



SUSTAINABLE DEVELOPMENT  
TECHNOLOGY CANADA™

Partnering for real results.

# Mission



**“The Foundation will act as the primary catalyst  
in building a sustainable development technology  
infrastructure in Canada.”**



- SDTC began operations in November of 2001
- Registered as a not-for-profit, non-share capital corporation under the Canada Business Corporations Act
- Operates as an arm's length independent organization
- Funding allocation of \$1.05B from Government of Canada
- Accountable to Parliament through the Minister of Natural Resources
- International recognition for this Canadian initiative

# Mandate



- SDTC is a policy instrument of the Government of Canada to deliver environmental and economic benefits to Canadians.
- As a delivery agent, we foster the development and demonstration of technological solutions that address:
  - Clean Air;
  - Climate Change;
  - Clean Water;
  - Clean Land.
- Forge innovative partnerships and build a SD technology infrastructure.
- Ensure timely diffusion - increase number and rate of uptake of technologies into the marketplace across Canada, providing national benefits.



**SDTC operates two funds:**



**SD Tech Fund™**

SUSTAINABLE DEVELOPMENT  
TECHNOLOGY CANADA

\$550 million SD Tech Fund™ was launched on April 4, 2002.



**NextGen Biofuels Fund™**

SUSTAINABLE DEVELOPMENT  
TECHNOLOGY CANADA

\$500 million NextGen Biofuels Fund™ was launched on September 12, 2007.

