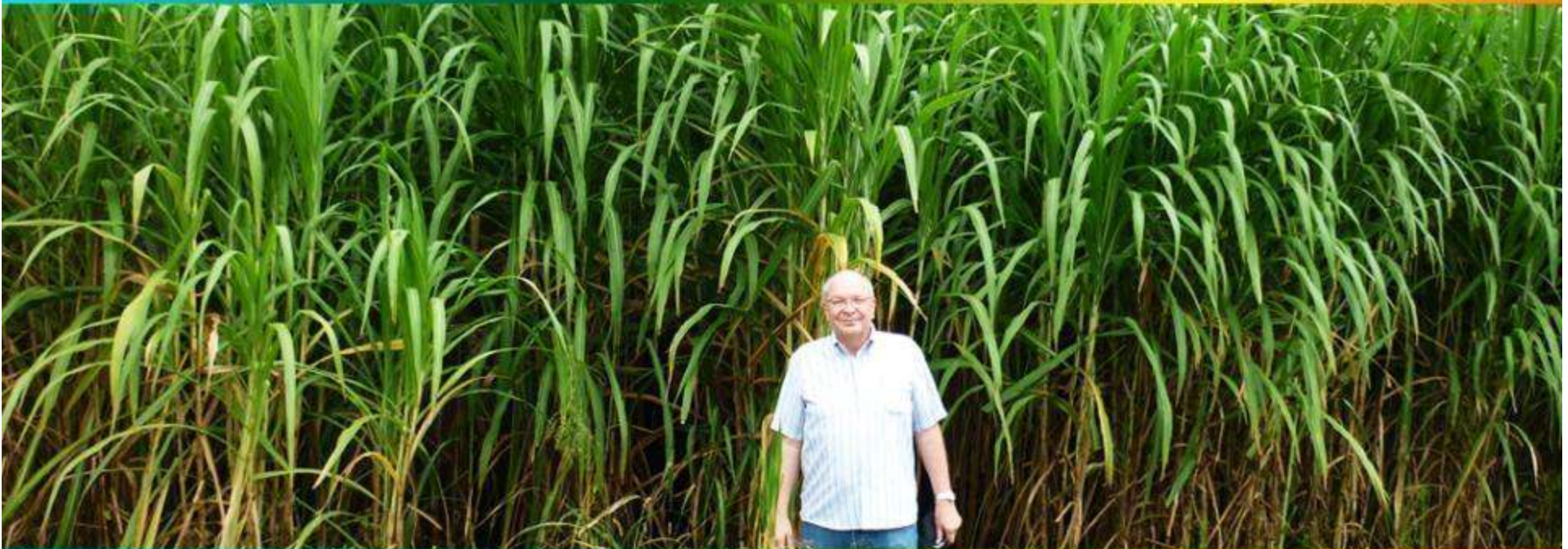


12 MW Biomass Power Plant with Dedicated Energy Crop Plantation



Clean Energy for a
Cleaner Tomorrow



Giant King Grass

Mr. Amilcar Ybarra-Rojas
CEO Grain Hill/AGRICORP, Nicaragua
Dr. Carl Kukkonen
CEO VIASPACE Inc., USA



May 2013



Nicaragua Renewable Biomass Energy Project Overview



Clean Energy for a
Cleaner Tomorrow

- 12 MW biomass power plant designed for grass, straw & rice husk as fuel
 - Proven Danish technology
 - 57 power plants in operation
 - Provides clean, reliable 24/7 base electricity
- Fueled by Giant King Grass
 - Dedicated energy crop
 - Sustainably grown
 - Irrigation and rainfall
 - Rice straw & husk as additional fuel

