

Enerkem announces funding from Alberta Energy for its Edmonton waste-to-biofuels facility

Company also announces upcoming groundbreaking

EDMONTON, Canada – May 6, 2010 – Enerkem Inc., a leading waste-to-biofuels and advanced chemicals company, today announced that it has been selected by Alberta Energy to receive funding for its future Edmonton waste-to-biofuels facility, operated under the name of Enerkem GreenField Alberta Biofuels (EGAB).

The \$3.35 million funding will come from the Biorefining Commercialization and Market Development Program. This program is designed to stimulate investment in Alberta's bio-energy sector through the construction of ethanol, biodiesel and biogas facilities in the province. This funding is in addition to the \$20 million financial contribution made by Enerkem's partners in this project, the City of Edmonton and Alberta Innovates – Energy and Environment Solutions.

Enerkem's Edmonton biofuels project was announced in 2008 and received its environmental permit in 2009 (www.edmontonbiofuels.ca). The groundbreaking ceremony for this first-of-its-kind project in Alberta is scheduled to be held this summer. The plant will divert more residential waste from landfills, reduce greenhouse gas emissions and produce a green transportation fuel. It will also directly contribute to meeting the provincial and federal renewable fuel standards, by producing enough ethanol locally to fuel 400,000 cars per year, running on a 5 percent ethanol blend.

"The continued support our company has received from the Alberta government demonstrates the province's commitment to diversifying its energy portfolio and to positioning itself at the forefront of clean energy technology development", said Vincent Chornet, president and chief executive officer at Enerkem. "Our Edmonton waste-to-biofuels facility will influence cities in North America, and around the world, in how they manage their waste and it promises to revolutionize the fuels market."

About Enerkem

Enerkem (www.enerkem.com) is a leading waste-to-biofuel and advanced chemical company. Its proprietary thermo-chemical technology converts residual materials, such as non-recyclable municipal solid waste, into clean transportation fuels and advanced chemicals. The company was founded in 2000 and currently operates two plants in Canada: a pilot facility in Sherbrooke, QC and a commercial-scale plant in Westbury, QC. It will soon start the construction of its waste-to-biofuel plant in Edmonton, AB, Canada and is currently developing a similar project in Mississippi, U.S.A., for which it was awarded US\$50 million in funding by the U.S. Department of Energy (DOE).

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