





IHS Background

- Founded in December 2004
- Management team has over 140 years of combined experience with Hydrogen Fuel Injection
- Province of Ontario recognizes Hydrogen Fuel Injection. The *i-Phi*TM is the only Hydrogen Fuel Injection System to qualify for the Ontario Green Vehicle Grant for Transportation in North America
- Company Management has over 150 million miles of on-road experience with Hydrogen Fuel Injection
- Established manufacturing/assembly facility in Aurora, Ontario

THE PROBLEM



- Equipment is operating at minimum profit
- Maintenance costs continue to rise as new pollution controls are implemented
- We are contributing to the GHG Emissions

THE OPPORTUNITY



Enhance combustion by introducing small amounts of Hydrogen using the *i-Phi*[™] System



Hydrogen - *the Solution*

INTRODUCTION OF SMALL AMOUNTS OF HYDROGEN IN COMBUSTION HAS THE FOLLOWING EFFECT:

- Enhances combustion characteristics of gaseous or liquid hydrocarbon fuels
- Significantly extends the lean flammability limit of the carbon-based fuel results in:
 - Greater thermo efficiency
 - A more complete burn
 - Increased fuel mileage
 - Decreased emissions
- Many independent tests dating back to the 1970s have validated this effect



The question has always been
How to deliver the hydrogen in a
SAFE, EFFICIENT and RELIABLE manner?

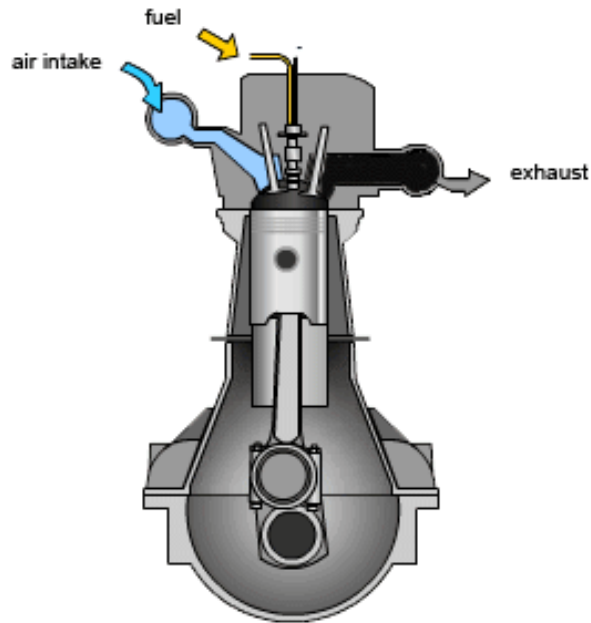


*i-Phi*TM - Overview

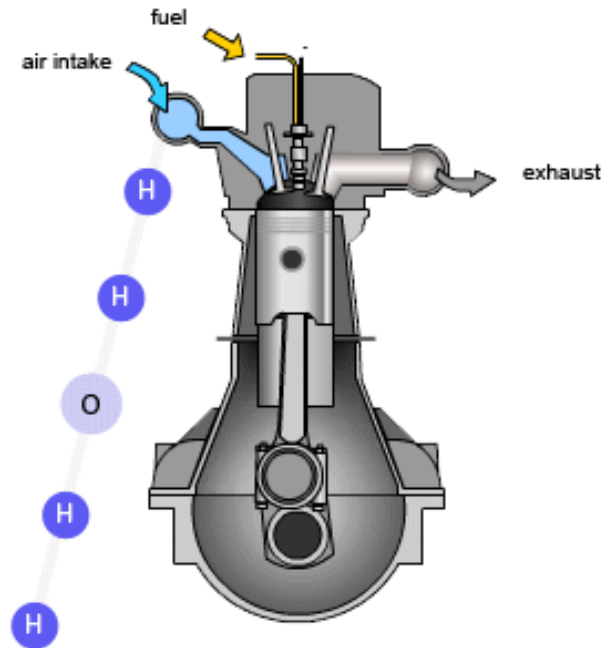
- An aftermarket retrofit device designed to work on any internal combustion engine
- Converts distilled water into hydrogen and oxygen gases through electrolysis
- Injection of hydrogen and oxygen into air / fuel mix prior to combustion
- Operates on demand only when the engine is running
- Eliminates the need for on-board hydrogen storage and addresses safety concerns



