



**High Quality, Low Carbon Footprint Bottle Grade
Post Consumer Recycled PET (rPET) Packaging**



MAY 31, 2018

The information within is not to be disclosed to any third parties without our express written permission

Table of Contents



- 1 Summary
- 2 Benefits of Recycling PET
- 3 The PET Plastic Market & Recycling
- 4 rPE's Low GHG Production Process
- 5 Product Offerings
- 6 Vernon, CA Plant & National Expansion Plan
- 7 rPE's Innovative Sustainability Initiative
- 8 Appendix

Our vision:

Zero plastic waste on our planet earth

Our mission:

To be the leader in creating a truly sustainable, closed-loop system for the recycling and reuse of post-consumer plastics

Our business:

Developing unique packaging solutions that deliver the highest quality with the lowest carbon footprint



r Planet Earth was formed to provide high quality, high recycled PET (“rPET”) content packaging to food, beverage and other consumer products companies

Company Background

- rPE will recycle post consumer PET (plastic water and soda bottles & thermoformed containers) into a “bottle grade” flake that exceeds the FDA’s requirements for direct food contact applications. This high quality recycled PET or “rPET” will then be incorporated into high rPET content food, beverage, cosmetics and other types of packaging products in our state-of-the-art vertically integrated plants.
- We plan to build 4 or 5 PET recycling and packaging manufacturing plants across the U.S. to enable us to provide national and regional brands with a high quality, reliable and consistent supply of rPET materials that can be used in direct food contact applications.
- r Planet Earth’s first plant will be located in Vernon, California. Two parallel production lines will be installed, with the Phase 1 expansion becoming operational in the fall of 2018. Phase 2 is expected to be operational by the end of 2020. Upon completion of the Phase 2 expansion, by volume the plant will be the largest food grade rPET plant in the U.S and the second largest in the world.
- The market can best be characterized as having levels of demand for rPET packaging that far exceed available supply.



1

Summary

Our innovative business model is **“game changing”** and very efficient

Tomorrow has Arrived!

Today



Tomorrow

rPE Will Recycle Post-consumer Bottles & Thermoforms

Completely Vertically Integrated Plants



Substantial cost reduction and efficiencies:

- Eliminate intermediate supplier mark-ups
- Eliminate intermediate transportation cost
- Remove costly production steps



The Coca-Cola Company has a goal to “reduce the carbon footprint of the drink in your hand by 25 percent by 2020”

Benefits of Recycling

rPET vs Virgin PET Pellet Production

rPET

Virgin PET Pellet



Greenhouse Gas Emission Reduction

Energy Use Reduction

Water Consumption Reduction



Recycling 1 plastic bottle saves the equivalent of 6 hours of energy usage for a 60 watt bulb



Recycling 1 ton of PET saves 7.4 cubic yards of landfill space



It takes 700 years before plastic bottles start to decompose

Source: Rethink Fabric, NAPCOR, Keep America Beautiful, Environmental Protection Agency and Earth 911.

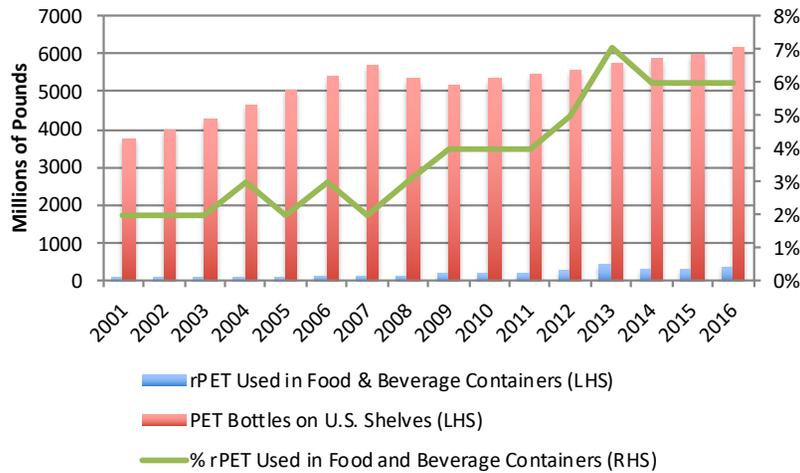
2

Benefits of Recycling PET

6% rPET?

