

**RESTATEMENT AND MODIFICATION TO
DEVELOPMENT AGREEMENT**

THIS RESTATEMENT AND MODIFICATION TO DEVELOPMENT AGREEMENT (this "Agreement") entered into by and between WIREGRASS POWER, LLC, a Georgia Limited Liability Company ("Wiregrass") and the VALDOSTA-LOWNDES COUNTY INDUSTRIAL AUTHORITY, an instrumentality of the State of Georgia created by an act of the General Assembly of the State of Georgia, Ga. L. 1960, P. 2786 ("Authority") dated August 12, 2009.

W I T N E S S E T H:

WHEREAS, Wiregrass is desirous of expanding its existing business by constructing a new facility in Valdosta, Lowndes County, Georgia; and

WHEREAS, the Authority is desirous of assisting Wiregrass to expand its existing business by constructing a new facility in Valdosta, Lowndes County, Georgia to enhance the community's economic development through the investment of capital and the increase of employment; and

WHEREAS, the parties hereto entered into a Development Agreement on August 12, 2009 and desire to modify and restate said agreement.

NOW, THEREFORE, for Ten Dollars and other good and valuable consideration, including the premises and the hereinafter provided agreements, covenants and undertakings, the parties hereto agree as follows:

1. The Project. For purposes of this Agreement the term "Project" shall mean that certain land more particularly described as 22.2-Acre tract or parcel of land located in Land Lot 155 of the 11th Land District of Lowndes County, Georgia, as depicted on that certain survey

attached as Exhibit "A" and made a part hereof by due reference thereto (said land hereinafter referred to as the "Property") and construction of the improvements thereto and installation of related fixtures and equipment. The Property is to be leased to Wiregrass pursuant to the Lease (as defined herein).

2. Undertakings, Representations and Covenants With Regard to the Project.

2.1 Creation of Agency Relationship. The Authority hereby makes, constitutes and appoints Wiregrass as its true, lawful and exclusive agent for the purpose of the planning, designing, constructing, installing and carrying out of the Project. Wiregrass hereby accepts such role as agent to act and to do all things on behalf of the Authority and to perform all acts and agreements of the Authority in connection with the planning, construction, installation and carrying out of the Project to the extent agreed to in writing between the parties. This appointment of Wiregrass to act as agent and all authority hereby conferred is irrevocable by the Authority during the term of this Agreement. This appointment of Wiregrass to act as agent of the Authority as described above shall not and shall not be deemed (i) to constitute Wiregrass and the Authority as partners or joint venturers, or (ii) to cause the Authority to be liable for any liabilities, costs or expenses incurred by Wiregrass. Except as otherwise provided herein or in the Lease, the Authority shall not take any action with respect to the construction or equipping of the Project (other than the Property) unless such action is approved by a duly authorized Representative of Wiregrass in writing.

2.2 Construction of Facility. Contracts for construction and for purchase of fixtures, machinery, equipment and related personal property deemed necessary or desirable by Wiregrass may be entered into by Wiregrass and thereafter assigned to the Authority or, if requested in writing by Wiregrass, the Authority will enter into all such contracts in its name. Any such

contract entered into by the Authority shall be submitted to Wiregrass for its review and pre-approval and contain language which serves to apprise the other party to any such contract of the source of the payment thereof. All building permits and licenses relating to the Project shall be issued in the name of the Authority, which will be assigned by the Authority to Wiregrass at Wiregrass' written request. The Authority hereby agrees to assist Wiregrass in obtaining, upon written request of Wiregrass, all necessary building permits required in connection with the construction and equipping of the Project; provided, however, that Wiregrass agrees to pay for all such building permits.

2.3 Guaranty of Payment. Wiregrass agrees to guarantee payment of all obligations incurred by the Authority in connection with contracts entered into by the Authority at the written request of Wiregrass concerning the planning, designing, constructing, installing and carrying out of the Project. In the event the Authority incurs any expense or fees on behalf of Wiregrass, said expenses and/or fees shall be pre-approved by Wiregrass. Wiregrass may advance any interim acquisition or construction funds required in connection with the planning, design, construction, installation and carrying out of the Project and be reimbursed from the proceeds of any Loan (as defined herein) when and if the same is issued and delivered.