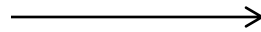
Diesel Engine



Diesel Engine With IHS *i-phi*



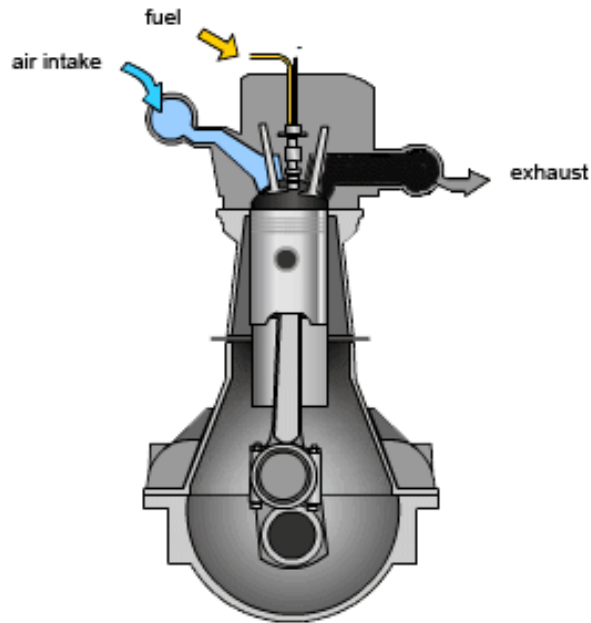
The *i-phi*TM produces
Hydrogen & Oxygen
Gases from water using
electrolysis.



