



UPOWER

PUERTO RICO

200 MW of Solar Power Plants
Throughout Multiple Locations
in Puerto Rico

www.upower-pr.com

SAFE HARBOR STATEMENT



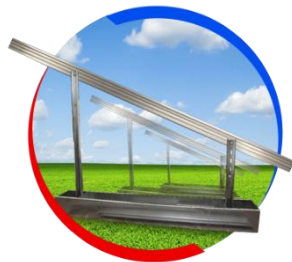
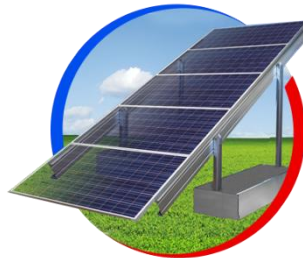
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(the "Company") is solely to facilitate the understanding of the Company's business model and growth strategy. The information contained in this presentation has not been independently verified.

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EXPERIENCE AND INTEGRITY



DAVID MACIAS
CEO, Managing Partner

- 26 years Registered Licensed Financial Advisor
- 18 years Petroleum and Commodities Trader & CEO of Sunshine Energy & Commodities, Inc.
- 6 years Corp Finance & Project Development of Hydro Alternative Energy, Inc.
- 7 years Founder, CEO/Chairman of Upower, Inc.



PEDRO S. CREDEDIO
Chairman, Managing Partner

- 30+ years experience in the South American Mining Industry
- 30+ years Trade experience in Primary Metals
- 31+ years Trading in the Oil and Gas Physical Markets
- Entrepreneur in several Alternative Clean Energy Projects



JORGE AIZCORBE
President, Managing Partner

- 29 years Financing over 110 Solar Energy Projects
- Managing Director of RedRock Energy Ventures, Inc.
- Vice President of Strategic Alliances of American Capital Energy, Inc.
- Founder of Principal Solar, Inc.
- 5 years Founder, President of Upower, Inc.



DR. RICK BORRY
Lead Engineer, Project Manager

- Research Associate U.S. Dept of Energy
- Co-Founder of Capstone Solar
- Head of Development, Engineering & Asset Management at Vivo Power International PLC
- Chief Technology Officer of Principal Solar, Inc.
- Ph.D. in Chemical Engineering from the University of California at Berkeley & B.S. in Chemical Engineering from Clemson University
- President and Co-Founder of Webvent.tv
- Chief Software Architect for Certain Software with Register123.com

CURRENT POTENTIAL RENEWABLE EXPOSURE TO PUERTO RICO



CARIBBEAN



GDP 105 Billion

Five-year economic growth rate: -6%

Population: 3.2 Million

Total Clean Energy/Renewable installed in PR: 2.3%

Pre/Operational installed Solar Power: 147.1 MW

Total Approved Solar Energy generation capacity: 510 MW

Total Approved Renewable Energy generation capacity: 1.105 GW



ENERGY USAGE DATA

Last Update: May 21, 2020 | Next Update: June 18, 2020

P R I C E S			
ELECTRICITY	PUERTO RICO	UNITED STATES	PERIOD
Residential	26.63 cents/kWh	12.85 cents/kWh	Feb-20
Commercial	29.78 cents/kWh	10.36 cents/kWh	Feb-20
Industrial	26.48 cents/kWh	6.42 cents/kWh	Feb-20

ELECTRICITY FACTS OF PUERTO RICO



Puerto Rico's electricity is supplied by the Puerto Rico Electric Power Authority (PREPA, also known as Autoridad de Energía Eléctrica, or AEE), a government agency that owns the electricity transmission and distribution systems for the main island, Vieques, and Culebra, as well as 80% of the electricity generating capacity.

In recent years, it has served more customers than any other public electric utility in the United States.

For fiscal year 2019, petroleum fueled 40% of Puerto Rico's total electricity generation and natural gas accounted for 39%. Coal continued to fuel 18% of generation, while renewables supplied 2.3%.

In September 2017, Hurricanes Irma and Maria made landfall two weeks apart and destroyed much of Puerto Rico's electricity transmission and distribution infrastructure. To make Puerto Rico's electricity grid more resilient to future storms, PREPA is establishing utility-scale, mini- and micro-grids, adding more renewable power generation, and increasing battery storage capacity. These targets are included in PREPA's Integrated Resource Plan.

The commercial sector consumes nearly half of the island's electricity, and the residential sector consumes just above one-third. The industrial sector and public uses like street lighting accounts for the balance. Per capita, Puerto Rico's electricity consumption is typically less than half of the average in the 50 states. PREPA's heavy reliance on petroleum means that Puerto Rican power prices fluctuate along with international petroleum prices and vary monthly with fuel and purchased power costs. Average rates across all sectors in Puerto Rico are higher than rates in 48 of the 50 States Only Hawaii and Alaska have higher average rates.