2.4 Representations and Warranties of the Authority and Additional Undertakings With Regard to the Project. The Authority represents and warrants to Wiregrass the following:

2.4.1 The Authority has good and marketable fee simple title to the Property, free and clear of all mortgages, security deeds, other security instruments, liens, encumbrances, tenancy and restrictions of any kind and any nature except those matters described on Exhibit "B" attached hereto.

2.4.2 The Lease shall give Wiregrass the right to purchase the Project, including the Property, for the sum of Two Hundred Thousand and 00/100 (\$200,000.00) Dollars in cash, less any credit applicable thereto, at the end of the Lease term or upon any termination thereof as provided therein. Further, the Lease will be fully assignable by Wiregrass to another tenant who continues to operate a biomass energy generation facility on this location subject to the terms and conditions of capital investments and employment mentioned herein. Such assignment must be by prior written consent of the Authority, which consent shall not be unreasonably withheld.

2.4.3 The Authority agrees to cooperate with the State of Georgia to ensure the implementation of a Georgia state job tax credit as specified in the Georgia Business Expansion Support Act, to cooperate with the State of Georgia to ensure the availability of job service training of Wiregrass employees through the Valdosta Technical College and Quick Start, and to facilitate and coordinate with the State of Georgia, Department of Economic Development to ensure Wiregrass' access to all other State of Georgia and local or other incentives.

2.4.4 The Authority will, at its sole expense, provide a survey of the tract or parcel of land to Wiregrass and will confirm rezoning of the subject property to IS (Intensive Services) Zoning.

2.5 Covenants and Undertakings of Wiregrass With Regard to the Project.

With regard to the Project, Wiregrass covenants and agrees as follows:

2.5.1 On or before January 15, 2010, will pay to the Authority the sum of \$140,000.00 as a one-time payment of rent for the Lease Term.

2.5.2 On or before September 1, 2010, Wiregrass will pay to the Authority the sum of \$30,000.00 for the right to extend the commencement of construction and installation of the Project from September 1, 2010 to June 1, 2011.

2.5.3 Construction and installation of the Project shall commence as soon as feasible but in no event later than June 1, 2011, and will proceed with due diligence to completion, subject to delays caused by or resulting from acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; war; civil commotion; fire or other casualty; labor difficulties; general shortages of labor, materials or equipment; regulations, orders or restraints of any kind of the government of the United States or the State of Georgia or any of their departments, agencies, political subdivisions or officials or any civil or military authority; landslides; earthquakes; floods; storms; explosions; breakage to or accidents to machinery; or any other cause or event beyond the control of Wiregrass.

2.5.4 As the Authority's agent, Wiregrass shall cause all work in connection with the Project to be completed in accordance with all local ordinances, building codes, statutes and regulations of proper public authorities bearing on construction and installation of the Project.

2.5.5 Wiregrass shall purchase and maintain, or shall cause Wiregrass's general contractor to purchase and maintain, during the Project construction, insurance insuring the improvements under construction to their full insurable value, against the perils of fire, extended coverage, vandalism and malicious mischief. The Authority shall be named as an additional insured under said insurance policy as its interest may appear, and certificates of such insurance shall be delivered to the Authority prior to the commencement of the construction of the Project.

2.5.6 Upon completion of the construction and equipping of the Project and prior to the Permanent Lease Term Commencement Date (as defined in the Lease), Wiregrass agrees to submit to the Authority contractor and materialman lien affidavits from the general contractor of Wiregrass for the purpose of satisfying the Authority as to liens, except that if Wiregrass has a bona fide dispute with its general contractor, contractor or materialman, this requirement will be waived.

2.5.7 Wiregrass agrees to indemnify, defend and hold the Authority and the individual directors, members, officers, agents and employees thereof harmless against any claim of loss or damage to the Property or any injury or death of any person or persons occurring in connection with the planning, design, construction, installation and carrying out of the Project for that portion attributable solely to the direct actions of Wiregrass and its employees.

2.5.8 Wiregrass agrees that it shall make within twenty-four (24) months of June 1, 2011, no less than a \$100,000,000.00 investment to construct and equip the Project (including but not limited to the value of all equipment associated with the Project, whether previously owned by Lessee or not, fixtures, building and improvements, including labor or similar costs to install or put into use any of the foregoing).

