

PLASMA ENVIRONMENTAL TECHNOLOGIES INC.

4145 North Service Road
Suite 200
Burlington, Ontario
L7L 6A3

PRESS RELEASE

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TSX Venture Exchange
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PLASMA SIGNS LETTER OF INTENT WITH DECLOET GREENHOUSE MANUFACTURING LTD.

TORONTO, Canada – Plasma Environmental Technologies Inc. (TSXV: PE) is pleased to announce that it has signed a Letter of Intent (“LOI”) with **DeCloet Greenhouse Manufacturing Ltd. (“DeCloet”)**. The purpose of the LOI is to establish a joint venture to develop and install a plasma assisted gasifier (“PAG”) that converts municipal solid waste into fuel gas, CO₂ and electricity, a technology co-owned by Kinectrics Inc.

The PAG is a unique cogeneration system that safely and effectively destroys organic wastes while producing electricity. The PAG incorporates a Graphite plasma reactor that operates as a closed system without combustion, and consequently it is much cleaner than incineration. The PAG converts organic waste into a synthetic gas that is used to produce heat, CO₂ and electricity. The electricity produced can either be sold, or used internally to supplement the PAG’s own operating requirements.

The project with DeCloet is in two phases. Phase 1 is the development, installation and testing of a pilot scale PAG system, capable of handling 3.9 tonnes/day with a 250 KW generator. Phase 2 is the development, installation and testing of a commercial scale PAG system, capable of handling up to 20 tonnes/day with a 500KW generator.

The PAG has massive applications and commercial potential. The PAG represents a cost-effective, environmentally-safe diversion from landfills while, at the same, producing additional revenue from the production and sale of heat and electricity. The PAG is of interest to all levels of governments and industry seeking safe, and affordable, solutions for waste disposal. The LOI is a result of DeCloet’s interest in the PAG technology and its potential applications in the production of heat for greenhouses and the generation of electricity.

According to the terms of the LOI, DeCloet will provide the operating site, permits and approvals, and waste for the PAG System. DeCloet will assist in the final design of material handling and movement of the waste to optimize the performance of the PAG. PET will provide the PAG and related technology. Initially, the waste provided by DeCloet will comprise certain segments of Municipal Solid Waste (MSW) and of certain agricultural waste. DeCloet will pay PET for disposal of the waste at a rate per tonne comparable to market prices for waste disposal.

“The Letter of Intent with DeCloet is another very significant milestone in the evolution of our Company”, said John Wright, CEO/President. “DeCloet has the expertise, established markets, permits, and suppliers that, together, will help us to commercialize the PAG. We are thrilled at the opportunity to work with DeCloet, and we are very excited about the opportunities that this LOI represents.”

DeCloet Greenhouse Manufacturing Ltd. is located in Simcoe, and is one of Ontario's largest greenhouse manufacturing companies with over 300 acres/square footage of glass and polycovered greenhouse structures in Canada and USA.

Mr. DeCloet, founder and owner of DeCloet Greenhouse Manufacturing Ltd., commented, “we are very excited about this partnership, and the potential of the PAG to destroy waste in a safe and effective manner, while also generating heat and electricity for our greenhouses. We believe that this technology has tremendous potential, and the LOI represents a strategic opportunity to implement this technology. The market for the successful application of this technology is, of course, huge with over 14,331 acres of greenhouse in Canada alone.”

Kinectrics, formerly a division of Ontario Hydro, is now an independent company formed to help the North American energy sector improve business performance through science and engineering. Based in Toronto, Kinectrics applies its expertise to generation, transmission, distribution, and industrial energy services. Kinectrics is also internationally renowned in the field of environmental engineering, including applications of plasma arc technology. www.kinectrics.com

Plasma Environmental Technologies Inc. is a Canadian public company that trades on the TSX Venture Exchange (symbol: PE). PET develops and markets plasma-based systems for the safe and cost-effective destruction of hazardous and non-hazardous wastes. Plasma technology is a thermal, non-incineration process that destroys liquid, gaseous, and solid wastes by breaking apart their molecular bonds and reforming them into non-hazardous by-products or commodities for commercial use.

For more information, please refer to PET's website, www.plasmaenvironmental.com
Or contact Alex Falconer,

Phone: (905) 332-9693 Fax: (905) 332-9792 e-mail: falconer@plasmaenvironmental.com

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Some statements contained in this release are forward-looking and, therefore, involve uncertainties or risks that could cause actual results to differ materially. All statements, other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ any from the Company's expectations are disclosed under the heading "Risk Factors" and elsewhere in documents filed from time to time with the TSX Venture Exchange and other regulatory authorities.

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