OVERVIEW

SAIL CAPITAL PARTNERS

SAIL was founded in 2002 as a pioneer in the cleantech investment sector and continues to be one of the sector’s recognized thought leaders. Our comprehensive portfolio currently includes fourteen leading companies spanning the universe of sustainable innovations in the areas of energy storage and efficiency, renewable fuels, electrical efficiency, green cleaning products and water purification.

In this era of profound changes in the way we produce and consume valuable resources, SAIL focuses on exceptional profit opportunities as a result of inefficiencies in the global markets. Our team of uniquely talented investors employs their decades of experience and cleantech-related networks to the most exciting venture investment opportunities.

www.sailcapital.com
Xtreme Power, a world leader in real-time power management and energy storage solutions, and partner Duke Energy earned the 2013 Energy Storage North America (ESNA) Innovation Award for the Notrees Wind Energy Storage Project in Goldsmith, Texas.

The Notrees Wind Energy Storage Project, a utility-scale effort undertaken with the U.S. Department of Energy, smoothly integrates frequency regulation and electricity shifting with a 36MW advanced lead acid storage system – bringing renewable power to the statewide grid. The project represents the largest North American battery storage project at a wind farm.

“Winning an ESNA Innovation Award is proof that Xtreme Power and our world-class partner Duke Energy are leading the way towards a clean, renewable energy future,” said Dr. Alan Gotcher, President and Chief Executive Officer of Xtreme Power. “Across Xtreme Power’s history, we’ve been fortunate to work with the biggest names and on some of the most innovative projects in the energy storage space. Notrees represented the largest battery storage system in North America and its success is something we’re rightly proud of.”

What’s “quite clear is that energy storage is the economic key that unlocks the potential of renewables and solves the challenges of creating a dynamic and flexible grid,” said Janice Lin, co-founder of the California Energy Storage Alliance and managing partner of Strategen Consulting, after the award announcement.

Xtreme Power and Duke Energy, the largest electric power holding company in the U.S., completed the Notrees project in January – providing environmentally friendly and flexible capacity to the Electric Reliability Council of Texas (ERCOT), which operates the electrical grid in Texas and manages 75% of the deregulated market in the state. The Notrees project represented Xtreme Power’s eighth successful project installation in one year. To date, Xtreme Power has installed 77MW in the field and charged/discharged 25,239 MWh.

For more information about the ESNA Innovation awards, visit: http://www.esnaexpo.com/awards.

<table>
<thead>
<tr>
<th>Location:</th>
<th>Notrees, TX</th>
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<tbody>
<tr>
<td>Application:</td>
<td>Notrees Wind Farm</td>
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</table>
| ESS | Xtreme Power – DPR  
36 MW / 24 MWh |
| COD | Q4 2012 |
| Value: | Frequency Regulation  
Energy Arbitrage  
Voltage Support  
Wind Firming  
Curtailment Mitigation  
Other Ancillary Services (Non-Spinning Reserve, Black Start) |
CNS Response Completes $2M Financing

CNS Response, Inc. (OTCBB:CNSO) announced this month the completion of a private placement of $2 million from the sale of common stock at $.25 per share, resulting in the issuance of 8 million shares of common stock. Of the shares sold, 3,850,000 were purchased by Directors, Officers and affiliate shareholders of the Company. The remaining 4,150,000 shares were acquired by new investors and repeat investors, in each case qualified to participate in private placements pursuant to SEC rules.

The use of proceeds for these funds includes the continued expansion of the PEER Interactive military trial, which now has 41 physician sub-investigators operating at Walter Reed and Fort Belvoir, Virginia.

Energy Efficiency Leads Cleantech Venture Capital Funding

For the last four quarters, energy efficiency has led the race for VC funding in the sectors tracked in the Cleantech Group’s i3 platform, both in number of deals and dollars invested. With close to 2,250 companies tracked in over 49 sub-sectors, energy efficiency is a very heterogeneous sector. To make the sector more differentiated, the Cleantech Group’s research team broke Energy Efficiency into six main sub-sectors: Commercial Buildings, Smart Home, Efficient Electronics, Green IT, Industrial Efficiency and Energy Services.

