

NEWS

For Immediate Release

Contact: V. Michael Alverson
Vice President and CFO
Primary Energy Ventures LLC
(630) 371-0639
investorinfo@primaryenergy.com

Primary Energy Recycling Corporation Discloses Subsequent Event Affecting First Quarter 2007 Results and Unplanned Turbine Outage Expected to Affect Second Quarter 2007 – Quarterly Results Conference Call Planned for April 30, 2007 Following Release of First Quarter Results

Oak Brook, Illinois, April 25, 2007 – Primary Energy Recycling Corporation (TSX: PRI.UN or the “Company”) is disclosing today that it has recently been informed by Mittal Steel of the results of its physical measurement of the inventories of coke and coal of Harbor Coal’s site host, and that the resulting inventory adjustment is expected to result in a material reduction of Harbor Coal LLC (“Harbor Coal”) revenues for the first quarter of 2007. The Company is in the process of reviewing the information provided by Mittal to make an appropriate reserve for this negative inventory adjustment, which is expected to be in the range of \$2 million to \$2.5 million. The reserve will be included in the first quarter 2007 results which the Company expects to release prior to markets opening on Monday April 30, 2007.

John Prunkl, President of Primary Energy Ventures LLC, the Manager of the Issuer said “Upon being advised by Mittal of the results of the survey, we felt that taking an appropriate reserve for the inventory adjustment would be prudent. A negative annual inventory adjustment was recorded in the fourth quarter of 2006 which led us to agree with Mittal to begin semi-annual inventory adjustments which we expected would produce more accurate and less volatile inventory assessments. Accordingly, we were not anticipating an adjustment of this size, especially for such a relatively short period of time, and are in the process of both reviewing the survey results that have been provided and initiating an independent audit of Mittal’s accounting of fuel and coke usage, including inventory adjustments, as is allowed under the terms of the PCI Associates’ partnership agreement.”

Unrelated to the inventory adjustment at Harbor Coal, a steam turbine generator failure occurred at the Company’s North Lake Energy Project on April 19, 2007. The Company’s

preliminary assessment of damage to the low pressure section of the steam turbine is that it could take up to 60 days to repair the turbine and return North Lake to normal operations. Several alternatives which might accelerate this schedule and require some repairs at a later date are under review. No revenue will be earned during the outage. The facility is insured under a program that requires a \$500,000 deductible for machinery repairs and a 45 day waiting period before lost net earnings begins to be reimbursed under the business interruption provisions of the policy. It has not been determined if the damage qualifies for insurance coverage. Revenues associated with the North Lake outage could be negatively impacted by between \$1 million to \$2 million, largely in the second quarter of 2007, if all repairs are made immediately. We are working with our customer to mitigate the impact of the outage for both parties.

Depending on the magnitude of the combined impacts of these two events, the Company may be required to obtain a waiver of certain indenture and senior loan covenants to continue the payment of distributions and interest payments. "While we do not have enough information at this time to determine whether a waiver will be necessary, the potential magnitude of the inventory adjustment combined with the loss of revenue associated with the North Lake outage have led us to initiate discussions with our lenders to determine whether a waiver would be forthcoming in the event that we need to request one," said Mr. Prunkl.

Conference Call and Webcast

Management will host a conference call to discuss the first quarter results on Monday, April 30, 2007 at 11 a.m. (ET). To participate in the conference call, please dial (416) 644-3417 or 1-800-732-6179. A conference call replay will be available until 12 a.m. on May 8, 2007. The replay can be accessed by dialing (416) 640-1917 or 1-877-289-8525 and entering passcode 21227217#. A webcast replay will also be available for 90 days by accessing a link through the Investor Information section at www.primaryenergyrecycling.com.

Forward-Looking Statements

When used in this news release, the words "anticipate", "expect", "project", "believe", "estimate", "forecast" and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions pertaining, but not limited, to operating performance, regulatory parameters, weather and economic conditions and the factors discussed in the Company's public filings available on SEDAR at

www.sedar.com. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect new events or circumstances.

About Primary Energy Recycling Corporation

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.

##