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AMRS - Q3 2016 Amyris Inc Earnings Call

EVENT DATE/TIME: NOVEMBER 02, 2016 / 8:30PM GMT

CORPORATE PARTICIPANTS

Peter DeNardo *Amyris, Inc. - Director, IR & Corporate Communications*

John Melo *Amyris, Inc. - CEO*

Raffi Asadorian *Amyris, Inc. - CFO*

CONFERENCE CALL PARTICIPANTS

Sameer Joshi *Rodman & Renshaw Research - Analyst*

Lisa Springer *Singular Research, LLC - Analyst*

Nate Mitchell *FBR Capital Markets & Co. - Analyst*

Thomas Boyes *Cowen and Company, LLC - Analyst*

PRESENTATION

Operator

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I would now like to turn the call over to Peter DeNardo, Director of Investor Relations and Corporate Communications. Please go ahead, sir.

Peter DeNardo - *Amyris, Inc. - Director, IR & Corporate Communications*

Thank you, Heidi. Good afternoon, and thank you for joining us today. With me today are John Melo, our Chief Executive Officer; and Raffi Asadorian, our Chief Financial Officer.

Please note that on this call, you will hear discussions of non-GAAP financial measures. Reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures is contained in the financial overview slides of the accompanying presentation or the news release distributed today, which is available at investors.amyris.com. The current report on Form 8-K furnished with respect to our press release is also available on our website as well as on the SEC's website at sec.gov.

During this call, we may make forward-looking statements about events and circumstances that have not yet occurred, including projections of Amyris' operating activities, anticipated closing of financings or collaborations, our plans to potentially divest non-core assets and financial results for the remainder of 2016 and beyond. These statements are based on management's current expectations, and actual results and future events may differ materially due to risks and uncertainties, including those detailed in the company's recent SEC filings and the Risk Factors section of its quarterly report on Form 10-Q filed on August 9, 2016. Amyris disclaims any obligation to update information contained in these forward-looking statements whether as a result of new information, future events or otherwise. Please refer to the Amyris SEC filings for detailed discussion of the relevant risks and uncertainties.

Before we begin today, I'd like to note that included in our webcast is a slide presentation we will refer to in today's presentation.

I will now turn the call over to John Melo. John?

John Melo - *Amyris, Inc. - CEO*

Thank you, Peter. Good afternoon, and thanks, everyone, for joining our call.

During the third quarter, we continued to deliver on our 2016 goals and to position ourselves for a great fourth quarter and a better-than-expected 2017. We've previously explained that 2016 revenues would be weighted to the second half of the year, and the third quarter was just a first step in realizing this. Through the first three quarters of this year, we have had success in closing new agreements, opening new markets, which are laying the foundation for our growth. We ended the quarter with over 14 active revenue-producing collaborations and a pipeline of over 100 molecules to engineer and produce for our collaboration partners. The expected annual product sales revenue at maturity of our collaboration portfolio and pipeline now exceeds $2 billion in annual revenue, with nearly half of this coming from the recent deals we've announced. Going forward, execution and access to the necessary manufacturing capacity to support our growth is our main focus.

Today, I'll provide details regarding our third quarter performance and recent key collaborations, our focus on ensuring sufficient production capacity and our outlook for the rest of the year. Raffi will review our financial performance and outline steps taken or underway to meet our liquidity needs and improve our capital structure.

Our revenue for the third quarter of 2016 of $26.5 million marked the new record for Amyris since exiting ethanol sales and trading and compares to $8.6 million for the third quarter of 2015. Year-to-date, our revenue is over 30% higher than the full year of 2015, and we expect to end the year with well over double last year's GAAP revenue. This revenue growth includes product sales growth of 61% for the quarter and much-better-than-expected collaboration revenue.