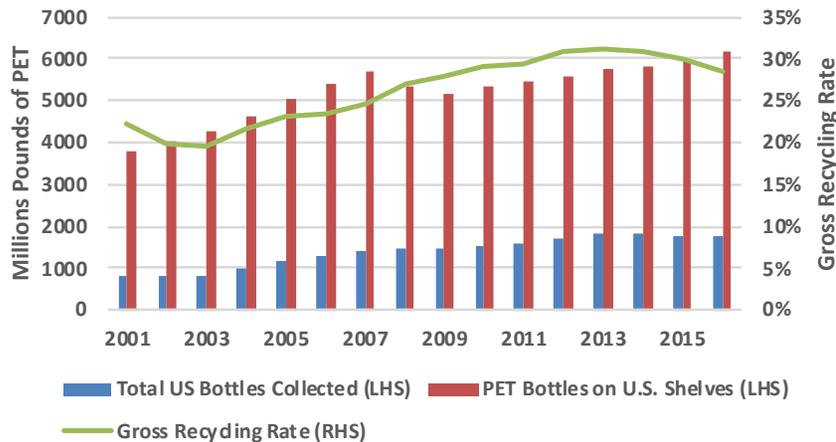
rPET Use in Bottles Has Been Flat Since 2014

Total U.S. PET & rPET Use



Only 6% of PET bottles are recycled to be reused in new PET bottles

Gross Recycling Rates, 2001 - 2016



- Only 6% of the total amount of PET bottles produced are recycled back to bottle grade quality and used to produce new bottles.
- The PET bottle recycling rate fell from 31% in 2014 to 28% in 2016.
- The demand for direct contact food grade rPET far exceeds supply and at times has caused rPET to sell at a price premium to virgin bottle grade PET.
- The National Association for PET Container Resources (NAPCOR) had estimated that the PET bottle recycling rate would need to be about 50% in order to meet rPET demand from publicly announced brand owner recycled content commitments and for other applications (the current recycling rate is estimated to be only about 28%).

In April 2014 Walmart announced a partnership initiative to increase recycling rates and a major financial commitment in order to further their objective.

The Closed Loop Fund

Walmart headlines \$100 million recycling investment

Some of the largest companies in the world have come together to form a \$100 million recycling fund. Announced by Walmart, the Closed Loop Fund will be formed by nine core firms and aim to become "an innovative investment vehicle that will help finance projects that increase recycling." According to Walmart, the project was sparked by supply shortages.

"This group of companies is coming together because we jointly face a system problem: recycling rates are stagnant, and we can't get enough recycled material in packaging and products," a statement by Walmart reads.

By encouraging communities to recycle more, Walmart and others are hoping to gain access to a valuable stream of recycled commodities. Communities, meanwhile, could stand to see fiscal benefits in the form of job creation and "green" business growth.

The Investors include:



GREEN MOUNTAIN COFFEE ROASTERS, INC.



