

NEXTERRA CLOSES \$15 MILLION FINANCING WITH TANDEM EXPANSION AND ARC FINANCIAL

Vancouver, BC – March 2, 2011 – Nexterra Systems Corp. (www.nexterra.ca), today announced that it has secured \$15 million in equity financing from Tandem Expansion Fund and ARC Financial. Proceeds will be used to accelerate the growth of Nexterra's business.

"We believe that the market for small-scale biomass heat and power systems is poised to grow rapidly in the next few years to meet rising demand for on-site renewables, energy security and greenhouse gas reduction," said Sandy Scott on behalf of Tandem Expansion. "When we looked at the biomass energy market, Nexterra clearly stood out due to its innovative and commercially proven technology, strong market position and seasoned management team. Recent wins in the higher education and health care markets, position the company for rapid expansion."

Utilizing Nexterra's proprietary biomass gasification technology, Nexterra's biomass energy systems allow universities, municipalities, hospitals and industrial facilities to reduce energy costs and greenhouse gas emissions by switching from fossil fuels to renewable energy generated on-site using biomass. Nexterra systems are ideally suited to urban environments due to their ultra-low emissions, fuel flexibility, reliability and low lifecycle costs compared to traditional biomass combustion equipment.

Nexterra has been selected by customers that include the US Department of Energy, Johnson Controls, University of Montana, Kruger Products, Dockside Green and University of British Columbia. In aggregate, Nexterra systems are capable of displacing over 2,000,000 MMBtu per year of fossil fuels (equivalent to heating 770,000 North American homes) and reducing greenhouse gases by over 100,000 tonnes per year (equivalent to taking 25,000 cars off the road).

"We are delighted to participate in this financing," said Brian Boulanger, Senior Vice President and Director of ARC Financial. "This is ARC's fourth investment in Nexterra and we continue to be very excited about the progress the company has achieved, as well as its growth prospects. Nexterra has clearly emerged as a dominant force in the biomass heat and power market."

Colin Hansen, British Columbia's Minister of Finance said, "Tandem and ARC's \$15 million investment in Nexterra is an excellent example of continued investor interest in innovative B.C. companies, particularly in newer industries such as clean energy. This shows the confidence investors have in B.C.'s economy, our strong business climate and our leadership in the clean technology sector."

"With the company on track for a record year in 2011 for sales and revenue growth, Nexterra is continuing to build on its leadership position in the biomass energy market," said Nexterra CEO, Jonathan Rhone. "This financing ensures that we have the resources required to meet market demand, continue to expand and enhance our product portfolio and maintain momentum in all aspects of the business."

About Tandem Expansion – Tandem is a growth equity investor that makes significant minority investments in Canadian businesses. Tandem is committed to helping Canadian technology companies and their management team to reach their full potential. Beyond

capital, Tandem helps to make things happen by contributing its experience in building companies, its relationships and its proven ability to create value. Tandem values integrity, trust, openness and long-term relationships. For more information regarding Tandem, and to contact the Fund regarding investment opportunities: www.tandemexpansion.com.

About ARC Financial – The six ARC Energy Funds represent \$2.7 billion of capital and are focused exclusively on investment in the energy sector. Areas of investment encompass the Canadian and global energy business including conventional exploration and production, oilfield services, infrastructure, power generation and emerging new sources of supply such as oil sands, unconventional gas and renewables. For more information: www.arcfinancial.com

About Nexterra – Nexterra Systems is a leading supplier of biomass gasification solutions that generate renewable heat and power for institutional and industrial customers. Nexterra has supplied commercial gasification systems for projects at the US Department of Energy, University of South Carolina, Dockside Green, Kruger Products, the University of Northern BC and Tolko Industries. Nexterra has strategic relationships with General Electric, Johnson Controls and Andritz Separation. Nexterra is a private company based in Vancouver, Canada. For more information: www.nexterra.ca

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