



FOR IMMEDIATE RELEASE  
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FOR MORE INFORMATION:  
Ken Tucker (208) 263-0564

### **Taglich Private Equity Completes Acquisition of Lignetics, Inc.**

Sandpoint, Idaho – Ken Tucker, CEO of Lignetics, Inc. (“Lignetics”), announced today the acquisition of Lignetics by Taglich Private Equity LLC (“Taglich”), in conjunction with Management and Gladstone Capital Corporation, which provided subordinated debt and equity financing. Texas Capital Bank provided senior debt in support of the transaction. "Completing this transaction marks the beginning of an exciting new chapter in Lignetics' history as the market leader in the residential wood pellet industry," Tucker said. "The management team of Lignetics is very excited to be partnering with Taglich, and looks forward to its support of our Company's continued growth and development."

Tucker also noted that the transaction will give Lignetics the capital base to pursue expansion plans. "We were looking for investors that would bring stable leadership and a long term view to the company, and this transaction has accomplished that," said Tucker. "We are excited about the growth opportunities in our business and believe we have chosen excellent partners to support us."

William Morris, Managing Director of Taglich Private Equity, added "Taglich is excited about our investment in Lignetics and we are proud to be able to support the management team in the continued growth of the organization, both organically and through add-on acquisitions. We view our investment as a true partnership with Ken and his team and are very excited about the Company's future growth prospects."

The Spartan Group LLC acted as exclusive financial advisor to Lignetics in this transaction.

Founded in 1983 and headquartered in Sandpoint, ID, Lignetics manufactures and distributes branded wood pellets from its three U.S. production facilities. With more than 30 years in the wood pellet industry, Lignetics is one of the founding pioneers of manufacturing premium wood pellets and Pres-to-Logs® fire logs for home heating. Lignetics has a long tradition of providing the highest quality wood pellets used as a renewable fuel for home and industrial heating, animal bedding under its “EZ Equine” brand, absorption products used in the oil & gas industry as well as barbeque wood pellets. Lignetics also manufactures all-natural Pres-to-Logs® fire logs, which along with their wood pellets, are 100% renewable and are generated from recycled sawdust at lumber and flooring manufacturing facilities that could otherwise be destined for landfills. Only all-natural materials are used in the production of Lignetics wood pellets and Pres-to-Logs® fire logs, ensuring a clean and safe burn.

Taglich Private Equity LLC is a financial sponsor which has been investing since 2001 in lower middle market manufacturing, business service and consumer product companies. Taglich has completed transactions totaling over \$450 million funded primarily with capital provided by Taglich Brothers, Inc., a full service brokerage firm managing capital in both public and private investments. Taglich focuses on finding sound investment opportunities with capable management and delivering significant growth resources and capital to portfolio investments. For more information on Taglich Private Equity LLC please visit [www.taglichpe.com](http://www.taglichpe.com).