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PRIZE CAPITALSM ANNOUNCES PLANNING PHASE FOR \$10 MILLION BIOFUELS PRIZE

*X PRIZE Foundation is partner in pursuit of new technologies
and systems for reversing global environmental decline*

Washington, March 6, 2008 – Prize Capital, LLC today announced the planning phase for a \$10 million “Biofuels Prize” in coordination with the X PRIZE Foundation to spur the creation of a new technology that is energy and cost-efficient, sustainable, versatile, easy to scale and decentralized.

Lee Stein, founder and chairman of Prize Capital, introduced the prize planning phase here at the Washington International Renewable Energy Conference (WIREC) during the opening plenary session and also at an official side event. The new mechanism for generating innovation and financing for energy and the environment is the first of several Earth 2.0SM programs planned by Prize Capital.

“Current biofuels technology is not fully sustainable, competes with food crops and doesn’t work on a decentralized small scale for local communities,” said Stein. “Instead, the Biofuels Prize will spur the creation of new small-scale production systems that can be placed in villages and towns anywhere in the world where non-food crops can be grown and converted to biofuels.”

“Innovation can come from all corners of the world but people need capital and motivation, which is at the heart of the Prize Capital model and the Biofuels Prize.”

Stein said traditional funding mechanisms are not designed to empower the vast numbers of people in developing countries who just might have global solutions nor are they designed to fund non-traditional early stage companies.

“Our prize, capital and partnerships approach aims to catalyze innovation and provide the capital to bring it to the world,” Stein said. “We believe the Biofuels Prize will benefit the environment, the economy, investors, entrepreneurs and innovators everywhere.”

The planning phase will begin for a \$10 million prize purse will be awarded to the team that wins a series of challenges designed to test efficiency, scalability and sustainability of new biofuels liquid transport technology. To finance the Biofuels Prize and other prizes, Prize Capital will be creating a series of investment funds to provide capital for select contestants. For investors, this reduces the risk of having to seek out suitable investment candidates.

The power of prizes to induce new development is well proven. History is replete with examples. Lindbergh crossed the Atlantic to win a prize offered and his success launched the multibillion dollar aviation industry. More recently, the Ansari X PRIZE, a competition created by the X PRIZE Foundation, resulted in the first private manned rocket ship to reach outer space, a feat considered impossible. The achievement is launching space tourism and advancing the use of small space craft for other military and civilian uses.

Jesse Berst, Executive Director of Energy and Environment at the X PRIZE Foundation, states, “We are very pleased to be the planning partner with Prize Capital. Prizes are inducements to drive innovators toward specific results. The Biofuels Prize will have clearly defined outcomes determined by Prize Capital and the X PRIZE Foundation, with further input from outside experts and advisors. We look forward to leveraging prizes, capital and innovation to help solve environmental challenges worldwide and help reverse global environmental decline.”

Over 150 countries and 80 ministers are expected to attend WIREC, in addition to thousands of businesses, public and non-governmental organizations.

Michael Eckhart, President of the American Council on Renewable Energy, said he was pleased that Prize Capital had chosen to announce the planning phase of their prize at WIREC.

“The renewable energy industry is poised to generate remarkable breakthroughs in how we deliver and use energy. New technology development needs investment to create successful products that can be used anywhere in the world,” said Eckhart. “The Biofuels Prize is a wonderful vision to inspire entrepreneurial spirit and innovation around the world.”

The Prize Capital mechanism is also a key part of the Earth Fund, a newly created partnership of the Global Environment Facility and IFC to support market-based solutions for environmental problems in the developing world.

The Biofuels Prize will spur the creation of a winning technology that is energy and cost-efficient, sustainable, versatile, easy to scale and decentralized. The potential impact on fuel prices could be significant. Capacity can be added rapidly with the decentralized and small scale approach. This is the ultimate grass roots approach to reversing global environmental decline while creating economic benefits down to the village level.

Stein concluded, “There are no boundaries or borders on innovation. We want the world involved in the search for breakthroughs in the biofuels industry.”

About Prize Capital, LLC

Prize Capital, LLC was established by entrepreneur and environmentalist Lee Stein to provide capital to environmental start-ups worldwide while reducing risk for investors. Its proprietary methodology diversifies risk and widens market access, enabling Prize Capital to deliver capital to innovators from developing countries and to early-stage companies not served within current financial markets. Prize Capital’s parallel investment funds mitigate financial risk through a unique option equity strategy and create additional leverage through the prize mechanism. The public sector partnerships create markets by providing loan guarantees and advance purchase. For further information, visit www.prizecapital.net.

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