We are experiencing solid product sales demand in farnesene and farnesene-derived products in addition to the growth in new fermentation products for the flavors, fragrance and cosmetics industry. Farnesene growth in the third quarter was driven by demand in nutraceuticals, industrial lubricants and cosmetic ingredients. We expect this strong demand to accelerate into the fourth quarter, combined with sales of two fragrance products and significant growth in farnesene sales for the nutraceutical markets. Our main risk is ensuring we have sufficient capacity to meet this increased demand, and that is currently our main focus.

Our collaboration pipeline is the most solid and diverse it has ever been, with 14 active revenue-producing collaborations and about a dozen new agreements in various advanced stages of discussion. This compares to a portfolio of about three material collaborations, of which Total was the most significant of those at the start of 2015. The core of our strategy remains to collaborate with leading global companies to deliver innovative products and resolve supply chain issues by delivering lower cost, better-performing ingredients for our partners' core business.

This partnership model removes significant risks from our product portfolio, aligns incentives that have led to much-faster and lower-cost market entry for the products we produce and provide access to our partners' channels, instead of us having to invest in building our own channels for each of the markets where we have leading products. This business model is delivering what we believe is industry-leading revenue growth, the leading gross margin profile in our sector and the leading product pipeline in industrial biotechnology.

Our focus is paying off, as evidenced by our 61% product sales growth in the quarter and growth throughout the entire year. This level of growth is expected to accelerate going forward. Near term, we expect the fourth quarter to be another record product sales quarter since exiting the ethanol trading business.

Our collaborations are our innovation engine and add more products to our portfolio that are funded by our partners. These funded projects also supply profitable revenues and immediate cash flow to the company. Therefore, they fuel our near-term revenue and cash and provide long-term stream of recurring revenue along with a long-term margin growth opportunity.

Let me provide further detail on some of our agreements and how our business is growing. First, we executed definitive agreements for a strategic partnership and financing with a global nutraceuticals market leader. This partner is Nenter, and they are mainly engaged in producing pharmaceutical intermediates, chiral chemicals and APIs and will use farnesene to significantly reduce the production costs as a targeted nutraceutical product. We began shipping farnesene to them in the third quarter and are in process of shipping over $5 million of farnesene in the fourth quarter to this partner.

The latest agreement with this partner extends our partnership to a second target product. The first product is expected to contribute about $40 million of 2017 revenue. Upon full-scale production of the second target in 2019, the two of them combined are anticipated to generate approximately $100 million of annual product revenue. Nenter, our partner, has also agreed to provide Amyris an unsecured credit facility of $25 million. This kind of non-dilutive partner funding is what we promised last quarter and is a great example of the value of our collaborations and the power of becoming a must-have technology for our collaboration partners.

Second, we executed a Memorandum of Understanding for transformative strategic collaboration with a partner that is a leader in food ingredients and nutraceuticals. This is a separate partner. I've met with them last week and toured some of their production facilities in China, and we had identified our initial molecule targets to begin engineering. Some of their customers include many of the Fortune 50 brands. And they have a strong pipeline of planned new products on which we will improve their efficiency and productivity through the application of our technology. This deal is expected to deliver $100 million in annual revenue starting in 2017, initially, at minimal margins, that we expect to rapidly expand by lowering their cost of production and by improving the cost of fermentation for products, where we end up receiving 50% of the improvement.

Upon required approval and execution of definitive agreements, Amyris expects to receive a $10 million technology access fee, think of this as another collaboration fee, as well as an equity investment of up to $20 million at $1.40 per share. We will also invest in the partner's industrial fermentation facilities in Asia using Amyris' shares valued at $1.40 a share. We expect to sign a definitive agreement around the beginning of December.

Thirdly, at the beginning of the year, we told you we plan to execute on two to three major collaborations in the biopharmaceutical sector. This is an important emerging opportunity for us, where we are already winning with the leaders for each of our targets and have a real opportunity to transform solutions for patients.

With last Friday's announcement, we had signed our third large microPharm collaboration, as planned, and have now executed agreements with three of the top companies in the industry. This latest agreement with a commercial license option is with 1 of the top 10 largest global pharmaceutical companies, similar in nature to the technology we'll utilize in our collaboration with J&J biotech. This one will focus on the creation of novel antibiotic targets.

