

Executive summary

May 2016

Energy is the most important economic activity of our modern civilization. Each year, we invest hundreds billions dollars in new production facilities.

The problem.

At the present time, clean energy, that could meet demand without causing climate change, is not competitive with fossil fuels.

Just to stabilize the emission of greenhouse gases at current levels, we need to meet 100% of new energy demand with clean production facilities, an annual investment of 1,000 to 1,500 billion dollars. Even more investment is required if we want to reduce our greenhouse gas emissions.



The Wind-Do solution:

The wind is free, so it could provide a low cost solution.

At the current time, the production of electricity from a giant wind turbine costs between 40 to \$80 per MWh. Our project is to lower this to half this price, and to allow installation in places that are not feasible for giant wind turbines.

An analysis and justification of our projected electricity production costs is available in our literature.









Our innovations:

1- Our turbines allow the use of standard components available from hundreds of different suppliers worldwide. This permits automated production and a reduction in cost.

Wind-Do

- 2- The mid-size scale of our turbines significantly lowers visual impact and noise.
- 3- Our wind turbines have a modular design, which means that its standard structure can be adapted to various purposes with different turbine sizes.
- 4- Wind farm operators with minimal training can install, operate, and maintain the farm. The capital investment is much lower than for large wind turbines.
- 5- The modular approach allows the optimization of the wind farm design by matching various turbine sizes to the wind profile of each site.
- 6- We will design wind farms to meet specific electricity production target according to the grid needs (and optimize income for the wind farm operator). Alternatively, the electricity can be used on site (for example by greenhouses or for manufacturing process).
- 7- Related to our wind farm designs, important excess of electricity can be produced. Our gas to solid to gas (GSG) heat storage system is one application that supersedes the electricity production target. This heat is available on demand, and is almost free for the wind farm operator. Beyond heating greenhouses and building, this energy can reduce the cost of a large number of industrial processes.
- 8- Synergy; The versatility of our energy systems open the door to a variety of ventures using bienergy, co-generation and energy storage. In all cases, our solutions are cost effective and significantly reduce the greenhouse gas emission.





The Wind-Do market

As we mentioned in the introduction, there is strong competition between the various energy sources. With a production cost between 1.5 and 3.5 ϕ/kWh , the electricity generated by the Wind-Do wind farms will be the most economical on the market.

The core market (new clean energy production facilities) is about \$250 billion annually. Our products are quite competitive in the clean energy market, and will be even more so when government support for clean energy is reduced.

Since our electricity will cost less than electricity produced by new coal plants, and provide clean energy as a desirable side effect, we believe that our products will also replace a significant share of the fossil facilities that are planned for in the coming decades.

Wind-Do's Two Markets

The first of the two Wind-Do markets is the sale of electricity to the grid. The producer's profits will vary according to a number of factors, but will mainly depend on the purchase price of the electricity by the network. Gross margins will vary between 2 and 6 ¢ per KWh, with a return on investment of between 3-8 years. The expected lifetime of our wind farms is 50 years or longer.

Wind-Do will also open up a new market for energy autonomy.

A wind farm could be quite profitable even with a small power installation of 100 KW. An industrial building could support its own wind farm and significantly reduce its power costs. Depending on the local price of electricity, the gross profit will be from 5 to 25 ϕ per kWh, with a return on investment of 1 to 5 years.





We will focus on a specific market at the beginning: We will take advantage of feed in tariff available in many Eastern Provinces and New England states. We will offer wind energy and heat storage system to farmers and off-grid communities, including remote factories and mines.

Our Business Model

In the cleantech industry, the business models proposed by start-ups are often unreliable. *Even* though a product works, it may not support a viable business model. This is why we stress the cost of energy production, even in this introduction. We believe our customers will produce electricity at an average cost of 2ϕ per KWh, which is the reason that it will be relatively easy for us to reach our sales objectives.

We will have several sources of income:

- We will sell wind turbines and GSG heat storage system to our local market, with a gross profit of 30%.
- We will also sell maintenance contracts to our customers, *for up to 50 years*, with a 30% gross profit.
- We will distribute optional or replacement components like batteries and heat systems, with a gross profit between 10 and 30%.
- We will sell wind turbine parts to our international partners, with a profit margin from 15 to 30%.
- We will collect dividends from our international partners for the patents.

Intellectual Property, and Research and Development

The company has three active patent applications. It will also be possible to add at least three other patent applications before unveiling our first wind turbine to the public. The Board of Directors will establish the intellectual property policy of the company. A strong IP is expensive, but it is necessary in order for the company to establish an international leadership position.

Research and development will be at the centre of our business operations. R & D is strongly subsidized in Canada and Québec. Our work has been and will continue to be focused on numerical simulations and field tests. Over time, the R&D will also focus on manufacturing processes, procurement, materials selection, energy storage, and hybridization of our electricity with other sources of energy.

Our technological leadership will be our main strength in the development of our international partnerships.







The Team

Wind-Do Inc. was founded by François (Frank) Gagnon eng. who has managed several factories; his CV is available in our literature. Frank is also editor of the blog Wind-Can-Do-It and has published several articles in the Economic Journal Les Échos.

Pierre Dumas, MBA, will act as VP business network development. Duncan Sanderson. Ph.D. will act as VP community development and communication.

Martin Brault, is the CEO of Inno-3B, he has a vest experience in the design of industrial systems and advice the board of direction.

GrowToGo is the first business partner of Wind-Do. Beside investments, they will used a large quantity of our energy systems.

REPEX is also a business partner that will develop market opportunity. Maegis Group will produce some of our components in China and assure Wind-Do distribution and installation in that country.

Investment Needs and Exit Strategy

A start-up must be aware of opportunity and be able to pivot rapidly with venture investment. A strategic investor may change sourcing, localization and sales potential.

As a general objective, Wind-Do can set-up a factory and be profitable with a supplementary capitalization of one million dollars, while maintaining a comfortable financial margin. The financial projections for this scenario are available on request.

Wind-Do will rapidly become a game changer in the green energy production market (GE, Siemens, Vesta...). An Instagram exit scenario is probable, although with a possible delay of 2-4 years.

For Investors Who Wish to Learn More About Wind-Do, We Have:

- Case studies that present our markets and our marketing strategy.
- A technical presentation of our principal innovations. Note that some of our innovations have not yet been patented. If details are needed, a signed nondisclosure agreement (NDA) will be required.
- Full financial documents including funding structure, cash flow, and pro-forma statements.





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