

# Range Fuels Breaks Ground on the Nation's First Commercial Cellulosic Ethanol Plant

*U.S. Secretary of Energy and Georgia Governor Attend Groundbreaking Celebration*

Broomfield, CO and Soperton, GA – November 6, 2007 – Range Fuels, Inc. announced today that is breaking ground on the nation's first commercial cellulosic ethanol plant located in Treutlen County, Georgia, near the town of Soperton. Range Fuels, one of six companies selected by the Department of Energy (DOE) for financial support in building a commercial cellulosic ethanol plant, will be the first to break ground.

The groundbreaking event is being hosted on the future site of Range Fuels' Soperton Plant. The event will feature federal, state, city and county officials, including the U.S. Secretary of Energy, Samuel W. Bodman, and the Governor of Georgia, Sonny Perdue. Range Fuels' Soperton Plant will use wood and wood waste from Georgia's pine forests and mills as its feedstock and will have the capacity to produce over one hundred million gallons of ethanol per year. Construction of the first 20 million-gallon-per-year phase is expected to be completed in 2008.

As part of its \$76 million Technology Investment Agreement with the DOE, Range Fuels will receive \$50 million based upon the project construction schedule for the first 20-million-gallon-per-year phase of its Soperton Plant. The remainder of the grant, \$26 million, will be provided for construction of the next phase of the project. Range Fuels selected Georgia for its first plant based upon the state's robust wood products industry supported by Georgia's vast sustainable and renewable forest lands. The state's environmental sensitivity and responsible stewardship of its forest lands have created resources that allow Georgia to support up to two billion gallons per year of cellulosic ethanol production through the application of Range Fuels' technology.

"Range Fuel's production of cellulosic ethanol from wood materials will make Georgia a national leader in innovative alternative energy production," said Georgia Governor Sonny Perdue. "This project, and others like it, will boost economic development in rural Georgia and reduce our state's dependence on foreign oil."

"The state of Georgia has provided us with an excellent opportunity to locate our first plant using its abundant, renewable forest resources as feedstock. Our technology transforms the wood and wood waste from Georgia's millions of acres of woodlands into ethanol, a key source of transportation fuel," said Mitch

Mandich, CEO of Range Fuels. “Range Fuels’ focus on green, renewable energy will ultimately reduce greenhouse gases, promote energy independence, and create new jobs.”

Range Fuels’ approach is aimed at helping our planet restore its environmental balance. Range Fuels’ technology is self-sustaining and uses the same feedstock to make ethanol as it does to operate its plant, minimizing its reliance on fossil fuels and the consequent production of greenhouse gases. Through Range Fuels’ innovative process for producing cellulosic ethanol, the Soperton Plant will use a quarter of the average water required by corn-based ethanol plants.

In addition, the Soperton Plant has been permitted as a minor source of emissions. Its proximity to both wood supplies and ethanol markets will minimize energy expended in supplying the facility with feedstock and providing ethanol to consumer markets, further demonstrating the low-impact, environmentally-friendly nature of Range Fuels’ technology.

Range Fuels has won the support of many industry and environmental groups including the Renewable Fuels Association, the American Coalition for Ethanol, the Clean Fuels Development Coalition and General Motors.

“Range Fuels’ groundbreaking on its first commercial-scale cellulosic ethanol plant presents an extraordinary opportunity to move the country into the next generation of biofuels that will help improve the environment and secure America’s energy independence,” said Brian Jennings, Executive Vice President for the American Coalition for Ethanol. “Now, more than ever, it is critical for us to pursue clean-burning, homegrown, and cost-effective alternatives to foreign oil. Range Fuels is among the leaders in the biofuels industry and is poised to help us achieve these goals. I congratulate Range Fuels on this important day.”

“This groundbreaking clearly demonstrates that the next generation of biofuels are possible and reinforces that achieving the President’s goal of displacing 20 percent of the nation’s gasoline consumption with alternative fuels by 2017 can become a reality,” said Bob Dineen, President and CEO of the Renewable Fuels Association. “Progress like this will additionally help the environment by reducing greenhouse gas emissions and increasing ethanol production from processes that utilize sustainable supplies of biomass, like residue from timber harvesting and agricultural wastes.”

