



3 Main Points

- Solix is a leading developer of closed photobioreactor-based production systems for algae-based biofuels
- Solix's cost trajectory shows that fuel production from algae can be cost-competitive with petroleum - but requires full value extraction from the production co-products
- Solix has now begun operation of the world's largest closed photobioreactor for biofuel production.





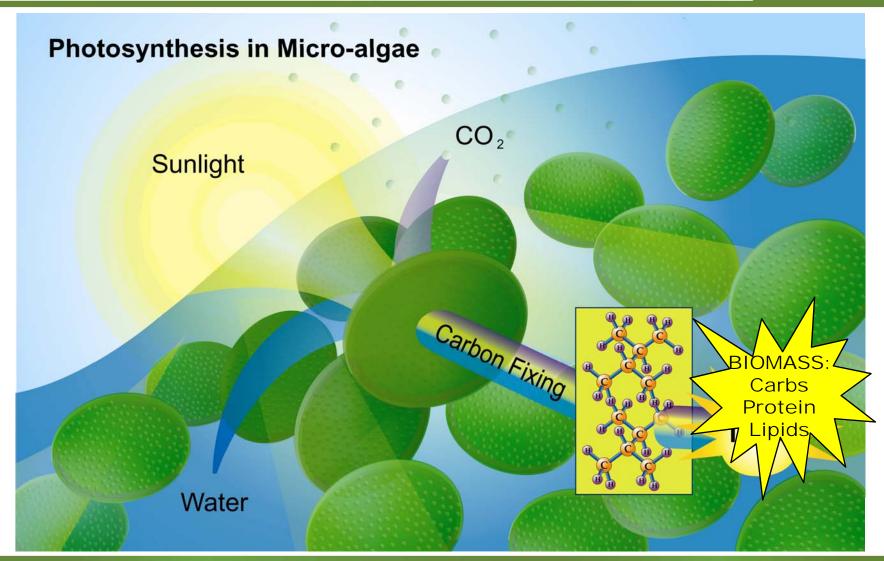
About Solix

- Focused on the development and commercialization of large-scale algae-to-biofuels systems
- Launched in March, 2006
- Privately funded
- 65+ employees
- Headquartered in Fort Collins, Colorado, USA
- 1st scaleup site on the Southern Ute Indian reservation in southwest Colorado
- Significant strategic partners in advanced biology, midstream processing, fuel processing, and scaleup engineering



