

**Addressing One of the Largest Market Sectors in the World with their Voraxial® Separator, Enviro Voraxial Technology Inc. is Helping their Oil and Gas, Food Processing, Mining and Dredging Customers Reduce Costs in Separating Contaminants from Large Volumes of Liquids**



**Industrial Goods  
Diversified Machinery  
(EVTN-OTCBB)**

**John A. DiBella  
Chief Executive Officer**

**Company Profile:**

Enviro Voraxial Technology is the developer and manufacturer of its proprietary Voraxial® Separator, a unique, in-line, turbo-separator that provides a cost effective method to efficiently separate contaminants from large volumes of liquids. The Voraxial® fills a void in the market, specifically the ability to provide highly efficient separation of contaminants while requiring less space, energy and weight than conventional separators processing the same volume. The Voraxial® requires no pressure drop making it easy to retrofit to existing wastewater systems to increase productivity and reduce cost. The Voraxial, scalable in design, can treat flow streams that range from 4,000 to 7,000,000 gallons per day. Its applications are universal and can be used in multiple industries. The Voraxial® is available as a stand-alone separator or incorporated within a complete turnkey solution that allows customers to treat a variety of fluid streams while reducing treatment cost and increasing separation efficiency.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFO Magazine**

**CEOCFO:** Mr. DiBella, would you give us an overview of Enviro Voraxial Technology?

**Mr. DiBella:** Enviro Voraxial, started out as a high precision manufacturing company that manufactured high precision jobs for various industries including aerospace, automotive, healthcare and defense. Some of the products we have made in the past include hip replacement parts, missile heads, torpedo fins and gyroscope housing for the Hubble Space Telescope. The profits and engineering from the manufacturing of these products went into the development of the Voraxial Separator.

The Voraxial Separator is a compact, high volume separation device that separates contaminants such as oil and sand from water with less energy, weight and space than existing separation equipment. The Voraxial® Separator fills a void in a large segment of the separation market, specifically, in areas of high flow, limited space and limited fluid pressure. These applications are essential in many different industries, for the protection of the environment and represent billions of dollars of market potential. Competitive equipment may require 10 or more times the equipment space and weight of the Voraxial to process the same volume of fluid.

Separating contaminants from water may sound boring, but that necessity is required in almost every industry from mining to dredging, sewage

treatment, food processing, oil spill and of course oil and gas. The oil and gas market is the industry that we are specifically targeting.

Oil companies and oil service companies require a solution to their wastewater problem as produced water, that is the water generated during the production of oil and gas, comprises over 98% of the total waste volume generated by the oil and gas industry. The worldwide ratio of barrels of water generated for every barrel of oil produced is approximately 5 to 1. As the United States has more mature wells, it is estimated that 10 barrels of water are generated for every barrel of oil. As you can see, that is a tremendous amount of water. We already have units deployed to off-shore platforms, FPSOs, refineries and among other sectors.

**CEOCFO:** What is it about your technology that makes it unique?

**Mr. DiBella:** Our technology is completely different from all other separation technologies in the market. We didn't tweak an existing technology, we invented a completely different method of separating contaminants from water and in doing so, we reduced the amount of energy, weight and space needed to complete the separation. Competitive equipment may require 10 or more times the equipment space and weight of the Voraxial to process the same volume of fluid. This is very significant to our customers, especially to our offshore customers who have the most expensive real estate on earth. The Voraxial increases productivity and reduces the cost to purify water, specifically

reducing acquisition, installation and operation costs.

The Voraxial itself provides a completely different method to perform separation. If you look at the separation industry, there are three sectors. You have centrifuges, hydrocyclones, and you have gravity tanks or exotic tanks, like IGF's which stands for Induced gas floatation systems. Our technology creates a fourth sector that provides significant performance advantages for many user applications.

We are unique in many different ways. Our footprint is much smaller than competing technologies. Our Voraxial separator uses less energy and space than competing technologies, and, to make a significant technical point, there is no pressure loss in our machine. Competing technologies produce a pressure loss as a direct result of their separation process. Since we have no pressure loss, our technology becomes very simple to mate with other pieces of equipment, whether it is existing equipment or within a turnkey system provided by EVTN. No additional pumps are required to restore lost pressure to the system.