2.5.9 Wiregrass further agrees to construct a biomass electric generating plant according to the conditions stipulated in the Lowndes County Board of Commissioners Rezoning Notice of Decision (REZ -2009-05) on the Property. In the construction mentioned herein, Wiregrass agrees that it will, if feasible, give local contractors, suppliers and vendors an opportunity to bid for work with respect to the Project, subject to Wiregrass' standard qualification requirements.

2.5.10 Wiregrass agrees that once the Project is completed and the facility has been in operation for twelve (12) months it shall employ annually, on an average, twenty-five (25) full-time employees with an average hourly wage of \$20.00 per hour.

2.5.11 In the event Wiregrass does not invest at least \$100,000,000.00 to construct and equip the Project, employ annually on an average at least twenty-five (25) full-time employees with an average hourly wage of \$20.00 per hour after construction of the facility is complete and the facility has been open for twelve (12) months, Wiregrass agrees to make a payment in lieu of property taxes to the City of Valdosta and Lowndes County, for the amount of the difference between the regular ad valorem tax payable on the Property as if the Authority were not the lessor over the amount payable on the leasehold interest of Wiregrass.

2.5.12 In the event Wiregrass does not create 80% of the job estimates outlined in this section and make \$80,000,000.00 in capital investments in the Project, Wiregrass agrees to reimburse the Authority an additional \$230,000.00 at such time as Wiregrass exercises its option to purchase said property and pays the \$200,000.00 "Purchase Price" under the Indenture of Lease. Wiregrass must achieve the job estimates and capital investment within twelve (12) months of the Project completion date.

2.5.13 Wiregrass may complete the construction/installation of a solar panel photovoltaic facility that will generate approximately 355 kilowatts of renewable energy for sale to Georgia utilities not later than six (6) months after an award and the receipt of a \$500,000.00 Georgia Environmental Facilities Authority (GEFA) Grant and the successful negotiation of a power purchase agreement with Georgia Power, a Georgia utility or Green Power EMC. The facility will be constructed on a two (2) acre tract adjacent to the biomass electric generating plant which will be provided to Wiregrass by the Authority and/or the City of Valdosta. The Authority will assist

Wiregrass or an affiliate in negotiating and securing a 25-year lease term on the two (2) acre tract of land.

2.5.14 The provisions of this Section 2.5 shall survive the termination of this Agreement.

3. Financial Considerations and Inducements.

3.1 The Lease and Option to Purchase the Property. The Authority and Wiregrass agree to execute and deliver to each other a lease agreement substantially in the form of the Indenture of Lease (herein referred to as the "Lease") attached hereto as Exhibit "C", with such additions, deletions and modifications thereto as shall be approved by both the Authority and Wiregrass, the execution thereof to be evidence of such approval.

3.2 The Loan. In the event Wiregrass so requests, in order to finance the cost of acquiring, constructing, and financing the Project, the Authority agrees to execute, on the date of the execution of this Agreement and the Lease, or any date thereafter during the term of the Lease, in favor of the Lender (as defined in the Lease), a Mortgage (as defined in the Lease) and such other loan documents, all of which shall be **without recourse** to the Authority, the State of Georgia, the City of Valdosta, the County of Lowndes and any political subdivision or agency of the State of Georgia as well as all agreements and security instruments required by the Lender securing the payment of such a loan (the "Loan"), all of which shall be without recourse to the Authority, the State of Georgia, the City of Valdosta, the County of Lowndes and any other political subdivision or agency of the State of Georgia.

3.2.1 Wiregrass represents that it understands that neither the full faith and credit nor the taxing power of the Authority, Lowndes County, Georgia, the City of Valdosta,

Georgia or the State of Georgia or any political subdivision or agency thereof is pledged for the payment of the principal and interest on the Loan.

3.3 Ad Valorem Tax Payments. With regard to ad valorem tax payments, the Authority represents, warrants and covenants as follows:

3.3.1 Leasehold Ad Valorem Taxation Covenants. During the Lease Term (as defined in the Lease), the Authority represents that it will use its best efforts in negotiating with the Lowndes County Georgia Board of Assessors in an attempt to have the Project taxed on an inclining ten-year scale which would provide for the taxation of one-tenth of the full value of the Project being considered for taxation each year multiplied by the number of years the lease has been in existence so that Wiregrass would be taxed the full value of the Property in year eleven and all subsequent years. The foregoing would not apply to property owned by Wiregrass that is not leased to Wiregrass by the Authority pursuant to the Lease. Any present calculations or estimates would be subject to any increases in ad valorem taxes due to an increase in the Lowndes County, Georgia millage rate. The Authority acknowledges that the ad valorem tax methodology described herein is a major inducement in Wiregrass' decision to construct and equip its facility in Valdosta, Lowndes County, Georgia.