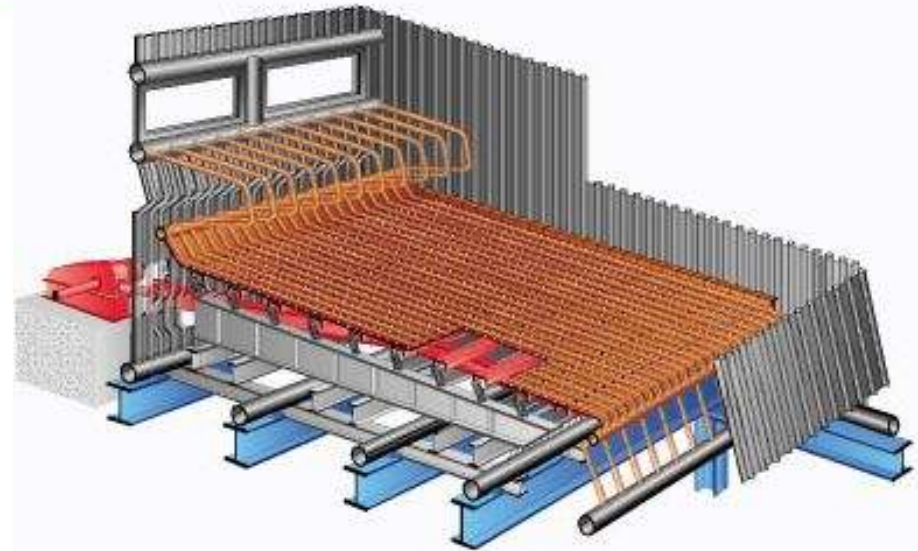


Power Plant Technology Is Well Proven



Clean Energy for a
Cleaner Tomorrow

- Special high temperature, high pressure boiler with 30% efficiency overcomes slagging & corrosion issues with straw as fuel
 - Straw has low melting temperature ash & high chlorine content
- Water cooled vibrating grate
- Proprietary primary & secondary air control
- Materials for corrosion
- Can also use wood, bagasse & other biomass
- Long life, high availability, low maintenance



Renewable Biomass Power Plant Data



Clean Energy for a
Cleaner Tomorrow

- 12 MW Turnkey Plant
 - 7800 hours operation/yr
 - Produces 80 M kwh of saleable green electricity (& heat/steam)
 - Uses 9 metric tons of Giant King Grass/hour
 - Ash used as fertilizer
 - Waste heat utilized
- Co-located with Agricola Miramontes rice mill and rice & Giant King Grass plantations
 - Co-location simplifies logistics & reduces costs
- Connected to grid for government and private customers



Giant King Grass Plantation at AGRICORP Rice Plantation



Clean Energy for a
Cleaner Tomorrow

- Located on 10,000 acre AGRICORP farm at Miramontes
 - 6000 acres planted in rice
 - 2100 acres of Giant King Grass to fuel initial 12 MW power plant
 - Giant King Grass already growing well there
- Irrigation from Lake Nicaragua in place
- Will leverage existing farm staff and infrastructure to lower costs
- Purchase special harvesting and transporting equipment for Giant King Grass
- Maximum distance to power plant is 5 km assuring simple logistics
- Reliable, low-cost, renewable fuel



12 MW Giant King Grass Power Plant Project



Clean Energy for a
Cleaner Tomorrow

Organization

- Special Purpose Vehicle SPV company for power plant
- Shareholders--AGRICORP, VIASPACE and equity investors
- Project developers AGRICORP and VIASPACE
- EPC contractor for power plant guarantees performance, cost and schedule

Targets

- 70% debt financing
- 30% equity
- Power plant and plantation in operation 24 months from financial closing

Project financial requirements and income projections are available

Profiles of Grain Hill/ AGRICORP & VIASPACE are available

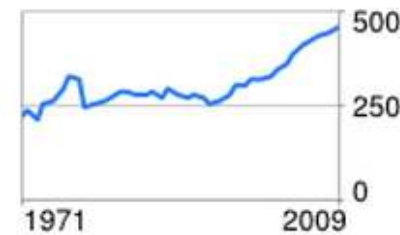
12 MW Giant King Grass Power Plant in Nicaragua



Clean Energy for a
Cleaner Tomorrow

- Provides clean renewable base electricity
- Reliable 24 hours/day
- Not intermittent like wind and solar . Complements hydro
- Lower cost than oil and solar
- Plantation and power plant provide jobs
- Electricity infrastructure for people and industry
- Utilizes the natural resources of Nicaragua– sunshine, warm weather and water
- Sustainable agriculture
- Money stays in Nicaragua rather than spending money for oil overseas

Electricity consumption per capita, Nicaragua



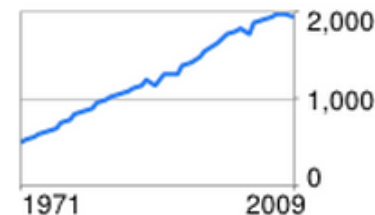
www.google.com/publicdata

460 kWh per capita - 2009

Source: World Bank

[Disclaimer](#)

