

ORPC Investment Opportunity Summary

June 2019



*Improving people's lives, and their environment,
through sustainable energy solutions*

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Executive Summary

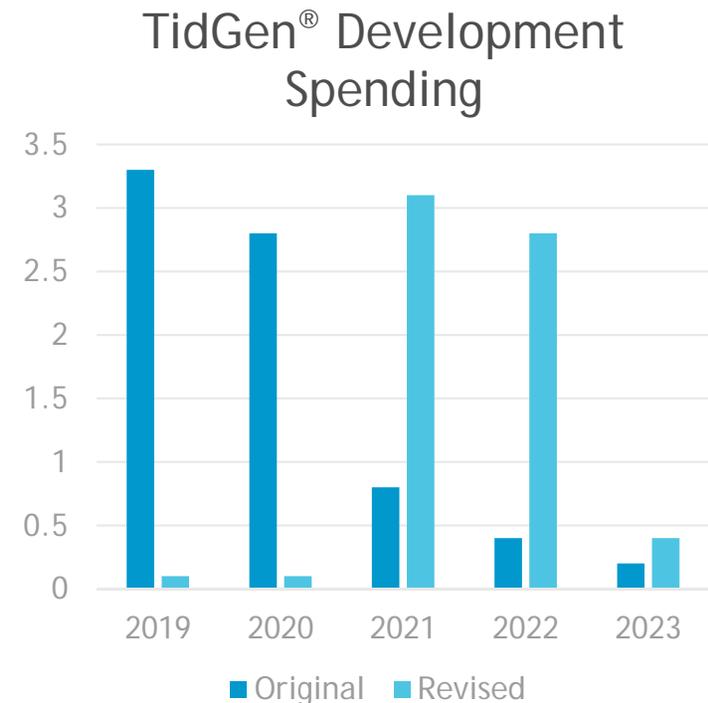
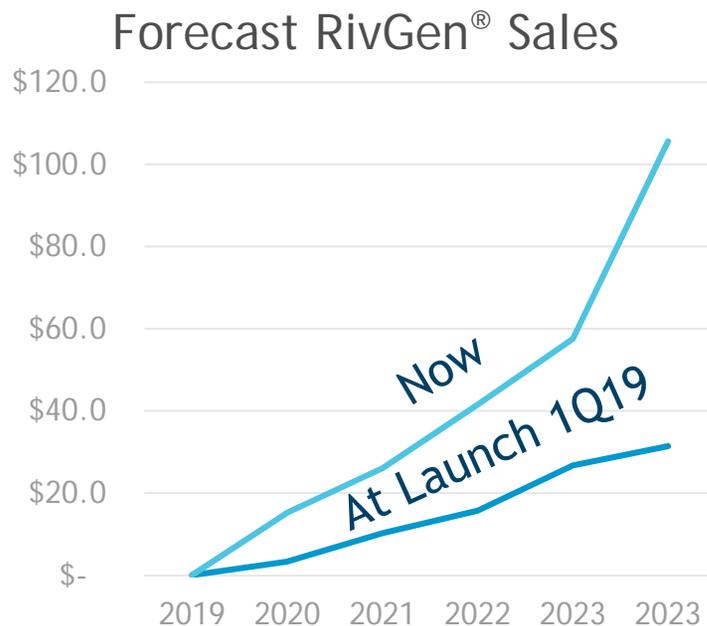
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Business Plan Update Since Launch

Due to increased market interest in RivGen® Power Systems and cost savings from delaying TidGen® rollout until 2022, ORPC's near term revenue has gone up and development costs have gone down.



As a result, ORPC's funding need has decreased from \$25MM to \$7.5MM

Investment Opportunity Overview

Global Market Opportunity

- Strong worldwide demand for renewable energy coupled with major shift to renewable energy powered microgrids
- Distinct advantages (opportunities) vs. solar and wind
- Early market opportunity with limited competition

High Value Solution

- Proven, patented marine renewable energy (MRE) technology provides predictable, affordable, zero carbon microgrid solution
- Leasing option makes it easy to acquire
- Minimal environmental, viewshed, navigation or land use impact

Investment Considerations

- Scalable business with steep revenue growth potential
- Motivated, seasoned management with achievable profitability plan
- Identified sales prospects leading to profitability within 2 years

ORPC Power Systems

- Built around ORPC's proprietary and proven core technology, the turbine generator unit or "TGU"
- Highly adaptable, modular TGU adapted for river and tidal applications.



