Xethanol Corporation
Business and Strategy Overview
Cellulosic Ethanol Workshop, Boston, MA
November 8, 2006

XETHANOL®

www.xethanol.com
AMEX: XNL

BIOMASS TO BIOFUELS™

Forward Looking Statements

This presentation contains “forward looking statements” as defined by the Private Securities Litigation reform Act of 1995 (the “Act”) that can be identified by words such as “believes”, “expects”, “projects”, and similar expressions and involve numerous risks and uncertainties.

Xethanol’s actual results could differ materially from those anticipated in such forward looking statements as a result of certain factors, including those set forth in the Company’s filings with the Securities and Exchange Commission.

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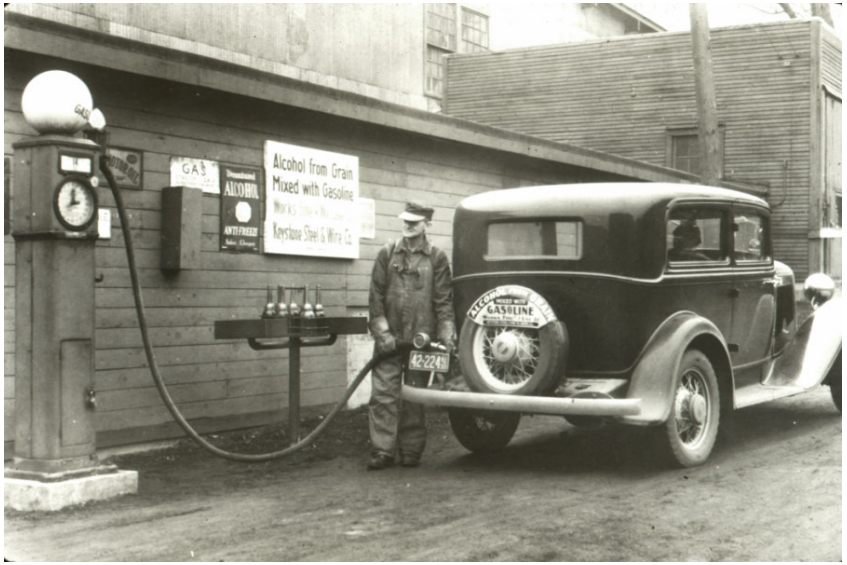
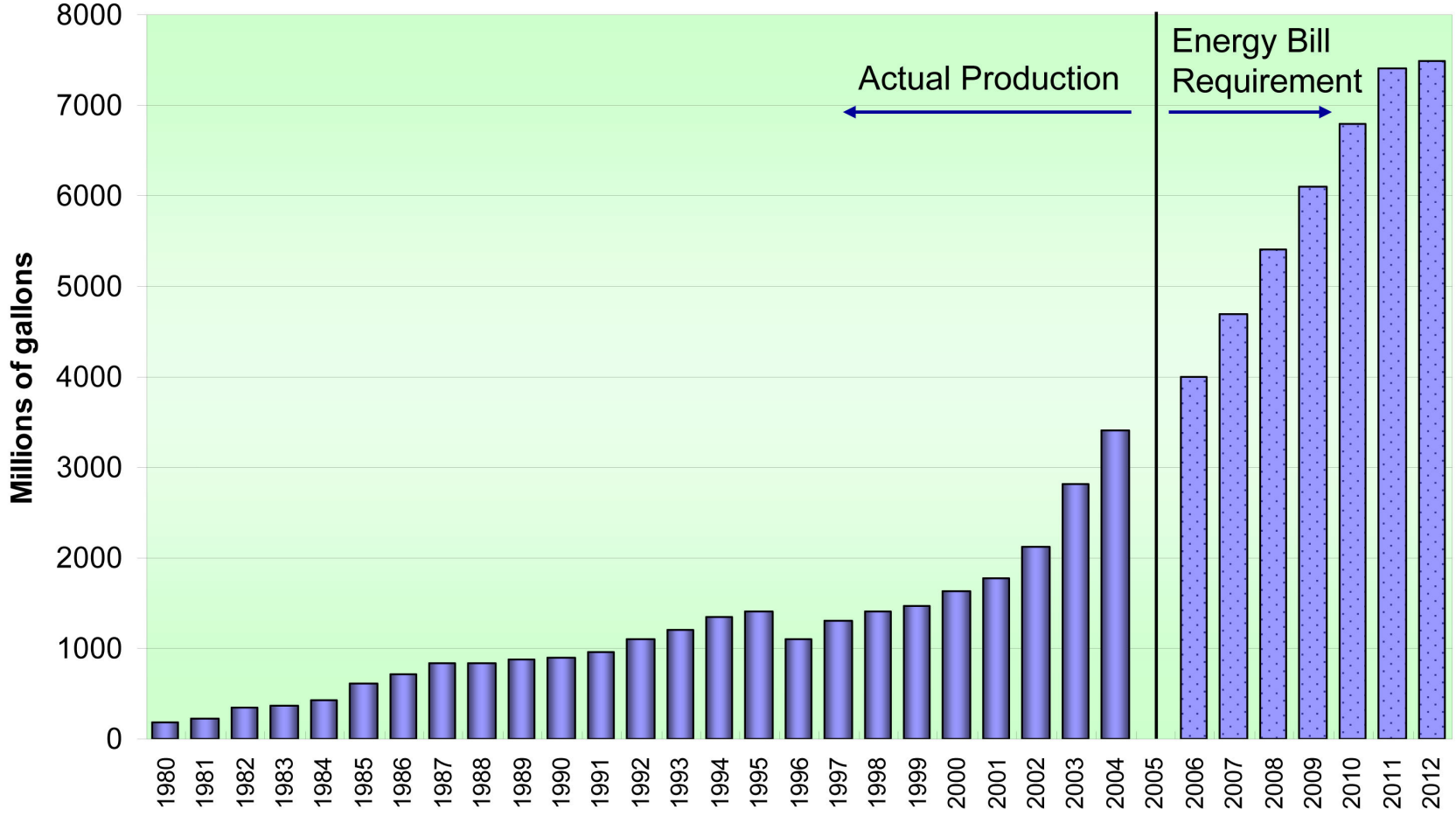
The old and the not so new - but new!



