

Mr. Wang Zheng
Coway International TechTrans Co., Ltd.
Via email: wangzheng@ittc.com.cn

10 May 2006

Dear Mr. Wang

Indicative CER Purchase Offers (draft for discussion purposes only)

Thank you for forwarding the details of the three hydropower plants Miaopu, Taojiang and Gaotang to us. Please find attached three indicative offers, in the form of draft term sheets, for all three Projects. Please also note that:

- ◆ These are indicative offers, and any final offer will depend on market conditions at the time of contract and any negotiations that may occur
- ◆ The offers are inclusive of any finders fees and consulting costs (in other words, these costs would be deducted from the amount payable)
- ◆ This pricing assumes that you will not guarantee delivery of the CERs. If you would like pricing for guaranteed delivery with liquidated damages in event of default, please let us know and we will put together indicative pricing.

Ongoing Liaison

Through the life of the project we will nominate a local Standard Bank representative with whom you can deal on all aspects of the project. In addition, our London-based emissions market expertise will be available to you.

Indicative only

Please note that this pricing is indicative and for discussion purpose only, is subject to finalization of the relevant details, credit and management approvals and is based on current market conditions. We would welcome the opportunity of discuss it with you.

Yours sincerely



Geoff Sinclair
Energy Finance