**CEO CFO:** How do you get people who should know about Voraxial to know about you?

**Mr. DiBella:** It is amazing how well known our product is becoming in just the past few years. As I said, the separation industry is enormous but each sector is well connected. Almost every sector requires some type of separation, whether it is treating the influent water prior to using it during the manufacturing process, or treating the effluent wastewater prior to discharge. The first market that we are penetrating is the oil and gas market, and within that market – yes – our name is starting to become well known. We are selling to some of the world's largest corporations.

It has not been easy, as we had to educate the market that a new method of separating contaminants

exists. Regardless of how big or small a company you are, operators in the oil and gas industry are very risk averse and will not spend the time, cost or manpower to try a new technology unless they absolutely need it. I've heard many stories from large multinationals who also have difficulty introducing new technology to oil and gas operators. That is what is amazing about our journey thus far.

It has been a challenge, but what has happened is that there has been a shift in the customers' reaction to the Voraxial. Initially, years ago, companies were interested but they wanted to be "third in line". We actually received that quote from that customer. They liked the technology, they see how it could help, but they did not want to be the first company to use the technology.

**Our technology fills a void in one of the largest market sectors in the world, which is the ability to separate contaminants from a large volume of liquids with less space, energy and weight. This increases productivity and significantly reduces costs for our customers. Our customers include some of the largest companies in the world... If you extrapolate this out twelve to twenty-four months from now, there is no reason why we are not generating 4 to 8 times what we generated last year. That is exciting! - John A. DiBella**

Although companies were in a rush to be 3rd, we were getting sales opportunities based on our customers immediate need for an economical and easy solution. Our initial customers were mostly customers in a bind, whether due to space, energy limitations or fluid pressure, to find a quick economical and simple engineering solution. These customers looked to the Voraxial as the solution. These initial installations and successes are the reason we are now receiving more sales opportunities, resulting in greater deployments and revenues. Today, our customers are now saying, "we have this problem. Can you help us solve it?" That's a big difference.

**CEO CFO:** Has the industry been actively looking for better solutions or

are they just happy to know it exists when they find out?

**Mr. DiBella:** They are always looking for better solutions to solve their problem, preferably a solution that has already been around for several years. They do not want to be the first ones to try the new solutions. That is the challenge that we have had to face. We are competing with multi-billion dollar service companies and equipment manufacturers that have been around for 20, 30, 50 years with well-known equipment. To convince an end-user to use a new technology takes a lot of effort, but it's starting to pay off. Fortunately for EVTN, the Voraxial sells itself. The benefits of the Voraxial are so great that it makes it easier to get through the door. We are reaching the tipping point in sales traction.

**CEO CFO:** How complicated is the installation and the changing over to the Voraxial? Is that a factor for people?

**Mr. DiBella:** Yes, it is a factor, but on the positive side for EVTN. The Voraxial is a very simple technology to install, whether as a new system or retrofitted within an existing system. The Voraxial is a very easy technology to install and operate. From an engineering point of view, it doesn't

get any simpler. This is why we are having success in introducing this technology to the market.

**CEO CFO:** Would you tell us about the order with South American National Oil Company? Is that typical for you in what you see as a typical future order?

**Mr. DiBella:** Typical in the sense that the customer has a high volume of liquids to separate with limited available space for additional equipment and nominal fluid pressure available. This particular customer was offshore on a FPSO, which means Floating - Production – Storage – Offloading. However, this type of separation is also required onshore. We are seeing an increasing number of projects for both offshore and onshore separation.