*The funds are complementary and address different gaps in the Innovation Chain*

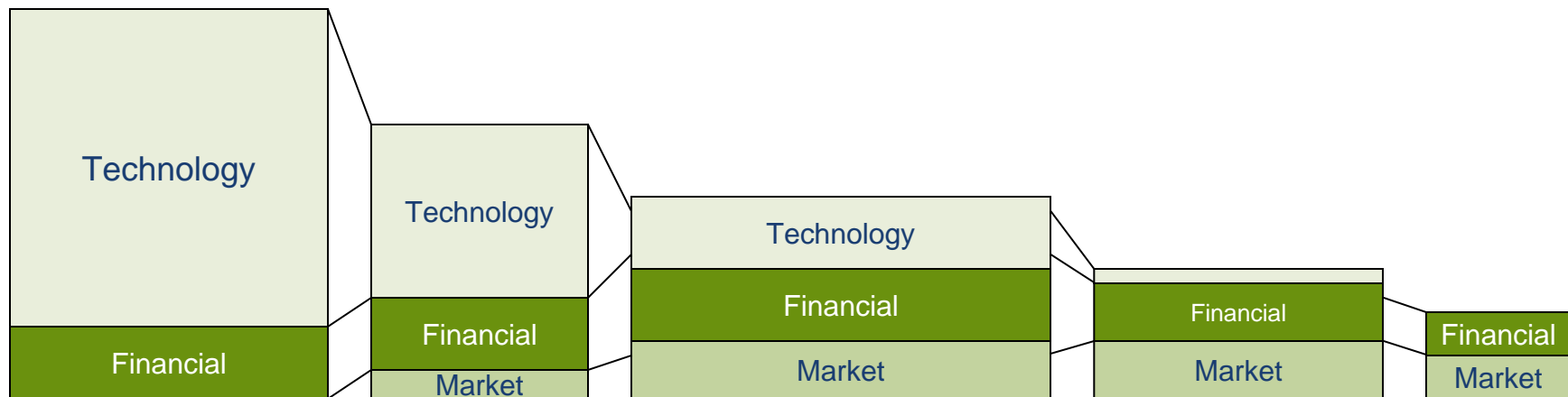
# Innovation Chain



## Stages of Technology Development



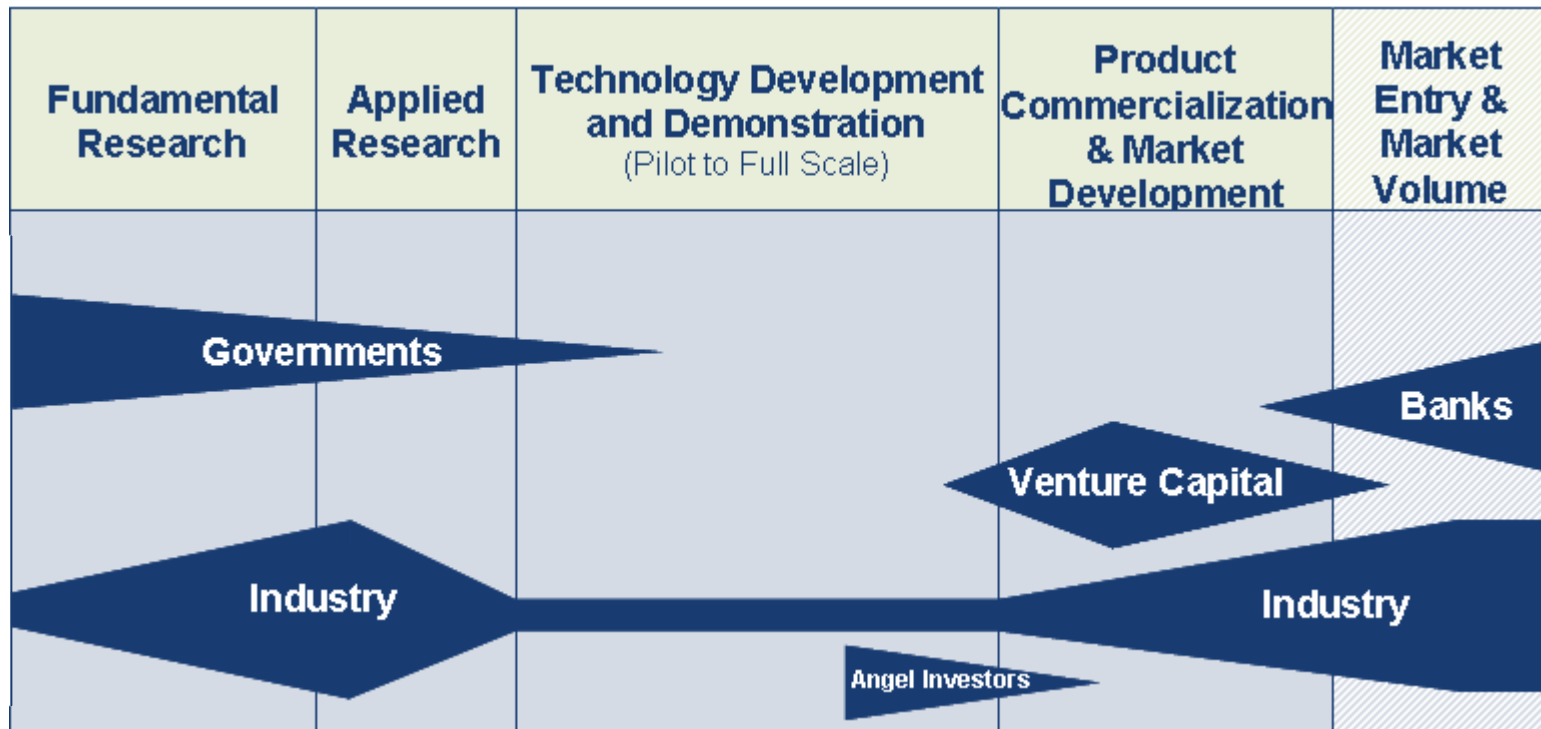
## Risk Profile





- The SD Tech Fund

# Sources of Funding



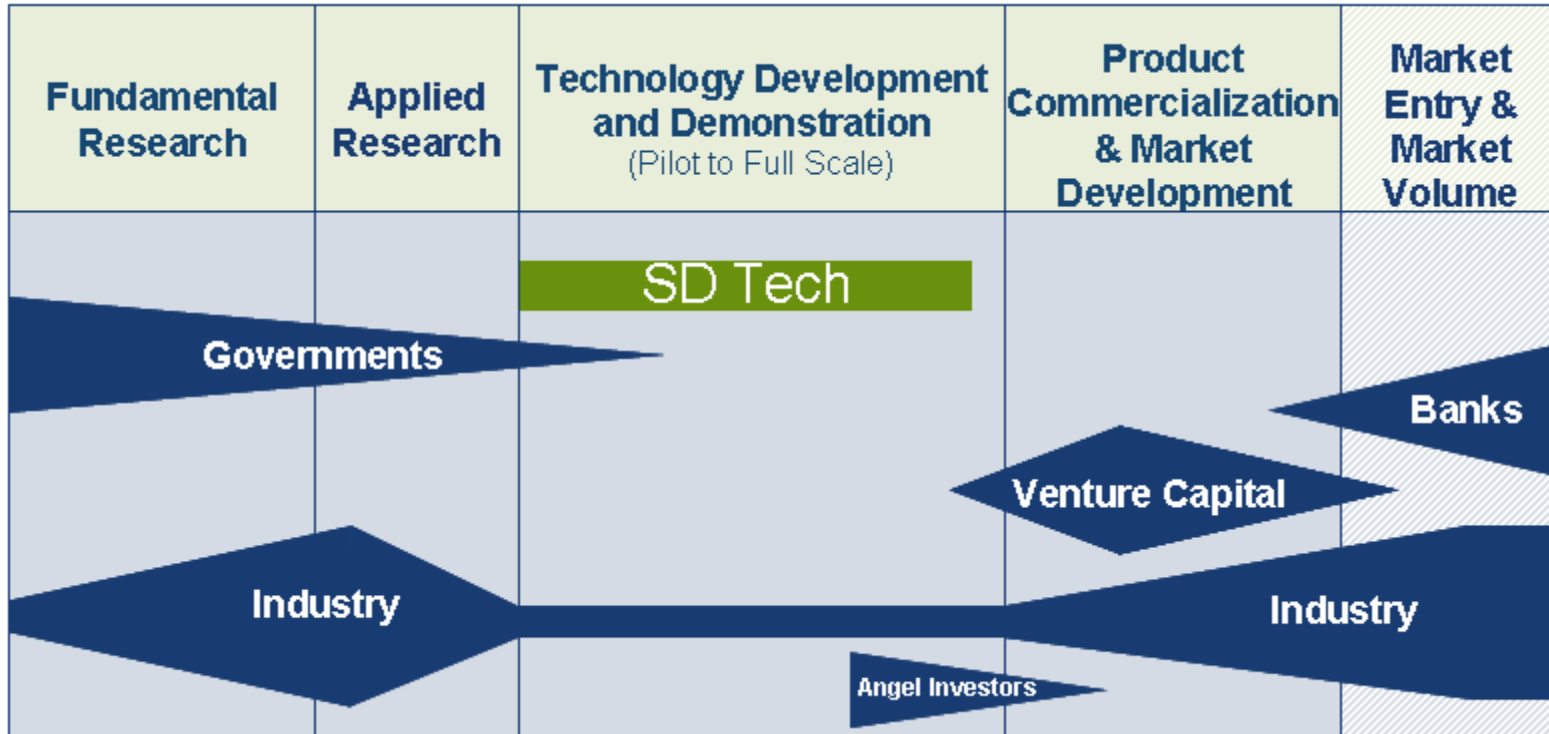
Public and Private Sector Research in 2008  
 \$29B (preliminary)  
 Source: Stats Canada

VC Funding in 2008  
 \$1.3B  
 Source: Thomson Financial

*The sources of funding in the Innovation Chain are predominantly available for research and commercialization*



# SD Tech Fund



*The SD Tech Fund is positioned to address the Pre-Commercial Gap in the Innovation Chain*



The purpose of the Fund is to:

- support the late-stage development and pre-commercial demonstration of technology solutions that address climate change, air quality, clean water, and clean soil;
- encourage collaboration between the public and private sector including industry, academia, non-governmental organizations (NGOs), the financial community and all levels of government ; and,
- ensure the dispersion of clean technologies in relevant market sectors throughout Canada.

