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Argan, Inc.’s Wholly Owned Subsidiary Gemma Power Systems Receives Full Notice to Proceed for a Biomass-Fired Power Project

Company to Build 49.9 MW Project in Southeast Texas

ROCKVILLE, Md.--([BUSINESS WIRE](#))-- **Argan, Inc. (NYSE MKT: AGX)** announced that its wholly owned subsidiary, Gemma Power Systems (GPS), has received full notice to proceed from East Texas Electric Cooperative (ETEC) for a contract to design and build a 49.9 MW, biomass-fired power plant near Woodville, Texas. GPS previously announced the awarding of this contract on October 17, 2011.

The project is estimated to be completed in December 2014. Rainer Bosselmann, Chairman and Chief Executive Officer of Argan, stated, “We look forward to working with ETEC toward the successful, on-time completion of this important project.”

About Argan, Inc.

Argan’s primary business is designing and building energy plants through its Gemma Power Systems subsidiary. These energy plants include traditional gas as well as alternative energy including biodiesel, ethanol, and renewable energy sources such as biomass, wind and solar. Argan also owns Southern Maryland Cable, Inc.

Certain matters discussed in this press release may constitute forward-looking statements within the meaning of the federal securities laws and are subject to risks and uncertainties including, but not limited to; (1) the Company’s ability to achieve its business strategy while effectively managing costs and expenses; (2) the Company’s ability to successfully and profitably integrate acquisitions; and (3) the continued strong performance of the energy sector. Actual results and the timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors detailed from time to time in Argan’s filings with the Securities and Exchange Commission. In addition, reference is hereby made to cautionary statements with respect to risk factors set forth in the Company’s most recent reports on Form 10-K and 10-Q, and other SEC filings.

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