



*Innovative Liquid Vaporizing
and Gas Mixing Solutions*

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OFFICIAL ANNOUNCEMENT

April 6, 2006

To: All Customers

Subject: Alternate Energy Systems' Direct Fired Vaporizers, models AE-50 through AE/DF-4800

It gives us great pleasure to announce that Algas-SDI has acquired the AE/DF line of durable Direct Fired Vaporizers from Alternate Energy Systems. With the re-introduction to the market in 1999 and a number of improvements since then, these vaporizers have earned a reputation for quality and durability leading to enhanced market acceptance. Acquiring the AES Direct Fired Vaporizer product line continues Algas-SDI's strategy to offer more products to different markets and to expand our customer base with high quality brands. Algas-SDI intends to continue to innovate our product offering and to provide our customers with the products that their markets worldwide will demand in the future.

As of April 7, 2006, production of the popular AE/DF product line will be transferred to our Seattle, Washington facility. We will endeavor to have production of these units up and running as soon as possible. All future inquiries and purchase orders for AES Direct Fired Vaporizers, accessories and parts should be directed as follows:

For the Americas – Kirsten Bellar, Ext. 133; kbellar@algas-sdi.com;

International – John Hartfield, Ext. 114; jhartfield@algas-sdi.com;

General Information – Tyler Hawkins, Ext. 123; thawkins@algas-sdi.com;

All units currently under warranty will continue to be supported by Alternate Energy Systems. For warranty support please feel free to contact:

Scott Parker, 770-487-8596; sparker@altenergy.com

At Algas-SDI our mission is to be at the forefront of technological advancement, continually bringing new and innovative products and services to the benefit of our industry. We look forward to working closely with you as we integrate this new product line into our offering.

Sincerely,

Randy Ervin
President