Issue No. 28

Contact:
Jeff McDaniel
614-733-3319
mcdaniel@velocys.com

For immediate release

12 May 2010

Next generation biofuels: microchannel reactor technology is an XTL award winner

A Fischer Tropsch (FT) microchannel reactor developed by Velocys, Inc. combined with a new highly active FT catalyst developed by Oxford Catalysts has been named as the winner of the CWC World XTL award 2010. The award was presented to Susan Robertson, Chief Financial Officer of the Oxford Catalysts Group by Guy de Kort, VP XTL, Shell Projects and Technology at a dinner hosted by GTL.F1 held on 11 May as part of the CWC 10th Annual World XTL Summit in London.

The reactor, which can achieve productivities that are orders of magnitude greater than for conventional FT reactors, can operate economically at outputs as low as 500 barrels per day.

The technology makes it possible to produce liquid biofuels from a wide variety of waste feedstocks, including municipal waste, thus avoiding the need to transport large volumes of waste to central processing facilities. A demonstration biofuels plant, which includes the FT microchannel reactor and uses gasified woodchips as a feedstock, is currently being commissioned in Güssing, Austria.

Other microchannel technology applications being developed and demonstrated by Oxford Catalysts include small scale onshore and offshore gas-to- liquids (GTL) and the intensification of steam methane reforming.

Roy Lipski, CEO the Oxford Catalysts Group said:

"Our innovation represents a whole new way of looking at the problems associated with the distributed production of new generation biofuels, and the fuels produced offer significant environmental benefits over equivalent products from fossil fuels. We are honored to have won this important award."

Dr. Alirio Parra, Senior Associate, CWC Group Ltd said:

"This achievement demonstrates that Oxford Catalysts is regarded by its industry peers as an innovative and exciting player in the XTL world and we look forward to hearing of the Group's developments at next year's World XTL Summit. "

About Velocys, Inc.
Velocys, Inc. is based in Columbus, Ohio, US and specializes in the design and development of microchannel process technology for the production of synthetic fuels. The company was spun out of Battelle Memorial Institute, Inc., a major not-for-profit science and technology organization, in 2001. It owns, or has licenses to, the largest microchannel patent portfolio in the world, with over 550 patent filings, and supports a large microchannel development team. Velocys, Inc. was acquired by Oxford Catalysts in 2008. www.velocys.com

About the Oxford Catalysts Group
Oxford Catalysts Group PLC is a listed public company (LSE: OCG) comprised of two operating subsidiaries – Oxford Catalysts Ltd and Velocys, Inc. The Group has over 90 employees and operates from facilities near Abingdon, Oxfordshire, UK and Columbus, Ohio, US. The company was founded in October 2004 and was admitted to trading on the AIM market of the London Stock Exchange on 26th April 2006, having raised £15m before expenses from a solid base of institutional

investors. www.oxfordcatalysts.com

About the 2010 World XTL Award

The CWC XTL Award was established in 2006 to celebrate excellence and encourage innovation in the synthetic fuels sectors. This year's award, open to companies of any size involved in the XTL value chain, was designed to honor the company that has contributed most to XTL innovation during the past year. The winner was chose by a panel of leading industry experts from a short list of nominees that also included BioMCN, ENI/IFP/Axens, Oryx GTL, Rentech, Shell and Technip. Previous winners include Oryx GTL, GTL.F1, and Shell Gas & Power. www.thecwcgroup.com