

Global Clean Energy Holdings, Inc. Addresses the Acquisition of Camelina Industry Leader Sustainable Oils and Net Income for 2012, in Its Annual Letter to Shareholders

LONG BEACH, Calif., June 12, 2013 (GLOBE NEWSWIRE) --

To All GCEH Shareholders:

For the past four years, around this time – I like to reflect on the progress and setbacks we've experienced in a letter to shareholders. I speak with many of you throughout the year, but this letter gives me the opportunity, as President and Chief Executive Officer of Global Clean Energy Holdings, to update all my fellow shareholders on our business plans and to provide insight into what we have been working on. The best shareholders for GCEH are ones that are well informed and excited to be on the leading edge of the renewable fuels and renewable chemicals industry. It is a revolutionary space, a market and business that did not exist 10 years ago. It is rare to have the opportunity to be involved in a new industry; especially one that can significantly improve the world in which we live. We are mindful that the work we are doing is new and novel, has many opportunities and risks, and directly affects many people's lives. We take that responsibility very seriously and always strive to make the best decisions to grow the business and create long-term shareholder value. We continually evaluate new opportunities to expand our business that are consistent with our core business strategy and principles – developing responsible and sustainable non-food based renewable feedstocks.

Given the nature of the crop-based renewables business, and agriculture in general, there are many outside factors that affect our farming activities. It is inevitable that we will have both achievements and challenges every year, so we must continually learn and seek creative ways to reduce and hedge our risks. This includes expanding our business opportunities, developing new crops, diversifying our feedstock sources, as well as expanding both our geographic reach and our customer base. We recently completed the purchase of a business that meets all of these criteria.

The biggest and most exciting news is that we just completed the acquisition of Sustainable Oils, LLC (SusOils), the industry leader in Camelina development. The acquisition was very timely because just weeks before, in February of this year, the U.S. EPA approved Camelina oil as the only non-food based crop able to produce Advanced Biofuels, which includes renewable jet fuel, under the national Renewable Fuel Standard (RFS2). SusOils was instrumental in this approval and has been one of the largest suppliers of renewable jet fuel (HFA) to the US Navy. Their collaboration resulted in the certification of 30 tactical military aircraft for use with a 50/50 blend of Camelina-based renewable and conventional jet fuels. SusOils is the only Camelina provider with patented elite varieties that have field-proven superior yield. The acquisition fits perfectly into our long-term strategy of developing

a portfolio of annual and perennial non-food based feedstocks. With over \$20 million of revenue over the past four years, a highly developed plant breeding program and approval by the USDA for the seed meal or "press-cake" as a high quality animal feed for chickens, pigs and cows, SusOils is a perfect fit.

We retained an independent, certified valuation firm to provide the "Fair Market Value" of the intellectual property we acquired in the SusOils acquisition. The valuation firm concluded that the intellectual property had a company value of approximately \$18.1 million. We have currently recorded the assets on our books at \$4.4 million. However, after our advisors determine the proper SEC accounting of the intellectual property, we may adjust the recorded value on our financial statements to more appropriately reflect the fair market value. Based on our internal analysis, we believe that the portfolio of SusOils Intellectual Property (IP), which includes issued patents, pending patent applications, trade secrets and extensive field trial and production data, when integrated into our business plan, is worth considerably more than the valuation established by the valuation firm. Fully integrated, this IP is expected to generate more than \$60 million in revenue over the next three years.

On March 29, 2013, we filed our Form 10-K annual report with the SEC and I am proud to report that we have again recorded net income for the company. This is the third year in the last four where we have reported net earnings. We have also completed a number of key initiatives allowing us to move the business along. These include:

- The Certification of our Farms by the Roundtable on Sustainable Biomaterials (RSB) – In 2012, our Mexican Jatropha farms became the first sites in the northern hemisphere to be certified under RSB's strict standard for environmental and social sustainability. We have also initiated the certification process for participating farms in the U.S. where we are growing Camelina.
- Participation in the Midwest Aviation Sustainable Biofuels Initiative (MASBI) – We have been participating with key industry stakeholders including Boeing, Honeywell and United Airlines, along with 50+ other technology providers, NGO's and academics to develop a roadmap to grow, process and use renewable jet fuel in the Midwestern United States.
- The Continued Development of U.S. Environmental Protection Agency (EPA) Pathway Certification for Jatropha – As reported earlier, we are still in the approval process for Jatropha oil as a renewable fuels pathway under the EPA's Renewable Fuel Standard (RFS2). The EPA has indicated that results could be out for public comment as early as this summer. As reported above, Camelina was just approved in February 2013 as the first novel crop to receive an Advanced Biofuel pathway.

