

Food Crisis Editorial:

Some Biofuels Add Significant Food to Your Table

San Diego, Calif. – November 9, 2007 (Business Wire)– Green Star Products, Inc. (OTC: GSPI) responds to the recent comments by Jean Ziegler, the United Nations Special Reporter of the Right to Food, wherein he said that using food crops for biofuels amounts to a "crime against humanity."

Mr. Ziegler's remarks carefully describe conventional ethanol's impact in using "food for fuel." Whereas, Biodiesel, which is also a biofuel, is produced in the U.S. from soybeans and provides an enormous amount of high protein human food along with each gallon of biodiesel it produces.

Some of the actual unpublished facts are as follows:

- For each bushel (60 pounds) of soybeans produced only 10 pounds of extracted oil is used in making biodiesel the other 50 pounds (the soy meal) is used to feed the hungry of the world as one of the best high protein foods available.
- Therefore, any increase in demand for soy oil to produce U.S. fuel actually creates an additional significant amount of food for our tables.
- Some uninformed world leaders are now even considering a 5-year moratorium on the production of biofuels worldwide because of inadequate information concerning biofuels.

Mr. Joseph LaStella, President of Green Star Products, has been publishing editorials concerning Global Warming and Peak Oil for many years. Unfortunately many of Mr. LaStella's predictions have now come true (see GreenStarUSA.com).

Let's review the real situation and solution concerning biofuels.

The U.S. Congress passed a provision in the 2005 energy bill called the renewable fuels standard which required oil companies to blend 7.5 billion gallons of renewable fuels into the nation's fuel supply by 2012. To the surprise of many people including our congress this goal will be achieved in 2008, four years ahead of schedule.

Ethanol, also a biofuel, uses corn as its feedstock and uses the entire bushel of corn for its production. Ethanol production (unlike biodiesel) removes vast amounts of food from the global markets.

Food Crisis Editorial:

The recent massive private investment to build ethanol plants was fueled by the mandated ethanol requirements and the high-anticipated profits projected by these mandated ethanol requirements. In 2006, spot prices for ethanol exceeded \$5 per gallon on the west coast. The American industrial might and greed rose to the occasion and built ethanol plants to reach a federal production goal four years early.

This is good and bad at the same time; the U.S. certainly proved that we could rise to the occasion given the right incentive (profits).

However, the ethanol feedstock supply, mainly corn, was not ready for this abrupt change. Corn prices doubled sending protests around the world. Price of basic food goods in Mexico, India, and other countries increased dramatically and sparked formal protests to the U.S.

This is only part of the story, with corn prices almost doubling the American farmers also saw a great opportunity to cash in on profits and a domino effect began to take place. Many farmers strayed from the time proven crop rotation method and began growing corn on the same land year after year. A new slang phrase "corn on corn on corn" summarizes this practice. This also destroys, or at least depletes, the topsoil with the temptation of short-term big profits wining out in many cases.

The next domino to fall was that soybean farmers decided to also switch to corn to cash in on profits thus reducing soybean production. This switch also reduces the human edible food from our tables, a real double whammy to the hungry.

Add some bad global agricultural weather to the equation and you have increased world hunger.

Further complications include some real corn storage problems this year since corn is harvested once per year, however ethanol plants run all year long. Ethanol plants usually only have storage for a 10-day supply. Therefore, adequate storage silos were not available to store some of the corn crop and it began to rot rendering it unsuitable for either ethanol production or human consumption. Silo construction has a 3-year backlog. A real good business to be in this year was the silo construction business, which is booming.

The domino effect continued and the effect of recent record high prices for soy bean oil resulted in many biodiesel plants across the US shutting down with bankruptcy as a possibility. This will mean less alternative fuel to run our transportation industry and less high protein food for our tables. Remember the transportation industry runs mainly on diesel with biodiesel as a blend and not on ethanol!

Food Crisis Editorial:

It is now evident that corn feedstock is not a real long-term solution to our fuel shortage. However, it will be a partial answer as the same holds true for soy oil based biodiesel. Neither of these products alone can possibly wean the U.S. off foreign oil for energy independence. There is just not enough prime agricultural land available.

Let's talk about Brazil ethanol. Brazil has been using ethanol since the 1970s and utilizes sugarcane as its feedstock. Sugarcane feedstock to make ethanol is more efficient than the U.S. corn ethanol.

People didn't realize that the present U.S. ethanol production capacity already exceeds the entire Brazil production capacity. If Brazil expanded its present capacity by its planned 80% increase in five years, to the 9.5 billion gallons level, that would still only represent less than 3% of the U.S. daily oil requirements even if Brazil gave the U.S. all of its ethanol, which of course is not going to happen.

