

Axine Pharma Wastewater Services: Automated, on-site treatment of APIs & solvents in rinse water and plant effluent

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Treating Pharma Wastewater Automated, On-Site Solutions for Rinse Water/Effluent

- Axine specializes in on-site treatment of pharma wastewater contaminated with APIs and solvents
- Our automated systems treat rinse water on-site to eliminate off-site trucking and incineration, ensure compliance and treat APIs in plant effluent
- Our unique service model enables plants to automate treatment, reduce opex, improve safety, eliminate off-site trucking risk and achieve ESG goals – with minimal capex investment
- Our solutions provide guaranteed treatment of the widest range of organic pollutants to the most stringent treatment requirements so plants can focus on manufacturing medicines
- If your plant is trucking CIP rinse water off-site or discharging APIs in wastewater, we can help



Pharmaceutical Pollution is a Risk A Strategic Issue for the Pharma Industry

In recent years, pharma wastewater contaminated with APIs has become the focus of global attention as a risk to human health & the environment Pharma companies are now faced with managing the risks of environmental and health impacts due to discharging untreated APIs, damage to corporate reputation, restrictions on market access, supply chain disruption, higher operating costs, new regulations & potential litigation To help address these issues, Axine has created a new standard of care for treating APIs and other toxic organic pollutants in pharma wastewater

Incumbent Solutions are Ineffective

Axine's Solutions are Higher Performance & Lower Cost

- 1. Pharma plants truck and burn high volumes of solvent & API-contaminated Rinse Water
 - Expensive up to \$1M+/yr per plant
 - Dirty up to 5+ M lbs of waste incinerated
 - Safety Employee handling exposure risk
 - Energy Intensive trucking up to 100,000+ miles/yr
 - Business Interruption Loss of waste disposal outlets
 - Can't be treated by incumbent technologies
- Pharma plants also discharge high volumes of API-contaminated effluent to the environment
 - Environmental Risk API impact on aquatic ecosystems
 - Health Risk AMR, endocrine disruption, etc.
 - Reputational Risk C-level attention, investors, NGOs
 - Market Risk Emerging regs; supply chain scrutiny
 - Regulatory Risk Emerging API regulations
 - Can't be treated effectively by incumbent technologies







Eliminate Off-site Trucking/Disposal

Treat problem streams on-site to eliminate off-site trucking & incineration



Eliminate API's in Effluent



Treat APIs in wastewater to eliminate discharging APIs to the environment

Protect/Expand Biological Systems

Pre-treat high COD streams to reduce toxicity & aeration load pre-bio



Ensure Regulatory Compliance



Treat wastewater to ensure permit levels are safely achieved









Axine



Customer

- Delivers wastewater at specification
- Provides site & energy to operate the Axine system



Axine

- Treats wastewateras-a-service under multi-year contract
- Guarantees specified treatment performance

Axine Wastewater-as-a-Service

- Axine designs, builds, owns, operates, maintains, services turnkey system at customer's site
- Systems based on Axine's proprietary electrochemical oxidation technology; fully automated & remotely operated

Pharma Streams & Pollutants We Treat

Problem Stream Sources

- CIP rinse water
- Line and tank rinses
- Fermentation waste
- Biologics manufacturing waste
- Off-spec disposal operations
- Scrubber blowdown
- Solvent extraction
- Cleaning processes
- Formulation operations

Problem Organic Pollutants

- <u>APIs</u> e.g. antibiotics, antidepressants, antimicrobials, opioids, oncology, hormones, cardiovascular drugs, etc.
- <u>Solvents</u> e.g. toluene, methylene chloride, ethanol, methanol, IPA, acetone, acetonitrile, etc.
- <u>Other Organics</u> e.g. chloroform, detergents (Triton X-100), surfactants, biocides, etc.
- <u>Ammonia</u> and other nitrogen species
- Axine solutions are highly versatile and capable of treating a wide range of contaminants including APIs down to levels well below 1 ppb.
- Complete mineralization of APIs in highly contaminated wastewater provides pharma manufacturers a robust tool to achieve risk quotients less than 1 for their most ecotoxic APIs with very low PNEC values.

