

CNS Response’s Cloud Sourcing Results Featured in Huffington Post and Fox News

CNS Response is a SAIL I & II portfolio company

CNS Response has brought crowdsourcing to medicine, and it is drawing widespread interest. Its database of 35,000+ records helps doctors recommend treatments and medications based on what has been effective for other patients with similar brain patterns. Early results are already showing that physicians who use CNS can help their patients reach remission in half the time of

treatment than usual.

CNS was featured in a Huffington Post article calling for more effective treatments and results in mental health care. The article cited that CNS’s technology leads to clinical outcomes 2 to 3 times better than the current trial and error method of prescribing treatment. CNS was also featured on Fox News Today in a video titled "New Brain Scan Offers Hope for PTSD, Depression," which

stressed the potential for treating veterans with PTSD.



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Xtreme Power and Duke Energy Complete Energy Storage Project at North America’s Largest Wind Farm

Xtreme Power is a SAIL I & II portfolio company

The world’s biggest power storage system became fully operational this month with the installation of a 36MW Xtreme Power system. It is located at Duke Energy Corp’s 153MW Notrees Windpower Project in West Texas. The completion of this project is significant for many reasons. Not only is it the largest system, but Duke is the US’s largest utility, and sells it electricity to the world’s largest retailer, Walmart Stores Inc.

Xtreme Power’s 36MW Battery Storage system allows for greater stability and reliability with near instantaneous feedback on supply and demand changes. This project marks the eighth energy storage project installed by Xtreme Power over the past year. Xtreme Power’s operational experience is unmatched in the energy storage industry, serving more than eleven customers and remotely monitoring over 250,000 hours of operations.

The Electric Power Research Institute (EPRI) will collect performance data from the battery storage system and help assess the potential for broader adoption of energy storage solutions throughout the industry.



Quick Update

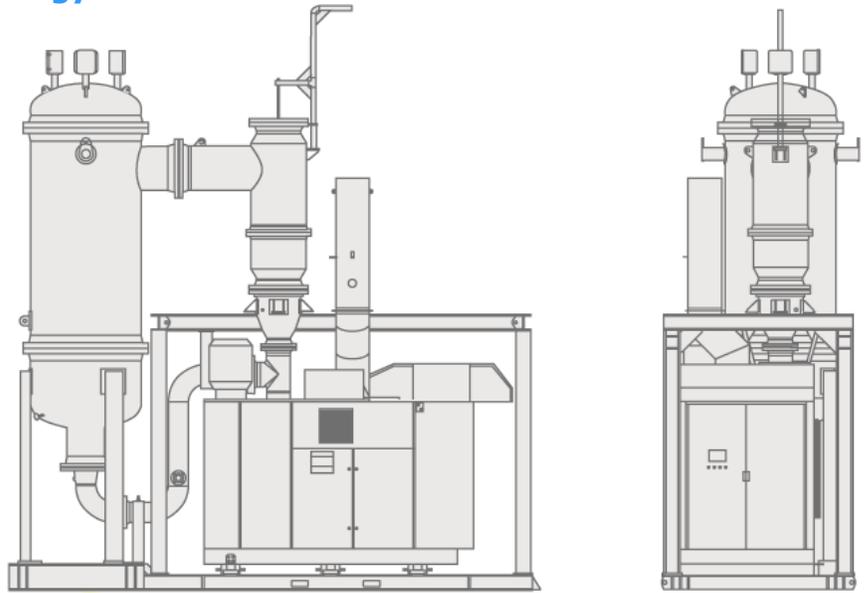
- ❖ Cleantech looks towards an IPO market following Solar City

Flex Power Spins off from FlexEnergy

Flex Power is a SAIL II portfolio company

In November, Flex split into two companies in order to better serve its customer base and focus resources more appropriately. The two companies are now FlexEnergy Energy Systems (FEES) and Flex Power Generation (FPG). FEES, the turbine business, is focused on oil and gas onsite applications. Because manufacturing turbines is capital intensive, yet drilling operators typically lease equipment, it is imperative that FEES brings in an equity-financing partner. FPG, the oxidizer solution, is particularly suited for low BTU markets with multiple configurations. The separation allows for accelerated partnerships with multiple turbine providers and the pursuit of low BTU generation markets. Due to limited competition, RPG has been able to sell the solution with a significant margin.

From an exit valuation standpoint, the



separation and recapitalization will also allow for higher valuations. FEES is treated as a standard industrial capital equipment company with the expectation of 6X on EBITDA. FPG can expect multiples of 15-19X due to its technology position and demand

from other turbine manufacturers. By obtaining a controlling position with FPG and high liquidation preference with both FEES and FPG, the returns for the invested capital should be strong, including a potential 3-4X return for the SAIL Sustainable Louisiana Fund.

SNTech Named "Best Green Product" at International Expo

SNTech is a SAIL I & II portfolio company

Attendees and exhibitors filled the Morial Convention Center with energy and excitement during the recent 2012 Int'l Pool | Spa | Patio Expo. Taking place in New Orleans for the first time since 2003, the show took place Nov. 6-8, with the educational conference taking place Nov. 2-8.

Total attendance was 10,202, a 5 percent increase over the 2011 show, marking the third year in a row the show has seen an increase in total attendance. Attendees represented all segments of the industry, including pool/spa builders, retailers, service companies, designers and landscape architects.

