



Nipawin Biomass Ethanol Signs Research & Development Agreement with the Saskatchewan Research Council

NEWS RELEASE

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For Immediate Release

Lyle Larsen, Chairman of the Board of Nipawin Biomass Ethanol New Generation Co-operative Ltd. (Nipawin Biomass) is pleased to announce the signing of a contract with the Saskatchewan Research Council (SRC). The contract outlines the next series of development requirements for engineering support to advance the design for the Nipawin Biomass cellulose ethanol facility. Nipawin envisions processing non-merchantable waste timber and local farm fibre (flax/straw) into ethanol at the proposed green fuel facility in Nipawin, Saskatchewan.

Nipawin Biomass and SRC have jointly developed a proprietary conversion technology which will process synthesis gas from waste wood and farm fibre, such as flax fibre or straw, into ethanol and other alcohols. This contract continues work to refine the catalytic process and to match the engineering requirements to in-feed materials planned for the facility.

“We are pleased to be able to be able to work with SRC to continue to advance the technology of cellulose conversion to ethanol and to define the design requirements for a full-scale production facility,” said Larsen. “Our facility will be among the first in the world to convert cellulose into ethanol and we need to ensure that the technology and conversion processes best match our feedstock.”

The proposed ethanol plant will require approximately 200,000 oven dried metric tonnes of cellulosic fibre per year, approximately two-thirds of which would come from forest residue and the remainder from farmers in the Nipawin region.

“Working on this new technology with Nipawin Biomass has helped SRC gain additional expertise in catalyst development in the ethanol industry,” said Darren Anweiler, BioProcessing Manager at SRC. “We are looking forward to continue exploring this exciting process in the commercial application of ethanol production.”

Through collaboration with Fulcrum BioEnergy, Inc. of the USA (Fulcrum), the catalytic conversion process developed by Nipawin and SRC is being integrated into Fulcrum’s proprietary process configuration for converting municipal solid waste, or household garbage, into ethanol. With its first plant projected to enter construction in 2011, Fulcrum is on track to become one of the first companies to commercially produce ethanol from municipal solid waste, creating a reliable domestic source of renewable fuels, reducing North America’s dependence on oil and lowering greenhouse gas emissions.

The engineering design for the Fulcrum facility is based upon utilization of municipal solid waste as a feedstock – feedstock has a significant impact upon the equipment required for material handling and technologies required to most efficiently produce ethanol.

The Saskatchewan Research Council (<http://www.src.sk.ca>) is Saskatchewan's leading provider of applied research and development (R&D), and technology commercialization. With over 400 employees, \$63 million in annual revenue and 64 years of R & D experience, SRC provides services and products to its 1,900 clients around the world.

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