

Lime Energy's AEM Subsidiary Completes \$6 Million in Energy Efficiency Upgrades

Complicated Work Completed in Record Time for a National Package Handler

ELK GROVE VILLAGE, ILLINOIS—October 20, 2009—Lime Energy (NASDAQ: LIME), one of the nation's leading energy efficiency and renewable energy solutions providers, today announced their Applied Energy Management (AEM) Division has completed work totaling \$6 million in energy efficiency upgrades in six states. The work was completed for an ESCO partner to provide new lighting and advanced lighting controls for client facilities in Connecticut, Maryland, Massachusetts, Oklahoma, Pennsylvania, and Virginia. AEM completed the work on schedule to meet an important customer deadline at the end of the third quarter.

The project involved 10 large package handling facilities with a total area of 3.3 million square feet. Electricity savings are projected to exceed 16.5 million kilowatt-hours (kWh) saved per year. In addition to the substantial reductions in utility bills, the forecast energy savings equate to avoiding 10,000 metric tons of carbon dioxide emissions per year, or taking 1,900 cars permanently off the road.

"Our lighting design and engineering team started with a blank sheet of paper to analyze all opportunities and then we provided multiple solution options before making the final design decision with our ESCO client," said Jim Smith, President of Public Sector and Regional Construction for Lime Energy. "In this case, the customer considered not only their current utility costs and long-term maintenance costs, but also how the quality of light improves the working environment. Where appropriate, we recommended advanced lighting controls that use the internet to reconfigure their zones at any time to provide the customer with a flexible operations work space in the future." To save the most energy, some of the sites include bi-level lighting to provide minimal light levels when spaces are not fully occupied.

"We installed best practice technology in several similar facilities six years ago, and those projects have more than paid for themselves," added John O'Rourke, COO of Lime Energy. "Today, however, technology has improved and electricity costs have risen to the point that these latest installations will pay for themselves quickly again. We are seeing that private business and the public sector are looking hard at every available opportunity to reduce their overhead expenses and obtain better energy productivity. Energy efficiency projects like this create jobs, reduce operating expenses, and provide attractive returns on taxpayer dollars."

About Lime Energy

Lime Energy is a leading provider of integrated energy engineering, consulting and implementation solutions specializing in improving the energy efficiency of our clients' facilities, reducing their operating costs and carbon emissions. We focus on two specific markets: the commercial and industrial market, including utilities, and the public sector market, working primarily with energy service companies ("ESCOs"). Our clients include commercial and industrial businesses, property owners and managers,

utilities, and ESCOs serving U.S. government and educational institutions. We focus on deploying solutions to reduce the energy-related expenditures of our client's facilities and the impact of their energy use on the environment, including energy efficient lighting upgrades, energy efficiency mechanical and electrical retrofit and upgrade services, water conservation, weatherization and renewable project development and implementation. We provide energy efficiency solutions across all of our clients' facilities, ranging from high-rise office buildings to manufacturing plants, retail sites, mixed use complexes and large, government sites to small, local facilities. The company's stock is traded on NASDAQ under the symbol LIME. Additional information is available at the company's website at www.lime-energy.com or by calling 847-437-1666.

FORWARD-LOOKING STATEMENTS

This news release includes forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 including statements that reflect Lime Energy's current expectations about its future results, performance, prospects and opportunities. Lime Energy has tried to identify these forward-looking statements by using words and phrases such as "may," "expects," "anticipates," "believes," "intends," "estimates," "plan," "should," "typical," "preliminary," "hope," or similar expressions. These forward-looking statements are based on information currently available to Lime Energy and are subject to a number of risks, uncertainties and other factors that could cause Lime Energy's actual results, performance, prospects or opportunities in 2008 and beyond to differ materially from those expressed in, or implied by, these forward- looking statements. These risks are referenced in Lime Energy's current Annual Report on form 10-K or as may be described from time to time in Lime Energy's subsequent SEC filings; and such factors as incorporated by reference.

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