



Press Release

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Virent Raises \$21 Million in Venture Financing Round

Virent's Patented BioForming™ Process Now a Platform Technology with Capabilities to Produce Renewable Gasoline, Diesel, and Jet Fuel

MADISON, Wis., September 5, 2007 – Virent Energy Systems, Inc. announced today that it has closed a \$21 million second round of venture financing, led by Stark Investments and Venture Investors LLC. Cargill Ventures, the Series A Lead Investor, and Advantage Capital Partners, continued their strong support with full participation in the round. With this new investment, Virent has received grants and venture funding totaling nearly \$40 million since its founding in 2002.

Investor interest in Virent was driven in large part by the Company's continued development of its innovative BioForming™ process beyond its traditional hydrogen and fuel gas applications and toward the production of renewable gasoline, diesel, and jet fuels. These products have the same characteristics as their petroleum based counterparts and are compatible with existing infrastructure such as car engines, fuel pumps, and distribution pipelines.

"The BioForming technology has tremendous potential to transform the energy marketplace because its products are both sustainable and economical," said Paul Bieganski, managing director and chief technical officer of Cargill Ventures. "Interest in renewable energy is

increasing steadily. Technologies such as Virent's, which convert biomass to energy, address the renewable needs of transportation fuel markets."

John Neis, new Virent board member and co-founder and managing director of Venture Investors LLC, said, "This groundbreaking technology is significantly different from other pathways to renewable fuels. It can produce more net energy at a lower cost than traditional biofuel methods. The ability to use a wide variety of carbohydrate feedstocks gives Virent the ability to replace more fossil fuel products and meet a larger portion of energy demand."

"We have been carefully putting in place all the strategic pieces needed to achieve success," said Eric Apfelbach, Virent president and CEO. "We have built a world class development and business team experienced in commercialization. Our research and engineering activities have broadened our technical capabilities to include liquid transportation fuels and we have entered into significant collaborations with major industrial companies. We continue to attract funding from knowledgeable, experienced investors who will help us bring the BioForming process to commercial readiness."

Virent will use the funding to accelerate commercialization of its technology for liquid fuels, hydrogen, and propylene glycol.

ABOUT VIRENT ENERGY SYSTEMS

Virent is an energy technology company whose patented BioForming™ platform technology renewably produces transportation fuels, fuel gases, and many chemicals, all products most commonly made from fossil fuels. Headquartered in Madison, WI, Virent has 54 employees in a state of the art catalytic biorefining development facility. The BioForming technology is based on the Aqueous Phase Reforming process, which Virent has exclusively licensed from the Wisconsin Alumni Research Foundation. To learn more, visit: www.virent.com.