Corn to ethanol

- Corn is the crop of choice to make ethanol in the USA today
- It is likely to continue like this for the next few years
- Current Capacity –
  - 106 ethanol biorefineries – 5.08 b gallons
  - Total Under Construction (48)
  - Expansions (8)
  - Total Estimated Future Capacity - 8.78 b gallons
- Maximum corn usage estimated at 14 b gallons of ethanol
- To attain future ethanol demand, alternative feedstock needed

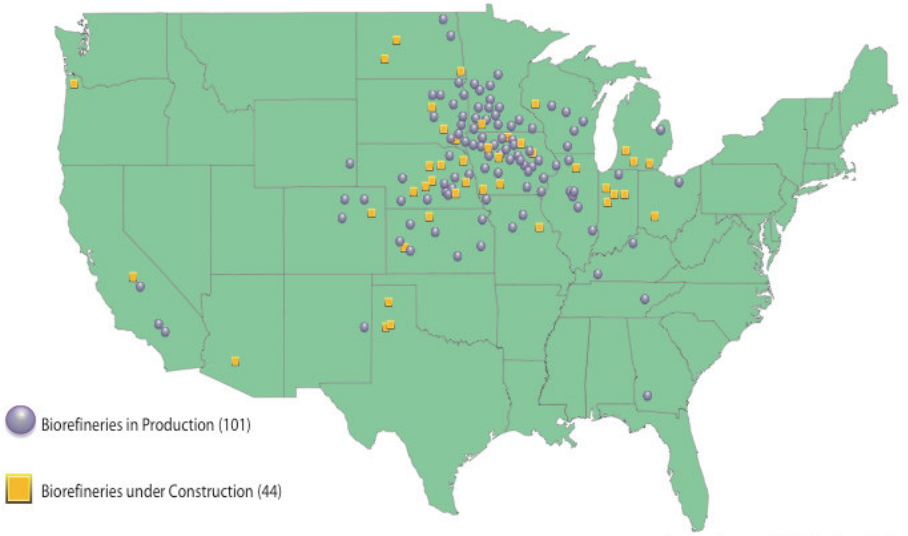
US Fuel Ethanol Production & Projected Minimum Demand



