

Capricorn Business Acquisitions Inc. announces Qualifying Transaction with Caldera Geothermal Inc.

TORONTO, April 8 /CNW/ - Capricorn Business Acquisitions Inc. (TSX-V: CAK.P) ("Capricorn" or the "Company"), a capital pool company, is pleased to announce that it has entered into an arm's length binding letter agreement (the "Agreement") dated March 31, 2010 with Caldera Geothermal Inc. ("Caldera"), a non-reporting issuer, pursuant to which Capricorn will, subject to a number of conditions, acquire all of the issued and outstanding securities of Caldera. The transaction will constitute the Company's qualifying transaction (the "Qualifying Transaction" or "QT") under the policies of the TSX Venture Exchange (the "Exchange"). Following completion of the Qualifying Transaction, it is anticipated that the resulting issuer will be a Tier 2 geothermal exploration company.

Pursuant to the Agreement, Capricorn has agreed to form a new corporation ("Newco") for the purpose of amalgamating with Caldera. Newco will be a wholly-owned subsidiary of the Company and will be created under the Business Corporations Act (Ontario). As a condition of the amalgamation, the shareholders of the Company will be asked to approve: (i) a consolidation (the "Share Consolidation") of the common shares of the Company (the "Company Shares") on the basis of two (2) old shares for one (1) new share; and (ii) a change of the Company's name to "Caldera Geothermal Inc." or such other name as may be selected by Caldera. If approved, the Share Consolidation would become effective immediately prior to completion of the Qualifying Transaction. All share numbers and pricing herein assumes completion of the Share Consolidation prior to closing of the Qualifying Transaction.

Upon the amalgamation of Caldera and Newco, the holders of common shares in the capital of Caldera ("Caldera Shares") will be entitled to receive one (1) post-consolidated common share in the capital of Capricorn (a "Post-Consolidated Company Share") for each one (1) Caldera Share. The foregoing Post-Consolidated Company Shares will be issued at an ascribed price of \$0.30 per Post-Consolidated Company Share. In addition, all securities convertible into Caldera Shares will become securities convertible into Post-Consolidated Company Shares on the same exchange basis and having the same terms as Caldera convertible securities. Currently, Capricorn has 8,644,400 Company Shares issued and outstanding. Capricorn also has 864,440 stock options and 574,440 agent's options issued and outstanding exercisable into Company Shares.

Capital Structure of Caldera

Caldera currently has 22,284,058 Caldera Shares issued and outstanding. Caldera also has the following convertible securities issued and outstanding:

- 2,652,546 warrants with each warrant exercisable into one Caldera Share at an exercise price of \$0.25 per Caldera Share;
- 400,000 warrants with each warrant exercisable into one Caldera Share

at an exercise price of \$0.20 per Caldera Share;

- 9,425,637 warrants exercisable into one Caldera Share at an exercise price of \$0.25 per Caldera Share at any time prior to February 19, 2013, \$0.30 per Caldera Share at any time between February 19, 2013 and February 19, 2014, and \$0.35 per Caldera Share at any time between February 19, 2014 and February 19, 2015. Notwithstanding the above, in the event that the shares of Caldera or the common shares of a parent company of Caldera, as the case may be, trade at or above a closing market price on a recognized stock exchange of \$0.50 per share for a period of twenty (20) consecutive trading days at any time during the exercise period, Caldera may accelerate the exercise period by giving at least thirty (30) days prior written notice to the warrant holders, and in such case the warrants shall expire on the 30th day after the date on which such notice is delivered by Caldera, or such later expiry date set out in the notice;
- 291,865 agent options with each agent option exercisable into a unit of Caldera at an exercise price of \$0.10, each unit comprised of one Caldera Share and one-half of one Caldera warrant, with each whole Caldera warrant exercisable into a Caldera Share at an exercise price of \$0.25;
- 663,557 agent options with each agent option exercisable into a unit of Caldera at an exercise price of \$0.20, each unit comprised of one Caldera Share and one-half of one Caldera warrant, with each whole Caldera warrant exercisable into a Caldera Share at an exercise price of \$0.25; and
- 2,141,400 stock options exercisable into Caldera Shares at a price of \$0.20 per Caldera Share.

In addition, prior to completion of the Qualifying Transaction, Caldera expects to issue up to 87,000 stock options exercisable into Caldera Shares at the exercise price of \$0.30 per Caldera Share.

