

VANCOUVER, Jan. 17, 2014 /CNW/ - Lignol Energy Corporation (TSXV: LEC) ("LEC" or the "Company") today announced that Territory Biofuels Limited ("TBF") has recently received International Sustainability and Carbon Certification ("ISCC") and US Environmental Protection Agency ("EPA") approval as a Renewable Identification Number ("RIN")-generating foreign producer for its Darwin biodiesel plant, paving the way for exports to markets in Europe and the US.

"These approvals are critical achievements for the restart of profitable operations for our Darwin plant. The ability to sell the output of up to 140 million litres per year into multiple global markets with these certifications in hand substantially enhances the long term economic sustainability of this world scale project", said Ross MacLachlan, Chairman and CEO of LEC.

The ISCC process involved TBF formalizing its Management Systems Review which covers a broad range of operating activities including track and trace feedstock management, training and reporting. A detailed lifecycle analysis of greenhouse gas emissions was also undertaken to confirm the Darwin project's compliance with ISCC requirements. The certification allows TBF to process approved ISCC feedstocks into ISCC approved biodiesel that can be sold at a premium into the European market. More information on the European ISCC program can be found at: <http://www.iscc-system.org/en/>

The US EPA has confirmed that TBF's facility has met the requirements to be a RIN foreign producer generator. The approvals required the submission of a detailed independent engineering review that covered the technology, construction, capacity, emissions and product quality of the facility. In addition, TBF's storage and independent testing contractors have been approved. The approval allows TBF to manufacture biodiesel from approved feedstocks and generate a RIN which enables the biodiesel to be sold competitively in the USA market. The facility also qualifies as a "grandfathered" plant which provides TBF an additional opportunity to generate a RIN from palm oil based biodiesel. More information on the US EPA Renewable Fuel Standard program can be found at: <http://www.epa.gov/otaq/fuels/renewablefuels/index.htm>

LEC recently announced it has agreed to acquire all of the outstanding and issued ordinary shares of TBF, thereby increasing its ownership of TBF from 55% to 100%.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Territory Biofuels Limited

TBF owns a large scale biorefining facility located in Darwin, Northern Territory which includes a Lurgi-designed biodiesel plant and the largest glycerine refinery in Australia. The facility was commissioned in 2008 at a cost of

A\$80 million

, along with 38 million litres of related tankage, now leased by TBF. The biodiesel plant is the largest in

Australia

with a rated capacity of 140 million litres per year. The plant was originally built to run on palm oil and food-grade vegetable oil, however the plant was shut down in 2009 due to challenging technical and economic conditions. TBF is in the process of raising funds to restart the existing facility utilizing environmentally certified, Refined Bleached & Deodorized (RBD) palm oil. In 2015, TBF plans to integrate new feedstock pre-treatment technologies and catalysts to process a broader range of feedstocks such as lower quality tallow, used cooking oil and palm sludge oil; a waste product from palm oil mill extraction.

About Lignol Energy Corporation

Lignol Energy Corporation is an emerging producer of biofuels, biochemicals and renewable materials from waste. LEC is in the process of increasing its ownership of Territory Biofuels Limited from 55% to 100% by the end of January 2014. LEC also owns 100% of Lignol Innovations Ltd. ("LIL"), 21% of Australian Renewable Fuels Limited ("ARW"), 51% of Neutral Fuels (Melbourne) Pty Ltd ("Neutral Fuels Melbourne") and 20% of Neutral Fuels Parent Company Ltd ("Neutral Fuels"). The Company intends to invest in, or otherwise obtain, equity interests in energy related projects, which have synergies with the Company and have the potential to generate near term cash flow. Further information is available on the Company's website at

www.lignol.ca

Caution concerning forward-looking statements:

Certain statements contained in this document may constitute forward-looking information within the meaning of applicable securities laws. Such forward-looking statements or information include, without limitation, statements or information about the ability of TBF to produce and market its products to Europe and the United States following its recently received ISCC and US EPA approval as a RIN-generating foreign producer, LEC's ability to complete the purchase of the remaining ordinary shares of TBF from the other TBF shareholders, and TBF's ability to finance, restart and profitably operate its 140 million liter per year biodiesel plant and glycerine refinery. Often, but not always, forward looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases or words and phrases that state or indicate that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Such statements or information reflect LEC's current views with respect to future events and are subject to certain risks, uncertainties and assumptions including, without limitation, TBF's ability to profitably produce and sell products which meet the specifications of its recent ISCC and US EPA certifications including its ability to generate a RIN from palm oil based biodiesel, LEC's ability to raise additional capital to fund operations and to support the capital requirements of its affiliates, TBF may in the future issue shares in connection with the raising of capital or the repayment of debt or other obligations, which could result in LEC owning less than 100% of TBF, TBF's ability to successfully operate the Darwin facility and to generate revenues and cash flow, TBF's ability to integrate new pretreatment technologies and catalysts to facilitate the processing of a broad range of lower cost feedstocks, LEC's ability to continue as a going concern and to raise additional financing to fund the operations of LEC and LIL and to support the financing requirements of TBF and LEC's planned investment in Neutral Fuels, Neutral Fuels and Neutral Fuels Melbourne's ability to maintain a profitable working relationship with McDonald's restaurants, LEC's ability to invest in, or otherwise obtain, equity interests in energy related projects which have technical and commercial synergies with the Company and which have the potential to generate future dividends and near term cash flow, the potential effect of changes in government policy relating to the environment, and incentives for renewable fuels, the potential impact of changes in the prices of feedstock and the market price of liquid fuels including biodiesel, ethanol and renewable chemicals, the ability of LEC and its affiliates to generate future profits, to pay dividends and to meet increasing regulatory requirements, LIL's ability to finance and complete the development of a commercial project, LIL's ability to develop products and to obtain off-take agreements, LEC's reliance on publically

available information of ARW in its evaluation of its acquisition of shares in ARW, the potential inability to divest the ARW ordinary shares due to modest trading volumes, the estimated cost of any future TBF capital investment, and the effect of changes in government policy relating to energy and the environment.

Many factors could cause LEC's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements or information, including among other things, financial market conditions which will impact LEC's ability to finance its operations and to meet future capital and investment requirements, the demand for the market price of liquid fuels including gasoline, biodiesel, ethanol, the market price and demand for renewable chemicals, risks relating to the protection of technology from infringement and those risk factors which are discussed elsewhere in documents that LEC files from time to time with securities and other regulatory authorities. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements or information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Except as required by law, LEC expressly disclaims any intention or obligation to update or revise any forward looking statements and information whether as a result of new information, future events or otherwise. All written and oral forward-looking statements and information attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.

SOURCE Lignol Energy Corporation