

NEW ENERGY FUND LP



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The first pure play sustainable-energy technology hedge fund. 6th year of track record

NEW ENERGY FUND, LP

NEW ENERGY LIQUID FUND LP

- **MISSION** - Hitch our wagon to the expected 15% - 25% annual RE Growth
- **GOAL** - Un-leveraged return with a standard deviation of 10% - 15%
- **METHOD** - Distill growth liquid and growth technology portfolio's from universe
- **PORTFOLIO** - Top-down stock selection to create a portfolio of 25 – 35 stocks
- **EXPOSURE** - Long/Short public equity with a long bias
- **STRUCTURE** - Onshore and offshore feeders form a single master feeder fund
- **FEES** - 1.5% management fee and 20% incentive fee with high water-mark
- **LOCKUP** – NELF LP, 6 months initial, none thereafter
- **LOCKUP** – NEF LP, 1 year followed by 6 months from end of quarter following request



HISTORY

2003 – NEF formed and legally set up

2004 – Incubated with Ardour Capital in the Empire State Building

2004 - First Client with just \$100,000

2005 – First full year ended with \$540,000

2006 – incubated with RNK Capital in 527 Madison Avenue

2007 – End the year with \$13,900,000 assets under management

December 2007 – Invest in the potentially game changing SETC

2008 – \$15 million additional funds in June

2008 - Market destabilization causes redemptions and loss of value

2009 – AUM under \$5 million

2010 – Best outlook for sector in the history of the fund



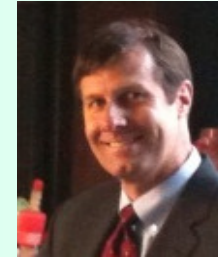
MANAGEMENT TEAM



MARK TOWNSEND COX

FOUNDER, PORTFOLIO MANAGER

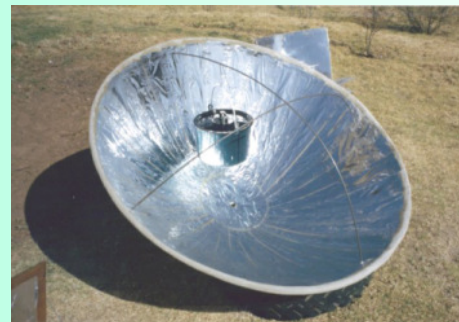
- 25 years Int'l equity experience
- Parabolic solar in Nigeria in 1979
- Founder (in 2003) New Energy Fund
- 12 years as portfolio manager
- 14 years European equity sales
- EMBA, Columbia University
- Series 7, 24, 65, 63 NASD licenses
- Royal Military Academy, Sandhurst
- British Army Airborne lieutenant
- Falklands campaign. Awarded MID
- MA, Dundee University, Scotland
- Fluent spoken French



CHRISTOPHER HUNTINGTON

STRATEGIC CONSULTANT

- 20 years working with high tech companies
- Co-Founder SkyFuel, Inc (utility scale solar)
- Founder Redhook Renewable Energy, LLC
- 17 years with CNN Financial News
- Oxford University graduate Economics
- U.C. Berkeley under-grad Pre Law
- US Olympic Rowing Teams 1984 & 88



STRUCTURE OF FUND



Onshore US

**Sustainable
Energy
Associates LLC**

Onshore General
Partner
New York, USA

NEF Advisors LLC

New York, USA

Investment Manager
for Master Fund

**New Energy Fund
LP**

**New Energy Master
Fund, LP**

NEF 1

private and public
global Renewable
Energy Opportunity

Offshore

**New Energy Fund
GP Limited**
Offshore General
Partner
Jersey, UK



OVERVIEW

New Energy Fund is in its 6th year of track record, recording good years as well as troublesome years.

We started out in 2004 with very little and on a shoestring.

Now we have everything to hang in for, especially our investments into base load solar power

The fund grew to \$26 million in 2008 and have the longest presence in the space as a pure play fund.

Having a focus as a technology selector, the fund has been instrumental in getting important technologies such as base load solar demonstrated successfully



SUPERVISORY BOARD MEMBERS

FINANCE

Russel K. Mason - President and founder of the Investment Management institute (IMI). Member of the Boston Society of Security Analysts and the Financial Analysts Federation.

Curt Weil - Finance professor at University of California, Santa Cruz. 38 years as financial services provider. CFP and a Registered Investment Advisor

SUSTAINABLE DEVELOPMENT

Bjorn Heyerdahl - Grandson of Thor Heyerdahl, of Kon-Tiki fame. Awarded Green Cross by Mikhail Gorbachev for sustainability work.

