



AgriPower

INCORPORATED

***Bringing Clean, Combined Heat And
Power (“CHP”) Technology Into The 21ST
Century***

\$5,000,000 PRIVATE OFFERING

PREPARED ESPECIALLY FOR:

**CLEANTECH XVIII PRESENTATION
SEPTEMBER 17, 2008**

Our Achievement

- AgriPower has completed development of its second generation 250kW/hr electric generation Unit.
- The Unit can efficiently combust most types of Biomass in an environmentally friendly manner.
- The Unit's modular design enables it to be easily transported to where the Biomass fuel is located thereby eliminating fuel transport costs.

AgriPower's 250kW/hr Test Unit



This photo shows the completed 250kW test Unit in AgriPower's current assembly and testing facility in Sacramento, California. The automated feeder hopper module (1) on the left is connected to the combustion chamber module (2). The heat exchanger module (3) is in the right rear. The control panel (4) is in the center, the operating computer (5) is in the immediate front and the turbine generator set (6) is behind the computer.

Our Value Proposition

- Biomass producers (e.g., “Big Box Stores”) want to eliminate their disposal costs.
- Operators of diesel generators that produce Biomass (e.g., lumber mills, paper and pulp companies, etc.) want to use it as a free fuel.
- 2 Billion off-grid people currently do not have access to electricity.
- 500 Million off-grid people only have electricity for 2 – 4 hours per day because they cannot afford the high cost of diesel fuel.
- Many Biomass producers must comply with new environmental regulations that prevent them from disposing of their Biomass at landfills.

THE SOLUTION: Our Unit provides an affordable, environmentally-friendly method of producing electricity using their Biomass waste as a free or low cost fuel.

Biomass Is A Readily Available, Renewable Fuel In Most Parts Of The World

- The Unit can use for fuel a wide variety of Biomass including:
 - ✓ wood waste (debris; wooden pallets);
 - ✓ trees, brush, invader bush, saw-grass, weeds;
 - ✓ sawdust, cardboard, paper & pulp, discarded fruits/vegetables;
 - ✓ most types of crop waste including:
 - corn cobs and husks;
 - sugar cane bagasse;
 - almond, coconut, nutmeg, peanut and walnut shells;
 - olive pits, pulp, skins and tree trimmings;
 - grape skins, pulp, pits and vine trimmings.
 - ✓ animal manure*; and
 - ✓ certain types of commercial and municipal waste*
- * May require a mixture of fuels such as wood chips, sawdust, etc.**

Our Value Proposition- 1

Our Unit will save \$15 - \$20 Million in avoided fuel costs over its 20 year useful life.

We do NOT use any type of food for fuel.

- No commodity risk; our customers generate their own waste for fuel thereby eliminating the market risk of obtaining fuel at an uncertain price.

Our Value Proposition- 2

In addition to the 300kW/hr of electricity the Unit generates, it also produces valuable Co-Generation and Thermal Energy as free by-products.

Co-Generation and Thermal Energy have many uses:

- Refrigeration
- Air conditioning
- Cooling
- Heating
- Water purification, distillation and desalination
- Drying, bonding, producing steam
- Pre drying excessively wet fuels

Development Of The 250kW/hr Unit And Its Software Is Complete And It Is Now Available For Sales Demonstrations

This is a second generation unit (the first was an 80kW/hr unit operated at a lumber mill for 1 year) = proven technology.

The 250kW/hr Unit has been tested and **certified** able to **cleanly** produce “at least” 300kW/hr.

\$5 Million + spent to develop and complete:

- The core high temperature technology;
- The test Unit; and
- The proprietary PC-based operating software system.

Financial Overview

AgriPower Is Currently Seeking \$5,000,000 In Equity Funding

Series A Funding (\$5,000,000)

Power demonstrations to customers, distributors and dealers (November, 2008);

Obtain certification report on 300kW/hr Unit (4Q 2008);

Close initial sales (4Q 2008);

File six new patents (4Q 2008); and

Commence production and delivery of initial Units (4Q 2009).

Executive Overview

- **Extremely low break-even: profitable at only one Unit per month.**
- **Current production capability of 10 Units per month in existing facility.**
- **Production output assumption: slow ramp up to 10 Units per month.**
 - Gross revenue potential of \$15 million per month.
 - EBITDA potential of \$5 million+ per month or \$66 million per annum.
 - Production and deliveries to commence in Q4 2009.
- **Highly profitable:**
 - From sale of 300kW/hr Units (50%+ gross margin).
 - From recurring revenues from profit sharing leasing of Units (100%+ gross margin).
- **Many Interested Customers (Several on-site demonstrations already scheduled):**
 - Waste Management Corp.
 - Kimberly-Clark Corp.
 - U.S. Army.
 - Department of Energy.
 - Numerous Customers, Distributors and Dealers.

