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the
energy

Biofuels - Integrating Upstream

November 2011

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crop
company®



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Safe Harbor Statement

This presentation includes forward-looking statements that are subject to many risks and uncertainties. These forward-looking statements, such as our statements about our short-term and long-term growth strategies, can sometimes be identified by our use of terms such as "intend," "expect," "plan," "estimate," "future," "strive" and similar words. Although we believe that the expectations reflected in our forward-looking statements are reasonable, those statements involve many risks and uncertainties that may cause our actual results to differ from what may be expressed or implied in our statements. Those risks are discussed in our registration statement on Form S-1, which is on file with the Securities and Exchange Commission, particularly in the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

No forward-looking statement is a guarantee of future results, and you should not place undue reliance on our forward-looking statements, which reflect our views as of the date of this presentation. We assume no obligation to update any forward-looking statement contained in this presentation, except as may be required by law.



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Follow The Spending...



Upstream



Refining



Downstream





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Cost To Generate a Barrel Of Oil Reserve

Illustrative Calculation

For International Oil Companies:

Average spend on E&P (2010)

~\$17B/year

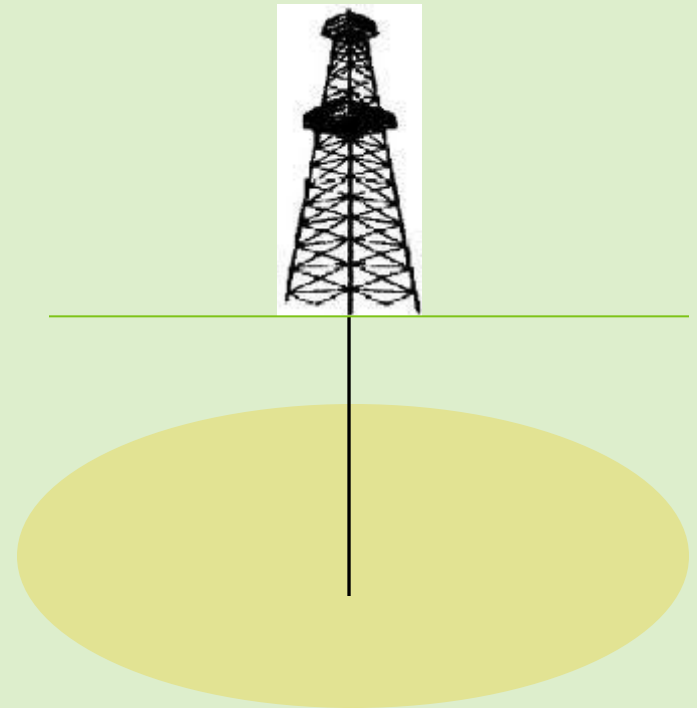
Average F&D/barrel of reserve

\$34/ b (2010)

three year F&D average = \$20/b

Total E&P spend for 6 IOC's

>\$100,000,000,000



Finding new oil reserves costs ~\$20/barrel...today



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Key Question...



Why should society have a reserve accounting system for hydrocarbons....but not for carbohydrates?

