



FRONTLINE
BIOENERGY, LLC
Renewable Energy & Chemicals



PRESS RELEASE:
December 12, 2005

For Immediate Release

CVEC Announces Alliance with Frontline BioEnergy, LLC

New Company to Commercialize Biomass Gasification Technologies

On December 12th, Chippewa Valley Ethanol Company, LLLP announced a research and development agreement with Frontline BioEnergy, LLC, a new Iowa company that specializes in biomass gasification technologies.

Under the terms of the agreement, CVEC agrees to purchase approximately \$15 million of services, equipment, and materials from Frontline to support the installation of prototype gasification systems at CVEC's Benson, Minnesota ethanol plant. The project funding and development will be staged through three phases over a projected three year period. The objective of the development project is to replace essentially all of the CVEC's natural gas energy requirements.

"I really like the idea of replacing natural gas and reducing CVEC's operating costs with a renewable resource like the corn stover that's available on my farm" said Dan Benson, board member of CVEC.

In consideration for its commitment to fund the design, construction and startup of these prototype systems, CVEC has received an equity ownership position in Frontline BioEnergy, LLC. The three original Frontline principals, John Reardon, MS ChE, Norman Reese, M.Eng. PE and Jerod Smeenk, MS ME represent the other major owners of the new Frontline BioEnergy, LLC.

CVEC will be responsible for developing systems to supply its own feedstocks to the gasification systems. The prototype gasifiers will be designed to operate on a range of biomass feedstocks including corn stover, distillers dried grains, corn, wheat straw and wood wastes.

“CVEC’s demonstrated commitment to innovative solutions for their ethanol facility is an excellent fit with Frontline’s technology. We believe that this partnership will provide new sources of revenue to CVEC members and other area agricultural producers as CVEC begins to use corn stover and other forms of local biomass as energy inputs” said Norman Reese, Manager of Frontline BioEnergy.

Bill Lee, CVEC General Manager, said “the Frontline team combines highly advanced process concepts with real hands-on experience. We are very excited to collaborate with Frontline in developing these new technologies. The immediate benefit will be a cost effective alternative to natural gas inputs which will cost CVEC about \$20 million this year. We also see longer term benefits as we firmly believe that biomass gasification will be an integral unit operation in the biorefinery of the future.”

Frontline has valued the unique talent and specialized gasification facilities at the Iowa State University through research and development subcontracts in the past and plans on continued collaboration as Frontline pursues its stated Mission Statement “**To lead the nation in biomass gasification solutions for energy and products**”.

CVEC intends to assist Frontline in developing and demonstrating biomass gasification technologies and in marketing the technologies to ethanol plants and other industrial processors. Frontline and CVEC also share a strong commitment to collaborate on future research to develop syngas-to-products technologies based upon biomass gasification.

Gasification is a promising new technology for converting solid carbonaceous materials directly into a combustible gas (synthesis gas or syngas) that can be combusted like natural gas. With further processing, syngas can be converted into ethanol and other products, providing bio-based alternatives for an array of petroleum-based chemicals. Gasification can provide advantages over conventional combustion technologies in conversion efficiencies, emissions and process flexibility.

Frontline BioEnergy, LLC, a new company located in Ames, Iowa is the successor of Colorado-based Frontline BioEnergy, Inc. For more information about Frontline Bioenergy, LLC, its principals, its processes and its vision, logon to frontlinebioenergy.com

Chippewa Valley Ethanol Company (CVEC) is a 45 MM gpy corn dry mill ethanol plant located in Benson, Minnesota. One of the longest-tenured of the cooperative ethanol facilities, the CVEC organization has built a reputation for its ethanol policy leadership and for expanding the boundaries of farmer-owned ethanol with its innovative processes and marketing programs. For more information about CVEC logon to cvec.com