Anastasios Melis - Professor of Enzymology at the University of California, Berkeley. Researched hydrogen release mechanism of plants.

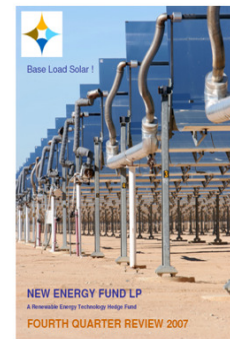
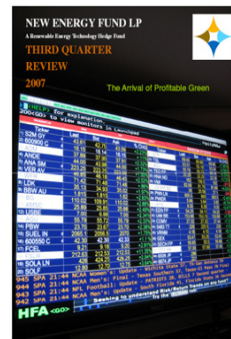
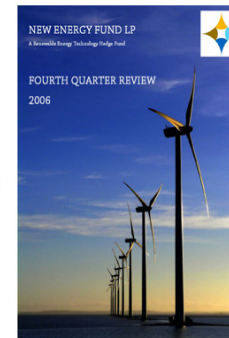
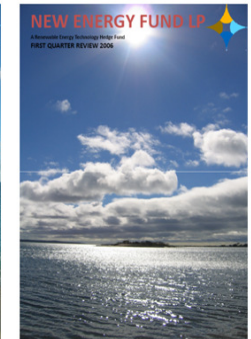
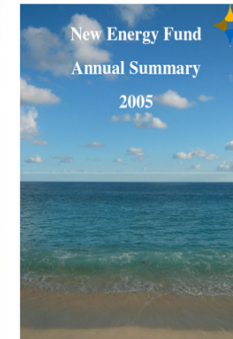
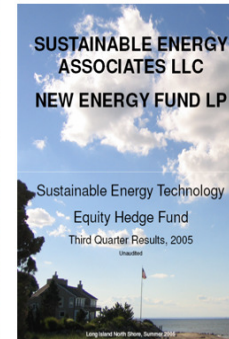
PORTFOLIO END SEPTEMBER 2009



