



Renewable Energy Group

Groundbreaking for Largest Biodiesel Plant in Iowa

East Fork Biodiesel and Renewable Energy Group[®], Inc. Begin Construction of First 60 Million Gallon Biodiesel Plant in Iowa

(Ralston, Iowa, Sept. 5, 2006) – Ground was broken on Tuesday in Algona, Iowa for the state's first 60 million gallon biodiesel plant. Renewable Energy Group, Inc. (REG) has partnered with East Fork Biodiesel of Algona in this state-of-the-art biodiesel project, taking a minority interest in the plant while also providing construction services.

Construction is underway for the \$70 million plant and production is expected to begin in approximately 12 months. The commercial-scale plant will use soybean oil as its primary feedstock. Construction plans also call for the development of a pre-treatment area for other types of feedstock, including animal fats or other oils.

Overall, the project is expected to net about 100 jobs during the construction phase and more than 25 new jobs as the plant opens. Forecasted annual biodiesel sales for East Fork Biodiesel are \$144.6 million.

As East Fork Biodiesel joins the REG network of plants, East Fork Biodiesel President Ken Clark says, "This groundbreaking signifies the beginning of a great partnership with Renewable Energy Group. In about a year, we will be producing a renewable fuel which will help reduce this nation's dependence on foreign oil, burns clean, and offers exciting opportunities for Iowa investors and the development of our local, state and national economies."

Nile Ramsbottom, President and COO of REG, shares this enthusiasm, "Renewable Energy Group, Inc. is proud to partner with East Fork Biodiesel to build Iowa's largest biodiesel plant. The construction of a commercial-scale, state-of-the-art, and highly efficient plant will help move this state and this nation toward their goals of energy independence."

This announcement comes on the heels of a successful initial private equity financing drive for REG and the announcement of key strategic partnerships in August 2006. This previous investment, and recent partnerships, is planned to create 496 jobs by 2010 in its network of plants nationwide and to market approximately 640 million gallons of high quality biodiesel.

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About Renewable Energy Group, Inc.

Renewable Energy Group, Inc. is the biodiesel industry leader of B100 sales and is the only full-service biodiesel company offering plant management, risk management, raw material procurement, plant construction, biodiesel production and biodiesel sales and marketing services. All planned facilities will utilize patented continuous-flow biodiesel production technology featuring water recycling and methanol recovery and be BQ-9000 accredited. Renewable Energy Group, Inc. markets SoyPOWER[®] biodiesel to customers in many industries including on-highway fleets, original equipment manufacturers, maritime, military, home heating and agriculture industries.

Renewable Energy Group, Inc. was formed through the combination of West Central Cooperative's biodiesel business and Renewable Energy Group, LLC's biodiesel plant construction business, and has produced and sold biodiesel for more than ten years through its predecessor companies.

Cautionary Statement

Certain of the statements contained in this Press Release that are not historical facts are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known or unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements include, but are not limited to, statements about our industry, plans, objectives, expectations, intentions and assumptions and other statements that are not historical facts. When used in this Press Release the words "expect", "anticipate", "intend", "plan", "believe", "seek", "estimate", "strategy", "objective", "projections", "forecast", and similar expressions are generally intended to identify forward-looking statements that are subject to this Cautionary Statement.

More Information

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To learn more about Renewable Energy Group, Inc., please visit www.regfuel.com