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**FOR IMMEDIATE RELEASE**

### **SAIL Announces Investment in Power Plant Efficiency Technology**

**Costa Mesa, California – May 18, 2010** – SAIL Venture Partners (Costa Mesa, CA) announced today that it has closed a new investment in Paragon Airheater Technologies, a leading provider of proprietary products and services that reduce fuel consumption and carbon emissions in fossil fuel-fired power generation plants. SAIL co-invested alongside Arborview Capital, a clean energy sector focused private equity firm that with SAIL sees the value proposition Paragon provides their consumers. Paragon's customers include ExxonMobil, Chevron, DTE Energy, Duke Energy, Georgia Power, Shell, Edison, Mirant, Reliant Energy, and Entergy.

"Following a year of record revenues, the SAIL-Arborview transaction will allow Paragon to continue its expansion plans to grow market share both domestically and internationally. With an estimated \$42 billion of investment expected in power plant upgrades over the next several years, the measurable efficiency gains and cost savings from Paragon's solutions should result in substantial growth in demand," said Cannon Pearson, co-founder and COO of Paragon. "With the financial and strategic support of the investment led by SAIL and Arborview, the Company will accelerate the development and delivery of market leading products and services, allowing us to better serve our customers by driving improved thermal performance and reduced carbon emissions for power plant operators".

Michael Hammons, a Partner at SAIL, stated that "the investment into Paragon is a SAIL milestone -- it is our first investment into the energy efficiency market for coal and other fossil fuel based power plants. Paragon exemplifies all of the criteria that we look for in an investment. It is a leader in energy efficiency, has a great return potential for our investors, allows for fund diversification into fossil fuels based power systems, and is attractively valued based on current revenues and positive cash flow."

#### **About SAIL**

SAIL Venture Partners LLC ([www.sailvc.com](http://www.sailvc.com)) is a cleantech investment firm with unique global insight into technologies, markets and opportunities. Drawing on decades of experience in cleantech and in growing successful businesses, the SAIL team invests in emerging cleantech companies with proven technologies, visionary leadership and demonstrated revenue and profit growth potential. SAIL has invested in a number of today's leading global cleantech companies, including: The Cleantech Group, Xtreme Power, Ice Energy, Enepulse, Kokam Advanced Batteries, SNTech Motors, and WaterHealth International. For more information, visit [www.sailvc.com](http://www.sailvc.com).

#### **About Arborview**

Arborview Capital ([www.arborviewcapital.com](http://www.arborviewcapital.com)) is managed by a seasoned team of successful professionals who collectively possess over 35 years of private equity investing and clean energy sector experience. The Arborview Capital team has managed and invested private equity partnerships over multiple economic cycles, and the team members bring a unique combination of complementary skills along with a shared vision of what it takes to build a leading clean energy sector focused private equity institution. Additional information is available at [www.arborviewcapital.com](http://www.arborviewcapital.com).

**About Paragon**

Paragon provides a proprietary suite of high performance products and related services that improve the fuel efficiency of fossil fuel-fired power generation plants. Paragon's high performance products are specifically engineered to improve fuel efficiency and reduce the emissions of pollutants while withstanding the harsh operating conditions normally encountered in the rotary, regenerative airheater. The immediate improvement in airheater performance provides a compelling ROI for operators of power generation assets. Paragon has established a broad presence in the power generation market worldwide. For more information, visit [www.paragonairheater.com](http://www.paragonairheater.com).