

APOLLO RESOURCES SUBSIDIARY SIGNS DEVELOPMENT DEAL WITH METHANE-RECOVERY TECHNOLOGY COMPANY

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DALLAS--(BUSINESS WIRE)—Jan 19, 2006--Apollo Resources International, Inc. (OTCBB:[AOOR - News](#)) today announced that through its subsidiary Applied LNG Technologies USA, LLC ("ALT"), the largest liquefied natural gas ("LNG") wholesaler in the Western United States and Mexico, it has entered into a Joint Business Development Agreement (the "Agreement") with Microgy, Inc. a subsidiary of Environmental Power Corporation (Amex: [EPG - News](#)).

The Agreement provides that Microgy and ALT (<http://www.altlngusa.com>) will cooperate to identify, evaluate and develop a series of projects, principally in California, that combine ALT's LNG transport and distribution technology with Microgy's anaerobic digestion technology, which extracts methane-rich biogas from animal waste.. For each agreed project, Microgy will provide all necessary designs and engineering for, and will own, the biogas production facility. Also for each agreed project, ALT will provide a long-term purchase commitment for the LNG produced. The Agreement further provides that the parties will agree on the ownership structure for the gas conditioning and liquefaction equipment, which may vary from project to project.

Kam Tejwani, President and Chief Executive Officer of Environmental Power, commented, "We are proud to cooperate with ALT, an industry leader in producing, marketing and transporting LNG and look forward to working with ALT as a development and offtake partner for our biogas. This agreement is another step forward in our development of a growing, diversified network of gas offtakes for our projects and complements our recent initiative with Pacific Gas & Electric to develop new economical pipeline gas sources. These programs will further allow us to streamline and accelerate our business growth and expansion efforts."

Apollo CEO, Dennis McLaughlin, stated, "This agreement, the first since we made the ALT acquisition in November 2005, represents a nice addition to ALT's existing contracts and its ability to produce, market and distribute LNG. To work with a major player such as Environmental Power in the biogas arena is a major milestone in Apollo's continuing efforts in alternative fuels."

Apollo Resources International (www.apolloresources.com) is a public energy company focused on the acquisition and development of upstream oil and natural gas production assets. Additionally, the Company evaluates and develops existing and future alternative energy sources.

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