

PRIVATE AND CONFIDENTIAL

The Directors
TEG Environmental plc
Crescent House
2 - 6 Sandy Lane
Leyland
Preston
Lancashire PR5 1EB

18 August 1999

SAL L 300799

Dear Sirs

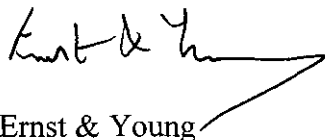
TEG ENVIRONMENTAL PLC

COMPANY NUMBER: 3109613

In accordance with Section 392 of the Companies Act 1985, we write to notify you of our resignation as auditors of your company. This resignation takes effect from the time at which you receive this letter.

In accordance with Section 394 (1) of the Act, we confirm that there are no circumstances connected with our resignation which we consider should be brought to the attention of the members or creditors of the company.

Yours faithfully


Ernst & Young

