



**SalTec** International, Inc.

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**PRESS RELEASE**

**Mexico's Commission Reguladora de Energia (CRE) grants 1<sup>st</sup> underground natural gas storage permit to Almacenamiento Subterraneo del Istmo, S.A. de C.V. (ASISA)**

**ASISA is a project company owned by Cydsa and SalTec International**

**November 15, 2007**

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**SOUTHPORT, CT** – SalTec International, Inc. (“SalTec”) announces today that on November, 8, 2007 a subsidiary of SalTec was awarded Mexico’s first-ever underground natural gas storage permit by the CRE.

ASISA, a project company owned by Cydsa S.A.B. de C.V. (“Cydsa”)(51%) and SalTec (49%), plans to develop, construct and operate an underground salt cavern natural gas storage facility with an approximate cost of US\$200 million (the “Project”). The Project will be developed using the caverns that Cydsa has developed over the past 30 years in Tuzandepetl, Veracruz, Mexico through a solution mining process to extract salt.

In discussing the Project, the President of the CRE, Francisco Salazar Diez de Sollano, stated the following:

“This permit represents a milestone for the natural gas industry in Mexico because it will allow us to offer better operating conditions for the system, improve conditions to lessen seasonal volatility in the price of gas and to store it in case of an emergency. It opens a set of options that will allow us to start to develop a natural gas market in Mexico.”

According to a November 8, 2007 press release, the CRE believes the Project responds to the priorities of Mexico’s national energy policy as a result of the following:

- Meets the strategic commercial and operating needs of the National Natural Gas Pipeline System (NPS) by providing flexibility and an alternative to “line packing” for storage.
- Provides stability against seasonal variations in demand and pricing in the natural gas market.
- Provides a facility to store natural gas in the event of an emergency or when there is overproduction of natural gas due to fluctuations in demand.

In order to complete the development phase of the Project, ASISA will need to perform the following activities: (i) finalize engineering and design of the Project, (ii) obtain contracts with customers of the Project, and (iii) secure financing for the Project through a traditional “Project Finance” arrangement for projects of this kind. Once project financing has been arranged construction of the facility will commence and last approximately two years, with the startup of operations to follow shortly thereafter.

ASISA Permit Ceremony – CRE Office, Mexico City



November 8, 2007, Mexico City

Pictured (left to right) Dr Francisco de Rosenzweig Mendiola, General Counsel, CRE; Bill Bishop, Chief Technical Officer, SalTec; Larry Kelly, President, SalTec; Alejandro von Rossum Garza, President, Chemical Division, Cydsa; Francisco Salazar Diez de Sollano, President, CRE; Jaime Rodriguez Segovia, Director of Planning and, Finance and new projects, Chemical Division, Cydsa; Victor Manuel Morales Baca , Project Director, Chemical Division, Cydsa; Dr. Alejandro Breña de la Rosa, Director General Natural Gas, CRE.

## About SalTec International, Inc.



SalTec International, Inc., based in Southport, CT, is a midstream energy project company with a focus on the development, construction and operation of solution mined caverns in salt formations for the storage of natural gas.

Additional information regarding SalTec is available on the company's website [www.saltecintl.com](http://www.saltecintl.com).

## About Cydsa, S.A.B. de C.V.



Cydsa, S.A.B. de C.V., based in Monterrey, Mexico, is one of Mexico's leading industrial groups, with more than 20 subsidiaries located in 12 cities of the country and customers in more than 30 countries. Cydsa initiated operations in 1945 as a maker of rayon and has expanded into chemical and plastic products. Cydsa's stock trades on the Mexican Stock Exchange with the symbol CYDSASA.

Information about Cydsa is available on the company's web site at [www.cydsa.com](http://www.cydsa.com).

*This announcement contains certain statements that are forward-looking. These forward-looking statements reflect management's current expectations, are based on many assumptions, and are subject to certain risks and uncertainties.*

### FOR FURTHER INFORMATION PLEASE CONTACT:

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