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ARKANSAS SECURITIES DEPARTMENT

FOR IMMEDIATE RELEASE

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ARKANSAS SECURITIES COMMISSIONER ISSUES ORDER DIRECTING HOT SPRINGS COMPANY TO CEASE SELLING SECURITIES IN VIOLATION OF ARKANSAS LAW

Arkansas Securities Commissioner Heath Abshure issued a Cease and Desist Order today directing P-R-E, LLC d/b/a Phoenix Renewable Energy and Stephen R. Walker, both of Hot Springs, Arkansas to stop soliciting and selling securities in violation of the Arkansas Securities Act.

Walker personally solicited Arkansas residents to invest in PRE by selling promissory notes entitling holders to 6% interest on their principal as well as an ownership interest in the company. Investors relied on Walker's representations of the company's imminent opening and operation of a \$180 million plant in Camden, Arkansas to produce wood pellets as a source of alternative energy. Investors were also told by Walker that the company would go public with its stock traded on a stock exchange in Germany.

The Order found more than 50 persons hold investments in PRE, with some \$1.4 million invested in 2009 and 2010. During the same time period the company had expenditures of approximately \$1.4 million, with over \$250,000 in payments made directly to Walker and over \$80,000 in payments made to the company CEO, Sam Anderson, his companies, and his family.

The securities sold by Walker and PRE were neither registered nor exempt from registration as required by the Securities Act. In addition, Walker violated the Act by soliciting and selling the securities without being registered with the Department to do so.

Although the notes purchased by PRE investors were all due and payable by December 2009, Walker and PRE have not returned funds or interest as provided in the agreements.

A copy of the Order can be found on the Arkansas Securities Department's website: www.securities.arkansas.gov - 2010 Orders, In the Matter of P-R-E, LLC d/b/a Phoenix Renewable Energy and Stephen R. Walker. The Department Staff is continuing their investigation of this matter and ask interested parties to contact the Arkansas Securities Department at 501-324-9260.