

SUMMER 2009

Markets are still in a state of shock and compared to this time last year are in a record slump!

Hoping that the busy summer months will see some market recovery and nice warm weather!

As agent for 75 registered distributors, Encorp Atlantic recovered 164 million beverage containers for an annualized redemption rate of 74.45%. This return rate is stronger compared to last year's 71% and compares to similar programs across Canada;

- Quebec 67%
- Newfoundland 68%
- Alberta 70%
- New Brunswick 74%
- British Columbia 77%
- Nova Scotia 78%
- Saskatchewan 84%

► Quality Control

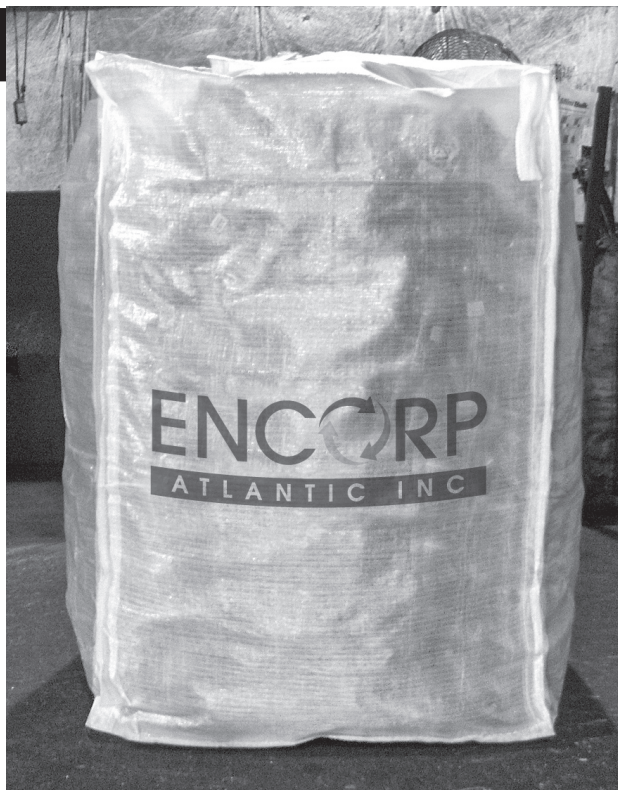
In order to build a better Beverage Container Program in New Brunswick, Encorp Atlantic will be increasing the level of quality control sampling (QC) over a trial period.

The current system hinges on accuracy. To be successful, a program of this magnitude must be subject to regular reviews especially in the context of an honor system for reporting product sales and refunded units levels.

This review should contribute to a better understanding of the current challenges facing our program and our industry and will hopefully drive further innovation in our program.

Numerous projects are underway to document procedures and explore other operational alternatives.

We will gladly communicate and consult on our findings. In addition, Encorp staff will be visiting centers over the next few months and gathering all your suggestions and comments.



► A Clear View!

Encorp Atlantic innovates with the introduction of a clear transparent bulk bags. This will be a pilot-project and comments will be gathered prior to the full-scale introduction. We hope that these bags will enable Redemption Centers and processor to better identify content and allow bulk bags to stay cleaner for a longer period of time than the traditional white...

► At a Redemption Center near you!

In recent weeks Encorp staff have been visiting Redemption Centers across the province in hope of putting a name to a face. Hard working depot staffs have been friendly and helpful. Already vital information has been gathered from the visits. Comments range from more need for communication tools, to quality of bulk bags and loading time.

► Enviropactor hits record high

Hebert's Champion Driver David White achieved a record high of 314 bulk bags on one load recently. Since first introduced, the load capacity has gone from 84 bulk bags to an average of 250 with the Enviropactor. This translates to an estimated savings of 110,000 liters/yr. and 314 tonnes of CO₂.

► Overall Materials Markets

A year ago vs. today (June 30, 2008 – May 31, 2009): YTD pricing (US Dollar) versus same period last year: aluminum 47% below; PET 56% below and glass still being market negative.

Overview of market prices US\$/lb for baled material:

	Aluminum	PET	Exchange
June 30, 2008	\$1.02	\$0.19	\$1.08
December 31, 2008	\$0.58	\$0.04	\$1.19
May 31, 2009	\$0.47	\$0.11	\$1.07

Year to Year Refunded Units:

	Aluminum	Glass	PET	Other	Total
April 07-Mar. 08	62,198,818	4,831,518	66,845,382	17,705,425	151,581,143
April 08-Mar. 09	68,023,913	3,832,433	73,289,878	18,903,429	164,049,653
Yr to Yr Qty	5,825,095	(999,085)	6,444,496	1,198,004	12,468,510
Yr to Yr %	8.56%	(26.07%)	8.79%	6.34%	7.6%