



Press Release

For immediate release

London Technology Fund investee company Novacem announces first close of Green Cement Bond with Lafarge

“Bridging the technology equity gap”

LONDON, UK, 2 July 2010 – London Technology Fund (LTF), London’s specialist investor in new technology companies, today announced that its investee company, Novacem, the carbon negative cement company, has attracted Lafarge as the first subscriber to its innovative “Green Cement Bond”. LTF was joint lead in a syndicate which together invested over £1m in Novacem in August 2009.

The Novacem Green Cement Bond is an innovative commercial and financial approach for engagement with major cement manufacturers to accelerate the development and commercialisation of Novacem's carbon negative cement. The Bond is for £1m (through a combination of Non Refundable Engineering fees and Convertible Loan Notes). It is expected that subscribers to the Bond will also participate in the Series A Funding round currently being planned by Novacem.

Novacem's carbon negative cement is based on magnesium oxide and offers the cement industry a scalable alternative to current carbon intensive production. No carbon emissions are released from the magnesium silicate raw material used, and overall more CO₂ is absorbed than emitted during production. Novacem features on MIT Technology Review's list of the world's ten most important emerging technologies for 2010.

Novacem will employ the proceeds from both the Bond and the Series A Funding to accelerate its development programme to construct and operate a semi-commercial Novacem plant (up to 25,000 tonnes per year) to be co-located with an existing cement plant. Bond subscribers will work with Novacem in the development of the plant and share valuable experience in the production of Novacem's carbon negative cement. They will also have early access to plant output for testing, development, certification, pilot projects and early sales. Additionally, they will have the opportunity to build and operate the first commercial volume Novacem plants under license from Novacem. Thereafter, Novacem expects to roll out other

commercial volume Novacem plants to the subscribers as well as to other cement companies and qualified parties.

Stuart Evans, Chairman of Novacem, commented, *“We have always known that we would need to work closely with the cement industry to urgently tackle, together, the very serious carbon emissions problems that the industry faces. We couldn't have hoped for a better first cement industry partner than Lafarge”*.

David M^cMeekin, Chairman of LTF, said, *“Novacem’s green cement has the potential to have a major impact on CO₂ emissions and is an excellent example of the world class technology being developed at London’s universities. We are delighted that the company has attracted Lafarge, the world leader in building materials, as its first cement industry partner and congratulate the team on the first close of their innovative Green Cement Bond”*.

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- Notes to editors -

1. Novacem Limited

www.novacem.com

Novacem, the carbon negative cement company, is a spin-out from Imperial College London and has developed a new generation of carbon negative cement that will offer cost and performance parity with Portland cement. The cement is based on magnesium oxide produced from magnesium silicates, and is a scalable, transformational alternative to current carbon intensive cement production. Novacem features on MIT Technology Review's list of the world's ten most important emerging technologies for 2010.

Novacem's Board and management team comprises a blend of experienced entrepreneurs, innovative scientists, seasoned industry executives and investors. The company raised a £1m+ seed round in 2009 from the London Technology Fund, Imperial Innovations Group plc, and the Royal Society Enterprise Fund. The company is planning a Series A Funding to support the construction of the Semi Commercial Novacem plant and other development activities.

2. Lafarge

www.lafarge.com

Lafarge is the world leader in building materials, with top-ranking positions in all of its businesses: Cement, Aggregates & Concrete and Gypsum. With 78,000 employees in 78 countries, Lafarge posted sales of EUR 15.9 billion in 2009. In 2010, and for the sixth year in a row, Lafarge was listed in the "Global 100 Most Sustainable Corporations in the World". With the world's leading building materials research facility, Lafarge places innovation at the heart of its priorities, working for sustainable construction and architectural creativity.

3. London Technology Fund

www.londontechnologyfund.com

The London Technology Fund (LTF) is London's specialist investor in new technology companies. LTF is focused on the funding gap for new, high growth technology companies based in Greater London and bridges the gap by leading and building a syndicate of investors or by completing the gap in an existing syndicate. It invests from £50,000 to over £1m in individual investment rounds, resulting in investment rounds from LTF and co-investors ranging from £100,000 to over £10m.

To date, LTF has completed 20 investments in eight companies, acting as a key investor to help secure nearly £23m of funding for London-based high technology companies. These investments range from a financial services software company serving the foreign exchange market, where LTF led an £800,000 round, to a company developing a vaccine for mutating viruses raising an initial £4.5m (and subsequently up to £8.65m), where LTF was the only UK venture capital fund alongside a major overseas corporate venture capital fund and two specialist overseas life science institutional investors. We have also joined syndicates to help other investors close important funding rounds, including a £6m funding round for a biotechnology spin-out from a leading university. The London Technology Fund is funded by the London Development Agency and the European Regional Development Fund. It is managed by Company Guides Venture Partners Ltd, which is authorised and regulated by the Financial Services Authority.

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