



October 31, 2016

REG Delivers First Life Sciences Commercial Product

Specialty Fatty Acid to Be Used By Leading Fragrance Manufacturer

AMES, Iowa--(BUSINESS WIRE)-- NOTE: A video on this topic can be viewed at this link: <https://youtu.be/Y6L3rcocbUI>

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<http://www.businesswire.com/news/home/20161031005414/en/>

REG Life Sciences, LLC, a wholly owned subsidiary of Renewable Energy Group (NASDAQ:REGI) has delivered its first commercial product, a specialty fatty acid, the company announced today.

REG developed, produced and delivered approximately one metric ton of the renewable, multi-functional chemical to Aroma Chemical Services (ACS) International, a leading specialty manufacturer and supplier of flavor and fragrance ingredients. REG has been actively working with ACS to identify, develop and bring to market fragrance and flavor derivatives based on the REG Life Sciences' proprietary technology. ACS will use the specialty chemical for the production of a high performance musk ingredient for sale into the \$620 million global musk ingredient market.

"We are proud to have achieved this key milestone and are confident that the musk will enjoy commercial success, creating growing demand for our multi-functional fatty acid," said Eric M. Bowen, head of REG Life Sciences and Vice President, Corporate Business Development & Legal Affairs. "We have identified over 500 candidate compounds from our platform, several of which we believe could lead to attractive follow-on opportunities in the global musk market."

"We have been working very hard to develop a robust and high-quality process that will enable this first product to be successful," said Brad Albin, Vice President, Manufacturing.

Fatty acids are one of three product areas REG Life Sciences has focused on, along with esters and alcohols. Work on this product began last year after REG and ACS identified the specialty fatty acid as particularly well suited for the production of a high performance musk.

"Together, REG Life Sciences and ACS have identified a number of potentially valuable flavor and fragrance ingredients based on REG's proprietary technology that we plan to develop and bring to market in the near future," said Steve del Cardayre, Vice President, Research, REG Life Sciences.

ACS leaders welcomed delivery of the renewable chemical. "We are very excited to see our joint efforts come to fruition through a powerful combination of industrial biotechnology and unique processing solutions," said Koenraad Vanhessche, Vice President, Innovation and Business Development at ACS. "Moreover, this integrated fatty acid synthetic biology platform is the first of its kind in the field of flavor and fragrance and enables quick and cost-effective access to a plethora of targets previously beyond anyone's scope."

"ACS International Group is very pleased to work with REG Life Sciences to develop these fragrance and flavor ingredients some of which have the potential to become major new building blocks for the F&F Industry," said Thomas J. Plocek, Managing Director. "It is a pleasure to be able to use renewable feedstocks that can create beautiful consumer products while being produced in a way that protects the environment and expands the application of safe biotechnology into more industrial products. Earlier in my career I coined the expression, 'The esthetics of manufacturing.' To me, it is wonderful to make esthetically pleasing products in an esthetically pleasing way."

"Our partnership has deliberately targeted key ingredients in the flavor and fragrance industry. When combined with the other components of the ACS International business model, namely sustainability, reliability, creativity and respect, it will allow us to drive this project to its successful conclusion," said Dan Hirlea, CEO of ACS International.

A video on the first commercial product from REG Life Sciences, part of a series celebrating REG's 10-year anniversary as an independent company, can be viewed at the company's website, www.regi.com or by clicking [here](#) to view the video on

REG's [YouTube](#) channel.

About Renewable Energy Group

Renewable Energy Group, Inc. is a leading provider of cleaner, lower carbon intensity products and services and is North America's largest producer of biomass-based diesel. REG utilizes a nationwide production, distribution and logistics system as part of an integrated value chain model to focus on converting natural fats, oils and greases into advanced biofuels and converting diverse feedstocks into renewable chemicals. With 12 active biorefineries across the country, research and development capabilities and a diverse and growing intellectual property portfolio, REG is committed to being a long-term leader in bio-based fuels and chemicals.

For more than a decade, REG has been a reliable supplier of advanced biofuels which meet or exceed ASTM quality specifications. REG sells REG-9000 biomass-based diesel to distributors so consumers can have cleaner burning fuels that help diversify the energy complex and increase energy security. REG-9000 biomass-based diesel is distributed in most states in the US. REG also markets ultra-low sulfur diesel and heating oil in the northeastern and midwestern US. For more information on REG visit our website at www.regi.com.

About Aroma Chemical Services International Group

ACS International Group GmbH is a leading mid-sized manufacturer and global supplier of special high value fragrance and flavor ingredients. ACS has a fine chemical manufacturing plant in Romania, sales and logistics headquarters in Stahle, Germany, sales offices in Red Bank, New Jersey and its Innovation and Business Development Center in Geneva, Switzerland. ACS is located near and maintains continual contact with the leading companies and creative centers in the fragrance and flavor industry. With warehouses in key locations, it services F&F companies throughout the world.

Well established as a key manufacturer of special ingredients for F&F use, in the past 5 years ACS has had an active program to apply advance biotechnology to the manufacture of important fragrance and flavor ingredients and intermediates. This is being accomplished through strategic partnering with firms, universities and research centers in the US and Europe, integrating biotech solutions into traditional fragrance and flavor ingredient manufacture and marketing. <http://www.acsint.com>

Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the commercial viability of our new product, our plans to develop and market additional products in the future, and our partnership with ACS.

These forward-looking statements are based on current expectations and assumptions, are subject to change, and actual results may differ materially. Factors that could cause actual results to differ materially include the significant capital expenditures required to produce commercial quantities of renewable chemicals; our ability to convince potential customers to change their well-developed manufacturing processes and arrangements with current suppliers; potential customers' lengthy and complex product qualification procedures imposed on their suppliers, including consumer preference, manufacturing considerations such as process changes and capital, and other costs associated with transitioning to alternative components, supplier operating history, regulatory issues, product liability and other factors, many of which are unknown to, or not well understood by, us; regulatory registrations and approvals from governmental authorities; the future price and volatility of feedstocks; risks associated with fire or explosion at our facilities; competition in the markets in which we operate; and other risks and uncertainties described from time to time in REG's annual report on Form 10-K for the year ended December 31, 2015, quarterly reports on Form 10-Q and other periodic filings with the Securities and Exchange Commission. All forward-looking statements are made as of the date of this press release and REG does not undertake to update any forward-looking statements based on new developments or changes in our expectations.

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Source: Renewable Energy Group, Inc.

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