



NEWS RELEASE

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SENSORTRAN RECEIVES \$8,000,000 FUNDING

*Leader in distributed temperature sensing for energy industry announces
second investment round*

Austin, Texas – December 20, 2007 – SensorTran, Inc., the developer of the world's most advanced distributed temperature sensing (DTS) technology, today announced an \$8,000,000 round of venture capital financing. The round was co-led by new investor Advantage Capital Partners and prior investor Expansion Capital Partners, with all existing investors participating, including WHEB Ventures and Stonehenge Capital Company.

SensorTran develops distributed temperature sensing (DTS) solutions that offer real-time, high-resolution, and continuous temperature measurements along optical fibers. The technology is the result of six years of research, development, field experience, and proprietary know-how. Applications of this platform technology include monitoring transmission and distribution power cables, downhole oil and gas wells, high temperature vessels, pipelines, storage tanks, and climate change. SensorTran's customers include Baker Hughes, Core Lab, Tyco, N-Star, BC Hydro, as well as numerous Fortune 1000 companies.

Kent Kalar, CEO of SensorTran, stated: "SensorTran's differentiated technology development, and our focus on solving customer problems, have successfully positioned the company to take advantage of rapid growth in a variety of global markets. The past year was SensorTran's strongest to date, and this additional capital will empower us to continue expanding our product portfolio, our sales reach, and our global service network."

Mark Donohue, Chairman of Expansion Capital Partners, and Chairman of SensorTran, stated: "It is rare to find a company with the quality of management team that SensorTran offers. They are consummate professionals in all operational areas. SensorTran has emerged as a true force in the DTS industry through superior technology development and great customer service. Given the compelling benefits of DTS in many clean energy and energy monitoring applications, SensorTran is perfectly positioned to emerge as the market leader."

Tim Cockshutt, a Managing Director for Advantage Capital in Austin, stated: “SensorTran has developed an outstanding product line, and the company offers exceptional customer support on a global basis. As a result, the company has experienced significant growth over the past year. This financing will accelerate the growth and provide economic benefit to the Austin area.”

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 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 . For interviews, contact Mark Donohue at 617-571-4440.

About Advantage Capital Partners

Advantage Capital Partners is a private equity firm focused on investing in promising companies in connection with federal, state and local economic development efforts. With offices in Austin, New Orleans, St. Louis and other cities, Advantage has raised more than \$800 million in institutional venture capital since 1992 and invested in companies located in geographic areas underserved by traditional venture capital. For more information, visit www.advantagecap.com.

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