



FOR IMMEDIATE RELEASE

TANTALUS AND ENERGATE TEAM UP ON HOME ENERGY MANAGEMENT SOLUTIONS
Next generation smart thermostat provides maximum flexibility for consumers and utilities in conservation, convenience and cost containment

Vancouver, BC Canada – June 19, 2008 – Tantalus and Energate announce a partnership agreement to further develop a Programmable Communicating Thermostat that provides utilities a fast, affordable and highly effective way of interacting with customers on energy conservation initiatives.

The Programmable Communicating Thermostat combines Energate's innovative smart thermostat technology with a versatile user interface, real-time communications and customer signaling to deliver coordinated action to individual homes or groups of homes via TUNet®, the Tantalus Utility Network. The result is an extremely powerful Demand Response solution suite that can be deployed on its own or in conjunction with a conventional TUNet AMI system. A utility can choose between ZigBee or the TUNet 900 MHz LAN for communications with appliances or other load management devices. It is an end-to-end TUNet Demand Response solution for Smart Grid initiatives that include load shedding, load cycling and customer signaling, which is an efficient way to alert consumers when different price levels are in effect and when clean or green energy is on the grid.

"Our mutual goal is to make it easy for utilities and consumers to participate in energy and cost saving, and realize the other benefits of conservation initiatives. The Energate team and their technology is second-to-none in the home energy management industry, and balances the needs of the utility and the consumer," said Dom Geraghty, CEO of Tantalus. "The Programmable Communicating Thermostat is designed for versatility. It's a highly configurable and customizable solution that enables a utility to implement desired rate structures, load control programs, user messaging and over-ride permissions to whatever degree makes the most sense. It makes it possible for utilities to create programs that truly engage consumers and provides a strong feedback mechanism so that each participant can maximize energy management, in terms of both comfort and results."

"We see this as much more than a smart thermostat," said Niraj Bhargava, CEO of Energate. "It's an essential in-home appliance, an energy gateway that provides a full range of utility load control programs while supporting the needs and wants of consumers. Combining Tantalus' leading edge communications technology with our home energy management solution provides consumers and utilities with a way to cooperate as never before, and have a positive effect on energy usage."

The device features an intuitive console and large LCD panel. With the push of a button, a consumer can opt in or out of a shedding event or cycle down pre-selected appliances such as an air conditioner. Over-the-air programming and firmware upgrade capability allows a utility to easily alter operating parameters via a web application. This includes adjusting price alert levels, adding functionality, moving a customer to a new DR plan, or offering innovative new programs that reflect changing market conditions, individual cost and comfort preferences, and the evolution of Demand Response.



"This is a significant element in our broader energy efficiency initiative, which is being funded by the federal government as part of SDTC (Sustainable Technology Development Canada)," added Geraghty. "We're excited about this opportunity to provide utilities with a comprehensive solution that allows them to closely monitor consumption of electricity, water and gas, pinpoint inefficient energy use and implement programs to help consumers save money and reduce their carbon footprint."

Energate and Tantalus will display the new Programmable Communicating Thermostat at the APPA (American Public Power Association) annual convention and expo in New Orleans on June 23 and 24, 2008.

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About Tantalus Systems Corp.

Tantalus designs, manufactures and markets two-way, real-time data communications networks to monitor and control electric, gas and water utilities. TUNet® – the Tantalus Utility Network – is a single, multi-purpose communications backbone specifically designed to help utilities automate their distribution infrastructure. Tantalus' long-range wireless networks unite a utility's applications, making advanced metering, outage management, power quality monitoring, load control, and distribution automation cost-effective and practical throughout both urban and rural service areas. For more information, please visit www.tantalus.com.

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About Energate Inc.

Energate's home energy management platform lets consumers and utilities manage energy use and reduce peak demand without sacrificing comfort and convenience. Building upon over 25 years of HVAC industry experience, Energate smart thermostats offer industry-leading equipment interface technology and comfort control algorithms. Founded in 2004, Energate's corporate offices are in Ottawa, Canada with sales offices in Texas and California, USA. Visit www.energateinc.com

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