

Osage Bio Energy Announces New Ethanol Facility in Union County

July 08, 2008

COLUMBIA, S.C. – July 8, 2008 – The South Carolina Department of Commerce and Union County Economic Development Board today announced that Osage Bio Energy (OBE) plans to locate an ethanol production facility in eastern Union County. The \$161.5 million investment is expected to bring 75 new jobs.

“We are pleased to announce our intent to locate our new facility in Union County. The area offers us excellent access to our markets in the Southeast, provides the company with a highly-skilled workforce and has a nice quality of life. We appreciate all the support we’ve received from state and local officials,” said John Warren, Director of Government Relations and Project Development for OBE.

OBE will build a barley-based ethanol production facility under the corporate designation Congaree Bio Energy, LLC, and will partner with Carlisle Finishing in Carlisle, S.C., to seek operating efficiencies and infrastructure optimization opportunities.

“Osage Bio Energy adds to a growing list of companies that have chosen to locate in Union County. OBE’s investment is a good compliment to the Carlisle community and a testament that our state’s business-friendly climate and skilled workforce are working to attract new investments and create opportunity for South Carolinians. Thanks to the team efforts of state and local officials, Union County will benefit from this investment,” said Joe Taylor, Secretary of Commerce.

OBE is committed to operating as a sustainable, environmentally responsible company and will differentiate itself from traditional corn-to-ethanol production companies in several key ways. OBE is committed to maximizing the opportunity to produce a truly renewable fuel by partnering with existing steam producers, utilizing its own waste products for energy and procuring locally grown biomass.

The ethanol will primarily be produced from regionally grown barley and will be an advanced biofuel as defined by the Renewable Fuel Standard (RFS). Currently, in the Mid-Atlantic and Southeast nearly five million acres per year remain unproductive in winter months. Barley is a winter crop that will be grown for the production of ethanol and does not compete for land for food production. It requires minimal fertilization, reduces nutrient runoff in winter months and allows farmers to grow summer crops, especially soybeans. The co-product of barley-based ethanol, a protein meal, is a superior feed supplement for local cattle, poultry and swine.

“The Union County Council would like to welcome Congaree Bio Energy, LLC to Union County and the Carlisle community. We are excited about the opportunities they bring and technological opportunities that will benefit Union County, the State of South Carolina and our entire Country. Their innovation will further note the importance of alternative fuels. We appreciate the entire economic development team that enabled Congaree Bio Energy LLC to

locate here and create jobs and bring a significant investment,” said Donnie Betenbaugh, Union County Supervisor.

“We welcome Congaree Bio Energy, LLC to our Community. Congaree Bio Energy will bring a large investment to the county and create jobs for our citizens. They will be a good corporate citizen with the latest in technology. We appreciate them choosing Union County and the Carlisle community for their home in South Carolina,” stated Stanley Vanderford, Executive Director of the Union County Economic Development Board.

Osage Bio Energy is headquartered in Glen Allen, Va., and was founded in January 2007 to pursue the development of the United States’ first major barley-to-ethanol production facilities. Osage Bio Energy is the sister company of OSAGE Inc., in Roanoke, Va., the largest independent distributor of motor-fuel-grade ethanol in the Southeast, with current throughput of over 100 million gallons per year.

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