

K2 Energy Solutions Overview for the LCB



K2 Energy Solutions, Inc.

April 2010

EXHIBIT B - ENERGY
Document consists of 10 pages.
Entire exhibit provided.
Meeting Date: 04-20-10

About K2

- ❑ NV registered C Corporation, April 2006 – Initially 4 employees, now over 30
- ❑ Technical and manufacturing team have most experience in LFP batteries
- ❑ Mission Statement - Provide best-in-class battery products and services at a competitive price to mobility and energy storage markets
- ❑ Strategic Goals
 - ❑ Maintain leadership as producer of the highest energy density LFP products on the market
 - ❑ Set up low cost, high volume manufacturing
 - ❑ Develop best-in-class battery management systems
- ❑ Financial Goals
 - ❑ Reach cash flow break even by June 2010
 - ❑ Be the first profitable LFP company in the world

K2 in the Marketplace

- ❑ Competitive Technology with big name companies
 - ❑ Differentiated by higher energy density and broader product line
 - ❑ Qualified and selected by customers in head to head with A123, Valence, BYD, others
 - ❑ Developing best in class next generation large-format cell

- ❑ Key customers selecting K2 products
 - ❑ Largest Electric Wheel Chair Company
 - ❑ Military battery pack supplier
 - ❑ Well recognized personal transportation company
 - ❑ Qualified at Microsoft over Asian suppliers

- ❑ K2's Products are ideal for
 - ❑ Large storage
 - ❑ Grid applications – Load leveling, Load Shifting, Frequency stabilization
 - ❑ Mobility – Scooters, e-bikes, Wheelchairs, etc
 - ❑ Military – UAV's, Mobile comms, High power delivery, etc.
 - ❑ Medical – Electronics, Emergency back-up, Instruments
 - ❑ Electric Vehicles – Hybrids and Full EVs

Current K2 Applications



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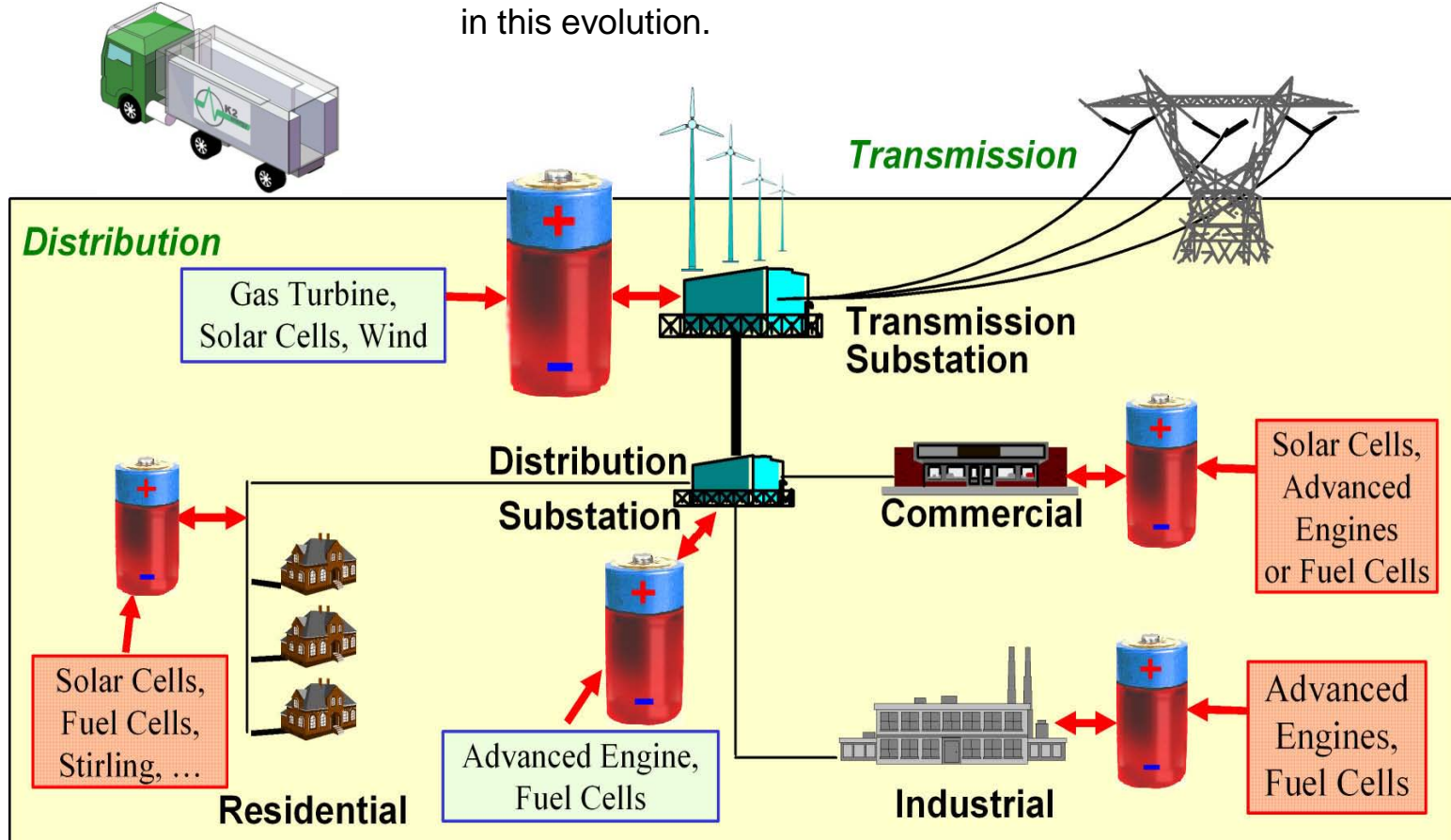
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Target on Grid Storage



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And ***Distributed Energy Storage*** is a Strategic Enabler, a ***primary catalyst*** in this evolution.



Why is K2 in Southern NV

- People – We like Southern Nevada
- Resources
- Business Climate
- Combination of right conditions for producing batteries and for using them

How to attract businesses like K2

- Show availability of talent/resources
- Create a cluster of technology
- Show support for hi-tech

How Can You Help K2

- Political Support
 - Medicare reimbursement
 - Shipping regulations
- Fair share of R&D Funding
 - A123 – ABMI funding for Factory in Detroit, DOE/USABC funding
 - C&D Technology – Funding for large format development lab
 - TX/RES example
 - Funding seems to be more geographic than technology driven
- A little government support goes a long way with investors
 - Will create jobs
 - K2 is more effective in turning investment/grants into real products

Specific Projects

- Grid Storage Battery Development
 - Need \$200-\$700k to build a prototype, customer to pay half
- R&D Cell Development Lab
 - Need \$1M to complete lab – K2 provide matching funds
- Large Format Cell Development Project
 - R&D development grant application in to DOE, ~\$3M



Thank You