

For Immediate Release
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US Ethanol, LLC, Breaks Ground on Washington State's First Ethanol Plant

55 million-gallon facility in Longview to be operational by 2008

VANCOUVER, Wash. – US Ethanol, LLC, based in Vancouver, Wash., announced on Dec. 6, 2006, that its subsidiary, Northwest Renewable, LLC has broken ground on an ethanol production facility on a 31.8-acre site in Longview, Wash. When completed, the plant will be the first large-scale facility in the state of Washington to produce ethanol, an alternative fuel typically made from corn.

Site work on the plant, which is located in the Mint Farm Industrial Park, will begin in December 2006, and the first ethanol production is expected to start in June 2008, the company announced.

"We are excited to break ground on this facility, as this is a major step forward in bringing an alternative fuel source to the Pacific Northwest and lessening our country's dependence on foreign oil," said Elie Makad, chairman of US Ethanol and Makad Corp., the Longview site's developer. "Our integrated approach to ethanol production and distribution will ultimately bring locally produced US Ethanol™ branded products, including E85 fuel, direct to consumers along the Interstate 5 corridor."

The plant is expected to produce 55 million gallons of undenatured ethanol annually. In addition, Northwest Renewable will manufacture approximately 169,000 tons per year of dried distiller's grain with solubles (DDGS), a corn derivative from the ethanol production process that is a high-protein product used by the animal feed industry.

At a construction cost of nearly \$100 million, the ethanol plant will provide a significant economic impact to the Longview community. Initial estimates call for between 200 and 350 jobs during the construction phase, and 41 full-time employees once production begins.

"We are extremely pleased with US Ethanol's decision to locate this project in Cowlitz County and fully support the ongoing development of this industry within our region," said Corey Balkan, vice president of the Cowlitz Economic Development Council. "The Longview ethanol facility will give a \$71 million one-time shot in the arm to the local community during construction and an ongoing contribution of \$6.7 million annually to local household incomes."

Project Development

US Ethanol has engaged Makad Corp., based in Vancouver, Wash., to be the project developer for the Longview ethanol plant and other facilities for US Ethanol in the Northwest region. Makad Corp. is an international project developer and consulting firm. The firm specializes in the development of industrial and commercial projects.

Plant Construction

Northwest Renewable has engaged Lurgi, Inc., based in Memphis, Tenn., and Makad Construction Corp., of Vancouver, Wash., to provide engineering procurement and construction for the Longview facility. Lurgi, Inc. is one of the world's leading experts on ethanol plant construction, having lent its expertise to ethanol plant projects in Iowa, Kansas, Oklahoma, Illinois and Indiana.

Corn Procurement

Lansing Trade Group has been selected to procure and deliver the 19 million bushels of corn needed for the Longview ethanol facility. Approximately six million bushels will come from local Washington and Oregon farmers, and the remaining 13 million bushels will be sourced from Midwestern states. US Ethanol believes that over time up to 10 million bushels could come from local growers in the Pacific Northwest as farmers produce more corn directly targeted for the ethanol plant.

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