



**bioX**  
CORPORATION

Better Fuel For  
A Cleaner World

Investor Presentation  
February 2012

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# Forward-looking statements

This presentation and our answers to questions contain statements about expected future events and financial and operating results of BIOX that are forward-looking. By their nature, forward-looking statements require BIOX to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results and events to differ materially from that expressed in the forward-looking statements. Accordingly, our comments are subject to this disclaimer and qualified by the assumptions, qualifications and risk factors (including those associated with legislation affecting the biodiesel industry, the availability of producer payment programs, and commodity prices) referred to in BIOX's public disclosure documents filed with Canadian securities regulatory authorities. Except as required by law, BIOX disclaims any intention or obligation to update or revise forward-looking statements.

# Clear North American Mandates

## Renewable content in diesel (Gallons per year, % of diesel consumed)

2011                      2012                      2013



### Renewable Fuel Standard Program (RFS-2)

Enacted July 2010

Administered by the EPA

0.8 B

1.0 B

1.3 B

~1.6%

~2.0%

~2.6%



### Renewable Fuel Standard

Enacted July 2011

Administered by Environment Canada

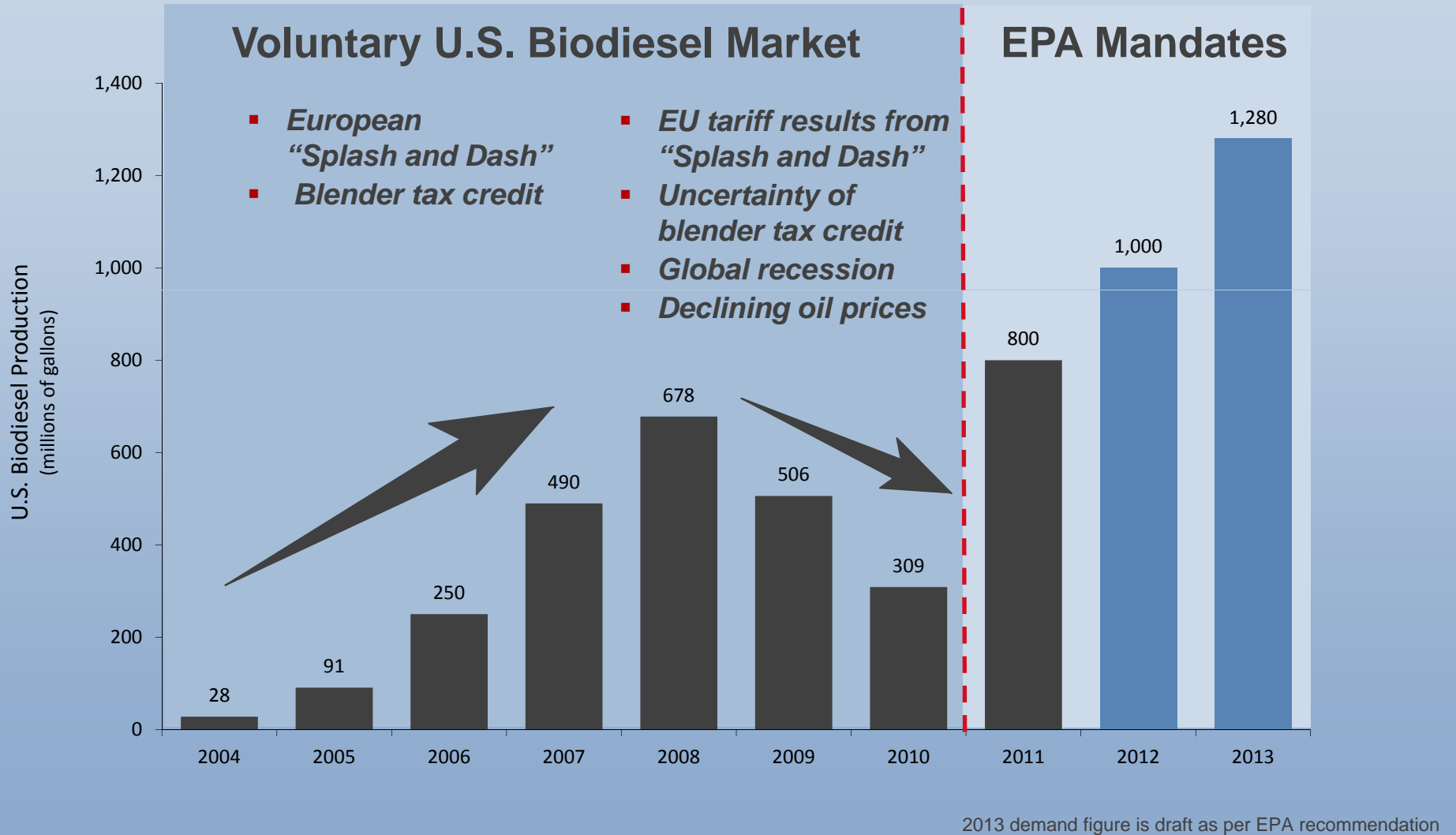
~132 M

~158 M

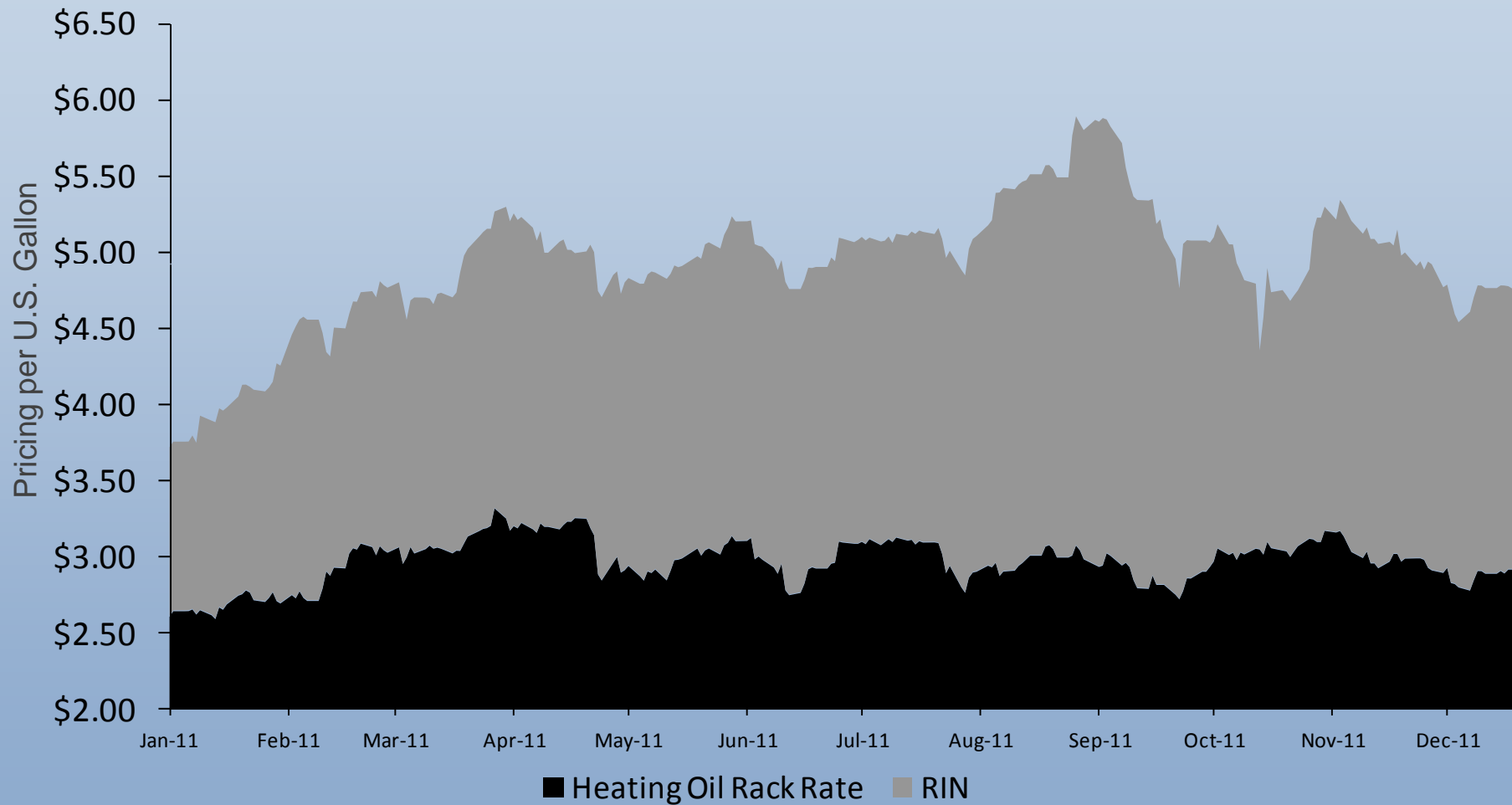
2.0%

Mandates will drive  
North American biodiesel supply/demand

# Mandates drive demand from obligated parties



# Pricing fundamentals improving

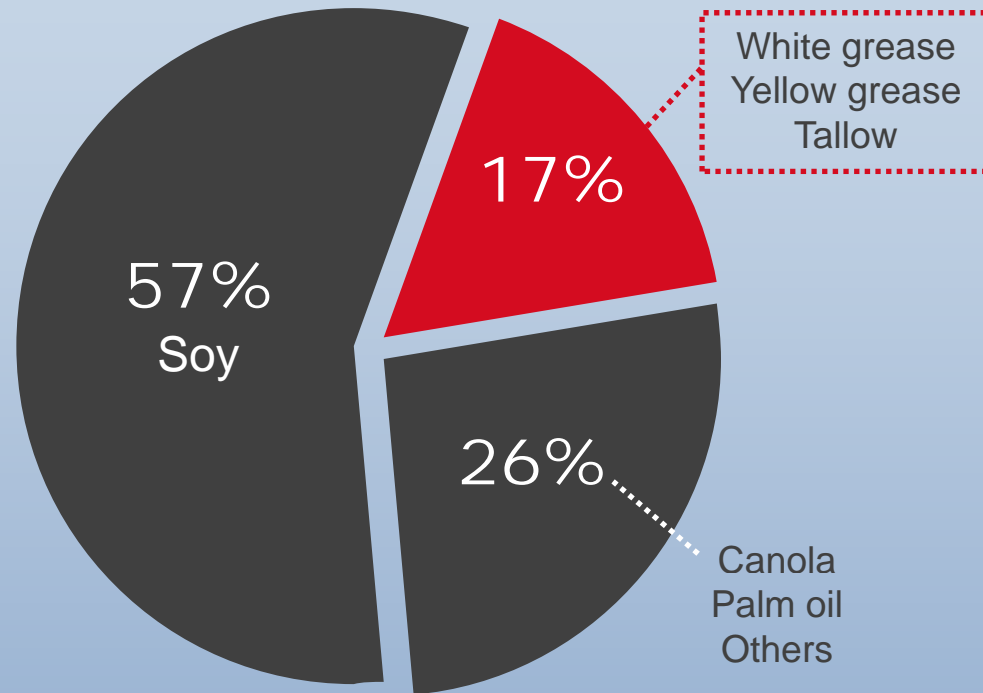


Historically

~80%

of production costs  
are feedstock costs

# The BIOX multi-feedstock advantage



2008 U.S. Biodiesel  
feedstock sources

High levels of FFAs  
**impede**  
traditional  
conversion processes

High FFA feedstocks  
historically trade at  
**~30%**  
discount to seed oils

- High FFA (Free Fatty Acids)
- Low FFA (Free Fatty Acids)

