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**FOR IMMEDIATE RELEASE**

**Arborview Capital Invests in Power Plant Efficiency Provider Paragon Airheater Technologies Inc.**

**Chevy Chase, Maryland – May 17, 2010** — Arborview Capital, a private investment firm that provides growth equity capital to emerging clean energy companies, announced today that it has completed a recapitalization of Paragon Airheater Technologies, Inc. ("Paragon"), a leading provider of proprietary products and services that reduce fuel consumption and carbon emissions in fossil fuel-fired power generation plants. Arborview was joined by SAIL Venture Partners and by Huntington Capital, which also provided mezzanine financing for the transaction. With the closing of the transaction, Karl Khoury, Joseph Lipscomb, and Roger Ballentine of Arborview will join Paragon's Board of Directors, along with Michael Hammons of SAIL.

"Following a year of record revenues, the Arborview transaction allows 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 Arborview, the Company will accelerate the development and delivery of our 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."

With over 5,200 utility scale fossil fuel-fired power plants worldwide, coal, natural gas and oil currently account for the vast majority of global power generation capacity. Despite the dramatic growth and investment in renewable sources of energy, coal and other fossil fuels are expected to remain the largest source of global power generation for the foreseeable future.

"Power plant efficiency is one of the most easily achievable and lowest cost methods for immediately improving plant performance and curtailing carbon emissions. Paragon's proven suite of products and services allows owners of power generation assets to reduce both the operating costs and the carbon footprint of their power plants," said Karl Khoury of Arborview. "The Company's strong position in the power plant efficiency market represents a compelling opportunity to build a market leading platform."

"Energy efficiency is a key area of focus for Arborview Capital as we continue to build a diversified portfolio of clean energy investments," said Joe Lipscomb of Arborview. "Paragon fits squarely into our firm's growth equity investment strategy. We seek to invest in established businesses that have a strong market position and superior organic growth potential. We look forward to working with Paragon's management team to continue building upon the Company's track record of success."

Pharus Advisors and Gripen Capital Advisors acted as advisors to Paragon on the transaction.

**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)

**About Arborview Capital**

Arborview Capital is a private investment firm that makes growth equity investments in clean energy companies across the energy efficiency, renewable energy, and pollution mitigation sectors. The firm's principals have invested in more than 22 companies over the past fifteen years and have significant experience partnering with entrepreneurs to build industry leading companies. Additional information is available at [www.arborviewcapital.com](http://www.arborviewcapital.com).