



ZeaChem Selected for \$232.5 Million USDA Loan Guarantee

Award to Support Construction of ZeaChem's First Commercial-Scale Cellulosic Biorefinery

LAKESWOOD, Colo. – Jan. 26, 2012 – ZeaChem Inc., a developer of biorefineries for the conversion of renewable biomass into sustainable fuels and chemicals, today announced it has been selected for a \$232.5 million loan guarantee from the U.S. Department of Agriculture's (USDA) 9003 Biorefinery Assistance Program. The conditional commitment enables the financing and construction of ZeaChem's first commercial-scale cellulosic biorefinery, a state-of-the-art plant that will produce bio-based fuels and chemicals from woody biomass and agricultural residues with the highest yield, lowest capital cost, and lowest carbon footprint in the industry.

Development of the first commercial biorefinery is already underway. The facility is expected to have capacity of 25 million or more gallons-per-year (GPY). It will be located at the Port of Morrow in Boardman, Ore., adjacent to ZeaChem's 250,000 GPY integrated demonstration biorefinery. ZeaChem has agreements for 100 percent of the facility's woody biomass feedstock from the nearby GreenWood Tree Farm Fund (GTFF), managed by GreenWood Resources (GWR), as well as from local agricultural residue processors.

ZeaChem's first commercial facility will create 188 direct construction jobs and 65 full-time operations jobs, plus an additional 242 indirect jobs for construction and full-time operations.

"The USDA loan guarantee is a significant validation for ZeaChem's highly efficient, economical and flexible biorefinery technology," said Jim Imbler, president and chief executive officer of ZeaChem. "This commitment allows us to move forward with securing financing, beginning construction, creating jobs in the community, and producing economical and sustainable products for the fuel and chemical industries."

"Advanced biofuels are critical to securing America's energy future," said U.S. Agriculture Secretary Tom Vilsack. "This project, and others like it will help establish a domestic advanced biofuel industry that will create jobs here at home and open new markets in the Pacific Northwest and across America."

ZeaChem has begun core facility operations at its 250,000 GPY integrated demonstration biorefinery in Boardman, Ore. The "bookends" project enabling the production of cellulosic ethanol will be complete in 2012. The company is now actively developing commercial-scale biorefineries for the production of advanced biofuels and bio-based chemicals.

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About ZeaChem Inc.

The logo for ZeaChem, featuring the company name in white text on a green rectangular background with a grey shadow effect below it.

ZeaChem

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., and a demonstration biorefinery in Boardman, Ore.

Please visit www.zeachem.com for more information.

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