



naturally, we have a better way

European Industrial Hemp Conference May 2009



Naturally Advanced Technologies
(OTCBB: NADVF, TSXV: NAT)



Safe Harbor

This presentation may include certain statements that may be deemed "forward-looking statements". All statements in this presentation, other than statements of historical facts are forward-looking statements. Forward-looking statements or information are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks and uncertainties relating to: any market interruptions that may delay commencement of trading of NAT's Shares on the TSX-V, technological and operational challenges, needs for additional capital, changes in consumer preferences, market acceptance and technological changes, dependence on manufacturing and material supplies providers, international operations, competition, regulatory restrictions, and the loss of key employees. In addition, the company's business and operations are subject to the risks set forth in the company's most recent Form 10-KSB, Form 10-QSB and other SEC filings which are available through EDGAR at www.sec.gov. These are among the primary risks we foresee at the present time. The company assumes no obligation to update the forward-looking statements.



Naturally Advanced Technologies

- Led by passionate, experienced team,
- Committed to unlocking the potential of renewable and environmentally sustainable biomass resources
- Incorporated in 1998, public in 2003 (OTCBB: NADVF, TSX-V: NAT)



- Proprietary, disruptive technology enabling cost effective, mass production of industrial hemp & bast fibers

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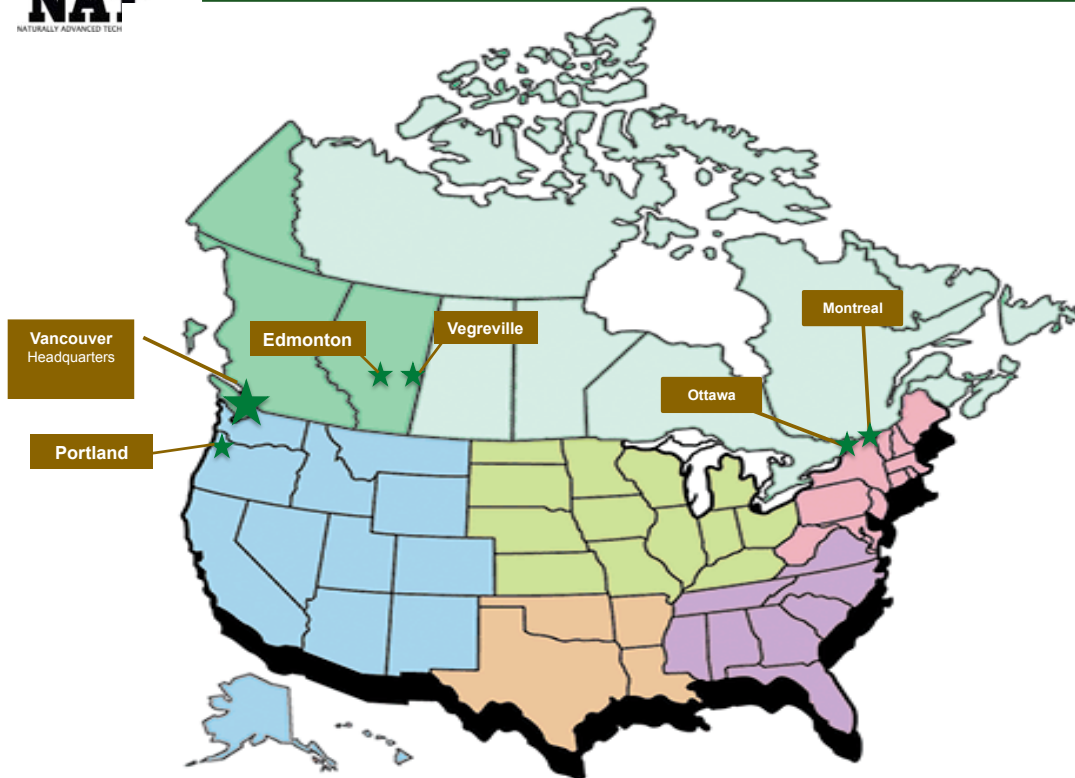
Leadership

