



QUANTUM RISK ENGINEERING LLC

January 25, 2012

Government of Kosovo
Attn:
HE Behgjet Pacolli
First Deputy Prime Minister
Government of Kosovo

Subject: Letter of Intent for Oblic Thermal Power Plants

Honorable Mr. Pacolli

Subject to our discussions held today, we have the pleasure to confirm our interest for investment in energy projects in the Republic of Kosovo and specifically the rehabilitation, upgrading and installing of new equipment at Unit A1 and A2 located at the Oblic Thermal Power Plant complex to achieve an optimal output capacity of 200 MW and modernization of Unit A3-A5 through reengineering to 705 MW total.

During this upgrading and rehabilitation process, we are willing to discuss the provision of providing the import of 100 MW to the Kosovo national grid to minimize the equipment downtime impact.

We believe our fast track proposal of providing an additional 200 MW is timely for Kosovo to meet the current power demand/supply shortfall and would be an important catalyst to sustain the economic growth of your country.

Our project investment strategy is envisioned to be based on a Public Private Partnership ("PPP") so that we may secure all necessary project funding which is estimated to be around Euro150 Million for Unit A1 and A2 project and Euro 300 million for Unit A3-A5.

Also, attached is a rough draft of the MOU. We are awaiting you reply.

Thank you

Respectfully

Bogmil Manchev
Director

Arun Savkur
Director

QRE

210 Central Park West, 21st Floor
New York, NY 10019 USA
Tel: 1 212 460 8851