

Accelergy Unveils Pilot Plant and Signals Move Into Chinese Market

First-of-kind facility at the Beijing Research Institute for Coal Chemistry will test Chinese coals and certify coal-to-liquids projects in China

HOUSTON--([BUSINESS WIRE](#))--Accelergy Corporation, a global leader in the production of clean, high-grade, distillate liquid fuels, announced today that it has begun fuel production at its pilot facility at the Beijing Research Institute for Coal Chemistry (BRICC). The BRICC unit produces liquids that will subsequently be upgraded to specification products using Accelergy's proprietary Micro-catalytic Coal Liquefaction (MCL) process and Chinese coal. It will produce all of the process information needed to support the design of large-scale coal-to-liquids facilities on a wide range of Chinese coals.

Working with BRICC, the pilot plant is the only testing facility that can certify Accelergy's large-scale coal-to-liquids projects for permitting by the Chinese government, and marks the company's move into the Chinese market.

"There is an incredible market opportunity for Accelergy's technology in China, and together with BRICC we have developed a coal-to-liquids production facility that offers world-class capabilities," said Tim Vail, CEO of Accelergy. "We've combined the most advanced and experienced groups in the United States with their Chinese counterparts to commercialize high efficiency coal conversion technology. By working closely with BRICC, we'll explore the best options for the deployment of Accelergy's technology, and will look to collaborate with leading Chinese coal producers to develop future projects throughout the country."

Accelergy funded the renovation of the BRICC plant, which has processing capabilities for a wide variety of coals and will produce gasoline, jet fuel and diesel fuels, making the company well suited to meet rapidly increasing demand in China for these fuels. Accelergy will utilize BRICC's extensive testing resources in order to certify its fuels and begin the permitting process, with Chinese partners, for large-scale production facilities. BRICC has long played a critical role in the Chinese coal industry through the introduction of new technologies.

The China Coal Research Institute (CCRI), which oversees BRICC, was formed in the early 1980s, and is known worldwide for its expertise in coal research. Recently, CCRI played an

important role in the commercial operation of the world's first megaton direct coal liquefaction demonstration plant.

“China Coal Research Institute is dedicated to cooperating with large international energy corporations to develop coal liquefaction technology. Our mission is to commercialize the technologies that will make a major impact on the world energy industry,” said Mr. Qu Sijian, director of the China Coal Research Institute.

Currently the world's largest producer and consumer of coal, China's output for coal-to-liquids is expected to jump from 1.5 million tons in 2010 to 30 million tons in 2020, according to a recent report on the global CTL market from Market Avenue. Accelergy's CTL process offers China a solution that produces less carbon dioxide than traditional petroleum refining and has a significantly higher overall efficiency than conventional CTL technologies. The result is cleaner fuels that reduce greenhouse gas emissions, as well as traditional sulfur, nitrogen oxide and particulate emissions.

In May, Accelergy hosted a delegation of Chinese coal majors in the United States to tour the company's existing production facilities in Pennsylvania, North Dakota and Montana. The company is currently in discussion with selected large-scale Chinese partners to launch CTL projects in China, with the first announcement expected by the end of 2011.

About Accelergy Corp.:

Accelergy is a global leader in producing ultra-clean synthetic fuels, promoting energy security by using domestic resources. Our proprietary catalytic technology significantly increases the efficiency of the Coal-Biomass-to-liquid process (CBTL) while significantly reducing greenhouse emissions. Based in Houston, Texas, Accelergy has established an international presence in partnerships with some of the world's leading energy companies. For more information, please visit www.accelergy.com.

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