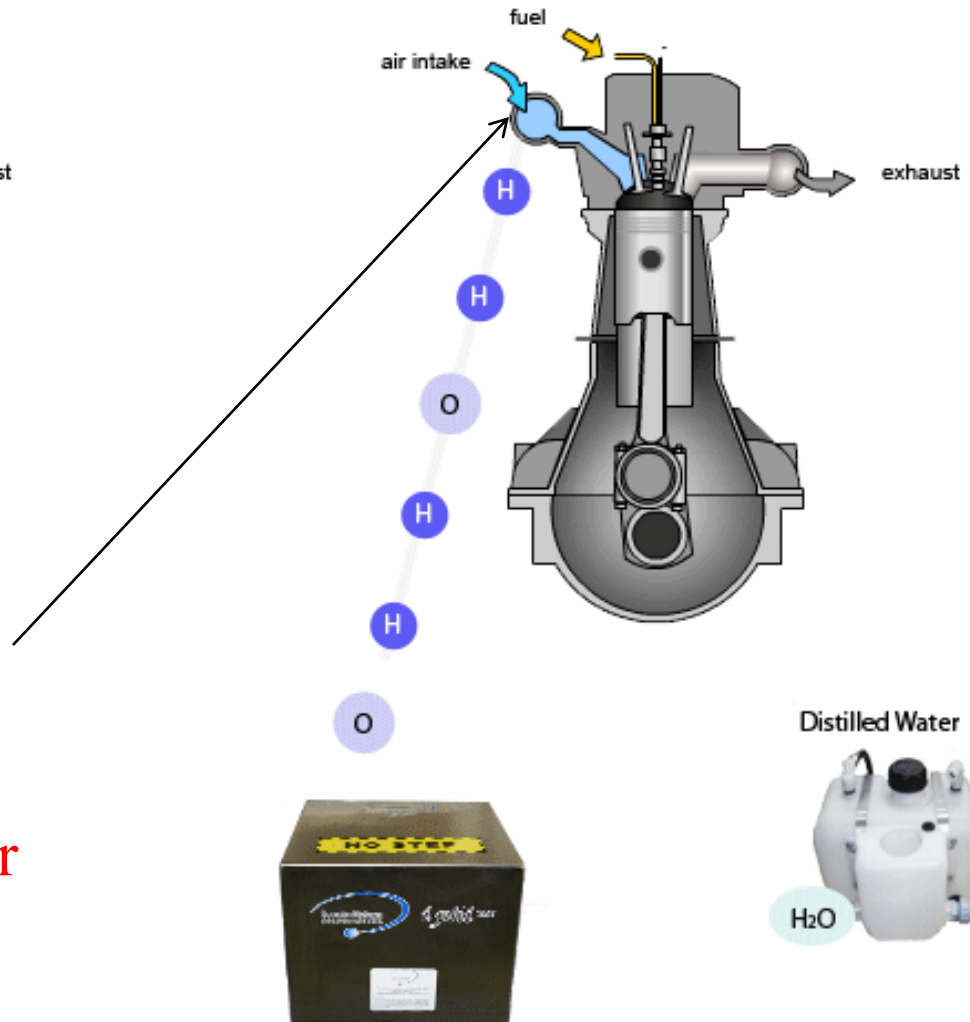
Distilled Water



Diesel Engine

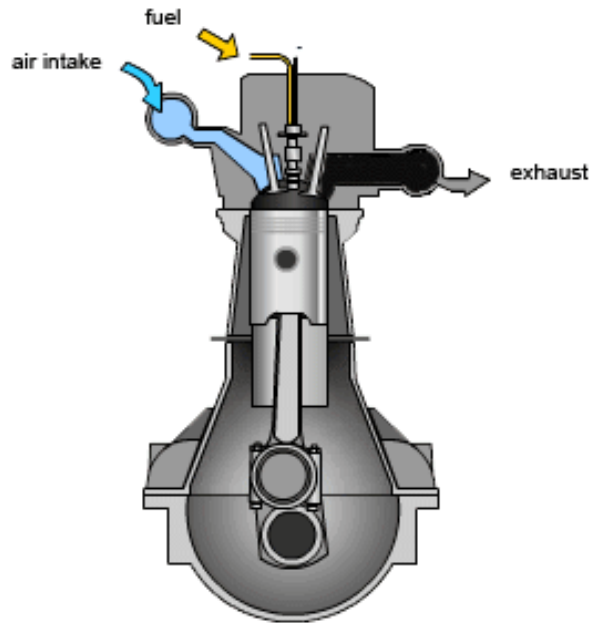


Diesel Engine With IHS *i-phi*

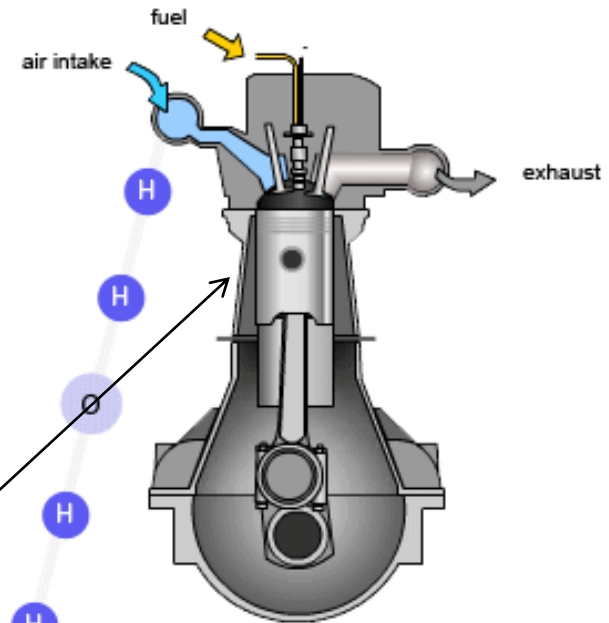


Adding Hydrogen & Oxygen gasses to the air intake enhances the combustion process.