Our work with this partner is a major opportunity for us as modern medicine is being threatened by antibiotic resistance. In fact, Tom Frieden, Director for the Centers for Disease Control, recently noted that this resistance could turn back the clock to a pre-antibiotic era, in which previously treatable infections could potentially become fatal. This has put the medical community and global organizations on high alert and making resources available to solve this problem. And we believe our capabilities can be a solution. So within one year, we have executed agreements with three of the top companies in the industry, and we expect to close others in the coming year.

Fourth, standing opportunities for commercial use of our farnesene is a key part of our growth, as evidenced by demand from our nutraceutical partner. In August, we won a three-year multimillion dollar contract from the U.S. Department of Energy to further manufacturing of cellulose-derived farnesene. Success of this project could enable farnesene cost below $1 per liter, delivering breakthrough performance and unlocking additional markets for us, where farnesene can be a high-performance replacement for a variety of products and applications.

Fifth, as you know, on our last call, we detailed a $10 million equity investment by ARG, one of the oldest refining companies in our country, into our Novvi lubricants and oil joint venture to fund growth in the business, lower our cash costs and begin ramping farnesene shipments, which occurred during the third quarter and was our first initiative to monetize assets. Novvi's renewal plant-based oil based on our farnesene has fueled the launch of Castrol's biosynthetic plant-based renewal motor oil this week. We're excited about the prospects for Novvi as this is a significant achievement with the leading brand in automotive lubricants. Farnesene continues to demonstrate its ability to deliver performance without compromise for many applications while enabling our partners to deliver sustainable growth.

Finally, we are happy to announce we signed a term sheet to enter into a joint venture for our Neossance cosmetic ingredient business with one of the world's most respected cosmetic ingredient suppliers and one of our core ingredient partners, Nikko Chemicals of Japan. This JV is valuing our Neossance business at $40 million. And more importantly, we're happy to remain a co-owner as this is one of our product lines growing at over 50% annually. We are very excited to partner with Nikko, whom we believe will provide added distribution and sales support and further drive growth in this business. Amyris will continue to enjoy the benefit of supplying Neossance cosmetic ingredients to over 500 of the world's leading brands.

Meeting product demand is our main risk going forward. Our facilities are running at full capacity. And Brotas, our fermentation plant, will run for 12 months straight in 2017 and, for the first time, avoid the annual seasonal shutdown. We expect to meet our customer demand, with three main actions already underway, which include adding a production partner in CJ Bio, for which we previously announced a letter of intent that will provide additional farnesene fermentation production capacity expected by the fourth quarter of 2017; and also, by expanding our Brotas facility. We are designing a flexible, multiproduct fermentation facility that will allow us to run multiple products at one time, which will not be completed until mid-2018.

Overall, we have developed our production road map to meet our current demand. We have a strong set of partners, who are helping support and fund the expansion of our manufacturing, and now we need to execute.

In summary, we are executing well on all levels and are exceeding the goals set out at the beginning of the year. We expect to carry this momentum to the current quarter and next year with new agreements, new product introductions and an improved liquidity position and capital structure. As highlighted earlier, we expect significant cash inflows in the fourth quarter from our disclosed partner-funding alternatives, collaborations as well as the JV with Nikko Chemical. We expect this cash will fund our accelerated growth and provide us with sufficient liquidity heading into 2017. We expect fourth quarter GAAP revenue between $37 million and $40 million, resulting in another record quarter.

Now let me turn to Raffi for a detailed review of our financial results for the third quarter.

Raffi Asadorian - *Amyris, Inc. - CFO*

Thank you, John, and good afternoon, everyone. We are pleased with -- we are very pleased with the record revenues reported for the quarter. This represents the company's highest quarterly revenues since discontinuing ethanol sales and trading. And we believe this is just the start of a new trend in our business as we are only at the initial phase of achieving our goal of making renewable products mainstream.

Building on the success of Q2 being our best-ever quarter of announced agreements, we had successfully added several new collaborations to our portfolio and pipeline during the third quarter and ended the quarter with what we believe as the largest and most advanced portfolio in our sector.

