



Contact: Les Nelson
Director – Investor Relations
(309) 347-9709

Aventine, Consolidated Grain and Barge Co. Announce Agreement

PEKIN, IL., (August 11, 2006) - Aventine Renewable Energy Holdings, Inc. (NYSE:AVR), a leading producer, marketer and end to end supplier of ethanol, together with Consolidated Grain and Barge Co., a subsidiary of CGB Enterprises, Inc. ("CGB"), an innovative and progressive leader in the grain and transportation industries, today announced that they have signed a memorandum of understanding ("MOU") to include, among other things, the construction of a new ethanol facility in Mt. Vernon, IN.

Aventine plans to construct and operate a 220 million gallon ethanol facility on a 116 acre site at the Port of Indiana-Mt. Vernon. The plant will be one of three facilities to be built as previously announced by Aventine with Delta-T as the technology provider and Kiewit Energy Company as the contractor. Initial production from the plant is expected by the end of 2008. CGB will be the exclusive grain originator and Dry Distillers Grain with Solubles ("DDGS") export marketer at the facility, as well as the sole provider for ethanol and DDGS loading at the site. CGB will utilize its approximate 10 million bushel elevator system in the Mt. Vernon area to handle grain for the ethanol plant, and will market the DDGS for export to Europe, Japan, and Asia.

Indiana Governor Mitch Daniels, commenting on the announcement, said "We're excited about this bold move by CGB and Aventine. This is the biggest single step to date in Indiana to vault us to national leadership in renewable fuels production."

CGB currently owns and operates 65 grain elevators in the U.S. The planned Mt. Vernon operation will be supported by a network of 10 different CGB grain elevators. The Mt. Vernon port site is located on the lower Ohio River with excellent access to existing roads, rail and dock infrastructure, including river access to the Mississippi, Cumberland, Tennessee and Tombigbee rivers. The combination of inbound and outbound logistics provides a long term and sustainable competitive advantage for both Aventine and CGB. The two companies intend to evaluate further endeavors together, where their strengths can be combined.

The MOU is subject to significant conditions, including the negotiation and signing of a definitive agreement.

"CGB has been an excellent business partner with the Ports of Indiana for many years and its' new partnership with Aventine brings a strong player in the ethanol industry to the Port", said Rich Cooper, Executive Director, Ports of Indiana. "Not only will this be the first ethanol plant built at any of our three ports, it will be one of the largest east of the Mississippi River. This will be a great fit for the Port and our excellent transportation connections will provide the plant with a strong competitive advantage allowing them to

ship and receive corn, ethanol and by-products by barge, truck and rail.” The Ports of Indiana operates a statewide system of ports on the Ohio River and Lake Michigan, in Mt. Vernon, Jeffersonville and Burns Harbor.

Kevin Adams, President and CEO of CGB Enterprises said, "The proposed project for an ethanol plant at Mt. Vernon between our subsidiary, Consolidated Grain and Barge Co, and Aventine will help farmers in Indiana, and adjoining states, by increasing their marketing alternatives for corn, and the value for such. The proposed ethanol facility will also bring additional jobs and increased business volume to the Mt. Vernon area, and will be a very positive contribution to the area's economy." Adams further commented, "Additionally, Consolidated Grain and Barge has been working with Indiana's port system for nearly 20 years to help build commerce within Indiana. We see this development as an important extension of this long-term relationship and are excited about the prospects of working with the Ports of Indiana to increase the economic activity in Southwest Indiana."

Ron Miller, Aventine’s President and Chief Executive Officer said, “We are pleased to have reached such an arrangement with CGB. This agreement is mutually beneficial to each of us and is complementary to each others’ individual strengths. Miller continued, “The secure access to grain, great existing logistics and the possibilities of opening export markets for DDGS make this site attractive.”

About Aventine

Aventine is a leading producer, marketer and end to end distributor of ethanol in the United States. Aventine produces, markets and distributes ethanol to leading energy companies. In addition to ethanol, it is also a producer of corn gluten feed, corn germ and brewers’ yeast.

