

AIM SCHEDULE 1 – PRE-ADMISSION ANNOUNCEMENT

Please forward this form to aimregulation@londonstockexchange.com
In the case of queries please contact AIM on +44 (0) 20 7797 4154

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH AIM RULE 2	
ALL APPLICANTS MUST COMPLETE THE FOLLOWING:	
COMPANY NAME:	
Turbo Power Systems Inc.	
COMPANY ADDRESS:	
Head Office Unit 3, Heathrow Summit Centre Skyport Drive Hatch Lane West Drayton Middlesex UB7 0LJ	Registered Office Suite 200-204 Lambert Street Whitehorse, Yukon, Y1A 3T2 Canada
COMPANY POSTCODE:	
UB7 0LJ	
COUNTRY OF INCORPORATION:	
Canada	
COMPANY BUSINESS OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTMENT STRATEGY TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (J) OF THE AIM RULES:	
Turbo Power Systems designs and manufactures innovative power solutions which provide local, high quality, controllable electrical power. The Group's products are all based on its core technologies of power electronics and high speed electrical machines.	
DETAILS OF SECURITIES TO BE ADMITTED (i.e. where known, number of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):	
273,944,592 Common Shares of no par value	
CAPITAL TO BE RAISED ON ADMISSION:	
£6.0 million	
FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS:	
Colin Bowden Besant (<i>Non-executive Chairman</i>) Michael John Hunt (<i>Chief Executive Officer</i>) Stephen Paul Sadler (<i>Chief Financial Officer</i>) Nicholas Owen Brigstocke (<i>Non-executive Director</i>) Wayne Malcolm Ernest McLeod (<i>Non-executive Director</i>) Michael Webber (<i>Non-executive Director</i>) David George Hawksworth (<i>Non-executive Director</i>)	

PERSON(S) INTERESTED IN 3% OR MORE OF THE ISSUER'S CAPITAL, EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL BEFORE AND AFTER ADMISSION:

Before Admission
M Ristic – 8.2 %
CB Besant – 8.2%

After Admission
M Ristic – 5.7 %
CB Besant – 5.7%

NAMES AND ADDRESSES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:

None

ANTICIPATED ACCOUNTING REFERENCE DATE:

31 December

EXPECTED ADMISSION DATE:

28 December 2006

NAME AND ADDRESS OF NOMINATED ADVISER:

KBC Peel Hunt Ltd
111 Old Broad Street
London
EC2N 1PH

NAME AND ADDRESS OF BROKER:

KBC Peel Hunt Ltd
111 Old Broad Street
London
EC2N 1PH

DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:

Not applicable. Transfer to AIM from the Official List – no admission document required

DATE OF NOTIFICATION:

27 November 2006

NEW/ UPDATE (see note):

NEW

QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:

THE NAME OF THE AIM DESIGNATED MARKET UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED:

Official List of the UK Listing Authority
The Toronto Stock Exchange (the company will continue to be listed on the Toronto Stock Exchange following admission to AIM)

THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED:

Official list: 11 July 2000
The Toronto Stock Exchange: 28 August 2000

CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET:

The directors of Turbo Power Systems confirm that, save as set out below, following due and careful enquiry, the company has adhered to the legal and regulatory requirements involved in having its securities traded upon the Official List and the Toronto Stock Exchange. Turbo Power Systems breached the legal and regulatory requirements of having its shares traded upon the Official List on the following three occasions:

1. In August 2001 a director dealt in a closed period.
2. In January 2002 the company filed the accounts for the year ending 31 July 2001 three days late.
3. On 20 January 2005 the company announced that it had disposed of an equity investment for £1,273,000, yielding a gain on disposal of £973,000. However, this disposal of shares occurred on 25 November 2004 and should have been announced then.

Systems and procedures have been put in place in the company to ensure such breaches do not occur again.

AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE:

www.turbopowersystems.com and www.sedar.com

DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTMENT STRATEGY:

To grow the Company's order book and revenue through continued development and marketing of its power electronics and electrical machines technology in applicable market sectors.

A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:

Save as publicly disclosed there has been no significant change to its financial or trading position since 31st December 2005, the dated of the last audited accounts of the Group.

A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:

The directors of Turbo Power Systems have no reason to believe that the working capital available to it or its group will be insufficient for at least twelve months from the date of Admission.

DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:

None

A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:

The Company's Common shares will continue to settle through CREST and in certificated form

A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:

www.turbopowersystems.com

INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:

All information equivalent to that required for an admission document is currently publicly available.

A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCPRDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19:

www.turbopowersystems.com and www.sedar.com

THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:

None

Note: THIS FIELD SHOULD INDICATE THAT THE ANNOUNCEMENT IS 'NEW' AND ALL RELEVANT FIELDS SHOULD BE COMPLETED. OTHERWISE WHERE THE FORM IS REQUIRED TO BE COMPLETED IN RESPECT OF AN 'UPDATE' ANNOUNCEMENT, THIS SHOULD BE INDICATED. IN SUCH CASES, ALL THE ORIGINAL INFORMATION SHOULD BE INCLUDED WITH ANY AMENDED FIELDS **EMBOLDENED**.