

San Joaquin Renewables Secures \$165 Million to Build Flagship RNG Project

October 27, 2021

San Joaquin Renewables (SJR) announced today that it reached an agreement with Cresta Fund Management and Silverpeak Energy Partners to invest up to \$165 million to develop and construct a biomass to renewable natural gas ("RNG") project near McFarland, California. Frontline BioEnergy, a leading provider of waste and biomass gasification solutions, is developing the project, which will take orchard residuals and shells from San Joaquin Valley farms and convert them into RNG that will be sold as transportation fuel. The project will also sequester carbon dioxide in an EPA Class VI sequestration well located on the project site. When completed, SJR's RNG facility will replace the current practice of open burning of agricultural waste with an enclosed system that will produce a non-fossil form of natural gas, capture and store carbon dioxide, and serve as a substitute to diesel; thereby reducing overall greenhouse gas emissions.

Frontline BioEnergy, the project development team, was formed in 2005 to develop, manufacture, and construct biomass and waste gasification technologies. The management team has extensive gasification experience, with a history of successful development and operations, including its Chippewa Valley Ethanol Company facility that converted biomass waste into fuel gas for an ethanol plant.

"The San Joaquin Renewables project will be a showcase for Frontline's advanced gasification technology," said Frontline CEO Jerod Smeenck. "The finalization of these agreements will allow us to continue expanding the future of renewable energy technology. We believe this project will serve as a model for many more environmental projects." For more information, please visit www.frontlinebioenergy.com.

SJR President T.J. Paskach described the project impact. "This project will give California farmers a higher-value outlet for ag waste and will, at the same time, produce super-clean natural gas fuel for displacement of diesel fuel. We're excited to be building this plant in McFarland and appreciate the collaborative spirit the city leaders have shown us. The environmental benefits to the local residents and the state of California are real and huge." For more information, please visit www.sjrgas.com.

"We are pleased to align with the Frontline team to develop the San Joaquin Renewables project," said Chris Rozzell, Cresta's managing partner. "The project has the exciting potential to both mitigate greenhouse gas emissions and improve overall air quality in the San Joaquin Valley. Agricultural greenhouse gas emissions, which are notoriously difficult to mitigate, comprised 10% of overall U.S. emissions in 2019. We are glad to contribute to the Frontline team's efforts to address these emissions."

"We are excited to partner with Frontline and Cresta to build a largescale RNG project in the San Joaquin Valley, which will significantly reduce agricultural greenhouse emissions from the region," said Kaushik Amin, a partner at Silverpeak. "The Valley experiences some of the worst air quality in the U.S., and the project provides a proven solution that is supported by the local community."