We expect to convert two further collaborations in our pipeline to new development projects in the fourth quarter. We currently have 14 active revenue-producing collaborations, with many more in our pipeline. Upon completion of the development, which is now averaging around 12 months, these projects generally result in product sales under pre-negotiated supply agreements. It's hard not to get excited about the potential revenue growth from this portfolio and the pipeline.

We are also continuing to manage operating expenses in the face of this significant growth while taking steps to improve our capital structure and maintain reasonable liquidity as we grow with our partners.

Since the end of the quarter, we have closed on a total of $16.5 million of new funding from existing investors or partners and have still not issued any shares under our ATM facility. Further, as previously mentioned, in the fourth quarter, we expect to close on our $25 million unsecured credit facility with one of our key partners and also complete the collaboration and financing with another partner, to which we plan to issue $20 million of stock at price of $1.40 per share in addition to an expected technology access fee of $10 million.

Combined with the expected closing of the proposed cosmetic ingredients joint venture with Nikko, we expect a total of at least $65 million of new cash from these three partners alone in the fourth quarter. Along with continued revenue growth, these financings will support the improvement of our capital structure in addition to the amendment agreed with Stegodon, which holds $29 million of our senior secured loans.

In October, we agreed to extend the maturity of these loans to 2019, eliminate the restrictive financial covenants and eliminate the monthly debt repayments. The maturity extension is subject to extending maturity of convertible notes held by Fidelity through 2019. With this completed, we are engaged in amending or financing this debt and expect to conclude this process during the current quarter to improve our near-term liquidity while reducing cash debt service.

Now, let me take you through our third quarter results. Third quarter revenues were $26.5 million compared with $8.6 million for the third quarter of 2015. The 208% increase in revenue for the quarter was supported by a 61% increase in product sales growth, led by our personal care business, which benefited from the large ramp-up in nutraceutical sales as well as other farnesene sales from lubricant and base oil products within our industrial business. Collaboration revenue of $19.7 million was driven by our Ginkgo Bioworks collaboration and increased significantly from $4.4 million in Q3 2015. We are running our fermentation facility at full capacity and we'll continue to do so through 2017, which will be the first time we have not taken a seasonal shutdown of the plant.

The product demand is being driven by our farnesene-based products as well as expected strong sales of our two fragrant products in the fourth quarter. Farnesene demand continues to drive our growth expectation into next year and beyond. Assuming capacity constraints don't hamper our efforts, this product sales strength and collaborations revenue should lead to another solid quarter of results.

Adjusted gross profit, which excludes depreciation, inventory provision and excess capacity charges, was $16.1 million, up sharply over $1.2 million for Q3 2015 and $5.6 million for the second quarter of 2016. This improvement was mainly due to the mix of higher margin collaboration and our avoidance of loss-making fuel sales. The resulting adjusted gross margin for the quarter was 61% compared to 15% in the third quarter of 2015.

Third quarter selling, general and administrative expenses declined 19% compared to the third quarter of last year despite the significant increase in revenue and product sales. This was partially offset by a 15% increase in R&D expenses, mainly driven by the increased collaborations activity and related costs associated with certain projects.

Adjusted operating expenses, representing combined R&D and SG&A expenses, excluding stock-based compensation and depreciation and amortization, were $19.6 million. This is down from $20.1 million for the year-ago period and down sequentially from $20.8 million. We are taking continued steps to reduce operating expenses, but our success in closing new collaborations and the need to ensure proper staffing has slowed down the time of realizing certain cost savings initiatives. We expect our fourth quarter adjusted operating expenses to maintain the continued sequential trend, as seen in the third quarter.

Moving now to cash flow for the quarter. Free cash flow in Q3 was a negative $700,000, a significant improvement over the negative $18.9 million for Q3 2015 and a negative $17.4 million in Q2 2016. We had indicated on our prior quarterly teleconference that we anticipated improvement in the second half, and this has been achieved by higher product revenue and collaboration inflows, coupled with controlling our operating expenses. We expect cash flow in Q4 to continue to be significantly reduced for year-ago levels.