LONG PRIVATE EQUITY	US \$ VALUE	SECTOR	CURR	%	YR %	QTR%	MNTH %	DAY %	TICKER	Cur Mkt Cap
FREEPOWER	848,569.58	E	GBP	22.8%	12.0%	-0.6%	-2.0%	0.0%		
ALTRA BIOFUELS LOCKUP	1,000.00	B	USD	0.0%	0.0%	0.0%	0.0%	0.0%		
SETC CENICOM	551,000.00	S	USD	14.8%	0.0%	0.0%	0.0%	0.0%		
SOLAREMPOWER LIMITED	490,981.48	S	GBP	13.2%	41.6%	-0.6%	-2.0%	0.0%		
TRANSMISSIONS TECHNOLOGIES SOLI	100,000.00	E	USD	2.7%	0.0%	0.0%	0.0%	0.0%		
LONG PUBLIC EQUITY										
AXION POWER	547,848.86	ST	USD	14.7%	96.5%	61.4%	80.8%	0.0%	AXPW Equity	59,784,770
CLEAR SKIES	236,550.24	S	USD	6.4%	0.0%	233.3%	21.4%	0.0%	CSKH Equity	7,322,337
CATCH THE WIND	208,969.20	W	CAD	5.6%	106.1%	30.0%	10.0%	0.0%	CTWWS CN Equity	128,759,000
CHINA WIND	150,000.00	W	CNY	4.0%	172.7%	59.6%	2.0%	0.0%	CWSI Equity	69,072,950
ZBB	83,033.60	ST	USD	2.2%	-3.7%	8.3%	0.0%	0.0%	ZBB Equity	13,803,790
POLARIS GEOTHERMAL	75,392.94	G	CAD	2.0%	166.4%	37.2%	12.5%	0.0%	GEO CN Equity	73,693,710
HELIOCENTRIS	69,632.54	F	EUR	1.9%	-19.1%	7.0%	4.3%	0.0%	H2F GR Equity	13,267,500
ZENN MOTOR	54,835.00	E	CAD	1.5%	211.9%			0.0%	ZNNMF Equity	
HELIX WIND	47,641.90	W	USD	1.3%		89.6%	4.0%	0.0%	HLXW Equity	107,329,400
MCKENZIE BAY	41,000.00	W	USD	1.1%		-18.0%	2.5%	0.0%	MKBY Equity	1,393,852
VALCENT	36,405.19	B	USD	1.0%	107.1%	1899.8%	30.5%	0.0%	VCTZF Equity	36,122,450
SURFECT CONV. BOND	33,000.00	S	USD	0.9%					SUFH Equity	152,345
MCKENZIE BAY	20,500.00	W	USD	0.6%	-44.6%	-18.0%	2.5%	0.0%	MKBY Equity	1,393,852
VALCENT	15,175.93	B	USD	0.4%			69.2%	0.0%	VCTZF Equity	36,122,450
HELIX WIND Warrants at \$0.75	9,948.40	W	USD	0.3%		-179.2%	22.8%	0.0%	HLXW Equity	107,329,400
MCKENZIE BAY	6,150.00	W	USD	0.2%	-44.6%	-18.0%	2.5%	0.0%	MKBY Equity	1,393,852
NEVADA GEOTHERMAL	2,425.00	G	USD	0.1%				0.0%	NGP CN Equity	90,799,210
ODYNE CORPORATION	1,866.67	E	USD	0.1%		-12.5%	-26.3%	0.0%	ODYC Equity	245,496
KRIEDO	967.04	B	USD	0.0%	600.0%	-30.0%	16.7%	0.0%	KRBF Equity	369,047
NOK Cumcy	630.81		NOK	0.0%		-8.8%	-4.1%	0.0%	NOK Cumcy	
SARS	80.00	E	USD	0.0%	-94.3%	-33.3%	-55.6%	0.0%	SARO Equity	19,386
DKK Cumcy	0.74		DKK	0.0%		-4.6%	-3.1%	0.0%	DKK Cumcy	
GLOBAL GREEN WARRANTS	-	B	USD						GGRN Equity	4,935,640
ODYNE CORPORATION WARRANT	-	E	CAD						ODYC Equity	245,496
SURFECT WNT 0.08c	-	S	USD						SUFH Equity	152,345
VALCENT WARRANTS	-	B	USD						VCTZF Equity	36,122,450
KRIEDO WARRANTS	-	B	USD						KRBF Equity	369,047
NOVA OILS WARRANTS	-	B	USD						PBW US Equity	807,591,000
VALCENT WARRANTS	-	B	USD						VCTZF Equity	36,122,450
NEVADA GEOTHERMAL WARRANTS	-	G	USD						NGLPF Equity	
POLARIS GEOTHERMAL WARRANTS	-	G	USD						GEO CN Equity	73,693,710
SARS WARRANTS	-	E	USD						SARO Equity	19,386
VYCON	-	E	GBP						VYCO LN Equity	
Total Longs	3,633,605.12				97.7%					
Total Shorts	(182.11)									
Gross Exposure	3,633,787.23				97.7%					
Total Invested	3,633,423.00				97.7%					
CASH	85,205.20				2.3%					
NAV	3,718,628.20				100.0%					

5 YEAR TRACK RECORD

1. New Energy Fund is celebrating 5 years of quarterly reports on its progress and is entering its 6th year of track record with real assets
2. We have played a role in bringing forward essential renewable energy technologies
3. We were lead investor in Solar and Environmental Technology Corporation, which has an economic solution to base load solar electricity employing concentrated solar thermal energy and ceramic storage techniques
4. We have helped UK based Freepower Ltd develop a unique solar warmed organic rankine cycle technology to develop and market the most economic and reliable small footprint 6, 85 and 120 kilowatt turbine.
5. We have enabled Polaris Geothermal to continue development of its 200 megawatt geothermal resource in Nicaragua. Today they are merged within a stronger union of resource rich joint venture partners with experienced management called Ram Power



MENTIONS IN THE PRESS



Sundance Channel ✕ CLOSE

When Mark Townsend Cox, left his job as a portfolio manager at a family-owned investment firm in November 2003, so that he could start a hedge fund that invested solely in clean-energy stocks, many prospective investors snickered or ignored him completely. With a scant \$100,000, he launched the New Energy Fund on Dec. 30, 2004.

