

PRESS RELEASE

Indeck Ladysmith, LLC Wood Pellet Plant Announced

Ladysmith, Wisconsin – February 15, 2008 - Indeck Energy Services, Inc. (“Indeck Energy”) and Midwest Forest Products Company (“Midwest Forest”) are pleased to announce the formation of Indeck Ladysmith, LLC (the “Company”), a partnership for the development of a wood pellet production facility located within the City of Ladysmith’s Forest Products Industrial Park.

The Ladysmith facility (the “Facility”) will be the first in a series of wood pellet production facilities developed by Indeck Energy and Midwest Forest over the next few years to provide a replacement fuel for coal-based utility boilers in the United States and abroad. Pellets provide an alternative fuel to heat homes as well as bulk sales into the local and export markets. The future facilities will be strategically located in regions of North America that best support servicing of local and export markets.

The Facility will take a variety of wood feedstocks from whole tree logs to sawdust and will process at a rate of 60,000 tons per year of production. The drying of the feedstock will incorporate a wood fines recycle system thus providing for a carbon neutral drying footprint. The Facility includes an existing rail spur connected to the Canadian National main line that runs from Duluth, MN to New Orleans, LA for maximization of export capability. The Facility is also located within 140 miles of the ports in Duluth, MN and within 200 miles of the ports in Green Bay, WI.

The Company is in discussions with multiple utility and industrial customers for bulk sales of the pellets. Pellets will have a target heating value of 8,500 BTU/lb and will be priced at an equivalent price below current spot natural gas. The “green” wood feedstock is secured through Midwest Forest as the feedstock partner for the Facility; opportunity cost feedstocks from surrounding industries will also be utilized.

“Cofiring of biomass provides capacity and competitive pricing for renewable power generation. Wind power has been touted as the most competitive renewable power, but current pricing is exceeding \$75/MWH. Our pellets are an attractive alternative at existing coal-based boilers when co-fired.” stated Chris DePodesta, Business Development Manager of Indeck Energy. Chris added, “The City of Ladysmith and Rusk County have been very supportive of this business venture which will increase the local economy and will assist the State of Wisconsin in meeting its energy independence goals.”

“This venture will be a great boost for the local timber industry and will be located in the heart of a productive wood basket.” stated Eric Maki, Vice President of Midwest Forest.

“The time is right for Indeck Energy to move forward with our plans for multiple wood pellet production facilities to feed the emerging renewable co-firing demand and strive towards a carbon neutral world.” stated Gerry DeNotto, President of Indeck Energy. Gerry added “We are pleased to be partnered with a progressive-minded feedstock partner to help balance this endeavor.”

Indeck Energy Services, Inc. is a privately held developer, owner and operator of renewable and conventional energy projects. As one of the few remaining privately held independent power producers, Indeck Energy has grown into a full-service company that offers biofuels production and electrical generation facilities. For more than 20 years, Indeck Energy has demonstrated the imagination, know-how and determination it takes to succeed in this ever-changing industry. Indeck Energy is dedicated to helping communities achieve energy independence using environmentally sound approaches. The company is headquartered in Buffalo Grove, IL.

Midwest Forest Products Company is a privately held corporation that is actively involved in pulpwood processing and procurement, chipping, trucking, timber harvesting, and timberland management. Midwest Forest pioneered the concept of portable ring debarking and chipping services where debarking quality is a primary goal. The company was established in 1977, when Ken Maki, along with a plywood industry executive, partnered to provide high quality debarked pulpwood to two paper mills in Wisconsin. The company is headquartered in Hayward, WI.

For more information, please contact: Indeck Energy Services, Inc., Chris DePodesta, Manager of Business Development, 847.520.3212, cdepodesta@indeck-energy.com or refer to www.indeckenergy.com.