



**SOUTH AFRICA'S MINISTER OF MINERALS AND ENERGY WELCOMES
DENHAM CAPITAL INVESTMENT IN BIOTHERM ENERGY TO DEVELOP
POWER GENERATION BUSINESS**

Partnership will help alleviate South African power crisis

JOHANNESBURG, SOUTH AFRICA and BOSTON, USA – November 9, 2008 - Denham Capital, a leading energy-focused global private equity firm, announced today that it will invest equity of up to R1,5 billion (US\$ 150 million, £95 million) in BioTherm Energy, a South African developer, owner and operator of renewable and clean energy generation projects.

Commenting on Denham Capital's investment, Buyelwa Sonjica, South Africa Minister of Minerals and Energy said, "Having opened BioTherm's first plant just over a year ago, we are delighted with this substantial investment by Denham Capital, a major foreign investor, in a business that will generate more electricity in South Africa, contribute to the reduction of greenhouse gasses and create more jobs in the South African economy."

The Minister opened the 4.2 MW biogas to power plant, based at the PetroSA facility in Mossel Bay, east of Cape Town, in September 2007. At that time, it was the first private sector renewable power generation project in Southern Africa funded under the Clean Development Mechanism ("CDM") of the Kyoto Protocol, under which the project earns carbon credits because of its contribution to the reduction of greenhouse gasses. Under the European carbon-trading scheme these credits are in turn sold, primarily to European industries, which need to reduce the cost of their compliance liabilities.

The opportunity for small scale, on-site generation in South Africa has grown significantly and BioTherm Energy has secured, and is continuing to develop, a substantial pipeline in waste gas co-generation, biomass and combined heat and power projects, many of which qualify for carbon credits under the Kyoto Protocol. These projects can generate electricity much more rapidly than conventional large-scale power projects, thereby providing needed relief to the South African power system.

Dr. Louis van Pletzen, a Partner and Head of the London Office of Denham Capital, said, "Denham Capital will provide the necessary equity capital for BioTherm Energy to develop, invest or acquire projects totalling approximately 300 MW, equivalent to the electricity needed to supply about 500,000 households. Private sector investment from companies such as BioTherm Energy will be essential in addressing South Africa's

energy deficit.” He added, “Our investment in BioTherm reflects the range and geographic reach of Denham Capital’s energy investment strategy.”

Charles Liebenberg, co-founder and CEO of BioTherm Energy, said that a partnership with Denham Capital will allow BioTherm Energy to continue its aggressive expansion programme. He went further to say, “For years South Africa has had cheap energy and an unfortunate result of this is inefficient usage. BioTherm Energy’s projects ensure that all forms of energy can be best harnessed to avoid waste, reduce carbon emissions and provide reliable power. The Power Conservation Programme, which will ration electricity supply to all consumers, reflects the severity of the power crisis in South Africa which BioTherm can help address.”

BioTherm Energy is targeting energy intensive industries where industrial processes release significant amounts of waste energy both as heat and gasses. BioTherm Energy utilises this wasted energy to produce electricity and/or steam, which it sells to the host site or to third parties, including Eskom, the South African public electricity utility.

BioTherm Energy is also instituting multi-level sustainability in all of its projects through the participation of Black Economic Empowerment (“BEE”) partners and community-based development programmes.

"Our investment in BioTherm reflects our strong belief in the potential for innovative solutions to the South African power crisis," said Scott Mackin, a Partner at Denham Capital. "We are delighted to be working to develop this exciting and valuable business, with a highly skilled and committed management team with a proven track record. We believe BioTherm Energy is well positioned to deliver much needed additional clean and reliable power to the Southern African economy."

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Notes to editors

About BioTherm Energy:

BioTherm Energy (Pty) Ltd (BioTherm Energy) is a cleaner and renewable energy company based in Johannesburg, South Africa. It develops, owns and operates turn-key energy waste to energy, renewable energy and energy efficiency projects in the sub-utility range of 5 - 100MW. BioTherm Energy makes extensive use of carbon finance as created by Article 12 of the Kyoto Protocol (the “Clean Development Mechanism” or “CDM”) to finance projects. The BioTherm Energy geographical target market is Southern Africa. For more information about BioTherm Energy visit www.biothermenergy.com.

About Denham Capital:

Denham Capital is a leading global energy-focused private equity firm, with offices in Boston, Houston, Short Hills, New Jersey, London and Sao Paulo. With approximately US\$4.3 billion of invested and committed capital, Denham makes direct investments in all segments of the energy and commodities value chain, including oil and gas, mining, timber, power, carbon assets and energy-related infrastructure and services. The firm invests globally, with investments currently in the USA, Canada, South America, Europe, Russia/CIS, Asia and Australia, and across all parts of the capital structure and all stages of the corporate and asset lifecycle, from development projects to mature, operating businesses. Denham typically targets investments in the US\$50 million to US\$250 million range. For more information about Denham Capital, visit www.denhamcapital.com. Denham Capital does not provide investment advisory services to the public.

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