



Dynetek Industries Ltd. Annual Special & General Meeting

June 16, 2010



Dynetek



Business Strategy Presentation Chairman's Remarks

June 16, 2010



Dynetek

Forward-Looking Statements

Certain information set forth in this document contains forward-looking statements or information ("forward-looking statements"). Forward-looking statements are not based on historical facts, but rather reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. The use of any of the words "plan", "expect", "project", "intend", "believe", "should", "anticipate", "estimate" or other similar words, or statements that certain events or conditions "may" or "will" occur are typically intended to identify forward-looking statements. Forward-looking statements contained in this document include, without limitation, statements regarding: management's growth and development strategies; the number of CNG buses operated in foreign markets; the number of compressed natural gas ("CNG") buses manufactured; incentives relating to CNG applications implemented by foreign governments; foreign market trends; and demand for CNG and hydrogen cylinders.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such statements but which may prove to be incorrect. Although Dynetek believes that the expectations and assumptions reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements because Dynetek can give no assurance that such expectations and assumptions will prove to be correct. With respect to the forward-looking statements contained in this document assumptions have been made regarding, among other things: (i) industry demand; (ii) expectations regarding technology adoption rates for certain countries; (iii) the impact of governmental regulatory regimes and tax, environmental and other laws; (iv) prices of commodities; and the economic condition in certain countries. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward looking statements. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: (i) changes in general economic, market and business conditions of certain countries; (ii) volatility in commodity prices and exchange rates; (iii) access to capital; (iv) competition for, among other things, capital and skilled personnel; and, (v) actions by governmental or regulatory authorities including changes in environmental legislation.

The Company cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. Additional information on these and other factors that could affect operations or financial results can be found in the Company's Annual Information Form available on SEDAR at www.sedar.com. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law.



Our Vision



Dynetek will be a world-leading participant in the global clean technology space

Our Mission



Dynetek is a leading developer, manufacturer and marketer of alternative energy fuel storage cylinders and systems to the automotive and industrial markets world-wide



Our Values



We are honorable in our actions and we hold honesty and integrity as our guiding principles

Our employees are critical to our success

We value their proficiency, expertise, knowledge and vision

We recognize that we are privileged to contribute to our employees' growth



Our Values



Our customers and suppliers are critical to our success

We are customer-focused and responsive, sensitive to cultural realities and driven to exceed our customers' expectations

Quality is our signature

We take pride in everything we do

Going Forward



Our strategy will be focused

Capital allocation will be disciplined

We will drive revenues to create sustainable earnings

Our Market Focus



Compressed Natural Gas (“CNG”)

CNG cylinder and system sales in Europe, North America and Asia Pacific focused primarily on the bus, vocational truck and bulk transportation markets

Hydrogen

Hydrogen research and development contracts for cylinders and valves with OEM’s in the automotive sector



The CNG Market



World demand for CNG cylinders and systems for automotive applications is increasing at an accelerating rate

Forecast NGV market growth – IGU Business as Usual Scenario

¹ millions equivalent NGVs

	2005	2010	2015	2020	2025	2030
Africa	0.06	0.10	0.12	0.23	0.37	0.52
Asia-Pacific	1.12	4.15	12.06	22.91	33.33	45.70
Europe	0.44	0.35	1.12	2.18	3.20	4.42
Middle East	0.06	1.31	4.27	8.37	12.34	17.07
North America	0.15	0.25	0.47	0.77	1.06	1.40
Latin America and the Caribbean	2.63	4.58	9.00	14.85	20.39	26.91
Russian Federation & C.I.S.	0.17	0.90	2.16	3.90	5.58	7.58
Total	4.64	11.64	29.19	53.20	76.27	103.60

¹ Equivalent NGVs in general means number of NGVs if all NGVs are considered to be LDVs (or better to say personal cars). In other words, 1 NGV truck or bus is equivalent to 10-15 cars, 1 van is equivalent of 2 personal cars etc.

