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Mantra Venture Group Ltd. Is Focused On Bringing Early-Stage Green Technology Through Feasibility And Pre-Commercial Stages And Licensing Them Off To Large-Scale Industrial Partners

**Technology
Green Tech
(MVTG-OTC: BB)**

Mantra Venture Group Ltd.

**1205-207 West Hastings Street
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**Larry Kristof
President, CEO and Director**

BIO:

Prior to founding Mantra Venture Group, Mr. Kristof served as President and Chief Executive Officer of Lexington Energy Services Inc., a Calgary, Alberta company he co-founded. Under his direction, Lexington designed and commercialized innovative mobile drilling rigs and nitrogen generation technologies. He successfully raised capital for the company on public markets. Before establishing Lexington, he founded Westec Venture Group Inc., a company which provided business development and venture capital services.

Company Profile:

Mantra Venture Group Ltd. is a diversified Green Tech company seeking to be-

come a world-leader in the development of commercially viable sustainable technologies by acquiring the most promising technologies from universities, laboratories and companies, and bringing them through to commercialization. Mantra will create significant shareholder value through subsequent acquisitions, spinouts and licensing fees. Current areas of interest for Mantra include: the reduction/recycling of carbon dioxide and alternative energy.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFOinterviews.com**

CEOCFO: Mr. Kristof, what is the grand vision at Mantra?

Mr. Kristof: The grand vision for Mantra is to bring early-stage Green Technologies through their feasibility and pre-commercial stages, and license them off to large-scale industrial partners.

CEOCFO: How do you pick and choose technologies? What specific types are you looking at and how do you find them?

Mr. Kristof: We certainly look at technology that we feel will have a positive impact on reducing climate change, but it must have a real economic value at the heart of it. Our team evaluates technology on an ongoing basis from universities and entrepreneurs; the evaluation then guides the decisions that we make. Each promising new technology goes through a thorough due-diligence period before we ever commit to it. Over a two year period we have only made two commitments, but we have two others that we feel will fit into our system quite well in the near future. We do keep our focus. Once we accept a new technology and bring it into the

Mantra system, we focus on bringing it through the various stages towards commercialization. We make use of bridging partners and invite them to collaborate in technology development and commercialization.

CEOCFO: In spite of all the talk, what makes you think this is really the time that people are going to get serious about the environment?

Mr. Kristof: I think the tide has been changing drastically over the last couple of years. We have seen a lot more capital being invested in green technologies. There is an aggressive approach being taken by companies, investors and the investment community, institutions and industrial partners: they are focusing on bringing new technologies into play. I think everyone understands the time is coming when climate change will have an impact on their business. It is going to be a harsh awakening for those who haven't stepped up to the plate and prepared themselves to address emissions.

CEOCFO: Would you tell us what you are working on now?

Mr. Kristof: Our flagship technology is one I found back in 2007 and got very excited about. It is a carbon recycling technology, scientific name – ERC, or electro reduction of carbon dioxide. Essentially it takes CO₂, sometimes called the cancer of the planet, and combines it with water and electricity to produce a chemical product, formic acid, which is the strongest organic acid. It is used in many different industries, including: pharmaceutical, de-icing of airports, textile and leather finishing, and for sterilization of agriculture feeds, etc. It has multiple uses and it is a high-value

chemical selling for approximately US\$1,450 per ton.

As to development, ERC has moved from the prototype stage to a larger, more complex bench scale unit. At this time we are negotiating demonstration projects around the world. The company is pleased to have 3M participate in our R&D where they are of huge value to us. We will use some of the materials they produced in the heart of the technology, these additions will make the ERC cell more robust and efficient. It is an exciting time in carbon recycling, and an exciting time in the development of ERC.

The other main approach to carbon reduction is called CSS (carbon capture and sequestration), but we have our doubts. CCS takes CO₂ and buries it underground. The economics are negative: it costs about \$100 per ton to sequester the CO₂, all unrecoverable costs. Our society has not done the long-term studies to know how it will impact our environment; the effect on the aquifers could be drastic. A complete legal framework is missing. It just makes a lot more sense to recycle CO₂ into high-value products, which incidentally can be used as fuel.

Why fuel? The second Mantra technology is MRFC, or mixed reactant fuel cell. Both ERC and MRFC were invented by Professor Emeritus Colin Oloman, of the University of British Columbia. MRFC is a new approach to fuel cell development that is pretty radical: it does not require many of the most expensive parts of the conventional fuel cell. This is expected to allow better economics. It can be fueled by formic acid, which can be produced from CO₂ by way of ERC; in this way, CO₂ becomes part of an alternative fuel. We feel that MRFC has a promising future, and it is attractive that it and ERC are complementary technologies. Mantra is excited about both technologies and we find others joining us to share the feeling.

Mantra works hard to put relationships in place: we have the 3M relationship de-

scribed above, and we have developed a relationship in Korea. That country is taking a very aggressive approach to reducing its emissions. They intend to achieve a 30% reduction by 2020. This gives Mantra a great environment to work in; we are negotiating with a Korean development partner and are close to defining a first project. In addition, we have just signed a collaboration agreement with a Swiss private company, Granite Green Networks, to co-develop technology from a leading Swiss University, EPFL. This proposed project will combine the ERC technology with theirs, which creates hydrogen on demand from formic acid.

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Here we have a closed loop with CO₂ being processed into fuel (formic acid) which can be used to output clean hydrogen for fuel. The hydrogen can power a fuel cell resulting in clean electrical energy where needed. The CO₂ can be recycled. Mantra looks forward to making these projects a reality thru demonstrations. We expect the result to be a workable technology with attractive economics.

CEOCFO: What does Mantra know about commercializing products that leads to success?

Mr. Kristof: I was involved in the oil and gas industry previous to Mantra

where I was able to bring a technology up through successful commercialization: a nitrogen generator with purity and pressure suitable for oil and gas field use. The process required me to recognize the opportunity, and to bring the parts and the people together.

As you can see thru the ongoing series of Mantra news releases, we have found opportunities and associated technology, and have been able to attract complimentary partners to help us toward commercialization. Moreover, our contracted R&D group is working on the technology daily; they have commercialized a number of technologies for themselves and their clients. Mantra recognizes the value of bringing the right people to each of our projects.

CEOCFO: What is the financial picture like for Mantra today?

Mr. Kristof: To date, the funding has been done mostly by retail equity investors. We are now engaged in conversations that will bring selected financial institutions onboard: this funding will help us to support the planned demonstrations. We are hoping to complete these transactions within the next four to six weeks. It is time consuming to put the right fit together; we look for non-toxic capital, people who will work smoothly with us over the long term. In the near term, we expect to

negotiate licensing revenue streams, there is interest even though neither of our technologies are commercially viable today. The opportunities are exciting enough to have prompted these early licensing discussions.

Broadly, we are charting a course to make sure the company is well funded and is able to execute the planned demonstrations over the next two years. This will lead rapidly to commercialization.

CEOCFO: Final thoughts, why should Mantra Venture Group stand out to potential investors?

Mr. Kristof: Our management team can recognize outstanding opportunities and has the focus to bring these technologies thru demonstration to commercialization. The fact that we are able to attract senior companies to work with us demonstrates their faith in Mantra's abilities. We have

kept the company tightly structured (shares outstanding, float, etc.) and have been able to maintain the company financially throughout this economic downturn. Technology development has gone ahead: this has paid off in steady, meaningful progress. We have won grants

from the Canadian federal government. Worldwide interest is being expressed in Mantra and its technologies. Mantra has the technologies, the team, the partners and the widely expressed interest to enable it to succeed.



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