Internet address is www.aventinerei.com.

About CGB Enterprises, Inc.

Headquartered in Mandeville LA, a suburb of New Orleans, CGB Enterprises operates over 70 locations across the US and through its subsidiary CGB Co., is a significant principle in the US grain industry. In addition to owning/operating a significant number of grain facilities, CGB Enterprises operates numerous other related businesses units including, stevedoring, soybean processing, barge shipyard repair and fleetting, transportation services packages involving barges, railroad and trucking, ocean vessel services along the gulf coast, and risk management services for US farmers.

Internet address is www.cgb.com.

About Delta-T Corporation

Headquartered in Williamsburg, VA, Delta-T is a design-build firm that provides alcohol

plants, systems, and services to the fuel, beverage, industrial, and pharmaceutical markets. Delta-T is known for pioneering many of the recent innovations currently in use by the newest generation of biorefineries to produce fuel ethanol, including the commercialization of molecular sieve dehydration, zero discharge of process wastewater, and more efficient refining/purification systems to produce high quality alcohols. Delta-T has provided alcohol production, dehydration, and purification solutions to more than 110 clients on five continents. Delta-T Corporation is located at 323 Alexander Lee Parkway, Williamsburg, VA 23185, USA. Telephone (757) 220-2955.

Internet address is www.deltatcorp.com.

About Kiewit Energy Company

Kiewit Energy Company, a subsidiary of Kiewit Corporation, provides a wide range of construction services to the oil and gas market. Based in Houston, TX and Calgary, AB, Canada, Kiewit Energy conducts construction projects in the domestic United States and Canada. Our offices support a growing list of oil and gas related construction projects including: oil sands processing facilities, refinery expansions, gas plant expansions, co-generation facilities, ethanol production facilities, spool fabrication facilities, SAGD facilities, and LNG onshore and offshore facilities. The oil and gas markets are expanding rapidly in Canada and experiencing new challenges in the United States. Over the next decade, Kiewit Energy will continue to be a key constructor in these markets.

Internet address is www.kiewit.com/energy.

Forward Looking Statements

Certain information included in this press release may be deemed to be “forward looking statements” within the meaning of section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this press release, are forward looking statements. Any forward looking statements are not guarantees of Aventine’s future performance and are subject to risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those contemplated by such forward looking statements. Aventine disclaims any duty to update any forward looking statements. Some of the factors that may cause Aventine’s actual results, developments and business decisions to differ materially from those contemplated by such forward looking statements include the following:

- Changes in or elimination of laws, tariffs, trade or other controls or enforcement practices such as:
 - National, state or local energy policy;
 - Federal ethanol tax incentives
 - Regulation currently under consideration pursuant to the passage of the Energy Policy Act of 2005, which contains a renewable fuel standard and other legislation mandating the usage of ethanol or other oxygenate additives;

- State and federal regulation restricting or banning the use of Methyl Tertiary Butyl Ether
- Environmental laws and regulations applicable to Aventine's operations and the enforcement thereof;
- Changes in weather and general economic conditions;
- Overcapacity within the ethanol and petroleum refining industries;
- Total United States consumption of gasoline;
- Availability and costs of products and raw materials, particularly corn, coal and natural gas;
- Labor relations;
- Fluctuations in petroleum prices;
- Aventine's or its employees' failure to comply with applicable laws and regulations;
- Aventine's ability to generate free cash flow to invest in its business and service its indebtedness;
- Limitations and restrictions contained in the instruments and agreements governing Aventine's indebtedness;
- Aventine's ability to raise additional capital and secure additional financing;
- Aventine's ability to retain key employees;
- Liability resulting from actual or potential future litigation;
- Competition;
- Plant shutdowns or disruptions at our plant or plants whose products we market;
- Availability of rail cars and barges; and
- Renewal of alliance partner contracts.