GreatPoint Energy Partners With Datang Huayin Electric Power Company to Build a Hydromethanation Plant in Guangdong Province

Cambridge, MA – September 10, 2008 – GreatPoint Energy, Inc., the developer of hydromethanation, a proprietary process that converts coal, petroleum coke and biomass into clean natural gas, today announced it signed a framework agreement with Datang Huayin Electric Power Company, Ltd. to build and operate a natural gas production facility which is expected to be located in Guangdong Province, China.

As part of the agreement, Datang Huayin Electric Power Company, a subsidiary of China Datang Corp, agreed it would fund the cost of the design, construction and initial operation of the facility, subject to the satisfaction of certain conditions and the negotiation of definitive documents. The project will use coal or petroleum coke as its feedstock, and is to be developed on a parallel track with GreatPoint Energy’s development of a similarly sized natural gas production facility in the United States.

This project will mark the first time that GreatPoint Energy’s technology is to be used in China to cleanly convert coal, petroleum coke and other carbonaceous materials into pipeline quality natural gas. The technology also enables the capture of a pure stream of carbon dioxide for sequestration or commercial use. GreatPoint Energy estimates the facility will be capable of processing 1,500 tons per day of feedstock. As a part of the agreement, follow-on projects are anticipated, including one using GreatPoint Energy’s technology for a large-scale facility in Inner Mongolia, which was recently announced by Datang Huayin.

“This is a great opportunity for both our companies, the people of China and the environment,” said Andrew Perlman, CEO of GreatPoint Energy. “Datang Huayin and GreatPoint Energy plan to construct the cleanest, most efficient natural gas production facility in all of China. When operational, it will stand out as a model for how to meet the country’s growing energy needs by increasing natural gas supply in an environmentally responsible manner.”

Hydromethanation is an efficient process by which natural gas is produced through the combination of steam, carbonaceous solids and a proprietary catalyst in GreatPoint Energy’s bluegas reactor. The process enables the highly efficient conversion of low-cost feedstock into 99.5% pure methane.

About GreatPoint Energy
GreatPoint Energy is the leading developer of a proprietary, highly-efficient catalytic process, known as hydromethanation, by which coal, petroleum coke and biomass are converted directly into low-cost, clean, pipeline-quality natural gas, while allowing for the capture and sequestration of carbon dioxide (CO2).

The Company has raised $140 million to date and is backed by leading investors including Suncor Energy, the Dow Chemical Company, AES Corporation, and Peabody Energy, as well as major financial institutions and venture capital firms, including Kleiner Perkins Caufield & Byers, Khosla Ventures, Draper Fisher Jurvetsion, Advanced Technology Ventures, and Citi’s Sustainable Development Investments. To learn more, please visit www.greatpointenergy.com.

About Datang Huayin Electric Power Company, Ltd.
Datang Huayin Electric Power Co., Ltd. is principally engaged in the production and distribution of electrical power. During the year ended December 31, 2007, the Company generated approximately 11.4 billion kilowatt-hours of electrical power and distributed approximately 10.4 billion kilowatt-hours of electrical power to grid. In 2007, the Company obtained approximately 96% of its total revenue from the sale of electricity. As of December 31, 2007, the Company had seven major subsidiaries. The Company operates its business mainly in Hunan Province, China.
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