Kenneth Barker	<i>CEO & Director</i>	20+ years, Head of Apparel, adidas® North America; GMM, Levi Strauss & Co. Canada, co-president of The Meriwether Group
Jason Finnis	<i>Co-Founder, COO & Director</i>	14 year industrial hemp entrepreneur, drives research & Federal Government of Canada relations
Guy Prevost	<i>CFO & Director</i>	15+ years of public and private market financial experience
Larisa Harrison	<i>Co-Founder, CAO & Director</i>	15+ years in apparel industry/ network administration; large Canadian private label fashion company
Miljenko Horvat	<i>Chairman of the Board</i>	20+ years in investment banking and private investing; President, Horvat Capital
Peter Moore	<i>Director</i>	20+ years, branding and design expert, Creative Dtr., Nike (Air Jordan, Nike Air); CEO, adidas® North America; Worldwide Creative Director, adidas AG; Runs design & branding consultancy
Robert Edmunds	<i>Director</i>	15+ years financial experience; Co-coordinated NETeller PLC's AIM listing in '04
John Hoekman	<i>Advisor</i>	SVP, Stephens Inc., capital markets and financing activities
Lesley Hayes	<i>Advisor</i>	President, No Drama Media, founder/ principle at 3 public companies, assists with strategic business planning
Jeremy Jones	<i>Advisor</i>	VP of Koch Genesis 2007-2009; responsible for renewable fuels, biopolymers, medical textiles and advanced fibres

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Head Office and Research Facilities

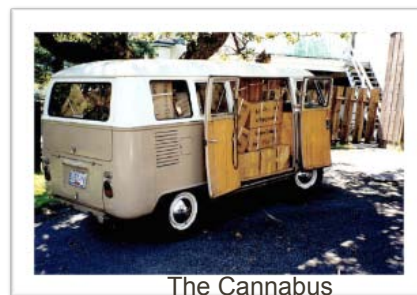


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10 Years of Leading Innovation

- Company evolution:
Hemptown → HTnaturals →
Naturally Advanced Technologies
- Incorporated in 1998
- Primary focus on apparel
- Named to the “Fastest Growing Business’ of BC” list in 2004
- Customers included Costco, Starbucks, and Whole Foods



The Cannabus



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CRAILAR Inspiration

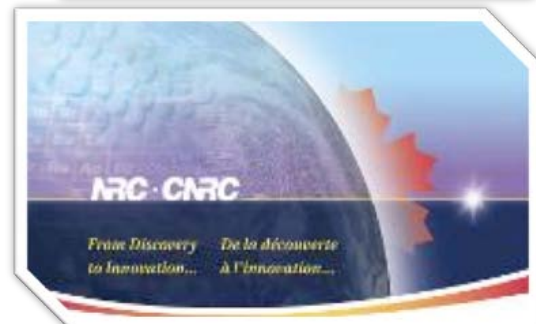


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National Research Council of Canada

- C\$1B operating budget
- Mandate is to support Canadian Businesses
- Co-Developed patented processes for bast fibers
 - NAT began collaboration with NRC in 2004
 - Two patents filed
 - NAT has exclusive worldwide rights to technology created



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CRAILAR Organic Fibers

Spun-Yarn & Non-Wovens

- Employs simple, efficient 100% organic, closed-loop enzymatic bath that can be easily constructed in any warehouse next to the crop
- Eliminates the need for water, dew, or chemical retting
- Superior to other processing systems which are reliant on pressure, high temperatures, and toxic chemicals
- Uses conventional cotton-spinning equipment & existing infrastructure to enable hemp to enter the organic cotton mainstream
- Solution for casual apparel, upholstery & luggage and non-woven applications



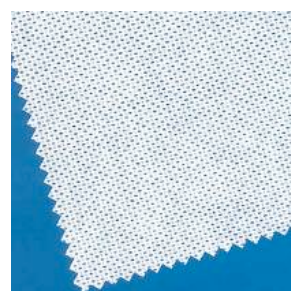
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Organic Fibers Test Results

Test fabrics were comprised of 20% CRAILAR & 80% cotton yarns

- Spinning and weaving trials underway at NC State University, North Carolina USA
- Trials resulted in both Knit and Woven fabrics produced on unmodified cotton machines
 - Reduced shrinkage 50%
 - Increase tensile strength 45%
 - Reduced dye uptake 20%
 - Demonstrated wicking capabilities
- Superior fiber for use in of Non-Woven Consumer applications



