

Overview

BioNitrogen Holdings Corp. (OTC:BION), headquartered in West Palm Beach, Florida, builds environmentally friendly facilities that transform agricultural & forestry biomass into urea (46% nitrogen) fertilizer, which is sold into a supply constrained (net import) North American market

Investment Drivers

- Urea Supply Constrained: The Americas represent 17% of global consumption but only 10% of global production, importing approximately 14 million tons per year.
- Capex Advantage: Plants built at 10% to 20% of the capex cost of traditional (i.e. natural gas feedstock derived) urea production facilities and in less time
- Pricing Advantage: Biomass offers input/feedstock cost stability vs. natural gas volatility
- Lower Operating Risk: Smaller/modular plants located near stable feedstock and offtake sources (lower transport costs) do not require large scale and market access to be economical
- Pre-Production Stage Near Completion: Feasibility study complete & validated, technology & offtake agreements signed, locations secured
- Clean Energy Advantage: Only non-hydrocarbon feedstock production of urea; carbon neutral to carbon negative. 2,200% less CO₂ than coal & 450% less CO₂ than natural gas.
- Replicable: Easily replicated in the GCC & Europe

Strategic Plan

- Sign firm price EPC contract in early 2015
- Near-term: Establish 5 or more facilities in the US and Canada in the next 3 – 5 years.
- Long-term: Grow to 10 facilities worldwide with total capacity of approximately 2mm tons of urea, or approximately 2.6% of current global demand.
- Annual Plant Economics: ~180k tons urea, ~US\$99mm revenue, ~US\$57mm EBITDA.



Pillar 1 - Feedstock

- 25 year agreement with BioResource Management to manage the feedstock supply
- 5-10 urban wood waste feedstock suppliers identified per plant within a 50- 75 mile radius

Pillar 2 - Plant

- Firm price EPC Contract with Saipem
- Sites in Florida, Louisiana & elsewhere
- Best-in-class engineering, technology and construction firms: AMEC, Andritz, Haldor Topsoe & Saipem

Pillar 3 - Offtake

- 25 year contract with United Suppliers
- 10-year take or pay
- Guaranteed price floor and pricing waterfall to maximize net back to plant

Pillar 4 - Financing

- US\$300 MM (70%) in tax free muni bonds per plant
- Balance (30%) of capital in equity or mezz., including strategic & technology providers
- Over US\$1.9B in tax free bond allocation awarded to date in Florida and Louisiana.