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Green Plains Renewable Energy, Inc. and BioProcessAlgae LLC Complete $2.1 Million Grant Funding for Algae Pilot Project

OMAHA, NE -- (MARKET WIRE) -- 05/04/2009 -- Green Plains Renewable Energy, Inc. (NASDAQ: GPRE) and BioProcessAlgae LLC have executed a grant award agreement with the Iowa Office of Energy Independence for a $2.1 million research and development grant from the Iowa Power Fund to build an algae pilot project at Green Plains' ethanol plant in Shenandoah, Iowa.

"Algae has the potential to become an important carbon sequestration solution, biofuel feedstock and feed product," said Todd Becker, President and Chief Executive Officer of Green Plains. "If the pilot project is successful, BioProcessAlgae will move to expand the photobioreactor system to full commercial scale. We believe that this pilot project will be one of the first operational installations of a photobioreactor system at an industrial plant in the United Sates utilizing emerging technology out of the laboratory."

The Iowa Power Fund grant provides matching funds to install a series of photobioreactor units at Green Plains' Shenandoah ethanol plant. Water, heat and carbon dioxide will be recycled from the ethanol manufacturing process to support continuous algae production. The grant provides funding through the end of the first quarter of calendar year 2010 with installation of the pilot project expected in the third quarter of 2009.

"BioProcessAlgae and its technology partners have made significant progress in the engineering, design and development of photobioreactor systems for algae production," said Kevin Lynch, Chief Executive Officer of BioProcessAlgae. "The project will give us the opportunity to test our systems on a larger scale. This is a very important step toward system commercialization of algae technology."

"The Shenandoah algae project is an opportunity to help the environment, the ethanol industry and the Iowa economy," Becker stated. "Green Plains is committed to the advancement of next generation technologies and we appreciate the vision and assistance of Iowa Governor Chet Culver and the Iowa Office of Energy Independence in the development of this project."

BioProcessAlgae LLC is a joint venture between Green Plains, NTR plc (a significant shareholder of Green Plains), CLARCOR Inc. and BioProcessH20.

About Green Plains

Green Plains Renewable Energy, Inc. is based in Omaha, Nebraska. Green Plains is a vertically-integrated, low-cost ethanol producer operating four ethanol plants in Iowa, Indiana and Tennessee with a combined expected operating capacity of 330 million gallons of ethanol per year. Green Plains also operates an independent third-party ethanol marketing service, with marketing capacity of 305 million gallons of ethanol per year. Green Plains owns 51% of Blendstar, LLC, a Houston-based biofuel terminal operator with 6 facilities in 5 states. Green Plains' Agribusiness segment operates grain storage facilities and complementary agronomy, feed, and fuel businesses. Green Plains has grain storage capacity of approximately 22 million bushels.

About BioProcessAlgae

BioProcessAlgae LLC is a joint venture between Green Plains, CLARCOR Inc. (NYSE: CLC), BioProcessH2O LLC and NTR plc. BioProcessAlgae was created to commercialize advanced photobioreactor technologies for continuous production of algal biomass.

Safe Harbor

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended. Such statements are identified by the use of words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "will," "believe," and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. Such statements are based on management's current expectations and are subject to various factors, risks and uncertainties that may cause actual results, outcome of events, timing and performance to differ materially from those expressed or implied by such forward-looking statements. Green Plains may experience significant fluctuations in future operating results due to a number of economic conditions, including, but not limited to, competition in the ethanol industry, risks associated with commodity market risks, financial market risks, counter-party risks,

risks associated with changes to federal policy and/or regulation, the successful completion and potential contribution of the commercialization of algae production to the company and other risks detailed in the company's reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the period ended December 31, 2008 and in the company's subsequent filings with the SEC. Green Plains assumes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The cautionary statements in this report expressly qualify all of our forward-looking statements. In addition, the Company is not obligated, and does not intend, to update any of its forward-looking statements at any time unless an update is required by applicable securities laws.

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