



PHOENIX CLEAN FUELS, LLC.



SCIMATION

Value Creation through Innovative Technology Solutions



Phoenix Clean Fuels

➤ Scimation

- Project Development/Management
- Engineering

➤ TDX

- Project Management
- Operations and Maintenance

➤ SLR

- Environmental Engineering
- Compliance

➤ GE Oil & Gas

- Liquefaction Technology
- Engineering, Procurement, and Construction

➤ Alaska Industrial

- LNG Transportation and Logistics

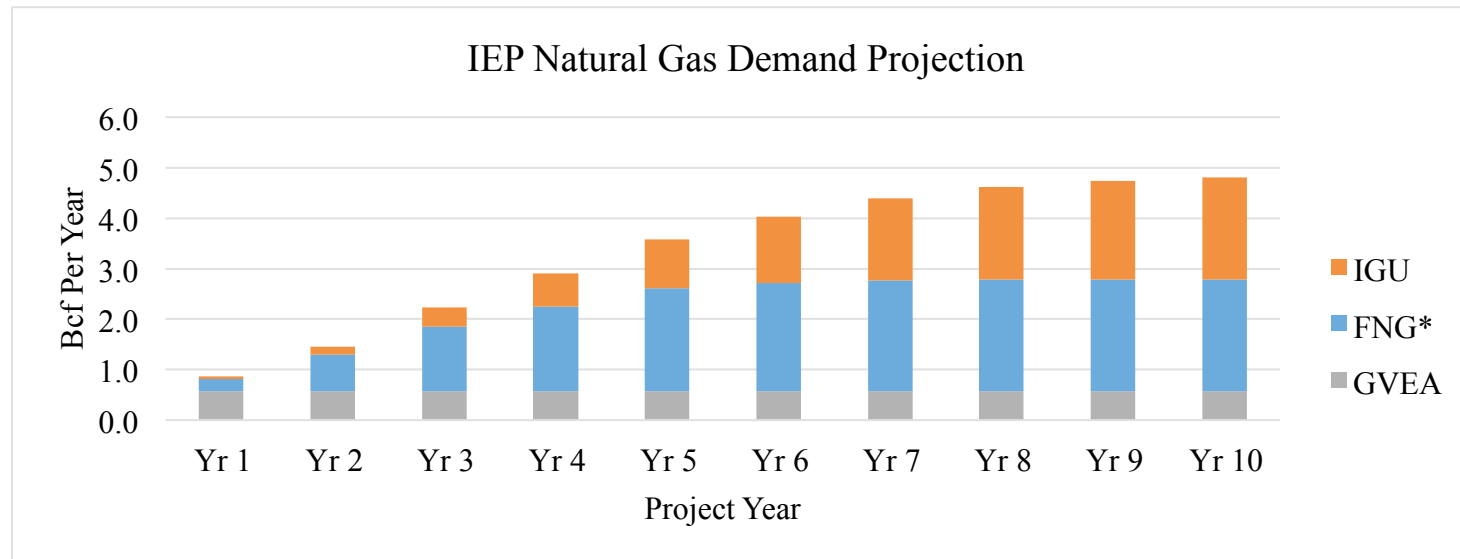


Our Strategy

- Locate the liquefaction plant at source of lowest cost feed gas
- Utilize proven, scalable technology backed by the industry leader in cryogenic processing
- Team with Alaskan entities that have proven track records operating on the North Slope
- Control transportation costs by capitalizing the trailers
- Apply the optimum combination of State financing and outside financing
- Adopt a business model that provides the lowest cost LNG to Fairbanks

Natural Gas Demand

- Two phase project approach
 - Phase one – 3.0 Bcf/year capacity (100,000 gallons per day)
 - Phase two – 6.0 Bcf/year capacity (200,000 gallons per day)



