



News Release

MASCOMA SECURES \$4.9MM FUNDING FROM U.S. DEPARTMENT OF ENERGY

CAMBRIDGE, MA, MARCH 28, 2007 – Mascoma Corporation, a leader in cellulosic biomass-to-biofuels development and production, today announced it has secured \$4.9 million in funding from the U.S. Department of Energy (DOE). The funding is specifically for the development of fermentative organisms that speed the conversion of cellulosic biomass into ethanol, making it commercially viable to produce. Mascoma will utilize the funds for a joint project with the Oak Ridge National Laboratory in Tennessee, the DOE's largest science and energy laboratory.

“Commercializing the production of cellulosic ethanol is capital intensive, especially since it requires maintaining world class R&D Labs,” said Mascoma CEO Bruce Jamerson.

“Though our investors have been extremely supportive, public support plays a critical, complementary role advancing the industry. This DOE funding demonstrates the federal government's commitment to more rapidly developing environmentally friendly, domestic, renewable energy sources. The grant will allow Mascoma to further advance to the point of cost efficient production of cellulosic ethanol in the near term.”

The funding was among five project grants announced by DOE Assistant Secretary for Energy Efficiency and Renewable Energy Alexander Karsner, presenting at the Biomass and Biorefinery Deals 2007 Conference in Washington, DC. The projects aim to develop organisms that convert cellulosic biomass into ethanol, and are part of President Bush's Twenty in Ten Initiative, which seeks to reduce domestic gasoline use by 20 percent in ten years.

“This funding is a welcome addition to other private and public efforts to advance the development of specialized organisms for commercial production of cellulosic ethanol, and we are confident that our work with Mascoma will yield important advances,” said Reinhold Mann, Associate Laboratory Director for Biological and Environmental Sciences at Oak Ridge National Laboratory. “Our labs are active in a number of renewable fuels initiatives, and we look forward to matching our expertise with Mascoma's.”



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Cellulosic biomass (e.g. grass, wood, and various agricultural and forestry wastes) can be used to produce ethanol, a renewable fuel blended with gasoline. Cellulosic ethanol takes advantage of plentiful and renewable feedstocks which provide substantially less carbon usage and emissions than traditional petroleum-based fuels, thus helping to reduce greenhouse gases.

In 2006 Mascoma secured \$39M in three funding rounds from investors led by Khosla Ventures, and including Flagship Ventures, General Catalyst Partners, Kleiner Perkins Caufield & Byers, Vantage Point Venture Partners, Atlas Venture, and Pinnacle Ventures. The company also received a \$14.8 million matching grant from the New York State Department of Agriculture and Markets and the New York State Energy Research and Development Authority to build and operate a biomass-to-ethanol demonstration plant in or near Rochester, New York.

About Mascoma Corporation

Mascoma Corporation is a cellulosic biomass-to-ethanol company with corporate offices in Cambridge, Massachusetts, and Research and Development labs in Lebanon, New Hampshire. Mascoma is leading the development of unique biotechnology and deployment of cellulosic production. Initial deployment activities are focused on strategic partnerships for conversion of wood-based cellulosic feedstocks into ethanol, at relevant commercial scale. Mascoma is aggressively developing advanced cellulosic ethanol technologies in its labs, as well as in Professor Lee Lynd's labs at Dartmouth College's Thayer School of Engineering, through other sponsored research and in licensing of best in class technologies.

Press Contacts:

Larry Bouchie
KMC Partners Public Relations
617-758-4192
larry@kmcpartners.com