# The impact of our technical advantage

## Traditional process

Higher priced low  
FFA feedstock

Pretreat high FFA feedstock  
**resulting in yield loss**

Chemistry consumption  
likely higher

Energy consumption  
likely higher

## BIOX

**~30% price discount**  
on higher FFA feedstock

Yield: **1:1**

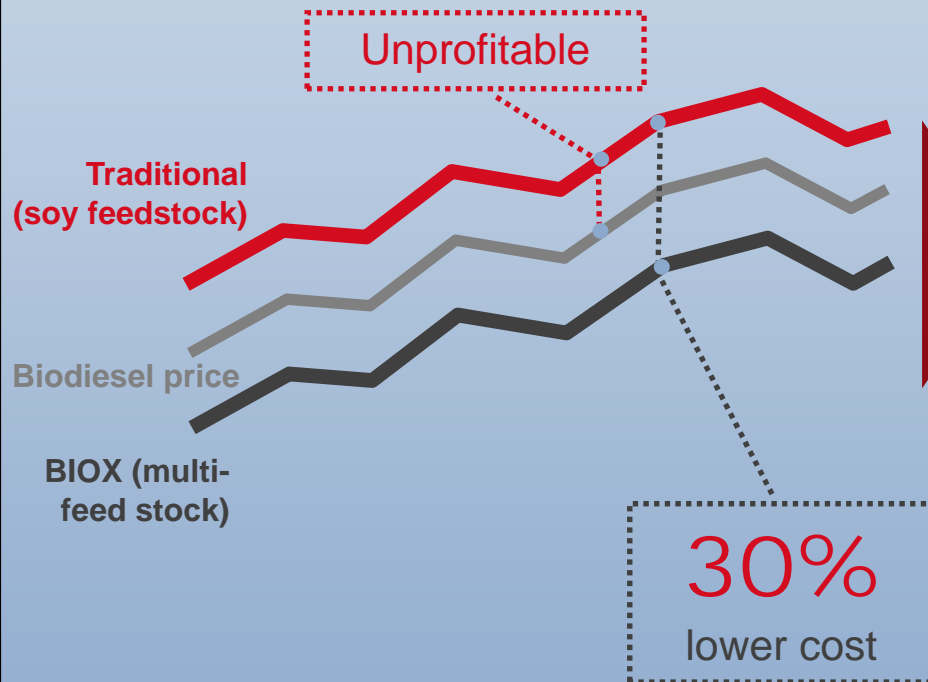
**Cannot use less chemistry**  
(stoichiometrically)

Atmospheric pressure and  
ambient temperature  
**= low energy cost**

**BIOX = low cost provider**

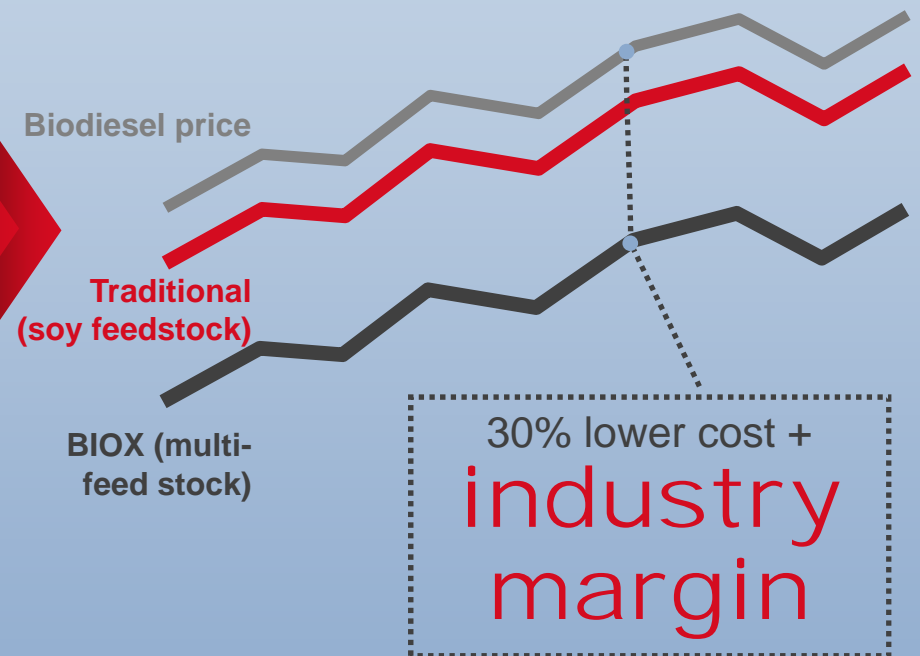
# Mandates are transforming biodiesel pricing