Net loss for the third quarter of 2016 was $19.7 million or $0.08 per basic and diluted share. Included in the net loss were $3.2 million of expense related to the fair value of derivative instrument and stock compensation-related items. This compares with the reported net loss of $76.7 million or $0.55 per basic and diluted share for the third quarter of 2015, which included a loss from debt extinguishment, acceleration of amortization of debt discount, changes in fair value of derivatives and impairment of assets.

Adjusted net loss for the third quarter of 2016, excluding these items and stock-based compensation, was $16.5 million or $0.07 per basic and diluted share. This compared with an adjusted net loss of $32.3 million for the same period a year ago.

In summary, the quarter marked record top line and much improved bottom line results for Amyris. The collaboration portfolio and pipeline continue to demonstrate Amyris' clear leadership in applying synthetic biology to commercial applications. And we are just beginning to realize our goal of making renewable products mainstream. Our future revenue growth and financial results, along with achieving our milestones set out at the beginning of each year, will measure our success.

Now back to John.

John Melo - *Amyris, Inc. - CEO*

Thank you, Raffi. We are delivering on the key objectives we have shared with you throughout the year. We have achieved a quarterly revenue record and, through the end of September, already exceeded last year's total revenue by over 30% and expect to end the year well ahead of double last year's GAAP revenue. We have diversified our business beyond fuels, where we can post solid top line results on a quarterly basis with our fuels product revenue.

We have satisfied our promise to execute on two to three large biopharma partners that are top companies in their respective areas, and this poses a major business opportunity for us and the potential to transform treatments for patients. We have secured non-dilutive partner funding to support the growth rate in our business that we believe exceeds any other company in our sector. And we have improved our capital structure with amendments to extend maturities and eliminate restrictive covenants that will have a significant -- and we will have significant cash inflows from partner agreements completed in the fourth quarter.

We expect fourth quarter GAAP revenue of around $37 million to $40 million, which should result in full year GAAP revenue that much more than doubles our $34 million reported in 2015. Closing our remaining collaborations for this year is expected to deliver more than $200 million of agreed revenue in 2017. These expected results are well within our short-term expectation of doubling annual revenue every year. We've been transforming our business and product portfolio while reducing our SG&A costs.

This is an exciting time for Amyris. We have never been in a better position. You can expect us to continue to maintain our leadership position in synthetic biology, which will become further evidenced by a growing and expansive portfolio of diversified collaboration partners and revenue growth.

This could not be possible without the unwavering dedication of our teams in Emeryville and Brazil and the commitment of our very strong investor base and committed collaboration partners.

I would now like to open the line for any questions you may have. Heidi, can you open the line for us?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Your first question comes from the line of Sameer Joshi with Rodman & Renshaw. Your line is open.

Sameer Joshi - *Rodman & Renshaw Research - Analyst*

I just had a quick question on the $200 million revenue for 2017. Does this include the revenue expected from the MOU that will be signed in December?

John Melo - *Amyris, Inc. - CEO*

Thanks, Sameer, for being on the call. And yes, it does. It does include the revenue from the partnership we announced.

Sameer Joshi - *Rodman & Renshaw Research - Analyst*

Okay. And then it also mentioned the $20 million investment at $1.40. Is that going to be concurrent with the closing, or is it at some later date?

John Melo - *Amyris, Inc. - CEO*

Concurrent with the closing.

Sameer Joshi - *Rodman & Renshaw Research - Analyst*

And is that -- and I think Raffi also mentioned about there will be an investment in the Asian production facility. Do you know to what level of investment that will be?

John Melo - *Amyris, Inc. - CEO*

Yes, we're currently negotiating that. I expect it to be less than $10 million.

Sameer Joshi - *Rodman & Renshaw Research - Analyst*

Less than $10 million.

John Melo - *Amyris, Inc. - CEO*

And that will be, again, paid for with Amyris stock at $1.40 a share.