Source: Renewable Fuels Association

US Ethanol Production - Today and Tomorrow

U.S. Ethanol Biorefinery Locations



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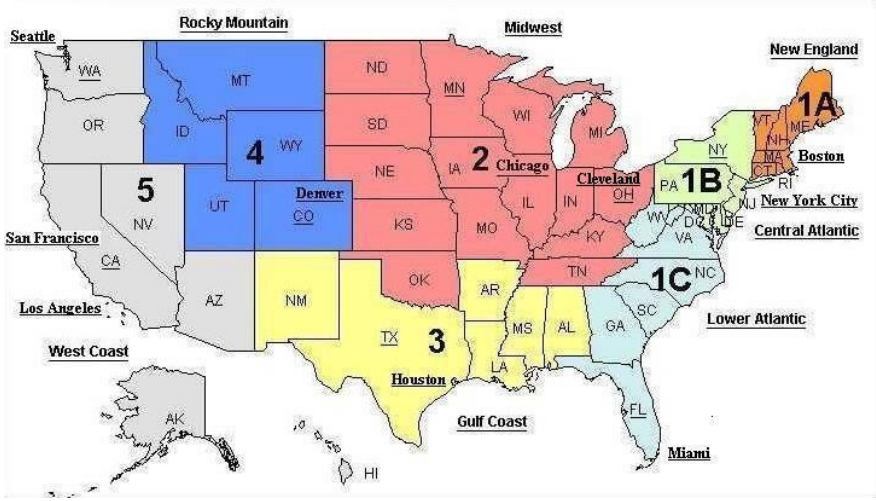
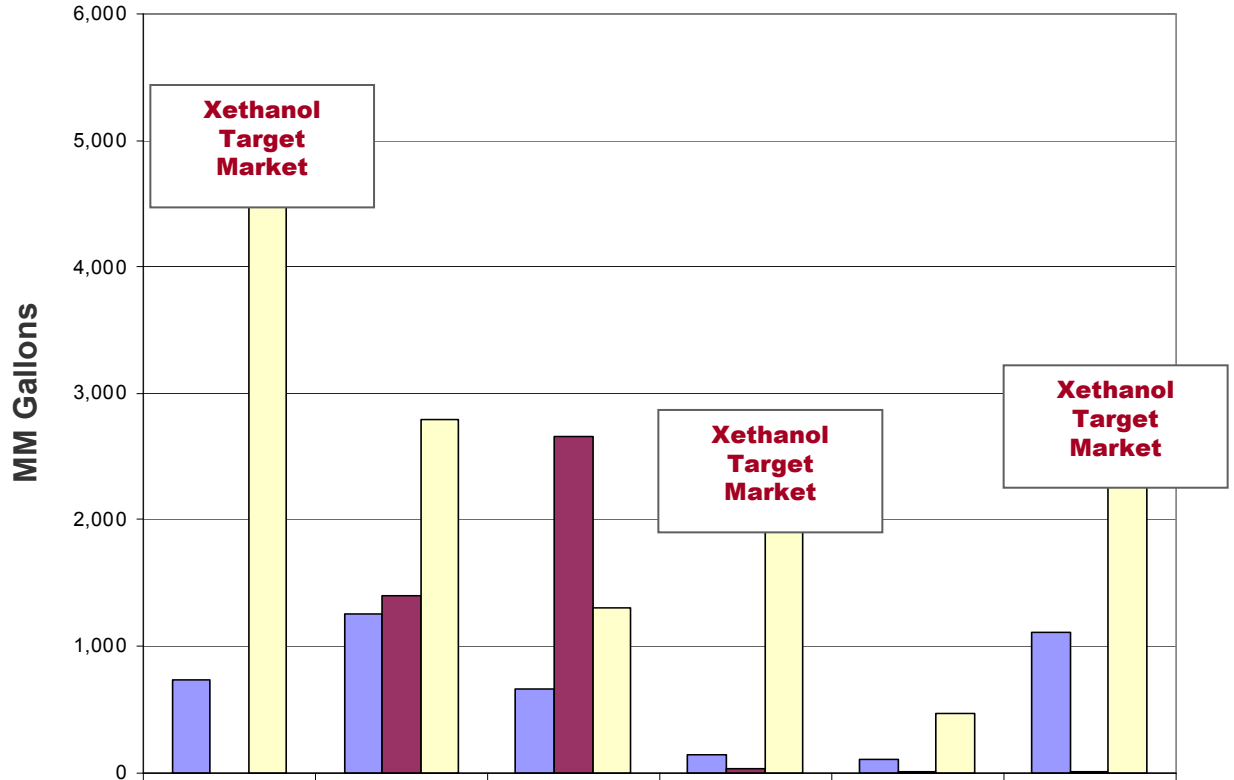