Electricity consumption per capita, Mexico



www.google.com/publicdata

1,943 kWh per capita - 2009

Source: World Bank

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Electricity consumption per capita, Costa Rica



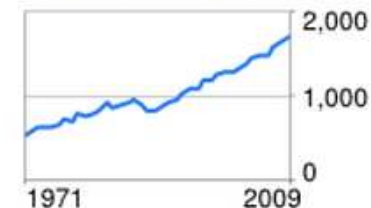
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1,813 kWh per capita - 2009

Source: World Bank

[Disclaimer](#)

Electricity consumption per capita, Panama



www.google.com/publicdata

1,735 kWh per capita - 2009

Source: World Bank

[Disclaimer](#)

Grain Hill

Managua, Nicaragua

Corporate Profile



May 2013



Vision

Diversified agro-industrial business group, dedicated to satisfying the basic needs of the population we serve, through agricultural innovation, foodstuff production and supply chain optimization.

Mission

Generate value in a profitable and sustainable way, associating with producers, serving our clients, enriching our employees and enhancing our communities.

The Group's History



1950-1990

- **1954:** Founding of **INA** - Largest Cotton Gin in Nicaragua
- **1959:** Founding of **GEMINA** - INA partners with **General Mills**
- **1987:** INA Shareholders and BAT form **BATCA** - BAT Operations in Central America

1990-2000

- **1994:** Founding of **COMERSA** - Rice Mill Operations in Nicaragua
- **1995:** COMERSA partners with **The Rice Company** – Largest rice exporter in the USA
- **2000:** INA and COMERSA rice operations merge to form **Grain Hill** and **Agri-Corp**

