



NEW WORLD GENERATION INC.

August 31, 2014

CONFIDENTIAL MEMO TO NEW WORLD GENERATION SHAREHOLDERS

Dear Shareholders,

We hope everyone has enjoyed a healthy and happy summer. While the summer has passed quickly, it has been a productive time here at NWG.

In email correspondence dated May 29, 2014, it was of note that NWG had contracted a third party to review and validate the energy storage system being developed.

NWG has been working in collaboration with a Government affiliated third party for the technology test and review. They have offered some ideas on improvements adapting the system to utilize some off the shelf technology, and are currently sourcing suppliers and manufacturers on our behalf.

The company NWG has been working with out of the USA has been delayed in their deliverable for the project, which in turn has caused delays on the entire project timeline..however; NWG is continuing to make advancement.

You will notice on the NWG website that the "Market Entry" tab remains under construction. This section will not be completed until the final optimization of the storage system. The current pilot project is designed to 125kW. The rated power may change through optimization.

Market research has been focused on integrating renewables, and peak shaving and arbitrage. The capital cost and rated power of the storage system will determine the best fit.

NWG met with a Government representative on energy storage to understand any deterrents to market entry. One of the main concerns is insurance. Typical Industry risk tolerance is low. New entries into the market have to be able to guarantee performance. This risk NWG is trying to mitigate through the third party association and validation. The other concern is integration. The challenge here is working with a utility or current stakeholder to integrate technology into an existing operating system. As noted previously, NWG is working with a third party to integrate the storage system into an existing operating system.

We are diligently working to move this project forward as soon as we possibly can and hope to provide more detailed results on our next update.

Regards,

Peter Routliff
President and Chairman