



# Investor Presentation

**Scott McGregor, CEO**

September 2011

# Important Disclaimer

This presentation (the "Presentation Materials") is being made only to and is directed at: (a) persons outside the United Kingdom; (b) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (c) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) (A) to (C) of the Order, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(1) of the Order (all such persons together being referred to as "relevant persons"). Any failure to comply with these restrictions constitutes a violation of the laws of the United Kingdom.

This document is exempt from the general restriction on the communication of invitations or inducements to enter into investment activity and has therefore not been approved by an authorised person as would otherwise be required by section 21 of the Financial Services and Markets Act 2000. Any investment to which this document relates is available to (and any investment activity to which it relates will be engaged with) only those persons described in (a) or (b) above. Persons who do not fall within the above categories of investor should not take any action upon this document, but should return it immediately to Singer Capital Markets, Corporate Finance Department, 1 Hanover Square, London, W1S 1YZ.

It is a condition of your receiving this document that (i) you fall within, and you warrant to Camco International Limited (the "Company") and Singer Capital Markets Ltd ("SCM") that you fall within, one of the categories of person described in (a) or (b) above and (ii) if you fall within category (b) above, it is a condition of your receiving this document that (A) you are a person who has a current sophisticated investor certificate, signed by an authorised person and dated no earlier than 36 months preceding the date of receipt of this document, confirming that, in the opinion of such person, you are sufficiently knowledgeable to understand the risks associated with an investment in an AIM quoted company and (B) that within the last 12 months you have signed a statement in the terms set out in Article 50(1)(b) of the Financial Promotions Order.

The Presentation Materials do not constitute or form any part of any offer or invitation to sell or issue or purchase or subscribe for any shares in the Company nor shall they or any part of them, or the fact of their distribution, form the basis of, or be relied on in connection with, any contract with the Company relating to any securities. The Presentation Materials are not intended to be distributed or passed on, directly or indirectly, or to any other class of persons. They are being supplied to you solely for your information and may not be reproduced, forwarded to any other person or published, in whole or in part, for any other purpose.

No reliance may be placed for any purpose whatsoever on the information contained in this document or on its completeness. Any reliance on this communication could potentially expose you to a significant risk of losing all of the property invested by you or the incurring by you of additional liability. No representation or warranty, express or implied, is given by the Company, its directors or employees, or SCM or their professional advisers as to the accuracy, fairness, sufficiency or completeness of the information, opinions or beliefs contained in this document. Save in the case of fraud, no liability is accepted for any loss, cost or damage suffered or incurred as a result of the reliance on such information, opinions or beliefs. Recipients of these Presentation Materials should conduct their own investigation, evaluation and analysis of the business, data and property described in this document.

If you are in any doubt about the investment to which these Presentation Materials relate, you should consult a person authorised by the Financial Services Authority who specialises in advising on securities of the kind described in this document. SCM will not be responsible in respect of such matters to any other person for providing protections afforded to customers of SCM or for providing advice in relation to those matters.

The information presented here is not an offer for sale within the United States of any shares or any other security of the Company. Any shares referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration under that Act or an available exemption from it. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.

Certain statements made in this presentation may not be based on historical information or facts and may be "forward-looking" statements, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company's business, its competitive environment, information technology and political, economic, legal and social conditions affecting the Company.

# Overview



## About Camco

Core capabilities are to reduce emissions and develop clean energy projects

20 years experience in clean energy project development

Focused on Asia and North America, where are market leaders in our sectors

Delivering emission reductions and cash over the last three years, rates increasing