U.S. ethanol giants, ADM, Cargill and Bunge, are hungry for a foothold into the Brazil ethanol market except Brazilian families have so far rejected offers.

ADM's chief strategist, Steve Mills, said his company needs to capture know-how for growing and processing sugarcane. "The one thing we do know here is that we're going to have to acquire some expertise in the area," said Mr. Mills.

Brazil ethanol is certainly not a long-term solution to U.S. energy independence; it can only be a small patch on an ever growing hole in the U.S. fuel crisis.

Other supplies of feedstock such as canola oil from Canada and increased U.S. production of Canola oil can certainly fill another domestic production gap in the fuel chain. Canola seed produces 140 gallons of oil per acre per year versus 50 gallons for soybeans. Canola oil is an excellent feedstock for biodiesel production

Contrary to the belief of many biofuel industries experts, palm oil from Asia is not an acceptable alternative feedstock for biodiesel.

Palm oil from Asia is not making the U.S. more energy independent. Furthermore there is a growing world protest against biodiesel production from palm oil because there is massive destruction of rain forests to clear the way for palm oil plantations.

People are already talking about banning the use of palm oil for biofuel to save the rain forests.

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Palm oil production adds to Global Warming first by burning the rain forest and further adds to Global Warming by eliminating the rain forest to absorb CO2 from the atmosphere, which is the major Global Warming gas. This is not an acceptable alternative fuel solution.

The palm oil situation is becoming a global issue. Indonesia's government is now asking global investors to pay their country not to cut and burn its pristine rain forest in order to make room for palm oil plantations.

The big question is: Is there an answer to Global Warming and the Energy Crisis? Absolutely yes!

However, the U.S. is about 10 years late in exercising such a program.

What does all this mean? In the mid 1970s the U.S. launched two programs, which could have helped avert today's fuel and Global Warming crises.

Both of these programs (which lasted over 15 years) provided the essential stepping stones to a successful solution. They were the USDA Aquatic Species Program, which studied algae as a fuel source, and the cellulosic ethanol programs, which utilized waste agricultural products (i.e. rice stalks, corn stalks, wood chips, municipal waste, etc.) to produce ethanol. Both of these programs were cancelled under President Clinton's administration because certain industry experts did not see foreign oil imports as a matter of national security and that oil prices would not increase beyond \$20 per barrel in the foreseeable future.

Mr. LaStella has been preaching these facts for years and is documented in many publications (see Green Star Products website GreenStarUSA.com) on Global Warming, Peak Oil, Algae (see press release dated July 19, July 9, May 18 and May 11, 2007), the two-minute Continental Airlines type documentary, three radio interviews to mention a few -- all on GSPI's website GreenStarUSA.com.

Algae is the ultimate answer for biodiesel fuel, just consider the following:

1. Algae produce 100 times more oil per acre than traditional food oilseed crops such as soy etc. Note: Algae produces 4000 gallons of oil per acre per year versus 50 gallons per acre for soy.)
2. Algae eat CO2, the major Global Warming Gas, and produce oxygen.
3. Algae require only sunshine and non-drinkable (salt or brackish) water.

Food Crisis Editorial:

4. Algae do not compete with food crops for either agricultural land or fresh water.
5. Algae can reproduce themselves and their oil every 6 hours, while it takes Mother Nature millions of years to produce crude oil in the ground.

GSPI has organized a Consortium of companies with far reaching research and experience in all of these advanced technologies including cellulosic ethanol, algae, biogas, etc.

The future refineries will be biorefineries, which will utilize only non-food waste products such as agricultural waste, municipal waste, manure and algae as feedstock and will produce ethanol, biodiesel, animal food, fertilizer, electricity, heat and a variety of specialized chemical products essential for the U.S. industry.

While efforts in the U.S. are just beginning to research cellulosic ethanol, two of GSPI consortium partners are engaged with an India chemical company to start construction of the first commercial cellulosic ethanol plant in India based on years of privately funded research here in the U.S.

The India plant will utilize a patented (non-enzyme) production process.

GSPI Consortium partners have a common goal to combine their technologies to build the first complete Biorefinery using only waste products as feedstock.

Each of the Consortium technologies can be used independently to produce specific energy, fuel, fertilizer, agricultural food and assorted chemicals. However, when combined into one facility the advantages become impressive.

Each of the Consortium members has agreed to license each other for specific projects. However, the Ultimate Biorefinery is still the goal!

Green Star Products will participate in the biodiesel production and algae processing facility portion of these biorefineries.

Each of the Consortium companies is now actively engaged in building individual facilities. However, there is significant global interest in building the first Biorefinery.

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Potential financial partners are now negotiating the financing for the Biorefinery concept.

All members of the Consortium agree that the first Biorefinery should be built in the U.S.

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