

## **Chemrec Evaluating Sites for Biorefineries in Georgia**

*Resulting investment to grow jobs, revitalize paper industry*

**DEERFIELD, IL, July 9, 2009** – Biomass-to-energy company Chemrec is evaluating possible sites in the state of Georgia for developing integrated fuels-from-the-forest® black liquor gasification biorefineries at pulp and paper mills there.

Chemrec biorefineries transform mills into producers of biofuels or biochemicals or even green electricity and power. Such transformation also creates jobs for biorefinery operations and for harvesting forestry biomass, the feedstock for the patented Chemrec technology. Other economic and public opinion benefits are considerable as well, such as possible tax benefits and air emissions reductions.

Georgia with more than 24 million acres of forestland – only Oregon in the continental U.S. has more -- and its existing pulp and paper mill industry is an ideal candidate for leveraging this technology.

"There are many excellent mills in the southeast part of the U.S., and we believe there is real potential for a biorefinery industry in Georgia," said Chemrec CEO Richard J. LeBlanc. He is meeting this month with Georgia mill owners, construction firms, government officials, project investors and potential end users of the Chemrec process to better understand their needs and the state's commitment to developing renewable energy investments

Jon M. Jurgovan is a partner with the Atlanta law office of Alston & Bird, LLP, which along with Sustainable Solutions Georgia is among entities investigating biorefinery technologies, including Chemrec's. "It's a proven, advanced technology that can work in Georgia pulp mills," Jurgovan said. "It is a shot-in-the-arm for the ailing pulp and paper industry and would add Georgia jobs using our vast forest resources while at the same time decreasing dependence on foreign sources of energy. The company has a first-rate management team and is a perfect fit for Georgia."

Sustainable Solutions Georgia president Jim Stokes agreed. "I am very excited that Chemrec has selected Georgia as one of the first U.S locations for its biorefineries. Chemrec's proven technology can produce ethanol, methanol, DME (dimethyl ether), synthetic diesel and other biofuels," he said. "These are all renewable sources of energy under the energy and climate legislation now before the U.S. Congress. By providing markets for our forest landowners, Chemrec's biorefineries will help keep Georgia's forestlands in forests. They will also provide hundreds of jobs in rural Georgia where our unemployment rates are the highest."

The Sweden-based Chemrec is one of Europe's most innovative and promising technology companies, according to the European Tech Tour Cleantech Summit. The company's U.S. subsidiary, Chemrec USA, is headquartered in Deerfield, IL.

-more-

The Chemrec process completely alters the pulp mill competitive position by adding 30 to 50 percent of very profitable revenue with typical internal rate of return as high as 25 to 40 percent. It also makes needed reinvestment possible by replacing aged recovery boilers experiencing high maintenance costs and low performance. In many cases the fuels plant investment can also be used to provide additional recovery capacity allowing higher pulp production.

Mills producing as little as 500 tons of black liquor solids per day are viable as fuels-from-the-forest biorefineries using this method. Most mills are considerably larger. At the minimum capacity size, such a biorefinery mill would produce upwards of 8 million gallons a year of green motor fuel calculated as gasoline equivalents.

Chemrec's second-generation biorefinery technology based on black liquor gasification has been in development for a number of years. Its development plant in Piteå, Sweden - the only gasification plant in the world producing high-quality synthesis gas based on 100% renewable non-food-crop feedstock – recently reached 10,000 accumulated operating hours. The syngas will be used to produce second-generation green motor fuels. The results achieved in the Chemrec plant are being used in the current scale-up of the technology to full-scale commercial-size gasifier units for 500 metric tons of black liquor solids per day. The full-scale technology has in several independent evaluations been shown to provide uniquely high greenhouse gas emission reductions, high energy efficiency and provide an opportunity for substantial second-generation biofuels production.

"This non-foodstock alternative energy technology eliminates the emotionally charged food-or-fuels debate -- and because it uses renewable resources in which Georgia is considerably blessed and its existing mill infrastructure – the Chemrec biorefinery offers numerous attractive advantages for the state of Georgia," LeBlanc said.

"State and business investment in this type of biorefinery technology can help revitalize the state's economy, add jobs and help the state lead the nation as a producer of renewable energies while the process also helps reduce greenhouse gases and creates healthier forests at less risk of wildfires," he said.

Chemrec, the "Fuel from the Forest" biorefinery innovator, is winner of numerous Cleantech awards:

- Top 24 European - European Technology Tour Cleantech Summit, June 2009
- Top 50 Nordic – Cleantech Scandinavia, April 2009
- Top 100 Global – AlwaysOn GoingGreen, September 2007

For more information, contact Richard J. LeBlanc, CEO, Chemrec, at [rick.leblanc@chemrec.se](mailto:rick.leblanc@chemrec.se).

-30-

#### **Contact**

Jim Leman  
 Leman Public Relations  
 847-543-1090 (office)  
 847-840-0784 (cell)  
[jim@lemanpublicrelations.com](mailto:jim@lemanpublicrelations.com)  
[www.lemanpublicrelations.com](http://www.lemanpublicrelations.com)