



Converted Organics Inc. Exempt from New Tax on New Jersey Solid Waste Facilities

BOSTON, Jan 17, 2008 (BUSINESS WIRE) -- Converted Organics Inc. (NASDAQ:COIN) announced today that, as a recycling facility, it is exempt from the new tax that will be levied on the majority of solid waste facilities in New Jersey as part of the Recycling Enhancement Act signed into law on Monday, January 14 by Governor Jon Corzine.

The Recycling Enhancement Act levies upon the operator of most solid waste facilities in the state a recycling tax of three dollars per ton on all solid waste accepted for disposal or transfer. According to recent news reports, the Recycling Enhancement Act's three dollar per ton tax would raise \$34 million annually for municipal and county recycling programs in the state of New Jersey. As a recycling facility, the Converted Organics Inc. site under construction in Woodbridge, NJ will not be subject to this new law.

"Implementation of the Recycling Enhancement Act is positive news for Converted Organics and, we believe, has the potential to enhance our ability to attract customers," said Edward J. Gildea, President of Converted Organics Inc. "This new law provides additional motivation for waste haulers to contract with Converted Organics to recycle food waste that traditionally winds up in solid waste facilities."

The Converted Organics Inc. recycling facility that is under construction in Woodbridge, NJ has been approved for inclusion in the Middlesex County New Jersey Solid Waste Management Plan and has been permitted as a Class C Recycling Facility. When fully operational, the Woodbridge facility is expected to process approximately 78,000 tons of organic food waste, which will be diverted from landfills, and produce approximately 7,500 tons of dry fertilizer product and 6,700 tons of liquid fertilizer annually.

About Converted Organics Inc.

Converted Organics (NASDAQ:COIN), based in Boston, MA, is a development stage company dedicated to producing valuable all natural, organic soil amendment or fertilizer products through food waste recycling. The company uses proven, state-of-the-art technologies to create a product that helps grow healthier food and improve environmental quality. Converted Organics plans to sell and distribute its environmentally-friendly fertilizer products in the retail, turf management, and agribusiness markets.

Converted Organics' fertilizer products will be produced in both a dry pellet and liquid concentrate. Converted Organics products have been tested in numerous field trials for more than a dozen crops with the result that, on average, the net value of the farmer's crop increased 11-16%, depending on the particular crop and product application. This is due, in part, to the disease suppression characteristics of the product, which reduce or eliminate the need for other costly, often toxic, crop protection applications. Increased use of nitrogen in commercial agriculture and turf grass applications, such as golf courses, has reduced the soil's ability to absorb nitrogen and other nutrients. Using the products produced by Converted Organics helps restore the soil by replenishing these micronutrients. This reduces the amount nitrogen required in a virtuous cycle that benefits from long-term use. As a result, use of the product will reduce chemical run-off to streams, ponds and rivers, an objective with significant long term benefits to the environment.

The products have a long shelf life compared to many other organic fertilizers. In a number of lab and field trials, the liquid product has been shown to be effective in mitigating powdery mildew, a leaf fungus that effects most plants and grasses and restricts the flow of water and nutrients to the plant. The Company's fertilizer products can be used on a stand-alone basis or in combination with more traditional fertilizers and crop protection products. Converted Organics expects to benefit from increased regulatory focus on organic waste processing and on environmentally-friendly growing practices.

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the

Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, including those events and factors described in "Risk Factors" in the prospectus, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the aforementioned forward-looking statements.

COIN-G

SOURCE: Converted Organics Inc.

For Converted Organics Inc.

PR Financial Marketing

Jim Blackman, 713-256-0369

jim@prfmonline.com

Copyright Business Wire 2008

News Provided by COMTEX