



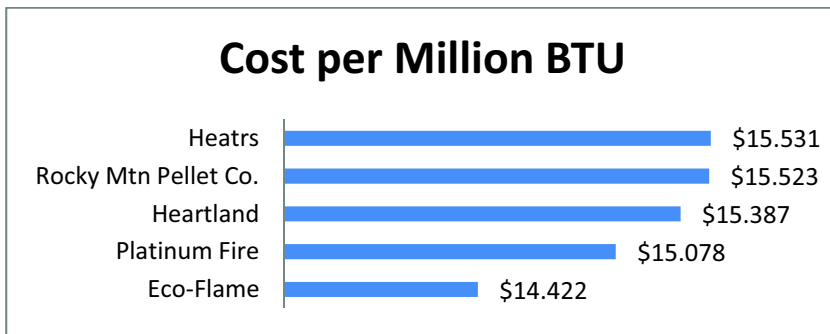
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## COLORADO WOOD PELLETS – PRODUCT FLASH

To ascertain the value propositions of various wood pellet fuel products delivered to the Colorado retail market, Victor 8, Inc. obtained 3<sup>rd</sup> party laboratory<sup>1</sup> test results for the major brands, and combined this information with Victor 8, Inc's own pricing survey<sup>2</sup> data to obtain a composite value.

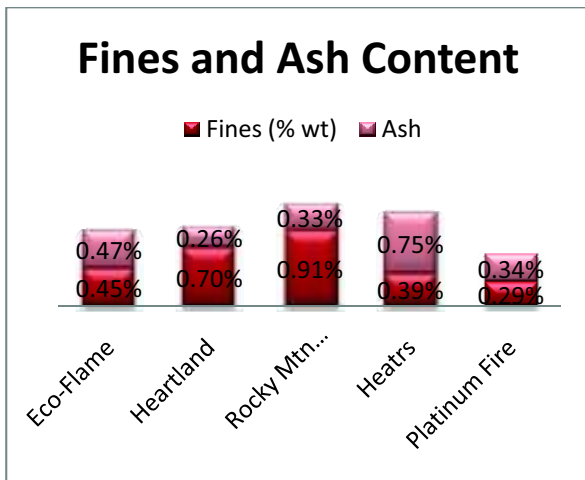
### COMPOSITE VALUATION

Below is the composite ranking based on cost per unit of heating value:



	Mean Retail Price / Ton - CO	\$/MmBTU
Eco-Flame <sup>3</sup>	\$240.47	\$ 14.422
Platinum Fire	\$245.47	\$ 15.078
Heartland	\$255.17	\$ 15.387
Rocky Mtn Pellet Co.	\$241.81	\$ 15.523
Heat'rs <sup>4</sup>	\$256.38	\$ 15.531

### RESULTS OF PRODUCT TESTING



	Moisture	Ash	Sulfur	Heat Content BTU	Fines
Platinum Fire	4.62%	0.34%	0.009%	8,140	0.29%
Heat'rs	4.60%	0.75%	0.007%	8,254	0.39%
Rocky Mtn Pellet Co.	6.53%	0.33%	0.006%	7,789	0.91%
Heartland	6.20%	0.26%	0.006%	8,292	0.19%
Eco-Flame	3.77%	0.47%	0.007%	8,337	0.45%

As a reference, PFI<sup>5</sup> graded fuels must meet the following minimum requirements for a premium pellet: no more than 0.5% fines (by weight) and less than 1% ash content.

<sup>1</sup> Victor 8, Inc. uses Twin Ports Testing – <http://twinportstesting.com>

<sup>2</sup> Most recent survey dated September 2009 of 107 Colorado retailers of wood pellet fuel.

<sup>3</sup> Eco-Flame and Platinum Fire are brands of Confluence Energy in Kremmling, Colorado – <http://www.confluenceenergy.com>

<sup>4</sup> Heat'rs, TerrAmigo and GreenTree are branded pellet fuel products by Forest Energy in Show Low, Arizona

<sup>5</sup> Pellet Fuels Institute <http://pelletheat.org>