



Press Release

Synthetic Genomics Inc and ExxonMobil Research and Engineering Company Sign Exclusive, Multi-Year Agreement to Develop Next Generation Biofuels Using Photosynthetic Algae

LA JOLLA, CALIFORNIA—July 14, 2009— Synthetic Genomics Inc. (SGI), a privately held company applying genomic-driven commercial solutions to address a variety of global challenges including energy and the environment, announced today a multi-year research and development agreement with ExxonMobil Research and Engineering Company (EMRE) to develop next generation biofuels using photosynthetic algae.

As part of the multi-faceted agreement, SGI will receive milestone payments for achievements in developing biofuel products. Total funding for SGI in research and development activities and milestone payments could amount to more than \$300 million with the potential for additional income from licensing to third parties.

“This agreement between SGI and EMRE represents a comprehensive, long-term research and development exploration into the most efficient and cost effective organisms and methods to produce next generation algal biofuel,” said J. Craig Venter, Founder and CEO of SGI. “We are confident that the combination of our respective expertise in science, research, engineering and scale-up should unlock the power of algae as biological energy producers in methods and scale not previously explored.”

Photosynthetic algae, which include microalgae (single celled algae) and cyanobacteria (most commonly known as blue-green algae) are organisms that are very efficient at utilizing the energy from sunlight to convert carbon dioxide into cellular oils (lipids) and even some types of long-chain hydrocarbons that can be further processed into fuels and chemicals. However, naturally-occurring algae do not carry out this process at the efficiencies or rates necessary for commercial-scale production of biofuels.

Using SGI’s scientific expertise and proprietary tools and technologies in genomics, metagenomics, synthetic genomics, and genome engineering as a platform, SGI and EMRE believe that biology can now be harnessed to produce sufficient quantities of biofuels.

Under the terms of the agreement, SGI will work in a systematic approach to find, optimize, and/or engineer superior strains of algae, and to define and develop the best systems for large-scale cultivation of algae and conversion of their products into useful biofuels. ExxonMobil’s engineering and scientific expertise will be utilized throughout the program, from the development of systems to increase the scale of algae production through to the manufacturing of finished fuels.

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Scientists at SGI have been working internally for several years to develop more efficient means to harvest the oils that photosynthetic algae produce. Traditionally, algae have been treated like a crop to be grown and harvested in a process that can be expensive and time consuming. One of SGI's achievements has been in engineering algal strains that produce lipids in a continuous process that is currently more efficient and cost-effective.

"This investment is an important addition to ExxonMobil's ongoing efforts to advance breakthrough technologies to help meet the world's energy challenges," said Dr. Emil Jacobs, Vice President of Research and Development at ExxonMobil Research and Engineering Company. "Meeting the world's growing energy demands will require a multitude of technologies and energy sources. We believe that biofuel produced by algae could be a meaningful part of the solution in the future because of its potential to be an economically viable, low net carbon emission transportation fuel."

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About Synthetic Genomics Inc

SGI, a privately held company founded in 2005, is dedicated to developing and commercializing genomic-driven solutions to address global energy and environment challenges. Advances in synthetic genomics present limitless applications in a variety of product areas, including: energy, chemicals and pharmaceuticals. The company's main research and business programs are currently focused on the following major bioenergy areas: designing advanced biofuels with superior properties compared to ethanol and biodiesel; harnessing photosynthetic organisms to produce value added products directly from sunlight and carbon dioxide; developing new biological solutions to increase production and/or recovery rates of subsurface hydrocarbons and developing high-yielding, more disease resistant and economic feedstocks. For more information go to www.syntheticgenomics.com

About ExxonMobil

ExxonMobil, the largest publicly traded international oil and gas company, uses technology and innovation to help meet the world's growing energy needs. ExxonMobil holds an industry-leading inventory of resources, is the largest refiner and marketer of petroleum products, and its chemical company is one of the largest in the world. For more information, visit www.exxonmobil.com

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NOTE TO EDITORS:

Dr. Emil Jacobs, vice president of research and development at ExxonMobil Research and Engineering Company, and Dr. J. Craig Venter, founder and CEO of Synthetic Genomics Inc., will be available to answer questions from media on a conference call July 14, 2009 at 10 AM ET.

Dial in details are as follows:

Date/Time: July 14, 2009, 10:00 AM ET

Participant Number: 1-888-819-8002 (Toll free)

Participant Passcode: 3031406