

SAGE GEOTECH INC.

818 Taughenbaugh Blvd, Suite 105

P.O. Box 1211

Rifle, CO 81650

Phone: (970) 625-2445

Fax: (970) 625-2448

October 27, 2006

EnShale Inc.
299 East 950 South
Orem, Utah 84058

Subject: Oil Shale Resource Estimate

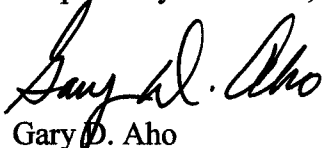
Gentlemen:

At your request I have prepared the attached estimate of the oil shale resource on the Utah State Oil Shale Leases controlled by EnShale in Uintah County, Utah. The estimate is for the zone that averages over 25 gallons-per-ton within the Mahogany zone of the Parachute Creek Member of the Green River Formation.

I have worked on oil shale projects within that part of the Uinta Basin for nearly 30 years and am familiar with the geology and the oil shale resource. To prepare this resource estimate I relied on personal geologic experience, published reports, and the resource work of the U.S. Geological Survey. A particularly valuable reference is the USGS Open File Report 91-285 entitled "Oil Shale Resources of the Mahogany zone in eastern Uinta Basin, Uintah County, Utah", Dyni et al, 1991. This USGS report is the basis for the oil shale information presented on the Utah Trust Lands Map "Oil Shale Resources, Uintah County, Utah", February, 2006, compiled by John Blake, also used as a reference in preparing the attached resource estimate.

In summary, the EnShale State Oil Shale Leases contain somewhere around 666,841,000 barrels of shale oil.

Respectfully submitted,



Gary D. Aho

Certified Professional Geologist, CPG -10426

Utah Professional Geologist 5556628-2250