Diesel Engine



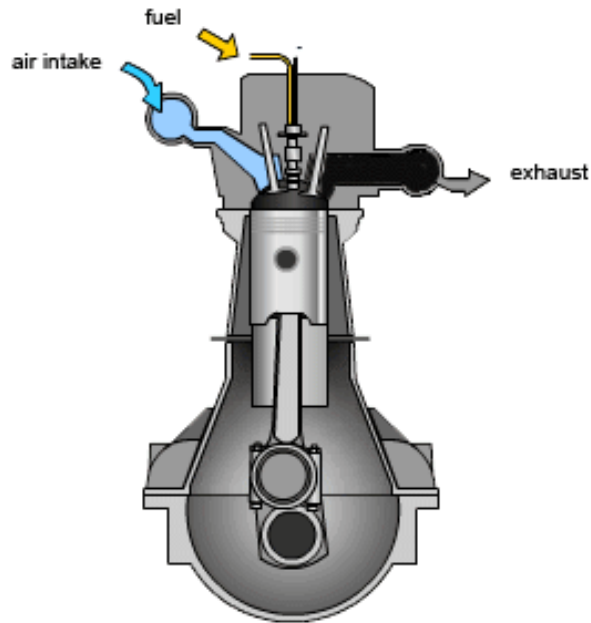
Diesel Engine With IHS *i-phi*



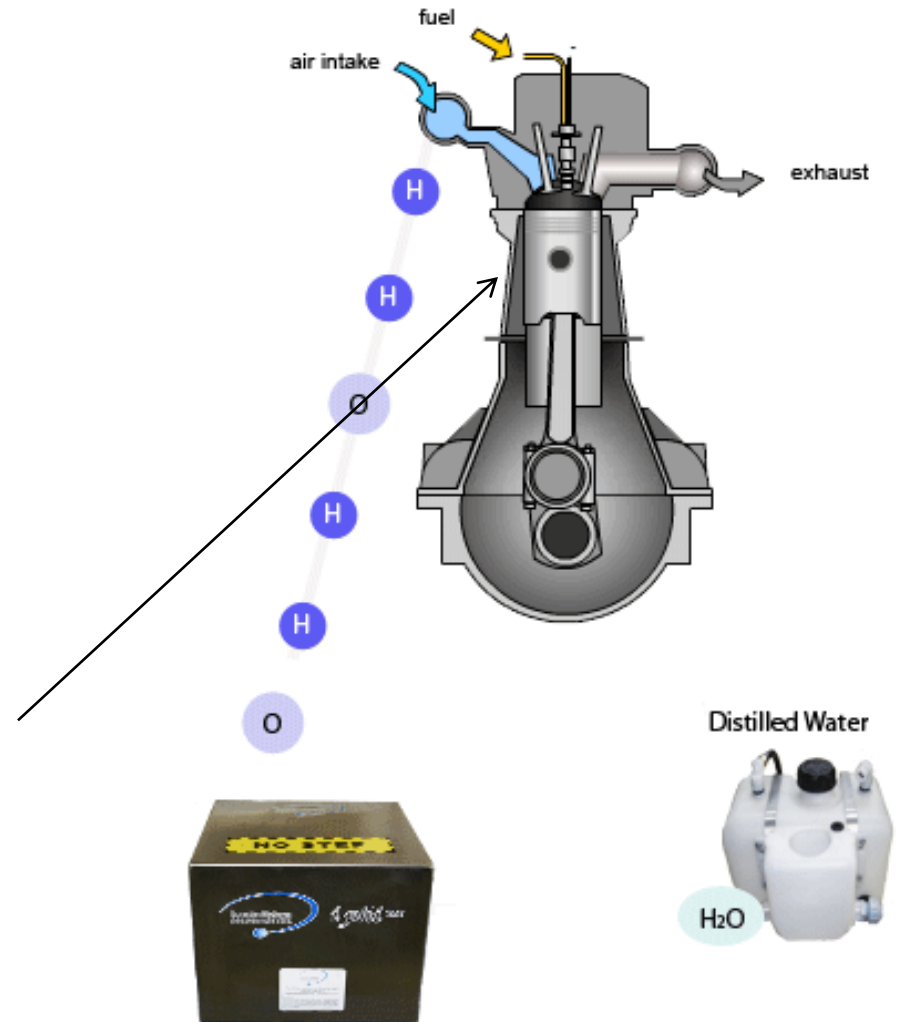
The Hydrogen burns faster than the diesel fuel spreading the flame faster and producing a more complete burn of all the fuel.



