

Statement for Loan Agreement:

The project developer GERSA has been created in 2004 by the ELCOSA Group to develop the Chamelecón Hydroelectric project. GERSA is actively involved in the development of a Chamelecón 280 power plant in Chiquila, Santa Bárbara, Honduras. Since the first steps of the project development have advanced well, ELCOSA has decided to provide important equity capital to buy the required terrains and build the roads.

The investment agreement to provide Equity Capital for the development of the Chamelecón 280 project to GERSA will be based on the condition that the project is developed and defined as a CDM project under thy Kyoto protocol, so that CER related income will generate additional revenues for the complete lifetime (20 years) of the project.

We, ELCOSA, consider the development of the CDM component of the project crucial before we can proceed with the major investment planned for the project in form of Equity Capital, taking into account the present risks being the project with a longest tunnel in Honduras.

Therefore we, ELCOSA, only will invest into the project and only commit any form of Equity Capital for the project; in case the contract for the development of the CDM component with a CDM consultant is in place.

Therefore the project development company GERSA must commit itself to proceed the development of the CDM component and to fully support the process wherever possible.

June 16, 2008



SALOMÓN ORDÓÑEZ SOTO
General Manager



San Pedro Sula, June 16, 2008

Mr. Eddy Juárez
General Manager
GERSA
San Pedro Sula

Ref: Statement for Loan Agreement

Dear Mr. Juárez:

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Very truly yours,



SALOMÓN ORDÓÑEZ SOTO
General Manager