Pipeline of clean energy projects in Asia and North America

**Camco Carbon**

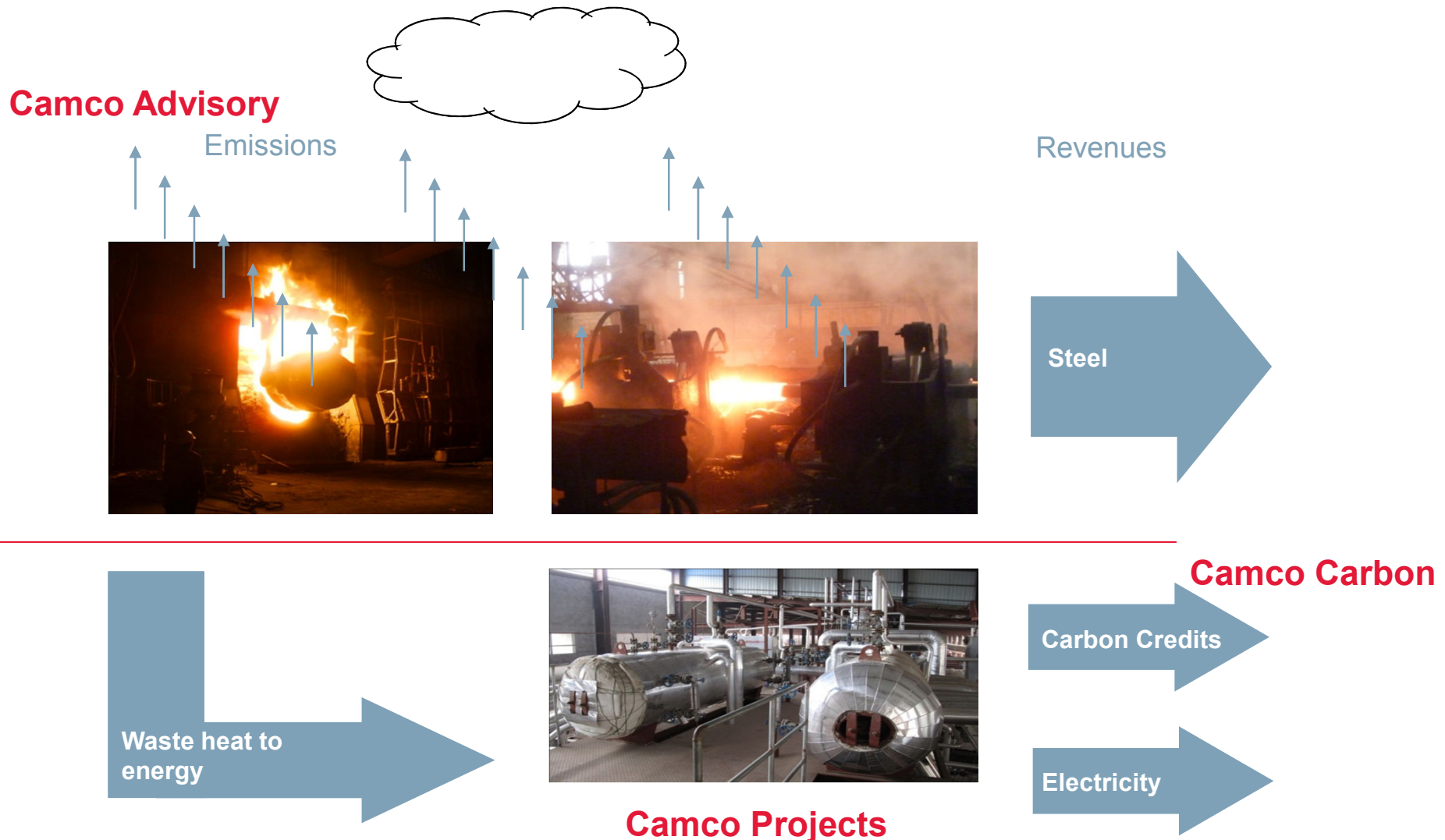
**Camco Projects**

**Camco Advisory**

# What we do



**Camco involved in all key parts of the project**



# Our Activities



## Three connected business activities

### Camco Carbon

- Revenues €11.6m (HY11)
- Global portfolio in China, SEAsia, Russia, Africa & USA
- 72% of the in specie carbon portfolio is registered at end of H1 2011
- Delivered 8.4m carbon credits in H1 2011

### Camco Projects

- Revenues €0.5m (HY11)
- Focused on North America & Asia
- In 2010 raised \$30m equity to invest in projects in SE Asia and China
- In 2010 developed a pipeline of projects > \$300m
- Financial close on largest cow manure biogas project in North America
- 2011 Investment phase

### Camco Advisory

- Revenues €4.2m (HY11)
- Double-digit margins
- Based in UK & Africa
- Advising both corporates and governments
- Technical and policy advice