Diesel Engine

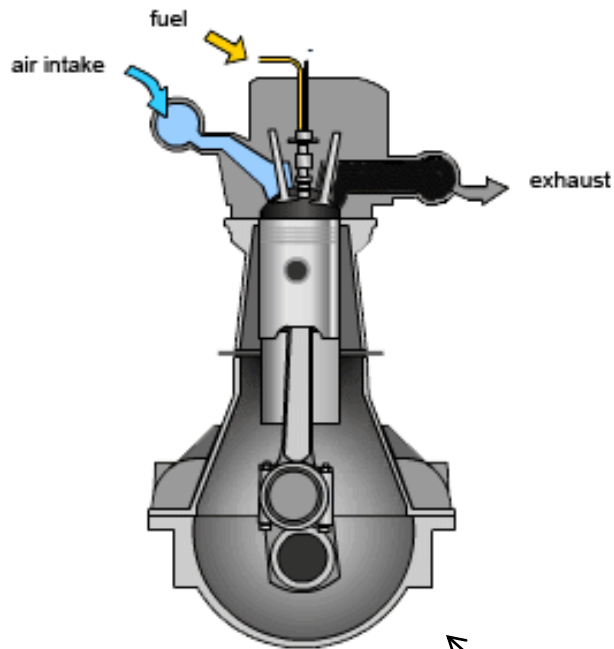


Diesel Engine With IHS *i-phi*

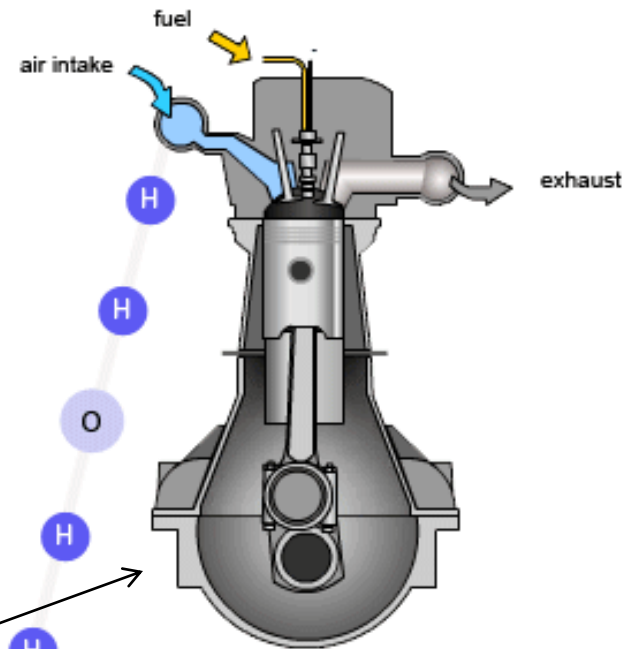


Burning More Fuel
increases the output
per Liter of Diesel
Fuel.