Voluntary (pre-mandate)  
Biodiesel fixed to diesel price



Biodiesel directly competes against fossil fuel prices

Obligatory (post-mandate)  
Biodiesel fixed to feedstock price



Biodiesel prices based on production costs

# Q1 2012 review

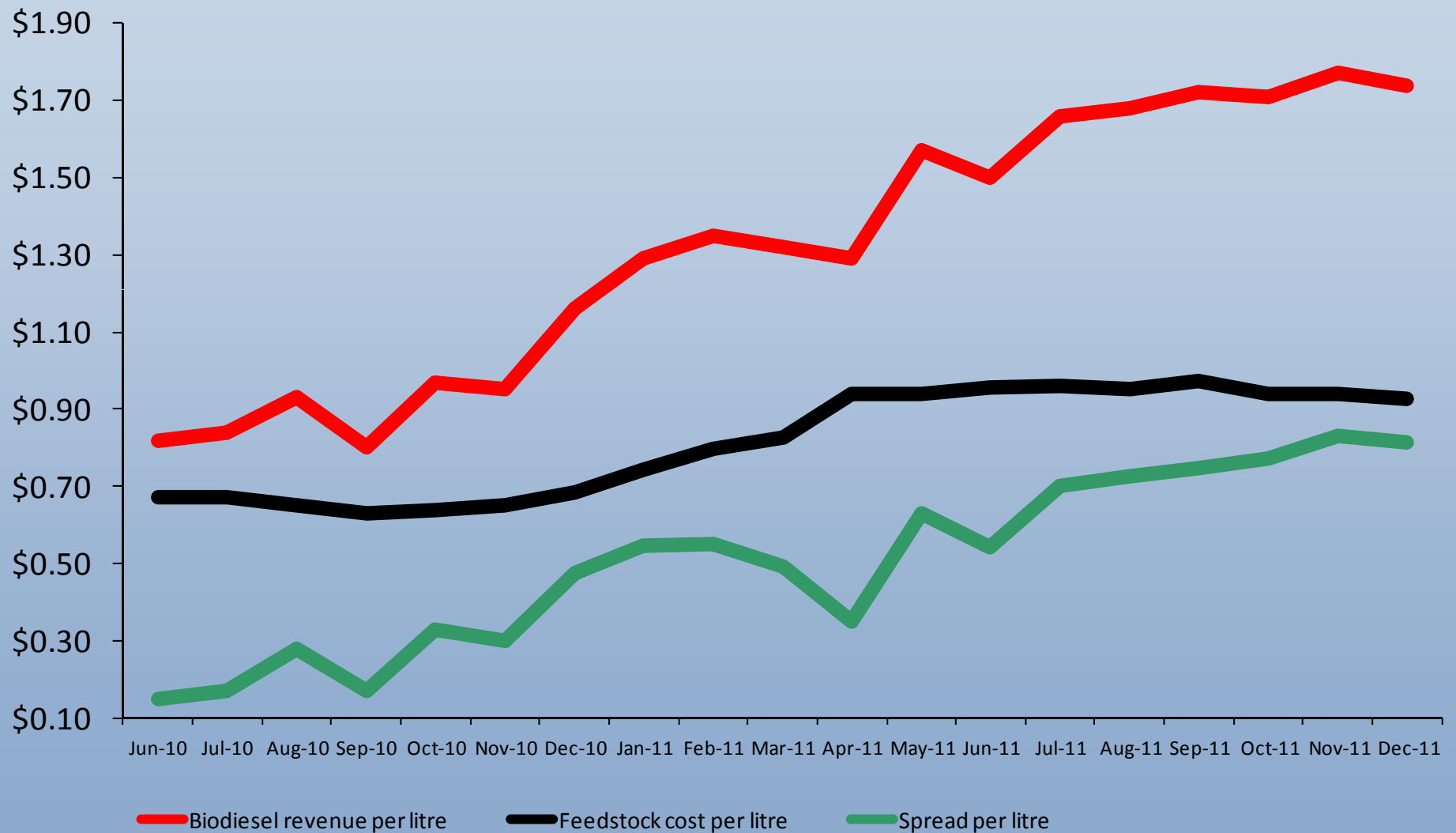
Q1 2012	Q1 2011 <sup>1</sup>	2011	(in thousands)
16,800	20,900	67,500	Biodiesel sales (litres)
\$28,900	\$27,000	\$97,300	Sales revenue
\$5,100	\$4,900	\$13,800	BIOX Canada & BIOX USA combined operating income prior to non-cash items
\$3,500	\$3,300	\$6,700	Operating income prior to non-cash items
\$1,900	\$1,900	\$5,600 <sup>2,3</sup>	Net Income

