



Plasco Energy Group Inc.
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October 9, 2008

Mayor Joe Trasolini
City of Port Moody
100 Newport Drive, P.O. Box 36
Port Moody, BC V3H 3E1

Dear Mayor Trasolini:

Re: Plasco Energy Group Inc. Letter of Intent

I am writing to advise you and your Council that Plasco Energy Group Inc. ("Plasco") believes it has fulfilled its obligations under the Letter of Intent dated, June 24th, 2008, and does not wish to participate further at this time in considering development of a Plasco Conversion Facility at the Barnett Landfill Site in Port Moody.

Plasco has appreciated the opportunity to have worked with Port Moody through our participation in meetings held by the Environmental Protection Committee ("EPC").

As you know, the Letter of Intent specified the site that Plasco was asked to consider for location of the Plasco Conversion Facility, and our work focused on that site as requested. During the course of Public Meetings, interested people raised several issues and concerns which were collected and responded to by Plasco, as appended to this letter. I am sure that you and the Council share many of these concerns, as does our company. The Plasco Conversion System has been designed to deliver environmental results which address these concerns and we are very confident that both the development and the operation of the Plasco Conversion Facility would prove to be highly beneficial to the environment and community of Port Moody. However, we fully appreciate the concerns expressed to the EPC and recognize that the confidence of Plasco in its environmental performance must be shared by the community. This confidence was clearly not present during the public meetings and Plasco does not wish to continue with this process.

We appreciate this opportunity and would welcome discussions in the future should that be the wish of Council. We request that this letter be submitted to Council and made public alongside the Task Force's report.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "R. Bryden", is written over the typed name.

Roderick M. Bryden
President and CEO

RMB/jh

Att.

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