Shown in relative scale

Immediate Market: Remote Communities

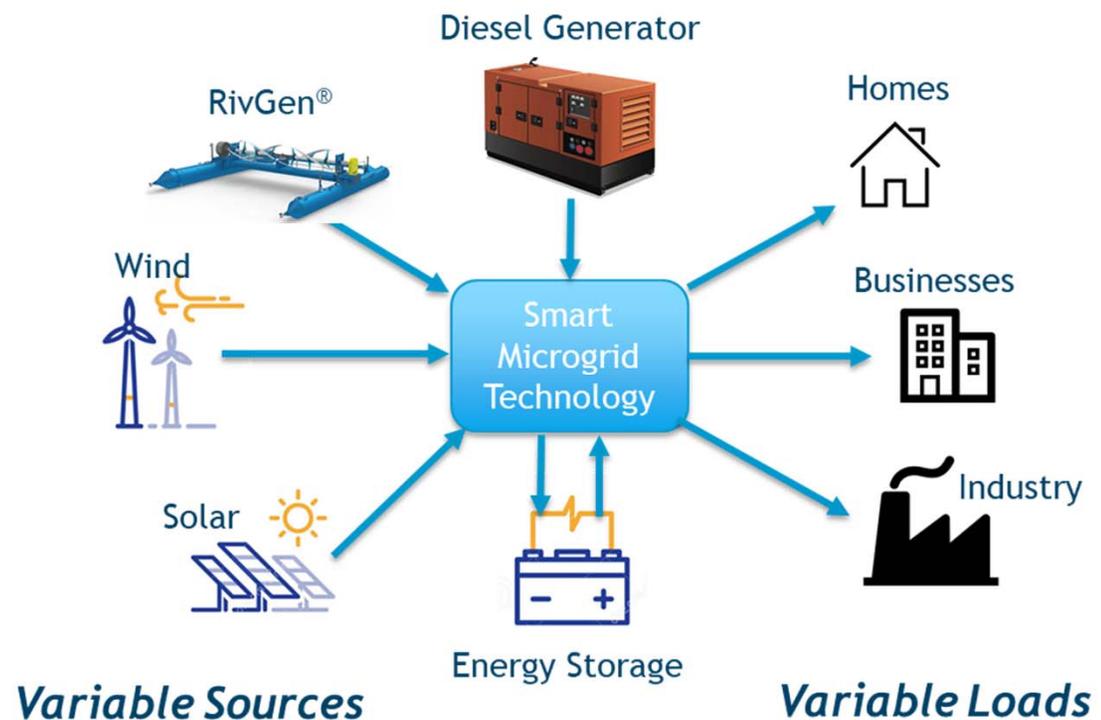
- Globally, 2 billion mostly indigenous people live in remote communities with no access to traditional energy infrastructure
 - 700 million have electricity but rely solely on very costly diesel power generation
- No regional power grids or fuel pipelines
- Many communities in a sustainability crisis, very high energy costs stifle economic development
- Diesel generation too expensive and too risky to their environment
- No major infrastructure exists, power systems must be easy to install
- Remote community microgrids are outdated, need updating
- Most remote communities are located on or near viable tidal or river current resources suitable for ORPC power systems.
- Remote mining, eco resort and other facilities face similar challenges.