# Value building blocks



## Multiple building blocks with hidden value

Carbon (Pre 2012)	<ul style="list-style-type: none"> <li>Credits to deliver: <b>26.6m</b> tonnes</li> <li>Average buy price per credit: €8.6</li> <li>Forward market price*: €11.00</li> </ul>
Carbon (2013-20)	<ul style="list-style-type: none"> <li>Credits to deliver: <b>41.5m</b> tonnes</li> <li>Forward market price*: Dec 13 €11.50 to Dec 20 €12+</li> <li>~15% commission share</li> </ul>
US project development	<ul style="list-style-type: none"> <li>Largest biogas under construction; 4.5MW</li> <li>Project cash flows for <b>20</b> years</li> <li>Number of projects in near term pipeline: <b>&gt;10</b></li> </ul>
Camco SE Asia	<ul style="list-style-type: none"> <li>Platform value at inception: \$17m</li> <li>Capital to invest: \$25m</li> <li>Target IRR for development/investment: <b>25%</b></li> </ul>
Advisory	<ul style="list-style-type: none"> <li>2011 HY profit: <b>€0.8m</b></li> <li>2011 HY revenue: €4.2m</li> <li>Solid growing cash flows, comparable P/E range 6 -&gt; 14</li> </ul>

Camco

Market Cap: **£27.20m**

# of Shares: **189,178,093**

Price Per Share: **14.38p**

(on 09.09.11)

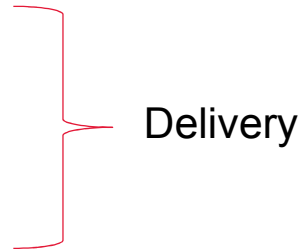
\*ECX CER futures Dec2011 at 30 June 2011

# Carbon



## Expertise in delivery and commercialisation of carbon emissions

- Camco develops bespoke carbon reductions programmes for large emitters:
  - Designs
  - Registers
  - Monitors
  - Issuance
  - Monetises
- Currently Camco has > 300 projects, which represent circa 250m tonnes of Carbon reductions over a ten year period
- 85% of the portfolio is in China working with the largest local corporations
- Typically, Camco takes a 20 – 30% commission (either in carbon or cash) on a project



# Carbon

## Operational Highlights for H1 /2011

- Largest renewable carbon development agreement signed for 20 wind projects in China
- Increasing post 2012 portfolio by 14%
- Forward sale transactions locking in prices for 1.5 million carbon credits

# Carbon Credits



## Carbon Credits from Camco's Projects

Camco "in specie" and "revenue" share credits

2008 - 2012	Predicted tonnes (m)*	Total Predicted tonnes*
In Specie delivered or title sold	9.0	26.6
In Specie to deliver and title retained	17.6 <sup>1</sup>	
Rev Share delivered	8.6	22.5
Rev Share to be delivered	13.8	

Post 2012	Predicted tonnes*
In Specie	41.5 <sup>2</sup>
Revenue Share	0.4

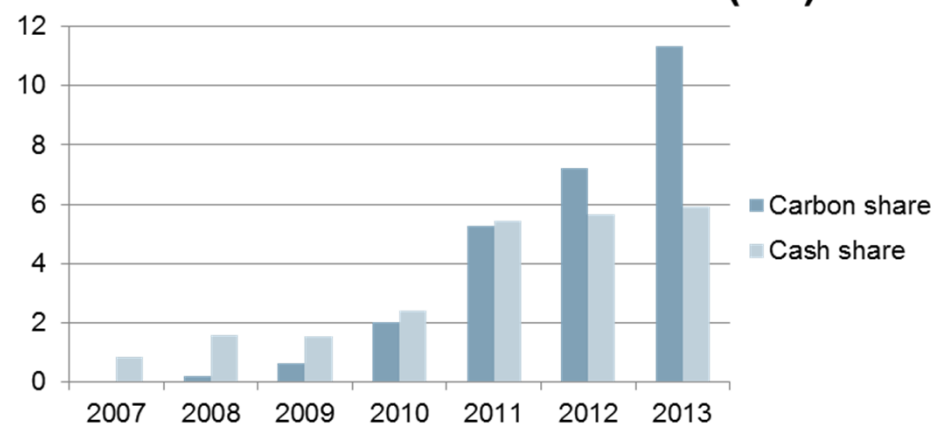
\* As of 20 June 2011, reported portfolio, average buy price €8.62 for pre 2012 portfolio, spot carbon price €11.05.