4. Other Representations and Warranties of the Authority.

4.1 The Authority is a duly created and validly existing body corporate and politic and an instrumentality of the State of Georgia and a public corporation with the requisite corporate power to enter into and perform its obligations in this Agreement, the Lease and the transactions contemplated herein and therein. The Authority has the power and authority under all applicable federal, state and local laws to enter into and perform its obligations under this Agreement.

4.2 The execution and delivery by the Authority of this Agreement, the Lease and the performance of its obligations hereunder and thereunder are within the Authority's corporate powers, have been duly authorized by all necessary Authority action and do not contravene (i) its enabling legislation or the bylaws of the Authority, (ii) any law, rule, judgment, writ, order, decree or regulation applicable to the Authority or its properties or (iii) any agreement or contractual restriction binding on or affecting the Authority or any of its properties.

4.3 No authorization or approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body is required with regard to this Agreement, the Lease or the transactions contemplated herein or therein.

4.4 This Agreement and the Lease, when executed and delivered, will be the legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and except as may be limited by general principles of equity. There is no pending or threatened action, investigation or proceeding before any court or governmental agency or arbitration against or affecting the Authority which may materially adversely affect the properties, business, financial condition or operations of the Authority or which may materially adversely affect the ability of the Authority to perform its obligations under this Agreement or the Lease. The Authority has not received any communication, whether from a citizen's group, taxpayer or otherwise, with respect to any proposed or current suit, proceeding or challenge with respect to this Agreement, the Lease or any of the transactions contemplated hereby or thereby.

5. Other Representations and Warranties of Wiregrass.

5.1 Wiregrass is a Limited Liability Company duly organized, validly existing, and in good standing under the laws of the State of Georgia and has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and the Lease in accordance with their respective terms.

5.2 The execution and delivery of this Agreement and the Lease by Wiregrass and the performance by Wiregrass of its respective obligations thereunder have been duly authorized by all necessary corporate action. This Agreement and the Lease, upon due execution by Wiregrass, will constitute a legal, valid and binding obligation of Wiregrass, except as may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and except as may be limited by general principles of equity.

5.3 To the actual knowledge of Wiregrass, the execution and delivery of this Agreement and the Lease by Wiregrass and the performance by Wiregrass of its respective obligations thereunder do not violate, in any material respect, any provision of law applicable to Wiregrass.

6. Miscellaneous.

6.1 Entire Agreement. This Agreement and the exhibits and attachments hereto contain every obligation and understanding between the parties relating to the subject matter hereof and merges all prior discussions, negotiations and agreements, if any, between them, and neither of the parties shall be bound by any conditions, definitions, understandings, warranties or representations other than as expressly provided or referred to herein.

6.2 Modification. This Agreement may be modified only by written instruments properly executed by the parties.

6.3 Governing Law. This Agreement has been entered into and shall be construed and enforced in accordance with the laws of the State of Georgia without reference to the choice of laws principles thereof.

6.4 Expenses. Except as otherwise provided herein, each party shall bear its own expenses in connection with the transactions contemplated herein.

6.5 Waiver. No waiver by any party, whether express or implied, of its rights under any provision of this Agreement shall constitute a waiver of the party's rights under such provisions at any other time or a waiver of that party's rights under any other provision of this Agreement. No failure by any party to take any action with respect to any breach of this Agreement or default by the other party shall constitute a waiver of the former party's right to enforce any provision of this Agreement or to take action with respect to such breach or default on any subsequent breach or default by the other party.

6.6 Severability. If any one or more of the provisions contained in this Agreement shall be declared invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

6.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

6.8 Section Headings. The section headings in this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

6.9 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns, except that neither party shall assign its rights nor delegate its obligations under this Agreement unless and until any

such assignment or delegation shall have first been consented to in a written instrument executed by the other party. This provision shall in no way limit Wiregrass's right to assign the Lease as provided in Section 2.4.2 above.

