

### PUTTING CARBON BACK IN THE GROUND

Q3 2024 CORPORATE PRESENTATION CSE: BSKY | OTCQB: BSKCF | FRA: QE4

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## CLIMATE CHANGE

To prevent and reverse climate change, emissions must not just be reduced, they must also be removed from the atmosphere.

### THE GREATEST CHALLENGE OF OUR TIME

## Carbon Removal

In order to avoid the worst effects of climate change, **humanity MUST become carbon neutral by 2050** 

"The global temperature will stabilize when carbon dioxide emissions reach net zero. For 1.5°C (2.7°F), this means achieving net zero carbon dioxide emissions globally in the early 2050s; for 2°C (3.6°F), it is in the early 2070s."

per the U.N. Intergovernmental Panel on Climate Change (IPCC).<sup>1</sup>

This means eliminating 50 billion annual tonnes of CO<sub>2</sub> equivalent emissions.<sup>2</sup>

A net zero energy system cannot rely only on solar, wind power and EVs. Rapid growth in the use of technologies to capture  $CO_2$ and store it permanently or transform it into climate neutral fuels are also needed.<sup>3</sup>

1. https://www.ipcc.ch/2022/04/04/ipcc-ar6-wgiii-pressrelease/

2. https://www.statista.com/statistics/1285502/annual-global-greenhouse-gas-emissions

3. https://iea.blob.core.windows.net/assets/66b8f989-97lc-4a8d-82b0-4735834de594/WorldEnergyOutlook2023.pdf

## Carbon Removal is Critical

## We MUST remove Carbon.

U.N. scenario to achieve 1.5°C goal requires carbon dioxide removal (CDR).<sup>1</sup>

This means taking CO<sub>2</sub> out of the atmosphere. It's climate change in reverse. If we don't do it, then everything changes.



1. Source: https://blog.mcc-berlin.net/post/article/what-the-paris-agreement-means.html

US

## **Carbon Removal Value**

## **10 Billion** tonnes annually

Annual CO<sub>2</sub> Annual  $CO_2$ Cost of < \$270</th>removal target $\blacksquare$ per tonne by $\blacksquare$ by 2050

Cost of < \$270 2050

Multi trillion dollar revenue opportunity

## This is why Exxon calls carbon "the new oil"<sup>2</sup>

Carbon removal could become a trillion-dollar industry. Big oil companies and tech giants such as Microsoft are investing in carbon removal technology to cater to businesses that want to reduce their carbon emissions and are willing to pay for every tonne of emissions stashed away.<sup>3</sup>

https://www.economist.com/business/2023/05/21/can-carbon-removal-become-a-trillion-dollar-business

vww.semafor.com/article/07/21/2023/exxon-carbon-denbury

:~:text=The%20Economist%20reckons%20that%20carbon,tonne%20of%20emissions%20stashed%20away

## CDR<sup>\*</sup>– It's Time for a Better Idea

\* Carbon Dioxide Removal

### **Previous CDR Solutions**



To reach net zero by planting trees would require reforesting an area the size of the United States and Canada combined (1 to 2 billion hectares) and could take between one and two thousand years <sup>1,2</sup>

> Direct Air Capture, which uses chemical or physical processes, requires large amounts of electrical and thermal energy

Geological Sequestration, pumping CO<sub>2</sub> underground, needs expensive infrastructure

### **BluSky's CDR Solutions**



BluSky's technology is designed to require less capital investment than many other CDR solutions

> BluSky makes renewable, consistent energy rather than consuming energy

BluSky's solution converts CO<sub>2</sub> to rock, eliminating disposal infrastructure

1. <u>https://climate.nasa.gov/news/2927/examining-the-viability-of-planting-trees-to-help-mitigate-climate-change/</u>

2. https://cbmjournal.biomedcentral.com/articles/10.1186/s13021-018-0110-8

## OUR SOLUTION

## Scalable Biomass Pyrolysis

Developing low-cost energy while providing the ability to store carbon for thousands of years

Source:: (ars.USDA.gov): <u>https://shorturl.at/uvDW9</u>

As trees and plants grow, they take CO<sub>2</sub> out of the atmosphere and absorb carbon to build plant structures; likewise, when they die, they decompose and return carbon into the atmosphere as CO<sub>2</sub>. This is called the carbon cycle. **BluSky's approach is to use the carbon freely captured by nature and prevent it from going back into the atmosphere.** 

The process begins with pyrolysis where organic waste is heated up in a pyrolysis chamber to very high temperatures with very low oxygen levels.

Pyrolysis of biomass produces three products: a liquid (**bio-oil**), and a solid (**biochar**), which are both carbon credit earners, plus one gaseous (**syngas**), providing energy to power our solutions.

Our strategy aims to capture gigatons of carbon every year

# **Strategy:** Using Low-Cost Energy to Make Other Technologies Viable

### Gather Organic Waste

As trees and plants grow, they take CO<sub>2</sub> out of the atmosphere and absorb carbon to build plant structures; likewise, when they die, they decompose and return carbon into the atmosphere as CO<sub>2</sub>. This is called the carbon cycle. BluSky's approach is to use the carbon freely captured by nature and prevent it from going back into the atmosphere.