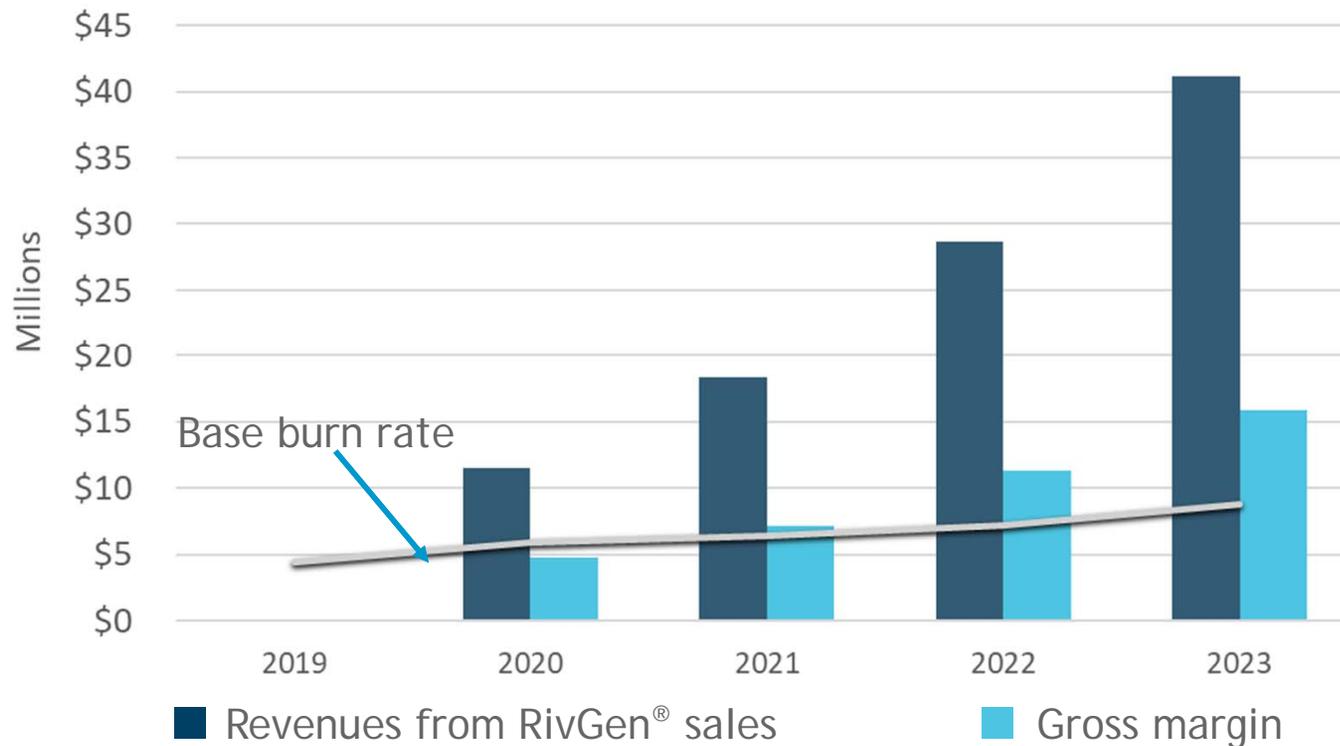
Solution to Remote Communities' Energy Issue

Highest value solution for remote communities is a smart microgrid powered by a RivGen® Power System

- A RivGen® powered smart microgrid can eliminate the need for diesel generators.
- RivGen® provides baseload (firm) power.
- Energy storage and smart controls allow incorporation of intermittent sources like wind and solar.



Projected RivGen[®] Sales (Customers Identified)



Summary of Projections:

- *Profitable in 2021 from RivGen[®] sales to identified customers*
- *\$99MM RivGen[®] sales, \$39MM gross margin thru 2023*



Market Opportunity

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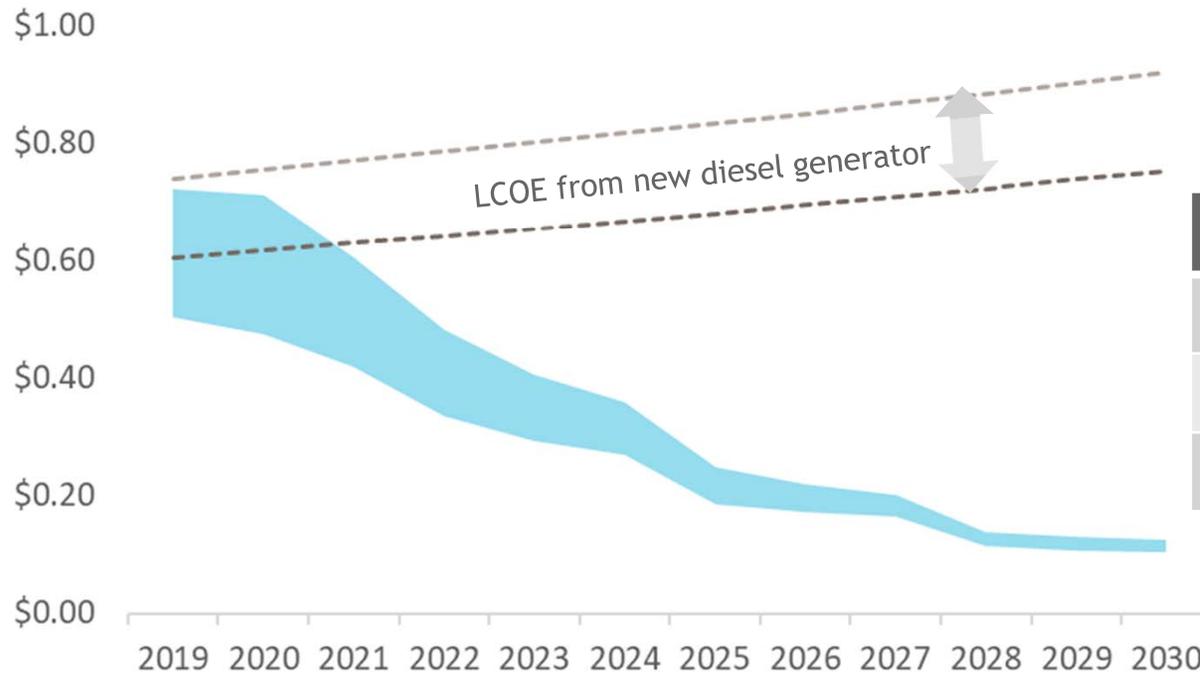
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Lower Cost of Energy than Diesel