<sup>1</sup> Camco's project all generate "green CERs" and don't include industrial gases. Green CERs can be sold into the EU ETS phase II from 2013

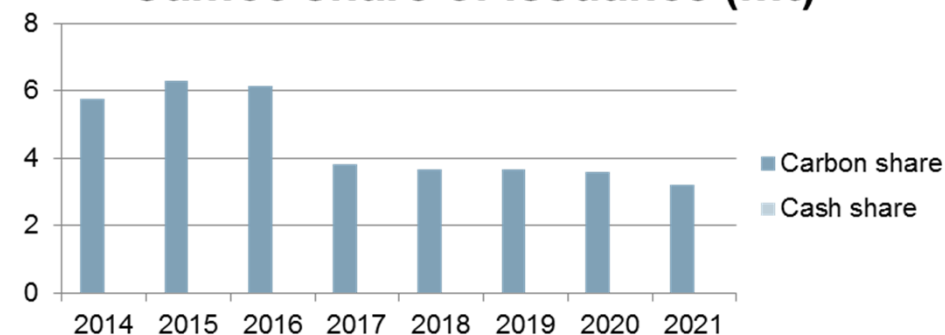
<sup>2</sup> Camco has agreed sales for a further 4.3 million of these credits but will transfer title and receive payment upon delivery.

Credits issued from projects Camco develops

### Camco share of issuance (mt)



### Camco share of issuance (mt)



# Project Development



## Growing asset ownership

- Build, own and operate emissions to energy projects, capitalising on proprietary knowledge and expertise in project development
- Two distinct target markets of Methane to Energy and Industrial Energy & Efficiency
- Targeting return on projects of 20%+
- Structuring investments through subsidiaries in USA and South East Asia financing through project finance and debt non-recourse to Camco
- Financial close and start of construction of largest dairy biogas project in North America



# Clean Energy Market Focus: USA (1)

## Favorable market- pole position

### Market Size

- Agriculture emissions 7.8% of total US emissions
- Potential energy generation from dairy biogas - 8GW

### Favourable Regulatory Environment

- USDA aiming to have one digester built per week
- California emissions target from January 2012, cap and trade begins in 2013
- Renewable portfolio standards in 30+ states

### Camco's Pole Position

- Largest portfolio of livestock gas capture projects in the Climate Action Reserve
- Leading the sector with a pipeline of projects that will allow to expand our position

# Clean Energy Market Focus: USA (2)

## Revenue sources identified

- Investment Tax Credit – up to 30% of construction costs are reimbursed\* qualification deadline ends 31 Dec 2011 to spend 5% of projects costs
- Local state feed-in-tariff
- Projects are eligible for Renewable Energy Certificates - current market price £3-7.50/MWh\*
- Project credits projected to be eligible under California's cap-and-trade scheme are currently bid at >US\$8\* \*
- California's emissions target from January 2012, cap and trading begins in 2013. Prices post launch expected to be in range of £10-40 (US\$16 – 66)\*\*\*

