

Situation

- In July 2005, Evolution Placements Corporation (“EPC”) invested one of two agreed tranches in Intelligent Energy plc (“IE”), the second being conditional on an AiM listing.
- The ongoing operations of IE were dependent on securing additional funding prior to an AiM listing occurring.

Approach

- ARC Associates (“ARC”) worked with the directors of IE in deciding the best method of raising funds.
- Following several meetings with EPC, ARC negotiated for the second investment tranche to come forward prior to an AiM listing.
- ARC also met with other shareholders in IE who had pre-existing anti-dilution rights to co-ordinate further investment into IE.
- ARC assisted with structuring and negotiating the financing for IE from the shareholders and acted as financial adviser in relation to the requirements of the Takeover Panel.

Transaction

- EPC and other shareholders in IE will invest £14m into the company,
- EPC and other shareholders will also be granted options over 19 million shares generating an additional £15.2m of capital to IE exercisable up to five years from the date the AiM admission becoming effective.

January 2006



has raised
up to £14m through a private
placement to

**Evolution Placements
Corporation
& other shareholders**

The undersigned acted as UK financial advisor to
Intelligent Energy in this transaction

ARC
ARC ASSOCIATES