Appendix B

SAIC Executive Summary

Executive Summary

SAIC Energy, Environment & Infrastructure, LLC ("SAIC"), formerly R. W. Beck, Inc., was retained by JBI, Inc. ("JBI") to review and analyze JBI's Plastic 2 Oil technology (herein, the "Plastic2Oil technology"). JBI agreed that we would conduct our work and review of the Plastic2Oil technology from the perspective of an "Independent Engineer" for a project investor, who might be choosing to invest in a new, prospective project located in Jacksonville, Florida using the Plastic2Oil technology. The end result of our work is a White Paper, which can be obtained through requests to JBI.

To review the Plast2Oil technology, we visited JBI's Operating Facility (the "Facility") in Niagara Falls, New York during April 25, 2012 to April 27, 2012. We observed the unit while in operation, reviewed historical operating data and permits, and monitored the setup and operation of a controlled performance trial (the "Trial"). Here is a summary of our analysis:

- Unit operated as intended for a continuous 3-day operating period.
- During this period, the unit processed 121,318 pounds of waste plastic feedstock and produced 10,287 and 4,289 gallons of fuel oil no. 6 and naphtha, respectively. The Trial resulted in a yield of approximately 80 percent or 80 pounds of liquid fuel and oil for every 100 pounds of waste plastic feed. Performance metrics from June 14, 2011 to December 21, 2011 indicate an average yield of approximately 86 percent for historical production.
- Fuel samples of the fuel oil and naphtha were collected during the Trial and tested in the on-site lab for flash point, sulfur and silicon and were found to be within ASTM specifications for the fuel oil.
- The proposed system uptime of 75 percent to account for planned and unplanned system outages are reasonable, though uptime will likely be only 50 percent for the first few months after the beginning of commercial operations.
- We only witnessed the processor running at 2,000 pounds per hour due to permitting constraints; however, a 4,000 pound per hour rate appears to be achievable.

We also prepared an "order of magnitude" capital cost estimate for the proposed Commercial Facility at Jacksonville, Florida based on preliminary lay out done by JBI's engineer. We estimate a site consisting of three processors to cost $6.5 million plus the engineering design fees and Contractor Distributable Costs that could add up to $2 million to the overall Capital Cost to construct. Based on the assumptions discussed in our White Paper we expect the Commercial Facility to generate an average EBIDTA of $28.0 million per year assuming 75-percent uptime and an 80-percent yield. In a case where the the yield is 40 percent and uptime is 75 percent, the estimated average EBITDA is approximately $13.4 million per year. In a case where the yield is 80 percent and uptime is 50 percent, the estimated average EBITDA is approximately $18.5 million per year.

A fulsome review of the Plastic2Oil technology; testing and verification; performance characteristics; key features, and status of the Plastic2Oil technology implementation and the Jacksonville, Florida Commercial Facility; and our conclusions are included in our White Paper.

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