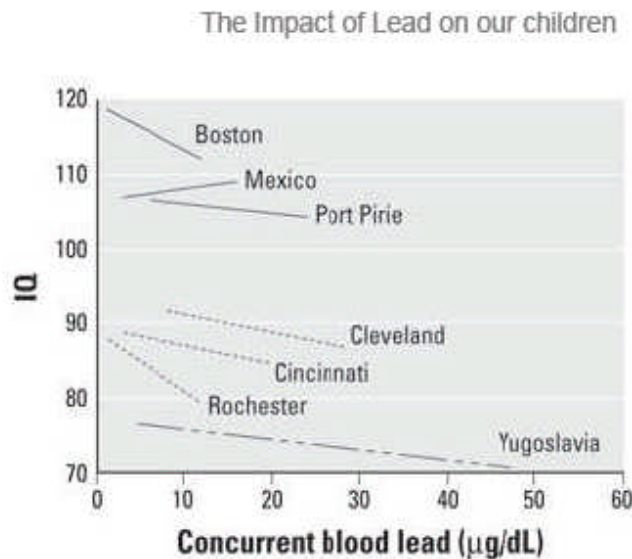




Executive Summary

Significant market forces in the \$365B global water market are converging to create an inflection point in the market for clean drinking water. These include increasing contamination of existing supplies in the developed world leading to heightened consumer concern and regulation while rapid industrialization and significant population growth in the developing world increase contamination of barely adequate supplies. According to the United Nations Population Fund, in 2000 an estimated 508 million people (about 10% of the world's population) lived in 31 water-stressed-or-scarce countries. By 2025, the UN estimates that 5 billion of the world's 7.9 billion people will live in areas where safe water is scarce. New, low cost purification solutions, located close to the consumer, are required to deliver clean water to an ever more demanding global population who continue to turn to expensive bottled water as a solution. The Figure below shows why one should be concerned with lead, a neurotoxin, in water; the EPA allows 15 ppb of lead in water versus the scale of 1/1000 of a ppb below.



Source: "Low Level Environmental Lead Exposure and Children's Intellectual Function"; Environmental Health Perspectives, 113, #7, July 2005.

Crystal Clear Technologies ("CCT"), a development stage company, is developing proprietary, low cost water filter media and purification products to serve this rapidly growing global demand for clean water. CCT's products, use proprietary nano-coating technology, that "functionalizes" low cost materials, such as alumina, into extremely effective adsorptive water filter media, delivering price-performance break-through water purification solutions for a broad range of contaminants. The company's near term focus is industrial waste water treatment for toxic metal removal such as mercury and selenium in partnership with two established market leaders. The company will then extend its proprietary technologies to provide complete purification solutions for personal and home water purification systems, including POE and POU applications. CCT's vision is to be able to provide low cost water purification products enabling clean water for one person for one year for \$1.

CCT is actively engaged with two potential Lead Customers who are interested in CCT's ability to deliver its metal removal capability on existing filter media, enabling a dramatic enhancement to the capability of their products. CCT believes that this ability to "functionalize" existing filter media will



dramatically accelerate its market entry, and revenue ramp, as well as further differentiate the company from its competitors.

The company's products rely on proprietary nanotechnology techniques co-developed with and exclusively licensed from the University of Oregon; particular care has been exercised to use materials that are "generally considered safe", GRAS, by the FDA. CCT developed the proof of concept for its technology through four SBIR grants of \$825,000 from the National Science Foundation and a \$200,000 grant from the State of Oregon; CCT also won the initial California Clean Tech Open water competition in 2006. The company is seeking equity financing of \$5M, to complete its product development efforts and deliver its proprietary media to the market.

