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VIRENT ENERGY SYSTEMS RECEIVES \$7.5 MILLION FUNDING IN ROUND LED BY CARGILL VENTURES

MADISON, Wis., June 8th, 2006 – Virent Energy Systems, Inc. announced today it has raised a \$7.5 million round of private venture financing led by Cargill Ventures. Honda Strategic Ventures, Venture Investors, and Advantage Capital Partners also participated in this round, which will be used for product development and commercialization of its Aqueous Phase Reforming (APR) process.

Virent's APR process offers a cost-effective and thermally efficient method for producing hydrogen, fuel gas, some liquid fuels and high value chemicals using renewable biomass. The company has already demonstrated and sold a system that produces SuperNatural Gas™, a mixture of hydrogen and alkanes to fuel internal combustion engines. By demonstrating the capability of localized, on-demand fuel delivery, the system is a promising first step to providing a reliable method for renewable fuel generation from a variety of widely available biomass sources. With high efficiency and low equipment costs, this low-temperature, direct conversion process can be used for distributed power systems, fuel stations, centralized fuel production or, longer term, mobile applications. The APR systems can be designed to deliver predominantly hydrogen or alkanes (i.e. methane, ethane, propane and butane), or a customized blend of these fuels.

Virent was founded in 2002 by Dr. Randy Cortright and Dr. Jim Dumesic from the University of Wisconsin and already has received nearly \$4.5 million in grants from the Department of Energy and National Institute of Standards and Technology.

"The investments from Cargill Ventures and Honda Strategic Ventures give Virent's technology tremendous global leverage in the emerging biofuels and hydrogen markets. We look forward to working closely with Cargill and Honda," said Eric Apfelbach, Virent's Chief Executive Officer.

"Virent's technology is revolutionary in its simplicity. It allows abundant, bio-based renewable fuels to be used easily and cost-effectively with existing as well as future energy technologies," said Paul Bieganski, Managing Director and CTO of Cargill Ventures.

About Virent Energy Systems

Virent Energy Systems, Inc. (www.virent.com), headquartered in Madison, Wis., is dedicated to providing cost effective and CO2 neutral biofuels through widespread use of its Aqueous Phase Reforming (APR) process. Virent employs 20 people and is expanding to occupy 18,000 square feet of lab, production and office space.

About Cargill Ventures

Cargill Ventures (www.cargillventures.com) invests in early stage technology-driven companies that enhance business processes, growth and innovation in global industries relevant to Cargill. Cargill Ventures maintains offices in San Mateo, Calif., and Minneapolis. It is a business unit of Cargill Inc., an international provider of food, agricultural and risk management products and services. With 142,000 employees in 61 countries, the company is committed to using its knowledge and experience to collaborate with customers to help them succeed..

About Atrium Capital & Honda Strategic Ventures

Atrium Capital (www.atriumcapital.com) is recognized as the leader in managing outsourced venture programs for major corporations. Atrium's current corporate partners are Honda Motor Co., Ltd., Hallmark Cards, Inc., RR Donnelley & Sons Company and Kensington Technology. In the past, Atrium has managed corporate funds for W.W. Grainger, Moore Corporation and Experian.

About Venture Investors

Venture Investors (www.ventureinvestors.com) is the manager of seed and early-stage venture capital funds primarily serving Wisconsin and the Midwest. Venture Investors provides private equity financing to high-growth companies in the Health Care and Information Technology sectors. The firm has a long and successful history of backing start-up companies with technologies licensed from one of our nation's leading research universities, the University of Wisconsin–Madison, and other major schools. Venture Investors currently manages over \$145 million in committed capital, dedicated to funding innovative and growing early-stage technology enterprises.

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