



PS2: The China Phase

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Overview

Analysis

JV with NIES

License to Nahai

\$27,014,120 CAD



PS2's Outlook

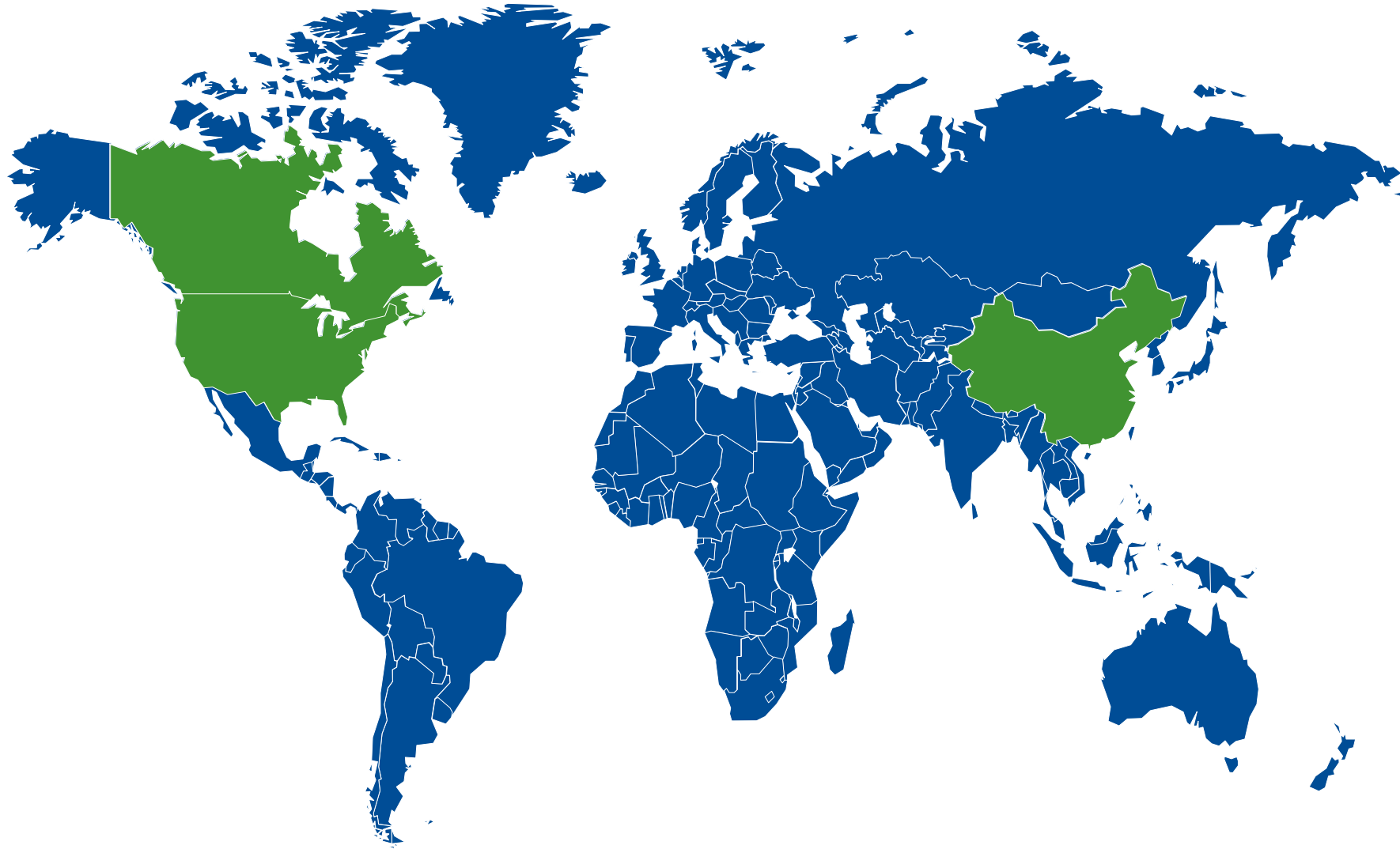
Reaching market saturation in
Canada

Establishing relationships in
China

Exclusive license to TPS in US,
Canada and China through 2019

TPS technology enters
the public domain in 2019





Canada



Market Size



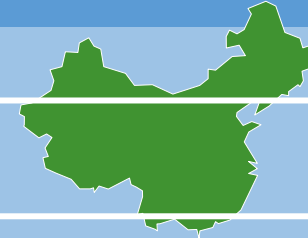
Competition



Regulations



China



Market Size



Competition



Regulations



United States

Market Size



Competition



Regulations

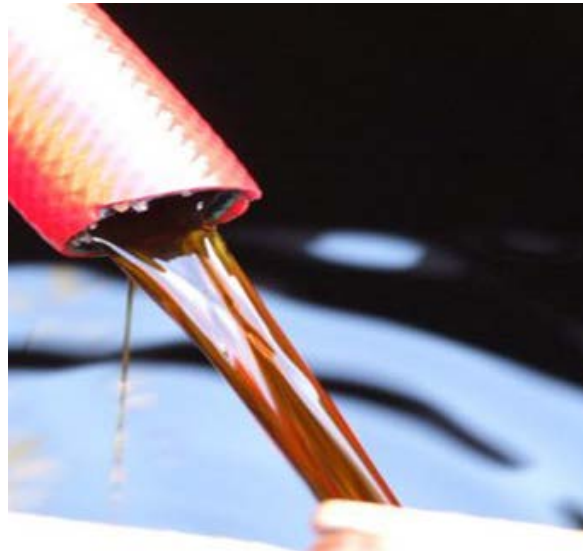




China



Joint Venture
with NIES



Joint Venture
with Nahai



License to Nahai



	Weight	JV with Nahai	JVs with NIES and Nahai	JV with NIES	JV with NIES; License to Nahai
Financial LT	15%	2	4	3	5
Market Size	15%	3	5	4	5
Environmental regulations	15%	3	4	5	5
IP Protection	15%	2	3	4	2
Competitive advantage	15%	3	4	4	4
Customer reach	8%	4	4	2	3
Feasibility	5%	3	2	4	4
Management, synergy, culture	5%	2	1	3	3
Financial ST	4%	2	1	3	4
Transportation cost	3%	2	3	4	3
Total	1	2.7	3.6	3.8	4.0

	Rating
Strong	5
↓	4
	3
	2
Weak	1



JV with NIES

Reaching market saturation in
Canada

Strong partner with *Guanxi*

Influence long-term policy

Ownership stake:
50% PS2, 50% NIES





License to Nahai



Largest commercial petroleum transit base in China

Maintain low risk exposure

Opportunity to earn consulting revenues

License terms:
10% of revenues, 10 years



2010	2011	2012	2013	2014	2015
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Joint Venture

