Dear Sir,

**RE: Development of the 230 MW Gas To Electricity Project at Somanga Funga in Tanzania**

Reference is made to your letter dated 24th January 2011 with reference CBD/88/267/01/XIX/23

In response to your letter we wish to state as follows:

1. The consortium is made up of ETG Power (ETG) and Pro Energy Services USA (PES) with ETG being the project developer.
2. PES are ETG's technical partner for the Somanga Funga 230 MW Gas to Electricity Project.

PES will be the EPC contractor with complete responsibility for site design, through construction to commercial operation on a fast track basis. Thereafter PES will provide the complete Operation and Maintenance of the plant for the duration of the Power Purchase Agreement.

The Pro Energy Services group (PES) is a privately held US$ 1.5 Billion dollar US company with its prima focus on the International Power & Energy business. PES projects for 2011 include the installation of more than 40 Industrial Gas Turbines at 1500 MW, as well as operating and maintaining more than 6,000 MW worldwide.

A summary of PES Operation & Maintenance contracts is attached.

ETG Power and Pro Energy Services have entered into an Agreement for the development and implementation of the Somanga Funga 230 MW Gas To Electricity Project. A copy of this agreement is attached.

For the avoidance of doubt the consortium have agreed that ETG Power will take the lead role as project developer for the Somanga Funga project. It is ETG Power who will discuss and negotiate the Power Purchase Agreement and associated agreements / contracts with the respective authorities in Tanzania.

ETG Power shall henceforth be the accountable party with regard to any and all discussions related to the project.

It is our expectation that MEM and Tanesco shall wish to carry out due diligence on the capabilities of the consortium members post the signing of the MOU and as a condition precedent to any further negotiations. We hope that discussions as to the timing for the due diligence exercise can be held and concluded soon after the MOU has been signed.

Both ETG and PES extend our invitation to MEM and Tanesco to visit our facilities for the purpose of completing the due diligence process. PES head office in the USA has over 200,000 square feet under roof, more than 400 employees in the USA with another 450 overseas. PES work with every major gas turbine OEM group and are recognized as the fastest growing company in the state of Missouri in the USA.

We trust that the above will meet with your approval and look forward to the eventual signing of the MOU.

Sincerely.