Business Plan of Operations

PGI ENERGY, INC. (PGIE)

PGI ENERGY HOLDINGS INTERNATIONAL

ROBERT GANDY, CHIEF INVESTMENT OFFICER
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(Name, address, including zip code, and telephone number, including area code, of agent for service)

Legal Counsel:
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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve a number of risks and uncertainties. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “intends, “plans,” “should,” “seeks,” “pro forma,” “anticipates,” “estimates,” “continues,” or other variations thereof (including their use in the negative), or by discussions of strategies, plans or intentions. Such statements include but are not limited to statements under the captions “Risk Factors,” “Management’s Discussion and Analysis,” “Our Business” and elsewhere in this business plan. A number of factors could cause results to differ materially from those anticipated by such forward-looking statements, including those discussed under “Risk Factors” and “Our Business.”

Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons including:

- our ability to implement our business plan;
- our ability to market our proposed services, commence revenue operations and then to achieve profitable results of operation;
- competition from larger, more established companies with far greater economic and human resources than we have;
- our ability to attract and retain customers and quality employees;
- the effect of changing economic conditions; and
- changes in government regulations, tax rates and similar matters.

You should not unduly rely on these forward-looking statements, which speak only as of the date of this prospectus. We undertake no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this prospectus, or to reflect the occurrence of unanticipated events.

Executive Summary

PGI ENERGY HOLDINGS INTERNATIONAL, INC. a public Canadian energy holding company, with its operating company PGI Energy, Inc. headquartered in Houston, Texas. The company's purpose is to acquire assets in the proven producing oil and gas assets, refinery and pipeline sectors of the energy industry and other synergistic assets. The company will only acquire proven producing, and income producing assets. Funding Structures: We will acquire assets under traditional debt, revolving credit facility, Limited Partnership, direct equity ownership of assets, special purpose entity to hold assets, with the company maintaining controlling interest or joint venture interest.

Credit Committee and Underwriting Guidelines: We are required to apply a standard of valuation for targeted assets to acquire as follows: Before we acquire an asset it must meet this criteria, have a maximum loan-to-value ratio of 70% of the value of proven developed producing oil and gas assets, maximum loan to value ratio of 35% of proven developed non-producing behind pipe assets, refinery and pipeline assets maximum 70% loan to value of income and asset base value based upon review of a third party engineering or appraisal report. All acquisition Funding require 100% cash flow to the Company less agreed upon general & accounting expenses as the term is commonly understood in generally accepted accounting principles. Credit underwriting Process: Initial Review of the asset, good title report, third party engineering report review or appraisal, funding structure or proposed term sheet for funding, credit committee review for approval or decline, commitment to if approved, loan documents provided from attorney if any, and closing instructions.

Our credit committee must consist of at least three of our executive officers whom shall meet to review projects for acquisition, and funding as recommended by our chief investment officer consistent with our underwriting guidelines. The committee members shall give their assent or dissent to a particular acquisition or funding and said decision shall be recorded upon the records of the Company. The majority vote of the credit committee decision is final subject to review and veto by the Board of Directors only if the credit committee did not comply with the underwriting guidelines. All of our executives may sit on the committee for any project presented. The acquisition or funding target shall be presented to all committee members for review prior to committee review date and the members shall coordinate their schedules internally to make sure that a quorum will be convened to decide the matter.

Our credit underwriter is Pythagoras Group by and through its designated agents. The credit underwriter will recommend acquisition targets and funding structures. The credit underwriter will recommend funding requirements within the defined underwriting guidelines and present to the credit committee for final decision. Pythagoras Group/Robert Gandy's role as Chief Investment Officer /credit underwriter is defined as vetting acquisition opportunities among its resources in the oil and gas industry to identify asset classes that fall within the underwriting guidelines, evaluate those assets through initial review of the asset, good title report, third party engineering report review or appraisal, recommend funding structure or proposed term sheet for funding, issue commitment to upon approval by credit committee, order loan documents to be provided from attorney if needed, and closing instructions. Our Chief Investment Officer shall schedule closing of acquisitions and arrange funding.

