



Dogwood Equity Announces Realization of Ajax Rolled Ring & Machine Investment

Raleigh, North Carolina – Dogwood Equity, manager of the North Carolina Economic Opportunities Fund, is pleased to announce that the Fund completed the sale of Ajax Rolled Ring & Machine (“Ajax”) to Prospect Capital Corporation (NasdaqNM: PSEC). Dogwood invested \$5.5 million as part of the acquisition of Ajax on October 28, 2005; this is the Fund’s third exit.

Ajax is a custom forger of seamless rolled steel rings located in York, South Carolina. Ajax operates two ring rolling mills within a 140,000 square-foot facility, with value-added services including engineering, heat-treating, shot blasting, and machining. Ajax's rings range in diameter from seven to 120 inches. The rings are used by Ajax's various blue chip customers as key components in the manufacturing of a range of capital goods, including equipment used in the global construction, mining, petrochemical, power generation (both traditional and wind power), industrial machinery, and other diversified markets. The company employs approximately 75 employees. Ajax will continue to be led by President and CEO Simon Ormerod, who has been with the Company since Dogwood hired him in March 2006.

For more information about the Company please visit (www.ajaxring.com).

Dogwood Equity I (www.dogwoodequity.com) is a \$74 million private equity fund that invests \$1 million to \$7 million in small capitalization buyout and growth capital transactions. Dogwood targets certain sectors including consumer products, manufacturing, distribution and service.

Prospect Capital Corporation (www.prospectstreet.com) is a closed-end investment company that lends to and invests in private and microcap public businesses. Prospect Capital's investment objective is to generate both current income and capital appreciation through debt and equity investments.