New Diesel Generators vs. ORPC MRE Power systems

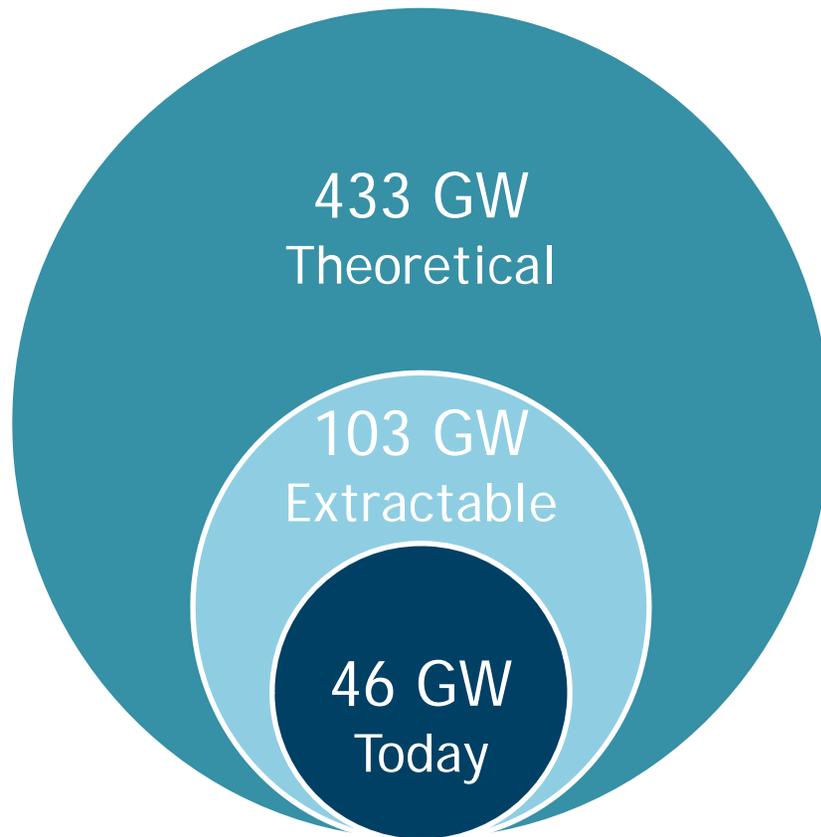
While the cost of diesel generation will increase over time, RivGen® LCOE costs are forecast to decline as experienced in the wind and solar industries.



Renewable Source	Ten-Year Cost Reduction (%)
Solar	85%
Wind	60%
MRE (projected)	70%

Projected Levelized Cost of Energy (LCOE) from ORPC Power Systems

Estimated Total Global Addressable Market



Note: One RivGen[®] generates between 35 and 80 Kw

Addressable Market Today represents \$478 billion ORPC revenue potential

Theoretical 433 GW

- River 183 GW
- Tidal 238 GW
- Ocean Current 12 GW

Extractable 103 GW

(assumes 5% to 50% of theoretical can be extracted)