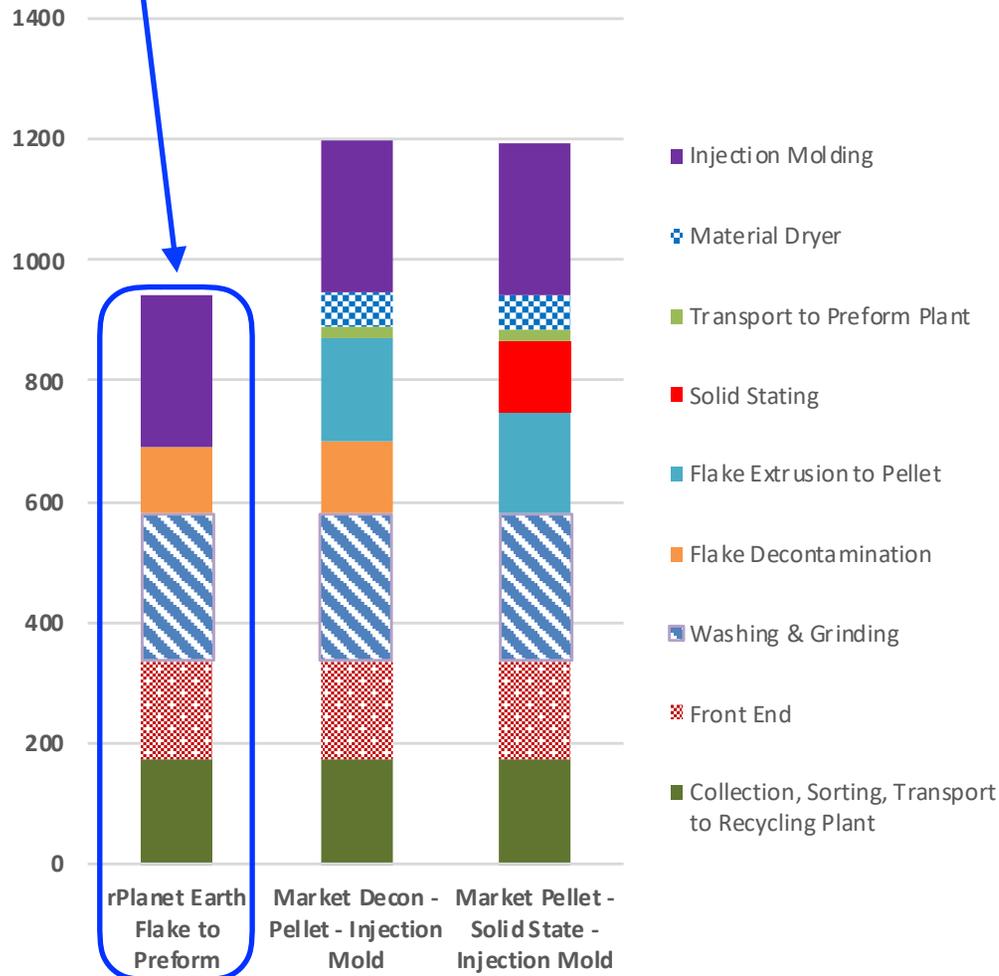
3

The PET Plastic Market & Recycling

Our Process Provides the Lowest Carbon Footprint vs. Traditional Methods to Produce rPET Preforms!

Contribution analysis for the climate change results for each process step in Kg CO₂ equivalents per 1,000 Kg of product produced

Energy savings by removing production steps through process optimization



- We will not pelletize the decontaminated rPET flake which not only results in less energy usage, but it also eliminates an entire heating and melting step thereby avoiding unnecessary PET degradation.

4

Source: "IFEU" - Institute for Energy and Environmental Research - Heidelberg, Germany GmbH & Kronos.

rPE's Low GHG Production Process



Nestle Water's has a goal to: "have an industry-wide recycling rate of 60% for all PET bottles"

Our Process Has the Lowest Carbon Footprint

Contribution analysis for the climate change results for each process step in Kg CO₂ equivalents per 1,000 Kg of product produced

rPlanet Earth's process has significant benefits vs how it is done today!

Impact Category	r Planet Earth Process - Preforms made from rPET (Min = SuperPET)	Preforms made from rPET (Max = Bottle-to-Pellet-to-Preform)	Preforms made from V-PET	Reduction of Impact Category for rPE's Process vs Bottle-to-Pellet-to-Preform	Reduction of Impact Category for rPE's Process vs V-PET Preforms
Climate Change (Kg CO ₂ equivalents)	944	1213	2463	22%	62%
Fossil Resources (Kg crude oil equivalents)	137	167	1253	18%	89%
Summer Smog (gm ethylene equivalents)	130	150	3144	13%	96%
Acidification (kg SO ₂ equivalents)	2.23	2.83	8.62	21%	74%
Terrestrial Eutrophication (gm PO ₄ equivalents)	210	270	649	22%	68%
Aquatic Eutrophication (gm PO ₄ equivalents)	40	40	214	0%	81%
Fresh Water Use (m ³)	4.38	4.94	7.58	11%	42%
Cumulative Energy Demand (GJ -"gigajoules")	15.8	20.1	70.4	21%	78%

CO₂ = Carbon Dioxide

SO₂ = Sulfur Dioxide

PO₄ = Phosphoric Acid

6 Gigajoules = 160 Litres of Crude Oil = ~ 1 Barrel



Source: "IFEU" - Institute for Energy and Environmental Research - Heidelberg, Germany GmbH.& Kronos.