He quickly set about scouring the globe for publicly traded companies involved in sustainable energy or green technology. He found more than 400 of them. Today his fund continues to grow while remaining steadfast in its mission to buy only

MARK TOWNSEND COX
NEW ENERGY FUND

NEW ENERGY FUND

ECOBIZ : THE GREEN premiers April 17

Mark Cox has been a featured guest on Bloomberg, ABC and the Sundance Channel Videos and full texts are available on the NEF website – www.newenergyfundlp.com

Bloomberg 10:24 AM MT 18 MAY

in focus

Dow 13,535.34 ▲ 58.84 10-Yr Note 4.77% ▲ 0.02

Economic Release
U.S. April New Home Sales to be Released Thu, May 24; Est: 860K, Prior: 858K

New Energy Fund Was Up Almost 80% Last Year

in focus

NYSE 0.5 Kroger 29.35 ▲ 0.15 1-3 Communications 94
Nasdaq Cisco 26.17 ▼ 0.11 Citrix Systems 30.49 ▲ 0.01



Mark has been a panel chair and judge for two years running in the Clean Equity Monaco competition, where companies compete on best R&D, execution and commercialization

Algae as Alternative Energy?
Pond scum may soon make your car run.
04/04/2007

MONEY MATTERS

ALGAE: FUEL FOR THE FUTURE? **abc NEWS**

<http://abcnews.go.com/Video/playerIndex?id=3007654>

MENTIONS IN THE PRESS



"My good friend Mark Cox who manages the New Energy Fund LP in New York [] invests in many of these [cleantech] technologies. May I recommend his fund? One of these days, one (or more) of these technologies will indeed be valued as a game changer". [] "I agree with Mr. [Thomas] Friedman (and Mr. Cox) on the need to invest in these technologies".

Michael Berry, **Discovery Investing**.

"There's a raft of IPO's coming," said New Energy Fund Managing Partner Mark Townsend Cox. When evaluating where to place a bet in the burgeoning field, Cox said an investor must always ask "does the technology work and is it economical?"

MarketWatch, Sep 27, 2006

"There's no question that these products [Flywheels] have at least niche applicability, and that's exciting", [Cox] says.

Red Herring, Nov 7, 2005

"With a scant \$100,000 Cox launched the New Energy Fund on Dec 30, 2004. He quickly set about scouring the globe for publicly traded companies involved with sustainable energy or green technology. He found more than 400 of them. His fund is up over 50% in 2006 and has more than \$4 million in assets".

Emily Thornton, **Business Week**, August 14, 2006

"Mark, Thanks for your insights and for making our story possible".
Emily Thornton, **Business Week**, September, 2006

"Researching these selections means he often works hours that make doctors look like slackers, but Cox says, "My job is about passion. Renewable energy is the key to our future."

PlentyMag.com, March 24, 2009

"New York based Sustainable Energy Associates has begun marketing New Energy Fund, its first hedge fund, to international investors. Mark Townsend Cox, who founded the fund in 2003, manages a long short strategy that concentrates on renewable energy. "Global investor interest is growing in renewable energy markets. "Investors are all fired up about being in solar and wind". Cox said.

Alternative Investment News, December 17, 2007.

"A misconception of the sector is that there's a boom going on which will subside again like the dotcom boom. This has no relation. There are real fundamentals coming on and renewable energy is a very small part of the global energy supply, but growing fast over the long term to take its place as a mainstream energy source".

Energy Hedge, April 2007

Is the end of cheap oil a challenge to the world? Yes. Will it affect our standard of living adversely? Not likely. At least that is the verdict of most of a large number of respondents to this month's column, who rely on assumed human ingenuity combined with market forces and government incentives to bolster their arguments. "I can count about twenty methods of creating electricity without burning something, every one of which is essentially an infinite resource that does not pollute or deprive future generations of oil".

Professor Jim Heskett, **Harvard Business School, Working Knowledge**, September, 2004.



RETURNS TO SEPTEMBER 2009



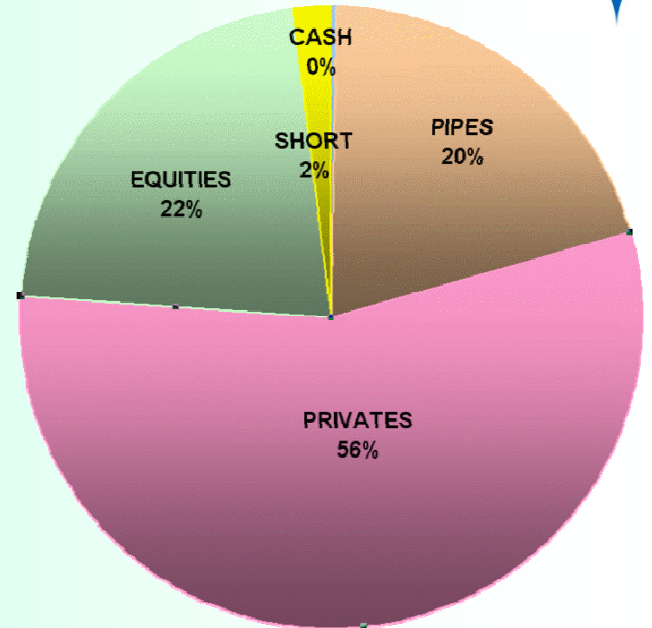
More than half of the portfolio is private equity. This is why there is a lockup in the fund. Liquidity events are expected to occur within a year of investments. An example of a successful investment was the purchase of Akeena Solar in June of 2006 for \$1 per share and the sale at \$16 18 months later. The stock IPO'd within a month of our initial pre- IPO investment.

