



Accelergy and EERC Reach Milestone in Development of Cleaner Jet Fuel
USAF to Evaluate Accelergy's Fuel for 100% Synthetic Fuel Industry Benchmark

HOUSTON – March 24, 2010 -- Accelergy Corporation, a global leader in high-grade domestically sourced liquid fuels, today announced that it has begun production of their highly efficient fuel from coal and biomass, to be evaluated by the United States Air Force (USAF) as the industry benchmark for 100 percent synthetic jet fuel. To date, synthetic fuels have required blending with petroleum feedstocks on a 50% basis to be suitable in aviation applications.

In 2009, Accelergy entered a cooperative research and development agreement (CRADA) with the USAF for testing fully synthetic fuels that meet or exceed USAF JP-8 military jet fuel standards. Following a mandate by the USAF to use 50 percent of its fuel from cleaner and domestic sources by 2016, Accelergy is the first to provide 100 percent synthetic fuel that can meet the USAF's stringent JP-8 standards. The USAF currently uses JP-8 fuel in all of its aircraft and has been looking for a commercially viable 100% synthetic alternative to petroleum based fuels.

The fuels will be produced at a pilot facility currently under construction at the Energy & Environmental Research Center (EERC) at the University Of North Dakota. Production from this facility will commence in the 3rd quarter of this year. Fuel deliveries to the Air Force Research Labs will commence in late 2010. The pilot facility will also provide a valuable tool for evaluating new coal and biomass feedstocks as the technology moves towards commercial deployment.

"The EERC's mission has always been to create solutions for our country's energy challenges through technological advancements and strong partnerships with private companies like Accelergy," said Gerald H. Groenewold, Director of the EERC. "This development marks a milestone in the production of cleaner, 100 percent synthetic fuel through our combined technologies, sets a standard for the industry to follow, and paves the way for its rapid adoption."

"Accelergy is the first to provide 100 percent synthetic jet fuel for the USAF with high thermal stability, increased energy density, lower environmental impact and competitive costs," said Tim Vail, CEO of Accelergy. "With the production of these fuels that utilize carbon as a feedstock, we are one step closer to setting a benchmark for the industry, as well as commercializing our fuels. The facility at EERC allows us to produce meaningful quantities of fuel, confirm our performance estimates and further refine our fuel products. With the test results in hand, the Air Force and defense contractors can then explore the full range of options for employment of advanced synthetic fuels in next-generation aircraft designs."

Utilizing proprietary micro-catalytic liquefaction technologies and direct biomass conversion technologies, Accelergy's integrated Coal-Biomass to Liquids (CBTL) process, based in part on technologies developed by Exxon Mobil Research and

Engineering Company and the EERC, domestically produces a tunable range of low net-carbon fuels including Jet-A, and military JP-5, JP-8, and JP-9 jet fuels. The CBTL process is unique in its ability to maintain a high overall thermal efficiency while significantly reducing the greenhouse gas emissions associated with comparable refining methods.

About Accelergy

Accelergy is a global leader in producing ultra-clean synthetic fuels, promoting energy security by using domestic resources. Our proprietary catalytic technology significantly increases the efficiency of the Coal-Biomass-to-liquid process (CBTL) while significantly reducing greenhouse emissions. Based in Houston, Texas, Accelergy has established an international presence in partnerships with some of the world's leading energy companies. For more information, please visit www.accelergy.com

About EERC

The EERC is a research, development, demonstration, and commercialization facility recognized as one of the world's leading developers of cleaner, more efficient energy technologies as well as environmental technologies to protect and clean our air, water, and soil. The EERC, a high-tech, nonprofit division of the University of North Dakota (UND), operates like a business and pursues an entrepreneurial, market-driven approach. The EERC currently employs over 330 people. Since 1987, the EERC has had nearly 1100 clients in 50 states and 51 countries.

www.undeerc.org

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