

Umoe BioEnergy ASA Debt Restructuring

Lysaker 22 October 2009

The debt and equity restructuring in Umoe BioEnergy ASA (the "Company") announced on 30 September 2009 was today unanimously approved by the shareholders represented at the Extraordinary General Meeting (EGM) of the Company.

In a bondholders meeting held on 19 October 2009 100 percent of the represented bondholders in the MUSD 85 bond loan issued by the Company approved the debt restructuring, whereof MUSD 53.2 of the bondholders have opted for conversion of loans to shares while the remaining MUSD 31,8 opted for an early redemption cash settlement. As part of the restructuring, all existing shareholder loans from Umoe Invest AS to the Umoe BioEnergy ASA group will also be converted to shares in Umoe BioEnergy ASA. Furthermore, the Company will raise additional funds in order to honour the cash settlements to bondholders in the amount of NOK 85,204,005. This will be accomplished through a share capital increase directed to Umoe AS, and Umoe AS has subscribed for the full amount at the EGM.

As a consequence of the debt restructuring 892,342,632 new shares in the Company will be issued which represents a 900 percent increase in the total outstanding shares. After the debt restructuring, the Umoe Group will control 969,865,151 shares which represents 97.8 percent of the total outstanding shares.

Following the debt restructuring, a repair issue by way of a further private placement will be directed toward the Company's shareholders and warrant holders as of today's date other than Umoe AS and Umoe Invest AS. The minority investors will be offered to subscribe from 0 to 32,687,710 shares corresponding to a total subscription amount of from NOK 0 to NOK 14,382,593. The subscription period is two weeks and is expected to last from 23 October until 6 November 2009.

Furthermore, the EGM also unanimously voted in favour of a proposal to amend the articles of association Section 5, allowing for a change in the required number of board members from 4-8 to 3-8.

Finally, the EGM unanimously voted in favour of the following resolution:

The Board of Directors of the Company shall consist of the following persons:

Tom Ruud, Chairman

Karen Helene Ulltveit-Moe, Director

Jens Ulltveit-Moe, Director