

31 January 2008

## MISCELLANEOUS INFORMATION

### Our municipal partners

2007 saw the start-up of negotiations on the potential, joint utilization of geothermal energy between PannErgy Plc. (formerly Pannonplast Plc.) and several local governments with proper geothermal endowments. As a consequence, the following local governments have entered cooperation agreements with the company, or have had their bodies / general meetings pass authorization for the exploitation of geothermal energy, as well as the foundation of joint project companies after studies yielding positive results:

Bonyhád  
Csenger  
Csurgó  
Debrecen (Debreceni Vagyonkezelő Zrt.)  
Füzesabony  
Gyöngyös  
Kiskunhalas  
Komló (Komlói Fűtőerőmű Zrt.)  
Mohács  
Nyírbátor  
Nyíregyháza  
Pécs  
Szentlőrinc  
Tamási

PannErgy continues its negotiations with local governments in order to launch a number of projects in the future in the proximity of potential areas for heat and/or electric power generation from geothermal springs.

### VGK-Hönnun builds a professional base in Hungary

PannErgy's professional partner from Iceland, VGK-Hönnun has founded a subsidiary in Hungary towards the efficient and professional attendance of specialized tasks in the region, particularly in Hungary. In the near future, the new company will engage 15 engineers and scientific associates mainly from Hungary, while on the medium run this headcount is foreseen to be completed to 30 employees. VGK-Hönnun aims at putting its international professional expertise into service to contribute to the exploitation of the opportunities that are existent in this geographical region, including Hungary, featuring extraordinary geothermal endowments.