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AZFRP and Ameresco Inc. partner to develop a solution to the accumulation of biomass

Flagstaff, AZ & Framingham, MA (June 29, 2007) – - Arizona Forest Restoration Products Inc. (AZFRP) and Ameresco Inc. (Ameresco) have executed an agreement that creates the strategic partnership that will consider various clean energy options while providing a landscape scale solution to the issue of accumulation of biomass in the forests and ranch



lands of Northern Arizona. Per this agreement, AZFRP and Ameresco will collaborate for the development of a 25 to 35 megawatt renewable energy plant in Winslow, AZ, designed to utilize the biomass generated by AZFRP restorative thinning of the ponderosa pine forests and by the processing of the low value small diameter trees into high value oriented strand board (OSB). Arizona Forest Restoration Products is developing an oriented strand board (OSB) plant in Winslow, AZ in order to provide the economic engine necessary to enable the restorative thinning of the Northern Arizona ponderosa pine forests on a meaningful scale. AZFRP plans to fund the treatment of up to 40,000 acres of forest annually along the Mogollon Rim. Ameresco will be the developer and owner of the biomass power plant that will be located at the AZFRP oriented strand board plant site. In addition to supplying the biomass, AZFRP will also absorb the heat generated by the power plant and utilize it for the operation of its wood dryer and OSB press. This will allow Ameresco to produce renewable energy efficiently. Additionally, since the OSB plant and the power plant will operate conjointly on the same site, Ameresco and AZFRP will provide each other mutual assistance in the development, engineering, and permitting of the two projects. “We are pleased to develop this partnership with such an industry leader” said Pascal Berlioux, President & C.E.O. of Arizona Forest Restoration Products. “Implementing a landscape-scale solution to the landscape-scale problem of accumulation of hazardous fuel in our forests cannot be conceived without integrating a strong and reliable biomass component into the project”. “Pile burning is simply not a viable solution today, even on the limited acreage that is treated, and it would be totally irresponsible in the framework of a landscape-scale treatment. So much smoke and carbon must not be released in the

Northern Arizona atmosphere, especially when solutions exist to sequester this carbon and use this biomass to produce clean renewable energy". "Additionally, we are very pleased about providing the community with what amounts to the critical mass necessary to develop a biomass power plant. Exciting possibilities can then be explored to build on this critical mass and integrate pinion juniper biomass removed from neighboring ranch lands that could not, alone, justify the creation of the power plant". "Ameresco looks forward to working with AZFRP on a combination of projects that will yield tremendous benefits for not only the surrounding community but the environment as well. Besides the obvious community benefits this new OSB facility will bring, the aspect of incorporating a new renewable energy facility will enhance the environment through the generation of clean energy (electric and thermal) since the emissions from using wood fuel for energy are far less harmful than those emissions from uncontrolled fires, slash burning, or the fossil fuel it will now displace." said Michael T. Bakas, Ameresco's Vice President of Renewable Energy. About AZFRP: Arizona Forest Restoration Products Inc. (AZFRP) is a privately owned company created by Northern Arizona entrepreneurs for the express purpose of reducing the risk of catastrophic wildfires in Arizona's ponderosa pine forests. Converting low value small diameter trees removed during treatment in high value oriented strand board (OSB) will allow AZFRP to fund the ecological thinning of the forest on a landscape scale and restore the forest to a fire adapted ecosystem. AZFRP is committed to the science of ecosystems restoration and to the collaborative process in the responsible implementation of this science. More information about Arizona Forest Restoration Products Inc. can be found at <http://www.azfrp.com/>. About Ameresco: Ameresco, Inc., is the largest independent comprehensive energy solutions provider in North America. Headquartered in Framingham Massachusetts, Ameresco utilizes innovative strategies, systems, and technologies for renewable and sustainable energy generation and infrastructure renewal, thereby reducing operating expenses, increasing energy reliability and enhancing the environment. More information about Ameresco can be found at <http://www.ameresco.com>. AZFRP's recent press releases can be seen at <http://www.azfrp.com/Press%20Releases.htm> For more information, please contact: Pascal Berlioux President & C.E.O. Arizona Forest Restoration Products Inc. 460 North Switzer Canyon #100 Flagstaff, AZ 86001 Cell (928) 637 3037 Office (928) 779 2155 Fax (928) 779 4546 pberlioux@azfrp.com www.azfrp.com

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