Eliminates off-site trucking; enables reuse

- ✓ Treats IPA solvent COD >70,000 mg/L
- ✓ Treated water reused on-site in cooling towers
- ✓ Automates and streamlines rinse water system
- ✓ Reduces opex, site labor and EHS time
- Eliminates off-site trucking and incineration
- ✓ Aligns site ESG performance



Example 2 – Pharma Plant

Automated treatment to meet regulatory compliance

- Axine system at a pharma site in the US north east
- Enables site to meet local and EPA limits
- Treats solvents and organics at COD >1000 mg/L
- Treated water discharged to sewer
- Streamlines and simplifies wastewater system



Example 3 – Pharma Plant Eliminates off-site trucking & incineration

- ✓ Treats organics and API at COD >4,000 mg/L
- Treated water discharged to sewer
- Automates and streamlines waste
- ✓ Reduces opex, site labor & EHS time
- Eliminates off-site trucking and incineration
- ✓ Avoids business interruption risk



Axine Benefits to Pharma Sites

- 1. Automate, streamline and simplify wastewater treatment
- 2. Reduce opex vs. off-site trucking
- 3. Reduce labor cost, free-up EHS personnel, improve employee safety
- 4. Eliminate operational risks due to disruptions to trucking services
- 5. Guarantee the highest degree of treatment performance
- 6. Provide price certainty and transparency
- 7. Enable water reuse and improve ESG performance
- 8. Minimize capex investment and impact to operations



Axine vs Trucking (over 5 year service term)



Off-site trucking and incineration

VS



No	Guaranteed treatment	Yes
\$1 – 5M	Cost (\$)	up to 50% savings
up to 10 million	Waste incinerated (lbs)	zero
up to 500,000	Trucking (miles)	zero
up to 1,000	GHG (tons)	up to 90% less
Νο	Water reuse	Yes
Yes	Production Bottlenecks	No
Νο	Sustainability compliant	Yes

Technology and Systems

Breakthrough EOx Technology A New Standard for Treating Toxic Organics Pollutants



Unmatched Performance

- Destroys virtually any organic pollutant or API to meet the most stringent treatment requirements down to ppb or non-detection levels
- Operates in wide range of wastewater quality and pollutant concentrations

- Axine's systems are based on its proprietary electrochemical oxidation technology (EOx)
- Electricity is applied to catalysts that generate hydroxyl (OH*) and other mixed oxidants
- Direct and indirect oxidation breaks down pollutants to trace by-product gases N₂, H₂, O₂ & CO₂
- Organic pollutants completely mineralized and destroyed unlike other AOP technologies
- No hazardous chemicals required; no liquid or solid waste generated
- Axine owns its technology, which is protected by an extensive IP portfolio

Axine Modular Treatment Systems

- EOx technology is integrated into modular, turnkey treatment systems
- Systems are assembled off-site for "plug-and-play" installation at customer sites and designed to be scaled as needed
- They are fully-automated with data analytics for remote operation and monitoring







Axine Turnkey Treatment Systems



- Equalization tanks
- Pre-treatment and post-treatment (e.g. membranes, filters, etc.)
- Electrochemical reactors, power supply, control system, control system interface, instrumentation
- Electrolyte, electrolyte dosing, pumping & exhaust systems

Axine Testing/Product Development

- Extensive in-house testing capabilities including full-scale commercial skids (left), full-scale pilots (right) & mini E-box pilots (not shown)
- Dedicated technical services team including test engineers, technicians & full service analytical capabilities





Axine Manufacturing Facility

 Dedicated 10,000 square foot facility located in Metro Vancouver for manufacturing, assembly and testing of turn-key wastewater systems



Treatability Results

Treatment Performance Example #1 Reducing IPA & Acetone by >99% for a Pharma plant

- COD reduction by >99%
- IPA destruction by >99%

Acetone destruction by >99%

Parameter	Units	Treatment Requirement	Influent	Effluent
COD	mg/L	N/A	1,300	<10
IPA	mg/L	<5	500	<1
Acetone	mg/L	<2	75	<1



