

**Enerkem Successfully Meets Federal Environmental Assessment Requirements for its Mississippi Waste-to-Ethanol Plant**

*Assessment further reinforces Enerkem's position as a first-mover in the commercial advanced biofuels sector*

MONTREAL, Canada – October 28, 2010 – Enerkem Inc., a leading waste-to-biofuels company, today announced that Enerkem Corporation, its wholly-owned U.S. affiliate, successfully concluded the U.S. federal environmental assessment requirements for its Mississippi waste-to-ethanol plant, which allows the Company to move forward with the project.

In December 2009, Enerkem was granted US\$50 million in funding from the U.S. Department of Energy (DOE) for its Pontotoc, Mississippi biorefinery project. As a condition of the funding, Enerkem needed to fulfill National Environmental Policy Act (NEPA) requirements. Following the assessment, DOE issued a “Finding of No Significant Impact” (FONSI), which gives Enerkem the green light to proceed with the project without the need for an additional federal environmental assessment.

“Completion of the federal environmental assessment for Enerkem’s Mississippi waste-to-ethanol plant is a significant milestone and we are thrilled to be taking a step further in bringing our second full-scale commercial biofuels plant to fruition,” said Vincent Chornet, President and Chief Executive Officer. “The issuance of a “Finding of No Significant Impact (FONSI)” from the U.S. Department of Energy confirms the positive environmental impact that this plant will have, while increasing energy security and creating green jobs.”

The environmental assessment process included a public consultation period, which began with a scoping notice that was sent to federal, state, and local agencies, tribal governments, elected officials, businesses, organizations, and special interest groups, as well as members of the general public. These stakeholders were given 30 days to submit comments regarding the project.

This August, Enerkem broke ground on its first full-scale commercial advanced biofuels plant in North America, located in Edmonton, Alberta. Today’s announcement, regarding Enerkem’s second commercial biorefinery, reinforces the Company’s position as a first mover in the commercialization of advanced biofuels and waste-based ethanol. Construction work for Enerkem’s Mississippi plant is expected to begin in 2011.

**About Enerkem**

Enerkem is a leading waste-to-biofuels company. Its proprietary clean technology converts waste, such as unrecyclable household garbage, demolition debris and residues from used utility poles, into clean transportation fuels and advanced chemicals. Founded in 2000, the company currently operates two plants in Canada: a pilot facility in Sherbrooke, QC and a commercial demonstration plant in Westbury, QC. In August 2010, Enerkem started construction of its waste-to-biofuels plant in Edmonton, AB, Canada, which was awarded CAD\$23 million in funding from the Government of Alberta and the City of Edmonton. The company is simultaneously developing a similar project in Mississippi, U.S.A., for which it was awarded US\$50 million in funding by the U.S. Department of Energy (DOE). [www.enerkem.com](http://www.enerkem.com)

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More details on the Mississippi project are available on our web site:  
<http://www.enerkem.com/en/our-locations/plants/pontotoc-mississippi.html>