“On behalf of all the members of the Clean Fuels Development Coalition (CFDC), we congratulate Range Fuels as they take this significant step forward in the development of cellulosic ethanol,” said Doug Durante, Executive Director of the CFDC. “This project will demonstrate that commercial production of cellulosic ethanol made from biomass or plant matter can be a reality. This facility will be one of many helping the country reduce greenhouse gas emissions and move toward energy independence.”

"Range Fuel's investment in this ethanol production facility is an important step toward the next generation of renewable fuels. Cellulosic ethanol has enormous potential for displacing gasoline and reducing emissions," said Beth Lowery, General Motors Vice President of Environment, Energy, and Safety Policy.

**About Range Fuels, Inc.** Range Fuels, Inc., is focused on green energy and the production of cellulosic ethanol. The company does not use food products like corn, but rather uses waste materials and other non food sources and turns them into valuable products. The company's innovative technology uses wood chips, municipal waste, paper pulp, olive pits, and more, and converts those materials to ethanol. The company's system, named K2, uses a two step thermo-chemical conversion process. The first step converts the biomass to synthesis gas and the second step converts the gas to ethanol. The company's business model is to design, build, own and operate its plants. The company is privately held and funded by Khosla Ventures, LLC, arguably the top venture firm in the U.S. focusing on alternative, green energy systems. The leadership team melds experience from Silicon Valley's fast-paced, high-tech world, and the technologically intense coal, coal gasification, and gas-to-liquids industries. Range Fuels' vision is to introduce the world to a fuel that's renewable, sustainable, and eco-friendly in its production.

**Media contact:**

Kim Milosevich  
OutCast Communications  
kim@outcastpr.com  
(415) 392-8282

**U.S. Department of Energy - Energy Efficiency and Renewable Energy**  
**EERE News**

*This is an excerpt from [EERE Network News](#), a weekly electronic newsletter.*

**November 07, 2007**

**Range Fuels Breaks Ground on Commercial Cellulosic Ethanol Plant**

Range Fuels, Inc. broke ground on November 6th on one of the nation's first commercial cellulosic ethanol plants. Range Fuels is one of six companies selected by DOE for financial support in building commercial cellulosic ethanol plants and is the first to break ground. The plant will be located near the town of Soperton, Georgia, and will draw on gasification technology to convert wood and wood waste from Georgia's pine forests and mills into 20 million gallons of ethanol per year. Construction of the first phase is expected to be completed next year. DOE will provide \$50 million in support of the first phase of construction and will provide another \$26 million for the first expansion phase, which will increase its capacity to 30 million gallons of ethanol per year. The company plans to eventually expand the plant to an annual capacity of 100 million gallons of ethanol per year.

The Soperton plant will be fueled with wood and wood waste to minimize its reliance on fossil fuels. And in a state that's currently racked with drought, the Soperton plant will consume only one-quarter of the water consumed by today's corn ethanol plants. Range Fuels estimates that Georgia could produce enough cellulosic biomass to support up to two billion gallons of ethanol production using the company's technology. See the [Range Fuels press release](#).

Secretary of Energy Samuel Bodman attended the groundbreaking ceremony and noted its importance for advancing cost-competitive ethanol produced from non-food biomass sources, an approach crucial for reducing the nation's dependence on petroleum. Over the next four years, DOE intends to invest up to \$385 million in six commercial-scale cellulosic ethanol refineries, including the Range Fuels plant as well as facilities to be located in California, Florida, Idaho, Iowa, and Kansas. The six biorefineries will have a combined production capacity exceeding 130 million gallons. See the DOE press release on the [groundbreaking](#), Secretary Bodman's [prepared speech](#) for the groundbreaking, the earlier DOE press release on the [awards](#), and the [DOE Biomass Program Web site](#).