<sup>1</sup> Q1 2011 included \$3.5 million in sales related to biodiesel sold during fiscal 2010 due to the reinstatement of the U.S. biodiesel tax incentive

<sup>2</sup> Included a gain from recognition of future income taxes of \$6.6 million

<sup>3</sup> Included write off of \$1.7M of costs previously capitalized related to proposed second BIOX plant in Hamilton, Ontario

# Spread increasing between biodiesel and feedstock



# Canada's largest biodiesel producer

**Proven & Patented Low Cost Producer**

67 million litre / year capacity

Operating since 2007

220 million litres produced to-date

# We select the optimal locations

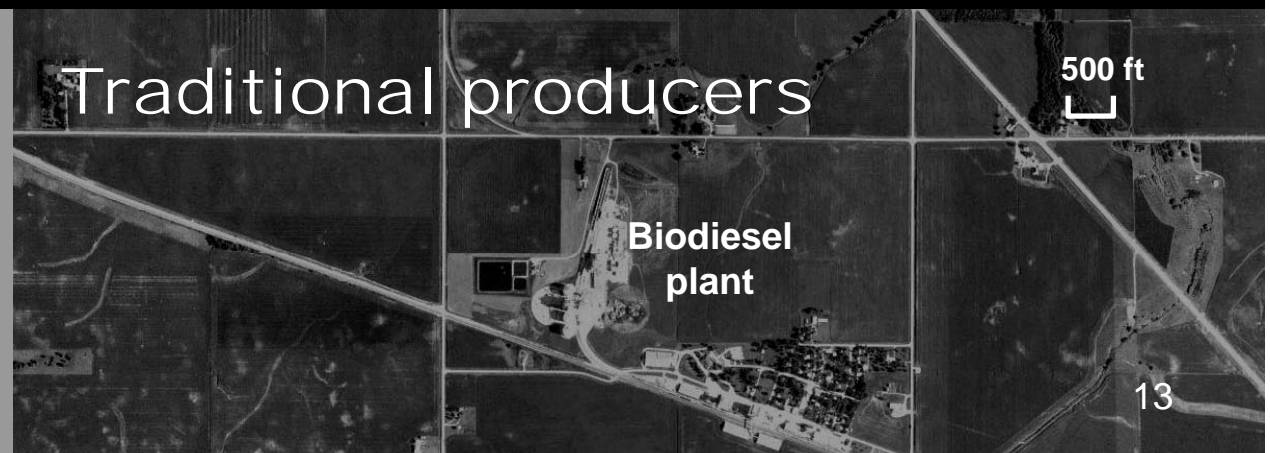
## Access to

- Petroleum distribution infrastructure
- Customers (refiners and importers)
- Transportation logistics
- Favourable jurisdictions
- Multiple feedstocks



