

LUDGATE ENVIRONMENTAL FUND LIMITED ('LUDGATE ENVIRONMENTAL'
OR 'COMPANY')

Announcement of admission and commencement of dealings on Alternative Investment
Market ('AIM')

2nd August 2007

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Ludgate Environmental, which is a newly incorporated, Jersey domiciled,
closed-ended investment company, is pleased to announce that its participating
shares of no par value ('Shares') and Investor Warrants have today been admitted
to trading on AIM, a market operated by the London Stock Exchange plc. Dealings
in the Shares and Investor Warrants commenced today at 08.00 am under the ticker
symbols LEF and LEFW respectively.

Ludgate Environmental has been launched to enable experienced and sophisticated
investors to participate in a diverse portfolio of Environmental/Cleantech
company investments. Ludgate Environmental believes that there are a number of
key drivers of growth, both in terms of business and investment activities,
within this sector including:

- * increasing demand for, and decreasing supply of, natural resources;
- * rising concern over the economic costs of waste accumulation and
pollution;
- * growing awareness of environmental issues amongst the public; and
- * environmental technology advances in recent years.

Further information on the investment objective and policies of the Company are
set out in the AIM admission document published on 30th July 2007.

A placing has been completed of 25,705,000 Shares at 100p per Share (the
'Placing'). After providing for the cost of the launch of the Company, the net
asset value per Share is expected to be 97.3p.

The Shares were issued with Investor Warrants attached on a 1 for 4 basis. Each
Investor Warrant entitles the holder to subscribe for one new Share. The
Investor Warrants, which have an exercise price of 150p, can be exercised during
the period of 28 days following the date of publication of the annual audited
accounts of Ludgate Environmental for all of the financial years ended June 2008
to 2012. Following the Placing, 6,426,250 Investor Warrants are in issue.

In addition to the Investor Warrants, the Manager has been issued with 1,285,250

Manager Warrants. The Manager Warrants will not be listed and save for the subscription price being 175p will have the same terms and conditions as the Investor Warrants.

PricewaterhouseCoopers LLP is acting as Nominated Adviser and Fairfax I.S. plc is acting as Broker to Ludgate Environmental.

Copies of the document will be available free of charge at the offices of Ludgate Environmental, 22 Grenville Street, St Helier, Jersey JE4 8PX, of Ludgate Investments Ltd, 46 Cannon Street, London EC4N 6JJ and of PricewaterhouseCoopers LLP, 1 Embankment Place, London WC3N 6RH during normal business hours on any weekday (Saturdays and public holidays excepted) until the date falling one month after the date of admission.

John Shakeshaft, Chairman of Ludgate Environmental Fund Limited, said:

'The Board and the Investment Team see the Environmental/Cleantech Sector, in which companies tackle the world's increasing environmental problems through the provision of technology and services, as an exciting and fast growing segment of the global economy. It therefore represents, in our view, one of the most compelling investment opportunities. We are delighted to launch the Fund to invest in this sector and will work to generate a significant level of capital growth in the medium to longer term.'

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Fairfax I.S. PLC, which is authorised and regulated in the United Kingdom by the Financial Services Authority and a member of the London Stock Exchange plc, is the Company's broker for the purposes of the AIM Rules and is acting exclusively for Ludgate Environmental in connection with the placing and the proposed admission of the issued and to be issued Shares and Investor Warrants to trading on AIM. Fairfax will not be responsible to anyone other than Ludgate Environmental for providing the protections afforded to clients of Fairfax or for advising any other person on the placing and the arrangements described in this announcement.

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