### Biomass Pyrolysis

2 1

The process begins with pyrolysis where organic waste is heated up in a pyrolysis chamber to very high temperatures with very low oxygen levels. When undergoing pyrolysis, this waste splits apart into a char and a gas. The char is known as biochar, and the carbon inside of it will stay in the soil for thousands of years.

### Energy Generation

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The gas in turn will go into a condenser and be used to power the pyrolysis & provide surplus energy for BluSky's system. Any oils collected inside the chamber will be further refined into biocrude, which can be burned for energy or sold.

### Capture Atmospheric CO<sub>2</sub>

4 %

The surplus energy will also be used to capture more  $CO_2$  from the atmosphere (carbon solution) and turn the carbon into more rock (carbonate solution). This hybrid approach is designed to be capital efficient and scalable to better address climate change.

### Carbon Mineralization

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When the gas is combusted, it leaves a solid stream of  $CO_2$  that BluSky can mix with minerals to turn carbon into solid rock, otherwise known as carbonate rock.

## **Carbon Credit** Monetization

## BluSky has partnered with Carbonfuture

Highly reputable carbon marketplace experts.

 $\checkmark$ 

Carbonfuture has a wide range of carbon credit customers including Microsoft, Swiss Re and Klarna



Carbonfuture facilitates accreditation with existing biochar carbon credit vendors (i.e.: Puro, Verra & European Biochar Certificate)

### $\mathbf{V}$

BluSky and Carbonfuture are partnering to monetize carbon credits for the Vulcan, Medusa and Kronos systems







BLUSK

BluSky established formal brokerage and MRV (Monitoring, Reporting & Verification) services agreements with Carbonfuture GmbH (Jan 23, 2024).

## OUR PRODUCTS

## Vulcan BIOMASS PYROLYSIS SYSTEM

- Our **Vulcan II** biomass pyrolysis pilot system was successfully commissioned January 2024.
- The Vulcan II pilot system is designed to remove up to 800 tonnes of CO<sub>2</sub> per year.

Vulcan Heavy is expected to convert **5 tonnes** of organic waste into biochar and bioenergy **every hour**.

- The Vulcan Heavy system is nearing completion and is integral to BluSky's "Kiloplex" facility concept which integrates Vulcan, Kronos and Medusa systems.
- Each Kiloplex is designed to eliminate an estimated 40,000 tonnes of CO<sub>2</sub> annually.

VULCAN

BIOMASS PYROLYSIS

## Vulcan | COMMERCIALIZATION

### BluSky has secured a \$686,000 contract to build pyrolysis machinery for the City of Minneapolis.

- Equipment is currently under construction
- BluSky will continue to seek opportunities to sell equipment to the municipal governments market, with potential clients primarily being governmental entities and medium to large size enterprises

BluSky aims for initial profitability primarily from equipment sales and carbon credits generated from the production of biochar.

## VULCAN

BIOMASS PYROLYSIS

## Medusa CARBON MINERALIZATION SYSTEM

BluSky has developed a system that converts **CO<sub>2</sub> into stone** 

Concept: To replace underground storage wells.

- Process takes  $CO_2$  out of exhaust from bioenergy to form a dense stream of  $CO_2$ .
- First prototype was completed in 2023 with a larger scale version currently under development and anticipated to be completed in 2024.

• We are currently preparing to patent this system internationally.

MEDUSA

MINERALIZATION

## Kronos direct air capture

### Kronos is a Direct Air Capture system that can **capture and sequester CO<sub>2</sub>**

- Modified version of the Medusa system.
- Commercial-scale Kronos is anticipated to be functional in 2024.

It will be powered by renewable energy produced by the Vulcan system

K R O N O S

## **Growth:** Sustainable & Scalable

### **BluSky aims for more...**

Designed to house infrastructure that is easily replicable and scalable for future production orders.



## TRACTION

## Collaboration



<sup>1</sup> https://bluskycarbon.com/blusky-carbon-launches-co2-removal-and-securesinitial-us-1-94-million-in-sales/

BluSky works with local municipalities and businesses to procure brush waste for its Vulcan system

BluSky has partnered with Carbonfuture GmbH, a carbon marketplace to facilitate the sale of carbon credits<sup>2</sup>

<sup>2</sup> https://bluskycarbon.com/blusky-carbon-commercializes-co2-transactionswith-carbonfuture-gmbh/ BIUS

## BluSky Strengths

BluSky aims to reduce costs for Carbon Removal

All of BluSky's biomass feedstocks are waste, meaning there's minimal cost for inputs into our manufacturing process.

While most carbon removal technologies use massive amounts of energy, BluSky anticipates producing enough surplus energy to power its operations.

By utilizing BluSky's scalable biomass pyrolysis technology, BluSky aims to develop low-cost renewable energy while providing the ability to store carbon for thousands of years.

Utilizing proprietary processes, the Kronos DAC system can capture CO<sub>2</sub> for less energy than current technologies\*

\*Based on internal research & projections utilizing publicly available data.

## Core Team | MANAGEMENT



WILL HESSERT CEO, DIRECTOR & FOUNDER



JAY HENRY MARKETING MANAGER



Andrew Duval, CPA CFO & CORPORATE SECRETARY



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GREG PAKIELA BUSINESS DEVELOPMENT

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## Core Team | DIRECTORS



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KYLE KORNACK

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