**The SD Tech Fund is open for Statements of Interest twice per year.**

# SD Tech Fund – Funding Allocation Process



Has two phases for applicants and four decision gates

- Phase I – Statement of Interest (SOI) – not too onerous, it is informative and sufficient to assess
- Phase II – Proposals by Invitation – equivalent to a business plan
- Gate I – SDTC review
- Gate II – technical and business experts
- Gate III – Investment Committee + Project Review Committee
- Gate IV – Board Approval

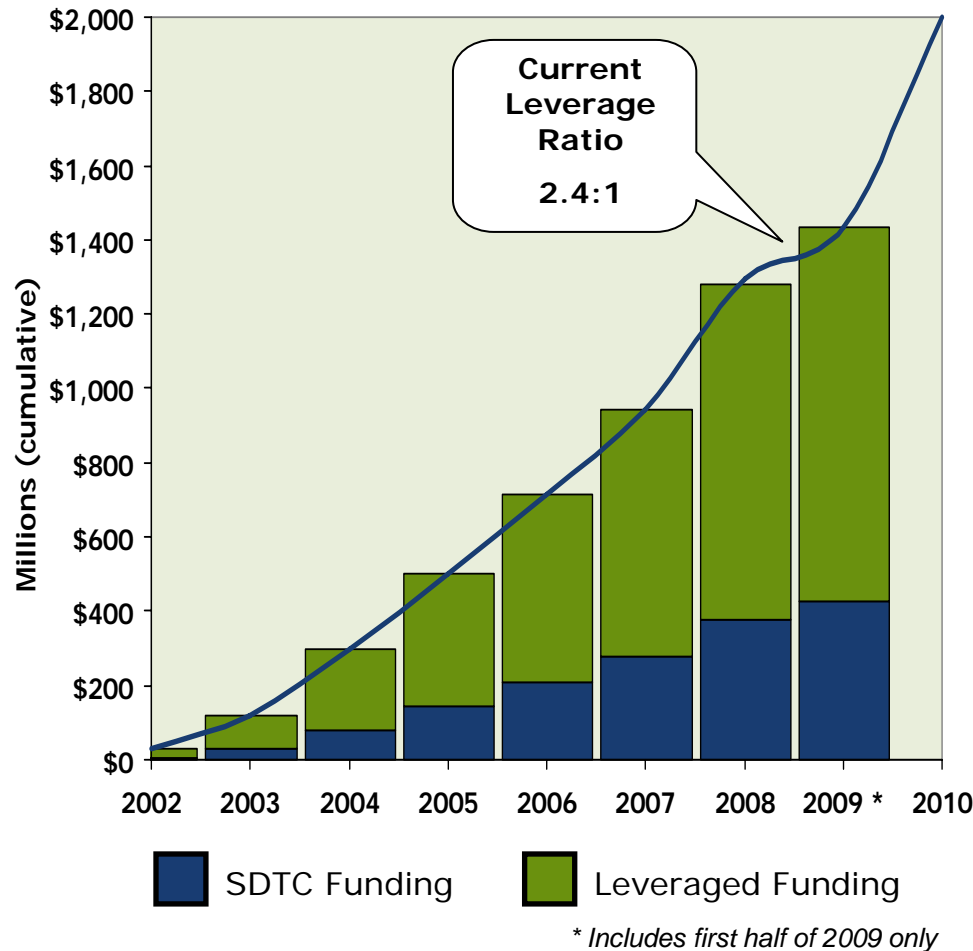
Screening Criteria

- Technical, Market, Business and Environment



- Results –  
SD Tech Fund

# SD Tech Fund Investment Envelope



- As of June 2009, on a cumulative basis, SDTC has allocated **\$425M**, for a total leveraged value of **\$1.4B**.
- By leveraging the **\$550M** fund 2-3 times with consortia partners, SD Tech Fund will have an investment envelope of between **\$1.6B** and **\$2.2B** by the end of 2010.
- Strong commitment in Canada to clean technology.

