a McDermott company

March 12, 1997

581 Coronation Boulevard Cambridge, Ontario Canada N1R 5V3 Tel: (519) 621-2130

To Whom It May Concern:

We are pleased to confirm that over the course of the last ten years Insultec Inc. has completed several major contracts for Babcock & Wilcox Canada for the supply, export packing and shipment of insulation, lagging and refractory materials for our overseas power plants, including:

- ♦ 4 x 550 mw coal fired power plant in Taichung, Taiwan
- ♦ 1 x 600 mw coal fired power plant in Beilungang, China
- ♦ 2 x 350 mw coal fired power plant in Nantong, China
- ♦ 2 x 350 mw coal fired power plant in Shijiazhuang, China
- ♦ Five boilers for an LNG expansion project in Bontang, Indonesia
- ♦ Rehabilitation of three boilers in Kingston, Jamaica
- ♦ Recovery Boiler in Mocarpel, Venezuela
- ♦ Steam Generator in Maracaibo, Venezuela
- Steam Generator in Batam Island, Indonesia

Babcock & Wilcox have always been very satisfied with the performance of Insultec on all of our contracts, as evidenced by the numerous orders that we have awarded Insultec. Insultec always completed the supply and shipment of materials on schedule. The export documentation that Insultec has prepared for us has always been prepared accurately and professionally. The Insultec contract personnel with whom we have interfaced have always been competent, cooperative and knowledgeable. Moreover, we have never received a complaint from any of our project sites regarding the quality of materials that Insultec supplied.

It has been a pleasure working with Insultec Inc. over the last ten years and we look forward to working with them in the future. We have no hesitation in recommending Insultec as an experienced insulation contractor for international power plant projects.

Yours truly,

G.F. Gill

Purchasing Manager

Proposals, Engineered Equipment