Biomass as a Renewable Reserve

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Illustrative Calculation

21 year contract

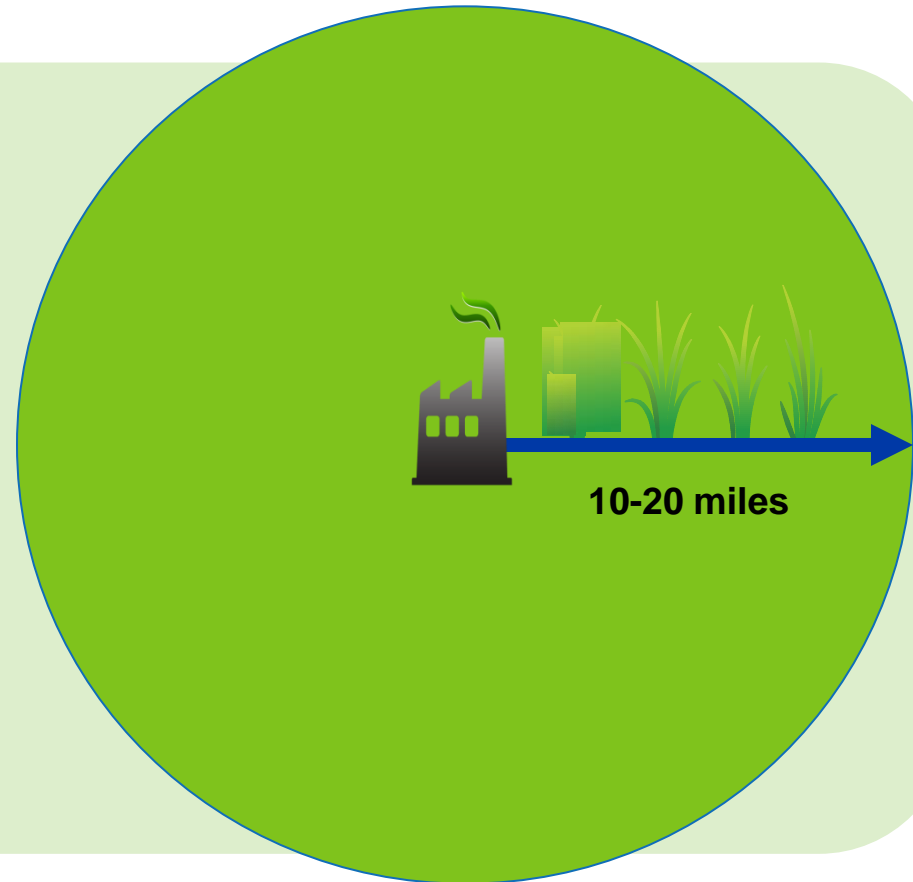
20 tons / acre

100 gallons per ton

= 4.2×10^4 gallons/acre

@ 42 gallons per barrel

= **1,000 barrels per acre**



How many acres might be “under contract”?



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10 Million Acres = A Lot Or A Little?

■ Global pastureland	8,200,000,000
■ Global cropland	3,400,000,000
■ Global wheat	550,000,000
■ US corn ethanol	35,000,000
■ Brazilian cane	22,000,000
■ US golf courses	1,000,000
■ Farm in Brazil	10,000
■ Farm in Iowa	2,500
■ NYC Central Park	843



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Biomass as Renewable Reserves



1 acre

=

1,000 barrels*

10M acres

=

10.0 billion barrels

Total Reserves (Oil Equivalent Barrels, Billions, 2010)	
Exxon Mobil	11.7
BP	10.5
Royal Dutch Shell	6.1
Total S.A.	5.7
Conoco Phillips	3.4
Chevron	6.5

*Assumes 21 –year contract
Source: Simmons & Co.