Treatment Performance Example #2

Eliminating Antimicrobial API for a Pharma plant

- API molecular weight is > 500 g/mol
- API destruction by > 99.2%
 - 7,000 to < 50 μg/L
 - Below 70 µg/L site permit requirement
- Technical Bulletin

Parameter	Before Treatment	Treatment Required	Axine Treated	% Reduction
API µg/L	7,000	70	< 50*	> 99.2%
COD mg/L	3,250	N/A	< 50*	> 98.4%

* Values indicate the analytical detection limit of these compounds



Treatment Performance Example #3

Eliminating Oncology API for a Pharma plant

- API molecular weight is > 800 g/mol
- API destruction by >99.3%
 - 7,800 to < 50 μg/L
 - Below 200 µg/L site target
- Chloroform destruction by > 99.999%
- Technical Bulletin

Parameter	Before Treatment	Treatment Required	Axine Treated	% Reduction
API µg/L	7,800	200	< 50*	> 99.3%
Chloroform mg/L	500	2	< 0.001*	> 99.9%
COD mg/L	19,920	N/A	920	> 95.3%

* Values indicate the analytical detection limit of these compounds



Treatment Performance Example #4

Amoxicillin Treatability Testing on Model Wastewater

- API molecular weight is 365.4 g/mol
- API destruction by > 99.9999%
 - 100,000 to < 0.1 μg/L</p>
 - Below 0.25 µg/L PNEC level
- Molecular structure:



Parameter	Before Treatment	PNEC	Axine Treated	% Reduction
API µg/L	100,000	0.25 ^A	< 0.1*	> 99.9%
COD mg/L	134	N/A	< 10*	> 92.5%

^A Values per Temple University's Water and Environmental Technology (WET) Center PNEC List, 2019 * Values indicate the analytical detection limit of these compounds



Treatment Performance Example #5 API Blend Treatability Testing

Parameter	Before Treatment	PNEC	Axine Treated	% Reduction
Acetaminophen µg/L	102,000	95 [^]	< 0.2*	> 99.9998%
Ampicillin µg/L	1,320,000	0.25 ^в	< 0.2*	> 99.9999%
Atenolol µg/L	94,000	148 ^A	< 0.05*	> 99.9999%
Atorvastatin µg/L	71,000	14 ^A	< 0.005*	> 99.9999%
Roxithromycin µg/L	75,000	1 ^B	< 0.005*	> 99.9999%

^A Values per Temple University's Water and Environmental Technology (WET) Center PNEC List, 2019

^B Values per AMR Industry Alliance's recommendation, 2019

* Values indicate the analytical detection limit of these compounds

Technical Bulletin

Acetaminophen	Ampicillin	Atenolol	Atorvastatin	Roxithromycin
MW: 151.16 g/mol	MW: 349.41 g/mol	MW: 266.34 g/mol	MW: 558.64 g/mol	MW: 837.05 g/mol
HO		H ₂ N CH ₅	P P P P P P P P P P P P P P P P P P P	$\begin{array}{c} H_{0}C \\ H_{0}C \\ H_{0}C \\ H_{0}C' \\ H_{0}C' \\ H_{0}C' \\ H_{0}C' \\ H_{0}C' \\ CH_{0} \\ $



	axine	Trucking & Incineration	Chemical AOP
Capex (customer)	Minimal	Low/Moderate	High
Opex (customer)	Low	High	Moderate/High
Versatility/Efficacy	High	High	Low/Moderate
Trucking miles/risk	Zero	High	Moderate
Safety risk	Low	High	Moderate
Waste disposal	None	Yes	Variable
Hazardous chemicals	None	None	Yes
Water reuse	Yes Possible	No	Yes Possible
GHG emissions	Low	High	Low/Moderate
Performance guarantee	Yes	Variable	No

Project Development Steps

Project Development Steps

- Progression from initial assessment to deployment
- Stage-gated with clear off-ramps
- Pre-defined success criteria



Commercial Deployment

Step 4

Design, build, install, commission and maintain Axine system

service proposal



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