



FLEX  
GROUP

The way forward for Flex Fuels Energy, Inc.

Investor Presentation July 2009



New management elected by Shareholders on  
December 12, 2008

97.4% of votes cast in favour

### **Company not in good shape**

Cash resources significantly depleted

Cardiff Project making no progress and in doubt

Legal actions outstanding in Nevada



## **Actions**

Review of prior management & advisors actions

Review of Cardiff project as planned by prior management

Address Nevada legal actions

Examine strategic prospects for re-building value

## **Actions of Previous Management**

Barrows had seized control

Company had not been managed by its board

Company in disarray

Vast costs incurred in resisting shareholder meeting

Barrows dismissed for gross misconduct early 09

UK employment law process followed



## **Flex Fuels Energy Ltd Cardiff Project**

Diligent review was required given investment to date

No D&O insurance – board could not shut down Cardiff arbitrarily, directors may have been exposed

Carried out by J Nangle & G Hilton, energy advisors to UK Government

Project proved as fundamentally flawed and unviable

Reengineered to viability - but not for Flex, given its depleted resources and damaged reputation

Project abandoned June 09



## **Nevada Legal Actions**

No risk to Company, Barr not adverse

① County court action Barr v. Barrows/Laird/Company  
(to force shareholder's meeting)

Under review

② Federal court action Barrows & Company v. Barr (to  
put Barr to cost in proxy fight);

Company has withdrawn from federal action

Barr to obtain summary judgement to close case

Barrows has not responded



## Strategic Review

Dec 08 cash return unlikely to be > 10c per share

Cash circa \$7m a significant resource

Cost reduction programme

Potential recovery of costs incurred by prior management

Share capital reduction

Malibu Gold Property progression

Future strategy to rebuild value



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A bold move forward from the failed Flex  
Fuels Energy Ltd Cardiff project →→→



## **Creation of high growth potential technology based group**

Potential cash recovery & reduction in share capital

High growth potential projects only way to rapidly rebuild material shareholder value, leveraging cash

Small focussed team (CEO, CFO, Integration Director, Financial Controller) taking this forward

Actively managed JV subsidiaries

First step already taken with WDX



## **Potential for cash recovery**

Company has had minimal contact Barrows (previous CEO / Chairman), his lawyers have not heard from him, no employment claim anticipated

Costs and damages might be recovered from parties responsible for the costs incurred or caused in 2008, if commercially expedient

Company counsel and auditor replaced

Nevada litigators engaged

Company is able to fund any potential recovery



## **Reduction in Share Capital**

Company has reduced shares issued by 24.5% for a cost of approximately only 2% of NAV;

Purchase from 3 of the 4 FFE Ltd Founder Shareholders

16,989,136 shares at 0.8 cents per share

52,391,297 shares out after this retirement

Progressive deal for Company - stock to be returned to treasury benefitting all remaining shareholders



## **Reduction in Costs**

Company suffered costs in 2008 and Q1 2009 as a result of situation inherited by new management

Aggressive steps taken to reduce non-productive costs including review & closure of Cardiff – at a cost, now ceased

Headcount reduced to 4, new counsel & auditor

Monthly run rate reduced from a total approx. \$290K in 08 / Q1 09 to est. \$70K (corporate overhead/compliance going forward - excluding new strategy investment)

Cash to be managed tightly ahead of income generation



## Malibu Gold Property

Company's historical asset in British Columbia

Potential gold prospect, 100% owned

Claimed area increased to 683 hectares in 2008

Company carried out study for <\$40k in 2009

Third party interpretation of samples and assays under way

Results to determine next steps

May not fit with technology strategy





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## WDX Organisation

London based financial technology company

Company has 51% of WDX for £150K loan

Option to buy another 22% for a further £450K loan

Derivative product to mitigate foreign exchange risk,  
worldwide market

Actively managed by Company

Phase 1 on track, WDX in talks under NDA with global  
institutions, active newsflow expected

Exciting potential, about to go fully public





## **Future Opportunities**



More high growth potential projects under examination

3-4 opportunities to be entered to spread risk

Some higher end of risk spectrum if they have outstanding potential

Lower risk opportunities for early cashflow

Cash resource a valuable lever in current environment

Aggressive deals can be done

Company and subsidiary management motivated to perform



## **A New Beginning**

Tough starting point due to past problems

Opportunity for recovery of costs

To be renamed Flex Group or similar

WDX an exciting & potentially very material project

More high growth potential projects under examination

Overhead trimmed, focussed, lean team

New website to be released by e/o July

**Everything to play for**



# FLEX G R O U P



The screenshot shows the Flex Group website homepage. At the top is the Flex Group logo and a search bar. Below the logo is a navigation menu with links for Home, Group Companies, Corporate, Investors, News, and Contact. The main content area features a large Flex Group logo and the text: "Actively managed technology businesses with high growth potential." To the right, a paragraph states: "Our businesses are actively managed by a small, efficient corporate team. We look at the core prospects for any business and beyond standard box-ticking. We think independently and are highly motivated. When a prospect has the right potential for Flex Group but needs resources we fill that gap, seizing opportunities that others overlook." Below this is a bold statement: "The Flex Group business aim is single and simple; to rapidly build value for our stockholders." The page is divided into three columns. The left column contains three items: Malibu Gold, WDX Organisation, and a question mark icon. The middle column contains a "News" section with three press releases from February 2009. The right column contains a "Market Data" section with a line chart showing stock price history from 2008 to 2009.

**FLEX GROUP**

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**FLEX GROUP**

Actively managed technology businesses with high growth potential.

Our businesses are actively managed by a small, efficient corporate team. We look at the core prospects for any business and beyond standard box-ticking. We think independently and are highly motivated. When a prospect has the right potential for Flex Group but needs resources we fill that gap, seizing opportunities that others overlook.

**The Flex Group business aim is single and simple; to rapidly build value for our stockholders.**

**MALIBU GOLD**

The **Malibu Gold Property** is a mineral exploration prospect located approximately 110 km northwest of Vancouver, British Columbia. It is our oldest asset and 100% owned by Flex Group...[more](#)

**WDX ORGANISATION**

The **WDX Organisation** is an innovative financial company located in the heart of the City of London, U.K. WDX has a novel technology delivering a sophisticated financial derivative to mitigate currency risk. WDX is 51% by Flex Group and we have an option to acquire a further 22%...[more](#)

**?**

Flex Group plans to enter further **high growth potential businesses** in the future. Discussions are continually in progress...[more](#)

**News**

2009 Press Releases

23 February 2009  
**Flex Fuels Energy, Inc. Announces Cardiff Project Update**

Flex Fuels Energy, Inc. ("Flex Fuels" or the "Company") (NYSE:FXEL) today announced the progress of a review of the prospects for its planned oilseed crushing plant at Cardiff ("Project")... [more](#)

5 February 2009  
**Flex Fuels Energy, Inc. Phase 2 Mineral Exploration**

2 February 2009  
**Flex Fuels Energy, Inc. Corporate Inquiry & Operational Review**

**Market Data**

Flex Fuels Energy, Inc. (NYSE:FXEL)

Jan 31, 2009	Open: 0.0500	High: 0.0500	Vol: 20,000
Time:	Last: 0.0500	Low: 0.0500	Chg: -0.0001 (-0.20%)

Stock Price History

View History | Download History

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