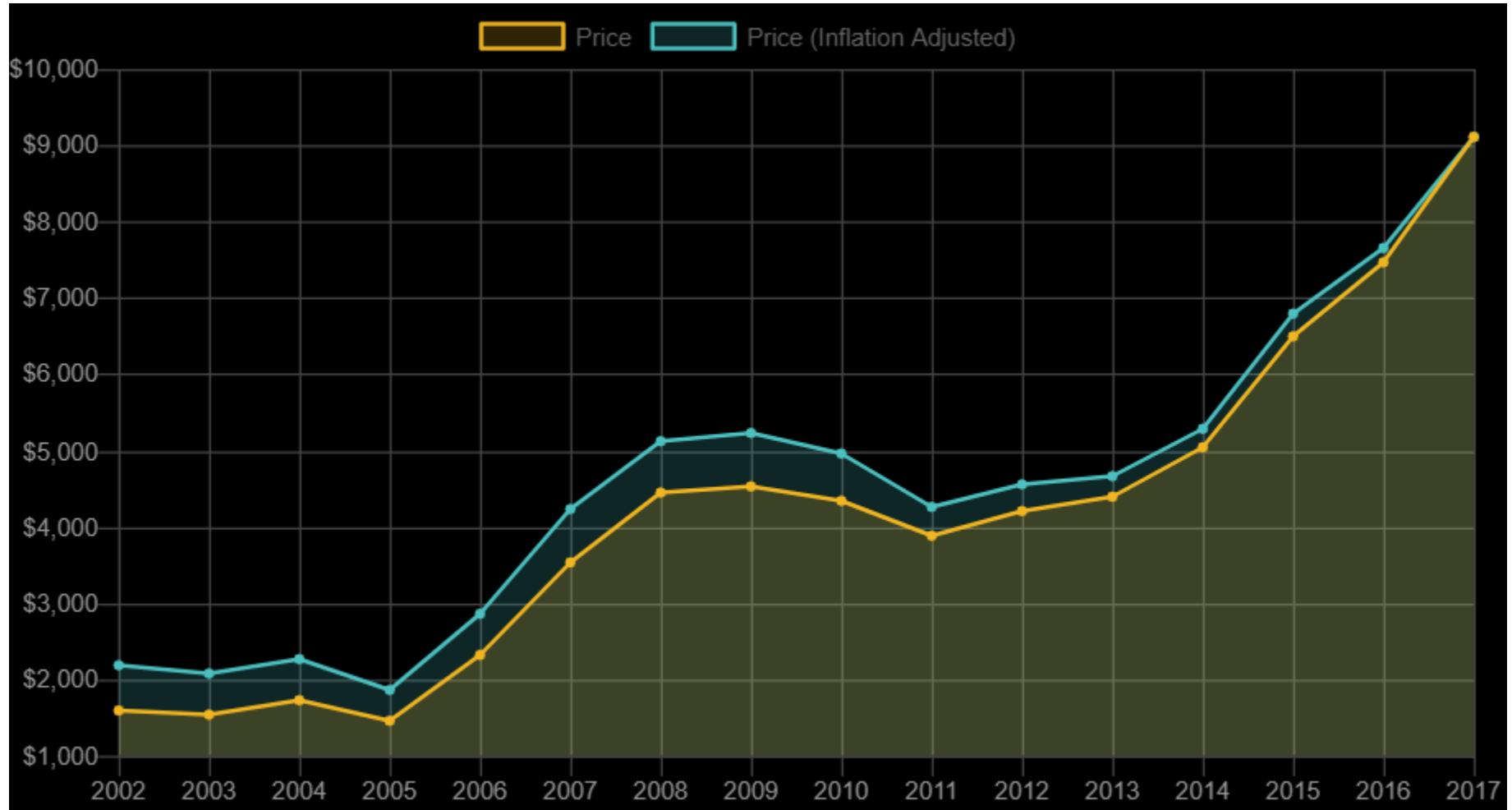
- ICE Operational Cost Forecast

27.25	MPG	2012		
54.5	MPG	2025		
27.25	MPG improvement over 13 years			
100%	% improvement over 13 years			
0.077				
7.7%	Average Annual ICE operational efficiency			
\$ 25,500	Starting ICE Capital Cost			

If the EV continues to reduce battery cost 12% annually and the ICE vehicle continued with annual 7.7% improvement in efficiency, the combined capital/operational cost of the EV is equal to the ICE vehicle in 8 years.

Mazda announces 20-30% improvement in ICE efficiency: <http://www.msn.com/en-us/autos/news/mazda-announces-breakthrough-in-long-coveted-engine-technology/ar-AApIOMK?li=BBnbfcL>

Historical Prices of Lithium



Price of Lithium has Tripled in last 11 years

- Not only does SynSel fuel represent the best environmental profile: 95% reduction in CO2 vs 56% for EV charging on electric by natural gas; SynSel fuel is utilized by internal combustion engines (ICEs) versus electric vehicles (EVs): if subsidies are removed, EVs would be competitive if oil was more than 6 times more expensive than current cost: over \$300 per barrel.
- ***Bottom Line: SynSel fuel and its ICE transportation platform is the environmental and economic choice in vehicle transportation alternatives***