



News Release

Nexterra Completes Third Round Equity Financing of \$6.8 Million Led by ARC Financial Corp.

Vancouver BC – January 24, 2007 – Nexterra Energy Corp. today announced that it has completed a \$6.8 million third round of equity financing. The financing was led by ARC Financial Corp. ("ARC") of Calgary, Canada's largest investment management firm focused on the energy sector. This brings ARC's total investment in Nexterra to \$16.6 million.

"Nexterra continues to make tremendous progress, and we are very pleased to lead this third round of financing," said Malcolm Adams, Vice President of ARC. "This is a disciplined, well-managed company that has consistently delivered on its business plan. With successful completion of Nexterra's first commercial system at Tolko, substantial completion of the Johnson Controls' gasifier at the University of South Carolina, progress on new applications with Weyerhaeuser and others, Nexterra continues to be a very strong clean tech investment opportunity for ARC."

"We are very pleased with ARC's continued financial support and their endorsement of our business plan going forward," said Jonathan Rhone, CEO of Nexterra. "The market fundamentals remain exceptionally strong for Nexterra and the proceeds of this financing will enable us to expand our commercial operations, diversify into new markets and to invest in new applications of our technology."

About ARC Financial Corp. – ARC Financial Corp. is a private, energy-focused investment management company based in Calgary, Alberta. ARC manages private equity funds representing \$1.7 billion in committed capital that are focused on high growth, early stage companies in the following sectors of the energy industry: exploration and production, oilsands/heavy oil, oilfield service, and energy infrastructure development. Since its inception in 1989, ARC has made investments of over \$1.3 Billion in more than 150 early stage energy companies.

About Nexterra Energy Corp. – Nexterra Energy is a leading developer and supplier of advanced gasification systems that enable customers to self-generate clean, low cost heat and/or power using waste fuels "inside-the fence" at industrial and institutional facilities. Nexterra gasification systems provide a unique combination of attributes including design simplicity, reliability, versatility, ultra-low emissions, low cost and full automation to provide customers with a superior value proposition compared to conventional solutions. Nexterra is a private company based in Vancouver, BC, Canada. For more information, visit our website at www.nexterra.ca.

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