



Press Release

Enerkem Announces Construction Start of World's First Municipal Waste-to-Biofuels Facility in Edmonton, Alberta

EDMONTON, Canada – August 31, 2010 – Enerkem Inc., a leading waste-to-biofuels company, today held a groundbreaking ceremony to signify the start of construction of its municipal waste-to-biofuels facility with its partners, the City of Edmonton and the Government of Alberta. Alberta Premier Ed Stelmach, Edmonton Mayor Stephen Mandel and Enerkem Chief Executive Officer Vincent Chornet participated in the event.

Enerkem's advanced biofuels plant, which will be located in Edmonton, Alberta, is the world's first industrial-scale biofuels project to use municipal solid waste as feedstock. It will have an annual production capacity of 36 million litres/10 million gallons. Using Enerkem's proprietary clean technology, the CAD\$ 80 million facility will produce enough biofuels to fuel over 400,000 cars per year running on a five per cent ethanol blend. It will be built, owned and operated by Enerkem Alberta Biofuels LP, a wholly-owned subsidiary of Enerkem. The City of Edmonton and Enerkem Alberta Biofuels have signed a 25-year agreement to convert 100,000 tonnes of the City's municipal solid waste into biofuels annually. The garbage to be used cannot be recycled or composted.

"This groundbreaking marks the launch of a transformative project and leads the first wave of commercial-scale advanced biofuels plants in North America", said Enerkem's President and Chief Executive Officer, Vincent Chornet. "This plant is the genesis of a world transformation where our non-recyclable garbage will power the vehicles we drive and reduce carbon emissions."

"Alberta is an energy province," said Premier Ed Stelmach. "This project is another example of how our government is helping develop leading-edge renewable and non-renewable energy technology. I applaud the vision and dedication the partners have shown to make this pioneering project a reality."

"Edmonton's environmental leadership has us continually looking to set the bar higher," said Edmonton Mayor, Stephen Mandel. "As a result of this facility, we will become the first major city in North America to see 90 per cent of residential waste diverted from landfill by 2013. This is a major achievement, and a big step towards a greener Edmonton! Thanks to all our partners whose innovation and commitment to sustainability are helping to reduce our carbon footprint."

By replacing a portion of the petroleum fuels currently used and by avoiding the methane emissions created during waste decomposition in landfills, Enerkem's advanced biofuels facility will reduce Alberta's carbon dioxide (CO₂) footprint by six million tonnes over the next 25 years.

The advanced biofuels facility will create more than 180 direct and indirect jobs during the operations, construction and engineering phases. It will contribute to the Canadian and Albertan Renewable Fuel Standards. The plant is scheduled to start operating towards the end of 2011. www.edmontonbiofuels.ca

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

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High resolution photos will be available in the Image section of this web page, shortly following the event: <http://www.edmontonbiofuels.ca/resources>