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Gas Technologies Validates the GasTechno® Single-Step Gas-to-Liquids Process in Successful Field Trials

PETOSKEY, MI - (December 6, 2010). Gas Technologies LLC (GTL), developer of the only patented, single-step, non-catalytic process that converts methane to methanol, today announced the successful conversion of natural gas into raw methanol and associated product during field trials of the GasTechno® Mobile trailer unit.

The GasTechno® process converts methane directly into methanol, formaldehyde and ethanol via direct homogenous partial oxidation. Preliminary analysis of the raw product generated by the Mobile Trailer unit indicates the converted liquid has a high combustion coefficient. This was documented in an online video where GTL staff ignited the liquid product. The video and discussion of the field trial is available at <http://www.youtube.com/watch?v=LceKOO0fucDc>.

Today's results demonstrated that the GasTechno® process is a viable alternative for customers seeking solutions amongst GTL's competitors in the gas-to-liquid sector. Competing technologies employ catalyst-based, two-step syngas processes that to date, have not produced an economically viable solution for small-scale or mini-scale sources of stranded, flared and off spec gas.

According to CEO Walter Breidenstein, *"All current gas-to-liquid technologies are syngas based. That process is complex. It requires multiple reactions and inter-stage purification steps, high-maintenance catalysts and consequently, massive economies of scale to be commercially viable. Most natural gas sources are simply too small to apply syngas technologies. Because our process uses no catalysts, and has a high tolerance for common contaminants found in natural gas, biogas and landfill gas, our premise has always been that for these applications GasTechno® is the only option."*

Breidenstein hopes to bring methanol production back into America by focusing on the same underutilized flared and stranded gas sources identified in the November 29 report released by the Government Accountability Office. The GAO report stated in part, that while onshore lease holders reported that about 0.13% of produced gas was vented and flared, estimates by the US Environmental Protection Agency and Western Regional Air Partnership suggested volumes could be as much as 30 times higher. *"Today's results demonstrate that GasTechno® can take natural gas and turn it into combustible liquid fuels and chemicals in just one processing step. This is a giant step toward proving that our mini-scale GasTechno® units can monetize small scale sources of stranded or flared gas, reduce carbon emissions, and potentially generate revenue for thousands of small community operations worldwide."* said Evan Visser, CTO.

Industry Validation for GTL

GTL is no newcomer to the gas-to-liquids space. Although the GasTechno® process continues to be refined with the latest engineering techniques and innovative applications, the designs were substantially completed with new patent filings in December 2005.

The proprietary GasTechno® process was economically validated by third party reports completed by industry analysts Nexant ChemSystems (2006) and Methanol Market Services Asia (2007), estimating that the process is as much as 50%-70% lower in CAPEX and up to 20% lower in OPEX than competing technologies. GTL owns five domestic US patents and five international patents approved in Nigeria and Mexico, with pending applications in 42 other countries.

The company continues to gain industry exposure through its participation in the SMi Annual Gas to Liquids Conference (London, 2009 & 2010) and other industry initiatives that bring awareness to the growing gas-to-liquids marketplace.

Financing Options and Commercialization

GTL has begun to seek out joint venture partners with stranded gas who would consider being an early adopter of the technology. The company is also establishing a Limited Partnership fund to deploy the technology at a Michigan installation site. Other locations are under consideration.

About Gas Technologies LLC

Gas Technologies LLC (GTL) is an alternative energy company focused on the commercialization of the GasTechno® process—a single step non-catalytic process that converts methane to methanol. The Company has no commercial or emerging competitors in their target market: small scale stranded gas sources of 50 thousand standard cubic feet per day (mscfd) to 30 million standard cubic feet per day (mmscfd), which represents 80% of the global stranded and flared gas market.

The process is relatively insensitive to nitrogen and carbon dioxide and is well suited for applications using clean or off spec gas, such as biogas or landfill gas. GasTechno® plants are scalable and transportable with the ability to profitably operate at small volumes, allowing even modest point sources to meet greenhouse gas and carbon reduction goals through the capture and processing of stranded, flared or even vented gas.

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