Diesel Engine



Diesel Engine With IHS *i-phi*



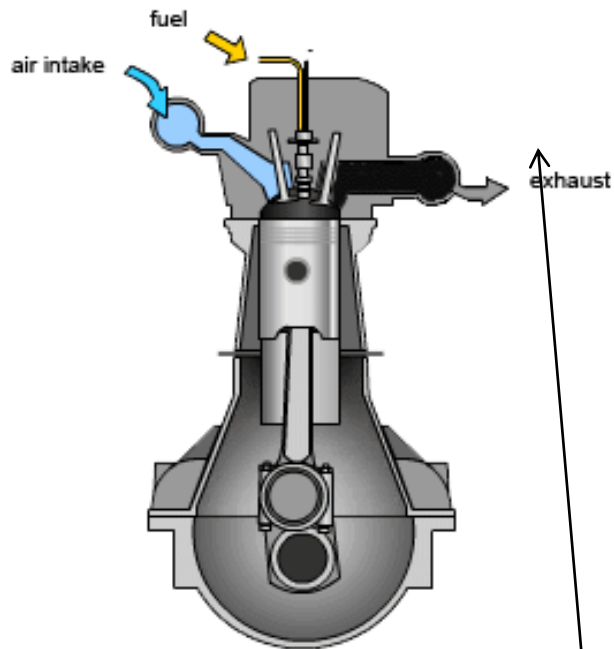
Burning More Fuel
increases Engine
Power and Torque