The principal stakeholders of Caldera are 1599597 Ontario Inc., a private company based in Toronto, Ontario that owns beneficially, directly or indirectly, or exercises control or direction over approximately 22.4% of Caldera's Shares, and Foundation Financial Holding Corp. ("FFH"), which owns and operates a Toronto based Merchant Bank and Exempt Market Dealer, that owns beneficially, directly or indirectly, or exercise control or direction over approximately 16.3% of the Caldera Shares. The spouse of Wesley Hall (of Toronto, Ontario), a director of Caldera, holds a controlling interest in 1599597 Ontario Inc. FFHC is controlled by Jeremy Goldman (of North York, Ontario), Yannis Banks (of Toronto, Ontario) and The Goomie Trust, a trust formed under the laws of the Province of Ontario, whom together hold over a 77% interest in FFHC. In addition, Caldera's management, who as a group, own beneficially, directly or indirectly, or exercise control or direction over approximately 19.3% of the issued and outstanding Caldera Shares. Caldera's management consists of Richard Zehner (of Reno, Nevada) and Michael Newman (of Richmond Hill, ON, who own approximately 10.2% and 9.1% of the issued and outstanding Caldera Shares respectively. The balance of the Caldera Shares are held by approximately 66 additional shareholders.

Contemplated Financings

Caldera shall complete a financing (the "QT Financing") concurrent with the completion of the Qualifying Transaction in order to meet the Minimum Listing Requirements of the Exchange. It is expected that the QT Financing will be comprised of a minimum of 1,666,667 units of Caldera ("QT Units"), priced at a price of at least \$0.30 per unit (the "QT Financing Price"), with each unit comprised of one Caldera Share (a "QT Unit Share") and up to one warrant (a "QT Warrant"), with each full warrant exercisable into a Caldera Share at an exercise price of no less than \$0.40 for 24 months from the completion date of the Qualifying Transaction.

It is expected that the net proceeds of the QT Financing will be used to complete additional exploration and temperature gradient drilling on the McGee Property (as defined and described below), conduct further exploration on Caldera's other existing properties, and to make acquisitions of additional geothermal leases in Nevada.

The QT Financing will be led by Foundation Markets Inc. ("FMI"), a Toronto based investment bank and Exempt Market Dealer owned by FFHC. As compensation for its services, FMI will receive a cash commission of seven percent (7%) of the gross proceeds of the QT Financing and a number of broker warrants (the "Broker Warrants") equal to seven percent (7%) of the number of QT Units subscribed for pursuant to the QT Financing, or as otherwise agreed between Caldera and FMI. Each Broker Warrant is exercisable into one QT Unit at the QT Financing Price. Holders of Caldera securities issued pursuant to the QT Financing will be entitled to receive equal number of securities in the capital of Capricorn having the same terms and conditions as the Caldera securities held.

Resulting Issuer Capital Structure

It is expected the Company will change its name to Caldera Geothermal Inc. soon after completing the Qualifying Transaction. Assuming the Share Consolidation, the proposed amalgamation, and assuming the completion of the minimum QT Financing (with each QT Unit comprised of one QT Warrant), the Company will have 28,272,925 Company Shares, 14,144,850 warrants, 1,242,642 agent options, 116,667 Broker Warrants (exercisable into 116,667 Company Shares and 116,667 Company warrants) and 2,660,620 stock options issued and outstanding.

Closing Conditions

The closing of the Qualifying Transaction with Caldera is subject to a number of conditions, including, but not limited to the following:

1. receipt of gross proceeds pursuant to the QT Financing of not less than \$500,000 or otherwise as required for the resulting issuer to meet the Minimum Listing Requirements of the Exchange;
2. receipt of an exemption or waiver of sponsorship;
3. receipt of all required regulatory approvals, including the approval of the Exchange, of the Qualifying Transaction;

4. completion of all due diligence reviews;
5. receipt of all director and shareholder approvals as may be required under applicable laws or regulatory policies on or before October 31, 2010;
6. satisfaction of the Minimum Listing Requirements of the Exchange and all requirements under the Exchange rules relating to completion of a "Qualifying Transaction"; and
7. execution of a formal amalgamation agreement (the "Amalgamation Agreement") on or before October 31, 2010.

Sponsorship of a qualifying transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies. Capricorn intends to apply for an exemption from sponsorship requirements, however, there is no assurance that Capricorn will obtain this exemption. In addition, the stock will likely remain halted pending completion of the Qualifying Transaction.

