

\$1.1 Billion Tax-Exempt Bonds for Strategic Biofuels Project Approved by the Louisiana Community Development Authority

Underwritten by Citigroup, the authorization to issue these bonds to help finance the Louisiana Green Fuels project reflects latest milestone for the world's lowest carbon footprint liquid fuel plant

COLUMBIA, LOUISIANA – September 8, 2022 – [Strategic Biofuels](#), the leader in developing negative carbon footprint renewable fuels plants, announced today that the [Louisiana Community Development Authority's](#) (LCDA) Executive Committee voted unanimously to adopt a resolution granting final approval for the issuance of up to \$1.1 billion of its Revenue Bonds to finance a portion of the Louisiana Green Fuels project (LGF). The utilization of waste materials to produce fuels enables the LGF project to utilize these tax-exempt municipal bonds. Citigroup Global Markets Inc., the investment bank and financial services company, has been engaged to serve as the underwriter of the bonds and will be responsible for marketing the bonds to investors.

“Over the course of 2022 we have aggressively advanced the LGF project across multiple dimensions. This latest bond cap approval substantially enhances the project financing structure by providing low interest rate project debt,” said Dr. Paul Schubert, CEO of Strategic Biofuels. “We greatly appreciate the confidence in the project tangibly expressed by the LCDA in their unanimous approval of this increase.”

The LCDA is a statewide Conduit Issuer of revenue bonds and is authorized to issue bonds to finance economic development, industrial and manufacturing facilities, and a variety of projects on behalf of local governmental entities throughout the State of Louisiana. Although the State of Louisiana authorizes the issuance of the bonds, they are not guaranteed by the State or the LCDA nor are taxpayer dollars involved. To date, Strategic Biofuels has received \$450 million in total bond allocations, \$200 million for 2020 and \$250 million for 2021. The Company anticipates receiving substantial additional allocations over the next two years.

“We are happy to play a part in this important transaction for the economic impact it will have in Caldwell Parish and the entire Northeast portion of the State of Louisiana,” said Ty E. Carlos, Executive Director of the LCDA.

The increased bond cap approval complements the positive financial impact on the LGF project from the recent Inflation Reduction Act. In particular, the Act increased the 45Q Sequestration Tax Credit from \$50 to \$85 per metric ton of CO₂ for the approximately 1.4 million tons of CO₂ per year expected to be sequestered. This adds to project revenues from the sale of the 32 million gallons of renewable fuel, credits under the Federal Renewable Fuel Standard (RINs), credits under the California Low Carbon Fuels Standard (LCFS), and applicable Federal Blender's Tax Credits (BTC) or Production Tax Credits (PTC). These revenue streams provide the deeply carbon negative project with exceptionally robust economics.

“The mission of the LCDA is to assist municipalities, 501c3, and private activity entities, like Louisiana Green Fuels, in issuing bonds for the construction of economic development projects, infrastructure and environmental facilities. This project fits in perfectly with our mission,” said David Rabalais, Chairman for the Executive Committee of the LCDA.

The State Bond Commission granted its approval for the \$1.1 billion bond cap at its July 21 meeting and in August, the approval of the Louisiana Community Development Authority was the final approval necessary to allow issuance of the bonds up to that cap. The project expects to issue the bonds in late 2023. The news of this issuance comes quickly after the Strategic Biofuels team [recently shared additional support coming from the Department of Homeland Security and FEMA](#) through their Port Security Grant Program in the form of a \$1 million grant.

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

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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.