- River 41 GW
- Tidal 55 GW
- Ocean Current 6 GW

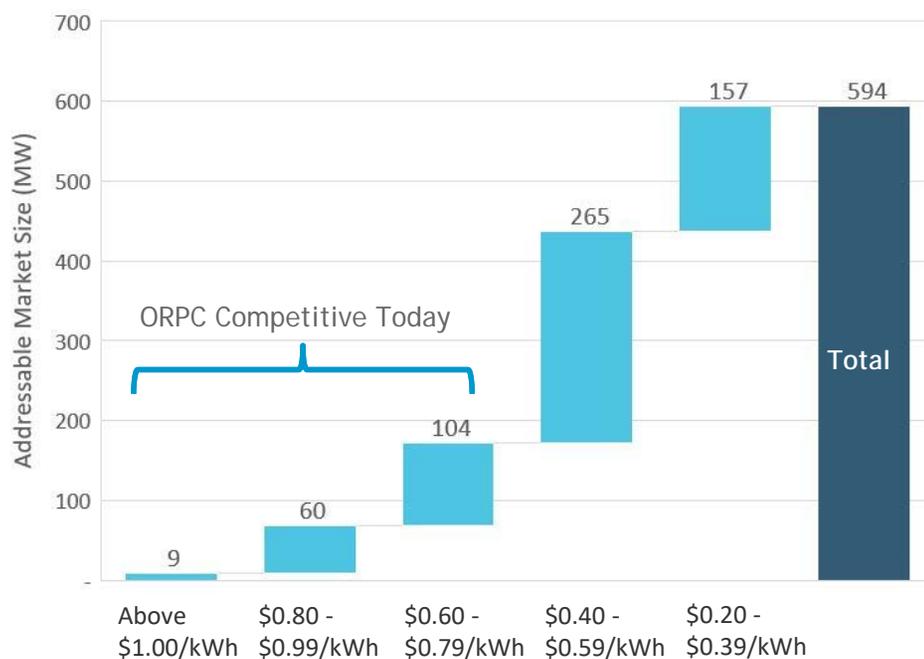
Addressable Today 46 GW

(considers existing demand)

- River 2 GW (40,000 RivGen[®])
- Tidal 37 GW (120,000 TidGen[®])
- Ocean Current 6 GW

Remote Community Market in North America

Segmented by price of electricity



Note: One RivGen® generates between 35 and 80 kW.

- 482 remote communities across North America rely on diesel for power needs.
- 60 million gallons of diesel per year consumed for electricity generation in these communities.
- Fuel transportation and storage logistics cause very high delivered cost of diesel (up to \$7.00/gal.)
- Analysis excludes expected annual load growth of 2.4%

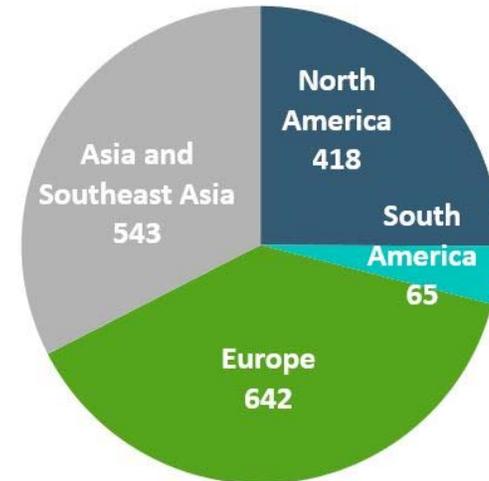
ORPC offers a competitive zero carbon microgrid solution today to communities with energy costs above \$0.60/kWh, which represents \$3.9 billion in revenue potential from sales of ORPC power systems.

Major Contributor to a Carbon-free future

Assuming 100% capture of today's addressable market (46GW), ORPC power systems could reduce global carbon emissions by a cumulative total of 1.6 billion metric tons of carbon dioxide equivalents by 2050, equivalent to:

Carbon Dioxide Equivalent Emissions Avoided by Region

Millions metric tons CO₂e



Taking
354
million
passenger
vehicles off
the road

or



Conserving
3.8 billion
barrels of oil

or



Retiring
428
coal-fired
power plants



Sales and Revenue Projections

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ORPC Revenue Model

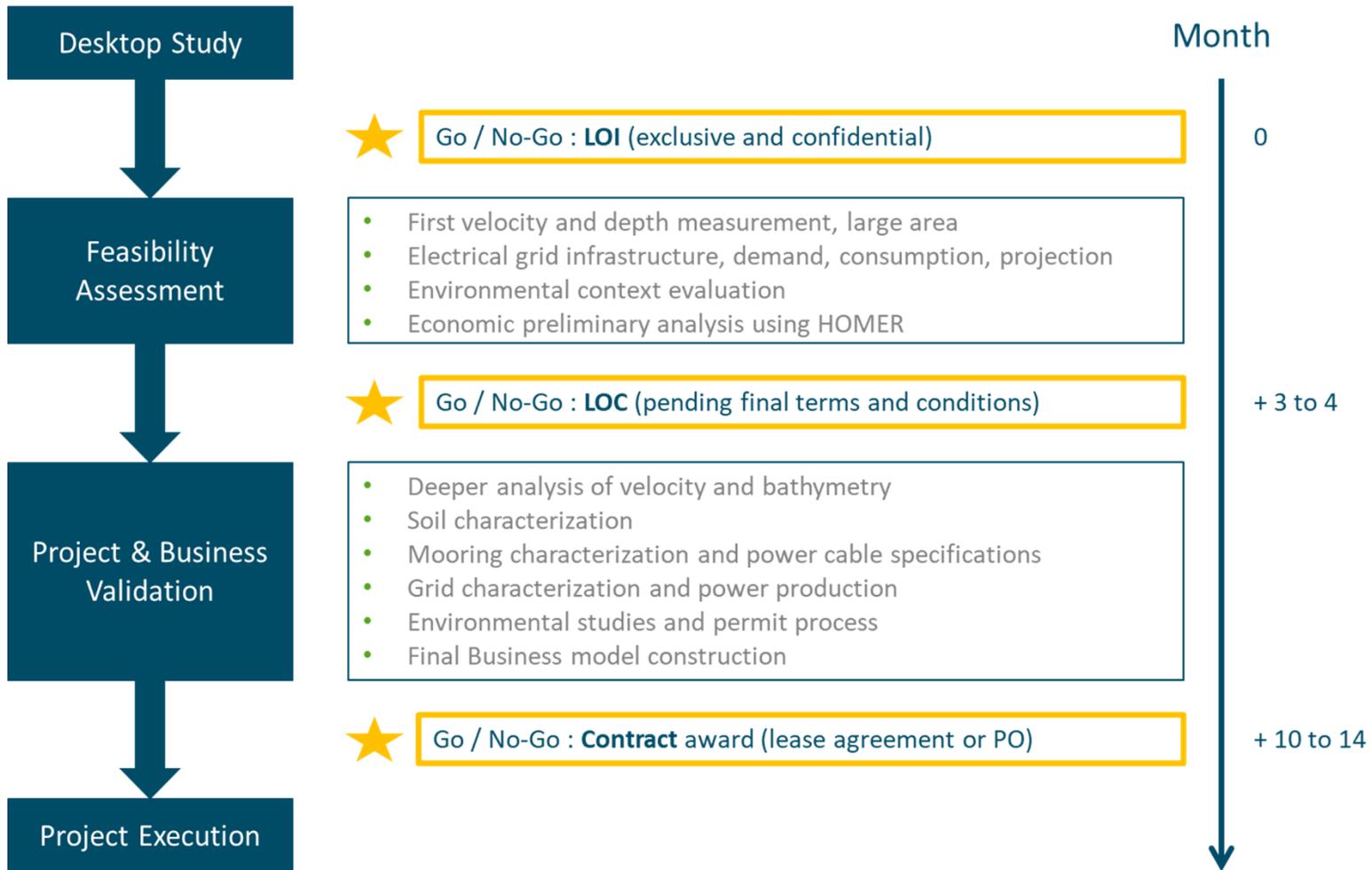
ORPC plans to derive revenues from 3 primary sources:

- Sales of ORPC power systems
 - Systems to be sold at a substantial margin over production cost
 - ORPC anticipates that margin (percentage) will increase over time
- Sales of project development and ongoing technical services
 - Project development can include site assessment and design, permitting, project management, training, etc.
 - Technical services can include operations monitoring, predictive maintenance, maintenance management, etc.
- Technology licensing
 - Licensing of technology to third parties
 - Technology licensing within joint ventures