PGI ENERGY HOLDINGS INTERNATIONAL, INC. through its business combination with PGI Energy, Inc. remains as the operating company, a Delaware public company. The company formed partnerships to grow its core business organically through strategic alliances diversifying its interest in green energy through biomass production, waste to energy, wood pellets production, synthetic gas, bio char production and plastics to synthetic crude. Our goal is to reduce the carbon footprint upon the earth. PGI has several core divisions which provide support to its operations and customers such as PGI Transportation & Logistics, PGI GREEN E & P and PGI Commodities Trading in the US and Europe.

We have entered into partnership agreements to build power plants in Nigeria, Liberia and targeting Southern Sudan next. These are still works in progress.

PGI Energy, Inc. entered into a private- public agreement to contribute in developing **River Gee County, Liberia** infrastructure through counterparty trade agreements. The agreement between the parties calls for Licenses and Permits from the Liberian Government and Private Owners of natural economic assets in the County including Land/Agriculture, Food Production Potentials, palm oil, Tree Crop, Mining, Gold, Rough Diamond, Iron Ore, Natural Gas, Forestry, Timber, Oil, Energy, etc., for the purpose of forming Equity Sharing Joint Venture with the County and its Citizens in developing these resources to engage in trading, marketing, selling and exchanging for profit.

We formed **PGI GREEN E& P, INC**a waste to green fuel refineries initiative to help reduce our carbon footprint. PGI GREEN E & P launched its initiative with partners Dario Berini a computer engineer and chemical engineer, and Adam Erickson an international energy business developer. We developed this division after visiting and negotiating with key manufacturers for distribution and sales of their proprietary technology to be deployed through a sales team lead by Erickson. The technologies employed are biomass which transforms tires to light fuel oil, plastics to crude, pelletizing, thermal heating and waste to syngas. PGI ENERGY HOLDINGS INTERNATIONAL, INC. plans to own and operate some of these units as well as distribution through direct sales and lease finance programs. The PGI Green E & P team has been working to develop relationships among feedstock providers such as large waste handlers, municipalities and have made significant progress. The refined fuels will be traded via traditional means of commodities trading through PGI ENERGY HOLDINGS INTERNATIONAL, INC. Trading.

PGI ENERGY, INC has entered into a Wood Pellet market development and supply partnership with **EX-FACTORY INC** of North Carolina, the exclusive North American distributor of the TECCON PELLET TOWER. Through its PGI Green E & P, Inc. JV subsidiary, PGI has identified the growing worldwide market for high quality wood pellets and bio coal briquettes as renewable energy sources. The partnership combines the wood and biomass processing expertise of EX-FACTORY with the project financing, logistics, and trading arms of PGI to successfully develop manufacturing facilities and bring product to market. Deployment of the highly efficient PELLET TOWER for production of premium wood pellets is the initial focus. Future projects are forecasted by tapping into EX-FACTORY's expansive woodworking client base and also utilizing their extensive access to high quality processing equipment in pellet and briquette manufacturing.

We formed **PGI ENERGY TRANSPORTATION & LOGISTICS, INC**as a subsidiary to facilitate transportation of physical commodities for the company and brokering freight movement for client companies.

We formed**PGI Energy Trading** our commodities trade division to hedge commodities for the crude production and refinery operations. Our commodities traders currently trade oil and gas futures via the ICE Platform and physical petrochemicals.

We formed **PGI Energy Trading, LTD** in London and Wales to trade petrochemicals throughout Europe in negotiation with major EU refineries.

PGIthrough its joint venture with ***Home Creek Energy*** as operator has acquired a proven producing oil & gas asset. The field is located in Haskell County, Texas, and covers five leases with 11 production wells, 2 injection wells, pumper jacks, tanks, separators, tubing, rods and well equipment.

Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the risks described below and other information contained in this prospectus before deciding to invest in our common stock. The risks described below are not the only ones facing our company. Additional risks not presently known to us or which we currently consider immaterial may also adversely affect our company.

If any of the following risks actually occur, our business, financial condition and operating results could be materially adversely affected. In such case, you could lose a part or all of your investment.

Risks Related to Our Company and Our Operations

Concentration of Market Segment exposes our company to certain economic factors that are beyond our control which may significantly affect growth, and revenue of our business model.

We are an energy holding company and will be concentrated in the market segment of primarily upstream and midstream oil and gas production and distribution services. The energy sector is a high volatility industry. Profit margin is usually thin in the refinery processing business.