A filing statement in respect of the proposed Qualifying Transaction will be prepared and filed in accordance with Policy 2.4 of the Exchange on SEDAR at www.sedar.com no less than seven business days prior to the closing of the proposed Qualifying Transaction. A press release will be issued once the filing statement has been filed as required pursuant to Exchange policies.

Proposed Management and Directors of the Resulting Issuer

As part of the completion of the Qualifying Transaction, Caldera's current management will assume responsibility for the Company and the Company's board of directors will be comprised of a total of eight (8) directors, of which seven (7) individuals will be the nominees of Caldera and Capricorn's nominee will be Yvan Routhier. Caldera's nominees are to be selected from Caldera's current board of 8 directors, being Lewis Reford, Michael Newman, Richard Zehner, Wesley Hall, William Kennedy, Ann Carpenter, Jane Mackay, and Yannis Banks. The following are brief descriptions of Caldera's management team and its proposed nominees that will, collectively, assume management responsibility for the Company upon completion of the Qualifying Transaction:

Lewis Reford, Chairman of the Board, Director

Mr. Reford is an energy and finance professional with executive leadership and operational experience in North America and internationally. Mr. Reford is currently CEO of Schneider Power Inc. (TSXV: SNE), a renewable energy developer, and a director of McArthur & Associates, a private investment company. Previously, Mr. Reford served as a consultant to Gazit Canada, providing renewable energy and corporate finance advisory services from 2008 to 2009. He was also President and CEO of MGI Securities, a full-service Canadian brokerage firm from 2006 to 2007 and Managing Director with J.P. Morgan Securities in New York and Toronto from 1998 to 2005. In addition, Mr. Reford currently serves on the Board of Directors of Gazit America Inc., a TSX listed real estate investment company (TSX: GAA). Mr. Reford has a background in the energy industry and excellent relationships with senior corporate and government leaders in Canada and institutional investors across North America. Mr. Reford

holds a bachelor of science degree in geophysical engineering from the Colorado School of Mines.

Michael Newman, Chief Executive Officer, Director

Mr. Newman was most recently CEO of InterRent Real Estate Investment Trust (TSX: IIP.UN/IIP.DB) from 2006 to 2009, and President and CEO of InterRent International Properties Inc. (TSX-V: IIP) from 1999 to 2006. InterRent was founded by Mr. Newman in 1997 to acquire small multi-unit residential properties within the Greater Toronto Area and under his leadership, InterRent was named one of Canada's 100 Fastest Growing Companies by Profit Magazine in 2008 and 2009. Prior to starting InterRent, Mr. Newman was managing director of two family owned investment/merchant banks, as well as having been involved in ownership and management roles in a number of private and public companies in the electronics and telecommunications industries in Canada, the US, Middle East and Europe. Mr. Newman currently serves on the board of SKOR Food Group Inc. (TSX-V: SKF), and on the advisory board of The Succession Fund (one of Argosy Funds' private equity funds).

Richard Zehner, President, Director

Mr. Zehner was previously a Research Scientist at the Great Basin Center for Geothermal Energy, part of the University of Nevada, Reno. His work included publishing over 80 geothermal-related GIS layers to aid in grass roots exploration, many derived from data collected by UNR researchers. He assembled a groundwater geochemical database to target Great Basin geothermal systems and helped develop exploration tools such as the 2m thermal probe. He has over 20 years experience exploring for active and fossil geothermal systems primarily in the Great Basin.

William Kennedy, Director

Mr. Kennedy has over 40 years of experience in the investment industry including with T.A. Richardson & Co., Draper Dobie & Co., and Burns Bros. & Denton (now BMO Nesbitt Burns). He has held positions on numerous boards of public and private companies including Aur Resources Inc., a TSX listed company which was ultimately acquired by Teck-Cominco in 2007 for \$4.1 billion and went from a start-up company to US\$295M in earnings in 2006. Mr. Kennedy chaired the Audit Committee from 1987-2005 and was a member of the Compensation, Nominating and Governance Committees.

Wesley Hall, Director

Mr. Hall has over 15 years experience in Corporate Governance and Shareholder Communications. He founded Kingsdale Shareholder Services Inc. in 2003, Kingsdale Communications Inc. in 2009 and has been sought out to lead some of the high profile deals in North America including Petro Canada's \$19 billion merger with Suncor Energy. Mr. Hall acts as director on the board of the Limited Market Dealers Association of Canada (LMDA). Mr. Hall is an Ernst & Young Entrepreneur Of The Year 2009 award recipient in Ontario.

