

# Fact Sheet

www.xebecinc.com

Summer 2010

## About Xebec

Xebec is a global provider of clean energy solutions to corporations and governments looking to reduce their carbon footprints. With more than 1300 customers worldwide, Xebec designs, engineers and manufactures innovative products that transform raw gases into marketable sources of clean energy. Xebec's strategy is focused on establishing leadership positions in markets where demand for biogas upgrading, natural gas dehydration and hydrogen purification is growing. Headquartered in Montreal (QC), Xebec is a global company with two state-of-the-art manufacturing facilities in Montreal and Shanghai, a R&D facility in Vancouver (BC) as well as a sales and distribution network in North America, Asia and Europe.

## Stock Information

(at June 2, 2010)

Stock symbol: TSX: XBC  
 Shares listed: June 12, 2009  
 Shares outstanding: 35.1 million  
 Share price: C\$0.73  
 Market capitalization: C\$26.7 million

## Mission

To provide our customers with innovative solutions that transform raw gases into marketable sources of clean energy

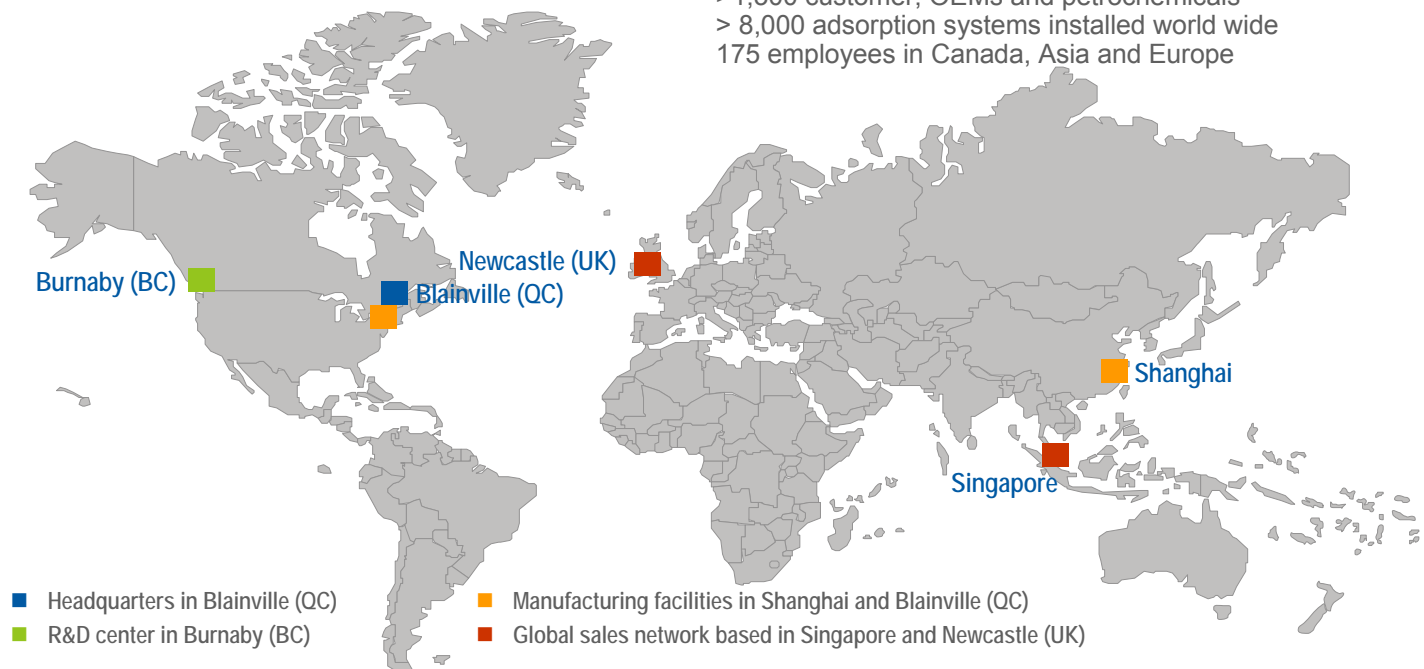


## Xebec's competitive advantage

- Strong intellectual property portfolio focused on biogas and natural gas
- Leading adsorption technology for gas and biogas purification & separation
- Cost leadership through Asian supply chain and manufacturing
- Global sales and distribution network in N.A., Asia and Europe

## Xebec worldwide

>1,300 customer; OEMs and petrochemicals  
 > 8,000 adsorption systems installed world wide  
 175 employees in Canada, Asia and Europe



