

January 2, 2008

Grant funding creates bio-energy hub in Central Alberta

Edmonton... Over a half million dollars in provincial grants have been approved for three bio-energy projects in Central Alberta. The projects, located in Red Deer, Ponoka and Bentley, will explore the business potential for new facilities and expand the capacity of current ones. Combined, the three projects represent up to \$108 million of new investment in the province.

The largest of the grants will be provided to Kingdom Farm Inc. to review the potential for bio-gas technologies being applied to large scale Alberta hog operations. Intensive hog farms, such as Kingdom, could reap both environmental and economic benefits by capturing methane produced from manure, improving waste management and creating usable bio-gas for heating or electrical generation.

“Bio-energy provides new economic prospects for rural livestock and agricultural producers as well as adding to the province’s energy resources,” said Ty Lund, MLA for Rocky Mountain House.

Permolex, one of the province’s bio-energy pioneers, will also receive grant funding for the expansion of their ethanol storage capacity and distribution infrastructure. A feasibility study will also be undertaken to examine the potential of increasing plant capacity by up to 300 per cent at their current site. An expansion of this scale would have an investment potential upwards of \$80 million dollars and would create market demand for up to half a million tonnes of wheat.

“Expansion of Permolex’s facility is evidence of the growing demand in the province for alternative fuels,” said Mary-Anne Jablonski, MLA for Red Deer-North. “In addition to environmental benefits, bio-fuels offer important value-added opportunities for rural Alberta.”

Another of Alberta’s bio-energy leaders will use grant funding to carry out a bio-gas feasibility study on a large scale dairy operation near Ponoka. Highmark Renewables Research LP will study the potential of integrating bio-gas digester technology utilizing dairy manure. The proposed project would be the first commercial application of the IMUSÓ technology to handle liquid manure, from a dairy in the province.

“Renewable energy, such as bio-energy, will continue to gain importance to our energy landscape. These bio-energy grants will help establish a healthy, sustainable industry that will provide cleaner power for future generations of Albertans,” said Ray Prins, MLA for Lacombe-Ponoka.

All three of the grants were allocated through the Biorefining Commercialization and Market Development Program and the Bio-energy Infrastructure Development Program. Both grant programs are part of the Alberta government’s \$239-million Nine-Point Bio-energy Plan designed to encourage the growth of a clean, renewable fuel industry in Alberta.

More information on Alberta’s bio-energy industry and the grant programs is available on the Alberta Energy website at www.energy.gov.ab.ca under the *Our Business* section.

The bio-energy grant programs and the development of renewable energy support Premier Ed Stelmach's plan to build a stronger Alberta. Other government priorities are to govern with integrity and transparency, manage growth pressures, improve Albertans' quality of life and promote safe and secure communities.

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Attachment: project details

Media inquiries may be directed to:

Sean Beardow
Alberta Energy Communications
780-422-3786

To call toll free within Alberta dial 310-0000.

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Project Details

Highmark Renewables Research

Community	Ponoka
Project Name and brief description	Highmark Renewables Research LP
Contact Name	Trevor Nickel
Contact Title	Research Manager
Contact Phone Number	780-768-3809
Type of Facility	Biogas - Feasibility
Bio-energy Produced	Methane / Electricity
Provincial Funding	\$50,000

Kingdom Farm Inc.

Community	Bentley
Project Name and brief description	Kingdom Farm Inc.
Contact Name	Will Kingma
Contact Title	Principal Owner
Contact Phone Number	403-748-2650
Type of Facility	Biogas - Feasibility
Bio-energy Produced	Methane / Electricity
Provincial Funding	\$300,000

Permolex Ltd.

Community	Red Deer
Project Name and brief description	Permolex Ltd.
Contact Name	Steve Birch
Contact Title	Vice President Development
Contact Phone Number	403-347-7557
Type of Facility	Wheat Fermentation
Bio-energy Produced	Ethanol
Provincial Funding	\$157,800