Projected Ethanol Demand by PADD*



Source: Aventine

	PADD I	PADD II E	PADD II W	PADD III	PADD IV	PADD V
Current Ethanol Demand	737.8	1,260.0	657.0	141.0	107.0	1,113.0
Current Ethanol Production	0	1405	2655	30	5	10
(E10) Projected Ethanol Demand 10%	4800	2790	1300	2100	470	2540

PADD V @ 5%, all others @ 10%

***PADD Petroleum Administration Defense Districts**

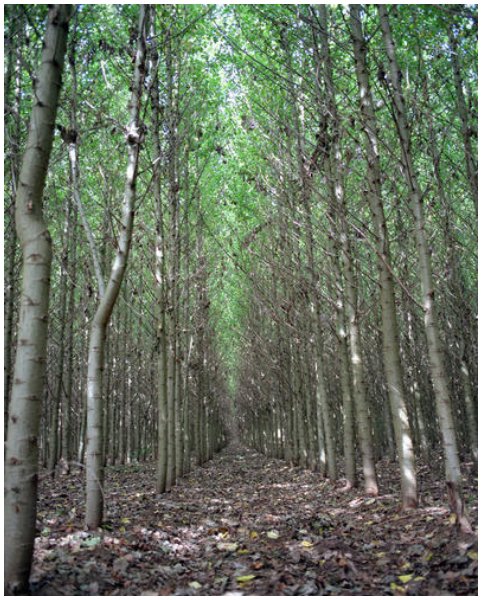
Xethanol's 6.5 million gallon a year facility in Iowa

Xethanol is building a new ethanol plant 35 million gallons a year using the latest technologies to decrease energy consumption

Augusta Biofuels LLC, a Xethanol facility - formerly a Pfizer Pharmaceutical Plant. Initial capacity 50 million gallons of ethanol a year, with plans to add a biorefinery at this location.

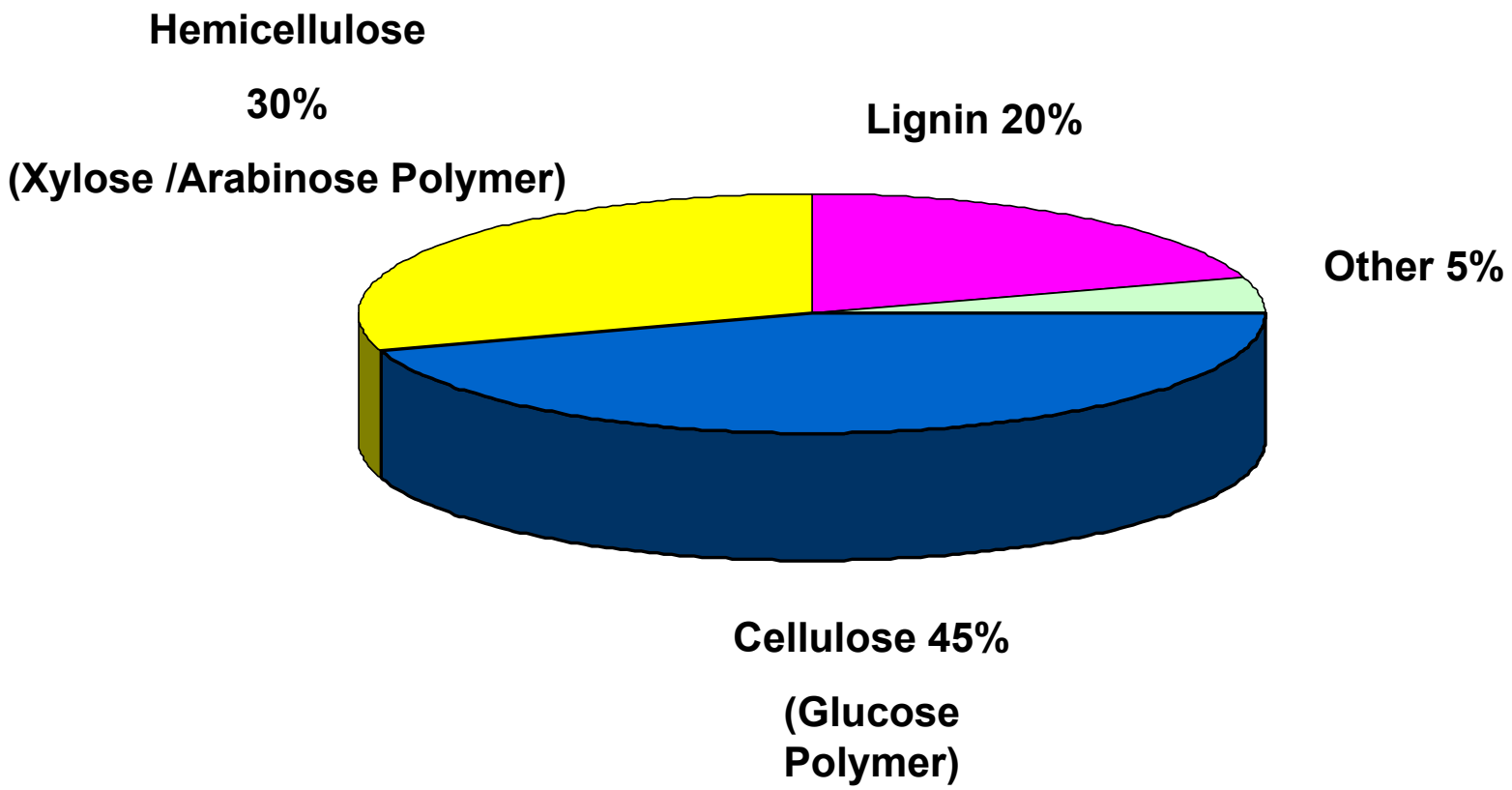
BlueRidgeXethanol - North Carolina - formerly an International Paper, MDF Plant - planned capacity 35 million gallons of ethanol a year

