

**Foresight Nottingham Fund invests £2 million into
Mercia Power Response Limited**

***Important development of peaking power assets to bolster energy capacity in
the East Midlands and throughout the UK***

Press release: 25 September 2015 – Foresight Nottingham Fund (“the Fund”), the £40 million regional fund for growth businesses invested in Nottingham and Nottinghamshire, announces the investment of £2 million in local peaking power developer, Mercia Power Response Limited.

Mercia Power Response is a Nottingham-based, start-up company formed by entrepreneurs Andrew Leach and Graham White. It is formed against concerns that, under certain market conditions, the UK may struggle to meet power demand, especially in peak winter periods. Mercia Power Response will develop fast response, local generation able to provide communities with power at times of peak demand or shortfalls in supply. From the Company’s headquarters in Nottingham, Managing Director Graham White plans to grow a team over time to help him develop and manage up to 150MW of capacity in the East Midlands and throughout the UK.

Graham White and Andrew Leach have been working in this market for a number of years and will be joined by veteran power executive, Paul Adair as Chairman. Paul will assist with strategic planning and achieving the Company’s aggressive growth targets.

The peaking power capacity developed by the Company will help cover demand peaks and short term supply shortfalls. Typically these demand peaks occur in the morning as people get up and go to work and factories switch on equipment. Similarly, in the evening, there is a “lighting up time” as it gets dark and people get home and switch on their TVs, cook, etc. In addition, there are “super demand” peaks following, for example, the FA or World Cup finals, when tea is made and toilets are flushed (pumping water uses a lot of energy). However, more recently the network has suffered from significant variation in supply, as wind or solar suddenly come off line due to short term changes in weather conditions.

Roger Harcourt from Shakespeare Martineau’s Nottingham office advised the Fund on the transaction.

Matt Smith, Director of Foresight Group LLP commented “*We are delighted to be supporting this ambitious management team through the investment in Mercia Power Response, which is a great example of the entrepreneurial talent available in the region.*”

Graham White of Mercia Power Response added: “*We believe we are addressing a gap in the power generation market and have aggressive plans to grow our managed capacity with the support of the Foresight Nottingham Fund.*”

Councillor Nick McDonald, Portfolio Holder for Jobs, Growth and Transport at Nottingham City Council stated: “*This investment is an excellent example of why the Fund was set-up as part of Nottingham’s City Deal. Mercia Power Response represents an exciting young business with real potential for growth. Nottingham already has a strong track record of innovation in energy and sustainability, including the recent launch of Robin Hood Energy. Foresight Group also has a great reputation for investing successfully in this area. I look forward to seeing Andrew and Graham grow this business and create jobs in the City over the next few years.*”

ENDS

For further information, please contact:

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Paul Shrimpton paulshrimpton@pspr.co.uk, 0121 354 7311

Graham White graham.white@merciapr.co.uk, 07717763196

Ben Thompson: bthompson@foresightgroup.eu, 020 3667 8155

Matt Smith msmith@foresightgroup.eu, 0115 727 0650

Notes to editors:

Related articles on the peaking power and reserve power markets

<http://www.cityam.com/224209/uk-power-supply-unlikely-meet-demand-next-winter-warns-bank>

<http://www.ft.com/cms/s/0/82993bbc-56f4-11e5-9846-de406ccb37f2.html#axzz3liA5Fqw9>

<http://www.bbc.co.uk/news/business-24560196>

<http://www.theguardian.com/big-energy-debate/2014/oct/14/-sp-how-close-uk-power-blackout-energy-data>

<http://www.telegraph.co.uk/finance/newsbysector/utilities/11589712/New-government-faces-potential-energy-crisis-warns-expert.html>

About Foresight Group

Foresight Group is a leading infrastructure and private equity investment manager which has been managing investment funds on behalf of institutions and retail clients for 30 years.

Foresight has over £1.5 billion of Assets Under Management across a number of funds, including Listed Vehicles, Limited Partnerships, Enterprise Investment Schemes (EISs) and Venture Capital Trusts (VCTs).

www.foresightgroup.eu

PRESS RELEASE



About Foresight Nottingham Fund

Foresight Nottingham Fund is a £40 million dedicated regional growth fund that has been created to support SMEs specifically in Nottingham and Nottinghamshire or prepared to invest there. The Fund exists to provide investment and support to businesses in the Nottinghamshire region, to stimulate enterprise, to create jobs and to attract inward investment to the region.

Foresight Nottingham Fund includes investors such as the Nottinghamshire Local Government Pension scheme, and a number of high net worth individuals with deep ties to Nottingham and Nottinghamshire.

The Fund invests between £100,000 and £2 million into SMEs which are either based in Nottingham and Nottinghamshire, or are relocating to the region after investment.

The fund, run on fully commercial terms, aims to attract further funding to the region and is a key part of the Nottingham and Nottinghamshire Growth Plans, developing Nottingham and Nottinghamshire as a place to do business and creating new jobs in the City and County.

Since launch in November 2013, the Fund has made six investments amounting to over £7.5 million – in growth businesses based in and around Notts in a variety of sectors including software, industrials and manufacturing, business services and consumer and leisure sectors – for the current portfolio see <http://www.foresightgroup.eu/nottingham-fund/portfolio>

The Fund is part of the £50 million **Nottingham Prospectus**, the city's package to attract further investment to boost Nottingham's economy. The Nottingham Prospectus is part of the **Nottingham Growth Plan**, a single source access point for all the financial and business support available for investors in the city. The full programme of support available to business can be seen at www.growingnottingham.com.

About Nottingham Growth Plan

The **Nottingham Growth Plan**, set out an ambitious and long term strategy for economic development and job creation to reinvigorate the city's fortunes over the next decade.

The Nottingham Growth Plan set out a series of measures for driving the city's economy forward. It is the fruit of a collaboration between some of the city's key public and private sector organisations, based on solid academic research, good business sense and valuable consultation. It is ambitious but achievable and holds the key to creating significant growth across Nottingham – unleashing enterprise that will bring benefits for generations to come. www.nottinghamgrowthplan.com

The strategic focus of the Growth Plan is on developing industries where the city already has a competitive advantage. These three key sectors include; life sciences, digital content and clean technology. To ensure businesses flourish, the Growth Plan will also target areas where there are significant barriers to growth by supporting enterprise, the development of a skilled workforce and building a 21st century infrastructure.

Advisers

Foresight Legal Advisor: Shakespeare Martineau

Management Legal Advisor: BRM Solicitors

Technical Due Diligence: Waters Wye Associates