

# NEWS



**For Immediate Release**

## **Primary Energy Recycling Corporation**

Contact:  
Mark C. Hall  
Senior Vice President  
Primary Energy Ventures  
(630) 371-0573  
info@primaryenergyrecycling.com

### **Primary Energy Recycling Corporation Announces Third Quarter 2005 Results**

Oak Brook, Illinois, November 14, 2005 – Primary Energy Recycling Corporation (TSX: PRI.UN) announced today its results for the period from August 24, 2005, the date of its initial public offering, to September 30, 2005, the last day of its 3<sup>rd</sup> quarter. All amounts are in US dollars unless otherwise indicated. Distributable Cash for the period was \$4.08 million or \$0.14 (*Cdn\$0.17*) per EIS. The Company declared Distributions of \$3.67 million or \$0.13 (*Cdn\$0.15*) per EIS, the target distribution for this period. The Company has total liquidity of \$26.68 million of which \$11.68 million is cash and cash equivalents coupled with a \$15 million unused credit facility.

For the period, the Company's projects generated earnings before interest, taxes, depreciation and amortization ("EBITDA") of \$5.29 million on revenue of \$9.17 million.

#### **Distributable Cash (\$ Thousands except per share data)**

EBITDA	5,285
Less Interest and Related Charges on Senior Debt	1,009
<u>Less Interest on Separate Subordinated Notes</u>	<u>195</u>
Distributable Cash	<b>4,081</b>
Hedge Rate (Cdn\$/US\$)	1.1712
<i>Distributable Cash (Cdn\$)</i>	<i>4,780</i>
<i>Distributable Cash (Cdn\$) per EIS</i>	<i>0.17</i>
<i>Distributable Cash Declared (Cdn\$) per EIS</i>	<i>0.15</i>

"During our first 38 days as a public company, significant fluctuations in natural gas and oil prices due to the hurricanes in the Gulf of Mexico validated our business

model of recycling waste energy,” said CEO Thomas R. Casten. “The value to customers of displacing natural gas and oil with recycled energy increased during the period, yet our results were not materially affected by the rapid increases in commodity prices. We are pleased with the quarter’s results which we believe provide evidence of our ability to provide EIS holders with stable and sustainable cash distributions.”

The full financial statements and Management’s Discussion and Analysis, are available at [www.sedar.com](http://www.sedar.com) or the Company’s website [www.primaryenergyrecycling.com](http://www.primaryenergyrecycling.com).

The Company is also hosting a conference call to further discuss the results on:

*Tuesday November 15, 2005 at 10am ET*

*The telephone numbers for the conference call are:*

*(416) 644-3426 or*

*(800) 814-4857*

A conference call replay will be available until midnight on Tuesday, November 22, 2005 (ET) by calling (416) 640-1917 or (877) 289-8525. Please enter the passcode 21159712# when instructed. A webcast replay will be available for 90 days by accessing the Company’s website.

The Company commenced operations on August 24, 2005, following the completion of its initial public offering. The Company holds an 83.2% interest in Primary Energy Recycling Holdings LLC (“PERH”). The remaining 16.8% of PERH is owned by Primary Energy Ventures LLC (the “Manager”), which is also responsible for the management and operation of PERH’s assets. The assets so owned include four wholly owned Recycled Energy projects with a combined electrical generating capacity of 283 megawatts (MW) and a combined steam generating capacity of 1,851Mlbs/hour, plus a 50% interest in pulverized coal facility that uses waste heat to dry pulverized coal for blast furnace injection.

Primary Energy creates value by recycling waste energy into 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. Such statements are subject to certain risks, uncertainties and assumptions pertaining to operating performance, regulatory parameters, weather and economic conditions.

Distributable Cash and EBITDA are not recognized measures under U.S. GAAP or Canadian GAAP and do not have standardized meanings prescribed by U.S. GAAP or Canadian GAAP. Therefore, Distributable Cash and EBITDA may not be comparable to similar measures presented by other companies. See Definition of Distributable Cash and EBITDA in the Company's prospectus. A full reconciliation of EBITDA and Distributable Cash to Net Income is included in Management's Discussion and Analysis.

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