***SDTC will bring to the cleantech market an investment envelope of between \$1.6B and \$2.2B by the end of 2010.***

# Size of Canadian Opportunity



## Applications to Date (15 Rounds)

1,670 applications (>5000 entities)  
90% industry-led  
\$4.1 Billion in funding requests  
\$16 Billion in total project value

## Strong Demand

Rate of SOIs remains strong  
Number of applications constant  
over last 4 years (+/-10%)

## Projects Approved (14 Rounds)

171 projects  
\$425 Million from SDTC  
\$1.4 Billion in total eligible project value

*Numbers as of June 2009*

***There is significant capability to develop clean technologies and a strong demand in Canada for support from SDTC for the associated companies.***

# Industry's Contribution is Impressive



**Leveraged Funding is high particularly at this stage of technology risk**

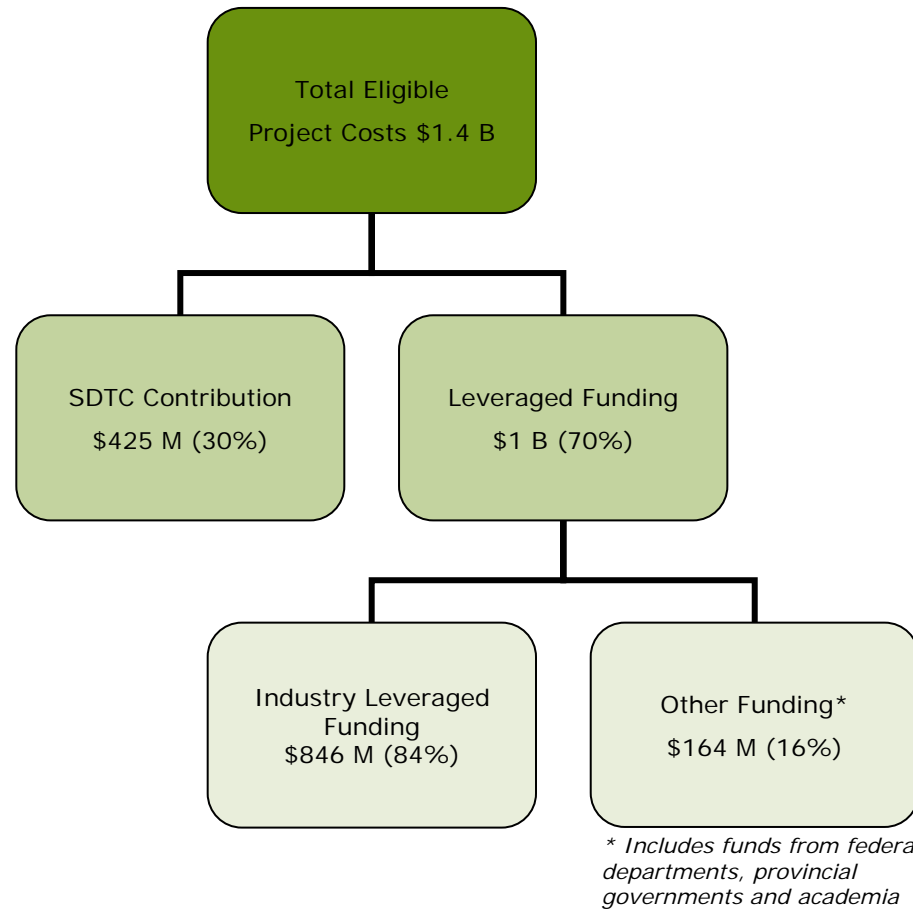
\$1 Billion leveraged from consortia members

**Industry contribution is strong**

\$846 Million leveraged from industry

**Regulated Industries are important players**

74 companies in our portfolio of 171 provide technology solutions for regulated industries identified under the *Turning the Corner* plan.