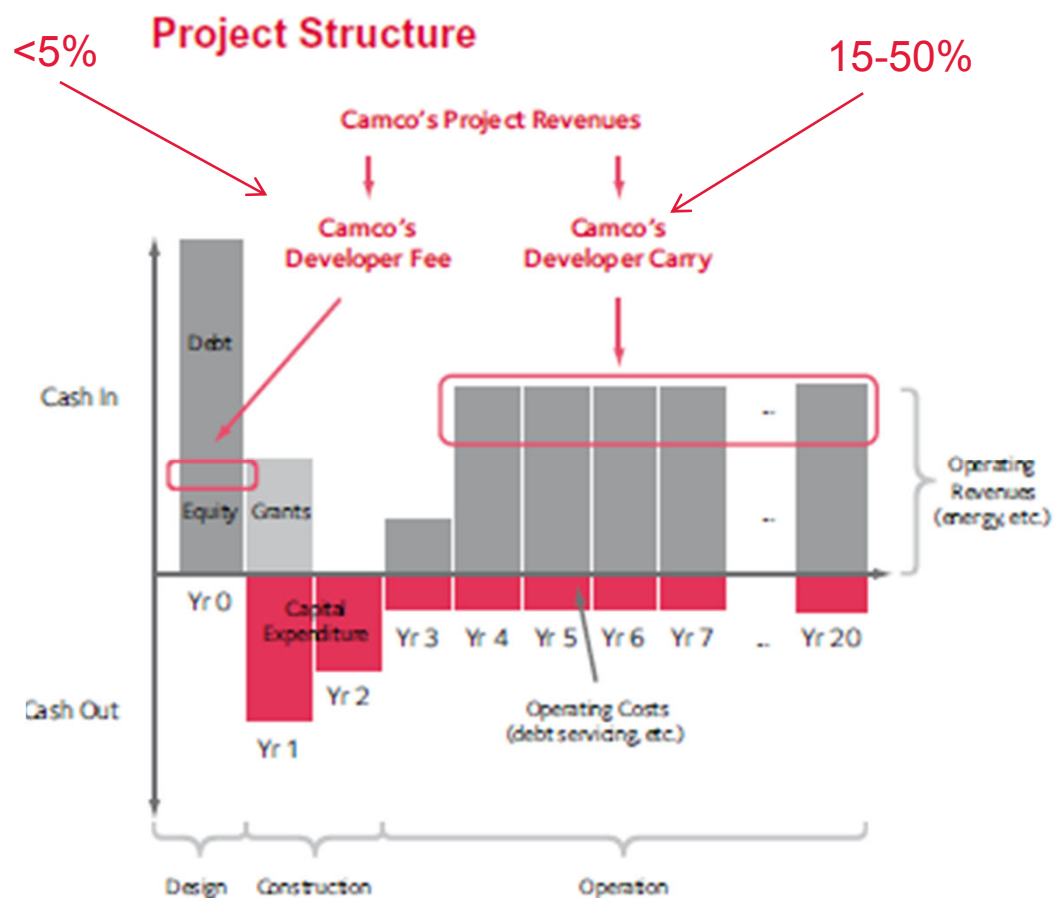
\*Source <http://www.wri.org/publication/bottom-line-series-renewable-energy-tax-credits>

\*\* Point Carbon (24 Jun 2011). Source: <http://www.pointcarbon.com/news/1.1552504>

\*\*\* Price range for 2013-2020, Source: Bloomberg New Energy Finance, "Carbon Markets-North America-Analyst Reaction (01 July 2011)

# Project Development

## Development business model



### Low Risk Approach

- Using proven equipment
- Quick to deploy
- Replicable projects
- Counterparties with strong credit ratings
- Secure supply contracts
- Long term off-take (PPA) agreements
- 20% IRR project return

## Highlights for H1/2011

Financial close and start of construction of largest dairy biogas project in North America

- installation of anaerobic digesters to convert cow manure into enough biogas to fuel 4.5MW of generation capacity
- fully financed for an estimated total project construction cost of less than \$25 million, comprising a combination of construction financing and debt financing
- qualifies for federal grant programme, under which 30% of eligible construction costs are reimbursed
- 20-year power purchase agreement is in place
- multi-year contracts for the sale of sterilized fibre
- Renewable energy certificates and emission credits



qualify under California's new renewable energy and greenhouse gas regulations.

## Profitable business

- Consultancy business split into areas of expertise:
  1. Policy work with governments, NGOs and international organisations
  2. Industrial Energy Efficiency programmes
  3. Carbon management
  4. Advising property developers on building zero/low carbon developments
  5. Energy and Carbon desktop software
  6. Energy monitoring equipment
- Over 80 % repeat customers
- Strong reputation with 20+ years' experience
- Growing customer base

# Revenue Sources



## Strategic outlook

		2011	2012	2013	2014+
		€m	€m	€m	€m
<b>Camco Carbon</b>	Pre 2012 Projects becoming operational *	++	++		
	Post 2012 Projects becoming CDM operational **	+	++	++	++
<b>Camco Projects</b>	Clean Energy Projects operational ***		+	++	+++
<b>Camco Advisory</b>	Energy and Carbon Advisory	+	+	+	+

\* Carbon projects developed under the Kyoto CDM and JI schemes for emission reduction before end 2012

