

05 November 2003

PRIVATE AND CONFIDENTIAL

Mr. Larry Sutton
Senior Subcontractor Administration
Princeton University
Plasma Physics Laboratory
James Forrestal Campus
P.O. Box CN17
Princeton, NJ 08543

Re: Precision Metal Works Ltd. (PMW)

Dear Gentlemen,

Further to your request for a formalized version of our findings with respects to Precision Metal Works, we are pleased to provide the following information in adherence to ARTICLE VI - SUBCONTRACTS - Section 3 a. - e. (1) - (7):

Rohwedder, Inc. will continue to provide all Project Management, Engineering, Design and Development along with all the necessary documentation. Rohwedder, Inc. will be assisted with these items by Precision Metal Works Ltd of New Brunswick, Canada. Precision Metal Works will handle all material purchasing, machining, forming and other manufacturing tasks (including QA) required during the physical building of this prototype. The subcontract will be a fixed price and will have no impact on the existing contract.

The proposed price from the above subcontractor is \$125,000.

NOTE: This includes materials, level of effort required for the scope of work. The present scope of work includes a pending change request for a prototype port removal/reattachment demonstration (change order request included).

Should you require further information regarding this information, please contact us immediately.

Best regards,



Birgit R. Westphal
President and Chief Executive Officer
bee.westphal@rohwedder.com