



News Release

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NET Power Receives Grant from the UK Department of Energy and Climate Change to Support Development of Breakthrough, Clean Power Technology

Durham, N.C., November 21, 2012 – NET Power today announced the receipt of a £4.9 million grant from the UK Department of Energy and Climate Change as part of the Carbon Capture and Sequestration (CCS) Innovation Program £20 Million Competition. The grant will fund further R&D and manufacturing of both developing and proven high-performance materials that enable NET Power’s novel, clean, low-cost power generation technology to reach extremely high efficiencies.

NET Power, Toshiba Corporation (TOKYO: 6502), a world-class technology manufacturer, Goodwin Steel Castings (LSE: GDWN), a global expert in metallurgy and castings based in the UK, and The Shaw Group (NYSE: SHAW), a leading engineering, procurement and construction firm, will utilize these advanced materials in NET Power’s 25MW natural gas demonstration plant.

“Through this competition and the CCS Commercialisation Programme, The Department of Energy and Climate Change is focused on making CCS more affordable, and they recognize NET Power’s potential as a breakthrough technology,” said NET Power CEO Bill Brown. “Our step-out process leaps over current CCS technologies by producing electricity that generates zero atmospheric emissions and is less expensive than cheap, carbon-emitting technologies. We are excited to work with the UK government to commercialize this important technology.”

NET Power’s new fossil fuel-based power technology is low-cost and highly efficient – on par with state-of-the-art natural gas combined cycle plants. In addition to generating electricity at strongly competitive costs, though, NET Power also eliminates all atmospheric emissions, including CO₂. To do this, NET Power utilizes a novel, oxyfuel, high-pressure, supercritical carbon dioxide thermodynamic cycle—named the Allam Cycle after lead inventor Rodney Allam of Chippenham, England. Mr. Allam was previously the Director of Technology Development at Air Products and Chemicals PLC. He was a lead author for the IPCC report on carbon capture and storage and received the 2012 Global Energy Prize.

NET Power is different from typical carbon capture technologies, which require the addition of new processes and equipment to current power systems. Rather than use this approach, which results in increased costs and reduced efficiency, NET Power developed a new power generation technology that was designed from the ground up to eliminate air emissions. The resulting system produces low-cost electricity and a pipeline-ready CO₂ byproduct that can be sequestered or used in enhanced oil recovery without requiring additional expenses and processes.

“This announcement helps maintain the UK’s place leading the world in CCS, to deliver an affordable and secure low carbon energy mix,” said Energy and Climate Change Secretary Edward Davey. “Carbon Capture and Storage

is a huge opportunity for our world class research industry. The UK's clear commitment to CCS is underlined by innovative companies like NET Power and Toshiba's choosing British manufacturer Goodwin for its world leading expertise."

Under the terms of the grant, Goodwin and Toshiba will further develop and manufacture advanced materials to be used in the turbine that Toshiba is developing for the NET Power process. These materials will lead to improved NET Power cycle performance. The DECC grant will directly create high-value R&D and manufacturing jobs in the UK, and it will solidify Goodwin's position as a global leader in advanced materials manufacturing. NET Power and Shaw will support overall project engineering and integration of the materials into the NET Power cycle. NET Power's UK-based subsidiary, NET Power Europe, will administer the grant and conduct other R&D in the UK.

NET Power's Allam Cycle is a flexible platform technology that spans natural gas, coal, solar, nuclear, enhanced oil recovery and liquefied natural gas applications, each of which will directly address rising electricity costs while enabling aggressive emissions reduction targets to be met. DECC's grant supports NET Power to lay the foundation for a coal development program that will result in lower-cost coal-fired power generation that eliminates all atmospheric emissions of CO₂, SO_x, NO_x and particulates.

NET Power, Shaw, Toshiba, and Exelon Corporation (NYSE: EXC), the leading U.S. competitive energy provider, have partnered to develop a 25MW natural gas plant demonstrating NET Power's technology; the plant is expected to begin operating in late 2014. Construction of the first 250MW NET Power plant is expected to begin in early 2015. In June 2012, Shaw committed up to \$50.4 million in cash and in-kind services to the effort, subject to certain milestones being met, acquiring up to 50% of NET Power LLC as those milestones are completed.

NET Power LLC is a Durham, N.C.-based company affiliated with 8 Rivers Capital LLC, the inventor and early developer of the NET Power technology. For more information, please visit NET Power's website at www.NETPower.com.