

Tibbar Energy USVI, LLC

Tibbar Energy USVI, LLC, Biomass Renewable Energy Project, St. Croix, U.S. Virgin Islands (USVI)

Tibbar Energy USVI, LLC (“Tibbar”) is seeking a \$3.5 million Bridge Loan to provide required bonds and an insurance policy for final design as required in the lease agreements with the St. Croix Water and Power Authority (“WAPA”) and Virgin Island Power Authority (“VIPA”), and bring current critical outstanding vendor payments required for close in order to begin construction of a new biomass renewable energy facility in St. Croix, USVI.

Financial Summary

- The total project CAPEX is \$112.0 million, with a funding approach of 75% debt (\$84M) and 25% equity (\$28M). The founder of Tibbar and seed investors have invested approximately \$7 million in this venture to date.
- Tibbar has finalized a Term Sheet from CoBank to provide the construction loan. The \$3.5 million bridge loan is required to meet the conditions precedent in order to secure the construction loan.
- Tibbar is in the process of finalizing the long term debt financing plan with the United States Department of Agriculture –Rural Utilities Services (RUS) Energy Loan Program.
- The term sheet with CoBank details terms in place, with an RUS take-out as it provides Tibbar’s debt financing for the length of the PPA (25 years) at 3.88% fixed interest rate after construction loan.

Project Economic Summary

- Investment to date (appx.) = \$7 million
- Fully Executed PPA with St. Croix Water and Power Authority for 7MW over 25 years (and a 5 yr option) averaging \$0.25/kWh (12/31/15 commencement)
- Average annual / total (25 yrs.) ATCF* = \$6.5m / \$157m
- Average DCSR* = 3
- 30% Investment Tax Credit of \$17.5m available within 18 mos. After construction commencement*
- Projected Year 1 EBIDA = \$10.3 million** (based on current consumption and PPA)
- Aggregate projected project revenue** = \$379+ million
- Currently targeting December 2016 as the commencement of operations date;
- Timing is dependent on paying closing costs.

**Based on 75% LTV*

*** (based on current consumption and PPA)*

Timeline

Farm Leases	Completed
Port Authority Lease	Completed
Full scale propagation of GKG	Commencing 9/1/15
ITC Safe Harbor	Completed
Engineering	Completed by 8/1/15
Construction	Commencing 9/1/15 completed by 10/1/16
Startup & Commissioning	10/1/16 to 12/1/16

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Investment Summary

Tibbar's founders and seed investors have invested approximately \$7 million of their own money to this venture to date. This money has been spent on cash intensive start-up costs which have allowed them to get to this point however the company has negligible liquid assets at this time. Below is a summary of the intangible assets created as a result of capital expenditures to date.

Biogas Facility

- ❑ Biogas/AD Facility Executed Land lease with VIPA - fully entitled, appropriately zoned land,
- ❑ Title V Air Permit, Fully Surveyed, cleared facility site with geo-technical completed, environmental, SHPO/Historical Ruins and endangered species surveys and approval, FAA DC & Atlanta Clearance, as well as TPDES permits, CZM Major Permit through April 2015, and CZM extension through April 2016,
- ❑ ITC (investment tax credit) Safe Harbor with Deloitte, KL Gates, and CDR Maguire Engineering Report for Treasury,
- ❑ EPC licensed in the USVI with design/engineering completed to 20% including site plans, mass balances equipment selection, etc.

Agriculture

- ❑ VIWMA - Effluent 30 year contract, VIWMA PSC Approval on Effluent to sell to private business, VIWMA outfall permit modified EPA Region 2, Pipeline approvals permitted, right of ways and environmental clearance,
- ❑ DPW traffic study for trucking agricultural energy crops,
- ❑ 11 Private Farm Land Leases with following studies/permits – SHPO/Historical Ruins, DPNR (Earth changes/growing) Permits, Well Permits, CZM Major Permit through April 2015, and CZM extension through April 2016,
- ❑ Energy Crop Nursery operating for 3 years with USDA and EPA approval and staffing,
- ❑ Comprehensive 500 page agricultural feasibility report including irrigation design.

Power Purchase Agreement/Interconnection

- ❑ Executed 25 Year with 5 year extension (ONLY BASELOAD) Power Purchase Agreement with the Water and Power Authority has ever issued and Interconnection Agreement (physical as well as agreement),
- ❑ PSC (Public Service Commission) Q4 approval, PSC Avoided Cost approval,
- ❑ Feasibility Study for WAPA and NREL approval.

Corporate

- ❑ Standard SG&A associated with operating this single purpose entity, insurance, compliance, consultants, vehicles, farm equipment.
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