Distilled Water

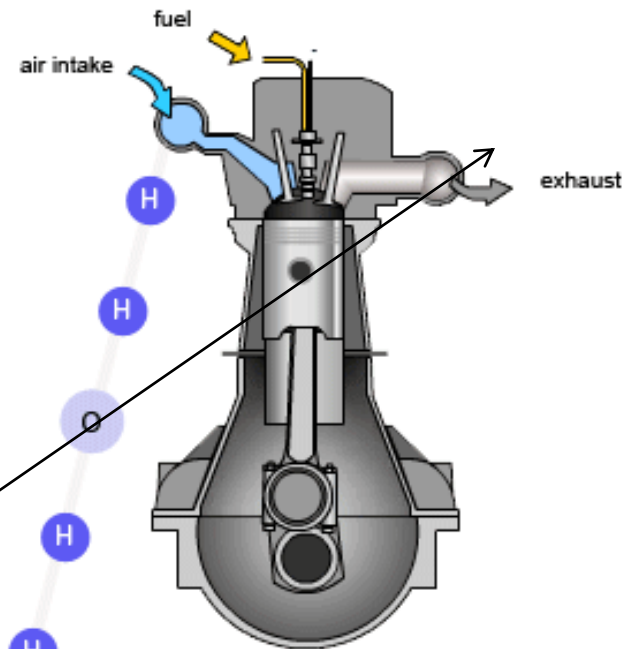


Diesel Engine

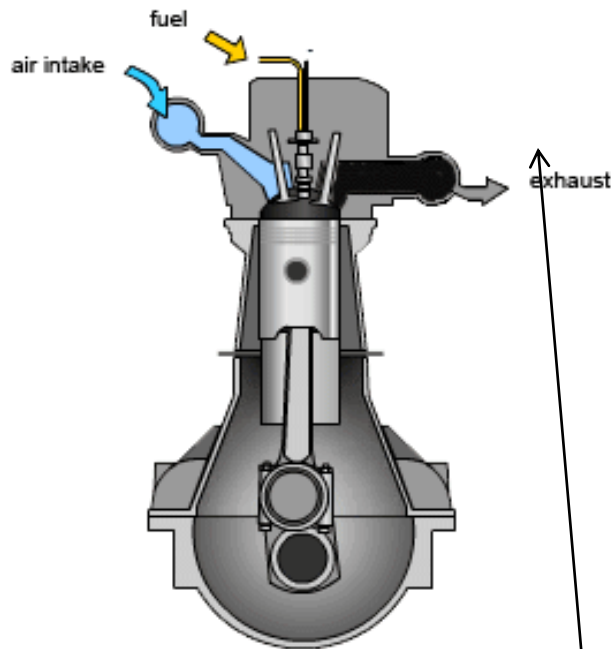


Burning More Fuel
results in less soot and
other pollutants

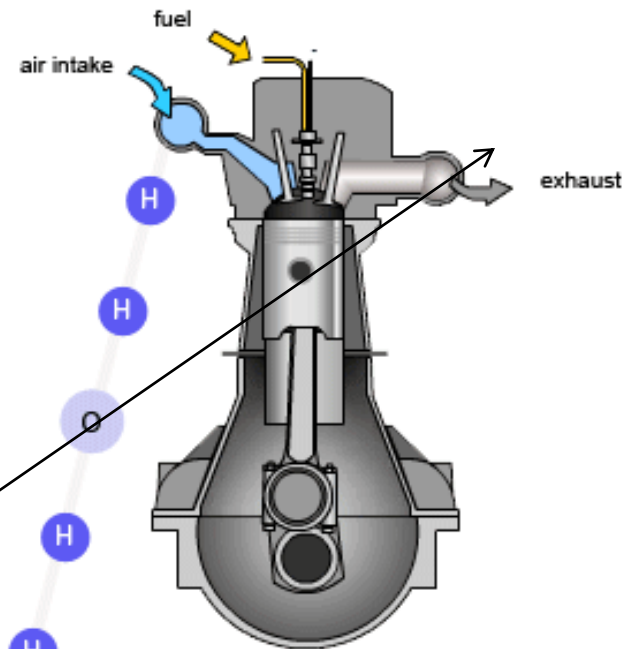
Diesel Engine With IHS *i-phi*



Diesel Engine



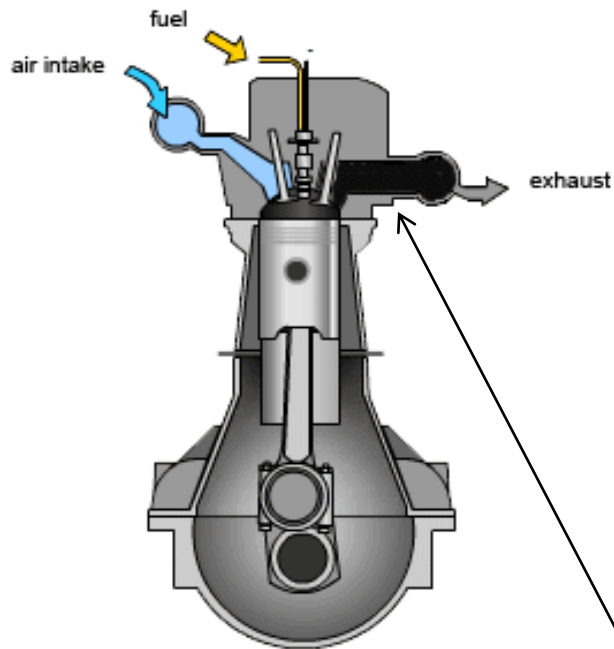
Diesel Engine With IHS *i-phi*



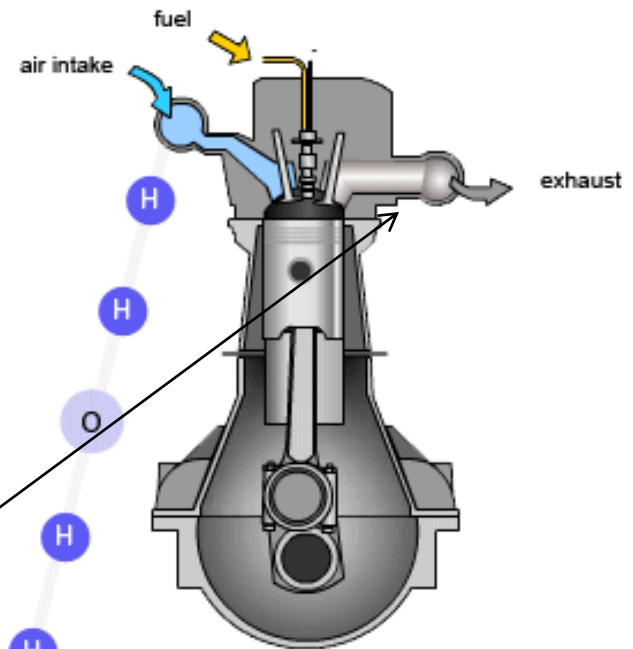
Less Soot
produced extends
the life of the oil and
the engine