Conventional technology

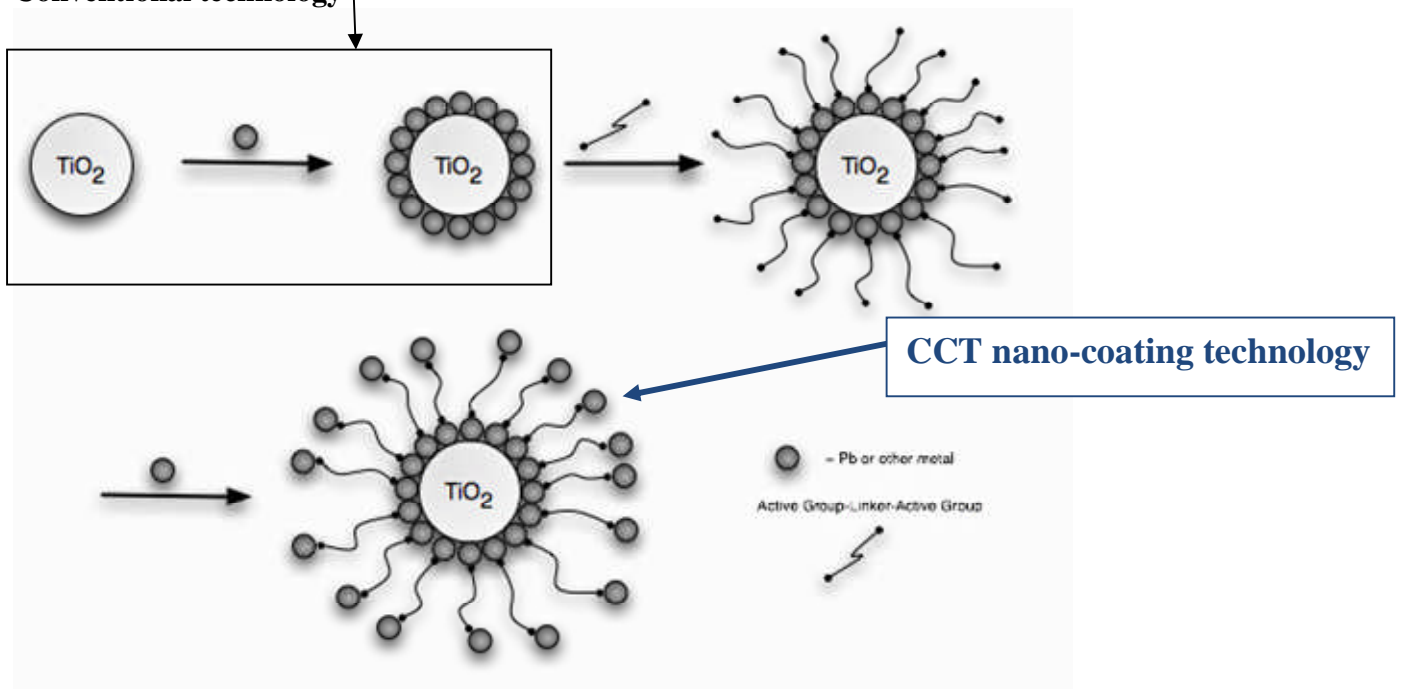


Figure 2 Illustration of Crystal Clear's NMX technology building up multiple layers of a metal contaminant.

Source: Crystal Clear

Target Markets & Business Model

The global, non-chemical, water treatment products market shown in Figure 3 is comprised of three large market segments: Personal/Residential, Municipal, and Industrial. As shown in Figure 4, the Industrial market is the largest global water treatment market segment.

CCT's business model relies on a three prong approach. Initially, manufacturing and sales of a ligand substrate combination will be licensed to a large materials company such as Dow; a large water company, such as Siemens Water Technologies is also a candidate for a license. Involving Dow and Siemens establishes a high volume manufacturer and user of the product, thus reducing the material cost. Secondly, CCT will sell directly to specialty filter product manufacturers such as Brita™ and Pur™ who have already expressed a need for additional metal removal capability. Thirdly, CCT will



partner with Culligan, Ace Hardware and other water product sales outlets to distribute CCT POE and POU products to the home market.

Figure 3 Global market growth in non-chemical water treatment products

Source: World Water Treatment: Equipment Study Analysis, Michael Deneen, The Freedonia Group, May 2006

