

# NEWS



## Primary Energy Recycling Corporation

### For Immediate Release

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### Primary Energy Recycling Corporation Announces Initial Cash Distribution

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Oak Brook, Illinois, October 4, 2005 – Primary Energy Recycling Corporation (TSX: PRI.UN) announced today that a cash distribution of C\$0.1153 per enhanced income security (“EIS”) of the Issuer will be payable on October 31, 2005 to holders of record of EISs at the close of business on September 30, 2005. While the record date of September 30, 2005 was disclosed in the Issuer’s prospectus dated August 16, 2005, the requisite notice of the distribution was inadvertently not provided to the TSX prior to the record date and accordingly the ex-dividend date for the distribution is October 5, 2005.

Each EIS consists of one common share of the Issuer (a “Common Share”) and CDN\$2.50 principal amount of 11.75% subordinated notes of the Issuer (the “Subordinated Notes”). The EISs trade on the Toronto Stock Exchange under the symbol PRI.UN. The total distribution of C\$0.1153 per EIS reflects a cash dividend of C\$0.0845 per Common Share and an interest payment of C\$0.0308 per C\$2.50 principal amount of Subordinated Notes for the period from August 24 to September 30, 2005.

This Issuer owns a majority interest in Primary Energy Recycling Holdings LLC (“Primary Energy”). Primary Energy, headquartered in Oak Brook, Illinois, indirectly owns and operates four recycled energy projects and a 50% interest in a pulverized coal facility (collectively, the “Projects”). The Projects have a combined electrical generating capacity of 283 megawatts and a combined steam generating capacity of 1,851

Mlbs/hour. Primary Energy creates value for its customers by capturing and recycling waste energy from industrial processes and converting it into reliable and economical electricity and thermal energy for its customers' use.

When used in this news release, the words "anticipate", "expect", "project", "believe", "estimate", "forecast" and similar expressions are intended to identify forward-looking statements, which include statements relating to pending and proposed projects. Such statements are subject to certain risks, uncertainties and assumptions pertaining to operating performance, regulatory parameters, weather and economic conditions and, in the case of pending and proposed projects, risks relating to design and construction, regulatory processes, obtaining financing and performance of other parties, including partners, contractors and suppliers.

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