Sameer Joshi - *Rodman & Renshaw Research - Analyst*

Right, right. Okay. Moving on, you're signing a lot of collaborations, and I think you're already entering -- or facing capacity constraints, as demonstrated by your [Fragrance 3] being delayed or put off. Can you comment on what you are doing to increase the capacity or somehow increase production?

John Melo - *Amyris, Inc. - CEO*

Yes, we're doing a few things, Sameer, on increasing our production capacity. The first is we're doubling the Brotas facility. We're keeping Brotas one focus on farnesene. And with our current strain or the strain we're currently promoting into Brotas, that's going to give us significant improvement in overall production capacity of farnesene at Brotas. That's in the existing Brotas plant.

We're doubling by building a new facility that actually changes the tank configuration to be able to make many of the current fragrance, flavors and cosmetic molecules that we're engineering. So I'd say most of what's in the pipeline today and more, in other words, being engineered will be able to be scaled at Brotas.

I think the third thing we're doing is providing capacity for the farnesene growth that we expect in 2018 and '19 through the partnership with CJ Bio that we expect to come online at the end of 2017. And again, that will be CapEx from CJ Bio and a commitment to meet the operating costs, the production costs, the cash costs that we have on our Brotas facility and which will help us maintain our economics or restart cash production economics.

And then the last piece is this partnership that we announced with the plants in Asia, we will have access to those plants for products we are developing with that partner. So that -- those are really the three big components, focused and expanded capacity at Brotas; CJ Bio for more farnesene; and then the Asian plant for expansion of molecules for that partner, that, again, will represent a significant revenue for us in 2017.

Sameer Joshi - *Rodman & Renshaw Research - Analyst*

Okay. Thanks for that, John. During the last quarter call, there was also some mention of non-core asset sales. Can you just update us on the progress on that front?

John Melo - *Amyris, Inc. - CEO*

Sure. The noncore asset sale was now bundled into this joint venture that we announced with Nikko Chemical. So what that's going to be is our squalane business, the ability to sell active ingredients to the cosmetics market, partnering with Nikko to really take advantage of their channel in Asia, take advantage of our distribution outside of Asia, lower our operating costs, increase the utilization of Glycotech, our facility in North Carolina, with some products they'd like to make, and really enable us to extract a lot of the value we invested in that business to help fund growth in our overall business, which is, again, where we're driving that valuation of $40 million and then what we'll get out of the piece of the business that we've put in to the partnership with Nikko.

Operator

The next question comes from the line of Lisa Springer with Singular Research. Your line is open.

Lisa Springer - *Singular Research, LLC - Analyst*

Congratulations on a really strong quarter. I wanted to ask you about the 14 revenue-producing collaborations currently in place. What percentage of the revenues from that roughly will be coming from nutraceuticals?

John Melo - *Amyris, Inc. - CEO*

I'm sorry, Lisa, can you repeat the question for me. I'm really sorry about that.

Lisa Springer - *Singular Research, LLC - Analyst*

That's all right. Sure. So there are 14 revenue-producing collaborations active at the moment, right?

John Melo - *Amyris, Inc. - CEO*

Correct.

Lisa Springer - *Singular Research, LLC - Analyst*

Yes. What percentage of the revenues from those collaborations is in the nutraceutical segment? And what are the other segments involved?

John Melo - *Amyris, Inc. - CEO*

Okay, very good. So let me try to break that down. So one of those collaborations is the nutraceuticals collaboration. That collaboration, if I think about this year's revenue, will be somewhere between $8 million to $10 million of revenue, roughly, mostly product revenue, mostly farnesene, like, actually, all farnesene. And next year, it will represent somewhere around $40 million in revenue. And then you could see it continue to grow. And I think we've said, for 2019, we expect somewhere near $100 million in revenue from that partnership.

Lisa Springer - *Singular Research, LLC - Analyst*

Okay.