\*\* Carbon projects developed under the Kyoto CDM and other regional schemes for emission reductions after 2012

\*\*\* Clean Energy projects delivery energy revenue and other by-products

# Where we are going



## Clear focus

	Carbon Project Development	Clean Energy Project Development	Energy and Carbon Advisory
2010	Deliver	Originate	Turnaround
2011	Deliver	Invest	Recurring Revenue Growth
2012+	Deliver	Grow	Recurring Revenue Growth

2011	<b>Deliver:</b> <ul style="list-style-type: none"> <li>• Tonnes</li> <li>• Forward sales</li> <li>• Registrations</li> <li>• Origination</li> </ul>	<b>Invest:</b> <ul style="list-style-type: none"> <li>• Financial close</li> <li>• Construction</li> </ul>	<b>Recurring Revenue Growth:</b> <ul style="list-style-type: none"> <li>• products and services</li> </ul>
------	---	--	--

# Profit & Loss Account



	HY 2011	FY 2010	FY 2009
	€m	€m	€m
Revenue	16.2	30.0	27.8
Gross Profit	11.7	20.6	20.7
<i>Gross Margin</i>	72%	69%	74%
Administrative expenses	(8.6)	(17.8)	(18.9)
Other income/(expense)	0.0	6.8	(0.6) *
<b>PBT</b>	<b>3.1</b>	<b>9.6</b>	<b>1.2 *</b>

\* With goodwill write-down  
added back

## Favorable regulatory environment

### Market



Increase in clarity on eligibility for carbon credits being sold into the EU European Trading Scheme post 2012. Significant movement on regulatory systems in North America and Australia, Japan

### Projects



The Clean Energy projects business will continue its development under good market conditions in both Asia and North America.

### Carbon



To complete more projects to operational stage this year and further expand portfolio. Fair value income performance will be subject to carbon price market volatility. The company will continue to commercialise carbon projects when these mature. .

### Advisory



The Advisory business has a strong order book and is expected to continue its expansion in the UK and Africa.

# An award-winning business



- Best Project Developer, Environmental Finance - 2010
- Renewable Energy company of the year, Commodities Business Awards - 2010
- Transaction of the Year, Carbon Finance – 2009
- Best Project Developer, Point Carbon – 2007, 2008, 2009
- 7th Best Workplaces in the UK, Great Places to Work – 2009
- Deal of the Year, Global Trade Review – 2008
- Top 30 Offset Provider, ENDS Guide to Carbon Offsets – 2008
- Environmental Markets Winner, Energy Business Asia, Gold Award – 2008
- Environmental Markets Winner, Energy Business Asia, Silver Award – 2007
- Transaction of the Year, Carbon Finance – 2007



# Management Team



**Experienced global management team (staff of 200 people globally)**

## **Scott McGregor**

### **Chief Executive Officer**

- Managed Camco's IPO in 2006
- Led the development of Camco's carbon credits business
- Global experience in mining, finance, environment and technology industries
- Managed high-growth and early-stage companies
- BEc, CPA and MBA

## **Yariv Cohen**

### **President**

- Led and transformed Camco's 3 business units
- Recipient of financial and carbon industry awards, published articles on carbon finance and holds several patents
- Held positions of CEO, Director, CTO and lead negotiator in Europe, USA, China and the Middle East
- MBA (high distinction), M. Res in negotiations

## **Andrew Twynam**

### **Finance Director**

- Managed Camco's finance operations since joining in 2006
- Prior experience with FTSE100 private equity firm and a global advertising conglomerate
- Chartered Account in England and Wales, qualified with global top tier firm
- ACA, BEng and MSc

## **Kent Carter**

### **Managing Director, Camco SEA**

- Manages Camco's China project portfolio
- 25+ years of international experience in infrastructure and energy development
- Founding partner of ClearWorld Energy Ventures, acquired by Camco in 2008
- Closed 6 JVs in China worth \$150m as SVP at Peak Pacific Investment Company in Beijing
- BASc

## **Jim Wiest**

### **Managing Director, Camco North America**

- Leads Camco's North America operations
- 18+ years experience in M&A and institutional development financing
- Founder and MD of a boutique investment bank focused on financing large scale real estate and energy projects
- Senior Manager for Ernst & Young
- BS, CPA

