



restore the balance

April 25, 2012

To Our Stakeholders,

Together we have fought climate change for over 7 years. Together our impact has been great: Since 2005, we have destroyed greenhouse gases (GHG) equivalent to over 4 billion pounds of CO2 and in the process helped put enough renewable electricity onto the grid to power 75,000 homes for a year.

Despite our efforts, the effects of GHG emissions are still readily evident. Average global temperatures are steadily on the rise. GHG emissions in the U.S. are 17% above 1990 levels. Worst of all, the government has done little to address this situation, making it all the more important for us all to take action individually.

That's exactly what we've done. With your support, we helped launch or sustain more than 40 projects throughout the United States that destroy GHGs, generate renewable energy, and create jobs in local communities.

Fighting climate change is more urgent than ever. That's why we're proud of our supporters and project owners for leading the fight against climate change. We're excited to amplify these results in the upcoming year.



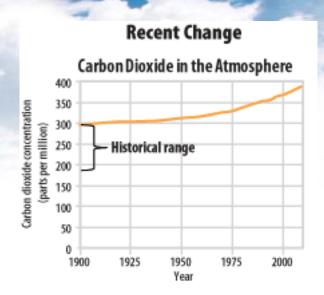
Sincerely,

Erin Craig Erin Craig, CEO

TerraPass Inc.

"Climate change is one of the most serious and complex problems facing our world."

Hillary Clinton, February 16, 2012 at the launch of the Climate and Clean Air Coalition



Source: <u>EPA's Climate Change</u> <u>Indicators (2010).</u>

TerraPass in Action

We are fighting climate change by destroying greenhouse gases and putting clean energy on the grid. Our projects are made possible by your offset purchases.







Offset purchases create renewable energy.

This displaces power generated by burning fossil fuels like coal.



Customers in Action

Our customers fight climate change in many ways.

Offsets are just one.

% of TerraPass customers who do the following:

Recycle 93%

Adjust thermostat, 84%

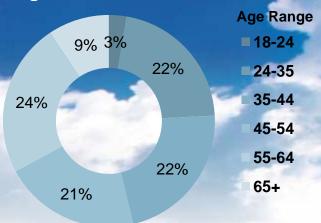
Walk, bike or ride public transportation to work, 70%

Have a fuel efficient car, 53%

Contact elected officials, 52%

Everybody, everywhere.

Age of our customers



Our customers are in all 50 states

(and over 20 countries).

The Difference You've Made

In the past seven years, our projects have destroyed Greenhouse Gases equal

to over 4,400,000,000 pounds of CO2.

That's the equivalent of:





57,000,000 tree seedlings grown for 10 years.



5,500,000 laptops turned off for a year.

Note: All TerraPass retail offset sales and retirements are independently reviewed by a leading U.S. accounting firm. See the TerraPass website for more details.

Thank You for helping to Clear the Air



for future generations



This year our projects are expected to clear the air by destroying greenhouse gases equivalent to 585,000 metric tons, or over **1.2 billion pounds**, of CO2.

We are actively developing new projects. The **renewable energy** alone from these projects could power more than **15,000 homes** per year for decades.