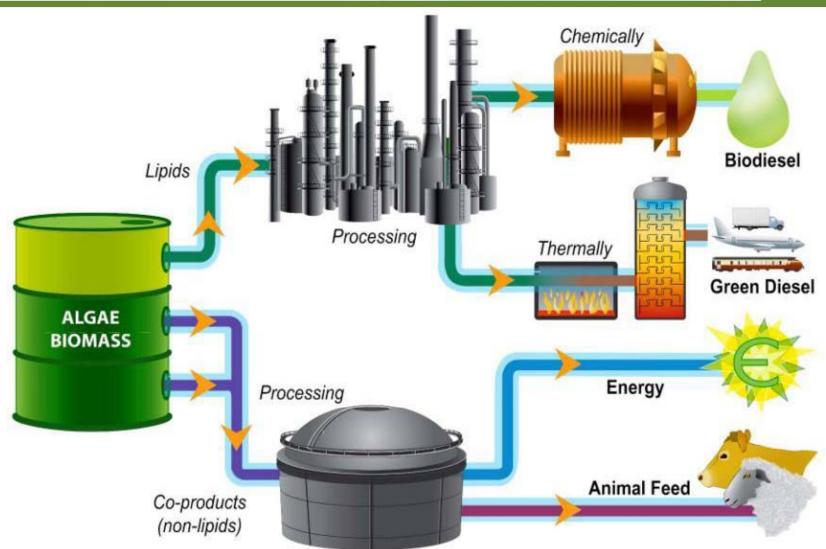


Photosynthetis / Algae





Processing





Land & Water Efficiency

Annual Production

Soybean: 40 to 50 gal/acre

Rapeseed: 110-145 gal/acre

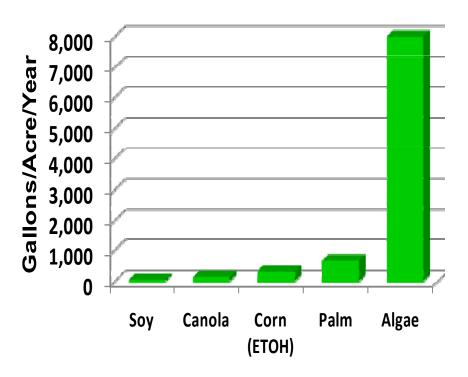
Mustard: 140 gal/acre

Jatropha: 175 gal/acre

Palm oil: 650 gal/acre

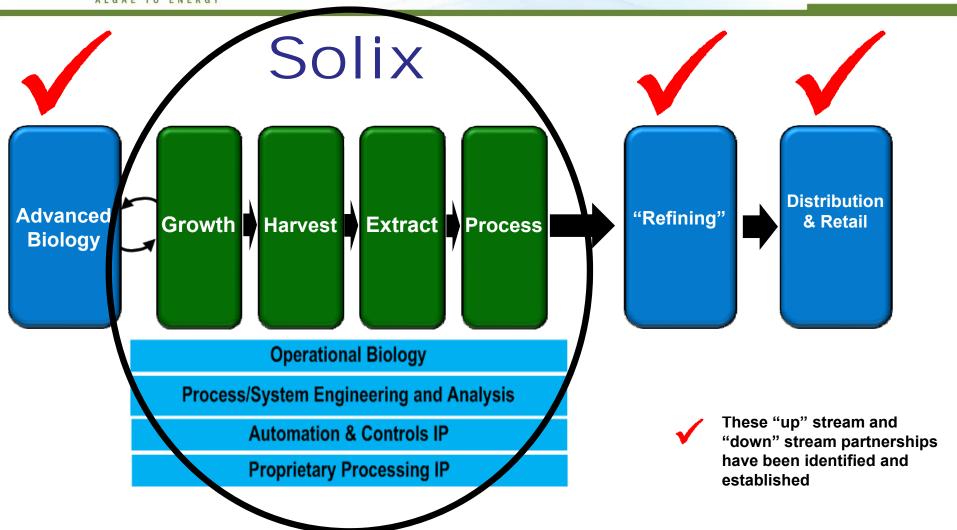
Algae est.: 5,000-10,000 gal/acre

7,000 "nominal"





Solix Value Chain Positioning



Outline Soliv / Alge

Solix / Algae Intro

Production in Open Ponds

Production in Closed PBRs

Solix AGS System

Harvesting & Extraction

Scaleup: Coyote Gulch

Production Costs

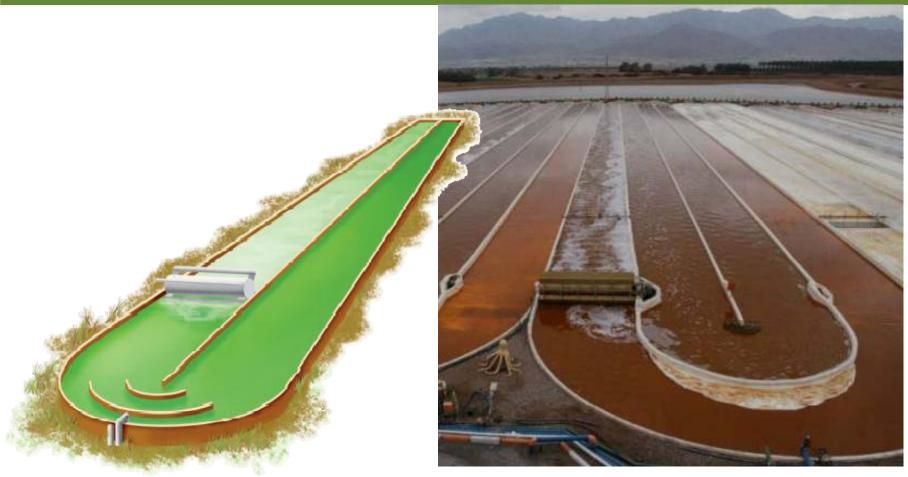
Solix Business Model

Conclusions



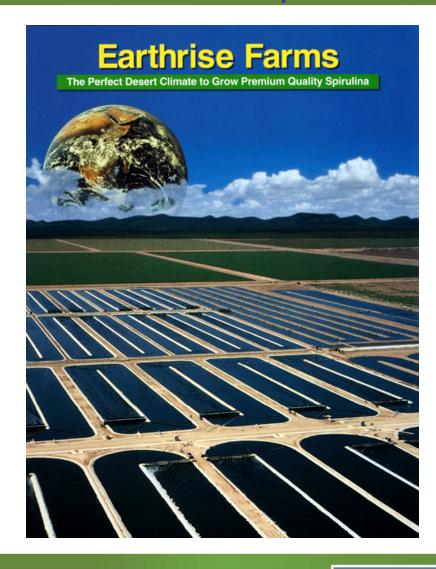


Open Pond Cultivation: Dunaliella - Eilat, Israel





Open Pond Production: Earthrise Spirulina - California







Open Pond Production: Seambiotic - Ashkelon, Israel





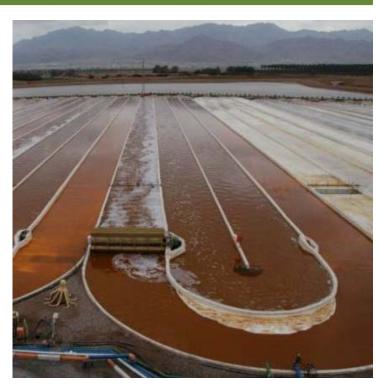
Open Pond Attributes

Advantages

- Lowest capital cost
- Only technology demonstrated at large scale - to date
- Can maintain specific cultures of extremophiles