Numbers as of June 2009

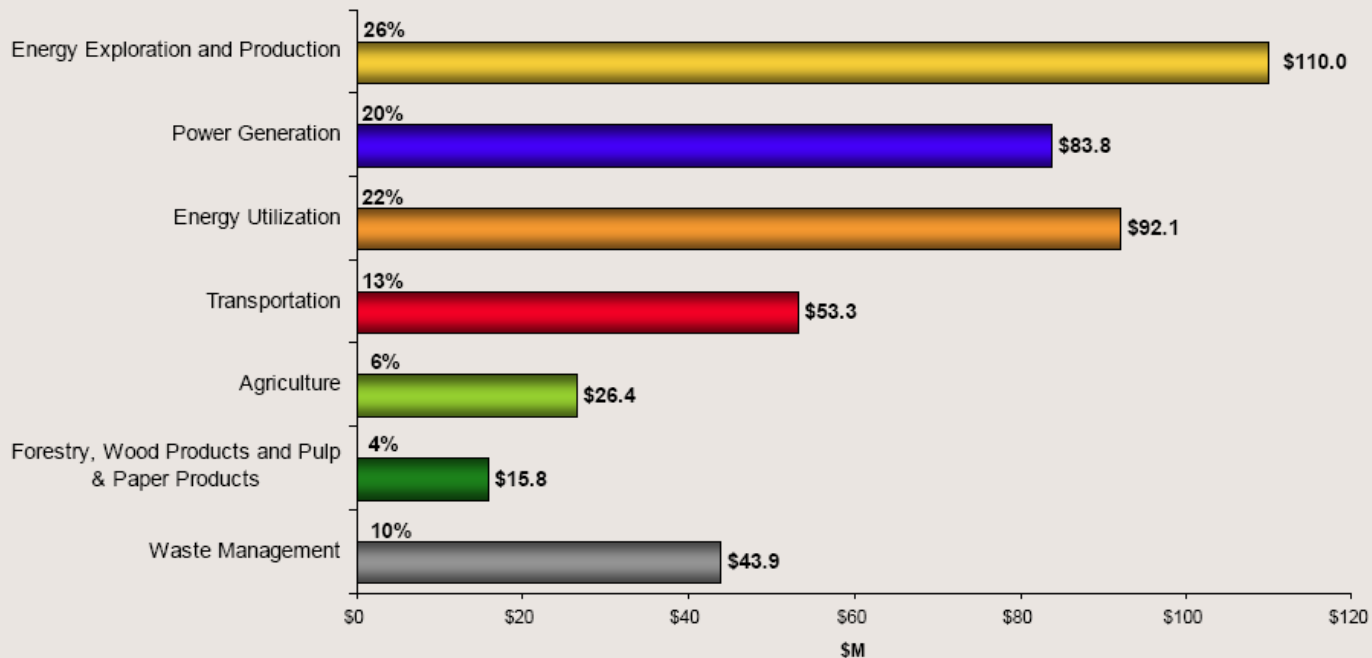
***Private industry in Canada is supporting cleantech, providing 84% of all leveraged funding into SDTC projects.***

