

Ludgate Environmental Fund Limited
19th February 2008

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

Announcement of proposed placing of additional securities on the AIM market of the
London Stock Exchange

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Ludgate Environmental is pleased to announce that the Company is proposing to issue additional participating shares of no par value ('Shares') on a non-pre-emptive basis as permitted under the Articles of Association of the Company. Up to 2,673,509 Shares are being placed with investors at 112.0 p per share which represents a small premium to the unaudited net asset value per share of 110.16 p on 14th February 2008, as estimated by the Company. This placing, if fully subscribed, represents a 10% increase in the number of Shares in issue. No Investor Warrants are being issued.

These Shares are expected to be admitted to trading on AIM on or about 27th February 2008. Dealings in these Shares are expected to commence at 08.00 am on that day. The Shares will rank *pari passu* with those in issue.

Following this placing, there will be up to 29,408,608 Shares and 6,683,774 Investor Warrants in issue.

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