



NEWS RELEASE

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SENSORTRAN CLOSES \$3.5 MILLION IN FUNDING

Austin-based fiber optic sensor provider receives third VC investment round

Austin, Texas – December 15, 2008 – SensorTran, Inc., the developer of the world's most advanced distributed temperature sensing (DTS) technologies, today announced a \$3.5 million round of venture capital financing, which will be used for working capital and to accelerate the growth of SensorTran's Smart Grid and wellbore monitoring businesses. Participants in the round included Advantage Capital Partners, Expansion Capital Partners, WHEB Ventures, and Stonehenge Capital Company.

SensorTran, the only North American DTS manufacturer, develops distributed asset monitoring solutions that offer real-time, high-resolution and continuous temperature measurements along optical fibers. The company has deployed DTS systems in all major regions of the world to monitor oil wells, pipelines, LNG tanks, and power cables. SensorTran attributes its dramatic growth to its superior technology and customer service as well as the company's flexibility to support a variety of global energy projects. SensorTran's customers include Baker Hughes, Halliburton, Austin Energy, BC Hydro, and other Fortune 1000 companies.

"SensorTran's continued innovation and international sales success will make us cash-flow positive in 2009," said Kent Kalar, CEO of SensorTran. "This investment will help us to continue to aggressively grow the company despite the broader economic slowdown."

Tim Cockshutt, a managing director at Advantage Capital in Austin, stated: "SensorTran is a great example of an Austin company developing technology that not only impacts the bottom line, but makes a positive environmental impact as well. This additional funding will help SensorTran continue on its strong growth path while pushing the envelope on clean energy innovation."

About SensorTran

SensorTran is an ISO 9001 certified, global supplier of fiber optic-based distributed monitoring solutions. Customers benefiting from SensorTran's DTS technology include many of the world's largest energy providers. DTS systems, which can be customized for any language, have applications in downhole oil & gas, transmission and distribution power cable monitoring, pipeline flow assurance and leak monitoring, process vessel hot spot detection, storage tank leak detection, and environmental monitoring. For more information, visit www.sensortran.com.

About Expansion Capital Partners, LLC

Founded in 2002, Expansion Capital Partners, LLC, invests venture capital exclusively in expansion-stage, Clean Technology enterprises. The firm targets companies that offer dramatic improvements in resource efficiency and productivity, while creating more economic value with less energy and materials, or less waste and toxicity. Clean Technology Fund II, LP, invests in US and Canadian enterprises with current customer revenues of \$2-30 million, combined with solid prospects of attaining \$30-\$100M in revenues within 3-5 years. The fund makes initial investments of \$3M to \$10M, with its Partners taking active, value-add Board roles. Expansion Capital has offices in San Francisco and New York. Further information can be found at www.expansioncapital.com.

About Advantage Capital Partners

Advantage Capital Partners (www.advantagecap.com) is a leading venture capital and small business finance firm focused on early stage companies and other investments supporting state and local economic development efforts. With offices and partners in Austin, New Orleans, St. Louis and other U.S. cities, Advantage has raised more than \$1 billion in capital since 1992 and invested in companies located in geographic areas underserved by traditional venture capital.

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