



****STATEMENT****

FOR IMMEDIATE RELEASE
December 4, 2009

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ALGENOL BIOFUELS SELECTED FOR A \$25 Million DOE GRANT TO BUILD AN INTEGRATED BIOREFINERY AND CREATE JOBS

(Bonita Springs, Fla.) — Algenol Biofuels Inc. received notification today that the U.S. Department of Energy (DOE) has selected the company for a \$25 million grant to build a pilot-scale biorefinery that will make ethanol directly from carbon dioxide using algae. The DOE funds come from the American Recovery and Reinvestment Act and are being used to help accelerate the commercial-scale development and deployment of biofuel technologies in the U.S. Algenol is proud to be one of only 19 companies to be selected for a biorefinery grant. Algenol is serving a critical role in helping to reduce our nation's dependence on foreign oil; building our country's biofuel supply and creating much needed jobs for hard-working Americans. Algenol CEO and founder Paul Woods released the following statement:

"We are pleased to announce that today the DOE selected Algenol Biofuels for a \$25 million grant to help develop our pilot-scale, algae-based CO₂ to ethanol biorefinery. We are deeply appreciative of DOE's support for our efforts and are especially grateful to The Dow Chemical Company (Dow) for their collaboration on this high-value project."

Woods continued; "The successful demonstration of Algenol's Direct-to-Ethanol™ technology will open the door to commercial-scale deployment of this low-cost green fuel. It will lead to a significant contribution to our nation's transportation fuel supply, create an alternative source for making chemical products that currently depend upon fossil fuel feedstocks, and generate thousands of green jobs in areas of the country that need them the most. Algenol looks forward to working with Dow, Georgia Tech and its other partners to negotiate a final grant agreement with the DOE."

Algenol Biofuels, Inc., a privately owned company founded in 2006, is engaged in research, development and demonstration efforts to produce ethanol from carbon dioxide using algae, saltwater, and sunshine.

Algenol today possesses the most advanced third generation biofuel technology in the United States. It makes low cost ethanol directly from CO₂ and seawater using hybrid algae in sealed, clear plastic photobioreactors through its unique, patented Direct to Ethanol™ technology — all powered by the sun. Algenol's research and development efforts have culminated in a process that produces over 6,000 gallons of ethanol per acre per year, compared to corn at 400. This process achieves an energy balance of more than 5 to 1 and a life cycle carbon footprint that is merely 20 percent of petroleum (an 80 percent reduction from petroleum). For more information about Algenol Biofuels, please visit www.algenolbiofuels.com.