

## PRESS RELEASE

### **CBp CARBON INDUSTRIES REPORTS ON START OF PHASE III COMMERCIAL PLANT CONSTRUCTION PROGRAM**

New York, New York - August 6, 2008 – CBp Carbon Industries, Inc. (“CBp” or “the Company”) (OTC:CBPJ) is pleased to announce that the Company has completed the second phase of its research and commercial roll-out program. The Phase 2 program, of our three phase program, completed with the operational fulfillment of our research and test production facility located in Hungary. In the Phase 2 program the Company utilized its research and test production facility in Hungary to determine the most viable technology configurations and engineered the facility to produce varying quantities and qualities of product, particularly CBp carbon black replacement (“CBp Carbon Green™”), and produced bulk commercial test run samples for production testing by various rubber manufacturers, particularly tire manufacturers. The Company delivered tonnes of CBp Carbon Green™ to world-scale manufacturers, in Europe, North America and the Orient, for testing in their rubber product and tire manufacturing facilities. Without exception these manufacturers reported highly satisfactory results, with CBp Carbon Green™ being a very acceptable substitute for virgin carbon black in all functional aspects. The significance of our CBp Carbon Green nano-carbon production technology breakthrough is that there is now a new large market potential for manufacturing high quality products from end-of-life tires. According to the latest Freedonia report, the global carbon black market is forecast to rise 4 percent per year to 9.6 million metric tonnes in 2008.

With Phase 2 completed, the Company is now moving to Phase 3 in our program, which is firstly to complete the construction of our first generation commercial production facility located in Limasol, Cyprus, followed by commencement of larger next generation facilities in Greece and North America (30,000 tonnes per annum minimum), with other regions to follow. The Company is actively assessing sites in Europe and North America for commercial plants in cooperation with governments and local businesses. CBp has moved the Phase 2 test production plant to the Cyprus plant facility, which is nearing completion and which is fully paid including the real estate purchase price, building construction and production equipment costs. The Cyprus plant is slated to be commissioned in Q4 2008, and in full commercial operation in Q1 2009. The Cyprus plant will then commence serving the tire recycling and recovered products needs of the 100 million population of the Eastern Mediterranean region. The Company expects to break ground on at least three next generation commercial plants in 2009.

CBp President John T Novak stated: "I am very pleased with the success of our Phase 2 plant in Hungary which ran testing programs for almost a year with excellent technical and production results. CBp Carbon Green™ (our patented method for carbon black replacement filler production) was produced in commercial quantities and quality in our Hungarian test production facility and our product was successfully sold at market prices, less an introductory discount, to rubber product manufacturers as a replacement for virgin carbon black. We believe we have now achieved proof of commercial concept and we are now aggressively pursuing our Phase 3 commercial roll-out program with an ambitious target of achieving construction of at least ten plants per year, within the next three to five years, in conjunction with participating governments and major industry partners. Our Company has in excess of \$40,000,000US cash on hand and has substantial amounts of banking facilities available to it, presently up to \$100,000,000, so that we are confident we have the financial reserves to pursue our ambitious goals. I am very confident in our company and pleased with its progress and I have affirmed this confidence by recently committing to provide a bank comfort letter in the amount of

\$60,000,000US to support the permitting of new sites and to accelerate CBp's development and opportunities."

### **About CBp Carbon Industries Inc.**

CBp Carbon Industries Inc. is a global company that develops and commercializes our advanced technologies that enrich the environment, the countries and communities in which we operate, and our shareholders. Our primary focus is tire recycling with our patented technology which permits 100% recycling of tires and scrap rubber into commercially viable marketable components of steel, oil and CBp Carbon Green™, which is a tested substitute for replacement of carbon black in tire and rubber manufacturing.

Since 2006, European Union directives have banned scrap tires, shredded tires and tire residues from being landfilled and stockpiled. An EU scientific team, working with the European Union Cooperative Research Recycle Tire (CRAFT) project, selected CBp Carbon Industries technology as the "best available technology" for meeting CRAFT's recycling objectives.

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**FORWARD LOOKING STATEMENTS** This news release may include "forward-looking statements" regarding CBp Carbon Industries Inc. and its subsidiaries, business and project plans. Such forward looking statements are within the meaning of Section 27A of the Securities Act of 1933, as amended, and section 21E of the United States Securities and Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor created by such sections. Where CBp Carbon Industries Inc. expresses or implies an expectation or belief as to future events or results, such expectation or belief is believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. CBp Carbon Industries Inc. does not undertake any obligation to update any forward-looking statement, except as required under applicable law.