4

rPE's Low GHG Production Process



Unilever has a goal to: *increase the recycled plastic content in their packaging to 25% by 2025.*

Product Offerings: Sheet and Thermoformed Containers

- We will produce very high quality sheet and thermoformed products that have excellent color and clarity characteristics.
- We will offer customized blends of rPET and virgin PET that will enable our customers to meet their sustainability goals and to do so in a cost effective manner.
- Our product offerings will include items such as sheet, clamshells, deli rounds and beverage cups.
- We offer wash-away labels.



5

rPE's rPET Product Offerings

“PepsiCo would use recycled plastic in all of its qualified bottles, if the supply of food-grade recycled-PET resin was available.”

Product Offerings: Bottle Preforms



- rPE’s cutting edge equipment will enable us to deliver the benefits of:
 - ✓ Flake decontamination (higher clarity of color and transparency)
 - ✓ Lower energy costs with flake decontamination & direct in-line flake to injection molding
 - ✓ No preform cycle time penalties for rPET flake
 - ✓ Melt-filtration to address two-hole bottle and delamination concerns
- Our equipment will enable rPE to provide cost competitive preforms with rPET flake & virgin blends customized to each customer’s specifications at >25% content to as high as 100% if desired.



Vernon, CA Plant - 302,000 sq. ft. Custom Built Facility



6

Vernon, CA Plant & National Expansion Plan

p 13

Vernon, CA Plant



6

Vernon, CA Plant & National Expansion Plan

p 14

Vernon, CA Plant



6

Vernon, CA Plant & National Expansion Plan

p 15

Vernon, CA Plant

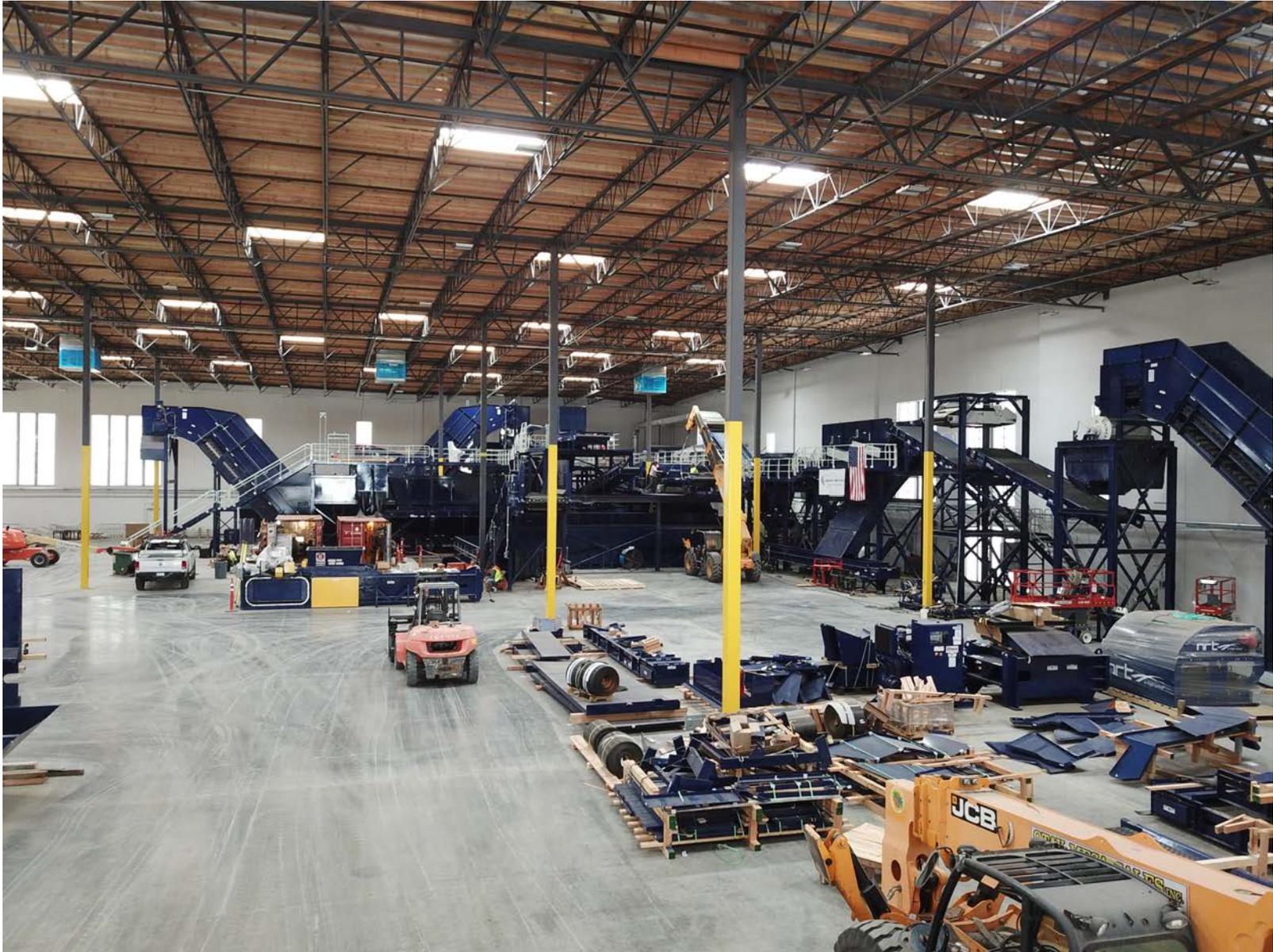


6

Vernon, CA Plant & National Expansion Plan

p 16

Vernon, CA Plant



6

Vernon, CA Plant & National Expansion Plan