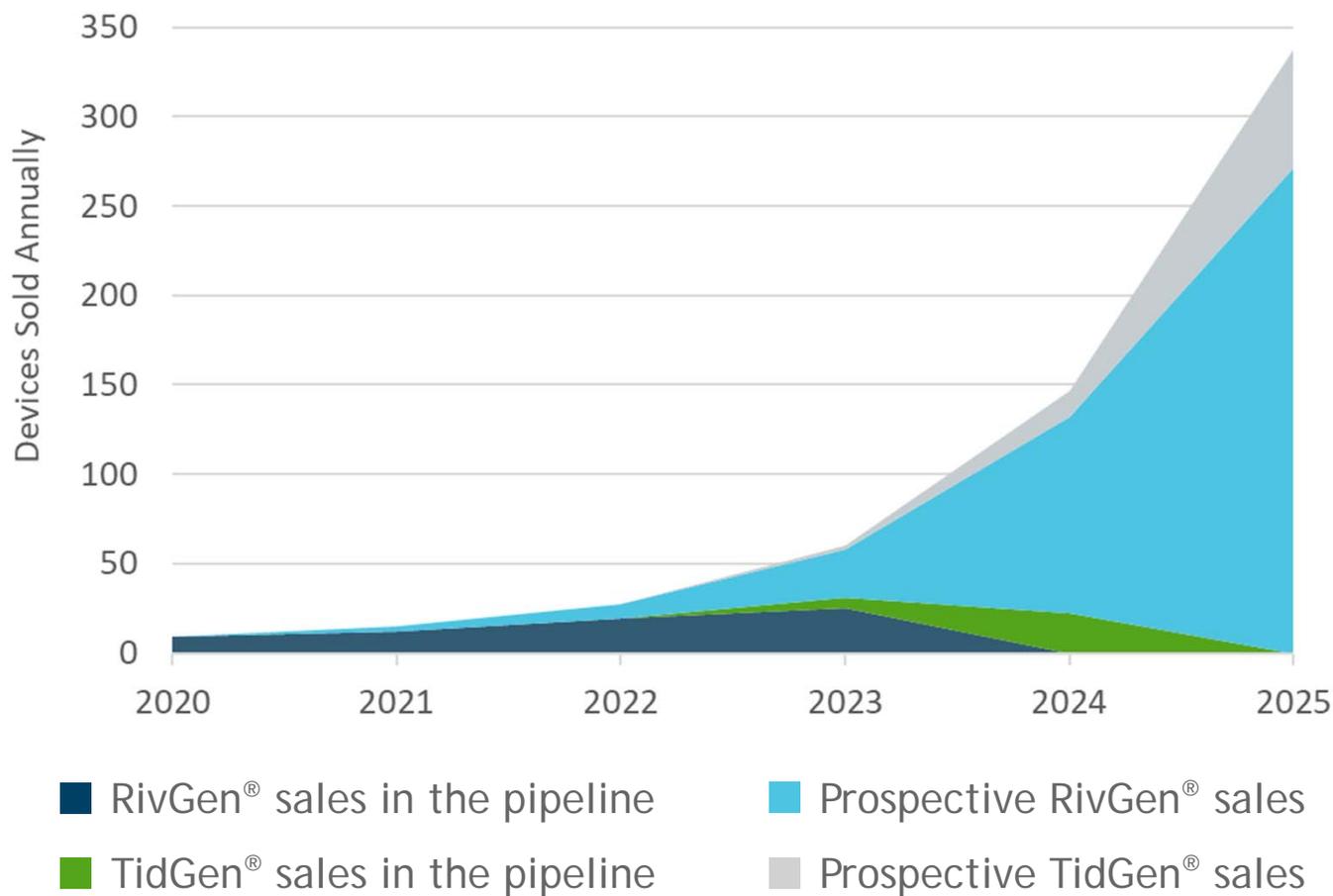
Investments made in projects and revenues received through project ownership are not included in projections.



