



## **PARALLEL49 EQUITY ACQUIRES KINETREX ENERGY**

*Provider of Clean Energy Fuels Becomes Sixth Investment by Parallel49 Equity Fund V*

For Immediate Release

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Indianapolis, IN – Parallel49 Equity is pleased to announce the acquisition, in partnership with management, of Kinetrex Energy (“Kinetrex” or the “Company”), from Citizens Resources (“Citizens”). Kinetrex represents the sixth platform investment by Parallel49 Equity Fund V.

As the leading supplier of liquefied natural gas (“LNG”) in the Midwest, Kinetrex operates two LNG production facilities in Indianapolis, each with 1 billion cubic feet of cryogenic storage capacity. LNG allows Kinetrex to take natural gas wherever it needs to go, providing fueling solutions to the transportation, commercial, industrial, agricultural and power markets, replacing costlier and less environmentally friendly fuels such as diesel, propane and waste oil. As part of the liquefaction process, Kinetrex converts natural gas to its liquid form through a complex series of steps which involve compressing, cooling and condensing methane to  $-265^{\circ}\text{F}$  ( $-160^{\circ}\text{C}$ ). In addition to LNG, the Company also designs, markets and implements traditional pipeline natural gas (“PNG”) and renewable natural gas (“RNG”) energy solutions for its customers.

As an expert in clean energy fuel solutions, Kinetrex is a key and growing player in connecting and supplying RNG to the nation’s transport markets. RNG is derived from abundant renewable sources, including organic waste in landfills, wastewater treatment plants and agricultural operations, and emits approximately 90% less greenhouse gas as compared to diesel fuel.

“We are thrilled to partner with Aaron Johnson, Craig Moore, Terry Peak and the entire Kinetrex team,” said Jonathan Dries, Managing Director at Parallel49 Equity. “LNG is a clean, cost effective fuel source which reduces greenhouse gases relative to diesel and other fuels. The Company’s two strategically located storage facilities in the central U.S. allow Kinetrex to offer unparalleled reliability and customer service to our clients and make Kinetrex a highly attractive, unique investment,” added Jack Westerman, Managing Director at Parallel49 Equity.

Aaron Johnson, who will continue in his role as the CEO said, “Since starting Kinetrex, we have become the leading Midwest provider of high quality LNG as a clean and alternative energy fuel source.” He added, “As a lifelong Hoosier I am pleased that Citizens’ sale to Parallel49 will keep Kinetrex headquartered in Indianapolis. Moreover, we are confident that Parallel49 Equity will help accelerate our growth strategy so as to achieve the same success in the RNG and PNG markets that we have enjoyed in the LNG market.”

Financing was provided by The Huntington National Bank and Fidus Investment Corporation. Periculum Capital Company advised Kinetrex.

### **About Kinetrex Energy**



Kinetrex is the leading supplier of liquefied natural gas in the Midwest and operates two significant LNG production facilities located in Indianapolis. The Company designs, markets and implements a portfolio of LNG, pipeline natural gas and renewable natural gas energy solutions to customers in the transportation, commercial, industrial, agricultural and power markets. Prior to the transaction, Kinetrex was a wholly-owned subsidiary of Citizens Resources, a subsidiary of Citizens Energy Group, a broad-based utility service company serving over 800,000 residential, commercial and industrial customers in the Indianapolis area. For more information about Kinetrex, visit [www.kinetrexenergy.com](http://www.kinetrexenergy.com).

### **About Parallel49 Equity**



Parallel49 Equity is a leading private equity firm that invests in profitable, well-managed, lower middle-market companies in the U.S. and Canada. Since inception in 1996, the firm has managed over \$1.2 billion of capital invested in companies in the specialty manufacturing, business services and value-added distribution industries, working closely with management teams to create value. Parallel49 Equity is currently investing its fifth fund with \$400 million in committed capital. To learn more about Parallel49 Equity, visit [www.p49equity.com](http://www.p49equity.com).

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