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News Release
For Immediate Release

Prudent Energy Announces \$22million Series C Fund Raise

Prudent Energy Inc., the leading manufacturer of the Vanadium Redox Battery Energy Storage System (VRB-ESS™), has raised approximately \$22million in Series C preferred shares. Northern Light Venture Capital led the round, which also included new investor Sequoia Capital China. DFJ and DT Capital returned as backers from the prior round.

PRESS RELEASE

Prudent Energy, the leading technology developer, manufacturer, and systems integrator of the vanadium redox flow battery (VRB-ESS™), has secured \$22 million Series C financing led by Northern Light Venture Capital, one of the most respected private investment firms in China. Other new investors in the over-subscribed round include Sequoia Capital China. Existing investors Draper Fisher Jurvetson and DT Capital Partners also participated. This new financing will fuel Prudent's battery manufacturing operations, which relocated to Beijing last year, as well as drive the company's steady growth into the U.S.A. and elsewhere.

Prudent Energy supplies the missing ingredient to power and telecom companies who know that renewable energy cannot be expanded, nor can smart grids be operated, without the successful balancing act of storing and releasing energy on demand. The VRB™ technology that Prudent is selling, reliably stores energy safely at room temperature with virtually zero emissions.

“We are thrilled that seasoned investors like Northern Light and Sequoia Capital believe so strongly in Prudent's vision,” said Johnson Chiang, CEO of Prudent Energy. “Their support will help us expand our manufacturing capabilities and accelerate our product delivery whilst materially reducing our costs. Already this year we have delivered on neraly twenty of our kW class systems at ever decreasing costs. This capital will strengthen our development activities and presence in North America and allow us to pursue a global sales strategy that will include new initiatives in both China and the U.S.A”

Prudent holds patents for the VRB Energy Storage System and applications and is building on the proven field installations of the VRB technology which have operated in dozens of sites for many years. It utilizes the unique properties of the element vanadium to build an environmentally safe, electro-chemical means of storing and discharging energy in multi-megawatt ranges at long durations from any available power source, whether it is the utility grid, a renewable resource such as a wind or solar farm or a diesel generator. As a result, Prudent is delivering energy solutions that improve power quality

and reliability, enabling large-scale penetration of renewable energy generation, and improving the efficiency of energy distribution across many parts of the world.

Cowen Latitude Asia acted as the exclusive placement agent for Prudent Energy on the transaction.

About Prudent Energy

Prudent Energy Inc. is a privately held company with offices in North America and China. The company controls the patents, develops and manufactures the VRB™ energy storage technology to support stable, reliable and efficient electricity grid operation as well as the integration of large scale renewable energy. The VRB-ESS™ economically stores and supplies large amounts of electricity on demand with an extreme number of deep cycles. It is low maintenance, efficient and environmentally sensitive technology that allows for the scalability of power and storage capacity independently. The VRB-ESS is particularly beneficial to renewable energy providers, utilities and end users through its ability to “inventory” electricity, allowing for the optimal match of supply and demand. www.pdenergy.com

About Northern Light Venture Capital

Northern Light Venture Capital (“NLVC”) is a venture capital firm targeting early and early growth stage opportunities in China. NLVC’s mission is “to partner with world-class entrepreneurs to build world-class companies”. Founded in 2005, NLVC has emerged as a top venture capital firm with the rapidly growing Chinese economy. NLVC manages approximately US\$ 500 million in committed capital with 2 US\$ funds and 2 RMB funds. With the leading institutional investors NEA and Greylock as the anchor investors, NLVC has the world-class LPs and the top fund of funds from China as well. www.nlightvc.com

About Draper Fisher Jurvetson

DFJ's mission is to identify, serve, and provide capital for extraordinary entrepreneurs anywhere who are determined to change the world. Since its founding in 1985, DFJ has been proud to back over 600 companies across many sectors including such industry changing successes such as Hotmail (acquired by MSFT), Baidu (BIDU), Skype (acquired by EBAY), United Online (UNTD), Overture (acquired by YHOO), Athenahealth (ATHN), EnerNOC (ENOC), TicketsNow (acquired by TicketMaster), Feedburner (acquired by Google), Interwoven (IWOV), Four11 (acquired by YHOO), Parametric (PMTC), and Digidesign (acquired by AVID). DFJ has offices located in the United States, China, and India. www.dfj.com

About DT Capital Partners

DT Capital Partners provides growth capital to early and expansion stage companies in China. We invest in dynamic businesses that have high growth potential, strong management teams, and demonstrated revenue models in both technology based and traditional industries. DT Capital Partners currently manages over USD\$500 Million in capital across multiple US dollar and RMB funds, and also has a close affiliation with Madrone Capital in the US, the investment entity for members of the Walton family. www.dtcap.com