

## **Laidlaw Energy Group, Inc. Issues Shareholder Update**

December 10, 2007

Dear Laidlaw Energy Shareholders and Friends:

As we approach the end of the year, I thought this would be a good opportunity to provide an update on the progress of our company.

We are finalizing the transaction to acquire the assets in Berlin, NH and I believe we are on track for a closing around the end of the year.

We have received an offer of financing from a major Wall Street investment bank that, coupled with our equity capital and that of our partners, will provide the necessary funding to complete the development of the project. We hope to provide further updates on our progress toward the financial closing of this transaction in the coming weeks.

With respect to our Ellicottville, New York biomass-energy project, the permitting of the project is now out of the hands of the town planning board which has caused us so much unnecessary delay and now in the hands of the New York State Supreme Court, where we feel confident we will obtain a just resolution to this matter. We expect the Court will render a decision approximately 30 to 60 days after the upcoming January 8th hearing.

Separately, we have recently given our attorneys authorization to commence a civil law suit in Federal Court seeking substantial monetary damages against the town of Ellicottville and those involved in wrongly impairing our property and civil rights. Our attorneys feel we have a very strong case and we look forward to our day in court.

In addition to the Berlin and New York projects, we have a number of other projects in the pipeline that we feel offer great promise. The two projects that are the furthest along are both in the New England region and adhere to our business model of converting unutilized power assets to low emission, advanced biomass-energy plants. We are optimistic that we may be able to announce a deal on at least one if not both of these projects in the coming quarter.

Our goal is to add at least two more projects to our portfolio by the end of 2008, as Berlin and New York move forward to commercial operations.

I believe that we have made great progress this year. Our development of the Berlin project positions us at the forefront of the alternative energy industry, with one of the largest and most environmentally advanced biomass development projects in the US in our portfolio. We are confident that the success of this project, and the investment capital it will attract, will greatly raise the profile of our company and generate many more opportunities for us down the road.

I wish you all the best for a prosperous 2008.

Michael B. Bartoszek  
President and Chief Executive Officer

## About Laidlaw Energy Group

Laidlaw Energy Group (LLEG) is engaged in the development of independent power plants that generate electricity from renewable resources. LLEG's mission is to build and manage a profitable portfolio of renewable energy facilities through the development of new facilities and acquisition of existing facilities. LLEG is headquartered in New York, New York. For more information on LLEG, please visit our website at [www.NYENRG.com](http://www.NYENRG.com).

This communication contains statements expressing expectations of future events and/or results which may include, without limitation, statements concerning anticipated financial performance, business prospects, technological developments, potential markets, new products, research and development activities and similar matters. Such statements constitute forward-looking statements made pursuant to the Safe Harbor provision of the Private Securities Litigation Reform Act of 1995. All statements based on future expectations rather than historical facts are forward-looking statements that involve a number of risks and uncertainties, and LLEG cannot provide assurance that such statements will prove to be correct. LLEG undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Laidlaw Energy Contact:  
Michael B. Bartoszek  
President & CEO  
Laidlaw Energy Group, Inc.  
Tel. 212-480-9884  
Email: [info@LaidlawEnergy.com](mailto:info@LaidlawEnergy.com)