"We are very pleased with the number of attendees and with the enthusiasm they brought to the buying and selling activity

on the show floor," said Lindsay Roberts, Director of the Expo. "New Orleans was a real draw for attendees as exhibitors enjoyed steady traffic as they introduced hundreds of new and innovative products to high-caliber decision-makers."

In attendance were representatives from the industry's leading retailers and pool builders, including Leslie's Poolmart, Blue Haven Pools & Spas, The Pool Doctor, Dolphin Pools, Claffey Pools, J Tortella Swimming Pools, Perry Pools, Gohlke Custom Pools, Platinum Pools, Backyards of America, Olympic Hot Tub Co, Mermaid Pools & Spas and Pinch-A-Penny.

Once again, the Product Showcase offered the hottest industry trends and the latest cool and green products. From a selection of more than 96 products, a panel of industry experts awarded

SNTech with "Best Green Product" for its Infinity 2.8 VS pool pump motor.

SNTech
Energy Saving Electric Motors



SAIL Portfolio Companies Explore Strategic Partnerships in Australia

Many SAIL portfolio companies are exploring opportunities for a natural expansion into Australia. Xtreme Power and Flex Power Generation (FPG), for example, are particularly well suited to be major players in Australia's sustainability efforts. FPG recognizes a high potential in the coal mine ventilation air methane market, and is actively developing strategic partnerships to make emission abatement more cost effective and efficient. Xtreme Power's energy storage solutions could help update the grid into a more reliable system and facilitate the expansion of renewable energy use in Australia.



Enerpulse Helps Power Noble Automotive Group's Compressed Natural Gas Vehicles

Enerpulse is a SAIL I & II portfolio company

Enerpulse's Precision Combustion Ignition (PCI) technology has been chosen to replace conventional spark plugs for Noble's SEERngv commuter car. In fact, its patented ultra high-power Pulse Plug will be used on all future vehicles assembled by Noble. Enerpulse was chosen after testing showed a 7.7 percent improvement in mpg and 67.5 percent decrease in non-methane hydrocarbons. Sold throughout the US, Canada, and Mexico, the compressed natural gas (CNV) vehicle will deliver 45mpg in normal use.

Parsonnet Elected to the Colorado Clean Energy Cluster Board

Ice Energy is a SAIL I & II portfolio company



Brian Parsonnet, Chief Technology Officer at Ice Energy, has joined the Board of Directors for the Colorado Clean Energy Cluster, an economic development organization. The CCEC is aimed at attracting, incubating and growing jobs in Colorado in the area of clean energy through formal partnerships between clean energy companies, the public sector and higher education.

In addition, Ice Energy was recently chosen as one of the GoingGreen Silicon Valley Global 200 winners for the second consecutive year. Inclusion in the GoingGreen Silicon Valley Global 200 signifies leadership amongst its peers and game-changing approaches and technologies that are likely to disrupt existing and entrenched players in green technology.

Xtreme Power and Invenergy Announce Joint Energy Storage Project

Xtreme Power is a SAIL I & II portfolio company

On December 18th, Xtreme Power and Invenergy announced a joint venture to deploy a fast-acting energy storage system. The installation will be located at Invenergy's Grand Ridge Wind project site in La Salle County, Illinois, and will supply renewable power to the market administered by PJM. Xtreme Power's 1.5 MW Regulation Power Management™ (RPM) system allows Invenergy to react to changes in energy demand and deliver increased efficiency and reliability.

This project marks Xtreme Power's fourteenth installation and will add to the company's 77 MW project portfolio.



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, FlexPower, 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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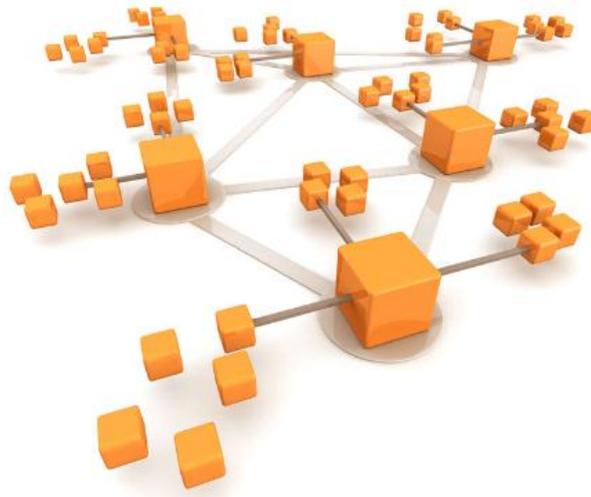
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- Xtreme Power
- Lawn & Landscape
- Cleantech Group
- Yahoo! Finance
- Huffington Post
- Bloomberg News
- Enerpulse
- Ice Energy

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Opportunity is All Around You. 

- Who are the most important companies in the cleantech sector?
- Who are they partnering with?
- Which companies are exiting with an IPO or acquisition?
- What corporations are insourcing and which technologies are they choosing?

15,000+ companies. 4,000+ relationships.
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Have You Met Cleantech Group's i3 Research Platform?

Cleantech Group's research, events and advisory services accelerate market adoption, stimulate demand, and remove barriers to cleantech innovation. A global company with offices in North America and Europe, they help business leaders make strategic decisions involving cleantech innovation through the **i3 Platform**, the most comprehensive, vetted, up-to-date source for insights into companies, investors, financing and relationships across the clean technology ecosystem.