-\$3M JV-Gov 50% Equity

R&D Mobile TPS

Pilot Program

Evaluate

License

Negotiation

Start 10yr License

Evaluate

Policy

Drive increased regulation with China EPA





Financials

Best Scenario

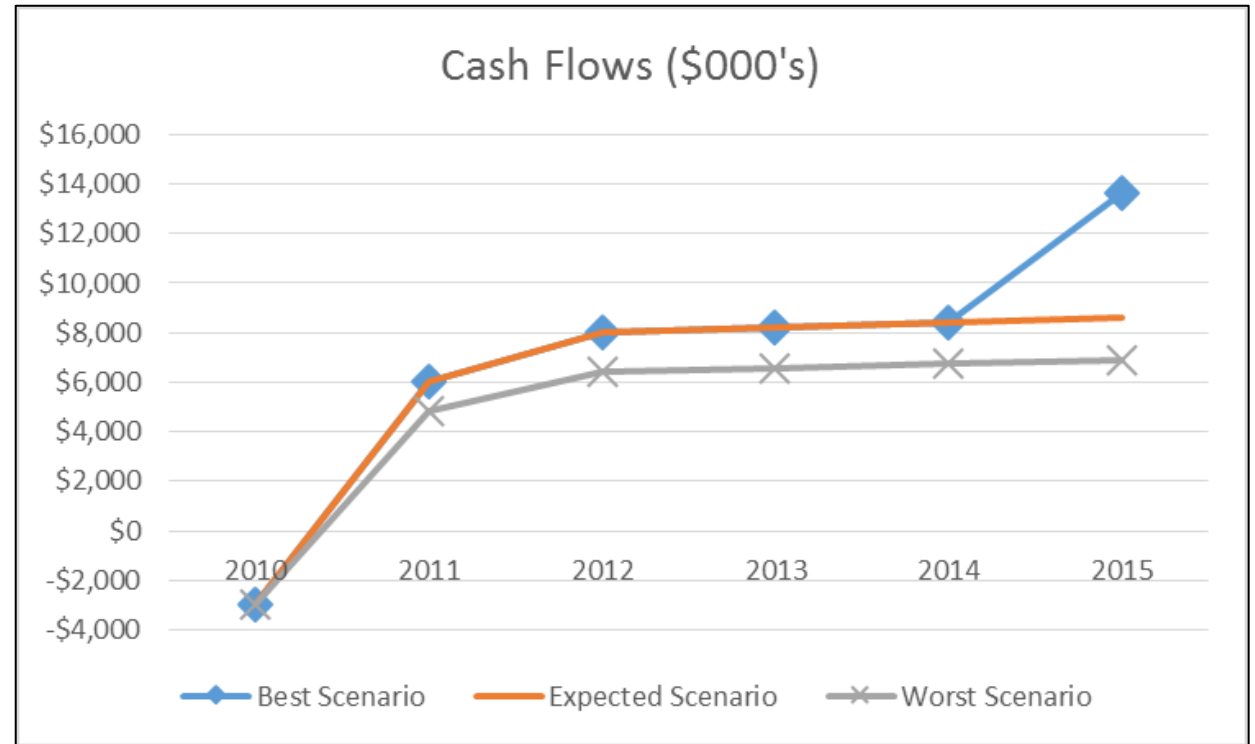
\$30,355,437 CAD

Expected Scenario

\$27,014,120 CAD

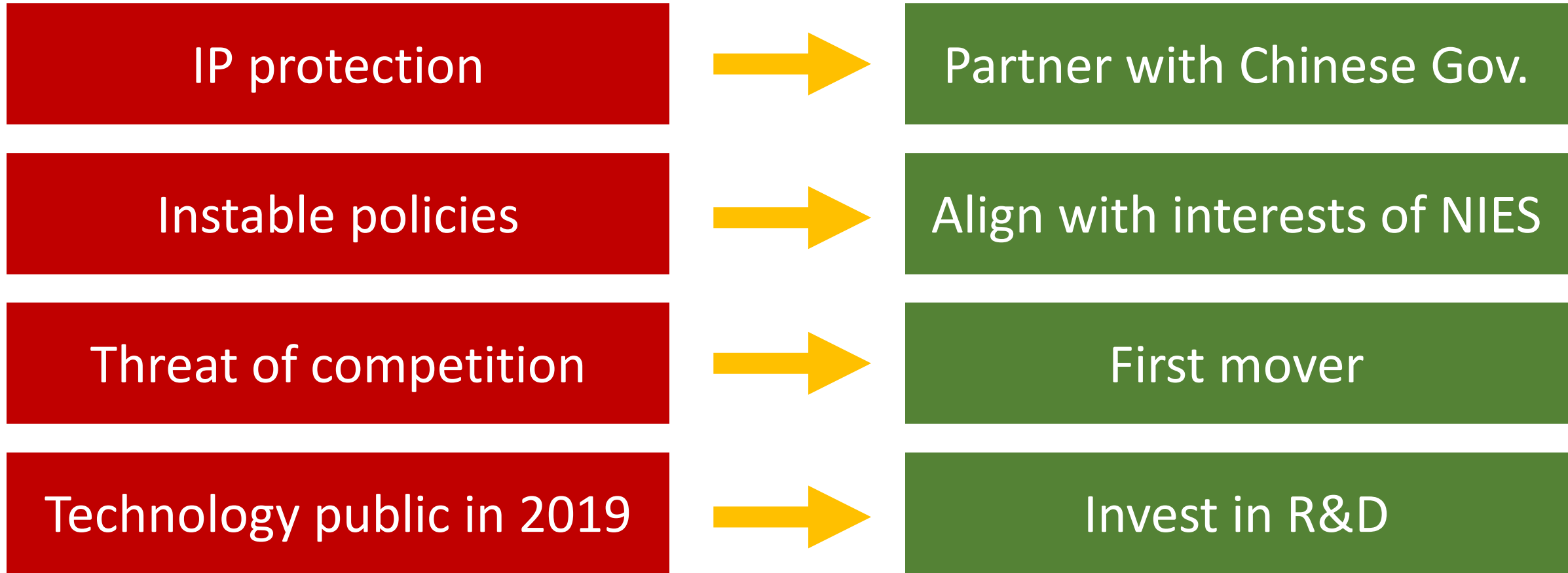
Worst Scenario

\$21,050,548 CAD





Risks





JV with NIES

License to Nahai

First mover

Minimize risk

Large market

Gain presence

Gov. support

Consistent revenue

\$27,014,120 CAD



