



NEWS RELEASE

BC Bioenergy Network Provides \$1,180,000 Support to Lignol Innovations Ltd. for Lignin Research Collaboration Project

VANCOUVER, BC –September 3, 2009 – The BC Bioenergy Network (“BCBN”), a provincially-funded industry-led association supporting the growing bioenergy sector in British Columbia, announced today a \$1,180,000 contribution to Lignol Innovations Ltd. (“Lignol”), a leading technology company in the cellulosic ethanol and biorefining sector. With this contribution, BCBN will provide funding to Lignol to work with several British Columbia Universities to support mission-driven lignin research for commercial applications.

The goal of this project is to develop the foundation for a renewable chemicals industry within the Province and to further support the development of a biofuels industry. This project will develop expertise in the production and functional utilization of Lignol’s HP-L™ technical lignin derived from locally available feedstocks and leverage the established world renowned centres of excellence at BC Universities and other research institutions, such as FP Innovations.

“B.C. companies like Lignol will help our province reach its potential as a clean energy powerhouse,” said Blair Lekstrom, Minister of Energy, Mines and Petroleum Resources. “Research like this contributes to B.C.’s leadership in the commercialization of cellulosic ethanol and other biofuels, and in the promotion of innovative clean and renewable energy and biorefining solutions.”

“This project is a great fit for our mandate of supporting relevant, mission driven research and building a world class bioenergy capability here in BC” stated Michael Weedon, Executive Director of the BC Bioenergy Network. “Lignol has defined the research agenda needs by working with some of BC’s leading research universities and other research institutions to accelerate the commercialization of their technology. This is the kind of collaborative approach that we need more of in BC to really fast track the efforts of our technology companies to get their products to market.” Weedon added.

“British Columbia is a province rich in resources and technical expertise. This represents an exciting opportunity, through our expanded partnership with BCBN and collaboration with BC’s Universities and Research Institutions, to make BC a world centre for production and commercialization of renewable biochemicals from non-food, ligno-cellulosic feedstocks,” said Ross MacLachlan, President and CEO of Lignol. “Lignol’s team of 50 dedicated employees now includes a talented technical development team that includes seven PhD Scientists, many of whom are graduates of BC Universities. This project, lead by Dr Alex Berlin, Vice President Research of Lignol represents an excellent opportunity to expand our working relationships with the Universities and Institutions of BC which could serve as a model for future collaborations between Industry and Academia” MacLachlan went on to say.

About the BC Bioenergy Network

Established in April 2008 with a \$25 million grant from the BC government, the BC Bioenergy Network is an industry-led association that acts as a catalyst for deploying near-term bioenergy technologies and organizing mission-driven research for the development and demonstration of new bioenergy technologies that are environmentally appropriate for the province of BC. Based on a recently-held focus group, BCBN identified the following technology areas requiring funding support: solid wood residues, pulp and paper residues, harvesting and pelletization, agriculture residues, municipal wastewater, municipal landfill waste, municipal solid waste, and community heating-electricity greenhouse systems. BC is well positioned to become a major player in the global bioenergy sector. The province is steward to one of the largest forested areas in the world,



and a leader in biomass to value-added wood products. The BC Bioenergy Network will provide the leadership to make BC a world leader in developing and marketing wood-to-bioenergy and other bioenergy technologies. For more information about the BCBN, visit www.bcbioenergy.ca

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About Lignol

Lignol (TSX-V: LEC) is a Canadian company undertaking the development of biorefining technologies for the production of fuel-grade ethanol and other biochemical co-products from non-food cellulosic biomass feedstocks. Lignol's modified solvent-based pre-treatment technology facilitates the rapid, high-yield conversion of cellulose to ethanol and the production of value-added biochemical co-products, including HP-L™ Lignin. Lignol is executing on its development plan through strategic partnerships to further develop and integrate the core technologies on a commercial scale. Lignol also intends to invest in, or otherwise obtain, equity interests in energy-related projects that have synergies with its biorefining technology. For more information about Lignol, visit www.lignol.ca

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