Fluctuations in energy prices can also greatly affect the development of new petroleum product reserves and, to a lesser extent, production from existing wells. In general terms, energy prices fluctuate in response to changes in supply and demand, market uncertainty and a variety of additional factors that are beyond our control. Declines in energy prices could have a negative impact on exploration, development and production activity and, if sustained, could lead to a material decrease in such activity. Sustained reductions in exploration or production activity in our areas of operation would lead to reduced utilization of our gathering and treating assets. Because of these factors, even if new reserves are known to exist in areas served by our assets, producers may choose not to develop those reserves. If reductions in drilling activity result in our inability to maintain levels of throughput on our systems, it could have a material adverse effect on our business, results of operations and financial condition.

Our acquisition of new assets may not result in the anticipated revenue increases and is subject to unanticipated regulatory, environmental, political, legal and economic risks which could adversely affect our business.

One of the ways we intend to grow our business is through the acquisition of new assets. The acquisition of additions or modifications to our existing systems and of new assets involves numerous regulatory, environmental, political and legal uncertainties beyond our control and may require the expenditure of significant amounts of capital. If we undertake such projects, they may not be completed on schedule or at the budgeted cost, or at all. Moreover, our revenue may not increase immediately upon the expenditure of funds on a particular project. For instance, if we expand a pipeline, the construction may occur over an extended period of time and we will not receive any material increases in revenue until the project is completed. Moreover, we may construct facilities to capture anticipated future growth in production in a region in which such growth does not materialize. Since we are not engaged in the exploration for, and the development of, natural gas and crude oil reserves, we do not possess reserve expertise and we often do not have access to third party estimates of potential reserves in an area prior to constructing facilities in such area. To the extent we rely on estimates of future production in our decision to construct additions to our system, such estimates may prove to be inaccurate because of numerous uncertainties inherent in estimating quantities of future production. As a result, new facilities may not be able to attract enough throughput to achieve our expected investment return which could adversely affect our results of operations, cash flows and financial condition. In addition, the construction of additions to our existing gathering and transportation assets may require us to obtain new rights-of-way prior to constructing new pipelines. We may be unable to obtain such rights-of-way to connect new petroleum product supplies to our existing gathering lines or capitalize on other attractive expansion opportunities. Additionally, it may become more expensive for us to obtain new rights-of-way or to renew existing rights-of-way. If the cost of renewing or obtaining new rights-of-way increases, or if we lose our existing rights-of-way through our inability to renew right-of-way contracts or otherwise, our results of operations, cash flows and financial condition could be adversely affected.

We may be unable to generate sufficient or positive cash flows from the purchase, transportation, storage, distribution and sale of petroleum products to adequately support our financial or operational results.

Our marketing results depend upon our ability to generate sufficient or positive cash flows from the purchase, sale and cost to carry of petroleum products. Our cash flows are affected by many factors beyond our control, including:

- availability of parties willing to enter into purchase and sale transactions with us;
- increases in operational or capital costs;
- the availability of petroleum products to us;
- upward or downward movement and volatility in the price of petroleum products due to any reason, as well as basis differentials;
- availability of funds from our operations and credit facilities to support marketing and trading activities;
- availability of counterparties willing to offer credit to us;
- reductions in demand for, and supply of, petroleum products for any reason;
- prices for petroleum products at various production locations and points of sale as well as purchase and sale transactional costs, including hedging costs and futures contracts on the NYMEX and over the counter ("OTC") markets;
- timing differences between effecting buy, sell and other risk management transactions; and
- technical and structural changes in petroleum product markets.

Existing stockholders could experience dilution upon the future issuance of common stock pursuant to the Equity Line of Credit.

Our future listing on the German Exchange contemplates our issuance of shares of our common stock to AGS as a commitment fee, subject to certain restrictions and obligations. If the terms and conditions of the Equity Line of Credit are satisfied, and we choose to exercise our Put Rights to sell shares of our common stock to AGS, our existing stockholders' ownership will be diluted by such sales. Consequently, the value of your investment may decrease.

AGS Capital will pay less than the then-prevailing market price for our common stock.

The common stock to be issued to AGS pursuant to the Investment Agreement will be purchased at an eight percent (8%) discount to the lowest closing "best bid" price (the highest posted bid price) of the common stock during the five consecutive trading days immediately following the date of our notice to AGS of our election to put shares pursuant to the Investment Agreement. AGS has a financial incentive to sell our common stock immediately upon receiving the shares to realize the profit equal to the difference between the discounted price and the market price. If AGS sells the shares, the price of our common stock could decrease. If our stock price decreases, AGS may have a further incentive to sell the shares of our common stock that it holds. These sales may have a further impact on our stock price.