What is Biomass?

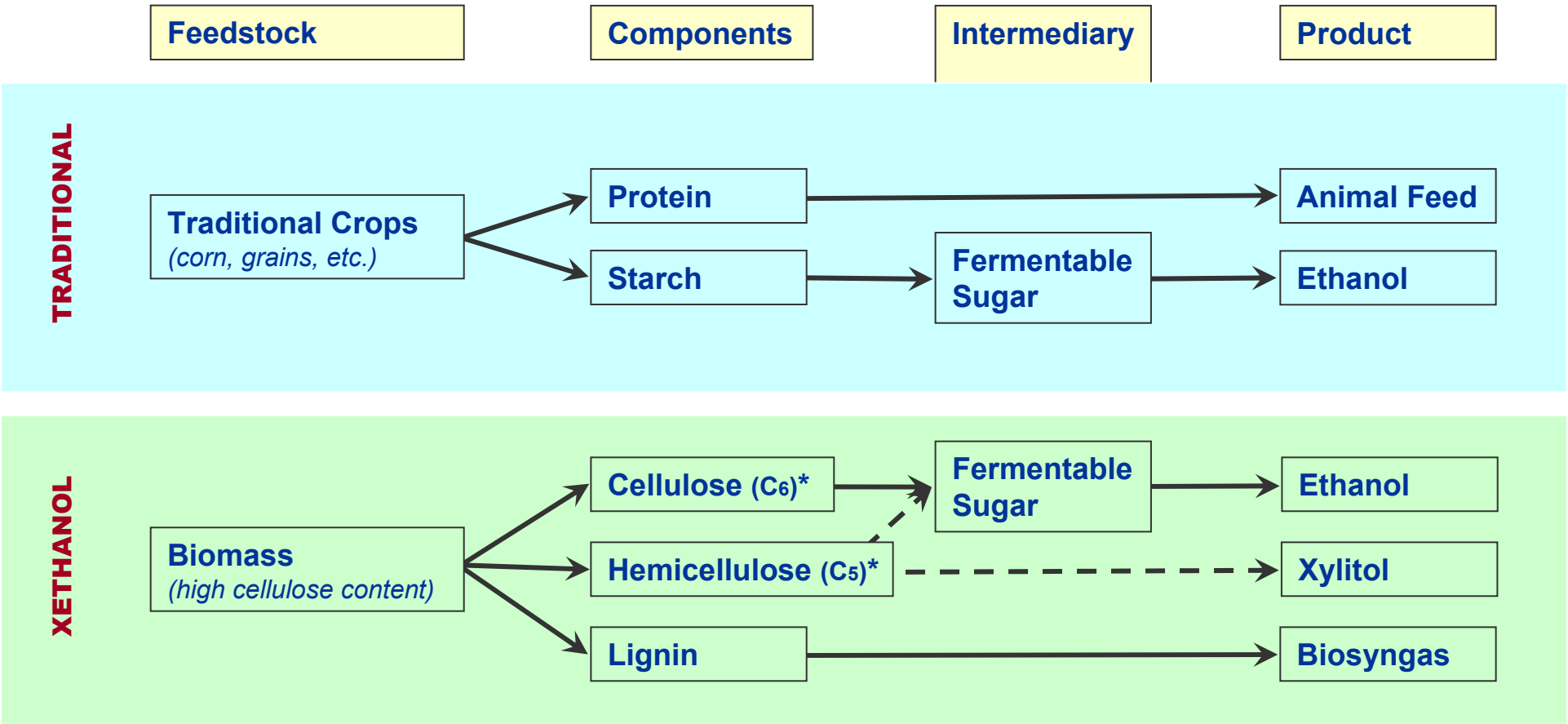


- Organic matter available on a renewable basis.
- Biomass includes forest and mill residues, agricultural crops and wastes, wood and wood wastes, animal wastes, livestock operation residues, aquatic plants, fast-growing trees and plants, and municipal and industrial wastes

What is Biomass made of?



Feedstock Strategy Starts with Corn and Migrates to Biomass



*Note: Cellulose and Hemicellulose are long-chain sugar polymers.

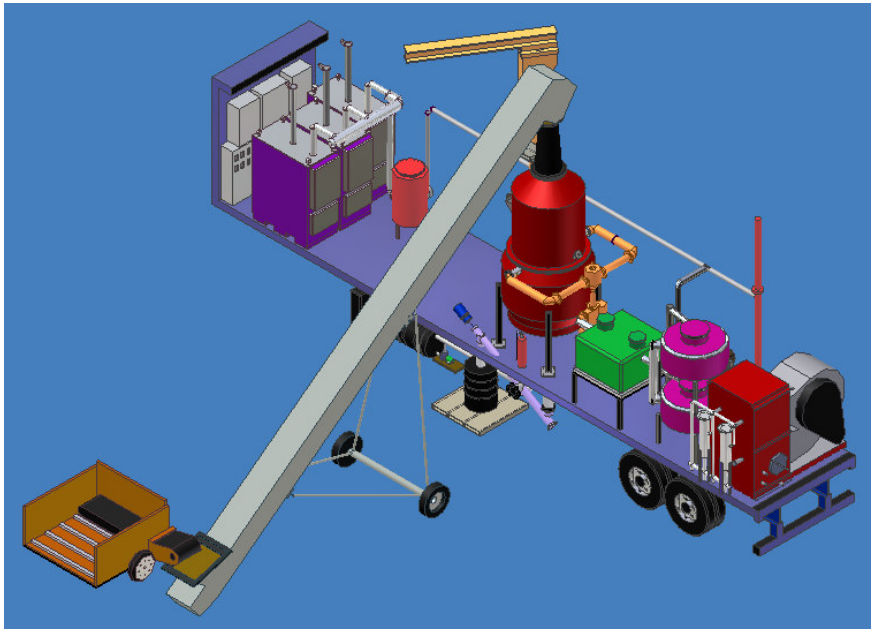
Research and Development

- **Outsourcing from** UTEK®
- **Technology Licenses**
- **Universities - Multiple ongoing research agreements**
- **Institutions - Cooperative Research and Development Agreements (CRADAS)**