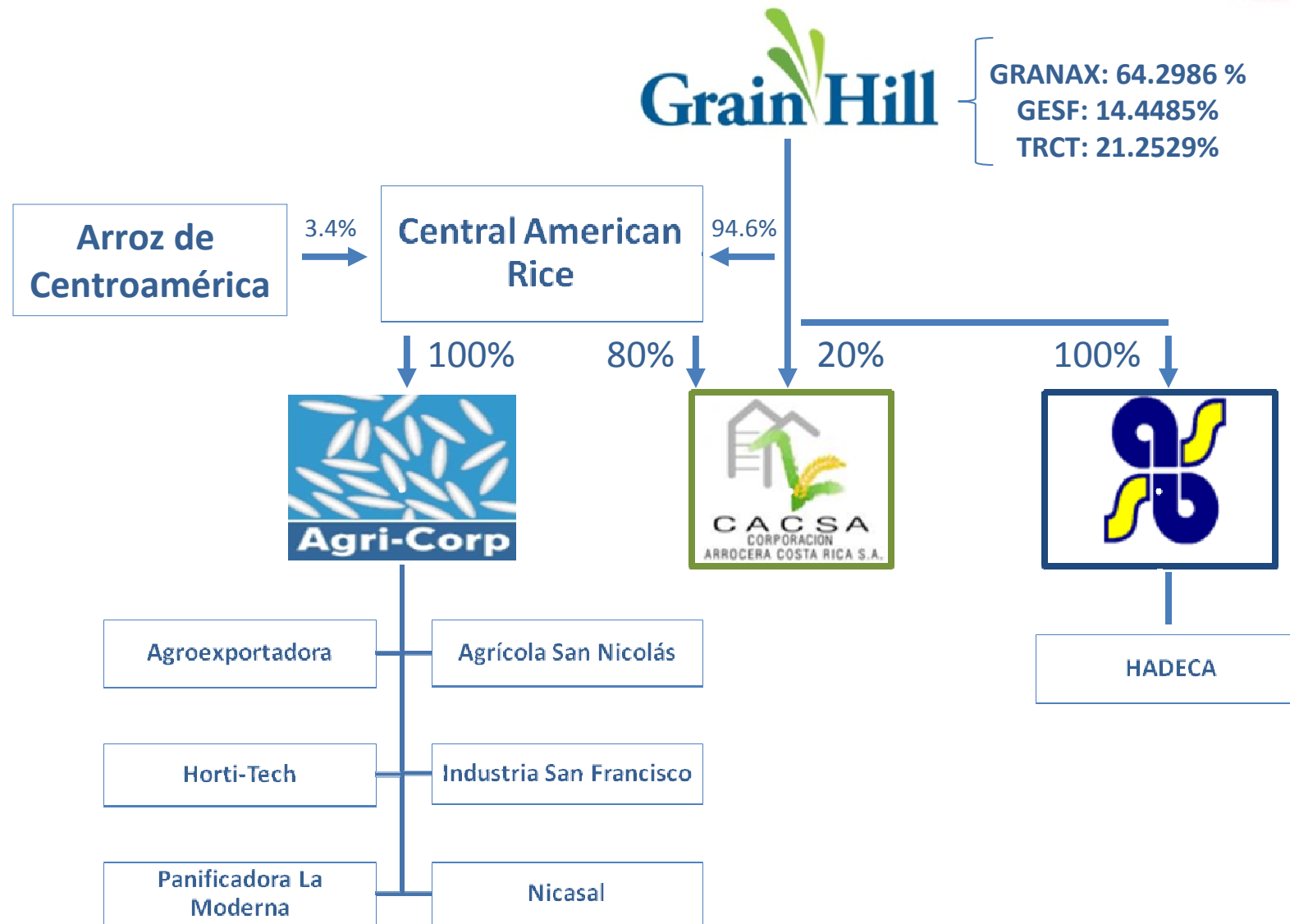
2000-2010

- **2003:** Agri-Corp merges with **GEMINA**
- **2005:** Grain Hill acquires **Arrocera Costa Rica** (rice mill) and Agri-Corp buys **Industria San Francisco** (egg production)
- **2006:** Grain Hill buys **Gulf Rice Arkansas** (rice mill)
- **2008:** Agri-Corp establishes **Agrícola San Nicolás** (rice farm)
- **2009:** Grain Hill merges with **Arrocera San Francisco** (rice mill) and Agri-Corp founds **NICASAL** (salt production)

What we do



Shareholder Structure



Corporate Governance



BOARD OF DIRECTORS

Amílcar Ybarra-Rojas	President
Claudio Rosales Lacayo	Vice-President
Ernesto Palazzo	Secretary
Alberto Belli	Vice-Secretary
Guillermo Novoa	Treasurer
Emilio Chamorro	Vice-Treasurer
Amelia Ybarra Brogden	Director
Roberto Vargas	Director
Jay Kapila	Director

Executive Management Team



Amílcar Ybarra-Rojas	CEO
Arnoldo Martínez Salvo	Corporate Finance Director
Carlos Salinas	Corporate Organizational Development Director
Karla Sánchez	Corporate Legal Director
Cornelio Porras	Internal Auditor
Roger Zamora Hinojos	Country Manager - Nicaragua
Gerardo Díaz	Country Manager – Costa Rica
José Manuel Pacas	Country Manager – El Salvador
Arturo Vaughan	Corporate Commercial Manager
Edgard Cuadra Chamorro	Strategic Businesses Manager
Manolo Porro Rubiales	Agricultural Manager

Strategic Actions



AGRICULTURAL DIVISION



Increase Productivity in Agricultural Operations - through efficient uses of human capital, agricultural technology and modern management practices.

INDUSTRIAL DIVISION



Optimization of Industrial Processes - achieving higher productivity of the Group's assets in purchasing, warehousing, transportation and in-plant processing of raw material.

COMMERCIAL DIVISION



Strengthening the Distribution System - adding US\$ 40 MM in additional income (JUMEX, COFFEE, EDIBLE OIL, POWDERED MILK, SARDINES, PASTAS AND COOKIES etc.) in the next four years.

VALUE ADDED DIVISION



Consolidating the value added food product lines, through the introduction of 2 to 3 products a year and the strengthening of the personnel, processes and technology.

Agricultural Division

Miramontes



Agricultural Division



- **Crops:** 11,000 Hectares/Year
 - Nicaragua: 6,500 Has
 - Costa Rica: 4,500 Has
- **Production:**
 - Nicaragua: 880,000 CWT rough rice – 25% Annual local purchases
 - Costa Rica: 270,000 CWT rough rice – 35% Annual local purchases
- **Annual Sales:** US\$ 24,000,000
- **Profit:** US\$ 4,000,000
- **Direct Employees**

■ Management	2
■ Technicians	25
■ Administration	34
■ Workers	700
- **Objectives:** Increase Productivity in Agricultural Operations - through efficient uses of human capital, agricultural technology and modern management practices.