Source: International Gas Union Report on Study Group 5.3 – Natural Gas Vehicles October 2009



The CNG Market



We will continue to market in the EU and the Middle East to grow sales where Dynetek enjoys a market share approaching 30%

We have refocused our North American market strategy to:

- Increase our share of the OEM market for vocational trucks and buses
- Gain share in the systems integration market through cylinder sales to the integrators



The CNG Market



The Asia Pacific markets represent the best near-term potential for significant revenue growth

Strong government regulatory and financial support for CNG fueled vocational trucks and buses is evident in Korea, India and China

CNG that is generally produced locally has significant operating cost advantages compared to hydrocarbon fuels that are generally imported



The CNG Market



In the Asia Pacific markets natural gas vehicles and their infrastructure are well established utilizing Type II cylinders

These strong Asia Pacific economies can afford to take advantage of lower CNG life cycle costs notwithstanding the higher capital cost for Type III

These same economies are looking to further develop their industrial bases through technology transfer and local value adding manufacturing



The Korean Market



Natural gas vehicles and their infrastructure are well established utilizing Type II cylinders

We estimate in excess of 19,000 CNG Buses are in operation today in Korea

We estimate Hyundai and Daewoo manufacture approximately 5,000 CNG buses annually

50% are sold in the domestic Korean market and 50% are sold in the export market



The Korean Market



In July 2009, the Korean Ministry of Environment ratified subsidies for the purchase of CNG buses and sweepers totalling US\$28MM and we expect such subsidies will continue

The Korean market, like broader world markets, is quickly moving towards lighter Type III applications for CNG acknowledging the improved safety and life cycle cost benefits



The Korean Market



We have established Dynetek Korea with Sejung Co., Ltd. a Korean Tier 1 supplier to the Korean automobile OEM's

R&D projects are underway with Hyundai Motor Group to develop CNG and hydrogen applications

Initial deliveries to HMG were made during 2Q10

We estimate mid-term demand for Type III CNG cylinders could approach 5,000 units annually



The Indian Market



Natural gas vehicles and their infrastructure are well established utilizing Type II cylinders

We estimate the fleet of 10,000 CNG Buses in operation today will increase at a rate of 6,000 per year through 2013

The Government of India has established a supportive regulatory and funding framework in support of CNG fueling applications in urban centers



The Indian Market



The Government of India has committed US\$875MM to the state governments including assistance to fund the purchase of 14,000 buses, the majority of which are expected to be fueled by CNG

Demand for CNG fueling systems has increased with the Indian Supreme Court directive on conversion of commercial vehicles to CNG in 12 major cities in India to reduce pollution



The Indian Market



Operating costs and total lifecycle costs are now being evaluated in capital purchase decisions particularly where government funding is being sought

As a result, an accelerated move towards Type III cylinder applications in larger municipal and state inter-city bus fleets is expected

Our cylinders are fully certified for sale in India subject to establishing, at a minimum, a testing facility in India by the end of 4Q10



The Indian Market



We are evaluating potential partners with the intent of establishing a joint venture in India by the end of F2010

We estimate mid-term demand for Type III CNG cylinders could approach 10,000 units annually

The Chinese Market



The Chinese market exhibits many of the same demand characteristics as India and Korea

The Chinese government has pledged a 40-45% decrease in CO₂ emissions per GDP by 2020¹

Domestic commodity pricing policies will drive consumption of natural gas ahead of hydrocarbons

¹ Source: "On Chinese Carbon Reduction Target" Michinori Uwasu, Sustainability Design Center, Osaka University published June 2, 2010



The Chinese Market



Natural gas prices are up to 80% lower than those for diesel and gasoline

Natural gas vehicles and their infrastructure are well established using Type II cylinders

Superior Type III life cycle costs make it the preferred go-forward application in automotive and industrial markets

Significant market demand for taxi fleets and bulk transportation has been identified



The Chinese Market



We have evaluated a number of potential alternatives to access the Chinese market and believe a joint venture will be the most effective

We are evaluating potential partners with the intent of establishing a joint venture in China by 2Q11

The Hydrogen Market



World market demand comes primarily from the research and development activities of the automotive OEM's

Emissions regulation in the European Union is driving the OEM's to produce hydrogen passenger vehicles to reduce fleet emissions levels by 2016

Demand for cylinders in this market will increase steadily through 2015 as the OEM's move through pre-production to production levels of activity



The Hydrogen Market



Dynetek has a world-class research and development capability making us the preferred OEM partner for the development of hydrogen fueling systems

Current development contracts and contract negotiations for pre-production volumes of cylinders for passenger vehicles are underway with major OEM's in the European and the Asia Pacific markets

The Hydrogen Market



We expect increased revenues from expanding OEM research and development projects in the near term

OEM pre-production demand for cylinders is expected in the mid-term

Recap of Our Focus



Through F2011

Continue penetration of the EU market

Execute revision to our NA market strategy

Execute market entry strategies for Korea, India and China

Execute and expand R&D in support of OEM hydrogen programs



Recap of Our Focus



F2012 through F2015

Further penetration of the EU market

Further penetration of the NA market

Further penetration of the Korean, Indian and Chinese markets

Develop and execute OEM supply agreements for hydrogen pre-production/production programs



Strategy Presentation



Questions ?