Blainville, QC



Burnaby, BC



Shanghai manufacturing facility



## Business segments



Natural gas dryers for NGV refueling stations



Biogas upgrading plants



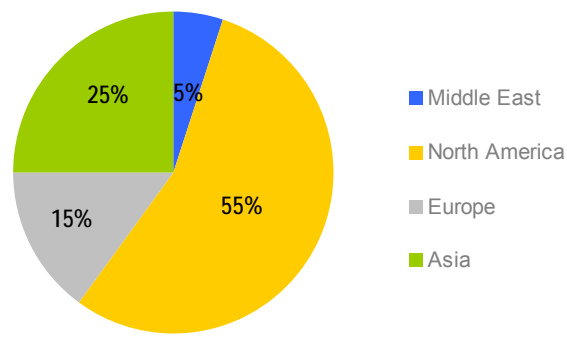
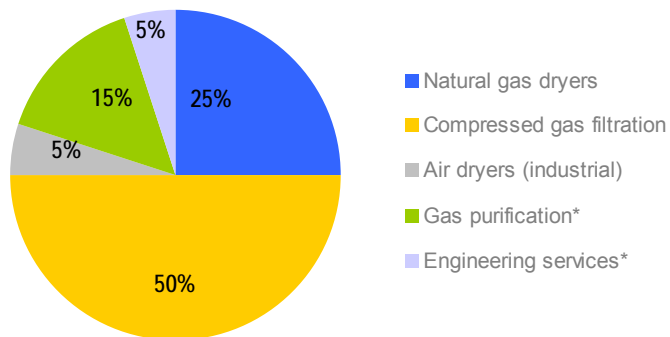
Hydrogen purifiers for hydrogen recovery



Distributed small scale natural gas liquefaction

## Diversified product lines (% of revenues)

## Diversified geographic reach (% of revenues)



## Strategic milestones

1967	1998	2001	2005	2007	2008	2009
Xebec founded	Domnick Hunter Ltd. - A U.K. based filtration company acquires Xebec	Xebec relocates to new manufacturing facility in Blainville	Domnick Hunter Ltd. is acquired by Parker-Hannifin, a U.S. based multinational	MBO completed	Xebec opens manufacturing facility in Shanghai, China	Xebec opens SE Asia and Newcastle (U.K.) sales offices  Merger with QuestAir  Listing on TSX:XBC

## Growing demand worldwide for natural gas and biogas-to-energy technologies

- Energy self-sufficiency and independence
- Responsible waste management practices
- Climate change and environmental considerations



### Natural gas is the only carbon-neutral transportation fuel

- Worldwide market for natural gas vehicles (NGVs) growing 18% per year
    - ▶ NGVs expected to reach 65 million by 2020 versus 8 million today
    - ▶ Refuelling stations expected to reach 70,000 by 2020 versus 14,200 today
- (Source: NGV America)