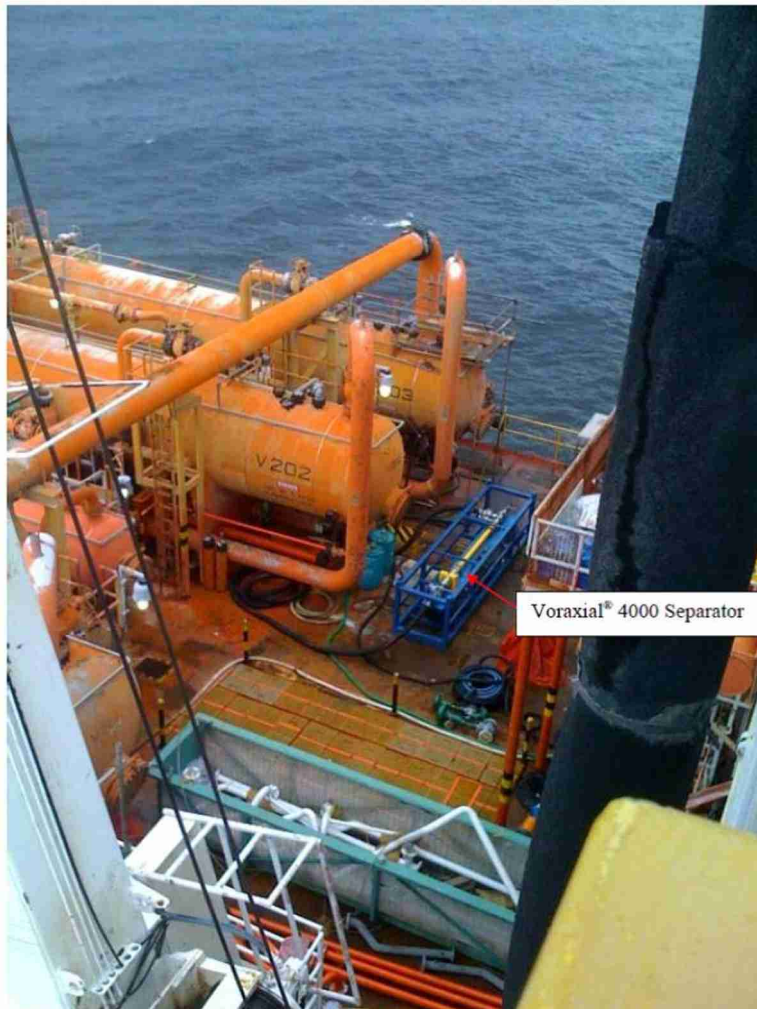
There are not many simple, effective and economical solutions for customers that need to treat a high volume of water but have limited available space and fluid pressure. That is what we bring to the table. The Voraxial is a very simple technology to install which excites the customer. We started working with this customer, PDVSA, a few years back. They like the technology - the simplicity of the technology to install, operate and maintain. We have had a few orders from them in the past year or so.

**CEO CFO:** As you mentioned, you have been in the development and beginnings of commercialization. What is the financial picture like for Enviro Voraxial Technology today?

**Mr. DiBella:** We have successfully transitioned from a R&D company to a revenue generating company. We went from the conceptual stage to R&D, proof of concept and to commercialization without incurring any debt. This is significant as each dollar we now earned goes toward growing the business. During this period, our revenues have gradually increased as awareness of the technology grew. Our revenues accelerated 200% in 2011 as compared to 2010. We are increasing the number of rep's we have which is supporting our continuing revenue increase for 2012 and 2013. The revenues in the upcoming year are primarily from the oil & gas exploration and production market. Based on the inquiries and discussions we are currently having with oil companies, oil service companies and our representatives, we believe our revenues will continue increasing year over year in 2012 and 2013.

Our gross revenues generated from each project can range from approximately \$100,000 on the low end to over \$5million dollars on the high end. We are bidding on projects that require multiple Voraxial Separators of all sizes, including our largest model, the Voraxial 8000 Separator. We have a very low overhead and our margins are healthy. Therefore, we do not need many unit sales to generate

**Voraxial® 4000 Separator**  
Processing 13,000 barrels per day on an  
Offshore Platform in Trinidad.



profit and drive earnings. We believe with the type of conversations we are having with our customers, our earnings per share within the next 12-18 months can be approximately \$0.04 - \$0.10.

