

FOR IMMEDIATE RELEASE

ZeaChem Signs Cooperative Agreement with U.S. DOE for \$25 Million Grant to Fund Biorefinery Construction

Lakewood, Colo. – May 13, 2010 – ZeaChem Inc., a developer of biorefineries for the conversion of renewable biomass into sustainable fuels and chemicals, today announced that it has signed a Cooperative Agreement with the U.S. Department of Energy (DOE) to receive the \$25 million grant awarded by the Office of Energy Efficiency and Renewable Energy (EERE), Biomass Program, and funded by the American Recovery and Reinvestment Act (ARRA). The agreement allows ZeaChem to begin receiving the first phase of funding from the grant.

The DOE grant will be used to construct and operate the cellulosic ethanol production capability that will be added to the core ZeaChem technology, which will produce ethyl acetate, the chemical precursor to ethanol. ZeaChem will begin producing cellulosic ethanol in 2011 at the company's 250,000 gallon-per-year biorefinery, to be located in Boardman, Oregon.

“We are pleased to finalize the award agreement with the DOE and look forward to starting cellulosic ethanol production at our biorefinery,” said Jim Imbler, president and chief executive officer of ZeaChem. “This funding accelerates our progress toward commercialization and represents how government programs aimed at developing emerging technologies can provide the catalyst for long-term economic growth and energy independence.”

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About ZeaChem Inc.

ZeaChem Inc. has developed a cellulose-based biorefinery platform capable of producing advanced fuels and intermediate chemicals. ZeaChem's indirect approach leapfrogs the yield and carbon dioxide (CO₂) problems associated with traditional and cellulosic based biorefinery processes. In addition, ZeaChem has a significant capital cost advantage compared to other cellulosic technologies. By efficiently extracting the most energy possible from biomass feedstocks, ZeaChem significantly increases output while reducing both production costs and environmental impacts. Incorporated in 2002, ZeaChem is headquartered in Lakewood, Colo. and operates a research and development laboratory facility in Menlo Park, Calif.

Please visit www.zeachem.com for more information.

ZeaChem

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