



NG Ethanol – A Sustainable Alternative Fuel for the Gulf Coast

Southern Automotive Conference, October 3, 2013

A technology leader in low-cost alternative fuels and chemicals



Disclaimer Statement

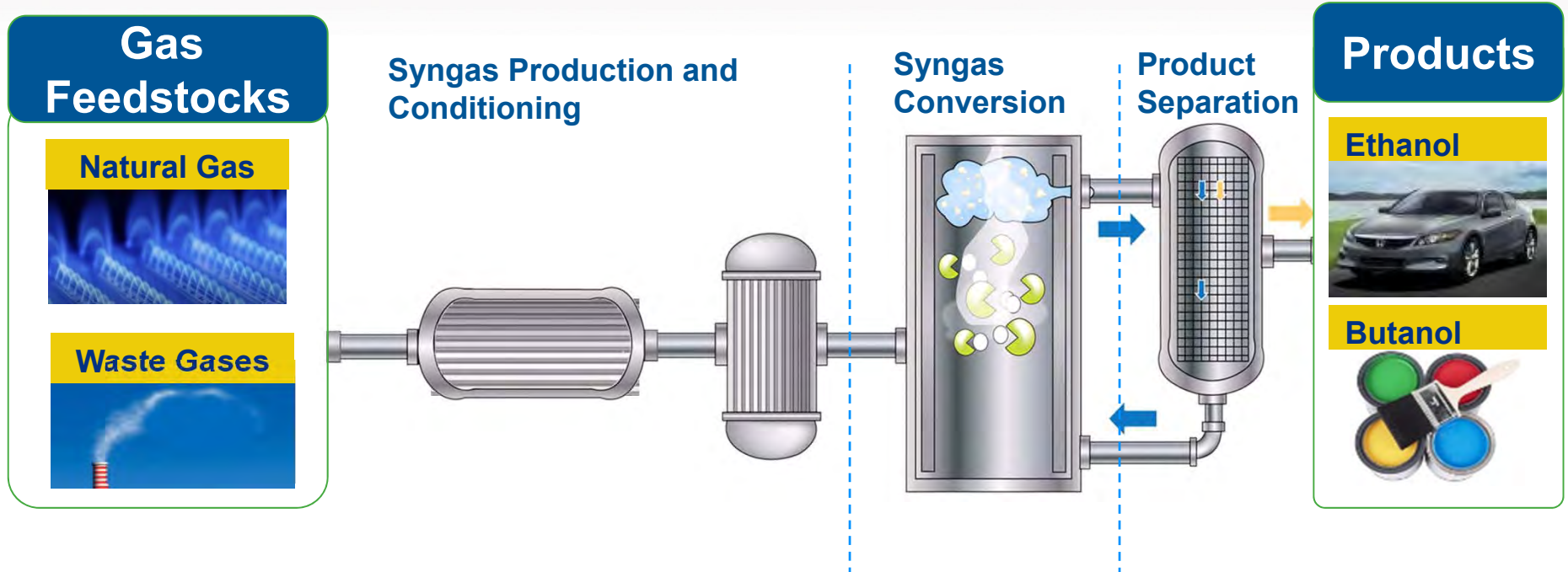


ALL STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACT INCLUDED IN THIS PRESENTATION, INCLUDING STATEMENTS REGARDING FINANCIAL PROJECTIONS AND OTHER STATEMENTS REGARDING OTHER FUTURE PERFORMANCE OR EVENTS, ARE FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS GENERALLY CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS “MAY,” “WILL,” “EXPECT,” “INTEND,” “ESTIMATE,” “ANTICIPATE,” “BELIEVE” OR “CONTINUE” OR THE NEGATIVES THEREOF OR VARIATIONS THEREON OR SIMILAR TERMINOLOGY. SUCH STATEMENTS WERE PREPARED BY COSKATA IN GOOD FAITH, BASED ON CONDITIONS EXISTING AT THE TIME OF PREPARATION OF THIS PRESENTATION AND REPRESENT COSKATA’S BEST ESTIMATE OF FUTURE EVENTS. ALL SUCH FORWARD-LOOKING STATEMENTS ARE BASED ON VARIOUS UNDERLYING ASSUMPTIONS AND EXPECTATIONS AND ARE SUBJECT TO RISKS AND UNCERTAINTIES WHICH COULD CAUSE ACTUAL EVENTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE FORWARD-LOOKING STATEMENTS. AS A RESULT, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS PRESENTATION WILL PROVE TO BE ACCURATE OR CORRECT. ACCORDINGLY, PROSPECTIVE BUSINESS PARTNERS SHOULD NOT RELY UPON FORWARD-LOOKING STATEMENTS AS A PREDICTION OF ACTUAL RESULTS. COSKATA UNDERTAKES NO OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE. THIS PRESENTATION OR ANY PART OF IT SHOULD NOT FORM THE BASIS OF, OR BE RELIED ON IN CONNECTION WITH, OR ACT AS AN INDUCEMENT TO ENTER INTO, ANY CONTRACT OR COMMITMENT WHATSOEVER.

