

News Release



BASF Venture Capital invests in Canadian company Quantiam Technologies Inc.

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➤ **Investment of €2 million with the main focus on catalytically active coatings for steam cracker furnace tubes**

Ludwigshafen, Germany – February 4, 2010 – BASF Venture Capital GmbH, Ludwigshafen, is investing in Quantiam Technologies Inc., Edmonton, Canada. The company develops and markets functional coatings for extreme operating environments such as petrochemicals industry applications. The heat-resistant products help prevent erosion and corrosion and are based on novel coatings, surfaces and catalysts.

Quantiam has emerged from the current investment round with C\$6 million (approximately €4.0 million), with BASF Venture Capital contributing C\$3 million. The second investor is Ursataur Capital Management L.P., a private investment fund with its head offices in Toronto, Canada, which contributed the same amount. Quantiam will use the additional capital to fund further growth. Plans include an expansion of production plant to enable its capacity to be put to commercial use. A major focus of the investment will be catalytic surface coatings, in particular for steam cracker furnace tubes, known as catalyzed-assisted manufacture of olefins or CAMOL. Applied on internal surfaces, the coatings reduce carbon formation and hence cut

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maintenance times, energy expenditure and CO₂ emissions. Rationale: carbon deposits clog the tubes over time and act as insulators, necessitating higher process temperatures on a permanent basis.

“This investment gives us an excellent basis for using a world-first technology that combines cost savings with lower maintenance and can be applied on a global scale at BASF Verbund sites,” commented Dr. Heinrich-Josef Blankertz, head of Global Strategy and Technology Petrochemicals at BASF.

“Quantiam offers us a cutting-edge technology that is fully developed and ready for immediate use. That’s really rare and definitely has tremendous growth potential for BASF and the petrochemical industry,” added Matthias Baum, Investment Manager at BASF Venture Capital GmbH.

“We are thrilled to have the support of BASF Venture Capital, which is an important partner for us,” said Dr. Steve Petrone, Founder and Chief Executive Officer of Quantiam. “BASF Venture Capital combines expertise in developing the growth of young businesses like Quantiam with petrochemical expertise in the industry. Along with Ursatur Capital Management, it will be an excellent source of support for our further business growth.”

About Quantiam Technologies Inc.

Quantiam Technologies Inc. was founded in 1998 by Dr. Steve Petrone to develop and commercialize disruptive, world-first new products based on advanced materials, catalysts, coatings and surfaces for extreme-operating environments and energy-related applications. Quantiam provides the most advanced high-performance coatings in the world for internal-surfaces of complex shapes such as tubulars with a coating capacity growing from 1 million-in²/yr to 3 million-in²/yr (6 to 19 million-cm²/yr) and tube-lengths of up to 20 feet (6 meters) in late 2010.

Additional information about Quantiam, its technologies, products and services is available at www.quantiam.com.

About BASF Venture Capital GmbH

BASF Venture Capital GmbH was established in 2001 as a wholly owned subsidiary of BASF Future Business GmbH, Ludwigshafen, Germany, with the aim of exploring new growth potentials based on investment in startup companies and funds. BASF Venture Capital GmbH's financial commitment per company is in the range of one to five million euros, with active support provided for young start-ups. BASF Venture Capital GmbH selects businesses for investment whose success factors include innovative chemistry-based solutions and which are of strategic interest for BASF. More information about BASF Venture Capital GmbH is available at www.basf-vc.de.

About BASF

BASF is the world's leading chemical company: The Chemical Company. Its portfolio ranges from chemicals, plastics and performance products to agricultural products, fine chemicals as well as oil and gas. As a reliable partner BASF helps its customers in virtually all industries to be more successful. With its high-value products and intelligent solutions, BASF plays an important role in finding answers to global challenges such as climate protection, energy efficiency, nutrition and mobility. BASF posted sales of more than €62 billion in 2008 and had approximately 97,000 employees at the end of that year. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information on BASF is available on the Internet at www.basf.com.