6.10 Notices. All notices hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered personally or sent by Federal Express, Registered Mail or Certified Mail, postage pre-paid to the parties at their respective addresses set forth below:

As to Wiregrass:

Wiregrass Power, LLC
Attn: Mr. Therrell Murphy, Jr.
3500 Parkway Lane, Suite 500
Norcross, GA 30092

With a copy to:

Lisa G. Shippel, Esq.
Rolader & Rolader, P.C.
Post Office Box 1357
Roswell, GA 30077

Tammi M. Cody, Esq.
Sterling Energy Assets
3500 Parkway Lane, Suite 500
Norcross, GA 30092

As to the Authority:

Valdosta-Lowndes County Industrial Authority
Attn: Chairman
2110 North Patterson Street (zip 31602)
P.O. Box 1963
Valdosta, GA 31603

With a copy to:

J. Stephen Gupton, Jr., Esq.
201 East Gordon Street (zip 31601)
P.O. Box 1807
Valdosta, GA 31603

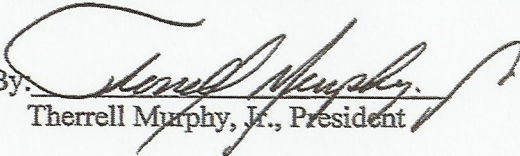
Each party shall have the right to change the address or name of the person to whom notices are to be delivered by notice to the other party. Any notice shall be deemed to have been served or given as of the date notice is delivered if given in a manner permitted herein.

6.11 Termination. Except as otherwise provided herein, this Agreement shall terminate on the date the Lease terminates.

IN WITNESS WHEREOF, this Agreement has been made effective on the day and year executed.

Executed on: July 26, 2010

WIREGRASS POWER, LLC

By: 
Therrell Murphy, Jr., President

[SIGNATURES CONTINUED ON NEXT PAGE]

Executed on: August 17, 2010

**VALDOSTA-LOWNDES COUNTY
INDUSTRIAL AUTHORITY**

By: Jerry J. Jennett
Jerry J. Jennett, Chairman

(SEAL)

Attest: Mary B. Gooding
Mary B. Gooding, Secretary

ONEFR/Valdosta-Lowndes County Industrial Authority/09T-119-DISEC/Retained and Modification to Development Agreement-0001.DOC

EXHIBIT "A"

LEGAL DESCRIPTION

All that tract or parcel of land situate, lying and being 22.2 Acres located in Land Lot 155 of the 11th Land District of Lowndes County, Georgia, and being that certain tract or parcel of land designated "Tract 2 - 22.200 Acres" described on that certain "Boundary Survey for Valdosta-Lowndes County Industrial Authority" dated January 18, 2010 and recorded in Plat Cabinet B, Page 326, to which tract or parcel are hereby referred in aid of description. The herein referred to tract or parcel of land is further described as:

All that tract or parcel of land lying and being 22.200 acres located in Land Lot 155 of the 11th Land District, Lowndes County, Georgia, and being more particularly described as follows: For a point of reference, commence at a point marking the intersection of the southern right of way line of State Route #94 (100' R/W) and the easterly right of way of Inner Perimeter Road, and proceed thence South 16 degrees 28 minutes 33 seconds West along the eastern right of way of Inner Perimeter Road for a distance of 392.05 feet to a 1/2" iron pin; proceed thence South 16 degrees 35 minutes 53 seconds West along the eastern right of way of Inner Perimeter Road for a distance of 590.31 feet to a 5/8" iron pin, being the POINT OF BEGINNING; thence proceed South 78 degrees 04 minutes 55 seconds East for a distance of 1259.31 feet to a 5/8" iron pin; thence proceed South 11 degrees 55 minutes 05 seconds West for a distance of 749.82 feet to a concrete marker; thence proceed North 78 degrees 04 minutes 55 seconds West for a distance of 1320.05 feet to a 5/8" iron pin, said iron pin being located on the eastern right of way of Inner Perimeter Road; thence proceed North 16 degrees 32 minutes 58 seconds East along the eastern right of way of Inner Perimeter Road for a distance of 752.28 feet to the 5/8" iron pin, being the POINT OF BEGINNING.

The above described property is a portion of Map 164 Parcel 025 according to the Lowndes County Board of Assessor's Office.

EXHIBIT "B"

Permitted Encumbrances

None.

EXHIBIT "C"

Form of Indenture of Lease