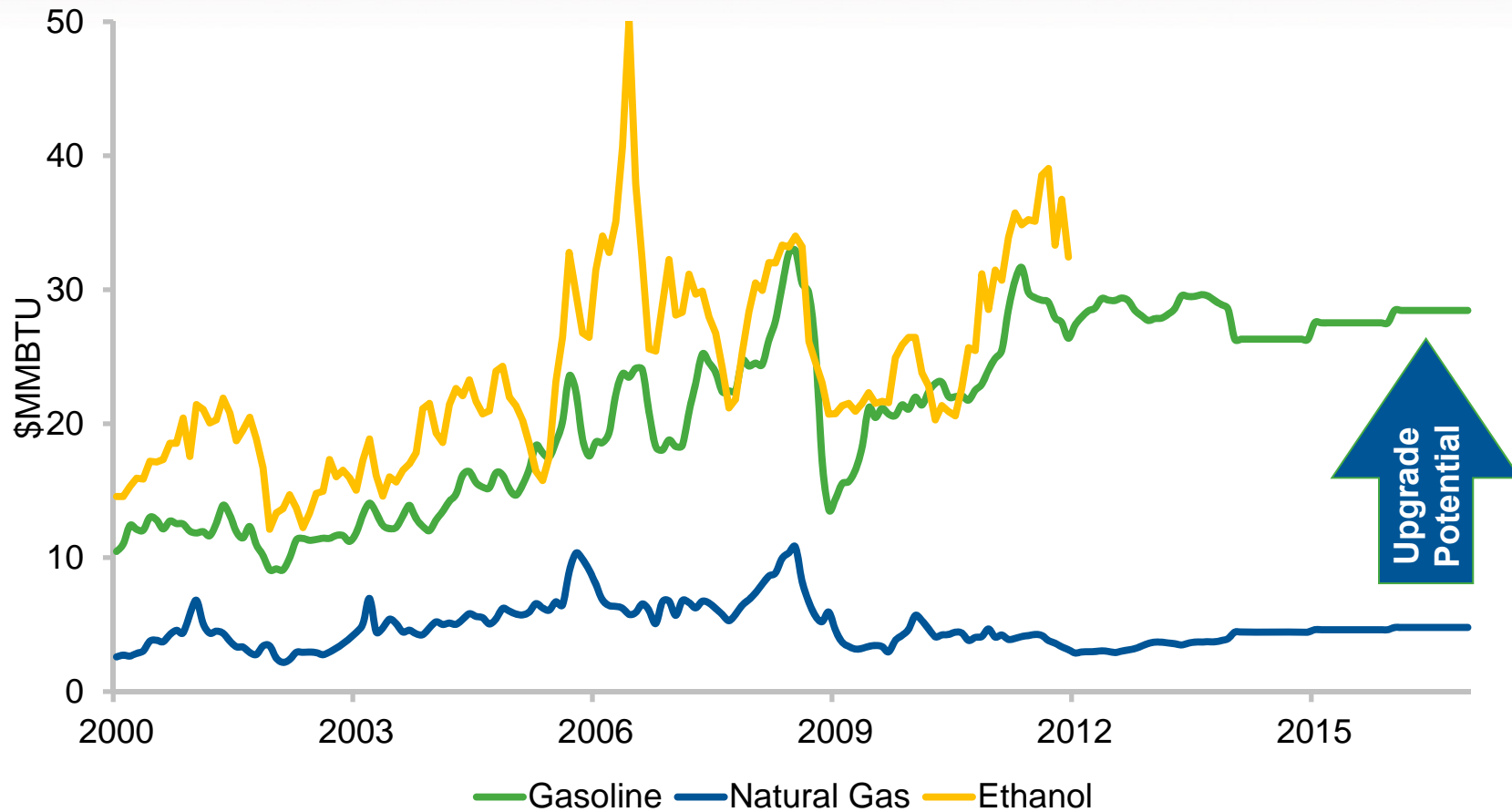
NG Ethanol can provide a sustainable alternative to gasoline

- ✓ **Low cost via Coskata's technology**
- ✓ **High value/high performance gasoline additive**
- ✓ **Local production for local consumption**

The Coskata Process



Historic Decoupling of Natural Gas and Fuel Prices



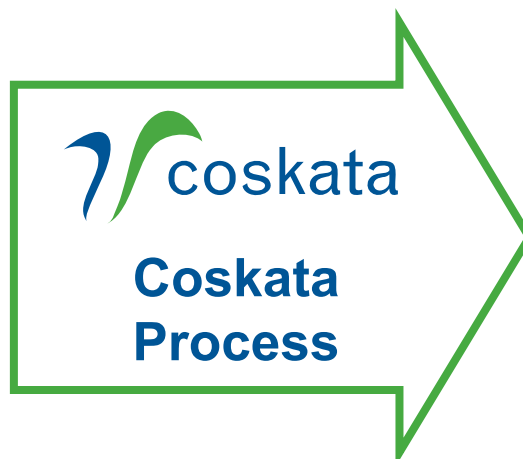
Source: EIA.

High yields drive significant upgrade potential



Natural Gas
(1 mmBtu)

Value: \$4



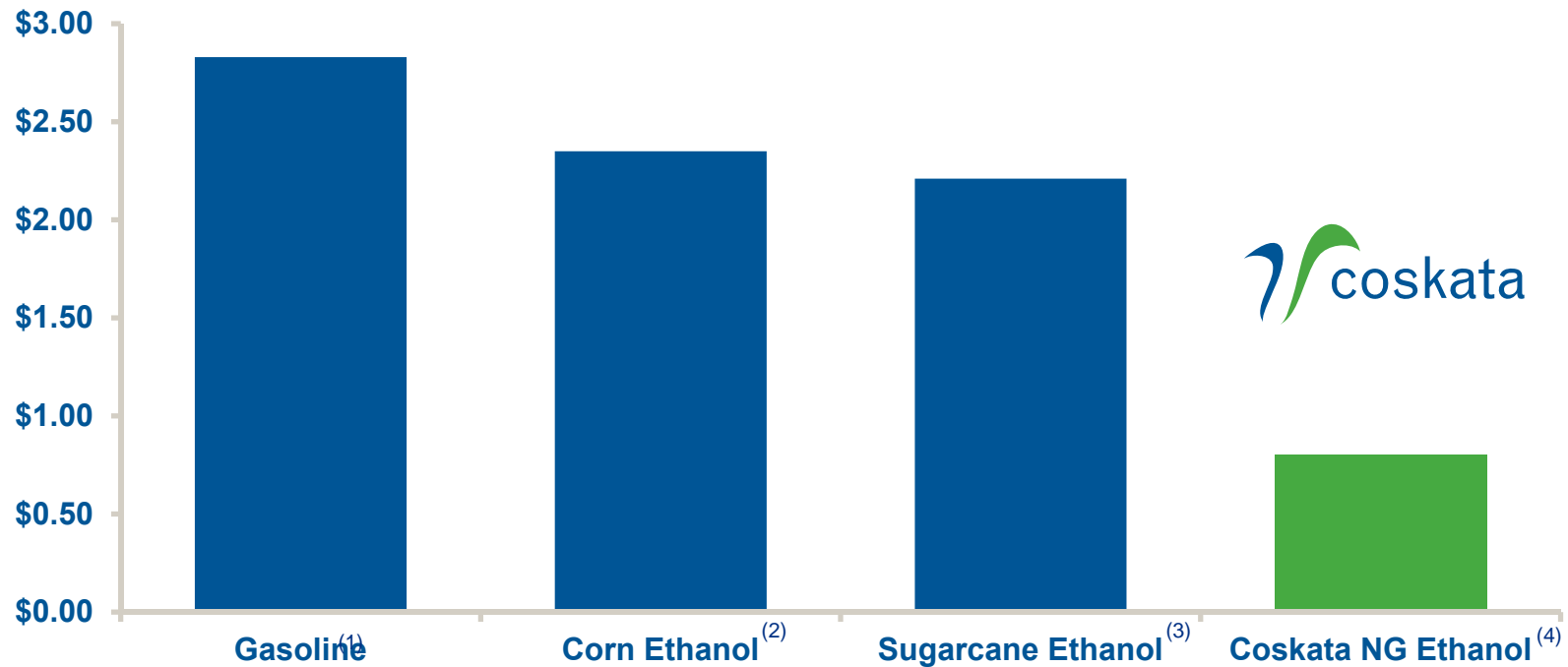
Ethanol
(7 Gallons / 46 Pounds)

Value: \$17

Lower production costs than competing processes



Production Cost per Gallon



- (1) Assumes oil price of \$100 per barrel and \$0.45 refining cost per gallon of gasoline.
- (2) Assumes corn cost of \$6.00/bushel, net of sale of dried distillers' grains. February 2013 US corn price \$7.00 per bushel.
- (3) Assumes sugar cost of \$0.20/lb purchased on open market. February 2013 sugar price \$0.18 per pound.
- (4) Using Coskata process, Assumes \$4.00/mmBtu natural gas..

Lighthouse Demonstration Plant

- Natural gas, municipal solid waste and woody biomass converted to ethanol
- Ethanol meets ASTM standards

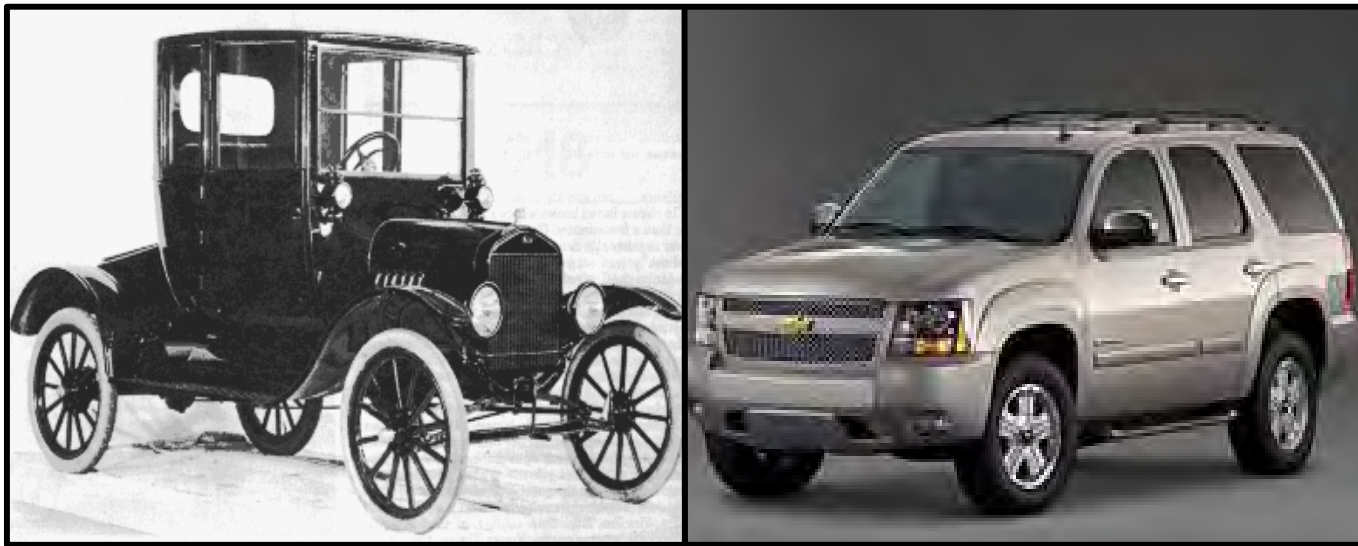
Key Learning's from Lighthouse

- Fermentation design and continuous operation
- Natural gas reforming and processing
- Biomass Gasification / Integration
- Engineering Scale-Up



