

NEWS RELEASE

UBIO – SHARE ISSUE COMPLETED

(Lysaker, 2 December 2008) With reference to previous communication regarding Umoe BioEnergy ASA's Share Issue (the Share Issue of the company previously known as 'Biofuel Energy ASA', ticker 'BIOE'), approved by the extraordinary general meeting 22 October 2008:

Umoe BioEnergy ASA has issued 47,333,775 shares at NOK 11.00 equal to NOK 520,671,534. The new shares represent approximately 47.7 per cent of the total 99,149,337 outstanding shares after issue. The shares were subscribed for by the assignment by Umoe Invest AS to the company loan receivables owed by subsidiaries in return for the issuance of shares.

Subsequent to the Share Issue, Umoe Invest AS holds a total of 84,829,895 shares, equal to 85.6 per cent of total outstanding shares.

The share issue was conditioned on the obtaining by the company of an amendment under the Loan Agreement between the company and Norsk Tillitsmann, as Loan Trustee for the bondholders.

For further information, please contact:

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About Umoe BioEnergy ASA

Umoe BioEnergy ASA is a bioethanol producer supplying a fast growing international market for biofuels. The company produces low cost, sustainable bioethanol from sugar cane, and has land and integrated agroindustrial operations in Paranapanema region of the State of Sao Paulo, Brazil. The production environment is unique, with vast land areas, rich natural resources and a well established industry. Umoe BioEnergy has 31,000 ha of arable land reserves, state-of-the art, highly mechanized agricultural operations, and is currently completing construction of two industrial production sites. Production is expected to reach 250,000 m3 of hydrous ethanol in 2009. The company employs more than 1,700 people and has a management committed to agroindustrial competency, social responsibility and robust project execution. Umoe BioEnergy's strategy is to become a leading company in the Brazilian sector and build a strong market position in the international industry of bioethanol production, supported by long term and active owners.