Illustrative Calculation

50M gallon/yr facility

\$5 per annual gallon

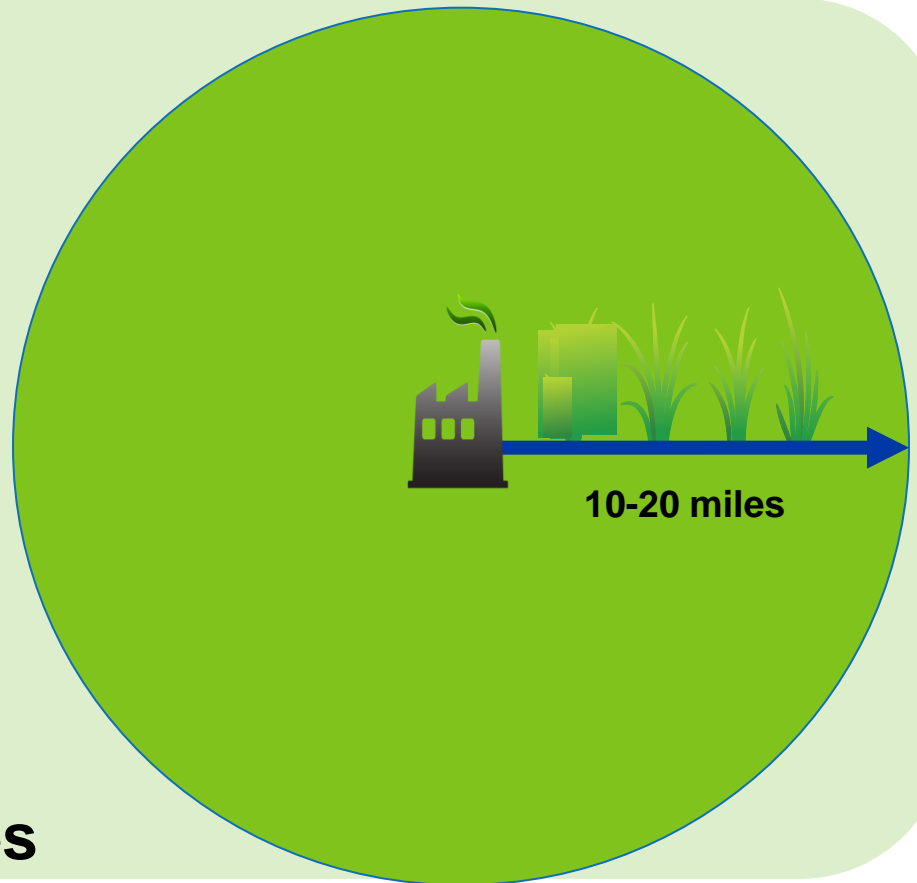
\$250M investment

20 tons/acre

25,000 acres

X 1,000 barrels per acre

25M barrels of reserves



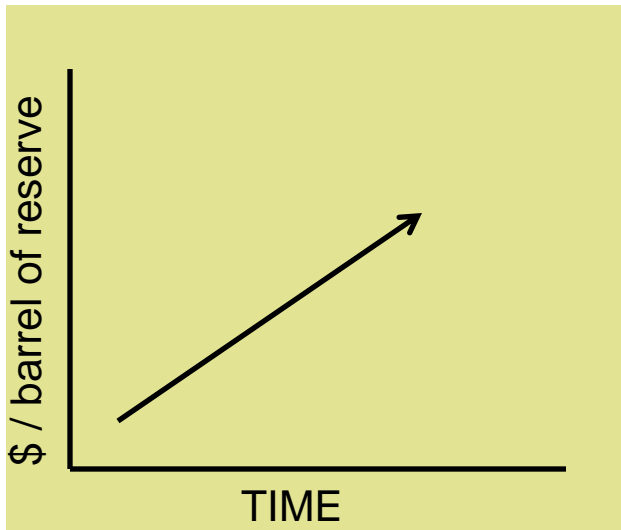
Biomass reserves could be “found” for ~\$10/barrel



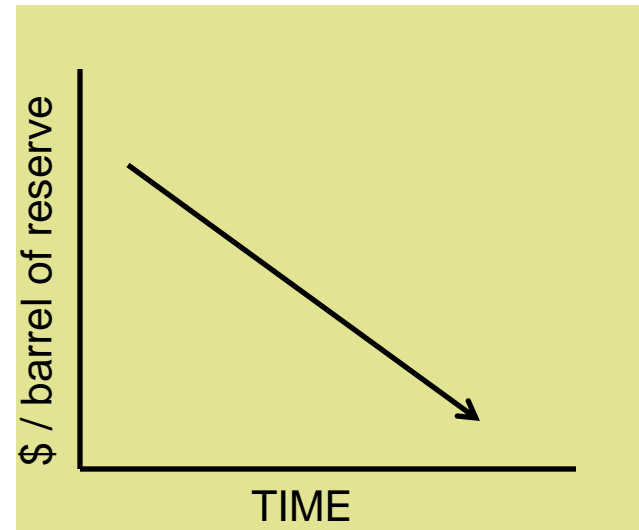
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Trend Lines...

- Despite technological innovations, cost of finding and developing new oil reserves is increasing



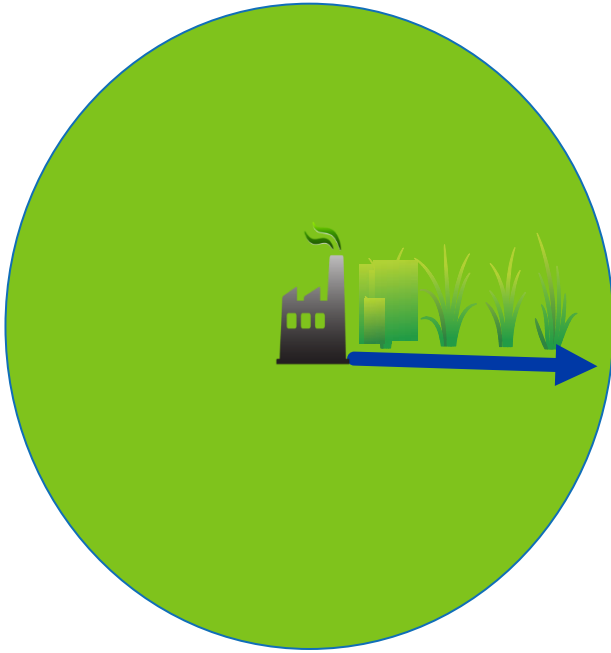
- Because of technological innovation, costs of finding, developing and producing biomass reserves is likely to decrease



