

Prometheus Energy secures financing

Shell Technology Ventures Fund1 B.V. takes equity position in cutting-edge methane-to-liquid natural gas producer

Redmond, Wash. – July 6, 2009 – Prometheus Energy, a global clean-technology company, announced today it has closed private equity financing from Shell Technology Ventures Fund 1 B.V. (“**STVF1**”), managed by Kenda Capital B.V. In making this investment, STVF1 has joined Black River Commodity Clean Energy Investment Fund, a fund managed by Black River Asset Management, LLC, an independently managed subsidiary of Cargill.

Prometheus provides proprietary solutions that convert methane from waste or low-quality gas sources to liquid natural gas (“LNG”).

The financing was arranged by Cascadia Capital, a national investment banking firm involved in providing financing for sustainable industries, technology and middle market companies.

An environmentally significant process with global scope

Prometheus’ advanced technology allows it to economically convert small contaminated sources of methane from landfills, stranded gas wells, coal mines and other sources into clean-burning LNG. LNG is a safe, clean burning, cost competitive alternative to diesel, heating oil and propane.

The company operates the world’s first commercial landfill gas-to-LNG facility in Orange County, Calif., and has shipped more than 500,000 gallons of LNG to market since the facility began commercial operation.

Prometheus also has shipped an additional 1.5 million gallons from its residual gas-to-LNG facility in southern Utah.

Prometheus has broken ground on the world’s first coal mine methane-to-LNG project in Poland.

Prometheus’ plants offer significant environmental benefits, especially if the landfill and coal mine feedgas is otherwise flared or vented. The landfill gas-to-LNG project in California offsets nearly 12,000 tons of carbon dioxide

emissions annually, which is the equivalent of taking nearly 2,000 passenger vehicles off the road.

Working on a small, distributed scale to achieve big results

LNG is produced typically in large facilities hundreds of miles from end users, and the transportation costs to distribute the fuel drives up prices. In contrast, Prometheus' solutions allow it to produce and deliver LNG from untapped resources close to its customers.

"We find and leverage the domestic and, in some cases, renewable, sources of methane that are overlooked," explains Kirt Montague, Prometheus' CEO. "Our integrated gas purification and liquefaction systems enable us to work on a small, distributed scale, which is absolutely critical to developing these nontraditional, untapped gas resources."

"Historically base-load LNG plants required economy of scale to be viable, but Prometheus has proven its ability to break with that requirement," says Edgar Kuipers of Kenda Capital. "Prometheus provides a fresh new energy platform that can be used in many places around the world. We see a bright future for small LNG projects."

A powerful turnaround story

Prometheus' strong position today represents a turnaround. In September 2008, Heracles Energy Corporation, a Delaware corporation, acquired substantially all of the assets of Prometheus Energy Company, a Washington corporation based in Seattle that had been delisted from London's Alternative Investment Market earlier that year. The acquired assets included Prometheus' proprietary technology and operating facilities, as well as its trade name "Prometheus Energy," under which Heracles operates the business today. Heracles retained several of the company's key employees, including its chief executive and chief technology officers. Since the acquisition, Heracles has focused on optimizing Prometheus' operating facilities, increasing its sales of LNG and expanding its IP portfolio.

About Prometheus Energy

Redmond, Wash.-based Prometheus Energy is an alternative energy company that produces, sells and distributes liquid natural gas (LNG) from

stranded and waste sources of methane. This allows Prometheus to produce LNG close to where it is used and to sell the fuel at prices competitive to those of traditional fuels such as diesel, gasoline and propane.

About Kenda Capital

Netherlands-based Kenda Capital B.V. is the independently owned investment manager of STVF1, which is focused on reducing the cost of energy by accelerating the development and deployment of new technologies.

About Black River Asset Management

Black River Asset Management LLC, an independently managed subsidiary of Cargill, is a global asset management company that provides sophisticated institutional investors with alternative investment opportunities.

About Cascadia Capital

Seattle-based Cascadia Capital, LLC is a national investment banking firm that is financing the future for sustainable industries, technology and middle-market companies.

For More Information

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