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California Environmental Protection Agency (CalEPA)
Attention: Anil Prabhu
1001 I Street
P.O. Box 2815
Sacramento, CA 95812-2815

29th of June 2017

Dear Mr. Prabhu,

Licella is an Advanced Biofuels company who has over the past 10 years developed our Catalytic Hydrothermal Reactor (Cat-HTR) technology, which is now in the process of commercial deployment with our first North American project being constructed in partnership with Canfor Pulp at their Prince George mill in British Columbia.

Licella strongly supports the methodologies to determine co-processing yields as proposed by the California Air Resources Board in the draft report "Coproprocessing of Low Carbon Feedstocks in Petroleum Refineries Draft Discussion Paper" dated May 30, 2017. The mass balance approach is the accepted standard within the refining industry for determining commercial performance, and it can be accomplished with existing refinery equipment and analytical methods.

We believe that the adoption of the methodology set forth in the draft report will assist in the deployment of co-processing of biocrude oils, such as those that will be produced in Prince George, within the petroleum refinery plants. This in turn will assist in securing offtakes, which will accelerate the commercial production of transportation fuels from cellulosic biomass. Licella is excited about the opportunities now presenting themselves for more commercial plants, and this proposed methodology, when accepted, can only help accelerate progress in this direction.

Yours sincerely

Len Humphreys

Dr. Len Humphreys
Chief Executive Officer