

September 29, 2005

FOR IMMEDIATE RELEASE

**Biodiesel Industries, Michigan's *NextEnergy* and Daimler Chrysler
Announce Innovative Research Agreement,
Biodiesel Production Facility to be Built in Detroit**

Innovative project brings biodiesel research and development to the Motor City

Detroit, MI - On September 29th officials from Biodiesel Industries Inc. and NextEnergy announced a ground-breaking Cooperative Research and Development Agreement (CRADA) which will target biodiesel development and technical innovation.

“This is a pioneering project. It brings together a diverse group of major industry players, such as Daimler Chrysler, for the common goal of biodiesel advancement and implementation. We’re delighted to be part of the core group involved in this innovative venture”, said Russell Teall, President and Founder of Biodiesel Industries, Inc.

Beyond cutting edge research, the joint work will focus on the development and refinement of industry standards for the swiftly-growing biodiesel industry. The NextEnergy initiative involves key industry partners, including auto makers, the Department of Defense and several original equipment manufacturers (OEMs) who have an interest in biofuels.

NextEnergy is a non-profit corporation founded to advance the Alternative Energy Technology (AET) industry in Michigan. Major technology thrusts include portable power generation, renewable fuels and hydrogen production for use within commercial and military applications.

“Biodiesel Industries has many years of advanced development and production experience in the otherwise young biodiesel industry. Given the tremendous national market demand for their product, we are delighted that Biodiesel Industries has chosen Detroit for their next biodiesel production facility” said James Croce, Chief Executive Officer of NextEnergy Center.

Research and development will also extend into the development of agricultural resources utilizing property owned by Daimler Chrysler. The use of new and innovative biodiesel feedstocks will be part of this research. “As biodiesel demand increases there will be a need for new resources that can be grown in America by American farmers,” according to Jake Stewart, Biodiesel Industries Corporate Development Manager. “Daimler Chrysler has led the way in the use of biodiesel in diesel vehicles by being the first automotive manufacturer to deliver their vehicles to their customers with a blend of biodiesel as the original fuel. Soon it will be possible to have that biodiesel made in Michigan from resources grown here.”

DAIMLER CHRYSLER'S ROLE - DaimlerChrysler, a national leader in promoting use of clean, renewable biodiesel fuel, will collaborate with Detroit-based NextEnergy, Inc. and Biodiesel Industries, Inc., in developing advanced renewable fuels for the future.

DaimlerChrysler has promoted the use of biodiesel fuel nationally with the launch of the Jeep® Liberty CRD diesel, the first mid-sized SUV with a diesel powertrain in the U.S. market. Every Jeep Liberty CRD leaving the factory in Toledo is fueled with B5, made with 5 percent biodiesel.

To support the research programs at NextEnergy, DaimlerChrysler will commit currently unused land at a former SuperFund environmental site for use in producing soybeans, and perhaps other oil-bearing crops, for use in NextEnergy research programs.

“DaimlerChrysler is excited to be partnering with NextEnergy and Biodiesel Industries in this important research that will not only help diversify Michigan’s economy, but also strengthen the U.S. economy by reducing our reliance on oil,” said Deborah Morrissett, Vice President – Regulatory Affairs at DaimlerChrysler.

DaimlerChrysler is working cooperatively with the U.S. Environmental Protection Agency in identifying and developing sites for use in producing crops for the NextEnergy research. The goal is to include the properties in EPA’s “Return to Use Program” designed to put currently under-utilized former SuperFund sites back into productive use.

Morrissett said that DaimlerChrysler is actively developing a broad range of technologies to reduce dependence on oil and protect the environment.

- More efficient engines and transmissions for today’s vehicles, such as MDS in the HEMI engine which improves fuel economy up to 20 percent.
- Clean, powerful diesel vehicles that improve fuel economy an average of 30 percent.
- Hybrid and all-electric vehicles.
- Increased use of clean, renewable fuels (ethanol and biodiesel) produced in the U.S.
- Fuel cell vehicles for the future.

“The events of recent weeks have served to underscore the need to continue this work. The research being done by NextEnergy and Biodiesel Industries will make a significant contribution to our efforts,” Morrissett said.

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NEW BIODIESEL PLANT ANNOUNCED - At the NextEnergy event, Biodiesel Industries also announced that it will be building a 3 million gallon-per-year biodiesel production facility in the Detroit area. The facility will be the sixth such production project completed by Biodiesel Industries, who already posts the largest network of company owned biodiesel production facilities in the world. “Detroit is the

perfect location for us to build our newest facility. This is the center of the automotive universe, and that is where we need to be. Coupled with the involvement of NextEnergy, Daimler Chrysler and other major automotive manufacturers and suppliers, we look forward to working together to set the standards for biodiesel production and use,” explained Mr. Teall. “It is our pleasure to announce this project as part of the Grand Opening ceremonies for the new NextEnergy facility here in Detroit.”

Biodiesel Industries uses proprietary production technology that is “feedstock neutral,” meaning that it can produce quality biodiesel from many different resources such as soy bean oil and used french fry oil. Quality control systems are built into process control automation for the facilities, ensuring that the biodiesel produced meets stringent U.S. and European standards.

Biodiesel has received strong bi-partisan political support in recent years as a domestic and renewable fuel that can play a pivotal role in reducing American dependence on foreign oil. Recent federal and state legislation has provided strong incentives for the use of biodiesel. It has also received enthusiastic backing from American farmers who grow the many oil-bearing crops from which the fuel can be produced.

Biodiesel is a nontoxic, biodegradable alternative to petroleum diesel that substantially reduces air pollution. This high-performance fuel can be used by itself or blended with petroleum diesel. It runs in diesel engines with no alterations. Biodiesel is a designated alternative fuel under federal law and is fully registered with the U.S. EPA. For more information about biodiesel see www.biodieselindustries.com.

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About NextEnergy Center - NextEnergy is a non-profit corporation founded to advance business and community development by promoting technologies that strengthen Michigan’s economy, national security, and the environment. The state-of-the-art NextEnergy Center and related energy infrastructure supports research, development, education, and outreach through collaboration among automotive, military, and energy company interests. For more information, visit www.nextenergy.org.

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