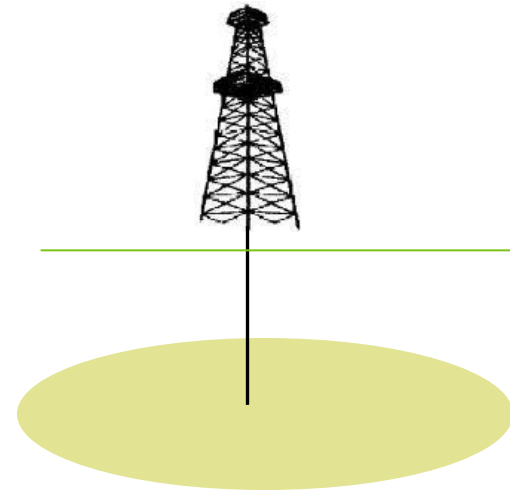


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Pros and Cons



- No to low carbon
- Low discovery risk
- Improving technology increases reserves
- Fields don't peak and decline
- Costs per barrel of reserve includes refining costs

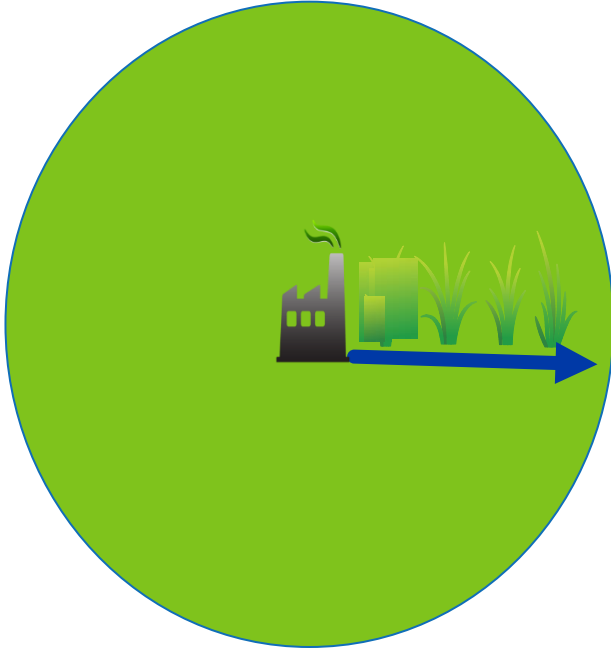


- Fits current accounting system
- Fits existing expertise
- Fits existing business model
- Currently highly profitable
- Increasingly expensive to find new reserves

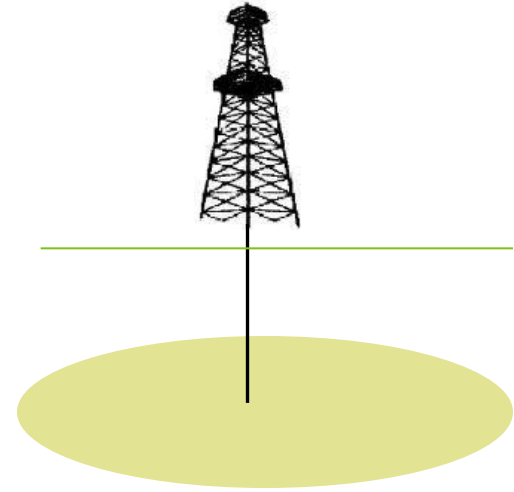


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What Does \$100,000,000,000 Buy?



