

## Gulf Ethanol Begins Commercial Design and Testing

HOUSTON, TX, Oct 28, 2008 (MARKET WIRE via COMTEX) -- Gulf Ethanol Corporation (PINKSHEETS: GFET) announced today that it is beginning the commercial design phase of its biomass preprocessor system development.

Gulf Ethanol Corp is developing a system that processes biomass, such as sorghum or switchgrass, into a fine powder. It is believed that particle size reduction of the biomass will expose more of the cell walls and increase the speed and efficiency with which the materials can be converted to simple sugars. Only simple sugars can be fermented into ethanol so efficient conversion of the materials is essential to cellulosic ethanol production.

At this point we have worked through a number of problems and proved the performance concept of the system. One of the issues we had to resolve was capturing the fine powder that the system produces. With particle sizes of 10 to 40 microns containment of the biomass was a challenge. Particles under 40 microns are invisible and tend to pass through most filter materials and eventually clog filter systems. We now have a design that we believe solves the problem.

The Commercial design phase will focus on developing greater throughput capacities, automation and supervisory controls and increased energy efficiencies and third party testing to verify results.

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.