



## **MagneGas open to partnerships as it grows, building initial relationships with investment community, execs say**

**by Chris Marr in Atlanta**

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MagneGas (OTC: MNGA), the developer of a patented process to refine fuel from liquid waste, is open to partnerships as it commercializes its technology, company executives told this news service. The business, based in Palm Harbor, Florida, could also consider a future capital raise as it looks at longer term growth opportunities, although it will be careful to limit shareholder dilution.

The company's fuel, refined from various liquid wastes including sewage and sludge, can be used as an alternative or additive to natural gas and produces lower greenhouse gas emissions, according to the company website. At a time when green technology is a hot topic, the pre-revenue company is seeing ample interest from potential customers and partners, said Richard Connelly, company president.

A USD 20m market cap company, MagneGas is immediately seeking federal grant funding, said CFO Luisa Ingargiola, and is interested in partners who have access to grant funding. She declined to comment on interest from possible acquirers, but said the management team talks with interested partners about various arrangements as they approach. Management is hopeful the business can fund its initial growth internally, the CFO said, but is monitoring longer term growth opportunities that could make a future capital raise appropriate.

The company's fuel has many potential applications, but the initial focus in the US is for welding and metal working, Connelly said. The company reports the metal working fuel market to be worth an estimated USD 680m annually. Its latest success in the market is a fuel distribution agreement with Florida-based Crumpton Welding Supply, announced in June.

MagneGas looks to build revenue through fuel sales in the US and sales of equipment -- portable refineries with which users can process their own fuel -- in international markets, the executives said. The company is conservatively projecting sales of USD 250,000 this year and USD 3m next year, they said.

The company is not likely to engage an investment banker in the near term, the executives said, but it has hired an outside investor relations manager who is helping to foster initial relationships with that community.