- 400 biorefineries @ \$250M each
- 10B barrels of reserves created
- 476M barrels of petroleum NOT imported
- 50M of tons of carbon sequestered



- One year of E&P for top 6 international oil companies
- 818M barrels of reserves created
- >200M tons of CO2 emitted

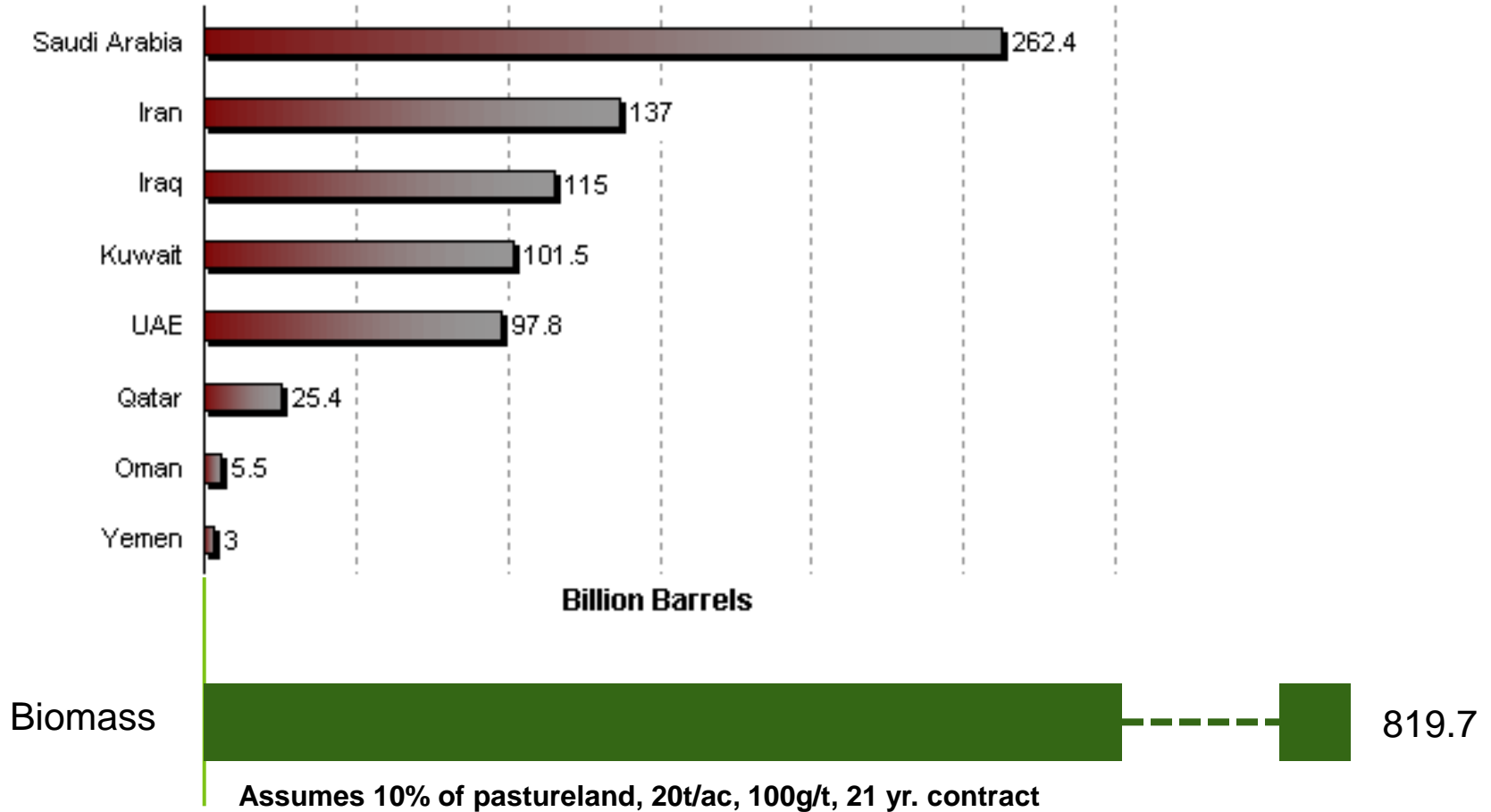


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Think Different...



Selected Middle East Proven Oil Reserves, Jan. 1, 2011





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Postcards From Brazil...





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Interested?



Send an email to:

To: Bsimmmons@capitaldecisions.com

Subject: Renewable Reserves



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Thank you