p 17

Vernon, CA Plant



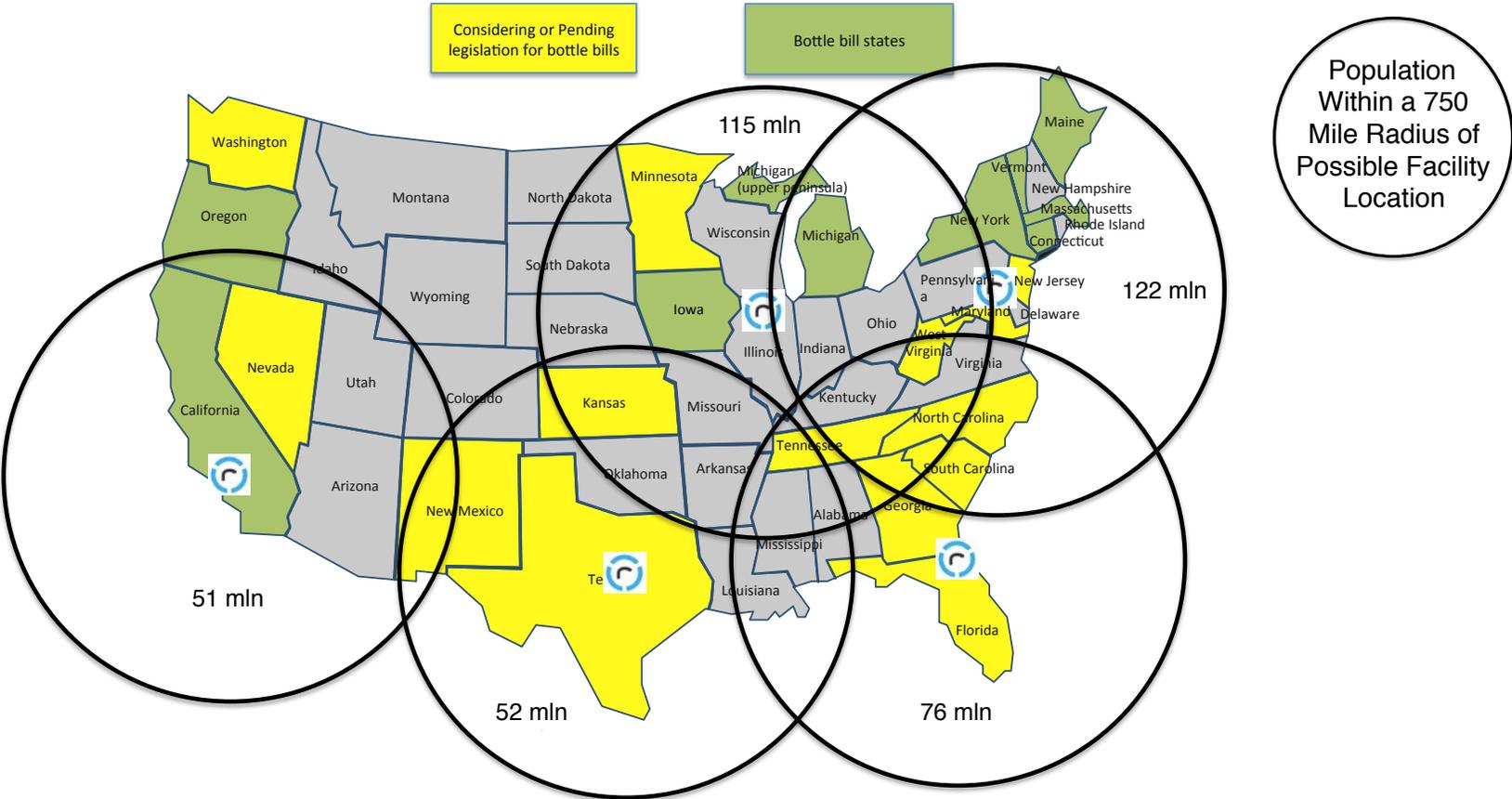
6

Vernon, CA Plant & National Expansion Plan

p 18

r Planet Earth Expansion Plan

Facilities will be strategically located in order to maximize efficiencies

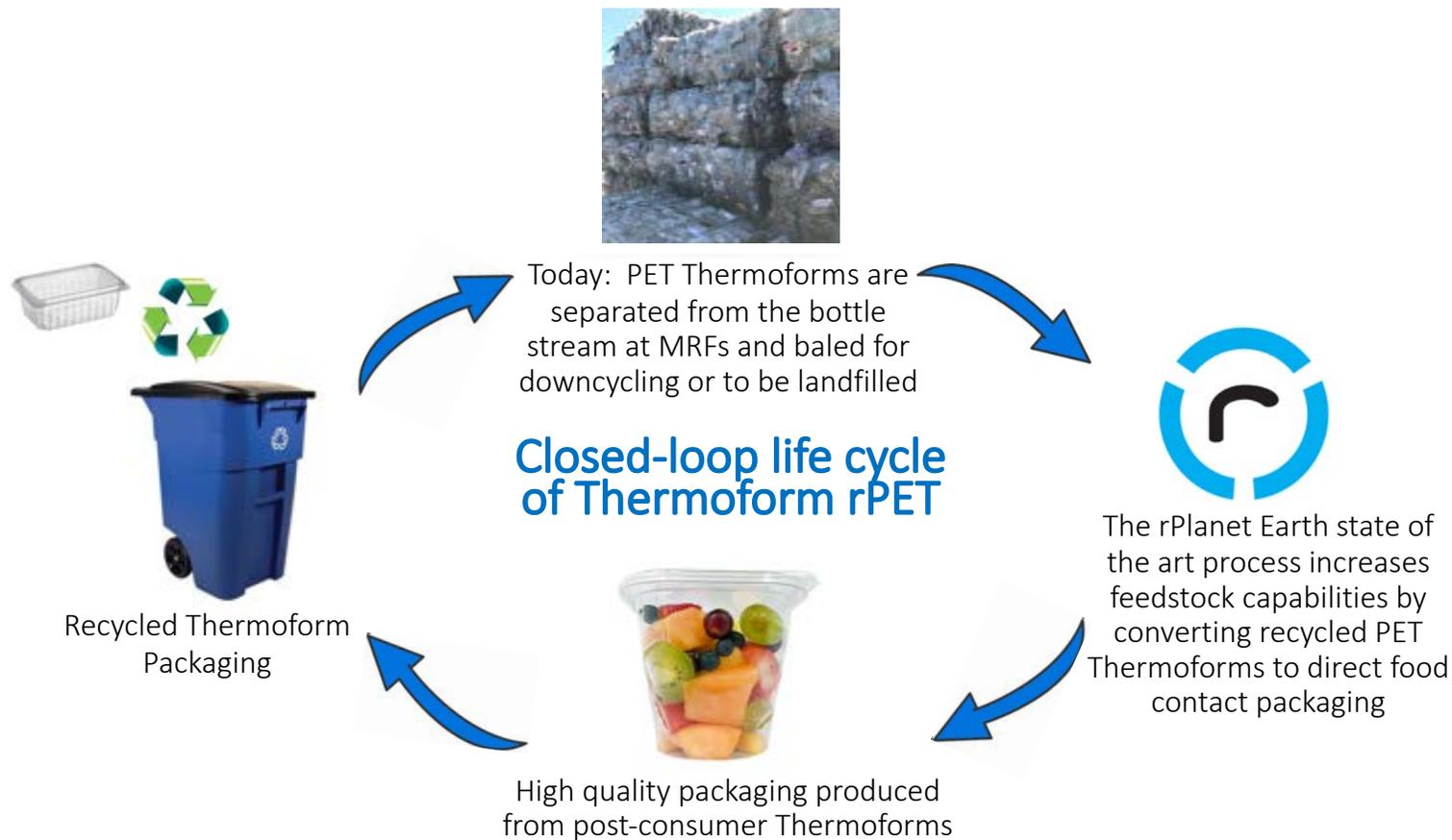


Source: 2012 Statistical Abstract Published by the U.S. Census Bureau, the Container Recycling Institute, Green Biz & rPlanetEarth.

Launch innovative technologies to **create solutions for industry challenges**

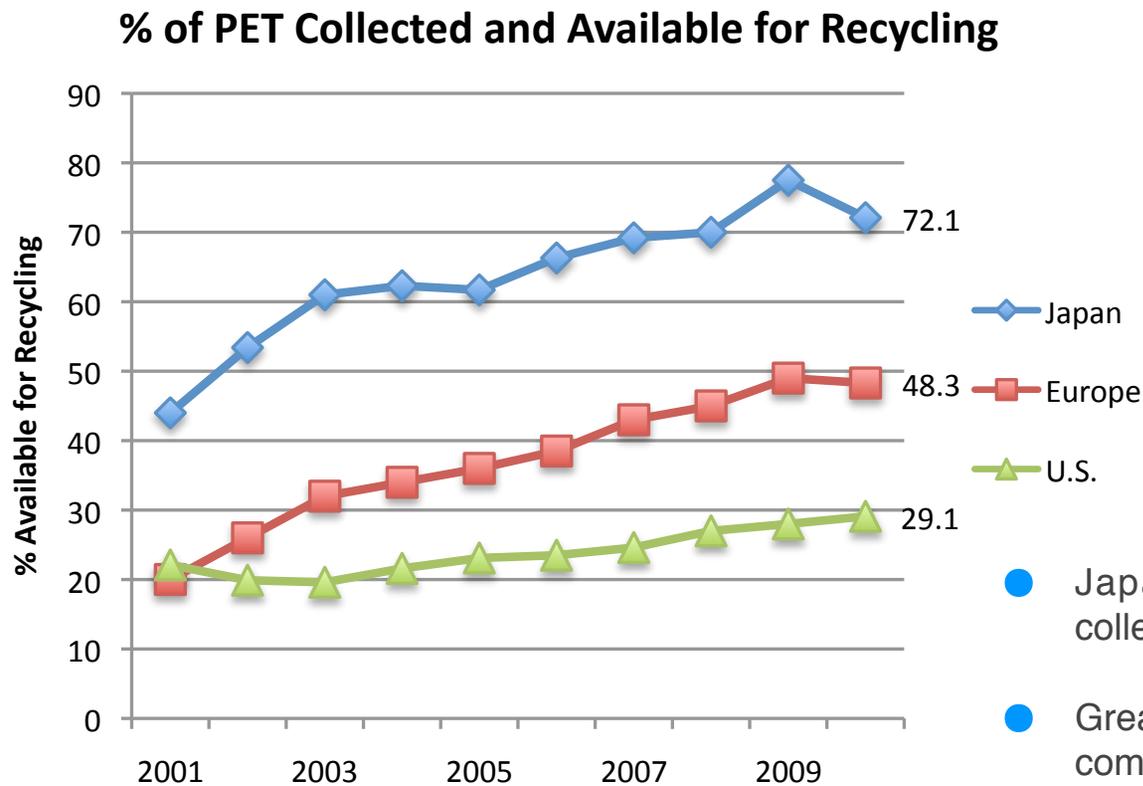
Enable sustainable design for PET Thermoform Packaging