<u>Disadvantages</u>

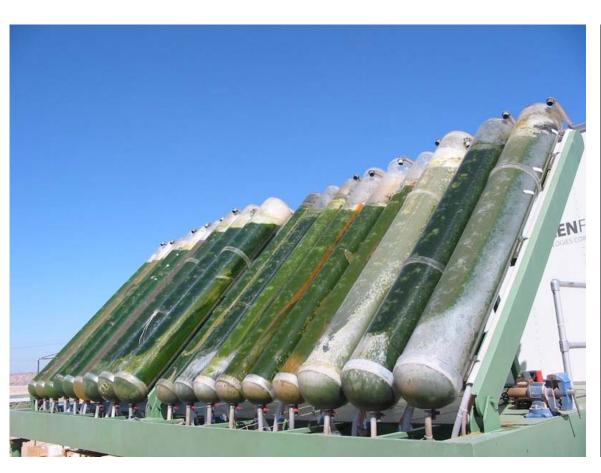
- Allows contamination of specific culture with local species / strains
- Potential for loss / migration of GMO
- Susceptible to weather
- Water loss from evaporation / percolation



Outline Solix / Algae Intro Production in Open Ponds **Production in Closed P** Solix AGS System Harvesting & Extraction Scaleup: Coyote Gulch **Production Costs** Solix Business Model Conclusions



Direct Light PBRs: GreenFuels, 1st Gen

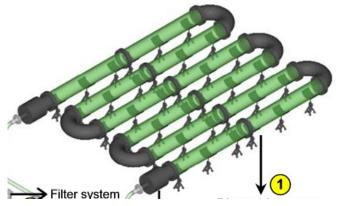






Direct Light PBRs: AlgaeLink / Bioking







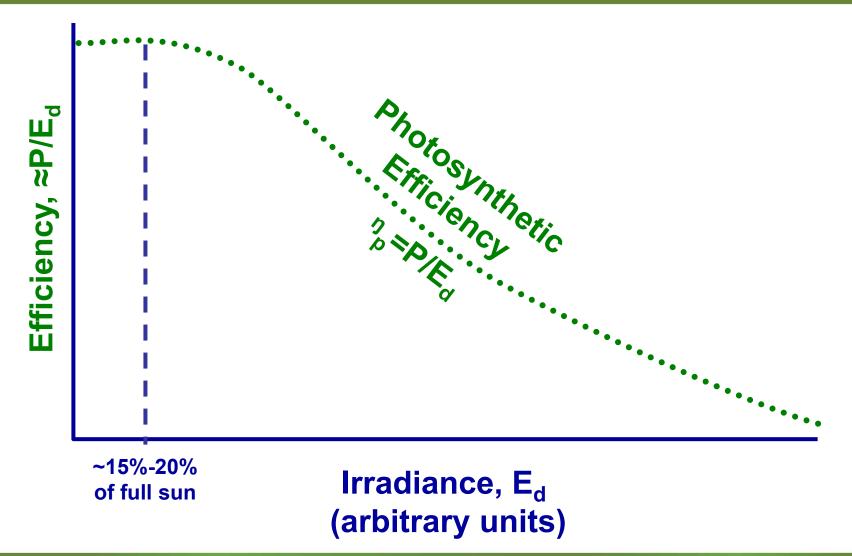


Direct Light PBRs. Solix 1st Generation



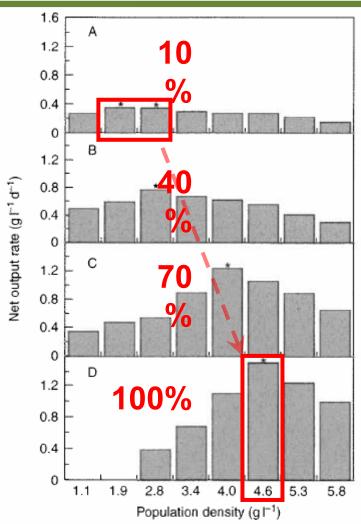


Photosynthetic Efficiency





Impact of Light Intensity



*Optimal population density

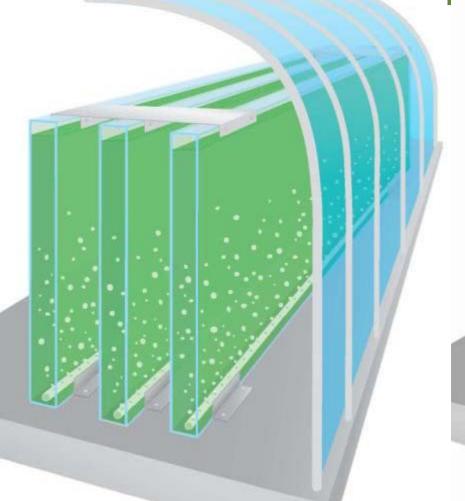
Fig. 8.3. Interrelationships between incident PFD, optimal population density and net output rate. A = 90% shade; B = 60% shade; C = 30% shade; D = 10% shade, full sunlight (from Hu & Richmond, 1994). Reprinted with permission from Kluwer Academic Publishers (*J. Appl. Phycol.*).