Industrial Division

Chinandega Agri-Corp



Industrial Division

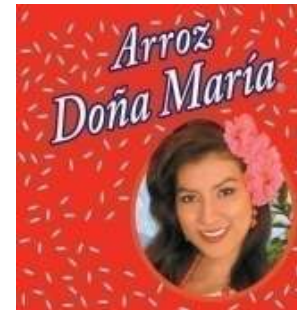
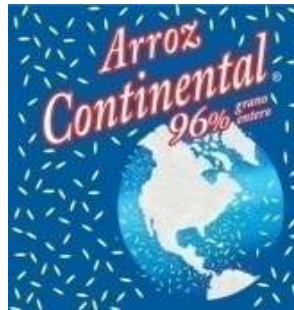
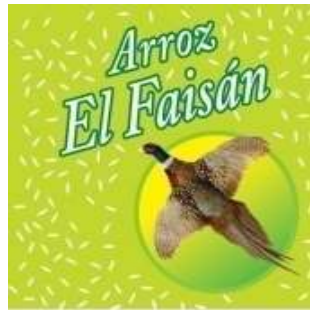


- **Drying Capacity** (CWT/Day) 43,910
- **Storing Capacity** / CWT 2,941,000
- **Milling Capacity** (CWT/Hour) 1,436
- **Industrial Facilities** 14 Facilities
 - *5 industrial facilities in Nicaragua*
 - *3 industrial facilities in Costa Rica*
 - *2 industrial facilities in El Salvador*
 - *4 industrial facilities under management*
- **Direct Employees:** 740 people
- **Sales:** US\$162,000,000
- **Profit:** US\$5,500,000
- **Objectives:** Optimization of Industrial Processes - achieving higher productivity of the Group's assets in purchasing, warehousing, transportation and in-plant processing of raw material.



Commercial Division

Own Brands



Commercial Division

Third-party Brands





Agri-Corp

Overview



Beginnings



- In the late 90's, rice production in Nicaragua was in decline with a total annual production of 4MM CWT of rough rice – generating US\$40MM annually at US\$ 10 per cwt; local producers were in bankruptcy and the local banks were withdrawing credit from the sector.
- Agri-Corp began operations in 2,000 as the result of a merger of two industrial groups: COMERSA and GEMINA. The objective of the merger was to consolidate the Local Rice Sector.
- AgriCorp spearheaded an alliance between Local Producers and the Industry, named “PAPA” (Programa de Apoyo al Productor de Arroz), characterized by:
 - A Rough Rice Purchasing System where prices were based on quality resulting in a reduction of the industry's risk (local banking system) and provided incentives for producers.
 - Incorporation of an objective/independent rice quality evaluator and guarantor – Local Agricultural Trade Exchanges.
 - Implementation with the Government of Nicaragua a “Rice Commercial Policy” that guarantee profitable and stable prices for the local production and import quotas to guarantee price stability for consumers.

Impact



- Results:
 - 17,000 local producers that plant and grow 80,000 hectares of rice a year, with an annual production of 8MM CWT generating U\$160 MM at UC\$ 20-CWT of income for local producers.
 - The sector's annual income consists on U\$250 MM, the local rice production alone is U\$180 MM, accounting for about 6% of the national agricultural GDP.
- Agri-Corp's contribution:
 - **Capital:** Fresh funds from traditional and non traditional financial sources
 - **Technology:** Modernization of the agricultural and industrial sector
 - **Organization:** Purchase of Raw Material; Industrial Processes in accordance with the industry best practices; Business administration with modern management practices; and the Organization of the market.
 - **Encouragement and support to country's Food Security:** Alliance with PMA – SINAPRED.
- Agri-Corp has somehow replicated this experience in other sectors such as salt and beans (Bean Project with IDB).
- Agri-Corp is more than an agro-industrial business, it operates as a price stabilizer benefiting local producers and consumers.

Products, POS, Market Share



- **Products**
 - **Private brands:** Rice, Wheat Flour, Beans, Eggs, Bread, Salt.
 - **Third-party brands:** Sugar, Corn Flower (MASECA) Jumex, Personal Hygiene (Kimberley Clark), among others.
- **Points of Sale**
 - **Visits:** 18,000 POS between wholesalers, supermarkets and retailers.
 - **Coverage:** 100% of supermarkets and 60% of retailers
- **Market Share**
 - **Rice:** 50% Direct, 70% Direct + Related
 - **Corn Flour:** 75%
 - **Wheat Flour:** 37%