# SD Tech Portfolio – Sectoral Spread



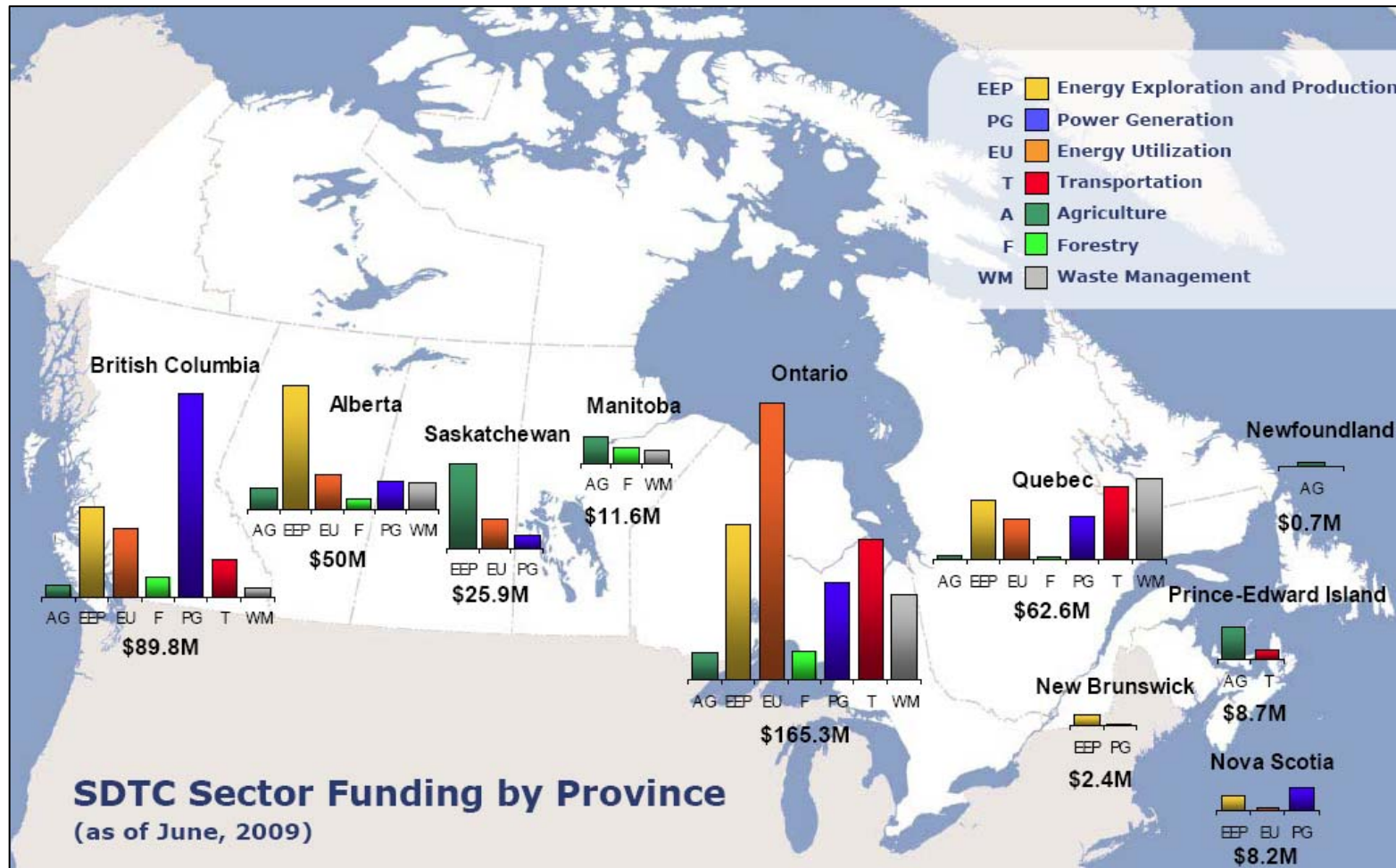
## SDTC Funding Breakdown by Sector (as of June, 2009)

SDTC's current investment  
in 171 projects totals  
\$425 million.