As you know, the biofuels business is a very young industry, so acquiring a company with a highly developed product provides a unique long-term opportunity for Global. We continue to maintain our focus on the production and supply of renewable feedstocks because it represents more than 80% of biofuels and biochemicals total production cost – commanding the majority of the profit, which provides the most long-term opportunity for our shareholders.

Our first Jatropha farm, which consists of more than 5,000 acres on the Yucatan Peninsula of Mexico, was planted with more than 20 varieties of Jatropha from around the world. The purpose of this was to determine which varieties grew the best in this climatic region, and integrate them into our breeding program. As expected, some varieties adapted better to the

environment and/or were more productive or disease resistant than others. Based on the results of the first farm, and our breeding program, we planted the second farm with the highest performing varieties. Since then we have focused on streamlining and right-sizing our Mexican farming operations and concentrated on the newest acreage, which was planted with the most productive varieties that provide the greatest opportunity to generate ongoing and future revenue. In 2012, we raised over \$5.6 million in farm-based investment and we have committed operational funding of an additional \$1.2 million for 2013. Consistent with our ongoing efforts for greater organizational efficiency, we have significantly reduced operating costs in Mexico. We continue to optimize cultivation practices and, with success on specific selections, plan to back-integrate the elite varieties into the early generation of trees on our older research farm.

From inception, our strategy has been to develop a portfolio of novel, non-food based energy crops that can be grown in a multitude of climatic regions around the world. This multi-feedstock approach allows us to take advantage of regional demand and opportunities that best fit our business model. Our recent expansion into annual crops like Camelina has been planned for quite some time and we are hopeful that it will allow us to intercrop a short gestation period oilseed into our existing acreage, generating oil during the early years of a project and again during any dormant periods. Our newly acquired Camelina business also facilitates our expansion into new growing regions within the U.S., as well as many other developed countries.

We continue to be very bullish on Jatropha and are convinced that it has enormous promise for long-term economic, environmental and social sustainability. However, in addition to having many of the same risks that traditional agriculture has faced for hundreds of years, we also have unique challenges associated with developing an entirely new crop, new product and new supply chain.

I am proud to report that in this past year we have accomplished many noteworthy things. The most significant accomplishments include:

- We successfully acquired an industry leader in the development and production of Camelina for use as a biofuels feedstock;
- We continued the efforts of Sustainable Oils and planting Camelina in the United States, which included multiple farms in California;
- We improved our balance sheet by combining the removal of legacy liabilities and improving revenues—resulting in net earnings for 2012, which we have generated in three of the last four years;
- We fully planted our Jatropha research farm in the Dominican Republic, and have already harvested fruit/seeds;
- We increased our asset base by more than \$3.3 million, an increase of over 21%, meanwhile liabilities increased by less than 19%;
- We raised an additional \$5.6 million in project equity and financing;
- We continued our social efforts by supporting local villages near our farms in Mexico. We have a deep corporate commitment to work with the local communities to improve

the social conditions where our employees and their families live; and

- We continue to operate our non-profit research organization, the Center for Sustainable Energy Farming (www.cfsef.org), which focuses on expanding research opportunities and enhancing the commercial viability of energy crops, which now includes Camelina.

As a small and emerging growth-stage company, we face many challenges to reaching our goals. During this coming year we will have to coordinate and assimilate our new North American Camelina operations with our existing Latin American Jatropha operations. In addition, we are in the process of raising additional funding at the corporate, subsidiary and project level. However, I am proud to report that the entire team of Global Clean Energy employees is optimistic and dedicated to our company and our cause. I personally have a high level of confidence and commitment to Global Clean Energy Holdings; and during the past year I acquired additional stock options to increase my equity position in the company.

We are all keenly aware of our focus on driving long-term shareholder value. I thank you for your continued support and confidence. Please follow us on Twitter [[@GCEHoldings](https://twitter.com/GCEHoldings)] and at [Global Clean Energy Holdings](https://www.facebook.com/GlobalCleanEnergyHoldings) on Facebook and visit our new website at www.susoils.com.

Sincerely,

Richard Palmer
President and Chief Executive Officer
Global Clean Energy Holdings, Inc.

This shareholder letter contains forward-looking statements which involve risks and uncertainties, including without limitation, those discussed in our reports on Form 10-K, 10-Q and 8-K. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

CONTACT: Richard Palmer
310-641-4234 ext. 7107
rpalmer@gceholdings.com

Source: Global Clean Energy Holdings, Inc.