There may not be sufficient trading volume in our common stock to permit us to generate adequate funds from the exercise of our put.

The Investment Agreement provides that the dollar value that we will be permitted to put to AGS will be up to $15 million. If the average daily trading volume in our common stock is too low, it is possible that we would only be permitted to exercise a put for smaller tranches of funding which may not provide adequate funding for our planned operations.

Dividends

Since our inception, we have not paid cash dividends on our common stock. Currently, we intend to retain earnings, if any, to support our growth strategies and may not pay cash dividends in the foreseeable future. Payment of future dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including our financial condition, operating results, current and anticipated cash needs and plans for expansion.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General

You should read the following plan of operation together with the more detailed information and financial statements and notes thereto and schedules appearing elsewhere in this prospectus. Throughout this business plan, when we refer to "PGI Energy," "we," "our" or "us," we mean PGI ENERGY, Inc. This plan of operation contains forward looking statements that involve risks, uncertainties, and assumptions. The actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors, including, but not limited to, those presented under "Risk Factors" or elsewhere in this business plan.

Our business plan is to acquire assets in the proven producing oil and gas assets, refinery and pipeline sectors of the energy industry and other synergistic assets. The company will only acquire proven producing, and income producing assets. Funding Structures: We will acquire assets under traditional debt, revolving credit facility, Limited Partnership, direct equity ownership of assets, special purpose entity to hold assets, with the company maintaining controlling interest or joint venture interest.

Credit Committee and Underwriting Guidelines: We are required to apply a standard of valuation for targeted assets to acquire as follows: Before we acquire an asset it must meet this criteria, have a maximum loan-to-value ratio of 70% of the value of proven developed producing oil and gas assets, maximum loan to value ratio of 35% of proven developed non-producing behind pipe assets, refinery and pipeline assets maximum 70% loan to value of income and asset base value based upon review of a third party engineering or appraisal report. All acquisition Funding require 100% cash flow to the Company less agreed upon general & accounting expenses as the term is commonly understood in generally accepted accounting principles. All Funding structures require PGI to receive a minimum equity ownership of 3%-15% of the asset being acquired. Credit underwriting Process: Initial Review of the asset, good title report, third party engineering report review or appraisal, funding structure or proposed term sheet for funding, credit committee review for approval or decline, commitment to if approved, loan documents provided from attorney if any, and closing instructions.

Our credit committee must consist of at least three of our executive officers whom shall meet to review projects for acquisition, and funding as recommended by our credit underwriter consistent with our underwriting guidelines. The committee members shall give their assent or dissent to a particular acquisition or funding and said decision shall be recorded upon the records of the Company. The majority vote of the credit committee decision is final subject to review and veto by the Board of Directors only if the credit committee did not comply with the underwriting guidelines. All of our executives may sit on the committee for any project presented. The acquisition or funding target shall be presented to all committee members for review prior to committee review date and the members shall coordinate their schedules internally to make sure that a quorum will be convened to decide the matter.

Our credit underwriter is Pythagoras Group by and through its designated agents. The credit underwriter will recommend acquisition targets and funding structures. The credit underwriter will recommend funding requirements within the defined underwriting guidelines and present to the credit committee for final decision. Pythagoras Group/Robert Gandy's role as Chief Investment Officer /credit underwriter is defined as vetting acquisition opportunities among its resources in the oil and gas industry to identify asset classes that fall within the underwriting guidelines, evaluate those assets through initial review of the asset, good title report, third party engineering report review or appraisal, recommend funding structure or proposed term sheet for funding, issue commitment to upon approval by credit committee, order loan documents to be provided from attorney if needed, and closing instructions. Shall schedule closing of acquisitions and arrange funding.

PGI ENERGY HOLDINGS INTERNATIONAL, INC. has several subsidiaries and partnerships to grow its core business organically through strategic alliances diversifying its interest in green energy through biomass production, waste to energy, wood pellets production, synthetic gas, bio char production and plastics to synthetic crude. Our goal is to reduce the carbon footprint upon the earth. PGI has several core divisions which provide support to its operations and customers such as PGI Transportation & Logistics, PGI GREEN E & P and PGI Commodities Trading in the US and Europe.

