

**8 February 2010**

### **Issue of Equity and 2005 Loan Note Redemption**

The Board of Turbo Power Systems ('TPS' or 'the Company'), the innovative power generation and conditioning equipment supplier, announces that it has applied for 3,953,488 common shares of no par value ("Common Shares") to be admitted to AIM.

These shares, ranking pari passu in all respects with the existing shares in issue, are being issued as a result of the conversion of Convertible Loan Notes having an aggregate principal amount of £85,000, which were issued as part of the £8,000,000 financing announced on 14 March 2005 (the "2005 Loan Notes").

It is expected that admission and dealings will become effective at 8.00 a.m. on 15 February 2010.

Following the passing of the Loan Note Holders' resolution on 23 December 2009, 41% of the then outstanding 2005 Loan Note holders (including the allotments referred to above) elected to convert their loan notes to equity at a conversion rate of £0.0215, for which an aggregate of 34,186,049 Common Shares have been allotted.

The Company has redeemed the remaining loan balance of £1,054,000 at an agreed redemption rate of 20%, a total outlay of £210,800.

This payment and the related equity issues under the conversion requests have resulted in the full and final satisfaction of the 2005 Loan Notes.

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