



PRESS RELEASE
Madrid, 4 August 2010
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Leading R & D company in investigating the production
of next generation biofuels from algae

REPSOL ACQUIRES 20% STAKE IN ALGAENERGY

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- The agreement complements and strengthens Repsol's research into the use of microalgae for next generation biofuels.
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- Repsol has developed various research projects with microalgae as a source of advanced biofuels for a sustainable future.
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- As a technical partner, Repsol will actively collaborate in the selection, improvement, cultivation and marketing of fuels obtained from microalgae.
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- AlgaEnergy has great development potential, thanks to its patents, its team of scientists, and its active collaboration with prestigious research centres and universities.
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Repsol has acquired a 20% stake in AlgaEnergy, a leading R & D company in microalgae research. This agreement complements and strengthens Repsol's research program for the production of next generation biofuels from algae, and its purchase of a stake in AlgaEnergy accelerates and diversifies Repsol's R & D strategy.

With this participation, Repsol will take part in a technology-based project of high quality to select, improve, cultivate and market various products derived from microalgae, including CO₂ capture and fixing, and the production of biofuels from raw materials. Simultaneously, Repsol continues to develop alternative research projects in this field.

Repsol's 20% stake in AlgaEnergy was carried out by the *Repsol New Energy* unit. The company acquired 10% through a capital increase and the remaining 10% through direct purchase from AlgaEnergy's co-founder, Augusto Rodriguez-Villa. Repsol will actively cooperate with the company as a technology partner and will have two representatives on the Board of Directors.

Repsol and microalgae

Last April, Repsol created a business unit for new energy, Repsol New Energy, which aims to identify opportunities, promote projects and develop initiatives in bioenergy and renewable energy for transport, and other areas that can provide synergies with the company's ongoing business in the areas where the Repsol operates.

Repsol is currently developing several R & D projects for the use of microalgae as a source of production for advanced biofuels.

The use of microalgae is a proven and effective alternative for the production of biofuels, also presenting the advantage that it originates from a non-food source. It has a high capacity for CO₂ fixation and for transforming this into raw material for biofuels' production. In the next few years, it will be necessary to move toward its industrialisation in order to secure its long-term technical and economic viability.

Through the CENIT project, (Innovation Project for the Promotion of Biodiesel in Spain) coordinated by Repsol, the company's research has revealed that using algae to produce fuel oils serves a dual purpose: They absorb CO₂ emissions and produce green energy without interfering with food crops, helping to combat two of the greatest challenges facing today's society.



AlgaEnergy

AlgaEnergy was founded by a group of industrial experts in 2007. Its Chairman and Chief Executive is Augusto Rodriguez-Villa, the Vice-Chairman is Juan Mato and the Scientific Director is Professor Miguel Garcia Guerrero, one of the world's leading experts on the subject with 30 years' experience in microalgae investigation.

AlgaEnergy has great development potential, owing to its patents, its management, scientific and technical teams, and its active collaboration with prestigious research centres and universities, such as CSIC, and the Seville, Almeria and Santiago universities, all internationally reputed in the investigation of microalgae.

Last April the company received the "Madrid 2009" award for best technology-based business model.

Following the transaction, the AlgaEnergy shareholding is made up of Augusto Rodriguez-Villa (45%), Repsol (20%), Iberdrola Perseus-Venture Capital Company (20%), with the remaining 15% made up of independent shareholders.

[Click here for more information on Repsol's microalgae research](#)

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