Skyonic Opens Demonstration Plant to Develop the First For-Profit Carbon Capture Facility

Novel Carbon Mineralization Technology Captures CO_2 Emissions and Converts to Marketable Byproducts

AUSTIN, Texas – April 20, 2010 – Skyonic Corporation today announced it started operation of its carbon mineralization demonstration facility at Capitol Aggregates, Ltd. in San Antonio, one of the largest cement plants in Texas. Using a scalable, environmentally-safe carbon-mineralization process, pioneered by Skyonic, to profitably reduce the harmful carbon dioxide (CO_2) emitted from flue gas stacks, the demonstration facility will act as a pilot to support the build out of a large-scale commercial SkyMine® plant at the site. The byproducts produced by the mineralization process (e.g. carbonates, benign chemicals) will be analyzed under site-specific conditions to qualify mineral products that will be sold by the full-scale Capitol-SkyMine® plant.

SkyMine® technology is an innovative alternative to current carbon capture and storage methods, offering the first for-profit system that can be retrofitted to existing plant infrastructures.

"Skyonic's approach to carbon capture and storage has the potential to radically change how we view CO_2," said Carl Berg, a Silicon Valley entrepreneur and Skyonic investor. "Providing companies a viable means to both green its production operations and turn a profit in the process is a compelling prospect for companies when evaluating how they will meet stricter emissions mandates."

Worldwide CO_2 emissions are projected to rise from 29 billion metric tonnes in 2006 to 40.4 billion metric tonnes in 2030—a total increase of 39 percent (Source: Energy Information Administration). In an effort to cut CO_2 emissions, and the impact of greenhouse-gas pollution, the Environmental Protection Agency (EPA) recently announced plans to phase-in permit requirements and greenhouse gas emissions regulations for large stationary emitters beginning in 2011. To date, companies have had limited options to meet stricter emissions standards.

SkyMine® technology is designed to support scalable CO_2 removal configurations that offer power-generators, refineries, distilleries and other industrial manufacturers the possibility to become carbon negative. With the sale of marketable byproducts efficiently produced through the SkyMine® process, companies can realize ROI in three years. SkyMine® also removes heavy metals and "acid rain" gases from flue gas streams. An area of concern for coal plants in the Eastern U.S. mandated by the Clean Air Interstate Rule (CAIR) to reduce SO_2 emissions starting in 2010. Skyonic helps coal plants comply with these tightening emissions regulations today.

In addition to reducing harmful emissions produced through combustion, SkyMine® is designed to operate at a profit due to the sale of byproducts efficiently produced by its process. There is a market for sodium bicarbonates, or baking soda, to be used in feed stocks, glass manufacturing and algae biofuel production. Dr. K. Sathasivan at the University of Texas, Austin has been exploring the use of algal oil to produce jet fuel through a federally funded project.

"Water enriched with sodium bicarbonate is essential to produce large volumes of algae-based jet fuel," said Sathasivan. "SkyMine® bicarbonate is an ideal feedstock, as this method of algal-carbonation allows easier transport and mixing with water and it results in more efficient and faster growth of algae for biofuels."

Using proven principles of science, Skyonic's founder, Joe Jones, began designing the company's innovative CO_2 carbonate-mineralization process in 2005, to selectively and profitably remove CO_2, as well as sulfur oxide, nitrogen oxide and heavy metals (e.g. mercury) from coal combustion and other flue gas streams. Because SkyMine® captures CO_2 as carbonate compounds, the environmental concerns associated with CO_2 pipelines and groundwater contamination are avoided, as the solid is ideal for long-term storage or reuse.

"Skyonic has deployed various stages of demonstration plants in field tests since 2005, but we are especially pleased to be fully operational at the site of our future commercial-scale plant," says Joe Jones, founder and CEO of Skyonic Corporation. "Development funding from the Department of Energy is being used to dramatically advance our approach."

The Department of Energy recently awarded Skyonic $3 million to support planning for the full-scale Capitol-SkyMine® plant. Skyonic expects to begin construction in Q3 2010, and to be in full production by 2012. The plant will also provide real-world data on the cost and operation of additional SkyMine® facilities around the world.

About Skyonic Corporation

Founded in 2005, Skyonic Corporation developed the first carbon capture technology designed to profitably capture carbon dioxide (CO_2) emissions by mineralizing the gas into baking soda. Developed by inventor and CEO, Joe Jones, SkyMine® is a patent-pending green technology process that enables power-generation and industrial manufacturing plants to cost-effectively produce energy and products in a cleaner way. Skyonic has conducted field trials and pilot projects at power plants throughout Texas. The company is headquartered in Austin, Texas and is backed by venture capital. To learn more about Skyonic visit http://www.skyonic.com.

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