## Access to

- Proximity to plant-based feedstock
- Large footprint



# Growth strategy

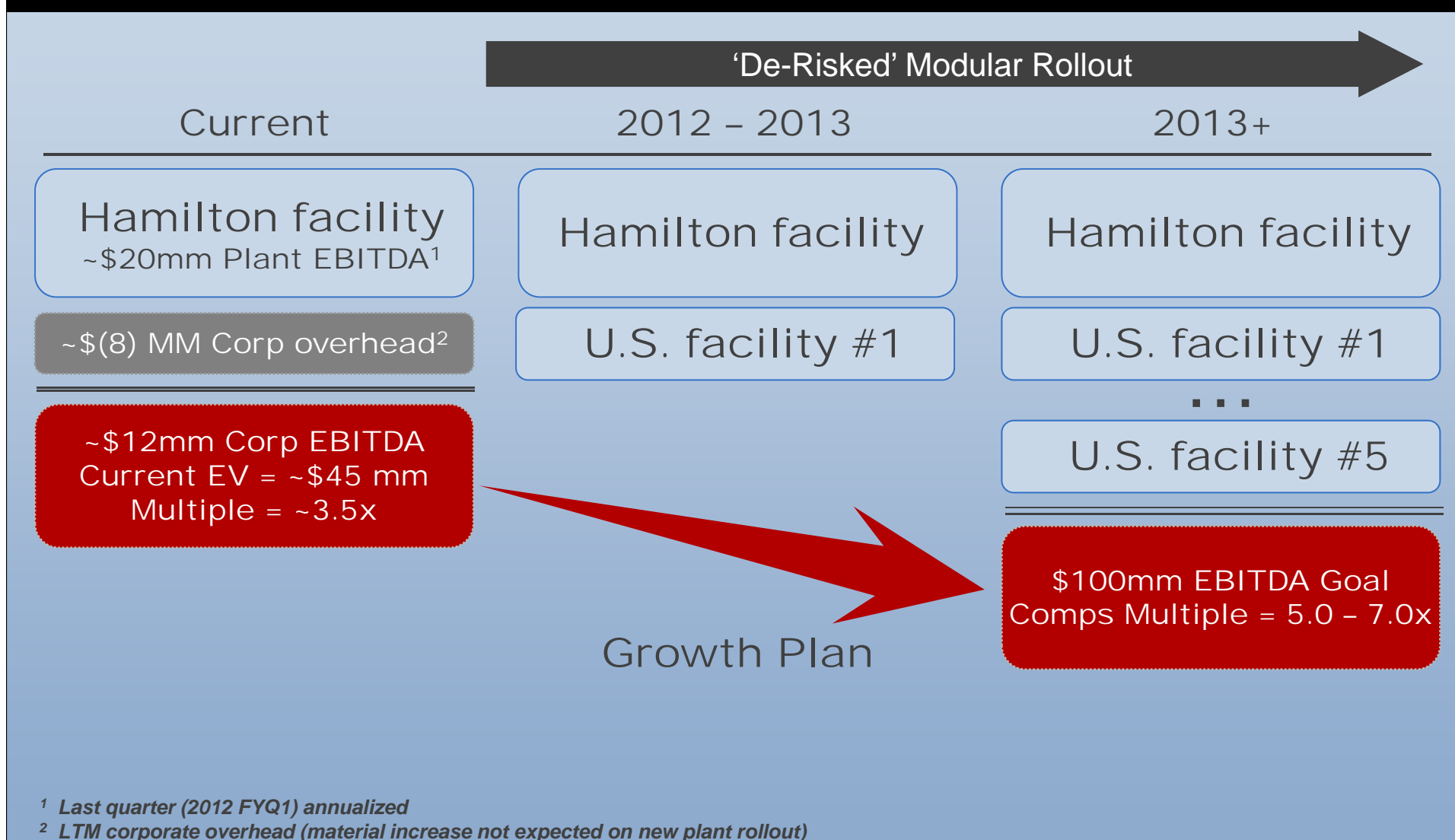
## 2<sup>nd</sup> facility

- 67 m litres per year (min)
- U.S. site identified
- Working to finalize:
  - Infrastructure
  - Service providers
  - Strategic partnerships
  - Logistics
- Current resources sufficient to fund ~\$30 million processing plant costs

3rd facility ++  
(Modular roll-out)

Acquisitions

# Path to value creation: Illustrative example



<sup>1</sup> Last quarter (2012 FYQ1) annualized

<sup>2</sup> LTM corporate overhead (material increase not expected on new plant rollout)

# Corporate overview

TSX symbol	BX
Market capitalization	\$58.6 mm
Share price*	\$1.28
Cash	\$33.3 mm
Working capital	\$40.1 mm
Debt	\$16.4 mm
Shares outstanding	45.7 mm

\* As of February 17 2012

# Management

Kevin Norton  
Chief Executive Officer

Chris Clinning  
Executive VP and CFO

Scott Lewis  
Vice President, Business  
Development and Sales

Nak Paik  
Vice President, Operations

Neil Van Knotsenburg  
Vice President, Projects

- Founded BIOX
- Patented the process
- Purchase patents from UofT
- Built two pilot plants
- Raised capital for first two plants
- Constructed, commission and operate largest plant in Canada

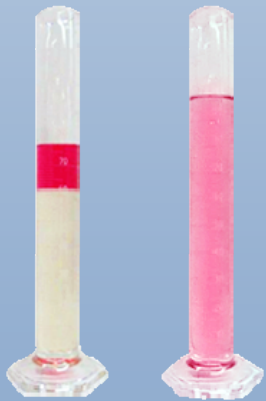
# Investment Thesis

- Strong Demand Fundamentals
  - Mandates are driving market economics and forcing a repricing of biodiesel
- Technological Advantage
  - Patented and proven low-cost process
  - Modular design enables simplified expansion opportunities
- Solid Financial Footing
  - Currently generating significant free cash flow
  - Cash resources sufficient to build additional capacity
- Highly experienced management team

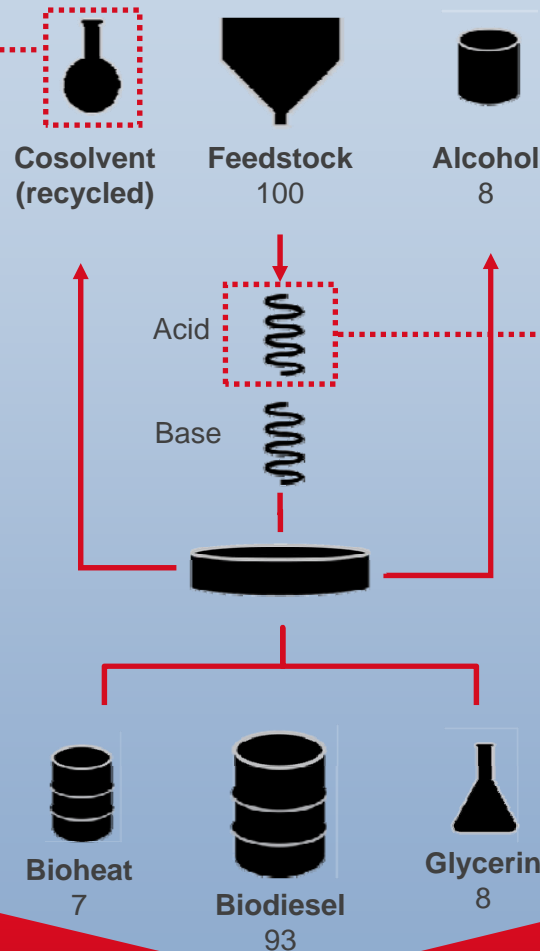
# BIOX's proprietary production process

## Cosolvent Technology

- Low temperature (60°C)
- Atmospheric pressure
- 99.99% recycled
- Efficient "mass transfer"



Highest possible yields  
>99%



## FFA conversion vs. FFA pretreatment

- Permits high FFA content
  - Tallow
  - White grease
  - Used cooking oil
  - Crude palm oil
- FFA converted
- 1:1 yield

True multi-feedstock  
capability