**CEO CFO:** How do you reach potential customers? Do you work directly? Do you work through distributors, or third parties?

**Mr. DiBella:** All of the above. We are developing a network of representatives and oil service companies that are providing us with good revenue opportunities. We also are working directly with the end-users, in most cases oil companies or multinationals, who are in need for a better solution.

Although we are focusing our sales and marketing resources in the oil exploration and production industry – companies within other markets such as the frac water and tar sands market are seeking us out as well. Many of our inquiries we receive are word of mouth, which goes back to your previous question, “Are we well-known in the industry?” We are becoming well-known in the oil and gas industry.

There are huge opportunities for the Voraxial in other applications where it represents a significantly superior solution to existing technologies. As an example, we believe the Voraxial can equip the next generation of truly effective oil spill recovery vessels. Our new Voraxial 8000 can run submerged and processes 170,000 barrels of oily water per day, about 40 tons per minute, yet weighs less than 1000 pounds. No technology in the world can approach this capability to process this amount of liquids with such a small footprint – ideal for oil

spill response vessels. We are looking for and speaking with potential partners, customers, in the marine industry to introduce an effective solution to contain and clean major oil spills before they create significant environmental and economic damage.

Similar global opportunities exist for the Voraxial in other applications as well, such as inorganic grit separation



in sewage treatment plants around the world, mining, manufacturing.

**CEOCFO:** Would you tell us a bit more about your efforts with the oil and gas industry?

**Mr. DiBella:** The problem within the oil sector is huge in terms of water separation. For every one barrel of oil extracted out of the ground, the oil companies extract, world-wide, on average, about five barrels of water. Domestically, for every one barrel of oil extracted, oil companies are extracting about ten barrels of water out of the ground. That is enough water to go over Niagara Falls for nine straight days. It is an incredible amount of water. If you ask oil companies what they are, they will tell you they are water companies that sell their by-product, oil, because they process significantly more water than oil. This is our target market. The problem of treating wastewater in the oil industry is enormous. The oil industry is doing an effective job with it today, obviously, and what we bring to the table today is an even more economical and effective manner of separating contaminants such as oil and sand, from water. Why? Because the Voraxial fills a void in the market – the ability to process and separate a large volume of liquids with less energy, weight and space and with no

pressure drop. The market opportunity is phenomenal for EVTN.

**CEOCFO:** Is investor outreach a focus for you?

**Mr. DiBella:** Absolutely. Yes. We have regular meetings with fund managers interested in our story.

**CEOCFO:** Why should investors pay attention to Enviro Voraxial Technology today?

**Mr. DiBella:** How often do you come across a small, publicly traded company with a unique proprietary technology that has begun commercializing its product to some of the largest companies in the world? Our technology fills a void in one of the largest market sectors in the world, which is the ability to separate contaminants from a large volume of liquids with less space, energy and weight. This increases productivity and significantly reduces costs for our customers. Our customers include some of the largest companies in the world. These customers are contacting us directly. The oil & gas companies are some of the most risk averse companies in the world. These same companies are purchasing solutions from us as oppose to the well-known multinational equipment manufacturers because we offer a more efficient so-

lution that saves the customer money on the acquisition, installation, operation and maintenance.

We have finalized the development of the Voraxial and begun commercializing the technology. We believe, based on the quality of conversations we are having with our customers and reps, we are reaching a tipping point whereby the number of sales will increase drastically. Our sales increased by approximately 200% from 2010 to 2011 and we believe we will have continued revenue growth in 2012 and 2013. We do not need many unit sales to generate significant revenues. We have about 35 million common shares issued and we have no long-term debt. Therefore, as we continue to increase revenues, the profits go straight to the bottom line. It becomes very attractive. If you extrapolate this out twelve to twenty-four months from now, there is no reason why we are not generating 4 to 8 times what we generated last year. That is exciting! If you look at that based on number of shares outstanding, we easily could be at a higher multiple, and at a significantly higher stock price.



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