

Press release
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Positive outcome of Taurus Energy's and SEKAB's ethanol production trials

Taurus Energy, which is listed on the Aktietorget equities market, has developed strains of yeast which have further improved the company's ethanol production technology. Improvements have been made to the process technology which have increased the speed at which ethanol can be produced compared with traditional ethanol production methods. The next stage of the trials is to test the technology on an industrial scale, starting in October.

"We have developed a better yeast which has raised the ethanol yield from materials such as maize", says Lisbeth Olsson, Development Manager at Taurus. In partnership with SEKAB, one of Europe's leading ethanol suppliers, Taurus has been working on increasing the efficiency of the process technology.

Taurus Energy's research team has succeeded in improving the yeast strains to boost xylose consumption by 20-30 percent. Xylose is one of the exciting types of sugar contained in the new generation of raw materials for ethanol production.

One of the advantages of these new strains is that they generate a greater ethanol yield, based on residual products from maize. In the USA, a major proportion of ethanol comes from maize grains. The option of using maize plant residue, such as stalks, cobs and leaves, instead opens up massive commercial opportunities. Taurus is currently preparing a patent application for the new yeast strains.

"On the basis of these excellent results, we will be starting industrial-scale trials with maize cobs at SEKAB's plant in Örnsköldsvik in October. We will be one of the first in the world to produce ethanol using pentose fermentation on an industrial scale. The first results from these trials are expected in November", says Lars Welin, CEO of Taurus Energy.

The work is being carried out by a research team lead by Lisbeth Olsson, Development Manager at Taurus Energy and Professor at the Chemical and Biological Engineering Institute at Chalmers University of Technology in Gothenburg. Other members of the team are Guido Zacchi, Professor of Chemical Engineering at Lund Institute of Technology, Dr Eva Albers from Chalmers University of Technology in Gothenburg and Sune Wännström, Research Director at SEKAB.

What makes Taurus' ethanol production method unique is that it uses patented processes with yeast fungi which can ferment pentose, a simpler type of sugar than the hexose (with six carbon atoms) found in the ordinary sugar and starch extracted from maize, sugar cane, wheat and many other crops. Residual products, such as leaves, branches, straw and various types of plant stalks, break down into both hexose and pentose. Pentose is a type of sugar which cannot be fermented using ordinary yeast fungi. It is only in recent years that it has become possible to produce ethanol using these raw materials in combination with a pentose fermentation process, while ethanol has been produced from ordinary sugar for more than 2000 years.

One of the challenges in using residual material is that tough processing methods have to be used to access the fermentable sugar types, which form chemical compounds with an inhibiting effect on microorganisms. Taurus' new yeast strains have demonstrated improved performance in this area, too. The yeast strains increase the conversion of certain inhibiting

substances by 30-40 percent when tested on residual products from spruce. This indicates an improvement in the speed of ethanol production.

A Swedish version of this press release was distributed on September 23rd.

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About Taurus Energy AB

Taurus Energy AB is a research and development company which aims to commercialise its extensive research and development programme in the field area of ethanol production. Since 2006, the company's mission has been to license energy producers to use the methods developed by the company on a global market. Taurus holds over 10 world-leading patents which have been developed with the help of around 20 internationally-recognised scientists. The company is based in the Ideon Science Park in Lund, Sweden. Taurus is listed on the Aktietorget equities market. For more information, please visit www.taurusenergy.eu