

ZILKHA BIOMASS SELMA

Our First Commercial Plant in Selma

- Former Dixie Pellets facility in Selma purchased in 2010
- Long-term contract signed with EU utility July 31st, 2014 for Selma production
- First pellet deliveries scheduled for Q3 2015
- Millions of dollars invested into converting plant to produce Black pellets; installed Zilkha Technology and upgraded the rest of the old plant
- Production capacity of 275,000 metric tons of Zilkha Black® Pellets per year
- Largest advanced pellet manufacturing facility in the world
- 50 direct jobs at the facility, and over 100 indirect jobs in the forest and supporting industries



What is a Zilkha Black® Pellet?

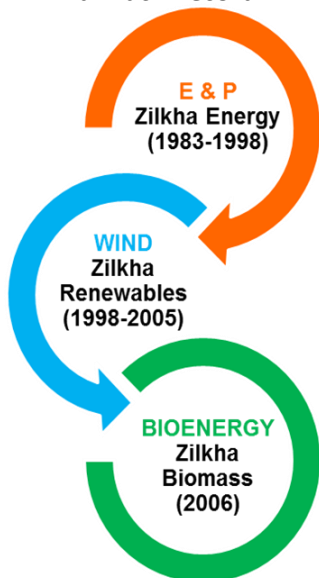
- Zilkha Black® pellets are a **baseload renewable** fuel
- Thermally conditioned to ship, burn, and **act like coal**
- **100% wood biomass** with no natural or artificial additives



Advantages Over Traditional Pellets

- Well-known thermal conditioning process (*not torrefaction*)
- Enhanced energy content and retention
- More efficient packaging and shipping of energy
- Safer to handle and store
- Fewer modifications at the power plant

Zilkha Track Record in Energy



- Largest acreage holder on the shelf in the Gulf of Mexico in 1997
- Sold to Sonat for \$1.2 Billion
- Largest independent wind farm developer in US in 2005
- Partnered with Goldman Sachs in 2005; Became Horizon Wind
- Sold to EDP in 2007 for \$2.7 Billion (*EDP Renewables*)
- Revolutionary water-resistant Zilkha Black® pellets
- Patented Thermal Conditioning Technology