

# ALGENOL BIOFUELS

HARNESSING THE SUN TO FUEL THE WORLD®

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## **\*\*PRESS RELEASE\*\***

FOR IMMEDIATE RELEASE  
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### **ALGENOL BIOFUELS INC. ANNOUNCES GROUND BREAKING OF ITS PILOT-SCALE INTEGRATED BIO-REFINERY IN LEE COUNTY, FLORIDA**

Fort Myers, FL- Algenol Biofuels Inc. announces today that it has broken ground on the construction of its pilot-scale integrated bio-refinery. This production facility will be the first large-scale deployment of Algenol's patented Direct To Ethanol® technology, which produces ethanol directly from carbon dioxide, sunlight and salt water using blue-green algae in patented photobioreactors (or PBRs). With support from the U.S. Department of Energy (DOE), Lee County, Florida and Algenol's strategic partners, the 36-acre facility will contain 3,000 of Algenol's patented photobioreactors in a commercial module, Algenol's advanced Vapor Compression Steam Stripper ethanol concentration technology and new membrane-based ethanol dehydration technology. The plant will have a target capacity of approximately 100,000 gallons of fuel-grade ethanol per year.

In addition, Algenol's joint development program with The Dow Chemical Company has come to an end, and the focus of the relationship will shift to purchasing specialty plastics and films developed during the program for use in Algenol's patented photobioreactors for the pilot-scale bio-refinery. The efforts of the National Renewable Energy Laboratory, the Georgia Institute of Technology and Membrane Technology & Research will continue.

"We are very excited to move forward on our commercialization path by deploying the Direct To Ethanol® technology on a larger scale. Our next stage is to demonstrate on a pilot-scale commercial module what we already have achieved both in the laboratory and in smaller scale PBRs at our advanced Process Development Unit," stated Paul Woods, Algenol's Chief Executive Officer and President. "The integrated bio-refinery located next to our existing Lee County, Florida research and development complex will allow Algenol to advance its proprietary ethanol production technology rapidly. This complex will allow Algenol to go all the way from single cell optimizations in the lab to fuel-grade ethanol at one site," continued Woods.

The Pilot-Scale Integrated Bio-refinery will be built on 36 acres adjacent to the company's existing advanced biofuels research and development complex in Lee County, Florida. Algenol's research and development complex, built with assistance from Lee County, contains 40,000 square feet of world-class molecular biology, culture collection, physiology, aquaculture and engineering laboratories. In addition to the 36-acre Integrated Bio-refinery (IBR), the complex contains Algenol's Process Development Unit, which consists of a 9,500 square feet aquaculture laboratory, two large inoculation greenhouses and 3-acres of outdoor research area. Upon completion of the IBR, Algenol will have the most advanced integrated biofuels research and development complex in the world. To support its commercialization efforts, the company will increase its US workforce to over 100 employees by the end of 2011 and add about 30 jobs in 2012.

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*Algenol strives to make low cost ethanol. Our patented DIRECT TO ETHANOL® technology produces bioethanol from CO<sub>2</sub>, salt water and our hybrid algae in sealed, clear plastic photobioreactors— all powered by the sun. Algenol's research and development efforts have culminated in a process that targets commercial production of 6,000 gallons of ethanol per acre-year. Our process yields nearly four units of energy for every unit of energy it consumes and has a life cycle carbon footprint that is 80% less than that for traditional gasoline. Algenol has facilities in Fort Myers, Florida and Berlin Germany, as well as offices in Bonita Springs, Florida and Zug, Switzerland. Algenol has several academic collaborations and partners around the world.*

*For more information about Algenol, please visit [www.algenol.com](http://www.algenol.com).*