Gasification - Thermochemical conversion of biomass to syngas

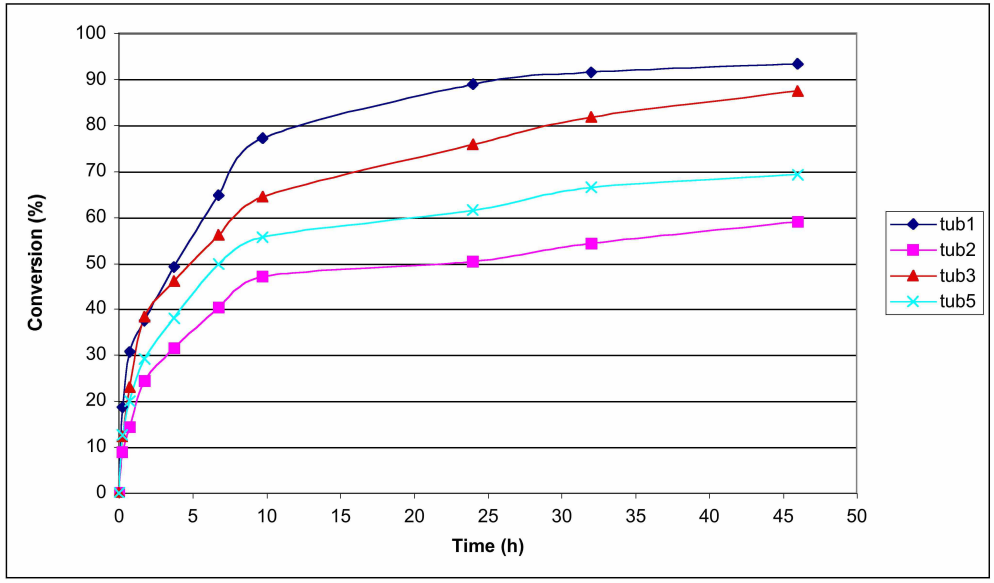
EERC
Energy & Environmental Research Center®

- R and D to develop a commercial gasification system using biomass with the Energy and Environmental Research Center, Grand Forks, ND



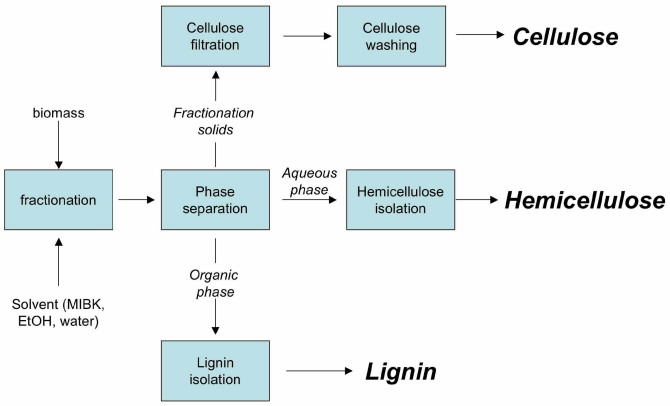
Pretreatment of Biomass in preparation for enzymatic hydrolysis

- R and D work in the pretreatment of biomass with Virginia Tech, Blacksburg, VA



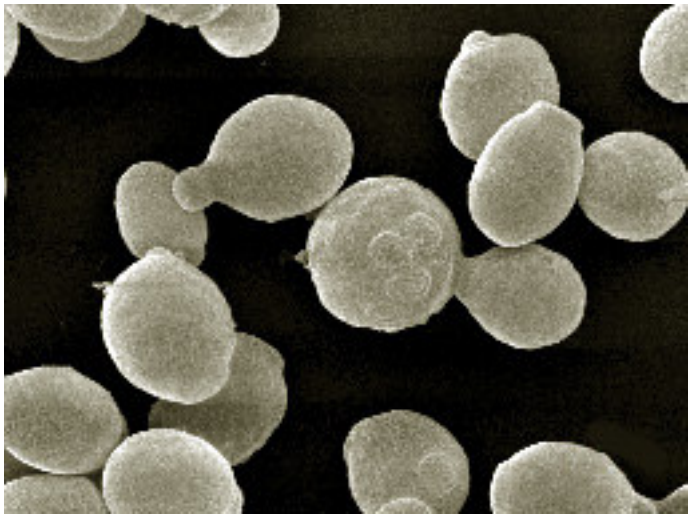
National Renewable Energy Laboratory - Clean Fractionation

- CRADA with the National Renewable Energy Laboratories, Boulder, CO



Fermentation - Creation of a robust yeast to ferment wood sugars

- Crada with USDA Forest Products Laboratory, Madison, Wisconsin
- Development of a robust yeast strain of *Pichia Stipitis* to ferment xylose into xylitol and ethanol



