



Diversified Energy Corporation Announces Major Partnership in Indonesia to Produce Drop-in Replacement Bio-Jet Fuel from Jatropha Plant Oil

January 26, 2011 – Gilbert, Arizona, USA – Diversified Energy Corporation announced today that the company has been selected by PT Jatropha Feedstock Initiative (JFI) of Indonesia as a key business partner to provide technology and production equipment for a large scale jatropha plantation and advanced biofuels production business being developed in eastern Indonesia.

Jatropha curcas is a long-living tree that produces non-food fruit-yielding oilseeds, which in turn are crushed to release crude jatropha oil. Over the next fifteen years JFI will plant and harvest jatropha oilseeds from over 5,000,000 acres of locally developed high yielding jatropha hybrids. These plantations will annually produce over 300 million gallons of crude jatropha oil by 2016 and over 2.1 billion gallons per annum by 2025.

Diversified Energy will provide advanced bio-refinery technologies and processing equipment that will convert the crude jatropha oil into fungible “drop-in-replacement” bio-jet fuel, and will actively participate in the efforts to test and certify jatropha oil-derived bio-jet fuels for commercial and military jet aircraft engines use worldwide.

Diversified will also provide state-of-the-art biomass gasification and energy conversion technologies that will convert all of the plantations’ biomass waste into electricity and additional chemical byproducts.

PT JFI President Director Cecil G. Batchelor, Jr. and Diversified Energy CEO W. David Thompson said that the project will create up to \$1.5 Billion US Dollars of United States “green industry” exports over the next fifteen years. Exports will include farm equipment, organic fertilizer production equipment, water well drilling equipment, construction equipment, advanced bio-refinery plant equipment, and biomass-to-energy plant conversion equipment.

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Thompson stated: “We have been working together for nearly 6 months on this project. This new business activity is exactly what the US Government has been asking its entrepreneurial companies to create: Projects that export large volumes of our hi-tech U.S. ‘clean and green’ technologies to help offset our balance of trade deficit with the rest of the world and develop alternative sources of clean energy, while also growing excellent US manufacturing jobs.”

The Indonesian project is designed to meet all objectives for sustainable development and for renewable biofuels. PT JFI’s Batchelor stated that “Every aspect of the project has been designed to meet global sustainability criteria and to insure that all by-product and waste streams are utilized in a clean and efficient manner. This project will also be a major economic boost to one of the poorest regions of Indonesia and it will generate over 250,000 new jobs over the next fifteen years.”

This project is a win-win for all involved.

About Diversified Energy Corporation:

Headquartered in Gilbert, Arizona, USA (a suburb of Phoenix), Diversified Energy Corporation, www.diversified-energy.com, is a 5-year old, privately-held alternative and renewable energy company focused on maturing innovative alternative energy technologies, developing commercial energy projects, and providing engineering services support to project developers. Principal areas of expertise include advanced Biofuels feedstocks and biorefinery conversion technologies, advanced “clean carbon” gasification, and commercialization planning for alternative fuels projects.

Diversified Energy CEO W. David Thompson is a 1978 graduate of the United States Air Force Academy in Electrical Engineering. He has spent over 30 years in high technology and highly-engineered product development programs, including some of the most ambitious space vehicle development programs accomplished by the US Government. He was previously founder and for 16 years President/CEO of America’s then-fastest-growing medium-sized aerospace company, Spectrum

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Astro Inc., where his engineering teams designed, developed, manufactured, and successfully launched and flew 12 unique medium-sized space satellites for US Government missions, on contracts valued at over \$1 Billion.

About PT Jatropha Feedstock Initiative (JFI):

Headquartered in Jakarta, Indonesia, PT JFI is a foreign/Indonesian joint venture whose partners have been involved in the commercial development of jatropha plantations in Indonesia since 2006. They have cooperated with the Indonesian Ministry of Agriculture in its efforts to develop high yielding jatropha hybrids specifically developed for Indonesian climate conditions. PT JFI has developed large scale commercial jatropha nurseries in eastern Indonesia since 2008 and has developed a unique mechanical transplanting system for jatropha seedlings. This will allow JFI to mechanically plant over 7.5 million jatropha seedlings per month for the next 15 years, a total exceeding 1.35 billion trees. Over their life cycles of 50+ years these trees will consume substantial quantities of CO2 while producing life-giving Oxygen. This represents a major effort to combat global warming.

JFI President Director Gary Batchelor is a 1974 graduate of the United States Military Academy at West Point in Mechanical Engineering. He has lived and worked in Indonesia for over 30 years and has held key management and executive positions in the petrochemical refinery design and operations, offshore oil and gas logistics support, and maritime industries. He led operations for an international ocean-going barge line company in Southeast Asia, and he previously owned and operated his own fishing fleet operating from Indonesia.

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Forward-Looking Statements

Except for the statements of historical fact contained herein, certain information presented constitutes "forward-looking statements" within the meaning of federal and state securities laws (including the United States Private Securities Litigation Reform Act of 1995). Such forward-looking statements, including, but not limited to, those with respect to jatropa, the Indonesian project, advanced biofuels, technologies, biorefining, biomass energy conversion, and all other topics addressed above involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Diversified Energy Corporation and/or PT JFI to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks related to agricultural results, technology performance, timing, pricing, and availability of project financing, global biofuel markets, and Government permits and regulations. Although Diversified Energy and PT JFI have attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Diversified Energy Corporation and PT JFI disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Accordingly, readers should not place undue reliance on forward-looking statements.

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