

Gulf Ethanol Opens R&D Facility

HOUSTON, TX, Jul 14, 2008 (MARKET WIRE via COMTEX) –

Gulf Ethanol Corporation's (PINKSHEETS: GFET) new R&D facility, which officially opened today, will focus on quantifying the design of their new cellulosic preprocessing system.

Bill Carmichael, Interim CEO of GFET, explained in a statement that Gulf is looking to provide increases in net ethanol yield from cellulose and will be concentrating initially on testing the machine with sorghum and corn. Recently, TX A&M agreed to provide sorghum to Gulf Ethanol. "TX A&M has been tasked by Governor Perry with the development of a strategic alternative fuels plan for Texas and cellulosic ethanol is a better, long term, feedstock than corn. Due to the obvious negative economic impact of using food-based feedstocks for fuel, a cellulosic solution is critical and Gulf Ethanol is proud to be a part of the answer," stated Mr. Carmichael.

"The opening of the new facility will enable us to determine the energy required to preprocess biomass into a fine powder that can be more efficiently treated to extract the simple sugars for fermentation into ethanol. Once the precise parameters of the systems operations are established and the efficiency increases we expect are verified by third party labs, we will be able to determine the next step, which is to scale the unit for commercial applications. Commercial applications of the unit represent a huge business opportunity for GFET," concluded Mr. Carmichael.

About Gulf Ethanol Corporation

Gulf Ethanol is an alternative energy company focused on the development of the cellulosic ethanol industry with a particular emphasis on Texas and the Gulf Coast.