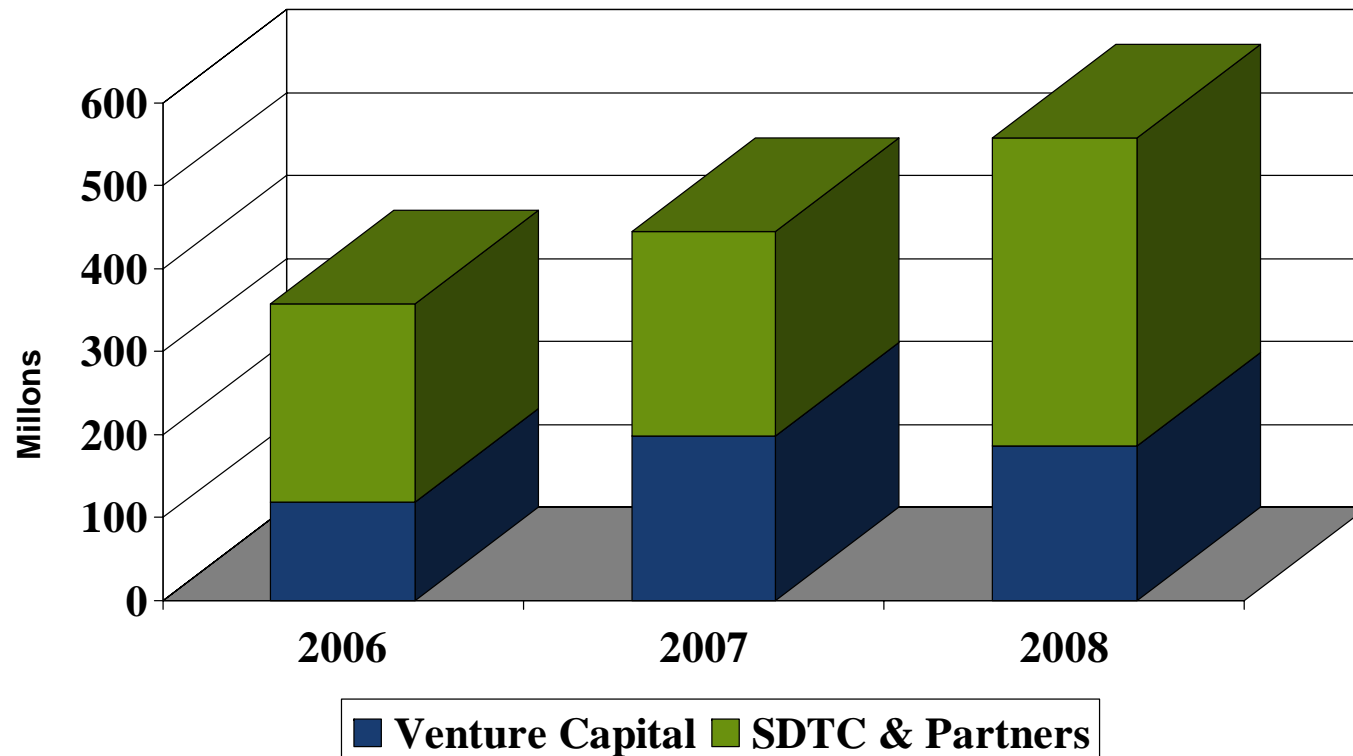
*SDTC supported projects contribute technology solutions to major economic sectors in Canada.*

# SD Tech Portfolio – Regional Spread



*SDTC supports a diverse range of projects across all regions of Canada.*

# SDTC is Making the Cleantech Market in Canada



Source: Thomson Reuters, March 2009

*SDTC and its partners invest 1.5x the total private investment in cleantech, driving overall cleantech venture capital funding in Canada.*



## *Advanced Lithium Power Inc.*

### *HEV Battery Packs*

Automotive manufacturers have identified advanced lithium-ion batteries as a strong technology of choice for hybrid electric vehicles and plug-in hybrid electric vehicles. Lithium-ion batteries have twice the energy and power density of current nickel-metal hydride batteries, half the size and weight, and are expected to be lower cost. Advanced Lithium Power has developed and integrated a complete lithium-ion battery system into a current model hybrid vehicle. This project is intended to advance the company's existing prototype battery results by building, testing, and demonstrating a production-ready battery pack to automotive manufacturers.



*Lithium-ion Battery Pack Installed in Test Vehicle*



## *Electrovaya Corp.*

### *Lithium Ion Superpolymer® Battery for Application in Zero-Emissions Commercial Fleet Vehicles*

Electrovaya Corp. is demonstrating its patented Lithium Ion SuperPolymer® battery system for zero-emission battery-operated electric vehicles in commercial fleet operations. Electrovaya's award-winning battery technology delivers the highest energy density of any battery technology on the market today, enabling electric and hybrid-electric vehicles to operate cleanly over a long range.



# Next Funding Round



SOI due date:

**Oct. 21, 2009**



## For more Information:

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