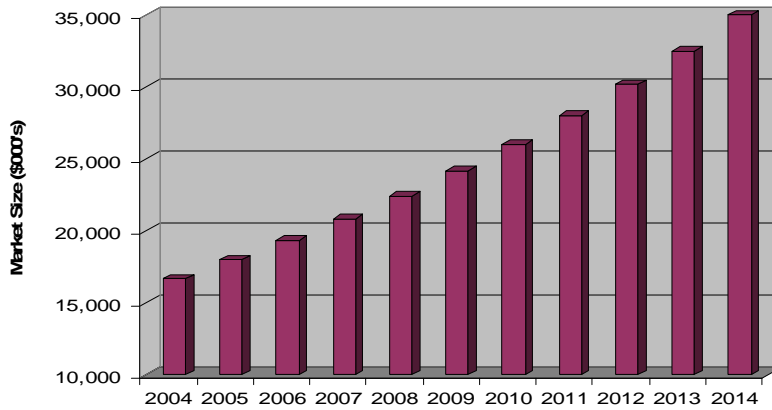
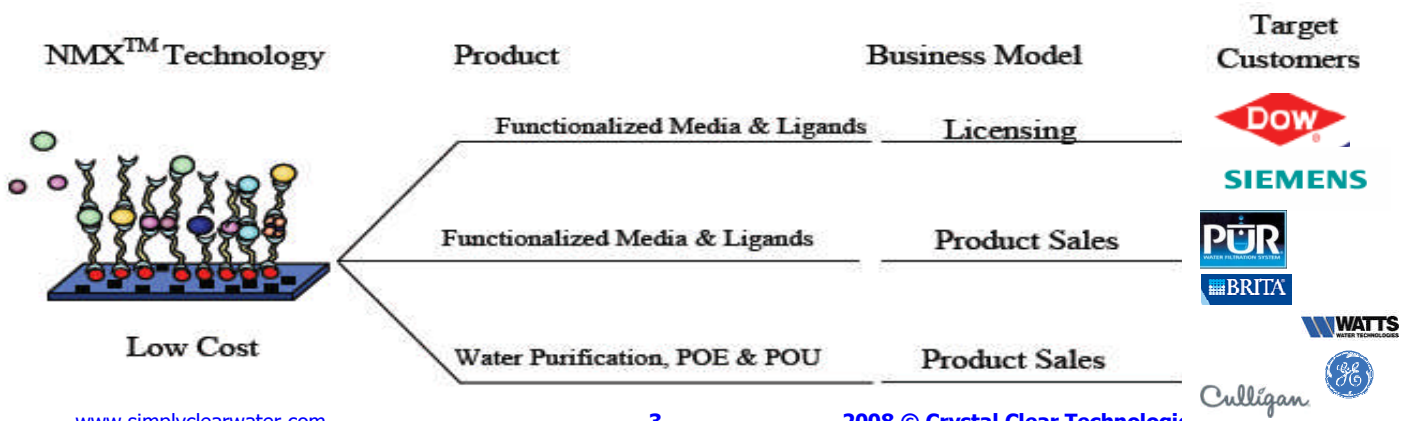


Figure 4 2007 Crystal Clear Target Market Opportunities

Source: Freedonia, Crystal Clear estimates



Figure 5 Business Model: NMX Media Related Revenue Opportunities





Based on the product strategy, CCT will enter the market before the end of 2008 with license revenue from our first two customers. Water purification products will follow in late 2009 and then rise sharply in 2010 and the following years. The cost advantage achieved by the CCT technology as shown in Figure 6 will accelerate our growth once we establish a market presence.

Financial Forecast

	CY2008	CY2009	CY2010	CY2011	CY2012
Revenue	\$100,000	\$1,200,000	\$4,100,000	\$15,750,000	\$45,750,000
Gross Margin		28%	41%	51%	57%
Net Income	\$(660,000)	\$(4,000,000)	\$(5,000,000)	\$1,500,000	\$6,000,000

Table 1 Crystal Clear Revenue and Net Income 2008-2012

Treatment method	Operations and Maintenance Cost (per 1,000 gallons)
Chlorination	\$0.03
Ozonation	\$0.13
Ultraviolet disinfection	\$0.20
Ultrafiltration	\$0.55
Reverse osmosis	\$0.58
Deionization	\$1.03
Distillation	\$2.30
CCT Adsorption	< \$0.05

Figure 6 Operations and maintenance costs of different treatments, per 1,000 gallons compared to CCT projected costs for metal removal.

Source: Water Sector Primer, Goldman Sachs, June 15, 2005

The two Founders of CCT have over 50 years of combined experience in all aspects of water purification solutions including complete system design and operation at all organizational levels including extensive product development and executive management experience.