We have entered into partnerships to build power plants in, Liberia, Nigeria and targeting Southern Sudan next. The financing terms are being handled by our Chief Investment Officer and Investment Bank Pythagoras Group through hedge fund.

We formed **PGI GREEN E& P, INC**a waste to green fuel refineries initiative to help reduce our carbon footprint. PGI GREEN E & P launched its initiative with partners Dario Berini a computer engineer and chemical engineer, and Adam Erickson an international energy business developer. We developed this division after visiting and negotiating with key manufacturers for distribution and sales of their proprietary technology to be deployed through a sales team lead by Erickson. The technologies employed are biomass which transforms tires to light fuel oil, plastics to crude, pelletizing, thermal heating and waste to syngas. PGI plans to own and operate some of these units as well as distribution through direct sales and lease finance programs. The PGI Green E & P team has been working to develop relationships among feedstock providers such as large waste handlers, municipalities and have made significant progress. The refined fuels will be traded via traditional means of commodities trading through PGI Energy Trading. We have spent the past six months developing this division for product launch as leased assets and for sell assets, developing a lease finance program, underwriting guidelines, standardizing our processes and developing operating procedures. We have also been working with insurers to develop a program for risk mitigation for this business model to satisfy our lending partners who will ultimately finance the deployment of these technologies. We believe the alternative energy market will create many jobs and ultimately lead to growth in markets. Through our evaluation of this market we looked to the European countries who have embraced the essence of reducing the carbon footprint. We have developed a consortium of vendors to launch several models of technologies into the market place. We expect to begin deploying units into the marketplace by January 2012 and will generate significant revenues through sell and lease of units, selling commodities generated through operating facilities, shipping and servicing units.

PGI ENERGY, INC has entered into a Wood Pellet market development and supply partnership with **EX-FACTORY INC** of North Carolina, the exclusive North American distributor of the TECCON PELLET TOWER. Through its PGI Green E & P, Inc. JV subsidiary, PGI has identified the growing worldwide market for high quality wood pellets and bio coal briquettes as renewable energy sources. The partnership combines the wood and biomass processing expertise of EX-FACTORY with the project financing, logistics, and trading arms of PGI to successfully develop manufacturing facilities and bring product to market. Deployment of the highly efficient PELLET TOWER for production of premium wood pellets is the initial focus. Future projects are forecasted by tapping into EX-FACTORY's expansive woodworking client base and also utilizing their extensive access to high quality processing equipment in pellet and briquette manufacturing.

We formed **PGI ENERGY TRANSPORTATION & LOGISTICS, INC**as a subsidiary to facilitate transportation of physical commodities for the company and brokering freight movement for client companies. We are registered as both a freight broker and common carrier. We have a leased fleet of trucks and are registered to transport significant freight nationally with some of the nation's largest shippers and brokerage distributors. Our drivers are both company employees and contracted owner operators. We are planning to increase our fleet to me growing demand by two trucks or more a month over the next several more through organic growth and capital investment. We expect this division to growth significantly also through transport of feedstock and refined products to and from our green energy facilities and client facilities.

We formed**PGI Energy Trading** our commodities trade division to hedge commodities for the crude production and refinery operations. Our commodities traders currently trade oil and gas futures via the ICE Platform and physical petrochemicals. We have experienced several obstacles and challenges in this division with respect to counterparty contracts failure to perform as a result conflicting banking rules between U.S. Banks and European Banks over procedures for closing transactions. We have experienced parties presenting fraudulent documents to our traders which could not easily be discovered. We have since then developed stricter operating procedures to safe guard against parties defrauding our trade desk. We have aligned ourselves with only reputable sellers and buyers. We also changed our disclosure policy regarding such transactions to not report pending contracts via press releases until the transaction has undergone a rigorous due diligence process vetting all parties, closing the transaction and or executive and board approval. We believe this was a necessary step to protect the integrity of commodities transaction we enter into and limit disappointing shareholders. We are very active in negotiating transaction and have made significant progress toward closing transactions with parties who have met out more rigorous standards for conducting trading business with us. The steps require parties to quickly provide proof of verifiable funds for closing, vetting the buyer to make sure the parties have performed previously in this business and will be able to perform all terms of agreements. We have streamlined the procedures clearing draft contracts with both parties banking before entering into a contract for purchase or sell through letter of credit. We believe this division will be a significant revenue producer in the near future. The company will announce the deals currently in process upon closing.