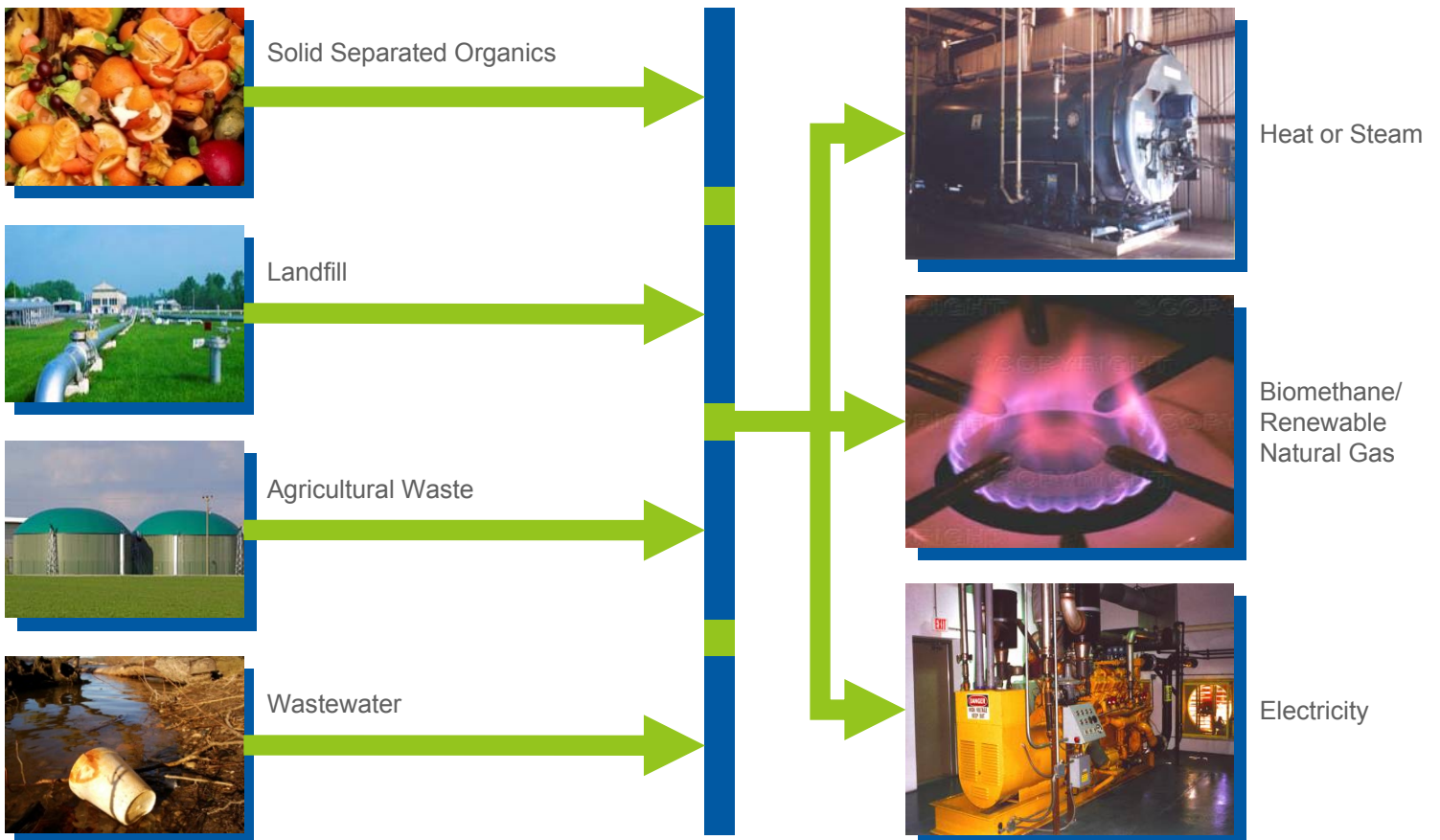


### Biogas-to-energy

- Biogas feed sources include solid separated organics, landfills, agricultural waste and wastewater
- Used to produce heat or steam, natural gas and electricity
- Growing demand for biogas upgrading in countries worldwide, including Canada, the U.S., Germany, South Korea and the U.K., driven by legislation or government subsidies



### Growing biogas-to-energy market



## Selected financial information (in C\$ unless indicated otherwise)

For the three months ended March 31	2010	2009
Revenue	1,991,650	4,707,379
Gross margin (%)	16%	40%
Net loss	(3,179,211)	194,678
Cash	5,132,067	202,343

## Financial and Strategic highlights (for the period ended March 31, 2010)

- Focus on new business models as suppliers of clean-energy systems
- Order backlog of \$11.2 million and differed revenues of \$2.2 million
- Net loss reflects a \$1.6 million decline in gross profit and \$1.1 million in selling and administration expense; and costs associated with being a public company
- Cash position declined by \$0.3 million over the quarter, reflecting an increase in up-front payments by customers from new contracts

## Strategic priorities

- Continue to build leadership positions in growing clean energy markets
- Continue to grow through internal initiatives and strategic partnerships
- Pursue complementary acquisitions

## Management team

- Mr. Kurt Sorschak, *President and CEO*
- Ms. Ginette Gagné, *Vice-President Finance and CFO*
- Mr. Andrew Hall, *Vice-President Asia-Pacific*
- Dr. Donald Gongaware, *Vice-President Operations*
- Dr. Daryl Musselman, *Vice-President Engineering & Technology*
- Mr. John Fyfe, *Vice-President Sales and Marketing*



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## Forward-looking statements

Certain statements in this fact sheet may constitute "forward-looking" statements within the meaning of applicable securities laws. This forward looking information includes, but is not limited to, the expectations and/or claims of management of Xebec with respect to the completion of the transaction, the synergies that can be achieved by the combination of Xebec and QuestAir, and information regarding the business, operations and financial condition of Xebec. Forward looking information contained in this presentation involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Xebec or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. This list is not exhaustive of the factors that may affect forward-looking information contained in this fact sheet. When used in this fact sheet, such statements use such words as "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "will" and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this fact sheet. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements.