

## ***News For Immediate Release***

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### **Panda Energy International Inc.**

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## **Panda Energy Receives Air Permit for Sherman, Texas Power Plant**

Facility will create jobs; should infuse \$248,000,000 into area economy

DALLAS — February 23, 2010 — Panda Energy International Inc. today announced that the Texas Commission on Environmental Quality has granted the air permit for the company's planned 500-megawatt combined-cycle power plant in Sherman, Texas. The clean, natural gas-fueled generating station will be able to supply the power needs of approximately 400,000 homes in North Texas and is expected to provide an economic stimulus of more than \$248,000,000 into the area's economy during the plant's first 10 years of operation.

At peak construction, an estimated 400-500 construction jobs will be created to build the power plant which will take approximately two years. During operations, the generating station will create an estimated 34 high-paying jobs to run the facility and 45 indirect jobs within the community to support it.

"The granting of the Sherman air permit is a major milestone," said Todd Carter, president of Dallas-based Panda Energy International Inc. "We are one step closer to breaking ground on a project that, once complete, should be an economic boon for the entire North Texas region.

"The United States needs more clean, reliable power projects like this," added Carter. "To get our economy moving again, we need large infrastructure projects to create jobs and lay the groundwork for future growth.

"Natural gas-fueled generation is the bridge we need to a new energy economy," continued Carter. "It's clean. It's efficient and abundant, with a growing 100-year supply. Currently, coal is

a bridge to nowhere. With concerns about green-house-gas emissions and climate change, natural gas is the best low-carbon alternative we have to coal and oil.”

The Panda Sherman generating station will be one of the cleanest natural gas power plants in the nation. Nitrogen oxide (NOx) emissions at the facility will be controlled to 2.0 parts per million — among the very lowest of any power plant in Texas. By comparison, the majority of the state’s existing and recently constructed natural gas-fueled generating facilities have been permitted from nearly two to four and a half times the emissions levels as the Panda Sherman project. The Panda project is one of the state’s first to be permitted at the more stringent 2.0 NOx air quality standard.

Among other basins, natural gas for the Sherman project will come from the Barnett Shale and will be supplied by Texas gas producers. The generating station will be located on a 200-acre site at the Progress Industrial Park in Sherman, Texas. Next steps for the project include obtaining long-term power contracts, selection of an EPC contractor and securing financing.

Panda Energy previously announced that it plans to build, own and operate a 1,000-megawatt natural gas-fueled, combined-cycle power plant in Temple, Texas. The project is expected to supply the power needs of approximately 900,000 homes in Central Texas and should bring more than \$500,000,000 to the area’s economy during the plant’s first 10 years of operation.

### **About Panda Energy International Inc.**

Founded in 1982, Panda Energy has developed, financed, constructed and operated large-scale energy facilities both domestically and internationally. The company built the two largest gas-fueled merchant electric generation facilities in the United States totaling 4,400 megawatts of generating capacity; was responsible for the first U.S sponsored, internationally financed run-of-the-river hydroelectric project in the state of Nepal; and obtained the first U.S. capital markets financing for construction of a power plant in The People’s Republic of China. Altogether, the company has raised almost U.S. \$6 billion to develop and build more than 9,000 megawatts of generating capacity.

In 2005, Newsweek Magazine recognized Panda as one of the ten most eco-friendly energy companies in the United States. The company has won “Project Finance” magazine’s prestigious “Deal of the Year” award twice in the last five years.

Panda Energy is continually exploring investment opportunities in both conventional and renewable energy. The company has a significant pipeline of projects currently under development.

Additional information on Panda Energy can be found at [www.pandaenergy.com](http://www.pandaenergy.com).

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