

Sale of Lurgi Lentjes North America, Inc.

Effective December 01, 2004, mg North America Inc. has sold the majority of the Lurgi Lentjes North America, Inc. shares to Envirotherm GmbH, Essen, Germany, a subsidiary of Allied Technologies GmbH, Frankfurt am Main, Germany ("Allied").

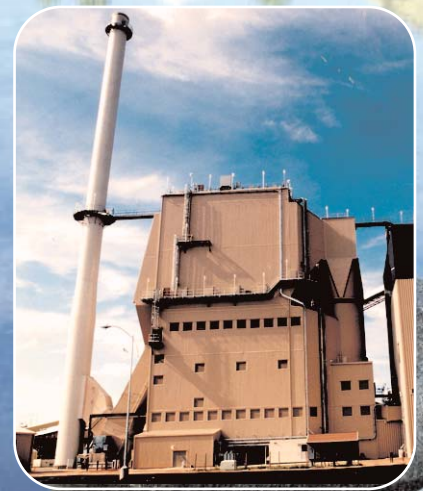
In connection with the acquisition, the technology right for denitrification systems (SCRs) for power plants worldwide and the license for wet and dry flue gas desulfurization (FGD) for power plants in the North American market has been transferred from Lurgi Lentjes AG to Lurgi Lentjes North America, Inc.

Milas Ballard was elected as President of Lurgi Lentjes North America, Inc. Since 2001, Milas Ballard has been Vice President Sales and Marketing of Lurgi Lentjes North America, Inc.

Dr. Joerg Ladenthin has been appointed as Executive Vice President & Chief Financial Officer of Lurgi Lentjes North America, Inc. He assumes these responsibilities in addition to his tasks as Managing Director of Envirotherm GmbH in Essen, Germany.

After the change of ownership, Lurgi Lentjes North America, Inc. will continue to focus on air quality control technologies and engineering services. Key personnel for the execution of existing projects will remain in the same positions within the LLNA organization.

Prior to this transaction, in mid 2003 Envirotherm GmbH had acquired the Lurgi Lentjes AG technologies for particulate control, including wet and dry electrostatic precipitators (ESP) and pulse-jet fabric filters (PJFF).



Lurgi Lentjes North America, Inc.

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About Envirotherm GmbH

(Essen, Germany)

Following its incorporation in 2003, Envirotherm acquired certain technologies from Lurgi Lentjes AG in Germany including their particulate control technologies, technologies for the destruction of chemical weapons, gasification (including the British Gas Lurgi or BGL gasification process), and certain other incineration technologies. Included in the acquisition were all documentation, process related software, related technology patents, related technology cooperation agreements, and key personnel and highly qualified technical staff.

About Allied

(Frankfurt am Main, Germany)

Allied was formed in 2002 by Allied Resource Corporation (ARC), Wayne, Pennsylvania, USA, and in addition to Envirotherm GmbH also operates through the following organizations: Bamag GmbH, Butzbach, Germany (engineering of water and wastewater purification and thermal treatment plants), and KWH Katalysatoren GmbH, Essen, Germany (manufacturing of denitrification catalyst systems).

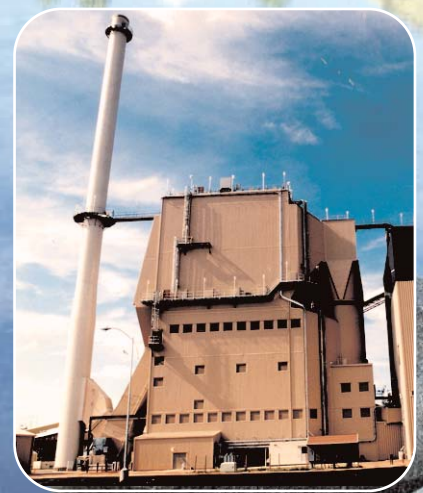
ARC was formed in 1994 as a privately owned company providing technology-based industrial services with focus on environmental and recycling technologies. ARC services major basic industries such as power generation, metals processing and fabrication, oil refining, chemicals and pulp and paper, mainly through its subsidiary Allied.

In addition to Allied, ARC operates through the following organizations: Aura Metallurgie GmbH, Helbra, Germany (production of specialty minerals from spent refinery catalysts) and Puralube, Inc., Wayne PA (production of high quality lube oil based on waste oil feedstock).

Recently, Allied welcomed Aloe Private Equity S.A., Paris, a private equity fund dedicated to investments in the environmental technology sector in Europe, as a significant minority investor in Allied.

Please visit the following website for further information:

<http://www.alliedresourcecorp.com/>



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