An example of one that did not do well was the Altra Biofuels investment. We were obliged to write that off when the companies ethanol activities, invested in by Vinod Khosla and Kleiner Perkins as well, effectively went bust. They are still there because they have an ongoing cellulosic project.

The last two quarters have both been rebounding with the markets which changed course in March.

The quarterly gains of 9.04% and 13.45% are the whole portfolio. The public part alone has climbed by 20.54% and 30.57% respectively or a total of 57.39% in the last 6 months.

We currently have 5 private equity positions. One has been effectively written off.



Altra Biofuels – Written off

Freepower – expecting an IPO in 2010 with 250% gain

Solar Empower – going commercial, IPO in 2010

SETC – Going commercial in a big way. See next slide

Transmissions Technology – Ahead of plans to install machines in the Californian grid that will provide us early investors with 100% gains for 20 years.

	Total NEF	Public NEF	NEX Index	Dow Jones
2nd Quarter	9.04%	20.54%	36.09%	11.01%
3rd Quarter	13.45%	30.57%	12.49%	14.98%
Total last 2 quarters	23.70%	57.39%	53.09%	27.64%

FOSSIL FUEL EXTERNALITIES – Energy is Mispriced



**CLEAN
ENERGY**

FAR FEWER EXTERNALITIES

FOSSIL FUELS – Used to manufacture wind and solar and geothermal equipment but this is mitigated when we have a 50% renewable energy world

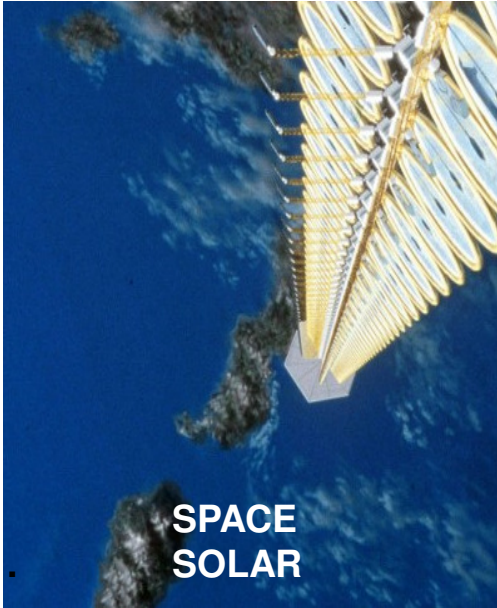
POISONS – thin film solar Cadmium Telluride

