

For immediate release

Enerworks Secures \$3.65 Million Expansion Financing

October 12, 2006

LONDON, ON -- EnerWorks Inc. ("EnerWorks"), a leading developer and manufacturer of residential and commercial solar thermal collectors and appliances, has closed an equity financing of \$3.65 million. The round was led by Chrysalix Energy Management, with Investeco Capital as a co-investor and continued participation from existing investors Covington Venture Fund Inc. and VentureLink Brighter Futures Fund Inc.

EnerWorks has installed hundreds of its proprietary solar hot water heating systems in a wide variety of single family homes, housing developments and commercial facilities across North America. The systems offer industry-leading price, performance and efficiency levels. In receiving the SRCC OG-100 certification, the EnerWorks commercial collector has been certified with the highest per unit area energy rating compared to all other certified technologies. This financing will be utilized to rapidly scale production, provide sales and marketing support to EnerWorks' existing certified dealer and distributor network and continue to develop its dealer network throughout North America.

EnerWorks has a close relationship with the Queen's University Solar Calorimetry lab for the joint development of other solar thermal products in the integrated space heating, geothermal and cooling applications.

EnerWorks is pleased to announce the appointment of Mr. Ken Arnold, P.Eng, MBA as Chief Executive Officer and Mr. Lars Sjoberg as Chief Operating Officer. Both Mr. Arnold and Mr. Sjoberg are seasoned and experienced senior managers of rapid growth technology based companies focused on global markets. Mr. Mike Noble, MBA and Founder, has been appointed President and Mr. Jim Fletcher of Chrysalix has joined the Board as Chair.

The EnerWorks appliance utilizes patented technology developed jointly with Queen's University to dramatically increase the reliability of solar thermal systems for residential and commercial use. An automated manufacturing process significantly reduces costs to dealers and end customers. EnerWorks' turnkey appliance approach, a first in the solar thermal industry, substantially reduces installation time and complexity for builders, HVAC contractors, renewable energy dealers and installers.

"The enthusiastic response of our dealers and distributors to the EnerWorks product offering has confirmed our approach to solving the traditional solar thermal reliability issues of stagnation and heat exchanger fouling, reducing costs through automation, and decreasing the time and complexity underlying the installation of the product. This funding will allow us to support our distribution network, scale production and meet demand for the product on a timely basis." says Ken Arnold, CEO. Jim Fletcher of Chrysalix says "We believe that EnerWorks is uniquely positioned to provide the solar thermal market with a breakthrough product and solid manufacturing and distribution. With this equity funding, a proven, certified product and

additions to the management team, EnerWorks is ready to grow rapidly in North American and other global markets.”

About EnerWorks:

EnerWorks is a provider of solar thermal water heating systems for residential and commercial applications. The EnerWorks technology and design philosophy provides outstanding performance, manufacturability, ease of installation and reliability.

www.enerworks.com

About Chrysalix Energy Management:

Chrysalix Energy is the General Partner of Chrysalix Energy Limited Partnership, formed in 2001, and Chrysalix Energy II U.S. Limited Partnership, formed in 2005. Chrysalix invests in early-stage; technology-based clean energy companies and actively supports them with management and board assistance, technological resources, organized networking with industrial and financial partners and the management of intellectual property. Investors in the Chrysalix Energy Partnerships include Ballard Power Systems, BASF Venture Capital, BOC, The Boeing Company, Mitsubishi Corporation, Shell Hydrogen, Robeco, WestAM and Teachers’ Private Capital. For more information visit www.chrysalix.com.

About Investeco Capital

Investeco Capital Corp. is a private equity investment firm that invests in private companies specializing in alternative power, water technologies, organic and natural foods, and environmental technologies. Investeco’s mandate is to produce superior financial returns by investing in high-growth environmental companies with lasting competitive advantages. For more information visit www.investeco.com .

About Covington Venture Fund Inc.:

The Covington Venture Fund is part of the Covington Group of Funds which is one of the largest and most experienced Labour Sponsored Investment Fund providers in Canada with over \$500 million in assets under management. For more information visit www.covingtonfunds.com .

About Venture Link Brighter Future Fund Inc.:

VentureLink Brighter Future Fund Inc. is a Labour Sponsored Fund and is part of the VentureLink group of funds which total more than \$200 million in assets. The VentureLink Brighter Future Fund focuses on investments in companies in areas of telecommunications, information technology, biotechnology, alternative energy as well as water and waste treatment. For more information visit www.venturelinkfunds.com .

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