

ENERKEM RAISES \$59 MILLION IN LATEST FINANCING ROUND

Valero Energy joins as strategic investor; Waste Management increases investment

MONTREAL, Quebec – June 1, 2011 – Enerkem Inc., a leading waste-to-biofuels and chemicals company, announced today the closing of C\$59 million in financing. As part of this financing, Valero Energy Corp. joins existing investors Waste Management, Rho Ventures, Braemar Energy Ventures and Cycle Capital, who have each invested in the new equity round.

With its investments in 10 ethanol plants throughout the Midwest, Valero has long been a champion of renewable fuels in the United States. The investment in Enerkem demonstrates Valero's commitment to the advanced biofuel sector. Valero and Enerkem have also agreed to jointly consider commercial opportunities.

“With Valero joining Waste Management as a strategic investor, Enerkem becomes one of the very few renewable products companies that is aligned with industry leaders from both upstream and downstream parts of the business,” said Vincent Chornet, president and chief executive officer of Enerkem. “This buy-in is yet another testament to the solid ongoing growth of our company, which is uniquely positioned to successfully meet the demand for clean transportation fuels and biochemicals.”

“We’re proud to reinvest and increase our position in Enerkem,” said Tim Cesarek, managing director of Organic Growth Group at Waste Management. “By combining Waste Management’s industry leadership and expertise in the collection and management of a wide range of segmented waste streams with Enerkem’s leading clean technology solutions, we are broadening our portfolio of conversion technologies in the waste-to-biofuels market, which is key to developing new, higher value-added end markets for materials.”

Enerkem’s financing round, for which Credit Suisse acted as agent, will support the company’s large roll-out of current and future planned projects. It comes on the heels of US\$130 million in financial support from the U.S. Department of Agriculture (USDA) and Department of Energy (DOE) for a plant in Pontotoc, Mississippi, expected to break ground later this year. Construction is already underway on a similar 36 million litre per year waste-to-biofuels facility in Edmonton, Alberta, the company’s second commercial facility.

About Enerkem

Enerkem is pioneering a new line of chemicals and fuels made from garbage instead of oil or other fossil fuels. Enerkem’s cost-effective technology uses waste materials, such as unrecyclable household garbage, demolition debris and used utility poles to create advanced ethanol, acetates and other useful clean chemicals that form our everyday products. The

company currently operates two facilities in Quebec and in 2010 began construction of a municipal waste-to-biofuels plant in Alberta. In 2011, Enerkem expects to break ground on a similar facility in Mississippi for which it is receiving financial support from the USDA and U.S. DOE. Enerkem was named one of the World's 50 Most Innovative Companies by Fast Company Magazine in 2011. www.enerkem.com

About Valero

Valero Energy Corporation is an international manufacturer and marketer of transportation fuels, other petrochemical products and power. Its assets include 14 petroleum refineries with a combined throughput capacity of approximately 2.6 million barrels per day, 10 ethanol plants with a combined production capacity of 1.1 billion gallons per year, and a 50-megawatt wind farm. Valero is also one of the largest retail operators with approximately 5,800 retail and branded wholesale outlets in the United States, Canada and the Caribbean under the Valero, Diamond Shamrock, Shamrock, Ultramar and Beacon brands. Based in San Antonio, Valero is a Fortune 500 company with approximately 20,000 employees. Please visit www.valero.com for more information.

About Waste Management

Waste Management, Inc., based in Houston, Texas, is the leading provider of comprehensive waste management services in North America. Through its subsidiaries, the company provides collection, transfer, recycling and resource recovery, and disposal services. It is the largest residential recycler in North America and a leading developer, operator and owner of waste-to-energy and landfill gas-to-energy facilities in the United States. The company's customers include residential, commercial, industrial, and municipal customers throughout North America. To learn more information about Waste Management visit www.wm.com or www.thinkgreen.com.

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