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Sundrop Fuels issues statement regarding facility acquisition

LONGMONT, COLORADO [December 31, 2012] – Sundrop Fuels, Inc., an alternative and biogasoline production company currently in preparations to build its inaugural plant in Central Louisiana, issued the following statement today regarding its agreement to acquire the facility formerly known as “Cowboy Town” adjacent to its planned facility:

Please attribute the following to Sundrop Fuels, Inc.:

Today, Sundrop Fuels Louisiana, L.L.C.. finalized acquisition of the 27.5-acre property and facilities, located off Interstate 49 in Boyce, Louisiana. The property is immediately adjacent to the approximately 1,200 acres on which Sundrop Fuels is preparing to build and operate its first production facility. Terms of the purchase agreement are not disclosed.

Pending further evaluation and planning, Sundrop Fuels intends to utilize the acquired site as a base for construction of its \$500 million alternative and biogasoline facility. The company is also considering utilizing the existing 200,000-foot structure to serve as Sundrop Fuels regional headquarters, research laboratory and biomass warehouse.

Specific construction and remodeling activities on the property will integrate with Sundrop Fuels master construction schedule, which is slated to begin in 2013.

About Sundrop Fuels, Inc.

Sundrop Fuels, Inc. is a privately funded alternative fuels company with plans to build mass-scale renewable gasoline factories using a uniquely cost-effective integration of biomass and natural gas feedstocks, commercially-established production technologies, and its own proprietary ultrahigh-efficiency gasification

system. The company has begun preliminary work on its inaugural \$500 million plant near Alexandria, Louisiana, where it will demonstrate its gasification technology and generate revenues to fund construction of its second, much larger facility slated to produce more than 200 million gallons of tank-ready “green gasoline” each year. By 2020, Sundrop Fuels plans to have many such facilities producing more than a billion gallons of advanced biofuels annually – a significant percentage of the nation’s Renewable Fuels Standard goal and a critical milestone in the natural gas-centered energy independence mission shared by the company’s largest investor, Chesapeake Energy.

For more information visit www.sundropfuels.com.

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