We formed **PGI Energy Trading, LTD** in London and Wales to trade petrochemicals throughout Europe in negotiation with major EU refineries. We have entered into joint venture partnerships as exclusive and non-exclusive trade desk for specific European commodities selling petrochemicals such as Diesel, Jet Fuel, Mazut, and now moving into Scrap Metals, Bio Char, Wood Pellets and other commodities.

PGI through its joint venture with ***Home Creek Energy*** as operator has acquired a proven producing oil & gas asset. The field is located in Haskell County, Texas, and covers five leases with 11 production wells, 2 injection wells, pumper jacks, tanks, separators, tubing, rods and well equipment.

PGI Energy, Inc. entered into a private- public agreement to contribute in developing **River Gee County, Liberia** infrastructure through counterparty trade agreements. The agreement between the parties calls for Licenses and Permits from the Liberian Government and Private Owners of natural economic assets in the County including Land/Agriculture, Food Production Potentials, palm oil, Tree Crop, Mining, Gold, Rough Diamond, Iron Ore, Natural Gas, Forestry, Timber, Oil, Energy, etc., for the purpose of forming Equity Sharing Joint Venture with the County and its Citizens in developing these resources to engage in trading, marketing, selling and exchanging for profit.

Capital Raise Plan:
Our Investment Bank Pythagoras Group has secured an investment commitment through AGS Capital to provide us with a $100 million equity line to fund operations once we become listed on the Berlin Stock Exchange. The common stock to be issued to AGS pursuant to the Investment Agreement will be purchased at an eight percent (8%) discount to the lowest closing “best bid” price (the highest posted bid price) of the common stock during the five consecutive trading days immediately following the date of our notice to AGS of our election to put shares pursuant to the Investment Agreement. AGS has a financial incentive to sell our common stock immediately upon receiving the shares to realize the profit equal to the difference between the discounted price and the market price. This is the price of raising capital.

The Investment Agreement provides that the dollar value that we will be permitted to put to AGS will be up to $15 million every 15 days. If the average daily trading volume in our common stock is too low, it is possible that we would only be permitted to exercise a put for smaller tranches of funding which may not provide adequate funding for our planned operations.

Our Chief Investment Officer will also raise capital from other institutional investors through both equity and debt and has secured commitments from those investors to invest once the company is listed on the Berlin Exchange.

We are Canadian Depository System (CDS) approved and may sell Canadian Depository Receipts outside the US to raise capital from investors.

Financial Reporting:

The Company currently reports under the standard of U.S. Generally Accepted Accounting Standards (GAAP). We will consolidate financials for all divisions and report any off-balance sheet transactions in footnotes. Our financial accounting is on a cash basis.

DIRECTORS AND EXECUTIVE OFFICERS

Our directors and executive officers are as follows:

	Age	
Marcellous S. McZeal	41	Chief Executive Officer, and Chairman of the Board of Director
Carl A. Robinson	50	President and Director
Lionel Johnson	56	Chief Financial Officer and Director
Arael Doolittle	46	Chief Operating Officer and Director
Roger A. T Smith	60	Director

Robert Gandy, SR.	46	Chief Investment Officer/Co-Chairman/Secretary Treasurer

Biographical information with respect to each of our present executive officers and directors is set forth below.

Executive Officers Duties and Responsibilities

CEO/ Corporate Counsel – Marcellous McZeal *responsible for corporate governance, policy writing, acquisition and merger target procurement, contract preparation and review, loan docs prep, commitment docs, title report review.. Must approve all executive employment contracts or recommendations for termination of employment, is responsible for recording minutes of board meetings, transferring of stock certificates, maintain shareholder list, send out quarterly or annual reports to shareholders of record and arrange transfer agent to pay declared dividends. Mr. McZeal is still a partner and practicing attorney in the law firm Grealish & McZeal.*

President-Carl Allen Robinson *responsible for reviewing financial reports, acquisition and merger target procurement, review and approve departmental expense budgets. Shall be responsible for establishing benefits plans and continuity for 401K, health insurance, life insurance, business risk insurance plans and will be responsible for business integration plan development.*

COO – Arael Doolittle *responsible for all daily operations compliance, daily sales report review, call log review, marketing oversight, and business development.*