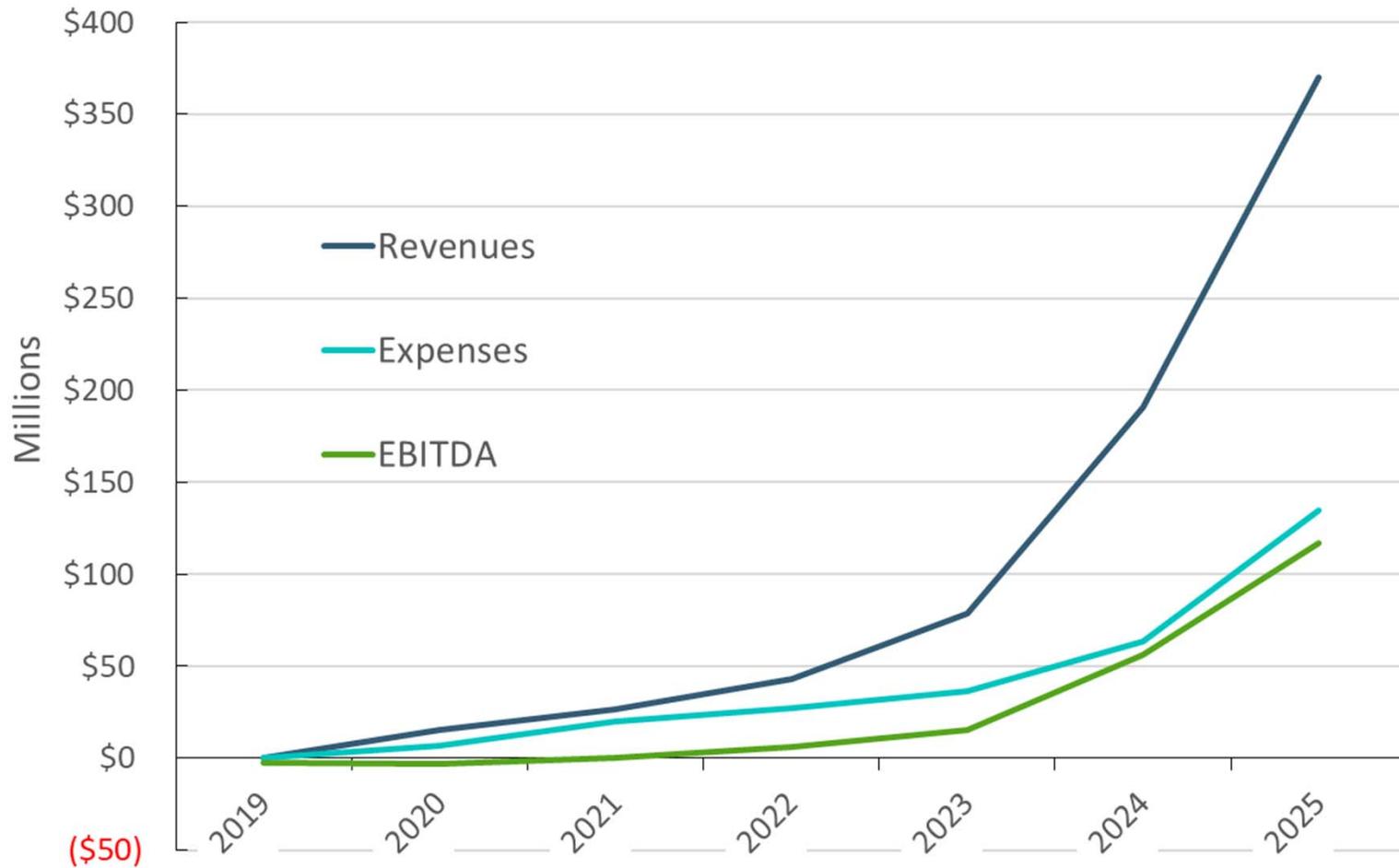
ORPC Near Term RivGen[®] Sales Process



ORPC Device Sales Projections thru 2025



Financial Projections thru 2025



2-Year Budget Projections

- Based on delay in TidGen[®] procurement until late 2021, updated RivGen[®] sales projections, adding needed staff, and providing for working capital, and contingency
- Total 2-year budget (1/1/19 to 1/1/21) is \$19.7MM

<u>Source</u>	<u>Amount</u>
Carryover from 2018	\$1.5MM
Committed Investment	\$1.0MM
Drawdown from Grants	\$3.3MM
RivGen [®] Sales & Services	\$6.4MM
New Investment Needed	<u>\$7.5MM</u>
Total	\$19.7MM

Total Need
of \$7.5
Million

- Cash flow breakeven projected to occur by end of 2020

Can a Small Maine Town's Innovation Turn the Tides on Sustainable Energy?



SBIR Program 2013 Tibbetts Award

FAST COMPANY

MOST INNOVATIVE COMPANIES 2013

THE WORLD'S TOP 10 MOST INNOVATIVE COMPANIES IN ENERGY

The New York Times

The Search for Energy Takes a Turn Underwater

*Thank you
Merci
Gracias*