This year, Commercial Buildings is leading both dollars invested and number of deals. SNTech’s Green Motor focuses on energy efficiency within the commercial building sector by reducing HVAC costs. The motor uses 33% to 50% less electricity than most motors currently in service.
The number of VC deals with corporate involvement has been steadily increasing. In California, 24 percent of cleantech VC deals in the last three years have had corporation participation. California leads the nation, but the rest of the U.S. has also seen a 16 percent increase in corporate involvement over the same period. Corporations have even higher involvement in some segments of the cleantech sector compared to others. For example, corporate strategic investors participated in 50 percent of the VC deals in California energy efficiency companies in the first half of 2013.

Corporations are well suited for the cleantech sector, providing strategic market power, longer-term investment horizons, and critical investment capital. Many cleantech startups are trying to penetrate existing, well established markets, such as building infrastructure or energy production. In addition to funding, corporate investors help these companies by providing direct access to customers in existing markets, and operational know-how of the industry.

In turn, corporations gain access to new and innovative technologies to provide their customers. Corporations generally have a longer time horizon for payoffs compared to traditional VCs and see investment deals as a partnership opportunity. Cleantech companies may be wary of strategic investors because of the risk of their company interests being subsumed by corporate direction, but with careful management the potential rewards and access to an exit strategy can outweigh the risks.

Corporate venture also provides important investment leadership in the cleantech field. Of the $2.6 billion of cleantech VC investment in 2012 in California, $1.45 billion included corporate investors. In the last decade, the average VC deal size has averaged 48 percent higher when corporations were involved in the round. The cleantech sector is in line with a larger trend in growing corporate venture funding, with corporations increasingly active in all sectors.
The Cleantech Group, a leading consulting firm and provider of the i3 market intelligence platform, has announced that U.S. Secretary of Energy Ernest Moniz will deliver the closing keynote at the Global Cleantech 100 Summit and Gala. Held on October 9-10 in Washington, D.C., the event is widely regarded as the leading venue convening the most promising companies, corporations, investors and government leaders to discuss emerging trends influencing the financing and commercialization of clean technology.

As part of the event, the Cleantech Group will also announce the 2013 Global Cleantech 100, an annual list highlighting the top private companies from around the world poised to reshape the clean technology market. These companies are selected by combining proprietary data from Cleantech Group’s i3 platform, which tracks over $7 billion of deal flow across 22,000 cleantech companies annually, with nearly 6,000 discrete nominations and input from a panel of 90 industry experts.

In addition to Dr. Ernest Moniz, Secretary of Energy, U.S. Department of Energy, the speaker lineup includes:
- Nat Kreamer, CEO, Clean Power Finance
- Billy Parish, Founder, Mosaic
- Anna Rath, Founder & CEO, NexSteppe
- Roderick Morris, Senior Vice President of Marketing & Operations, Opower
- Dorothy Robyn, Commissioner of the Public Buildings Service, U.S. GSA
- Jean-Francois Huc, CEO, BioAmber
- Chuck McDermott, General Partner, RockPort Capital Partners

For a complete list of speakers visit: [http://events.cleantech.com/global100/speakers](http://events.cleantech.com/global100/speakers).

“Our core mission is to connect leaders with innovation to accelerate sustainable growth,” said Sheeraz Haji, CEO, Cleantech Group. “The Global Cleantech 100 Summit and Gala elevates important discussions around not only the current state of affairs, but also what lies ahead in resource innovation via our Global Cleantech 100 list. I look forward to discussing these important trends with some of the most insightful voices in clean technology, including Secretary Moniz.”

Request an invitation today at [http://events.cleantech.com/global100/attend](http://events.cleantech.com/global100/attend).

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SAIL Capital Partners (www.sailcapital.com) is a leading cleantech investment firm with a global vision of technologies, markets and opportunities. We invest in cleantech companies with proven technologies, visionary leadership, measurable impact and exciting growth potential. We have invested in a number of today’s leading cleantech companies including Xtreme Power, Ice Energy, The Cleantech Group, Enerpulse, SNTech, Flex Power, Paragon Airheater Technologies, M2 Renewables, Clean Technology Solutions, CNS Response and WaterHealth International. SAIL has offices in California, Toronto, New Orleans and Washington D.C. as well as a global network of investors and advisors.

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SOURCES

Wall Street Journal
Fort Mill Times
CNS Response
The Cleantech Group
Xtreme Power
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