



NEWS RELEASE

FULCRUM BIOENERGY PROJECT SELECTED BY THE U.S. DEPARTMENT OF ENERGY TO ADVANCE TO THE FINAL STAGE FOR A LOAN GUARANTEE

Fulcrum Receives Detailed Term Sheet Proposal From DOE

PLEASANTON, Calif., November 16, 2010 – Fulcrum BioEnergy, Inc. announced today that the U.S. Department of Energy (“DOE”) has selected Fulcrum’s Sierra BioFuels Plant to enter the final phase of DOE’s Loan Guarantee Program. Fulcrum has received a detailed indicative term sheet from DOE and has begun the negotiation process to advance the loan towards closure and funding.

The Sierra BioFuels Plant will be located approximately 20 miles east of Reno, Nevada in Storey County. The plant will produce 10.5 million gallons of ethanol annually along with 16 megawatts of renewable electricity by processing post-sorted municipal solid waste – household garbage. When operational in 2012, the project will reduce our nation’s dependence on foreign oil, significantly lower carbon emissions and stimulate economic growth in Northern Nevada by creating 53 full-time and more than 450 temporary green jobs.

“We have worked hard to have developed a very strong technical and financial project. DOE has a very rigorous and extensive technical and financial review process and we are quite pleased to have passed such review and progressed into term sheet negotiations. I believe ours may be the first biofuels project to have achieved this milestone with DOE,” stated E. James Macias, Fulcrum President and Chief Executive Officer.

“We began engineering work on the Sierra BioFuels Plant earlier this year and we are eager to proceed with procurement and construction before the end of the year. With equity capital in place, the DOE loan guarantee represents a vital financing tool to allow our \$120 million project to move forward – opening the door to an exciting new industry,” added Macias.

“We recognize that until the loan is closed, there is no assurance that a loan guarantee will actually be issued. However, as we move ahead and negotiate terms of the loan with DOE, and as DOE continues its technical, commercial and financial due diligence through the closing of the loan guarantee, we are optimistic that a conditional commitment and loan guarantee will be issued,” stated Macias.

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The Sierra BioFuels Plant is the first of several projects that Fulcrum is currently developing. To date, Fulcrum has projects in various stages of development throughout North America that will produce one billion gallons of ethanol per year. The modular design of Fulcrum's plants can be readily scaled to ensure the successful large-scale commercial development throughout the country.

Based in Pleasanton, California, Fulcrum BioEnergy is emerging as a leader in the development of next-generation cellulosic ethanol production in the United States. The privately-held company focuses on developing, owning and operating efficient, environmentally responsible facilities that convert municipal solid waste and other waste products to a much needed low-cost, reliable and environmentally clean renewable transportation fuel. Fulcrum BioEnergy is on track to become one of the first companies to commercially produce cellulosic ethanol from municipal solid waste, creating a reliable domestic source of renewable fuel, reducing the nation's dependence on foreign oil, lowering greenhouse gas emissions and relieving the pressure on existing and future landfills. Led by a management team with decades of experience in the energy, chemical and waste industries, Fulcrum BioEnergy combines access to fixed-price, zero or negative-cost solid waste, with the best technology and capital necessary to become a leading national producer of renewable transportation fuels. For more information, please visit www.fulcrum-bioenergy.com.

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