

ENVIREPEL ENERGY, INC.

Shareholder Update: September 2008

› Dear Valued Shareholders,

This newsletter is designed to keep you informed about previously unannounced highlights of your Company's activities during the past several months.

Tremendous Opportunity

A letter of intent was recently finalized between Envirepel Energy, Inc. and Allied Waste Industries to put an Envirepel Renewable Energy Facility on Allied's El Centro Landfill, located in Southern California. Allied Waste is the largest landfill owner in San Diego County. The proposed plant is a 15 Mega Watt project that will potentially power more than ten thousand homes. EEI is currently working closely with one of our strategic partners, Rogers and Quinn Construction, to develop site plans that will ensure the upcoming facility is sustainable, permittable and efficient.

Kittyhawk Moving Forward

Envirepel Energy, Inc.'s pilot facility, Kittyhawk, is gearing up for Construction completion. Despite various financing and scheduling setbacks, steady progress has been made as we inch closer to project commissioning.

Paperwork to kick-off interconnect to the San Diego Gas and Electric Grid will be complete this month.

We have engaged some highly capable individuals to direct operations of the Facility. Arnel Torralba, new Plant



The majority of recent work has been on completing the combustor; when finished, it will house nearly 200 tons of ceramics.

Manager, has over 15 years of industry experience supervising large facilities (up to 775 Mega Watts). Mr. Torralba is assembling a qualified team that will ensure safe and successful operation of our first facility.

High Profile Interest

CEO Anthony Arand had the great honor of presenting Envirepel Energy, Inc. at the 2008 Federal Energy Symposium.

The June conference, held in Montana, provided the opportunity to introduce the vision of Envirepel and to meet with influential Federal Officials and Policy Makers. Envirepel's Solution caught the attention of the United States Navy, Southwest Region Commander, Admiral Hering. The Admiral and his Staff Officers visited our pilot plant in Vista this summer, in an effort to explore technologies that could be applied to their projects energy needs. The meeting was extremely successful, we are proceeding in working with Naval Command on placing a Waste to Energy Facility on-location in San Diego County.

California State Senator, Alex Padilla, is scheduled to visit our offices at the end of this month. We look forward to demonstrating EEI's technology to Senator Padilla, who is involved in Recycling and Air Quality at the State level.

Wrapping Up '08

Heading into the final quarter of the year, we are integrating our operations and establishing priorities, our prospects are very exciting. We are on the way to executing the business plan, and are in an excellent position to capture a piece of the burgeoning renewable energy market.

Thank you for your continued support of Envirepel Energy, Inc.



The Recycled Steam Boiler is prepared to make over 30,000 pounds of steam an hour to power the electricity generating turbine.

We welcome you to contact us:

Envirepel Energy, Inc. 1390 Engineer St. Vista CA, 92081

Ph. 760.598.9194

Fx. 760.598.9191

info@envirepel.com