



## MPAC INDUSTRIES CORPORATION

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### NEWS RELEASE

January 04, 2007

SYMBOL: "MPN"

### PLANT EQUIPMENT INSTALLED AND PRELIMINARY TESTING COMPLETE

**January 04, 2007: Vancouver, British Columbia** – MPAC Industries Corp. (the "Company" or "MPAC") is pleased to announce that the major components of the coal refining plant (the "Plant") have arrived in Tokat / Zile and have been substantially installed. Preliminary handling and flow testing of the entire Plant will commence once the Canadian technology has been installed in the circuit.

Due to a change in Turkish law in early December, importation of equipment into Turkey required another set of permits and due diligence by the Ministry of Environment. This caused a ten-day delay in the release of the Canadian technology from Customs. Further delays were caused by the backlog of container traffic in the port of Istanbul due to all importers having to respond to the new environmental laws. Nonetheless, the Company is pleased to report that all required environmental permits are now in hand and work is continuing on the Plant site in accordance with MPAC's plans.

The local weather has also been a delay factor in the transportation, assembly, and testing of the Plant's components. Fortunately, the temperature did not fall below zero degrees Celsius during the work-day until late in December and certain equipment was safely received and installed at the Plant prior to adverse weather conditions impacting on the final testing and planned commencement of production.

In December, two of the Company's executives visited the Plant site in Turkey and received progress reports first-hand from the engineers in Turkey. At the same time, a staff member from the Canadian firm who developed the technology for use at the Plant site traveled to Turkey to train local personnel on the correct implementation and ongoing maintenance of the technology. The two senior executives were in attendance at these training sessions as well, serving as observers.

In addition to the construction on the Plant itself, upgrades and new construction is nearly complete on the crew quarters: bunkhouse; cookhouse; heating systems;

and washrooms. Upgrades are also ongoing on the electrical power and water supplies. A better than anticipated source of local water has been tested, and this supply appears adequate to meet the current requirements for the Plant as well as the planned expansion. Underground cables are being run from the available power grid to the main Plant electrical panel. This cable has been sized with potential future expansion that the Company may require.

The three (3) kilometer section of road from the nearby village to the Plant site has been upgraded in order to handle the heavy truck traffic that will occur in order to transport the refined coal to market. This upgrading was also done to accommodate the large crane and heavy trucks delivering the components of the Plant to the site.

The management of the Company is pleased with the progress to date at the Plant site. We now look forward to final commissioning of the Plant and to bringing, in the first quarter of this new year, the production at the Tokat / Zile Plant to planned capacity and generating revenues for the shareholders who have waited patiently for this stage in the Company's development.

*This news release contains forward-looking statements, which are based on MPAC Industries' current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. The forward-looking statements are not guarantees of future performances and undue reliance should not be placed on them. Actual results may differ materially as a result of any number of factors and uncertainties, many of which factors are beyond the Company's control. MPAC Industries Corporation undertakes no obligation to revise any forward-looking statements except as required by applicable securities laws.*

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## **BY THE ORDER OF THE BOARD**

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Firoz Lakhani  
President & CEO

*The TSX Venture Exchange neither approved nor disapproved the contents of this news release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.*