Diesel Engine



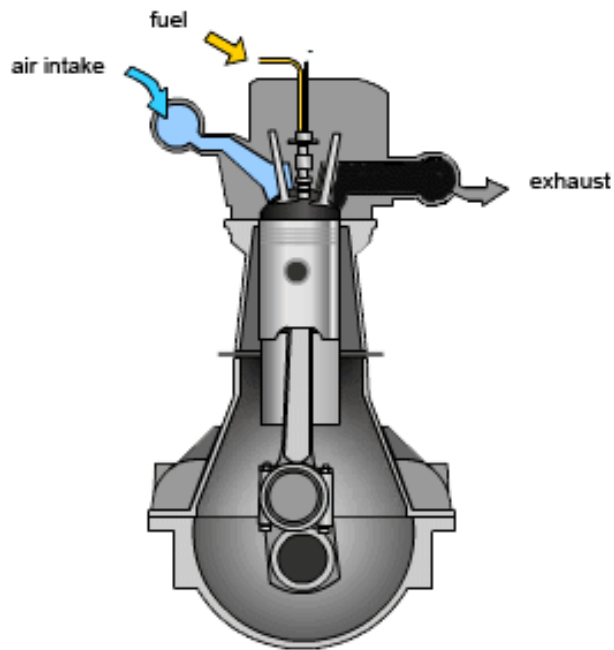
Diesel Engine With IHS *i-phi*



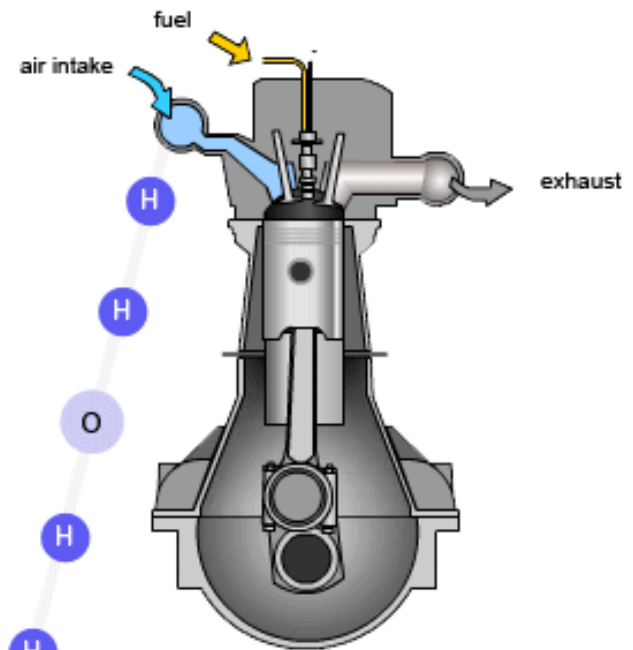
Hydrogen helps to clean up the carbon deposit buildup in the engine.



Diesel Engine



Diesel Engine With IHS *i-phi*



The *i-phi*TM saves money!

The *i-phi*TM cleans the environment!



Distilled Water





Our Commitment

- Quantify
- Verify
- Certify



I-PHI™ - Benefits

- Long term multiple third-party testing has confirmed:
 - Reduced fuel consumption
 - Lower GHG emissions
- Additional benefits:
 - Longer engine life
 - Reduced maintenance costs
 - Less frequent oil & filter changes
 - DPF Regen cycles extended
 - Fewer EGR replacements
- Easy installation with virtually no downtime or maintenance
- 5 Year Parts and Labour warranty



Fuel Savings

- On average, diesel engines save 15% to 25% of their fuel bill.
- Fuel metering devices are installed on each engine to measure the actual fuel savings achieved.



Emission Reductions

- We are positioned for the future with a full ISO 14064-2 Green Print Assessment performed by Jomini Environmental Inc. Project already registered on CSA Registry.
- I.H.S. registered with Province of Ontario for CAP and TRADE
- CARB Testing successfully completed May 2016. CARB Number issued June 2016 .