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RECYCLED ENERGY DEVELOPMENT AND DENHAM CAPITAL MANAGEMENT ANNOUNCE $1.5 BILLION PARTNERSHIP TO DEVELOP WASTE ENERGY RECYCLING PROJECTS

Projects Profitably Slash Greenhouse Gas Emissions, Lower Industrial Energy Costs

CHICAGO – Nov. 15, 2007 – Recycled Energy Development (RED) announced today that it has formed a strategic partnership with private equity firm Denham Capital Management to develop a $1.5 billion portfolio of waste energy recycling projects. The partnership will serve as an investment platform to fund projects developed and managed by RED that will profitably reduce energy costs and greenhouse gas pollution.

Recycled Energy

More than two-thirds of U.S. greenhouse gases are generated by the production of power and heat. Meanwhile, industrial production and electricity generation plants waste vast amounts of energy that could be recycled into clean power.

"RED sees climate change mitigation as an enormous economic opportunity for U.S. industry," said RED Chairman Thomas Casten. "By recycling waste energy, RED will improve industrial competitiveness, create large quantities of clean energy, significantly reduce greenhouse gas emissions, reduce the demand for fossil fuel, and stimulate economic growth."

According to studies done for the Environmental Protection Agency and Department of Energy, recycling presently wasted energy could generate nearly 200,000 megawatts of clean power, equivalent to about 20 percent of U.S. electricity generating capacity. These facilities run on a near continuous basis, and could slash total U.S. fossil fuel use and greenhouse emissions by 20 percent. Recycling this wasted energy takes two forms:

- *Industrial Waste Energy Recovery* – Industrial waste energy streams are a natural byproduct of manufacturing processes (metals, glass, chemicals, charcoal, pulp and paper, refineries, food processing and ethanol production, as well as natural gas transmission systems). Recycling this waste energy requires no new fossil fuels and produces no greenhouse gas emissions, so it is as clean as power from wind, solar, and biomass generation.

- *Combined Heat and Power* – Even more gains could be realized by local power generation near manufacturers using byproduct heat to displace boiler fuel in lieu of electricity from distant, central generation. Conventional power plants typically waste two-thirds of their energy in the production process, but on-site generation — often referred to as cogeneration or combined heat and power (CHP) — is typically more than twice as efficient and less expensive than conventional generation because it recycles the byproduct heat from power generation and avoids long-distance transmission costs and line losses.

"Our mission is to profitably reduce greenhouse gas emissions, and we believe recycling waste energy is one of the largest, most economically beneficial routes to a low carbon future", said RED CEO Sean Casten.

Preeminent Management Team

"The RED team brings an unparalleled mixture of power, industrial, environmental and regulatory experience," said Riaz Siddiqi, Senior Managing Director at Denham Capital. The team's past clients include General Motors, the U.S. Navy, Kodak, Coors Brewing, Cinergy, BP-Chemical, and Mittal Steel.

The team is led by two preeminent figures in the field of energy recycling and local power generation, Thomas Casten (Chairman) and Sean Casten (President and CEO).

Thomas Casten is the founder and former CEO of Trigen Energy Corporation, Primary Energy Ventures and other energy companies, and has spent more than 30 years developing energy recycling projects that profitably reduce emissions and industrial energy costs. Sean Casten currently serves as chairman of the U.S. Clean Heat and Power Association and was most recently CEO of Turbosteam, a company that develops recycled energy projects. Together, the Castens have deployed more than $2 billion in capital on 250 power projects generating 11,000 megawatts of heat and power.

"This is a unique opportunity to support a top-notch management team in implementing a business plan that will enhance competitiveness and reduce the carbon footprint of North American manufacturers, providing societal as well as economic benefits," continued Siddiqi.

The RED Approach

RED will work closely with its North American industrial partners to develop recycled energy projects that supply electricity and useful thermal energy to host manufacturing facilities, with RED providing the necessary capital for the projects. RED and its partners will then share the resulting energy cost reductions, along with profits from the sale of excess energy and emission credits.

"Through the innovative platform we have established with Denham, RED will bring a total solution that enables our industrial partners to focus on their core businesses while we provide the financial and managerial resources needed to achieve best practices in heat and power production," said RED CEO Sean Casten.

"By cutting energy costs, RED will help manufacturers lower their costs of production while helping to solve the most vexing environmental challenge in history," said Thomas Casten.

About Recycled Energy Development, LLC

Recycled Energy Development, LLC (www.recycled-energy.com) develops, owns and operates industrial power projects that harness waste energy to dramatically reduce greenhouse gas emissions and cut power costs for host companies. With more than 30 years experience in environmentally responsible energy development projects, RED works closely with manufacturers to optimize power output and maximize profits.

About Denham Capital Management LP:

Denham Capital Management (www.denhamcapital.com) is a leading global private equity firm with offices in Boston, Houston, New Jersey and London. Denham makes direct investments in the energy and commodities sectors, including in businesses and assets involving natural resources, metals and mining, power and utilities, carbon and energy-related infrastructure and services. It invests globally, with investments currently in the US, Canada, South America, Europe and Asia, and across all stages of the corporate lifecycle, from development projects to mature, operating businesses.