

NEWS



Primary Energy Recycling Corporation

For Immediate Release

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Primary Energy Recycling Corporation Announces Change To ROFO Asset Portfolio

Oak Brook, Illinois, April 18, 2006 - Primary Energy Recycling Corporation (TSX: PRI.UN) announced today that it has been provided notice that the Lakeside Energy LLC project will be purchased by US Steel, in accordance with a pre-existing purchase option. As a result, the project, which had been 100% owned by Primary Energy Ventures LLC, the Manager of PERC, will no longer be available as a Right-of-First-Offer (ROFO) project.

“US Steel made numerous improvements to their Gary Works blast furnace capacities in 2005, which significantly increased the value of recycling energy at the Lakeside Energy project,” said Thomas R. Casten, CEO of Primary Energy Ventures. “We see US Steels’ decision to exercise their purchase right as further validation that recycling energy creates value for industrial companies, either on their own or with an energy partner like us.”

The exercise of the purchase option has no impact on any of the existing PERC projects. None of the remaining eight ROFO projects have similar purchase options.

The 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 and electric generation processes and converting it into reliable and economical electricity and thermal energy for its customers' use. For more information, please visit us at www.primaryenergyrecycling.com.