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GroundMetrics, Inc. Announces Closing of \$1.5 Million in Second Round of Financing, Exceeding Participation Expectations

Company Attracts Global Interest in Enhanced Oil Recovery Technology

SAN DIEGO--(BUSINESS WIRE)--GroundMetrics, Inc. (GMI) has successfully raised its second round of financing, following a successful proof-of-concept test conducted on an operating oilfield undergoing enhanced oil recovery (EOR) in the United States. Despite the fact GMI raised the ceiling by 50% near the end of the round due to greater than expected participation, the round was still oversubscribed at final closing.

Since its previous round of financing closed in December of 2011, GroundMetrics has exceeded goals and built tremendous value based on innovation, intellectual property, and industry collaboration. The investors recognized this increase in value with a 2.5x growth in valuation.

This second round of financing was led by the Tech Coast Angels (TCA), as was the first. The TCA ACE Fund "focuses on companies with early exit potential providing investors with early liquidity" and participated heavily alongside many individual TCA members. Other Southern California syndicates consisted of the Rady Venture Fund, La Costa Investment Group, Crescent Ridge Partners Ventures, and Rancho Santa Fe Partners. This round of financing also attracted international interest with investors coming from Cyprus, Dubai, Great Britain, and India.

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Investor and TCA deal lead Jonathan Moss said, "A disruptive technology in the oil and gas space attracted me to GroundMetrics. Combining solid management, excellent IP, and a good business plan, the conclusion after due diligence was a definite 'buy.'" "GroundMetrics is a great example of what we look for, a fantastic team taking a disruptive technology to market," said Navid Alipour, Principal of La Costa Investment Group and Managing Partner at Analytics Ventures.

The purpose of this second round of financing is to enable GroundMetrics to complete product engineering and initiate commercialization. GroundMetrics management reports that a number of energy firms are asking the company to bid jobs even though GroundMetrics' technology is still at the prototype stage and additional engineering is necessary before it can provide commercial surveys.

GroundMetrics CEO George Eiskamp said, "I'm pleased but not surprised by the success of this round because real pull-through demand drove the formation of GroundMetrics. Our technology was not a solution in search of a problem. It was created in response to the world's largest oil and mining companies paying us to develop and demonstrate prototypes."

An investment arm of a major oil company wants to participate as part of a larger syndicate, to be led by a credible financial institution that is or has been active in this space. The company's business plan includes putting a \$5M deal together in approximately a year from now via these types of institutions or a boutique investment bank.

Eiskamp continued, "We are in a special place in that we have a unique technology, an outstanding team, good financial backing, and strong interest from the market as well as the financial community. GroundMetrics is in the enviable position to select which investors to partner with in the future in order to maximize success. I'm looking forward to finding the right financial partner to enable us to scale up and quickly saturate the market with outstanding services powered by proprietary technology."

About GroundMetrics

GroundMetrics (www.GroundMetrics.com) was founded in 2010 to commercialize a new class of electromagnetic sensing technologies for geophysical applications and to provide advanced survey and monitoring services directly to oil, gas, mining, geothermal, and environmental companies. Our sensor systems can provide high quality data while operating in challenging environments such as the desert, frozen tundra, and solid rock in addition to extremely hot and cold temperatures. Our low power transmitter can penetrate reservoirs at depth and enable imaging between and beyond oil wells without deploying instrumentation in the oil well, which decreases costs and increases safety and survey speed. Together these technologies expand existing markets and unlock new applications.

About Tech Coast Angels

The Tech Coast Angels is the largest angel investment organization in the U.S., with over 300 members in 5 regional Networks covering all of Southern California. TCA members have invested over \$120 million in more than 200 companies, and these companies have gone on to attract over \$1 billion in additional investment capital. More information at www.techcoastangels.com.

About the ACE Fund

The ACE Fund is managed by the Tech Coast Angels. ACE has invested in twenty-one early stage companies in the medical and technology arenas since its inception in 2010. Information is available at www.techcoastangels.com/ace-fund.

About Rady Venture Fund

The Rady Venture Fund is a student-assisted VC investment fund at The Rady School of Management at UC San Diego. Rady is a business school at the confluence of business, science, and technology. Our MBA program encourages students to be visionaries who pursue the extraordinary, incubate new ideas, reinvent existing businesses, and establish new companies. To find out more about the Rady School visit www.rady.ucsd.edu.

About Crescent Ridge Partners Ventures

Crescent Ridge Partners Ventures (CRP Ventures) is a venture fund that provides seed capital to early stage start-ups. CRP Ventures actively invests in entrepreneurs developing disruptive technologies across all industries who have the passion, vision, and experience to build successful and sustainable companies, visit www.crpventures.com.

About La Costa Investment Group

La Costa Investment Group looks to bridge the gap between angel investors and big venture capital funds. They provide capital and support to disruptive, emerging-growth companies looking to challenge the status quo in their respective industries. The firm has headquarters in San Diego, CA. For more information, visit www.lacostainvestmentgroup.com.

About Rancho Santa Fe Partners

Rancho Santa Fe Partners is a strategic advisory firm that supports emerging growth companies through investments and advisory services and provides capital raising, business formation, and strategic planning advisory services. RSFP has advised companies in industry verticals that include Internet commerce, mobile marketing, life sciences/biotech, medical devices, payment solutions, entertainment distribution, aerospace and defense, airport security, and consumer/retail. www.ranchosantafepartners.com

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