

**FOR IMMEDIATE RELEASE**

**CONTACT:**

Eric Stoermer  
President & CEO  
508.743.8440  
estoermer@eosenvironmental.com

**Environmental Operating Solutions, Inc. completes \$3.5 million  
financing**

**New investors to contribute significant expertise in the agriculture and wastewater  
utility sectors**

*BOURNE, MA, July 7, 2010* —Environmental Operating Solutions, Inc. (EOSi) announced today that it had completed a \$3.5 million venture capital financing to support the company's growth. Existing investor Stuart Mill Venture Partners was joined by new institutional investors Cultivian Ventures, LP and Meidlinger Partners.

Proceeds from the investment will be used to support growth of the company's MicroC™ line of non-hazardous, agriculturally-derived carbon sources for biological contaminant removal. MicroC™ Premium Carbon Sources are green chemicals that are used by municipal and industrial wastewater facilities, primarily for removal of nitrogen.

"EOSi has made significant progress since our initial investment in March 2008, particularly in adding new municipal and industrial customers, introducing its MicroC 2000™ product and successfully implementing a nationwide build-out of its manufacturing and distribution network," said Jeff Salinger, Managing Partner of Stuart Mill Venture Partners.

"With our focus on investments in the food and agriculture sector, we believe that our experience will enable the company to broaden and deepen its relationships with key agricultural raw materials suppliers," said Andrew Ziolkowski, Managing Partner of Cultivian Ventures, LP. "These relationships will be critical as the company rapidly grows sales of its existing products and identifies other agricultural materials to be used within new products."

"We see significant growth in the company's core market for wastewater denitrification as regulators continue to implement more stringent nitrogen discharge permits in an effort to protect and restore critical ecosystems from the damages caused by nutrient pollution. Recent action by EPA to implement a mass-based daily limit for nitrogen and phosphorous in the Chesapeake Bay watershed highlights the future growth prospects within this market," said Kevin Brophy, CEO of Meidlinger Partners. "We look forward to adding value by helping EOSi navigate the regulated water and wastewater utility industry."

“We are excited to add two new institutional investors to the company and look forward to continue expanding our customer base within municipal and industrial customer segments,” said Eric Stoermer, President & CEO of EOSi. “In addition to supporting growth within our core market for biological nitrogen removal, we will utilize the capital to develop new products and pursue new application areas, including the application of our products within denitrification filters (and other “fixed film” technologies), groundwater remediation and drinking water systems.”

**MicroC™ Premium Carbon Sources offer the following advantages:**

- **Improved Safety:** MicroC 1000™ and MicroC 2000™ are completely nonflammable, nontoxic and 100% green products, made from natural, renewable sources of agricultural raw materials.
- **Quality and Consistency:** Manufactured to stringent quality specifications.
- **Environmental Sustainability:** Manufactured from abundant and renewable agricultural raw materials, sourced in the U.S.
- **Price Stability and Cost Effectiveness:** Readily available from domestic resources regardless of market conditions, minimizing the possibility of supply disruptions.
- **Rapid Acclimation Period:** Allows plant operators to optimize their dosing rates during plant start-up, maximizing nitrate removal while minimizing chemical costs.
- **Multiple Applications:** Used across a broad range of biological contaminant removal applications including nitrogen removal and BOD supplementation.

**ABOUT EOSi ([www.eosenvironmental.com](http://www.eosenvironmental.com))**

Environmental Operating Solutions, Inc. provides innovative products for the purification of water. The company’s MicroC™ line of denitrification products target contaminant nitrogen at wastewater treatment facilities. There are currently three products under the MicroC™ Premium Carbon Sources umbrella. MicroC 1000™ and MicroC 1100™ are carbohydrate-based and MicroC 2000™ is a crude glycerin-based product. EOSi currently provides more than 320 wastewater treatment plants with a safer, more effective, and environmentally sustainable solution compared with methanol and other carbon sources. In addition, EOSi offers highly specialized technical expertise and support to help plant engineers and operators optimize the use of its denitrification products. EOSi is also engaged in research and development efforts focused on bringing the next generation of specially engineered Premium Carbon Sources to the market. EOSi was established in 2003 and is based in Bourne, Massachusetts.

**ABOUT Stuart Mill Venture Partners ([www.stuartmillvp.com](http://www.stuartmillvp.com))**

Stuart Mill Venture Partners, L.P. is a Northern Virginia-based fund investing principally in small- to medium-size companies with substantial growth prospects. The fund has a special focus on the clean technology sector but also considers investments in areas such as technology, travel/hospitality, and federal government services. In addition to providing growth capital, the fund offers experienced business guidance to its portfolio companies.

**ABOUT Cultivian Ventures, LP ([www.cultivian.com](http://www.cultivian.com))**

Cultivian Ventures, LP is a Carmel, IN-based venture capital fund investing in promising venture stage companies that bring valuable innovations to growing segments of the food & agricultural industries. Cultivian Ventures focuses primarily on companies in human and animal wellness, animal health, food safety, biobased products and processes, environmental technologies and production efficiency technologies. The Cultivian Ventures team brings 50 years of experience in venture capital investing and in turning research into successful businesses within the food and agricultural industries.

**ABOUT Meidlinger Partners ([www.meidlingerpartners.net](http://www.meidlingerpartners.net))**

Meidlinger Partners, LLC is a Philadelphia based private equity investment firm dedicated to providing expansion capital to proven cleantech companies in the lower market with solutions to solve the world's water, wastewater and related energy problems.

###