

PRIME MINISTER
ICELAND

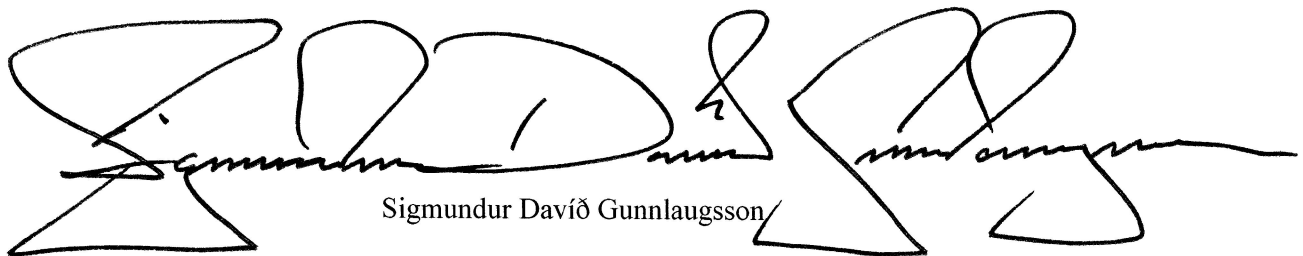
Reykjavík, 16. July 2014

The Government of Iceland is positive towards Valorka Ltd.'s activities in the field of marine energy utilization. Ocean energy off the coast of Iceland is a renewable and clean source of energy that has only been investigated to a limited extent. In the coalition governments platform it is stated that increased innovation and green activities will contribute to make Iceland a leader in the sustainable use of renewable resources. The utilization of marine energy matches these policies.

Valorka Ltd. has shown a unique initiative with its projects in the field of marine energy and demonstrated what ingenuity can accomplish. The company has received the first patent for Icelandic turbines and has begun testing the tidal turbines in Iceland, as well the leader of the company has received a gold medal from The International Association of Organizational Innovation in 2011 and he has gained recognition at an invention exhibition in the U.S. recently. The company has also established a database in the field of marine energy utilization and pointed out the need to research energy utilization by the shores of Iceland.

The Government welcomes Valorka's achievements and considers it important to detect opportunities that may lie in the utilization of marine energy and thereby new chances to create value. According to that, on the 16th of May, the Parliament entrusted the Minister of Industry and Commerce to start evaluating the quantification and utilization possibilities of ocean energy off the coast of Iceland with the aim of identifying the most efficient and beneficial utilization for the future. It is also planned to structure a database on marine energy utilization.

The Government welcomes Valorka's initiative and expects its upcoming achievements in this area to yield the pursued results, creating new opportunities for value creation.

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Sigmundur Davíð Gunnlaugsson

Prime Minister of Iceland