Experienced, Successful Management Team And Advisory Board In Place

- **Barry J. Berman, Chief Executive Officer**

Mr. Berman is an experienced businessman, entrepreneur and attorney. He has been active in high technology transactions since 1980, a portfolio and asset manager for high net worth clients with top tier brokerage firms from 1969 to 1993, founder of 100+ registered representative broker-dealer, founder of largest private payphone company in U.S. (sold to public company); has founded and operated several companies with 150+ reports.

- **Current CEO of Mid-Size Turbine Generator Company, President and Chief Operating Officer**

Engineer with extensive experience with Solar Turbines (a division of Caterpillar) and Sundstrand (a division of United Technologies) will join the Company as soon as the next \$1 million is raised.

- **Bernard A. Podberesky, Senior Vice President - Procurement**

Mr. Podberesky is an engineer and physicist with more than 25 years experience with General Electric.

- **Perry E. McLain, Senior Vice President - Operations**

Mr. McLain is an engineer and has extensive experience in the custom design and fabrication of power equipment components and systems.

- **Anthony C. Kahn, Vice President – International Business Development**

Mr. Kahn is an experienced international attorney. He practiced law with the international law firm of Coudert Bros. for 30 years, was a member of the firm's five member management committee for seven years and had responsibility, respectively, for oversight of operations in Europe, Asia and the Western U.S. His practice was principally in commercial, contract, financial, licensing, M&A and joint venture fields, usually with heavy international aspects, involving a broad range of industries (e.g., food, agricultural cooperatives, etc.).

- **Harvey F. Brush, Senior Advisor**

Mr. Brush is an engineer and is former Executive Vice President of the Bechtel Corporation.

Large Domestic And International Market (\$100 Billion ++) Current Marketing Opportunities

<u>Description</u>	<u>Current Order <i>Potential</i></u>
Municipal waste / paper & pulp distributors	5,000 + Units
Canadian lumber mill and paper / pulp distributors	3,000 + Units
U.S. distributors (corn waste, construction debris, etc.)	1,000 + Units
Various alternative energy alliances Namibia, Nigeria, South Africa	1,000 + Units
Governments Ghana, Tanzania	6,000 + Units
Non-Governmental Organizations American / International Red Cross, prominent international foundation	1,000 + Units
U.S. customers	500 + Units
International distributors	1,000 + Units
U.S. Government, NATO, United Nations	1,000 + Units
Miscellaneous Numerous unsolicited customer and distributor inquiries	5,000 + Units
U.S. chicken, turkey and hog producers	2,000 + Units
U.S. nut growers	500 + Units
Total current order <i>potential</i>	27,000 + Units

Note: There is no certainty these orders will be obtained

Company And Product Advantages

No current active competition in 100kW/hr + to 1MW/hr (except gasifiers and steam units with their considerable disadvantages).

First to market (4th Quarter 2009).

Experienced management team and advisory board in place.

High gross profit margins from Unit sales.

Recurring revenues from long term (10 year) profit sharing leases.

Ownership of all intellectual property (patent, trade secrets, know-how, software).

Significant number of preliminary orders (hundreds of Units) with a potential value of several hundred million dollars.

Additional products in pipeline.

A product that directly benefits from increasing fuel costs.

Significant Barriers To Competitive Entry

One patent already issued.

6 additional patents expected to be filed.

Superior Technology.

Financial Overview

(Assumes Ramp Up To Only 5 Units Per Month)

(\$ = 000 Omitted)

Year	2009	2010	2011	2012	2013
Number of Units Sold	2	35	60	90	120
Spare Parts And Co-Gen Converters	\$0	\$0	\$0	\$0	\$0
Foreign Partnerships	\$0	\$0	\$0	\$0	\$0
Leased Units	\$0	\$0	\$0	\$0	\$0
Mobile Units	\$0	\$0	\$0	\$0	\$0
Unit Revenues	\$3,000	\$52,500	\$90,000	\$135,000	\$180,000
Total Revenues	\$3,000	\$52,500	\$90,000	\$135,000	\$180,000
EBITDA	N/A	\$19,250	\$33,000	\$49,500	\$66,000
Dividends (75% of after-tax profits)	N/A	\$8,660	\$15,000	\$22,500	\$30,000

Exit Strategy

- Cash cow:
rapidly growing, cash rich company = attractive IPO or acquisition candidate.
- 75% of after-tax profits to be paid out as a tax favored dividend.
- Favorable time-line for exit (3 – 5 years).

CONCLUSION

AgriPower provides its investors with:

- ✓ A highly qualified and entrepreneurial management team;
- ✓ A proprietary technology and uniqueness of product;
- ✓ A practical and attractive solution to several significant environmental and economic problems;
- ✓ A product that directly benefits from increasing fuel costs;
- ✓ An already developed sales pipeline with pre-orders for hundreds of Units possibly worth hundreds of millions of dollars;
- ✓ An ability to achieve significant growth quickly through market penetration and market expansion;
- ✓ An ability to produce an exceptional return on invested capital; and
- ✓ A realistic prospect for investment liquidity within a determinable period of time.



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