



May 02, 2016

Dear Shareholder,

It has been the efforts of NWG through its subsidiary ESME to offer and sell a module that turns waste heat into electricity. We have met with a great amount of interest, but as we have experienced in the past, it is a challenge for large industry to implement "new" technology due to the risk involved.

ESME has been meeting with Utilities across Ontario. One utility has offered to partner with ESME on a pilot project. While in tandem, ESME will continue marketing for sales, the board has agreed to move forward in partnership with this Ontario Utility to demonstrate the ESME module.

The project is estimated to be completed in 18 months, which includes all testing and validation. The advantages for ESME to work in partnership with the utility is that once the project is proven, the Independent Electricity Systems Operator will endorse the technology to their own customer base and open up opportunity to the 75 utilities across Ontario. The process will also help ESME to perfect the installation process including any permitting requirements.

We will keep you updated as to our progress.

With regards,

A handwritten signature in blue ink, appearing to read 'Peter Routliff', is written over a thin horizontal line.

Peter Routliff, NWG Chair