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Alberta Research Council

- C\$100M operating budget with over 500 employees
- NAT signed a Master Services Agreement with ARC in 2007
- Partnership has resulted in two patent applications, with several more anticipated
- NAT has exclusive global rights to commercialize the technology
- Areas of focus include:



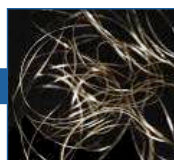
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Advanced Materials Enables Forest Free Pulping

The annual global fluff pulp market was 4.5M metric tons in '07 and is growing 6% to 7% per year. (GL Group). The initial end-use market for CRAILAR dissolving pulp is performance apparel, which was \$7.4B in '06 and projected to be \$9.0B by 2012. (Engineering News)

- Delivers greatly enhanced performance features over traditional pulps
- Fluff pulp is stronger & very absorbent for paper, hygiene, etc.
- High-end dissolving pulp for performance & protective apparel
 - First sustainable performance yarn on the market
 - To replace petroleum-based polyester yarn with organic alternative



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Dissolving Pulp Characteristics

Attribute	Unit	Softwood	CRAILAR®
Yield	%	32 - 36	55
Viscosity	cm ³ /g	550	786
Brightness	% ISO	90.5 - 92.0	92.8
Alpha Cellulose	%	95.5 - 96.5	98.1
Ash Content	%	0.03 - 0.08	0.05
Acetone Extractives	%	0.08	0.01

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Go-To Market Branding Strategy

Develop a CRAILAR brand to create emotional connections with consumer

Strategy to follow leaders in advanced materials technologies



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Exploring Hanes Partnership



- Hanesbrands Inc. (NYSE:HBI) \$4B global apparel brand
 - Global consumer goods company with more than a century of history and a portfolio of leading apparel essentials
 - Brands can be found in eight out of 10 American households
 - Single largest consumer of cotton in US
- Partnering with NAT in Organic Fibers spin trials at NC State University
 - First time hemp was processed on conventional cotton spinning equipment



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Current Research with Industry Leader



- Ongoing testing and evaluation of CRAILAR fiber at leading North American pulp, paper, and consumer products company
 - NAT will identify potential product applications for its market
 - NAT will test and mass produce hemp products i.e.
 - Organic Fiber - Non Woven applications
 - Consumer pulp and paper products (such as paper towels and hygiene products)
 - Dissolving pulps for performance yarns used in performance and protective apparel
- Our accomplishments enable hemp to enter mainstream apparel and pulping production using existing infrastructure

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Key Accomplishments

2008	<ul style="list-style-type: none">✓ CRAILAR Advanced Materials fluff and dissolving pulp trials with one of North America's largest pulp & paper producers✓ CRAILAR Organic Fibers spin tests with Hanes✓ CRAILAR Advanced Materials dissolving pulp test results✓ CRAILAR begins pilot testing
2007	<ul style="list-style-type: none">✓ Signed global exclusive licensing agreements with NRC & ARC✓ CRAILAR patent applications filed✓ Completion of CRAILAR proof of concept testing
2005	<ul style="list-style-type: none">✓ Raised \$1.4M for ongoing CRAILAR development
2003	<ul style="list-style-type: none">✓ NAT lists on NASDAQ OTCBB, initial raise of \$500K

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Pathway to Commercialization

2009 Key Actions:

- Volume revenue
- Partnership agreements and revenue stream
- CRAILAR processing facility construction begins
- Partner funding and Joint Development agreements

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Key Takeaways

- CRAILAR – a gateway breakthrough technology enabling cost effective, mass production of industrial hemp
- Commercializing via partnerships with industry leaders
 - Demonstrated enhanced performance
 - Existing demand for future products
 - Leveraging branding expertise to make CRAILAR consumer friendly
- Providing sustainable, clean technology solution for apparel, pulp & paper and plastics industries
- Global renewable bio-fiber industry rapidly gaining momentum
- Led by passionate, experienced team



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NAT

NATURALLY ADVANCED TECHNOLOGIES

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