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FOR IMMEDIATE RELEASE
CITY OF OTTAWA MOVES FORWARD WITH 400 TONNE-PER-DAY PLASCOENERGY FACILITY

June 25, 2008 – Plasco Energy Group Inc. (“PlascoEnergy”) of Ottawa announced that the Ottawa City Council unanimously agreed to issue a letter of intent to PlascoEnergy to build, own and operate a 400 tonne-per-day waste conversion facility that will process residual household waste that would otherwise be sent to landfill.

The City will continue to operate source separation blue box (plastic, metal and glass), black box (paper and paperboard) and yard waste composting programs introduced many years ago, and is currently introducing source separation of organics for anaerobic digestion. The Plasco Conversion Facility will convert substantially all residual household waste to valuable products including synthetic fuel gas for operation of internal combustion engines. Generators driven by the engines and by waste heat from the conversion process and the engines will produce approximately 21 MW of net saleable base-load power for delivery to Hydro Ottawa.

Upon approval, the facility will be funded, built, owned and operated by PlascoEnergy and will be capable of processing 400 tonnes per day (150,000 tonnes per year) of garbage. Garbage will be delivered from local collection trucks to the facility. PlascoEnergy will separate large metal objects prior to feeding the garbage into the conversion system and will send them back to the City for recycling. The City will pay a tipping fee of \$60 per tonne of waste processed, escalated to reflect CPI over a 20-year contract. All risks of operation and efficiency of power generation are assumed by PlascoEnergy. The City will receive 25% of annual revenues that exceed an amount mutually agreed to by PlascoEnergy and the City.

The facility will occupy a six-acre site near an existing city owned and operated landfill. The City’s leftover garbage will be converted into synthetic engine fuel, agricultural sulphur, industrial salt and construction aggregate with no emissions to the air, land or water. In addition, the excess moisture in the waste will be recovered through the process as clean water.

The engines will drive electrical generators to produce reliable base-load power. Emissions from the engines will be monitored by continuous emissions monitoring and by periodic source testing. The results of both continuous and source testing will be reported on the ZeroWasteOttawa.com website and will be reviewed by independent experts approved by the Ministry of the Environment (“MOE”). An independent Public Advisory Committee will review and make public comments as it sees fit on the environmental performance of the facility and MOE will assure that the facility continuously meets its environmental requirements under the Ministry’s Certificate of Approval.

The move by City Council comes three years after the Council approved development by PlascoEnergy of a plant to demonstrate the Plasco Conversion System on a City owned site on the capped Nepean Landfill on Trail Road. The demonstration facility received funding support by Sustainable Development Technology Canada, and from the Ontario Ministry of Research and Innovation. Ottawa provided the demonstration site and has provided garbage for

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processing at the demonstration plant. The Plasco Trail Road demonstration plant began commissioning in July last year.

“Provided this system meets all the environmental requirements, the City of Ottawa will be supportive,” said Ottawa Mayor Larry O’Brien. “I have always said cities have too much waste and not enough energy and exploring technologies like PlascoEnergy is a positive step forward for our City.”

All necessary permits including Certificates of Approval by the Ontario MOE must be received before commencement of operations. Certificates of Approval will be based on exhaustive operating data from the existing Trail Road Demonstration Facility. The entire process of approvals and construction is expected to take approximately two years.

To see a fact sheet and for more information please visit www.plascoenergygroup.com

About Plasco Energy Group Inc.

Plasco Energy Group Inc. (PlascoEnergy) is an Ottawa-based private Canadian company. PlascoEnergy and its predecessor RCL Plasma, Inc. have operated plasma based R&D and test facilities in Ottawa and Spain for more than a decade. The Plasco Trail Road facility is a full scale semi-commercial demonstration plant using PlascoEnergy proprietary technologies. This project has been supported by a contribution from Sustainable Development Technology Canada, a not-for-profit corporation created by the Government of Canada. It has also been supported by a loan from the Ontario Ministry of Research and Innovation under its Innovation Demonstration Fund, and the provision at nominal cost of the site and supply of waste during the demonstration period by the City of Ottawa.

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