- We have the ability to recycle PET bottles and thermoformed containers to be used in our packaging offerings.



Recycling PET makes sense from an economic and environmental standpoint. rPlanet Earth provides many “green” benefits and promotes the sustainable use of natural resources.

The U.S. is an “Emerging Market” for Sustainability



- Japan and Europe have much higher collection rates for PET.
- Greater focus on preserving this valuable commodity and avoiding having it dumped in landfills will lead to higher collection rates in the future.

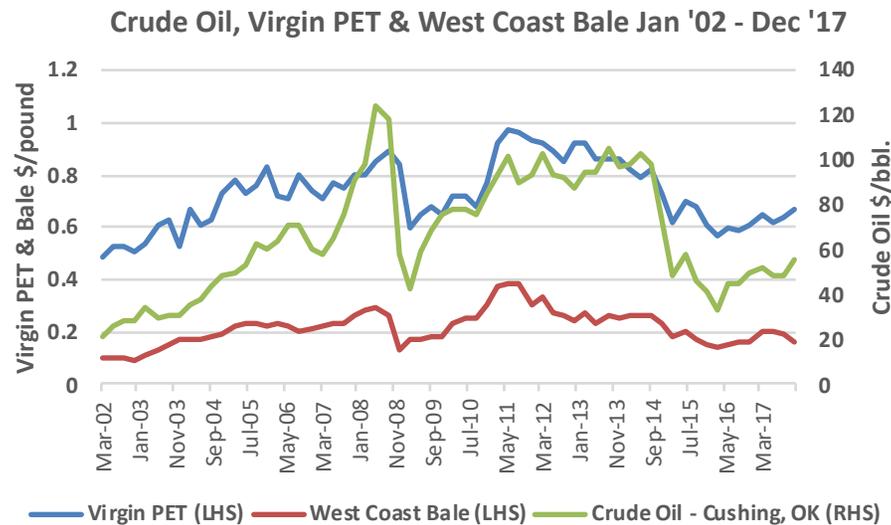
Source: As You Sow report dated March 2011. Chart data from 2001 – 2010.

Correlations Between Crude Oil, Virgin PET and Baled PET

Correlation Table - Jan 2002 to Dec 2017

	Virgin PET	Baled PET	Crude Oil - Cushing, OK	Nat Gas - Henry Hub
Virgin PET	1			
Baled PET	0.87	1		
Crude Oil - Cushing, OK	0.87	0.85	1	
Nat Gas - Henry Hub	0.18	0.13	0.38	1

- Historically the price of baled and virgin PET has had a very high correlation with crude oil.
- Over time bale prices tend to move in the same direction as crude oil and virgin PET (although there can be periods of dislocation), which provides a natural hedge against price swings for recycled PET relative to virgin PET.



Source: US Energy Information Administration, NAPCOR & rPlanet tEarth. Crude Oil based on Cushing, OK spot price. Nat Gas based on Henry Hub spot price. Data period Jan 1, 2002 to Dec 31, 2017. Date frequency: quarterly.



Confidential – the information within is not to be disclosed to any third parties without our express written permission