

# PRESS RELEASE

## FOR IMMEDIATE RELEASE

For More Information Contact:

Trudy Somers, Dean, AIC School of Business Administration - 413-205-3230

Paul Peter Nicolai, Nicolai Law Group, P.C. - 413-272-2000, ext 1

John Gannon, President, CASTion Corporation - 413-589-1601

Robert Crowley, Executive Vice President, MTDC - 617-723-4920

Scott Leishman, Managing Director, Spencer Trask Specialty Group - 800-622-7078

SPRINGFIELD - CASTion Corporation of Ludlow, Massachusetts has announced the successful closing of a total of \$2.45 Million in new investment in the Company. CASTion's President & Chief Executive Officer, John Gannon, announced that a group lead by Spencer Trask Specialty Group in New York City, together with current investors, have closed on the transaction. CASTion has become a national leader in industrial wastewater and chemistry recovery systems, with 33 successful installations. It has received awards from the U.S. EPA for Technology Innovation, the Mass. EOE for its new 60,000gpd zero-discharge installation at Columbia Manufacturing in Westfield, MA, and a "New Englander Award" from the Smaller Business Assn. of New England.

This investment is CASTion's third successful round of venture capital equity funding.

Gannon noted that the closing on this new investment came as a direct result of his presenting CASTion's business plan at the September 25, 2001 session of the WESTERN MASSACHUSETTS VENTURE FORUM at AMERICAN INTERNATIONAL COLLEGE. The CASTion Plan was referred to Spencer Trask Specialty Group by the Venture Forum as part of its plan review process. Spencer Trask and about 90 other funding sources are registered with the Venture Forum to receive plans.

Spencer Trask Specialty Group Managing Director, Scott Leishman, noted that their involvement with the Western Massachusetts Venture Forum enhances the efficiency of their operation. "We know that when the Western Mass Venture Forum sends us a business plan, it meets our investment criteria. They save us the time and effort of the first level review which means we can get on with the business of deciding whether we are interested in the specific proposal," said Leishman. "Plans from the Western Mass Venture Forum hit my desk pre-qualified, which means our first look is a more serious one than with plans which just come over the transom. I can honestly say that investing in Western Massachusetts would not be on our radar screen without our involvement in the Western Mass Venture Forum."

Paul Nicolai, President of Nicolai Law Group in Springfield, a Forum Sponsor and Chair of its Business Plan Review Committee, noted that the Western Mass Venture Forum gives businesses with a need for capital the exposure they need to get it. "Credibility is a key to successful business financing," said Nicolai. "We take every step we can to make sure that investors getting plans from the Forum can rely on the fact that we have ensured it's within the scope of their portfolio. This means the plan hits the investment community with a leg up and will get serious consideration."

- MORE -

Massachusetts Technology Development Corporation, another Forum sponsor, is an investor in CASTion and will participate with Spencer Trask in this additional round. "We're proud of the fact that the Western Mass Venture Forum gave us the opportunity to convince a Wall Street player in the soundness of the CASTion opportunity." said MTDC Executive Vice-President Robert Crowley. "Our participation in the program at American International College is certainly returning dividends," he noted.

Dr. Trudy Somers, Dean of the American International College School of Business, another Forum Sponsor, noted that the College's involvement in the Forum "is a way to make sure our programs remain grounded in the reality of the capital raising process. Theoretically, anything is possible. Practically, only what makes sense and has the potential for making participant money happens," she noted. "The Venture Forum shows our students how capital is really raised and what it takes to succeed, making them prepared for involving themselves in the real world of business."

The 2001-2002 Season of the Western Massachusetts Venture Forum is sponsored by American International College, Nicolai Law Group, P.C., Massachusetts Technology Development Corporation, Burkhart & Pizzanelli, P.C., Themistos & Dane, P.C. & PriceWaterhouseCoopers, LLC.

The next session of the Western Massachusetts Venture Forum gets underway at 5:30 PM on March 26, 2002 with registration at the Karen Sprague Cultural Arts Center at the American International College Campus at 1000 State Street in Springfield.