

Blue Sphere Announces Receipt Of A Signed Commitment Letter To Provide The Debt Financing In Respect Of Its 5.2 MW Organics-To-Energy Project In NC From Cat Financial

EVEN YEHUDA, Israel, July 16, 2013 /PRNewswire/ -- Blue Sphere Corp. (OTCBB: BLSP) (the "Company" or "Blue Sphere"), a company in the Cleantech sector as a waste-to-energy and clean energy project integrator, is pleased to announce that its Charlotte, North Carolina project, a 5.2 MW organics-to-energy anaerobic digester, has received a signed commitment letter from Caterpillar Financial Services Corporation, the financial arm of Caterpillar Inc. (NYSE: [CAT](#)), to provide \$17.785 million in debt financing. Blue Sphere has accepted the commitment letter and has paid a non-refundable commitment fee of \$177,852 to Cat Financial. This commitment is 100% of the debt financing required for the project.

Blue Sphere, along with its partner, Biogas Nord, AG of Germany, is acting as integrator of the Charlotte project, through its Joint Venture company, Bino Sphere. Biogas Nord has designed and built over 400 waste-to-energy plants in Europe, Africa and the Middle East. With the debt financing now committed, Blue Sphere is in the process of completing all closing conditions, including investment tax credit monetization, feedstock supply and permits. Blue Sphere expects to break ground on construction in the 3rd quarter of 2013. Upon the completion of the Charlotte project, expected in the third quarter of 2014, Blue Sphere will continue as project manager and retain a 37.5% ownership position in the Charlotte project. Shlomi Palas, CEO of Blue Sphere Corp. commented, "This commitment letter from Cat Financial means that 100% of the debt project financing is now committed to our 5.2 MW organics-to-energy project. Our next step is to prepare and enter into final definitive agreements with Cat Financial to start the disbursement of cash and commence construction. The terms of the commitment letter give us until August 14, 2013 to close. Commencement of construction will, in turn, enable Blue Sphere to begin earning revenue pursuant to the terms of our joint venture with Biogas Nord. Once the project is commissioned, which should take up to 12 months from the start of construction, Blue Sphere will start earning operating and management revenue from the sale of contracted electricity into the local grid owned by Duke Energy, Inc. In parallel, Blue Sphere continues to make progress on the implementation of our second project, a 3.2 MW organics to energy anaerobic digester project in Rhode Island. We expect the second project could begin construction by the end of 2013."

For further information please contact Shlomi Palas at 704-9092806 or info@bluespherecorporate.com.

About Blue Sphere Corp.

Blue Sphere Corp. is a company in the cleantech sector as a waste-to-energy project Integrator. Blue Sphere develops waste-to-energy and other renewable energy projects. The Company aspires to become a key player in the global waste-to-energy and renewable energy markets. For further information please visit the Company's website www.bluespherecorporate.com

Forward-Looking Statements

This press release contains forward-looking statements *within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and as that term is defined in the Private*

Litigation Reform Act of 1995, which are subject to risks and uncertainties and may change at any time. Among these are: These statements are only predictions and involve known and unknown risks, uncertainties and other factors including, without limitation, (i) uncertainties regarding our ability to obtain adequate financing on a timely basis including financing for specific projects, (ii) the financial and operating performance of our projects after commissioning, (iii) uncertainties regarding the market for and value of carbon credits and other environmental attributes, (iv) political and governmental risks associated with the countries in which we operate, (v) unanticipated delays associated with project implementation including designing, constructing and equipping projects, as well as delays in obtaining required government permits and approvals, (vi) the development stage of our business and (vii) our lack of operating history. As such, there is no assurance that the initiatives described in the press release will be successfully implemented or meet expectations.

The Company assumes no obligation to update the information in this release.

SOURCE Blue Sphere