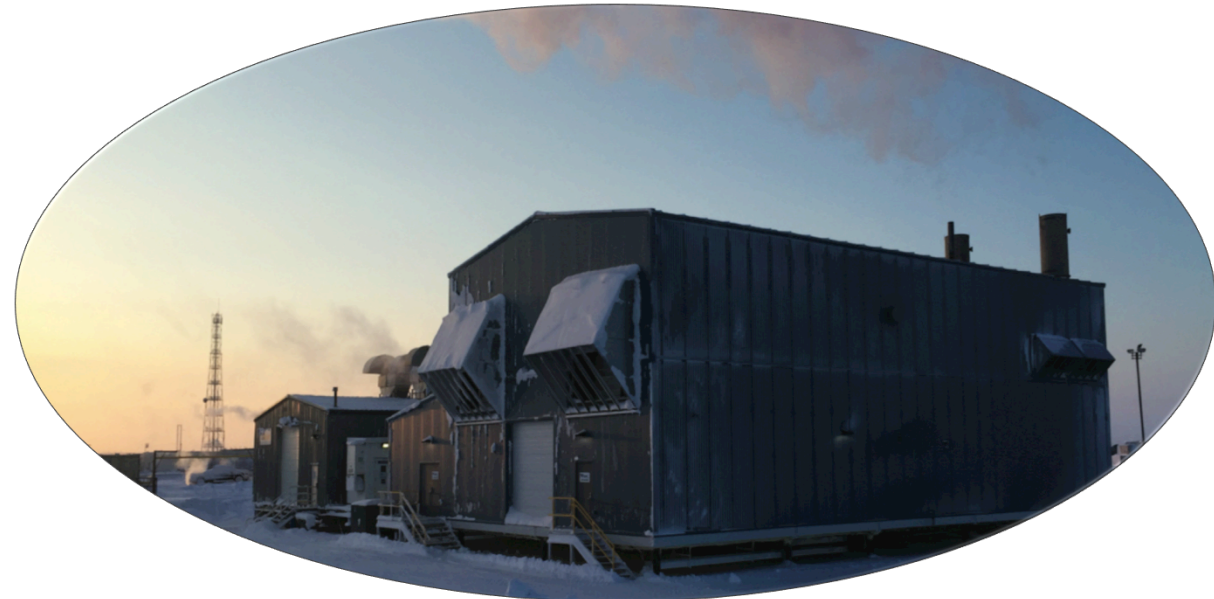
Liquefaction Technology

- Modular design
 - Ease of installation
 - Transportability
 - Reduced “sunk” costs
- Performance Guarantees
 - Delivery
 - Throughput
 - Efficiency
- Industry leader



North Slope Experience

- Over \$50 MM of installed projects in Deadhorse, AK in 2014
 - 1,000 barrel/day advanced oil recovery/processing plant
 - 15 megawatt expansion of power generation facility
- Over 13 years operating on the North Slope
 - Actual operating costs used
for estimating proposed project costs
- Team of accomplished entrepreneurs,
engineers, management and financial experts



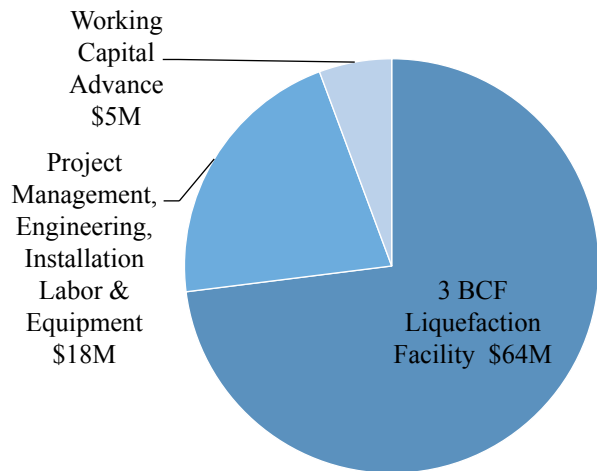
LNG Transportation

- Phoenix owned LNG trailers
- Experienced North Pole logistics company
 - Efficient integrated operations
 - Ability to scale up or down
 - Ability to provide trailer maintenance
- Long term agreement offers pricing certainty