Note: 10X increase in light, but only 3.5X increase in output. Implies a 3X reduction in photosynthetic efficiency.

Conversely, if diffuse light can be used over extended surface area, 3X increase in output possible.

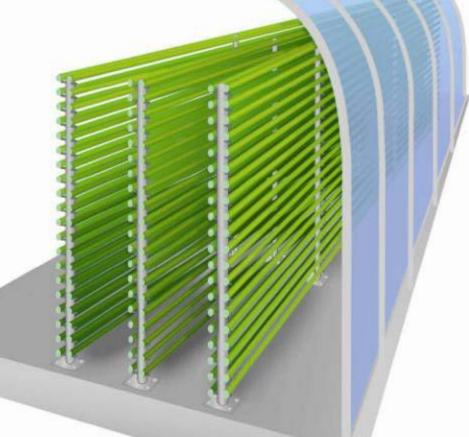


Extended Area PBRs



Glass Plate Photobioreactor

(Pulz, Richmond, others)

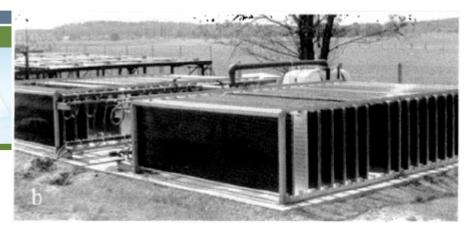


Glass Tube Photobioreactor

(Pulz, IGV, Ketura, Torzillo, others)

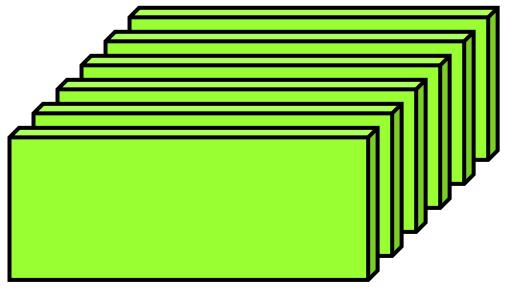


IGV Diffuse



≈5 m² illuminated area for 1 m² of ground area





Utilizes diffuse light, short photic distances (approaches ideal cycle time of 20 ms) for high photosynthetic efficiency

Figure 8. Meandering plate cultivator 100 to 6000 L. IGV Institut für Getreideverarbreitung.



Pumped Tubewall PBR: IGV

Figure 4: The cultivation in the PBR 4000 from 21.04.2006 to 21.05.2006 with sunlight and no artificial light







Pumped Tubewall PBR: AlgaTech





High-Growth Phase

Stress Phase



Closed PBR Attributes

Advantages

- Allow growth of specific cultures
- Allows environmental control
- Potential for much higher growth rates (with extended surface area and/or high turbulence)

Disadvantages

- Potential for high capital cost
- Potential for high energy costs
- Low-cost production has not been demonstrated