John Melo - *Amyris, Inc. - CEO*

And if you think about that partnership, if I think about this year's product revenue, it's probably around 20% -- 20%, 25% of this year's product revenue. And for next year, it will probably be around 40% to 50% of next year's product revenue.

For 2019, just to take it out further, that $100 million will represent again about the same, probably around 20%, 25% of our product revenue. So you can think about nutraceuticals being around that, around 25% of our product revenue as we go through the next three to four years.

Lisa Springer - *Singular Research, LLC - Analyst*

Okay. And regarding the biopharma agreements that you have in place, what is the soonest that the biopharma agreements could start generating product revenues? And should we expect that to be a higher-margin segment for you?

John Melo - *Amyris, Inc. - CEO*

Yes, we -- I would say the next three to four years. And the first one is really a platform, not in market molecules. So it's not anything that needs to get through full FDA approval. It's really changing the platform for manufacturing current molecules. And that's the one we think could be as fast as three to four years.

Lisa Springer - *Singular Research, LLC - Analyst*

Okay.

John Melo - *Amyris, Inc. - CEO*

And it is an industry-changing technology, so something where that particular one could be used by the whole pharmaceutical industry. And it'll be used more in a licensing model, where, once it's developed, will provide a license that anyone making antibodies could use that technology for production.

Operator

Your next question comes from the line of Carter Driscoll with FBR. Your line is open.

Nate Mitchell - *FBR Capital Markets & Co. - Analyst*

This is Nate Mitchell on for Carter. Just most of my questions are answered. With just one clarifying question on the production partner. Can you just go over the economics for that again?

John Melo - *Amyris, Inc. - CEO*

In the production partner, I'm assuming you are referring to CJ Bio. Is that correct, Nate?

Nate Mitchell - *FBR Capital Markets & Co. - Analyst*

Yes.

John Melo - *Amyris, Inc. - CEO*

Yes. So the way that deal works -- and again, it's high level. We're not getting into a lot of the detail -- the production cost, the cash cost of producing the product is expected to be at the same cost that we make product at Brotas, our Brazilian facility. There the production facility we expect to use is actually a facility they have in Brazil about an hour and a half from our facility, just to give you a sense of the economic base, the cost base, labor and feedstock being connected to our current production model. And then the CapEx will be, obviously, incremental. They'll provide the CapEx, and we'll pay them back the CapEx over 10 years in the way we pay for the products.

Operator

(Operator Instructions) Your next question comes from the line of Thomas Boyes with Cowen and Company. Your line is open.

Thomas Boyes - *Cowen and Company, LLC - Analyst*

Just given the capacity constraints, given all of the collaborations that had been announced and your plans there, what should we think as far as CapEx in 2017 in order to start laying the groundwork to build out these facilities?

John Melo - *Amyris, Inc. - CEO*

Thanks, Thomas. What I would say is from a -- and thinking about expectations, the CapEx should not be much different than the average we've had for the last few years and that we expect the expansion to be partner funded and/or a piece of it partner guarantee funded by BNDES, the National Development Bank in Brazil. So we don't expect to put in CapEx for the expansion for the most part. And that offer has been about $6 million to $8 million a year in CapEx.

Operator

(Operator Instructions) I'm showing no further questions at this time. I would now like to turn the conference back to John Melo.

John Melo - *Amyris, Inc. - CEO*

Thank you, Heidi. I'd like to thank everyone for joining our call today and your support of Amyris. We look forward to updating you on our continued progress and really getting back with the fourth quarter results in early March. And in the meantime, I hope you all join us for an Investor Day that we're planning on having in New York before the end of the quarter, really in service of clarifying or explaining a lot of what we've now put in the portfolio as a result of the significant reshaping of our business and simplifying our focus going forward. We'll also be presenting at Benchmark's Micro Cap Discovery and then one-on-one there and as well as the Drexel Hamilton Emerging Growth Conference on December 1. So hope to see many of you at these events. Thank you, and go Cubs.

Operator

Ladies and gentlemen, this concludes today's conference call. Thank you for your participation. Have a wonderful day. You may all now disconnect.