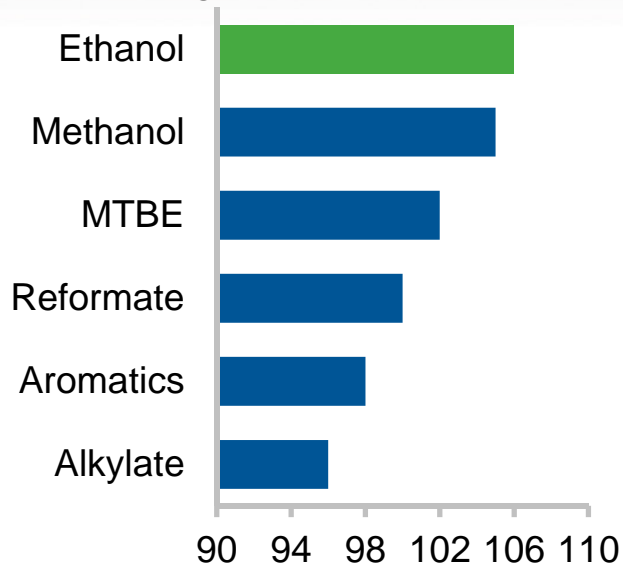
Ethanol has a long history of performance

- Ethanol has been used since Henry Ford's original Model T in 1908
- Ethanol has been blended with gasoline (from 3% to 85%) in many countries for decades
- Ethanol has been found highly compatible with spark ignition "Otto" cycle engines



High Octane

Octane ratings of different fuels



High Heat of Vaporization

Ethanol has a 3 to 4 fold higher HoV than gasoline

High Performance and Efficiency

- Research by Ford and AVL presented at the 2013 SAE World Congress found that mid-level (E20-E30) ethanol blends allow engine down sizing and other benefits that result in increased fuel economy
- Mercedes presentation to NEC:
 - “Vehicles ‘Optimized’ for Mid-Blend Ethanol and Octane Can Enjoy Both Power and Efficiency”
 - New AMG CLA 45 engine provides **350 HP AND 33 MPG**



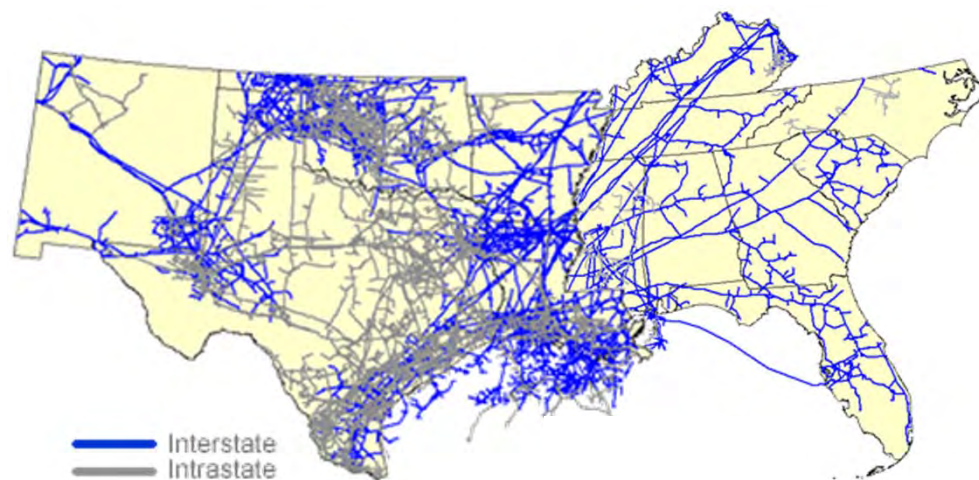
NG Ethanol can be produced where it is needed



Strong demand for fuel

Gulf Coast and Southeast states represent ~ 30% of US gasoline demand

Abundant natural gas



Coskata see the US Gulf Coast as ideal for siting commercial facilities

- Siting multiple plants in next 3-5 years
- Hundreds of direct jobs
- Large capital investment

NG Ethanol can provide a sustainable alternative to gasoline

- ✓ **Low cost via Coskata's technology**
 - ✓ High yield
 - ✓ Demonstrated results

- ✓ **High value/high performance gasoline additive**
 - ✓ High octane
 - ✓ High heat of vaporization
 - ✓ Allows **BOTH** high performance and fuel economy

- ✓ **Local production for local consumption**
 - ✓ Gulf Coast is advantaged due to natural gas and gasoline demand
 - ✓ Potential for many plants in the US Gulf Coast with hundreds jobs



Coskata Inc.

4575 Weaver Parkway Suite 100

Warrenville, IL 60555

P: 630-657-5800

www.coskata.com