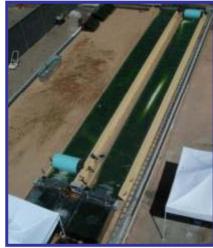




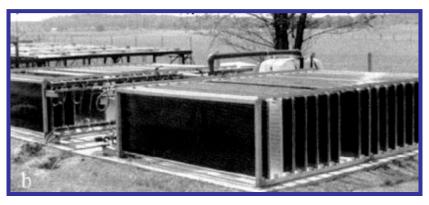


Cost vs. Productivity





Direct Light PBR: Low Cost & Productivity





Diffuse PBR: High Cost & Productivity 26

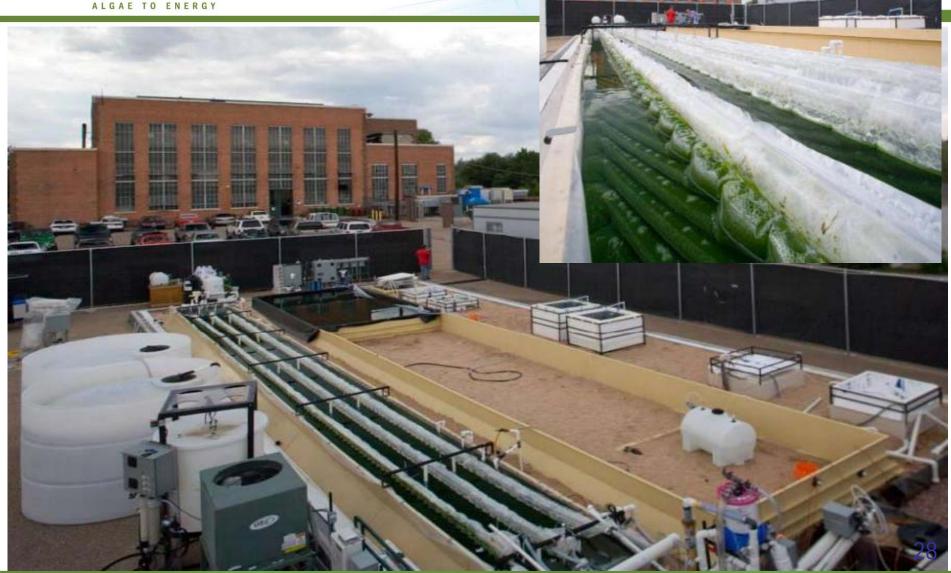


1st Generation PBR. July '06





2nd Generation PBR - May '07





3rd Generation PBR -Nov '07

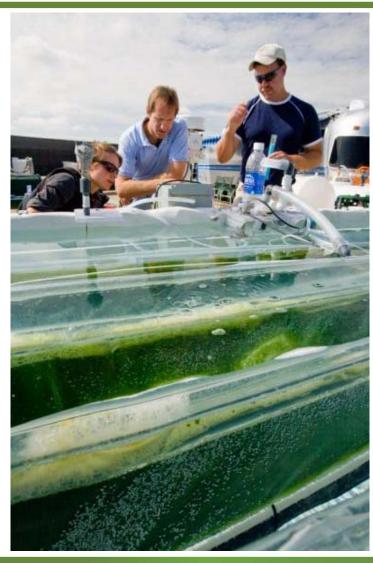
Solix G3 Technology:

- Extended surface area
- Water supported
- Integrated CO₂ / air sparging
- G4 under development





Solix G3 (cont)







Solix G3 (cont)

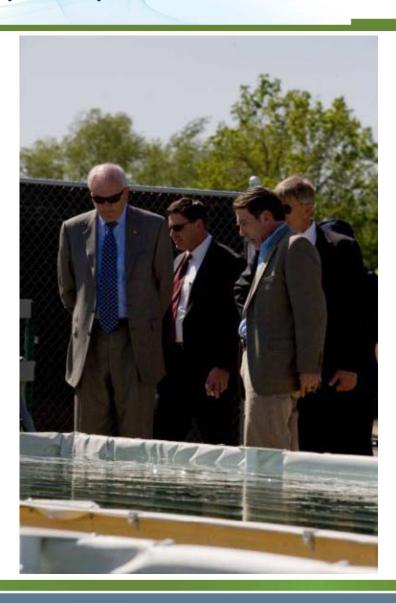






Solix G3 (cont)







Winter Operation: '07 & '08



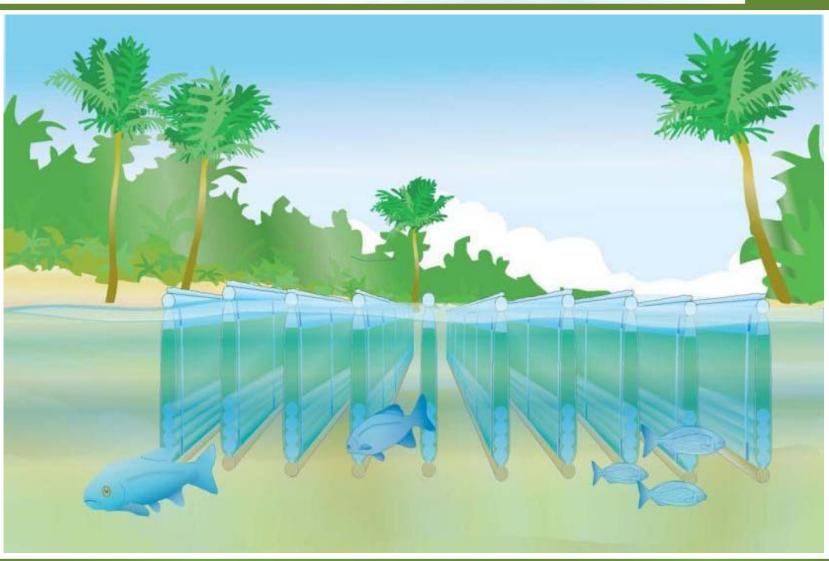


Continuing AGS Improvements





Potential Open-Water Application

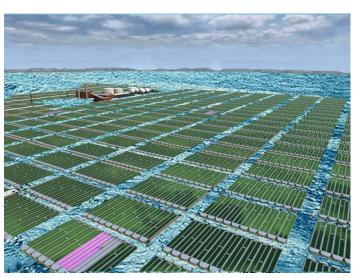


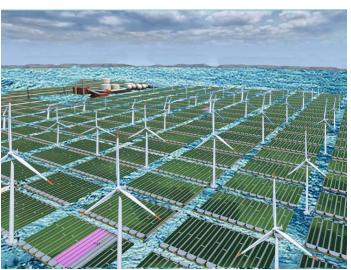


Offshore Production? Denmark Workshop, Apr 20-22













Biology





Harvesting & Extraction





Extraction







Extraction





Fuel Properties - General

CLIMATE *CHANGE*, Global Risks, Challenges & Decisions COPENHAGEN 2009, 10-12 March



Colorado State University

Properties and Suitability of Liquid Fuels Derived from Algae

Anthony J. Marchese, Ph.D.