PREPA had to not only re-build its electricity infrastructure after the hurricanes, but also restructure its business after operating in bankruptcy protection since 2017. As part of the restructuring plan, the Puerto Rico legislature approved privatizing parts of PREPA in 2018. Under the plan, the utility has allowed its transmission and distribution system to also be operated by private companies. In May 2019, the Governor of Puerto Rico signed into law the Puerto Rico Energy Public Policy Act. The Act outlines numerous energy goals, including that 100% of the island's power should be generated from renewable resources by 2050 with 40% of its electricity from renewable resources by 2025, 60% by 2040.

Upower PR Solar Projects Are Shovel-Ready

STAGES OF DEVELOPMENT

- ✓ **EARLY STAGE**
 - Land Control
 - Preparing for Permit and Transmission Applications

- ✓ **MID STAGE**
 - Transmission Interconnection Study
 - Permitting
 - Resource Analysis

- ✓ **ADVANCED STAGE**
 - Interconnection Agreement
 - Power Purchase Agreement

- **PENDING CONSTRUCTION STAGE**
 - Engineering
 - Procurement
 - Construction

- **Operations Stage**
 - Commissioning

HIGHLY ATTRACTIVE CHARACTERISTICS OF APPROVED PUERTO RICAN SOLAR PROJECT



1. Stable and predictable cash yield

- All approved PPA'd projects in place with PREPA at \$0.09-\$0.095 per kilowatt hour, averaging 25-year terms.
- Newest technology components with proven decades of expected performance and low operating expenses.
- Little maintenance capital needs.

2. Equity returns without market volatility

- Highest risk-adjusted returns among comparable asset classes, with 3x PPA Prices vs Mainland USA, while PREPA's cost of electricity generation is at \$0.1428 cents per kilowatt-hour.
- Leads to savings to PREPA and the People of Puerto Rico, a 35% or \$1 billion savings during the term of the contracts.

3. Inflation protection

- PPAs negotiated and hedged against inflation.
- Government Escalation Rates of 1 percent to 2 percent to allow private companies to recover their investment, capped at 14.1%.

4. Abundant global solar investment opportunities approved in Puerto Rico

- Of the 58 renewable PPOAs (Power Purchase and Operating Agreements) that are still in effect, 11 PPOAs are in either commercial operation or in pre-operation (energized, under testing, and selling energy and renewable energy credits to PREPA). **47 have not begun construction.** These PPOAs can be divided in two groups: 16 PPOAs that were renegotiated in May 2020 and not yet built, and 31 PPOAs that were not renegotiated. **Out of the 31 not renegotiated, 21 are Photovoltaic Solar Projects totaling 510 MW.**

5. Environmental, social and governance (ESG)

- There's current growth in demand for renewable energy assets and PPAs by government and corporates aiming to reduce their carbon footprint.
- All approved PPA'd projects will result in a reduction of 1.1 million pounds of carbon dioxide (CO₂) to the environment.

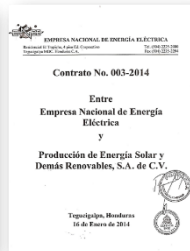
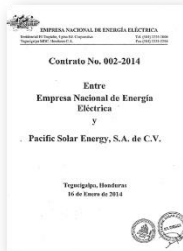


UPOWER AFFILIATE



Upower, Inc. (UPI) is a global renewable energy holding company and developer. In January 2014, our subsidiary, Upower Honduras, signed a much-publicized 20-year Power Purchase Agreement (PPA) with the government of Honduras and their National Electric Company, Empresa Nacional de Energia Elctrica (ENEE). Our two 50 MW Projects, PRODERSSA and Pacific Solar Energy (PSE), which when developed, became Latin America's largest solar project to date at 100 Megawatts in August 2015. Funded for \$232MM in 2015 by a division of The World Bank, the Project 8404 was completed, sold-off, and fully operational in the west coast city of Nacaome, Honduras, producing 100 megawatts an hour for the next 20 years, generating 120 gigawatts of electricity annually for approximately 152,000 Honduran households. Our goal of making these projects a reality, now contribute to the 44% of the clean power generation Honduras is experiencing today and a great example to the rest of the world, according to Bloomberg New Energy Finance.

Upower is currently in consideration of several Solar PV Projects globally with a primary focus on several Projects for Lithium (Li) Mining, Production, and Sales in both the world's largest deposit, found Nevada in the USA, and in Chile, near the Atacama Desert, where the largest amount Brine Pool Salt Salares are found with the highest concentration of Lithium existing worldwide. Our consortium, spearheaded by Upower, intends to deploy Patented Lithium Extraction Technologies via established Strategic Partnerships to produce Lithium Chloride, Lithium Carbonate, Lithium Hydroxide, and Lithium Cathodes to sell in the fast-growing Lithium Battery Markets and for Energy Storage, including Electric Vehicles (EV) on a global-scale.



