

Low Carbon Accelerator Invests \$4 million in Lumenergi Inc.

Low Carbon Accelerator Limited (the "Company" or "LCA") has made an investment of \$1.6 million (approx £800,000) in Lumenergi Inc. ("Lumenergi") for a 14.39% equity stake. The Company has committed to invest a further \$2.4 million (approx £1.2 million) subject to the achievement of certain performance milestones. The follow-on commitment will bring LCA's total equity stake in the business to 24.07%.

The investment and commitment forms part of an overall \$7.5 million funding round split into two tranches, one of \$3 million and a further commitment of \$4.5 million subject to the milestones. Noventi, a US venture capital firm specialising in clean technology is investing alongside LCA.

Lumenergi will use the proceeds to develop its sales and marketing strategy and focus on business development. The majority of Lumenergi's resources have, to date, been invested in product development, however, the business emphasis has now shifted to the sales and marketing of the end products to realise the next stage of the company's development.

Lumenergi develops and sells energy-efficient lighting technology. The technology, which can be used in all buildings, such as offices, hospitals and schools, enables users to reduce energy consumption by dimming fluorescent lights at the brightest times of the day. The applications are Dimming Electronic Ballasts ("DEB") for fluorescent lights, and a Lighting Management Control System ("LMCS"), a lighting control software package.

The applications can be fitted to existing fluorescent lights, immediately reducing energy costs. By cutting energy consumption at peak times, they allow users to benefit from new Demand Response schemes electricity companies are introducing to better manage the grid. In the US, and increasingly in the UK, energy providers are offering financial incentives to encourage consumers to reduce their power consumption at critical times.

It is estimated that the applications will reduce energy costs from lighting by up to 70%. Lumenergi's DEBs are expected to be considerably cheaper than current DEBs on the market, with a payback time of approximately two years.

Lighting accounts for approximately 23% of all electricity consumption in the US and industrial areas around the globe. Most high rise buildings consume over 50% of their energy in lighting. Federal and state mandates and incentives are placing new demands on both consumers and suppliers of electrical power. Improvements in technologies for efficient power use, which include Lumenergi's intelligent lighting controls, will help companies comply with new regulations, and take advantage of market incentives.

Mark Shorrock, CEO of Low Carbon Investors, LCA's investment manager, said: "This is a technology which can be implemented immediately, with no changes to existing infrastructure. Lumenergi's initial target is the US where there is a huge market opportunity for its technology across government and state buildings as well as commercial real estate buildings. This, coupled with a plethora of existing rebates around Demand Response in the US, should see sales increase significantly over the next three to five years."

Bill Alling, Founder and CEO of Lumenergi said: "We welcome this injection of capital from Low Carbon Accelerator. This investment will be used to develop our sales and marketing strategy and focus on business development."

About Low Carbon Accelerator: www.lowcarbonaccelerator.com

Low Carbon Accelerator Limited is a closed ended investment company created to invest in a portfolio of fast-growing low carbon businesses. The Company listed on the AIM Market of the London Stock Exchange on 11 October 2006, raising £44.5 million.

The Company's investment objective is to provide shareholders with an attractive return on their investment primarily through significant minority (predominately 25% and above) holdings in a diverse portfolio of unquoted private companies providing low carbon products and services.

The Company will initially invest principally in companies based in the UK, Europe and the US, which provide low carbon products and services across the following sectors:

- Buildings (sustainable building materials, heating, lighting, clean air and water technologies for industrial, commercial and/or residential use)
- Fuels (bio-fuels, low carbon fuels, catalysts and additives)
- Energy efficiency (reductions in energy inputs at source, improved conversion and reductions at point of use)
- Energy generation (sustainable and clean energy, micro and distributed generation)

The Company's investment strategy is to target trading businesses with patentable technologies and products with a clear commercial application and the opportunity to gain a large market share of a new or expanding market. The Company focuses on businesses with experienced management teams who have developed commercially viable products providing easily adoptable solutions which deliver immediate reductions in carbon dioxide emissions.

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