Wind Turbine Syndrome – possible health effects to do with wind generation

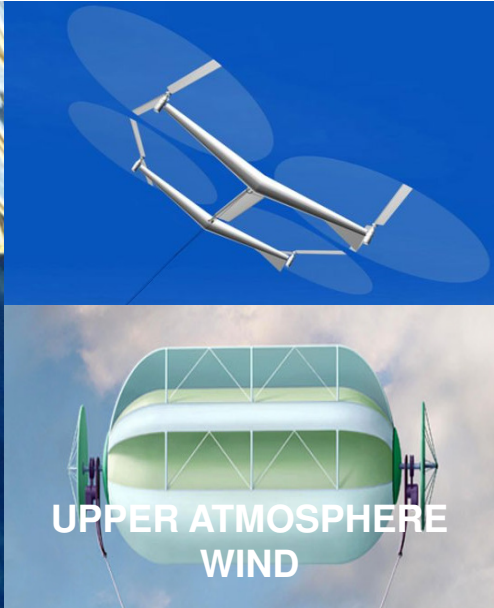


**FOSSIL FUELS
and
NUCLEAR**

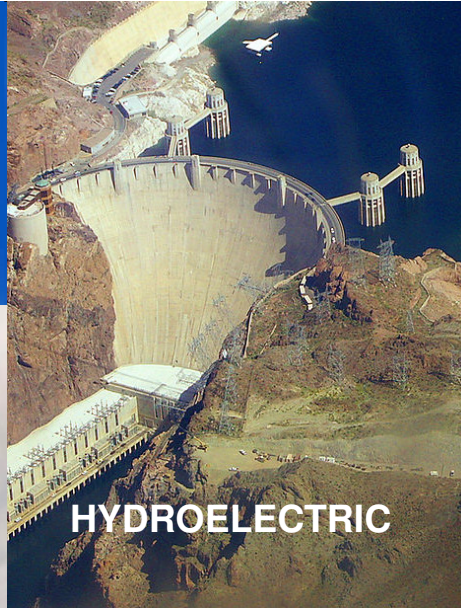
CLIMATE – leading argument for renewables
SECURITY/GEOPOLITICS – OPEC vs Non OPEC
POLLUTION – Most apparent, provable problem
HEALTH – Cancer, respiratory, Immune disease
WASTE – Café Standards in US lower than ROW
RELIABILITY – Centralized vs. Decentralized
INFLATION – Hedge against, no volatile feedstocks
SUBSIDIES – Fossil Fuels get lion's share
DEPLETION – Finite resources clinches the case
COMPLEXITY – If it was simple it would be done



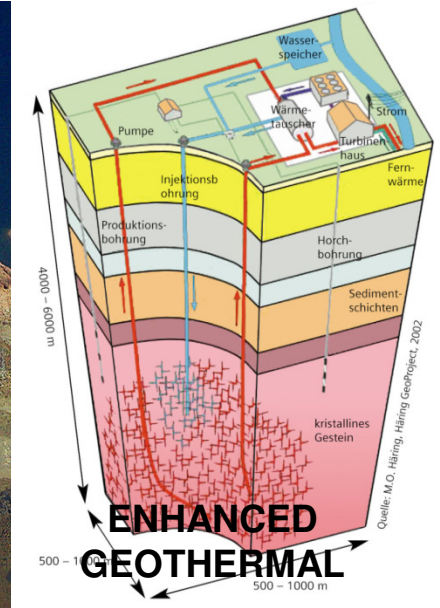
**SPACE
SOLAR**



**UPPER ATMOSPHERE
WIND**



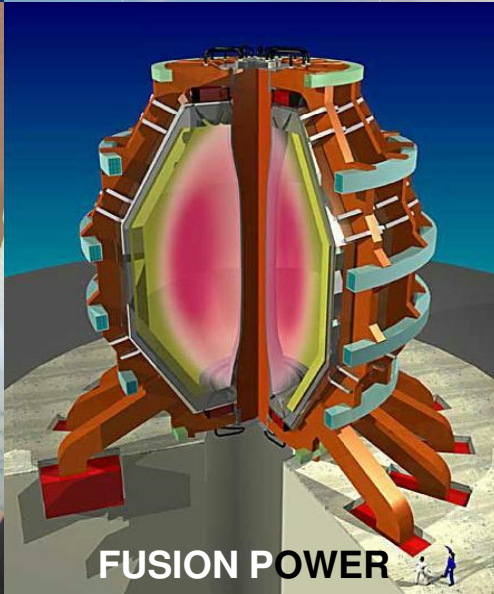
HYDROELECTRIC



**ENHANCED
GEO THERMAL**



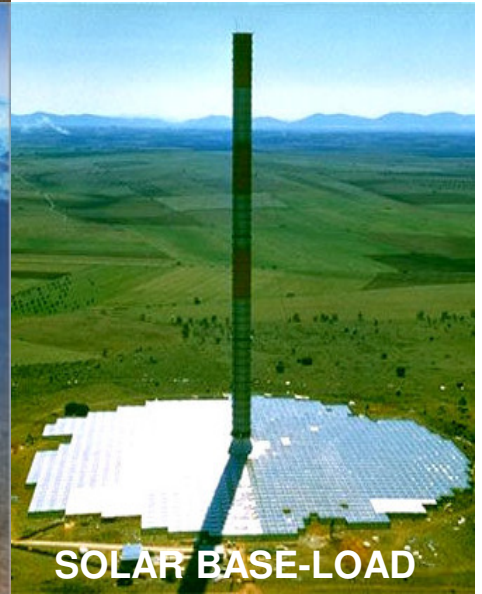
ALGAE BIOFUELS



FUSION POWER



OCEAN POWER



SOLAR BASE-LOAD

NEW ENERGY FUND LP

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