

For Immediate Release

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Cellulosic Sugar Producers Cooperative collaborating with Comet Biorefining to develop agricultural biomass supply chain

SARNIA, ON – Cellulosic Sugar Producers Cooperative, an Ontario-based farmer's cooperative, confirms that it has entered into a memorandum of understanding with Comet Biorefining to collaborate on the development of a sustainable agricultural biomass supply chain in southwestern Ontario. Comet Biorefining recently announced Sarnia, Ontario as the location of its commercial-scale biomass-derived sugar facility. The plant will require over 60,000 tonnes of corn stover or wheat straw per year producing dextrose sugar. The production of these sugars and co-products would support the production of bioproducts such as biochemicals and biofuels.

The Cooperative Board of Directors has approved the jointly developed business plan for the agricultural biomass to sugar value chain in southwestern Ontario and is now engaged in completing its regulatory requirements to complete an equity raise anticipated to occur in the third quarter of 2016. The business plan includes a full assessment of the specific costs for the aggregation, transportation and storage of agricultural biomass (particularly corn stover from the farm to the gate of the cellulosic conversion plant) and the potential financial returns for participation as an equity partner in the cellulosic sugar production facility. The project was conducted by Bioindustrial Innovation Canada (BIC).

"Producers need to take an active role in developing new markets based on new technologies coming to market," said Dave Park, President, Cellulosic Sugar Producer's Cooperative and Director, Grain Farmers of Ontario. "BIC approached a group of farmers in the area and we formed the cooperative approximately two years ago to enable this opportunity to develop."

Dave Park further adds, "Farmers can expect this project to be the first step towards the future commercialization of a large scale cellulosic sugar business. Farmers in the region can add value to their crops without increasing their land base. Corn stover is a very sensible feedstock because it is like super-imposing a crop on top of an existing crop, while not taking away any land from food production. The development of this technology will also help farmers reduce GHG emissions and climate change impacts through reduced tillage and achieve the 3 pillars of sustainability: social, environmental, and economic."

A commercial project would take advantage of the existing highly skilled trade workforce and infrastructure in the Sarnia area for construction of the plant. This initiative will further strengthen the reputation of Sarnia-Lambton as a hybrid chemistry cluster, creating jobs and attracting additional bio-based projects.

"Cellulosic Sugar Producers Cooperative shares our vision of developing a world class value chain to produce high quality dextrose from underutilized agricultural residuals, cost competitively", stated Andrew Richard, Comet Founder. "We are extremely pleased to work with the cooperative to help enable an expansion of the bio-economy in Ontario."

"We are very excited at the prospects of establishing the first commercial scale agricultural biomass to cellulosic sugar value chain in Canada," said Dr. Murray McLaughlin, BIC Executive Director. Dr. McLaughlin adds, "Risk is inherent with all first-of-kind technologies and we encourage the governments in Canada to support these groundbreaking bio-based clean technology companies to ensure that Ontario and Canada are leading the world towards a lower carbon, sustainable economy."

Bioindustrial Innovation Canada (www.BlnCanada.ca) is a Canadian not-for-profit organization catalyzing the commercialization of Cleantech with focus on bio-based and sustainable chemistry-based technologies including advanced biofuels, biochemicals, biomaterials and bio-ingredients. Based in Sarnia, Ontario, the BIC mission is to create jobs and economic value sustainably in Canada.

This project was funded in part through *Growing Forward 2 (GF2)*, a federal-provincial-territorial initiative. The Agricultural Adaptation Council (AAC) assists in delivery of *GF2* in Ontario. The project was also financially supported by BIC and its partners, which include the Cellulosic Sugar Producers Cooperative, Comet Biorefining Inc., and Ontario Agri-Food Technologies (OAFT).

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