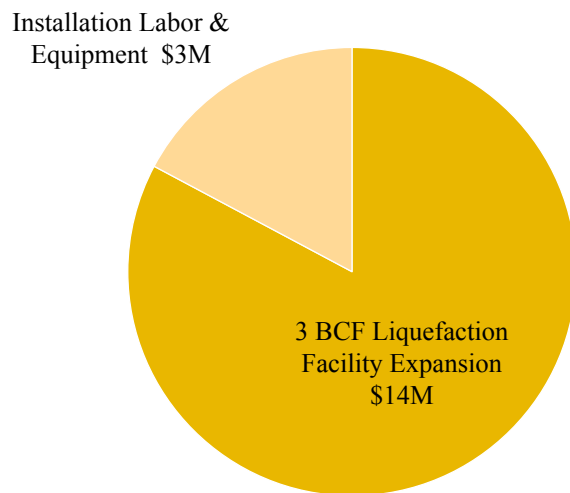


Phoenix Project Capital Costs

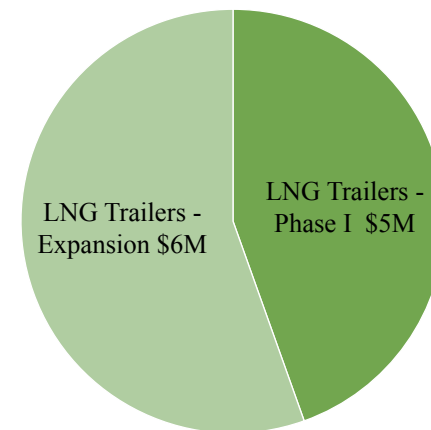
Phase One Capital Costs



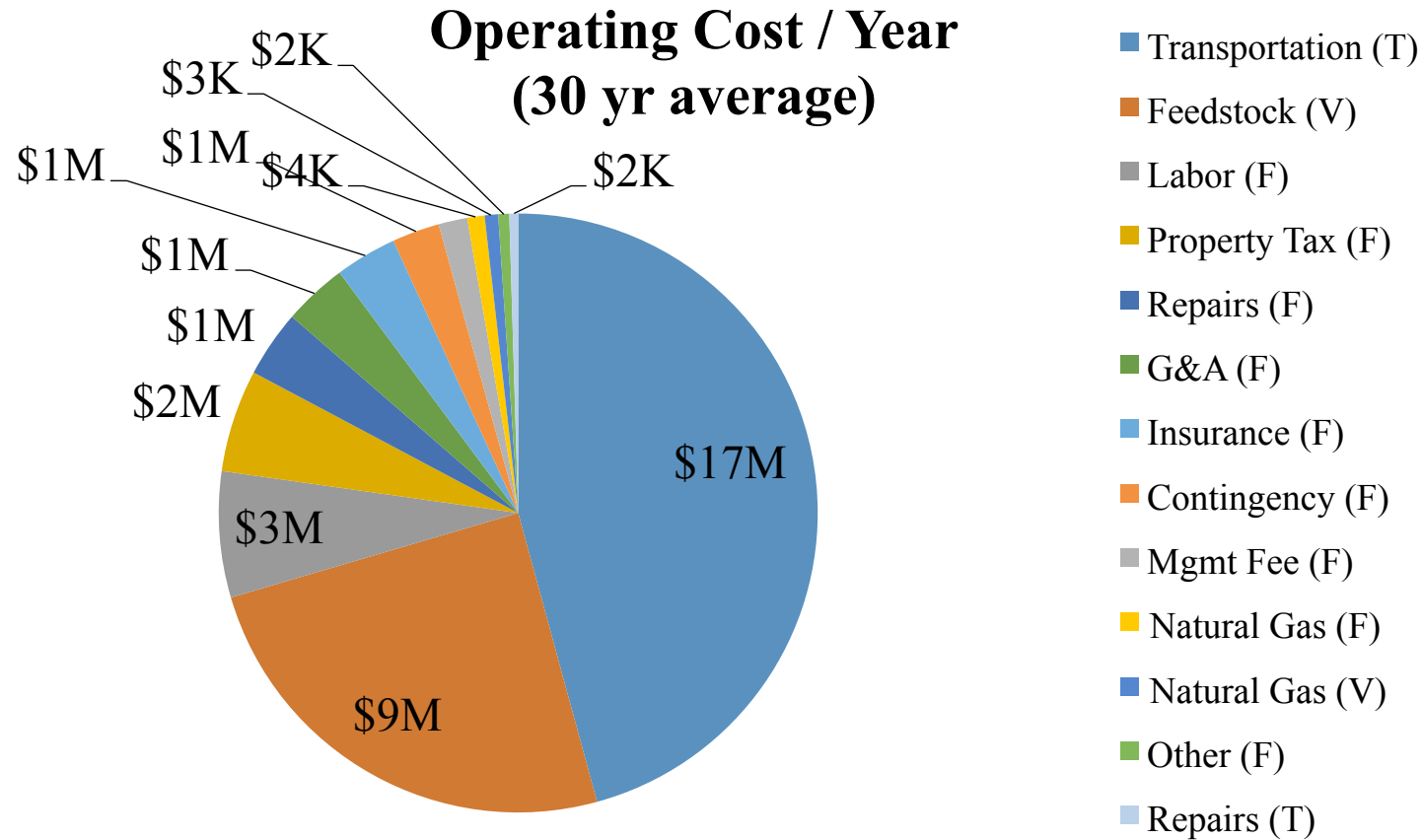
Expansion Capital Costs



LNG Trailer Capital Costs – Phase One and Expansion



Phoenix Operating Costs



Project Financing

Phase One

\$30M

- Capital Appropriation from AIDEA

\$44M

- SB 23 SETS
- 1% interest rate
- 30 year term, 5 year deferral P&I

\$18M

- Outside Financing
- 4% interest rate
- 18 year term, 3 year deferral
Principle only

Phase Two

\$6M

- SB 23 SETS
- 1% interest rate
- 27 year term, 5 year deferral P&I

\$17M

- AIDEA Bonds/Outside Financing
- 5% interest rate
- 27 year term, 5 year deferral P&I



Project Schedule

Milestone		Start	End
Commercial			
	LNG Off Take Agreement(s)	1/16	4/16
	Natural Gas Feedstock Agreement	1/16	4/16
	Operating Agreements (MSAs)	3/16	6/16
Design and Engineering			
	Front End Engineering and Design	2/16	7/16
	Design and Engineering	1/16	12/16
	Environmental Engineering/Permitting	4/16	9/17
Procurement			
	Site Improvement Contracting	7/16	10/16
	Site Installation Contracting	8/16	11/16
Fabrication			
	Modular Liquefaction Plant	4/16	2/17
	LNG Trailers	3/16	7/17
Installation and Commissioning			
	Site Improvement - Feed gas Pipeline Installation	1/17	4/17
	Site Improvement - Pad and Piling Installation	11/16	1/17
	Installation - Plant Foundations	2/17	3/17
	Installation - Plant Installation Labor and Equipment	4/17	6/17
	Installation - Plant Enclosures	5/17	6/17
	Liquefaction Plant Commissioning	6/17	9/17
Operations Planning			
	Operator Certification and Training	2/17	6/17
Commence Normal Operations			
	Start of Normal Operations	9/17	9/17



The Results

Natural Gas
Feedstock Supply



Cost: \$ 2.10/MMBTU

Liquefaction
Facility



Cost: \$ 3.49/MMBTU

Transportation to
Fairbanks



Cost: \$ 4.06/MMBTU

Distribution to
Customer



Cost: \$ 4.00-5.00/MMBTU

Closing

- Phoenix has engineered a solution to meet the needs of the Interior Energy Project
- Experienced project team that is assembled and ready to partner with AIDEA to execute the project
- The Phoenix project solves an environmental issue for the Interior and will also be something the State of Alaska will be proud of for many years

