



ECLIPS INVESTMENT PROPOSAL SUMMARY

ECLIPS (Environmental Closed Loop Incineration Process) is an innovative socially responsible environmental investment opportunity in the development and operation of a unique zero pollution energy from waste (EfW) technology. The investment offers a projected IRR of +36%, is EIS qualified for UK tax purposes, and has significant downside protection.

The business plan consists of 3 phases and **only** Phase 1 is anticipated to require funding through equity investment.

Phase 1:- The Company has already acquired the equipment necessary to build a 4 tonne/day prototype plant for Phase 1 and now requires £600k (US\$1 million) to construct the plant and demonstrate the technology.

Phase 2:- Once operational the company will seek bank finance via a secured mortgage to fund construction of a 10 tonne per day medical waste facility forecast to operate at a cash surplus of £1.3 million per annum. Project identified.

Phase 3:- Full commercialisation worldwide by franchise arrangements and joint ventures will follow, earning lifetime royalties. Significant marketing already established in Asia, the Middle East & Europe with known projects waiting.

PRODUCT & BENEFITS

The technology is a unique closed loop oxidation process, with the reliability and safety of conventional combustion systems but without the associated pollution, converting waste into valuable commercial by-products (electricity, water, carbon dioxide, nitrogen, hydrogen and others), see website www.eclips-uk.com. The Company has spent several years developing the process, verified by independent engineering studies from scientific research institutes in the USA, South Africa & Canada.

Summarised benefits:

- Zero emissions, no smokestack, no downwind health risk, simplifying plant planning permission approval.
- Safe process, utilising tried and tested equipment - reduced investment risk.
- Estimated 10-15% lower construction costs than conventional plants - reduced capex.
- High commercial profitability from valuable by-product sales - electrical power, nitrogen, carbon dioxide, hydrogen
- Lower/capped waste disposal community tax charges possible - reduced living costs.
- Hazardous waste disposal option, producing higher revenue.
- Political vote winner. Overcomes media and public 'NIMBY' objections.

MARKETING STRATEGY

Develop commercial projects through Joint Venture partnerships, the company taking a royalty and carried equity interest in the special purpose JVs formed. Substantial interest obtained in China, Korea, Japan, Thailand, Poland and UK for projects valued at +US\$400m (£250m), which only requires a demonstrator plant to convert into commercial reality.

IP development protected. 'ECLIPS' brand is trademarked in 22 countries with all web domain names secured.

Prototype construction and testing concluded within 12 months of financing under the project management protection of Halcrow Group to minimise risk, with 95% of development preparation ready. Post trials and testing, the facility will be primarily utilised as an R & D establishment, a simulator for trainee operators and a 'showcase' for customers.

Post prototype a Phase 2, 10 tne/day medical waste disposal plant is planned costing £3 million and providing a possible 38% reduction in National Health Service (NHS) waste disposal costs whilst generating an estimated £1.3 million net income/year. Sufficient revenue to begin Phase 3 commercial roll-out, commencing with known Asian, Middle East and European projects.

COMPETITION

No known competitors developing similar technology. Current waste disposal methods all have major concerns:

- Conventional incineration Environmentally unacceptable. Downwind health risks. Complex planning restrictions.
- Landfill Heavily restricted and taxed. Long-term care & containment issues.
- Composting Limited throughput; only works with organic waste. Dioxin emission problems.
- Gasification/pyrolysis UK Government study concludes processes not viable (Fichtner Report 2004)

COMPANY

EIS qualified for UK tax purposes attracting 30% tax relief on private investment up to £1,000,000, with nil capital gains tax (CGT) on disposal. Current authorised share capital is 800,000 ordinary £1 shares, with 61 investors and 36% equity unissued.

Key management personnel have over 120 years' combined experience in waste disposal and related technologies.

INVESTMENT

Assuming 20 year cash flow projection for prototype + carried interest in 20 x 250 tpd JV ECLIPS commercial plants:

Financial projections estimate accumulated NCF after tax of £1,024 million (£472m NPV @ 5% DCF) accruing to the company and investors' returns +35 times the present share price depending on individual tax positions.

Investment = £3.0 million Company cash NPV @ 5% discount @ 2033 = £472 million **Company IRR = 85%**

EIS Cost/Share = £14 Investor's NPV/share @ 5% discount @ 2020 = £59 @ 2025 = £275 & @ 2033 = £702

Investor's IRR = 50%

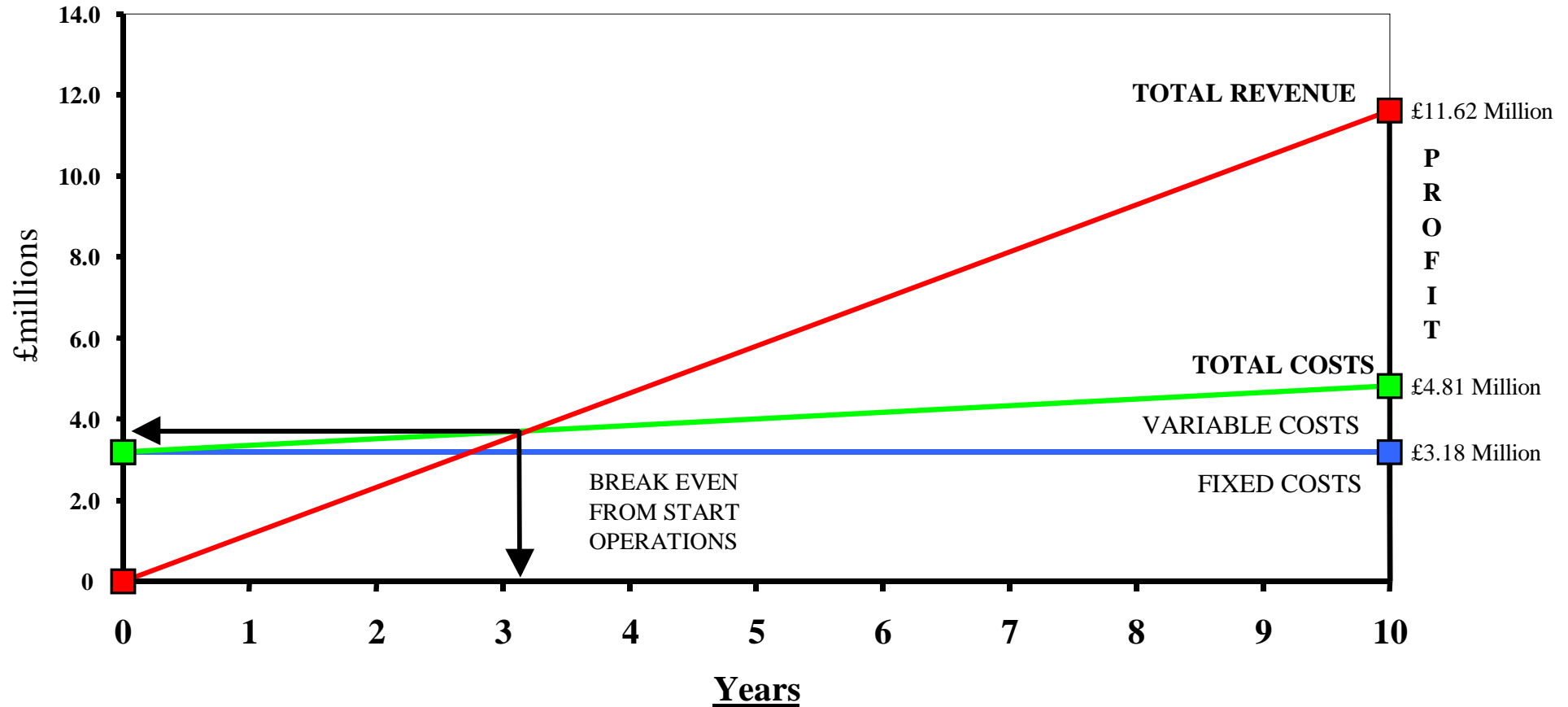
(High IRRs result from input + output revenue: payment for raw materials (waste disposal) and sale of by-products)

Planned exit route to investors by stock-market listing, a trade sale or share buyback, within 5 years of investment conclusion.

Biz plan from Eclips Corp (UK), 92 Kingston Rd., Portsmouth, Hants PO2 7PA tel/eml 023-9264-9666 or info@eclips-uk.com

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Prototype Break Even Chart



ECLIPS CORPORATION (UK)
& JOINT VENTURE PROJECTS NET REVENUE STREAMS

