



GreenWood Resources and Partners Awarded Two \$40 million Bio-energy Grants from the U.S. Department of Agriculture

GreenWood will develop high-yield, short rotation hardwood bio-energy plantations for the Northwest

Portland, Oregon. – September 28, 2011 – GreenWood Resources (GWR), a worldwide leader in hybrid poplar management for multiple wood markets and environmental services headquartered in Portland, announced today that it is taking part in two \$40 million grants from the U.S. Department of Agriculture (USDA) for the development of hybrid poplar bio-energy crops for the region’s renewable transportation fuels industry. In the first of the two awards, GWR will participate in a consortium led by the University of Washington (UW) that includes ZeaChem Corporation, Oregon State University, the University of Idaho, Washington State University, the University of California Davis, Evergreen State College, Case New Holland, and the Agricultural Center for Excellence. GWR is also playing a role in a similar USDA award made to Washington State University (WSU).

“GreenWood Resources appreciates the USDA’s support and the recognition of hybrid poplar as an excellent non-food feedstock resource for the production of advanced bio-fuels and bio-based chemicals,” said Jeff Nuss, GWR’s president and chief executive officer. “Furthermore, I foresee a great opportunity and a strong future in serving this country’s renewable energy goals through this grant.”

GWR will lead the hybrid poplar feedstock development effort under the first award. The Company will oversee the development of multiple first-stage hybrid poplar bio-energy tree farms at strategic locations throughout the Pacific Northwest, where commercial complexes of bio-refineries and hybrid poplar farms will be expanded during the commercialization stage of the project. GWR will manage the first-stage farms with the Company’s elite varieties and using its refined bio-energy silvicultural techniques. Along with its university and industry partners, GWR will also coordinate research in ecological sustainability, methods of low-input farm management, and harvesting techniques.

“GWR is looking forward to working with the USDA and our university research partners to advance the science that will lead to the development of a new class of bio-energy hybrid poplar varieties producing significant yields of woody biomass that can economically and efficiently undergo conversion to liquid fuels,” said Brian Stanton, GreenWood’s chief science officer and co-principal investigator on the UW-led award.

Under the second WSU-led grant, GWR will participate in the consortium’s extension and outreach team to transfer its poplar agroforestry model to the region’s rural communities that will utilize hybrid poplar as a critical supplement to the supply of feedstock originating in the Northwest’s coniferous forests as logging residuals and thinnings from fuel-reduction operations.

Both awards are part of the USDA's Agriculture and Food Research Initiative (AFRI) Regional Coordinated Agricultural Project (CAP), which seeks to establish regional systems for the sustainable production of bio-energy and bio-based products. Through the Regional CAP, the USDA will facilitate the development of the necessary infrastructure across the entire supply chain for advanced biofuels in the Pacific Northwest. The program seeks collaborative projects with closely integrated research, extension, and education components.

Coordinated Agricultural Projects are multi-disciplinary, multi-million dollar projects focused on five "challenge areas" that are a major part of the USDA's research agenda. The bio-energy area supports the development of regional systems of bio-energy production that reduce dependence on foreign oil, have net positive social, environmental, and rural economic impacts, and are integrated with current agricultural systems.

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About Greenwood Resources

GreenWood Resources, Inc. ("GWR") is a global investment and asset management company focused on the development and operations of high-yield, short rotation tree farms in North America, South America, Europe and Asia. GWR's core competencies – capital/investment management, superior plant material, tree improvement methodologies, tree farm operations, and sales and marketing – uniquely address the broad skills required to produce superior, risk-adjusted returns for investments into intensively managed tree farms. GWR tree farm operations are certified by the Forest Stewardship Council (FSC).

For more information, please visit www.greenwoodresources.com.

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