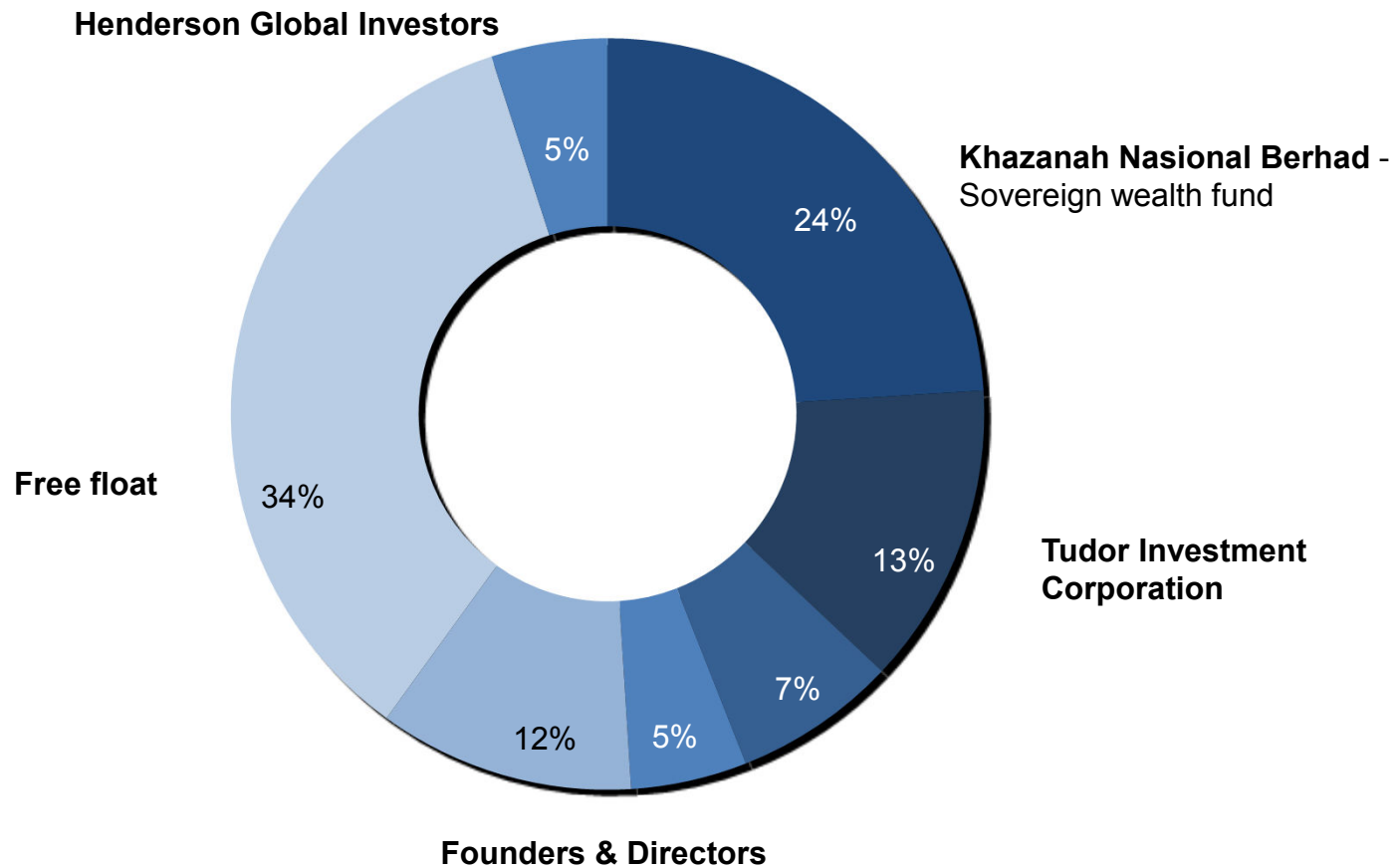
## **Henrik Dalsgard**

### **Managing Director, Camco China**

- Joined Camco in 2007
- 15 years of project management experience in the energy sector
- Previously General Manager in COWI Consulting (Beijing)
- PhD in Mechanical Engineering,

# Ownership Structure

**Diverse international share holder base**



Camco