

Low Carbon Accelerator: Sale of Heliodynamics Limited Stake

Low Carbon Accelerator: Investment Update

27th May, 2008

Low Carbon Accelerator ("LCA" or "the Company") has acquired new shares in EnergyMixx AG ("EnergyMixx") with a value of up to £2.93 million in exchange for LCA's entire holding in Heliodynamics Limited ("Heliodynamics"). EnergyMixx is a Swiss renewable energy company which is listed on the Open Market of the Frankfurt Stock Exchange under the ticker EM2.

LCA has received an initial tranche of shares in EnergyMixx valued at £1.1 million. The Heliodynamics shareholding was held by LCA at a carrying value of £825,000 and accordingly the initial consideration represents an uplift in NAV.

EnergyMixx has also agreed to issue further tranches of shares to LCA:

- valued at £0.96 million, conditional upon Heliodynamics meeting certain milestones, including receiving BSI certification for its technology, anticipated later this year; and
- valued at up to £0.87m against the achievement of set milestones in the period to April 2009.

The initial and subsequent tranches of EnergyMixx shares received by LCA are subject to a lock-in period until the end of 2008.

EnergyMixx, which has acquired a portfolio of concessions to build over 550MW of renewable energy, sees itself as one of the main customers for Heliodynamics' solar photovoltaic system. On completion of the transaction, it will take on responsibility for developing these products through to market in large scale.

Due to the related EnergyMixx's industrialization plan, Heliodynamic's solar photovoltaic combined heat and power system will benefit from a strong reduction in cost per MW putting the system amongst the most competitive solar power solutions in the market. The system is easy to assemble, modular and scaleable, thus particularly suitable for both large power plants and stand alone solutions for private and commercial applications. Heliodynamics systems are targeted at providing zero-carbon power and climate control systems for buildings.

Steve Mahon, Chief Investment Officer of Low Carbon Investors, LCA's investment manager, said: "With this deal we have secured a strategic partner for Heliodynamics, while retaining a stake in what we think is a very bright future for its solar technology. Small companies like this need not just financial backing but technical, development, and production expertise. By partnering with an experienced and diversified developer, we are reducing the risk for LCA and accelerating the development for Heliodynamics."

Artur Dela, Chairman of EnergyMixx said: "In acquiring a stake in Heliodynamics we will be adding an innovative technology to our portfolio. This will boost our intergrated business model and create long-term value. We also welcome Low Carbon Accelerator, an experienced renewable energy investor, as a shareholder in EnergyMixx."

About Low Carbon Accelerator: www.lowcarbon.gg

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.

About HelioDynamics

HelioDynamics has developed a concentrating solar photovoltaic combined heat and power (CHP) system, which produces electricity and heat. The HelioDynamics technology involves groups of mirrors to reflect and concentrate sunlight upwards to a light-absorbing receiver of photovoltaic cells. These mirrors rotate together, tracking the sun and keeping a tight focus on the stationary receiver. This greatly increases the output of the cells as well as the efficiency and cost-effectiveness of solar energy. HelioDynamics systems are targeted at providing zero-carbon power and climate control systems for buildings.

About EnergyMixx

EnergyMixx is a horizontally and vertically integrated Swiss holding company that invests in the building and operation of renewable energy electricity generation ventures in lucrative energy markets around the globe, particularly in Italy. Its investments and projects are diversified across the spectrum of renewable energy generation (wind, solar, biomass and hydro). Revenue strategy is based on selling electricity as well as from trading financial incentives such as green and white certificates or carbon credits.

For more information on Low Carbon Accelerator and our other clients, please visit: www.carboninternational.com

Media Enquiries

David Hopkins
Carbon International
david.hopkins@carboninternational.com
+44 (0) 207 483 7202

Samantha Hill
Carbon International
samantha.hill@carboninternational.com
+44 (0) 207 483 7205