ZeaChem

U.S. DOE Selects ZeaChem for $25 Million Grant

Funding Accelerates Cellulosic Ethanol Production

Lakewood, Colo. – December 4, 2009 – ZeaChem Inc., a developer of biorefineries for the conversion of renewable biomass into fuels and chemicals, today announced it has been selected for a $25 million grant from the U.S. Department of Energy (DOE). The award comes from the Office of Energy Efficiency and Renewable Energy (EERE), Biomass Program, and is funded by the American Reinvestment and Recovery Act (ARRA).

"ZeaChem is honored to be selected by U.S. DOE for this highly competitive award," said Jim Imbler, president and chief executive officer of ZeaChem. "Department of Energy support is a validation of ZeaChem's highly efficient, low carbon and economical biorefinery technology. This award accelerates deployment of ZeaChem's integrated biorefinery and our progress to commercial production of advanced biofuels and bio-based chemicals. We look forward to working with DOE to finalize the award agreement."

As part of the ARRA, DOE is awarding a total of $564 million in an effort to spur job creation and deploy advanced biorefinery projects. ZeaChem is one of 19 organizations to be selected for this competitive grant.

"Advanced biofuels are critical to building a cleaner, more sustainable transportation system in the U.S.," said DOE Secretary Chu in the DOE's press release. "These projects will help establish a domestic industry that will create jobs here at home and open new markets across rural America."

The grant will be used in conjunction with ZeaChem's existing investment to support construction of the company's first cellulosic biorefinery which will have capacity of 250,000 gallons per year (GPY) and is proposed to be built in Boardman, Oregon. ZeaChem recently announced that construction is underway on the biorefinery. The core technology, which will produce the bio-based chemical ethyl acetate, will be online by the end of 2010. The DOE grant will be used to construct and integrate additional process components to the ZeaChem core, enabling the production of cellulosic ethanol. Upon successful operations at the 250,000 GPY biorefinery, ZeaChem intends to scale to a commercial biorefinery.

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About ZeaChem Inc.

ZeaChem Inc. has developed a cellulose-based biorefinery platform capable of producing third-generation fuels and intermediate chemicals. ZeaChem's indirect approach leapfrogs the yield and carbon dioxide (CO_2) 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.

Read the DOE press release announcing the awards.

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