CFO – Lionel Johnson *responsible for all corporate accounting internally including subsidiaries, budgetary reviews and reconciliation of company books, and internal audit controls. CFO is responsible for financial reporting dissemination to external accountant.*

CIO/Treasurer/Secretary-Robert Gandy *responsible for underwriting review of all acquisition targets, strategic business development, funding procurement, acquisitions and mergers.*

Roger A.T Smith *as a board member. Roger A. T Smith has over 30 years drilling, completion, work over and production experience with a B.A. in Mechanical Engineering. Mr. Smith is the CEO of The Sanday Corporation and is an advisor to Petrohawk and K&M Technology Group. He has provided consulting review for the acquisition targets of PGI Energy, and is an invaluable resource to the board.*

Executive Bio's

Marcellous McZeal-2011 CEO & Corporate Counsel PGI Energy; *2000-2010 Managing partner in the law firm of Grealish & McZeal LLP in Houston, Texas. Oil and Gas litigation, prepare and examine contracts involving leases, licenses, purchases, sales, insurance; Provides legal advice to oil and gas organization, prepares resolutions and forms, and participates in major legal actions; responsible for foreseeing and protecting the company against legal risks – Corporate Representation, Malpractice Insurance, Business Entities and Startups. Worrell & McZeal P.C. 99-00-Principle in Association of Professional Corporations – Practicing Commercial, Real Estate and Business Litigation. Negotiation and preparation of contracts, sale and purchase of businesses, employee relations, and dissolution, Attendance at annual meetings; Negotiation with vendors, employees and executives; Financing issues; Compliance and labor issues; government regulation; and Business succession planning. Southwestern University, Georgetown, Texas B.A. Degree, May 1991, Finance and Business Major. South Texas College of Law, Houston, Texas, Doctor of Jurisprudence Degree, May 1995 Admitted to Texas Bar; U.S. Court of Appeals for the Fifth Circuit, U.S. District Court for the Western Districts of Texas and Southern District of Texas. Mr. McZeal is still a partner and practicing attorney in the law firm Grealish & McZeal.*

Carl Allen Robinson-2011 President PGI Energy; *2004-2010 vice president MJLM Wealth Solutions- manager and developer for wealth development, wealth protection, and wealth transfer of firms clients. 1997-2004 Financial Consultant AXA Financial Advisors administered employer-employee benefits, estate planning, tax advantage investments, retirement planning and insurance. Maintains a securities license and life insurance license.University of Texas at Austin B.S. in Communications, 1983.*

Arael Doolittle-2011 Chief Operating Officer PGI Energy; *2006-Present Pinnacle Title Company owner/vice-president Develop and implement policies and procedures indicated by the Texas Department of Insurance. Close loans and disburse loan s. Responsible for the productivity and budgetary performance of the operations department. Review title documents, easements and mitigate any open issues. Act as liaison between customers and Title Company. Manage processing of all legal documents and edit legal documents for accuracy of loan information. Suggested and implemented new products that increased earnings by 43%. 2002-2006 Star point Residential Mortgage. Increased regional sales from $25 million to $350 million from 2004 to 2005.Managed a staff of professionals in restructuring problem business banking and commercial loans, worked with lending personnel and borrowers to better secure collateral and/or assets of the borrower. Performed analysis to identify possible front-end and/or back-end fraud. Identified areas for increased security procedures and recommended to fraud prevention associates. Developed strategic sale and marketing objectives, established sales territories and quotas, managed budgets and evaluated sales performance of associates. University of Illinois, B.A. Liberal Arts & Communications 1988.*

Lionel Johnson-2011 Chief Financial Officer PGI Energy; *2008-2010 Senior Contract Compliance Officer City of Houston; 2007-2008 Toloje Group as management consultant; 1994-2006 BSCI, Inc Houston, TX Operations Manager; 1990-1994 Unity National Bank as Vice President/Compliance Officer; 1987-1990 State of Texas Department of Banking, Austin, TX as Bank Examiner. University of Texas, Austin, TX. B.S. degree, and Rice University Executive Education Program (Operational Analysis).*

Robert Gandy-2011 Chief Investment Officer PGI Energy; *2007-Present CEO of Pythagoras Group, a boutique investment bank in Houston. 1984-1989Financial Consultants Network asPresident of Business Development where he provided the services of business consultant and turnaround management, and M&A strategist.Holds a State of Texas Securities License as broker/dealer.MBA & Corporate Finance Disciplines.*