

ORGANIX UPDATE ON RUPERT FIBER FACILITY

Rupert, Idaho. Organix announced today that it is abandoning efforts to produce RePeat™ at its facility co-located with Intrepid Technologies and Resources (IESV) in Rupert, Idaho. The Company cites a variety of issues that have led to the decision.

“Fiber volumes generated by the digester operation continue to fall far short of expectations and that has resulted in a project that is not economically viable for us,” explains Russell V. Davis, President of Organix. “We made every attempt to come up with a working solution for both companies, to no avail. The quality of the material that can be produced through the FibeRite™ system at the site, however, has proven to be a success. The diminished fiber production from the digester at this site has no relevance to the viability of RePeat™ as a peat replacement.”

“Our desire has always been to contribute to the success of the project, but it is no secret that this digester has been under great economic strain for some time and that pressure - combined with management and board changes, delays and diminished fiber production – has resulted in a necessary break in our working relationship. We continue to wish them success,” states Davis.

Organix, Inc. works and is responsible for monitoring and managing nearly 1,000 tons daily of organic dairy and municipal residuals for its clients throughout the northwest.

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