



FOR IMMEDIATE RELEASE

Sprague Signs Offtake Agreement with Biofine for the Carbon-Negative Biofuel EL100

The agreement is a significant step towards decarbonizing the heating oil market and commercializing Biofine's patented technology.

PORTLAND, ME – July XX, 2023 - **Biofine Developments Northeast Inc.** (Biofine) and **Sprague Resources LP** (Sprague) are pleased to announce a transformative, long-term agreement that will bring the next generation of advanced biofuel, ethyl levulinate (EL), to the market. Sprague will also market EL, a product ready to revolutionize the heating oil industry by converting waste feedstocks into carbon-negative biofuels.

"We see this agreement as a critical step towards establishing a new industry that we believe will become a cornerstone of Maine's decarbonization goals, equity, rural development, job creation, and forest economy resurgence," commented Dr. Stephen Fitzpatrick, CEO of Biofine. "The potential impact of establishing a beneficial circular economy within the state and Northeastern U.S. with the Biofine technology could be enormous."

"We're excited by the prospect of EL to contribute to the region's decarbonization goals while leveraging existing heating system infrastructure and supporting consumer choices," said Dave Glendon, President and CEO of Sprague. "Low carbon liquid fuels offer the greatest potential for meaningful, near-term reduction in emissions, and we believe that Biofine's process is an innovative approach to supporting Maine's forest products' economy and renewable energy goals."

This pivotal agreement marks another step toward developing a next generation bioproducts industry in Maine. Earlier this year, Biofine announced a long-term lease at the Lincoln Technology Park and identified a significant supply of forestry residuals that qualify for valuable Cellulosic Biofuel credits under the Federal Renewable Fuel Standard program.

Biofine has worked over the last decade to commercialize the EL production process, an effort funded in part by the **Maine Technology Institute** (MTI) and augmented through a collaborative R&D effort at the **University of Maine-Forest Bioproducts Research Institute** (UMaine-FBRI). Under the direction of Fitzpatrick and Chief Development Officer Mike Cassata, Biofine has assembled a team to demonstrate the technology and prepare for industrial-scale production.

A key participant in this development is Portland, Maine-based **Treadwell Franklin Infrastructure Capital** (TFIC), a partner in BDNE, acting as a development agent to advance multiple biorefinery projects producing EL and co-products on an industrial scale utilizing sustainably harvested forestry residuals.

Biofine is the exclusive licensee of a suite of intellectual property and numerous significant patents at the core of the EL production process. EL's beneficial technical qualities, including its clean-burning and cold-temperature handling properties, have led **The National Oilheat Research Alliance** (NORA), **National Energy and Fuels Institute** (NEFI), and **the Maine Energy Marketers Association** (MEMA) to support and embrace EL as a pathway to decarbonize the heating oil supply.

Under the terms of the agreement, Sprague will facilitate the commercialization of EL through its commitment to purchase and market EL produced from Biofine's first production facility.

"We at Biofine are looking forward to a lengthy, productive, and cooperative relationship with Sprague to establish a truly sustainable fuels industry ideally suited to Maine and the Northeast," stated Dr. Fitzpatrick. "Sprague's national reach and market expertise make them an ideal partner for Biofine."

"We've been impressed with Biofine's approach to the waste-to-fuel challenge," said Dave Glendon. "We look forward to assisting them reach the scale necessary to bring this product to customers throughout the Northeast, dramatically reducing the carbon emissions of heating fuels. With a long history of introducing and marketing clean fuels, we believe that Sprague is well-positioned to advance Biofine's goals for the growth of this innovative product."

About Biofine. Biofine owns a proprietary technology that enables the economical production of high-value renewable biofuels, biochemicals, and biochar from cellulosic residues, including non-food feedstock such as low-quality forestry waste, agricultural residues, and post-consumer wastepaper/cardboard. Biofine is developing a commercial biorefinery in Lincoln, Maine, based on the ongoing collaborative R&D work at the University of Maine. Biofine is a wholly privately-owned corporation based in Portland, Maine.

About Sprague. Sprague Resources LP purchases, stores, distributes, and sells refined petroleum products and natural gas. Sprague also provides storage and handling services for various materials, including wind energy components. An early adopter, Sprague became the first petroleum company in the nation to earn the status of Biodiesel Board Certified BQ-9000 Marketer in 2006. Recognized for its efforts to support energy innovation, Sprague received the international Sustainability Impact Award in 2020 for their first-in-the-nation thin film solar panels on a liquid fuel tank in South Portland, Maine. Learn more about Sprague: www.spragueenergy.com

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(Far left) Forestry residues are an example of waste used to make the next generation of advanced biofuel, ethyl levulinate (EL). Other examples include waste paper or cardboard from separated municipal solid waste, energy crops, and food waste.

(Middle) Dr. Stephen W. Fitzpatrick developed the Biofine technology, and is now ready for commercial development. The pilot plant is owned and operated by the UMaine FBRI (*photo credit – UMaine-FBRI*)

(Far right) Combustion testing EL fuel - The first market application for EL is as a net-negative emission heating fuel. Future opportunities may include zero-emission energy options for transportation, marine, and jet fuels. (*photo credit – NORA*)