



WHOLE NEW DIMENSION

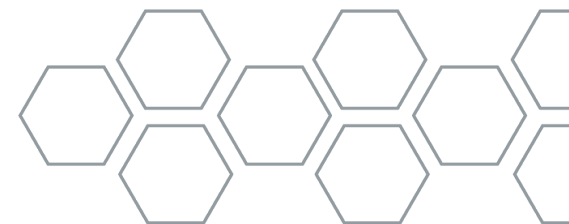
H1 2015 Results

Investor Presentation
September 10, 2015



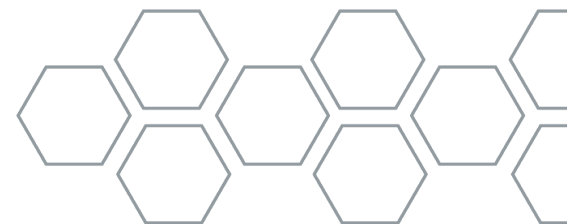
H1 2015: Financial Highlights

- Revenue up 16.0% to \$8.7 million (2014 H1: \$7.5 million)
- Gross profit margin of 51.9% (2014 H1: 57.1%)
- Adjusted EBITDA of negative \$0.5 million (2014 H1: negative \$1.5 million)
- Net cash of \$3.9 million (2014 H1: negative \$2.7 million)
- Line of credit balances reduced 48.6% since December 2014 to \$1.7 million
- Cost control programme implemented and on track to deliver goal of being operationally cash neutral in H2 2015 and cash generative in FY2016



H1 2015: Operational Highlights

- Successful high profile Enhanced Oil Recovery (EOR) trials in the Middle East and India building on operating installations in North America and Europe
- Completed two turnaround projects with an integrated petrochemical plant in Qatar and a SABIC affiliate in Saudi Arabia which underpins fast-to-market lease strategy
- Successful pilot trial with major independent oil and gas producer in Canada
- Contract extension on lease equipment deployed at SABIC



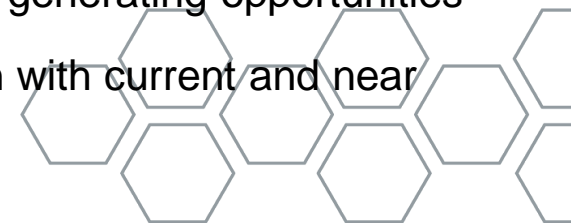
H1 2015: Post Period Events

- Completed first installation for full water recycle and reuse for hydraulic fracturing in West Texas on a lease to purchase basis
- Updated cost reduction initiative and implemented additional expense control measures
- Kimberly Slayton named Interim Chief Financial Officer (CFO) in place of Mark Clark who stepped down as CFO



H1 2015: Outlook

- Expense control measures will enable the Company to be:
 - cash neutral from operations in H2 2015
 - supports goal of being operationally cash generative in FY 2016
- Successful paid trials in key geographies:
 - Working closely with leading operators in Saudi Arabia, India and North America
 - Growing industry acceptance of MYCELX's technological advantage
 - Verified MYCELX capability in the Enhanced Oil Recovery segment of the market
- In response to tough market conditions:
 - the Company continues to cost effectively pursue revenue generating opportunities
 - adopted a fast-to-market lease equipment strategy to align with current and near term capital deployment by customers



Income Statement

(in millions)	<u>H1 2015</u>	<u>H1 2014</u>	% ▲
Revenue	\$ 8.7	\$ 7.5	16%
Gross Profit	\$ 4.5	\$ 4.3	5%
Adjusted EBITDA	\$ (0.5)	\$ (1.5)	n/a
Operating Expenses	\$ 5.8	\$ 6.3	8%
Loss before Income Taxes	\$ (1.3)	\$ (2.2)	n/a
Net Loss	\$ (1.6)	\$ (2.3)	n/a



Balance Sheet

(in millions)

	<u>H1 2015</u>	<u>H1 2014</u>		<u>H1 2015</u>	<u>H1 2014</u>
ASSETS			LIABILITIES		
Cash	\$ 7.24	\$ 1.34	Payables	\$ 0.49	\$ 1.41
Restricted Cash	\$ 0.50	\$ 0.50	Accruals	\$ 1.37	\$ 1.50
Receivables	\$ 4.00	\$ 6.62	Line of Credit	\$ 1.76	\$ 2.34
Inventory	\$ 4.39	\$ 4.70	Deferred Revenue	\$ -	\$ 0.06
PP& E	\$12.30	\$10.55	Other Obligations	\$ 0.14	\$ 0.47
Patents	\$ 0.77	\$ 0.65	Note Payable	\$ 2.12	\$ 2.20
Other	<u>\$ 0.68</u>	<u>\$ 0.45</u>	Stk Equity	<u>\$24.00</u>	<u>\$16.83</u>
Total Assets	\$29.88	\$24.81	Total Liab & Stk Eq	\$29.88	\$24.81



Cash Flow

(in millions)

Beginning Cash

H1 2015

\$ 11.29

Net Income	\$ (1.56)
Depreciation, Amortisation & Disposal	\$ 0.71
Stock Comp & Warrant Exercise	\$ 0.04
Receivables	\$ (1.30)
Inventory	\$ 0.60
Payables & Accruals	\$ (0.48)
Property, Plant & Equipment	\$ (0.60)
Intangibles	\$ (0.04)
Proceeds from Stock Issuance	\$ 0.50
Note Payable	\$ (0.05)
Line of Credit	\$ (1.67)
Other	<u>\$ (0.20)</u>

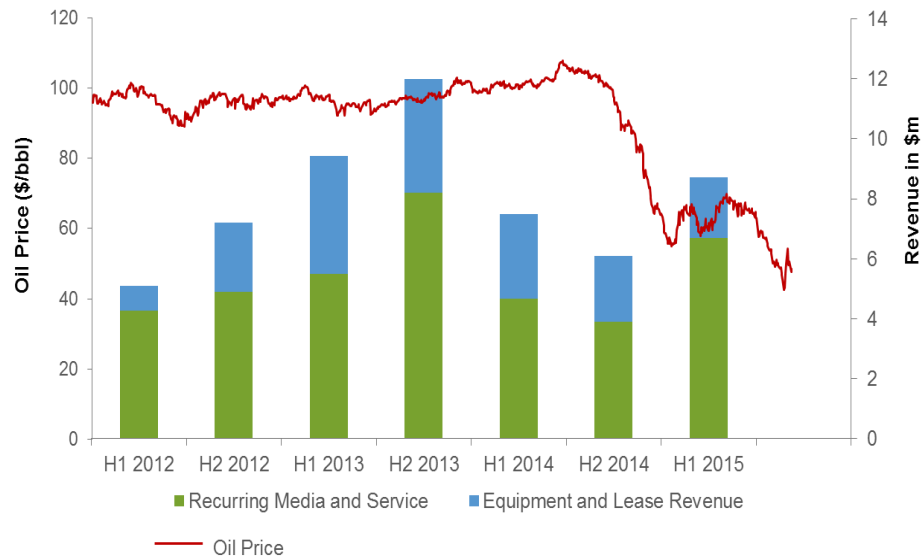
Ending Cash

\$ 7.24



Comparison with Historical Performance

Revenue Breakdown



Revenue & EBITDA Profile