Engines & Energy Conversion Laboratory Colorado State University Fort Collins, CO, USA

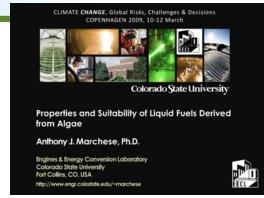
http://www.engr.colostate.edu/~marchese





Fuel Properties - General

 Algal oil is unique in that it tends to contain a significant quantity (~5-20% by volume) of long highly



- unsaturated oils, which are rarely observed in more traditional biodiesel feedstocks, such as soy and rapeseed (canola) oil.
- The two most common types of long and highly unsaturated oils found in algae oil tested to date are eicosapentaeonic acid (EPA) and docosahexaenoic acid (DHA).

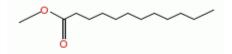




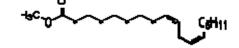
Feedstock Composition

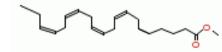
Fatty acid content varies widely depending on the feedstock. The chemical composition has implications in terms of combustion characteristics.

	Saturated Acids						Mono Unsaturated Acids			Total Poly Unsaturated Acids		
	10:0	12:0	14:0	16:0	18:0	>18:0	16:1	18:1	22:1	n:2	n:3	n:4-6
Coconut	7	47	15	8	2			6		2		
Palm			3	40	3			46				
Rapeseed			3	2	1	1		12	55	15	8	
Soybean				9	4	8	1	26		55	6	
Nannochlorop			2	15	2	2	16	10	1	6	4	31
sis Oculata												
Nannochlorop			3	14	11	3	19	6		7	3	20
<i>si</i> s sp.												



methyl dodecanoate (coconut)





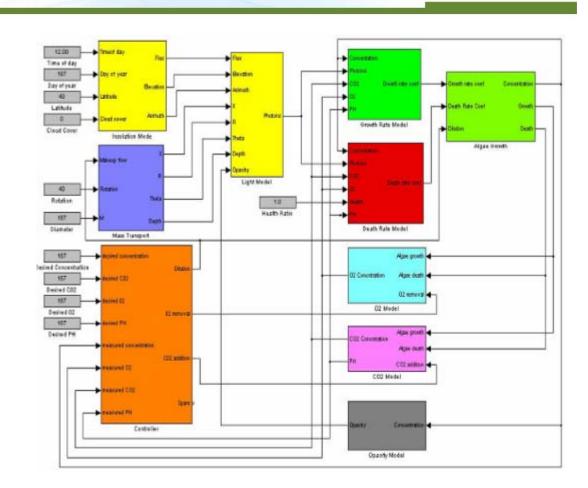
methyl linoleate (soy)

eicosapentaeonic acid methyl ester (algae)



Automation & Controls

- Automates
 conditions for
 optimal productivity
 of different
 organisms in
 different climates
- Gives predictive and diagnostic capabilities

