



Business Plan

For Commercial Production of
Sustainable Fuel Feedstock

By

Biological Conversion of Industrial Carbon
Dioxide Emission Into Algae Biomass

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Algaecake Technologies Corporation
Tempe, Arizona, USA, info@algaecake.com



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"Responding to the worlds growing demand for affordable energy and a cleaner enviroment"

Table Of Contents

Chapter	Contents	Page	Chapter	Contents	Page
1	Executive Summary	3	7	Marketing Plan	26
1.1	Project Objectives	3	7.1	Market Overview	26
1.2	Project Location	3	7.2	Target Market	27
1.3	Project Profile	3	7.3	Competition & Competitive Advantages	27
1.4	Financing	3	7.4	Niche	27
1.5	Project Cost	4	7.5	Marketing Strategy	28
1.6	Project Revenue	4	7.6	Promotional Budget	28
1.7	Target Market	4			
1.8	Project Ownership & Management	4	7.7	Credit Policies	28
1.9	Exit Plan	4	7.8	Distribution Channels	28
2	The Company	5	7.9	Production & Sales Forecast	28
2.1	Mission	5	8	Financials	30
2.2	Goals and Objectives	5	8.1	Startup Costs	30
2.3	Business Philosophy	5	8.1.1	Land	30
2.4	Strength & Vulnerabilities	5	8.1.2	Building & Civil Works	30
2.5	Legal Form and Ownership	6		Plant Machinery & Equipment	30
2.6	Management & Organization	6	8.1.3	Furniture & Fixtures	31
2.6.1	Board of directors	6	8.1.4	Other startup investments	31
2.6.2	Personnel	6	8.1.5	Inventory	31
2.6.3	Professional categories	7	8.1.6	Staff Salary	32
2.6.3	Professional & Consultancy Support	7	8.1.7	Utilities & Overheads	32
2.7	Alliances	8	8.2	Cost of Project	32
3	Products & Services	9	8.3	Source of Finance	32
3.1	Why Algae?	10	8.4	Production Assumptions	33
4	Technology Highlights	12	8.5	Sales Assumptions	33
4.1	Growing Algae	12	8.5.1	Sales Forecast:	34
4.2	Bioreactor: Dsgn Considerations	13	8.5.2	12 month sales forecast Yr1	34
4.3	Competitors' equipment	14	8.5.3	Sales Forecast- Typical Year	35
4.4	Jumbo Bioreactor System	17	8.6	Depreciation	35
4.5	Algae Propagation Technology	18	8.7	Annual P& L Projections	36
4.6	System Illustrative Sketch	21	8.8	Cash Flow	38
5	The Facility	21	8.8.1	12 month Cash Flow	38
5.1	Location	21	8.8.2	Cash Flow: Projected	39
5.2	Licenses and Permits	21	8.9	Balance sheet	40
5.3	Land & Building	22	8.9.1	Opening day Balance sheet	40
5.4	Plant & Machinery	22	8.9.2	Projected Balance sheet	41
5.5	Raw Materials	22	8.10	Breakeven Analysis	42
5.6	Utilities	22			
6	Operations Plan	23			
6.1	Production Process	23			
6.2	Resource Management	24			
6.3	Quality Control	25			
6.4	Project Program	25			

1 Executive Summary

1.1 Project Objectives

The objective of Algaecake Technologies Corporation (ATC) is to evolve as a leading global player in providing unparalleled Clean Energy Technology. ATC's approach to achieve this goal is to convert large quantities of carbon dioxide emissions into oil-rich biomass while liberating enormous quantities of oxygen into the atmosphere. ATC's patent-pending bioreactor system and a cutting-edge process technology will accomplish this.

The corporation's next generation Jumbo Bioreactor System and Algae Propagation Technology addresses the major issues growers face in commercial cultivation of algae for production of biodiesel feedstock.

The Corporation is currently forming government and corporate relations in the US energy sector to reduce and convert greenhouse gas emissions into oil-rich biomass and to commercialize algae growth technology.

1.2 Project Location

Adequate sunlight, water and carbon dioxide emission are the major considerations for selecting the facility location. Although the location has yet to be finalized, corporate relations and interests from various groups in the state of Mississippi make it the first choice for the facility.

1.3 Project Profile

ATC's proposed project has three vital components:

- Create renewable energy by growing large quantities of oil-rich algae biomass.
- Cost effectively use algae biomass to consume carbon dioxide emissions and releasing approximately 72% oxygen by weight of co2 consumed into the atmosphere in a cost effective way.
- Develop a nutrient-rich Algae feedstock for animals and fish that can be grown on non-agricultural land, such as deserts and does not compete with existing food supplies.

1.4 Financing

Total project cost of the facility is estimated to be \$11 million. The corporation tables a finance proposal for \$10 million, mainly to finance the facility's buildings and civil works, plant machinery and equipment and working capital.

1.5 Project Cost

COST ITEM	AMOUNT
RENT	100,000.00
Real Estate tax	8,000.00
BUILDING & CIVILWRKS	1,150,000.00
PLANT MACHINERY EQUIPMENT	8,250,000.00
FURNITURE & FITTINGS	50,000.00
OTHER INITIAL INVESTMENTS	500,000.00
INSURANCE	50,000.00
TOTALWORKING CAPITAL	614,675.00
CASH RESERVES	300,000.00
TOTAL PROJECTCOST	11,022,675.00

1.6 Project Revenue

YEAR	SALES	COST OF SALES	GROSS PROFIT	TOTAL EXPENSES	NET PROFIT
YEAR-1	9,598,408	1,960,452	7,637,956	5,589,326	2,048,630
YEAR-2	11,292,245	2,254,520	9,037,725	5,823,730	3,213,995
YEAR-3	11,292,245	2,254,520	9,037,725	5,823,730	3,213,995
YEAR-4	11,292,245	2,254,520	9,037,725	5,823,730	3,213,995
TOTAL	43,475,143	8,724,012	34,751,132	23,060,515	11,690,616

1.7 Target Market

The target markets are biodiesel refineries, manufacturers of bulk fish feed and animal feed, specialized fish feed, and manufacturers of EPA/DHA human nutrient supplements.

1.8 Project Ownership & Management

Details will be illustrated in the foregoing business plan.

1.9 Exit Plan

The finance is sought for a period of 6 years. Interest payment is scheduled through 5 years beginning from the second year and principal repayment through 4 years. An initial 12-month moratorium on interest and a 24-month repayment holiday are sought allowing cash flow and stabilization of the operations.

Loan			
Interest (MONTHLY)	6%		
Term	6	Years	
Pre-start Moratorium	1	Year	
Repayment holiday	2	Years	
Total Interest			\$ 1,800,000.00
Interest Repayment period	5	Years	
Monthly Interest			\$ 30,000.00
Principal repayment period	4	Years	
Principal repayment per month			\$ 208,333.33

please contact us for more information info@algaecake.com