



NEWS RELEASE

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VIRENT SECURES \$46 MILLION IN FUNDING TO ACCELERATE BIOFUELS SCALE-UP

Royal Dutch Shell leads investment round, with strong participation from Cargill and other existing shareholders

Madison, Wis., June 08, 2010 – Virent Energy Systems, Inc. announced today it has closed a \$46.4 million third round of funding in which Shell and Cargill deepened their commitment to Virent’s breakthrough technology platform. Virent is an industry leader in converting plant sugars into sustainable advanced fuels for car, truck, train, and air transportation. This new round of funding will advance Virent’s efforts to scale its unique BioForming® process, a patented catalytic biorefinery platform, to commercial production volumes.

The investment agreement also expands an existing research and development collaboration with Shell for the production of biogasoline to include diesel fuel. With its new equity stake, Shell will also have a seat on Virent’s board. The investment round is further highlighted by 100 percent participation from existing investors.

The financing follows a March 2010 milestone in which Virent announced the successful start-up of the world’s first biogasoline production plant. The Virent demonstration plant can generate more than 10,000 gallons per year of premium biogasoline product and increases confidence in the commercial viability of the technology.

“Virent has a competitive advantage from our strong relationships with two premier, global companies, Shell and Cargill. Their significant capabilities and expertise across the value chain will be essential to accelerating deployment of Virent’s BioForming technology at commercial scale,” said Lee Edwards, Virent president and CEO. “I am especially gratified that our accomplishments to date have resulted in a \$46.4 million funding round, which is well above our initial \$25-40 million objective.”

“This investment demonstrates Shell’s confidence in Virent’s catalytic biofuel production processes,” said Luis Scoffone, Vice President of Alternative Energies at Shell. “The expansion of our joint technology program to include research into the production of diesel

from plant sugars offers considerable potential and complements Shell's wider biofuels portfolio."

"Over the past four years, Cargill has supported Virent's innovative sugars-to-hydrocarbons technology as it has evolved into a true biorefinery solution with the potential to help replace petroleum as the source of fuels and many chemicals," said Scott Portnoy, corporate vice president of Cargill. "We also see the technology's feedstock flexibility as an important characteristic to enable replacing the sugar source used in producing biogasoline with nonfood sources, such as sugars derived from lignocellulosic feedstocks."

Virent's BioForming platform technology catalytically transforms soluble plant sugars into gasoline, jet fuel, diesel, and chemical molecules like those refined from crude oil. These renewable products have global market acceptance and can readily enter the market using existing pipelines and fuels pumps to power today's vehicles at high blends.

ABOUT VIRENT ENERGY SYSTEMS

Virent's BioForming process is a leading technology for the production of sustainable advanced biofuels, including biogasoline, diesel, and jet fuel, and many chemicals. The process has won numerous technology and innovation awards including the U.S. Environmental Protection Agency's Presidential Green Chemistry Challenge and the World Economic Forum's Technology Pioneer awards. Virent has 80 employees and a state of the art catalytic biorefining development facility located in Madison, Wisconsin. Virent counts premier, global companies Cargill, Shell, and Honda, among its investors. The BioForming technology is based on the patented Aqueous Phase Reforming process. To learn more, visit: www.virent.com.

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Notes to Editors:

Additional Virent press kit materials and images are available at:
www.virent.com/News/mediakits.html

Shell's press release is available at:
http://www.shell.com/home/content/media/news_and_library/press_releases/2010/shell_virent_advanced_biofuels_07062010.html

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