Plant Design and Construction

- Design and Process

Harris Group Inc.
Engineering for Optimum Performance.®

- Fermentation and Distillation

PRAJ INDUSTRIES

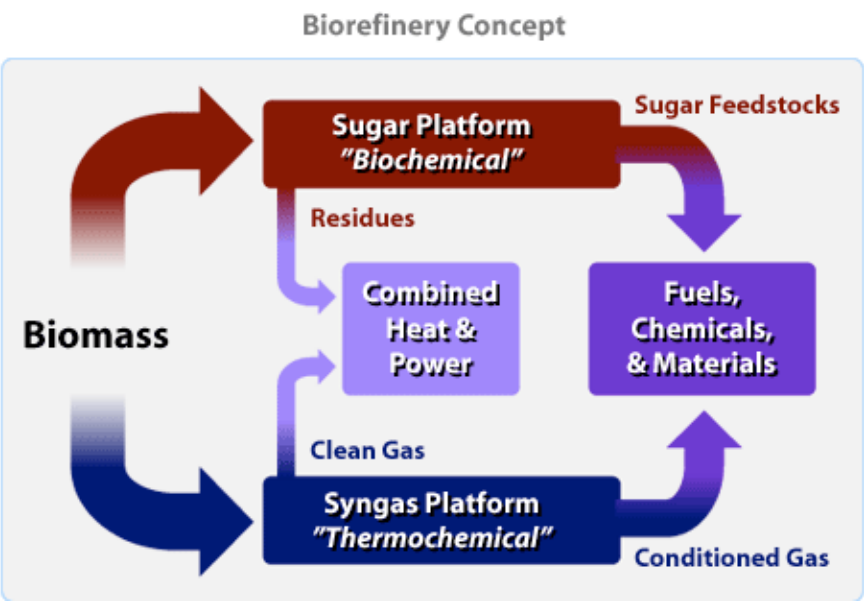
- Contracting and Construction

THE FACILITY GROUP

The Future of Biofuels and Biochemicals

Biomass derived products can replace those made from crude oil:

- Fuels
- Films
- Fabrics
- Adhesives
- Polymers
- Chemicals



Leadership – Xethanol has an experienced corporate team to execute its business strategy.

- **Louis Bernstein, Interim CEO and Board Member**
  - *Now retired from Pfizer Inc., where for more than 30 years he served as in-house counsel, most recently as an Assistant General Counsel in the Litigation Practice Group. In this capacity, Mr.Bernstein managed product liability claims and litigation involving prescription pharmaceuticals, orthopedic implants and other medical devices and counseled these businesses on related matters.*
- **Larry Bellone, Vice President, Chief Financial Officer**
  - *Former Managing Director of Structured Capital Group of JP Morgan Chase Bank. Responsible for structuring, originating and executing innovative financing and investment transactions for Fortune 100 companies. Has negotiated and arranged more than $5 billion in transaction value in oil & gas, chemical, pharmaceutical, consumer and paper industries.*
- **Robin Buller*, Executive* Vice President, Strategic Development**
  - *Experience in plant and machinery sales worldwide. Recently CEO Cromer Corp. representing MAN Ferrostaal of Germany in the USA. Handled sales of US made machinery and equipment in Asia.*
- **Tom J. Endres, Senior Vice President, Operations**
  - *Lieutenant Colonel (retired) Tom Endres has extensive experience in business operations, facilities management and project development. He served on the Board of Directors of the West Point Federal Credit Union and has had a 27 year distinguished career in the United States Army. Mr.. Endres is a 1980 graduate of the United States Military Academy and has a Bachelor of Science in Engineering.*
- **Mark Austin, Chief Technology Strategist**
  - *Experienced in technology and intellectual property, and novel equipment and process development, with process control patents issued in 12 countries. Advisor and consultant to rapid-growth Cleantech companies. Former Flagship Technology Manager, Energy & Atmosphere Program, UNDP.*
- **James Stewart, Vice President Plant Operations & General Manager, Xethanol BioFuels**
  - *More than two decades of ethanol production experience. Extensive expertise in all aspects of plant operation including regulatory affairs, staffing, engineering, feedstocks and emergency planning. Plant manager and technical advisor at more than ten ethanol production plants.*
- **David Kreitzer, Vice President, Business Development**
  - *Former CEO of a 20million gallon/yr ethanol production facility. Thorough knowledge of ethanol production. Experienced in converting waste food products to ethanol*

Thank you all very much

Robin Buller
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