BIOTEQ
ENVIRONMENTAL TECHNOLOGIES INC.

International Expansion

Lessons Learned by BioteQ

Award for Excellence in Sustainable Development

Canada Export Achievement Award

Canada's Top 50 Most Socially Responsible Corporations

Environmental and Social Responsibility Award

Environmental Protection Award

Environmental Excellence Award

BioteQ's Business

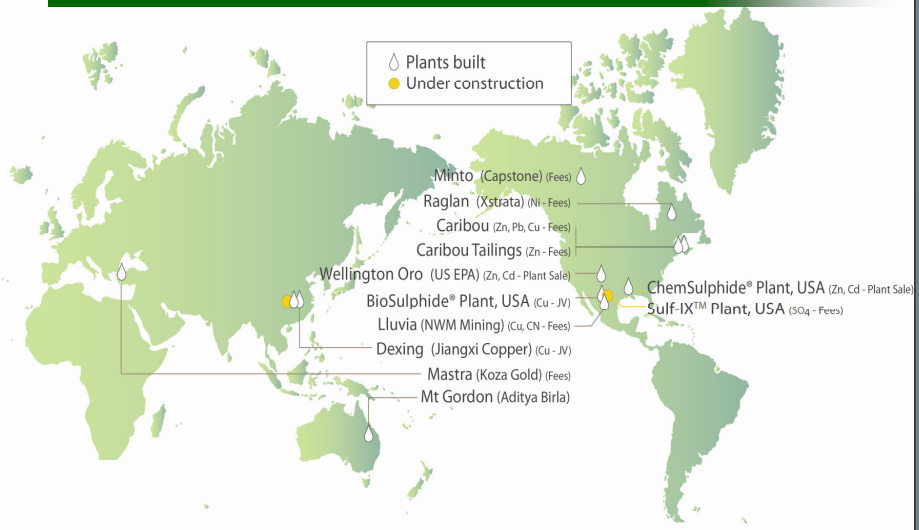
- BioteQ is a clean technology company that treats industrial wastewater contaminated with dissolved metals and/or sulphate
- Proven, patented technology, in commercial production since 2001
- Markets: mining, power generation, SAGD oil sands
- We convert wastewater into a useful resource, producing saleable by-products and clean water
- We generate revenue from water treatment fees, by-product sales, engineering fees, and plant sales

Established Customers

We work with the world's leading resource companies, utility operators, and regulators:

Xstrata	Jiangxi Copper
Aditya Birla	Freeport-McMoRan
Koza Gold	Capstone Mining
Vale Inco	Breakwater
Barrick	Teck Corp.
Cameco	EcoMetales
Newalta	EPCOR
US EPA	

BioteQ's Global Operations



International Expansion – Good or Bad ?

- The Good Stuff
  - Market expansion and diversity
  - Access to human resources
  - Customer recognition
  - Reduced competition
  - Global networking through customer base
- The Not-So-Good Stuff
  - Travel and time zones
  - Cultural and language differences
  - IP risk
  - Project and financial risk

Lesson 1: Language and the CEO

- Corporate commitment
  - Must show commitment to your foreign customer
  - Full time staff (head office) that is fully bilingual in local language
- Important to gain trust
  - The CEO develops the local relationships along side the bilingual senior staff member
  - CEO or senior management representative must make a concerted effort to learn some basic phrases
- Travel, travel, travel

Lesson 2: Cultural Differences

- China
  - Ceremony, traditions
  - Personnel management styles
  - Personnel incentives
  - "Face"
- Australia
  - "They drink beer, love sports, they must be just like Canadians…"
- Mexico, Argentina, Peru, Chile
  - 4 different cultures and sets of rules
- Travel, travel, travel

Lesson 3: Narrow Target Market

- Market research
  - Identified China as a potential market
- Focus on a specific region
  - Jiangxi Province has largest concentration of mining activity
- Target a specific customer in that region
  - Jiangxi Copper Company is largest mining company in the region (and in China)
- Travel, travel, travel

Lesson 4: The Right Partner

- "On the ground" expertise with a vested interest in your success (commercial structure important)
- Contacts for local suppliers and marketing
- How to "get things done" in the local culture (federal, provincial and municipal)
- Permits and taxes

Lesson 5: Build a Strong Network

- Agents??
  - Selling widgets – yes (beware)
  - Selling technology or services – no
    - Need to talk to the experts
- Canadian Trade Offices
  - Excellent local connections and introductions
  - Instant "credibility" of Canadian expertise and business ethics
- Local partner connections
  - Have to be in front of the "right" person(s)
- Travel, travel, travel

Lesson 6: Hire Locally

- We hire all of our operations staff from the local community
  - Helps to build local "buy in"
  - Contributes to local economic development
  - Local hires bring local knowledge, relationships and experience that is essential for day-to-day operations
  - Understanding HR issues and constraints

Financial considerations

- Costs for additional staff and overheads
- Legal – incorporation, contract structure – get high priced help
- Accounting – increased admin staff, audit fees – get high priced help
- Insurance – does it exist and at what cost ?
- Foreign currency exchange – what currency are you paid in and can you get your money out?
- Travel, travel, travel

Conclusions

- International market expansion has increased revenues and driven growth for BioteQ
- It has also increased the complexity and risks for our company

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