Appendix



Joint Venture with NIES

Interests aligned with Chinese government

Large, growing market

Obtain first-mover advantages



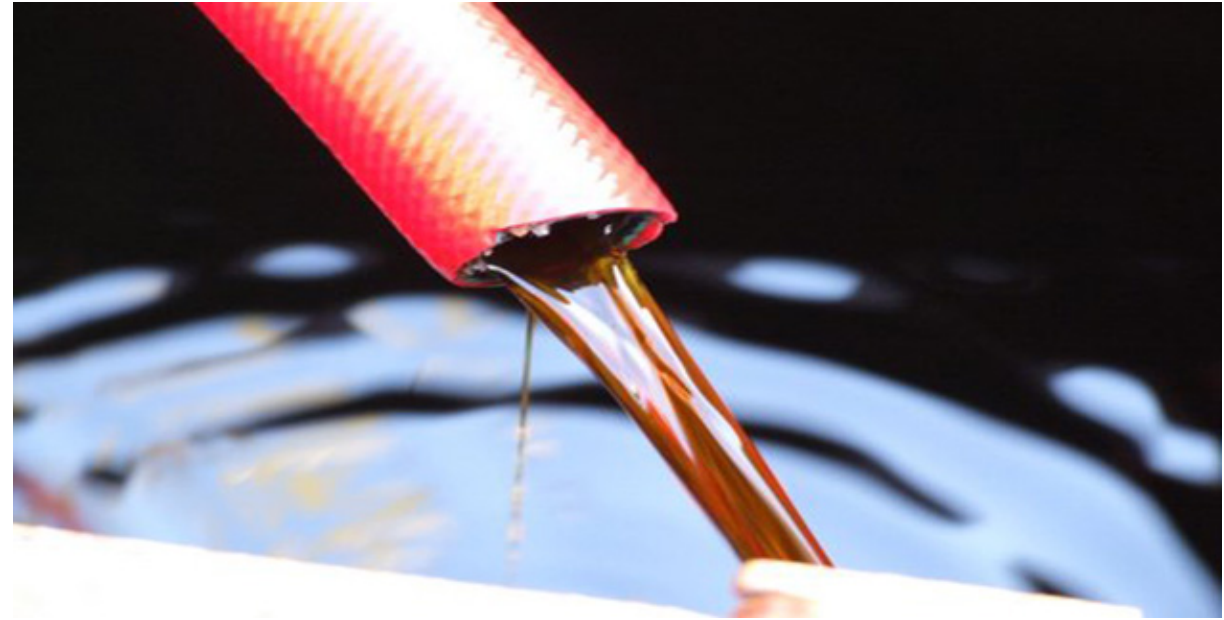


Joint Venture with Nahai

Largest commercial petroleum
transit base in China

Cleaner but more expensive than
incinerator alternatives

Company cultures align





License to Nahai

Less execution risk than a joint venture partnership

Opportunity to provide consulting services

Maintain relationship with a relatively new, growing company