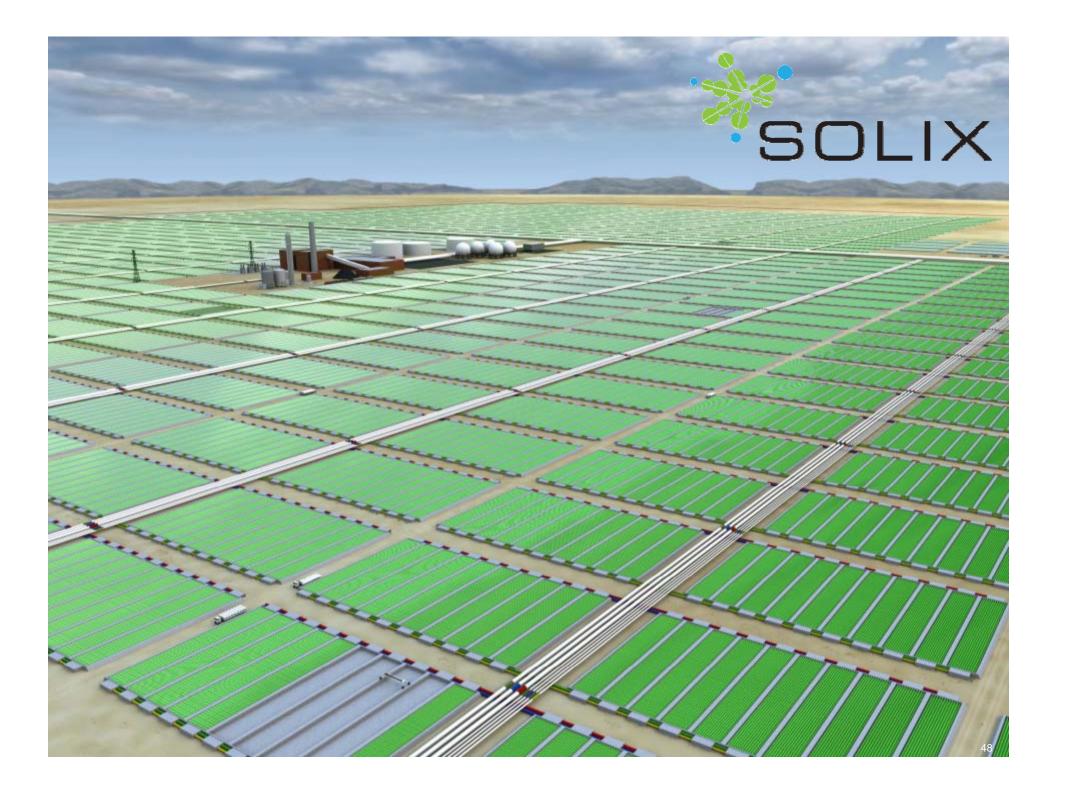






Scaling Up. . .













