

State of Louisiana Passes Parish-Specific Law Benefiting Strategic Biofuels Project

New August 1 Legislation Reflects the State's Commitment to Supporting Renewable Energy Initiatives

COLUMBIA, LOUISIANA – July 26, 2022 – [Strategic Biofuels](#), the leader in developing negative carbon footprint renewable fuels plants, announced today that the State of Louisiana recently enhanced its nation-leading carbon capture and sequestration (CCS) legislation with provisions that provide additional carbon dioxide (CO₂) reservoir storage security for projects in Caldwell Parish, the site of Strategic Biofuels' Louisiana Green Fuels (LGF) Project.

The Parish-specific legislation, which goes into effect on August 1, 2022, extends the eminent domain acquisition of the pore rights for underground CO₂ storage with a prohibition of third-party drilling through the storage reservoir. This drilling ban substantially reduces the risk of stored CO₂ leakage. This legislation was passed unanimously by both houses of Louisiana's State Legislature and signed into law by Governor John Bel Edwards as Act 163 on May 26, 2022. It received support from both the Louisiana Oil & Gas Association and the Louisiana Mid-Continent Oil & Gas Association.

The drilling ban in the law aligns the Caldwell Parish project with the carbon sequestration requirements of the California Air Resources Board's Low Carbon Fuel Standard (LCFS) and facilitates qualification for credits for fuel delivered to that state. These credits, together with the credits under the Federal Renewable Fuel Standard and the Federal sequestration tax credits are significant contributors to the project's revenues.

"This legislation is a major win for Strategic Biofuels and is another way that we worked together with the State and our governor to achieve numerous milestones that help ensure the LGF project succeeds," said Dr. Paul Schubert, CEO of Strategic Biofuels. "Our working relationship with the State is a solid example of industry commitment and public policy paving the way for the unprecedented innovation of the LGF project."

The project will produce clean renewable diesel fuel using waste wood from managed, sustainable forestry as well as all its own green power. Because both the carbon converted into fuel and the carbon permanently sequestered were first directly captured from the atmosphere by trees, the project will produce the lowest carbon footprint liquid fuel in the world.

Strategic Biofuels and the State have worked to achieve numerous milestones that will ensure that the Louisiana Green Fuels project succeeds. In February, the Governor allocated [\\$250M of private activity bonds](#) to the LGF project in addition to the \$200M allocated the previous year. In January, the Port of Columbia was awarded a [\\$15M grant for infrastructure improvements](#) to help support Strategic Biofuels. This working relationship reflects the State's focus on reaching net carbon zero by 2050 and is a solid example of industry commitment and public policy paving the way for the unprecedented innovation of the Louisiana Green Fuels project.

"I'm proud to have signed this bill into law," said Gov. John Bel Edwards. "It advances our State's climate initiative while bringing new opportunities for the traditional oil and gas industry and its workers. The Caldwell Parish project will bring significant economic benefits to the entire Northeastern Louisiana region."

The law was originally introduced as HB267 to the State House by District 20 Representative, Neil Riser, and in the State Senate by Sen. Glen Womack and was signed into law as Act 163.

For more information about Strategic Biofuels or the Louisiana Green Fuels project, visit: www.strategicbiofuels.com.

###

About Strategic Biofuels

Strategic Biofuels LLC is a team of energy, petrochemical and renewable technology experts focused on developing a series of deeply negative carbon footprint plants in northern Louisiana that convert waste materials from managed forests into renewable diesel fuel and renewable naphtha. The fuel qualifies for substantial Carbon Credits under the Federal Renewable Fuel Standard Program and under the California Low Carbon Fuels Standard.

About Louisiana Green Fuels

Louisiana Green Fuels is the first of a series of projects by Strategic Biofuels LLC in Caldwell Parish, Louisiana. Located at the Port of Columbia, the plant will produce renewable diesel fuel from Renewable Fuel Standard compliant forestry waste and will produce all its own green power from sawmill and forestry waste materials. The plant and its accompanying Class VI Carbon Capture and Sequestration (CCS) Wells will produce renewable diesel fuel with a carbon footprint that is nearly a 400% reduction compared to fossil diesel, making it the most deeply carbon-negative liquid fuel in the world.