Proof of Prior Projects: (Click on each of the following links)

Upower, Inc. Announces the Execution of 2 MOU's By and Between PSE and PRODERSSA With Empresa Nacional de Energia Elctrica, for 2 Solar Power Plants in Honduras

[CLICK HERE](#)

3rd Party Solar Industry News Completion of Upower Honduras Projects:

[CLICK HERE](#)

World Bank Website Notice:

[CLICK HERE](#)

Maps of Projects (Click below to see map of completed projects):

[CLICK HERE](#)

TECHNOLOGY PARTNER: GCL & CHAIRMAN ZHU GONGSHAN



GCL Power - China's Largest Non-State-Owned Power Development Operator with high-efficiency green thermoelectric power, pumped storage and hydropower, and nuclear power (with installed capacity of 8,450MW).

GCL Poly - World's Biggest Photovoltaic Product Manufacturer with an annual wafer production capacity of 15GW, alongside a leading position in the development of photovoltaic power plants.

GCL New Energy - Total installed capacity of about 7309MW, ranking second in the world. GCL New Energy deploys power plants globally, by the end of 2018, it operated 211 power plants across the world.

GCL Oil & Gas - GCL has proven reserves of 5 trillion cubic meters of gas and 400 million tons of crude oil. Is additionally growing its International Trade Desk.



INSURANCE PARTNER: GCUBE



Insurance Wraps Protects Projects. GCube SolarPro Coverage is owned by Lloyds of London. Can offer up to \$300 million in capacity for any Solar Project / Phase throughout the project lifecycle, from transit, to construction, to long-term operations.

EARLY STAGE

- Marine Delay in Start Up
- Cargo/Stock throughput

CONSTRUCTION ALL

- Inland Transit
- Testing & Commissioning Stage
- Advanced Loss of Profits
- Phased Operational Coverage
- Physical Damage

RISKS OPERATIONAL ALL RISKS

- Mechanical & Electrical

BREAKDOWN

- Physical Damage
- Business Interruption (Includes REC)
- Contingent Business Interruption

GENERAL LIABILITY

- Third Party Liability
- Employers' Liability

TECHNOLOGY TYPES

- Conventional Photovoltaics
- Concentrated Photovoltaics
- Building Integrated

PHOTOVOLTAICS

- Concentrated Solar Power
- Parabolic Trough Systems
- Power Tower
- Dish Systems
- Fresnel Reflectors

GCUBE INSURES

- Developers
- Contractors
- Owners
- Operators
- Manufacturers
- Suppliers
- Commercial & Utility Scale

OPTIONAL: WEATHER RISK TRANSFER (WRT)



GCube

[PRODUCT OVERVIEW](#)

LEGAL COUNSEL: YAMARY I. GONZÁLEZ-BERRÍOS

CAPITAL MEMBER AND VICE-CHAIR, TAX PRACTICE GROUP

Member, Strategic Planning Committee

BAR ADMISSIONS

- Commonwealth of Puerto Rico
- U.S. Court of Appeals 1st Circuit

EDUCATION

B.B.A., Cum Laude, University of Puerto Rico, 1986

J.D., Magna Cum Laude, University of Puerto Rico Law School, 1989

LLM, Georgetown University Law Center, 1991

- Major: Taxation

MEMBERSHIPS

Puerto Rico Bar Association

Puerto Rico Society of Certified Public Accountants

McConnell
Valdés ^{LLC} 

Ms. González-Berrios has represented clients in adversarial proceedings, requests for private letter rulings and negotiations of closing agreements before the Puerto Rico Treasury Department. She also advises on the development, corporate structuring and tax strategies of renewable energy projects. She provides compliance counseling services to clients from the oil industry. Prior to joining McConnell Valdés, Ms. González-Berrios was a Legal Counsel with the Internal Revenue Area of the Puerto Rico Treasury Department. While with the Puerto Rico Treasury Department, she reviewed private letter rulings concerning a broad range of issues including corporate reorganizations, pass-through vehicles, variable annuities, and employee benefits matters. She also authored and reviewed income tax legislation and regulations. She also worked as a Senior Tax Consulting Manager in the Tax Department of Ernst & Young in San Juan, Puerto Rico.

Ms. González-Berrios has been a speaker in seminars sponsored by the Puerto Rico Society of Certified Public Accountants and the Puerto Rico Chamber of Commerce. She has also spoken for Puerto Rico Treasury Department training sessions.

She is ranked as one of Puerto Rico's Leading Attorneys in the Tax field by the international publication Chambers & Partners in its Latin America Guide. She is also ranked in the Tax field of The Best Lawyers in Puerto Rico Guide.





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