Ann Carpenter, Director

Ms. Carpenter is a geologist with over 25 years of experience in exploration and mine project development. She is currently President and CEO of Remote Energy Solutions, which focuses on renewable energy and energy efficiency for the mining industry. Previously, Ann was President and CEO of U.S. Gold Corp. from 2005-2007 and is currently a director at Maestro Ventures.

Jane Mackay, Director

Ms. Mackay is a geologist and has worked in the Renewable Energy industry for the past 10 years, most recently as President and CEO of EnerAsia Renewable Corp., an Asia-focused wind and hydro development company. Her previous involvements include founder and President of Wind Works Energy Corp. (acquired by Creststreet Capital in 2007), founder and Director of Vindt Resources Inc. (amalgamated with Shear Wind Inc.). Prior to working in Renewable Energy, Ms. Mackay worked in Asia in the mining and exploration industry for over a dozen years and was President of PT KTR, a Phelps Dodge company located in Indonesia.

Yannis Banks, Director

Mr. Banks is Managing Director at FMI, a Toronto-based investment bank and corporate finance advisory group. He leads the energy and commodity practices for FMI with a focus on financing and advising growth companies and evaluating and acquiring energy and mineral projects. His experience includes working with renewable energy, mining and oil and gas companies in North and South America and Asia.

Yvan Routhier, Director

Mr. Routhier is currently the President and Director of Deltapac Packaging Inc., a Montreal-based manufacturer of plastic bottles and jars since November 2005. Mr. Routhier is also Secretary and a director of Sonoma Capital Inc., an unlisted capital pool company. Prior to this, Mr. Routhier was Vice-President, Business Development at GE Capital from 2000 through 2003 and has held a number of Account Manager positions at the National Bank of Canada, Banque Nationale de Paris, and Bank of Montreal. Mr. Routhier was awarded a Baccalaureate in Business Administration at Laval University in 1987 and an MBA at McGill University in 1997.

About Caldera Geothermal Inc.

Caldera, incorporated under the Business Corporations Act (Ontario) in August 2008, is a geothermal exploration and development company focused on the Great Basin region of the western United States. The Great Basin region is attractive for geothermal development because it possesses proven geothermal resources, it is close to large markets for renewable power and it benefits from a favourable regulatory environment. Caldera uses an innovative exploration approach to discover new geothermal systems while mitigating technical and financial risk in the early and middle phases of resource identification. Caldera currently controls over 22,000 acres of geothermal leases in Nevada including its flagship McGee Mountain project (the "McGee Property") in northwestern Nevada, for which Caldera was awarded a \$1.6 million Department

of Energy grant to further develop the property. Caldera successfully raised \$1.9 million through a private placement in February 2010. Caldera's near term objectives are to conduct temperature gradient drilling on the McGee Property and undertake additional surface and geophysical work on its other properties. Longer term, Caldera's goals are to establish a technical leadership position in the "discovery" and exploration component of the geothermal value chain and build a major pipeline of projects, thereby capturing a dominant share of the Great Basin's undiscovered geothermal resources.

About Foundation Markets Inc.

Foundation is a Toronto-based boutique investment bank and corporate finance advisory firm licensed as an Exempt Market Dealer. The firm is focused on working with small- and medium-sized companies with rapid growth potential, specializing in assisting pre-public clients in accelerating access to private capital and executing going-public transactions. FMI also works with public companies on financing, mergers and acquisitions transactions, and strategic advisory services.

About Capricorn Business Acquisitions Inc.

The Company is a TSX Venture Exchange listed company and classified as a Capital Pool Corporation as defined in the TSX Venture Exchange Policy 2.4 by raising \$574,000 in conjunction with its Initial Public Offering in March 2010. The Company's principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction within the meaning of Exchange policies

Completion of the Qualifying Transaction is subject to a number of conditions including, but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed, or at all.

Investors are cautioned that, except as disclosed in the or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.

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For further information: Capricorn Business Acquisitions Inc., Yvan Routhier, President and Director, (514) 352-5546, yvanrouthier@deltapac.ca; Caldera Geothermal Inc., Michael Newman, CEO, Director, (905) 773-2436, mnewman@calderalgeothermal.com; Foundation Markets Inc., Yannis Banks, Managing Director, (416) 777-6169, ybanks@foundationmarkets.com