Coyote Gulch Amine Plant







Basin A





Basin A





Coyote Gulch





Coyote Gulch Layout

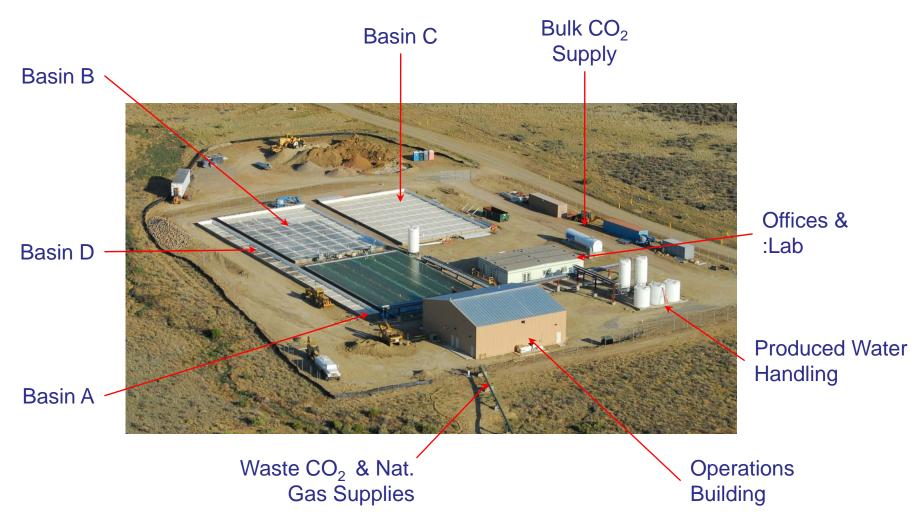


Photo taken 07.19.2009 57













Basin A





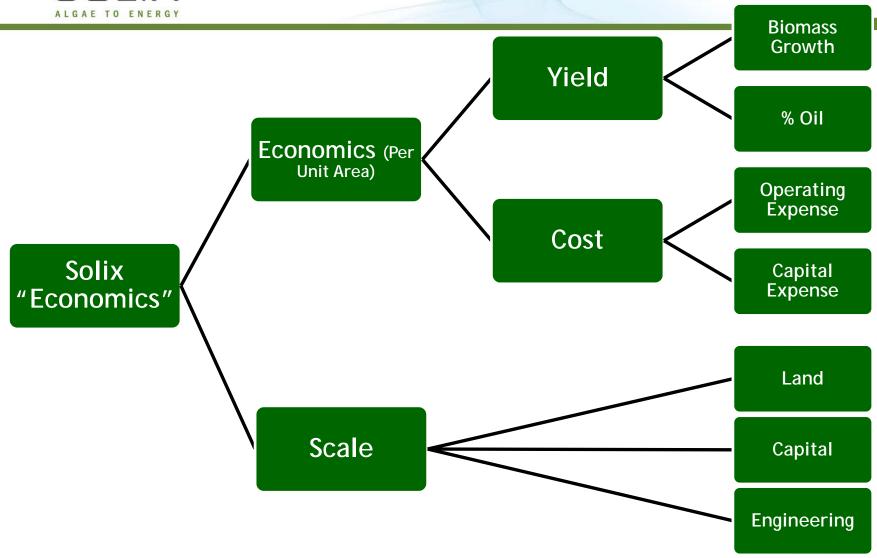
Basin A





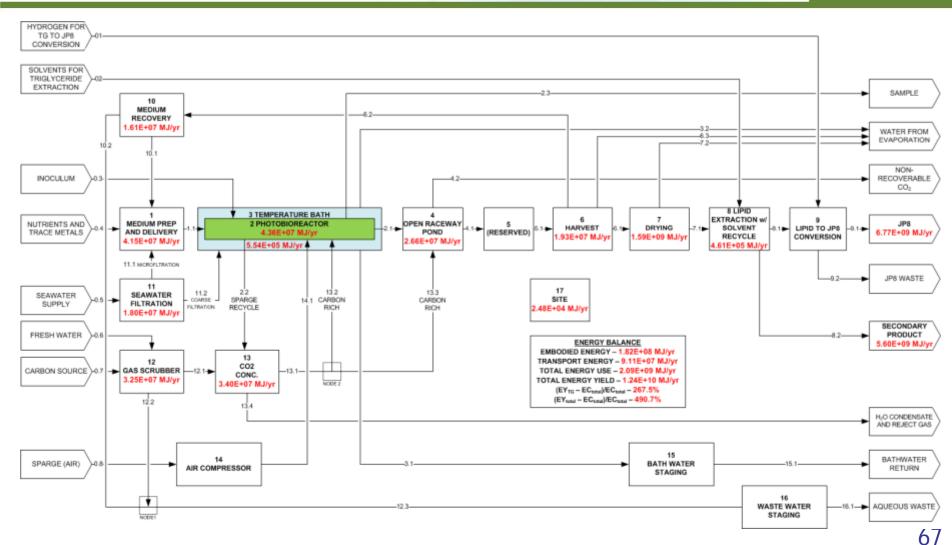


Economic Overview





System Analysis / Modeling





R&D Roadmap

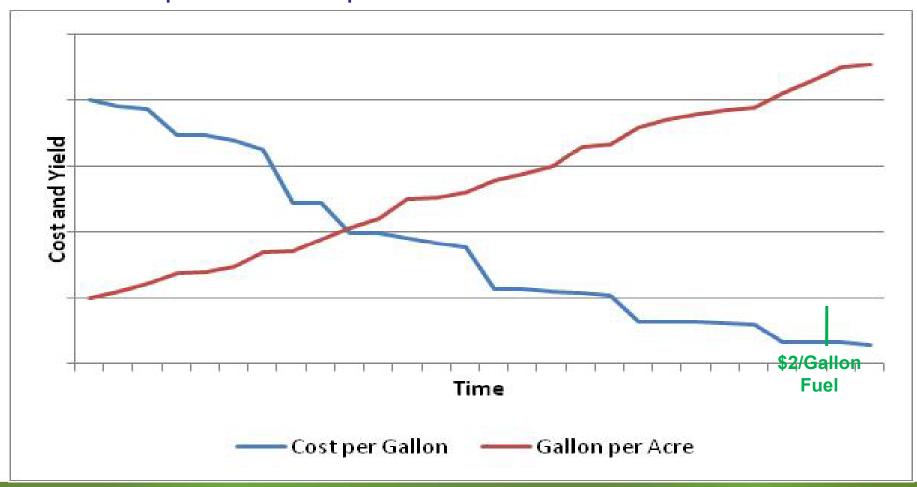
\$250/Gal

\$2/Gal



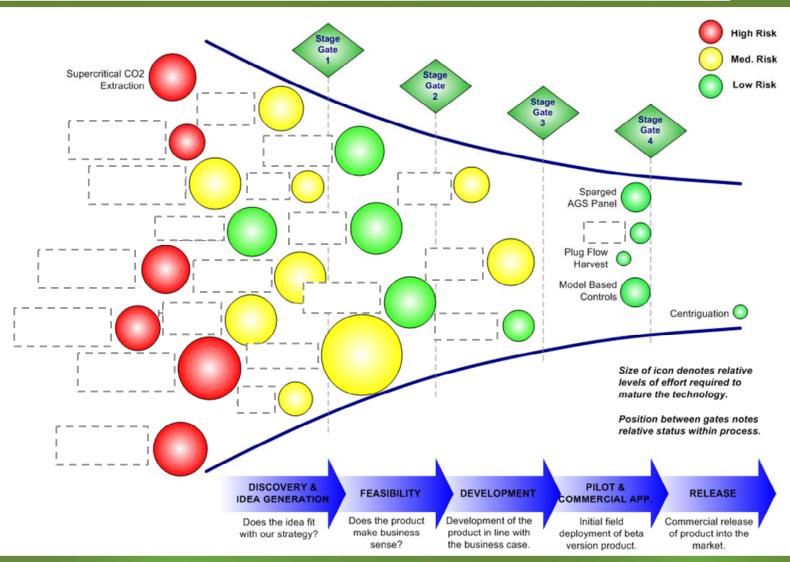
Path to Fuel Cost Parity

The path to fuel cost parity will require both incremental and step function improvements





Technology Roadmap







Business Model

- Solix contributes:
 - production/processing technology
 - project development and operational expertise
- Partner contributes:
 - CO2, land and capital
- Value from:
 - Fuel, co-products and CO2



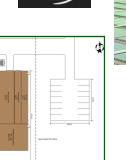
 Solix is teaming with international partners in order to develop largescale production



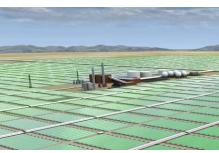
Path to Commercialization







Gemini 1



Apollo



Mercury 3 & 4

Lab

Mariners

Mercury

1 & 2

la de

2006 2008 2010





Conclusions

- Economical biofuel production appears feasible, using low-cost high productivity photobioreactors
- Requires tight coupling of biology and engineering
- Value of co-products must be captured; may approach or exceed value of oil
- Systems modeling/integration required to achieve cost targets

